Housing Authority of the City of Pittsburgh

Moving to Work Demonstration Year 13 (FY 2013) Annual Report

Submitted to HUD March 31, 2014

(Pending approval from US Dept. of Housing and Urban Development.)

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

Housing Authority of the City of Pittsburgh
Moving To Work Annual Report
2013

Section I. Introduction

A. Table of Contents

Appendices

- Appendix I: Local Asset Management Plan and Supplemental Financial Information
- Appendix II: Families Served and Property Unit and Occupancy Detail Information
- Appendix III: Demographics of Families Served through traditional programs
- Appendix IV: Analysis of MTW Program – Initial Analysis University of Pittsburgh
- Appendix V: Analysis of MTW Homeownership Program – Preliminary Report University of Pittsburgh

Section 1. Introduction

B. Overview of HACP Moving To Work Goals and Objectives

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

1. To reposition HACP's housing stock. These efforts are designed to result in housing that it is competitive in the local housing market, is cost-effective to operate, provides a positive environment for residents, and provides both higher quality and broader options for low-income families; and,
2. To promote independence for residents via programs and policies that promote work and self-sufficiency for those able, and promote independent living for the elderly and disabled.

In pursuit of these goals, HACP has continued Moving To Work Activities initiated in prior years. These initiatives, including information regarding accomplishment of short and long term goals, are summarized below, with details available in Section IV.

Ongoing/Implemented Activities Summary

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

Building on the modified rent policy developed for the Low Income Public Housing Program and approved in 2008, HACP received approval in 2011 to require that any non-elderly, able-bodied head of household who is not working to either a) participate in a 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 costs to the Authority.

In 2013, HACP saw modest results from this initiative, with increases in employment rates both overall in among FSS participants. Participation in training declined, as criteria for training participation was tightened, and outside resources for training became less available. Other measures remained fairly stable, as expected as real impact is expected to occur over an extended period. Increases in average HAP payments are believed to be a result of a tightening rental market and increases in rents generally, not as a result of any change in income among program participants. HACP remains committed to, and optimistic about, the long term impact of this policy. A preliminary report by the University of Pittsburgh, Graduate School of Public and International Affairs (GSPIA), Center for Metropolitan Studies, supports this outlook and is attached as an Appendix to this report.

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

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

In 2013, HACP continued to see modest progress as a result of this initiative. Average rents increased slightly, as did FSS participation. Number and percentage of families working, both overall and among participants in the FSS program, also increased slightly. Participation in training programs declined, largely as a result of tightened pre-qualification criteria and reduced availability of training programs. HACP remains committed to this policy and anticipates that the gradually increasing impact will continue. A preliminary report by the University of Pittsburgh, Graduate School of Public and International Affairs (GSPIA), Center for Metropolitan Studies, supports this outlook and is attached as an Appendix to this report.

3. Revised recertification requirements policy.

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

In 2013, HACP saw continuing benefits of this policy, especially in the low income public housing program, as the number of recertificaitons and the time spent on this task declined. In the HCV program some increase in program size and changes in the rental market led to increased numbers of recertfications and a lack of improvement. In 2014, further refinement of the measurement metrics to take into account changes in program size and possible other factors impacting the results will be made to improve the effectiveness analysis of this initiative.

4. Homeownership Program Policies

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

As approved in 2007, HACP operates a single Homeownership Program open to both Low Income Public Housing and Housing Choice Voucher Program households. This approach reduces administrative costs, 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, as HUD's new standard metrics do not effectively apply to this aspect of the initiative, in 2014 it is 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. However, to date the authorized funds limit has not been reached and therefore the soft-second waiting list has not been established.

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

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

HACP continued to see success with this program, with 10 families becoming homeowners in 2013, returning to previous levels after declines in 2011 and 2012. In addition, new families continued to enroll in and complete the program, becoming prepared for future purchases. A preliminary report by the University of Pittsburgh, Graduate School of Public and International Affairs (GSPIA), Center for Metropolitan Studies, assessed the Homeownership Program and is attached as an Appendix to this report.

5. 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.

In 2013, fewer families took advantage of this option. Those that did continued to benefit from the ability to move to a residence of their choice.

6. Modified Payment Standard Approval.

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

HACP does not currently have any Area Exception Payment Standards, but may do so in future years. HACP will continue to allow an Exception Payment Standard of up to 120% of FMR as a reasonable accommodation for persons with disabilities.

In 2013 HACP received approval of 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's objective for this initiative is to expand housing choices for eligible families.

In 2013, only a limited number of families took advantage of this initiative, but those disabled families that did so had more choices in their search for an affordable home. Also, although no new accessible units have yet resulted from this initiative, HACP has authorized at least 10 project based vouchers to projects expected to be completed in 2013, 2014 and 2015 for additional, new, accessible units.

7. 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 authorized 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 Program and will utilize one or more strategies, subject to any required HUD approvals, as authorized under this intiative. Details are included in Section IV.

In 2013, HACP submitted a full development proposal to HUD for Phase I of the Addison Terrace redevelopment, as per standard protocols, utilizing several elements authorized by this initiative. Late in 2013 this was approved, utilizing several aspects of the Financing Program. Construction is now underway with new units beginning to come on-line in 2014.

<u>On-Hold Activities</u>

HACP activities that could be considered as 'on hold' are actually subsets of implemented activities. They are as follows:

i. Exception Payment Standard Areas. HACP suspended its Exception Payment Standard Area in order to reduce costs and streamline administration. Depending on future funding, and changes to the local market, HACP may develop new exception payment standard areas to increase housing choice for voucher families.

<u>Closed Out Activities</u>

Since entering the Moving To Work Program in 2000, HACP has also instituted a number of Moving To Work initiatives that in 2014 no longer require specific Moving To Work Authority. Some of those initiatives are:

1. Establishment of Site Based Waiting Lists.

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

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.
- 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.
- 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. Specific elements of HACP's Local Asset Management Program were approved in 2010. HACP will continue to develop and refine its Local Asset Management Program to reduce costs and increase effectiveness.

Long Term Goals and Vision

HACP's vision for its Moving To Work Program through 2018, and potentially beyond, builds upon the vision of HACP's 2001-2013 Moving To Work Plans. This vision is built around two major themes that together will achieve the three statutory objectives of the Moving To Work Demonstration Program.

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

Theme two is to promote self-sufficiency and independent living through a variety of enhanced services and policy adjustments. These programs and policies 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 Housing Authority (increasing the cost effectiveness of federal expenditures) while increasing housing choices for families (with increased work and income they will have additional housing choices both within the HACP portfolio and in the larger housing market).

While the mechanisms 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 is also adding HUD's Standard Metrics, to the extent possible, to its tracking of MTW initiative impacts. In reviewing this report, please note that HUD's Standard Metrics were not yet in place when the 2013 MTW Annual Plan was submitted and approved, and therefore not all Standard Metrics had specific 2013 benchmarks established. See Section IV for more detailed information on the specific initiatives.

<u>Repositioning of HACP's Housing Stock</u>

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 Hills apartments, and Garfield Commons, respectively. The new senior buildings Silver Lake, the Fairmont, the Commons at North Aiken and the Legacy are new positive anchors in their neighborhoods, replacing the distressed, and neighborhood distressing, East Hills, Garfield, Auburn Towers and Addison High Rises. Redevelopment of Addison Terrace is also finally underway.

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

In 2013, as in prior years, and 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 is designed to be a key component of HACP repositioning activities, and has been essential in the financing of the redevelopment of Addison Terrace, now underway.

HACP has also invested in its successful housing in recent years, including modernization activities at Northview Heights, Murray Towers, Morse Gardens, Gualtieri Plaza, and many other improvements at various locations. Additional modernization work at many sites continues, with highlights noted in other sections of this report. HACP also recently 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 also continues to benefit from an implemented Energy Performance Contract for improvements that include the installation of energy efficient and cost saving geothermal heating (and cooling) systems at several developments.

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

The charts at the end of this sectgion show projected sources of funds that can be used for capital projects, and projected uses of those funds over the next ten years. All of these numbers reflect projected obligations (not expenditure) of funds, and are projections only and are subject change based upon funding levels and opportunities, financial and real estate market conditions, new or changing regulations or requirements, and other unforeseen developments.

The highlights of this plan 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, and a branch of the YMCA. 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. Demolition of approximately two thirds of the site and site now under construction, HACP and its partners are working diligently to develop finanicing and other plans for one or two additional phases for 400 total units.
- Plan for new development in the East End, including Hamilton-Larimer. 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 Vision

Plan, which focuses on the Larimer Avenue corridor spanning parts of both East Liberty and Larimer, is the basis for a growing consensus around neighborhood revitalization strategies in these neighborhoods. Working with a variety of partners in Larimer and East Liberty, HACP continues pursuing new development opportunities in these neighborhoods, including the Hamilton-Larimer and former Auburn Towers site on the border of East Liberty and Larimer. HACP continues 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 Vision To Action Plan is the basis for a Choice Neighborhoods Initiative Implementation grant funding application to support this effort. A Choice Neighborhoods Implementation Gant application was submitted in September, 2013. The proposed plans include redevelopment of the nearby East Liberty Gardens project based voucher property in the East Liberty portion of the Vision area. Low Income Housing Tax Credits have been secured for a first phase of construction on the former Auburn site and other adjacent parcels, and HACP was recently informed that it is a finalist for a Choice Neighborhoods Implementation Grant. Alternate plans are also being developed so progress can continue even if the grant is not awarded.

- Build on investments in Northview Heights. After completing conversion of 63 units into 26 new UFAS units and 26 new non-UFAS units, and the ESCO funded geothermal heating and cooling system, HACP continues to build on these investments to solidify Northview Heights' rebound. In 2010 Force Account staff renovated an additional 30 units in the buildings that received UFAS units. In 2010 and 2011, work to replace the roofs on buildings that had not had roof replacements, and the siding on all of the family buildings, was completed. Continued investment in modernization of additional units, completing replacement of roofs, upgrading electrical systems and other improvements continued in 2012 and 2013. In 2014, remaining roofs will be completed, additional site work will be done, planning is underway for modernization of kitchens and bathrooms in family units. It is worth noting that as a result of past HACP activities at this site, occupancy is up to 97% and the waiting list is growing as demand for this property increases.
- 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 continues to pursue larger modernization efforts at other properties, including window replacement and façade/EFIS repairs at several senior/disabled high rises and continued investment in its successful scattered sites portfolio.
- Pursuit of Rental Assistance Demonstration Conversions. In order to secure the long-term viability of its existing housing stock, HACP continues to evaluate and pursue conversion of some public housing units to HUD contracts for multi-family housing rental assistance through the Rental Assistance Demonstration (RAD) Program. In 2013 HACP submitted RAD applications for the following properties:
    - Glen Hazel and Glen Hazel High Rise
    - Murray Towers
    - Other properties are also being evaluated; application will not be made without appropriate and required public notice and comments.

Below are two charts showing project 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
- 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 mechanism that are available or can be identified that will assist HACP in furthering its goals under MTW and under the Low Income Public Housing and Housing Choice Voucher programs.

Other sections of the Annual Report include specifics on the funding strategies utilized in specific development phases the closed in 2013, and future Plans and Reports will include additional details for future phases.

	PROJECTED SOURCES	2014	2015	2016	2017	2018	5-Year SubTotals	2019	2020	2021	2022	2023	5-Year Subtotals	10-Year Totals
SOURCES	MtW Funding	8,000,000	8,000,000	8,000,000	8,000,000	8,000,000	40,000,000	8,000,000	8,000,000	8,000,000	8,000,000	8,000,000	40,000,000	80,000,000
	CFP Projected Future Funding	7,000,000	7,000,000	7,000,000	7,000,000	7,000,000	35,000,000	7,000,000	7,000,000	7,000,000	7,000,000	7,000,000	35,000,000	70,000,000
	RHF Projected Future Funding	5,199,342	4,331,332	3,470,452	2,701,002	2,141,640	17,843,768	2,141,640	582,708	500,000	500,000	500,000	4,224,348	22,068,116
	Choice Neighborhood Grant	0	10,000,000	11,000,000		0	21,000,000	0	0	0	0	0	0	21,000,000
	Cove Place - Convetional Mortgage	500,000		2,000,000	5,000,000	0	7,500,000	0	0	0	0	0	0	7,500,000
	MtW Reserves	54,000,000		0	0	0	54,000,000	0	0	0	0	0	0	54,000,000
	TOTALS ALL PROJECTED SOURCES	*74,699,342*	*29,331,332*	*31,470,452*	*22,701,002*	*17,141,640*	*175,343,768*	*17,141,640*	*15,582,708*	*15,500,000*	*15,500,000*	*15,500,000*	*79,224,348*	*254,568,116*

		PROPOSED USES	2014	2015	2016	2017	2018	5-Year Subtotals	2019	2020	2021	2022	2023	5-Year Subtotals	10-Year Totals
USES	HACP-WIDE	Administrative	1,900,000	1,900,000	1,900,000	1,900,000	1,500,000	9,100,000	1,500,000	1,500,000	1,500,000	1,500,000	1,900,000	7,900,000	17,000,000
		Security	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	20,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	20,000,000	40,000,000
		504/UFAS misc	100,000	100,000	100,000	100,000	0	400,000	0	0	0	0	0	0	400,000
		Equipment (Range/Refrig, Vehicles, Other Misc)	0	0	0	0	530,000	530,000	300,000	300,000	309,000	318,270	327,818	1,555,088	2,085,088
		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	1,000,000
		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	1,000,000
		Demolition	100,000	100,000	100,000	100,000	0	400,000	0	0	0	0	0	0	400,000
		A/E Technical Services	700,000	700,000	400,000	400,000	200,000	2,400,000							2,400,000
		Resident Services	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	10,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	10,000,000	20,000,000
		Mis. Mod & FS Contingencies	950,000	950,000	950,000	950,000	950,000	4,750,000	600,000	600,000	600,000	600,000	600,000	3,000,000	7,750,000
		SUBTOTAL HACP-WIDE USES	*9,950,000*	*9,950,000*	*9,650,000*	*9,650,000*	*9,380,000*	*48,580,000*	*8,600,000*	*8,600,000*	*8,609,000*	*8,618,270*	*9,027,818*	*43,455,088*	*92,035,088*
		SUBTOTAL DEVELOPMENT	*54,000,000*	*12,000,000*	*23,800,000*	*500,000*	*6,630,000*	*96,930,000*	*7,500,000*	*5,000,000*	*5,000,000*	*9,000,000*	*0*	*26,500,000*	*123,430,000*
		SUBTOTAL MODERNIZATION	*10,471,500*	*7,060,000*	*3,666,000*	*4,210,000*	*2,050,000*	*27,457,500*	*1,450,000*	*1,350,000*	*2,150,000*	*2,050,000*	*3,720,000*	*10,720,000*	*38,177,500*
		TOTALS ALL PROPOSED USES	*74,421,500*	*29,010,000*	*37,116,000*	*14,360,000*	*18,060,000*	*172,967,500*	*17,550,000*	*14,950,000*	*15,759,000*	*19,668,270*	*12,747,818*	*80,675,088*	*253,642,588*
		Annual Surplus/ (Deficit)	277,842	321,332	(5,645,548)	8,341,002	(918,360)		(408,360)	632,708	(259,000)	(4,168,270)	2,752,182		
		Additional Funding Available/(Needed)	*277,842*	*599,174*	*(5,046,374)*	*3,294,628*	*2,376,268*		*1,967,908*	*2,600,616*	*2,341,616*	*(1,826,654)*	925,528		925,528

	Proposed Development	2014	2015	2016	2017	2018	5-Year Subtotals	2019	2020	2021	2022	2023	5-Year Subtotals	10-Year Totals	Comments
DEVELOPMENT	Addison	43,000,000					43,000,000						0	43,000,000	Loan to complete financing for Addison Phase I, Planning for and financing for Addison Phase II.
	Hamilton-Larimer		10,000,000	11,000,000			21,000,000						0	21,000,000	Planning in 2014 and funding for redevelopment starting in 2015 including Choice Neighborhood funding .
	Scattered Site (Hill Dist)			1,300,000			1,300,000						0	1,300,000	Gap financing for scattered site development in the Hill District as part of Addison development strategy
	Arlington				500,000	6,630,000	7,130,000	7,000,000					7,000,000	14,130,000	Start planning in 2017. Redevelop community with 60 new ACC units as part of mixed-finance development.
	HACP/ARMDC Office						0						0	0	HACP headquarters scheduled to be sold, new office needed in 5 years.
	Allegehny Dwellings	10,500,000		6,500,000			17,000,000						0	17,000,000	Start planning in 2014. Redevelop community with 50 new ACC units as part of mixed-finance development.
	Homewood North						0	500,000	5,000,000	5,000,000	9,000,000		19,500,000	19,500,000	Start planning in 2019. Redevelop community with 70 new ACC units as part of mixed-finance development.
	Cove Place	500,000	2,000,000	5,000,000			7,500,000						0	7,500,000	ARMDC will develop market rate/for sale units and this project is in last position.
	SUBTOTAL DEVELOPMENT	***54,000,000***	***12,000,000***	***23,800,000***	***500,000***	***6,630,000***	***96,930,000***	***7,500,000***	***5,000,000***	***5,000,000***	***9,000,000***	***0***	***26,500,000***	***123,430,000***	

		Proposed Modernization	2014	2015	2016	2017	2018	5-Year Subtotals	2019	2020	2021	2022	2023	5-Year Subtotals	10-Year Totals	Comments
REGION I	1001/ 1013	Addison - Bentley Dr.	300,000	0	0	0	0	300,000	0	0	0	0	0	0	300,000	Safety/REAC upkeep until demolition of Beltley Drive units.
	1002	Bedford Dwellings	500,000	510,000	0	100,000	0	1,110,000	100,000	0	0	100,000	0	200,000	1,310,000	REAC & Safety Items
	1015	PA Bidwell	50,000	50,000	300,000	50,000	50,000	500,000	50,000	50,000	1,000,000	0	0	1,100,000	1,600,000	Interim REAC and Safety Repairs and rebab work in 2021.
	1017	Pressley	50,000	50,000	50,000	50,000	50,000	250,000	50,000	0	0	0	0	50,000	300,000	Interim REAC and Safety Repairs
REGION II	1005	Allegheny Dwellings	600,000	50,000	100,000	50,000	0	800,000	0	0	0	0	0	0	800,000	Windows Repair until redev starts in 2016 (see above)
	1009	Northview Heights	2,200,000	100,000	1,000,000	100,000	0	3,400,000	0	0	0	0	0	0	3,400,000	Concrete work in courtyards, Bathrooms/Kicthens rehab and painting in 400 units
	1020	Homewood North	50,000	50,000	50,000	50,000	50,000	250,000	0	0	0	0	0	0	250,000	REAC & Safety Items until redev start in 2019 (see above)
REGION III	1004	Arlington Heights	50,000	800,000	50,000	0	0	900,000	0	0	0	0	0	0	900,000	Partial Mod work unitl redev start in 2018 (see above)
	1031	Murray Towers	0	3,500,000	0	0	0	3,500,000	0	0	0	0	0	0	3,500,000	Windows Replacement in 2013 & Comp. Modernization in 2015
	1032, 1057	Glen Hazel Family (incl. Renova)	2,500,000	50,000	50,000	100,000	100,000	2,800,000	0	200,000	200,000	1,000,000	0	1,400,000	4,200,000	Siding/Doors, Rec Center Rehab & Misc. safety items & Partial Com Mod in 2022.
	1033	Glen Hazel Highrise	300,000	100,000	0	100,000	100,000	600,000	0	0	0	0	0	0	600,000	Terrace rehabilitation & Safety Repairs
	1040	Mazza Pavillion	0	0	0	0	0	0	0	0	0	0	50,000	50,000	50,000	REAC & Safety Repairs
	1041	Caliguiri Plaza	2,121,500	50,000	416,000	50,000	100,000	2,737,500	100,000	100,000	0	0	0	200,000	2,937,500	Windows/EFIS Replace, Partial Comp Mod & Safety Repairs
	1044	Finello Pavillion	50,000	100,000	0	100,000	0	250,000	100,000	0	0	0	0	100,000	350,000	Interim REAC and Safety Repairs
	1045	Morse Gardens	50,000	0	50,000	100,000	0	200,000	100,000	0	0	0	1,400,000	1,500,000	1,700,000	Partial Comp. Mod in 2022 & REAC/Safety Items
	1046	Carrick Regency	50,000	100,000	100,000	0	100,000	350,000	0	0	0	0	1,320,000	1,320,000	1,670,000	Partial Comp. Mod in 2022 & REAC/Safety Items
	1047	Gualtieri Manor	50,000	50,000	0	1,860,000	0	1,960,000	0	50,000	0	0	0	50,000	2,010,000	Partial Comp. Mod in 2017 & REAC/Safety Items
	1022, 1039	Scattered Sites / Hamilton Larimer	1,550,000	1,500,000	1,500,000	1,500,000	1,500,000	7,550,000	950,000	950,000	950,000	950,000	950,000	4,750,000	12,300,000	Partial Comp Mod of 10 units per year for 10 years, 100 units and Purchase/build 30 new units in in 10 years.
	1099	Other Amps	0	0	0	0	0	0	0	0	0	0	0	0	0	
		SUBTOTAL MODERNIZATION	***10,471,500***	***7,060,000***	***3,666,000***	***4,210,000***	***2,050,000***	***27,457,500***	***1,450,000***	***1,350,000***	***2,150,000***	***2,050,000***	***3,720,000***	***10,720,000***	***38,177,500***	

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

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 various 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.

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

The goal of these initiatives is to create an environment where work is the norm and personal responsibility is expected. Gradually, HACP is seeing positive results of this effort.

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

Annual MTW Report

II.4.Report.HousingStock

A. MTW Report: Housing Stock Information

New Housing Choice Vouchers that were Project-Based During the Fiscal Year

Property Name	Anticipated Number of New Vouchers to be Project-Based *	Actual Number of New Vouchers that were Project-Based	Description of Project
Wood Street Commons	65	65	Single Room occupancy building with 258 units. On site services for those with mental illness or other handicaps. HAP executed for 65 units.
Mackey Lofts (ofrmerly Shanahan Apartments)	11	11	Gut renovation project with 43 total units. Targeting persons with hearing and vision impairments, services provided by nearby deaf and blind services agency. HAP executed, units leased.
2700 Centre Avenue	36	0	AHAP executed on 6/11/2013. Construction completion and lease-up projected for 12/31/2014.
Homewood Senior Station	5	0	Developer began construction prior to execution of the AHAP; award cancelled. Developer proceeded without the project based vouchers.
East Liberty Place II	6	0	AHAP executed on 6/6/2013. Construction completion and lease-up projected for 8/31/2014.
Larimer PBV Phase 1	40	0	AHAP on this tax-credit awarded project to be executed in 2014, with construction completion and lease-up expected in 2015.
Larimer Mixed Finance Phase 1	28	0	AHAP on this tax-credit awarded, mixed finance project with 85 total units to be executed in 2014, with construction completion and lease-up expected in 2015 or 2016.
Addison Phase I	186	0	Commitment provided and closing completed in late 2013. AHAP executed 12/23/2013. Construction completion and lease up expected in 2014 and 2015. Total units is 186, 164 to be

				PBV, with remaining units to be market rate.

Anticipated Total Number of New Vouchers to be Project-Based *	Actual Total Number of New Vouchers that were Project-Based	Anticipated Total Number of Project-Based Vouchers Committed at the End of the Fiscal Year *	Anticipated Total Number of Project-Based Vouchers Leased Up or Issued to a Potential Tenant at the End of the Fiscal Year *
377	76	557	133
		Actual Total Number of Project-Based Vouchers Committed at the End of the Fiscal Year	**Actual Total Number of Project-Based Vouchers Leased Up or Issued to a Potential Tenant at the End of the Fiscal Year**
		407	110

* From the Plan - Note: HACP's 2013 Annual Plan was completed in prior format, so information indicated here may not be a clean match to information provided in the plan.

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

Planned removal of one unit at Pressley Street High Rise for conversion of units to create an additional UFAS unit were not completed. Construction work to complete the conversion expected in 2014.
Planned changes to PA-39 Scattered Sites North Hamilton-Larimer (formerly PA-11) were delayed as plans for redevelopment via Choice Neighborhoods and Tax Credits progressed. Submission of demolition application will occur in 2014.

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 Actual Capital Fund Expenditures During the Plan Year

HACP expended capital funds on major projects including the following: Garfield Commons: Final construction an completion payments on Phase IV which completed late in 2012; Northview Heights: expenditures on electrical upgrades, roof replacements, and elevator upgrades; Addison Redevelopment: Substantial commitments for development and expenditures for pre-development on this project; Hamilton-Larimer: Pre-development expenses and commitments for Choice Neighborhoods plan and grant application and Phase 1 Tax Credit and Project Based Voucher development with 85 total units; Murray Towers: Window replacement and EFIS repairs; Morse Gardens: Historic window replacement and other improvements; Drainage and EFIS repairs at Allegheny Dwellings; Scattered Sites: Roof replacements and other improvements at select locations.

Overview of Other Housing Owned and/or Managed by the PHA at Fiscal Year End

Housing Program *	Total Units	Overview of the Program
Housing Program 1 *	0	Overview of the program
Housing Program 2 *	0	Overview of the program
Housing Program 3 *	0	Overview of the program
Total Other Housing Owned and/or Managed	0	

*** Select Housing Program from:** Tax-Credit, State Funded, Locally Funded, Market-Rate, Non-MTW HUD Funded, Managing Developments for other non-MTW Public Housing Authorities, or Other.

If Other, please describe: Description of "other" Housing Program

II.5.Report.Leasing

B. MTW Report: Leasing Information

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

Housing Program:	Number of Households Served*	
	Planned	Actual
Number of Units that were Occupied/Leased through Local Non-Traditional MTW Funded Property-Based Assistance Programs **	635	635
Number of Units that were Occupied/Leased through Local Non-Traditional MTW Funded Tenant-Based Assistance Programs **	108	111
Port-In Vouchers (not absorbed)	N/A	X
Total Projected and Actual Households Served	743	746

* Calculated by dividing the planned/actual 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 Served, the PHA should estimate the number of Households served.

Housing Program:	Unit Months Occupied/Leased****	
	Planned	Actual
Number of Units that were Occupied/Leased through Local Non-Traditional MTW Funded Property-Based Assistance Programs ***	7620	7620
Number of Units that were Occupied/Leased through Local Non-Traditional MTW Funded Tenant-Based Assistance Programs ***	1296	1332
Port-In Vouchers (not absorbed)	N/A	X
Total Projected and Annual Unit Months Occupied/Leased	8916	8952

HACP successfully supported additional families to complete a home purchase in 2013.

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

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

	Average Number of Households Served Per Month	Total Number of Households Served During the Year
Households Served through Local Non-Traditional Services Only	0	0

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

HUD will verify compliance with the statutory objective of "assuring that at least 75 percent of the families assisted by the Agency are very low-income families" is being achieved by examining public housing and Housing Choice Voucher family characteristics as submitted into the PIC or its successor system utilizing current resident data at the end of the agency's fiscal year. The PHA will provide information on local, non-traditional families provided with housing assistance at the end of the PHA fiscal year, not reported in PIC or its successor system, in the following format:

Fiscal Year:	2011	2012	2013	2014	2015	2016	2017	2018
Total Number of Local, Non-Traditional MTW Households Assisted	644	720	746	X	X	X	X	X

Number of Local, Non-Traditional MTW Households with Incomes Below 50% of Area Median Income	N/A	N/A	N/A	X	X	X	X	X
Percentage of Local, Non-Traditional MTW Households with Incomes Below 50% of Area Median Income	N/A	N/A	N/a	X	X	X	X	X

Reporting Compliance with Statutory MTW Requirements: Maintain Comparable Mix

In order to demonstrate that the statutory objective of "maintaining a comparable mix of families (by family size) are served, as would have been provided had the amounts not been used under the demonstration" is being achieved, the PHA will provide information in the following formats:

Baseline for the Mix of Family Sizes Served

Family Size:	Occupied Number of Public Housing units by Household Size when PHA Entered MTW	Utilized Number of Section 8 Vouchers by Household Size when PHA Entered MTW	Non-MTW Adjustments to the Distribution of Household Sizes *	Baseline Number of Household Sizes to be Maintained	Baseline Percentages of Family Sizes to be Maintained
1 Person	1714	994	0	2708	29.61%
2 Person	1721	1536	0	3257	35.62%
3 Person	1427	1134	0	2561	28.00%
4 Person	300	208	0	508	5.55%
5 Person	84	27	0	111	1.21%
6+ Person			0	0	0.00%
Totals	5246	3899	0	9145	100.00%

Explanation for Baseline Adjustments to the Distribution of Household Sizes Utilized	At this time, HACP has not requested any adjustments to the baseline for mix of families served. It should be noted that HACP's total baseline of families to be served has increased by 418 to a total of 9563, but these additional authorized units do not have a family size and therefore are not reflected in these charts. Also, HACP has collected data only to 5+, and thus does not have a separate entry for 6+.

Mix of Family Sizes Served

	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person	Totals
Baseline Percentages of Household Sizes to be Maintained **	29.61%	35.62%	28.00%	5.55%	1.21%	0.00%	100.00%
Number of Households Served by Family Size this Fiscal Year ***	3347	2945	2273	459	83	0	9107
Percentages of Households Served by Household Size this Fiscal Year ****	36.75%	32.34%	24.96%	5.04%	0.91%	0.00%	100.00%
Percentage Change	24.11%	-9.20%	-10.88%	-9.27%	-24.91%	0	0
Alternate Calculation of Percent Change	7.14%	-3.28%	-3.05%	-0.51%	-0.30%		

Justification and Explanation for Family Size Variations of Over 5% from the Baseline Percentages	**The formulas included are not appropriate for this measure, and result in exaggerated percentages that are not appropriate for evaluation of this requirement. For example, on entering MTW, 5.55% of the families served by HACP were 4 person families. In 2013, that percentage had declined to 5.04%. HACP believes this is a change of -.51 percent. By this measure, the only increase greater than 5% is in single person households, which HACP attributes to aging in place of families and increased number of single, elderly households, not to any decisions made by the HACP, and not to any impacts of its MTW initiatives. Further analysis will be conducted to confirm this analysis and determine if other factors also impacted this change.**

* "Non-MTW adjustments to the distribution of family sizes" are defined as factors that are outside the control of the PHA. Acceptable "non-MTW adjustments" include, but are not limited to, demographic changes in the community's population. If the PHA includes non-MTW adjustments, HUD expects the explanations of the factors to be thorough and to include information substantiating the numbers used.

** The numbers in this row will be the same numbers in the chart above listed under the column "Baseline percentages of family sizes to be maintained."

*** The methodology used to obtain these figures will be the same methodology used to determine the "Occupied number of Public Housing units by family size when PHA entered MTW" and "Utilized number of Section 8 Vouchers by family size when PHA entered MTW" in the table immediately above.

**** The "Percentages of families served by family size this fiscal year" will reflect adjustments to the mix of families served that are directly due to decisions the PHA has made. HUD expects that in the course of the demonstration, PHAs will make decisions that may alter the number of families served.

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

Housing Program	Description of Leasing Issues and Solutions
Low Income Public Housing	**No issues were experienced in leasing public housing units.**
Housing Choice Voucher Program	**Challenges related to leasing Housing Choice Vouchers include aging housing stock leading to high rate of failed initial inspections; a tightening housing market created more competition for available units from no voucher households; and the continued reluctance of many landlords to accept families utilizing voucher assistance. HACP has convened a Landlord Advisory Committee, and is planning on a revamped outreach campaign to identify additional units and landlords for participation in the program.**
Non-Traditional Programs	**No issues were experienced in leasing non-traditional housing units.**

Number of Households Transitioned To Self-Sufficiency by Fiscal Year End		
#1 Modified Rent Policy HCV	15	Free of Cash Assistance
#2 Modified Rent Policy LIPH	10	Free of Cash Assistance
#5 Homeownership	10	Completed Home Purchase

Households Duplicated Across Activities/Definitions	0
ANNUAL TOTAL NUMBER OF HOUSEHOLDS TRANSITIONED TO SELF SUFFICIENCY	35

* The number provided here should match the outcome reported where metric SS #8 is used.

II.6.Report.Leasing

C. MTW Report: Wait List Information

Wait List Information at Fiscal Year End

Housing Program(s) *	Wait List Type **	Number of Households on Wait List	Wait List Open, Partially Open or Closed ***	Was the Wait List Opened During the Fiscal Year
Federal MTW Public Housing	Site-Based	2,062	Partially Open: some locations and bedroom sizes are closed.	Yes
Federal MTW Housing Choice Voucher Program	Community Wide	244	Closed	No
Combined Local Non-Traditional Programs (no wait list for homeownership; combined wait lists at mixed finance, mixed income sites.	Site-Based	3381	Open, except for Oak Hill, which is closed.	Yes

More can 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 in communities and bedroom sizes where the wait list is short, and projected wait times are less than one year. Generally we have open wait lists for elderly/disabled, and for families requiring 2, 3, and 4 bedroom units.
MTW Housing Choice Voucher Program: Waiting list remained closed throughout 2013, but will be re-opened in 2014 to all populations. Transition to site-based lists for project based units will also occur in 2014.
Non-traditional programs: No wait list at this time for homeownership. Privately managed tax-credit and affordable market rate operation site-based waiting lists.

If Local, Non-Traditional Program, please describe:

Non-Traditional Program - Homeownership: Currently no waiting list, program participation is open to otherwise eligible families. If demand for soft-second mortgage approaches annual budget authority a wait list for participants with mortgage pre-approval letters will be established.
Non-traditional Program - tax credit units in mixed finance, mixed income developments have wait lists operated by private management.

If Other Wait List Type, please describe:

HACP LIPH Site Based Waiting List - HACP's Site Based Site Preference System allows applicants to choose up to three communities of preference, or the first available from all properties. The number listed above is of unduplicated applicants on the waiting list, although each applicant may be on more than one individual site list. Public housing units in mixed finance/mixed income privately managed properties are not included, as each location operates a separate 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 2013, HACP added provisions to its ACOP to allow for transition to a fully site-based system without centralized application processing or management, and all waiting list activity occurring at each specific management office. Although pre-applications can now be submitted on-site, implementation of full site based lists has been put on hold pending further impact analysis.

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

All proposed activities that have been approved by HUD are reported on in Section IV as "Approved Activities."

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. Modified Rent Policy - Work or FSS Requirement or increased minimum tenant payment for non-exempt HCV households	2011 Annual Plan	2011	Implemented
2. Modified Rent Policy - Work or FSS Requirement or increased minimum rent for non-exempt LIPH households	2008 Annual Plan	2008-2009	Implemented
3. Revised Recertification Policy – at least once every other year – for Section 8/HCV	2008 Annual Plan	2008	Implemented
3. Revised Recertification Policy – at least once every other year – LIPH	2009 Annual Plan	2009	Implemented
4. 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 waiting list; expand eligibility to persons on the LIPH and HCV program waiting lists; expand eligibility to persons eligible for LIPH	Combined Program approved in 2007; other elements approved in 2010; expansion of eligibility to person eligible for LIPH or HCV in 2014.	2007; 2010; 2014.	Implemented
5. Modified Housing Choice Voucher Program policy on maximum percent of Adjusted Monthly Income permitted.	2001 Annual Plan	2001	Implemented
6. Modified Payment Standard Approval - establish Exception Payment Standards up to 120% of FMR without prior HUD approval.	2004 Annual Plan; additional features in 2013.	2004; 2013.	Implemented. Ongoing for persons with disabilities; On Hold for exception areas.
7. Step Up To Market Financing Program	2012 Annual Plan	2013	Implemented

A. IMPLEMENTED ACTIVITIES - ONGOING

1. 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 $150.00 per month. Voucher holders can claim an exemption from the work or $150 minimum tenant payment requirements as a result of participation in a self-sufficiency program for a maximum of five years. This policy provides additional incentives for families to work or prepare for work and will increase overall accountability. HACP's objectives for this program include increased employment and income by participants, increased participation in local self-sufficiency, welfare to work, and other employment preparedness/training/educational programs, and possibly decreased HAP expenditures.

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

HACP initially identified 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.

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 1976 non-elderly, non-disabled families whose tenant payment calculation was less than $150 per month.
- Of those families, 1454 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.
- 769 program participants showed TANF income, 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

Measure	Baseline	Benchmark	Actual
	12/2010	12/2013	12/2013
Non-Elderly, non-disabled families with tenant payment <$150	1988	1704	1576
Number of families with no wage income	1477	1266	2234
Number of families enrolled in HACP's REAL FSS program	439	629	309
Average overall HAP	$486	$450	$482.51
Average HAP for non-elderly, non-disabled	$538	$461	$438
Average HAP for non-elderly, non-disabled paying <$150	$657	$479	$487.

FSS Program Stats, Subdivided by LIPH/HCV	LIPH or HCV	2012	2012 Total	2013	2013 Total
FSS Participants	LIPH	646	950	707	1016
	HCV	304		309	
Number of families working (of FSS participants)	LIPH	257	513	286	559
	HCV	256		273	
Percentage of families working (of FSS participants)	LIPH	40	54%	41%	55%
	HCV	84		88%	
# participants graduating from FSS	LIPH	8	15	10	25
	HCV	7		15	
# of FSS participants with escrow accounts	LIPH	197	382	183	369
	HCV	185		186	

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

- A review of the data above and below 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.
- In 2013, HACP saw modest results from this initiative, with increases in employment rates both overall in among FSS participants. Participation in training declined, as criteria for training participation was tightened, and outside resources for training became less available. Other measures remained fairly stable, as expected as real impact is expected to occur over an extended period. Increases in average HAP payments are believed to be a result of a tightening rental market and increases in rents generally, not as a result of any change in income among program participants. HACP remains committed to, and optimistic about, the long term impact of this policy. A preliminary report by the University of Pittsburgh, Graduate School of Public and International Affairs (GSPIA), Center for Metropolitan Studies, supports this outlook and is attached as an Appendix to this report.
- Additional Data and HUD Standard Metrics are included below.
- Hardship Requests: HACP did not receive any hardship requests in 2013.

NOTE: Standard HUD Metrics were not utilized in the 2013 MTW Annual Plan. Therefore, the 2014 Benchmark is presented, and the 2013 outcome, where available. The Outcome Achieved column is left as TBD as no benchmarks for these specific measures were established for 2013. Other measures as included in the 2013 Annual Plan are also included in other parts of this section.

Standard HUD Metrics – Self-Sufficiency – modified based on HACP capability				
Unit of Measure	Baseline	Benchmark (2014 Goal)	Outcome 2013	Outcome Achieved?
SS#1. Increase in Household Income: Average earned income of households affected by this policy* in dollars (increase)	$7,650	$8,000	n/a	TBD
SS#1: Increase on Household Income: Average Gross Income of all households	$11,802	$12,000	$11,676	TBD
SS#2: Increase in Household Savings: Average amount of savings/escrow of households affected by this policy in dollars (increase)	$3,789.66**	$4,000.00	4,143.44	TBD
SS#3: Increase in Positive Outcomes in Employment Status: Other: Employed full or part time - Number	1475	1500	1537	TBD
SS#3: Increase in Positive Outcomes in Employment Status: Other: Employed full or part time – percentage (of all families)	28.61%	30%	29%	TBD
SS#3, Increase in Positive Outcomes in Employment Status: Other (3 + 4): Enrolled in Education or training program *number* (of FSS participants)	101	140	78	TBD
SS#3, Increase in Positive Outcomes in Employment Status: Other (3 + 4): Enrolled in Education or training program *percentage* (of FSS participants)	22.54%	40%	25.24%	TBD
SS#4: Households Removed from Temporary Assistance for Needy Families (TANF): Number of households receiving TANF assistance (of all households) (decrease)	774	750	718	TBD
SS#5: Households Assisted by Services that Increase Self-Sufficiency: Number of households receiving services aimed to increase Self-sufficiency (FSS enrollment)	353	350	309	TBD

SS#6: Reducing Per Unit Subsidy Costs for Participating Households: Average amount of Section 8 Subsidy per household affected by this policy in dollars (HAP) (all households) (decrease)	$466.24	$439.00	482.51	TBD
SS#8: Households Transitioned to Self-sufficiency: Number of households transitioned to self-sufficiency (graduation)	12	10	15	TBD

* All households, elderly and disabled excluded.
** 2013 average. Ongoing corrections to system calculation error have led to establishment of new baseline.

HACP Metrics - HCV FSS

	2010	2011	2012	2013
FSS Participants	448	353	304	309
Families working (of FSS participants)	248	242	256	273
% of families working (FSS participants)	55%	69%	84%	88%
# graduating	12	15	7	15
# with FSS accounts	191	193	185	186

2. 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 or pay a minimum rent of $150.00 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 then $150.00 per month in rent will be required to participate in a Family Self-Sufficiency Program. For administrative purposes, this has been presented as a minimum rent of $150 per month with the following exceptions:

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

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

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

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

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

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

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 2013 from the Tracking at a Glance Software, Emphasys Elite, and internal reports are included in the tables below.

FSS Program Stats	2005	2006	2007	2008	2009	2010	2011	2012	2013
FSS Participants	658	835	347	599	685	630	598	646	707
Number of families working (of FSS participants)	181	222	254	167	290	204	237	257	286
Percentage of families working (of FSS participants)	27.51%	26.59%	73.20%	27.88%	42.34%	32.38%	49.63%	39.78%	41%
# graduating from FSS	n/a	n/a	n/a	n/a	32	14	5	8	10
# of FSS participants with escrow accounts	29	42	50	111	188	191	194	197	183

Item	Baseline July 2008	Jul-09	Jul-2010	Jul-2011	Dec 2011	Dec 2012	Dec 2013
HACP Rent Roll Amounts ($)	$685,682.44	$677,954.06	$629,457.98	$623,062.79	$598,036.	$602,363	$621,088
HACP Rent collection amounts ($)	$612,027.55	$684,948.74	$603,267.44	$553,277.10	$560,161.	$626,041	$594,569
	Aug-08						
Average Rent All Communities	$198.88	n/a	$199.81	$205.68	$205.76	$207.88	$214.00
Number of families working (reporting wage income)	713	n/a	693	752	697	620	624
Percentage of families working	22%	n/a	22%	25%	25%	22%	22%

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

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.

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

At this point of implementation, expected results are modest but are generally in line with expected outcomes. In 2013, HACP continued to see modest progress as a result of this initiative. Average rents increased slightly, as did FSS participation. Number and percentage of families working, both overall and among participants in the FSS program, also increased slightly. Participation in training programs declined, largely as a result of tightened pre-qualification criteria and reduced availability of training programs. HACP remains committed to this policy and anticipates that the gradually increasing impact will continue. A preliminary report by the University of Pittsburgh, Graduate School of Public and International Affairs (GSPIA), Center for Metropolitan Studies, supports this outlook and is attached as an Appendix to this report. Additional research, through interviews and focus groups of staff, FSS participants, and non-FSS participants, as well as review of additional data, are planned.

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

LIPH Rent Policy Impact Data	2010	2011	2012	2013
Item	Number	Number	Number	Number
Total non-disabled non-elderly families	1394	1309	1296	1261
Number of families working (reporting wage income)	595	556	507	624
Percentage of non-disabled, non-elderly families working	43%	43%	39%	49.5%
Number of families impacted (non-elderly non-disabled, and rent less than $150)	828	797	789	
Number exempt due to disability (disabled, rent <$150)	206	210	130	
Number exempt due to elderly (age 62+, rent <$150)	72	69	46	
Number enrolling in FSS (not elderly, not disabled, Tenant Rent <= $150 and enrolled in FSS)	353	397	634	703

NOTE: Standard HUD Metrics were not utilized in the 2013 MTW Annual Plan. Therefore, the 2014 Benchmark is presented, and the 2013 outcome, where available. The Outcome Achieved column is left as TBD as no benchmark for these specific measures were established for 2013. Other measures as included in the 2013 Annual Plan are also included in other parts of this section.

Standard HUD Metrics – LIPH FSS				
Unit of Measure	Baseline	Benchmark (2014 Goal)	Outcome 2013	Outcome Achieved?
SS#1: Increase in Household Income: Average earned income of households affected by this policy in dollars (increase)	$6,458.	$6,500.	TBD	TBD
SS#1, additional: Increase in Household Income: Average Gross Income of all households	$11,268	$11,500	$11,452	TBD
SS#2: Increase in Household Savings: Average amount of savings/escrow of households affected by this policy in dollars (increase).	1,771.96	$2,000	$2,143.44	TBD
SS#3: Increase in Positive Outcomes in Employment Status: Other: Employed Number (all households)	620	650	624	TBD
SS#3: Increase in Positive Outcomes in Employment Status: Other: Employed percentage (all households)	21.72%	25%	22%	TBD
SS#3 Increase in Positive Outcomes in Employment Status: Other: (3+4): Enrolled in Education or Training program number (of FSS participants)	88	200	50	TBD

SS#3 Increase in Positive Outcomes in Employment Status: Other: (3+4): Enrolled in Education or Training program percentage (of FSS participants)	14%	30%	7%	TBD
SS#4: Households Removed from Temporary Assistance for Needy Families (TANF): Number receiving TANF (all)	637	600	513	TBD
SS#5: Households Assisted by Services that Increase Self-Sufficiency: Number of households receiving Self-sufficiency services (FSS enrollment)	634	650	707	TBD
SS#7: Increase in Agency Rental Revenue: PHA Rental Revenue in dollars (increase)	$626,041	$650,000	$594,569	TBD
SS#8: Households Transitioned to Self-Sufficiency: Number of households transitioned to self-sufficiency (graduation)	7	10	10	TBD

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

3. Revised recertification requirements policy.

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

HACP has calculated the average time to process a recertification, the number of recerts 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	2010	2011	2012	2013
Number of Annual Recerts		2698	2455	3239	3131
Number of interim Recerts		1889	1933	3113	2746
Total Recerts (2009 Estimated)	5500	4596	4380	6352	5877
Average cost per recert	$53.63	$53.63	$53.63	$53.63	$53.63
Total estimated costs	$294,965.00	$246,483.48	$234,899.40	$340,657.76	$315,183.51

Re-certification Policy for LIPH	2009	2010	2011	2012	2013
Number of Annual Recerts	2826	2587	2383	1648	1216
Number of interim Recerts	1070	1052	947	1760	1540
Total Recerts	3896	3639	3330	3408	2756
Average cost per recert	$53.63	$53.63	$53.63	$53.63	$53.63
Total estimated costs	$208,942.48	$195,159.57	$178,587.90	$182,771.04	$147,804.28

In 2013, HACP saw continuing benefits of this policy, especially in the low income public housing program, as the number of recertificaitons and the time spent on this task declined. In the HCV program some increase in program size and changes in the rental market led to increased numbers of recertfications and a lack of improvement. In 2014, further refinement of the measurement metrics to take into account changes in program size and possible other factors impacting the results will be made to improve the effectiveness analysis of this initiative.

NOTE: Standard HUD Metrics were not utilized in the 2013 MTW Annual Plan. Therefore, the 2014 Benchmark is presented, and the 2013 outcome, where available. The Outcome Achieved column is left as TBD as no benchmarks for these specific measures were established for 2013. Other measures as included in the 2013 Annual Plan are also included in other parts of this section.

HCV - HUD STANDARD METRICS – Cost Effectiveness- Estimates

Unit of measure	Baseline	2014 Benchmark	2013 Outcome	Benchmark Achieved?
CE#1: Agency Cost Savings: Total cost of task in dollars (decrease)	$294,965.00	$246,698.00	$315,183.51	TBD
CE#2: Staff Time Savings: Total Time To Complete the Task in staff hours (decrease)	11,000 hours	9,200 hours	11,754 hours	TBD

Note: provided numbers do not account for fluctuations in program size.

LIPH - HUD STANDARD METRICS – Cost Effectiveness - Estimates

Unit of measure	Baseline	2014 Benchmark	2013 Outcome	Benchmark Achieved?
CE#1: Agency Cost Savings: Total cost of task in dollars (decrease)	$208,942.48	$187,705	$147,804.28	TBD
CE#2: Staff Time Savings: Total Time To Complete the Task in staff hours (decrease)	7,792 hours	7,000 hours	5,512 hours	TBD

Note: provided numbers do not account for fluctuations in program size.

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

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

Initially approved in 2007, with additional components approved in 2010 and 2013. HACP operates a single Homeownership Program open to both Low Income Public Housing and Housing Choice Voucher Program households. This approach reduces administrative costs, expands housing choices for participating households, and provides incentives for families to pursue employment and self-sufficiency through the various benefits offered. By combining the programs, increased benefits are available to some families.

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

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

Homeownership Program Statistics

	LIPH or HCV	**2012**	**Total 2012**	**2013**	**Total 2013**
Closings / Purchase	LIPH	0	**5**	4	**10**
	HCV	5		4	
Sales Agreements	LIPH	3	**11**	5	**8**
	HCV	8		3	
Pre-Approval Letters	LIPH	3	**7**	4	**9**
	HCV	4		5	
Number of applicants	LIPH	12	**99**	35	**138**
	HCV	87		103	
Homeownership Education completed	LIPH	12	**99**	10	**40**
	HCV	87		30	
HACP funds for closing (total)	LIPH	$0	**$6,720**	$15,124	**$38,209**
	HCV	$6,720		$23,085	
Average HACP 2nd mortgage amount*	LIPH	0	**$7,000.00**	12,400	**$69,400.00**
	HCV	$7,000.00		$57,000.00	
Average Purchase price	LIPH	$0	**$53,800**	$92,000	**$97,950**
	HCV	$53,800		$101,917	
Amount of non-HACP assistance**	LIPH	$0	**$14,741**	$94,800	**$256,760**
	HCV	$14,741		$161,960	
Foreclosures	LIPH	0	**0**	0	**0**
	HCV	0		0	

Assistance from other sources was as follows:

	2010	2011	2012	2013
Housing Choice Voucher Program Buyers:				
Seller's assist	$7,856.57	0	$6,724.18	$2,700.00
State	$3,000.00	$4,808.00	$0.00	$0.00
Dollar Bank 3-2-1	$2,750.00	0	$2,705.00	$4,900.00
URA Soft-Second Mortgage	$103,000.00	$58,000.00	$0.00	$145,360.00
American Dream Grant	0	$3,000.00	$3,000.00	$9,000.00
Bartko Foundation	0	$4,095	$0.00	$0.00
Parkvale Savings Banks	0	$20,000.00	$0.00	$0.00
East Liberty Development, Inc.	0	$4,855.00	$0.00	$0.00
ACB Grant			$2,312.00	$0.00
Total	$116,606.57	$94,758.00	**$14,741.18**	**$161,960.00**
Low Income Public Housing Buyers:				
URA Soft-secont Mortgage	$1,039.62	0	0	92,000.00
State	$3,000.00	0	0	0
Dollar Bank 3-2-1	$3,300.00	0	0	0
Habitat for Humanity	$0	$1,350.00	0	0
Total	**$10,339.62**	**$1,350.00**	**0**	**92,000.00**
Grant Total Other Assistance:	**$126,946.19**	**$96,108.00**	**$14,741.18**	**$253,960.00**

Foreclosure Prevention: One family was foreclosed upon in 2011, the first in our program's history, with well over 100 families supported to become homeowners in the last 10 years. The family refused multiple offers of assistance and the resources of the foreclosure prevention component of HACP's homeownership program. No other foreclosures have occurred.

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.

HACP continued to see success with this program, with 10 families becoming homeowners in 2013, returning to previous levels after declines in 2011 and 2012. In addition, new families continued to enroll in and complete the program, becoming prepared for future purchases. A preliminary report by the University of Pittsburgh, Graduate School of Public and International Affairs (GSPIA), Center for Metropolitan Studies, assessed the Homeownership Program and is attached as an Appendix to this report.

NOTE: Standard HUD Metrics were not utilized in the 2013 MTW Annual Plan. Therefore, the 2014 Benchmark is presented, and the 2013 outcome, where available. The Outcome Achieved column is left as TBD as no benchmarks for these specific measures were established for 2013. Other measures as included in the 2013 Annual Plan are also included in other parts of this section.

HUD Standard Metrics - Cost Effectiveness - Homeownership				
Unit of Measurement	Baseline	2014 Benchmark	2013 Outcome	Benchmark Achieved?
Number of recerts (reduced)	10/year	0	10	TBD
CE#1: Agency Cost Savings: Total cost of task in dollars (decrease) (recerts)	$5,330.	0	$5330	TBD
CE#2: Staff Time Savings: Total time to complete the task in staff hours (decrease) recerts)	20	0	20	TBD
CE#4: Increase in Resources Leveraged: Amount of funds leveraged in dollars (increase)	0	$35,000	$256,760	TBD

HUD Standard Metrics - Housing Choice				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
HC#5: Number of households able to move to a better unit and/or neighborhood of opportunity	0	10	10	TBD
HC#6: Increase in Homeownership Opportunities: Number of households that purchased a home	0	10	10	TBD
HC#7: Households Assisted by Services that Increase Housing Choice: Number of households receiving services aimed at increasing housing choice	0	100	40	TBD

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.

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

Initially approved in 2010, the following provisions of the HACP homeownerhsip program are unchanged for 2014:

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

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

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

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

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

While this is a long-standing HACP policy, HACP is continuing to pursue data sources in order to identify the percentage of families renting in non-impacted census tracts prior to the policy change to establish a baseline, and to compare this to the percentage of new leases approved in non-impacted census tracts. HACP will also assess the percentage of new leases utilizing the affordability exception. Initial data and calculation assessments determined additional work was needed to ensure accuracy, and this work is ongoing.

In 2013, fewer families took advantage of this option. Those that did continued to benefit from the ability to move to a residence of their choice.

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.

NOTE: Standard HUD Metrics were not utilized in the 2013 MTW Annual Plan. Therefore, the 2014 Benchmark is presented, and the 2013 outcome, where available. The Outcome Achieved column is left as TBD as no benchmarks for these specific measures were established for 2013. Other measures as included in the 2013 Annual Plan are also included in other parts of this section.

HUD Standard Metrics – Housing Choice

Unit of Measurement	Baseline	2014 Benchmark	2013 Outcome	Benchmark Achieved?
HC#1: Additional units made available: Number of new units made available to households at or below 80%AMI*	0	50	13	TBD
HC#5: Increase in Resident Mobility: Number of households able to move to a better unit and/or neighborhood of opportunity	0	50	13	TBD

* Note: Assumes the unit rented by a family at more than 40% of adjusted monthly income would not be affordable, and thus not available, to low income families.

6. Modified Payment Standard Approval.

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

HACP does not currently have any Area Exception Payment Standards, having eliminated them in prior years due to budgetary constraints, but may re-establish such areas in future years.

HACP continues 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 to establish an Exception Payment Standard for new or substantially renovated fully Accessible Units meeting the Requirements of the Uniform Federal

Accessibility Standard (UFAS), up to 120% of FMR. This exception payment standard can be used by HACP in the Project Based Voucher Program or other rehabilitation or new construction initiatives to support the creation of additional UFAS accessible units.

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 increasing 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.

This authorization streamlines 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, this exception payment standard provides an incentive for engagements of new construction and building renovations to include accessible units, and to cover the added costs associated with meeting those exacting standards.

In 2013, only a limited number of families took advantage of this initiative, but those disabled families that did so had more choices in their search for an affordable home. Also, although no new accessible units have yet resulted from this initiative, HACP has authorized at least 10 project based vouchers to projects expected to be completed in 2013, 2014 and 2015 for additional, new, accessible units.

NOTE: Standard HUD Metrics were not utilized in the 2013 MTW Annual Plan. Therefore, the 2014 Benchmark is presented, and the 2013 outcome, where available. The Outcome Achieved column is left as TBD as no benchmarks for these specific measures were established for 2013. Other measures as included in the 2013 Annual Plan are also included in other parts of this section.

Modified Payment Standard - HUD Standard Metrics – Housing Choice

Measure	Baseline	2014 Benchmark	2013 Outcome	Benchmark Achieved?
HC#1: Additional Units made available: Number of new units made available for households at or below 80% of AMI	0	4	0	TBD
HC#2: Units of Housing Preserved: Number of housing units preserved for households at or below 80% of AMI	0	0	TBD	TBD
HC#4: Displacement Prevention: Number of households at or below 80% AMI that would lose assistance or need to move	0	0	TBD	TBD

HC#5: Increase in Resident Mobility: Number of households able to move to a better unit and/or neighborhood of opportunity	0	5	TBD	TBD

HACP Measure:

Measure	A. Baseline	B. Benchmarks	Outcome	Achieved?
New Housing Units Available	0	2014 – 4 2015 – 8 2016 – 13 Total: 25	N/A	N/A

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

7. Use of Block Grant Funding Authority via the *Step Up To Market Financing Program* 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 Heights Phase III. This helped produce 23 LIPH units, 9 Tax Credit affordable units, and spurred additional investments that created 9 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.

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).

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 2013 .

A. Description:

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

    i. Project basing HACP units without competitive process
    ii. Determining a percentage of units that may be project-based at a development up to 100% of units
    iii. Project basing units at levels not to exceed 150% of the FMR as needed to ensure viability of identified redevelopment projects. Actual subsidy levels will be determined on a property-by-property basis, and will be subject to a rent reasonableness evaluation for the selected site, and a subsidy layering review by HUD. When units are HACP-owned, the rent reasonableness evaluation will be conducted by an independent third party.
    iv. Extending Eligibility for project based units to families with incomes up to 80% of AMI.
    v. Establishing criteria for expending funds for physical improvements on PBV units that differ from the requirements currently mandated in the 1937 Act and implementing regulations. Any such alternate criteria will be included in an MTW Plan or Amendment submission for approval prior to implementation.
    vi. Establishing income targeting goals for the project based voucher program, and/or for specific project based voucher developments, that have a goal of promoting a broad range of incomes in project based developments.
    vii. Other actions as determined to be necessary to fund development and/or modernization subject to any required HUD approvals. HACP will follow HUD protocol and submit mixed-finance development proposals to HUD's Office of Public Housing Investments for review and approval.

In 2013, HACP utilized elements of the Step Up To Market strategy for financing Phase I of redevelopment of Addison Terrace, and continued to pursue utilizing these elements for Hamilton-Larimer redevelopment activities. HACP and its partners have identified the following strategies that will leverage Low Income Housing Tax Credits and capital contributions by the HACP in order to complete the financing necessary for Addison Redevelopment Phase One and Larimer Redevelopment Phase 1:

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

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

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

HACP submitted a full development proposal, including Rental Term Sheet, Pro Formas, Sources and Uses, schedules, and other detailed project information to HUD's Office of Public Housing Investments 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 Addison Phase 1 late in 2013. It is anticipated that proposals will be submitted for Larimer/East Liberty Phase 1 on 2014.

B. Relationship to Statutory Objectives

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

C. Anticipated Impacts

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

In 2013, HACP submitted a full development proposal to HUD for Phase I of the Addison Terrace redevelopment, as per standard protocols, utilizing several elements authorized by this initiative. Late in 2013 this was approved, utilizing several aspects of the Financing Program. Construction is now underway with new units beginning to come on-line in 2014.

NOTE: Standard HUD Metrics were not utilized in the 2013 MTW Annual Plan. Therefore, the 2014 Benchmark is presented, and the 2013 outcome, where available. The Outcome Achieved column is left as TBD as no benchmarks for these specific measures were established for 2013. Other measures as included in the 2013 Annual Plan are also included in other parts of this section.

HUD Standard Metrics – Cost Effectiveness

Unit of Measurement	Baseline	2014 Benchmark	2013 Outcome	Benchmark Achieved?
CE#1: Agency Cost Savings: Total Cost of Task in dollars	0	0	TBD	TBD
CE#2: Staff Time Savings: Total time to complete task in staff hours	0	0	TBD	TBD
CE#4: Increase in Resources Leveraged: Amount of funds leveraged in dollars	0	$9,000,000	$19,588,944	TBD

HUD Standard Metrics - Housing Choice

Unit of Measurement	Baseline	2014 Benchmark	2013 Outcome	Benchmark Achieved?
HC#1: Additional Units of Housing Made Available: Number of new units made available to households at or below 80% AMI	0	164	0	TBD
HC#5: Increase in Resident Mobility: Number of households able to move to a better unit and/or neighborhood of opportunity	0	164	0	TBD
HC#6: Increase in Homeownership Opportunities: Number of households that purchased a home	0	0	0	TBD

NOTE #1: Benchmarks listed above are for Addison Phase 1. Baselines and benchmarks are not yet established for Larimer Redevelopment, pending additional pre-development work and identification of additional funding sources.

NOTE #2: Achievement of these benchmarks for Addison Phase 1 is not anticipated until 2015, as closing took place late in 2013 and the construction period is projected at more than 12 months.

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. ;

B. Not Yet Implemented Activities

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

C. On-Hold Activities

HACP activities that could be considered as 'on hold' are actually subsets of implemented activities. They are as follows:

1. 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. Depending on future funding, and changes to the local market, HACP may develop new exception payment standard areas to increase housing choices for voucher families. HACP does not currently have a plan or timeline for re-implementation due to uncertainties in near and long-term future funding.

D. 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 2014 no longer require 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.

Annual MTW Report

V.3.Report.Sources and Uses of MTW Funds

A. MTW Report: Sources and Uses of MTW Funds

Actual Sources and Uses of MTW Funding for the Fiscal Year

PHAs shall submit their unaudited and audited information in the prescribed FDS format through the Financial Assessment System - PHA (FASPHA), or its successor system

Describe the Activities that Used Only MTW Single Fund Flexibility

HACP had budgeted to utilize its single fund flexibility to direct funding from the HCVP and Low Income Public Housing programs to support the Authority's Moving to Work initiatives and other activities. This included budgeting $26,900,000 towards development, $4,000,000 for security and protective services and $2,155,647 for resident services. During 2013 the Authority used $3,355,014 from MTW HCV and $12,683,223 from Public Housing to fund development activities at Addison and Larimer, and used $3,672,194 from Public Housing to support other modernization activity. Additionally $7,647,050 of MtW HCV funds were used to supplement LIPH properties. Additionally, $3,417,531 was expended for security and protective services and $2,106,091 was expended for resident services.

V.4.Report.Local Asset Management Plan

B. MTW Report: Local Asset Management Plan

Has the PHA allocated costs within statute during the plan year?	Yes		
Has the PHA implemented a local asset management plan (LAMP)?	Yes	or	

If the PHA is implementing a LAMP, it shall be described in an appendix every year beginning with the year it is proposed and approved. It shall explain the deviations from existing HUD requirements and should be updated if any changes are made to the LAMP.

Has the PHA provided a LAMP in the appendix?	Yes	or	

Please see Appendix 1, Local Asset Management Plan and Additional Financial Information for discussion of implementation of the Local Asset Management Plan.

V.5.Report.Unspent MTW Funds

C. MTW Report: Commitment of Unspent Funds

In the table below, provide planned commitments or obligations of unspent MTW funds at the end of the PHA's fiscal year.

Account	Planned Expenditure	Obligated Funds	Committed Funds
1499	Addison Phase I Development	$ 2,206,459	$ 4,024,468
1499	Addison Phase II Development	$ 0	$ 36,500,000
1499	Larimer Development	$ 12,683,321	$ 13,654,606
1499	Allegheny Dwellings Redevelopment	$ 0	$ 10,500,000
1460	Northview Heights Roof Replacements	$ 1,174,920	$ 1,174,920
1460	Homewood North Unit Renovations	$ 228,780	$ 228,780
1460	Morse Gardens Renovations	$2,450,078	$2,450,078
1408	Authority Wide Security	$2,257,400	$2,257,400
1450	Northview Heights site Improvements	$1,072,033	$1,072,033
1460	Various Modernization Projects	$1,441,832	$1,441,832
	Total Obligated or Committed Funds:	**$23,514,823**	**$73,304,117**

Please see the body of the report, including the long-term plan in Section I, for additional information on the 1499 obligations and commitments. The 1460 commitments are standard modernization projects currently underway.

Note: *Written notice of a definition of MTW reserves will be forthcoming. Until HUD issues a methodology for defining reserves, including a definition of obligations and commitments, MTW agencies are not required to complete this section.*

Section VI. Administrative

A. Description of any HUD reviews, audits, or physical inspection issues that require action to address the issue.

- HACP takes appropriate action on any REAC identified Physical Condition issues.
- HACP had no other HUD reviews or audits requiring action by HACP at the end of 2013.

B. Results of PHA-directed evaluations of the demonstration.

- Please see Appendices IV and V for HACP directed third-party evaluations of HACP MTW Modified Rent Policy, and HACP Homeownership Program.

C. Certification that HACP has met the statutory requirements of the MTW Demonstration.

HACP hereby certifies that it has met the Statutory Requirements of 1) assuring that at least 75% of the families assisted by the Agency are very low-income families; 2) continuing to assist substantially the same total number of eligible low-income families as would have been served absent the demonstration; and 3) maintaining a comparable mix of families by family size, as would have been served or assisted had the amounts not been used under the demonstration.

Appendix I. Sources and Uses of Funding

A. B. C. Planned Sources and Uses of Funds (MTW, Non-MTW, State and Local)

Please see the charts at the end of this Section, which show sources and uses of MTW and non-MTW funds.

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

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

Approach to Asset Management

HACP followed HUD's guidelines and asset management requirements including AMP-based financial statements. HACP retained the HUD chart of accounts and the HUD crosswalk to the FDS. Under the local asset management program, HACP retained full authority to move its MTW funds and project cash flow among projects without limitation. The MTW single fund flexibility, after payment of all program expenses, was utilized to direct funds to the HACP development program, wherein HACP is worked to redevelop its aging housing stock.

HACP's plan is consistent with HUD's ongoing implementation of project based budgeting and financial management, and project-based management. Operations of HACP sites were coordinated and overseen by Property Managers on a daily basis, who oversaw 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 received support in conducting these activities from the Central Office departments, including operations, human resources, modernization, Resident Self-Sufficiency, Finance, and others.

HACP Property Managers developed and monitored property budgets with support from the HACP Finance staff. Budget training was 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 were directly charged to the maximum extent possible to the AMPs.

HACP utilized 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.

New Initiatives and Deviations from General Part 990 Requirements

During FY2013 the authority undertook the following initiatives to improve the effectiveness and efficiency of the Authority:

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

- HACP established and maintained an MTW cost center that held all excess MTW funds not allocated to the sites or to the voucher program. This cost center and all activity therein was reported under the newly created Catalog of Federal Domestic Assistance number for the MTW cost center. This cost center also held some of the large balance sheet accounts of the authority as a whole. Most notably most of the banking and investment accounts were maintained within the MTW cost center.

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

- Site balance sheet accounts were limited to site specific activity, such as fixed assets, tenant receivables, tenant security deposits, unrestricted net asset equity, which were generated by operating surpluses, and any resulting due to/due from balances. Some balance sheet items still reside in the MTW fund accounts, and include such things as workers compensation accrual, investments, A/P accruals, payroll accruals, payroll tax accruals, employee benefit accruals, Family Self-sufficiency escrow balances, etc. The goal of this approach was to minimize extraneous accounting, and reduce unnecessary administrative burden of performing monthly allocation entries for each, while maintaining fiscal integrity.

- All cash and investments remain in the MTW cost center during the year. Sites had a due to/due from relationship with the MTW cost center that represented cash until the authority performed its year-end accounting entries and allocated to each site a share of the cash and investments. This is a one-time entry each year for Financial Data Schedule presentation purposes and is immediately reversed on the first day of the next calendar year. This saves the authority the time and effort of breaking out the cash and investments monthly on the General Ledger.

- All frontline charges and fees to the central office cost center were reflected on the property reports, as required. The MTW ledger did not 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, were transferred from the MTW ledger or the projects to the COCC.

- The ESCO accounting was broken out to the sites. This included all assets, liabilities, debt service costs, and cost savings.

- No inventory exists on the books at the sites. A just in time system has been implemented. This new inventory system has been operational and more efficient, both in time and expense.

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

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

- Management Information System costs were directly charged to the programs benefiting from them, e.g. the LIPH module cost was directly charged to AMPs; all indirect MIS costs were charged to all cost centers based on a "per workstation" charge rather than a Fee for Service basis. This allowed for equitable allocation of the expense while saving time and effort on allocating out each invoice at the time of payment.

- MTW initiative funded work, such as contributions to the HACP development program, also funded a 10 percent administration budget, in order to adequately and commensurately fund the administrative work to support the MTW initiatives. The authority used MTW initiative flexibility to fund various modernization projects during FY 2013. For each modernization invoice a 10 percent fee was paid to the COCC.

<u>Flexible use of Phase in of Management Fees –</u>
As a component of its local asset management plan, the Housing Authority of the City of Pittsburgh elected 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 proposed and received approval on the following phase-in schedule and approach:

Schedule of Phased-in Management Fees for HACP –

2008 (Initial Year of Project Based Accounting)	$91.94
2009 (Year 2)	$84.99
2010 (Year 3)	$78.03
2011 (Year 4 and beyond)	$78.03

The above numbers reflect 2011 dollars.

HACP has diligently worked to reduce its staffing and expenditure levels and reduce unnecessary COCC costs; it continues to do so, in an effort to cut costs further, in order to comply with the COCC cost provisions of the operating fund rule. It is also working to increase its management fee revenues in the COCC, through aggressive, and we believe, achievable, development and lease up efforts in both the public housing and leased housing programs. The 2013 budget shows a COCC surplus; this is benefiting from $249,438 in allowed phase in management fees. As such, HACP is continuing to lock in at current levels the phase in fees as approved in the 2013 Annual Plan. HACP, as indicated above, has made dramatic cuts to its COCC staffing, in virtually every department. It has reduced staff, reduced contractors, cut administration, and made substantial budget cuts to move toward compliance with the fee revenue requirements. Nevertheless, we are not yet able to meet the PUM fee revenue target until we grow our portfolio size. Fortunately, a major component of the HACP strategic plan is to grow its public housing occupancy, both through mixed finance development and management, as well as in house management, so as to better serve our low income community and to recapture some of the fees lost to demolition. This requires central office staff, talent and expense. To make this plan work, i.e. to assist in the redevelopment of the public housing portfolio, we will need the continued benefit of the locked in level of phase in management fees.

As further support for this fee lock, we should note 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 and Legal. In addition, HACP is governed by City laws that require City residency for all its employees. This has driven up the cost to attract and retain qualified people throughout the agency, but especially in the high cost COCC areas, where HACP has had to pay more to attract the necessary talent to perform these critical functions.

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

E. Use of Single Fund Flexibility

The Authority had budgeted to utilize its single fund flexibility to direct funding from the HCVP and Low Income Public Housing Programs to support the its Moving To Work Initiatives and other activities. This included budgeting of $26,900,000 towards development program, $4,000,000 towards HACP security and protective services and $2,155,647 towards resident services. During 2013 the Authority used $3,355,014 from MtW Section 8 and $12,683,223 from Public Housing to fund development deals at Addison and Larimer. Furthermore, $3,672,194 of Public Housing money was used to fund various modernization projects. This was offset somewhat by using MtW Section 8 money of $7,647,050 to supplement Public Housing dollars spent on development and modernization. Lastly, $3,417,531 was spent on security and protective services and $2,106,091 on resident services.

HACP Fiscal Year 2013 Sources and Uses Total - Actual

SOURCES

											Actual	Planned	Variance
Line Item	**LIPH**	**COCC**	**MTW S8**	**CFP**	**TOTAL MTW**	**NON-MTW S8**	**S8 FSS**	**RHF**	**ROSS**	**PROGRAM INC**	**TOTALS**	**TOTALS**	**TOTALS**
Net Tenant Rental Revenue	$ 7,027,871	$ -	$ -	$ -	$ 7,027,871	$ -	$ -	$ -	$ -	$ -	**$ 7,027,871**	**$ 6,871,889**	**$ 155,982**
Tenant Revenue Other	$ 48,231	$ -	$ -	$ -	$ 48,231	$ -	$ -	$ -	$ -	$ -	**$ 48,231**	**$ 15,300**	**$ 32,931**
HUD PHA Operating Grants	$ 41,015,932	$ -	$ 42,708,396	$ 9,645,490	$ 93,369,818	$ 2,239,667	$ 262,267	$ 7,548,740	$ 228,951	$ -	**$ 103,649,444**	**$ 106,107,165**	**$ (2,457,721)**
Investment Income - Unrestricted	$ 46,395	$ 2,806	$ 19,255	$ -	$ 68,456	$ 3,535	$ -	$ -	$ -	$ (32,838)	**$ 39,154**	**$ 498,844**	**$ (459,690)**
Management Fees	$ -	$ 6,474,731	$ -	$ -	$ 6,474,731	$ -	$ -	$ -	$ -	$ -	**$ 6,474,731**	**$ 6,032,080**	**$ 442,651**
Frontline / Fee For Service Fees	$ -	$ 11,642,473	$ -	$ -	$ 11,642,473	$ -	$ -	$ -	$ -	$ -	**$ 11,642,473**	**$ 12,743,677**	**$ (1,101,204)**
Fraud Recovery Funds	$ 123	$ -	$ 75,535	$ -	$ 75,658	$ -	$ -	$ -	$ -	$ -	**$ 75,658**	**$ 91,786**	**$ (16,128)**
Other Income	$ 2,244,010	$ 266,806	$ 556,431	$ -	$ 3,067,247	$ -	$ -	$ -	$ -	$ 179,085	**$ 3,246,332**	**$ 1,287,935**	**$ 1,958,397**
Total Revenues	**$ 50,382,562**	**$ 18,386,816**	**$ 43,359,617**	**$ 9,645,490**	**$ 121,774,486**	**$ 2,243,202**	**$ 262,267**	**$ 7,548,740**	**$ 228,951**	**$ 146,247**	**$ 132,203,894**	**$ 133,648,677**	**$ (1,444,783)**

USES

Line Item	**LIPH**	**COCC**	**MTW S8**	**CFP**	**TOTAL MTW**	**NON-MTW S8**	**S8 FSS**	**RHF**	**ROSS**	**PROGRAM INC**	**TOTALS**	**TOTALS**	**TOTALS**
Administrative	$ 10,072,044	$ 10,535,081	$ 4,327,980	$ 2,221,288	$ 27,156,393	$ 241,863	$ -	$ -	$ 17,515	$ -	**$ 27,415,770**	**$ 26,546,784**	**$ 868,986**
Asset Management Fee	$ 519,290	$ -	$ -	$ -	$ 519,290	$ -	$ -	$ -	$ -	$ -	**$ 519,290**	**$ 1,306,018**	**$ (786,728)**
Tenant Services	$ 527,038	$ 104,576	$ 153,224	$ 1,321,253	$ 2,106,091	$ -	$ 262,267	$ -	$ 211,436	$ -	**$ 2,579,794**	**$ 3,298,136**	**$ (718,342)**
Utilities	$ 8,403,887	$ 12,274	$ -	$ -	$ 8,416,161	$ -	$ -	$ -	$ -	$ -	**$ 8,416,161**	**$ 8,383,225**	**$ 32,936**
Maintenance	$ 13,217,103	$ 6,317,715	$ -	$ -	$ 19,534,818	$ -	$ -	$ -	$ -	$ -	**$ 19,534,818**	**$ 19,321,817**	**$ 213,001**
Protective Services	$ 783,135	$ -	$ -	$ 2,634,396	$ 3,417,531	$ -	$ -	$ -	$ -	$ -	**$ 3,417,531**	**$ 4,000,000**	**$ (582,469)**
General / Insurance	$ 6,208,359	$ 889,358	$ 393,517	$ -	$ 7,491,235	$ 14,543	$ -	$ -	$ -	$ -	**$ 7,505,778**	**$ 7,311,933**	**$ 193,845**
Other	$ 12,059,480	$ -	$ 31,543,688	$ 1,016,938	$ 44,620,106	$ 1,936,377	$ -	$ 7,548,740	$ -	$ 3,500,000	**$ 57,605,223**	**$ 61,731,340**	**$ (4,126,116)**
Capital Budget Hard Costs	$ 2,626,397	$ 486,277	$ -	$ 2,451,615	$ 5,564,288	$ -	$ -	$ -	$ -	$ -	**$ 5,564,288**	**$ 18,305,664**	**$ (12,741,376)**
Other Financials	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	**$ -**	**$ 4,800,000**	**$ (4,800,000)**
Operating Transfers in	$ (7,647,050)	$ -	$ -	$ -	$ (7,647,050)	$ -	$ -	$ -	$ -	$ -	**$ (7,647,050)**	**$ (7,647,050)**	**$ -**
Operating Transfers out	$ -	$ -	$ 7,647,050	$ -	$ 7,647,050	$ -	$ -	$ -	$ -	$ -	**$ 7,647,050**	**$ 7,647,050**	**$ -**
Total Uses	**$ 46,769,682**	**$ 18,345,281**	**$ 44,065,460**	**$ 9,645,490**	**$ 118,825,913**	**$ 2,192,783**	**$ 262,267**	**$ 7,548,740**	**$ 228,951**	**$ 3,500,000**	**$ 132,558,653**	**$ 155,004,916**	**$ (22,446,263)**
Excess of Revenue over Expenses	**$ 3,612,880**	**$ 41,535**	**$ (705,843)**	**$ (0)**	**$ 2,948,573**	**$ 50,419**	**$ -**	**$ -**	**$ -**	**$ (3,353,753)**	**$ (354,759)**	**$ (21,356,239)**	**$ 21,001,480**

VII. B. HACP 2013 Sources and Uses Non-MTW - Actual with Planned and Variance

SOURCES

Line Item	NON-MTW S8	S8 FSS	RHF	ROSS	PROGRAM INC	TOTAL NON-MTW	TOTAL NON - MTW	TOTALS
						Actual	Planned	Variance
Net Tenant Rental Revenue	$ -	$ -	$ -	$ -	$ -	**$ -**		**$ -**
Tenant Revenue Other	$ -	$ -	$ -	$ -	$ -	**$ -**		**$ -**
HUD PHA Operating Grants	$ 2,239,667	$ 262,267	$ 7,548,740	$ 228,951	$ -	**$ 10,279,626**	**$ 4,481,458**	**$ 5,798,167**
S8 - Ongoing Administrative Fees Earned	$ -	$ -	$ -	$ -	$ -	**$ -**	**$ -**	**$ -**
S8 - Housing Assistance Payments	$ -	$ -	$ -	$ -	$ -	**$ -**	**$ -**	**$ -**
Investment Income	$ 3,535	$ -	$ -	$ -	$ (32,838)	**$ (29,302)**	**$ 9,988**	**$ (39,290)**
Management Fees	$ -	$ -	$ -	$ -	$ -	**$ -**	**$ -**	**$ -**
Frontline / Fee For Service Fees	$ -	$ -	$ -	$ -	$ -	**$ -**	**$ -**	**$ -**
Fraud Recovery Funds	$ -	$ -	$ -	$ -	$ -	**$ -**	**$ 4,787**	**$ (4,787)**
Other Income	$ -	$ -	$ -	$ -	$ 179,085	**$ 179,085**	**$ 11,223**	**$ 167,862**
Total Revenues	**$ 2,243,202**	**$ 262,267**	**$ 7,548,740**	**$ 228,951**	**$ 146,247**	**$ 10,429,408**	**$ 4,507,456**	**$ 5,921,952**

USES

Line Item	NON-MTW S8	S8 FSS	RHF	ROSS	PROGRAM INC	TOTAL NON-MTW	TOTAL NON - MTW	TOTALS
Administrative	$ 241,863	$ -	$ -	$ 17,515	$ -	**$ 259,379**	**$ 231,283**	**$ 28,096**
Asset Management Fee	$ -	$ -	$ -	$ -	$ -	**$ -**	**$ -**	**$ -**
Tenant Services	$ -	$ 262,267	$ -	$ 211,436	$ -	**$ 473,703**	**$ 464,139**	**$ 9,564**
Utilities	$ -	$ -	$ -	$ -	$ -	**$ -**	**$ -**	**$ -**
Maintenance	$ -	$ -	$ -	$ -	$ -	**$ -**	**$ -**	**$ -**
Protective Services	$ -	$ -	$ -	$ -	$ -	**$ -**	**$ -**	**$ -**
General / Insurance	$ 14,543	$ -	$ -	$ -	$ -	**$ 14,543**	**$ 4,076**	**$ 10,467**
Other	$ 1,936,377	$ -	$ 7,548,740	$ -	$ 3,500,000	**$ 12,985,117**	**$ 3,807,958**	**$ 9,177,159**
Debt Service Payments	$ -	$ -	$ -	$ -	$ -	**$ -**	**$ -**	**$ -**
Capital Budget Hard Costs	$ -	$ -	$ -	$ -	$ -	**$ -**	**$ -**	**$ -**
Other Financials	$ -	$ -	$ -	$ -	$ -	**$ -**	**$ -**	**$ -**
Operating Transfers in	$ -	$ -	$ -	$ -	$ -	**$ -**	**$ -**	**$ -**
Operating Transfers out	$ -	$ -	$ -	$ -	$ -	**$ -**	**$ -**	**$ -**
Total Uses	**$ 2,192,783**	**$ 262,267**	**$ 7,548,740**	**$ 228,951**	**$ 3,500,000**	**$ 13,732,742**	**$ 4,507,456**	**$ 9,225,286**
Excess of Revenue over Expenses	**$ 50,419**	**$ -**	**$ -**	**$ -**	**$ (3,353,753)**	**$ (3,303,334)**	**$ 0**	**$ (3,303,334)**

VII. A. HACP 2013 Sources and Uses MTW - Actual with Planned and Variance

SOURCES

					Actual	Planned	Variance
Line Item	**LIPH**	**COCC**	**MTW S8**	**CFP**	**TOTAL MTW**	**TOTAL MTW**	**TOTALS**
Net Tenant Rental Revenue	$ 7,027,871	$ -	$ -	$ -	$ 7,027,871	**$ 6,871,889**	**$ 155,982**
Tenant Revenue Other	$ 48,231	$ -	$ -	$ -	$ 48,231	**$ 15,300**	**$ 32,931**
HUD PHA Operating Grants	$ 41,015,932	$ -	$ 42,708,396	$ 9,645,490	$ 93,369,818	**$ 101,625,707**	**$ (8,255,889)**
S8 - Ongoing Administrative Fees Earned	$ -	$ -	$ -	$ -	$ -	**$ -**	**$ -**
S8 - Housing Assistance Payments	$ -	$ -	$ -	$ -	$ -	**$ -**	**$ -**
Investment Income - Unrestricted	$ 46,395	$ 2,806	$ 19,255	$ -	$ 68,456	**$ 488,856**	**$ (420,400)**
Management Fees	$ -	$ 6,474,731	$ -	$ -	$ 6,474,731	**$ 6,032,080**	**$ 442,651**
Frontline / Fee For Service Fees	$ -	$ 11,642,473	$ -	$ -	$ 11,642,473	**$ 12,743,677**	**$ (1,101,204)**
Fraud Recovery Funds	$ 123	$ -	$ 75,535	$ -	$ 75,658	**$ 86,999**	**$ (11,341)**
Other Income	$ 2,244,010	$ 266,806	$ 556,431	$ -	$ 3,067,247	**$ 1,276,713**	**$ 1,790,534**
Total Revenues	**$ 50,382,562**	**$ 18,386,816**	**$ 43,359,617**	**$ 9,645,490**	**$ 121,774,486**	**$ 129,141,221**	**$ (7,366,734)**

USES

Line Item	**LIPH**	**COCC**	**MTW S8**	**CFP**	**TOTAL MTW**	**TOTAL MTW**	**TOTALS**
Administrative	$ 10,072,044	$ 10,535,081	$ 4,327,980	$ 2,221,288	$ 27,156,393	**$ 26,315,500**	**$ 840,893**
Asset Management Fee	$ 519,290	$ -	$ -	$ -	$ 519,290	**$ 1,306,018**	**$ (786,728)**
Tenant Services	$ 527,038	$ 104,576	$ 153,224	$ 1,321,253	$ 2,106,091	**$ 2,833,997**	**$ (727,906)**
Utilities	$ 8,403,887	$ 12,274	$ -	$ -	$ 8,416,161	**$ 8,383,225**	**$ 32,936**
Maintenance	$ 13,217,103	$ 6,317,715	$ -	$ -	$ 19,534,818	**$ 19,321,818**	**$ 213,000**
Protective Services	$ 783,135	$ -	$ -	$ 2,634,396	$ 3,417,531	**$ 4,000,000**	**$ (582,469)**
General / Insurance	$ 6,208,359	$ 889,358	$ 393,517	$ -	$ 7,491,235	**$ 7,307,857**	**$ 183,378**
Other	$ 12,059,480	$ -	$ 31,543,688	$ 1,016,938	$ 44,620,106	**$ 57,923,382**	**$ (13,303,275)**
Debt Service Payments	$ -	$ -	$ -	$ -	$ -	**$ -**	**$ -**
Capital Budget Hard Costs	$ 2,626,397	$ 486,277	$ -	$ 2,451,615	$ 5,564,288	**$ 18,305,664**	**$ (12,741,376)**
Other Financials	$ -	$ -	$ -	$ -	$ -	**$ 4,800,000**	**$ (4,800,000)**
Operating Transfers in	$ (7,647,050)	$ -	$ -	$ -	$ (7,647,050)	**$ (7,647,050)**	**$ -**
Operating Transfers out	$ -	$ -	$ 7,647,050	$ -	$ 7,647,050	**$ 7,647,050**	**$ -**
Total Uses	**$ 46,769,682**	**$ 18,345,281**	**$ 44,065,460**	**$ 9,645,490**	**$ 118,825,913**	**$ 150,497,460**	**$ (31,671,547)**
Excess of Revenue over Expenses	**$ 3,612,880**	**$ 41,535**	**$ (705,842)**	**$ (0)**	**$ 2,948,574**	**$ (21,356,239)**	**$ 24,304,812**

HACP 2013 Capital Activity - Actual

Source:	Revenues	Item	Community	CFP	RHF	ROSS	S8 FSS	Section 8	LIPH / COCC
	$ 17,738,270	Available All Grants	Various	$ 9,645,490	$ 7,548,740	$ 228,951	$ 315,088	$ -	$ -
	$ 3,112,673	Operating Transfer In	Various	$ -	$ -	$ -	$ -	$ -	$ 3,112,673

Uses: Development

	Cost	Item	Community	CFP	RHF	ROSS	S8 FSS	Section 8	LIPH / COCC
	$ 7,748,740	Site Prep & Infrastructure	Addison - Phases I & II	$ 200,000	$ 7,548,740	$ -	$ -	$ -	$ -
	$ -	Public Improvements / Infrastructure	Garfield All Phases	$ -	$ -	$ -	$ -	$ -	$ -
	$ -	New Development	Oak Hill Phase II	$ -	$ -	$ -	$ -	$ -	$ -
Total:	$ 7,748,740			$ 200,000	$ 7,548,740	$ -	$ -	$ -	$ -

Uses: Modernization

	Cost	Item	Community	CFP	RHF	ROSS	S8 FSS	Section 8	LIPH / COCC
	$ 30,583	The Wilson Group LLC	Bedford / PA Bidwell	$ 30,583	$ -	$ -	$ -	$ -	$ -
	$ 22,291	Mgmt 6941 Phase One Dev Demolition	Authority Wide	$ 22,291	$ -	$ -	$ -	$ -	$ -
	$ 486,277	Administration and Maintenance Vehicles	COCC	$ -	$ -	$ -	$ -	$ -	$ 486,277
	$ 17,476	Air Technology & Cuccaro Plubing Inc Plumbing I	Carrick	$ -	$ -	$ -	$ -	$ -	$ 17,476
	$ 4,732	AMB Inc Plumbing Repairs	Mazza	$ 4,732	$ -	$ -	$ -	$ -	$ -
	$ 7,420	Lugaila Mechanical	Mazza	$ 7,420	$ -	$ -	$ -	$ -	$ -
	$ 39,416	Maintenance Vehicle	Bedford	$ -	$ -	$ -	$ -	$ -	$ 39,416
	$ 39,416	Maintenance Vehicle	Caliguiri	$ -	$ -	$ -	$ -	$ -	$ 39,416
	$ 15,600	Massaro Construction Safety Hazard	Northview	$ 15,600	$ -	$ -	$ -	$ -	$ -
	$ 25,885	Mgmt 6814 Franjo Construction	Mazza	$ 25,885	$ -	$ -	$ -	$ -	$ -
	$ 29,965	Mgmt 6899 Metro Moving Service	Northview / Murray Towers	$ 29,965	$ -	$ -	$ -	$ -	$ -
	$ 429,938	Mgmt 6988,6987 & 7227 Salsgiver Inc.	Authority Wide	$ -	$ -	$ -	$ -	$ -	$ 429,938
	$ 11,564	Mgmt 7042 Liokareas Construction	Mazza	$ 11,564	$ -	$ -	$ -	$ -	$ -
	$ 29,485	Mgmt 7070 D & D Engineering Task Order	Northview	$ -	$ -	$ -	$ -	$ -	$ 29,485
	$ 75,573	Mgmt 7084 Right Electric	Homewood North	$ -	$ -	$ -	$ -	$ -	$ 75,573
	$ 44,184	Mgmt 7102 Liokareas Construction	Scattered Sites North & South	$ 44,184	$ -	$ -	$ -	$ -	$ -
	$ 4,876	Mgmt 7103 Right Electric Inc	Scattered Sites North & South	$ 4,876	$ -	$ -	$ -	$ -	$ -
	$ 7,638	Mgmt 7104 East End Plumbing	Scattered Sites North & South	$ 7,638	$ -	$ -	$ -	$ -	$ -
	$ 45,580	Mgmt 7149 JKECO	Northview	$ -	$ -	$ -	$ -	$ -	$ 45,580
	$ 60,298	Mgmt 7166 Wheels Mechanical	Northview	$ -	$ -	$ -	$ -	$ -	$ 60,298
	$ 140,736	Mgmt 7194 Joe Palmieri Construction	Northview / Scattered Sites South	$ 140,736	$ -	$ -	$ -	$ -	$ -
	$ 287,842	Mgmt 7241 Marshall Elevator Company	Northview	$ 287,842	$ -	$ -	$ -	$ -	$ -
	$ 93,400	Mgmt 7261 AMB Inc	Addison	$ -	$ -	$ -	$ -	$ -	$ 93,400
	$ 255,800	Mgmt 7274	Allegheny Dwellings	$ 255,800	$ -	$ -	$ -	$ -	$ -
	$ 201,416	Mgmt 7295 Liokareas Construction	Morse Gardens	$ 201,416	$ -	$ -	$ -	$ -	$ -
	$ 10,869	Mgmt 7296 Controlled Climate	Morse Gardens	$ 10,869	$ -	$ -	$ -	$ -	$ -
	$ 4,046	Mgmt 7297 East End Plumbing	Morse Gardens	$ 4,046	$ -	$ -	$ -	$ -	$ -
	$ 38,792	Mgmt 7307 John Zottola Landscaping Inc	Allegheny Dwellings	$ 38,792	$ -	$ -	$ -	$ -	$ -
	$ 362,745	Mgmt 7309 East End Plumbing	Northview	$ 62,125	$ -	$ -	$ -	$ -	$ 300,619
	$ 1,450,100	Mgmt 7310 Likareas Construction Co. Inc.	Northview	$ -	$ -	$ -	$ -	$ -	$ 1,450,100
	$ 13,227	Mgmt 7312 Jones Masonry Restoration	Gualtieri	$ 13,227	$ -	$ -	$ -	$ -	$ -
	$ 974,283	Mgmt 7316 Sterling Contracting LLC	Murray Towers	$ 974,283	$ -	$ -	$ -	$ -	$ -
	$ 201,249	Mgmt 7323 Liokareas Construction	Homewood North	$ 201,249	$ -	$ -	$ -	$ -	$ -
	$ 314,757	Mgmt 7325 Graciano Corporation	Gualtieri	$ 314,757	$ -	$ -	$ -	$ -	$ -
	$ -	Mgmt 7332 Phillips Heating & A/C Company	Homewood North	$ -	$ -	$ -	$ -	$ -	$ -
	$ -	Mgmt 7333 Taylor Construction	Homewood North	$ -	$ -	$ -	$ -	$ -	$ -
	$ 20,000	Mgmt 7341 & 7342 East Liberty Development	Scattered Sites North	$ -	$ -	$ -	$ -	$ -	$ 20,000
	$ 533,119	Mgmt 7343 Joe Palmieri Construction	Northview	$ 533,119	$ -	$ -	$ -	$ -	$ -
	$ 3,121	Mgmt 7344 Prairie View Industries	Glen Hazel Family	$ -	$ -	$ -	$ -	$ -	$ 3,121
	$ 8,715	Mgmt 7364 URA	Scattered Sites North	$ -	$ -	$ -	$ -	$ -	$ 8,715
	$ 38,814	Vaughan Brothers Inc. Roof Replacements	Scattered Sites South & North	$ 25,554	$ -	$ -	$ -	$ -	$ 13,260
Total:	$ 3,973,837			$ 3,268,553	$ -	$ -	$ -	$ -	$ 3,112,673

Uses: Administration

	Cost	Item	Community	CFP	RHF	ROSS	S8 FSS	Section 8	LIPH / COCC
	$ 1,073,315	Architectural & Engineering	Authority-Wide	$ 1,073,315	$ -	$ -	$ -	$ -	$ -
	$ 347,875	Dev/Mod - Program Management Services	Authority-Wide	$ 347,875	$ -	$ -	$ -	$ -	$ -
	$ 601,410	Resident Services - Salary	Authority-Wide	$ 601,410	$ -	$ -	$ -	$ -	$ -
	$ 225,539	Resident Services - Benefits	Authority-Wide	$ 225,539	$ -	$ -	$ -	$ -	$ -
	$ 494,304	Resident Services - Tenant Services Other	Authority-Wide	$ 494,304	$ -	$ -	$ -	$ -	$ -
	$ 198,396	HCV-FSS - Salary	Resident Services	$ -	$ -	$ -	$ 198,396	$ -	$ -
	$ 116,693	HCV-FSS - Benefits	Resident Services	$ -	$ -	$ -	$ 116,693	$ -	$ -
	$ 157,594	ROSS - Salary	Resident Services	$ -	$ -	$ 157,594	$ -	$ -	$ -
	$ 53,842	ROSS - Benefits	Resident Services	$ -	$ -	$ 53,842	$ -	$ -	$ -
	$ 17,515	ROSS - Training/Travel	Resident Services	$ -	$ -	$ 17,515	$ -	$ -	$ -
	$ 2,634,396	Protective Services	Authority-Wide	$ 2,634,396	$ -	$ -	$ -	$ -	$ -
	$ 800,098	Management Fees	Authority-Wide	$ 800,098	$ -	$ -	$ -	$ -	$ -
Total:	**$ 5,647,662**			**$ 6,176,937**	**$ -**	**$ 228,951**	**$ 315,088**	**$ -**	**$ -**

		CFP	RHF	ROSS	S8 FSS	Section 8	LIPH / COCC
$7,748,740	**Total Development:**	$ 200,000	$ 7,548,740	$ -	$ -	$ -	$ -
$6,381,226	**Total Modernization:**	$ 3,268,553	$ -	$ -	$ -	$ -	$ 3,112,673
$6,720,977	**Total Adminstration:**	$ 6,176,937	$ -	$ 228,951	$ 315,088	$ -	$ -
$14,129,967	**Total Mod/Dev Budget:**	**$ 9,645,490**	**$ 7,548,740**	**$ 228,951**	**$ 315,088**	**$ -**	**$ 3,112,673**

Section VII. C. HACP 2013 Sources and Uses COCC - Actual with Planned and Variance

SOURCES

Line Item	Actual COCC	Planned COCC	Variance Over (under)
Investment Income - Unrestricted	$ 2,806	$ -	$ 2,806
Management Fees	$ 6,474,731	$ 6,032,080	$ 442,651
Frontline / Fee For Service Fees	$ 11,642,473	$ 12,743,677	$ (1,101,204)
Other Income	$ 266,806	$ 112,919	$ 153,887
Total Revenues	**$ 18,386,816**	**$ 18,888,677**	**$ (501,861)**

USES

Line Item	Actual COCC	Planned COCC	Variance Over (under)
Administrative	$ 10,535,081	$ 11,374,080	$ (838,999)
Tenant Services	$ 104,576	$ 85,000	$ 19,576
Utilities	$ 12,274	$ -	$ 12,274
Maintenance	$ 6,317,715	$ 6,274,286	$ 43,429
Protective Services	$ -	$ -	$ -
General / Insurance	$ 889,358	$ 805,311	$ 84,048
Capital Outlays	$ 486,277	$ -	$ 486,277
Total Uses	**$ 18,345,281**	**$ 18,538,677**	**$ (193,396)**
Excess of Revenue over Expenses	**$ 41,535**	**$ 350,000**	**$ (308,465)**

Appendix I. Sources and Uses of Funding - continued

A. Planned Vs. Actual Sources and Uses of Funds – Total Funds and MTW Funds
B. Planned Vs. Actual Sources and Uses of Funds – Non- MTW Funds

Narrative on significant variances from the Approved Annual Plan

Sources:

Dwelling Rental Income: Dwelling rent recognized was above expectations by $156k. The increase above the budgeted amount can be attributed to an increase in occupied units. A major contributor to this was the later than expected vacating and relocation process related to the redevelopment at Addison.

HUD PHA Operating Grants: This was under the estimated budget by $2.1 million. The HUD PHA LIPH Subsidy line item received $3.9 million less than was projected. This is as a result of the decrease in funding provided by HUD. Section 8 HAP held a negative variance of $524k due to a reduction in subsidy provided by HUD. Hard Capital revenue was below the budgeted amount of $7.3 million by $4.9 million due to various modernizations not spending as predicted. The largest variance came from Glen Hazel which had a budget of $1 million and no capital outlays. Soft Capital was over by $6.9 million; this is due to the closing of Addison Phase I late in December that was a carryover from the 2012 budget.

Investment Income: The investments reflect lower rates of return due to poor market conditions creating a lower than expected income of $460k.

Management Fees: These were over by $443k mostly as a result of fees earned from using MTW funds on the Northview modernization work. Total MTW Initiative fees accounted for $249k of this surplus.

Frontline / Fee For Service Fee: Fee for Service sector was budgeted at $8.4 million, but posted $7.3 million. The Facility Supportive Service departments are under budget by $455k due to not billing out at least the 70% of their time as was expected for the year. The crew with the largest shortfall was the Teamsters, which were $308k under budget. Legal Fee for Services was 87% under budget due to the majority of their time being unbillable to the sites and the Legal Department being short staffed.

Other Income: Other income is over budget by $2 million. Other income includes many accrual entries and miscellaneous items combined with Addison and Garfield development deal revenues such as ground leases. Furthermore, Other Income now contains the HCVP port-in revenue adding another $495k.

Uses:

Administrative: Administrative expenses were projected to be $28 million and finished the year slightly over by $82k. Administrative Salaries were $490k under budget. This is related to vacant positions not being filled for a period of time or not at all in some cases. Property Fees/MTW Initiatives were over by $409k mostly as a result of fees earned from using MTW funds on the Northview modernization work. Admin-Other/Frontlines were over budget by $211k. Office Expenses were under the expected budget of $1.8 million by $25k. Legal Expense is under by $14k due to fee for service being down as a result of the Legal Departments time being unbillable to the sites and being short staffed. Legal contracts and settlements were over budget by $653k as Legal Fee for Service was under budgeted by $667k. Audit Fees were under budget by $2k. The Training/Travel line came in under budget by $96k as some employees didn't attend an annual training as was expected.

Tenant Services: Tenant Services Salaries and Benefits were down by $207k. These were down because of position vacancies coupled with moving salary and benefits down to the Resident Service Grants line. Tenant Services Other/Frontline finished under budget by $208k. This is as a result of such programs as Disabled/Senior Residents, ACHS and Recreation, Publication & Other not invoicing out as much as was anticipated. Also, $300k was budgeted for homeownership but only $150k was actually spent. Resident Service Grants were over budget by $96k as more grant funding was approved received allowing the agency to over spend the budgeted amount.

Utilities: Utilities are over budget as a whole by $33k. Gas was under by $565k due to the savings from the Energy Performance Contract combined with savings from units coming down in Addison at the end of 2012. Debt Service was over budget by $466k because of early termination fees incurred during the refinance of the EPC Loan.

Maintenance: Maintenance materials were over budget $186k. This is related to various sites spending more on materials than was anticipated and varies from year to year based on the number and size of work orders. Facilities Fee for Service was under budget by $455k. This is due to not billing out at least the 70% of their time as was expected for the year. Maintenance Contracts were over by $242k caused by landscaping contracts going over budget.

Protective Services Other Contract Costs: Protective Services Contract costs are under budget for the period by $582k. This is attributable to delays in the security contract invoicing and anticipating more spending than was required.

General/Insurance: These were over by $194k. Insurance costs were under budget by $353. Workmen's Compensation was under budget by $361k creating the insurance variance. Other General was over by $169k attributable to port-out billable administrative fees now being posted here and the buying back of air rights at Allentown. Private Management Subsidy was over expensed by $243k as Garfield Phase IV was not accounted for in the 2013 budget. Compensated Absences were under by $157k as there was less sick and vacation time to accrue at year end. Bad Debt was over $291k due to HCVP prior period adjustments to HAP expense as a result of the one-time clean-up project of the HCV adjustment file

Other: The authority's HAP expense is under expensed by $1.7 million due to an average HAP payment and occupancy reduction. Casualty Losses were over budget by $50k due to fire damaged units in Northview and Homewood North. Extraordinary Maintenance is under by $5.7 million. Within Extraordinary Maintenance is the financing for Addison Phase I, of which, $10 million was expensed in June & $7 million in December. In July the amount of $6.9 million was added to the $10 million originally budgeted under Extraordinary Maintenance for the development of Larimer. At year end only $2.5 million has been spent toward the Larimer development while the Garfield III & IV developments have accounted for $1.5 million.

Capital Budget Hard Costs: Capital was under expensed by $12.7 due to various modernizations not spending as predicted. The largest variance came from the Glen-Hazel Family project that had a budget of $1m with no outlays in 2013.

Operating Transfers: HCVP MTW funds were used to cover operating subsidy payments made to its LIPH properties. The amount of $7,647,050 was reported in the Voucher Management System under the new cash management system implemented by HUD.

Appendix II Table 1 – LIPH Occupancy – HACP-Managed - January 1, 2013, Projected December 31, 2013 and Actual December 31, 2013

HACP – Managed	January 1, 2013					Projected – December 31, 2013					Actual – December 31, 2013					Projected/Actual -/+	
	Physical Unit Count	Number Occupied	Percent Occupied	Number off-line*	Adjusted Occupancy Percentage	Physical Unit Count	Number Occupied	Percent Occupied	Number off-line*	Adjusted Occupancy Percentage	Physical Unit Count	Number Occupied	Percent Occupied	Number off-line*	Adjusted Occupancy Percentage	Projected/Actual -/+	% -/+
1-1 Addison Terrace	734	230	31%	504	100%	290	200	69%	90	100%	289	203	70%	86	100%	3	1.5%
1-2 Bedford Dwellings	411	403	98%	1	98%	411	385	94%	0	94%	411	398	97%	2	97%	18	4.7%
1-4 Arlington Heights	143	132	92%	1	93%	143	135	94%	1	95%	143	140	98%	1	99%	-3	-2.2%
1-5 Allegheny Dwellings	272	254	93%	2	94%	272	255	94%	2	94%	272	259	95%	2	96%	-1	-0.4%
1-7 Saint Clair Village	0	0	0%	0		0					0	0	0%	0	0%	0	
1-9 Northview Heights	538	504	94%	8	95%	538	505	94%	1	94%	538	516	96%	7	97%	-1	-0.2%
1-12 Garfield Heights	0	0	0%	0		0					0	0	0%	0	0%	0	
1-15 PA Bidwell High Rise	120	111	93%	1	93%	120	116	97%	1	97%	120	118	98%	1	99%	-5	-4.3%
1-17 Pressley High Rise	211	202	96%	3	97%	210	204	97%	2	98%	211	204	97%	2	98%	-2	-1.0%
1-20 Homewood North	126	111	94%	7	93%	126	120	95%	0	95%	126	116	92%	4	95%	-9	-7.5%
1-22 Scattered Sites South	155	143	92%	5	95%	155	149	96%	2	97%	155	150	97%	2	98%	-6	-4.0%
1-31 Murray Towers	68	63	93%	1	94%	68	66	97%	1	99%	68	66	97%	1	99%	-3	-4.5%
1-32 Glen Hazel	128	127	99%	0	99%	128	122	95%	0	95%	128	126	98%	0	98%	5	4.1%
1-33 Glen Hazel High Rise	97	91	94%	0	94%	97	94	97%	0	97%	97	95	98%	0	98%	-3	-3.2%
1-38 Glen Hazel Homes	4	3	75%	1	100%	4	4	100%	0	100%	4	3	75%	1	100%	-1	
1-39 Scattered Sites North	135	127	94%	3	96%	135	131	97%	3	99%	135	127	94%	7	99%	-4	-3.1%
1-40 Brookline Terrace	30	29	97%	0	97%	30	29	97%	0	97%	30	30	100%	0	100%	0	
1-41 Allentown High Rise	104	102	98%	0	98%	104	101	97%	0	97%	104	104	100%	0	100%	1	1.0%
1-44 South Oakland (Finello)	60	56	93%	0	93%	60	58	97%	0	97%	60	59	98%	0	98%	-2	-3.4%
1-45 Morse Gardens	70	66	94%	1	96%	70	65	93%	2	96%	70	67	96%	3	100%	1	1.5%
1-46 Carrick Regency	66	64	97%	0	97%	66	64	97%	0	97%	66	65	98%	0	98%	0	0.0%
1-47 Gualtieri Manor	31	29	94%	1	97%	31	30	97%	1	100%	31	30	97%	1	100%	-1	-3.3%
1-62 Broadhead Manor	64	0	0%	64		0					0	0	0%	0	0%	0	
Total	**3567**	**2847**	**80%**	**603**	**96%**	**3058**	**2833**	**93%**	**106**	**96%**	**3058**	**2876**	**95%**	**120**	**98%**	**43**	**1.5%**

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

Table 2 – LIPH Occupancy – Privately Managed - January 1, 2013, Projected December 31, 2013 and Actual December 31, 2013

Privately Managed	January 1, 2013			Projected – Dec. 31, 2013			Actual – Dec. 31, 2013			Projected/Actual -/+	
	Physical Unit Count	Number Occupied	Percent Occupied	Physical Unit Count	Number Occupied	Percent Occupied	Physical Unit Count	Number Occupied	Percent Occupied	Projected/Actual -/+	% -/+
1-64 New Pennley Place	38	36	95%	38	37	97%	38	38	100%	1	2.7%
1-66 Oak Hill	430	414	96%	430	419	97%	430	412	96%	-7	-1.7%
1-72 Manchester	86	81	94%	86	83	97%	86	82	95%	-1	-1.2%
1-73 Christopher Smith	25	25	100%	25	24	96%	25	24	96%	0	0.0%
1- 80 Silver Lake	75	73	97%	75	73	97%	75	75	100%	2	2.7%
1- 82 Bedford Hills	180	178	99%	180	175	97%	180	179	99%	4	2.3%
1- 85 North Aiken	62	62	100%	62	60	97%	62	62	100%	2	3.3%
1-86 Fairmont	50	49	98%	50	49	98%	50	49	98%	0	0.0%
1-87 Legacy Apartments	90	90	100%	90	87	97%	90	90	100%	3	3.4%
1-92 Garfield Commons	123	109	89%	123	119	97%	123	122	99%	3	2.5%
1-94 Oak Hill Phase 2	45	45	100%	45	44	98%	45	43	96%	-1	-2.3%
Total	**1204**	**1162**	**97%**	**1204**	**1170**	**97%**	**1204**	**1176**	**98%**	**6**	**0.5%**

Table 3 – LIPH Occupancy – January 1, 2013, Projected December 31, 2013 and Actual December 31, 2013

HACP-Managed and Privatel	January 1, 2013					Projected – Dec. 31, 2013					Actual – Dec. 31, 2013					Projected/Actual -/+	
	Physical Unit Count	Number Occupied	Percent Occupied	Number off-line*	Adjusted Occupancy Percentage	Physical Unit Count	Number Occupied	Percent Occupied	Number off-line*	Adjusted Occupancy Percentage	Physical Unit Count	Number Occupied	Percent Occupied	Number off-line*	Adjusted Occupancy Percentage	Projected/Actual -/+	% -/+
HACP-Managed	3567	2847	80%	603	96%	3058	2833	93%	106	96%	3058	2876	94%	120	90%	43	1.5%
Privately Managed	1204	1162	97%			1204	1170	97%			1204	1176	98%	0	0%	6	0.5%
Agency Total	**4771**	**4009**	**84%**		**97%**	**4262**	**4003**	**94%**		**96%**	**4262**	**4052**	**95%**	120	**98%**	**49**	**1.2%**

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

Note: the adjusted vacancy percentage is used to provide an adjusted Agency Total Percent Occupied.

Table 4 - HACP - LIPH and HCV Families Served 01/01/01 to 01/01/14 Traditional Programs

	1/1/01	1/1/02	1/1/03	1/1/04	1/1/05	1/1/06	1/1/07	1/1/08	1/1/09	1/1/10	1/1/11	1/1/12	1/1/13	1/1/2014
LIPH plus Private Family	3813	3489	3612	3573	3437	3280	3135	3017	2919	2879	2934	2766	2823	2855
LIPH plus Private Elderly	1433	1355	1313	1248	1219	1218	1269	1211	1195	1132	1100	1205	1182	1197
HCV Family	3440	3891	3973	4496	4786	6076	5649	4954	4651	4463	4538	4739	4431	4522
HCV Elderly	459	472	555	581	560	592	588	609	596	600	672	691	711	725
Totals	**9145**	**9207**	**9453**	**9898**	**10002**	**11166**	**10641**	**9791**	**9361**	**9092**	**9244**	**9401**	**9147**	**9299**

Table 5 - HACP - Families Served 1/1/10 through 1/1/13 - Non-Traditional Programs, By Program

	1/1/2010	1/1/2011	1/1/2012	1/1/2013	1/1/2014
Homeownership Program	**58**	**72**	**80**		
Tax Credit Units					
Affordable Market Rate Units					
Total	**58**	**72**	**80**	**0**	

Table 6 – Total Families Served – January 1, 2010 through December 31, 2012; And Projected December 31, 2012

	1/1/10	1/1/11	1/1/12	1/1/13	Projected 12/31/13	Actual 12/31/2013	Projected/Actual -/+	
	Families Served	Families Served	Families Served		Families Served	Families Served	Projected/Actual -/+	% -/+
LIPH Traditional	3997	4034	3967		4003	4052	49	1.2%
HCV/Section 8 Traditional	5077	5210	5430		5600	5430	-170	-3.0%
Non-traditional rental	505	505	564		547	564	17	3.1%
Tax Credit Units								
Affordable Market Rate								
Homeownership	58	72	80		103	80	-23	-22.3%
Total	**9637**	**9821**	**10041**		**10253**	**10126**	-127	-1.2%

Variations in leasing between projected and actual numbers:

Addison Terrace lease levels were significantly below projections due to a larger than anticipated initial relocation area, and a faster relocation process than anticipated.

Bedford Dwellings and Allegheny Dwellings: Leasing at all family properties was suspended late in 2011 to ensuare adequate units to accommodate relocating Addison Families. Relocation was still ongoing on 12/31/2011.

Northview Heights: Occupancy above projections resulted from greater than anticipated numbers of Addison Terrace families choosing to relocate to Northview Heights, and a very aggressive leasing focus by management.

Appendix III Table A-1 – Unit Sizes of Households Served, Jan. 1, 2001 - Jan. 1, 2013 - Jan. 1 2014

Public Housing

	Eff/1 Bedroom			2 Bedroom			3 Bedroom			4 Bedroom			5+ Bedrooms			Total		
	1/12	1/13	**1/14**	1/12	1/13	**1/14**	1/12	1/13	**1/14**	1/12	1/13	**1/14**	1/12	1/13	**1/14**	1/12	1/13	**1/14**
Family	763	803	**818**	959	967	**964**	823	838	**856**	188	184	**190**	33	31	**31**	2766	2823	**2859**
Elderly	861	842	**838**	240	243	**249**	86	82	**92**	18	15	**16**	0	0	**2**	1205	1182	**1197**
Total	1624	1645	**1656**	1199	1210	**1213**	909	920	**948**	206	199	**206**	33	31	**33**	3971	4005	**4056**

HCV (Section 8)

	Eff/1 Bedroom			2 Bedroom			3 Bedroom			4 Bedroom			5+ Bedrooms			Total		
	1/12	1/13	**1/14**	1/12	1/13	**1/14**	1/12	1/13	**1/14**	1/12	1/13	**1/14**	1/12	1/13	**1/14**	1/12	1/13	**1/14**
Family	1289	1306	**1181**	1682	1643	**1583**	1411	1199	**1284**	298	236	**248**	59	47	**49**	4739	4431	**4345**
Elderly	491	494	**510**	152	165	**158**	42	45	**41**	5	6	**5**	1	1	**1**	691	711	**715**
Total	1780	1800	**1691**	1834	1808	**1741**	1453	1244	**1325**	303	242	**253**	60	48	**50**	5430	5142	**5060***

Total Public Housing and HCV (Section 8)

	Eff/1 Bedroom			2 Bedroom			3 Bedroom			4 Bedroom			5+ Bedrooms			Total		
	1/12	1/13	**1/14**	1/12	1/13	**1/14**	1/12	1/13	**1/14**	1/12	1/13	**1/14**	1/12	1/13	**1/14**	1/12	1/13	**1/14**
Family	2052	2109	**1999**	2641	2610	**2547**	2234	2037	**2140**	486	420	**438**	92	78	**80**	7505	7254	**7204**
Elderly	1352	1336	**1348**	392	408	**407**	128	127	**133**	23	21	**21**	1	1	**3**	1896	1893	**1912**
Total	3404	3445	**3347**	3033	3018	**2954**	2362	2164	**2273**	509	441	**459**	93	79	**83**	9401	9147	**9116***

HACP - LIPH and Section 8 Occupancy 01/01/01 to 01/01/14

	1/1/2001	1/1/2002	1/1/2003	1/1/2004	1/1/2005	1/1/2006	1/1/2007	1/1/2008	1/1/2009	1/1/2010	1/1/2011	1/1/2012	1/1/2013	1/1/2014
LIPH Family	3813	3489	3612	3573	3437	3280	3135	3017	2919	2879	2934	2766	2823	2859
LIPH Elderly	1433	1355	1313	1248	1219	1218	1269	1211	1195	1132	1100	1205	1182	1197
HCV Family	3440	3891	3973	4496	4786	6076	5649	4954	4651	4463	4538	4739	4431	4345
HCV Elderly	459	472	555	581	560	592	588	609	596	600	672	691	711	715
Totals	**9145**	**9207**	**9453**	**9898**	**10002**	**11166**	**10641**	**9791**	**9361**	**9092**	**9244**	**9401**	**9147**	**9116***

Source: HACP MIS archived rent roll profile of 1/1/01, 1/1/02, 1/1/03, 1/1/04, 1/1/05, 1/1/06, 1/1/07, 1/1/08, 1/1/09, 1/1/10, 1/1/11,1/1/12, 1/1/13, 1/1/14

* 187 HCV Port - Outs Are Not Included Within These Totals Due to Unavailable Bedroom Sizes

Table A -2 – Income of Households Served, Jan. 1, 2001 - Jan. 1, 2012, - Jan. 1, 2013 - Jan. 1, 2014

Public Housing

	Under 30% AMI			30% to 50% AMI			51% to 80% AMI			81% or Greater			Total		
	1/1/12	1/1/13	**1/1/14**	1/1/12	1/1/13	**1/1/14**	1/1/12	1/1/13	**1/1/14**	1/1/12	1/1/13	**1/1/14**	1/1/12	1/1/13	**1/1/14**
Number	3033	3016	**3022**	680	670	**701**	192	228	**257**	66	91	**76**	3971	4005	**4056**
Percent	76%	75%	**75%**	17%	17%	**17%**	5%	6%	**6%**	2%	2%	**2%**	100%	100%	**100%**

HCV (Section 8)

	Under 30% AMI			30% to 50% AMI			51% to 80% AMI			81% or Greater			Totals		
	1/1/12	1/1/13	**1/1/14**	1/1/12	1/1/13	**1/1/14**	1/1/12	1/1/13	**1/1/14**	1/1/12	1/1/13	**1/1/14**	1/1/12	1/1/13	**1/1/14**
Number	4164	3942	**3895**	1102	1052	**986**	158	138	**173**	6	10	**6**	5430	5142	**5060***
Percent	77%	77%	**77%**	20%	20%	**19%**	3%	3%	**3%**	0%	0%	**0%**	100%	100%	**100%**

Total Public Housing and HCV (Section 8)

	Under 30% AMI			30% to 50% AMI			51% to 80% AMI			81% or Greater			Totals		
	1/1/12	1/1/13	**1/1/14**	1/1/12	1/1/13	**1/1/14**	1/1/12	1/1/13	**1/1/14**	1/1/12	1/1/13	**1/1/14**	1/1/12	1/1/13	**1/1/14**
Number	7197	6958	**6917**	1782	1722	**1687**	350	366	**430**	72	101	**82**	9401	9147	**9116***
Percent	77%	76%	**76%**	19%	19%	**19%**	4%	4%	**5%**	0%	1%	**0%**	100%	100%	**100%**

Source: HACP MIS archived rent roll profile of 1/1/01, 1/1/12, 1/1/13, 1/1/14

Table A-3 – Pittsburgh Area (Allegheny County) Median Family Income Levels by Family Size - 2014

	1 Person	2 Persons	3 Persons	4 Persons	5 Persons	6 Persons
30% of Median	$13,800	$15,800	$17,750	$19,700	$21,300	$22,900
50% of Median	$23,000	$26,250	$29,550	$32,800	$35,450	$38,050
80% of Median	$36,750	$42,000	$47,250	$52,500	$56,700	$60,900
HUD Metro FMR Area: Median Income $65,600						

* 187 HCV Port - Outs Are Not Included Within These Totals Due to Unavailable Bedroom Sizes

Table A-4– Race / Ethnicity of Households Served, Jan. 1, 2001 - Jan. 1, 2012 - Jan. 1, 2013 - Jan. 1, 2014

Public Housing

	Black			White			Hispanic			Asian			Other			Total		
	1/1/01	1/1/13	**1/1/14**	1/1/01	1/1/13	**1/1/14**	1/1/01	1/1/13	**1/1/14**	1/1/01	1/1/13	**1/1/14**	1/1/01	1/1/13	**1/1/14**	1/1/11	1/1/13	**1/1/14**
Family	3636	2554	**2609**	165	225	**234**	2	34	**32**	2	3	**7**	8	7	**7**	3813	2823	**2889**
Elderly	1008	978	**974**	399	183	**172**	22	14	**17**	1	3	**3**	3	4	**1**	1433	1182	**1167**
Total	4644	3532	**3583**	564	408	**406**	24	48	**49**	3	6	**10**	11	11	**8**	5246	4005	**4056**

HCV (Section 8)

	Black			White			Hispanic			Asian			Other			Total		
	1/1/01	1/1/13	**1/1/14**	1/1/01	1/1/13	**1/1/14**	1/1/01	1/1/13	**1/1/14**	1/1/01	1/1/13	**1/1/14**	1/1/01	1/1/13	**1/1/14**	1/1/11	1/1/13	**1/1/14**
Family	2336	3578	**3545**	800	782	**734**	7	43	**38**	3	15	**14**	294	13	**14**	3440	4431	**4345**
Elderly	183	450	**462**	265	249	**239**	2	4	**5**	1	6	**7**	8	2	**2**	459	711	**715**
Total	2519	4028	**4007**	1065	1031	**973**	9	47	**43**	4	21	**21**	302	15	**16**	3899	5142	**5060***

Total Public Housing and HCV (Section 8)

	Black			White			Hispanic			Asian			Other			Total		
	1/1/01	1/1/13	**1/1/14**	1/1/01	1/1/13	**1/1/14**	1/1/01	1/1/13	**1/1/14**	1/1/01	1/1/13	**1/1/14**	1/1/01	1/1/13	**1/1/14**	1/1/11	1/1/13	**1/1/14**
Family	5972	6132	**6154**	965	1007	**968**	9	77	**70**	5	18	**21**	302	20	**21**	7253	7254	**7234**
Elderly	1191	1428	**1436**	664	432	**411**	24	18	**22**	2	9	**10**	11	6	**3**	1892	1893	**1882**
Total	7163	7560	**7590**	1629	1439	**1379**	33	95	**92**	7	27	**31**	313	26	**24**	9145	9147	**9116***

Source: HACP MIS archived rent roll profile of 1/1/01, 1/1/13, 1/1/14

* 187 HCV Port - Outs Are Not Included Within These Totals Due to Unavailable Bedroom Sizes

Table A-5 – Unit Sizes Of Households Containing Disabled Residents – January 1, 2012 - January 1, 2013 - January 1, 2014

Public Housing

	Eff / 1 Bedroom			2 Bedrooms			3 Bedrooms			4 Bedrooms			5+ Bedrooms			Total		
	1/1/12	1/1/13	**1/1/14**	1/1/12	1/1/13	**1/1/14**	1/1/12	1/1/13	**1/1/14**	1/1/12	1/1/13	**1/1/14**	1/1/12	1/1/13	**1/1/14**	1/1/12	1/1/13	**1/1/14**
Family	529	570	**603**	253	250	**249**	182	206	**221**	38	44	**47**	13	10	**6**	1015	1080	**1126**
Elderly	509	507	**635**	164	166	**94**	51	52	**18**	11	8	**6**	0	0	**0**	735	733	**753**
Total	1038	1077	**1238**	417	416	**343**	233	258	**239**	49	52	**53**	13	10	**6**	1750	1813	**1879**

HCV (Section 8)

	Eff / 1 Bedroom			2 Bedrooms			3 Bedrooms			4 Bedrooms			5+ Bedrooms			Total		
	1/1/12	1/1/13	**1/1/14**	1/1/12	1/1/13	**1/1/14**	1/1/12	1/1/13	**1/1/14**	1/1/12	1/1/13	**1/1/14**	1/1/12	1/1/13	**1/1/14**	1/1/12	1/1/13	**1/1/14**
Family	868	836	**813**	477	454	**477**	252	251	**248**	66	61	**59**	9	12	**6**	1672	1614	**1603**
Elderly	373	378	**398**	128	139	**135**	36	36	**34**	5	6	**3**	1	1	**1**	543	560	**571**
Total	1241	1214	**1211**	605	593	**612**	288	287	**282**	71	67	**62**	10	13	**7**	2215	2174	**2174**

Total Public Housing and HCV (Section 8)

	Eff / 1 Bedroom			2 Bedrooms			3 Bedrooms			4 Bedrooms			5+ Bedrooms			Total		
	1/1/12	1/1/13	**1/1/14**	1/1/12	1/1/13	**1/1/14**	1/1/12	1/1/13	**1/1/14**	1/1/12	1/1/13	**1/1/14**	1/1/12	1/1/13	**1/1/14**	1/1/12	1/1/13	**1/1/14**
Family	1397	1406	**1416**	730	704	**726**	434	457	**469**	104	105	**106**	22	22	**12**	2687	2694	**2729**
Elderly	882	885	**1033**	292	305	**229**	87	88	**52**	16	14	**9**	1	1	**1**	1278	1293	**1324**
Total	2279	2291	**2449**	1022	1009	**955**	521	545	**521**	120	119	**115**	23	23	**13**	3965	3987	**4053**

Source: HACP MIS rent roll profile of 01/1/12, 01/01/13, 01/01/14

The HACP uses the definitions of disabilities used by the Social Security Administration. All households counted in Table A-5 are public housing or HCV (Section 8) households in which the leaseholder has a verified SSI disability lowering rent payments. Members of the family with disabilities who are not the designated head of household are not included.

Table A-6– Race / Ethnicity of Disabled Households Served - Jan. 1, 2012, Jan. 1, 2013, Jan. 1, 2014

Public Housing Disabled Households

	Black			White			Hispanic			Asian			Other			Total		
	1/1/12	1/1/13	**1/1/14**	1/1/12	1/1/13	**1/1/14**	1/1/12	1/1/13	**1/1/14**	1/1/12	1/1/13	**1/1/14**	1/1/12	1/1/13	**1/1/14**	1/1/12	1/1/13	**1/1/14**
Elderly	609	614	**633**	113	105	**101**	9	10	**14**	3	3	**3**	1	1	**2**	735	733	**753**
Family	855	906	**938**	145	159	**170**	12	13	**15**	1	0	**1**	2	2	**2**	1015	1080	**1126**
Total	1464	1520	**1571**	258	264	**271**	21	23	**29**	4	3	**4**	3	3	**4**	1750	1813	**1879**

HCV (Section 8) Disabled Households

	Black			White			Hispanic			Asian			Other			Total		
	1/1/12	1/1/13	**1/1/14**	1/1/12	1/1/13	**1/1/14**	1/1/12	1/1/13	**1/1/14**	1/1/12	1/1/13	**1/1/14**	1/1/12	1/1/13	**1/1/14**	1/1/12	1/1/13	**1/1/14**
Elderly	332	356	**367**	202	198	**193**	5	4	**4**	2	2	**5**	2	2	**2**	543	562	**571**
Family	1179	1135	**1148**	457	441	**422**	15	14	**11**	8	8	**7**	13	14	**15**	1672	1612	**1603**
Total	1511	1491	**1515**	659	639	**615**	20	18	**15**	10	10	**12**	15	16	**17**	2215	2174	**2174**

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

	Black			White			Hispanic			Asian			Other			Total		
	1/1/12	1/1/13	**1/1/14**	1/1/12	1/1/13	**1/1/14**	1/1/12	1/1/13	**1/1/14**	1/1/12	1/1/13	**1/1/14**	1/1/12	1/1/13	**1/1/14**	1/1/12	1/1/13	**1/1/14**
Elderly	941	970	**1000**	315	303	**294**	14	14	**18**	5	5	**8**	3	3	**4**	1278	1295	**1324**
Family	2034	2041	**2086**	602	600	**592**	27	27	**26**	9	8	**8**	15	16	**17**	2687	2692	**2729**
Total	2975	3011	**3086**	917	903	**886**	41	41	**44**	14	13	**16**	18	19	**21**	3965	3987	**4053**

Source: HACP MIS archived rent roll profile of 1/1/12, 1/1/13, 1/1/14

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

Table A-7– Income of Disabled Households Served – Jan. 1, 2012 - Jan. 1, 2013 - Jan. 1, 2014

Public Housing Disabled Households

	Under 30% AMI			30% to 50% AMI			51% to 80%			81% or Greater			Total		
	1/1/12	1/1/13	**1/1/14**	1/1/12	1/1/13	**1/1/14**	1/1/12	1/1/13	**1/1/14**	1/1/12	1/1/13	**1/1/14**	1/1/12	1/1/13	**1/1/14**
Number	1452	1485	**1510**	246	253	**283**	42	62	**75**	10	13	**11**	1750	1813	**1879**
Percent	83%	82%	**80%**	14%	14%	**15%**	2%	3%	**4%**	.6%	1%	**1%**	100%	100%	**100%**

HCV (Section 8) Disabled Households

	Under 30% AMI			30% to 50% AMI			51% to 80%			81% or Greater			Total		
	1/1/12	1/1/13	**1/1/14**	1/1/12	1/1/13	**1/1/14**	1/1/12	1/1/13	**1/1/14**	1/1/12	1/1/13	**1/1/14**	1/1/12	1/1/13	**1/1/14**
Number	1864	1814	**1801**	331	339	**340**	18	20	**29**	2	1	**4**	2215	2174	**2174**
Percent	84%	83%	**83%**	15%	16%	**16%**	.8%	1%	**1%**	0%	0%	**0%**	100%	100%	**100%**

Total Income (Public Housing and Section 8) of Disabled Households Served - Jan. 1, 2012 - Jan. 1, 2013 - Jan. 1, 2014

	Under 30% AMI			30% to 50% AMI			51% to 80%			81% or Greater			Total		
	1/1/12	1/1/13	**1/1/14**	1/1/12	1/1/13	**1/1/14**	1/1/12	1/1/13	**1/1/14**	1/1/12	1/1/13	**1/1/14**	1/1/12	1/1/13	**1/1/14**
Number	3316	3299	**3311**	577	592	**623**	60	82	**104**	12	14	**15**	3965	3987	**4053**
Percent	84%	83%	**82%**	15%	15%	**15%**	1%	2%	**3%**	0%	0%	**0%**	100%	100%	**100%**

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

University of Pittsburgh

Graduate School of Public and International Affairs

Wesley W. Posvar Hall
230 South Bouquet Street
Pittsburgh, PA 15260
Fax: 412-648-2605

The Center for Metropolitan Studies at the University of Pittsburgh's Graduate School of Public and International Affairs conducted an initial analysis of the Housing Authority of the City of Pittsburgh's Family Self-Sufficiency (FSS) program for the period 2009 to 2012. This initial analysis presents basic information that compares FSS participants to non-participants and argues for the comparability of the two groups. The report also presents preliminary information on FSS participant use of escrow accounts for asset building.

Due to recent changes in recertification procedures and implementation of the modified rent program, comparisons were made between two cohorts, 2009/2011 and 2010/2012. The data presented below includes only those Housing Authority of the City of Pittsburgh (HACP) clients with certifications in both years of each cohort. Limiting out sample in this way allows us to control for those new to the FSS program and HACP services. The result is a smaller population for analysis, but a cleaner comparison of outcomes.

The report is divided into two sections. The first compares FSS participants to those who do not participate in the program. Data on the size of the cohorts, wage earnings, and proxies for levels of employment are presented. The second section focuses on FSS participants and provides an initial review of their levels of participation in the program.

Comparing the Cohorts

The tables 1a and 1b below present information on cohorts of both FSS participants and non-participants. The most notable differences between the groups are cohort size and the Public Housing and Section 8 mix. As one would expect, the FSS cohorts are much smaller than the Non-FSS groups given that participation in the program is not mandatory. Second, and more of a concern to any analysis, is that a much larger percentage of FSS participants reside in public housing units while the Non-FSS cohorts are dominated by Section 8 recipients. This may be due to more regular contact between public housing residents and staff. For this reason, the analysis presented below reports Public Housing and Section 8 data separately when necessary.

FSS	**PUBLIC HOUSING**	**SECTION 8**	**TOTAL**
2009 - 2011	405 63.9%	229 36.1%	634
2010 - 2012	303 48.6%	320 51.4%	623

Table 1a: Family Self-Sufficiency Cohorts

NON-FSS	**PUBLIC HOUSING**	**SECTION 8**	**TOTAL**
2009 - 2011	1706 37.7%	2264 57.0%	3970
2010 - 2012	1296 34.4%	2475 65.6%	3771

Table 1b: Nonparticipant Cohorts

Comparison of Wages – One underlying assumption of the FSS program is that the program provides services and incentives for both work and asset accumulation. The expectation is that services should provide increased skills necessary for gaining or improving employment with subsequent increases in both the number of participants earning wages and overall increases in wages. The non-participant cohorts provide a basic control for variables outside the control of the program, such as changes in the economy. The tables below include wage information for each cohort group divided by LIPH and Section 8 clients.

	FSS 2009		NON FSS 2009	
	PUBLIC HOUSING	**SECTION 8**	**PUBLIC HOUSING**	**SECTION 8**
Less than $5000	17 15.7%	12 12.4%	38 9.9%	66 8.8%
$5k-9.9k	22 20.4%	13 13.4%	78 20.3%	165 21.9%
$10k-14.9k	16 14.8%	26 26.8%	68 17.7%	199 26.4%
$15k-19.9k	15 13.9%	23 23.7%	85 22.1%	159 21.1%
$20k-24.9k	18 16.7%	16 16.5%	50 13.0%	124 16.5%
$25000+	20 18.5%	7 7.2%	65 16.9%	40 5.3%
TOTAL **% of Wage Earners**	108 100.0%	97 100.0%	384 100.0%	753 100.0%
$0 or Missing **% of Cohort**	**297** 73.3%	**132** 57.6%	**1322** 77.5%	**1505** 66.7%
Mean Wage	$16,091	$14,055	$16,385	$14,798

Table 2a: 2009 Cohort Wage Comparison

A few items are notable in the 2009/2011 cohorts presented in Table 2a. First, the category with the largest number of clients recorded for all cohorts is those having no wage income or missing wage data. For those with wage data available, a larger percentage of FSS participants who reside in public housing (15.7%) earn less than $5,000 compared to Non-FSS public housing residents (9.9%). Non-participant public housing residents (22.1%) are more likely to earn $15,000 to $19,999 than FSS participants who reside in public housing (13.9%). Other than these differences, the two public housing groups look remarkably similar in 2009. Section 8 FSS participants and Non-participants look even more similar with one exception: a substantially larger number of Section 8 Non-participants (21.9%) reported income in the $5,000-$9,999 range compared to FSS Section 8 participants (13.4%) who were slightly more likely to report wages of less than $5,000 (12.4% v. 8.8% Non-FSS). Despite the differences noted here, the groups are quite comparable as of 2009.

A similar comparison of the 2010/2012 cohort is presented in Table 2b below. Again, a large number of cases report no income or missing data with a larger percentage of Non-FSS cases reporting no income or with missing data. The groups are similar in almost all wage categories with the only notable difference that Section 8 FSS participants (13.3%) are more likely to earn more than $25,000 than their Non-FSS counterparts (4.4%). In all other respects, the groups are quite comparable.

	FSS 2010		**NON FSS 2010**	
	PUBLIC HOUSING	**SECTION 8**	**PUBLIC HOUSING**	**SECTION 8**
Less than $5000	12 11.7%	9 6.7%	29 9.6%	75 9.7%
$5k-9.9k	24 23.3%	30 22.2%	59 19.5%	185 23.8%
$10k-14.9k	26 25.2%	32 23.7%	58 19.1%	189 24.4%
$15k-19.9k	16 15.5%	28 20.7%	63 20.8%	172 22.2%
$20k-24.9k	8 7.8%	18 13.3%	36 11.9%	121 15.6%
$25000+	17 16.5%	18 13.3%	58 19.1%	34 4.4%
TOTAL **% of Wage Earners**	103 100.0%	135 100.0%	303 100.0%	776 100.0%
$0 or Missing **% of Cohort**	**200** 66.0%	**185** 57.8%	**993** 76.6%	**1699** 68.6%
Mean Wage	$14,840	$15,620	$16,727	$13,762

Table 2b: 2010 Cohort Wage Comparison

Performance Comparisons

Change in Wages by Cohort – The incentives and services provided by the FSS program suggest one would see improvements in earned wages of FSS participants compared to those of non-participants. The data presented below allows us to compare changes in reported wages for each of the cohorts between the base years of 2009 and 2010 to 2011 and 2012, respectively. Data are presented for public housing and Section 8 clients separately to assure comparability.

LIPH	**LIPH**

	FSS 2009/2011			NON FSS 2009/2011		
	2009	**2011**	**Change in %**	**2009**	**2011**	**Change in %**
Less than $5000	17	22		38	41	
	15.7%	16.5%	0.8%	9.9%	10.7%	0.8%
$5k-9.9k	22	36		78	72	
	20.4%	27.1%	6.7%	20.3%	18.8%	-1.6%
$10k-14.9k	16	23		68	69	
	14.8%	17.3%	2.5%	17.7%	18.0%	0.3%
$15k-19.9k	15	20		85	69	
	13.9%	15.0%	1.1%	22.1%	18.0%	-4.2%
$20k-24.9k	18	12		50	55	
	16.7%	9.0%	-7.6%	13.0%	14.3%	1.3%
$25000+	20	20		65	78	
	18.5%	15.0%	-3.5%	16.9%	20.3%	3.4%
TOTAL	108	133		384	384	
	100%	100%		100%	100%	
$0 or Missing	297	272		1322	1322	
% of Cohort	73.3%	69.1%	-4.3%	77.5%	77.5%	0.0%
Mean Wage	$16,091	$15,034	-$1057	$16,385	$17,077	$692

Table 3a: Public Housing Change in Wages, 2009/2011

	LIPH FSS 2010/2012			LIPH NON FSS 2010/2012		
	2010	**2012**	**Change in %**	**2010**	**2012**	**Change in %**
Less than $5000	12 11.7%	12 8.9%	-2.8%	29 9.6%	33 10.2%	0.7%
$5k-9.9k	24 23.3%	30 22.2%	-1.1%	59 19.5%	56 17.4%	-2.1%
$10k-14.9k	26 25.2%	35 25.9%	0.7%	58 19.1%	68 21.1%	2.0%
$15k-19.9k	16 15.5%	25 18.5%	3.0%	63 20.8%	51 15.8%	-5.0%
$20k-24.9k	8 7.8%	14 10.4%	2.6%	36 11.9%	48 14.9%	3.0%
$25000+	17 16.5%	19 14.1%	-2.4%	58 19.1%	66 20.5%	1.4%
TOTAL	103 100%	135 100%		303 100%	322 100%	
$0 or Missing **% of Cohort**	200 66.0%	168 55.4%	-10.6%	993 76.6%	974 75.2%	-1.5%
Mean Wage	$14,840	$15,198	$380	$16,727	$17,148	$421

Table 3b: Public Housing Change in Wages, 2010/2012

Tables 3a and 3b show changes in wages for both public housing cohorts. One notable item across both tables is the decrease in number of cases reporting $0 in wages or missing data. From 2009 to 2011, the number of $0/Missing data cases decreased by 4.3% for FSS participants in public housing (25 additional residents reporting wages in 2011), while the change from 2010 to 2012 was 10.6%, reflecting an increase of 32 wage earners. This suggests a substantial improvement in either recordkeeping and/or the number of residents working. The numbers for Non-FSS participants in public housing did not change from 2009 to 2011, but wages above $0 increased by 1.5% for the 2010 to 2012 cohort.

As seen in Table 3a, the data for the 2009/2011 FSS cohort suggest many of those additional FSS public housing wage earners were added to the $5,000-$9,999 range which grew 6.7%, but that the number of residents earning $20,000-$24,999 fell substantially by 7.6%. By contrast, many of the Non-FSS residents who earned $15,000-$19,999 in 2009 increased their wage earnings as the decrease in that wage range (-4.2%) was offset by increases in the $20,000-$24,999 and $25,000+ categories. Despite these differences, the data do not show any systematic differences between the two groups.

Similar analysis was conducted for Section 8 clients in the 2009/2011 and 2010/2012 cohorts as seen in Tables 4a and 4b. One interesting note is that while the number of people reporting $0/Missing data decreased for each FSS cohort (-3.0% in 2009/2011; -4.1% in 2010/2012), they increased for the Non-FSS cohorts. The additional data points in the 2009/2011 Section 8 FSS cohort is likely responsible for the 5.4% increase in the $5,000-$9,999 wage range seen in Table 4a. The 2010/2012 FSS cohort saw a 9.0% increase in clients earning wages in the $20,000-$24,999 range, a substantial change that cannot be explained by the additional data available in 2012 (See Table 4b). However, the Non-FSS cohort experienced a 4.1% increase in the $25,000+ category, suggesting both increases may be due to changes in the job market instead of implementation of the program.

		Section 8 FSS 2009/2011			**Section 8 NON FSS 2009/2011**	
	2009	**2011**	**Change in %**	**2009**	**2011**	**Change in %**
Less than $5000	8 8.0%	8 7.5%	-0.5%	66 8.8%	61 8.6%	-0.1%
$5k-9.9k	17 17.0%	24 22.4%	5.4%	165 21.9%	155 22.0%	0.0%
$10k-14.9k	28 28.0%	24 22.4%	-5.6%	199 26.4%	160 22.7%	-3.8%
$15k-19.9k	23 23.0%	20 18.7%	-4.3%	159 21.1%	137 19.4%	-1.7%
$20k-24.9k	17 17.0%	19 17.8%	0.8%	124 16.5%	135 19.1%	2.7%
$25000+	7 7.0%	12 11.2%	4.2%	40 5.3%	58 8.2%	2.9%
TOTAL	100 100%	107 100%		753 100%	706 100%	
$0 or Missing % of Cohort	129 56.3%	122 53.3%	-3.0%	1505 66.7%	1552 68.1%	1.4%
Mean Wage	$15,074	$15,117	$43	$14,055	$14,798	$743

Table4a: Section 8 Change in Wages, 2009/2011

	Section 8 FSS 2010/2012			Section 8 NON FSS 2010/2012		
	2010	**2012**	**Change in %**	**2010**	**2012**	**Change in %**
Less than $5000	9 6.7%	15 10.1%	3.5%	75 9.7%	68 9.0%	-0.7%
$5k-9.9k	30 22.2%	24 16.2%	-6.0%	185 23.8%	167 22.0%	-1.8%
$10k-14.9k	32 23.7%	31 20.9%	-2.8%	189 24.4%	166 21.9%	-2.5%
$15k-19.9k	28 20.7%	29 19.6%	-1.1%	172 22.2%	173 22.8%	0.6%
$20k-24.9k	18 13.3%	33 22.3%	9.0%	121 15.6%	121 15.9%	0.3%
$25000+	18 13.3%	16 10.8%	-2.5%	34 4.4%	64 8.4%	4.1%
TOTAL	135 100%	148 100%		776 100%	759 100%	
$0 or Missing **% of Cohort**	185 57.8%	172 53.8%	-4.1%	1699 68.6%	1716 69.3%	0.7%
Mean Wage	$15,620	$15,782	$162	$13,762	$14,657	$895

Table 4b: Section 8 Change in Wages, 2010/2012

In summary, the most notable item of the wage change comparison is the additional cases available in second year of each cohort, especially among FSS participants. This suggests improved wage data collection by agency staff during the certification process. However, the comparison did not show any major or obvious increases in wages due to the FSS program's implementation.

<u>Changes in Employment Status</u> – Another potential measure of improvement due to the FSS program's services and incentives is increased employment. The assumption is that FSS participants will have increased job search and job skills in addition to a mechanism to save for unexpected expenses and/or home ownership. Given that non-participants are not required to supply information on whether they are unemployed, work part-time or full-time, an estimated proxy for employment levels was constructed. Using available wage data, those with wage earnings less than $10,875 ($7.25 minimum wage x 30 hours per week x 50 weeks per year) were coded as employed part-time and anyone earning more than $10,875 was coded as full-time. Those with no reported wages in a year were coded as unemployed. While this proxy is not ideal, it can be applied to both FSS and Non-FSS individuals in the cohorts.

Tables 5a and 5b present estimated employment data for Public Housing residents in both the 2009/2011 and 2010/2012 cohorts. The most notable item in these tables is the number of FSS participants coded as unemployed decreased substantially in both cohorts, decreasing 5.4% from 2009 to 2011 and 10.6% from 2010 to 2012. Again, these changes were primarily driven by the additional data points provided by improved data collection. One notable item is that while almost all new FSS data points were coded “part-time” in the 2009/2011 cohort (4.9% increase), the additional data for the 2010/2012 led to a major increase in those coded “full-time” (8.3% increase). The reason for this difference is unclear.

LIPH	Unemployed	Part-Time	Full-Time
FSS 2009	69.6	14.1	16.3
FSS 2011	64.2	19.0	16.8
Change	-5.4	4.9	0.5
NON 2009	77.5	9.4	13.1
NON 2011	77.5	9.1	13.4
Change	0.0	-0.3	0.3

Table 5a: Public Housing Estimated Employment Data, 2009/2011

LIPH	Unemployed	Part-Time	Full-Time
FSS 2010	66.0	18.5	15.5
FSS 2012	55.4	20.8	23.8
Change	-10.6	2.3	8.3
NON 2010	76.6	9.1	14.3
NON 2012	75.2	10.2	14.7
Change	-1.5	1.1	0.4

Table 5b: Public Housing Estimated Employment Data, 2010/2012

Similar, but smaller, differences were seen among Section 8 FSS participants (See Tables 6a and 6b). Section 8 clients in the FSS program coded as unemployed fell by 3.1% between 2009 and 2011 and 4.0% from 2010 to 2012. Non-participant Section 8 clients saw small increases in unemployment during those same periods. These changes suggest the FSS program is providing services and incentives leading to higher rates of employment.

Section 8	Unemployed	Part-Time	Full-Time
FSS 2009	56.3	17.9	25.8
FSS 2011	53.3	21.4	25.3
Change	-3.1	3.5	-0.4
NON 2009	66.7	16.1	17.3
NON 2011	68.7	14.0	17.2
Change	2.1	-2.0	-0.1

Table 6a: Section 8 Estimated Employment Data, 2009/2011

Section 8	Unemployed	Part-Time	Full-Time
S8 FSS 2010	57.8	16.9	25.3
S8 FSS 2012	53.8	19.4	26.9
Change	-4.0	2.5	1.6
S8 NON 2010	68.6	15.6	15.8
S8 NON 2012	69.3	13.5	17.2
Change	0.7	-2.1	1.4

Table 6b: Section 8 Estimated Employment Data, 2010/2012

Implementation of the Family Self-Sufficiency Program

Another measure of success for the FSS program is whether participants take advantage of the escrow program to build wealth to be put towards educational opportunities, weather economic disruptions that hamper ongoing employment, and save for home ownership. Data collected from FSS participants are available to determine participation rates, however not all information is available for each certification and multiple measures are used. The two basic measures reported here are, a) whether FSS participants are recorded as making monthly contributions to their escrow accounts, and b) whether their escrow accounts have a positive balance.

Tables 7a and 7b reports findings for Public Housing and Section 8 cohorts for 2009/2011 and 2010/2012, respectively. Both cohorts saw significant increases in participation as measured by monthly contributions to escrow accounts. For the 2009/2011 cohort, public housing participation increased by 10.1% and Section 8 participation increased 18.3%. The 2010/2012 cohort saw increases of 15.5% for public housing residents and 17.8% for Section 8 recipients. These results are impressive and show a concerted effort by program staff to implement the program and by participants to take advantage of the opportunities it provides.

	No Contribution	Contributing
LIPH 2009	99.8%	.2%
2011	89.6%	10.4%
% Increase		10.1%
Section 8 2009	94.8%	5.2%
2011	76.4%	23.6%
% Increase		18.3%

Table 7a: Monthly Contributions to Escrow Accounts, 2009/2011

	No Contribution	Contributing
LIPH 2010	98.3%	1.7%
2012	82.8%	17.2%
% Increase		15.5%
Section 8 2010	91.3%	8.8%
2012	73.4%	26.6%
% Increase		17.8%

Table 7b: Monthly Contributions to Escrow Accounts, 2010/2012

A related measure is whether program participants are actually accruing savings via the escrow account. A simple measure is used to determine program success in this area – whether participants have a positive escrow account balance. Tables 8a and 8b report data on this measure for the 2009/2011 and 2010/2012 cohorts, respectively. Again, we find significant increases in participants making use of the escrow account. For the 2009/2011 cohort, the number of public housing residents with positive escrow account balances increased 15.8% while the number of Section 8 recipients with a positive escrow account balance increased 14.0%. The 2010/2012 cohort saw even larger increases in participation with 22.1% more public housing residents having a positive escrow account balance and a 19.8% increase for Section 8 recipients. These improvements are truly significant and provide an excellent indicator of potential for program success in the long-term.

	Zero Balance	Positive Balance
LIPH 2009	99.5%	.5%
2011	83.7%	16.3%
% Increase		15.8%
Section 8 2009	97.8%	2.2%
2011	83.8%	16.2%
% Increase		14.0%

Table 8a: Positive Escrow Account Balances, 2009/2011

	Zero Balance	Positive Balance
LIPH 2010	98.0%	2.0%
2012	75.9%	24.1%
% Increase		22.1%
Section 8 2010	95.3%	4.7%
2012	75.5%	24.5%
% Increase		19.8%

Table 8b: Positive Escrow Account Balances, 2010/2012

Summary

The analysis presented here provides an initial look at the Housing Authority of the City of Pittsburgh's Family Self-Sufficiency program and the proposed methods for measuring its outcomes. Wage data for 2009 and 2010 base years show the FSS and Non-FSS groups to be comparable, thus allowing further analysis. Review of changes in wages show some differences among FSS and Non-FSS participants, but no systematic differences. Many of the changes are more likely due to improvements in recordkeeping, especially among FSS participants.

The most impressive findings concern improvements in clients making use of the FSS escrow program. For the 2009/2011 cohort, public housing and Section 8 groups saw increases in monthly contributions by 10.1% and 18.3%, respectively. Similar increases were seen in the 2010/2012 cohort. Both cohorts experienced large increases in the number of individuals with positive escrow balances. These results suggest wider implementation of the program and the potential for future program success.

University of Pittsburgh

Initial Evaluation of the Housing Authority of the City of Pittsburgh Moving to Work Demonstration Program (HACPMTW)

University of Pittsburgh
Center for Metropolitan Studies

George W. Dougherty, Jr., Ph.D., Principal Investigator
gwdjr@pitt.edu
Richard J. Joyce, Project Manager
rjj19@pitt.edu

Initial Descriptive Analysis
FSS 2009-2012

OUR SAMPLE

- Initial dataset includes all LIPH and Section 8 residents
- Verified FSS participants via addenda dataset
- Created two cohorts:

2009/2011 = 634 subjects

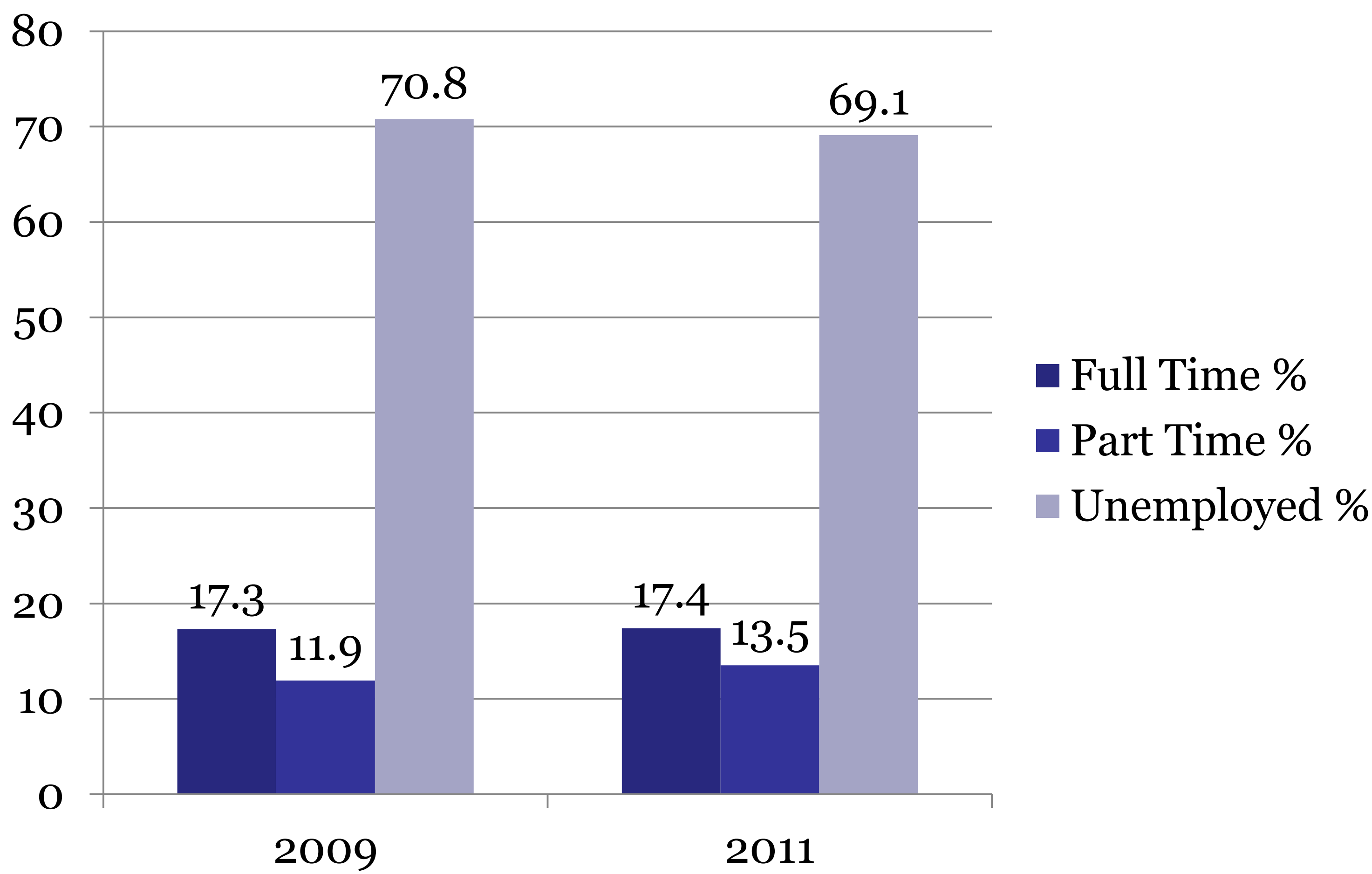
2010/2012 = 623 subjects

Cohort Representation
Public Housing and Section 8

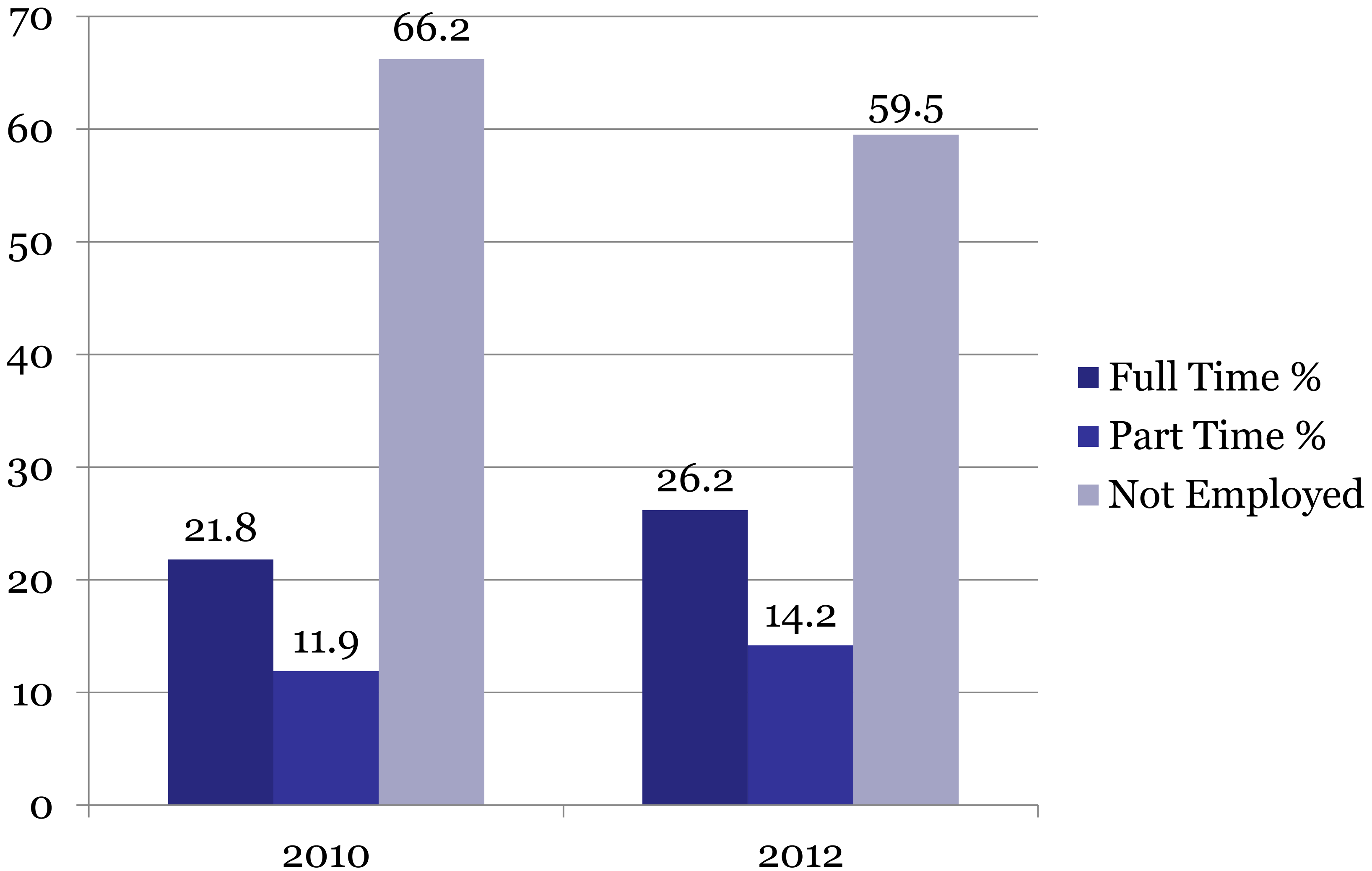
	PUBLIC HOUSING	SECTION 8
2009-2011	405 63.9%	229 36.1%
2010-2012	303 48.6%	320 51.4%

EMPLOYMENT STATUS
Are we changing the incentives?

Employment Status (2009-2011)

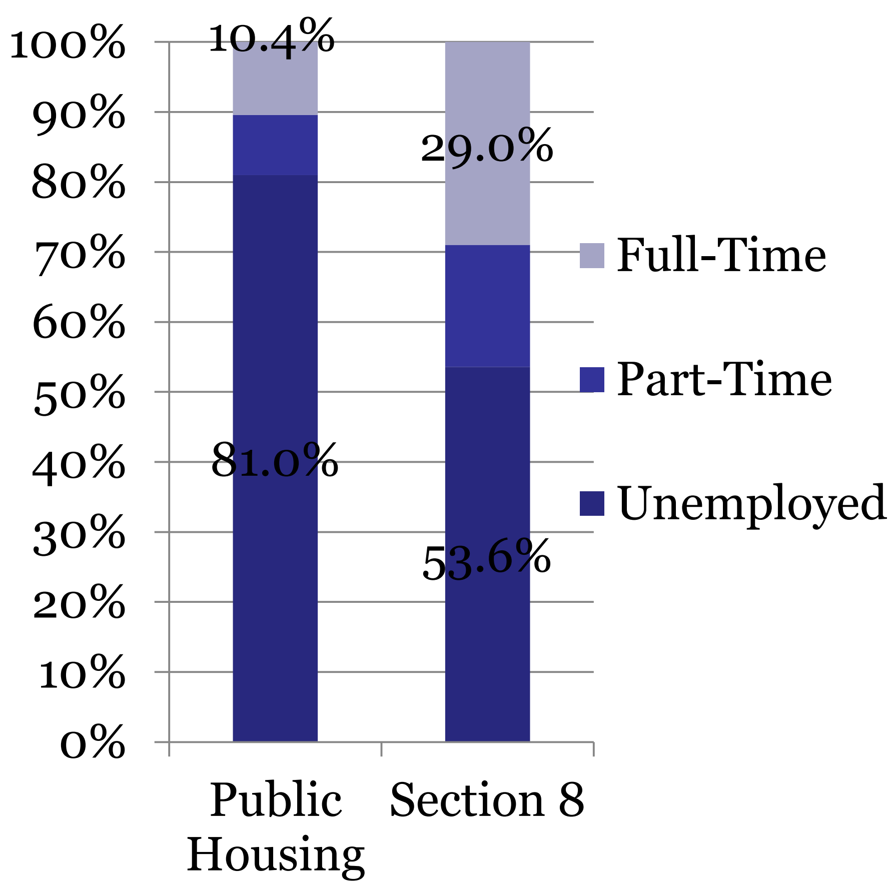


Employment Status (2010-2012)

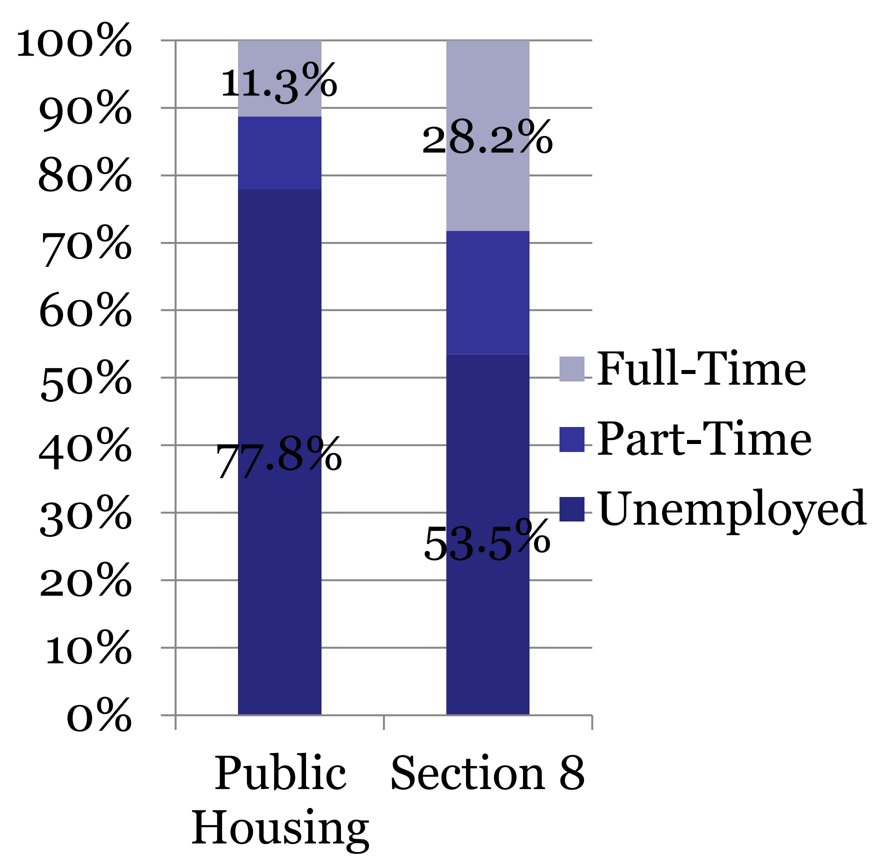


Employment Gains Primarily in LIPH

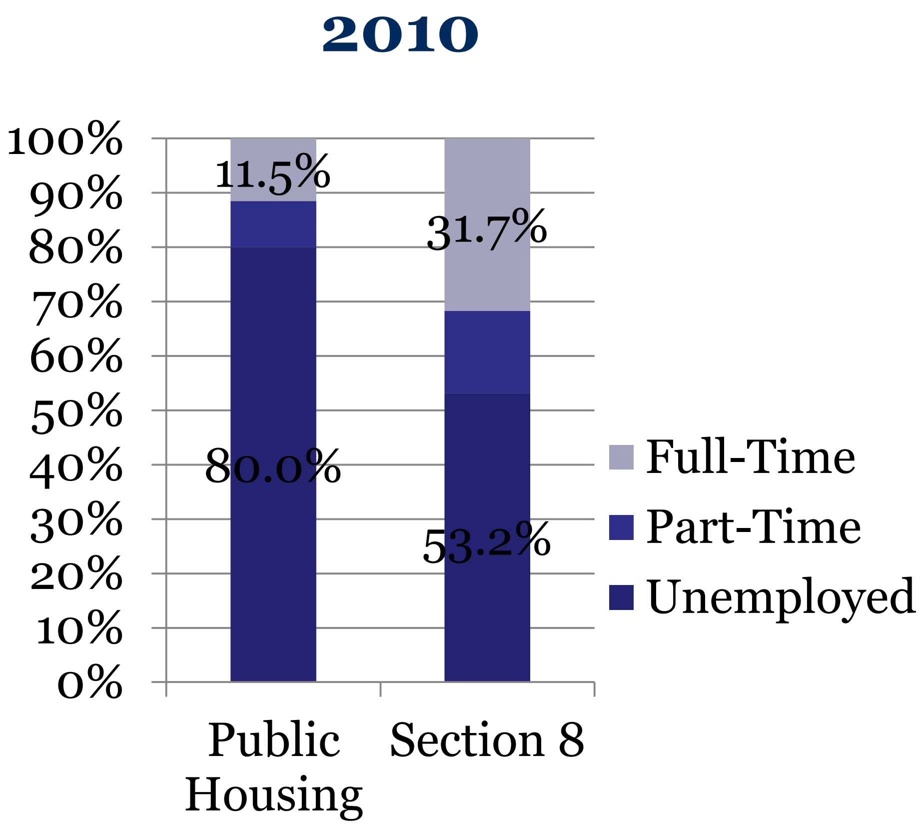
2009

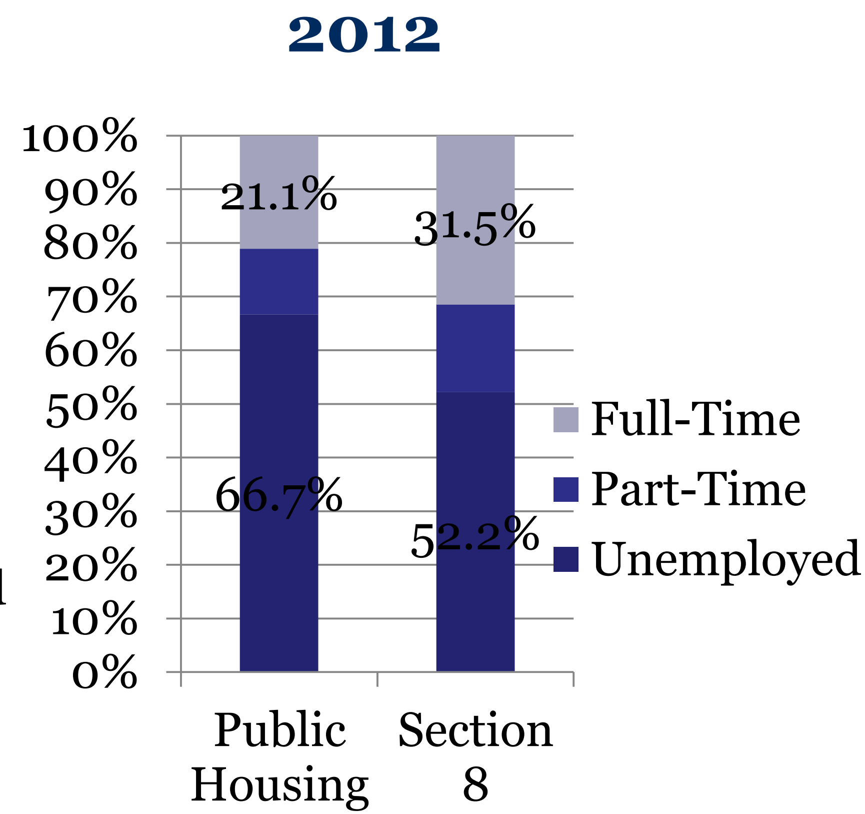


2011



Employment Gains Primarily in LIPH

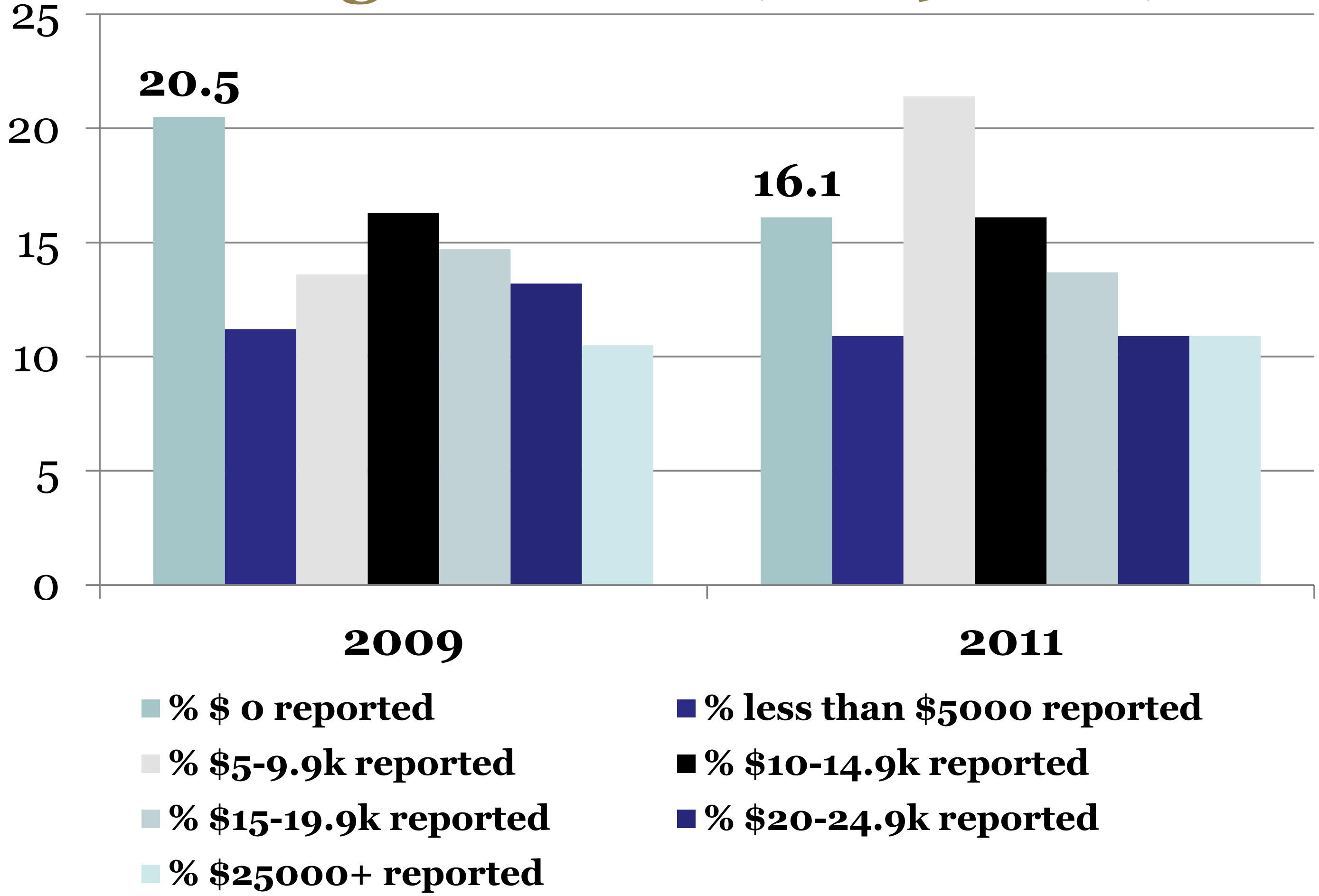




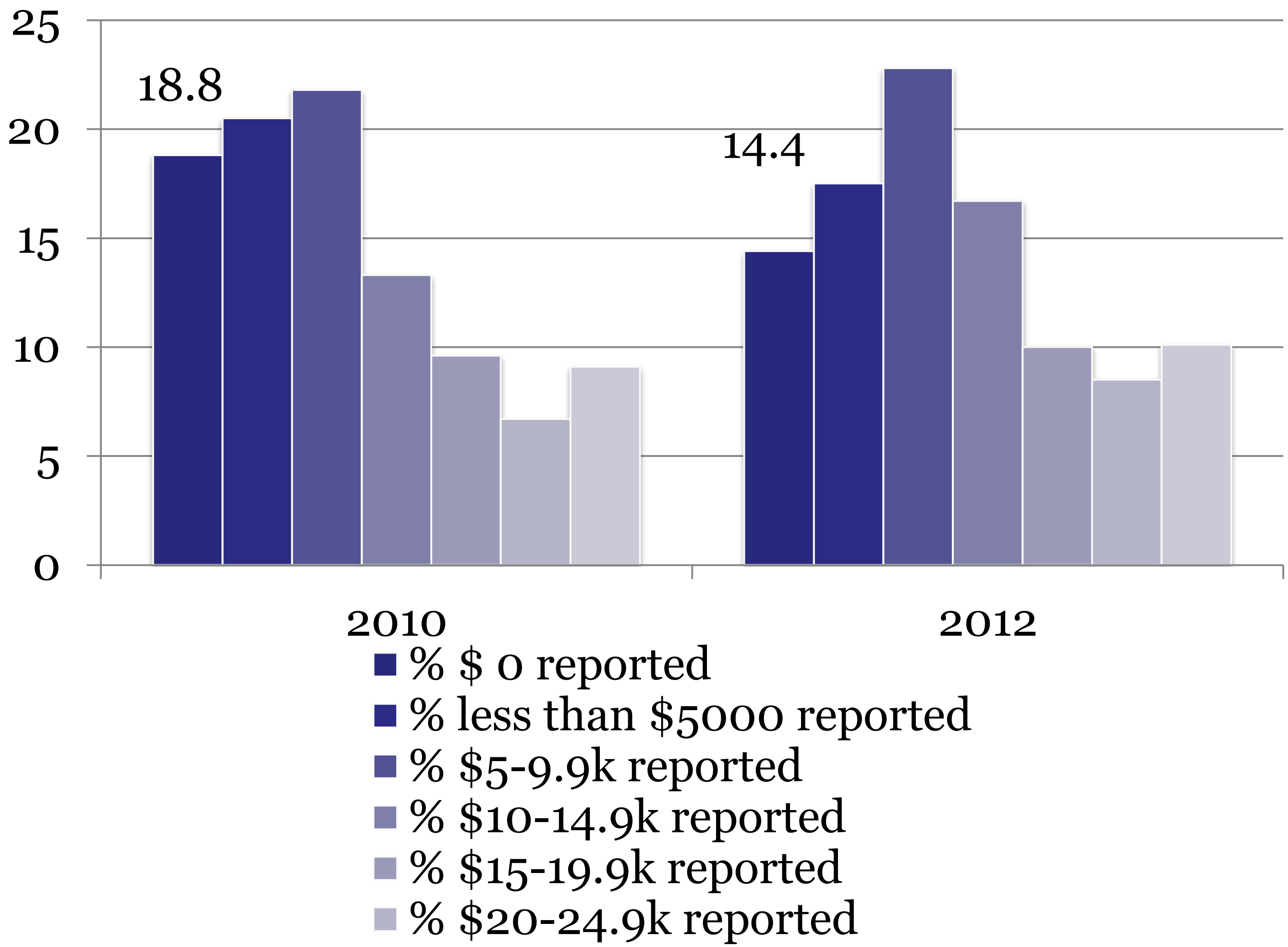
WAGE INCOME: Are Participants Earning More?

PHOTO: THINKSTOCK

Stratified Wage Income (2009-2011)

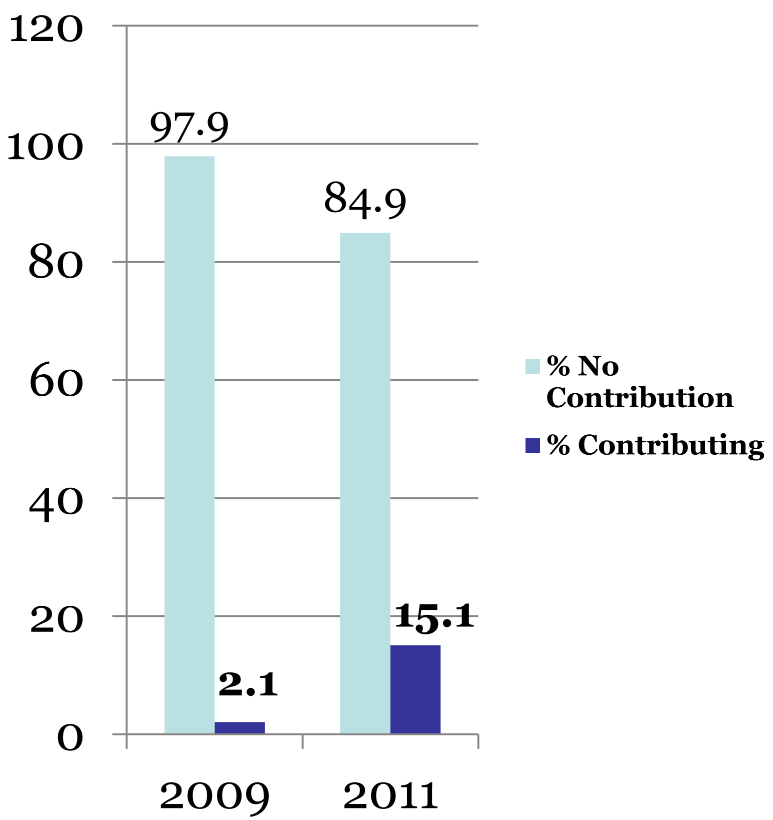


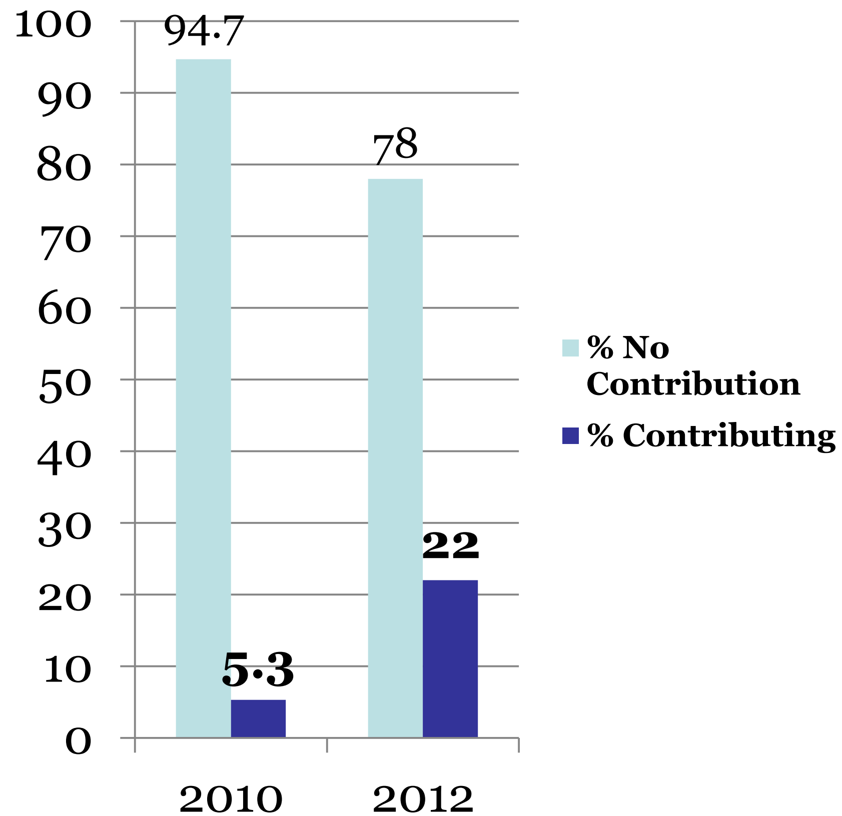
Stratified Wage Income (2010-2012)



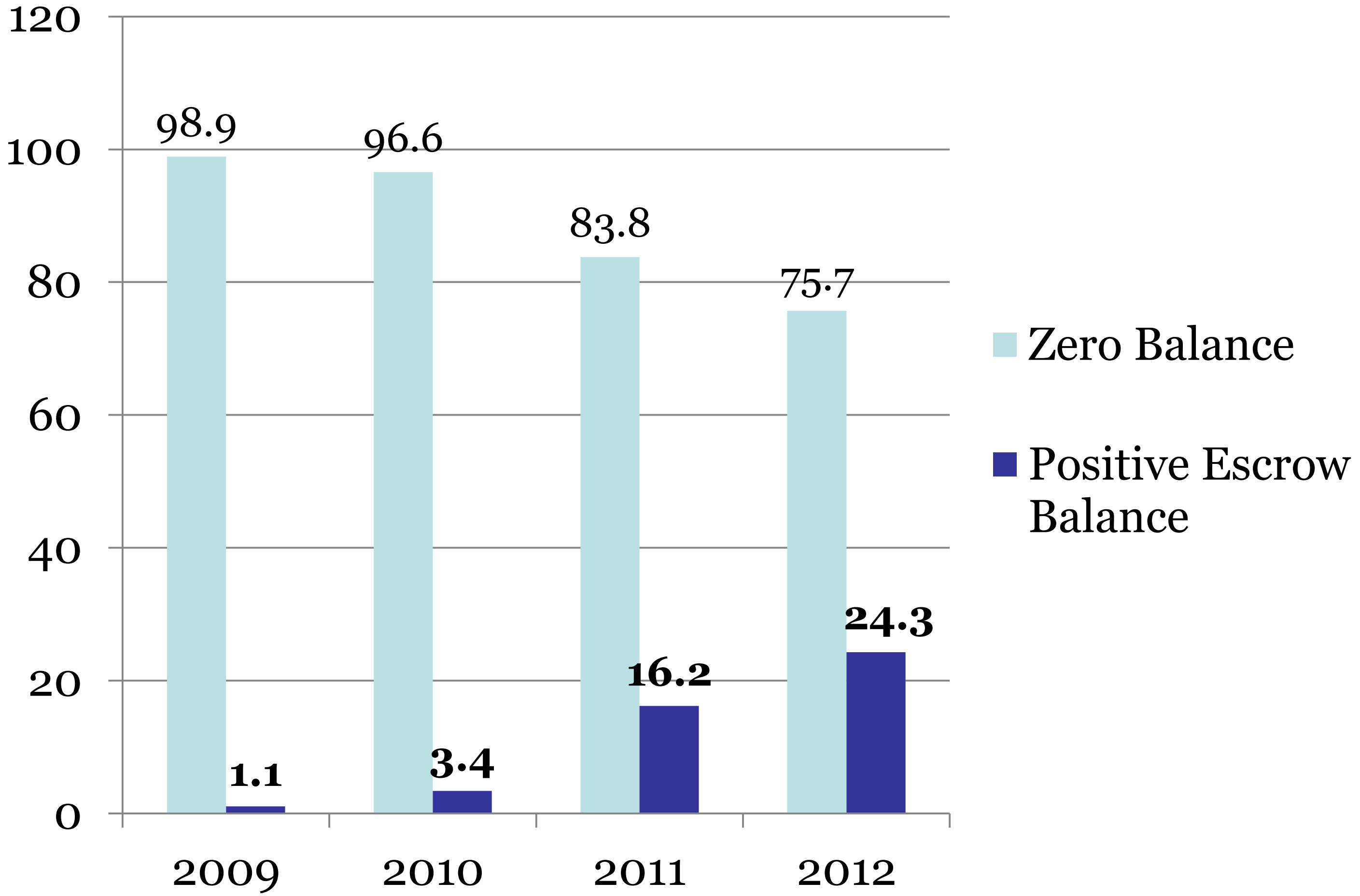
Are Participants Using the Program?
MONTHLY CONTRIBUTIONS & ESCROW BALANCE

Monthly Contributions to an Escrow Account





Positive Escrow Balances (I know they're cohorts, but …)



First Glance Conclusions

- Study covers implementation phase
- Clearly heading in the right direction
- Economy improvement is a rival explanation for some measures

Discussion & Questions

- What do we need to know about the program/data?
- What measures would make the evaluation more useful to you?

Next Steps:

– Adding 2013 data to 2009-2011

– Focus group(s) after initial analysis

Housing Authority of the City of Pittsburgh

Preliminary Homeownership Demonstration Evaluation Report

The University of Pittsburgh
Graduate School of Public and International Affairs
Center for Metropolitan Studies[1]

03/15/2013

[1] The Center for Metropolitan Studies thanks MPA candidate Kendra Brumfield for her significant contributions to the production of this report.

Housing Authority of the City of Pittsburgh Homeownership Program Analysis

The overall question addressed in the analysis of Housing Authority of the City of Pittsburgh (hereafter referred to as HACP) Homeownership Program was:

- Is the Housing Authority of the City of Pittsburgh's Moving to Work (hereafter referred to as HACPMTW) Homeownership Program progressing according to its stated goals:
    - Assist low-income residents in achieving self-sufficiency goals and objectives, particularly that of homeownership.
    - Increase HACP Homeownership Program participants' housing choice options.
    - Promote positive living environments in the City of Pittsburgh for participants.

The HACP Homeownership Program analysis consisted of 1) an interview with Jack Lewis, Home Ownership Program Manager, 2) statistical analysis of homeownership program data for closings that occurred between 2004 and 2011, 3) a geographical analysis of the house purchases of HACP homeownership program participants, and 4) a qualitative analysis of surveys completed by HACP homeownership program participants (to be completed in year 3 of the evaluation). The discussion below highlights the key findings from our analysis of the Homeownership program.

Overview

According to HACP 2009 data, there were over 800 families receiving Housing Choice Voucher (HCV) assistance with income at sufficient levels—measured as a minimum of $17,000 of annual income, excluding welfare assistance income[2]—to be considered for homeownership.[3]

As a federally funded initiative, the HACPMTW Homeownership program is intended to facilitate the homeownership process for low-income households in the City of Pittsburgh whose incomes are adequate for them to be eligible to purchase a home. HACPMTW utilizes a number of means to accomplish their stated goals, they:

[2] HACP MtW Homeownership Program Amended March 2010.
[3] Housing Authority City of Pittsburgh: Moving to Work Demonstration Year 10 (FY 2010) Annual Report, pg 36.

- Identify residents who are potentially eligible to purchase homes, based on their income levels, and inform them about the home buying process.
- Facilitate the homebuying process by providing financial and informational support and assistance to participants in order to maintain—and potentially increase—the number of residents participating in the homeownership program.
- Increase the number of households achieving homeownership.
- Prevent foreclosures for participants who have previously purchased homes.

As approved in 2006, HACP operates a single Homeownership Program open to both Low-Income Public Housing (LIPH) and Housing Choice Voucher (HCV) program households.[4] This report is intended to evaluate HACPMTW's progress in meeting these goals and related objectives, specifically within the context of its Homeownership Demonstration activities. We will accomplish this through the use of relevant numeric and geographical indicators of the program's success in serving low-income families in Pittsburgh.

HACP-LIPH Population Overview

HACP had a total of 4,821 units located in 10 neighborhoods of the City of Pittsburgh, along with scattered sites.[5]

With the exception of developments reporting zero occupancy, all of the developments are over 50% occupied, with 80% of them at least three-quarters occupied **(Table 1)**. Over the life of the Homeownership Demonstration, foreclosure filings **(Map 1)** and tax liens **(Map 2)** in the greater Pittsburgh area have been steadily increasing, while household incomes have simultaneously decreased **(Map 3)**.

[4] Housing Authority City of Pittsburgh: Moving to Work Demonstration Year 10 (FY 2010) Annual Report, pg 5.

[5] Ibid, pg. 7.

Table 1 HACP LIPH Housing Stock Comparison-January 2010 to January 2011[5]

HACP – Managed	January 1, 2010			January 1, 2011		
	Physical Unit	Number Occupied	Percent Occupied	Physical Unit Count	Number Occupied	Percent Occupied
1-1 Addison Terrace	734	528	72%	734	548	75%
1-2 Bedford Dwellings	411	371	90%	411	369	90%
1-4 Arlington Heights	143	135	94%	143	126	88%
1-5 Allegheny Dwellings	272	238	88%	272	239	88%
1-7 Saint Clair Village	357	53	15%	0	0	0%
1-9 Northview Heights	574	366	64%	575	384	67%
1-12 Garfield Heights	89	73	82%	89	0	0%
1-15 PA Bidwell High Rise	120	98	82%	120	112	93%
1-17 Pressley High Rise	211	192	91%	211	209	99%
1-20 Homewood North	135	98	73%	134	104	78%
1-22 Scattered Sites South	156	139	89%	156	145	93%
1-31 Murray Towers	68	63	93%	68	64	94%
1-32 Glen Hazel	128	122	95%	128	123	96%
1-33 Glen Hazel High Rise	97	95	98%	97	92	95%
1-38 Glen Hazel Homes	8	4	50%	6	4	67%
1-39 Scattered Sites North	129	107	83%	141	120	85%
1-40 Brookline Terrace	30	0	0%	30	0	0%
1-41 Allentown High Rise	104	100	96%	104	100	96%
1-44 South Oakland (Finello)	60	55	92%	60	59	98%
1-45 Morse Gardens	70	69	99%	70	68	97%
1-46 Carrick Regency	66	60	91%	66	64	97%
1-47 Gualtieri Manor	31	27	87%	31	28	90%
1-62 Broadhead Manor	64	0	0%	64	0	0%
1-XX New Scattered Sites	0	0	0%	0	0	**
Total	**4057**	**2993**	**74%**	**3710**	**2958**	**80%**

In such an environment, affordable housing options in general, and to low-income households in particular, are especially vital. In order to enhance its capacity to accommodate this increased demand, HACPMTW has incorporated a Homeownership Program, which is designed to work in concert with other HACP activities, such as the Family Self-Sufficiency Program (FSS) and HCV. One of the components of FSS is that households paying income-based rent have some portion of their rent payments deposited in an escrow account that they can later use to mitigate costs associated with purchasing a home. HCV participants are given the option of using their vouchers to mitigate the costs of home purchases. Low income public housing residents are also given the opportunity to purchase scattered site low income public housing units.[6] Based primarily on referrals and

[6] Housing Authority City of Pittsburgh: Moving to Work Demonstration Year 10 (FY 2010) Annual Report, pg 15.

household income assessments, the Demonstration identifies those participants in other HACP activities whose earnings meet the criteria that could potentially render them eligible to purchase a home. According to the HACP Fiscal Year 2010 report, there were over 800 families receiving HCV assistance whose incomes were considered adequate under HACPMTW standards to qualify for Homeownership Program activities.[7] Those joining the Homeownership Demonstration obtain information, guidance, and logistical support concerning the homeownership process.

Achieving Self-Sufficiency through Homeownership

Maintaining or Increasing the Number of Homeownership Participants

Table 2 below represents the average amount and origins of household incomes for HACP developments where potential Homeownership participants are identified. Aside from not having previously owned a home, determining eligibility for homeownership is dependent on a household earning at least $17,000 annually. Average household incomes range widely within the LIPH population, from an average gross income of $6,807 to $39,074. [8]

Table 2 Income and Income Source by Development (March 2012)[9]

			Income Source			
Development	Average Gross Income	Gross Income ≤ $6000/year	% Wage Income	% SSI Income	% TANF Income	% Social Security Income
Addison Terrace	8335.00	105	19	26	41	17
Allegheny Dwellings	7112.42	122	25	20	31	14
Arlington Heights	6807.24	64	19	28	33	20
Bedford Dwellings	8316.38	171	25	25	23	17
Caliguiri Plaza	11420.38	1	6	58	11	54
Carrick Regency	13625.11	-	13	32	5	74
Finello Pavillion	12232.19	-	11	33	5	77
Frank Mazza Pavilion	14834.69	-	10	31	10	83
Glen Hazel	15905.63	37	33	19	15	29
Glen Hazel High-Rise	12893.37	3	10	38	1	75

[7] Ibid, pg 38.
[8] Community Demographics Report March 12, 2012.
[9] Ibid.

Gualtieri Manor	10966.83	1	0	52	10	72
Homewood North	10891.91	32	24	28	34	14
Morse Gardens	11872.04	1	10	46	12	78
Murray Towers	10448.86	-	2	61	14	55
Northview Heights	10347.85	182	22	28	39	20
Pennsylvania Bidwell	10931.97	7	7	52	5	62
Pressley Street High Rise	10645.53	4	4	54	5	60
Scattered Sites North	21699.5	12	38	35	28	26
Scattered Sites North - AARA	13074.82	1	0	64	18	36
Scattered Sites South	21599.59	13	41	30	13	22
Scattered Sites South - AARA	13824.67	-	-	-	-	-

Although future reports will analyze outcomes and quality of the Demonstration's success in making contact with potential participants, it is important to note that while the general focus of HACPMTW is to promote self-sufficiency, a major function of the Homeownership Demonstration is to inform income-eligible residents of their broader housing choices. Provided the household expresses interest in pursuing this option, at this point, the Demonstration staff offers guidance on the process of purchasing a home, including how to improve their credit history and to access mortgage financing options. After starting the homeownership education activities, the next milestone is that of obtaining a loan preapproval letter.

On average, participating households received preapproval letters within 8.3 months of beginning education training; half received letters in less than 4.5 months, while the upper half waited more than 4.5 months. Most participants did receive their letters in less time than the average of 8.3 months **(Figure 2)**. The standard deviation (11.504) and variance (132.349) are large, indicating that the gap between the two dates is highly variable from person to person. There are several outliers **(Figure 3)**, or cases that deviate substantially from the norm in comparing the overall range of 57 months to the interquartile range of 11 months. Some clients obtained pre-approval letters within one month of beginning training while one individual spent approximately 57 months before receiving preapproval for a mortgage **(Figure 1)**.

The variations in time between initiation of the Homeownership Program and notification of loan preapproval could indicate a lag between recruitment of participants and the outcome of becoming homeowners. In light of these deviations, some consideration should be given to connecting with the most frequently used lenders, which are listed later in the report, to explore ways of better facilitating, and possibly expediting, the loan process for Homeownership Program participants.

Maintaining or Increasing the Number of Households Purchasing Homes

After clients receive preapproval letters, participants are able to move on to the actual purchase of a home. As can be seen from the graph, the date when the closing costs were paid is used to measure the amount of time between obtaining a preapproval letter and the final step in the homeownership process, closing on a home purchase **(Figure 1)**. The average time between these two dates was 6.57 months, which is greater than the median of 4 months **(Figure 4)—**meaning that the majority of participants waited less than 6.57 months, as opposed to more. When compared with the gap between education start date and preapproval letter date, the standard deviation of 8.419 months and variance 70.879 months are smaller, indicating that, as compared to the wait times between Education Start Date and Preapproval letter date, individual wait times were more consistent with the average of 6.57 months. The range of 50 months and interquartile range of 6 months also suggest that there are some unusual cases captured in these figures as well. While some clients successfully became homeowners one month after receiving a preapproval letter, there is also a case in which a participant waited more than 4 years to close on a home purchase **(Figure 5)**. The causes of these extended wait times is unclear.

With consideration to the entire process, the average time between initiation of the Homeownership Program, as measured by education start date and termination of the program, as measured by close date of sale is 14.51 months. However, given a median of 11.5 months and a rightward skewed frequency distribution, the data indicates that most participants finished the entire process in less than the standard time of 14.51 months **(Figure 6)**. Both the standard deviation (14.323) and the variance (205.157) are high, indicating that there is also a substantial deviation from person to person in the amount of time spent completing the homeownership process **(Figure 7)**. The data shows that some completed the entire process in one month, but others spent several years—as many as 70 months—before becoming homeowners.

From the line chart, we can see that the most frequent education start date is in 2005 and 2004, most preapproval letters were obtained in 2005, and home purchases were concentrated between the years 2005 and 2006 **(Figure 1)**. It must be noted that those participants who did not complete the program were omitted from statistical analyses thus it was not possible to assess the dropout rate for the Program.

Table 4 Clients of Homeownership Program

	Frequency	Percent	Valid Percent (Relative Frequency)
LIPH Tenant	39	37.1	37.1
Section 8 Tenant	66	62.9	62.9
Total	105	100.0	100.0

As can be seen from Table 4, 37.1 percent are the members of the LIPH program, while the remaining 62.9 percent are Section 8 tenants participating in the Housing Choice Voucher Program.

Table 5 Lender Name

	Frequency	Percent	Valid Percent (Relative Frequency)
Dollar Bank	35	33.4	33.4
National City	14	14.3	14.3
Sky Bank	13	12.4	12.4
1st Niagara Bank	12	11.5	11.5

Table 5 lists the top 4 major banks that provided mortgages to Homeownership Demonstration participants. Compared to national level banks, regional banks tend to have more flexible requirements and conditions; thus, there is a clear preference for regional banks. Regional banks service 71.6 percent of Homeownership participant loans. Lending to more than one-third of homeowners, Dollar Bank is the major lender for applicants, followed by National City Bank, which provides 14.3 percent of loans, Sky Bank, providing 12.4 percent, and 1st Niagara Bank, which provides 11.5 percent. Dollar Bank is a regional bank that provides bank services to individuals and business in the southwest of Pennsylvania, operating more than 60 branch offices and loan centers throughout the Pittsburgh.

With regard to the accessibility of these banks and their popularity with Homeownership participants, making an effort to reach out to these lending institutions could potentially reduce the variance in loan approval times and number of individuals experiencing extended wait times to receive preapproval letters.

Table 6 - Loan Type

	Frequency	Percent	Valid Percent (Relative Frequency)
FHA	56	53.3	53.3
Conventional	17	16.3	16.3
PHFA	10	9.5	9.5
Conventional Uninsured	5	4.9	4.9

Table 6 illustrates the top 4 loan types. More than half of the applicants financed their mortgages with Federal Housing Administration (FHA) loans. FHA loans are generally most popular amongst applicants who prefer lower up-front cash requirements for down payments. Because the federal government secures these loans they also allow for more flexible income level and credit requirements.

The second largest percent (16.3%) of participants chose conventional loan types. Conventional loans, which are sponsored by private lenders, tend to have more stringent income and credit score requirements as compared to FHA loans. Pennsylvania Housing Finance Agency (PHFA) was the third most frequently used (10%). PHFA provides affordable homeownership and rental apartment options for low and moderate-income families and people with special housing needs. Finally, approximately 5% of applicants received conventional uninsured loans. This loan type requires less money over time and provides lower interest rates because it is sufficiently backed by either a large down payment or equity in property. A single buyer paid closing costs in cash.

Table 7- Census Tracts for Purchases

Census Tract	Frequency	Percent	Valid Percent (Relative Frequency)
15207	16	15.2	15.2
15212	12	11.4	11.4
15210	9	8.6	8.6

Table 7 above lists several popular house purchase sites according to the census tract, denoted by zip code. The zip code 15207 includes Hazelwood, Greenfield, Glenwood, Glen Hazel and Hays and Lincoln PL; zip code 15212 includes Northside in Pittsburgh and portions of of the townships of Reserve & Ross; and neighborhoods with zip code 15210 include Knoxville, Beltzhoover, Carrick & Arlington in the city of Pittsburgh and part of Mount Oliver Borough.

Initial closing costs were reported as being about $3,782 on average, with a standard deviation of about $1000. Second closing cost amounts for the “soft second mortgage” were $373 on average. The average sales prices of homes, including closing costs, was $71,387, with half of households paying less and half paying more than the median total cost of $64,950.

Positive Environments

The Homeownership Demonstration has identified the goal of assisting households in accessing a greater number of housing options in more “positive environments.” Future surveys will provide greater insight into the quality of Demonstration activities and housing choice, however this section will briefly comment on the geographic and demographic orientation of the neighborhoods where homes were purchased. To facilitate homeownership, HACP provides assistance in locating homes possibly for purchase and also offers the opportunity to purchase scattered site low income public housing units.[10]

As shown in **Table 8**, the most popular neighborhood for home purchases was Glen Hazel, accounting for 11.3% of the total purchases. The neighborhood of Sheridan had the second most purchases with 9.3% of the total, and Carrick, Garfield, and Upper Hill were next with 7.2% of total purchases each.

[10] Housing Authority City of Pittsburgh: Moving to Work Demonstration Year 10 (FY 2010) Annual Report, pg 37.

Table 8- Number of Home Purchases by Neighborhood

Neighborhood	Number of Purchases	Percent of Total Purchases
Allentown	1	1.03
California Kirkbride	1	1.0
Greenfield	1	1.0
Highland Park	1	1.0
Larimer	1	1.0
Lincoln Place	1	1.0
Manchester	1	1.0
Morningside	1	1.0
Perry North	1	1.0
Perry South	1	1.0
Beltzhoover	2	2.1
Brookline	2	2.1
East Hills	2	2.1
Homewood North	2	2.1
Knoxville	2	2.1
Lincoln-Lemington-Belmar	2	2.1
Mount Washington	2	2.1
Troy Hill	2	2.1
Beechview	3	3.1
Crafton Heights	3	3.1
Hazelwood	3	3.1
Brighton Heights	4	4.1
East Liberty	4	4.1
Homewood South	4	4.1
Stanton Heights	4	4.1
Marshall-Shadeland	5	5.2
Carrick	7	7.2
Garfield	7	7.2
Upper Hill	7	7.2
Sheraden	9	9.3
Glen Hazel	11	11.3
Total	*97*	*100*

The majority of household participants purchased houses in neighborhoods where house age ranges from 102 to 82 years old, with the second largest number being situated in neighborhoods with average house age ranging from 82 to 62 years old**. Map 4** illustrates the average age of housing by neighborhood in the City of Pittsburgh. With few exceptions, Demonstration participants bought homes in neighborhoods where at least one-quarter of the population were African American **(Map 5)**, which could be attributed to the fact that 89% of heads of household living in public housing, the larger population from which Demonstration participants are selected, are recorded as being Black—with 0.6% (40 heads of household) being listed as other types of minorities (American Indian, Asian American, Hawaiian/ Pacific Islander, and/or multiracial) **(Table 9)**.

Table 9 Racial Identification of Public Housing Heads of Household

RACE	All Public Housing Clients	
	Number	% of Total
All	6512	100
Black	5799	89.1
White	673	10.3
Others	40	0.6

From **Maps 6-9**, it appears that home purchase sites are generally located in proximity—one mile or less—of at least one Port Authority transit route. Although future studies must be conducted to determine homeowners' primary modes of transportation, this may indicate that homeownership choice is impacted by ease of access to these systems.

Sustainability

As a complement to assisting participants in the buying process, the Demonstration plays a role in preventing foreclosures. Although at the time of the writing of this report, we do not have data on the number of foreclosure filings on homes purchased by Demonstration participants, according to administrators, they are able to mobilize support for households, either internally or through networking with external agencies, when informed that a home is at risk or undergoing foreclosure proceedings. According to the HACP Fiscal Year 2010 Moving to Work Annual Report and the 2011 Housing Authority of the City of Pittsburgh, there have been no foreclosures on new homeowners assisted by the Homeownership Program since its inception.[11]

Conclusion

The three main goals that HACPMTW intends to address are: assisting low-income residents in achieving homeownership, increasing the housing choice options of the HACPMTW participants, and promoting positive living environments for the participants. Designed to facilitate the homeownership process for low-income households whose incomes are adequate for them to be eligible to purchase a home, HACPMTW has the following objectives: identify public housing residents based on their income levels and inform those who are potentially eligible, provide financial and informational support and assistance, increase the number of households achieving homeownership, and help prevent foreclosures for participants who successfully purchase homes.

Assisting Low-Income Residents in Achieving Homeownership

Data compiled in Table 8 shows that there have been a considerable number of purchases made by participants within the program. The homeownership education program has seen progress in assisting participants in closing on home purchases, as seen in several of the above graphs. According to the HACP 2011 annual report, the 100th successful homeownership participant began occupying her new home on November 30, 2011. As of December 2011, HACP reported 101 home purchases and no foreclosures in the program history.[12]

The time required to achieve homeownership was highly variant. The data shows that some completed the entire process in a little as one month, but others spent several years—as many as 70 months—before becoming homeowners. From the start of the education program, it took an average of 8.3 months for participants to receive a pre-approval letter for the purchase of a home. On average, the date participants enrolled in homeownership education training until

[11] Housing Authority City of Pittsburgh: Moving to Work Demonstration Year 10 (FY 2010) Annual Report, pg 37 and HACP 2011 Annual Report, pg 12

[12] HACP 2011 Annual Report, pg 12

the date of closing on a home purchase was over one year, with 50 percent starting and completing the program in less than 11.5 months.

Increasing Housing Choice Options and Promoting Positive Living Environments

Participants acquired at least 76.1 percent of their loans from regional banks, including Dollar Bank, National City, Sky Bank, and First Niagara Bank. Conventional loans, Federal Housing Administrative (FHA), Pennsylvania Housing Finance Agency (PHFA), and conventional uninsured loans accounted for 84 percent of loan types used for purchases; one new homeowner financed their down payment with cash. Financing options appear to be primarily government-secured loan types that allow prospective homeowners to obtain a loan with lower income levels and lower credit scores.

From our current available data, we see that nearly half of home purchases were made in five neighborhoods: 11.3 percent in Glen Hazel, 9 percent in Sheridan, 7 percent in Carrick, 7 percent in Garfield, and 7 percent in the Upper Hill. Within these neighborhoods, average housing age is in excess of 50 years old. Homes in the five neighborhoods of purchase were constructed primarily between 1910 and 1930. The demographic in these neighborhoods is at least one-quarter African American, which could be accounted for by the fact that 89.1 percent of public housing heads of household racially identify as Black. Many of these homes are located within a range of one mile or less of public transit networks. Participant surveys, to be released at a future date, will allow more in-depth evaluation of perceptions of participants concerning factors influencing their purchase choice and the extent to which their environments have been improved.

Recommendations and Suggestions Going Forward

Tracking efforts to obtain and maintain homes

With consideration to HACP's success in assisting new homeowners in avoiding foreclosure, strategies used to prepare homeowners to effectively take on the responsibility of owning a new home should be further documented for potential dissemination to improve the effectiveness and sustainability of similar programs nationally. This effort could be aided through improved documentation of routine activities of the Homeownership Program, such as definitively noting the number of homeownership classes residents attend, identifying whether attendance is mandatory or voluntary, and maintaining attendance records for each participant, in addition to maintaining data concerning the number of participants requiring foreclosure counseling.

Increasing consistency of results

In light of the high level of variability between home acquisitions for individual participants, this report would further recommend that HACP pursue alternatives towards increasing consistency of results and accounting for anomalies in participant experience, particularly as relates to the time spans between beginning the homeowner education activities and finalizing a home purchase. Such an effort might include:

- Communicating with some of the most frequently used lenders to increase their awareness of the Homeownership initiatives, which could improve loan applicant success rates and/or wait times;
- Formulating standards on the expected amount of time required for prospective homeowners and comparing these figures with participant outcomes, which would allow HACP to more quickly identify—and potentially investigate—cases that substantially deviate from this established norm; and,
- Maintain data, arranged by year, pertaining to each participant's progress within the Homeownership Program framework, e.g. number and dates of homeownership education classes completed, date preapproval letter was received, and date of home purchase, in order to more effectively follow up with participants who deviate substantially from HACP's established norms and to allow for better evaluation of program activities.

Further Evaluation

Finally, it is recommended that HACP engage in further evaluation of program outcomes and processes in order to better address participant needs. As forthcoming studies will assess participant preferences and perceptions of the extent to which their environment has been improved, this report recommends that HACP utilize the information provided to better identify and assist current and prospective homeownership program participants.

Appendix 1

Graphs

Figure 1 Time Comparison of Education Start Date, Receipt of Pre-approval Letter Date, and Close of Sale Date (Line Graph)

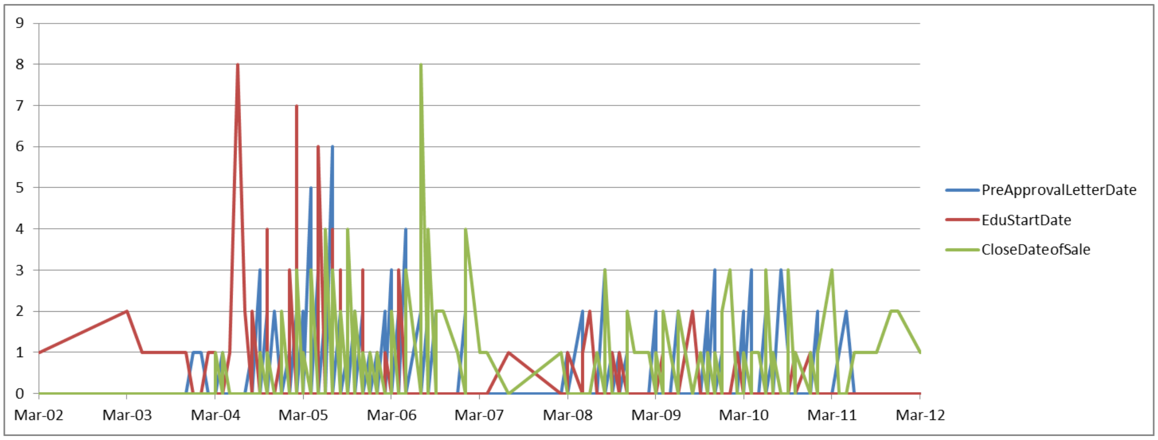


Figure 2 Gap between Education Training and Receipt of Pre-approval Letter in Months (Histogram)

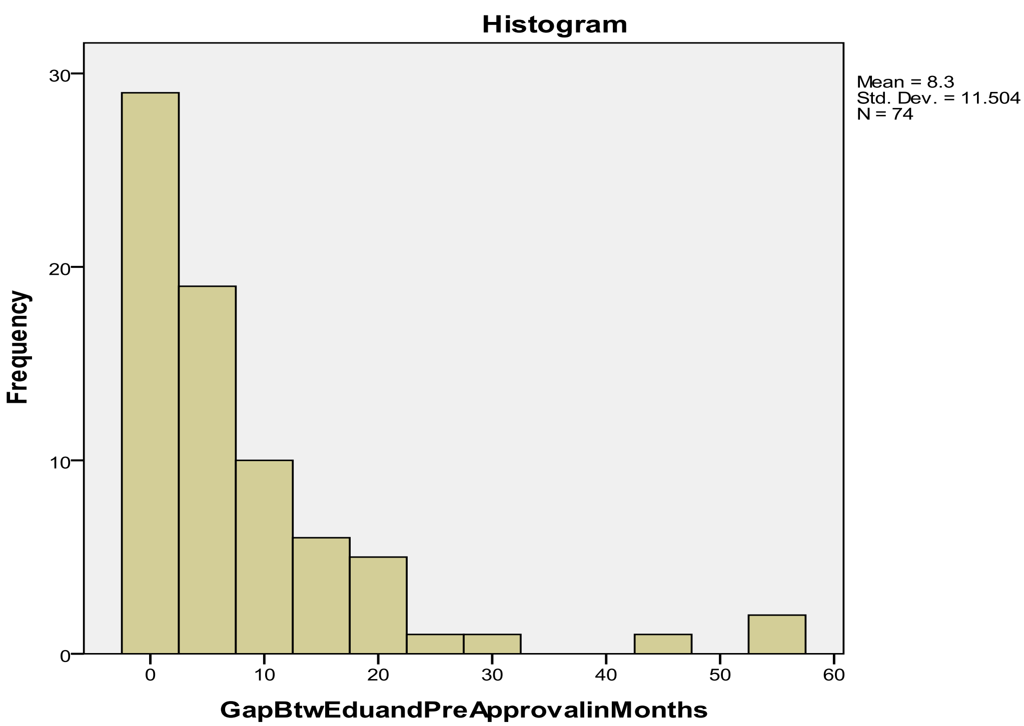


Figure 3 Gap between Education Training and Receipt of Pre-approval Letter in Months (Box Plot with Outliers)

Figure 4 Gap between Receipt of Pre-approval Letter and Close of Sale Date in Months (Histogram)

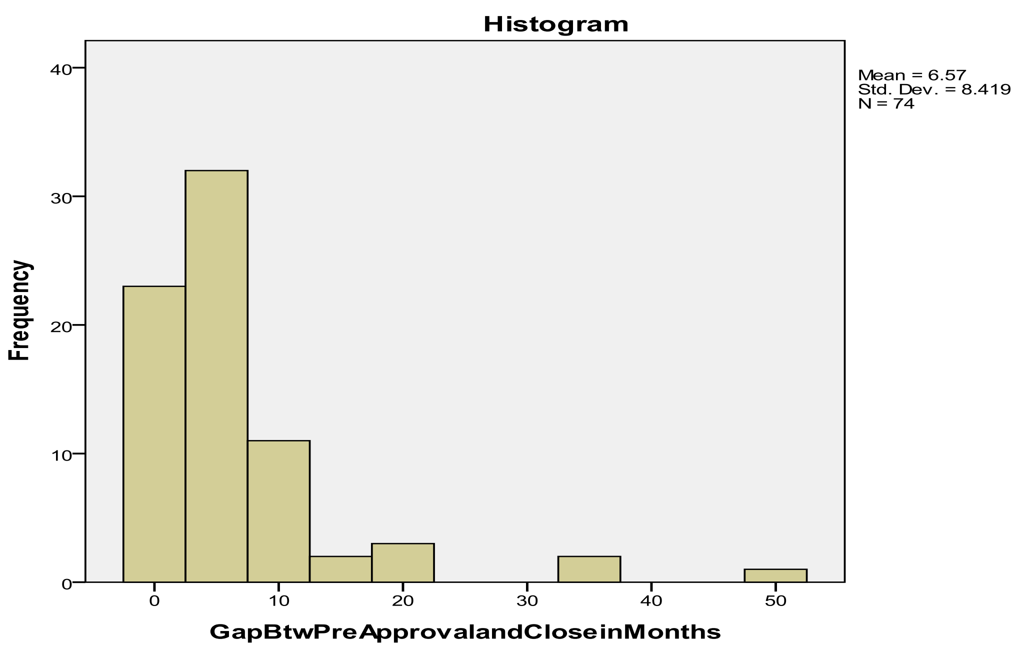


Figure 5 Gap between Receipt of Pre-approval Letter and Close of Sale Date in Months (Box Plot with Outliers)

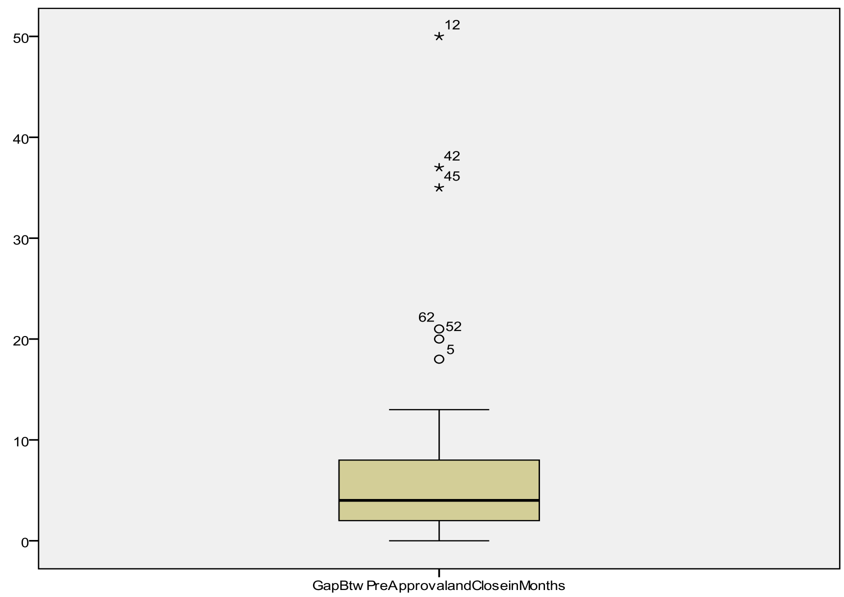


Figure 6 Gap between Education Training Start Date and Close of Sale Date in Months (Histogram)

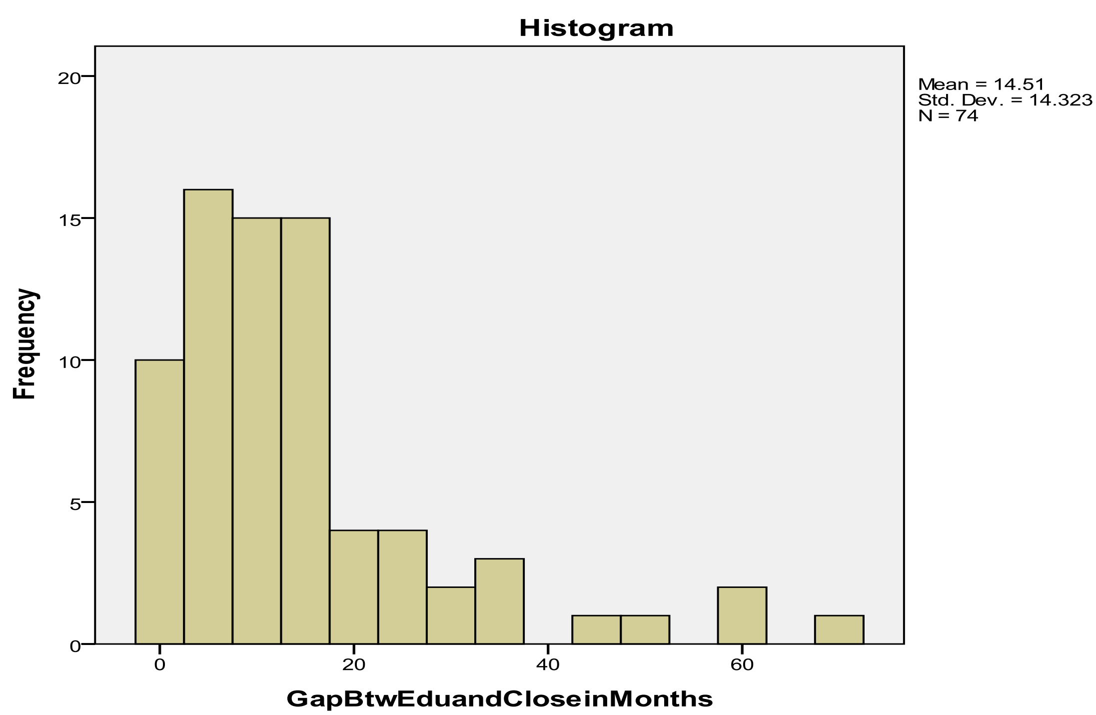
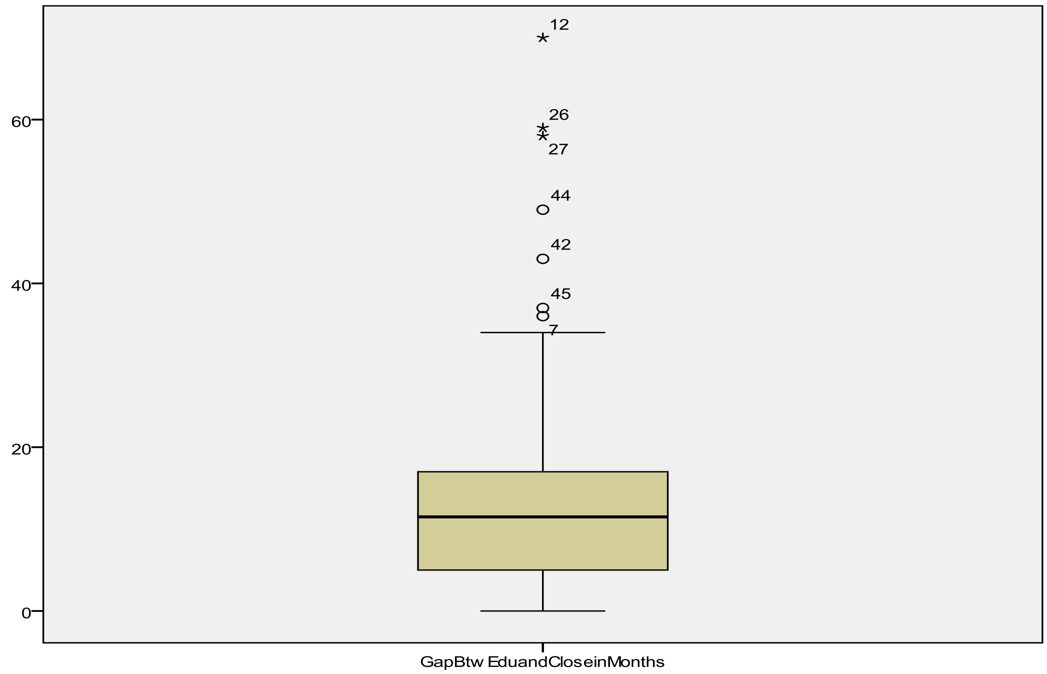
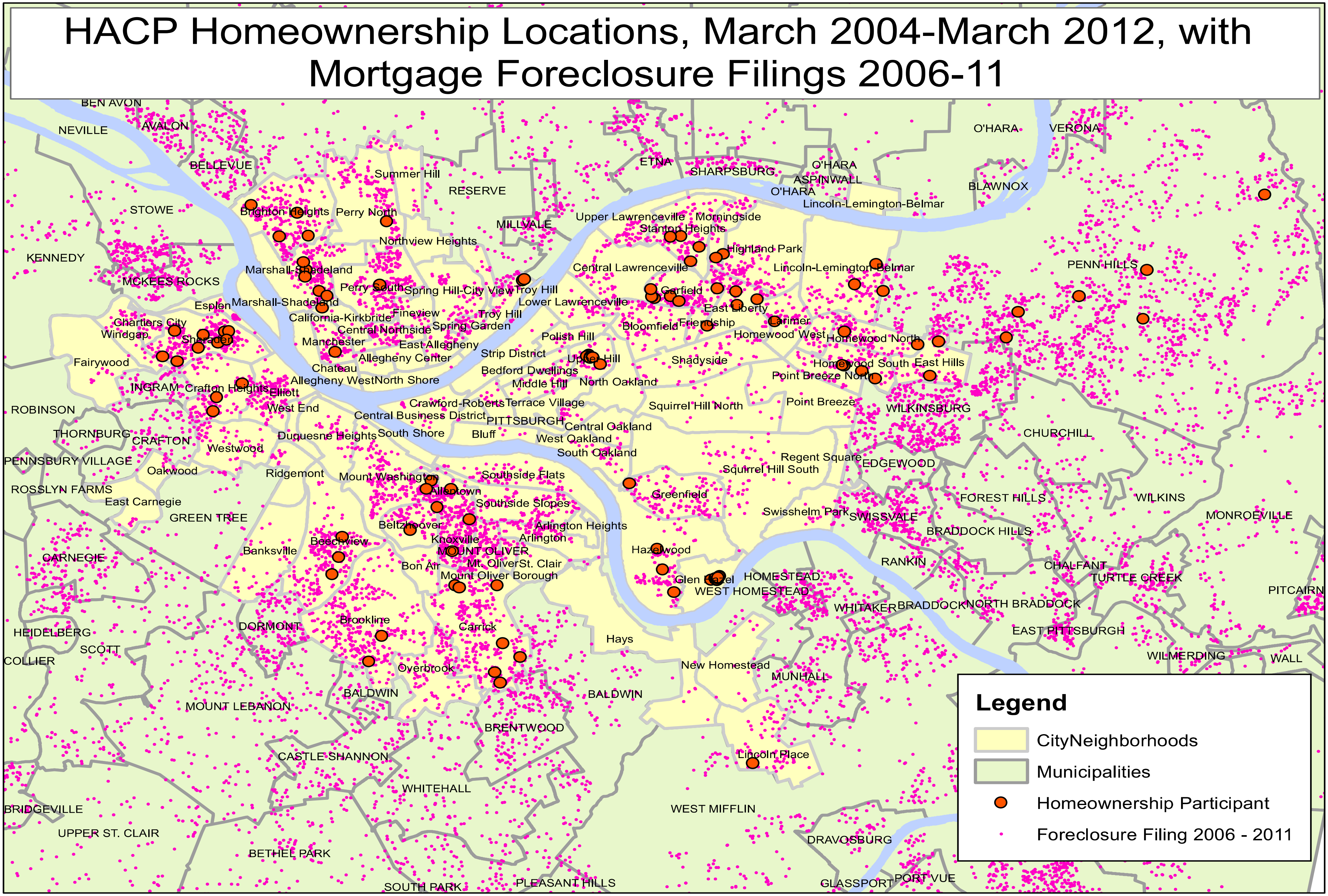


Figure 7 Gap between Education Training Start Date and Close of Sale Date in Months (Box Plot with Outliers)

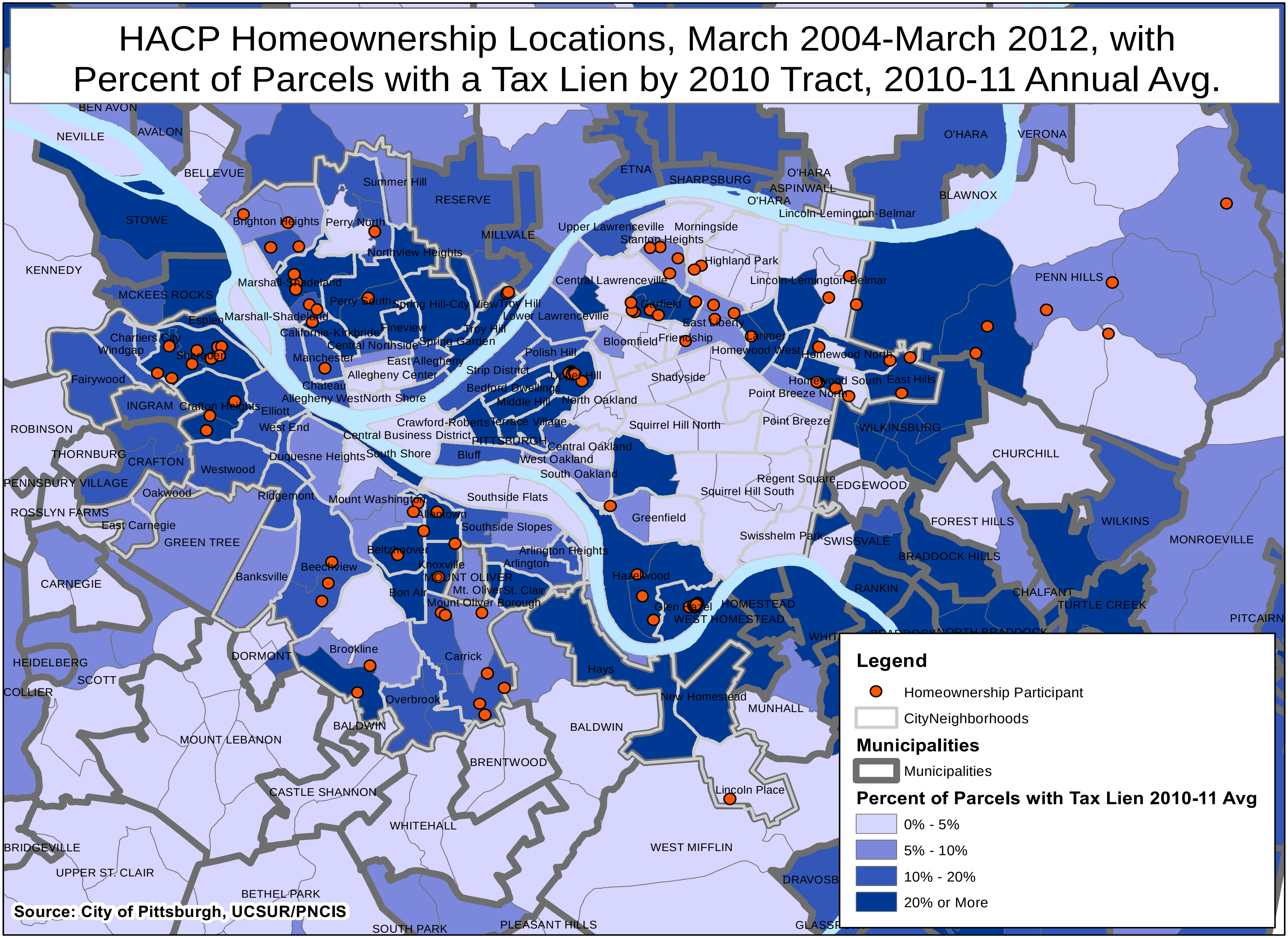


Appendix 2

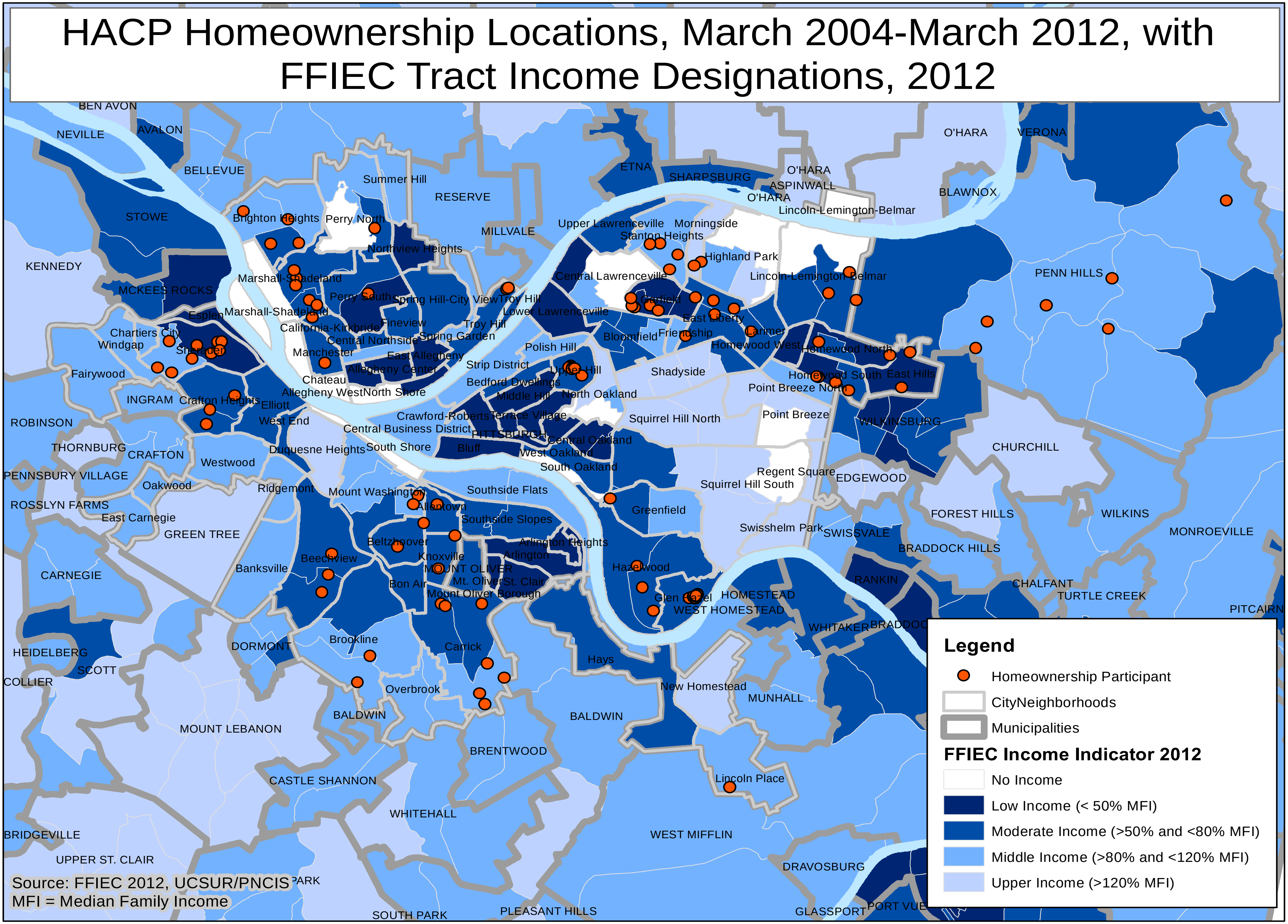
Maps



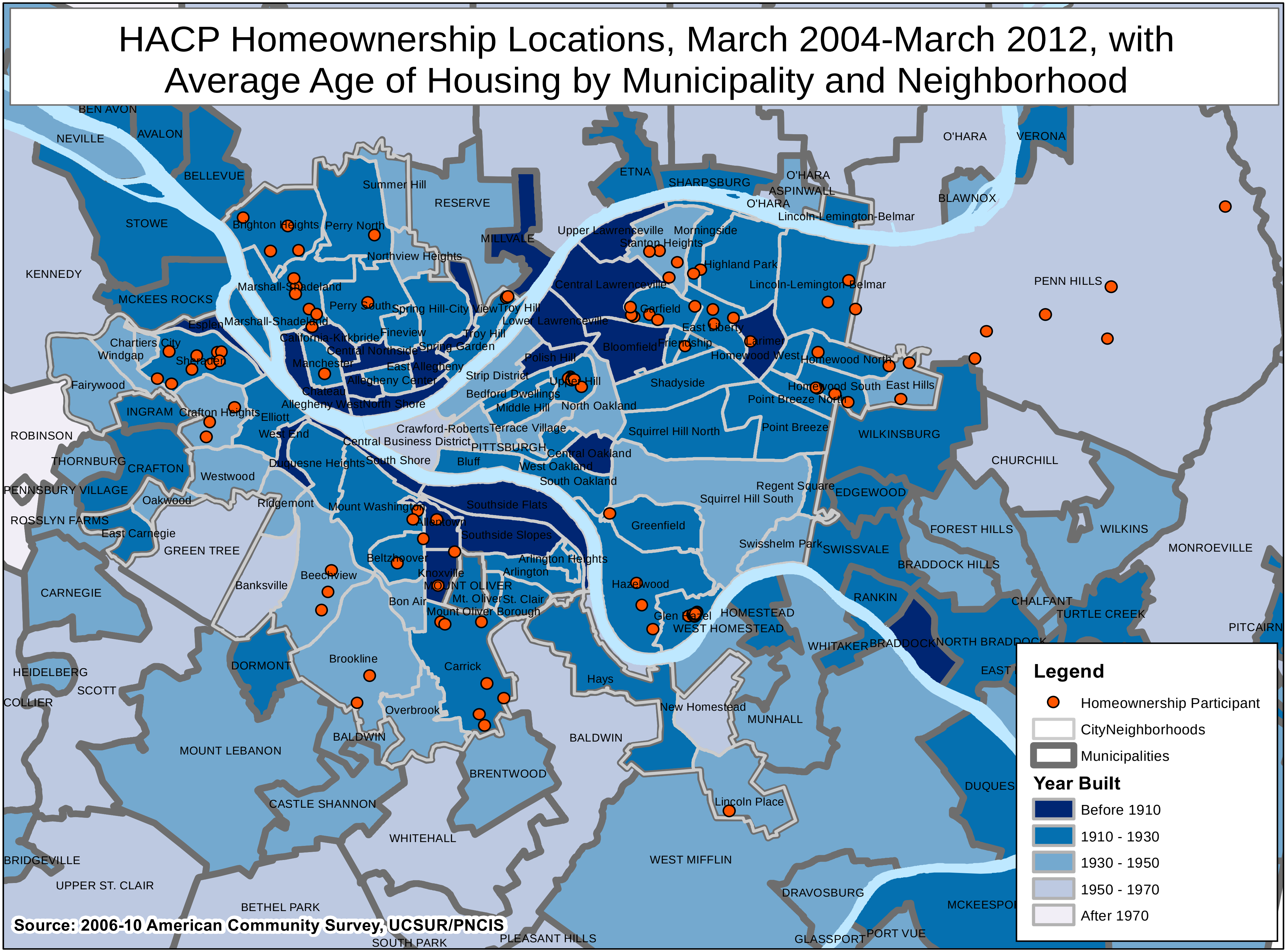
Map 1 Allegheny County Foreclosures 2006-2011



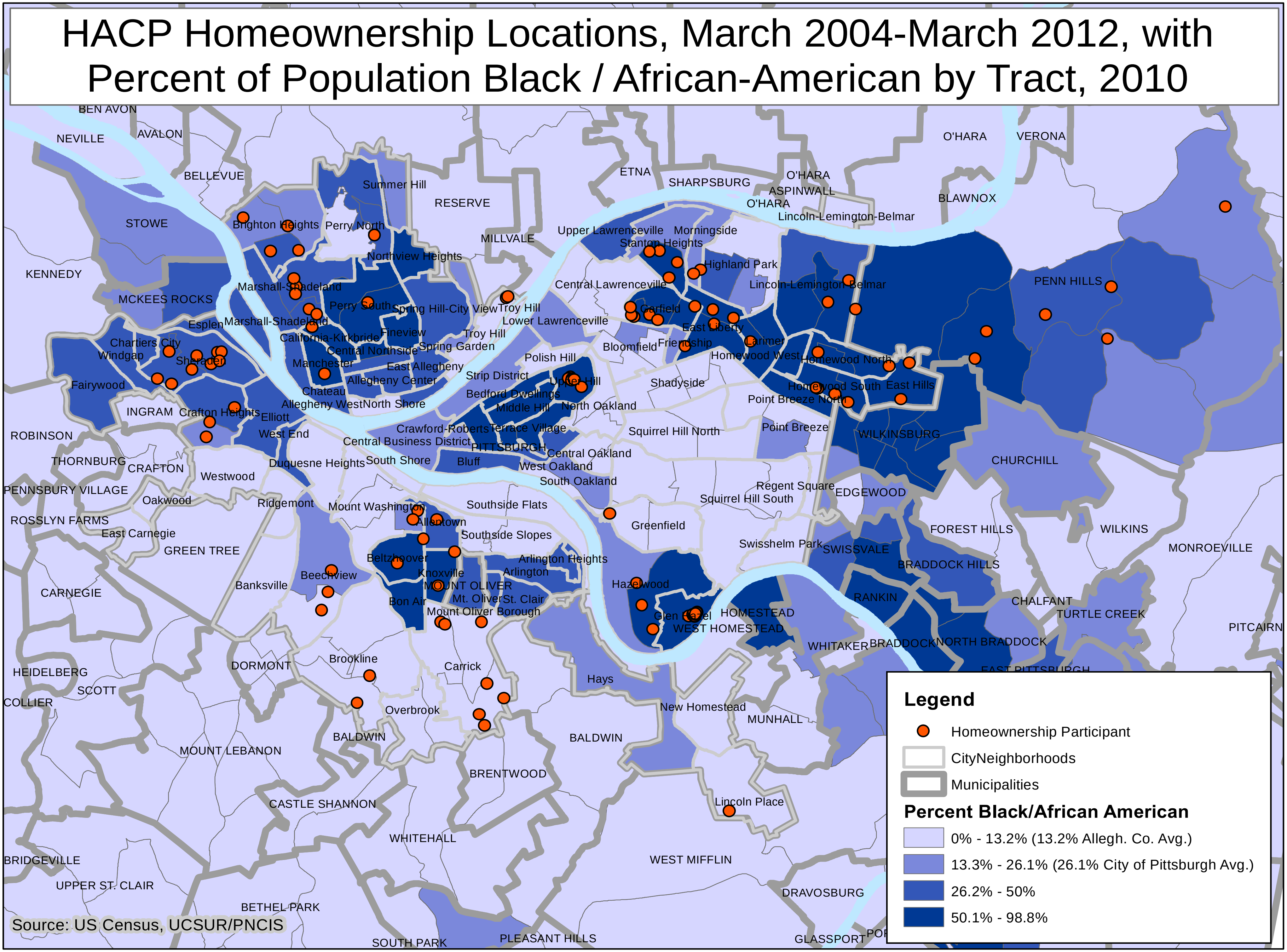
Map 2 2010-2011 Annual Average Tax Liens by 2012 Census Tract



Map 3 Median Family Income (March 2004-March 2012)

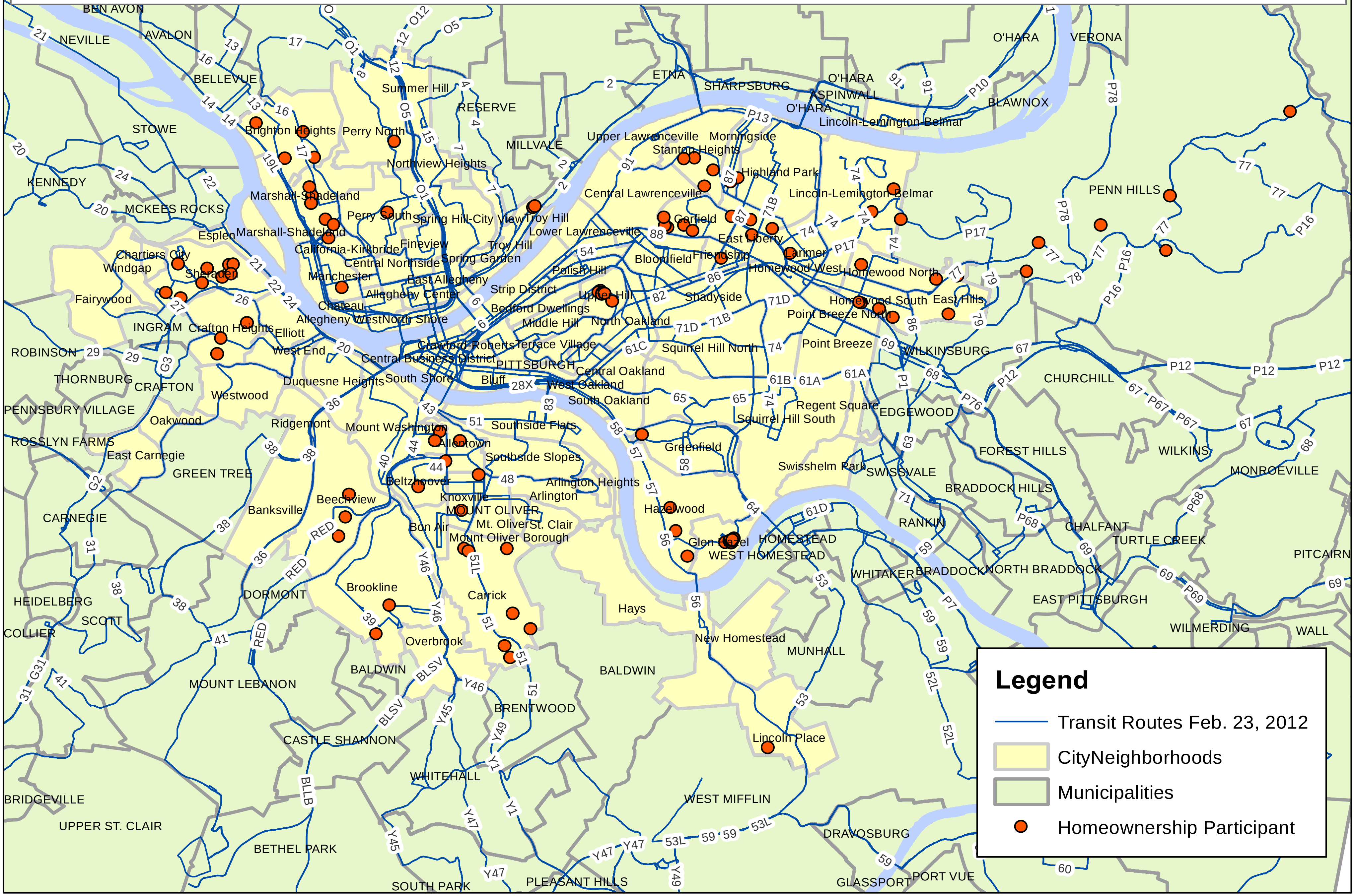


Map 4 Average House Age in Homeownership Locations by Neighborhood and Municipality



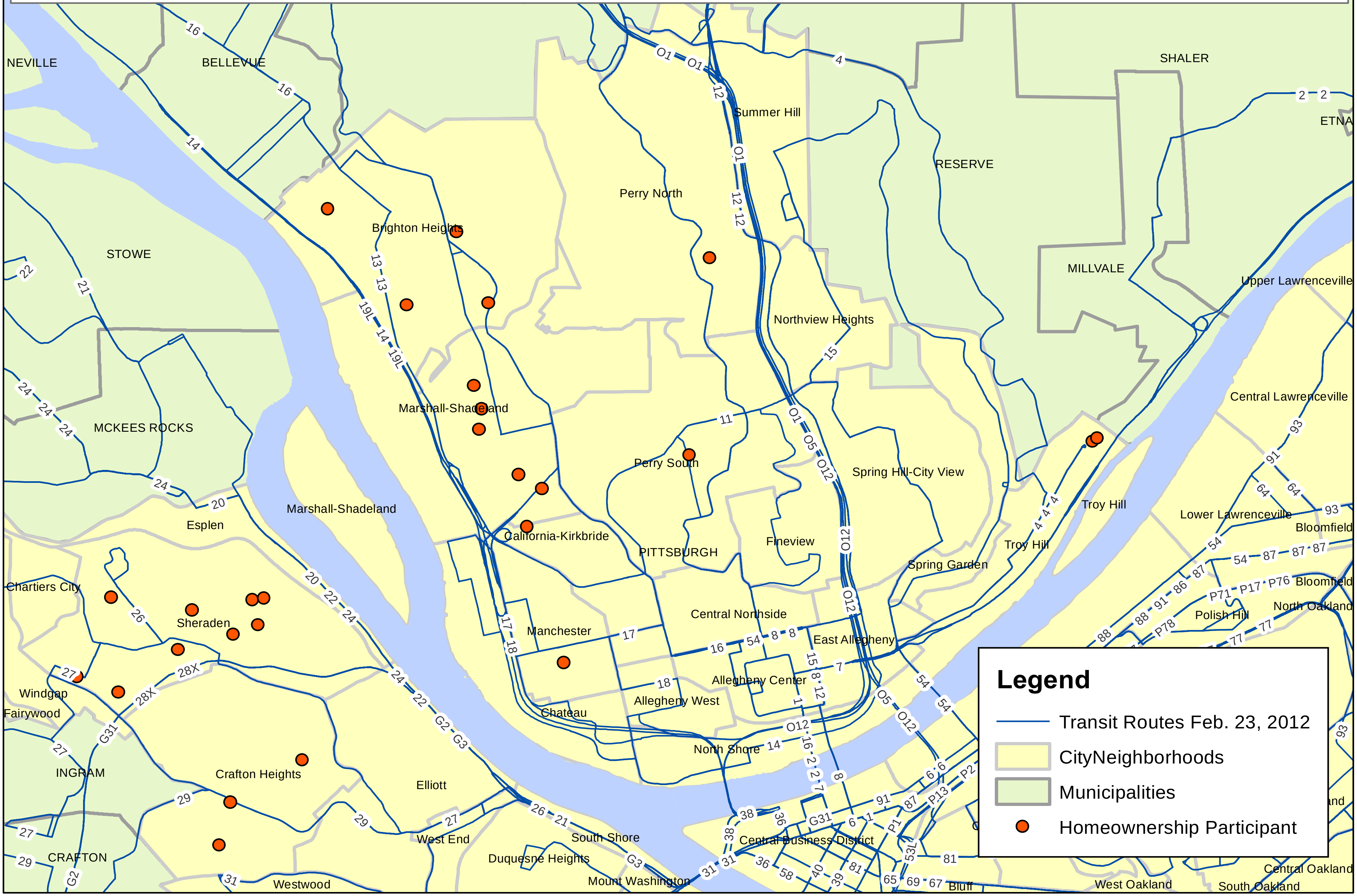
Map 5 Percent of Population African American/Black by 2010 Census Tract

HACP Homeownership Locations, March 2004-March 2012, with Port Authority Transit Routes February, 2012

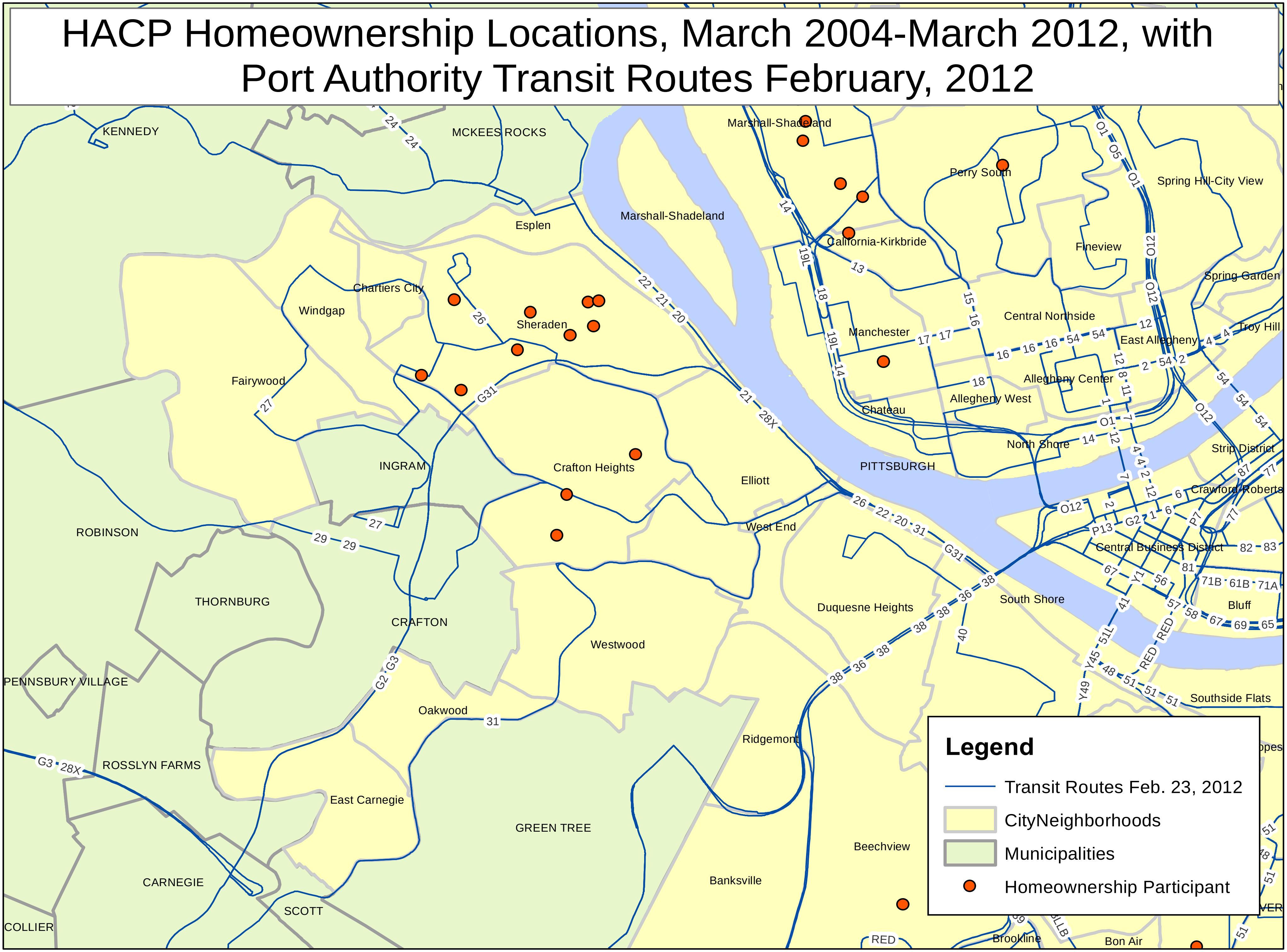


Map 6 Percent of Population African American/Black by 2010 Census Tract

HACP Homeownership Locations, March 2004-March 2012, with Port Authority Transit Routes February, 2012

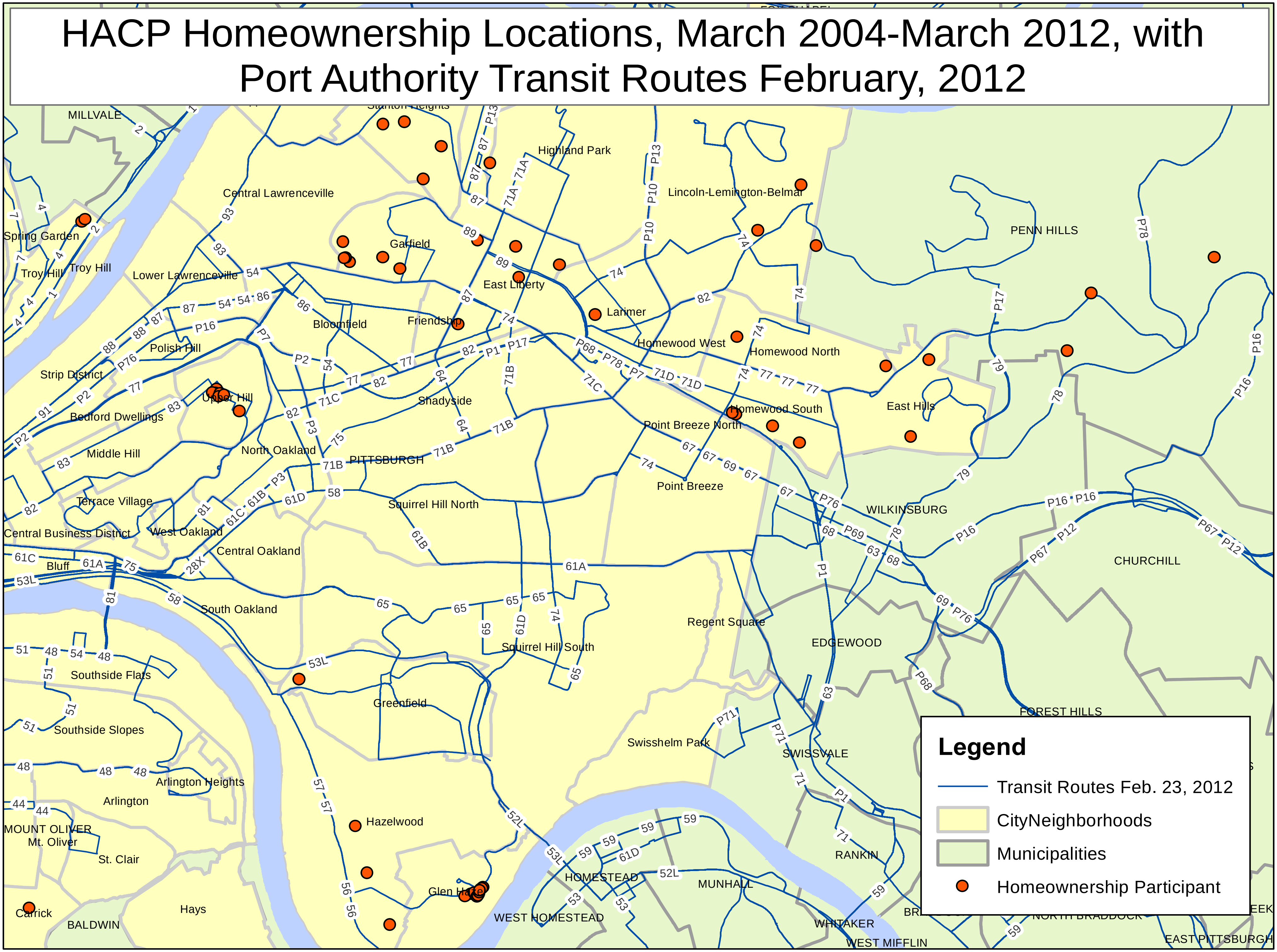


Map 7 Port Authority Transit Routes North February 2012

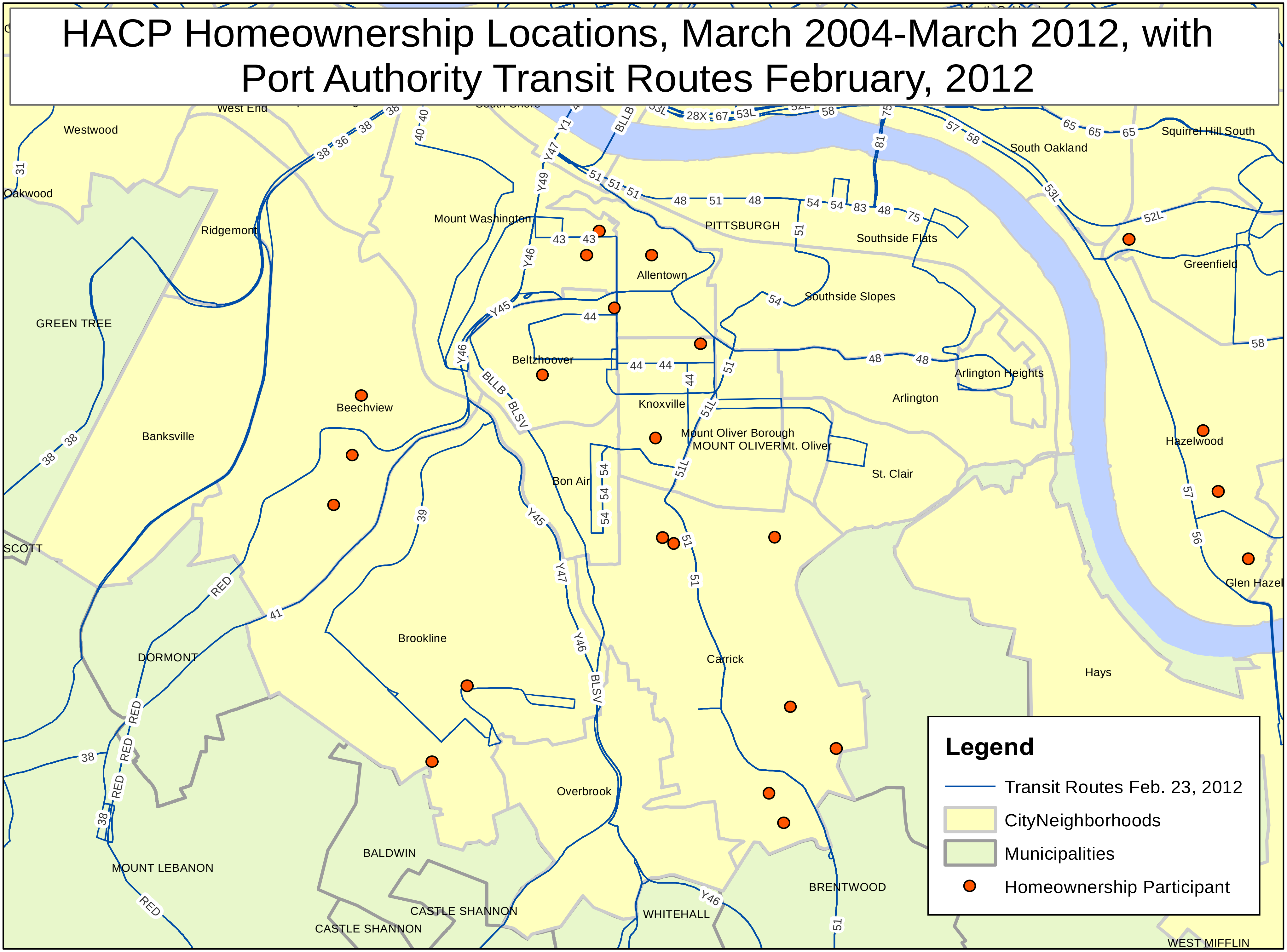


Map 8 Port Authority Transit Routes West February 2012

HACP Homeownership Locations, March 2004-March 2012, with Port Authority Transit Routes February, 2012



Map 9 Port Authority Routes East February 2012



Map 10 Port Authority Routes South February 2012