Housing Authority of the City of Pittsburgh

Moving to Work Demonstration Program Year 17 (FY 2017) Annual Plan

Submitted to HUD November 1, 2016

Caster D. Binion
Executive Director
200 Ross Street, 9th Floor
Pittsburgh, PA 15219

Housing Authority of the City of Pittsburgh

Moving To Work Annual Plan

2017

Section I. Introduction

A. Table of Contents

2. Appendices

A. Appendix I: Local Asset Management Plan (LAMP)

B. Appendix II: Revised HACP MTW Homeownership Program

C. Appendix III: Statement of Flat Rent Policy

D. Appendix IV: Rental Assistance Demonstration

B. Overview of HACP's Moving To Work Goals and Objectives

The Housing Authority of the City of Pittsburgh (HACP)'s overarching Moving To Work (MTW) Goals are as follows:

1. To reposition HACP's housing stock to preserve and expand affordable housing options and stabilize neighborhoods. These efforts are designed to result in housing that is competitive in the local housing market, is cost-effective to operate, provides a positive environment for residents, and provides broader options of high quality housing for low-income families.
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.
3. To increase housing choices for low income families through initiatives designed to increase the quality and quantity of housing available to households utilizing tenant-based rental assistance and other available resources.

In pursuit of these goals, HACP will continue Moving To Work activities initiated in prior years, and is not proposing any new activities for 2.

<u>Proposed New Activity Summary</u>

HACP does not propose any new activities in this 2017 Annual Plan. HACP will continue panning for a Landlord Risk Reduction Fund (LRRF) and other initiatives to expand the number of landlords participating in the Housing Choice Voucher (HCV) program and thus increase the number of Housing Choice of Voucher (HCV) participants. The LRRF is designed to provide financial assistance to landlords to mitigate damages caused by tenants as a result of their occupancy under the HCV program. The goals of the program are to reduce private market landlord concerns regarding rental income loss due to HCV tenant caused property damage, as well as to preserve the number of units available to current program participants through damage loss mitigation.

<u>Ongoing/Implemented Activity Summary</u>

1. Pre-Approval Inspection Certification for Multi-Unit Housing

Approved in 2015, HACP permits Inspection Certifications prior to submission of the Request for Tenancy Approval when there are multiple units in a single building and the owner agrees to rent the units to qualified Housing Choice Voucher program participants. This initiative is intended to streamline the inspection process and encourage more landlords to participate in the program.

2. Preferred Owners Program

Approved in 2015, the Preferred Owners Program provides incentives to landlords to participate in the Housing Choice Voucher Program and to provide quality housing units in a variety of neighborhoods. Participating landlords must consistently pass Housing Quality Standards (HQS) inspections and participate in annual training. In return, they can be eligible for priority inspection scheduling, biennial inspections for some units, and other inspection incentives; can receive vacancy payments in certain situations, and will receive priority placement of their listings on the HACP apartment listings web site.

3. 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 (LIPH) that was 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 self-sufficiency program, including but not limited to the HACP Family Self-Sufficiency program (FSS), other Local Self-Sufficiency program (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 (HAP) costs to the Authority.

4. 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, increased rent collections, and increased level of families working.

5. 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.

6. 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.
c. Homeownership Program eligibility includes persons on the LIPH and HCV program waiting list; or persons otherwise eligible for public housing or Housing Choice Voucher Programs but may not be current participants or currently on an HACP waiting list.
d. Establishing a Homeownership soft-second mortgage waiting list if needed for households with mortgage pre-approvals.

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, and expands housing choices for participating households. HACP also believes this program provides incentives for families to pursue employment and self-sufficiency through the various benefits offered; however, HUD's standard metrics do not effectively apply to this initiative so it has been removed as a formal goal.

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. 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. This was further expanded in August 2013 to include those otherwise eligible but not currently a participant of the HCV or LIPH programs or on any HACP waiting lists.

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.

7. 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.

8. 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 the Exception Payment Standard at 120% of FMR as a Reasonable Accommodation for a person with disabilities. HACP has not utilized it's authority to establish Exception Payment Standard Areas since 2007. Allowing the HACP the opportunity 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 will continue to allow an Exception Payment Standard of up to 120% of FMR as a reasonable accommodation for persons with disabilities.

In 2013, HACP received approval for a modification to this activity allowing HACP to establish an Exception Payment Standard of up to 120% of FMR for new construction or rehabilitation that creates fully accessible units meeting the requirements of the Uniform Federal Accessibility Standard (UFAS) in order to promote and support the creation of additional accessible units available to low-income families.

HACP does not currently have any Exception Payment Standard Areas, and does not propose any in 2017.

In 2016, in response to rapidly changing market conditions, HACP requested and received HUD approval for a Success Rate Payment Standard for the entire jurisdiction, raising the effective payment standard to 119% of the Fair Market Rent. This was requested and approved through standard regulation and approval processes, not through the MTW Plan process.

The city of Pittsburgh is comprised of 90 different neighborhoods containing disparate rental markets, even within the same zip code. HACP plans to develop a local payment standard methodology to determine payment standard areas as an alternate approach to either existing Exception Payment Standard Area rules, or under the proposed Small Area Fair Market Rent rule. HACP will work with a variety of partners (Universities, the City Planning Department, and other resources) to identify and establish payment standard areas and will include its proposed policy in a future MTW Annual Plan or amendment.

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

9. Use of Block Grant Funding Authority to support Development and Redevelopment Activities through the *Step Up To Market Financing Program*

Originally approved in 2012, HACP is permitted the Use of Single Fund Flexibility to support development and redevelopment via the *Step Up To Market Financing Program*. HACP will expand its use of the block grant authority provided in the Moving To Work Agreement to leverage debt to fund public housing redevelopment and modernization in order to address additional distressed properties in HACP's housing stock. Specifically, HACP will identify properties for participation in the *Step Up To Market Financing Program* and will utilize one or more strategies (subject to any required HUD approvals), including but not limited to the following: 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 levels not to exceed 150% of the FMR as needed to ensure viability of identified redevelopment projects (subject to a rent reasonableness evaluation and a subsidy layering review); and Extending Eligibility for project based units to families with incomes up to 80% of AMI.

HACP will submit full development proposals to HUD as per standard protocols.

On-Hold Activity

The HACP has one activity that could be considered as 'on hold' that is actually a subset of an implemented activity. It is as follows:

- Exception Payment Standard Areas- HACP suspended its Exception Payment Standard Area in 2007 in order to reduce costs and streamline administration. In response to changes to the local market, HACP plans to develop new payment standard methodologies to increase housing choice for voucher families.

Other Activities

Several activities that utilized Moving To Work Authority, but are not identified as specific initiatives waiving specific regulations were previously included in the initiative section but no longer require that separate listing. They are as follows:

- Use of Block Grant Funding Authority to support Development and Redevelopment, Enhanced and Expanded Family Self-sufficiency and related programming, and the HACP MTW 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. Additional information on the use of Single Fund block grant authority is included in other sections of this MTW Plan, particularly Section V. on Sources and Uses of funds.

- 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 completed for 2012. HACP's

objectives include realizing substantial energy cost savings. HACP reports on the EPC in the MTW Annual Report.

- 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 a 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 the Appendix, Local Asset Management Program. HACP will continue to develop and refine its Local Asset Management Program to reduce costs and increase effectiveness.

Rental Assistance Demonstration Significant Amendment

The Housing Authority of the City of Pittsburgh was a successful applicant in the Rental Assistance Demonstration (RAD). As a result, the Housing Authority of the City of Pittsburgh is currently converting three (3) public housing communities to Project Based Rental Assistance under the guidelines of PIH Notice 2012-32, REV-1 and any successor Notices. Upon conversion to Project Based Rental Assistance (PBRA) the Authority will adopt the resident rights, participation, waiting list, and grievance procedures listed in Section 1.7 of PIH Notice 2012-32, REV-2; and Joint Housing PIH Notice H-2014-09/PIH-2014-17. These resident rights, participation, waiting list, and grievance procedures are appended to this MTW Plan.

HUD has approved the conversion of 767 Low Income Public Housing units to project-based assistance under the RAD program. HACP is awaiting amendments to its current attachment and anticipates closing on the properties to occur in 2017. HACP plans to submit a 4 percent Low Income Housing Tax Credit (LIHTC) application by the end of 2016 and the financial submission plan in 2017. Appendix IV includes current information on the HACP developments of Glen Hazel, Murray Towers and Oak Hill that are proposed for RAD conversion.

Closed Out Activities

Since entering the Moving To Work Program in 2000, HACP has also instituted a number of Moving To Work initiatives that in 2017 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 Processes.
4. Transition to Site Based Management and Asset Management, including Site Based Budgeting and Accounting.

Long Term Goals and Vision

HACP's vision for its Moving To Work Program is built around three major themes that together will achieve the statutory objectives of the Moving To Work Demonstration Program.

Theme one is to reposition HACP's housing stock to compete in the local market, stabilize neighborhoods, 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 are 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 HACP (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 within the larger housing market).

Theme three is to increase housing choices for low income families through initiatives designed to increase the quality and quantity of housing available to households utilizing rental assistance and other available resources.

While the mechanisms to effectively measure all of these expected outcomes continue to be developed (especially those that are cumulative and long-term), shorter-term measures are in place for each specific MTW initiative. HACP has also added HUD's Standard Metrics, to the extent possible, to its tracking of MTW initiative impacts. See Section IV 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, Bedford Additions and Garfield Heights are replaced by Oak Hill, multiple properties across Manchester virtually indistinguishable from their neighbors, the Bedford Hill apartments, and Garfield Commons. Addison Terrace and Hamilton Larimer are in the process of being replaced by Skyline Terrace (Addison Redevelopment) and a new to be named Larimer/East Liberty development. The new senior buildings Silver Lake, the Fairmont, the Commons at North Aiken and the Legacy are 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 has been balanced by the addition of new affordable units supported by tax credits, project based housing choice vouchers, and new units rented at market rates. In some of HACP's mixed finance/mixed income developments, a portion of the market rate units are rented at levels affordable to some low-income (80% of AMI) households. Traditional Housing Choice Vouchers also support low income families and occupancy of units available in the private market.

In recent years, however, Pittsburgh has experience rapid growth in the technology and healthcare industries attracting high end developers to meet the influx of higher income residents moving to the region. Neighborhoods once abundant with affordable market rate rents have experienced a surge in pricing for both new and existing units. Low income families, including those utilizing Housing Choice Vouchers, have increasing difficulty locating units in neighborhoods of opportunity and are increasingly priced out of additional neighborhoods as the market continues to shift. There is a lack of affordable units in the City of Pittsburgh that disproportionately affects families at and below 30 percent of area medium income. HACP recognizes the affordable housing need and is working to address these concerns through a variety of strategies, including increasing landlord outreach and through plans to develop a payment standard reflective of the increasing cost of housing. One core strategy continues to be the creation of new affordable units supported by tax credits and project based vouchers. This approach has enabled HACP to continue serving substantially the same number of families as would have been served absent the demonstration.

In 2012 and 2013, in light of continued erosion of funding available for affordable housing development and redevelopment, HACP engaged in extensive collaborative work with HUD and other partners to develop new mechanisms for financing redevelopment of distressed properties. The resulting *Step Up To Market Financing Program*, as detailed in Section IV, was designed to be a key component of future HACP repositioning activities.

HACP has also invested in its successful housing in recent years, including completion of partial comprehensive modernization at the Glen Hazel and PA-Bidwell high-rises, and a complete renovation and modernization of the Mazza Pavilion. Additional modernization work at many sites continues, with highlights noted below and in Section II. HACP previously completed a five year plan to create fully accessible units at all of its properties and continues to create additional UFAS units each year. HACP completed phase I of Addison redevelopment resulting in 168 new Project Based Voucher (PBV) units and Phase I of Larimer Redevelopment resulting in 28 PBV units. HACP has also implemented an Energy Performance Contract for improvements that included 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 to change based upon funding levels and opportunities, financial and real estate market conditions, new or changing regulations or requirements, and other unforeseen developments.

The highlights of this plan relating to Repositioning of HACP's Housing Stock are as follows:

- **Revitalize Addison Terrace**
  Addison Terrace is only two blocks from the key Centre Avenue corridor in the Hill District which includes the following new facilities: the Legacy Apartments, the Hill Public Library, Shop 'N Save grocery store, and a branch of the YMCA of Greater Pittsburgh. HACP worked closely with the larger Hill District Master Planning Process to plan redevelopment of 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 worked with HUD and other partners to develop innovative financing strategies through Moving To Work to support this effort, resulting in the *Step Up To Market Financing Program*. In 2015, HACP completed 186 units (168 PBV) in Phase I of Addison, and in 2016 90 units in Phase II will be completed (26 PBV). In 2016, financial closing for Phase III with 52 units will take place, and work on Phase III-Homeownership project with 14 units is proceeding as planned. HACP is working diligently with its partners to finalize financing, site assembly, site preparation, and construction of additional phases. Of the units in the remaining phases, 96 will be Project Based. HACP will apply for a four percent LIHTC award in 2017 to support the final 58 units in Phase IV of Addison Redevelopment.

- **Implement new development in the East End**
  In parts of the East Liberty neighborhood of Pittsburgh, a significant market and development rebound has occurred. In the adjoining Larimer neighborhood, a long term and ongoing grassroots community planning process led to the completion of the Larimer Vision Plan. The Larimer Vision Plan, which focuses on the Larimer Avenue corridor spanning parts of both East Liberty and Larimer, served as the basis to build community consensus around neighborhood revitalization strategies within these neighborhoods.

  Working with a variety of partners in Larimer and East Liberty, HACP pursued new development opportunities in these neighborhoods, including the Hamilton-Larimer and former Auburn Towers site on the border of East Liberty and Larimer, and the site of the East Liberty Gardens assisted housing development. 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 invested in the planning process resulting in the Larimer Vision To Action Plan, which aims to identify specific activities to implement the Larimer Vision Plan.

  The Larimer Vision To Action Plan was the basis for a Choice Neighborhoods Implementation Gant application which was approved in 2014. The $30 million Choice Neighborhoods Implementation grant targets redevelopment of the Hamilton-

Larimer/Auburn LIPH property and the nearby HUD Multi-family East Liberty Gardens development, and requires one for one replacement of assisted units. The Choice Neighborhoods Implementation Plan will replace 157 units at East Liberty Gardens and Hamilton-Larimer with new construction of at least 334 new units. Of these new units, at least 157 will be replacement units with project based subsidy, an additional 85 will be affordable through the Low Income Housing Tax Credit Program, and 100 units will be rented at market rates. The end result is a net increase in affordable units.

Construction of Phase I is complete resulting in 85 new units, of which 28 are replacement units, 28 are affordable tax credit units, and 29 are market rate units.

In 2017, HACP will see continued development of Phase II through the application of a four percent LIHTC award which will yield 150 units, 75 of which are replacement units and an addition 33 affordable tax credit units and 42 market rate units. Site preparation may start in 2016 upon completion of resident relocation of East Liberty Gardens, financial closing, and housing construction to begin in 2017. The development will be located at the current site of East Liberty Gardens and adjacent land parcels owned by the Urban Redevelopment Authority (URA) and the City. Larimer/East Liberty Phase III will consist of approximately 50 mixed-income rental units. A nine percent LIHTC application will be submitted in 2017 to support this phase. Predevelopment activities continue for Phases II, III, and IV. Phase III and IV combined will include approximately 100 units with 55 replacement units.

As part of the Choice project, HACP will also complete disposition of two vacant land parcels to support construction of a neighborhood public park as a key neighborhood improvement strategy of Larimer/East Liberty Choice Neighborhoods Implementation Grant (CNIG) program. The parcels will be transferred directly to the City or via the Urban Redevelopment Authority. The URA, as the Neighborhood Implementation Entity of CNIG program, has led the community planning process for the neighborhood park. Following the disposition, the URA will begin construction of the park in 2017 and dedicate it as a City public park upon its completion.

In addition, HACP has started to plan for new development in Homewood**.** Homewood is an East End neighborhood which borders Larimer /East liberty and the Choice Neighborhoods area. Homewood lacks significant new residential development and is comprised of older housing stock, vacant lots, blighted homes, and dilapidated buildings. As a first step towards larger scale neighborhood revitalization, HACP has awarded gap financing for the development of 40 Project Based units in Homewood. HACP will submit a pre-development proposal for this project by year end of 2016.

- **Plan for redevelopment of Bedford Dwellings and surrounding areas**
  HACP will continue to explore funding options for the redevelopment of Bedford Dwellings (the Agency's oldest LIPH community), and nearby blighted properties. HACP was awarded a Choice Neighborhoods Planning Grant for Bedford Dwellings and surrounding properties in 2016. HACP will continue with early action and planning activities in 2017.

- **Build on investments in Northview Heights**

After completing conversion of 63 units into 52 new units (26 new UFAS units and 26 new non-UFAS units), and installation of the ESCO funded geothermal heating and cooling system, HACP continues to build on these investments to solidify Northview Heights' rebound. In 2010, HACP's 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 continued in 2012 and 2013. In 2014, the remaining roofs and additional site work was completed. Continued modernization of kitchens and bathrooms in the family units occurred in 2016 and modernization of additional units is planned for 2017. In addition, pre-development activities for the deteriorating senior high-rise are in progress. Following a cost analysis, HACP has determined to construct an 87 unit replacement building on a vacant plot within the community. HACP will submit a four percent LIHTC application in 2016 with financial closing and possible construction to begin in 2017. It is worth noting that as a result of past HACP activities at this site, occupancy reached 97% and continues to maintain an ample waitlist.

- **Allegheny Dwellings Redevelopment**
  Located on Pittsburgh's "North Side," Allegheny Dwellings is adjacent to a major business corridor, is within walking distance to Pittsburgh's sporting arenas, and is central to City parks and public transportation. Allegheny Dwellings is also included in the broader North Side community development efforts through the One North Side initiative, a collaboration of 18 North Side neighborhoods committed to community revitalization. The initiative highlights safe and affordable housing as a pillar of community development strategies.

  HACP intends to further this goal through the development of Project Based units in several phases. Allegheny Dwellings has grappled with obsolete design and construction, and has a history of crime. The property is comprised of three- story barracks style walk ups with shared entry. The community sits perched on several hills in tight corridors making it difficult to maintain and to survey and deter criminal activity. Redevelopment of this property will include an open design plan to better integrate into the business corridor and allow for single points of access for each residence
  HACP plans redevelopment of this property replacing the existing 271 public housing units with 371 mixed income units on and off site, including replacement of all 271 affordable units. HACP plans to submit a four percent LIHTC application for Phase I of this project in 2017 and will submit a formal disposition application in 2016 or 2017. Financial closing for Phase 1 is also expected in 2017.

- **Preservation**
  Preservation of viable existing affordable units is a core strategy of HACP's Moving To Work Program. In 2016, HACP recognized an opportunity to preserve high-quality, well-located existing units in the Crawford Square development. Crawford square is a pre-existing LIHTC supported mixed income development overlooking downtown Pittsburgh and located a few blocks from the HACP owned mixed finance development Bedford Hill. HACP collaborated with the City of Pittsburgh and the current property owners to develop a

solution to maintain the affordable units as the property entered the final year of its tax credit affordability period in 2016. As a mechanism to preserve 188 affordable units at Crawford Square, HACP and its partners will re-syndicate the tax credits at the property and become a partial owner. Of the 188 units, 60 will be designated as Project Based Voucher units and 128 will remain as LIHTC units. HACP seized this opportunity to further diversify its portfolio while preserving existing affordable units. HACP will continue to collaborate with local government and other partners, utilizing any and all available resources, to preserve affordability of this and other properties and to expand the affordability footprint of the developing Hill District community and neighborhoods throughout the city.

Another preservation initiative underway in 2016 is in the Manchester neighborhood. Manchester is an early HOPE VI mixed finance redevelopment with 86 units in the Manchester neighborhood that is ending its LIHTC compliance period. HACP has worked with various partners to re-claim the controlling interest in these properties in order to ensure proper property maintenance and management and to preserve these affordable units. HACP may pursue a re-syndication of the tax credits to fund capital investments at this property in 2017 or 2018.

- **Disposition and or redevelopment of vacant properties**
  HACP continues to plan for potential disposition and/or mixed finance development of vacant properties at St. Clair Village, Kelly Street in Homewood, and at Cove Place in Glen Hazel. Vacant properties located within the Glen Hazel community are not included in RAD and St. Clair Village and Kelly Street are former Low Income Public Housing communities prime for redevelopment.

- **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 window replacement and façade/EFIS repairs at several senior/disabled high rises and continued investment in its successful scattered sites portfolio. HACP will complete a third party Green Physical Needs Assessment and energy audit in 2016. The results from this analysis will be available by the end of 2016 and will provide recommendations to improve systems at the aging housing stock, promote efficiencies, and decrease utility and long term capital costs.

- **Pursuit of Rental Assistance Demonstration Conversions**
  In order to secure the long-term viability of its existing housing stock, HACP is pursuing conversion of some public housing units to HUD contracts for multi-family housing rental assistance through the Rental Assistance Demonstration (RAD) Program. HACP received approval in 2015 for the following properties:
    - Glen Hazel and Glen Hazel High Rise
    - Murray Towers
    - Oak Hill

- On July 14, 2015, HACP submitted an additional RAD application for New Pennley Place and received a CHAP notice in May of 2016.

- Financial closing is expected to occur for Glen Hazel, Glen Hazel High Rise, Murray Towers, and Oak Hill in 2017. Additional information on the planned conversion of the above properties is included in Section II and Appendix IV.

Long Term Development and Redevelopment Funding Projections
Below are two charts showing projected funding obligations over the next ten years.
Not included in the charts 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, Historic Tax Credits, and/or New Market 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.
- HACP's Moving to Work *Step Up To Market Financing Program*.
- Any and all other opportunities and mechanisms 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 2017 and future plans will include additional details for future phases. HACP will follow HUD protocols in submitting Mixed Finance proposals for approval.

HOUSING AUTHORITY OF THE CITY OF PITTSBURGH
2017 - 2026 CAPITAL BUDGET OBLIGATION SUMMARY

PROJECTED SOURCES	2017	2018	2019	2020	2021	5-Year SubTotals	2022	2023	2024	2025	2026	5-Year Subtotals
MtW Funding	10,635,500	30,931,000	32,168,931	42,913,998	41,048,118	157,697,547	46,250,442	47,694,202	46,470,028	47,754,129	45,079,030	233,247,831
CFP/RHF Projected Future Funding	12,633,278	9,000,000	7,000,000	7,000,000	7,000,000	42,633,278	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	25,000,000
MtW Reserves	14,884,487	0	0	0	0	14,884,487	0	0	0	0	0	0
TOTALS ALL PROJECTED SOURCES	*38,153,265*	*39,931,000*	*39,168,931*	*49,913,998*	*48,048,118*	*215,215,312*	*51,250,442*	*52,694,202*	*51,470,028*	*52,754,129*	*50,079,030*	*258,247,831*

		PROPOSED USES	2017	2018	2019	2020	2021	5-Year Subtotals	2022	2023	2024	2025	2026	5-Year Subtotals
USES	HACP-WIDE	Administrative	1,274,488	1,900,000	1,900,000	1,900,000	1,900,000	8,874,488	1,900,000	1,900,000	1,900,000	1,900,000	1,900,000	9,500,000
		Security	5,088,135	5,240,779	5,398,002	5,559,942	5,726,740	27,013,598	5,898,542	6,075,498	6,257,763	6,445,496	6,638,861	31,316,160
		504/UFAS misc	100,000	25,000	25,000	25,000	50,000	225,000	50,000	50,000	25,000	25,000	25,000	175,000
		Equipment (Range/Refrig, Vehicles, Other Misc)	500,000	530,000	300,000	300,000	300,000	1,930,000	309,000	318,270	0	0	0	627,270
		LBP Abatement - Other Misc Hazmat	100,000	100,000	100,000	100,000	100,000	500,000	100,000	100,000	100,000	100,000	100,000	500,000
		Concrete	100,000	100,000	100,000	100,000	100,000	500,000	100,000	100,000	100,000	100,000	100,000	500,000
		Gas Line Repair	300,000	0	0	0	0	300,000	0	0	0	0	0	0
		Demolition	100,000	0	0	0	0	100,000	0	0	0	0	0	0
		A/E Technical Services	700,000	700,000	0	0	0	1,400,000	0	0	0	0	0	0
		Resident Services	2,078,561	2,140,918	2,205,146	2,271,300	2,339,439	11,035,364	2,409,622	2,481,911	2,556,368	2,633,059	2,712,051	12,793,011
		Contingencies	950,000	950,000	600,000	600,000	600,000	3,700,000	600,000	600,000	600,000	600,000	600,000	3,000,000
		SUBTOTAL HACP-WIDE USES	*11,291,184*	*11,686,697*	*10,628,148*	*10,856,242*	*11,116,179*	*55,578,450*	*11,367,164*	*11,625,679*	*11,539,131*	*11,803,555*	*12,075,912*	*58,411,441*
		SUBTOTAL DEVELOPMENT	*23,053,803*	*22,641,669*	*27,000,000*	*38,500,000*	*35,000,000*	*146,195,472*	*38,000,000*	*36,000,000*	*38,000,000*	*38,000,000*	*38,000,000*	*188,000,000*
		SUBTOTAL MODERNIZATION	*3,808,278*	*2,083,278*	*2,783,278*	*1,983,278*	*2,783,278*	*13,441,390*	*1,883,278*	*4,503,278*	*1,783,278*	*1,833,278*	*1,833,278*	*11,836,390*
		TOTALS ALL PROPOSED USES	*38,153,265*	*36,411,644*	*40,411,426*	*51,339,520*	*48,899,457*	*215,215,312*	*51,250,442*	*52,128,957*	*51,322,409*	*51,636,833*	*51,909,190*	*258,247,831*

HOUSING AUTHORITY OF THE CITY OF PITTSBURGH
2017 - 2026 DEVELOPMENT AND MODERNIZATION SUMMARY

Draft as of 5/5/1(

Proposed Development	2017	2018	2019	2020	2021	5-Year Subtotals	2022	2023	2024	2025	2026	5-Year Subtotals	10-Year Totals	Comments
Addison Phase 4	6,361,656	0	0	0	0	6,361,656	0	0	0	0	0	0	6,361,656	In 2014, HACP budgeted $36.5 million for Addison Phases 2/3/4 with 214 units. In 2016, HACP budgeted $2 million to be used for unforeseen costs & home-ownership. In 2017, HACP plans to invest another $6.3 million to close a 4% LIHTC funding gap for Phase 4 to be developed in Homewood.
Hamilton-Larimer (Choice)	1,540,888	2,141,669	0	0	0	3,682,557	0	0	0	0	0	0	3,682,557	To fill projected funding gap of $3.6 million required to complete Choice projects at Larimer/East Liberty phases 3/4 for total development with 334 units.
Scattered Sites	8,151,259	10,000,000	5,000,000	10,000,000	7,000,000	40,151,259	10,000,000	8,000,000	10,000,000	10,000,000	10,000,000	48,000,000	88,151,259	Financing for scattered sites units throughout the City of Pittsburgh through acquisition/rehab/turnkey development including veterans' housing. ARMDC self-development of scattered sites units.
Arlington Heights	0	0	0	500,000		500,000	0	20,000,000	0	20,000,000		40,000,000	40,500,000	Redevelopment of Arlington during the next 10-years
PBV/Gap Financing & Innovations	7,000,000	10,500,000	8,000,000	8,000,000	8,000,000	41,500,000	8,000,000	8,000,000	8,000,000	8,000,000	8,000,000	40,000,000	81,500,000	HACP's innovative gap financing program designed to increase PBV utilization and gap financing for Mayor's Bridges over Blight.
Allegheny Dwellings Phase 2 & 3	0	0	14,000,000	0	20,000,000	34,000,000		0	0	0	0	0	34,000,000	Funding over the next seversl years for Alleghney Phases 2 and 3 redevelopment.
Bedford Dwellings	0	0	0	20,000,000	0	20,000,000	20,000,000	0	20,000,000	0	20,000,000	60,000,000	80,000,000	Choice planning grant grant application is pending with HUD and redevelopment will be executed during the next 10 years.
Northview (Midrise)	0	0	0	0	0	0	0	0	0	0	0	0	0	ARMDC is self-developing a new mid-rise to replace the current high-rise that is self destructing. Funded in 2016.
ARMDC Office Bldg Loan	0	0	0	0	0	0	0	0	0	0	0	0	0	HACP's dream
SUBTOTAL DEVELOPMENT	*23,053,803*	*22,641,669*	*27,000,000*	*38,500,000*	*35,000,000*	*146,195,472*	*38,000,000*	*36,000,000*	*38,000,000*	*38,000,000*	*38,000,000*	*188,000,000*	*334,195,472*	

	Proposed Modernization	2017	2018	2019	2020	2021	5-Year Subtotals	2022	2023	2024	2025	2026	5-Year Subtotals	10-Year Totals	Comments
901	Addison - Bentley Dr.	0	0	0	0	0	0	0	0	0	0	0	0	0	Add has been 100% demolished and redevleopment is ongoing.
902	Bedford Dwellings	300,000	0	100,000	0	0	400,000	100,000	0	0	0	0	100,000	500,000	Maintenance of systems, REAC & Safety Items
915	PA Bidwell	0	0	50,000	50,000	1,000,000	1,100,000	0	0	0	0	0	0	1,100,000	Interim REAC and Safety Repairs. Balcony repair was funded in 2016.
917	Pressley	50,000	50,000	50,000	0	0	150,000	0	0	0	0	0	0	150,000	Upgrade Community Room & Common Areas.
905	Allegheny Dwellings	50,000	0	0	0	0	50,000	0	0	0	0	0	0	50,000	REAC/Safety items until demolition for redevelopment.
909	Northview Heights	1,483,278	1,483,278	1,683,278	1,383,278	1,383,278	7,416,390	1,383,278	1,383,278	1,383,278	1,383,278	1,383,278	6,916,390	14,332,780	Concrete work in courtyards, Bathrooms/Kicthens/floors/ windows rehab and painting in 400 units, REAC & safety Items.
920	Homewood North	25,000	25,000	0	0	0	50,000	0	0	0	0	0	0	50,000	REAC & Safety Items.
904	Arlington Heights	0	0	0	0	0	0	0	0	0	0	0	0	0	REAC and safety items.
931	Murray Towers	0	0	0	0	0	0	0	0	0	0	0	0	0	HACP investment in RAD project budgeted in 2016.
932	Glen Hazel Family (incl. Renova)	0	0	0	0	0	0	0	0	0	0	0	0	0	RAD
933	Glen Hazel Highrise	0	0	0	0	0	0	0	0	0	0	0	0	0	RAD
940	Mazza Pavillion	0	0	0	0	0	0	0	0	0	50,000	50,000	100,000	100,000	REAC & Safety Repairs
941	Caliguiri Plaza	50,000	0	100,000	100,000	0	250,000	0	0	0	0	0	0	250,000	REAC & Safety Repairs
944	Finello Pavillion	50,000	0	100,000	0	0	150,000	0	0	0	0	0	0	150,000	REAC and Safety Repairs
945	Morse Gardens	50,000	0	100,000	0	0	150,000	0	1,400,000	0	0	0	1,400,000	1,550,000	Partial Comp. Mod in 2023 & REAC/Safety Items
946	Carrick Regency	0	100,000	0	0	0	100,000	0	1,320,000	0	0	0	1,320,000	1,420,000	Partial Comp. Mod in 2023 & REAC/Safety Items
947	Gualtieri Manor	1,300,000	0	0	50,000	0	1,350,000	0	0	0	0	0	0	1,350,000	Partial Comp. Mod in 2017 & REAC/Safety Items
922 & 939	Scattered Sites / Hamilton Larimer	450,000	425,000	600,000	400,000	400,000	2,275,000	400,000	400,000	400,000	400,000	400,000	2,000,000	4,275,000	Partial Comp Mod of 10 Scattered Sites per year over 10 years
999	GPNA Implementation	0	0	0	0	0	0	0					0	0	
	SUBTOTAL MODERNIZATION	*3,808,278*	*2,083,278*	*2,783,278*	*1,983,278*	*2,783,278*	*13,441,390*	*1,883,278*	*4,503,278*	*1,783,278*	*1,833,278*	*1,833,278*	*11,836,390*	*25,277,780*	

Promoting Self-Sufficiency and Independent Living Through a Variety of Enhanced Services and Policy Adjustments

HACP is committed to continuing pursuit of 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 varying ages, including the BJWL after school and summer programs, YouthPlaces, 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's investments in resident services have leveraged over $4,000,000 per year in additional programs and services in recent years.

The REAL program's service coordinators are Family Self Sufficiency Program Service Coordinators and they are funded by FSS grants from HUD. The BJWL and YouthPlaces programs are provided as in kind services in exchange for program space provided by HACP. The Clean Slate Program, REP, Creative Arts Corner, and all resident services are frontlined out of the Central Office Cost Center.

HACP policy modifications are also designed to promote self-sufficiency, and the modified rent policy (as described in Section IV), is designed to encourage families to participate in the FSS program.

The broad intent 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 toward 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 III or IV of this or future Moving To Work Annual Plans.

Increasing housing choices for low income families through initiatives designed to increase the quality and quantity of housing available to households utilizing rental assistance and other available resources.

As Pittsburgh's housing market has changed in recent years, the availability of affordable housing has declined. These market changes have affected both naturally occurring affordable units and those available to households utilizing Housing Choice Vouchers. In response, HACP initiated its initial landlord initiatives in an attempt to increase the number of landlords participating in the HCV program, and to increase the number and quality of units available. HACP also used standard regulations to secure approval of a Success Rate Payment Standard for the City, effectively increasing the payment standard to 119% of the area Fair Market Rent. However, rental costs continue to escalate in many neighborhoods. As a result, HACP has added this as an overarching principal, and plans to complete further analysis of these market changes, and will pursue additional initiatives targeted to increasing the number and quality of housing options for households utilizing tenant-based rental assistance.

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, developing initiatives to expand housing choices for households , and promoting self-sufficiency through support programs and policy modifications.

New Housing Choice Vouchers to be Project-Based During the Fiscal Year

Property Name	Anticipated Number of New Vouchers to be Project-Based *	Description of Project
Hill Crest Senior Residence	16	AHAP completed in March of 2016 initial lease up expected in 2017.
Addison Phase II	64	AHAP for 26 units completed in July of 2016. Initial lease up expected for late 2017. AHAP for reaming 38 units of Phase II is expected to be in march of 2017
Crawford Square	60	Re-syndication of mixed finance development. AHACP to be completed in 2017

Anticipated Total New Vouchers to be Project-Based	140	Anticipated Total Number of Project-Based Vouchers Committed at the End of the Fiscal Year	571
		Anticipated Total Number of Project-Based Vouchers Leased Up or Issued to a Potential Tenant at the End of the Fiscal Year	533

*New refers to tenant-based vouchers that are being project-based for the first time. The count should only include agreements in which a HAP agreement will be in place by the end of the year.

Other Changes to the Housing Stock Anticipated During the Fiscal Year

Anticipated offline units for Allegheny Redevelopment
Possible addition of Scattered Sites units through acquisition and rehabilitation in 2017

Examples of the types of other changes can include but are not limited to units that are held off-line due to the relocation of residents, units that are off-line due to substantial rehabilitation and potential plans for acquiring units.

General Description of All Planned Capital Fund Expenditures During the Plan Year

HACP plans a variety of capital improvements in its properties. Under MTW single fund flexibility, some will be funded by Capital Fund and some by other sources. Additional information is included in Section V and appendices. By development, planned activities are as follows:Caliguiri Plazza - Windows/EIFS/roof replacement and interior improvements . Homewood North- Window replacements of various units . Arlington Heights- Drainage system replacement of various buildings. Scattered Sites- Internal upgrade of ten units and various improvements of an additional four Scattered Sites units. PA Bidwell- Balcony, railing, roof and corridor safety repair. Fire alarm replacement authority wide as needed. Bedford Hope Center -Partial modernization . Northview Heights- Site work improvements and roof repairs/replacements. Authority-wide lead risk assessments (dust, paint, & water)

II.2.Plan.Leasing

B. MTW Plan: Leasing Information

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

MTW Households to be Served Through:	Planned Number of Households to be Served*	Planned Number of Unit Months Occupied/ Leased***
Federal MTW Public Housing Units to be Leased	3434	41208
Federal MTW Voucher (HCV) Units to be Utilized	6042	72504
Number of Units to be Occupied/Leased through Local, Non-Traditional, MTW Funded, Property-Based Assistance Programs **	486	5832
Number of Units to be Occupied/Leased through Local, Non-Traditional, MTW Funded, Tenant-Based Assistance Programs **	146	1752
Total Households Projected to be Served	10108	121296

* Calculated by dividing the planned number of unit months occupied/leased by 12.

** In instances when a local, non-traditional program provides a certain subsidy level but does not specify a number of units/households to be served, the PHA should estimate the number of households to be served.

***Unit Months Occupied/Leased is the total number of months the PHA has leased/occupied units, according to unit category during the fiscal year.

HACP is projecting that 38 committed vouchers will not be leased during 2017 because the total committed PBV number represents active and awarded PBV commitments, not just actual units. HACP makes some new construction and rehabilitation PBV awards contingent upon completion of the AHAP, completion of construction and execution of the HAP, etc. Thus some awarded PBVs may not meet all requirements and will be withdrawn, while others will not reach construction/rehabilitation completion and occupancy during the program year.

II.3.Plan.WaitList

C. MTW Plan: Wait List Information

Wait List Information Projected for the Beginning of the Fiscal Year

Housing Program(s) *	Wait List Type**	Number of Households on Wait List	Wait List Open, Partially Open or Closed***	Are There Plans to Open the Wait List During the Fiscal Year
MTW Public Housing Program	Site-Based	3,069	Partially Closed	partially closed for non-elderly/disabled one bedroom units.
MTW Housing Choice Voucher Program	Community-Wide	4,325	Closed	Yes
MTW Non-Traditional Local Programs (no wait list for Homeownership, combined wait list for mixed finance, mixed income sites)	Site-Based	N/A	Open	Yes, lists are open to all populations

Rows for additional waiting lists may be added, if needed.

* *Select Housing Program* : Federal MTW Public Housing Units; Federal MTW Housing Choice Voucher Program; Federal non-MTW Housing Choice Voucher Units; Tenant-Based Local, Non-Traditional MTW Housing Assistance Program; Project-Based Local, Non-Traditional MTW Housing Assistance Program; and Combined Tenant-Based and Project-Based Local, Non-Traditional MTW Housing Assistance Program.

** *Select Wait List Types* : Community-Wide, Site-Based, Merged (Combined Public Housing or Voucher Wait List), Program Specific (Limited by HUD or Local PHA Rules to Certain Categories of Households which are Described in the Rules for Program Participation), None (If the Program is a New Wait List, Not an Existing Wait List), or Other (Please Provide a Brief Description of this Wait List Type).

*** For Partially Open Wait Lists, provide a description of the populations for which the waiting list is open.

MTW Public Housing - wait lists are open and projected wait times are at least one year. See above.
MTW Housing Choice Voucher Program: Waiting list currently closed.
Non-traditional local programs: No wait list for homeownership. Privately managed tax-credit and affordable market rate rentals operate site-based waiting lists.
MTW Project Based Vouchers- Skyline Terrace and Laimer Point are closed, all other wait list remain open. Additional lists will close based upon demand.

If Local, Non-Traditional Housing Program, please describe:

Non-traditional local progam: Low Income Housing Tax Credit Units in mixed finance, mixed income developments that include public housing units. Wait lists are operated by private management.
Non-traditional local program: affordable market rate units in mixed finance, mixed income developments that include public hosuing units. Wait lists are operated by private management
Non-traditional local program: Homeownership - currently no waiting list, program particiaption is open to otherwise eligible families; if demand for soft second mortgages approaches annual budget authority a waiting list of participants with mortgage pre-approval letters will be established.

If Other Wait List Type, please describe:

HACP's Site Based Site Preference system allows applicants to choose up to three communities of preference, or the first available from all properties option. The number listed above is of unduplicated applicants on the waiting list, although each family may be on more than one site based list. Public housing units in mixed finance/mixed income privately managed properties are not included, as each location operates a seperate waiting list.

If there are any changes to the organizational structure of the wait list or policy changes regarding the wait list, provide a narrative detailing these changes.

In 2014, HACP added provisions to allow for electronic pre-applications submission and continued use of centralized appliction location.

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

HACP proposes no new activities for 2016.

Section IV. Approved MTW Activities: HUD approval previously granted.

APPROVED MTW ACTIVITIES – HUD APPROVAL PREVIOUSLY GRANTED

Activity	Plan Year Approved	Plan Year Implemented	Current Status
1. Pre-Approval Inspection Certification for Multi-Unit Housing	2015 Annual Plan	2015	Implemented
2. Preferred Owners Program	2015 Annual Plan	2015	Implemented
3. Modified Rent Policy - Work or FSS Requirement or increased minimum tenant payment for non-exempt HCV households	2011 Annual Plan	2011	Implemented
4. Modified Rent Policy - Work or FSS Requirement or increased minimum rent for non-exempt LIPH households	2008 Annual Plan	2008-2009	Implemented
5. Revised Recertification Policy – at least once every other year – for Section 8/HCV	2008 Annual Plan	2008	Implemented
Revised Recertification Policy – at least once every other year – for LIPH	2009 Annual Plan	2009	Implemented
6. Homeownership Program: Operation of Combined LIPH and Section 8/HCV Homeownership Program; Program assistance to include soft-second mortgage assistance coupled with closing cost assistance, homeownership and credit counseling, and foreclosure prevention only; establish a soft-second mortgage	Combined Program approved in 2007; other elements approved in 2010; expansion of eligibility to person eligible for LIPH proposed in this 2014 plan.	2007; 2010;	Implemented

waiting list; expand eligibility to persons on the LIPH and HCV program waiting lists; expand eligibility to persons eligible for LIPH			
7. Modified Housing Choice Voucher Program policy on maximum percent of Adjusted Monthly Income permitted.	2001 Annual Plan	2001	Implemented
8. Modified Payment Standard Approval - establish Exception Payment Standards up to 120% of FMR without prior HUD approval.	2004 Annual Plan; additional features in 2013 Annual Plan	2004; 2013	Implemented. Ongoing for persons with disabilities; On Hold for exception areas.
9. Step Up To Market Financing Program	2012 Annual Plan	2013	Implemented

IMPLEMENTED ACTIVITIES – ONGOING

1. Pre-Approval Inspection Certification for Multi-Unit Housing

Currently, HACP conducts an HQS inspection for each Request for Tenancy Approval received. For multi-unit housing structures with several units available for rent, this often results in Housing Inspectors making multiple trips to the same building within a short period of time placing an extra burden on owners and managers of those properties. To encourage owners and managers of multi-unit housing properties to lease more units to HCV participants, HACP is streamlining the inspection process for these types of properties. The HCV program proposes conducting and accepting for tenancy approval, Pre-Approval Inspection Certifications in multi-unit housing if those units are leased to a HCV program participant within 60 days of the pre-tenancy HQS inspection certification.

The Pre-Approval Inspection Certification process will apply to buildings with four or more units located within a single structure; the pre-approval process cannot be applied to scattered site housing. All units seeking Pre-Approval Inspection Certification must be vacant at the time the HQS inspection occurs and must remain vacant until a Request for Tenancy Approval is submitted for the unit. Pre-Approval Inspection Certification status will only be accepted for tenancy approvals during the 60 day period after the unit passes HQS inspection. If a Request for Tenancy Approval is submitted after the 60 day qualifying period, a new initial HQS inspection must be performed before the unit is approved for tenancy. HAP payments are not tied to the Pre-Approval Inspection. HAP payments will begin from the tenancy certification date only.

Statutory Objective:

This activity addresses the MTW statutory objective to increase housing choices for low-income families.

Authorizations:

Attachment C (D)(5) which waives certain provisions of Sections 8 (o)(8) of the 1937 Act and 24 CFR982 Subpart I

Attachment C(D)(1)(d) which waives certain provisions of Sections 8(o)(9) of the 1937 Act and 24 CFR 982.311.

MTW authority is required in order to make proposed changes to the existing program. Current HCV program rules require inspection of the unit within 15 days after submission of the Request for Tenancy Approval (RFTA) to the extent practicable, thus MTW authorization is required in order to accept an inspection completed prior to the RFTA submission, and more than 15 days from the RFTA submission.

Impact and Evaluation:

HACP anticipates that the streamlined, initial inspection process for multi-unit properties will increase the number of units available for rent to HCV program participants. HACP will utilize its EmPHAsys ELITE software system to identify units inspected through the Pre-Approval Inspection program and subsequently leased to HCV program participants. HACP experienced an initial increase of 29 units in multi-unit properties during the first year of program implementation, and a 2% increase in the number units in multi-unit properties each year thereafter. Results of this activity will be available in the 2017 Annual report, the second complete year of implementation.

Pre-Approval Inspection Certification for Multi-Unit Housing Metrics

Standard Metric	Unit of Measurement	Baseline	2015 Benchmark	2017 Outcome
Local Metric- Housing Choice: Additional Units of Housing Made Available	Number of new housing units made available for households at or below 80% of AMI as a result of the activity (increase).	Housing units prior to implementation: 0	Increase the number of units in multi-unit housing structures available to low-income families after implementation: 29	Actual number of units in multi-unit housing structures after implementation. 30
Cost Effectiveness #1: Agency Cost Savings	Total cost of task in dollars (decrease).	Cost of inspections in dollars prior to implementation: $677,300 annually	Expected cost of task after implementation: $675,603 Annually	Actual cost after implementation (in dollars). $65,7545Annually
Cost Effectiveness #2: Staff Time Savings	Total time to complete the task in staff hours (decrease).	Total staff time to complete inspections prior to implementation: 15,662.5 hours annually	Expected amount of total staff time dedicated to inspections after implementation: Annually 15,643	Actual amount of staff time after implementation (in hours). 15,598 hours Annually
Cost Effectiveness #3: Decrease in Error Rate of Task Execution	Average error rate in completing a task as a percentage (decrease).	Average error rate of task prior to implementation: 0.1%	Expected average error rate of inspections after implementation: 0.1% (HACP does not expect a change in error rate as a result of this program.) 1%	Expected average error rate of inspections after implementation: 1%

2. Preferred Owners Program

The Preferred Owners Program promotes improved quality of properties and properties in quality neighborhoods, with the aim of addressing the statutory objective to increase housing options for voucher holders. It also aims to increase cost effectiveness, as it will reduce staff time spent on inspections.

Owners or property managers apply for the program, and HACP approves or denies their application based on a rigorous set of guidelines. These guidelines include consistent HQS inspection passes, completion of online and in-person trainings for owners and property managers, quality and attractiveness of the property, and commitment to leasing to more than one HCV voucher holder.

Incentives available to member landlords include inspection incentives such as priority inspection scheduling, biennial inspections, and acceptance of prior inspections conducted less than 60 days ago for vacated units. Other incentives include vacancy payments of no more than two months' HAP payments for most recent tenancy when the landlord commits to leasing to another voucher holder and priority placement on HACP's property listing web page.

Success of the program in meeting the desired goals will be measured in several ways. HUD Standard Metrics HC#1 and #2, and CE #1, #2, and #3 will be recorded. Additionally, owners and property managers who participate in the Preferred Owners Program will be given a survey at the start of the program, and again after six months and after twelve months, asking them to rate their satisfaction with HACP in a variety of areas. HACP will also track the retention of owners who participate in the pilot program.

Program Details

Application for Membership

In order to gain membership to the Preferred Owners Program, an owner or property manager must apply by submitting a form to the HCV office. This form will include

1. Landlord's name;
2. Contact information;
3. Addresses of units currently leased to voucher holders;
4. Checklist of the standards for membership which must be passed by the landlord, which are:
    a. **Consistent HQS Inspection Passes**

Units have passed annual inspection on the first inspection for the past three consecutive years.

b. **Trainings**

Preferred Owners must complete a minimum of one training per year to maintain membership. All trainings will be provided free of charge to all landlords; however, to maintain membership in the Preferred Owners Program, owners or property managers must complete a minimum of one training per year. Trainings may be chosen from the following options:

1. Screening Tenants- Includes information about background checks, references, and Fair Housing law.
2. The Magistrate Process- Includes information about legal recourse landlords may take if they feel their tenant has broken his or her lease.
3. Mental Health First Aid Training- This training is provided by Mercy Behavioral Health.

4. Real Estate continuing education credits may also be counted as Preferred Owners trainings, when proof of completion is provided.

Once the HCV office has received the application, the Landlord Support Team will verify the information on the application and if the information proves to be accurate, will issue the landlord an invitation to the program, which will include instructions for how to maintain membership.

Benefits of Membership

Benefits of membership in the program include inspection incentives, vacancy payments, and priority placement on HACP's property listing webpage.

1. **Inspection Incentives**
    a. Priority inspection scheduling- Preferred Owners will be moved to the top of the waiting list for annual and initial inspections.
    b. Biennial inspections- Owners that have passed annual inspection on the first inspection for the past three consecutive years will be moved to biennial inspections. If a future inspection results in a fail, the owner will be removed from the Preferred Owners Program and will return to an annual inspection schedule. Recent statutory changes permitting biennial inspections have not been codified in regulation, which requires annual inspection, thus MTW authority is needed for this activity.
    c. Acceptance of prior inspections conducted less than 60 days ago for vacated units- If, after initial inspection and move-in, a unit is vacated for any reason and a new RFTA is returned for a new voucher holder in the same unit within 60 days, the previous inspection will be accepted as the initial inspection for the new RFTA.
    d. Construction completion inspection to be accepted as initial inspection for project-based voucher units for 60 days- When project-based voucher (PBV) owners or property managers are Preferred Owners, the construction completion inspection on a new PBV unit can be used as the initial inspection if the unit is occupied within 60 days if that inspection.

Current HCV program rules require inspection of the unit within 15 days after submission of the Request for Tenancy Approval (RFTA) to the extent practicable, thus MTW authorization is required in order to accept an inspection completed prior to the RFTA submission, and more than 15 days from the RFTA submission.

2. **Vacancy payments**

Description and Impact- When a voucher holder moves out of a unit, if the landlord releases the unit to another voucher holder, the landlord may apply for a vacancy payment equal to no more than two months of the previous tenant's HAP. The HACP will issue this payment in the form of a HAP Adjustment Vacancy Payment. The impact of this initiative is to encourage more landlords to work with HACP and the HCV program long-term, preserving housing for families at or below 50% AMI.

a. Landlord submits Request for Vacancy Payment- This will consist of a simple form with the following information:
    i. The name of the previous tenant.
    ii. The amount of HAP received with the previous tenant.
    iii. A statement of commitment from the landlord to hold the unit for another voucher holder.
    iv. The signature of the landlord certifying that the information in the form is correct and true.
b. Request is approved or denied- The Landlord Support Team will verify the information in the Request for Vacancy Payment and will approve or deny the request.
c. Vacancy payment is released- Given an approved Request for Vacancy Payment, once a new lease is signed with a new voucher holder, HACP will release a HAP Adjustment Vacancy Payment of no more than two months HAP of the previous tenant.
d. Conditions and Limitations:
    i. Vacancy Payments are limited to one Request for Vacancy Payment per unit per year.
    ii. Vacancy Payments will only be issued if the unit is re-leased to another voucher holder within 60 days of the previous tenant vacating.

HACP will conduct a targeted outreach to landlords, but the program will be open to all landlords. HACP projects approximately 30 landlords to enroll in the first year.

3. **Priority Placement of Property Listings**

Properties owned by Preferred Owners will be placed at the top of HACP's property listing webpage, maximizing the reach of their advertisement, and expediting their filling of vacancies.

4. **Cost Estimate**

The 57 landlords identified for the targeted outreach effort own a total of 1,394 units leasing to HCV program participants. An analysis of 2014 HCV program activity for those units indicates a 3% turnover in HCV program tenants with 45 units qualifying for vacancy payment applications. Based on the median time to new HCV program lease-up of two months and a median monthly HAP of $463 for those units, the HACP anticipates issuing a total of $41,670 in vacancy payments annually through the Preferred Owners Program.

Evaluation of Preferred Owners Program

The Preferred Owners Program will be evaluated according to MTW Standard Metrics as outlined in the table below.

HACP will also administer its own evaluation measures. The primary goal for HACP is increased landlord satisfaction, leading to a long-term outcome of an increase in the number of landlords who work with the HCV program long-term, and an increase in the number of units available for HCV voucher holders. To this end, Preferred Owners will be given a survey upon admission to the program, and again after six months and after twelve months, asking them to rate their satisfaction with HACP in a variety of areas. Results of this activity will be available in the 2017 Annual report, the second complete year of implementation.

Breakdown of Impact and Evaluation of Program Components

1. Changes in inspection schedule.
    a. Description and Impact:
        i. Priority inspection scheduling- Preferred Owners will be moved to the top of the waiting list for annual and initial inspections.
        ii. Biennial inspections- Owners who have passed annual inspection on the first inspection for the past three consecutive years will be moved to biennial inspections. If a future inspection results in a fail, the owner will be removed from the Preferred Owners Program and will return to an annual inspection schedule.
        iii. Acceptance of prior inspections for new tenancies if an annual or initial inspection was conducted less than 60 days ago for vacated units- If, after initial inspection and move-in, a unit is vacated for any reason and a new RFTA is returned for a new voucher holder in the same unit within 60 days, the previous inspection will be accepted as the initial inspection for the new RFTA.
        iv. Construction completion inspection to be accepted as initial inspection for project-based voucher units for 60 days- When Project-Based Voucher (PBV) owners or property managers are Preferred Owners, the construction completion inspection on a new PBV unit can be used as the initial inspection if the unit is occupied within 60 days if that inspection.
    b. MTW Statutory Objective: Increase cost effectiveness.
    c. Year Implemented: FY 2015.
    d. Baseline: See table below. Standard Metrics CE#1, #2, and #3.
        i. CE #1: In 2013 HACP spent approximately $677,300 on in-house inspections, based on 10,420 inspections completed at an estimated $65 per inspection, which includes staff salary, benefits, and mileage reimbursement. The cost to inspect 90 units (the estimated number of units which will be brought into the Preferred Owners Program) is $5,850 per year.
        ii. CE#2: The amount of time spent to inspect 90 units is 135 hours per year under the current schedule of inspections, at an estimated rate of 1.5 hours per inspection, which includes actual inspection time, travel time, and administrative time.
        iii. CE#3: HACP's current average error rate in inspections is 0.1%, based on an estimated 12 inspections per year out of 10,420 that are re-inspections due to inspector error.
    e. Benchmark: See table below. HUD Standard Metrics CE#1, #2, #3.
        i. CE#1. After implementation of the Preferred Owners Program, HACP expects to enroll 30 landlords with an average of 3 units each in the program. This means a total of approximately 90 units which already participate in the HCV program will be enrolled in the Preferred Owners Program and eligible for the reduced inspections schedule. If all 90 units go to biennial inspections, this will mean an average of 45 fewer inspections per year. At a rate of $65 per inspection, this results in an

expected $2,925 spent on inspecting these 90 units per year, or a reduction in inspection costs by $2,925 per year.

ii. CE#2: In hours, a reduction of 45 fewer inspections per year will amount to 67.5 fewer hours spent on inspections per year, or an expected total of 67.5 hours per year spent on inspecting those 90 units.

iii. CE#3: HACP does not expect a change in average error rate as a result of implementing the Preferred Owners Program. HACP expects the number of re-inspections due to inspector error to remain at 12 per year, and the percentage to remain substantially the same.

f. Data Collection and Measurement: HACP will utilize its ELITE software system to track the number of inspections completed each year, and the number of landlords and units enrolled in the Preferred Owners Program.

g. Authorization: Attachment C (D)(5) which waives certain provisions of Sections 8 (o)(8) of the 1937 Act and 24 CFR982.311.

2. Vacancy Payments.
    a. Description and Impact: When a voucher holder moves out, if the landlord re-leases the unit to another voucher holder, HACP will issue vacancy payment of two months of the previous tenant's HAP as a HAP Adjustment Vacancy Payment. The impact of this initiative is to encourage landlords to work with HACP and the HCV program long-term, preserving housing for families at or below 50% AMI.
    b. MTW Statutory Objective: Increase housing choice.
    c. Year Implemented: FY 2015
    d. Baseline: See table below. HUD Standard Metrics HC#1 and HC#2.
        i. HC#1: Since there are no landlords and no units currently enrolled in the program, the baseline for this metric is 0.
        ii. HC#2: Based on the current trend, HACP loses approximately eight landlords per month, each landlord owning an average of three units. HACP will use as its baseline for this metric 0, since 0 landlords and 0 units are currently enrolled in the Preferred Owners Program.
    e. Benchmark: See table below.
        i. HC#1: After 12 months, HACP anticipates an enrollment of 30 landlords in the program, with an average of three units each, meaning we expect 90 units of housing to have been added to the Preferred Owners Program.
        ii. HC#2: HACP anticipates that as a result of providing vacancy payments, the monthly landlord loss will be reduced to two landlords per month, meaning 6 landlords, or approximately 18 units, will be preserved each month.
    f. Data Collection and Measurement: HACP will use its Elite software to track enrollment in the Preferred Owners Program and the number of units owned by each member landlord.

Authorization: Attachment C (D)(5) which waives certain provisions of Sections 8 (o)(8) of the 1937 Act and 24 CFR982 Subpart I and Attachment C(D)(1)(d) which waives certain provisions of Sections 8(o)(9) of the 1937 Act and 24 CFR 982.311.

Preferred Owners Program Metrics

Standard HUD Metric	Unit of Measurement	Baseline	2016 Benchmark	2017 Outcome
Local Metric- Housing Choice: Additional Units of Housing Made Available	Number of new housing units made available for households at or below 80% AMI as a result of the activity (increase). If units reach a specific type of household, give that type in this box.	Housing units of this type prior to implementation: 0 (number of units in this program after initial year).	Expected housing units of this type after implementation of the activity. 207	Actual housing units of this type after implementation (number). 120
Housing Choice #2: Units of Housing Preserved	Number of housing units preserved for households at or below 80% AMI that would otherwise not be available (increase). If units reach a specific type of household	Housing units preserved prior to implementation of the activity: 0 (number of units in the program after initial year).	Expected housing units preserved after implementation of the activity. 207	Actual housing units preserved after implementation of the activity (number). 120
Cost Effectiveness #1: Agency Cost Savings	Total cost of task in dollars (decrease).	Cost of inspecting 90 units in dollars prior to implementation. $5,850 per year	Expected cost of task after implementation. $12,1095	Actual cost after implementation (in dollars). $7,800
Cost Effectiveness #2: Staff Time Savings	Total time to complete the task in staff hours (decrease).	Total staff time to complete inspections for 90 Preferred Owner units prior to implementation. 135 hours per year.	Expected amount of total staff time dedicated to inspecting 90 Preferred Owner units after implementation. 3,105	Actual amount of staff time after implementation (in hours). 180
Cost Effectiveness #3: Decrease in Error Rate of Task Execution	Average error rate in completing a task as a percentage (decrease).	Average error rate of task prior to implementation. 0.1%	Expected average error rate of inspections after implementation. TBD	Actual average error rate of inspections after implementation (percentage). .1%

HACP Specific Metric	Unit of Measurement	Baseline	2016 Benchmark	2017 Outcome
Landlords are enrolled in Preferred Owners Program.	Landlords enrolled in Preferred Owners Program (number).	Landlords enrolled in Preferred Owners Program before start of the program.	Expected number of landlords enrolled in Preferred Owners Program after initial year. 12.	Actual number of landlords enrolled in Preferred Owners Program. 15
Increase in landlord satisfaction with HACP.	Landlords enrolled in the program who rate HACP as “good” or “excellent” (percentage).	Amount of landlords enrolled the program who rate HACP as “good” or “excellent” before start of the program. 55%.	Expected amount of landlords who rate HACP as “good” or “excellent” after six months of the program. 2%	Actual amount of landlords who rate HACP as “good” or “excellent” after six months of the program (percentage). 55%

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

As approved in 2011, HACP requires that any non-elderly, non-disabled head of household who is not working at least 15 hours a week 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 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 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. HACP has also adjusted its FSS Program capacity to encourage HCV families to participate in HACP's FSS Program.

Training, resident notifications, and agency notifications are ongoing. Full implementation was achieved by the end of 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 – benchmarks established as of August 2010 remain and are indicated in the bullets below. Subsequent numbers are included in the charts.

- HACP's August 2010 HCV Program population included 1,976 non-elderly, non-disabled families whose tenant payment calculation was less than $150 per month.
- Of those families, 1,454 did not report any wage income. This is the group that this policy was expected to impact.
- Participation among all HCV program participants in HACP's REAL FSS program was 371 in 2010.
- 769 program participants showed TANF income in 2010, and thus were assumed to be compliant with state welfare to work requirements. 98 of these families were enrolled in HACP's REAL FSS program.
- HACP also calculated 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. See charts for results.
- Please see the chart below for December baseline information and Benchmark targets for each measure.

Housing Choice Voucher Program Metrics

Measure	Baseline	Actual	Benchmark
	12/2010	12/2015	12/2017
Non-Elderly, non-disabled families with tenant payment <$150	1988	712	650
Number of families with no wage income	1477	1203	1150
Number of families enrolled in HACP's REAL FSS program	439	202	250
Average overall HAP	$486	$561	$575
Average HAP for non-elderly, non-disabled	$538	$575	$570
Average HAP for non-elderly, non-disabled paying <$150	$657	$401	$420

HACP contributes to investigate anomalies in this data

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, were posted for public comment and approved by the Board in 2011.
- Impact Analysis: As noted above and in the chart above, the number of families expected to be impacted is between 1,500 and 2,000. Approximately half of these families are expected to already be enrolled in state Welfare to Work TANF programs. The remaining 750 to 1,000 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 increases in program participation.

- Annual Re-evaluation of rent reform initiative: A review of the data above indicates the policy is having the anticipated impact, although HACP FSS enrollments, and declines in average HAP payments for non-elderly, non-disabled families paying less than $150 per month rent are behind projections. Mechanisms to confirm participation in non-HACP Local Self-Sufficiency programs (LSS) are continuing to be reviewed to ensure accuracy of collected data and the benchmark for FSS enrollments may be unnaturally inflated as families choose LSS programs. As capacity becomes available, families are encouraged to enroll in HACP's FSS program.
- Hardship Case Criteria: HACP will always consider individual circumstances via the grievance process.

HACP does not plan or anticipate any non-significant changes or modifications; any changes or modifications to metrics, baselines, or benchmarks; nor any different authorizations for this activity in 2017.

Modified Rent Policy for the Section 8 Housing Choice Voucher Program Metrics

Standard HUD Metrics – Self-Sufficiency – modified based on HACP capability			
Unit of Measure	Baseline - before implementation (or beginning 2013)	2015 Actual	2017 Benchmark
SS#1: Average Gross Income of households	$11,802	$11,881	$12,000
SS#2: Average Escrow Savings	$3,789.66*	$2,854	$2,900
SS#3: Employed - Number	1475	1451	1475
SS#3: Employed – percentage (of all families)	28.61%	30%	30%
SS#3, (3 + 4): Enrolled in Education or training program number (of FSS participants)	101	46	55
SS#3, (3 + 4): Enrolled in Education or training program percentage (of FSS participants)	22.54%	13%	15%
SS#4: Number receiving TANF (of all households)	774	810	800
SS#5: Number receiving Self-sufficiency services (FSS enrollment)	353	189	200
SS#6: Average subsidy (HAP) (all households)	$466.24	$561	$575
SS#8: Number transitioned to self-sufficiency (graduation)	12	41	50

* 2013 average. Ongoing corrections to system calculation error have led to establishment of new baseline.

Note on Standard Metric SS#3: HACP has historically reported employment based on all families, and for a subset representing those families enrolled in FSS. Also, HACP has reported participation in education and training programs as a combined number.

HACP Metrics – Housing Choice Voucher Family Self Sufficiency

	2014	2015 Actual	2017 Benchmark
FSS Participants	287	240	250
Families working (of FSS participants)	185	152	160
% of families working (FSS participants)	65%	75%	75%
# graduating	39	41	51
# with FSS accounts	165	181	200

4. Modified Rent Policy for the Low Income Public Housing Program.
As approved in 2008, HACP requires that any non-elderly, non-disabled head of household who is not working to either participate in the Family Self-Sufficiency Program (FSS) or pay a minimum rent of $150 per month. Specifically, the HACP lease and ACOP requires that any non-elderly, non-disabled head of household who is not working and is paying less than $150 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 than $25 per month.

HACP may grant a hardship exemption from the rent, including the $25 per month minimum required of those exempted from the $150 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.

- 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 City of Pittsburgh 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 of the City of Pittsburgh'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, an increased level of active participation in the HACP self-sufficiency program, and an 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.

In addition to the baseline measures established in mid-2008 and mid-2009 as the full implementation of the policy was completed, HACP has some data dating to 2005 when the LIPH enhanced FSS program was established. LIPH data through 2012 from the Tracking at a Glance Software, EmPHAsys Elite, and internal reports are presented in the tables below.

HACP does not plan or anticipate any non-significant changes or modifications; any changes or modifications to metrics, baselines, or benchmarks; nor any different authorizations for this activity in 2017.

HACP Metrics – Low Income Public Housing Program Family Self Sufficiency

FSS Program Stats	2005	2015 Actual	2017 Benchmark
FSS Participants	658	486	500
Number of families working (of FSS participants)	181	290	300
Percentage of families working (of FSS participants)	27.51%	60%	65%
# graduating from FSS	n/a	33	40
# of FSS participants with escrow accounts	29	241	251

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

HACP Metrics – Low Income Public Housing Program

Item	Baseline July 2008	2015 Actual	2017 Benchmark
HACP Rent Roll Amounts ($)	$685,682.44	$639,527	$645,500
HACP Rent collection amounts ($)	$612,027.55	$656,166	$665,200
	Aug-08		
Average Rent All Communities	$198.88	$222.21	$225
Number of families working (reporting wage income)	713	721	730
Percentage of families working	22%	28%	30%

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 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.

No changes or modifications related to this initiative are planned for 2017. Some additional HACP specific metrics are planned to balance changes to rent collections against changes in number of units under management.

HACP has also been working with private management companies to modify their policies to implement these provisions in privately managed public housing units.

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 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. Furthermore, 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 initial results did reflect several trends. Rent rolls and rent collections increased, and average rent amounts remained steady with no decline. .

The percentage of families working within the FSS program is above 70% despite an overall decrease in FSS participation. This decrease in FSS participation can be attributed to the large population of elderly and disabled households, households in TANF compliance, and increased enforcement of FSS program rules. HACP does expect an increase in overall FSS participation and continued high employment rates among households enrolled in the FSS program.

Modified Rent Policy for the Low Income Public Housing Program Metrics

LIPH Rent Policy Impact Data	2010	2015 Actual	2017 Benchmark
Total non-disabled non-elderly families	1394	1,088	1,100
Number of families working (reporting wage income)	595	546	575
Percentage of non-disabled, non-elderly families working	43%	50%	50%
Number of families impacted (non-elderly non-disabled, and rent less than $150)	828	562	560
Number exempt due to disability (disabled, rent <$150)	206	68	75
Number exempt due to elderly (age 62+, rent <$150)	72	17	25
Number enrolling in FSS (not elderly, not disabled, Tenant Rent <= $150 and enrolled in FSS)	353	338	375

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. This evaluation work is underway, and results have been included in the HACP 2014 MTW Annual Report. Further evaluation is pending as HACP seeks to procure a new contract in 2017 though potential university partnerships.

Standard HUD Metrics – Low Income Public Housing

Modified based on HACP Data			
Unit of Measure	Baseline	2015 Actual	2017 Benchmark
SS#1: Average Earned Income of all households	$11,268	$12,161	$12,200
SS#2: Average Escrow Savings	1,771.96	$2,668	$2,700
SS#3: Employed Number (all households)	620	546	575
SS#3: Employed percentage (all households)	21.72%	20%	22%
SS#3 (3+4): Enrolled in Education or Training program number (of FSS participants)	88	18	25
SS#3 (3+4): Enrolled in Education or Training program percentage (of FSS participants)	14%	3%	5%
SS#4: Number receiving TANF (all)	637	324	315

SS#5: Number receiving Self-sufficiency services (FSS enrollment)	634	403	425
SS#7: PHA Rental Revenue	$626,041	$656,166	$665,200
SS#8: Number transitioned to self-sufficiency (graduation)	7	0	

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

5. 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 re-certifications completed annually, and the resulting costs, and has compared this to the same total calculations subsequent to the change in policy to measure the impact.

Re-certification Policy for HCV	2009 Baseline	2015 Actual	2016 Benchmark
Number of Annual Recerts	n/a	2,577	2650
Number of interim Recerts	n/a	2,222	2,300
Total Recerts	550	4,799	4,950
Average cost per Recert (2009 Estimate	$53.63	$53.63	$53.63
Total Estimated Cost	$294,965	$257,370	$265,468

Re-certification Policy for LIPH	2009 Baseline	2015 Actual	2016 Benchmark
Number of Annual Recerts	2,826	1,234	1,200
Number of interim Recerts	1,070	1,373	1,250
Total Recerts	550	2,607	2,450
Average cost per Recert (2009 Estimate	$53.63	$53.63	$53.63
Total Estimated Cost	$208,942	$139,813	$131,393

Initial results are included in the table above. 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 additional results to be included in the 2016 Annual Report.

HACP does not plan or anticipate any non-significant changes or modifications; any changes or modifications to metrics, baselines, or benchmarks; nor any different authorizations for this activity in 2017.

Housing Choice Voucher HUD standard metrics – Cost Effectiveness Estimates

Unit of measure	Baseline	2013	2015 Actual	2017 Benchmark
CE#1: Total cost of task	$294,965.00	$315,183.51	$257,370	$246,698.00
CE#2: Total Time To Complete the Task	11,000 hours	11,754 hours	9,598 hours	9,200 hours

Note: provided numbers do not account for fluctuations in program size.
Note II: For SS#1, SS#3, SS#4 and SS#8 please see data provide for activity 1. Modified Rent Policy for the Section 8 Housing Choice Voucher Program.

Low Income Public Housing - HUD Standard Metrics – Cost Effectiveness Estimates

Unit of measure	Baseline	2013	2015 Actual	2017 Benchmark
CE#1: Cost of Task	$208,942.48	$147,804.28	$139,813	$112,623
CE#2: Total Time To Complete the Task	7,792 hours	5,512 hours	$5,214	4,200 hours

Note: provided numbers do not account for fluctuations in program size.
Note II: For SS#1, SS#3, SS#4 and SS#8 please see data provide for activity 2. Modified Rent Policy for the Low Income Public Housing Program.

No changes or modifications related to this initiative are planned for 2017.

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

6A. Operation of a combined Public Housing and Housing Choice Voucher Homeownership Program

HAPC's Homeownership Program was 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 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 LIPH & HCV	2009 Baseline	2015 Actual	2017 Benchmark
Closings / Purchase	12	11	10
Sales Agreements		11	10
Pre-Approval Letters		11	10
Number of applicants		61	75
Homeownership Education completed	56	38	50
HACP funds for closing (total)		$39,139	$50,00
Average HACP 2nd mortgage amount*		$13,168	$90,000
Average Purchase price		$101,491	$105,000
Amount of non-HACP assistance**		$148,000	$175,000
Foreclosures	0	0	0

Homeownership Statistics	LIPH 2010 Baseline	LIPH 2015 Actual	2017 Benchmark
Closings / Purchase	6	4	6
Sales Agreements	9	4	6
Pre-Approval Letters	9	4	6
Number of applicants	53	n/a	40
Homeownership Education completed	32	n/a	30
HACP funds for closing (total)	$19,620	$10,554	$30,000
Average HACP 2nd mortgage amount*	$7,218	$12,231	$15,000
Average Purchase price	$57,250	$87,475	$90,000
Amount of non-HACP assistance**	$10,340	$38,000	$42,000
Foreclosures	0	0	0

Homeownership Statistics	HCV 2010 Baseline	HCV 2015 Actual	2017 Benchmark
Closings / Purchase	8	7	4
Sales Agreements	5	7	4
Pre-Approval Letters	3	7	4
Number of applicants	11	n/a	35
Homeownership Education completed	8	n/a	20
HACP funds for closing (total)	$9,213	$28,585	$20,000
Average HACP 2nd mortgage amount*	$2,344	$13,704	$16,500

Average Purchase price	$84,839	$109,500	$95,000
Amount of non-HACP assistance**	$13,607	$110,000	$100,000
Foreclosures	0	0	0

* In 2011, four 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:

	2010 Baseline	2015 Actual	2017 Benchmark
Housing Choice Voucher Program Buyers:			
Seller's assist	$ 7,856.57	0	0
State	$ 3,000.00	0	0
Dollar Bank 3-2-1	$ 2,750.00	0	0
URA Soft-Second Mortgage	$103,000.00	$110,000	$75,000
American Dream Grant	0	0	0
Bartko Foundation	0	0	0
Parkvale Savings Banks	0	0	0
East Liberty Development, Inc.	0	0	0
ACB Grant	0	0	0
Total	$116,606.57		$75,000
Low Income Public Housing Buyers:			
URA Soft-Second Mortgage	$ 1,039.62	$38,000	$40,000
State	$ 3,000.00	0	0
Dollar Bank 3-2-1	$ 3,300.00	0	0
Habitat for Humanity	$0	0	0
Total	$10,339.62	0	0
Grant Total Other Assistance:	$126,946.19	$148,000	$115,000

** The amounts of non-HACP assistance listed do not include soft second mortgages provided by the City of Pittsburgh Urban Redevelopment Authority (URA).

Foreclosure Prevention: In our program's history, only two (2) out of 131 families have experienced foreclosure. In both instances the families refused multiple offers of assistance and the resources of the foreclosure prevention component of HACP's Homeownership Program.

Homeownership Soft-Second Mortgage Waiting List: This has not been established, as at no point have pre-approvals and closings combined approached our budgeted level.

Eligibility of persons on the waiting lists: Our Homeownership Program policy requires those interested in participation in our program to have received a letter of eligibility for public housing or the Housing Choice Voucher Program from the HACP. However, because we do not process families on the waiting list for eligibility until they near the top of the list, the added pool of potential homeownership program candidates from the waiting list was smaller than anticipated. Additionally, low income public housing and HCV waiting lists were closed in the spring of 2014, further inhibiting enrollment in the homeownership program of families who are not currently program participants but are otherwise eligible. This has not produced significant increases in enrollment thus far.

In order to address this, HACP in 2013 modified its eligibility criteria to add persons otherwise eligible for public housing or the Housing Choice Voucher program, in addition to program participants and persons on the waiting list. Persons who have adequate income for the homeownership program will be permitted to complete an application and HACP will process the application for eligibility determination, but will not place the family on a rental housing waiting list. If eligible, they will be provided with a letter stating their eligibility for rental assistance so that the family can enroll in the Homeownership Program.

For 2017, HACP will implement a revised Homeownership program to include increase in the second mortgage amount from $32,000 to $52,000 and closing cost assistance amount from $7,000 to $8,000. This is a result of increasing home purchase costs and will maintain affordability for future homeowners.

The second deferred mortgage is typically applied to supplement the modest first loan amount obtained by the participant in order to ensure affordability of the first mortgage and to increase the purchase capacity of the participant. Many participants are pre-approved for higher loan amounts that do not consider family composition, monthly costs of utilities, maintenance, or major repair expenses resulting in total monthly housing costs above 35 percent of the participants' income. In these instances, participants must decrease the loan amount to maintain affordability and rely on the second deferred mortgage to complete the purchase. The second mortgage is also used to increase the participants purchase capacity, expanding the range of houses within their affordable range.

The increase in the maximum second deferred mortgage will increase participants overall purchase capacity, and thus their housing choice. A revised copy of HACP's MTW Homeownership Program is included in appendix II of this plan.

HUD Standard Metrics - Cost Effectiveness - Homeownership			
Measure	Baseline	2015 Outcome	2017 Benchmark
Number of recerts (reduced)	10/year	11	10
CE#1: Total cost of task ($) (recerts)	$53.30.	$53.30	53.30
CE#2: time of task (hours)	20	220	20
CE#3: Error Rate in task/percentage	N/A	N/A	N/A
CE#4: Funds leveraged ($)	0	0	0

HUD Standard Metrics - Housing Choice			
Measure	Baseline	2015 Outcome	2017 Benchmark
HC#5: # able to move to a better unit +/or neighborhood	0	11	10
HC#6: number that purchased a home	0	11	10
HC#7: number receiving services aimed at increasing housing choice	0	61	75

HACP does not plan or anticipate any non-significant changes or modifications; any changes or modifications to metrics, baselines, or benchmarks; nor any different authorizations for this activity in 2017.

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

6B. Homeownership Program assistance to include soft-second mortgage assistance coupled with closing cost assistance, homeownership and credit counseling, and foreclosure prevention; expand eligibility to persons on the LIPH and HCV program waiting list or persons eligible but not on a wait list; establish a Homeownership Soft-second mortgage waiting list

Initially approved in 2010, the following provisions of the HACP homeownership program are as follows for 2017:

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 $52,000. 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 or persons otherwise eligible but currently not on a wait list.
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 has engaged outside evaluators to assist in assessment of this initiative.

Please see above (#4. A.) for standard HUD metrics

HACP will begin implementation of the traditional Housing Choice Voucher Homeownership program for existing voucher holders only. Participants on the either the LIPH wait list or HCV wait list or persons otherwise eligible would be unable to apply for this program.

This option will increase housing choice for participants on fixed incomes such as social security, persons with disabilities, and families that may experience fluctuating household income.

HACP is making one non-significant modification to increase the maximum second soft mortgage to $52,000 and closing cost assistance limit to $8,000; HACP does not anticipate any changes or modifications to metrics, baselines, or benchmarks; nor any different authorizations for this activity in 2017.

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.

7. 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. Currently FMR's are significantly lower than average rents in the City of Pittsburgh and more severe in many neighborhoods of opportunity. HACP expects voucher holders to utilize this option as the rental market becomes increasingly scarce. 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 2017 Annual Report. No changes or modifications (other than improved data collection), are planned in 2017.

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.

HACP does not plan or anticipate any non-significant changes or modifications; any changes or modifications to metrics, baselines, or benchmarks; nor any different authorizations for this activity in 2017.

Modified Housing Choice Voucher Program maximum percent of Adjusted Monthly Income
HUD Metrics

Unit of measure	Baseline	2015 Actual	2017 Benchmark
HC#5: Increase in resident mobility	0	50	60

8. Modified Payment Standard Approval

Originally approved in 2004, HACP is authorized to establish Exception Payment Standards up to 120% of FMR (Fair Market Rent) without prior HUD approval. HACP has utilized this authority to establish an Exception Payment Standard at 120% of FMR as a Reasonable Accommodation for a person with disabilities. HACP has not utilized it's authority to establish Exception Payment Standard Areas since 2007. 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 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.

In 2013, HACP received approval for a modification to this activity allowing HACP to establish an Exception Payment Standard of up to 120% of FMR for fully Accessible Units meeting the Requirements of the Uniform Federal Accessibility Standard (UFAS). This Exception Payment Standard can be used by tenants who require the features of a UFAS unit and locate such a unit on the open market; and may also be used by the HACP in the Project Based Voucher Program or other rehabilitation or new construction initiatives that create additional fully accessible UFAS units. HACP may utilize this activity at additional properties in 2017.

This initiative will increase housing choices for low-income families who require the features of an accessible unit.

Implementation of this initiative will increase the availability of affordable accessible units in desirable locations and environments, decreasing wait times and increase the number of families who can reside in a unit that meets all of their accessibility needs. Most specifically, it will increase the number of fully accessible units (and families) supported by the Housing Choice Voucher (HCV) Program, and will increase the choices for low-income disabled families receiving assistance through the HCV program.

HACP expects to see the increase in the availability of UFAS accessible units within two years of approval and implementation (subject to other approvals and processes required for rehabilitation and construction projects); and to the type, number, and quality of project based voucher proposals received by the authority.

HACP's standard measure will be the number of new UFAS accessible housing units made available for disabled households at or below 50% of AMI. Projected outcome is an increase in the number of UFAS accessible units supported by the HCV program.

Data will be collected from HACP's EmPHAsys Elite HCV database; and records of rehabilitation and development projects completed through the HACP Development and Modernization Department and through AHAP and HAP agreements and subsidy payment records for Project Based Section 8 contracts.

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

This authorization is needed to streamline the process for approval of the exception payment standard to promote the creation of accessible units in the City of Pittsburgh. Based on the factors of Pittsburgh's topography and older housing stock, few fully accessible units exist outside of senior citizen high rise buildings. These factors also make conversion of existing units more difficult and costly, and make meeting the UFAS standards challenging even in new construction. Therefore, an Exception Payment Standard is needed to provide incentives for engagements of new construction and building renovations to include accessible units, and to cover the added costs associated with meeting those exacting standards.

Modified Payment Standard HUD Metrics

Measure Modified Payment Standard	Baseline	2015 Actual	2017 Benchmark
Local Metric- HC: new units made available to families <=80%AMI	0	20	25
HC#2: units preserved (<+80%ami)	n/a	0	25
HC#4: Number of families <=80% AMI that would lose assistance or have to move	n/a	20	25
HC#5: # able to move to a better unit +/or neighborhood	0	20	25

Measure	A. Baseline	B. Benchmarks	2015 Outcome	2017 Benchmark
New Housing Units Available	0	2014 – 4 2015 – 8 2016 – 13 Total: 25	6	7

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

HACP does not plan or anticipate any changes or modifications to metrics, baselines, or benchmarks; nor any different authorizations for this activity in 2017.

It should be noted that HACP implemented a Success Rate Payment Standard using standard regulations for the entire jurisdiction in 2016. Effective April 1, 2016, the Success Rate Payment Standard is based on the 50th percentile of area rents, rather than the 40th percentile of area rents used in establishing the Fair Market Rent (FMR). This creates an effective payment standard of 119% of area FMR. HACP plans to evaluate other potential polices or administrative changes to increase lease up in areas difficult to penetrate because of high demand and limited availability of housing, and will pursue alternative methodologies to establish a payment standards system to maximize housing choices for voucher households.

9. Use of Block Grant Funding Authority for Development, Redevelopment, and Modernization

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

Throughout its Moving To Work Program, HACP has utilized 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 Commons Phase III. This helped produce 23 LIPH units, nine Tax Credit affordable units, and spurred additional investments that created nine affordable market rate units. This leveraged $7,291,363 in Low Income Housing Tax Credit Equity and $200,000 in additional investments in the LIPH and Tax Credit units. Closing for Garfield Phase III occurred in 2010, and construction and lease up was completed in 2011. Construction and lease up of Garfield Phase IV occurred in 2013.

These investments increase housing choice by creating brand new public housing and low income tax credit units, and are the catalyst for the creation of affordable market rate units available to low-income families. These new units provide 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, HUD approved the HACP's *Step Up To Market Financing Program*, as described below. However, specific development proposals and rent levels were not approved and work continued to finalize redevelopment terms until late in 2013. Closing on Addison Phase I, including elements of the *Step Up To Market Financing program*, occurred in late December, 2013. Section A below describes the overall authorities approved, Section B. below describes the specific authorities utilized in 2014, 2015 as well as authorities planned for 2016.

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 in 2028. 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, to achieve its development and redevelopment goals. This broad list of authorities, including but not limited to, the following, have been generally approved but must be specifically identified for each planned project in future submissions:

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 and permitting the initiation of site work prior to execution of the Agreement to Enter Into a Housing Assistance Payments contract (AHAP).
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.
viii. Acquisition of property without prior HUD approval as needed to take advantage of opportunities as they arise, with specific focus on parcels needed for site assembly for redevelopment and development projects. HACP will ensure that all HUD site acquisition requirements are met.

Identified Properties:

In 2017, HACP will continue to utilize the elements of the Step Up To Market strategy for Phase II and Phase III of Addison Terrace redevelopment, Hamilton- Larimer redevelopment, Allegheny Dwellings redevelopment, Bedford Dwellings redevelopment, possible re-syndication of Manchester mixed income community and Crawford Square, and possible new development at St. Clair Village, and will also pursue utilizing these elements for future Addison Terrace and Hamilton-Larimer redevelopment activities. These strategies will supplement and leverage funds in addition to funds garnered through the Choice Neighborhoods Implementation Grant. HACP has secured funds for planning of the redevelopment of Bedford Dwellings through a Choice Neighborhood Planning Grant awarded in 2016.

Specific Strategies and Properties:

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 Phases III and IV and Larimer/ East Liberty Redevelopment Phase II, III and IV, Allegheny Redevelopment, Investments in Homewood, Oak Hill Phase II, development of a new Northview Midrise and Crawford Square Preservation:

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 and permitting the initiation of site work prior to execution of the Agreement to Enter Into a Housing Assistance Payments contract (AHAP). (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 private 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. 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.).

4. Acquisition of property without prior HUD approval in order to complete site assembly for these projects. As authorized under Attachment C. Section C. 13. (authorizing the acquisition of sites without prior HUD approval).

HACP will submit a full development proposal, including Rental Term Sheet, Pro Formas, Sources and Uses, schedules, and other detailed project information as required based on each project's financing to HUD's Office of Public Housing Investments or other HUD office as directed for approval as part of the mixed finance approval process as per HUD's protocol, and will ensure completion of a subsidy layering review. This process was completed and approved for Larimer/East Liberty Phase I, Addison Phase II in 2015 and Addison Phase III in 2016

It is anticipated that proposals will be submitted for Larimer/East Liberty Phase II, Allegheny Dwellings Phase I, Addison Phase IV as investment in Homewood, Crawford Square Preservation, Larimer/East Liberty Phase III and Northview Midrise in 2017.

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, project based vouchers, 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.

Development, Redevelopment, and Modernization

Measure	Addison Terrace	Addison Terrace Redevelopment
REAC score 2013	56	n/a
Unit Type	3 story walk up non energy efficient	Townhouse construction
Non HACP funding leveraged *	none	LIHTC

*Note: Larimer/ East Liberty redevelopment utilize Choice Neighborhood grant funding as well as funding from the City of Pittsburgh.

HUD Standard Metrics - Housing Choice

Measure	Baseline	2015 Actual	2017 Benchmark
HC#1: new units made available (<=80%AMI)	0	50	100
HC#2: units preserved (<+80%AMI)	n/a	n/a	n/a
HC#3: Average time on wait list	n/a	n/a	n/a
HC#4: # (<=80% AMI) that would lose assistance or have to move	n/a	n/a	n/a
HC#5: # able to move to a better unit +/or neighborhood	0	50	100
HC#6: number that purchased a home	n/a	n/a	n/a
HC#7: number receiving services aimed at increasing housing choice	n/a	n/a	n/a

HUD Standard Metrics – Cost Effectiveness

Standard HUD Metric	Baseline	2015 Actual	2017 Benchmark
Cost Effectiveness #1:	$3,118 per RFP	$9,354	12,472
Cost Effectiveness #2: Staff time Savings	91.5 hours	274.5 hours	366 Hours

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:
- 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. ;

HACP has made one non-significant change to this section, adding the specific provision "permitting the initiation of site work prior to Execution of the Agreement to Enter Into a Housing Assistance Payments contract (AHAP)." into the description of this initiative, and into the specific authorizations section, in conjunction with the authorization to project base up to 100% of the units in a development. This change will streamline processes and expedite completion of replacement developments. No other changes or modifications related to this initiative are planned for 2017.

Not Yet Implemented Activities

HACP does not currently have any approved but not yet implemented activities.

On-Hold Activities

HACP activities that could be considered as 'on hold' are actually subsets of implemented activities. There is only one, and it is as follows:

Exception Payment Standard Areas. Originally approved in 2004 as part of a larger approval on Exception Payment Standards, HACP suspended its Exception Payment Standard Area in 2007 in order to reduce costs and streamline administration. In response to changes in the local market, HACP plans to develop new payment standard methodologies to increase housing choices for voucher families.

Closed Out Activities

Since entering the Moving To Work Program in 2000, HACP has also instituted a number of Moving To Work initiatives that in 2017 no longer required specific Moving To Work Authority. Some of those initiatives are:

1. Establishment of Site Based Waiting Lists. Closed out prior to execution of the Standard Agreement as Moving To Work authority was no longer required for this activity.
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. Closed out prior to execution of the Standard Agreement as Moving To Work authority was no longer required for this activity.
3. Modified Rent Reasonableness Process. Closed out prior to execution of the Standard Agreement as Moving To Work authority was no longer required for this activity.
4. Transition to Site Based Management and Asset Management, including Site Based Budgeting and Accounting. Closed out prior to execution of the Standard Agreement as Moving To Work authority was no longer required for this activity.

Other Activities

Several activities that utilized Moving To Work Authority, but are not specified as specific initiatives waiving specific regulations, were previously included in the initiative section but no longer require that separate listing. They are as follows:

- Use of Block Grant Funding Authority to support Development and Redevelopment, Enhanced and Expanded Family Self-sufficiency and related programming, and the HACP MTW 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. Additional information on the use of Single Fund block grant authority is included in other sections of this MTW Plan, particularly Section V. on Sources and Uses of funds.

- 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 completed for the 2012 year. HACP's objectives include realizing substantial energy cost savings. HACP reports on the EPC in the MTW Annual Report.

- 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 the Appendix, Local Asset Management Program. HACP will continue to develop and refine its Local Asset Management Program to reduce costs and increase effectiveness.

OMB Control Number:2577-0216
Expiration Date: 5/31/2016

Form 50900: Elements for the Annual MTW Plan and Annual MTW Report

Attachment B

(V) Sources and Uses of Funds

Annual MTW Plan

V.1.Plan.Sources and Uses of MTW Funds

A. MTW Plan: Sources and Uses of MTW Funds

Estimated Sources of MTW Funding for the Fiscal Year

PHAs shall provide the estimated sources and amounts of MTW funding by FDS line item.

	Sources	
FDS Line Item	**FDS Line Item Name**	**Dollar Amount**
70500 (70300+70400)	Total Tenant Revenue	$ 6,962,226
70600	HUD PHA Operating Grants	$ 125,656,825
70610	Capital Grants	$ 4,583,278
70700 (70710+70720+70730+70740+70750)	Total Fee Revenue	$ 23,502,881
71100+72000	Interest Income	$ 403,821
71600	Gain or Loss on Sale of Capital Assets	$ -
71200+71300+71310+71400+71500	Other Income	$ 1,391,205
70000	**Total Revenue**	**$ 162,500,236**

Estimated Uses of MTW Funding for the Fiscal Year

PHAs shall provide the estimated uses and amounts of MTW funding by FDS line item.

	Uses	
FDS Line Item	**FDS Line Item Name**	**Dollar Amount**
91000 (91100+91200+91400+91500+91600+91700+91800+919	Total Operating - Administrative	$ 27,185,342
91300+91310+92000	Management Fee Expense	$ 9,273,799
91810	Allocated Overhead	$ -
92500 (92100+92200+92300+92400)	Total Tenant Services	$ 3,265,868
93000 (93100+93600+93200+93300+93400+93800)	Total Utilities	$ 9,134,898
93500+93700	Labor	$ -
94000 (94100+94200+94300+94500)	Total Ordinary Maintenance	$ 22,685,780
95000 (95100+95200+95300+95500)	Total Protective Services	$ 5,669,303
96100 (96110+96120+96130+96140)	Total Insurance Premiums	$ 1,418,855
96000 (96200+96210+96300+96400+96500+96600+96800)	Total Other General Expenses	$ 5,061,169
96700 (96710+96720+96730)	Total Interest Expenses and Amortization Cost	$ -
97100+97200	Total Extraordinary Maintenance	$ 23,810,508
97300+97350	Housing Assistance Payments + HAP Portability	$ 35,934,892
97400	Depreciation Expense	$ -
97500+97600+97700+97800	All Other Expenses	$ 17,660,687
90000	**Total Expenses**	**$ 161,101,101**

Describe the Activities that Will Use Only MTW Single Fund Flexibility

The HACP plans to utilize its single fund flexibility to direct $25,519,987 in 2017 from the HCVP and Low Income Public Housing Program funding to support the HACP development and modernization program. Additional detail can be found in the Appendixes of this plan. Specifically, this funding will be used for the following:

-Significant Modernization to Various HACP Properties

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

Activity	Plan Year Originally Obligated	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 modificati in subsequent years	Ongoing

Continuing in 2017, 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 IV.

Section VI. Administrative

A. Board Resolution

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

B. Public Comment

a. The Annual Plan was available for public comment from August 17, 2016 to September 15, 2016.

b. Public Hearings were held on September 8, 2016, at 12:00 P.M. and 5:30 P.M. at the HACP Confrence Room, 200 Ross Street, 9th Floor, Pittsburgh, PA, 15224. The total number of attendees at the public hearings was ten.

C. Description of Evaluation of the Demonstration

The HACP continues to work with the University of Pittsburgh, Graduate School of Public and International Affairs, Center for Urban Studies, on evaluation of the HACP Moving To Work Program. Work to date has focused on impact of the HACP modified rent policy (Activities #1 and #2), and the related performance of HACP's Family Self-Sufficiency Program and Resident Employment Program. Other aspects of work included a review of HACP's MTW intitivites including the recertification requirements policy (Activity #3); modified % of adjusted income permitted (Activity #5) and modified payment standards (Activity #6). Results of these efforts will be included in HACP's 2017 MTW Annual Report.

The HACP is currently exploring the option of further third party evaluation. HACP has initiated discussions with the University of Pittsburgh. Future work will focus on extending and expanding the evaluation project to include factors relating to economic and social mobility as it relates to MTW initiatives.

Housing Authority of the City of Pittsburgh

TM

Executive Office
200 Ross Street – 9th Floor
Pittsburgh, PA 15219
(412) 456-5012

CERTIFICATE OF RESOLUTION APPROVAL

I, Amy L. Shaffer, Recording Secretary of the Housing Authority of the City of Pittsburgh, do hereby certify that the attached Resolution No. 43 of 2016 was presented to the Board of Commissioners of the Housing Authority of the City of Pittsburgh at its meeting held on Thursday, October 27, 2016 and approved.

IN TESTIMONY, WHEREOF, I have hereunto set my hand and the seal of said Housing Authority of the City of Pittsburgh this 27th day of October, 2016.

Amy L. Shaffer

Recording Secretary (SEAL)

Board Meeting
October 27, 2016
Agenda Item No. 5

RESOLUTION No. 43 of 2016

A Resolution - Approving the HACP 2017 Moving to Work Annual Plan, and authorizing the Executive Director or his Designee to submit the Annual Plan to the U.S. Department of Housing and Urban Development

WHEREAS, on November 17, 2000, the Housing Authority of the City of Pittsburgh (HACP) and the United States Department of Housing and Urban Development (HUD) executed an agreement authorizing the HACP to participate in the Moving to Work (MTW) Demonstration; and

WHEREAS, as a participant in the MTW demonstration, the HACP is required to submit an Annual Plan for review and approval by HUD; and

WHEREAS, the HACP's FY 2017 MTW Annual Plan was made available for public review and comment from August 17, 2016 until September 15, 2016, and public hearings were held on the proposed Annual Plan on September 8, 2016; and

WHEREAS, the HACP gave consideration to all comments received regarding the revised FY2017 MTW Annual Plan.

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of the Housing Authority of the City of Pittsburgh:

Section 1. The HACP's Fiscal Year 2017 MTW Annual Plan is approved and the Executive Director or his Designee is authorized to submit the plan to HUD; and

Section 2. The attached Certifications of Compliance, as required by HUD is hereby adopted and approved; and the Chairman is hereby authorized to sign the Certifications of Compliance on behalf of the Board.

Form 50900: Elements for the Annual MTW Plan and Annual MTW Report

Attachment B

Certifications of Compliance

Annual Moving to Work Plan
Certifications of Compliance

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing

Certifications of Compliance with Regulations: Board Resolution to Accompany the Annual Moving to Work Plan*

Acting on behalf of the Board of Commissioners of the Public Housing Agency (PHA) listed below, as its Chairman or other authorized PHA official if there is no Board of Commissioners, I approve the submission of the Annual Moving to Work Plan for the PHA fiscal year beginning 2017, hereinafter referred to as "the Plan", of which this document is a part and make the following certifications and agreements with the Department of Housing and Urban Development (HUD) in connection with the submission of the Plan and implementation thereof:

1. The PHA published a notice that a hearing would be held, that the Plan and all information relevant to the public hearing was available for public inspection for at least 30 days, that there were no less than 15 days between the public hearing and the approval of the Plan by the Board of Commissioners, and that the PHA conducted a public hearing to discuss the Plan and invited public comment.
2. The PHA took into consideration public and resident comments (including those of its Resident Advisory Board or Boards) before approval of the Plan by the Board of Commissioners or Board of Directors in order to incorporate any public comments into the Annual MTW Plan.
3. The PHA certifies that the Board of Directors has reviewed and approved the budget for the Capital Fund Program grants contained in the Capital Fund Program Annual Statement/Performance and Evaluation Report, form HUD-50075.1.
4. The PHA will carry out the Plan in conformity with Title VI of the Civil Rights Act of 1964, the Fair Housing Act, section 504 of the Rehabilitation Act of 1973, and title II of the Americans with Disabilities Act of 1990.
5. The Plan is consistent with the applicable comprehensive housing affordability strategy (or any plan incorporating such strategy) for the jurisdiction in which the PHA is located.

6. The Plan contains a certification by the appropriate State or local officials that the Plan is consistent with the applicable Consolidated Plan, which includes a certification that requires the preparation of an Analysis of Impediments to Fair Housing Choice, for the PHA's jurisdiction and a description of the manner in which the PHA Plan is consistent with the applicable Consolidated Plan.
7. The PHA will affirmatively further fair housing by examining its programs or proposed programs, identify any impediments to fair housing choice within those programs, address those impediments in a reasonable fashion in view of the resources available and work with local jurisdictions to implement any of the jurisdiction's initiatives to affirmatively further fair housing that require the PHA's involvement and maintain records reflecting these analyses and actions.
8. The PHA will comply with the prohibitions against discrimination on the basis of age pursuant to the Age Discrimination Act of 1975.
9. The PHA will comply with the Architectural Barriers Act of 1968 and 24 CFR Part 41, Policies and Procedures for the Enforcement of Standards and Requirements for Accessibility by the Physically Handicapped.
10. The PHA will comply with the requirements of section 3 of the Housing and Urban Development Act of 1968, Employment Opportunities for Low-or Very-Low Income Persons, and with its implementing regulation at 24 CFR Part 135.
11. The PHA will comply with requirements with regard to a drug free workplace required by 24 CFR Part 24, Subpart F.
12. The PHA will comply with requirements with regard to compliance with restrictions on lobbying required by 24 CFR Part 87, together with disclosure forms if required by this Part, and with restrictions on payments to influence Federal Transactions, in accordance with the Byrd Amendment and implementing regulations at 49 CFR Part 24.

13. The PHA will comply with acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 and implementing regulations at 49 CFR Part 24 as applicable.
14. The PHA will take appropriate affirmative action to award contracts to minority and women's business enterprises under 24 CFR 5.105(a).
15. The PHA will provide HUD or the responsible entity any documentation needed to carry out its review under the National Environmental Policy Act and other related authorities in accordance with 24 CFR Part 58. Regardless of who acts as the responsible entity, the PHA will maintain documentation that verifies compliance with environmental requirements pursuant to 24 Part 58 and 24 CFR Part 50 and will make this documentation available to HUD upon its request.
16. With respect to public housing the PHA will comply with Davis-Bacon or HUD determined wage rate requirements under section 12 of the United States Housing Act of 1937 and the Contract Work Hours and Safety Standards Act.
17. The PHA will keep records in accordance with 24 CFR 85.20 and facilitate an effective audit to determine compliance with program requirements.
18. The PHA will comply with the Lead-Based Paint Poisoning Prevention Act and 24 CFR Part 35.
19. The PHA will comply with the policies, guidelines, and requirements of OMB Circular No. A-87 (Cost Principles for State, Local and Indian Tribal Governments) and 24 CFR Part 85 (Administrative Requirements for Grants and Cooperative Agreements to State, Local and Federally Recognized Indian Tribal Governments).
20. The PHA will undertake only activities and programs covered by the Plan in a manner consistent with its Plan and will utilize covered grant funds only for activities that are approvable under the Moving to Work Agreement and Statement of Authorizations and included in its Plan.
21. All attachments to the Plan have been and will continue to be available at all times and all locations that the Plan is available for public inspection. All required supporting documents have been made available for public inspection along with the Plan and additional requirements at the primary business office of the PHA and at all other times and locations identified by the PHA in its Plan and will continue to be made available at least at the primary business office of the PHA.

Housing Authority of the City of Pittsburgh
PHA Name

PA001
PHA Number/HA Code

I hereby certify that all the information stated herein, as well as any information provided in the accompaniment herewith, is true and accurate. Warning: HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3802)

Valerie McDonald-Roberts
Name of Authorized Official

Board of Commissioners Chairwoman
Title

Signature

10-31-2016
Date

*Must be signed by either the Chairman or Secretary of the Board of the PHA's legislative body. This certification cannot be signed by an employee unless authorized by the PHA Board to do so. If this document is not signed by the Chairman or Secretary, documentation such as the by-laws or authorizing board resolution must accompany this certification.

Housing Authority of the City of Pittsburgh (HACP) – Local Asset Management Plan (LAMP)

Deviations in Cost Allocation and Fee for Service Approach - Approach to Asset Management

In implementing its Moving To Work (MTW) 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

The HACP follows HUD's guidelines and asset management requirements including Asset Managed Project (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.

The 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 oversees 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.

The 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.

The 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.

Ongoing Initiatives and Deviations from General Part 990 Requirements

During FY2017, the HACP will undertake the following initiatives to improve the effectiveness and efficiency of the Authority:

- The HACP will maintain the spirit of the HUD site based asset management model. It will retain the Central Office Cost Center (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.

- The HACP will 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 under CFDA #14.881 MTW Program. This cost center will hold most 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 per unit month subsidy required to operate the property. The 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 CCOC 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 Energy Performance Contract accounting is broken out to the sites. This includes 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. Also, smaller inventories will be held in COCC mobile warehouse units.

- ❖ 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 (LIPH) and/or Housing Choice Voucher (HCV) programs, as these costs are 100 percent low rent and/or HCV.

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

- ❖ Information Technology 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 IT 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 ten (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 HACP 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 and beyond)	$78.03

The above numbers reflect 2009 dollars.

HACP has increased contract costs over the past year in order to develop new programming and upgrade software. These upgrades will help the Authority reach its ultimate goal of providing outstanding service to the communities. HACP continues to work diligently to reduce its expenditure levels and cut unnecessary COCC costs. 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 LIPH and HCV programs. The 2017 budget shows

COCC to have a surplus of $1,399,135. A major component of the HACP strategic plan is to increase its public housing occupancy, both through mixed-finance development and management to include, in house management, so as to better serve our low-income community and to recapture some of the fees lost to demolition. This initiative requires central office staff, talent and expense. To implement this plan effectively, i.e. to assist in the redevelopment of the public housing portfolio, the HACP 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 normal 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, Facility Services 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. Therefore, the 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.

HACP MTW Homeownership Program
Amended August 2016~~2013~~

Definitions

As used herein, the following terms not otherwise defined herein shall have the following meanings:

(a) "Buyer" shall mean a Homeownership Program participant who has obtained a mortgage pre-approval letter from a lender.

(b) "Buyer's annual recertification date" shall mean the date the buyer obtains a lender's mortgage pre-approval.

(c) "Buyer's List" shall mean the list signed by two or more eligible buyers who are interested in purchasing the same HACP owned property.

(d) "First-time homeowner" shall mean that no family member of the household owned any present ownership interest in a residence of any family member during the three years preceding commencement of homeownership assistance.

(e) "Gross Aid Standard" means the standard utilized to determine the supplement to the income of a low income household to enable the buyer to purchase standard quality housing in the private marketplace.

(f) "Qualified Mortgage" shall be insured by FHA, Guaranteed by VA, or funded by Fannie Mae, Freddie Mac, or other governmental entity, state or local housing finance agency, nonprofit organization, or a regional Federal Home Loan Bank under one of its affordable housing programs.

(g) "Soft-second mortgage Calculation" shall mean the calculation used to estimate a non-paying interest free second mortgage loan offered to eligible public housing Program participants. The amount of the soft-second mortgage is reduced 10 percent (10%) a year over a ten-year period.

(h) "Homeownership Expense Payment" consists of the principal, interest, taxes, and insurance (PITI) associated with first mortgage debt along with the corresponding monthly utility allowance for unit size, maintenance expense, and major repairs in accordance with 24 CFR 982.635 C2.

(i) "Total Family Payment" or "TFP" means that portion of the homeownership expense that the family must pay. It is generally thirty percent (30%) of the family's adjusted income, plus any difference between the payment standard and the actual housing cost.

I. INTRODUCTION

The Housing Authority of the City of Pittsburgh (HACP) operates a Moving To Work (MTW) Homeownership Program (the "Program") for current Low-Income Public Housing (LIPH) residents, Housing Choice Voucher (HCV) holders, or those eligible to receive LIPH and/or HCV assistance who desire to purchase their first home and primary residence within the City of Pittsburgh. In addition to other benefits, HACP will offer a Soft Second Mortgage based upon a payment calculation as defined in Section VIII. part C. Eligible participants will be placed on the HACP Homeownership Waiting List for home purchase based on the date of their mortgage pre-approval letter from an approved lender.

II. PURPOSE

The specific objectives of the Program are:

a. Expanding homeownership opportunities for low-income families and families having members with disabilities.

b. Providing an opportunity for first-time low income homebuyers to purchase a single-family home within the City of Pittsburgh.

c. Encouraging HACP families to acquire appreciable assets, and move toward the goal of economic self-sufficiency and eventual independence from government assistance programs.

III. OUTREACH

Outreach will be conducted by HACP's Homeownership Office to encourage participation in the Program. Informational flyers and brochures as well as the web site http://www.hacp.org/housing-options/home-ownership have been developed to target those persons interested in participating in the Program. The Program will also be promoted by the Resident Self-Sufficiency (RSS) Department through its newsletters and referrals by Service Coordinators. HACP will also highlight the program periodically in other agency publications such as the "News and Views".

IV. APPLICATION AND ENROLLMENT

Interested persons may apply to participate in the Program by contacting a Department of Housing and Urban Development (HUD) approved housing counseling agency to enroll in the required homeownership education class. Participants will receive initial assessments of their credit rating provided by the HUD-approved education and credit counseling service provider.

The HACP will consider the participant enrolled in the Program on the date the participant completes the required homebuyer education class and satisfies HACP eligibility requirements as outlined in Section V. The HUD approved education provider shall issue a certificate of satisfactory completion to each participant and maintain a copy of the certificate on file. HACP will consider the participant a “buyer” when the participant obtains a loan pre-approval letter.

V. ELIGIBILITY

Program participants must meet one of the following four criteria:

- be a current LIPH resident;
- be a HCV resident;
- be a person who is on the HACP waitlist for LIPH or HCV who has received an eligibility letter from HACP’s Occupancy Department for a HCV or LIPH;
- In the event that either waitlist is closed, a non-resident must be otherwise eligible to receive HCV or LIPH assistance as determined by HACP’s Occupancy Department in order to participate in the Program. Non-residents must receive an eligibility letter from HACP’s Occupancy Department for Homeownership Purposes only. An appointment will be arranged for non-residents with HACP’s Occupancy department after their participation in homeownership counseling and first mortgage pre-approval have been verified (see Section VII. below). The following additional eligibility requirements for participation in the Program shall also apply:

A. First-Time Homeowner

Each LIPH and HCV waiting list or otherwise eligible family must be a first-time homebuyer. A first-time homeowner means that no family member of the household owned any present ownership interest in a residence of any family member during the three (3) years preceding commencement of homeownership assistance. However, a single parent or displaced homemaker who, while married, owned a home with his/her spouse (or resided in a home owned by a spouse) is considered a "first-time homeowner" for purposes of the Program.

If HACP determines that a family member with a disability requires homeownership assistance as a reasonable accommodation, the first-time homeowner requirement may not apply.

B. Minimum Income Requirements

At the time the family obtains a mortgage pre-approval letter, the head of household, spouse, and/or other adult household members who will purchase the home must have a minimum gross annual income of $17,000 per year.

A family whose head, spouse or sole member is a person with a disability may be exempt from the minimum income requirement provided there exists a sufficient combination of monthly household income and initial down payment money to satisfy the lending institution's pre-approval requirements for the purchase of the property and all other applicable HACP requirements relating to eligibility are met.

C. Welfare Assistance Income

Welfare assistance income shall be included only for those adult elderly or families with members having disabilities who will own the home. Stated otherwise, with the exception of elderly and families with members having disabilities, HACP will disregard any "welfare assistance" income in determining whether the family meets the minimum income requirement. Welfare assistance includes assistance from Temporary Assistance for Needy Families (TANF); Supplemental Security Income (SSI) that is subject to an income eligibility test; food stamps; general assistance; or other welfare assistance defined by HUD. The disregard of welfare assistance income shall affect the determination of minimum monthly income in determining eligibility for the Program.

D. Employment Requirement

With the exception of families having members with disabilities and elderly households, each family must demonstrate that one or more adult members of the family who will own the home at commencement of homeownership assistance is employed full-time (an average of thirty (30) hours per week). Families with one (1) or more members who are self-employed shall be eligible under this section if they meet all other requirements as stated herein.

HACP will also consider an interruption of employment of no more than one (1) month during the prior one (1) year as meeting the definition of "full time employment" if the employed family member has been continuously employed for a period of at least one (1) year prior to the interruption and is currently employed at the time of the execution of the sales agreement.

E. Prior Mortgage Default

The HACP will not approve a homeownership sales agreement where the head of household, the head of household's spouse or other adult member of the family defaulted on a mortgage loan within the previous three (3) years. Such actions will render the family ineligible to participate in the Program.

F. PHA Debts

Prospective participants in the Program shall be ineligible for participation in the Program if they owe any debt or portion of a debt to HACP or any other PHA (Public Housing Authority). Except as provided in HACP's Admissions and Continued Occupancy (ACOP) Policy and Housing Choice Voucher Program Administrative (Admin) Plan, nothing in this provision will preclude participants who have fully repaid such debt(s) from participating in the Program.

G. Ownership Interest

Except for cooperative members who have acquired cooperative membership shares at the commencement of homeownership assistance, no family member may have a present ownership interest in a residence at the commencement of participation in the homeownership program. This requirement does not apply to the family's right to purchase title to the residence under a lease-purchase agreement. "Present ownership interest" means that no member of the household has had an "interest in a home", including title to a home, in the past three (3) years.

H. Eligible Properties

Eligible properties shall include residentially zoned single family homes, row homes, condominiums and townhomes within the City of Pittsburgh. Multifamily or non-residential properties are ineligible.

The HACP may sell existing scattered sites as identified on Exhibit A attached hereto to buyers within the Program. In the event a HACP scattered sites property is not sold through the Program, the property may be reoccupied for lease.

I. Buyer's Annual Recertification Date

The date the buyer obtains a lender's mortgage pre-approval letter shall be the program participant's annual recertification date for purposes of calculating homeownership assistance amounts. The annual recertification date will be used to calculate HACP's assistance benefits and/or soft-second mortgage amount. The lender or HACP shall verify the buyer's income and employment status during the mortgage pre-approval process and the lender shall provide buyer's income and employment status to HACP upon request. If a buyer's income increases or declines subsequent to a lender issuing a mortgage pre-approval letter, the HACP at its discretion may require recalculation of assistance amounts.

VI. PRE-HOMEOWNERSHIP ASSISTANCE REQUIREMENTS

A. Homeownership Counseling

Before a family is eligible for homeownership, the family must attend and successfully complete a pre-assistance HUD approved homeownership and housing counseling program. Such homeownership and housing counseling program will be provided or approved by HACP prior to the commencement of assistance and will include instruction relating to home maintenance; budgeting and money management; credit counseling; negotiating purchase price; securing mortgage financing and loan approvals; finding a home including information about schools and transportation; fair housing laws and local enforcement agencies; the advantages of purchasing and locating homes in areas that do not have a high concentration of low-income families; and the Real Estate Settlement Procedures Act; state and Federal truth-in-lending law; and how to avoid loans with oppressive terms and conditions.

B. ~~Home Purchase and Sales Agreement~~First Mortgage Pre-approval

Upon completion of the Homeownership Counseling Program, the participant is to complete a mortgage pre-approval application to determine if they qualify for a first mortgage. Participant is to provide HACP with a first mortgage pre-approval letter and closing cost estimate which will detail the cost associated with obtaining the mortgage. HACP requires tenant buyers to request a mortgage pre-approval letter and closing cost estimate that reflects the highest amount of first mortgage they are eligible to receive.

C. Home Purchase and Sales Agreement

Participants in the Program will be required to locate and purchase a home or execute a contract of sale or lease purchase a home, within the limits of the City of Pittsburgh. "Homeownership eligibility" begins on the date when the buyer has obtained a mortgage pre-approval letter and completed the approved homebuyer education class. It is the responsibility of the buyer to notify and discuss the sales transaction with HACP prior to the buyer signing an agreement of sale to remain eligible for Homeownership Program benefits.

~~Participants in the Program will be required to locate and purchase a home or execute a contract of sale or lease purchase a home, within the limits of the City of Pittsburgh. "Homeownership eligibility" begins on the on~~ ~~**the date when the buyer has obtained a mortgage pre-appr**~~~~oval letter and completed the approved homebuyer education class. It is the responsibility of the buyer to notify and discuss the sales transaction with HACP~~ ~~**prior to the buyer signing an agreement of sale to remain eligible for Homeownership Program benefits.**~~

~~C~~D. **Home Inspection**

The buyer shall select and pay for an independent professional inspection in accordance with the sales agreement. Such independent inspectors must be qualified by the American Society of Home Inspectors (ASHI) or possess equivalent credentials acceptable to HACP. The independent inspectors must furnish a copy of the inspection results to both the buyer and HACP. HACP must review the independent inspector's report and determine whether to go forward or terminate the sales agreement based upon its review.

A contingency clause in the sales agreement must provide that the buyer is not obligated to pay for any necessary repairs. If the Seller is HACP, HACP, in its sole discretion, may pay for any deficiencies found in the inspection report or HACP may terminate the sales agreement. Similarly, the buyer has the right to cancel the sales agreement without penalty if HACP is unwilling to make all necessary repairs cited in the inspection.

VII. FINANCING REQUIREMENTS

A. General

HACP may not require participants to use a certain lender or a certain type of financing. However, financing for purchases under this Program must generally ~~be insured or guaranteed by the State or Federal government and~~ comply with secondary mortgage market requirements. HACP will only approve a fixed interest rate "Qualified Mortgage" ~~mortgage~~ provided by a lender. A Qualified Mortgage shall be insured by FHA, Guaranteed by VA, or funded by Fannie Mae, Freddie Mac, or other governmental entity, state or local housing finance agency, nonprofit organization, or a regional Federal Home Loan Bank under one of its affordable housing programs. HACP will not approve any lending practice that it determines, in its reasonable discretion, to be abusive or predatory including loans offered at a rate above Prime to individuals who do not qualify for Prime Rate loans, i.e., subprime loans. Seller financing will be on a case-by-case basis, including instances where HACP or nonprofit organization is the seller. It is the goal of the Program for participants to utilize all other assistance for which they are eligible prior to receiving assistance from this Program.

If HACP is the seller, then the Program may provide for below-market purchase prices or below-market financing to facilitate below-market purchases. Discounted purchase prices may be determined on a unit-by-unit basis, based on the particular buyer's ability to pay, or may be determined by any other fair and reasonable method. Below-market financing may include any type of public or private financing, including but not limited to purchase-money mortgages, non-cash second mortgages, promissory notes, guarantees of mortgage loan from other lenders, shared equity, land installment contract or lease-purchase arrangements.

B. Financing Terms

The proposed loan terms must be submitted to and approved by HACP~~ prior to execution of the sales agreement and closing~~ and ~~.~~ HACP will determine, in its sole discretion, the affordability of the family's proposed loan terms and whether they are appropriate in view of current market conditions. ~~In making such determination, HACP may take into account other family expenses, including but not limited to child care, unreimbursed medical expenses, education and training expenses, homeownership expenses and the like. If a mortgage is not FHA-insured or VA-guaranteed, HACP may require lenders to comply with generally accepted mortgage underwriting standards consistent with HUD/FHA, Ginnie Mae, Fannie Mae, Freddie Mac, RHS, or the Federal Home Loan Bank requirements. HACP will not approve any lending practice that it determines, in its reasonable discretion, to be abusive or predatory including loans offered at a rate above Prime to individuals who do not qualify for Prime Rate loans, i.e., subprime loans. Seller financing will be on a case-by-case basis, including instances where HACP is the seller.~~ Participants are required to provide HACP with a copy of their loan application also known as the Uniform Residential Loan Application/ Fannie Mae form 1003 so that this determination can be made. If a mortgage is not funded by Fannie Mae or Freddie Mac or FHA-insured, or VA-guaranteed, HACP may require lenders to comply with generally accepted mortgage underwriting standards consistent with HUD/FHA, Ginnie Mae, Fannie Mae, Freddie Mac, RHS, or the Federal Home Loan Bank requirements. Seller financing will be reviewed on a case-by-case basis.

C. Determining Affordability: Buyer's Monthly Homeownership Expense

The HACP will determine, in its sole discretion, the affordability of the family's proposed loan terms and whether they are appropriate in view of current market conditions. In making such determination, HACP may take into account other family expenses, including but not limited to child care, unreimbursed medical expenses, education and training ~~expenses.The~~expenses. The monthly expenses of ~~public housing and Section 8 buyers who are defined in this Program~~Program Participants and those who are listed on the lender's mortgage application, should not exceed a total estimated housing expenses debt ratio of thirty-five percent (35%) of the combined gross monthly income of adult members of the household. The housing debt expense should include mortgage principal, mortgage interest, property taxes, homeowner's insurance ~~($22 per month),~~ condominium or association fees, monthly capital improvement expense ($~~41~~ 20 per month), monthly maintenance expense ($20 ~~41~~ per month), and a monthly utilities estimate obtained from the most recent HACP ~~Section 8 Housing Choice Voucher~~ Program utility allowance schedule for the appropriate unit type. a ~~monthly utilities estimate obtained from the actual twelve month utility expenses of an occupied home to be purchased~~, ~~or a utility rate study provided by a utility company. Monthly utility expenses for Glen Hazel PA-28-P001-038 are estimated at $288 per month.~~

	~~Efficiency~~	~~1bdrm~~	~~2bdrm~~	~~3bdrm~~	~~4bdrm~~	~~5bdrm~~

~~Utility Costs by Size*~~	~~$197~~	~~$ 235~~	~~$ 288~~	~~$ 348~~	~~$ 405~~	~~$ 459~~

~~* Utility costs are obtained from and will be adjusted to conform to the most recent HACP Section 8 Housing Choice Voucher Program utility allowance schedule for the appropriate unit type.~~

D. Down Payment

Buyers must contribute from their own funds at least one percent (1%) of the net sales price of either a HACP owned property or a private market property. The family may use an Individual Development Account (IDA) or Family Self-Sufficiency (FSS) escrow account for their down payment. LIPH program participants who established homeownership "lease-purchase" accounts prior to January 1, 2007, may utilize these accounts for their down payment.

E. Refinancing

No buyer while receiving an HACP second mortgage assistance may refinance their mortgage(s) or incur additional debt secured by the home without the prior written approval of HACP.

VIII. ASSISTANCE COMPONENTS

A. Assistance Components Available To All Qualifying Program Participants.

1) ~~Homeowner's Insurance And Major Component~~ Home Warranty And Closing Costs Assistance:

The maximum amount of financial assistance is $~~8~~7,000 for ~~homeowner's insurance,~~ home warranty, and closing costs assistance.

The HACP may approve the prepayment of a ~~homeowner's insurance policy~~ home warranty for a property prior to closing. It is the responsibility of the tenant/buyer to provide HACP with a written quotation from the vendor for these services prior to closing. ~~The buyer may be eligible for homeowner's insurance or a home warranty benefits for a maximum term of three (3) years.~~ Subject to budgetary constraints, HACP may pay closing costs one time per buyer and if a buyer fails to close on their sales agreement, buyer is not eligible to receiving additional closing costs assistance for a new sales agreement for one (1) year.

Formatted: Underline

Formatted: Underline

Formatted: No underline

2) Foreclosure Prevention Fund

The maximum amount of financial assistance is $3,000 for foreclosure prevention.

In the event a buyer defaults on their mortgage and receives notice of default by their lender within five (5) years of their closing date, they receive up to six (6) months of HACP mortgage assistance if they apply for and comply with all requirements of the Pennsylvania Homeowners' Emergency Mortgage Assistance Program (HEMAP). As a Program safeguard, if in the event 10% or more of program buyers default upon their mortgage(s), Section VII C will be amended to decrease the maximum buyer debt ratio for new buyers to thirty-percent (30%) of gross monthly income.

B. Financing With A Soft-Second Mortgage Calculation

The maximum amount of a soft-second mortgage is ~~$$32,000.00.~~ $52,000.

Subject to budgetary constraints, HACP may provide soft-second mortgage financing to eligible participants. Such financing shall be secured in most cases by a second mortgage (the "Second Mortgage"). However, in some cases, the HACP mortgage will be recorded as a third mortgage subordinate to mortgages securing bank and other government financing provided, for example, by the Urban Redevelopment Authority of Pittsburgh. In the event a first or second mortgage does not exist, HACP's mortgage will be recorded as a first mortgage.

The Homeownership Expense includes principal, interest, taxes, Homeowners insurance, mortgage insurance premium if required (PITI); this information will be obtained from the Lenders pre-approval and Closing Cost Estimate. In addition to these expenses a monthly utility allowance, routine home maintenance allowance, and major repairs allowance, are also a part of the Homeownership Expense. If the first mortgage Lenders proposed (PITI) payment causes participants estimated Homeownership Expense ratio to exceed thirty-five percent (35%) of gross monthly income HACP may provide a soft-second mortgage to lower the buyers monthly debt obligation to the lender. HACP may also provide a soft-second mortgage to increase the buyers purchase capacity as appropriate in view of current market conditions.

C. Calculating Soft-Second Mortgage using the Housing Assistance Payment

Formatted: Font: 12 pt, Bold

Formatted: Indent: Left: 0"

Formatted: Indent: Left: 0"

Formatted: Indent: Left: 0"

Formatted: Font: 12 pt, Bold

The HACP Second Mortgage loan amount shall be determined and calculated by using the Housing Assistance Payment which is equal to the lower of the payment standard or the actual monthly Homeownership Expense Payment for the unit minus the Total Tenant Payment (TTP). The Homeownership Program will use the currently in effect Housing Choice Voucher Payment Standard.

The Utility Allowance for the unit will be determined using a monthly utilities estimate obtained from the most recent HACP Housing Choice Voucher Program Utility Allowance schedule for Tenant Furnished Utilities for the appropriate unit size. Standard Utility Allowances for detached house type assumes natural gas heating, natural gas cooking, other electric (lights and appliances), air conditioning, natural gas water heating, water, sewer, trash, tenant supplied range and refrigerator.

~~Section 8 Voucher Program Allowance for Tenant Furnished Utilities – **January 1, 2016**~~

~~The HACP Second Mortgage loan amount shall be determined and calculated by using the Gross Aid Standards chart listed below. The Gross Aid Standard is utilized to determine the supplement to the income of a low income household to enable the family to purchase standard quality housing in the private marketplace.~~ The Gross Aid Standard is obtained from the most recent HACP Section 8 Housing Choice Voucher Program Voucher Payment Standards.

~~Bedroom Size~~	~~Eff~~	~~1~~	~~2~~	~~3~~	~~4~~	~~5~~
~~Gross Aid Standard~~	~~567~~	~~650~~	~~811~~	~~1017~~	~~1084~~	~~1246~~

~~The Gross Aid Standard may be revised on a yearly basis. In no instance will the amount of the HACP Soft Second Mortgage calculation exceed $32,000.00. The Second Mortgage loan calculation amount is calculated as follows:~~

- Second Mortgage Loan Amount Calculation for a buyer: ~~eligible monthly rental assistance payment~~Homeownership Expense Payment or Voucher Program Payment Standard for unit size (whichever is less) minus the Total Tenant Payment (TTP) x 12 months x 10 years = maximum Second Mortgage loan amount (not to exceed $52,000)~~ x 12 months x 10 years = maximum Second Mortgage loan amount (not to exceed $32,000.00).~~

- The Second Mortgage Loan Amount Calculation above shall be determined during buyer's loan pre-approval process and participant will be provided a written estimated soft second mortgage eligibility and soft second mortgage eligibility amount. The notice will also advise whether the soft second mortgage is to be applied to decrease the 1st mortgage debt obligation and/or increase purchase capacity. This notice is to be shared with the buyer's prospective lender and/or Real Estate agent prior to buyer selecting a home to purchase.

- Prior to submitting a sales agreement to the seller to purchase a home the buyer must provide a copy of the sales agreement to HACP for review. HACP will issue a final approval notice advising of amount of assistance the buyer is to receive based on the selected Property and cost associated with the purchase.~~and prior to a signed buyer's sales agreement. The HACP Second Mortgage loan amount shall be provided to both buyer and lender and authorized by HACP's Chief Financial Officer.~~ After the primary lender has made a mortgage loan commitment in accordance with the buyer's sales agreement, the buyer is not eligible to request or have HACP recalculate the buyer's HACP Second Mortgage amount.

- The HACP Second Mortgage shall be reduced each month (1/120) by the amount (eligible monthly MAP) used in the Second Mortgage Loan Amount Calculation above; provided that, buyer remains in good standing in the Program, continues to occupy the property as their primary residence, and is not in default under the mortgage. In the event of a mortgage default or if the buyer is no longer residing in the home, no further HACP Second Mortgage debt reduction shall occur while such default or non-occupancy condition continues. The buyer in this program who defaults on their mortgage will not be eligible for housing assistance through the HACP (or through any HUD funded housing assistance program) until the outstanding obligation on the HACP 2nd mortgage has been satisfied.

- Once a buyer completes a home purchase, interim and monthly re-certifications of income and annual Housing Quality Standard (HQS) inspections are no longer required.

Note: Program participants who established homeownership 'lease-purchase' accounts prior to January 1, 2007 may utilize such accounts towards their down payment or closing costs.

C. The Homeownership Waiting List

A participant's position on the Homeownership Program Waiting List will be determined by the date of their pre-approval letter that they have obtained from a bank.

The participant will have sixty (60) days from the date of their mortgage pre-approval letter to execute a sales agreement on the property of their choice and provide the HACP with a copy of the sales agreement.

The participant/buyer must have a settlement within ninety (90) days from the date that the mortgage application package is submitted to underwriting.

Persons failing to sign a sales agreement, complete a mortgage application in a timely manner as per the sales agreement, or reach settlement within the allotted time period will be removed from the list. Participants can get a new pre-approval letter and will be put back on the list based on the new date of the new pre-approval letter.

Anyone on the Homeownership Waiting List when annually budgeted funds become exhausted will remain on the list for the subsequent budget year. If a participant/buyer does not meet the stated deadlines for performance in the program, the HACP will review on a case by case basis to determine if and what remedies are available to assist in the completion of the transaction.

D. Portability

A current HCV Program family who qualifies for homeownership assistance may Port to another jurisdiction and purchase a home outside HACP's jurisdiction through another PHA's program, provided the receiving PHA is administering a homeownership program, is accepting new families into its homeownership program, and considers the family eligible based upon the receiving PHA's eligibility requirements. Participants porting to other jurisdictions are not eligible for Homeownership Program Assistance from the HACP.

IX. TENANT/BUYER SELECTION FOR VACANT HACP SCATTERED SITES HOMES

Upon HACP's approval to release for sale a HACP-owned property, **as they become vacant,** the Program staff collects applicants for a Buyer's List of interested mortgage pre-approved tenant buyers for each home address during a minimum of five (5) business days prior to HACP finalizing and closing the Buyer's List. The Buyer's List is to be utilized in the event two or more mortgage pre-approved applicant buyers desire to purchase the same property. A tenant buyer shall only be on one property Buyer's List or sign one sales agreement at a time. A buyer is only eligible to sign a Buyer's List if the tenant buyer's mortgage pre-approval letter states a loan amount that is at least equal to or exceeds the property net sales price after applying applicable discounts and other Program benefits. If there are no buyers for a vacant unit, HACP may lease that unit as a standard LIPH scattered site rental unit to the next eligible family on the LIPH waiting list.

After collecting interested tenant/buyers for up to five (5) business days, HACP shall select from the Buyer's List the buyer based upon the following criteria:

- The date of their mortgage pre-approval letter shall be the first priority for the selection of any tenant/buyer that HACP enters into a sales agreement from the property Buyer's List.
- In the event that two tenant/buyers have the same date on their mortgage pre-approval letter, HACP shall select the tenant/buyer based upon the tenant/buyer with a lower total debt-to-purchase price ratio.

In the event that a home does not sell during its initial sales offering, HACP may collect additional interested mortgage qualified tenant/buyers from either low income public housing residents or Section 8 voucher holders for an additional five (5) business day period and form a new Buyer's List to repeat the buyer selection process at HACP's discretion.

A. Tenant/Buyer Notification

The tenant/buyer who is selected by HACP to enter into a property sales agreement shall be notified by HACP and requested to execute a sales agreement.

B. Tenant/Buyers Not Selected From Buyer's List

Once HACP enters into a sales agreement with a tenant/buyer from the Buyer's List, the remainder of tenant/buyers not selected are released from this Buyer's List and are eligible to sign up for a new property Buyer's List.

C. Tenant/Buyer Fails To Comply With Sales Agreement

If HACP enters into a sales agreement with a tenant/buyer and the tenant/buyer fails to fulfill the terms and conditions of the sales agreement, the tenant/buyer shall not be eligible to participate in the Program for one (1) year following the date of the sales agreement. If a tenant/buyer fails to complete the sales process and the tenant/buyer's sales agreement is terminated, HACP will review the property Buyer's List and the Homeownership staff will offer the property to the next qualified buyer as outlined in the Tenant/Buyer Selection Process. If no other tenant/buyers are remaining on the Buyer's List, HACP will form a new property Buyer's List, or will lease the unit as a standard LIPH scattered site rental unit to the next eligible family on the waiting list.

X. HACP OCCUPIED SCATTERED SITE TENANT/BUYER SELECTION

A. Occupied Scattered Site

If an HACP public housing tenant is currently leasing a scattered site, the occupying tenant has the right of first refusal to purchase the scattered site property. If the current family leasing the unit chooses not to purchase the unit in which they reside, but want to remain in good standing as a tenant, they may remain in the unit as leasing tenants. If an occupying tenant exercises the right of first refusal and fails to purchase the property, they may remain in the unit as a low income public housing tenant as long as they continue as a tenant in good standing. In no case shall a tenant participating in the homeownership program who fails to purchase a home gain any rights to their dwelling beyond those rights of a low-income public housing tenant.

XI. HOPE VI

No MTW Homeownership Program benefits may be applied to HOPE VI programs.

Formatted: Underline

XII. RECAPTURE OF HOMEOWNERSHIP ASSISTANCE

HACP does not participate in the recapture of home value appreciation.

XIII. BUYER FILES

Buyer files should contain copies of the following items and be maintained by HACP for a period of no less than ten (10) years following closing.

a) Homebuyer education certificate from a HUD approved education provider
b) Mortgage pre-approval letter from a lender
c) Signed agreement of sale and purchase
d) Buyer debt ratio calculation
e) Documentation that buyer meets HACP eligibility
f) HACP financial checks issued to or on behalf of buyer
g) HUD-1 settlement statement
h) Home Inspection Report
i) Second mortgage calculation
j) Closing costs assistance form

XIV. ACCOMMODATIONS FOR PERSONS WITH A DISABILITY

HACP is committed to ensuring the Program is accessible to persons with disabilities and will make outreach efforts to market the Program to such persons. HACP will address requests from those persons with disabilities through its reasonable accommodation policy and procedure to assure equal access to the homeownership program.

Statement of Flat Rent Policy

Housing Authority of the City of Pittsburgh

The Housing Authority of the City of Pittsburgh (HACP) is required by Federal Regulations to establish a Flat Rent Schedule for all public housing units and to allow public housing tenants to choose between paying the Flat Rent amount or a rent determined by formula based upon the family's income. On May 19, 2014, the U. S. Department of Housing and Urban Development (HUD) issued Notice PIH 2014-12 implementing changes to Flat Rent Requirements and clarifying HUD's interpretation of provisions of the Consolidated Appropriations Act of 2014 relating to public housing flat rents. This clarifying interpretation required that HACP make amendments to its flat rent schedule, and also required HACP to amend its 2014 Annual Plan to reflect these changes.

The revised HACP Flat Rent Schedule and Annual Plan Amendment is available for review and comment from June 23, 2014 to July 23, 2014 at the following locations:

- HACP Operations Department 200 Ross St. 6th Floor, Pittsburgh Pa 15219;
- HACP Web Site www.hacp.org;
- HACP Management Offices

A Public Hearing to receive public comments on the revised HACP Flat Rent Schedule and Annual Plan Amendment will be held on Tuesday, July 8, 2014 at 12:00 noon, and at 6:00 PM at 200 Ross St., 9th floor Board room.

Written comments on the proposed revisions to the revised **HACP Flat Rent Schedule and Annual Plan Amendment must be addressed to "Attention: HACP Flat Rent Schedule/Annual Plan Amendment"** at HACP Department of Operations, Asset Management, 200 Ross St. 6th Floor, Pittsburgh, PA 15219, and must be received by 12:00 Noon on Thursday, July 23, 2014.

Persons with disabilities requiring assistance or alternative formats, or wishing to make comments in alternative formats, can contact the HACP ADA/504 Coordinator at 412-456-5020, Extension 2504; TTY 412-201-5384.

Housing Authority of the City of Pittsburgh - Proposed Flat Rent Schedule - June 2014

Traditional Sites - Family and High Rise - HACP Pays All Utilities

Unit Size	Efficiency	One-Bedroom	Two-Bedroom	Three-Bedroom	Four-Bedroom	Five Bedroom	Six Bedroom
2014 Flat Rent	$ 441.00	$ 507.00	$ 632.00	$ 793.00	$ 844.00	$ 970.00	$ 1,097.00

High Rise where Tenants Pay Electric (Caliguiri, Finelle, Morse, Carrick, Gualtieri)

Unit Size	Efficiency	One-Bedroom	Two-Bedroom	Three-Bedroom	Four-Bedroom	Five Bedroom	Six Bedroom
2014 Flat Rent	$ 407.00	$ 473.00	N/A	N/A	N/A	N/A	N/A

Scattered Sites - Duplex, townhouse, Semi-detached - Tenant Pays Utilities

Unit Size	Efficiency	One-Bedroom	Two-Bedroom	Three-Bedroom	Four-Bedroom	Five Bedroom	Six Bedroom
2014 Flat Rent	N/A	N/A	$ 611.00	$ 799.00	$ 811.00	N/A	N/A

Scattered Sites - Single Family - Tenant Pays Utilities

Unit Size	Efficiency	One-Bedroom	Two-Bedroom	Three-Bedroom	Four-Bedroom	Five Bedroom	Six Bedroom
2014 Flat Rent	N/A	N/A	$ 622.00	$ 778.00	$ 774.00	N/A	N/A

Scattered Sites - Single Family New Construction Tenant Pays All Utilities - Natural Gas

Unit Size	Efficiency	One-Bedroom	Two-Bedroom	Three-Bedroom	Four-Bedroom	Five Bedroom	Six Bedroom
2014 Flat Rent	N/A	N/A	$ 660.00	$ 828.00	$ 861.00	$ 990.00	N/A

Scattered Sites - Single Family New Construction Tenant Pays All Utilities - Electric

Unit Size	Efficiency	One-Bedroom	Two-Bedroom	Three-Bedroom	Four-Bedroom	Five Bedroom	Six Bedroom
2014 Flat Rent	N/A	N/A	$ 633.00	$ 795.00	$ 822.00	$ 943.00	N/A

* Once approved, new Flat Rents will take effect October 1, 2014.

Factors considered when establishing flat rents:

1. Location - Scattered sites - single family, duplex, or part of a row, are generally more desirable and demand higher rents than units in high density housing developments. This contributes to higher base flat rent for scattered sites than for traditional sites.
2. Quality - at this time, HACP has not made flat rent schedule adjustments based upon housing quality, as all units meet UPCS standards.
3. Size - HACP provides different flat rent levels based upon number of bedrooms.
4. Unit Type - generally single family, duplex and row houses in a row of largely owners are of a more desirable type than the apartment or garden type units available on other HACP owned and operated properties, contributing to the higher base flat rent for scattered sites.
5. Age - As all of HACP's units (with a few exceptions in the case of accessible units) are more than 30 year sold, no adjustment is made to the flat rent schedule for this factor.
6. Amenities - Amenities at HACP properties vary signficantly, but none are such as to add significantly to the value of the unit (such as pools, gym facilities, etc.) and therefore no adjustments to the base flat rents are made.
7. Services provided or available - like amenities, the services available at HACP properties vary signficantly, but none are such as to add significantly to the value of the unit and therefore no adjustments to the base flat rents are made.
8. Utilities provided - HUD Notice directs housing authorities to modify flat rents to take into account tenant paid utility costs, and HACP has made appropriate adjustments.

Housing Authority of the City of Pittsburgh

Executive Office
200 Ross Street, 9th Floor
Pittsburgh, PA 15219
412-456-5012
TTY: 412-201-5384
www.hacp.org

Proposed Amendment to HACP 2014 Moving To Work Annual Plan

As required by HUD PIH Notice 2014-12, HACP is modifying its Flat Rent Schedules, and as required is proposing this Amendment to the 2014 Annual Plan. The following language wil be added as an Appendix to the exiting plan:

Flat Rent Significant Amendment to the 2014 Annual Plan – Added Appendix

The Housing Authority of the City of Pittsburgh hereby amends its flat rent policies to comply with the statutory changes contained within Public Law 113 – 76, the Fiscal Year 2014 Appropriation Act.

The Housing Authority of the City of Pittsburgh will set the flat rental amount for each public housing unit that complies with the requirement that all flat rents be set at no less than 80 percent of the applicable Fair Market Rent (FMR) adjusted, if necessary, to account for reasonable utilities costs. The new flat rental amount will apply to all new program admissions effective October 1, 2014. For current program participants that pay the flat rental amount, the new flat rental amount will be offered, as well as the income-based rental amount, at the next annual rental option.

HACP's current policy requires recertification only once every two years. In order to comply with the new guidance, the Housing Authority of the City of Pittsburgh will review the rent calculation and offer the rent option to all families currently paying flat or ceiling rents, or whose income-based rent exceeds the flat rent amount, with one year of the effective date of the new Flat Rent Schedule.

The Housing Authority of the City of Pittsburgh will place a cap on any increase in a family's rental payment that exceeds 35 percent, and is a result of changes to the flat rental amount as follows:

- Multiply the existing flat rental payment by 1.35 and compare that to the updated flat rental

amount;

- The Housing Authority of the City of Pittsburgh will present two rent options to the family as follows:
    - the lower of the product of the calculation and the updated flat rental amount; and
    - the income-based rent.

RAD Significant Amendment

The Housing Authority of the City of Pittsburgh (HACP) is amending its 2015 Moving to Work (MTW) Annual Plan to incorporate additional information as required by the US Department of Housing and Urban Development (HUD) concerning the planned conversion of certain HACP public housing units to project-based assistance under the Rental Assistance Demonstration (RAD) program.

Background

On March 30, 2015 HUD issued RAD award letters to HACP that approved the applications for conversion of 767 public housing units, subject to HACP meeting all of the conditions and requirements of the RAD program. The award letters serve as HUD's Commitment to Enter into a Housing Assistance Payments Contract (CHAPs) for the subject public housing developments. Accordingly, HACP intends to proceed with RAD conversion under the guidelines of PIH Notice 2012-32, REV-1 and PIH Notice 2012-32 Rev-2 issued by HUD.

One of the conditions of the CHAP is that HACP must submit an Amendment to its MTW Annual Plan that incorporates important information on HACP's RAD conversion plans. The information included in this document provides the required information and serves as HACP's RAD Amendment. HACP is providing a thirty-day public comment period and will conduct a Public Hearing on September 15, 2015 to allow residents and the general public an opportunity to review and comment on the RAD Amendment. Following this period, the HACP Board of Commissioners will conduct a vote on the RAD Amendment at the September 2015 Board Meeting.

RAD Conversion Plan

HUD has approved the conversion of 3 public housing communities to project-based assistance under the RAD program.

Attachment 1 includes current information on the HACP developments at Murray Towers, Glen Hazel and Oak Hill that are proposed for RAD conversion. For each development approved for RAD conversion, Attachment 1 includes the following information:

Current Units:	Total number of units, bedroom size distribution and unit type
Post-Conversion Units:	If applicable, any changes proposed to the current number of units, the bedroom size distribution or the unit type including de minimis reductions
Transfer of Assistance:	Whether HACP intends to transfer assistance to another development as part of the RAD conversion and, if so, the location, number of units, bedroom size distribution, and unit type where known.
PBV or PBRA:	Whether HACP intends to convert the development to the Project Based Voucher (PBV) program or to the Project Based Rental Assistance (PBRA) program, along with information on resident rights, resident participation, waiting list and grievance procedures applicable to each program. A more detailed discussion of PBV and PBRA follows below.
Capital Fund Impact:	The current amount of Capital Fund dollars received prior to RAD conversion. Developments converted through the RAD program are not eligible for Public Housing Capital Funds. A more detailed discussion of the projected Capital Fund impact of RAD conversion follows below.
Transfer of Waiting List:	How existing waiting lists will be addressed as part of the conversion

Conversion to Project Based Vouchers or Project Based Rental Assistance

Public housing developments that are converted to project-based assistance will no longer be subject to HUD rules and regulations pertaining to the public housing program. Upon conversion to RAD, the former public housing units will be subject to the rules and regulations pertaining to either the Housing Choice Voucher PBV or PBRA programs, depending on which program option is selected by HACP. HUD has modified both the PBV and PBRA program rules and regulations to incorporate additional provisions that apply solely to units converted under RAD. These additional provisions provide important protections to current residents of public housing that are impacted by a RAD conversion.

HACP currently plans to convert the RAD units listed in Attachment 1 to the PBRA program. As part of the conversion initiative, HACP will adopt all required RAD PBRA rules, and will modify its existing Housing Choice Voucher Program Administrative Plan as needed to incorporate these requirements, including, but not limited to resident rights, resident participation, waiting list, lease, grievance processes and other matters.

Attachment 2 provides information on the PBRA program related to: resident screening and right to return; phasing in of rent increases if applicable; eligibility for Family Self Sufficiency and ROSS program services; resident participation rights including the right to operate a resident organization and be eligible for resident participation funding; lease renewal and termination provisions; grievance processes; earned income disregard continued eligibility; and, establishment of a waiting list.

Certifying Statement

Site Selection and Neighborhood Standards Review: HACP does not intend to transfer RAD assistance to another location; therefore, specific site and neighborhood selection standards do not apply at this time. However, if HACP chooses to exercise its rights to transfer the HAP contract, RAD Use Agreement, and all or part of the rental assistance provided under RAD to another property at a future date, the HACP will apply applicable policies for site selection and neighborhood standards, and if necessary will amend the MTW Annual Plan to accommodate any programmatic changes related to planned transfers.

2016 Moving to Work Annual Plan Rental Assistance Demonstration Significant Amendment
Attachment 1 – Project Based Rental Assistance (PBRA)

Name of Public Housing Project: Glen Hazel	PIC Development ID: PA010	Conversion Type: PBRA	Transfer of Assistance: No
Total Units: 225	Pre- RAD Unit Type (i.e., Family, Senior, etc.): Family-130 Senior-97	Post-RAD Unit Type if different (i.e., Family, Senior, etc.): N/A	$459,580
Bedroom Type	Number of Units Pre-Conversion	Number of Units Post-Conversion	Change in Number of Units per Bedroom Type and Why (De Minimis Reduction, Transfer of Assistance, Unit Reconfigurations, etc.) N/A
Studio/Efficiency	0	0	N/A
One Bedroom	106	106	N/A
Two Bedroom	41	41	N/A
Three Bedroom	58	60	N/A
Four Bedroom	20	20	N/A
Five Bedroom	0	0	N/A
Six Bedroom	0	0	N/A
(If performing a Transfer of Assistance):	N/A		

Name of Public Housing Project: Murray Tower	PIC Development ID: PA031	Conversion Type: PBRA	Transfer of Assistance: No
Total Units: 67	Pre- RAD Unit Type (i.e., Family, Senior, etc.): Senior-67	Post-RAD Unit Type if different (i.e., Family, Senior, etc.) N/A	$118,314
Bedroom Type	Number of Units Pre-Conversion	Number of Units Post-Conversion	Change in Number of Units per Bedroom Type and Why (De Minimis Reduction, Transfer of Assistance, Unit Reconfigurations, etc.) N/A
Studio Efficiency	0	0	N/A
One Bedroom	38	38	N/A
Two Bedroom	26	26	N/A
Three Bedroom	3	3	N/A
Four Bedroom	0	0	N/A
Five Bedroom	0	0	N/A
Six Bedroom	0	0	N/A
(If performing a Transfer of Assistance):	N/A		

Name of Public Housing Project: Oakhill	PIC Development ID: PA066 PA094	Conversion Type: PBRA	Transfer of Assistance: No
Total Units: 475	Pre- RAD Unit Type (i.e., Family, Senior, etc.): Family-475	Post-RAD Unit Type if different (i.e., Family, Senior, etc.) N/A	$448,194
Bedroom Type	Number of Units Pre-Conversion	Number of Units Post-Conversion	Change in Number of Units per Bedroom Type and Why (De Minimis Reduction, Transfer of Assistance, Unit Reconfigurations, etc.) N/A
Studio Efficiency	0	0	N/A
One Bedroom	201	201	N/A
Two Bedroom	158	158	N/A
Three Bedroom	106	106	N/A
Four Bedroom	10	10	N/A
Five Bedroom	0	0	N/A
Six Bedroom	0	0	N/A
(If performing a Transfer of Assistance):	N/A		

RAD Significant Amendment

Attachment 2 – Project Based Rental Assistance (PBRA)

The following information regarding conversion of public housing units to the Project Based Rental Assistance (PBRA) program under the Rental Assistance Demonstration (RAD) program is taken directly from the HUD RAD program instructions found at PIH Notice 2012-32, REV-1 and PIH Notice 2012-32, REV-2.

Section 1.7. B. PBRA Resident Rights and Participation

1. No Rescreening of Tenants upon Conversion. Pursuant to the RAD statute, at conversion, current households are not subject to rescreening, income eligibility, or income targeting provisions. Consequently, current households will be grandfathered for conditions that occurred prior to conversion but will be subject to any ongoing eligibility requirements for actions that occur after conversion. For example, a unit with a household that was over-income at time of conversion would continue to be treated as an assisted unit. Thus, the first clause of section 8(c)(4) of the Act and 24 CFR § 880.603(b), concerning determination of eligibility and selection of tenants, will not apply for current households. Once that remaining household moves out, the unit must be leased to an eligible family.

2. Right to Return. Any resident that may need to be temporarily relocated to facilitate rehabilitation or construction will have a right to return to an assisted unit at the development once rehabilitation or construction is completed. Where the transfer of assistance to a new site is warranted and approved (see Section 1.6.B.7 and Section 1.7.A.8 on conditions warranting a transfer of assistance), residents of the converting development will have the right to reside in an assisted unit at the new site once rehabilitation or construction is complete. Residents of a development undergoing conversion of assistance may voluntarily accept a PHA or Owner's offer to permanently relocate to another assisted unit, and thereby waive their right to return to the development after rehabilitation or construction is completed.

3. Phase-in of Tenant Rent Increases. If a resident's monthly rent increases by more than the greater of 10 percent or $25 purely as a result of conversion, the rent increase will be phased in over 3 years, which a PHA may extend to 5 years. To implement this provision, HUD is waiving section 3(a)(1) of the Act, as well as 24 CFR § 880.201 (definition of "total tenant payment"), to the limited extent necessary to allow for the phase-in of tenant rent increases. A PHA must set the length of the phase-in period to be three years, five years or a combination depending on circumstances. For example, a PHA may create a policy that uses a three year phase-in for smaller increases in rent and a five year phase-in for larger increases in rent. This policy must be in place at conversion and may not be modified after conversion.

The below method explains the set percentage-based phase-in an owner must follow according to the phase-in period established. For purposes of this section "Calculated Multifamily TTP" refers to the TTP calculated in accordance with regulations at 24 CFR.

§5.628 and the "most recently paid TTP" refers to the TTP recorded on the family's most recent HUD Form 50059.

Three Year Phase-in:

- Year 1: Any recertification (interim or annual) performed prior to the second annual recertification after conversion – 33% of difference between most recently paid Total Tenant Payments (TTP) and the calculated Multifamily housing TTP
- Year 2: Year 2 Annual Recertification (AR) and any Interim Recertification (IR) in prior to Year 3 AR – 66% of difference between most recently paid TTP and calculated Multifamily housing TTP
- Year 3: Year 3 AR and all subsequent recertificaitons – Year 3 AR and any IR in Year 3: Full Multifamily housing TTP

Five Year Phase-in:

- Year 1: Any recertification (interim or annual) performed prior to the second annual recertification after conversion – 20% of difference between most recently paid TTP and the calculated Multifamily housing TTP
- Year 2: Year 2 AR and any IR prior to Year 3 AR – 40% of difference between most recently paid TTP and calculated Multifamily housing TTP
- Year 3: Year 3 AR and any IR prior to Year 4 AR – 60% of difference between most recently paid TTP and calculated Multifamily housing TTP
- Year 4: Year 4 AR and any IR prior to Year 5 AR – 80% of difference between most recently paid TTP and calculated Multifamily housing TTP
- Year 5 AR and all subsequent recertifications – Full Multifamily housing TTP

Please Note: In either the three year phase-in or the five-year phase-in, once Multifamily housing TTP is equal to or less than the previous TTP, the phase-in ends and tenants will pay full multifamily housing TTP from that point forward

4. Public Housing Family Self-Sufficiency (PH FSS) and Resident Opportunities and Self Sufficiency (ROSS-SC). Current PH FSS participants will continue to be eligible for FSS once their housing is converted under RAD. All owners will be required to administer the FSS program in accordance with the participants' contracts of participation and future guidance published by HUD. Owners may not offer enrollment in FSS to residents in projects converted to PBRA that were not enrolled in the PH FSS program prior to RAD conversion, nor may owners offer FSS enrollment to any new residents at the project. Owners will be allowed to use any funds already granted for PH FSS coordinator salaries until such funds are expended.

All owners will be required to provide both service coordinators and payments to escrow until the end of the Contract of Participation. Please see future FSS Notices of Funding Availability and other guidance for additional details, including FSS coordinator funding eligibility under a RAD conversion. As the PH FSS grant is the source of funding for PH FSS, program compliance will continue to be monitored by the Office of Public and Indian Housing.

Current ROSS-SC grantees will be able to finish out their current ROSS-SC grants once their housing is converted under RAD. However, once the property is converted, it will no longer be eligible to be counted towards the unit count for future public housing ROSS-SC grants nor will its residents be eligible to be served by future public housing ROSS-SC grants.

5. Resident Participation and Funding. Residents of covered projects converting assistance to PBRA will have the right to establish and operate a resident organization in accordance with 24 CFR Part 245 (Tenant Participation in Multifamily Housing Projects). In addition, in accordance with Attachment 1B, residents will be eligible for resident participation funding.

6. Resident Procedural Rights. The information provided below must be included as part of the House Rules for the associated project and the House Rules must be furnished to HUD as part of the Financing Plan submission. See Attachment 1E for a sample Addendum to the House Rules.

a. Termination Notification. HUD is incorporating additional termination notification requirements to comply with section 6 of the Act for public housing projects converting assistance under RAD, that supplement notification requirements in regulations at 24 CFR § 880.607 and the Multifamily HUD Model Lease.

i. *Termination of Tenancy and Assistance*. The termination procedure for RAD conversions to PBRA will additionally require that PHAs (as owners) provide adequate written notice of termination of the lease which shall not be less than:

A reasonable period of time, but not to exceed 30 days:

- If the health or safety of other tenants, owner employees, or persons residing in the immediate vicinity of the premises is threatened; or
- In the event of any drug-related or violent criminal activity or any felony conviction; or
- 14 days in the case of nonpayment of rent.

ii. *Termination of Assistance.* In all other cases, the requirements at 24 CFR § 880.603, the Multifamily HUD Model Lease, and any other HUD multifamily administrative guidance shall apply.

b. Grievance Process. In addition to program rules that require that tenants are given notice of covered actions under 24 CFR Part 245 (including increases in rent, conversions of a project from project-paid utilities to tenant-paid utilities, or a reduction in tenant paid utility allowances), HUD is incorporating resident procedural rights to comply with the requirements of section 6 of the Act. RAD will require that:

i. Residents be provided with notice of the specific grounds of the proposed owner adverse action, as well as their right to an informal hearing with the PHA (as owner);

ii. Residents will have an opportunity for an informal hearing with an impartial member of PHA's staff (as owner) within a reasonable period of time;

iii. Residents will have the opportunity to be represented by another person of their choice, to ask questions of witnesses, have others make statements at the hearing, and to examine any regulations and any evidence relied upon by the owner as the basis for the adverse action. With reasonable notice to the PHA (as owner), prior to hearing and at the residents' own cost, resident may copy any documents or records related to the proposed adverse action; and

iv. PHAs (as owners) provide the resident with a written decision within a reasonable period of time stating the grounds for the adverse action, and the evidence the PHA (as owner) relied on as the basis for the adverse action.

The PHA (as owner) will be bound by decisions from these hearings, except if the:

i. Hearing concerns a matter that exceeds the authority of the impartial party conducting the hearing.

ii. Decision is contrary to HUD regulations or requirements, or otherwise contrary to federal, State, or local law.

If the PHA (as owner) determines that it is not bound by a hearing decision, the PHA must promptly notify the resident of this determination, and of the reasons for the determination.

7. Earned Income Disregard (EID). Tenants who are employed and are currently receiving the EID exclusion at the time of conversion will continue to receive the EID exclusion after conversion, in accordance with regulations at 24 CFR § 960.255. After conversion, no other tenants will be eligible to receive the EID. If a tenant receiving the EID exclusion undergoes a break in employment, ceases to use the EID exclusion, or the EID exclusion expires in accordance with 24 CFR §960.255, the tenant will no longer receive the EID exclusion and the Owner will no longer be subject to the provisions of 24 CFR §960.255. Furthermore, tenants whose EID ceases or expires after conversion shall not be subject to the rent phase-in provision, as described in Section 1.7.B.3; instead, the rent will automatically be adjusted to the appropriate rent level based upon tenant income at that time.

8. Capital Fund Education and Training Community Facilities (CFCF) Program
CFCF provides capital funding to PHAs for the construction, rehabilitation, or purchase of facilities to provide early childhood education, adult education, and job training programs for public housing residents based on an identified need. Where a community facility has been developed under CFCF in connection to or serving the residents of an existing public housing project converting its assistance under RAD, residents will continue to qualify as "PHA residents" for the purposes of CFCF program compliance. To the greatest extent possible the community facility should continue to be available to public housing residents.

Capital Fund Budget

Conversion of existing public housing developments under the RAD program will enable HACP to leverage existing funds to secure additional private and other funding.

HACP currently receives HUD Capital Funds on an annual basis, subject to Congressional appropriations for the majority of its public housing units. Attachment 1 includes the current Capital Fund allocation for each RAD conversion site. Upon conversion to RAD, HACP will no longer receive a Capital Fund allocation for units that have been converted and the annual Capital Fund grant will be decreased.

The estimated reduction in HACP Capital Funds on an annual basis is $639,058.00 assuming that all public housing units that have been issued a CHAP are converted under RAD. Over a five year period, the estimated Capital Fund reduction is $3,195,290. As RAD conversions are completed, HACP will modify its existing capital plans to reflect the reduction in funding and change in work scopes.

The RAD conversion will not impact HACP's existing Capital Fund Financing Program (CFFP) obligations. HACP will utilize Replacement Housing Funds (RHF) to support the RAD conversion as follows:

Site and Neighborhood Standards for Transfer of Assistance Conversions

HACP has analyzed all currently known replacement sites for those RAD conversions that involve transfer of assistance. All proposed sites meet the current MTW Site and Neighborhood Standards as defined in HACP's MTW Agreement.

Compliance

HACP is not presently subject to a voluntary compliance agreement, consent order, consent decree, final judicial ruling or administrative ruling that has any relation to or impact on the planned RAD conversion.

Moving To Work

HACP may utilize MTW fungibility and programmatic flexibility to support the RAD conversion effort subject to Board and HUD approvals. HACP certifies that regardless of any funding changes that may occur as a result of conversion under RAD, HACP will continue to administer and maintain service levels for its remaining portfolio of public housing units. HACP will do this by utilizing available funding including Public Housing Operating Fund, Capital Fund, and Tenant Rental Income.

Significant Amendment Definition

As part of the RAD conversion initiative, an Amendment to the MTW Plan will <u>not</u> be required for the following RAD-specific actions, provided that the adjustments to the RAD plans are authorized by the Board of Commissioners in the normal course of business:

- Changes to the Capital Fund budget produced as a result of each approved RAD conversion regardless of whether the proposed conversion will include use of additional Capital Funds;

- Decisions to apply MTW programmatic flexibility to post-conversion RAD developments;

- Decisions or changes related to the ownership and/or financing structures for each approved RAD conversion including decisions to allocate HACP financial resources as a source of funds to support the RAD conversion initiatives;

- Changes to the construction and rehabilitation plans and scheduled for each approved RAD conversion;

- Decisions to convert to either Project Based Vouchers or Project Based Rental Assistance.

C. <u>PBRA: Other Miscellaneous Provisions.</u>

1. Access to Records, including Requests for Information Related to Evaluation of Demonstration. PHAs must agree to any reasonable HUD request for data to support program evaluation, including but not limited to project financial statements, operating data, Choice-Mobility utilization, and rehabilitation work.

2. Davis-Bacon prevailing wages and Section 3 of the Housing and Urban Development Act of 1968 (Section 3). This section has been moved to 1.4.A.13 and 1.4.A.14.

3. Establishment of Waiting List. The Project Owner can utilize a project-specific or community waiting list. The PHA shall consider the best means to transition applicants from the current public housing waiting list and will maintain the current HACP waiting list policy as noted in Section 4 of the Administrative Plan, in addition to the following:

i. Transferring an existing site-based waiting list to a new site-based waiting list. If the PHA is transferring the assistance to another neighborhood, the PHA must notify applicants on the wait-list of the transfer of assistance, and on how they can apply for residency at the new project site or other sites. Applicants on a project-specific waiting list for a project where the assistance is being transferred shall have priority on the newly formed waiting list for the new project site in accordance with the date and time of their application to the original project's waiting list.

ii. Informing applicants on the site-based waiting list on how to apply for a community-wide waiting list.

iii. Informing applicants on a public housing community-wide waiting list on how to apply for a new community-wide or site-based waiting list. If using a site-based waiting list, PHAs shall establish a waiting list in accordance 24 CFR § 903.7(b)(2)(ii)-(iv) to ensure that applicants on the PHA's public housing community-wide waiting list have been offered placement on the converted project's initial waiting list. In both cases, PHAs have the discretion to determine the most appropriate means of informing applicants on the public housing community-wide waiting list, given the number of applicants, PHA resources, and admissions requirements of the projects being converted under RAD. A PHA may consider contacting every applicant on the public housing waiting list via direct mailing; advertising the availability of housing to the population that is less likely to apply, both minority and non-minority groups, through various forms of media (e.g., radio stations, posters, newspapers) within the marketing area; informing local non-profit entities and advocacy groups (e.g., disability rights groups); and conducting other outreach as appropriate. Applicants on the agency's public housing community-wide waiting list who wish to be placed onto the newly-established site-based waiting list must be placed in accordance with the date and time of their original application to the centralized public housing waiting list. Any activities to contact applicants on the public housing waiting list must be conducted in accordance with the requirements for effective communication with persons with disabilities at 24 CFR § 8.6 and the obligation to provide meaningful access for persons with limited English proficiency (LEP).

A PHA must maintain any site-based waiting list in accordance with all applicable civil rights and fair housing laws and regulations.

To implement this provision, HUD is specifying alternative requirements for 24 CFR § 880.603 regarding selection and admission of assisted tenants. However, after the initial waiting list has been established, the PHA shall administer its waiting list for the converted project in accordance with 24 CFR § 880.603.

4. Mandatory Insurance Coverage. The Covered Project shall maintain at all times commercially available property and liability insurance to protect the project from financial loss and, to the extent insurance proceeds permit, promptly restore, reconstruct, and/or repair any damaged or destroyed property of a project.

5. Choice-Mobility. HUD seeks to provide all residents of Covered Projects with viable Choice-Mobility options. PHAs that are applying to convert the assistance of a project to PBRA are required to provide a Choice-Mobility option to residents of Covered Projects in accordance with the following:

- **i.** *Resident Eligibility.* Residents have a right to move with tenant-based rental assistance (e.g., Housing Choice Voucher (HCV)) the later of: (a) 24 months from date of execution of the HAP or (b) 24 months after the move-in date.
- **ii.** *Voucher Inventory Turnover Cap.* Recognizing the limitation on the availability of turnover vouchers from year to year, a voucher agency would not be required, in any year, to provide more than one-third of its turnover vouchers to the residents of Covered Projects. While a voucher agency is not required to establish a voucher inventory turnover cap, if such a cap is implemented the voucher agency must create and maintain a waiting list in the order in which the requests from eligible households were received.
- **iii.** *Project Turnover Cap.* Also recognizing the limited availability of turnover vouchers and the importance of managing turnover in the best interests of the property, in any year, a PHA may limit the number of Choice-Mobility moves exercised by eligible households to 15 percent of the assisted units

in the project. (For example, if the project has 100 assisted units, the PHA could limit the number of families exercising Choice-Mobility to 15 in any year, but not to less than 15.) While a voucher agency is not required to establish a project turnover cap, if such a cap is implemented the voucher agency must create and maintain a waiting list in the order in which the requests from eligible households were received.

HUD's goal is to have all residents in the Demonstration offered a Choice-Mobility option within a reasonable time after conversion. However, as HUD recognizes that not all PHAs will have vouchers sufficient to support this effort, HUD will take the following actions:

- Provide voucher agencies that make such commitment bonus points provided under the Section Eight Management Assessment Program (SEMAP) for deconcentration.

- Grant a good-cause exemption from the Choice-Mobility requirement for no more than 10 percent of units in the Demonstration. HUD will consider requests for good-cause exemptions only from the following types of PHAs:

- Public housing–only agencies, defined as agencies that own units under a public housing ACC, but do not administer, directly or through an affiliate, a Housing Choice Voucher program; or

- Combined agencies that currently have more than one-third of their turnover vouchers set aside for veterans, as defined for the purpose of HUD-VASH, or homeless populations, as defined in 24 CFR § 91.5. To be eligible for this exemption, the PHA's admission policies must have been formally approved by the PHA's board prior to the time of application.

6. **Future Refinancing.** Project Owners must receive HUD approval for any refinancing or restructuring of permanent debt during the HAP contract term to ensure the financing is consistent with long-term preservation. (Current lenders and investors are also likely to require review and approval of refinancing of the primary permanent debt.)

7. **Submission of Year-End Financial Statements**. Covered Projects converting assistance to PBRA must comply with 24 CFR Part 5 Subpart H, as amended, revised, or modified by HUD.

8. **Classification of Converting Projects as Pre-1981 Act Projects under Section 16(c) of the United States Housing Act of 1937.** For purposes of ensuring maximum flexibility in converting to PBRA, all such projects converting to PBRA shall be treated as Pre-1981 Act Projects under Section 16(c) of the US Housing Act of 1937. Section 16(c)(1), which applies to pre-1981 Act projects, restricts occupancy by families that are other than very low-income to 25% of overall occupancy. Thus, Project Owners of projects converting to PBRA may admit applicants with incomes up to the low-income limit. HUD Headquarters tracks the 25% restriction on a nationwide basis. Project Owners of projects converting to PBRA do not need to request an exception to admit low-income families. In order to implement this provision, HUD is specifying alternative requirements for section 16(c)(2) of the US Housing Act of 1937 and 24 CFR §5.653(d)(2) to require Project Owners of projects converting to PBRA to adhere to the requirements of section 16(c)(1) of the US Housing Act of 1937 and 24 CFR §5.653(d)(1).

9. **Owner-Adopted Preferences.** Project Owners may adopt a preference for elderly single persons pursuant to 24 CFR § 5.655(c)(5) and Housing Handbook 4350.3, Chapter 4. Project Owners who wish to adopt a preference for populations that are not identified in 24 CFR § 5.655(c)(5) (e.g., elderly families, near-elderly single persons, near-elderly families), may do so pursuant to Housing Notice 2013-21 (July 25, 2013). An owner may not adopt a preference that would have the purpose or effect of substantially delaying or denying the participation of other eligible families in the program on the basis of race, color, national origin, religion, sex, disability, or familial status, or would create or perpetuate segregation.

RAD Significant Amendment
Attachment 3 – Joint Housing/PIH Notice H-2014-09/PIH-2014-17

Relocation Requirements under the Rental Assistance Demonstration (RAD) Program, Public Housing in the First Component 1.

1. Purpose

This Notice provides public housing agencies (PHAs)[1] and their partners with information and resources on applicable program and relocation assistance requirements when planning for or implementing resident moves as a result of a Rental Assistance Demonstration (RAD) conversion[2] under the first component of the demonstration.[3] This Notice provides guidance on RAD relocation requirements and requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended, (URA), as they relate to the public housing conversion process under the first component.[4]

Relocation assistance provided pursuant to public housing and RAD requirements is broader than URA relocation assistance requirements. Not all specific situations requiring relocation under RAD may trigger URA assistance requirements. In addition, whereas all qualifying residents[5] of a converting public housing project are eligible for relocation assistance under RAD, some residents or household members may not meet the statutory and regulatory requirements for eligibility under URA. This Notice supersedes PIH Notice 2012-32 (HA), REV-1, with respect to relocation matters. This Notice also specifically addresses when relocation may begin (see Section 9 below). As necessary, the Department will issue additional guidance on relocation issues and requirements as they relate to RAD.

---

[1] This Notice always uses the term "PHA" to refer to the owner of the project prior to and after the RAD conversion, even though, in some cases, the owner of the converted RAD project may be another public entity, a non-profit organization, or other owner (e.g., low-income housing tax credit owner). In addition, this Notice uses "PHA" to refer to the "displacing agency," a URA term that means the agency or person that carries out a program or project, which will cause a resident to become a displaced person. Projects vary and, for any specific task described in this Notice, may require substituting in a reference to a party that is more appropriate for a specific project.

[2] The content of this Notice should not be relied upon in carrying out any other activities funded under any other HUD program, except where specifically directed by HUD.

[3] The "first component" of RAD allows public housing and Moderate Rehabilitation properties to convert assistance; the "second component" refers to conversion of Rent Supplement, Rental Assistance Payment, and Moderate Rehabilitation properties upon contract expiration or termination

[4] Relocation concerns and URA requirements apply to both components of RAD. This notice provides guidance only as to the first component

[5] The term "resident" as used in this Notice refers to eligible resident families of public housing residing in a property applying for participation in RAD or a property that undergoes a conversion of assistance through RAD.

2. Background

RAD allows public housing properties to convert assistance to long-term project-based Section 8 contracts. In many cases, a RAD project may require relocation of residents when properties undergo repairs, are demolished and rebuilt, or when the assistance is transferred to another site. PIH Notice 2012-32 REV-1 (see also FR Notice 5630-N-05, 78 FR 39759-39763 (July 2, 2013)) details RAD program requirements.

The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended, (URA) is a federal law that establishes minimum standards for federally-funded programs and projects that include the acquisition of real property (real estate) and/or displace persons from their homes, businesses, or farms as a result of acquisition, rehabilitation, or demolition of real property.[6] The URA will apply to acquisitions of real property and relocation of persons from real property that occurs as a direct result of acquisition, rehabilitation, or demolition for a project that involves conversion of assistance to Project-Based Voucher (PBV) or Project-Based Rental Assistance (PBRA) programs under RAD.

Additionally, all relocation conducted as part of a RAD conversion and all relocation assistance provided under URA must be consistent with applicable fair housing and civil rights laws, including, but not limited to, the Fair Housing Act, Title VI of the Civil Rights Act of 1964, and Section 504 of the Rehabilitation Act of 1973.

Because each RAD proposal varies in its scope, this Notice may not address each PHA's specific circumstances. RAD PHAs and participants should carefully review the regulations, notices, and guidance material referenced in this Notice. Any questions related to the applicability of these requirements should be referred to the RAD Transaction Managers (TM) or may be emailed to rad@hud.gov.

3. Applicable Legal Authorities

- RAD: Consolidated and Further Continuing Appropriations Act of 2012 (Public Law 112-55, approved November 18, 2011), with the implementing PIH Notice 2012-32, REV-1
- URA statute and implementing regulations: 49 CFR part 24
- FHEO: Title VI of the Civil Rights Act of 1964, Section 504 of the Rehabilitation Act of 1973, Fair Housing Act
- Section 104(d) of the Housing and Community Development Act of 1974, statute and implementing regulations (if CDBG and/or HOME funds are used): 24 CFR part 42, subpart C

4. Relocation Planning

[6] HUD Handbook 1378 (Tenant Assistance, Relocation, and Real Property Acquisition), available at: http://portal.hud.gov/hudportal/HUD?src=/program_offices/comm_planning/library/relocation/policyandguidance/handbook1378.

Planned modernization will not require tenants to vacate the property. HACP does not anticipate any relocation. However if there is a possibility that residents will be relocated as a result of acquisition, demolition, or rehabilitation for a project converting under RAD, PHAs must undertake a planning process in conformance with URA in order to minimize the adverse impact of relocation (49 CFR 24.205(a)).

While a written Relocation Plan is not a requirement under RAD or URA, the Department strongly encourages PHAs to prepare a written Relocation Plan, both to establish their relocation process and to communicate this process consistently and effectively to all relevant stakeholders. Appendix 1 contains recommended elements of a Relocation Plan.

The following presents a general sequencing of relocation planning activities within the RAD milestones:

Stage	Activities
1. Prior to submission of RAD application	• Determine potential need for relocation • Meet with residents to discuss plans, communicate right to return, and solicit feedback • Provide *General Information Notice* (GIN) to residents • Survey residents to prepare Relocation Plan and relocation process cost estimate
2. After receipt of the Commitment to Enter into a HAP Contract (CHAP) Award	• Prepare Significant Amendment to PHA Plan • Assess and refine need for relocation • Develop a Relocation Plan (See Appendix 1 for recommended content) • Identify relocation housing options
3. Preparing Financing Plan (due to RAD Transaction Manager no later than 180 days following	• Budget for relocation expenses • Submit FHEO Accessibility & Relocation checklist (PHAs may submit Relocation Plan along with checklist)
4. Receipt of RAD Conversion Commitment (RCC)	• The date of issuance of the HUD RCC marks the date of "Initiation of Negotiations" (ION), as defined in the URA (49 CFR 24.2(a)(15)) • Provide residents with appropriate notice informing them if they will be relocated and any associated relocation assistance • Meet with residents to describe approved conversion plans and discuss required relocation
5. Closing/RAD conversion	• Generally, resident relocation should not begin until after the date of closing/conversion of assistance under RAD • PHAs must adhere to notification requirements (described in Paragraph 8 of this Notice): generally, a minimum of 30 days for residents to be temporarily relocated for up to a year, and 90 days for permanent relocation • PHAs seeking to move residents prior to closing must receive prior approval from HUD as described in Paragraph 9 of this Notice

5. Resident Right to Return

RAD program rules prohibit the permanent involuntary relocation of residents as a result of conversion. Residents that are temporarily relocated retain the right to return to the project once it has been completed and is in decent, safe, and sanitary conditions.[7] The period during which residents may need to be temporarily relocated is determined by the period of rehabilitation or construction, which will be specific to each project.

If proposed plans for a project would preclude a resident from returning to the RAD project, the resident must be given an opportunity to comment and/or object to such plans. If the resident objects to such plans, the PHA must alter the project plans to accommodate the resident in the converted project. If a resident agrees to such plans, the PHA must secure informed, written consent from the resident to receive permanent relocation assistance and payments consistent with URA and acknowledge that acceptance of such assistance terminates the resident's right to return to the project. In obtaining this consent, PHAs must inform residents of their right to return, potential relocation, and temporary and permanent housing options at least 30 days before residents must make a decision. The PHA cannot employ any tactics to pressure residents into relinquishing their right to return or accepting permanent relocation assistance and payments.[8] A PHA may not terminate a resident's lease if it fails to obtain this consent.

PHAs must keep documentation of such information provided to residents and such consent by residents. While HUD does not require PHAs to submit documentation of obtaining this consent, PHAs and participants must properly brief residents on their housing and relocation options and must keep auditable written records of such consultation and decisions. HUD may request this documentation during a review of the FHEO Relocation and Accessibility Checklist or if relocation concerns arise. Examples of project plans that may preclude a resident from returning to the converted RAD project include, but are not limited to:

- Changes in bedroom distribution (i.e. when larger units will be replaced with smaller units such that current residents would become under-housed or when smaller units will be replaced with larger units such that current residents would become over-housed);
- Where a PHA is reducing the number of assisted units at a property by a de minimis amount[9], but those units are occupied by assisted residents; or
- The reconfiguration of efficiency apartments, or the repurposing of dwelling units in order to facilitate social service delivery.

In all scenarios where residents voluntarily accept permanent relocation to accommodate project plans, these residents are eligible for permanent relocation assistance and payments

---

[7] Where the transfer of assistance to a new site is approved, residents of the converting project will have the right to reside in an assisted unit at the new site once rehabilitation or new construction is complete.

[8] Persons with disabilities returning to the RAD project may not be turned away or placed on a waiting list due to a lack of accessible units. Their accessibility needs must be accommodated.

[9] A reduction in total number of assisted units at RAD project of 5% or less. (Section 1.5.B of PIH 2012-32 REV-1)

under URA. If a resident accepts permanent relocation assistance, the resident surrenders his or her right to return to the completed project.

6. Relocation Assistance

Under RAD, relocation assistance may vary depending on the length of time relocation is required.[10]

a. In instances when the PHA anticipates that a resident will be relocated for more than a year, the PHA must offer the resident the choice of:

- Permanent relocation assistance and payments at URA levels; or
- Temporary relocation assistance, including temporary housing, while the resident retains his or her right to return and reimbursement for all reasonable out-of-pocket expenses associated with the temporary relocation.

The PHA must give the resident no less than 30 days to decide between permanent and temporary relocation assistance. If the resident elects to permanently relocate with assistance at URA levels, the PHA must inform the resident that his or her acceptance of permanent relocation assistance terminates the resident's right to return to the completed RAD project.

b. In instances when a resident elects temporary relocation assistance and reoccupies a unit in the completed project within one year, the resident need not be offered permanent relocation assistance pursuant to URA.
Great care must be exercised to ensure that residents are treated fairly and equitably. If a resident is required to relocate temporarily in connection with the project, his or her temporarily occupied housing must be decent, safe, and sanitary and the resident must be reimbursed for all reasonable out-of-pocket expenses incurred in connection with the temporary relocation. These expenses include, but are not limited to, moving expenses and increased housing costs during the temporary relocation.

c. In the event that a resident elects to receive temporary relocation assistance and the temporary relocation exceeds one year, the resident becomes eligible for all permanent relocation assistance and payments under URA. (This assistance would be in addition to any assistance the person has already received for temporary relocation, and may not be reduced by the amount of any temporary relocation assistance.) In such event, the PHA shall give the resident the opportunity to choose to remain temporarily relocated for an agreed-to period (based on new information about when they can return to the completed RAD unit), or choose to permanently relocate with URA assistance.

PHAs may not propose or request that a displaced person waive rights or entitlements to relocation assistance under the URA. If the resident elects to permanently relocate with

---

[10] Some residents may not qualify for relocation assistance under URA. A nonexclusive listing of persons who do not qualify as displaced persons under URA is at 49 CFR 24.2(a)(9)(ii). See also, Paragraph 1-4(J) of HUD Handbook 1378.

URA assistance, the PHA must inform the person that the person's acceptance of URA relocation assistance to permanently relocate will terminate the person's right to return to the completed RAD project. Conversely, unless and until the resident elects to be permanently relocated, the resident may remain temporarily relocated with a right to return to the completed project.

7. <u>Initiation of Negotiations (ION) Date</u>

Eligibility for URA relocation assistance is generally effective on the date of initiation of negotiations (ION) (49 CFR 24.2(a)(15)). For RAD projects, the ION date is the date of the issuance of the RAD Conversion Commitment (RCC).

8. <u>Resident Notification</u>

When a project converting under RAD will include relocation of residents, notice must be provided to those resident households. For each notice listed below, one notice shall be given to each resident household. The purpose of these notifications is to ensure that residents are informed of their potential rights and the relocation assistance available to them. During initial meetings with residents about RAD and in subsequent communications with residents related to relocation, the PHA should inform residents that if they choose to move after receiving a written GIN, but prior to receiving a RAD Notice of Relocation, they may jeopardize their eligibility for relocation assistance. However, PHAs should note that a resident move undertaken as a direct result of the project may still require relocation assistance and the resident may be eligible to receive permanent relocation assistance under the URA even though the PHA has not yet issued notices.

a. General Information Notice (49 CFR 24.203(a) & Handbook 1378, Paragraph 2-3(B))
As soon as feasible in the planning process, the PHA must provide each resident with a written GIN (see sample in Appendix 2) to provide a general description of the project, the activities planned, and the relocation assistance that may become available. URA regulations state that the GIN should be provided as soon as feasible. Under RAD, PHAs must provide GINs during the initial RAD resident meetings, before submitting a RAD application. GINs must do at least the following:

- Inform the resident that he or she may be displaced for the project and generally describe the relocation payment(s) for which the resident may be eligible, the basic conditions of eligibility, and the procedures for obtaining the payment(s);
- Inform the resident that he or she will be given reasonable relocation advisory services, including referrals to replacement properties, help in filing payment claims, and other necessary assistance to help the resident successfully relocate;
- Inform the resident that, if he or she qualifies for relocation assistance as a displaced person under the URA, he or she will not be required to move without at least 90 days advance written notice, and inform any person to be displaced from a dwelling that he or she cannot be required to move permanently unless at least one comparable replacement dwelling has been made available;
- Inform the resident that any person who is an alien not lawfully present in the United States is ineligible for relocation advisory services and relocation payments, unless such ineligibility would result in exceptional and extremely unusual hardship

to a qualifying spouse, parent, or child (see 49 CFR 24.208(h) for additional information); and
- Describe the resident's right to appeal the PHA's determination as to a person's eligibility for URA assistance.

b. RAD Notice of Relocation

If a resident will be relocated to facilitate the RAD conversion, the PHA shall provide notice of such relocation (RAD Notice of Relocation). The PHA shall issue this notice upon the PHA's receipt of the RCC from HUD, which is the ION date. If residents will not be relocated, notice of relocation is not required, but the PHA should notify them that they are not being relocated.[11]

The RAD Notice of Relocation must conform to the following requirements:
- The notice must state the anticipated duration of the resident's relocation.
- PHAs must provide this notice a minimum of 30 days prior to relocation to residents who will be temporarily relocated.[12] Longer notice may be appropriate for persons who will be relocated for an extended period of time (over 6 months), or if necessary due to personal needs or circumstances.
- Residents whose temporary relocation is anticipated to exceed one year must be informed that they will have no less than 30 days to elect temporary or permanent relocation as described in Section 6 of this Notice. When timing is critical for project completion, the 30-day decision period can run concurrently with the 30-day notice period for temporary relocation and with the 90-day period for permanent relocation if the PHA makes available comparable replacement dwellings consistent with 24.204(a).
- Residents who will be permanently relocated must receive written notice a minimum of 90 days prior to relocation. This 90-day time period may only begin once the PHA has made available at least one comparable replacement dwelling consistent with 49 CFR 24.204(a).[13]
- The notice must describe the available relocation assistance, the estimated amount of assistance based on the individual circumstances and needs, and the procedures for obtaining the assistance. The notice must be specific to the resident and his or her situation so that the resident will have a clear understanding of the type and amount of payments and/or other assistance the resident household may be entitled to claim.

---

[11] HUD policy generally requires a "notice of non-displacement" in certain instances; the RAD program does not require this notice. Although the scope of this notice is limited to guidance for projects requiring relocation, PHAs should note, however, that there may be notification requirements for projects that do not involve relocation. The RAD conversion will terminate the resident's public housing lease and commence a PBV or PBRA lease, even when there is no relocation required. In such instances, state law may impose certain notification requirements. In addition, public housing regulations generally require 30 days' notice prior to lease termination. PHAs are encouraged to review public housing requirements set forth in 24 CFR parts 5 and 966.

[12] HUD may approve shorter notice periods based on an urgent need due to danger, health, or safety issues or if the person will be temporarily relocated for only a short period.

[13] PHAs should note that URA regulations also require, where possible, that three or more comparable replacement dwellings be made available before a resident is required to move from his or her unit.

- The notice must explain the reasonable terms and conditions under which the resident may continue to lease and occupy a unit in the completed project.
- The notice must state that the PHA will reimburse the resident for all reasonable out-of-pocket expenses incurred in connection with any temporary move. These expenses include, but are not limited to, moving expenses and increased housing costs (rent, utilities, etc.).

c. *Notice of Intent to Acquire* (49 CFR 24.203(d))

For RAD projects involving acquisition, residents may be provided with a notice of intent to acquire ("Notice of Intent to Acquire") prior to the ION date with HUD's prior approval. Once the Notice of Intent to Acquire is provided, a resident's eligibility for relocation assistance and payments is established. Therefore, the RAD Notice of Relocation must be provided in conjunction with or after the Notice of Intent to Acquire. A RAD Notice of Relocation would not otherwise be sent prior to the ION date.

Since residents who accept permanent relocation must receive 90 days advanced written notice prior to being required to move, providing residents the Notice of Intent to Acquire and RAD Notice of Relocation prior to the ION date may be necessary to provide sufficient notice of relocation to a resident in instances where there may not be 90 days between the issuance of the RCC (ION date) and the anticipated closing date. This allows the PHA to issue the notice earlier so that relocation may begin upon closing. This allows program participants to conduct orderly relocation upon closing, minimize adverse impacts on displaced persons, and to expedite project advancement and completion.[14]

d. URA Notice of Relocation Eligibility – for residents whose temporary relocation exceeds one year (49 CFR 24.203(b) & Handbook 1378, Paragraph 2-3(C))

After a resident has been temporarily relocated for one year, the PHA must provide a notice of relocation eligibility in accordance with URA requirements ("Notice of Relocation Eligibility"). This notice is not required if the resident has already accepted permanent relocation assistance.

The Notice of Relocation Eligibility must conform to URA requirements as set forth in 49 CFR Part 24, to HUD Handbook 1378 and to the following requirements:

- The PHA must provide updated information as to when it is anticipated that the resident will be able to return to the completed project.
- The resident may choose to remain temporarily relocated based upon such updated information or may choose to accept permanent URA relocation assistance in lieu of exercising the right to return.
- If the resident chooses to accept permanent URA relocation assistance and such assistance requires that the resident move, the URA requires such resident to receive 90 days advance written notice of the earliest date they will be required to move (i.e., 90-Day Notice, 49 CFR 24.203(c)). The PHA should be mindful that the 90-day time period may only begin once the PHA has made available at least one

[14] PHAs and program participants should note that, in most instances, it will be most appropriate for the acquiring entity to send this notice.

"comparable replacement dwellings" as set forth in 49 CFR 24.204(a).

9. **Initiation of Relocation**

Unless otherwise approved by HUD, relocation may not begin until the date of closing of the RAD transaction and recordation of the RAD Use Agreement. PHAs must provide residents being temporarily relocated at least 30 days advance written notice of the required move. PHAs must give residents being permanently relocated at least 90 days advance written notice of the required move. This means PHAs are advised to plan carefully to account for this 30-day or 90-day notice period to ensure the closing is not delayed.

However, HUD is aware that, in rare cases, some project plans necessitate relocation prior to closing. With prior HUD approval, for projects involving acquisition, PHAs may relocate residents prior to the closing date subject to public housing requirements (see 24 CFR part 5 and 24 CFR 966). PHAs must contact their assigned RAD transaction manager (TM) to discuss plans as early as possible in the process to ensure compliance with all RAD and URA requirements.

If relocation prior to closing is desired, PHAs should submit to the TM the following information, as early as possible in the process:

- A written request for relocation prior to closing. The request must include justification of why the early relocation is necessary for the viability of the RAD transaction. Justification may include the presence of outside financing, such as Low Income Housing Tax Credit (LIHTC) awards, if the PHA can show that early relocation is necessary to meet critical LIHTC deadlines.
- FHEO Accessibility and Relocation Checklist.
- Evidence of intent to comply with public housing requirements, as applicable. Generally, public housing regulations require public housing residents to receive 30 days' notice prior to relocation and that such notice either be published in the PHA's admissions and continued occupancy policies (ACOP) or published elsewhere at least 30 days prior to receipt of such notice (24 CFR parts 5 and 966).

When seeking to relocate residents prior to closing, submission of this request as early as possible is preferred, prior to the 180-day Financing Plan milestone if possible (with Financing Plan submission following the request).

HUD reserves the right to request additional follow-up information, including a Relocation Plan and related budget, prior to approving such requests. PHAs must receive written HUD approval before beginning relocation of residents prior to closing.

Early planning and submission of the Financing Plan and FHEO checklist to HUD will ensure the PHA has built in the 30- or 90-day notice period prior to initiating relocation.

10. Fair Housing and Civil Rights Requirements

PHAs must comply with all applicable fair housing and civil rights laws, including, but not limited to, the Fair Housing Act, Title VI of the Civil Rights Act of 1964, and Section 504 of the Rehabilitation Act of 1973, when conducting relocation planning and providing relocation assistance. Further, communication must be provided in a manner that is effective for persons with disabilities (24 CFR 8.6) and for person who are Limited English

Proficient (see 72 FR 2732). This section discusses some of the PHA's obligations under these laws and regulations. However, the applicability of civil rights laws is not limited to the activities discussed in this section. PHAs conducting relocation activities should familiarize themselves with applicable civil rights statutes, regulations, and guidance, including but not limited to, those listed at the end of this section.

- Effective Communication for Persons with Disabilities: Communications and materials must be provided in a manner that is effective for persons with hearing, visual, and other communication-related disabilities consistent with Section 504 of the Rehabilitation Act of 1973 (24 CFR 8.6), and as applicable, the Americans with Disabilities Act; and for persons who are limited English proficient (see 72 Fed Reg 2732). This includes ensuring that training materials are in appropriate alternative formats as needed, e.g., Braille, audio, large type, assistive listening devices, and sign language interpreters.

- Accessible Meeting Facilities for Persons with Disabilities: When holding public meetings, PHAs must give priority to methods that provide physical access to individuals with disabilities, i.e., holding the meetings, workshops, and briefings or any other type of meeting in an accessible location, in accordance with the regulations implementing Section 504 of the Rehabilitation Act of 1973 and Titles II and III of the Americans with Disabilities Act of 1990, as applicable. All programs and activities must be held in accessible locations unless doing so would result in an undue financial and administrative burden, in which case the PHA must take any action that would not result in such an alteration or such burden but would nevertheless ensure that individuals with disabilities receive the benefits and services of the program or activity, e.g., briefings at an alternate accessible, in-home briefing. Individuals with disabilities must receive services in the most integrated setting appropriate to their needs. The most integrated setting appropriate to the needs of qualified individuals with disabilities is a setting that enables individuals with disabilities to interact with nondisabled person to the fullest extent possible (28 CFR part 35, appendix B).

- Meaningful Access for Persons with Limited English Proficiency (LEP): PHAs must provide meaningful access to programs and activities for persons who have a limited ability to read, speak, or understand English. Any person with LEP who will be temporarily relocated or permanently displaced must have meaningful access to any public meetings regarding the project. In addition, any information provided to residents including, but not limited to, any notices required under the URA, should be provided in the appropriate language to persons with LEP. Generally, PHAs will be responsible for providing oral interpreters at meetings, including ensuring their competence, and covering any associated translation and interpretation costs.

- URA requires that PHAs provide persons who are unable to read or understand the notices, such as persons with disabilities or persons with LEP, with appropriate translation and counseling to ensure that they understand their rights and responsibilities and the assistance available to them (49 CFR 24.5). URA also requires that each notice indicate the name and telephone number of a person to contact with questions or for other needed help (49 CFR 24.5). This notice should include the number for the telecommunication device for the deaf (TDD) or other appropriate communication device, if applicable (24 CFR 8.6(a)(2)).

- Comparable Housing for Persons with Disabilities: PHAs should identify the accessibility needs of residents to be relocated by consulting existing information (e.g., tenant characteristics forms, including identification of the need for accessible unit features; records of approved reasonable accommodations, and records of the presence of accessible unit features). For guidance on providing relocation assistance to persons with disabilities, see Exhibit 3-1 in HUD Handbook 1378.

- Advisory Services: PHAs should determine the advisory services that will be necessary to ensure a successful relocation program consistent with 49 CFR 24.205(c). Such advisory services may include housing counseling that should be facilitated to ensure that residents affected by the project understand their rights and responsibilities and the assistance available to them (49 CFR 24.205(c)). Advisory counseling must also inform residents of their fair housing rights and be carried out in a manner that satisfies the requirements of Title VI of the Civil Rights Act of 1964, the Fair Housing Act, and Executive Order 11063 (49 CFR 24.205(c)(1)). In addition, PHAs should inform residents that if they believe they have experienced unlawful discrimination, they may contact HUD at 1-800669-9777 (Voice) or 1-800-927-9275 (TDD) or at http://www.hud.gov.

Fair Housing References:

- Section 504 of the Rehabilitation Act of 1973
- Regulations: 24 CFR part 8
- Fair Housing Act Regulations: 24 CFR part 100
- Title VI of the Civil Rights Act of 1964
- Regulations: 24 CFR part 1
- Final Guidance to Federal Financial Assistance Recipients Regarding Title VI Prohibition Against National Origin Discrimination Affecting Limited English Proficient Persons (LEP Guidance) (72 FR 2732)
- Exhibit 3-1 Compliance with Section 504 of the Rehabilitation Act in HUD Handbook 1378 (Tenant Assistance Relocation and Real Property Acquisition)

11. Other Requirements

a. Public Housing Program Compliance

PHAs should note that public housing resident provisions related to occupancy and termination, including grievances and related hearings, will remain in effect until the execution of the new PBV or PBRA Housing Assistance Payment (HAP) contract.

b. Evictions for Cause

If the PHA determines that a resident was evicted in accordance with applicable state and local law for serious or repeated violation of material terms of the lease, and the eviction was not undertaken for the purpose of evading the obligation to make available URA payments and other assistance, the resident is not entitled to relocation payments and assistance under the URA (49 CFR 24.206).

2015 MTW Plan RAD Significant Amendment and 2016 MTW Annual Plan Public Comments:

HACP held a join public comment hearing for the 2015 MTW RAD Significant Amendment and 2016 MTW Annual Plan. Residents expressed concerns about who the new owners would be; if they would continue to receive the same level of services; and expressed concerns about increased rents for those paying flat rents. No changes have been made to the Annual Plan in response to these comments.

The RAD significant Amendment was approved by the HACP board on October 22, 2015 and gave consideration to all comments received

Annual Statement/Performance and Evaluation Report
Capital Fund Program, Capital Fund Program Replacement Housing Factor and
Capital Fund Financing Program

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
OMB No. 2577-0226
Expires 06/30/2017

Part I: Summary

PHA Name: HOUSING AUTHORITY OF THE CITY OF PITTSBURGH	Grant Type and Number Capital Fund Program Grant No: PA28P001501-16 Replacement Housing Factor Grant No: Date of CFFP:	FFY of Grant: 2016 FFY of Grant Approval: 2016

Type of Grant
☐ Original Annual Statement ☐ Reserve for Disasters/Emergencies ☐ Revised Annual Statement (revision no:)
X Performance and Evaluation Report for Period Ending: 2016 ☐ Final Performance and Evaluation Report

Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost [1]	
		Original	Revised[2]	Obligated	Expended
1	Total non-CFP Funds				
2	1406 Operations (may not exceed 20% of line 21) [3]				
3	1408 Management Improvements				
4	1410 Administration (may not exceed 10% of line 21)				
5	1411 Audit				
6	1415 Liquidated Damages				
7	1430 Fees and Costs				
8	1440 Site Acquisition				
9	1450 Site Improvement				
10	1460 Dwelling Structures				
11	1465.1 Dwelling Equipment—Nonexpendable				
12	1470 Non-dwelling Structures				
13	1475 Non-dwelling Equipment				
14	1485 Demolition				
15	1492 Moving to Work Demonstration	$10,244,883.00	$10,244,883.00	$ 0.00	$ 0.00
16	1495.1 Relocation Costs				
17	1499 Development Activities [4]				

[1] To be completed for the Performance and Evaluation Report.
[2] To be completed for the Performance and Evaluation Report or a Revised Annual Statement.
[3] PHAs with under 250 units in management may use 100% of CFP Grants for operations.
[4] RHF funds shall be included here.

FS 416

Annual Statement/Performance and Evaluation Report
Capital Fund Program, Capital Fund Program Replacement Housing Factor and
Capital Fund Financing Program

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
OMB No. 2577-0226
Expires 06/30/2017

Part I: Summary

PHA Name: Housing Authority of the City of Pittsburgh	Grant Type and Number Capital Fund Program Grant No: PA28P001501-16 Replacement Housing Factor Grant No: Date of CFFP:	FFY of Grant: 2016 FFY of Grant Approval: 2016

Type of Grant
☐ Original Annual Statement ☐ Reserve for Disasters/Emergencies ☐ Revised Annual Statement (revision no:)
X Performance and Evaluation Report for Period Ending: 2016 ☐ Final Performance and Evaluation Report

Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost [1]	
		Original	Revised [2]	Obligated	Expended
18a	1501 Collateralization or Debt Service paid by the PHA				
18ba	9000 Collateralization or Debt Service paid Via System of Direct Payment				
19	1502 Contingency (may not exceed 8% of line 20)				
20	Amount of Annual Grant:: (sum of lines 2 - 19)	$10,244,883.00	$10,244,883.00	$ 0.00	$ 0.00
21	Amount of line 20 Related to LBP Activities				
22	Amount of line 20 Related to Section 504 Activities				
23	Amount of line 20 Related to Security - Soft Costs				
24	Amount of line 20 Related to Security - Hard Costs				
25	Amount of line 20 Related to Energy Conservation Measures				

Signature of Executive Director	Date 1/10/18	Signature of Public Housing Director	Date

[1] To be completed for the Performance and Evaluation Report.
[2] To be completed for the Performance and Evaluation Report or a Revised Annual Statement.
[3] PHAs with under 250 units in management may use 100% of CFP Grants for operations.
[4] RHF funds shall be included here.

FS 416

Annual Statement/Performance and Evaluation Report
Capital Fund Program, Capital Fund Program Replacement Housing Factor and
Capital Fund Financing Program

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
OMB No. 2577-0226
Expires 06/30/2017

Part II: Supporting Pages

PHA Name: HOUSING AUTHORITY OF THE CITY OF PITTSBURGH

Grant Type and Number
Capital Fund Program Grant No: PA28P001501-16
CFFP (Yes/ No): No
Replacement Housing Factor Grant No:

Federal FFY of Grant: 2016

Development Number Name/PHA-Wide Activities	General Description of Major Work Categories	Development Account No.	Quantity	Total Estimated Cost		Total Actual Cost		Status of Work
				Original	Revised [1]	Funds Obligated [2]	Funds Expended [2]	
Various	Moving to Work Initiatives	1492-MtW		$10,244,883	$10,244,883	$ 0.00	$ 0.00	Not Begun

[1] To be completed for the Performance and Evaluation Report or a Revised Annual Statement.
[2] To be completed for the Performance and Evaluation Report.

FS 4/16

form HUD-50075.1 (07/2014)

Annual Statement/Performance and Evaluation Report
Capital Fund Program, Capital Fund Program Replacement Housing Factor and
Capital Fund Financing Program

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
OMB No. 2577-0226
Expires 06/30/2017

Part I: Summary

PHA Name:	Grant Type and Number	FFY of Grant: 2015
HOUSING AUTHORITY OF THE CITY OF PITTSBURGH	Capital Fund Program Grant No: PA28P001501-15 Replacement Housing Factor Grant No: Date of CFFP:	FFY of Grant Approval: 2015

Type of Grant
☐ Original Annual Statement ☐ Reserve for Disasters/Emergencies ☐ Revised Annual Statement (revision no:)
X Performance and Evaluation Report for Period Ending: 2016 ☐ Final Performance and Evaluation Report

Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost [1]	
		Original	Revised[2]	Obligated	Expended
1	Total non-CFP Funds				
2	1406 Operations (may not exceed 20% of line 21) [3]				
3	1408 Management Improvements				
4	1410 Administration (may not exceed 10% of line 21)				
5	1411 Audit				
6	1415 Liquidated Damages				
7	1430 Fees and Costs				
8	1440 Site Acquisition				
9	1450 Site Improvement				
10	1460 Dwelling Structures				
11	1465.1 Dwelling Equipment—Nonexpendable				
12	1470 Non-dwelling Structures				
13	1475 Non-dwelling Equipment				
14	1485 Demolition				
15	1492 Moving to Work Demonstration	$ 9,707,432.00	$ 9,707,432.00	$ 5,807,543.03	$ 3,004,730.69
16	1495.1 Relocation Costs				
17	1499 Development Activities [4]				

[1] To be completed for the Performance and Evaluation Report.
[2] To be completed for the Performance and Evaluation Report or a Revised Annual Statement.
[3] PHAs with under 250 units in management may use 100% of CFP Grants for operations.
[4] RHF funds shall be included here.

FS 4/5

form HUD-50075.1 (07/2014)

Annual Statement/Performance and Evaluation Report
Capital Fund Program, Capital Fund Program Replacement Housing Factor and
Capital Fund Financing Program

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
OMB No. 2577-0226
Expires 06/30/2017

Part I: Summary		
PHA Name: Housing Authority of the City of Pittsburgh	Grant Type and Number Capital Fund Program Grant No: PA28P001501-15 Replacement Housing Factor Grant No: Date of CFFP:	FFY of Grant: 2015 FFY of Grant Approval: 2015

Type of Grant
☐ Original Annual Statement ☐ Reserve for Disasters/Emergencies ☐ Revised Annual Statement (revision no:)
X Performance and Evaluation Report for Period Ending: 2016 ☐ Final Performance and Evaluation Report

Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost [1]	
		Original	Revised [2]	Obligated	Expended
18a	1501 Collateralization or Debt Service paid by the PHA				
18ba	9000 Collateralization or Debt Service paid Via System of Direct Payment				
19	1502 Contingency (may not exceed 8% of line 20)				
20	Amount of Annual Grant:: (sum of lines 2 - 19)	$ 9,707,432.00	$ 9,707,432.00	$ 5,807,543.03	$ 3,004,730.69
21	Amount of line 20 Related to LBP Activities				
22	Amount of line 20 Related to Section 504 Activities				
23	Amount of line 20 Related to Security - Soft Costs				
24	Amount of line 20 Related to Security - Hard Costs				
25	Amount of line 20 Related to Energy Conservation Measures				

Signature of Executive Director	Date 1/10/17	Signature of Public Housing Director	Date

[1] To be completed for the Performance and Evaluation Report.
[2] To be completed for the Performance and Evaluation Report or a Revised Annual Statement.
[3] PHAs with under 250 units in management may use 100% of CFP Grants for operations.
[4] RHF funds shall be included here.

FS 4/15

Annual Statement/Performance and Evaluation Report
Capital Fund Program, Capital Fund Program Replacement Housing Factor and
Capital Fund Financing Program

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
OMB No. 2577-0226
Expires 06/30/2017

Part II: Supporting Pages

PHA Name: HOUSING AUTHORITY OF THE CITY OF PITTSBURGH	Grant Type and Number Capital Fund Program Grant No: PA28P001501-15 CFFP (Yes/ No): No Replacement Housing Factor Grant No:	Federal FFY of Grant: 2015

Development Number Name/PHA-Wide Activities	General Description of Major Work Categories	Development Account No.	Quantity	Total Estimated Cost		Total Actual Cost		Status of Work
				Original	Revised [1]	Funds Obligated [2]	Funds Expended [2]	
Various	Moving to Work Initiatives	1492-MtW		$9,482,679.00	$9,482,679.00	$ 5,807,543.03	$ 3,004,730.69	In Progress

[1] To be completed for the Performance and Evaluation Report or a Revised Annual Statement.
[2] To be completed for the Performance and Evaluation Report.

B 4/15

form HUD-50075.1 (07/2014)

Annual Statement/Performance and Evaluation Report
Capital Fund Program, Capital Fund Program Replacement Housing Factor and
Capital Fund Financing Program

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
OMB No. 2577-0226
Expires 06/30/2017

Part I: Summary

PHA Name: HOUSING AUTHORITY OF THE CITY OF PITTSBURGH	Grant Type and Number Capital Fund Program Grant No: PA28P001501-14 Replacement Housing Factor Grant No: Date of CFFP:	FFY of Grant: 2014 FFY of Grant Approval: 2014

Type of Grant
☐ Original Annual Statement ☐ Reserve for Disasters/Emergencies ☐ Revised Annual Statement (revision no:)
X Performance and Evaluation Report for Period Ending: 2016 ☐ Final Performance and Evaluation Report

Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost [1]	
		Original	Revised[2]	Obligated	Expended
1	Total non-CFP Funds				
2	1406 Operations (may not exceed 20% of line 21) [3]				
3	1408 Management Improvements				
4	1410 Administration (may not exceed 10% of line 21)				
5	1411 Audit				
6	1415 Liquidated Damages				
7	1430 Fees and Costs				
8	1440 Site Acquisition				
9	1450 Site Improvement				
10	1460 Dwelling Structures				
11	1465.1 Dwelling Equipment—Nonexpendable				
12	1470 Non-dwelling Structures				
13	1475 Non-dwelling Equipment				
14	1485 Demolition				
15	1492 Moving to Work Demonstration	$ 9,482,679.00	$ 9,482,679.00	$ 9,482,679.00	$ 9,482,679.00
16	1495.1 Relocation Costs				
17	1499 Development Activities [4]				

[1] To be completed for the Performance and Evaluation Report.
[2] To be completed for the Performance and Evaluation Report or a Revised Annual Statement.
[3] PHAs with under 250 units in management may use 100% of CFP Grants for operations.
[4] RHF funds shall be included here.

Annual Statement/Performance and Evaluation Report
Capital Fund Program, Capital Fund Program Replacement Housing Factor and
Capital Fund Financing Program

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
OMB No. 2577-0226
Expires 06/30/2017

Part I: Summary

PHA Name: Housing Authority of the City of Pittsburgh	Grant Type and Number Capital Fund Program Grant No: PA28P001501-14 Replacement Housing Factor Grant No: Date of CFFP:	FFY of Grant: 2014 FFY of Grant Approval: 2014

Type of Grant
☐ Original Annual Statement ☐ Reserve for Disasters/Emergencies ☐ Revised Annual Statement (revision no:)
X Performance and Evaluation Report for Period Ending: 2016 ☐ Final Performance and Evaluation Report

Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost [1]	
		Original	Revised [2]	Obligated	Expended
18a	1501 Collateralization or Debt Service paid by the PHA				
18ba	9000 Collateralization or Debt Service paid Via System of Direct Payment				
19	1502 Contingency (may not exceed 8% of line 20)				
20	Amount of Annual Grant:: (sum of lines 2 - 19)	$ 9,482,679.00	$ 9,482,679.00	$ 9,482,679.00	$ 9,482,679.00
21	Amount of line 20 Related to LBP Activities				
22	Amount of line 20 Related to Section 504 Activities				
23	Amount of line 20 Related to Security - Soft Costs				
24	Amount of line 20 Related to Security - Hard Costs				
25	Amount of line 20 Related to Energy Conservation Measures				

Signature of Executive Director	Date 1/10/17	Signature of Public Housing Director	Date

[1] To be completed for the Performance and Evaluation Report.
[2] To be completed for the Performance and Evaluation Report or a Revised Annual Statement.
[3] PHAs with under 250 units in management may use 100% of CFP Grants for operations.
[4] RHF funds shall be included here.

4/4

Annual Statement/Performance and Evaluation Report
Capital Fund Program, Capital Fund Program Replacement Housing Factor and
Capital Fund Financing Program

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
OMB No. 2577-0226
Expires 06/30/2017

Part II: Supporting Pages

PHA Name: HOUSING AUTHORITY OF THE CITY OF PITTSBURGH	**Grant Type and Number** Capital Fund Program Grant No: PA28P001501-14 CFFP (Yes/ No): No Replacement Housing Factor Grant No:	**Federal FFY of Grant: 2014**

Development Number Name/PHA-Wide Activities	General Description of Major Work Categories	Development Account No.	Quantity	Total Estimated Cost		Total Actual Cost		Status of Work
				Original	Revised [1]	Funds Obligated[2]	Funds Expended[2]	
Various	Moving to Work Initiatives	1492-MtW		$9,482,679.00	$9,482,679.00	$9,482,679.00	$9,482,679.00	Complete

[1] To be completed for the Performance and Evaluation Report or a Revised Annual Statement.
[2] To be completed for the Performance and Evaluation Report.

ES 4/14

form HUD-50075.1 (07/2014)

Annual Statement/Performance and Evaluation Report
Capital Fund Program, Capital Fund Program Replacement Housing Factor and
Capital Fund Financing Program

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
OMB No. 2577-0226
Expires 06/30/2017

Part I: Summary

PHA Name: HOUSING AUTHORITY OF THE CITY OF PITTSBURGH	Grant Type and Number Capital Fund Program Grant No: Replacement Housing Factor Grant No: PA28R001501-15 Date of CFFP:	FFY of Grant: 2015 FFY of Grant Approval: 2015

Type of Grant
☐ Original Annual Statement ☐ Reserve for Disasters/Emergencies ☐ Revised Annual Statement (revision no:)
X Performance and Evaluation Report for Period Ending: 2016 ☐ Final Performance and Evaluation Report

Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost [1]	
		Original	Revised[2]	Obligated	Expended
1	Total non-CFP Funds				
2	1406 Operations (may not exceed 20% of line 21) [3]				
3	1408 Management Improvements				
4	1410 Administration (may not exceed 10% of line 21)				
5	1411 Audit				
6	1415 Liquidated Damages				
7	1430 Fees and Costs				
8	1440 Site Acquisition				
9	1450 Site Improvement				
10	1460 Dwelling Structures				
11	1465.1 Dwelling Equipment—Nonexpendable				
12	1470 Non-dwelling Structures				
13	1475 Non-dwelling Equipment				
14	1485 Demolition				
15	1492 Moving to Work Demonstration				
16	1495.1 Relocation Costs				
17	1499 Development Activities [4]	$ 1,080,346.00	$ 1,080,346.00	$ 1,080,346.00	$ 1,080,346.00

[1] To be completed for the Performance and Evaluation Report.
[2] To be completed for the Performance and Evaluation Report or a Revised Annual Statement.
[3] PHAs with under 250 units in management may use 100% of CFP Grants for operations.
[4] RHF funds shall be included here.

form HUD-50075.1 (07/2014)

Annual Statement/Performance and Evaluation Report
Capital Fund Program, Capital Fund Program Replacement Housing Factor and
Capital Fund Financing Program

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
OMB No. 2577-0226
Expires 06/30/2017

Part I: Summary		
PHA Name: Housing Authority of the City of Pittsburgh	Grant Type and Number Capital Fund Program Grant No: Replacement Housing Factor Grant No: PA28R001501-15 Date of CFFP:	FFY of Grant: 2015 FFY of Grant Approval: 2015

Type of Grant
☐ Original Annual Statement ☐ Reserve for Disasters/Emergencies ☐ Revised Annual Statement (revision no:)
X Performance and Evaluation Report for Period Ending: 2016 ☐ Final Performance and Evaluation Report

Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost [1]	
		Original	Revised [2]	Obligated	Expended
18a	1501 Collateralization or Debt Service paid by the PHA				
18ba	9000 Collateralization or Debt Service paid Via System of Direct Payment				
19	1502 Contingency (may not exceed 8% of line 20)				
20	Amount of Annual Grant:: (sum of lines 2 - 19)	$ 1,080,346.00	$ 1,080,346.00	$ 1,080,346.00	$ 1,080,346.00
21	Amount of line 20 Related to LBP Activities				
22	Amount of line 20 Related to Section 504 Activities				
23	Amount of line 20 Related to Security - Soft Costs				
24	Amount of line 20 Related to Security - Hard Costs				
25	Amount of line 20 Related to Energy Conservation Measures				

Signature of Executive Director	Date 1/10/17	Signature of Public Housing Director	Date

[1] To be completed for the Performance and Evaluation Report.
[2] To be completed for the Performance and Evaluation Report or a Revised Annual Statement.
[3] PHAs with under 250 units in management may use 100% of CFP Grants for operations.
[4] RHF funds shall be included here.

P. 504

Annual Statement/Performance and Evaluation Report
Capital Fund Program, Capital Fund Program Replacement Housing Factor and
Capital Fund Financing Program

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
OMB No. 2577-0226
Expires 06/30/2017

Part II: Supporting Pages

PHA Name: HOUSING AUTHORITY OF THE CITY OF PITTSBURGH	Grant Type and Number Capital Fund Program Grant No: PA28R001501-15 CFFP (Yes/ No): No Replacement Housing Factor Grant No:	Federal FFY of Grant: 2015

Development Number Name/PHA-Wide Activities	General Description of Major Work Categories	Development Account No.	Quantity	Total Estimated Cost		Total Actual Cost		Status of Work
				Original	Revised [1]	Funds Obligated[2]	Funds Expended[2]	
Addison Phase 2	Site and Infrastructure	1499 Develop.		$ 1,080,346	$ 1,080,346	$ 1,080,346	$ 1,080,346	Complete

[1] To be completed for the Performance and Evaluation Report or a Revised Annual Statement.
[2] To be completed for the Performance and Evaluation Report.

pg 524

Annual Statement/Performance and Evaluation Report
Capital Fund Program, Capital Fund Program Replacement Housing Factor and
Capital Fund Financing Program

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
OMB No. 2577-0226
Expires 06/30/2017

Part I: Summary

PHA Name: HOUSING AUTHORITY OF THE CITY OF PITTSBURGH	Grant Type and Number Capital Fund Program Grant No: Replacement Housing Factor Grant No: PA28R001502-15 Date of CFFP:	FFY of Grant: 2015 FFY of Grant Approval: 2015

Type of Grant
☐ Original Annual Statement ☐ Reserve for Disasters/Emergencies ☐ Revised Annual Statement (revision no:)
X Performance and Evaluation Report for Period Ending: 2016 ☐ Final Performance and Evaluation Report

Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost [1]	
		Original	Revised[2]	Obligated	Expended
1	Total non-CFP Funds				
2	1406 Operations (may not exceed 20% of line 21) [3]				
3	1408 Management Improvements				
4	1410 Administration (may not exceed 10% of line 21)				
5	1411 Audit				
6	1415 Liquidated Damages				
7	1430 Fees and Costs				
8	1440 Site Acquisition				
9	1450 Site Improvement				
10	1460 Dwelling Structures				
11	1465.1 Dwelling Equipment—Nonexpendable				
12	1470 Non-dwelling Structures				
13	1475 Non-dwelling Equipment				
14	1485 Demolition				
15	1492 Moving to Work Demonstration				
16	1495.1 Relocation Costs				
17	1499 Development Activities [4]	$1,665,970.00	$1,665,970.00	$1,665,970.00	$1,665,970.00

[1] To be completed for the Performance and Evaluation Report.
[2] To be completed for the Performance and Evaluation Report or a Revised Annual Statement.
[3] PHAs with under 250 units in management may use 100% of CFP Grants for operations.
[4] RHF funds shall be included here.

FS 525

Annual Statement/Performance and Evaluation Report
Capital Fund Program, Capital Fund Program Replacement Housing Factor and
Capital Fund Financing Program

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
OMB No. 2577-0226
Expires 06/30/2017

Part I: Summary		
PHA Name: Housing Authority of the City of Pittsburgh	Grant Type and Number Capital Fund Program Grant No: Replacement Housing Factor Grant No: PA28R001502-15 Date of CFFP:	FFY of Grant: 2015 FFY of Grant Approval: 2015

Type of Grant
☐ Original Annual Statement ☐ Reserve for Disasters/Emergencies ☐ Revised Annual Statement (revision no:)
X Performance and Evaluation Report for Period Ending: 2016 ☐ Final Performance and Evaluation Report

Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost [1]	
		Original	Revised [2]	Obligated	Expended
18a	1501 Collateralization or Debt Service paid by the PHA				
18ba	9000 Collateralization or Debt Service paid Via System of Direct Payment				
19	1502 Contingency (may not exceed 8% of line 20)				
20	Amount of Annual Grant:: (sum of lines 2 - 19)	$1,665,970.00	$1,665,970.00	$1,665,970.00	$1,665,970.00
21	Amount of line 20 Related to LBP Activities				
22	Amount of line 20 Related to Section 504 Activities				
23	Amount of line 20 Related to Security - Soft Costs				
24	Amount of line 20 Related to Security - Hard Costs				
25	Amount of line 20 Related to Energy Conservation Measures				

Signature of Executive Director	Date	Signature of Public Housing Director	Date
Carl S Damm	1/10/17		

[1] To be completed for the Performance and Evaluation Report.
[2] To be completed for the Performance and Evaluation Report or a Revised Annual Statement.
[3] PHAs with under 250 units in management may use 100% of CFP Grants for operations.
[4] RHF funds shall be included here.

ts 525

Annual Statement/Performance and Evaluation Report
Capital Fund Program, Capital Fund Program Replacement Housing Factor and
Capital Fund Financing Program

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
OMB No. 2577-0226
Expires 06/30/2017

Part I: Summary					
PHA Name: Housing Authority of the City of Pittsburgh	Grant Type and Number Capital Fund Program Grant No: Replacement Housing Factor Grant No: PA28R001502-15 Date of CFFP:			FFY of Grant: 2015 FFY of Grant Approval: 2015	
Type of Grant ☐ Original Annual Statement ☐ Reserve for Disasters/Emergencies ☐ Revised Annual Statement (revision no:) X Performance and Evaluation Report for Period Ending: 2016 ☐ Final Performance and Evaluation Report					
Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost [1]	
		Original	Revised [2]	Obligated	Expended
18a	1501 Collateralization or Debt Service paid by the PHA				
18ba	9000 Collateralization or Debt Service paid Via System of Direct Payment				
19	1502 Contingency (may not exceed 8% of line 20)				
20	Amount of Annual Grant:: (sum of lines 2 - 19)	$1,665,970.00	$1,665,970.00	$1,665,970.00	$1,665,970.00
21	Amount of line 20 Related to LBP Activities				
22	Amount of line 20 Related to Section 504 Activities				
23	Amount of line 20 Related to Security - Soft Costs				
24	Amount of line 20 Related to Security - Hard Costs				
25	Amount of line 20 Related to Energy Conservation Measures				
Signature of Executive Director		Date 1/10/17	Signature of Public Housing Director		Date

[1] To be completed for the Performance and Evaluation Report.
[2] To be completed for the Performance and Evaluation Report or a Revised Annual Statement.
[3] PHAs with under 250 units in management may use 100% of CFP Grants for operations.
[4] RHF funds shall be included here.

FS 525

Annual Statement/Performance and Evaluation Report
Capital Fund Program, Capital Fund Program Replacement Housing Factor and
Capital Fund Financing Program

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
OMB No. 2577-0226
Expires 06/30/2017

Part I: Summary					
PHA Name: HOUSING AUTHORITY OF THE CITY OF PITTSBURGH	Grant Type and Number Capital Fund Program Grant No: Replacement Housing Factor Grant No: PA28R001501-16 Date of CFFP:				FFY of Grant: 2016 FFY of Grant Approval: 2016
Type of Grant ☐ Original Annual Statement ☐ Reserve for Disasters/Emergencies X Performance and Evaluation Report for Period Ending: 2016		☐ Revised Annual Statement (revision no:) ☐ Final Performance and Evaluation Report			
Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost [1]	
		Original	Revised[2]	Obligated	Expended
1	Total non-CFP Funds				
2	1406 Operations (may not exceed 20% of line 21) [3]				
3	1408 Management Improvements				
4	1410 Administration (may not exceed 10% of line 21)				
5	1411 Audit				
6	1415 Liquidated Damages				
7	1430 Fees and Costs				
8	1440 Site Acquisition				
9	1450 Site Improvement				
10	1460 Dwelling Structures				
11	1465.1 Dwelling Equipment—Nonexpendable				
12	1470 Non-dwelling Structures				
13	1475 Non-dwelling Equipment				
14	1485 Demolition				
15	1492 Moving to Work Demonstration				
16	1495.1 Relocation Costs				
17	1499 Development Activities [4]	$ 697,198.00	$ 697,198.00	$ 0.00	$ 0.00

[1] To be completed for the Performance and Evaluation Report.
[2] To be completed for the Performance and Evaluation Report or a Revised Annual Statement.
[3] PHAs with under 250 units in management may use 100% of CFP Grants for operations.
[4] RHF funds shall be included here.

form HUD-50075.1 (07/2014)

Annual Statement/Performance and Evaluation Report
Capital Fund Program, Capital Fund Program Replacement Housing Factor and
Capital Fund Financing Program

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
OMB No. 2577-0226
Expires 06/30/2017

Part I: Summary

PHA Name: Housing Authority of the City of Pittsburgh	Grant Type and Number Capital Fund Program Grant No: Replacement Housing Factor Grant No: PA28R001501-16 Date of CFFP:	FFY of Grant: 2016 FFY of Grant Approval: 2016

Type of Grant
☐ Original Annual Statement ☐ Reserve for Disasters/Emergencies ☐ Revised Annual Statement (revision no:)
X Performance and Evaluation Report for Period Ending: 2016 ☐ Final Performance and Evaluation Report

Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost [1]	
		Original	Revised [2]	Obligated	Expended
18a	1501 Collateralization or Debt Service paid by the PHA				
18ba	9000 Collateralization or Debt Service paid Via System of Direct Payment				
19	1502 Contingency (may not exceed 8% of line 20)				
20	Amount of Annual Grant:: (sum of lines 2 - 19)	$ 697,198.00	$ 697,198.00	$ 0.00	$ 0.00
21	Amount of line 20 Related to LBP Activities				
22	Amount of line 20 Related to Section 504 Activities				
23	Amount of line 20 Related to Security - Soft Costs				
24	Amount of line 20 Related to Security - Hard Costs				
25	Amount of line 20 Related to Energy Conservation Measures				

Signature of Executive Director	Date 1/10/17	Signature of Public Housing Director	Date

[1] To be completed for the Performance and Evaluation Report.
[2] To be completed for the Performance and Evaluation Report or a Revised Annual Statement.
[3] PHAs with under 250 units in management may use 100% of CFP Grants for operations.
[4] RHF funds shall be included here.

Annual Statement/Performance and Evaluation Report
Capital Fund Program, Capital Fund Program Replacement Housing Factor and
Capital Fund Financing Program

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
OMB No. 2577-0226
Expires 06/30/2017

Part II: Supporting Pages

PHA Name: HOUSING AUTHORITY OF THE CITY OF PITTSBURGH	Grant Type and Number Capital Fund Program Grant No: CFFP (Yes/ No): No Replacement Housing Factor Grant No: PA28R001501-16	Federal FFY of Grant: 2016

Development Number Name/PHA-Wide Activities	General Description of Major Work Categories	Development Account No.	Quantity	Total Estimated Cost		Total Actual Cost		Status of Work
				Original	Revised [1]	Funds Obligated[2]	Funds Expended[2]	
No Obligation	No Obligation	1499 Develop.		$ 697,198.00	$ 697,198.00	$ 0.00	$ 0.00	Not Started

[1] To be completed for the Performance and Evaluation Report or a Revised Annual Statement.
[2] To be completed for the Performance and Evaluation Report.

Annual Statement/Performance and Evaluation Report
Capital Fund Program, Capital Fund Program Replacement Housing Factor and
Capital Fund Financing Program

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
OMB No. 2577-0226
Expires 06/30/2017

Part I: Summary

PHA Name:
HOUSING AUTHORITY OF THE CITY OF PITTSBURGH

Grant Type and Number
Capital Fund Program Grant No:
Replacement Housing Factor Grant No: PA28R001502-16
Date of CFFP:

FFY of Grant: 2016
FFY of Grant Approval: 2016

Type of Grant
☐ Original Annual Statement ☐ Reserve for Disasters/Emergencies ☐ Revised Annual Statement (revision no:)
X Performance and Evaluation Report for Period Ending: 2016 ☐ Final Performance and Evaluation Report

Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost [1]	
		Original	Revised[2]	Obligated	Expended
1	Total non-CFP Funds				
2	1406 Operations (may not exceed 20% of line 21)[3]				
3	1408 Management Improvements				
4	1410 Administration (may not exceed 10% of line 21)				
5	1411 Audit				
6	1415 Liquidated Damages				
7	1430 Fees and Costs				
8	1440 Site Acquisition				
9	1450 Site Improvement				
10	1460 Dwelling Structures				
11	1465.1 Dwelling Equipment—Nonexpendable				
12	1470 Non-dwelling Structures				
13	1475 Non-dwelling Equipment				
14	1485 Demolition				
15	1492 Moving to Work Demonstration				
16	1495.1 Relocation Costs				
17	1499 Development Activities [4]	$1,691,197.00	$1,691,197.00	$ 0.00	$ 0.00

[1] To be completed for the Performance and Evaluation Report.
[2] To be completed for the Performance and Evaluation Report or a Revised Annual Statement.
[3] PHAs with under 250 units in management may use 100% of CFP Grants for operations.
[4] RHF funds shall be included here.

r3
527

Annual Statement/Performance and Evaluation Report
Capital Fund Program, Capital Fund Program Replacement Housing Factor and
Capital Fund Financing Program

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
OMB No. 2577-0226
Expires 06/30/2017

Part I: Summary

PHA Name: Housing Authority of the City of Pittsburgh	Grant Type and Number Capital Fund Program Grant No: Replacement Housing Factor Grant No: PA28R001502-16 Date of CFFP:			FFY of Grant: 2016 FFY of Grant Approval: 2016	

Type of Grant
☐ Original Annual Statement ☐ Reserve for Disasters/Emergencies ☐ Revised Annual Statement (revision no:)
X Performance and Evaluation Report for Period Ending: 2016 ☐ Final Performance and Evaluation Report

Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost [1]	
		Original	Revised [2]	Obligated	Expended
18a	1501 Collateralization or Debt Service paid by the PHA				
18ba	9000 Collateralization or Debt Service paid Via System of Direct Payment				
19	1502 Contingency (may not exceed 8% of line 20)				
20	Amount of Annual Grant:: (sum of lines 2 - 19)	$1,691,197.00	$1,691,197.00	$ 0.00	$ 0.00
21	Amount of line 20 Related to LBP Activities				
22	Amount of line 20 Related to Section 504 Activities				
23	Amount of line 20 Related to Security - Soft Costs				
24	Amount of line 20 Related to Security - Hard Costs				
25	Amount of line 20 Related to Energy Conservation Measures				

Signature of Executive Director	Date 1/10/17	Signature of Public Housing Director	Date

[1] To be completed for the Performance and Evaluation Report.
[2] To be completed for the Performance and Evaluation Report or a Revised Annual Statement.
[3] PHAs with under 250 units in management may use 100% of CFP Grants for operations.
[4] RHF funds shall be included here.

PB 527

Annual Statement/Performance and Evaluation Report
Capital Fund Program, Capital Fund Program Replacement Housing Factor and
Capital Fund Financing Program

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
OMB No. 2577-0226
Expires 06/30/2017

Part II: Supporting Pages		
PHA Name: HOUSING AUTHORITY OF THE CITY OF PITTSBURGH	**Grant Type and Number** Capital Fund Program Grant No: CFFP (Yes/ No): No Replacement Housing Factor Grant No: PA28R001502-16	**Federal FFY of Grant: 2016**

Development Number Name/PHA-Wide Activities	General Description of Major Work Categories	Development Account No.	Quantity	Total Estimated Cost		Total Actual Cost		Status of Work
				Original	Revised [1]	Funds Obligated [2]	Funds Expended [2]	
No Obligation	No Obligation	1499 Develop.		$1,691,197.00	$1,691,197.00	$ 0.00	$ 0.00	Not Started

[1] To be completed for the Performance and Evaluation Report or a Revised Annual Statement.
[2] To be completed for the Performance and Evaluation Report.