

2016

ACCOMPLISHMENTS REPORT

April 1, 2015 - March 31, 2016





PHILADELPHIA HOUSING AUTHORITY

OPENING DOORS TO OPPORTUNITIES

KELVIN A. JEREMIAH
PRESIDENT & CEO

12 S. 23RD STREET
PHILADELPHIA, PA 19103

215.684.4112
PHA.PHILA.GOV

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MISSION

The Philadelphia Housing Authority's mission is to open doors to affordable housing, economic opportunity, and safe, sustainable communities to benefit Philadelphia residents with low incomes.








STRATEGIC DIRECTIONS PLAN

In December 2015, the PHA Board of Commissioners approved a 5-year Strategic Directions Plan containing 12 strategic priorities.


1  Preserve and expand the supply of affordable housing available to Philadelphia's residents with low-incomes;

5  Improve access to quality housing choices and opportunity neighborhoods through the Housing Choice Voucher Program;

9  Strengthen existing relationships and forge new public, private, and philanthropic partnerships to support PHA's strategic goals;

2  Achieve excellence in the provision of management and maintenance services to PHA residents;

6  Incorporate energy conservation measures and sustainable practices throughout PHA operations;


10  Make PHA an employer of choice with an accountable, diverse, trained, and productive workforce;


3  Create safe communities in collaboration with neighborhood residents and law enforcement agencies;

7  Improve customer service, streamline operations, and create a business model that is data-driven and high-performing;

11  Ensure that PHA is a good neighbor and reliable community partner; and

4  Enhance resident well-being and independence through partnerships for employment, job training, education, health, and other evidence-based supportive services;

8  Conduct PHA business in an open and transparent manner that promotes accountability and access, ensures diversity, and adheres to the highest ethical standards;

12  Encourage innovation and promote PHA's financial health through ongoing participation in the Moving to Work Program.

MESSAGE FROM

The PHA President & CEO and The Board Chair



PHA has had another outstanding year in providing affordable housing opportunities and supportive services to low income families and seniors in Philadelphia.

We have made substantial progress in four areas: housing our nation's veterans, preventing and reducing homelessness, revitalizing neighborhoods, and supporting families and communities.

The agency was honored for its part in effectively ending veterans' homelessness by the Secretary of Housing and Urban Development (HUD). Nearly 200 veterans received housing with PHA's help through the VASH voucher program.

The number of vouchers issued by the authority was expanded by more than 3,000 as PHA worked with the City and other partners to provide permanent housing to 2,000 families and individuals from homeless shelters and transitional housing systems. Over 18,000 families now have housing through the voucher program.

PHA began work on a legacy development this past fiscal year with the groundbreaking of the first phase of the Sharswood/Blumberg Transformation Plan in North Philadelphia, a \$22 million investment. PHA also established the Sharswood Small Business Fund to encourage the improvement and expansion of neighborhood businesses on Ridge Avenue.

The agency also completed several developments and held grand openings at Queen Lane, Gordon Apartments, and the award-winning Oakdale Street. The Oakdale Street development has received four industry awards since its opening in July. These new developments combined represent over \$35 million invested in long-standing neighborhoods within Philadelphia.

PHA is also looking forward to the start of the redevelopment of North Central Philadelphia and the replacement of the old low-rise units at Norris Apartments, as well as adding to the housing stock with a mix of market rate and affordable rentals and homeownership.

PHA, through its participation in the Rental Assistance Demonstration (RAD) program, is actively preserving or creating more than 3,800 housing units, while generating nearly \$100 million in private capital funds.

The housing authority has also continued its leadership as one of the City's largest supportive service agencies. Our self-sufficiency efforts have helped families increase their incomes by well over 40 percent between 2013 and 2015.

Finally, we are thrilled to announce that HUD has renewed through 2028 our Moving to Work (MTW) status. The MTW program is critical to the regulatory and funding flexibility that has helped the agency develop award-winning communities and programs.

On behalf of PHA's board, management, and staff, thank you for your partnership as we open doors to opportunities.

Sincerely,

Chair, Board of Commissioners

President & CEO

MESSAGE FROM

Mayor James Kenney

In a city with such a dire need for affordable housing, it is indeed laudable to see that PHA has found a formula to substantially increase the number of households it serves. A good portion of the increase has come as the result of PHA reaching out and working with nonprofit providers combining PHA funding with other sources to develop more housing.

This strategy reflects not only a spirit of cooperation on PHA's part but an acknowledgement that the agency doesn't have to go it alone in helping low-income families and disabled citizens find quality homes. No one has a monopoly on great ideas and that is why it is so important for PHA, all of the City's housing departments and the private development community to work cohesively toward the shared goal of increasing the availability of homes for low-income and workforce families. PHA's leadership and I are deeply committed to that proposition.

The housing authority's plan for a transformation of the Sharswood community in North Philadelphia has the potential to be truly historic. A neighborhood torn apart by riots in the 1960's can and will become a community where families will choose to live. The Blumberg high rise towers have come down and construction workers are already busy building the first phase of homes.

PHA has taken a holistic approach to Sharswood's revitalization, meaning the agency is working with the School District and business interests so that as new homes are built businesses can locate in the area and children can attend a quality public school. The Redevelopment Authority continues to work closely with PHA to make land available for the multiple phases of the Sharswood-Blumberg neighborhood to be built over the next several years.

Another area of partnership is PHA's ongoing efforts to rehabilitate scattered homes it owns on blocks, largely in North and West Philadelphia. Each time one of these homes is converted from a blighted property to an active home it enhances the block and generates momentum toward other owners improving homes on the same block. In addition, the scattered sites program is enabling PHA to contract with smaller minority and women-owned construction companies who don't have the resources to bid on larger development projects.

PHA's efforts fit nicely into the City's priorities. That includes providing housing opportunities for families living in shelters and




transitional housing. Our Office of Homeless Services is working closely with PHA to ensure the program delivers appropriate places to live and the services to help those families overcome issues such as domestic abuse.

While housing is clearly PHA's primary mission, its initiatives to moving non-disabled residents toward self-sufficiency is also an important component of PHA's work, one that the City supports through our Office of Community Empowerment and Opportunity. One of the most gratifying outcomes that I have seen is the increase in the average PHA family's income, a trend we will work to continue.

Congratulations to PHA on a year of major contributions to our city's neighborhoods. Combined with our plans to renovate public facilities throughout the City, we can create a synergy that will upgrade communities for the benefit of our citizens at all income levels.

Supportively,


Mayor

THE YEAR AT A GLANCE



18,437

Housing Choice Voucher Program Households



1,594

New Families Served



611

Veterans and Their Families Housed



203

Additional Vets Served



22

New Homeowners



\$219,000

in Scholarships Awarded to 55 Residents



\$2,700,000

Jobs Plus Grant



\$500,000

Small Business Development Fund for
Ridge Avenue Commercial Corridor



MOVING TO WORK

The Philadelphia Housing Authority is among 39 public housing agencies that take part in the Moving to Work (MTW) Demonstration Program. The U.S. Department of Housing and Urban Development recently renewed PHA's participation in the program through 2028.

Congress created the program in 1996 to give housing agencies flexibility, regulatory relief, and the ability to innovate, so that housing and services for low income families and communities would be improved.

PHA and other MTW agencies have Single Fund Authority. This permits them to combine public housing operating funds, Housing Choice Voucher (Section 8) funds, and certain capital funds into a single fund. This allows PHA to allocate funding to a number of MTW-eligible activities that best suit Philadelphia.

Under MTW, PHA has three overall goals to guide its operations: quality living environments, self-sufficiency, and economic viability. The flexibility granted to PHA as an MTW agency allows the development of locally designed strategies and solutions that lead to dramatically better outcomes for PHA-assisted households, PHA-owned real estate, and the PHA organization.

Select accomplishments by PHA under the MTW program are highlighted in this report.

REVITALIZING NEIGHBORHOODS

In March 2013, PHA launched its “6 in 5” Initiative, a program designed to create or preserve 6,000 affordable housing units over a 5-year period.

PHA has 3 strategies to make “6 in 5” a success:

- Self developed units
- Affordable Housing Preservation
- Public, Private and Philanthropic Partnerships

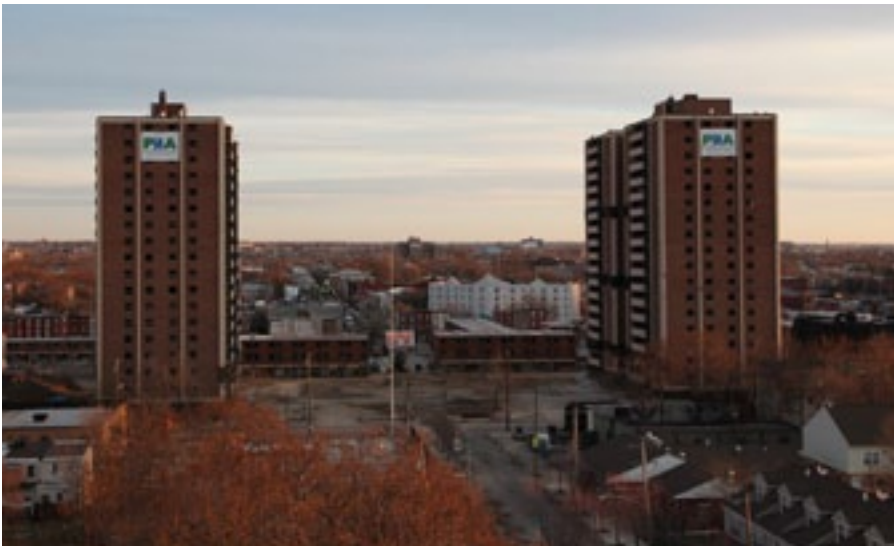
PHA’s redevelopment plans are possible because of support from residents, like-minded partners, elected officials, and community members. The housing authority continues to develop vibrant, sustainable communities and promote revitalization in neighborhoods throughout the city with their help.







Implosion of a Super Block - The Heart of the Matter



Just one day before the official start of Spring 2016, demolition crews imploded two aging high-rises that were located on the Blumberg Apartments superblock in North Philadelphia's Sharswood neighborhood.

Following an early morning ceremony on March 19, those in attendance could hear a loud crack, crack, crack as the charges inside the former residential structures went off. It seemed for a moment like the structures refused to fall, but they did. After the dust settled and crews began to hose down the debris, some people raced to grab bricks and other items as memorabilia. Only the 13-story senior high-rise at the location remains and will be rehabbed and modernized for seniors. Obsolete low-rise buildings were also demolished.



The Sharswood/Blumberg Transformation Plan calls for reconnecting 23rd Street between Jefferson and Oxford Streets, eliminating the street-less superblock on which the site was built, and restoring the development's integration in the neighborhood. A second connector, Bucknell Street, will be added between 23rd and 24th Streets to improve the navigation neighborhood streetscape.

Energizing the Ridge Avenue Commercial Corridor

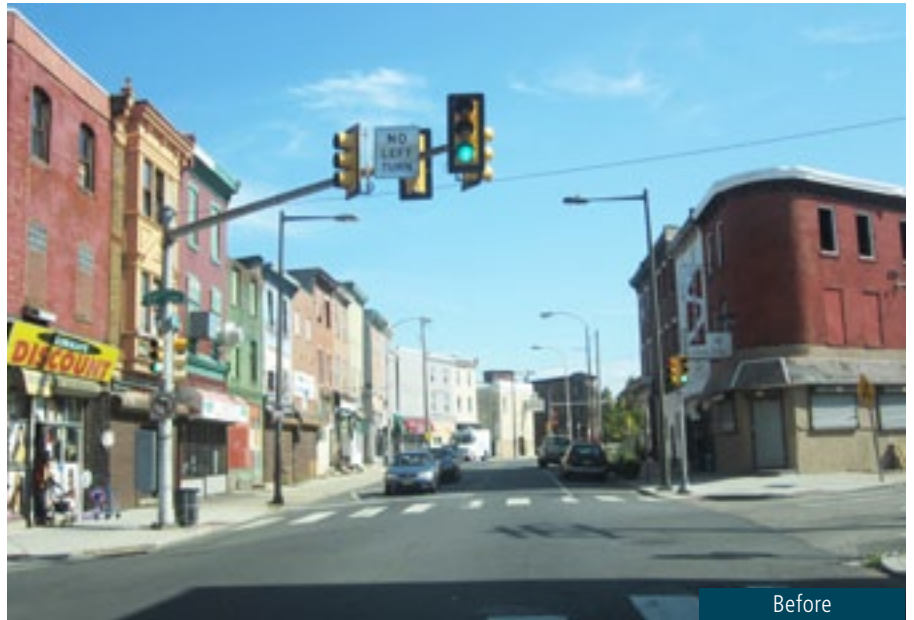
The renewal of the Ridge Avenue commercial corridor is a key objective of the Sharswood Blumberg Choice Neighborhoods Initiative. The vitality of the avenue is critical to the overall health of the neighborhood, so that services and employment are within walking distance for residents of the community.

PhillySEEDS, the charitable subsidiary of the Philadelphia Housing Authority, is partnering with the Santander Bank Foundation and The Enterprise Center (TEC) to support the commercial revitalization of Ridge Avenue. The partnership has started a \$500,000 Small Business Development Fund (SBDF) with the aim of helping existing businesses and developing new ones.

Under the partnership agreement, PhillySEEDS is providing \$70,000 in funding to TEC to support the position of business recruiter/commercial corridor manager over a two-year period. The Philadelphia Commercial Development Corporation (PCDC) donated that nonfederal money to PhillySEEDS to support the commercial revitalization effort. The Santander Bank Foundation donated another \$75,000 to the effort. TEC will direct \$200,000 in loan funds from the Small Business Administration (SBA) to existing small businesses along the corridor as well as startups.

TEC provides entrepreneurial and small business education, training, development, consulting and advanced financial intelligence for business growth, free of charge, to any business entity participating in the SBDF. These in-kind services from TEC are valued at up to \$155,000 over the two-year term of the agreement, which expires in 2017, bringing the total value of the fund to \$500,000.

Business owners or developers who take part in the SBDF must complete the small business training course offered by TEC. They can also take part in the fund by receiving comprehensive consultative services or technical assistance and meet the Center's lending criteria.



Before



After





Construction Begins For a Legacy Development

PHA broke ground on the first phase of the legacy Sharswood/Blumberg Transformation Plan in August 2015. Fifty-seven affordable rental units are under construction on three parcels of vacant land owned by PHA adjacent to the Norman Blumberg Apartments in a neighborhood that is one of the poorest and most neglected in the city.

Blumberg Phase I is also marked the first time that PHA took part in the Rental Assistance Demonstration Program (RAD). RAD is an affordable housing finance program that was created by the federal government to enable public housing authorities to leverage private financing in an affordable housing project by converting public housing subsidies to Project Based Voucher (PBV) subsidies. In this transaction, PHA leveraged \$2.6 million in additional funds from the RAD conversion.

In February 2014, the Pennsylvania Housing and Finance Agency (PHFA) awarded nine percent Low Income Housing Tax Credits for Blumberg Phase I. The announcement marked the first nine percent credit award for PHA in nearly four years. This allowed PHA to generate \$12.6 million through private equity funds which is approximately 60 percent of the \$22.2 million total development cost. Blumberg Phase I is also PHA's first RAD project.

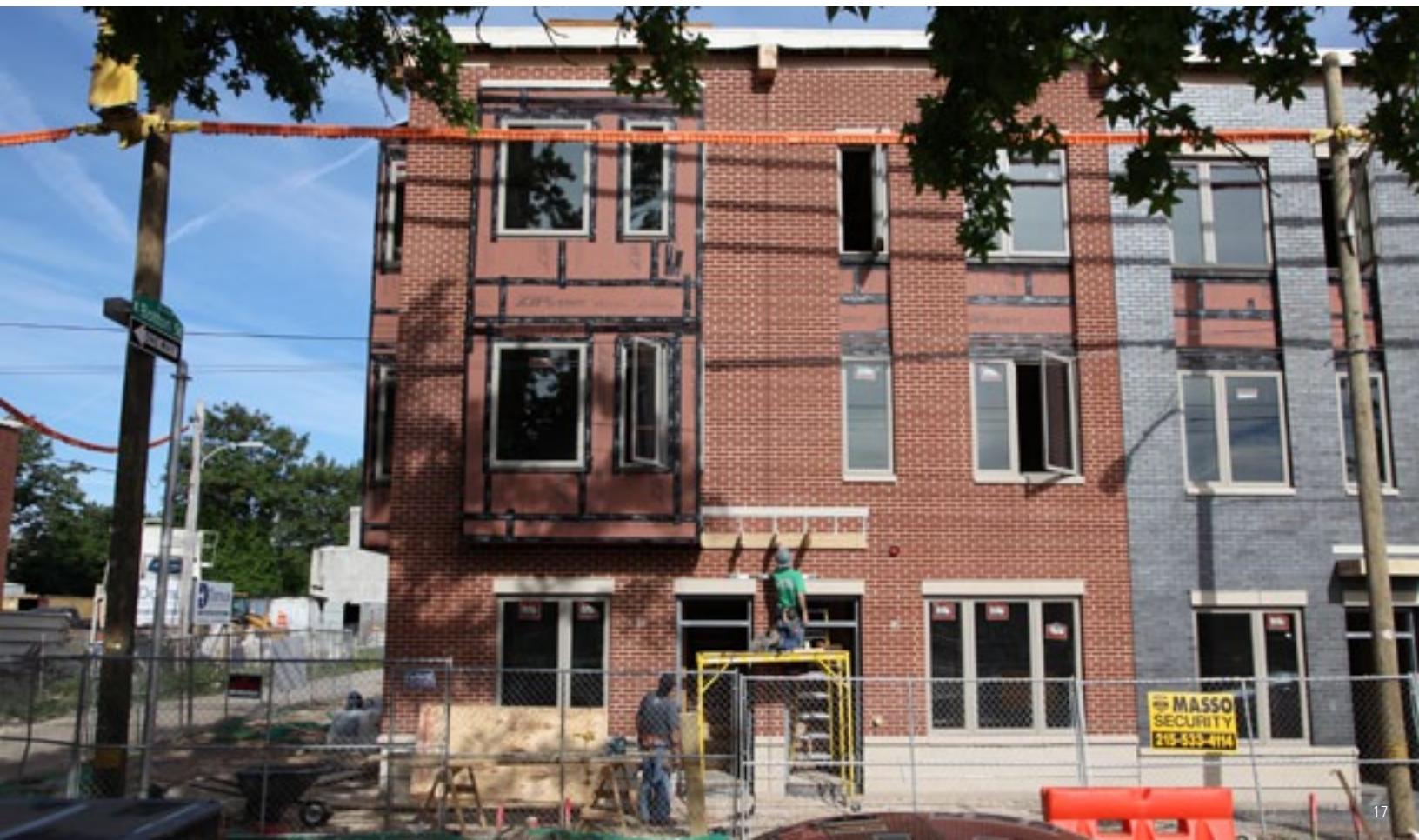
In 2015, the Philadelphia City Council approved PHA's plan to acquire nearly 1,300 parcels of land, comprised of 800 private and 500 public parcels. The overwhelming majority of those parcels were vacant land or structures. This assemblage is critical to the successful completion of the transformation plan, to maintain affordability in the area, and to make Sharswood/Blumberg a neighborhood of choice.



Blumberg Phase I

This first phase of redevelopment consists of 57 new townhouse units with a management office and community space that will meet Enterprise Green Community Standards.

PHA's vision under the Sharswood/Blumberg transformation plan is to create sustainable, energy efficient, affordable housing, as well as increase critical amenities that will make Sharswood a neighborhood of choice.





A Historic Neighborhood

The Oakdale Apartments that opened in July 2015 changed the landscape at the northern edge of the Strawberry Mansion neighborhood, converting a long vacant piece of land and putting it to productive use. Over the past several decades, this historic neighborhood in North Philadelphia had seen little to no private investment.

The Oakdale Apartments show what's possible in a limited space. These 12 units have a modern design matching the design of the adjacent library building to move the aesthetics of the neighborhood forward. The development contains eight two-bedroom townhouses and four one-bedroom duplex units ranging from just over 700 to more than 1,200 square feet.

The design of each unit employs an open space concept, which creates a greater sense of space and allows greater use of the perimeter of each room.

These homes have front and rear lawns that aid drainage while improving the appearance of the neighborhood. Pervious concrete was poured at the front of the development to also help drainage while planter boxes in rear were installed for underground water infiltration to control runoff.



Oakdale Street Apartments were built to Energy Star standards. An energy usage audit done for Philadelphia Gas Works and reviewed by the company's third-party consultant showed that the development conserved over 20 percent more energy than the average new home built in Philadelphia.

The Pennsylvania Association of Housing and Redevelopment Agencies and 10,000 Friends of Pennsylvania have recognized this development's design with awards.

Good Things Come in Small Packages

The new Gordon Apartments that opened in September 2015 are another example of what's possible on small, vacant pieces of land. Once again, PHA put vacant land back into productive use in a neighborhood where quality affordable housing is needed.

This 21-unit development, like the Oakdale Apartments, is located in the historic Strawberry Mansion neighborhood of North Philadelphia. It occupies what was a mostly vacant square block with a mixture of walkup units and townhomes.

The design of the Gordon Apartments is modern, attractive and efficient to brighten the neighborhood while employing a row house or townhome concept that is consistent with the surrounding homes. All units are built to Energy Star Standards, making them significantly more energy efficient than standard construction in the marketplace. By using less energy for heating, cooling, and water heating, Energy Star certified homes deliver approximately 20 percent savings on annual utility bills.

Energy Star certified homes also help to prevent air pollution and maintain the health of residents by reducing the potential for health related "triggers."



Comfort is ensured with consistent temperatures between and across rooms; indoor air quality is enhanced by reducing dust, pollen, bugs, and excessive humidity; and durability is improved with comprehensive water protection, windows that block damaging sunlight, and better grade equipment.

The Gordon Apartments and the Oakdale Apartments are part of a plan to add 100 units of affordable housing stock in the Strawberry Mansion neighborhood.

The New Queen Lane

Fifteen months after PHA imploded an obsolete high-rise in the historic Germantown neighborhood, the agency marked the opening of the new Queen Lane low-rise development.

The \$22 million development contains 55 affordable rental units in a mix of modern, efficient two-story flats, walk-up apartments, and threestory townhouses. The redeveloped site also features green space that was once a Potter's Field. The field, which fronts the redeveloped site, will be maintained as open space, with a historic marker.

The Queen Lane development represents affordable housing at its best, and highlights the great things that can happen when PHA and community partners work together toward common goals.



Making Properties Productive Again

As part of its overall Scattered Sites Strategy, PHA completed the rehabilitation of 54 scattered site units over the past fiscal year with another 18 under construction. The agency invested \$8.5 million toward this effort.

PHA completed a comprehensive study of its scattered sites portfolio in evaluating each unit based on its physical needs, market conditions in the neighborhood, development activity in those neighborhoods, and their proximity to the agency's management offices and other properties.

In an ongoing effort, the housing authority determines whether to rehab a unit or dispose of it, meaning selling, swapping, or transferring units to other housing providers, as well as the possibility of demolition.

It's PHA's belief that by working with city agencies, community development corporations, and others dedicated to neighborhood revitalization, blight can be eliminated while more sustainable communities are built.

In order to facilitate this strategy, the agency has awarded contracts for small construction management services and increased the number of minority and women-owned businesses to its vendor base.

The agency has auctioned off 494 vacant homes and lots. These sales in 2011 and 2013 generated \$9.5 million at a time when housing authorities were experiencing significant reductions in federal funding. Also, as a result of the auctions, over \$25 million in formerly tax exempt real estate is now part of the City's tax base.

More than \$8 million in tax abatements were granted on properties sold at PHA auctions, and the current market values on two thirds of the auctioned properties are higher than their sale prices, according to a study done by the University of Pennsylvania. The study also found that the vast majority of properties sold are code compliant and current on their real estate taxes.

In some instances, the owners of rehabbed properties have become Housing Choice Voucher landlords who serve PHA clients.



Scattered Sites - Before & After

PHA has been successful in the rehabilitation of scattered sites throughout the city. The agency is committed to the long-term management of its scattered sites portfolio through partnerships and economic initiatives that help to benefit residents in need.





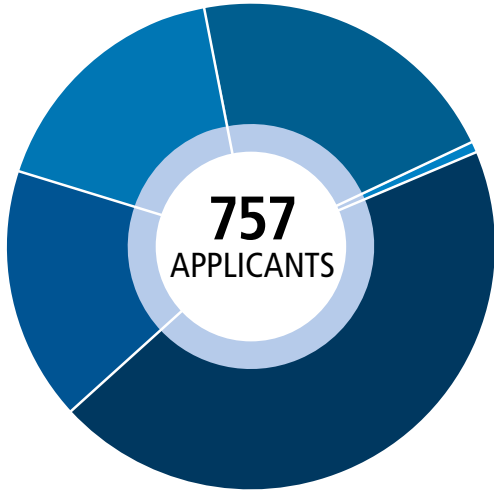
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HOUSING OPPORTUNITIES FOR ALL

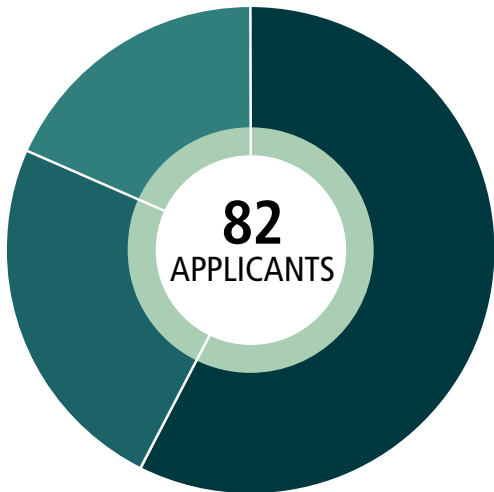
PHA has a wide ranging clientele with varying housing needs. It's a challenge that the authority takes on every day with pride and a sincere interest in helping each client meet their needs. This requires the operation of several special programs, as well as taking advantage of new funding methods.

FY 2016 Public Housing Statistics



PUBLIC HOUSING APPLICANTS PLACED:

- Public Housing: 336
- PAPMC (Tax Credit Sites): 129
- Alternative Management Entities: 127
- Homeless Families Successfully Housed: 160
- DHS - Youth Aging Out: 5



APPLICANTS PLACED REQUIRING WHEELCHAIR ACCESSIBLE UNITS:

- Public Housing: 47
- PAPMC (Tax Credit Sites): 20
- Alternative Management Entities: 15





Oakdale Apartment Applicants



Gordon Apartments Street Sign-Up



Queen Lane Apartments Opening

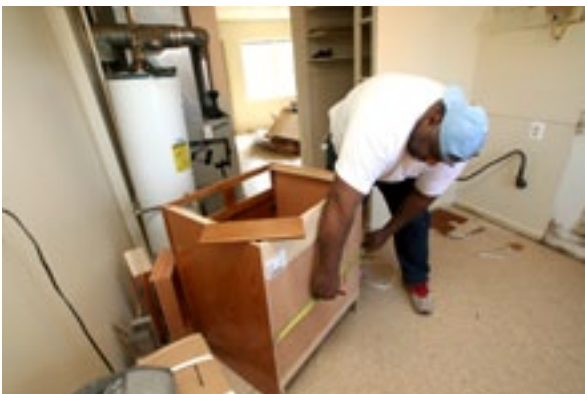


Queen Lane Grand Opening



Oakdale Apartments Grand Opening

Maintenance



Providing quality, affordable housing requires regular maintenance of the housing portfolio.

PHA's Maintenance Department expanded its efforts in making ready vacant units across the portfolio for occupancy by new residents. PHA turned over a total of 1,183 vacant units (1,026 Operations) in the 12 month period of January through December 2015, an increase of 156 more units than the 12 month period of January through December 2014.

Service orders are those repairs and enhancements required to repair, upgrade or maintain properties and the grounds around them. In FY 16, PHA completed 112,780 routine (including emergency) service orders across the portfolio.

Emergency service orders are those urgent situations that require repair or mitigation immediately. They include things such as heat outages in the winter, clogged toilets and burst pipes. In FY 16 to date, PHA completed 8,361 emergency service orders across the portfolio.

Each year, HUD requires a third party inspector to randomly select homes within a particular site to be inspected, also known as REAC Inspections. A site that has an overall score of 80 points or more (on a 100 point scale) is exempt from next year's inspections. In 2015, 22 sites scored high enough on their inspections to be exempt in 2016.

Maximizing the Housing Choice Voucher Program



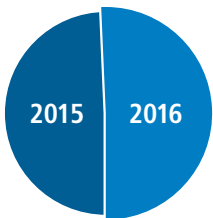
PHA's Housing Choice Voucher Program, which provides subsidies to eligible participants who lease private market housing, has once again recorded stellar results.



During the past fiscal year, the voucher utilization rate increased from 89 percent to over 93 percent, helping an additional 1,594 individuals and families obtain the housing of their choice.

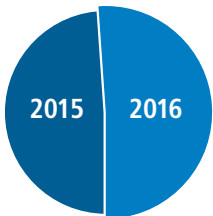
PHA now updates its voucher waitlist on a yearly basis, reducing it to approximately 18,000 applicants. Put another way, the agency pulled 555 applicants from the HCV waitlist, housed 1,806, and had 54 applicants looking for housing at the close of FY 2016.

HCV HOUSING STATISTICS



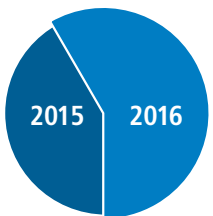
FAMILIES SERVED

FY 2015: 17,935
FY 2016: 18,437



VOUCHER UTILIZATION RATE

FY 2015: 89%
FY 2016: 93%



VETERANS HOUSED THROUGH VASH

FY 2015: 436
FY 2016: 611



Since FY 2014, PHA has housed over 3,800 individuals and families, including 1,510 from the waitlist, 401 through Veterans Affairs Supportive Housing (VASH) vouchers, 822 via project based vouchers, and 948 through the Blueprint to End Homelessness program.

PHA Housing Partnerships

Beginning in 2013, as part of the “6 in 5” Initiative, PHA began several partnership opportunities for the development of new low income housing units. Through the public housing and voucher programs, PHA is providing financing to organizations and developers to create new affordable housing projects throughout the City. These partnership projects are now coming to fruition and adding hundreds of affordable units. In addition, many of these housing opportunities are combined with supportive services provided on-site for residents.

PHA has created housing partnerships with the following organizations:

- Project HOME
- NewCourtland
- Impact Veterans Services
- HELP USA
- Archdiocese of Philadelphia
- Nueva Esperanza
- Hispanic Association of Contractors and Enterprises
- Inglis
- Pennrose Corporation
- Women’s Community Revitalization Project
- Norris Square Community Alliance
- Gaudenzia Foundation
- Liberty Housing
- 1260 Housing Corporation
- Mission First Housing Group
- CATCH, Inc.
- Methodist Family Services
- Intercommunity Action
- Community Ventures
- People’s Emergency Center
- Mt. Vernon Manor
- Presby’s Inspired Life

The following projects are complete, under construction or in the closing process:

| Development | Developer | Neighborhood | Target Population | Occupancy | Units |
|-------------------------------------|--|-----------------------|---|------------|-------------|
| 4050 Apts. | People’s Emergency Center | West | Homeless Families | May 2017 | 20 |
| Belmont Specialty Housing I | Inglis House | West (Wynnefield) | Disabled Individuals | June 2016 | 40 |
| Belmont Specialty Housing II | Inglis House | West (Wynnefield) | Disabled Individuals | June 2016 | 40 |
| Grace Townhomes | Women’s Community Revitalization Project | Port Richmond | Family | Sep 2016 | 36 |
| Mt Vernon II | Mt Vernon, LP | West | Homeless Families | April 2017 | 46 |
| Francis House - 810 Arch St. | Project HOME | Chinatown Center City | Homeless Individuals & Elderly Couples | Occupied | 94 |
| Tioga Family Center | Gaudenzia Foundation | North | Homeless Individuals and Families | March 2017 | 24 |
| Centennial Village | Community Ventures | West | Elderly, Disabled, Individuals & Families | Dec 2017 | 52 |
| Grovers Lane | HELP USA | Southwest | Veterans | Occupied | 61 |
| New Courtland at Allegheny Phase II | NewCourtland Senior Services | North (Allegheny) | Seniors | Sep 2016 | 45 |
| H.E.L.P. Philadelphia V | HELP USA | Northern Liberties | Veterans and Senior Veterans | 2017 | 37 |
| Haddington III | Mission First Housing Group | West | Families | 2017 | 48 |
| 2415 N. Broad St. | Project HOME | North | Homeless Individuals and Homeless Youth | 2017 | 88 |
| Norris Square | Norris Square Community Alliance | North | Family | 2016 | 29 |
| Roberto Clemente House | Nueva Esperanza | North | Family | 2017 | 38 |
| St John Neumann Place II | Archdiocese of Philadelphia | South | Seniors | 2017 | 52 |
| Lehigh Park I and II | HACE - Hispanic Association of Contractors | North | Family | 2017 | 74 |
| New Courtland at St. Bartholomew | NewCourtland Senior Services | Northeast | Disabled/Elderly | 2017 | 42 |
| NewCourtland at Allegheny Phase I | NewCourtland | North | Seniors | Occupied | 60 |
| Impact Veterans Family Center | Impact Services | North | Veteran | Occupied | 26 |
| St. Francis Villa | Archdiocese of Philadelphia | Kensington | Seniors | July 2016 | 40 |
| Witherspoon Senior Apartments | Presby’s Inspired Life | Kingessing | Seniors | 2017 | 60 |
| Cantrell Place | Presby’s Inspired Life | South | Seniors | 2017 | 61 |
| Anthony Wayne Senior Phase III | Elton Group LTD | Grays Ferry | Seniors | 2017 | 45 |
| TOTAL | | | | | 1158 |

SUPPORTING FAMILIES AND COMMUNITIES

PHA seeks to continue and expand its highly successful development and redevelopment efforts in order to increase and improve quality affordable housing opportunities for individuals and families.

To do so, the agency is partnering with public, private, nonprofit and philanthropic organizations to increase affordable housing production and is dedicating efforts to serve populations with particular needs.





Resident Programming

PHA's Community Operations and Resident Development Department (CORD) promotes, creates and provides realistic opportunities for self-reliance and self-sufficiency to all PHA residents through new innovation & technology, community partnerships, resident programming and educational resources.

The main objective of CORD's programs is to allow PHA residents the opportunity to achieve self-sufficiency at their fullest level, with CORD facilitating, encouraging, and monitoring the resident's success.

CORD offers a wide range of services to help residents:

- Homeownership Section 5(h) program
- Housing Choice Voucher Homeownership program
- Job Training programs
- GED, Refresher Course and ABE classes
- Section 3 compliance and job bank
- Summer Camp and After School programs
- Family Self Sufficiency program
- Community Outreach
- Scholarships from PhillySEEDS, Inc.
- Senior Programs
- Youth Programs



Job Plus Program

In December 2015, the U. S. Department of Housing and Urban Development awarded PHA a \$2.7 million Jobs Plus grant to help fund a test program designed to help residents gain employment and meet other personal and family goals.

Starting in the summer of 2016, PHA will run the program at Raymond Rosen Manor, making it more convenient for residents of that development to access the services they need to prosper. In effect, PHA will test a one stop workforce development service center while removing barriers to employment that might prevent residents from taking advantage of services that help them achieve self-sufficiency.

PHA will run Jobs Plus in partnership with Philadelphia Works, PA Career Link, Commonwealth of Pennsylvania-Departments of Education and Human Service, the Public Health Management Corporation and Joseph J. Peters Institute, the Mayor's Office of Community Empowerment & Opportunity, Philadelphia Lawyers for Social Equity, Boys & Girls Clubs of Philadelphia, Temple University, Opportunities Industrialization Center, and Manpower.

PHA and its partners are investing combined resources valued at \$6.79 million over a four year period, in addition to the \$2.7 million grant.





FAMILY SELF SUFFICIENCY PROGRAM

In 2015, the Family Self Sufficiency (FSS) program was opened again for PHA residents that were eligible and able to complete the program within five years upon execution of their Contract of Participation. At the end of 2015, The FSS program reached its maximum allowed enrollment of 300 participants. Over the next 5 years, each participant's progress and success will be monitored by their FSS Coordinator where the final outcome is to accomplish their personal goals. In December of 2015, The Family Self Sufficiency Program was awarded a grant for \$414,000 to cover a 12-month period.



SCHOLARSHIPS

In 2015, PhillySEEDS, Inc., a Philadelphia Housing Authority subsidiary, awarded \$219,000 in scholarships to 55 PHA residents seeking higher education, a \$16,000 increase from a year earlier.

The scholarship program is another great way that PHA empowers residents and helps families reach self-sufficiency through education and training resources necessary for them to succeed in a competitive economy and in life.

Since the inception of the program in 2013, PHA has awarded \$579,000 to 144 residents. Funds for the scholarships come from PHA's operating budget, fundraisers, and vendors as part of their Section 3 commitments.



HOMEOWNERSHIP

Also in calendar year 2015, the total homeownership sales were 22. Twenty sales were from HCV transactions and three were from Section 5(h).

Attendance at PHA Housing Counseling Workshops totaled 1,001 in calendar year 2015.

ASSETS FOR INDEPENDENCE GRANT

During calendar year 2015, the Homeownership and Youth Departments received 158 applications for the Assets for Independence (AFI) Grant. Out of the 20 Homeownership slots allocated for this grant, all of the slots are filled with residents who are in the homeownership process; and are either completing their housing counseling certification, finding a home, or waiting for the six month period to occur. The Homeownership Department received two settlements from the assistance of this grant where each participant received \$4,000 each for the use of their closing costs.

All AFI eligible candidates must save towards their goal with a minimum of six months through a bank account from either PFCU or PNC Bank.

The last AFI asset, Entrepreneurship, has two slots that have also been filled. The AFI team will conduct a business plan review for the applicants. If scored and approved, these residents will receive the 8:1 match from their current IDA savings account.

YOUTH PROGRAMS

In FY16, CORD hosted youth enrichment programs to benefit PHA's youth population, including the following:

Youth Explosion

Over 200 people were in attendance at the CORD Youth Explosion in May 2015 at the John F. Street Community Center. Youth Program vendors were on site providing information about after school programs and summer camps. Job Corps representatives were also present to provide information on their services and programs.

Summer Food Program

The 2015 Summer Food program served 68,639 nutritious meals, a 12 percent increase over the previous year. The Summer Food program was complemented by PHA Summer Camps at 20 sites.

STEM Challenge

In the STEM (science, technology, math, engineering, arts and mathematics) Challenge, youth at Bartram Village and Paschall Village competed in a Build-a-Bridge contest during the first week in August 2015 as part of the initiative in the Legacy Summer Camp program. The projects were judged based on the poster presentation of the project, the aesthetics of their bridge design, and the amount of weight held prior to collapse. Contest winners were chosen from each site.

Back to School Jam

Also in early August 2015, CORD hosted the annual Back to School Jam for PHA residents, and non-residents, handing out book bags with school supplies and food while providing entertainment to over 500 guests. Citizens Bank donated 500 book bags for the event. CORD staff also went site to site distributing book bags filled with school supplies to youth at PHA family sites. Over 2,000 book bags were distributed to students to prepare them for the school year.

Spelling Bee

CORD hosted an agency-wide spelling bee on August 19 for youth enrolled in our after school programs. Over 100 students participated with nine of them winning 1st, 2nd and 3rd place trophies and awards.

Feed the Community

In mid-December 2015, in collaboration with the Foundation for the Betterment of Humanity, CORD hosted a Feed the Community event. Participants were served meals, and toys were distributed to children attending PHA after school programs, and community youth.

Real Talk

CORD hosted a "Real Talk" session for youth during the MLK Day of Service in January 2016. Youth from PHA and the surrounding communities attended and discussed topics plaguing the community. Local police officers, as well as leaders in the community were present for the event to speak, listen and engage with the youth. The youth also made public service announcements relating to the topics discussed during the sessions.





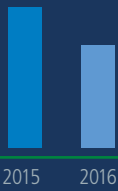
PHAPD: Making Residents Safer

The PHA Police Department (PHAPD) shined over the past year as violent crime fell by 27 percent and overall crime was down by 13 percent. Preventive patrols created a drop in the arrest rate of 8.8 percent.

The department has also followed up on an earlier commitment with the addition of five police officers who are PHA residents. They graduated from the Philadelphia Police Academy and were sworn in as licensed police officers. Two more residents are currently attending the police academy. The agency has an overall goal of adding ten officers who are residents.



PHA Crime Statistics



VIOLENT CRIME DOWN 27%



OVERALL CRIME DOWN 13%

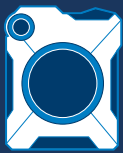


ARRESTS DOWN 8.8%

New PHAPD Equipment



80 TASERS



80 BODY CAMERAS



15 MOBILE DATA TERMINALS

PHAPD acquired new technology to improve service to public housing residents and the general public. Patrol officers have begun using body cameras to improve transparency and evidence gathering. The cameras used by housing authority police are the same model used by city police and transit police officers.

Officers on patrol are providing better service to residents, now that they can receive information more quickly following the installation of mobile data terminals in 15 patrol cars. The department also acquired Computer-Aided Dispatch & Automated Records Management Systems for the radio room and mobile data terminals. Further, PHAPD became part of the Pennsylvania Justice Network (JNET) that allows criminal-justice and other public-safety resources to be shared among federal, state, county and municipal agencies.



The department realigned its Regional Commands North and South to more closely resemble the Philadelphia Police Department model, creating more continuity between organizations.

PHAPD improved community outreach with the reestablishment of the Police Advisory Board in September 2015. The department also established the Community Health Enlightenment Empowerment Resource Services (CHEERS) Program in conjunction with Philadelphia Police Department. This six week program is geared toward 8-17 year-olds and targets youth at Norris, Harrison, Spring Garden, Richard Allen and Cambridge developments. CHEERS provides them with the necessary tools to make well informed decisions when confronted with situations that may negatively impact their lives.



ENTERPRISE

PHA the Economic Engine

Providing affordable housing opportunities and supportive services to individuals and families with low income is at the heart of PHA's mission. PHA not only provides housing assistance through its Public Housing and HCV programs but also offers various homeownership opportunities and provides over \$8 million annually to support programs and services to help residents become self-reliant. PHA's growing resident population of nearly 80,000 is enough to create the 5th largest city in Pennsylvania. It takes many departments and employees coming together collaboratively to do this great work. That is why PHA strives to be an employer of choice.



Doing Business with PHA

Twice a year, PHA hosts a business networking event to provide suppliers with the opportunity to learn how to become a vendor for the agency.

Prospective vendors learn about upcoming contract opportunities, prequalification, submitting proposals, bidding procedures, Section 3 compliance, minority and women-owned business participation, and bonding and insurance requirements.

A total of 92 vendors took part in these events in FY 2016.



Supplier Diversity

PHA's Supply Chain Management (SCM) Department plays a key role in the business success of the agency and ultimately businesses in the city and region.

- For the first time ever, SCM completed the procurement of electric and natural gas from the commodity futures market. This has the potential to save PHA 20 percent or more per year in energy costs over the next three years.
- In FY 2015, Philadelphia businesses received \$26.2 million of the total PHA contracted procurement spend of \$73 million. In other words, 35.8 percent of the agency's spending went to city businesses.
- PHA also posted an MBE/WBE participation rate of 42 percent MBE and 32 percent WBE
- Philadelphia based businesses or organizations received \$152.8 million out of total disbursements of \$241.2 million in FY 2015. That's 63.3 percent of all disbursements.
- The housing authority works closely with all Chambers of Commerce, the City's Procurement Department, the City's Department of Sustainability, and the School District's Procurement Department to share MBE/WBE lists, contracts for piggybacking, and energy procurement knowledge.



Office of Policy and Planning

The major accomplishments of the Policy and Planning Department for FY 2016 include the submission of the Choice Neighborhoods Sharswood/Blumberg Community Transformation Plan to HUD, which resulted in HUD's acceptance of the plan in March of 2016, executing several Memoranda of Understanding (MOU) with outside organizations, securing grants, developing and receiving Board approval for the Smoke Free Policy, Section 3 Policy, Contracts and Procurement Policy, establishing the policy for the Rental Assistance Demonstration Program under the Admission and Continued Occupancy Plan and Housing Choice Voucher Administrative Plan.

In the past year, Policy and Planning raised \$11 million in grants and leverage to fund core PHA programs and initiatives. Over \$2.7 million in government and \$425,000 in foundation grants was awarded, which will support a variety of programs, including employment training, family self-sufficiency program, the summer food initiative, financial savings, implementation of PHA's Smoke-Free Policy, the Sharswood Early Childhood Education Program, and the Ridge Avenue Small Business Incubation Fund. In addition, over \$6.7 million in leverage was acquired to support the programs and initiatives in agreements with a variety of partners.

The following is a listing of the partnerships established within this Fiscal Year:

- Habitat for Humanity
- Beech Interplex
- Temple University College Education
- Philadelphia Youth Network
- Philadelphia School District - Urban Technology Fellows
- Norris Community Resident Council, Incorporated
- Youth Advocate Programs
- City of Philadelphia - Office of Housing and Community Development
- The Enterprise Center
- Philadelphia Works, Inc.



Office of Audit and Compliance

In FY 2016, the Office of Audit and Compliance successfully performed investigative, audit and compliance-related activities relating to PHA's operations, programs, and services.

This has reduced risks and ensured that policies, procedures, laws, and regulations are followed, established standards are met, resources are used efficiently and effectively, and PHA objectives are achieved.

Other highlights for FY 2016 include:

- 26 fraud cases were forwarded to the District Attorney's office for egregious amounts owed to PHA, totaling \$887,552 - 24 arrests from these cases were completed during the fiscal year
- OAC ensured PHA's efficient and transparent cooperation with and response to 4 HUD oversight reviews
- OAC issued citations and/or back wage payments totaling \$96,880



| OAC BY THE NUMBERS | |
|-----------------------------------|-----------|
| Complaints Received | 703 |
| Investigations Opened | 426 |
| Open Investigations Substantiated | 236 |
| Restitution to PHA | \$264,513 |

PHA Customer Service Week

Employees participate in activities and games to increase customer service skills.



Human Resources

During the past fiscal year, the agency's Human Resources Department took several actions that helped the agency maintain its high standards while holding down costs.

HR facilitated training that improved workers' compensation statistics for CY 2015. The number of employees with lost time for workers' compensation claims was reduced from 123 in 2014 to 105 in 2015 or a decrease of 6.5 percent.

During that same period, the number of employees returned back to work within 30 days increased over 17 percent from 196 to 237.

Also, the number of workers' compensation claims reported within seven days has increased from 22 percent in 2014 to 35 percent in 2015.

HR conducted an audit FY16 to ensure compliance with the eligibility for dependents covered on PHA's



benefit plans. As a result, the authority projected a direct-cost savings of approximately \$300,000 annually.

The department also trained all managers and supervisors of represented employees on the administration of six of PHA's collective bargaining agreements. This is critical to increasing operational efficiency, meeting legal obligations, and addressing labor issues.

Finally, HR developed a comprehensive training model for each department at PHA to include required training courses for all positions, and started a new-hire orientation and development program to help the agency achieve organizational goals.

ISM - Critical to PHA's Operational Effectiveness

PHA's efficiency and timeliness depends to a great extent on its Information Systems Management (ISM) department. Modern business enterprises thrive on the software applications that ISM installs, develops, delivers, and manages.

Housing Quality Standards inspection technology was greatly enhanced by replacing handheld units with PC tablets. Inspectors now have remote access to all PHA management applications. The tablets allow inspectors to make real time updates to inspection data. Support functions can now be performed without manually transferring data to our core applications.



ISM installed and made available "predictive dialing" for inspections and continued eligibility teams. This allows the teams to initiate mass telephone, text messages, and/or email messages to tenants to announce appointments and notices to tenants and landlords.

The department put in another application that makes available automated scheduling for inspections and continued eligibility teams. Teams can now bulk schedule appointments for tenants and landlords. The service updates itself to announce appointments and notices to tenants and landlords.

Resident safety was increased with the installation of enhanced video coverage at Cassie Holly, Warnock, and Gladys B. Jacobs. The enhancement now provides PHA with extended video surveillance coverage at the local sites.

An automated Uniform Physical Condition Standards application was developed to automate the current paper form with full system integration with PHA's current customer response management system, including field service order applications with electronic signatures.

THE BOTTOM LINE

PHA financial statement for 2015.

Fitch Ratings

Fitch Ratings, one of the Big Three credit rating agencies, gave high ratings for two of PHA's outstanding bond issues that funded the development of Greater Grays Ferry Estates, formerly known as Tasker Homes.

The bond issues date back to 2002 and 2003. Fitch gave the bonds totaling \$45.8 million a AA-rating.

This rating allows PHA to investigate lowering the interest rate, saving the housing authority as much as \$1 million a year.

Fitch also said the overall rating outlook for PHA is stable.





Statement of Net Position

MARCH 31, 2015

| | Primary Government | Component Units |
|---|------------------------|----------------------|
| CURRENT ASSETS | | |
| Cash and cash equivalents (Note 3) | \$64,863,260 | \$ 6,891,398 |
| Restricted cash (Note 3) | 21,367,205 | 24,827,707 |
| Investments (Note 3) | 54,323,835 | ---- |
| Receivables (Note 4) | 53,486,072 | 2,459,750 |
| Other current assets (Note 5) | 1,556,342 | 886,390 |
| TOTAL CURRENT ASSETS | \$195,596,714 | \$35,065,245 |
| NONCURRENT ASSETS | | |
| Mortgages receivable (Note 7) | \$376,645,932 | ---- |
| Restricted investments (Note 3) | 3,007,276 | ---- |
| Capital assets, net (Note 6) | 579,179,333 | 440,614,963 |
| Equity interest in component units (Note 17) | 5,076,592 | ---- |
| Other assets (Note 5) | 10,088,011 | 2,190,446 |
| TOTAL NONCURRENT ASSETS | \$973,997,144 | \$442,805,409 |
| TOTAL ASSETS | \$1,169,593,858 | \$477,870,654 |
| CURRENT LIABILITIES | | |
| Accounts payable | \$ 6,215,743 | \$ 2,049,667 |
| Accrued liabilities | 9,510,458 | 4,487,987 |
| Current portion of long-term debt (Note 9) | 4,815,000 | 358,440 |
| Due to other government agencies | 223,836 | ---- |
| Compensated absences (Note 14) | 4,939,203 | ---- |
| Resident security deposits (Note 3) | 799,191 | 525,688 |
| Unearned revenue and other current liabilities (Note 8) | 11,173,151 | 2,655,916 |
| TOTAL CURRENT LIABILITIES | \$37,676,582 | \$10,077,698 |
| NONCURRENT LIABILITIES | | |
| Compensated absences (Note 14) | \$ 3,292,787 | ---- |
| Long-term debt (Note 9) | 46,154,390 | 353,835,874 |
| Other long-term liabilities (Note 10) | 7,007,176 | 62,510,480 |
| TOTAL NONCURRENT LIABILITIES | \$56,454,353 | \$416,346,354 |
| TOTAL LIABILITIES | \$94,130,935 | \$426,424,052 |
| NET POSITION | | |
| Net investment in capital assets | \$528,209,943 | \$86,420,649 |
| Restricted for housing assistance payments | 9,633,400 | ---- |
| Restricted for development | 3,124,210 | ---- |
| Unrestricted (deficit) | 534,495,370 | (34,974,047) |
| TOTAL NET POSITION | \$1,075,462,923 | \$51,446,602 |
| TOTAL LIABILITIES AND NET POSITION | \$1,169,593,858 | \$477,870,654 |

Statement of Revenues, Expenses and Change in Position

FOR THE YEAR ENDED MARCH 31, 2015

| | Primary Government | Component Units |
|---|------------------------|-----------------------|
| OPERATING REVENUE | | |
| Tenant revenue | \$ 24,424,161 | \$24,159,178 |
| Operating subsidies | 339,314,431 | ---- |
| Other income | 4,517,844 | 3,476,643 |
| TOTAL OPERATING REVENUE | \$368,256,436 | \$27,635,821 |
| OPERATING EXPENSES | | |
| Administrative | \$69,732,987 | \$ 8,186,731 |
| Tenant services | 3,017,046 | ---- |
| Utilities | 24,115,542 | 4,442,293 |
| Maintenance | 68,062,254 | 10,940,783 |
| Protective services | 11,568,067 | ---- |
| General | 30,735,928 | 3,171,069 |
| Housing assistance payments | 141,098,567 | ---- |
| Depreciation and amortization | 57,835,027 | 17,723,881 |
| TOTAL OPERATING EXPENSES | \$406,165,418 | \$44,464,757 |
| OPERATING LOSS | \$(37,908,982) | \$(16,828,936) |
| NONOPERATING REVENUE (EXPENSES) | | |
| Interest and investment earnings | \$ 5,862,441 | \$ 17,099 |
| Interest expense | (3,191,800) | (6,069,270) |
| Other revenue | 156,492 | ---- |
| NET NONOPERATING REVENUE (EXPENSE) | \$2,827,133 | \$(6,052,171) |
| LOSS BEFORE CAPITAL CONTRIBUTIONS | \$(35,081,849) | \$(22,881,107) |
| CAPITAL CONTRIBUTIONS | | |
| HUD capital subsidies | \$13,348,530 | ---- |
| Partner distributions | ---- | (6,287) |
| Partner contributions | ---- | 15,203,561 |
| | \$13,348,530 | \$15,197,274 |
| CHANGE IN NET POSITION | \$(21,733,319) | \$(7,683,833) |
| NET POSITION, BEGINNING | | |
| As previously reported | \$1,097,111,982 | \$59,130,435 |
| Prior period adjustments (Note 18) | \$ 84,260 | ---- |
| AS RESTATED | \$1,097,196,242 | \$59,130,435 |
| NET POSITION, ENDING | \$1,075,462,923 | \$51,446,602 |

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