



**Atlanta Housing
Authority**

**MTW
Annual Report**

**Fiscal Year Ended
June 30, 2014**

**Board Approved
September 24, 2014**

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Vision

Healthy Mixed-Income Communities; Healthy Self-Sufficient Families

Mission

Provide quality affordable housing in amenity-rich, mixed-income communities for the betterment of the community

Goals

AHA's business model has positioned it to achieve three goals:

- **Quality Living Environments** – Provide quality affordable housing in healthy mixed-income communities with access to excellent quality-of-life amenities.
- **Self-Sufficiency** – (a) Facilitate opportunities for families and individuals to build economic capacity and stability that will reduce their dependency on subsidy and help them, ultimately, to become financially independent; (b) facilitate and support initiatives and strategies to support great educational outcomes for children; and (c) facilitate and support initiatives that enable the elderly and persons with disabilities to live independently with enhanced opportunities for aging well.
- **Economic Viability** – Maximize AHA's financial soundness and viability to ensure sustainability.



Guiding Principles

In approaching its work, regardless of the funding source, strategy or programmatic initiative, AHA applies the following guiding principles:

1. End the practice of concentrating low-income families in distressed and isolated neighborhoods.
2. Create healthy mixed-use, mixed-income (children-centered) communities using a holistic and comprehensive approach to assure long-term market competitiveness and sustainability of the community and to support excellent outcomes for families (especially children), with emphasis on excellent, high-performing neighborhood schools and high quality-of-life amenities, including first-class retail and green space.
3. Create mixed-income communities with the goal of creating market-rate communities with a seamlessly integrated affordable residential component.
4. Develop communities through public/private partnerships using public and private sources of funding and private sector know-how and real estate market principles.
5. Support AHA-assisted families with strategies and programs that help them achieve their life goals, focusing on financial self-sufficiency and educational advancement of the children with expectations and standards for personal responsibility benchmarked for success.

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HOW TO NAVIGATE THIS REPORT

In 2004, AHA submitted to HUD its first Business Plan, using its new statutory and regulatory framework pursuant to AHA’s MTW Agreement (herein referred to as the “Business Plan”). AHA’s Business Plan and its subsequent MTW annual implementation plans on a cumulative basis outline AHA’s priority projects, activities, and initiatives to be implemented during each fiscal year. Fiscal Year 2014 represents AHA’s eleventh year of participation in the MTW Demonstration Program. For further details, see *Importance of Moving to Work*.

This report highlights AHA’s MTW-Eligible activities and priorities as identified in the FY 2014 MTW Annual Implementation Plan submitted to HUD on March 27, 2013.

- The **Priority Activities** section highlights significant results achieved by AHA during FY 2014 and the status of AHA priority projects, activities, and initiatives as described in the FY 2014 MTW Annual Implementation Plan.
- The **Appendices** section includes detailed charts, AHA’s MTW Benchmark results, Ongoing Activities, and HUD information reporting requirements (HUD Form 50900).

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Attached to this document, AHA has included additional detailed statistics and reports.

Appendix A	MTW Annual Report Cross-Reference Guides <ol style="list-style-type: none">1. AHA Legacy Attachment B Requirements2. HUD Form 50900 Attachment B
Appendix B	FY 2014 MTW Report Resolution & Certifications <ol style="list-style-type: none">1. Secretary's Certificate2. Resolution<ol style="list-style-type: none">Exhibit EO-1-A: MTW Program Benchmarks – Measurable OutcomesExhibit EO-1-B: Minimum Rent Policy Impact AnalysisExhibit EO-1-C: Elderly and Non-Elderly Disabled Income Disregard Policy Impact AnalysisExhibit EO-1-D: Rent Simplification Policy Impact Analysis3. Certification to HUD Regarding the AHA's FY 2014 MTW Annual Report
Appendix C	Ongoing Activities Previously Approved by HUD <ol style="list-style-type: none">1. Approved MTW Activities: HUD Approval Previously Granted2. MTW Implementation Protocols
Appendix D	AHA MTW Benchmarks (Legacy Attachment B) <ol style="list-style-type: none">1. Households Served Information2. Units Added3. Units Under Commitment4. Units Removed5. Household Characteristics6. Waiting List Characteristics7. Occupancy Rate8. Rents Uncollected9. Emergency Work Order Completion10. Routine Work Order Completion11. Inspections12. Security
Appendix E	HUD Information Reporting Requirement (HUD Form 50900 – Attachment B)
Appendix F	Financial Analysis <ol style="list-style-type: none">1. FY 2014 Budget vs. Actual (Unaudited)2. Modernization & Non-Operating Expenditures (AHA-Owned Residential Communities)3. Annual Statement / Performance and Evaluation Reports4. Housing Choice Vouchers Authorized5. Local Asset Management Program6. AHA Audit for the Fiscal Years Ended June 30, 2013 and 2012
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Appendix H	Resident Satisfaction Survey, AHA-Owned Residential Communities

MESSAGE FROM THE BOARD OF COMMISSIONERS

Daniel J. Halpern, Chair



As one of the country's largest public housing authorities, the Atlanta Housing Authority (AHA) has earned a reputation as a leader. AHA has changed the look and feel of public housing and is now working diligently to change the lives of its participants by breaking cycles of poverty, unemployment, and dependence on public assistance.

Looking ahead, I am excited that AHA, along with its network of service providers, continues to aspire to doing business using new and innovative solutions for public housing and to meet the needs of the individuals and families it serves.

Please take this opportunity to read about what AHA is doing throughout the city of Atlanta, as well as the impact it is having on the nearly 50,000 individuals whose needs it meets on a daily basis.

I appreciate the opportunity to serve with a very dedicated Board of Commissioners and to work with AHA's leadership team to continue planning for housing and other opportunities to help improve lives.

MESSAGE FROM THE INTERIM PRESIDENT & CEO

Joy W. Fitzgerald



It is my pleasure to share the Atlanta Housing Authority's (AHA) FY 2014 Annual Report. AHA served 21,680 households during the 2014 fiscal year, and we are excited that our goals – providing safe, decent housing in quality living environments and promoting the self-sufficiency of our participants – are being met with success. With our human development services initiative, AHA is promoting quality education, gainful employment, health and wellness, and helping to provide many other meaningful opportunities

for our families to contribute to the Atlanta community.

Internally, our efforts are focused on streamlining our business processes to enable our employees to provide optimal customer service to our participants, as well as to our service partners. We are continuously looking for ways to improve our operations and to serve as a model for public housing in the United States and beyond.

We appreciate the opportunity to serve the Atlanta public and contribute to the dynamic growth of the Atlanta region. I hope that you will take the opportunity to read the report and learn about our accomplishments and innovations.

IMPORTANCE OF MOVING TO WORK

Meeting Local Needs Using Federal Resources

In 1996, Congress created the Moving to Work Demonstration Program (MTW Program), which gave the Secretary of HUD authority to negotiate agreements with up to 30 high-performing public housing agencies to demonstrate how flexibility, regulatory relief, and innovation could lead to better outcomes for low-income families and the broader community.

Congress wanted to create an environment that encouraged and demanded innovation, creativity, imagination, efficiency, effectiveness, and better outcomes for America's low-income families, cities, and counties. Congress also wanted to demonstrate that with greater flexibility more could get accomplished with the same, or possibly fewer, resources from HUD.

With these principles in mind, Congress authorized the Secretary, through these negotiated agreements, to waive all the statutory and regulatory provisions under the 1937 Act, except certain core issues: Davis Bacon; Civil Rights laws and Fair Housing; 504, UFAS, and Americans with Disabilities laws; and demolition and disposition under Section 18. Under the first agreements, HUD and the early MTW agencies took an incrementalist approach. It was not until 2003 that AHA and other agencies were able to convince HUD to provide the complete spectrum of statutory and regulatory relief.

MTW has outperformed Congress's and HUD's expectations. The MTW Program has been expanded beyond 30 housing authorities, and the timeline has been extended. Currently, there are 39 MTW agencies out of 3,400 public housing authorities in the nation.

Over time, the MTW Program has yielded three major lessons:

1. All real estate is local, and conditions vary widely throughout the nation.
2. Local problem-solving based on the needs, aspirations, and market and financial realities in the locality (using a strategic planning framework) yields substantially better results.
3. The focus must be on outcomes and not process.

Simply put, MTW is the new way of making HUD programs and funding resources work better in localities and with better results.

MTW Statutory Goals

- Reduce costs and achieve greater cost effectiveness in federal expenditure.
- Give incentives to families with children where the head of household is working, seeking work or is preparing for work by participating in job training, educational programs or programs that assist people to obtain employment and become economically self-sufficient.
- Increase housing choices for low-income families.

Importance of MTW and Single Fund Authority to AHA

AHA applied for and was designated as an MTW agency in 2001. After extensive negotiations, AHA executed its MTW Agreement with HUD on September 23, 2003, effective as of July 1, 2003. Later, AHA was able to retain the unique provisions under its original agreement when it negotiated a 10-year extension with its amended and restated MTW Agreement on November 13, 2008, and further amended it on January 16, 2009. AHA's MTW Agreement may be automatically extended for additional 10-year periods, subject to HUD's approval and AHA meeting certain agreed-upon conditions.

Obtaining MTW status has allowed AHA to continue implementing our long-term strategy of mainstreaming families, mainstreaming real estate, and mainstreaming AHA. The legacy that began in 1994 with the revitalization of Techwood Homes/Clark Howell Homes has been enhanced by using MTW flexibility to further human development and use public/private real estate partnerships to revitalize communities.

While statutory and regulatory flexibility are foundational elements of the MTW Program, the Single Fund authority is essential to AHA's financial viability. AHA's MTW Agreement permits AHA to combine its low-income operating funds, Housing Choice voucher funds, and certain capital funds into an MTW Single Fund or, simply, "MTW Funds." When individual funding sources are combined and converted to MTW Funds under AHA's MTW Agreement, they are relieved of their statutory and regulatory strictures and may be used for MTW-Eligible activities as set forth in AHA's Business Plan and its Annual Implementation Plan.

AHA's MTW Agreement has enabled AHA to leverage lessons learned and best practices of its HOPE VI revitalization program, apply private sector business principles to manage resources responsibly, and achieve dramatically better outcomes for AHA-assisted households, AHA-owned real estate, and AHA itself. The funding flexibility provided AHA under the MTW Agreement is essential to AHA's continued success and long-term financial viability.

Goals of MTW

In keeping with the spirit and intent of the MTW Program's statutory goals, AHA established three overarching goals:

1. Quality Living Environments
2. Self-Sufficiency
3. Economic Viability

To deliver on these three goals, AHA uses its MTW flexibility to focus on local strategies and solutions that will have a positive impact on the families, real estate, and the city of Atlanta. From the very beginning of AHA's official status as an MTW agency and as it moves forward, AHA has served and continues to serve substantially the same number of families.



Innovation using MTW

The MTW Single Fund is important because, after following a rigorous, participatory strategic planning process, AHA can use its MTW Funds for innovative approaches to meet the local needs that grow out of the planning process and as set forth in AHA's MTW Business Plan, as modified, refined and updated in its Annual Implementation Plans. With the MTW Single Fund, AHA is able to pursue opportunities that benefit low-income families and that are not available to non-MTW agencies.

Unique in this industry, AHA maintains a holistic view of itself as an MTW agency. That is to say, unless otherwise prescribed by Congressional appropriations language governing a specific program, AHA does not separate activities as either MTW or non-MTW. For example, AHA's policy innovations like the work/program requirement are applicable to all families across all AHA programs except for the elderly and persons with disabilities. The success that AHA has achieved as an innovator, fulfilling the promise of the MTW program envisioned by Congress, is apparent in a review of AHA's many initiatives. For more detail, see the section on *MTW Innovations and Policies*.

FY 2014 ACCOMPLISHMENTS AND PROGRAM HIGHLIGHTS

AHA comprehensively operates the entire agency pursuant to its MTW Agreement and utilizes fungibility of its MTW Single Fund in operating and administering its programs. In cases where there are statutory requirements or grant provisions, AHA complies with these terms as required. Each AHA program is designed to leverage all AHA's resources – finances and funding flexibility, knowledge and experience, grant funds, rental subsidies, partner relationships, and land. Through its various housing solutions and programs, all supported by human development services, AHA is able to meet a broad spectrum of housing needs for low-income families, including at-risk populations, in the city of Atlanta.

(Figures as of June 30, 2014)

- **21,680** Households Served
- **366 new households** were housed from the Housing Choice waiting list. **9,595 households** (**7,292** of whom live in the city of Atlanta) participated in the Housing Choice Voucher Program and received rental subsidy assistance during FY 2014.
- **95 veterans** were housed through the HUD-Veterans Affairs Supportive Housing (VASH) program and AHA's Supportive Housing Program.
- **20 students** were awarded **\$42,750** in scholarships through AHA's Atlanta Community Scholars Award.
- **51 new affordable rental units** were completed in FY 2014 as a part of AHA-Sponsored mixed-use, mixed-income communities developed on the sites of former public housing projects.
- **38** eligible, first-time **home-buyers** received down payment assistance from AHA.
- Through AHA's Supportive Housing Program, AHA partnered with the City of Atlanta's Continuum of Care and the United Way of Greater Atlanta and committed **\$1.1 million** to launch two new pilots to reduce or prevent homelessness for **200 families**.
- Implemented the new Yardi Voyager platform for the Housing Choice Voucher Program.
- AHA saved **\$1.1 million** through energy efficiency improvements and conservation efforts in the 13 AHA-Owned (public housing-assisted) Residential Communities. Upgrades were completed under its Energy Performance Contract (EPC).

AHA-Owned Residential Communities

1,942 households • 11 senior high-rises • 2 family communities

AHA owns 13 public housing assisted residential properties, including 11 senior high-rise communities and two small family communities.

Under AHA's site-based and private property management business model, AHA contracts with third-party professional property management and development firms to manage each community in a comprehensive manner in accordance with AHA's goals, policies, and financial resources. Site-based administration includes the daily property operations, maintenance, and capital improvements, as well as admissions and resident services.

The Property Managers-Developers (PMDs) – The Integral Group, Columbia Residential, and The Michaels Organization – are also responsible for creating development plans with the intent to attract private funding for updating and modernizing the properties.



FY 2014 Highlight

Through the Energy Performance Contracting (EPC) project, AHA continued to realize energy savings. As a result of improvements to HVAC, low-flow devices, compact fluorescent lights and conservation by residents in all the AHA-Owned Residential Communities, AHA saved \$1.1 million in energy costs, which can be used to pay the debt service under the EPC loan. *Pictured at Left: Marietta Road Highrise.*

AHA values the positive impact of dedicated resident leaders within its communities. A special acknowledgment was presented to Ms. Yana Bari for her contributions to the Piedmont Road Highrise community. A resident for many years, Ms. Bari has generously given her time and talents to property staff, neighbors and friends. Her commitment to quality living for fellow residents include serving as translator and interpreter for the Russian speaking residents and property staff, helping to resolve community concerns, demonstrating leadership qualities, and building relationships within the community. *Pictured (L-R): Barbara Walker, Property Manager; Ms. Yana Bari; and Cynthia McDonald, AHA Resident Initiatives Oversight Manager.*



Housing Choice Tenant-Based Voucher Program

9,595 households

AHA's Housing Choice Tenant-Based Voucher Program offers families the greatest mobility and broader range of choice in selecting where they live. Using an AHA voucher, families can identify quality housing anywhere in the city of Atlanta with the assurance that they will not have to pay more than 30 percent of adjusted income towards their rent and utilities. Families may also choose to use their AHA voucher to move outside the city limits of Atlanta.

Property owners/landlords of single family homes and apartments manage the properties and enter into landlord/tenant relationships with the families.



FY 2014 Highlight

Pulling from our Housing Choice waiting list, AHA provided assistance to 366 new families. AHA will open the waiting list in FY 2015, making housing vouchers available to more families in Atlanta.

Brianna Harden, a 2014 graduate and member of the legacy class from Coretta Scott King Young Women's Leadership Academy*, is known for inspiring others. She plans to become a criminal defense attorney and fight for those who, in her words, deserve a second chance. Academy Principal Termerion McCrary Lakes says, "I have watched Brianna transform into a real go-getter! She's inspired other students to search for scholarships, and they even go to Brianna for academic advice. I call it the Brianna Effect."

Harden's mother, Qjuansella Harden, a Housing Choice participant, is proud of what her daughter is achieving despite the negative influences she encountered while she and her family lived in the former public housing project Bowen Homes. Brianna explains, "My family always told me that I would go far, but growing up, I doubted myself because of our surroundings."

"Now," Brianna says, "I've learned that it's important to find better options for your life, because no matter how hard it gets, those options will always be there."



**Coretta Scott King Young Women's Leadership Academy (CSKYWLA) is a single-gender comprehensive four-year public high school enrolling approximately 300 students in grades 9–12. The school opened in the fall of 2007, offers a rigorous, college-preparatory curriculum and has a singular goal – to ensure each young woman graduates from college ready to make a positive impact on the global community.*

AHA-Sponsored Mixed-Use, Mixed-Income Communities

3,909 AHA-assisted households • 16 communities

AHA's Strategic Revitalization Program makes it possible for private real estate developers to create market-rate quality mixed-use, mixed-income communities on the sites of former public housing projects. The community-building model including human development strategies for mixed-use, mixed-income communities is a blend of private sector market principles and public sector safeguards, which AHA has branded the "**Atlanta Model.**"

The Master Plans for each site envision transformational community-building by

- developing new mixed-income rental and for-sale units – both affordable and market-rate,
- incorporating great recreational facilities and amenities,
- creating green space and parks,
- providing quality retail and commercial activities, and
- being child-centered and supporting the creation of high-performing neighborhood schools (pre-K to high school).

Public/private partnerships are the key ingredient. AHA leverages its special standing under its charter, its goodwill, its land, its MTW Agreement, and HUD grants, while the private development partner leverages its balance sheet, know-how, brand, and track record to raise private equity and incur debt. In all cases, the partners align their interests so that both parties are focused on the success of the community.

Since 1995, AHA and its private sector partners have successfully created quality, mixed-use, mixed-income communities with an economic impact to date of approximately \$2 billion.



FY 2014 Highlight

150 mixed-income, family units at Auburn Pointe II were completed and fully leased in FY 2014. This completes the rental phases on this site (formerly Grady Homes) which is composed of 121 market rate units, 113 AHA-assisted units, 70 tax credit rental units for families, and three senior buildings with 324 AHA-assisted units. In addition to this intown community's amenities, renters are attracted to its proximity to public transportation, Georgia State University, Grady Hospital, and parks. Future phases include homeownership.

Project Based Rental Assistance Development Program

3,040 AHA-assisted units

Using MTW flexibility, AHA created and implemented the Project Based Rental Assistance Program (PBRA) – AHA’s form of PBRA Agreement that streamlines program activities through site-based administration delivered at the property level.

This program leverages the value of a long-term rental assistance arrangement for private real estate developers and owners to develop or provide affordable quality mixed-income communities. Upon completion of the community, AHA and the owner enter into a PBRA Agreement for a period up to 15 years to provide rental assistance to eligible residents in the PBRA units covered by AHA’s commitment.

The PBRA Program has successfully increased the long-term availability of high-quality affordable units to low-income families in Atlanta.



At Retreat at Edgewood (pictured above), a family community developed by Columbia Residential, residents are within walking distance of shopping, dining, recreation, and transportation, in addition to the amenities provided on-site. AHA supports affordability on 40 units using PBRA.

Adamsville Green (pictured below) is a supportive housing community developed and managed by Mercy Housing Southeast. With a focus on elderly persons with physical disabilities, Mercy Care Services provides support services to residents. AHA supports affordability on 81 units using PBRA.



Supportive Housing

1,058 households (Sub-set across all business lines)

When a person or family is in crisis because they lack safe and adequate housing or they are unable to maintain housing because of mental health or developmental disabilities, typical housing assistance policies and programs may be inadequate to address their various needs and the root causes.

The purpose of supportive housing is to provide at-risk populations – who are often homeless or soon-to-be homeless – with a stable housing arrangement that includes intensive case management and support services to address individual needs. At-risk populations include homeless individuals and families, people with physical, mental, or developmental disabilities, military veterans, families separated due to the lack of housing, youth aging out of foster care, and other target groups that need quality, affordable housing.

For AHA, Supportive Housing holds a meaningful place among the housing opportunities we make available to low-income families and individuals.

FY 2014 Highlight

The historic 1910 Imperial Hotel in downtown Atlanta was renovated and opened by Columbia Residential and National Church Residences to provide housing for homeless adults who need specialized supportive services.

The renovated building is uniquely designed with the special needs of residents in mind. Social, educational, therapeutic, vocational and health care services are on-site, including assessment and referral, crisis intervention, integrated behavioral and health care, and peer support groups. On-site facilities for residents include a fitness center, health resource room, job training office, laundry room, and library/community room equipped with computers.

The development deal was made possible by AHA's commitment to provide PBRA assistance for all 90 units. National Church Residences in conjunction with partners Mercy Care Services and CaringWorks provide support services.



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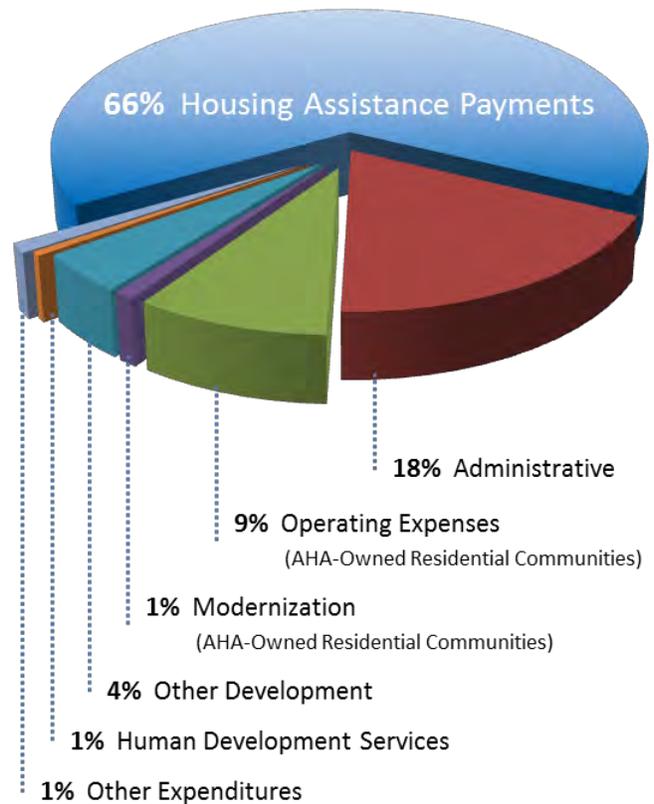
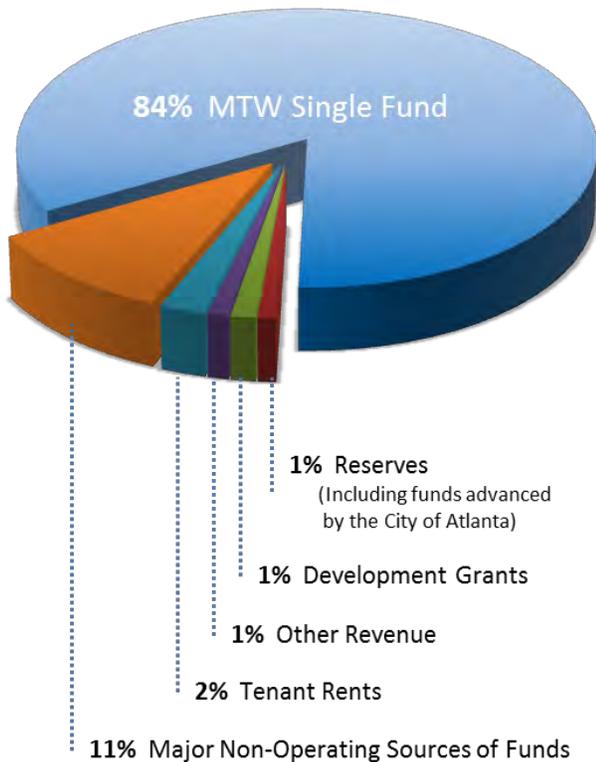
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SUMMARY FINANCIALS

For detailed financials, see **Appendix F: Financial Analysis - FY 2014 Budget vs. Actual (Unaudited)**.

FY 2014 Sources and Uses of Funds

(Preliminary & Unaudited Actuals)



Sources of Funds

During FY 2014, most of AHA's funding came from HUD in the form of Housing Choice Voucher Funds, Public Housing Operating Subsidy, and Capital Fund grants.

AHA also received revenue from these sources:

- Rents paid by residents of the 13 AHA-Owned Residential Communities
- Fees earned in connection with development activities under its Revitalization Program
- Participation with the individual Owner Entities in net cash flows from mixed-income, mixed-finance rental communities (in the form of interest payments or ground lease payments)
- Profit participation from the sale of single family homes
- Fees earned as a subcontractor and member of Georgia HAP Administrators, Inc. dba National Housing Compliance

Uses of Funds

In FY 2014, AHA continued to facilitate quality affordable housing opportunities for low-income families in the following ways:

- Provided a total of \$90 million in housing assistance payments for households under the tenant-based Housing Choice Voucher Program
- Provided a total of \$33 million in PBRA payments supporting PBRA units in mixed-income communities
- Used MTW Funds to provide \$15 million to cover operating costs for AHA-assisted units in the AHA-Sponsored Mixed-Income Communities
- Used MTW Funds to cover \$19 million in operating expenses including human development services to support 1,942 households in AHA-Owned Residential Communities

II. PRIORITY ACTIVITIES

Each fiscal year’s accomplishments reflect progressive steps toward making AHA’s vision a reality. Over the past 11 years as an MTW agency, AHA has creatively used the tools and flexibility afforded by its MTW Agreement to implement housing policy reforms across all programs. (See details on MTW-enabled innovations in *MTW Innovations & Policies*.)

During FY 2014, AHA focused on the following three priorities as articulated in its FY 2014 MTW Annual Implementation Plan.

AHA’s Priorities are Aligned with MTW Goals			
FY 2014 Priorities	AHA/MTW Goals		
	Quality Living Environment	Self-Sufficiency	Economic Viability
Advance AHA’s Real Estate Initiatives with the goal of facilitating opportunity-rich housing in healthy mixed-income communities.	●		●
Advance AHA’s Human Development Initiatives, with the goal of building healthy self-sufficient families through life-long learning, workforce participation, wealth-building, and aging well initiatives.		●	●
Advance the Business Transformation Initiative, including the integrated Enterprise Resource Planning solution, with the goals of greater effectiveness and efficiency, enhanced capabilities, and an improved customer experience.	●	●	●

PRIORITY: ADVANCE AHA'S REAL ESTATE INITIATIVES

FY 2014 Goal: Advance AHA's Real Estate Initiatives with the goal of facilitating opportunity-rich housing in healthy mixed-income communities.

Over the last 20 years, AHA and its private sector development partners have repositioned its former public housing properties into 16 mixed-use, mixed-income communities with a seamless affordable housing component.

As the real estate and financial markets strengthen, AHA and its development partners will continue to advance the community sustainability aspects of the Master Plans. These strategies are intended to ensure the long-term sustainability and stability of the communities and the families' progression to self-sufficiency. Most of these additional aspects will be developed using non-HUD funds.

Advance master plans for mixed-use, mixed-income communities

Through communities developed, owned, and managed by public/private partnerships on land on the sites of former public housing communities, AHA has helped to address Atlanta's need for additional high-quality affordable housing in economically integrated environments.

- **Auburn Pointe (Grady Homes Revitalization)**
 - Construction was completed on the new mixed-income multi-family property Ashley at Auburn Pointe II in FY 2014 and the property is leased-up. Fifty-one of the rental units are leased to AHA-assisted families, 39 units are leased to unassisted tax credit-eligible families, and 60 units are leased to market-rate families. This phase completes the final phase of rental construction on the former Grady Homes footprint.
 - Work on refreshing the Master Plan was begun in FY 2014 and has been expanded to include the development of recreational amenities in partnership with the City of Atlanta.
- **Capitol Gateway (Capitol Homes Revitalization)**
 - Structures on parcels (303 Oakland Street, 361 Memorial Drive, 381 Memorial Drive) that AHA previously acquired were demolished in FY 2014. Remediation will continue throughout FY 2015.
 - Negotiations with the State of Georgia regarding a land swap remain on-hold.
 - In partnership with the City of Atlanta, the Georgia Department of Transportation, and the Atlanta Regional Commission, work was completed on the Livable Centers Initiative to enhance the streetscape and connectivity on Memorial Drive in front of Capitol Gateway.
- **Centennial Place (Techwood/Clark Howell Homes Revitalization)**
 - Centennial Place Phase I received an allocation of Low Income Housing Tax Credits in FY 2014. Closing is anticipated to occur in FY 2015, at which time the ownership of the structures will transfer to an owner-entity affiliate of the master developer, and subsidy for assisted units transition from Section 9 to Section 8 (Project Based Rental Assistance) making it possible to begin substantial rehabilitation.

- AHA is working in partnership with Atlanta Public Schools (APS) and the Georgia Institute of Technology (Georgia Tech) to expand Centennial Academy (formerly Centennial Place School) to a K-8 school, having received approval from APS in FY 2014 to operate as a charter school.
- **Mechanicsville (McDaniel Glenn Revitalization)**
 - AHA's development partner has been engaged in pre-development activities for the development of 75 scattered-site rental units that will be affordable through the Low Income Housing Tax Credit Program for a 15-year period as part of a lease-to-own program promoting neighborhood stabilization. Twenty-five of these units will be on AHA property under the terms of a ground lease that will provide an option for sale at the end of the 15-year compliance period. AHA anticipates a closing in FY 2015, pending approval of the disposition from HUD's Special Application Center (SAC).
 - Work on refreshing the Master Plan was substantially completed in FY 2014.
 - AHA continues to work to acquire parcels as part of an assemblage of land known as Block 85. The development of these parcels is included in the Revitalization Plan for McDaniel Glenn and will be carried out pending real estate and financial market conditions in this submarket.
- **Scholars Landing (University Homes Revitalization)**
 - The leasing of the newly constructed 100-unit affordable independent living senior building, Veranda at Scholars Landing, was completed in FY 2014. AHA has provided PBRA assistance for all the units.
 - In December 2013, AHA and its development partner closed on the development of a 60-unit affordable assisted living community – Oasis at Scholars Landing. Site remediation and public improvements started in FY 2014, and AHA expects construction will be completed in FY 2015.
 - Negotiations are on-going with Clark/Atlanta University regarding a potential land swap.
 - Scholars Landing is part of the larger revitalization initiative known as Choice Neighborhoods. AHA continues to work with the City of Atlanta and Invest Atlanta to develop a comprehensive strategy for land acquisition in the Choice Neighborhoods area.
- **Villages at Carver (Carver Homes Revitalization)**
 - A vacant parcel (1463 Pryor Road) was sold to Fulton County on May 12, 2014, to develop a regional library on the site that will provide a wonderful amenity to families in the revitalized community.
 - AHA and its development partner completed an initial assessment of market opportunities for development of its sites planned for retail. Development is on hold pending an improvement in real estate and financial market conditions in this submarket.
- **West Highlands at Heman Perry Boulevard (Perry Homes Revitalization)**
 - Public improvements are currently underway on the phase of public improvements for production of homes. Work will be completed in 2015.

- In FY 2014, 44 homes were built and sold by AHA's development partner at West Highlands. These included 31 market-rate homes and 13 for-sale affordable homes for families at 80% of Area Median Income.
- In partnership with AHA's master developer and AHA, the Westside Atlanta Charter School began operation in the basement of a rental building at West Highlands in FY 2014 and is quickly becoming an integral part of the West Highlands community. The school will expand to include K-3rd grades in FY 2015. AHA ground leased 1.04 acres for a five-year period for the construction of temporary educational modules to allow for the expansion of the school.

Advance Other Real Estate Development Initiatives

Acquisitions

On April 4, 2014, AHA acquired a property with a vacant structure located at 311 North Avenue. In FY 2015, AHA will demolish the newly acquired structure in anticipation of future development pending appropriate real estate and financial conditions. This property is adjacent to an AHA-owned Residential Community, Cosby Spear Highrise, which provides affordable housing for seniors.

Land Transactions and Sale of Assets

In September 2013, AHA completed the sale of the Roosevelt Highrise property at fair market value to the Georgia Board of Regents (the governing and management authority of public higher education in Georgia) for the benefit of Georgia Tech. As part of the sale, Georgia Tech has agreed with Integral Development and AHA to support the evolution of Centennial Academy as a Georgia Tech-sponsored STEAM (Science, Technology, Engineering, Arts, and Math) school. This effort is being led by Integral Development and is supported by AHA, the Metropolitan YMCA, Coca-Cola and other stakeholders. (See *Human Development* section for more details on AHA's education strategy.)

AHA continues to discuss options for a land swap or disposition with the Atlanta Public Schools in support of their needs related to a school transportation facility.

Homeownership Down Payment Assistance

Using its MTW flexibility, AHA partnered with the City of Atlanta, Atlanta Development Authority, AHA's master development partners, and local lenders to provide down payment assistance to 38 low-to-moderate income, first-time homebuyers purchasing homes throughout the city of Atlanta.

Choice Neighborhoods Implementation Grant

In FY 2011, as part of the revitalization of University Homes, AHA applied for and was awarded a \$250,000 Choice Neighborhoods Planning Grant (CNPg) from HUD for the former University Homes and the surrounding Atlanta University Center (AUC) neighborhood. With a strong emphasis on access to high-quality educational opportunities, the CNPg provides funds to develop plans to transform the University Homes site and the surrounding neighborhood into a healthy, sustainable mixed-use, mixed-income neighborhood.

AHA prepared and submitted an application to HUD in response to the FY 2013 Choice Neighborhood Implementation Grant Notice of Funds Availability in September 2013. Though selected as one of six finalists, AHA was not selected for a final award in June 2014. AHA intends to strengthen its program and pursue a second application for a Choice Neighborhoods Implementation Grant in FY 2015.

Expand housing opportunities utilizing PBRA and Housing Choice

Utilize PBRA as a strategic tool to facilitate housing opportunities

AHA continues to facilitate affordable housing opportunities for low-income families under the PBRA program. Currently, AHA uses PBRA to support 4,427 units in mixed-income environments both in AHA-Sponsored Communities and privately owned developments. (See *Appendix D.*) AHA made commitments or signed PBRA agreements (new or renewals) for 14 properties. These agreements ensure the availability of 561 affordable housing units for 2 to 15 years.

- Ashton at Browns Mill (79 units)
- Columbia Sylvan Hills (39 units)
- Columbia Tower at MLK Village (39 units)
- Croghan School (42 units)
- First Step (40 units)
- Highbury Terraces (17 units)
- O'Hern House (76 units)
- Odyssey Villas (32 units)
- Park Commons/Gate Park -HFS (19 units)
- Park Commons/Gate Park-HFOP (22 units)
- Pavilion Place (48 units)
- Renaissance at Park Place South (32 units)
- Summit Trail (40 units)
- Villas of Hope (36 units)

Expand availability of affordable supportive housing

For AHA, supportive housing equals stable housing plus intensive support services for people with a variety of special needs: homeless people, people with disabilities, military veterans, at-risk families and youth, and other target groups enrolled in supportive services programs. By taking a strategic perspective, AHA leverages its resources, funding, and MTW flexibility to collaborate with private sector developers/owners and service provider partners to find solutions that help individuals and families stabilize and secure their future.

The challenges for these special needs populations are complex and the solutions require a coordinated approach, multiple partners, and multiple sources of funding. For this reason, AHA employs both place-based (using PBRA) and tenant-based (using Housing Choice tenant-based vouchers) approaches to further its Supportive Housing Strategy.

- Under AHA's PBRA for Supportive Housing program, owners and developers of supportive housing receive housing subsidy under PBRA agreement with AHA for up to two years. In return, the owner is required to 1) work with a certified Service Coordinator such as the United Way and 2) enter into an agreement with one or more service providers who will provide appropriate intensive support services for the target population. They also agree to coordinate with any public agencies and non-profit organizations that are providing additional case support to individual residents.

In FY 2014, AHA issued a new competitive solicitation for developers/owners of new and existing supportive housing programs and awarded a new PBRA commitment to National Church

Residences for Commons at Nelms, a 95-unit supportive housing community targeting homeless veterans.

- In FY 2013, AHA increased its commitment to 1,000 MTW vouchers – over 10 percent of its tenant-based Housing Choice vouchers in Atlanta – to support a variety of initiatives to reduce homelessness in Atlanta. As of June 30, 2014, 646 of these units were under current PBRA agreements and another 95 units were under commitment, with construction, completion, and occupancy scheduled in FY 2015. (See *Appendix D.*) Additionally, AHA has developed homelessness pilots using tenant-based vouchers. (See below.)
- In FY 2014, AHA successfully housed 95 veterans and their families using HUD Veterans Affairs Supportive Housing (HUD-VASH) vouchers awarded to AHA in FY 2012 in a cooperative program between HUD and the Veterans Administration (VA). Under this special voucher program, AHA issues vouchers based on referrals from the VA, with the VA providing case management and other services for each veteran.
- Construction began on Oasis at Scholars Landing, a 60-unit affordable assisted living community for veterans and their families. This community is designed to allow elderly residents to age in place, provide alternatives to costly home care, and reduce Medicaid expenditures through a continuum of care.
- Using its MTW flexibility in FY 2014, AHA designed and received approval from its Board of Commissioners for two pilots to address homelessness in Atlanta.
 - AHA signed an intergovernmental agreement with the City of Atlanta’s Continuum of Care to launch a new Tenant-Based Supportive Housing pilot that would provide 50 vouchers for individuals and families that successfully “graduate” from a permanent supportive housing community into living independently. The pilot is expected to start in FY 2015.
 - Working with the United Way of Greater Atlanta, AHA will launch in FY 2015 a Short-Term Housing Assistance pilot to prevent homelessness and to support rapid re-housing of families dealing with temporary setbacks. AHA has committed \$1.1 million to fund these new pilot programs.

Using its MTW flexibility to partner with private sector entities, government agencies, and the service provider community, AHA will continue to expand its supportive housing programs to address the local housing needs of at-risk populations.

Implement conversion (reformulation) demonstration for Centennial Place

On November 2, 2012, HUD approved AHA’s proposal to pilot AHA’s Reformulation Demonstration Program at Centennial Place under the auspices of its MTW Agreement. Centennial Place, which was developed as a result of the Techwood Homes/Clark Howell Homes revitalization, was the first mixed-use, mixed-income community in the United States with public housing units as a component. Of the 738 residential units in four development phases, 301 units receive public housing operating subsidy pursuant to Section 9 of the U.S. Housing Act of 1937, as amended (the Act).

Under the Reformulation Demonstration Program, the operating subsidy for the 301 public housing-assisted units will be converted to project based rental assistance (PBRA)¹ as designed and implemented by AHA using its MTW flexibility. AHA conceptualized the Reformulation Demonstration Program using its MTW flexibility in order to help update, sustain, and preserve public and private investments in AHA-sponsored mixed-use, mixed-income communities with Centennial Place being established as the first community for reformulation. In conjunction with the reformulation of Centennial Place, AHA received additional Housing Choice voucher funding on April 23, 2013, which will be used as part of the PBRA funding to replace the public housing operating subsidy upon conversion.

Consistent with the purpose and intent of the Reformulation Demonstration Program, and in order to complete the conversion of subsidy from Section 9 to Section 8, AHA and the respective owners of the four development phases must terminate the current operating subsidy arrangement under the Regulatory and Operating Agreements for the four development phases and replace the public housing operating subsidy with PBRA pursuant to the terms of AHA's form of PBRA Agreement. This first stage of the subsidy reformulation will establish PBRA rent levels on par with the former Section 9 operating subsidy and Capital Fund Program dollars attributable to each development phase.

As the second stage of the reformulation strategy progresses, the managing general partner of the owner entity of each development phase will raise debt and equity to renovate all 738 units on a phase-by-phase basis in order to upgrade and improve the quality, market competitiveness, and sustainability of Centennial Place. Residents will be temporarily relocated on-site or in local hotels without being permanently displaced in order to accomplish the renovation work of each unit, the building exteriors and common areas. The relocation costs associated with these temporary moves are part of the development budget.

In FY 2015, AHA anticipates that the first stage of the conversion of all 301 units will be completed and the second stage will be underway in Phase I. Eventually, AHA will use the HUD-approved Reformulation Demonstration Program to convert the remainder of its Mixed-Income, Mixed Finance Communities using the model piloted at Centennial Place.

Reposition AHA-Owned Residential Communities in partnership with new Property Manager-Developer (PMD) partners

In FY 2013, AHA completed a competitive solicitation for new Property Manager-Developer (PMD) partners for the AHA-Owned Residential Communities and selected The Integral Group, The Michaels Organization, and Columbia Residential. These PMDs took over the comprehensive management of the AHA-Owned Residential Communities effective July 1, 2013.

The solicitation included professional property management services and real estate development services with the intent of attracting private funding for updating and modernizing the properties to bring them up to market-rate competitive standards. As anticipated in AHA's MTW Agreement, AHA and its partners would accomplish this modernization by converting the subsidy from Section 9 to Section 8 using the model established with the Centennial Place conversion (reformulation) demonstration project. During FY 2014, the PMDs began development planning and cost analysis with the goal of completing the development plans within three years.

¹ AHA's MTW PBRA program is not to be confused with HUD's PBRA program for project-basing Section 8 assistance at FHA-insured multifamily properties and certain public housing developments under HUD's Rental Assistance Demonstration program. AHA's PBRA program was designed and implemented under AHA's MTW Agreement with HUD.

PRIORITY: ADVANCE HUMAN DEVELOPMENT SERVICES

FY 2014 Goal: Advance AHA's Human Development Initiatives, with the goal of building healthy self-sufficient families through life-long learning, workforce participation, wealth-building, and aging well initiatives.

One of the key lessons AHA has learned through its strategic revitalization efforts to transform public housing for the 21st century is that human development services are essential to the success of those we serve. Using MTW funds, AHA continues to offer human development services provided by community partners. AHA-assisted families are given referrals, as needed, to connect them to employment, training, education, and other opportunities. For families who have more complex needs, AHA has established intensive coaching and counseling services through partnerships with professional firms.

Implement comprehensive human development life-cycle strategies leading to family self-sufficiency.

During FY 2013, AHA completed foundational work to refine its human development strategy to focus on distinct goals for four segments of our population: children, youth, working-age adults, and seniors and disabled adults.

Using this expanded segmentation, in FY 2014 we assessed and then matched the needs of each population with the appropriate mix of human development services and service provider partners. We established outcome goals for each segment. We then began aligning contracts with service providers and setting performance measures using the life-cycle model.

Working-Age Adults

AHA continues to believe strongly in the value, dignity, and economic independence that work provides. A hallmark of AHA's success has been the implementation of AHA's work/program requirement, which applies to all non-elderly and non-disabled adults in all AHA programs.

Demonstrating the importance of the Atlanta Model and the impact of mixed-income environments, 94 percent of AHA-assisted households with target adults² in AHA-Sponsored Mixed-Income and PBRA Communities were in compliance with AHA's work/program requirement. Compliance requires that they maintain full-time employment or are engaged in a combination of school, job training, and/or part-time employment.

However, the economic recession has disproportionately affected low-income families and challenged their ability to maintain consistent, full-time employment. Adults in mixed-income environments often succeed because they have been positively influenced by a culture of work. They also benefit from private property management's support and guidance for gaining and

Work/Program Requirement

As a condition of receiving the housing subsidy, Households must meet the work/program requirement where:

- (a) **one** non-elderly (18 to 61 years old), non-disabled **adult** household member must maintain continuous **full-time employment** (at least 30 hours per week)
- and**
- (b) **all other** non-elderly, non-disabled **household members** must also maintain employment with a minimum of 30 hours per week or **participate in a combination of school, job training and/or part-time employment.**

² Target adults are non-elderly, non-disabled adults between the ages of 18 and 61 years.

maintaining employment (under AHA’s site-based administration policies). This support also helps maintain the integrity and viability of the entire mixed-income community.

By contrast, target adults in the Housing Choice Voucher Program found it harder to find jobs or retrain for new ones. During FY 2014, AHA implemented procedures within the Housing Choice Voucher Program (HCVP) to facilitate referrals and connections with these services. Using a competitive solicitation process, AHA initiated performance-based contracts with key service providers to assist families with barriers to their success on the program.



AHA recognized that many families continue to need human development support. Adults may find it difficult to obtain full-time employment, especially if they lack marketable skills, knowledge, or certifications necessary for success in the new economy. In facilitating greater family self-sufficiency, AHA will proactively work with unemployed adults and continue to explore additional strategies and partnerships designed to move more families toward self-sufficiency and success.

AHA hosted the first of many workshops at its newly designed Zell Miller Center for Human Excellence. Approximately 60 participants attended the “Get Inspired to Get Hired” series in which AHA provided guidance on résumé-writing styles and formats, along with steps to avoid and follow. The team also took the time to review résumés with the attendees. *Pictured right: Lance Jones, Family Self-Sufficiency (FSS) Coordinator, guides participants through effective résumé writing.*





Hard work and determination have enabled **Dequillia Terrell** to achieve a critical milestone. Through her enrollment at Literacy Action, Inc., one of AHA’s human development service providers, she earned a General Educational Development (GED) diploma. Dequillia, mother of four, plans to attend Atlanta Technical College, with aspirations to become a Registered Nurse.

Elderly and Disabled

AHA’s Aging Well program encourages independent living and empowers older adults to be active and control decisions that affect their lives and aging process. It offers social engagement opportunities, enhances connections to family, friends, and the broader community, and promotes wellness.

Connecting Residents to Resources

In collaboration with on-site Resident Services teams and the Atlanta Chapter of The Links, Inc., AHA sponsored presentations by AARP to residents of the 11 AHA-Owned Residential Communities. Residents received information about the benefits and services – including consumer discount programs, financial services, and healthy eating resources – offered by the recognized senior advocacy group. Given the climate of increased targeting of seniors, a special segment shared tips and resources to help seniors protect themselves against fraud and identity theft. For AHA residents of the high-rise communities who complete the educational sessions, The Links agreed to sponsor one-year memberships to its AARP Links Academy, a program to support African-American women who are either preparing for or currently dealing with the aging process.



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Mental Health Training and Awareness

Assisting residents through the aging process requires knowledge, understanding and the ability to recognize when additional support is needed. To better equip those who interact most closely with some of AHA’s most vulnerable residents, an eight-hour course, *Mental Health First Aid Training*, was provided to staff from each of the Property Manager-Developer companies (PMDs) as well as internal AHA employees who oversee the PMD services and directly interface with residents. The training was provided by the Emory University Fuqua Center for Late-Life Depression, Division of Geriatric Psychiatry at Wesley Woods Health Center.



Children & Youth

Scholarships for College

AHA and the United Negro College Fund (UNCF) continued their partnership on the Atlanta Community Scholars Awards (ACSA). UNCF provides fiscal oversight for grants and gifts given by AHA and its employees, including disbursements and scholarships. The scholarships are awarded by a committee of AHA employees and other community benefactors. For the 2014/2015 academic year, AHA awarded 20 scholarships totaling \$42,750 to deserving AHA-assisted youth for post-secondary education.

Centennial School Expansion

In support of Centennial Academy (formerly Centennial Place School), AHA and The Integral Group (AHA's master developer for Centennial Place) further advanced a partnership with the Georgia Institute of Technology (Georgia Tech). Georgia Tech has agreed to provide engineering and arts faculty expertise and student involvement to create a high-performing, state of the art, hands-on STEAM (Science, Technology, Engineering, Arts, and Math) curriculum. Led by an affiliate of Integral, Atlanta Public Schools, AHA, the YMCA, Centennial PTA, and other community stakeholders have agreed to work collaboratively to expand Centennial from a K–5 school to pre-K to eighth grade in order to offer a seamless educational path from early childhood through college. In FY 2014, The Atlanta Public School Board approved the application to operate Centennial Academy as a charter school.

Cradle-to-College Pipeline

Students, families and the East Lake community celebrated the start of the 2014/2015 school year with great pride and the knowledge that the successes of Drew Charter School, a model STEAM school, can now be extended through the high school years. The school expansion fulfills East Lake Foundation's mission and AHA's community-building vision of quality public schools, cradle-to-college.

AHA, along with other stakeholders, supported the School's successful application to expand its campus and program through 12th grade. With completion of the Charles R. Drew Charter School Junior and Senior Academy (*pictured right*), the school will be home to 1,000 students in grades 6–12, and is equipped with state-of-the-art project and science labs, integrated arts spaces, a 21st century learning commons and computer labs, and learning suites to facilitate collaboration and creativity. Other amenities include a 500-seat performing arts theater, a full track and field, two gymnasiums, and an outdoor classroom. *Pictured above (L-R): Drew Academy students Henry Cox, Sheikevious Young, and Naima Cooper.*



Partnership with Atlanta Public Schools

To further support AHA's efforts to assist families, AHA signed a data-sharing agreement with the Atlanta Public Schools (APS). The purpose of the agreement is to inform decision making with the aim of improving educational opportunities for AHA-assisted youth. The APS data will support AHA's Human Development goals and initiatives with measurable outcomes: 1) achieving educational benchmarks, 2) increasing graduation rates, 3) increasing participation in post-high school technical training and education, 4) reducing truancy rates, and 5) increasing participation in recreational and after-school programs. Data may also be used to enhance future research studies.

PRIORITY: IMPLEMENT THE BUSINESS TRANSFORMATION

FY 2014 Goal: Advance the Business Transformation Initiative, including the integrated Enterprise Resource Planning solution, with the goals of greater effectiveness and efficiency, enhanced capabilities, and an improved customer experience.

AHA initiated a multi-year strategy in FY 2011, which continued through FY 2014, to strengthen AHA's core business model to provide affordable housing opportunities that facilitate family self-sufficiency.

The business transformation affected operations in every area of AHA and involved four dimensions of change: process, people, technology, and policy and procedures.

All the business process improvements in concert with a new technology platform are designed to significantly increase business productivity, providing better customer service to AHA-assisted families, internal and external customers, partners, and the community at-large.



Implement the ERP Solution

The implementation of AHA's integrated ERP projects has resulted in cost and time efficiencies throughout the agency – all linked to providing more effective service to families. During FY 2014, AHA made significant progress in the following areas:

- **Implemented the Yardi Voyager System for Housing Choice** – AHA used new technology to automate and streamline business processes. As part of a phased approach, during FY 2014, AHA rolled-out the Yardi Voyager System for the Housing Choice Voucher Program. Previously, the Finance, Procurement, and Grants modules as well as the Ports administration process were completed. During FY 2015, AHA will complete software upgrades and other enhancements.
- **Digitized and Centralized Millions of Documents** – AHA continued to scan and organize documents in its Sharepoint content management system to both streamline and automate document retrieval and reduce costs of off-site paper storage.

Unrestricted sources of revenue

During FY 2014, through its ongoing business relationship with Georgia HAP Administrators, Inc., d.b.a. National Housing Compliance (NHC), AHA earned \$826,875 unrestricted revenue as a member of NHC. (No MTW or other AHA restricted funds support this independent business operation.)

MTW INNOVATIONS & POLICIES

Under the MTW Agreement, AHA has strategically implemented its housing policy reforms across all programs. This consistency serves multiple purposes. One, families can expect to rise to the same standards that AHA believes lead to self-sufficiency. Two, AHA can align its values with contract terms in various agreements with developers and service providers. Three, AHA gains economies from systematic implementation across the agency. As a result of AHA’s participation in the MTW Demonstration and strategic implementation of numerous innovations or reforms, families are living in quality, affordable housing and improving the quality of their lives.

The following represents an overview of a number of key innovations and policy reforms AHA has implemented as a result of its participation in the MTW Demonstration Program and in accordance with the provisions of AHA’s Amended and Restated MTW Agreement with HUD.

Innovations & Policies



Designates an AHA invention or significant innovation

Economic Viability	REGULAR HOUSING AUTHORITY	AHA INNOVATION AND IMPACT
 Households Served (HUD Funding Availability) To address the volatility in the availability of HUD funding, this protocol defines “AHA households served” as all households in the Housing Choice voucher program and all households earning 80% and below of area median income (AMI) residing in communities in which AHA owns, sponsors, subsidizes, or invests funds.	Counts families based on funding source	Counts all households affected by AHA programs and investments
Fee-for-Service Methodology As a simplified way to allocate indirect costs to its various grants and programs, AHA developed a fee-for-service methodology replacing the traditional salary allocation system. More comprehensive than HUD’s Asset Management program, AHA charges fees, not just at the property-level, but in all aspects of AHA’s business activities, which are often not found in traditional HUD programs.	Cost allocation based on labor costs	Accounts for all costs
Local Asset Management Program A comprehensive program for project-based property management, budgeting, accounting, and financial management. In addition to the fee-for-service system, AHA differs from HUD’s asset management system in that it defines its cost objectives at a different level; specifically, AHA defined the MTW program as a cost objective and defined direct and indirect costs accordingly.	HUD Asset Management	Effective, customized approach
 Revised MTW Benchmarks AHA and HUD defined 11 MTW Program Benchmarks to measure performance. AHA is not subject to HUD’s Public Housing Assessment System (PHAS) or Section Eight Management Assessment Program (SEMAP) because each party recognized that such measurements were inconsistent with the terms and conditions of AHA’s MTW Agreement.	PHAS & SEMAP	Simplified and focused on outcomes

Human Development and Self-Sufficiency	REGULAR HOUSING AUTHORITY	AHA INNOVATION AND IMPACT
 <p>Work/Program Requirement This policy establishes an expectation that reinforces the importance and necessity for work to achieve economic independence and self-sufficiency. As a condition of receiving the housing subsidy, (a) one non-elderly (18 to 61 years old), non-disabled adult household member must maintain continuous full-time employment (at least 30 hours per week) and (b) all other non-elderly, non-disabled household members must also maintain full-time employment or participate in a combination of school, job training, and/or part-time employment.</p>	None	All able-bodied adults must be working or engaged in programs to prepare for work
<p>Service Provider Network For the benefit of AHA-assisted households and individuals, AHA formed this group of social service agencies to support family and individual self-sufficiency, leveraging MTW Funds with resources and expertise from established organizations.</p>	None	Uses partnership model to leverage MTW Funds
 <p>Intensive Coaching and Counseling Services AHA has used over \$30 million of MTW Funds to pay for family counseling services for families transitioning from public housing to mainstream, mixed-income environments and for self-sufficiency.</p>	None	Enabled by MTW Single Fund
 <p>30% of Adjusted Income This innovation ensures housing affordability and uniformity of tenant payments, regardless of the source of AHA subsidy, by establishing that the total tenant payments of all AHA-assisted households (including HCVP participants) will at no time exceed 30 percent of adjusted income.</p>	Only applies to public housing	Increases housing choices in lower poverty neighborhoods
 <p>\$125 Minimum Rent Policy that raises standards of responsibility for some AHA-assisted families in public housing and Housing Choice by increasing tenant contributions towards rent to at least \$125. Policy does not apply to households where all members are either elderly and/or disabled.</p>	\$25	\$125
<p>Elderly and Non-Elderly Disabled Income Disregard This policy encourages healthy aging and self-sufficiency by excluding employment income when determining rental assistance for elderly persons or non-elderly persons with a disability.</p>	n/a	Encourages independent living and incents employment
 <p>4-to-1 Elderly Admissions Preference AHA created this policy to address sociological and generational lifestyle differences between elderly and young disabled adults living in the AHA-Owned Residential Communities (public housing-assisted communities). This policy creates a population mix conducive to shared living space for the elderly.</p>	None	Improves quality of life for all residents

Human Development and Self-Sufficiency Cont'd	REGULAR HOUSING AUTHORITY	AHA INNOVATION AND IMPACT
<p>Rent Simplification AHA determines adjusted annual income with its own Standard Deductions that replace HUD's Standard Deductions, and, in most cases, eliminate the need to consider other deductions. This policy reduces errors and inefficiencies associated with the verification of unreimbursed medical and childcare expenses.</p>	<p>\$480 per child, \$400 for elderly/disabled and requires receipts</p>	<p>Simplifies administration: \$750 per child, \$1000 for elderly/disabled households</p>
<p>Good Neighbor Program An instructional program established in partnership with Georgia State University, the curriculum includes training on the roles and responsibilities necessary to be a good neighbor in mainstream, mixed-income environments. The program supports acceptance of the Housing Choice program by members of the community.</p>	<p>None</p>	<p>Improves quality of life and community acceptance</p>
<p> Aging Well Initiative Recognizing the needs of older adults to live independently and maintain their quality of life, AHA introduced a program to provide residents with vibrant physical spaces, active programming, support services, and enhanced opportunities for socialization, learning, and wellness.</p>	<p>None</p>	<p>Enabled by MTW Funds</p>
<p>Alternate Resident Survey This protocol, which replaces and satisfies the requirements for HUD's PHAS Resident Survey, allows AHA to monitor and assess customer service performance in public housing using AHA's own resident survey.</p>	<p>PHAS Resident Survey</p>	<p>AHA customized resident survey</p>
<p> MTW Benchmarking Study—Third Party Evaluation In order to measure the impact of AHA's MTW Program, AHA uses an independent, third-party researcher to conduct a study of the Program and its impact.</p>	<p>n/a</p>	<p>Empirical evaluation by independent third-party</p>
<p> Early Childhood Learning Because strong communities are anchored by good schools, AHA partners with the public schools, foundations, and developers to create physical spaces for early childhood learning centers.</p>	<p>None</p>	<p>Leverages land to break cycle of poverty</p>
Expanding Housing Opportunities	REGULAR HOUSING AUTHORITY	AHA INNOVATION AND IMPACT
<p> Mixed-Income / Mixed-Finance Development Initiative AHA strategically approaches development and rehabilitation activities by utilizing public/private partnerships and private sector development partners, and by leveraging public/private resources. AHA has evolved its policies and procedures to determine and control major development decisions. This streamlined approach allows AHA to be more nimble and responsive in a dynamic real estate market in the creation of mixed-income communities.</p>	<p>n/a</p>	<p>Pioneered by AHA and now called "The Atlanta Model"</p>

Expanding Housing Opportunities Cont'd	REGULAR HOUSING AUTHORITY	AHA INNOVATION AND IMPACT
 <p>Public-Private Partnerships The public/private partnerships formed to own AHA-Sponsored, Mixed-Income Communities (Owner Entities) have been authorized by AHA to leverage the authority under AHA's MTW Agreement and to utilize innovative private sector approaches and market principles.</p>	n/a	Leverages public funds, private sector funds and know-how
<p>Managing Replacement Housing Factor (RHF) Funds AHA established a RHF Obligation and Expenditure Implementation Protocol to outline the process with which AHA manages and utilizes RHF funds to further advance AHA's revitalization activities.</p>	Restricted	Clearly defined options for combining or accumulating RHF funds
<p>Mixed-Finance Closing Procedures AHA carries out a HUD-approved procedure for managing and closing mixed-finance transactions involving MTW or development funds.</p>	n/a	Streamlines procedures
<p>Gap Financing AHA may support the financial closings of mixed-income rental communities through gap financing that alleviates the challenges in identifying investors and funders for proposed development projects.</p>	n/a	Enables opportunities to preserve and/or develop additional mixed-income communities
 <p>Project Based Rental Assistance (PBRA) as a Development Tool AHA created a unique program that incents private real estate developers/owners to create quality affordable housing. For PBRA development deals, AHA has authorization to determine eligibility for PBRA units, determine the type of funding and timing of rehabilitation and construction, and perform subsidy layering reviews.</p>	Project Based Vouchers program	Unique PBRA program developed with local Atlanta developers
 <p>PBRA Site-Based Administration Through AHA's PBRA Agreement (which replaces the former Project Based HAP contract), the owner entities of PBRA developments and their professional management agents have full responsibility, subject to AHA inspections and performance reviews, for all administrative and programmatic functions including admissions and occupancy procedures and processes relating to PBRA-assisted units. Allows private owners to manage and mitigate their financial and market needs.</p>	PBV administered by PHA	Allows private owner to optimize management and viability of property

Expanding Housing Opportunities Cont'd	REGULAR HOUSING AUTHORITY	AHA INNOVATION AND IMPACT
 <p>Reformulating the Subsidy Arrangement AHA is implementing strategies to reformulate the subsidy arrangement for AHA-Sponsored Mixed-Income Communities and AHA-Owned Residential Communities from public housing operating subsidy (under the existing Annual Contributions Contract) to Project Based Rental Assistance (under an AHA-devised PBRA Agreement), in order to sustain and preserve investments in these rental communities.</p>	n/a	Unique program enhances long-term viability of real estate
<p>Supportive Housing AHA supports, in partnership with private sector developers, service-enriched housing for target populations such as the homeless, persons with mental health or developmental disabilities, at-risk families and youth, and others requiring a unique and supportive environment to ensure a stable housing situation. AHA utilizes PBRA funding to provide rental assistance and has established separate housing assistance policies for these developments that match the unique needs of the client population.</p>	Requires waivers for preferences	Expands affordable housing for at-risk populations
 <p>Builders/Owners Agreement Initiative Agreements with single-family homebuilders throughout Atlanta to provide down payment assistance for first-time buyers. Designed to facilitate great opportunities for low-income families in a soft real estate market, this initiative has successfully aided in the absorption of Atlanta's "excess" inventory of high-quality, recently constructed, single-family homes.</p>	n/a	Expands affordable, high-quality housing opportunities
 <p>Affordable Assisted Living AHA and a private sector partner are developing a facility primarily for elderly veterans and their spouses who require assistance with daily living activities. AHA seeks to fill the unmet need for affordable assisted living alternatives by leveraging multiple sources of funding.</p>	n/a	Expands affordable housing for at-risk population
<p>Housing Choice Voucher Program (HCVP) Reforms AHA's MTW Agreement allows it to develop its own Housing Choice Voucher Program. In addition to agency-wide policies, following are key features of the program.</p>		
<p>HCRA Agreement Replaces the HUD HAP Agreement and is based on private sector real estate models.</p>	Standard HAP agreement	Market-based with lease addendum
<p>Multi-family Rent Schedules By agreement with certain high-performing multi-family property owners, establishes standard rents and annual review for a property.</p>	Single Fair Market Rent for Atlanta	Increases availability of quality housing while reducing operational costs

Expanding Housing Opportunities Cont'd	REGULAR HOUSING AUTHORITY	AHA INNOVATION AND IMPACT
 Atlanta Submarket Payment Standards AHA established standards in seven local submarkets to account for varying local markets and to eliminate financial barriers during the housing search.	Single Fair Market Rent for Atlanta	Increases choices for families
 Rent Reasonableness Determinations AHA uses local market comparables to determine rents for each unit and ensure that AHA is not overpaying in any given market.	Varies	Aligns rents with market
 Leasing Incentive Fee (LIF) Allows families greater buying power in lower poverty neighborhoods where security deposits and application fees would normally create a barrier. Attracts more landlords in lesser-impacted markets.	None	Lowers barriers for families
Occupancy Policies Occupancy standards, including a broad definition of a family, are set by AHA to improve long-term self-sufficiency of the family.	Strict	Increases access to housing
Housing Choice Homeownership Policies AHA established its own policies, procedures, eligibility, and participation requirements for families to participate in the Housing Choice Homeownership Program and use their voucher for mortgage payment assistance.	None	Supports long-term success of low-income families
 Special Purpose Vouchers Program Flexibility Allows AHA to apply its program standards after the first year for vouchers such as Family Unification.	Restricted by funding source	Aligns MTW goals and flexibility
 Enhanced Inspection Standards AHA created more comprehensive inspections standards and processes than HUD HQS in order to improve the delivery of quality, safe, and affordable housing to assisted families. Ensures the quality and financial viability of the product and the neighborhood.	HUD's HQS	Unit + site and neighborhood
Site and Neighborhood Standards In lieu of the HUD Site & Neighborhood Standards, AHA has adopted the PBRA Site & Neighborhood Standards as set forth in Section VII.B.3 of Attachment D of AHA's MTW Agreement for the evaluation of HOPE VI and other HUD-funded master planned developments.	Limited	Flexible standards to leverage local market realities

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MTW Annual Report Cross-Reference Guides

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Appendix A - MTW Annual Report Cross-Reference Guides

1. AHA Legacy Attachment B Requirements

Source: Legacy Attachment B, AHA - Elements for the Annual MTW Plan and Annual MTW Report

Reference: AHA's Amended and Restated Moving to Work Agreement, January 16, 2009

Description: The following table outlines AHA's MTW reporting requirements per AHA's MTW Agreement. Cross-references are provided specifying the location, within the MTW Annual Report, where the item can be found.

Annual Report Element	Location in FY 2014 MTW Report
I. Households Served	
A. Number served: plan vs. actual by:	Appendix D: AHA MTW Benchmarks (Legacy Attachment B)
- unit size	
- family type	
- income group	
- program/housing type	
- race & ethnicity	
B. Changes in tenant characteristics	
C. Changes in waiting list numbers and characteristics	
D. Narrative discussion/explanation of change	
II. Occupancy Policies	
A. Changes in concentration of lower-income families, by program	Appendix D: AHA MTW Benchmarks (Legacy Attachment B)
B. Changes in Rent Policy, if any	Appendix B: FY 2014 MTW Report Resolution & Certifications
C. Narrative discussion/explanation of change	
III. Changes in the Housing Stock	
A. Number of units in inventory by program: planned vs. actual	Appendix D: AHA MTW Benchmarks (Legacy Attachment B)
B. Narrative discussion/explanation of difference	Public Housing inventory is reported to HUD through the PIC system. Housing Choice unit leasing information is submitted monthly through VMS.
IV. Sources and Amounts of Funding	
A. Planned vs. actual funding amounts	Appendix F: Financial Analysis
B. Narrative discussion/explanation of difference	
C. Consolidated Financial Statement	
V. Uses of Funds	
A. Budgeted vs. actual expenditures by line item	Appendix F: Financial Analysis
B. Narrative/explanation of difference	
C. Reserve balance at end of year. Discuss adequacy of reserves.	

1. AHA Legacy Attachment B Requirements

Annual Report Element	Location in FY 2014 MTW Report
VI. Capital Planning	
A. Planned vs. actual expenditures by property	Appendix F: Financial Analysis
B. Narrative discussion/explanation of difference	
VII. Management Information for Owned/Managed Units	
A. Vacancy (Occupancy) Rates	Appendix D: AHA MTW Benchmarks (Legacy Attachment B)
1. Target vs. actual occupancies by property	
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E. Security	
1. Narrative: planned vs. actual actions/explanation of difference	
VIII. Management Information for Leased Housing	
A. Leasing Information	
1. Target vs. actual lease ups at end of period	Appendix D: AHA MTW Benchmarks (Legacy Attachment B)
2. Narrative/explanation of difference	Public Housing inventory is reported to HUD through the PIC system. Housing Choice unit leasing information is submitted monthly through VMS.
3. Information and Certification of Data on Leased Housing Management including:	Appendix D: AHA MTW Benchmarks (Legacy Attachment B)
▪ Ensuring rent reasonableness	
▪ Expanding housing opportunities	
▪ Deconcentration of low-income families	

1. AHA Legacy Attachment B Requirements

Annual Report Element	Location in FY 2014 MTW Report
B. Inspection Strategy	
1. Results of inspection strategy, including: <ul style="list-style-type: none"> a) Planned vs. actual inspections completed by category: <ul style="list-style-type: none"> ▪ Annual HQS Inspections ▪ Pre-contract HQS Inspections ▪ HQS Quality Control Inspections b) HQS Enforcement 2. Narrative/explanation of difference	Appendix D: AHA MTW Benchmarks (Legacy Attachment B)
IX. Resident Programs	
A. Narrative: planned vs. actual actions/explanation of difference	Section II. Priority Activities
B. Results of latest PHAs Resident Survey, or equivalent as determined by HUD.	Appendix H: Resident Satisfaction Survey, AHA-Owned Residential Communities
X. Other Information as Required	
A. Results of latest completed 133 Audit, (including program-specific OMB compliance supplement items, as applicable to AHA's Agreement)	Appendix F: Financial Analysis
B. Required Certifications and other submissions from which the Agency is not exempted by the MTW Agreement	Appendix B: FY 2014 MTW Report Resolution & Certifications
C. Submissions required for the receipt of funds	<p>HUD no longer requires an annual Section 8 budget from AHA to request Housing Choice funds; and AHA will be submitting the CY2015 Low Rent Operating Subsidy Calculation to the Atlanta Field Office as required by the upcoming submission schedule for review and funding. HUD provided AHA's 2014 CFP and RHF grant awards in April 2014 and AHA submitted the original Annual Statements/ Performance and Evaluation Reports (AS/P&E) for these grants to HUD with our acceptance of the amended ACCs.</p> <p>AS/P&Es for RHF and CFP grants active in FY2014 with information as of June 30, 2014 are included in Appendix F: Financial Analysis</p>

2. HUD Form 50900 Attachment B

Source: HUD Form 50900, Elements for the Annual MTW Plan and Annual MTW Report

Reference: OMB Control Number 2577-0216 (expires 05/31/2016)

Description: The following cross-reference chart is provided as a convenience for HUD review. Per AHA's Amended and Restated MTW Agreement, AHA's reporting requirements are based only on Legacy Attachment B (Attachment B to AHA's MTW Agreement). In June 2014, AHA decided to report its MTW-approved activities in accordance with the HUD Form 50900 – Attachment B and solely for purposes of complying with the substantive information reporting requirements of the Paperwork Reduction Act.

Annual Report Element	Location in FY 2014 MTW Report
I. Introduction	
A. Table of Contents, which includes all the required elements of the Annual MTW Report; and	Annual Report Sections I and II Table of Contents
B. Overview of the Agency's ongoing MTW goals and objectives.	
II. General Housing Authority Operating Information	
A. Housing Stock Information	
Number of public housing units at the end of the Plan year, discuss any changes over 10%;	Appendix E: HUD Information Reporting Requirement (HUD Form 50900 - Attachment B)
Description of any significant capital expenditures by development (>30% of the Agency's total budgeted capital expenditures for the fiscal year);	
Description of any new public housing units added during the year by development (specifying bedroom size, type, accessible features, if applicable);	
Number of public housing units removed from the inventory during the year by development specifying the justification for the removal;	
Number of MTW HCV authorized at the end of the Plan year, discuss any changes over 10%;	
Number of non-MTW HCV authorized at the end of the Plan year, discuss any changes over 10%;	
Number of HCV units project-based during the Plan year, including description of each separate project; and	
Overview of other housing managed by the Agency, eg., tax credit, state-funded, market rate.	
B. Leasing Information - Actual	
Total number of MTW PH units leased in Plan year;	Appendix E: HUD Information Reporting Requirement (HUD Form 50900 - Attachment B)
Total number of non-MTW PH units leased in Plan year;	
Total number of MTW HCV units leased in Plan year;	
Total number of non-MTW HCV units leased in Plan year;	

Annual Report Element	Location in FY 2014 MTW Report
<p>Description of any issues related to leasing of PH or HCVs; and</p> <p>Number of project-based vouchers committed or in use at the end of the Plan year, describe project where any new vouchers are placed (include only vouchers where Agency has issued a letter of commitment in the Plan year).</p>	<p>Appendix E: HUD Information Reporting Requirement (HUD Form 50900 - Attachment B)</p>
<p>C. Waiting List Information</p>	
<p>Number and characteristics of households on the waiting lists (all housing types) at the end of the plan year; and</p>	<p>Appendix D: AHA MTW Benchmarks (Legacy Attachment B)</p>
<p>Description of waiting lists (site-based, community-wide, HCV, merged) and any changes that were made in the past fiscal year.</p>	<p>No changes were made to the policy or procedures for maintaining waiting lists. Waiting lists are opened and closed at various sites on an “as needed” basis in the normal course of business.</p>
<p>III. Proposed MTW Activities: HUD approval requested</p>	
<p>All proposed activities that are granted approval by HUD are reported in Section IV as 'Approved Activities'.</p>	
<p>IV. Approved MTW Activities: HUD approval previously granted</p>	
<p>(provide the listed items below grouped by each MTW activity)</p>	
<p>A. Implemented Activities</p>	
<p>List approved, implemented, ongoing activities continued from the prior Plan year(s); that are actively utilizing flexibility from the MTW Agreement; specify the Plan Year in which the activity was first approved and implemented; provide a description of the activity and detailed information on its impact; compare outcomes to baselines and benchmarks, and indicate whether the activity is on schedule.</p>	<p>Appendix C. Ongoing Activities A. Approved MTW Activities: HUD Approval Previously Granted</p>
<p>B. Not Yet Implemented Activities</p>	
<p>List any approved activities that were proposed in the Plan, approved by HUD, but not implemented; specify the Plan Year in which the activity was first approved; discuss any actions taken toward implementation during the fiscal year.</p>	<p>Appendix C. Ongoing Activities B. Not Yet Implemented MTW Activities</p>
<p>C. Activities on Hold</p>	
<p>Describe any approved activities that have been implemented and the PHA has stopped implementing but has plans to reactivate in the future; specify the Plan Year in which the activity was first approved, implemented, and placed on hold; report any actions that were taken towards reactivating the activity.</p>	<p>Appendix C. Ongoing Activities C. Activities on Hold</p>

Annual Report Element	Location in FY 2014 MTW Report
D. Closed Out Activities	
<p>List all approved activities that have been closed out, including activities that have never been implemented, that the PHA does not plan to implement and obsolete activities; specify the Plan Year in which the activity was first approved and implemented (if applicable); provide the year the activity was closed out; discuss the final outcome and lessons learned.</p>	<p>Appendix C. Ongoing Activities D. Closed Out Activities</p>
V. Sources and Uses of MTW Funds	
A. Sources and Uses of MTW Funds	
<p>Actual Sources and Uses of MTW Funding for the Fiscal Year</p>	<p>Appendix E: HUD Information Reporting Requirement (HUD Form 50900 - Attachment B)</p>
<p>Describe the Activities that Used Only MTW Single Fund Flexibility</p>	
B. Local Asset Management Plan	<p>Appendix F: Financial Analysis</p>
C. Commitment of Unspent Funds	<p>N/A per HUD: Until HUD issues a methodology for defining reserves, including a definition of obligations and commitments, MTW agencies are not required to complete this section.</p>
VI. Administrative	
<p>The Agency shall provide the information below:</p>	
<p>A. General description of any HUD reviews, audits or physical inspection issues that require the agency to take action to address the issue;</p>	<p>N/A</p>
<p>B. Results of latest PHA-directed evaluations of the demonstration, as applicable; and</p>	<p>Appendix G: MTW Benchmarking Study Update</p>
<p>C. Certification that the PHA has met the three statutory requirements of: 1) assuring that at least 75 percent 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 had the amounts not been combined; and 3) 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.</p>	<p>Appendix B: FY 2014 MTW Report Resolution & Certifications</p>

Appendix B

FY 2014 MTW Annual Report Resolution & Certifications

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SECRETARY'S CERTIFICATE

I, JOY W. FITZGERALD, DO HEREBY CERTIFY that:

1. I am the presently appointed and qualified Secretary of the Board of Commissioners of The Housing Authority of the City of Atlanta, Georgia ("AHA"). In such capacity, I am custodian of its records and I am familiar with its organization, membership and activities.
2. Attached hereto as Exhibit 1 is a true and correct copy of the resolution authorizing AHA to submit its Fiscal Year 2014 Moving To Work (MTW) Annual Report to the United States Department of Housing and Urban Development in accordance with AHA's Amended and Restated MTW Agreement, and other related matters.
3. This resolution was presented to the AHA Board of Commissioners (the "Board") at its Regular Meeting on September 24, 2014 (the "Meeting").
4. The following Board members were present for the Meeting:

Daniel Halpern, Chair
Margarette Paulyne Morgan White
James Allen, Jr.
Dr. Christopher Edwards

5. At the Meeting, the Board adopted and approved the resolution attached hereto as Exhibit 1.

IN WITNESS WHEREOF, I have hereunto set my hand and the duly adopted official seal of The Housing Authority of the City of Atlanta, Georgia this 24th day of September, 2014.

SEAL





JOY W. FITZGERALD,
Secretary

EXHIBIT 1
RESOLUTION ADOPTED AT THE REGULAR MEETING
OF THE BOARD OF COMMISSIONERS HELD ON
WEDNESDAY, SEPTEMBER 24, 2014

RESOLUTION

WHEREAS, The Housing Authority of the City of Atlanta, Georgia (AHA) executed its Amended and Restated Moving To Work Agreement, effective as of November 13, 2008, as further amended by that certain Second Amendment to the Moving To Work Agreement, effective as of January 16, 2009 (Amended and Restated MTW Agreement) with the United States Department of Housing and Urban Development (HUD);

WHEREAS, the Amended and Restated MTW Agreement amended and restated AHA's initial MTW Agreement, dated September 23, 2003 and effective as of July 1, 2003 and is effective through June 30, 2018, unless further extended;

WHEREAS, the Amended and Restated MTW Agreement may be extended for additional ten year terms, with HUD's consent, provided AHA is in compliance with certain agreed conditions;

WHEREAS, under the Amended and Restated MTW Agreement, AHA is required to submit an MTW Annual Report to HUD which, except for certain reports identified in the Amended and Restated MTW Agreement, replaces all other conventional HUD performance measures, including the Public Housing Assessment System and Section 8 Management Assessment Program;

WHEREAS, the Fiscal Year (FY) 2014 MTW Annual Report must be submitted to HUD by September 30, 2014;

WHEREAS, AHA's Amended and Restated MTW Agreement identifies performance benchmarks and specific types of information that are required to be included in the MTW Annual Report;

WHEREAS, the performance benchmarks are designed to evaluate AHA's performance during the term of the Amended and Restated MTW Agreement;

WHEREAS, AHA's performance against these benchmarks is summarized in Exhibit OPS-2-A;

WHEREAS, AHA's Amended and Restated MTW Agreement also requires AHA to conduct an annual reevaluation of the impact of its rent policy changes; and

WHEREAS, AHA's FY 2014 rent impact analyses are attached hereto as Exhibit OPS-2-B through OPS-2-D.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF THE CITY OF ATLANTA, GEORGIA (AHA) that AHA's Fiscal Year (FY) 2014 Moving To Work (MTW) Annual Report is hereby approved. Further, the Interim President and Chief Executive Officer is authorized to submit AHA's FY 2014 MTW Annual Report and such other required documents, certifications or forms to the United States Department of Housing and Urban Development (HUD) with such changes, additions or corrections as she shall deem necessary or appropriate or as may be required by HUD. Further, the Chair or Vice Chair of the Board of Commissioners and the Interim President and Chief Executive Officer are hereby authorized to execute any required documents, certifications or HUD forms related to the approval and filing of AHA's FY 2014 MTW Annual Report.

EXHIBIT OPS-2-A

FY 2014 MTW PROGRAM BENCHMARKS – MEASURABLE OUTCOMES

Performance Measure Definition <i>See Management Notes for further definitions/explanations.</i>	Baseline	FY 2014 Target	FY 2014 Outcome	
Public Housing Program (See Note A)				
Percent Rents Uncollected Gross tenant rents receivable for the Fiscal Year (FY) divided by the amount of tenant rents billed during the FY shall be less than or equal to the target benchmark.	2%	$\leq 2\%$	0.6%	Exceeds Benchmark
Occupancy Rate The ratio of occupied public housing units to available units as of the last day of the FY will be greater than or equal to the target benchmark. See Note B	98%	$\geq 98\%$	98%	Meets Benchmark
Emergency Work Orders Completed or Abated in <24 Hours The percentage of emergency work orders that are completed or abated within 24 hours of issuance of the work order shall be greater than or equal to the target benchmark. (Abated is defined as “emergency resolved through temporary measure, and a work order for long term resolution has been issued.”)	99%	$\geq 99\%$	99.9%	Exceeds Benchmark
Routine Work Orders Completed in ≤ 7 Days The average number of days that all non-emergency work orders will be active during the FY shall be less than or equal to 7 days.	5 days	≤ 7 days	1.8 days	Exceeds Benchmark
Percent Planned Inspections Completed The percentage of all occupied units and common areas that are inspected during the FY shall be greater than or equal to the target benchmark. See Note C	100%	100%	100%	Meets Benchmark
Housing Choice Program (Section 8)				
Budget Utilization Rate The expenditure of FY 2012 Housing Choice MTW vouchers annual budget allocation (i.e. HUD disbursements) for MTW-eligible activities will be greater than or equal to the target benchmark of 98%. See Note D	98%	$\geq 98\%$	98%	Meets Benchmark
Percent Planned Annual Inspections Completed The percentage of all occupied units under contract that are inspected directly by AHA or any other agency responsible for monitoring the property during the FY shall be greater than or equal to the target benchmark by the last day of the Fiscal Year.	98%	$\geq 98\%$	100%	Exceeds Benchmark

EXHIBIT OPS-2-A

FY 2014 MTW PROGRAM BENCHMARKS – MEASURABLE OUTCOMES

Performance Measure Definition <i>See Management Notes for further definitions/explanations.</i>	Baseline	FY 2014 Target	FY 2014 Outcome	
See Note E				
Housing Choice Program (Section 8) - continued				
Quality Control Inspections The percentage of all previously inspected units having a quality control inspection during the FY shall be greater than or equal to the target benchmark.	≥1.4%	≥1.4%	3.9%	Exceeds Benchmark
Community and Supportive Services				
Resident Homeownership The number of Public Housing residents or Housing Choice Voucher participants, and other income eligible families who closed on purchasing a home during the FY, regardless of participation in a homeownership counseling program, shall be greater than or equal to the target benchmark. See Note F	6	12	38	Exceeds Benchmark
Household Work / Program Compliance The annual percentage of Public Housing and Housing Choice assisted households that are Work/Program compliant (excluding elderly and disabled members of the households) through the last day of the fiscal year shall be greater than or equal to the target benchmark. See Note G	N/A	75%	94% in mixed-income rental communities	Exceeds Benchmark
			57% Housing Choice Tenant-Based Vouchers	Below Benchmark
			99% AHA-Owned Communities	Exceeds Benchmark
Finance				
Project Based Financing Closings The annual number of projects to which AHA will commit project-based rental assistance and/or make an investment of MTW funds. See Note H	N/A	6	14	Exceeds Benchmark

EXHIBIT OPS-2-A

FY 2014 MTW PROGRAM BENCHMARKS – MEASURABLE OUTCOMES

MANAGEMENT NOTES:

- A. Public Housing Program - General.** Information for the Public Housing Program includes information for both AHA-Owned Residential Communities and the public housing assisted units at AHA-Sponsored Mixed-Income Communities.

Each of the subject AHA-Sponsored Mixed-Income Communities, developed as a result of public-private partnerships, is owned by a private sector owner entity formed as a limited partnership with an affiliate of AHA's private sector development partner as the managing general partner and an affiliate of AHA as a limited partner. Each community is managed by the owner entity's captive professional property management agent or a third party fee management company hired by the managing general partner. While AHA does not own these communities, AHA engages with the managing general partner of the respective owner entities to monitor financial and operational performance of the property, review monthly and quarterly reports, and make site visits.

The Magnolia Park community is not factored into overall results shown for public housing because of substantial operational and financial challenges. HUD is aware of the situation and actions taken to resolve it. AHA is working closely with the managing general partner of the owner entities and the tax credit syndicator to resolve the issues.

- B. Public Housing Program – Occupancy Rates.** Rates are based on available units, i.e. dwelling units (occupied or vacant) under AHA's Annual Contributions Contract, that are available for occupancy, after adjusting for four categories of exclusions:

1. Units Approved For Non-Dwelling Use: These are units that are HUD-approved for non-dwelling status for the use in the provision of social services, charitable purposes, public safety activities, and resident services, or used in the support of economic self-sufficiency and anti-drug activities.
2. Employee Occupied Units: These are units that are occupied by employees, who are needed at the site, rather than the occupancy being subject to the normal resident selection process.
3. Vacant Units Approved For Deprogramming: These are units that are HUD-approved for demolition/disposition.
4. Temporarily Off-Line Units: These are units undergoing modernization and/or major rehabilitation.

- C. Public Housing Program - Percent Planned Inspections Completed.** Units exempted from the calculation for this purpose include the following:

1. Occupied units for which AHA has documented two attempts to inspect the unit and where AHA has initiated eviction proceedings with respect to that unit;
2. Vacant units that are undergoing capital improvements;
3. Vacant units that are uninhabitable for reasons beyond AHA's control due to:
 - a. Unsafe levels of hazardous/toxic materials;
 - b. An order or directive by a local, state or federal government agency;
 - c. Natural disasters; or
 - d. Units kept vacant because they are structurally unsound and AHA has taken action to rehabilitate or demolish those units.
4. Vacant units covered in an approved demolition or disposition application.

- D. Housing Choice Budget Utilization.** AHA's MTW Housing Choice Budget Utilization benchmark requires that the expenditure of fiscal year Housing Choice Annual Budget allocation (i.e. HUD disbursements) for MTW vouchers utilized for MTW-eligible activities be greater than or equal to the target benchmark of 98 percent. In its FY 2007 MTW Implementation Plan, AHA added clarifying language for this benchmark. As part of the FY 2008 MTW Implementation Plan, AHA included further clarifying language that the 98 percent expenditure rate only applies to vouchers that are fully funded during AHA's entire fiscal year, and that any new vouchers received intermittently during the

EXHIBIT OPS-2-A

FY 2014 MTW PROGRAM BENCHMARKS – MEASURABLE OUTCOMES

fiscal year are excluded from the 98 percent requirement until the following fiscal year and until such time that a 12-month period has elapsed. AHA is making this clarification in light of changes that HUD has made in funding vouchers based on a calendar year rather than on an agency's fiscal year.

- E. Percent Planned Annual Inspections Completed.** This percentage reflects inspections completed on tenant-based Section 8 units under AHA's Housing Choice Program and Project Based Rental Assistance units. The PBRA-assisted units are inspected at least annually in accordance with the PBRA Agreement between AHA and the private owners of the properties.
- F. Resident Homeownership.** During FY 2014, single family home sales in Atlanta and nationwide experienced a slow recovery despite tight financial markets. AHA's homeownership and down payment assistance program benchmark target was also impacted by the higher credit standards for mortgage loans, and the lagging unemployment rate which has limited the pool of eligible buyers. Despite these factors, 38 low-income households were able to close on home purchases through various programs, which represent a substantial achievement given the economic times. *(Note: The target for FY 2014 represents an annual goal; in previous years the cumulative target over multiple years was presented.)* For families interested in achieving the goal of homeownership, AHA will continue connecting interested and qualified participants to homebuyer readiness training and programs in collaboration with qualified housing counseling agencies.
- G. Community and Supportive Services – Household Work / Program Compliance.** By design, the work/program compliance policy takes into account both working adults and family members that are enrolled in approved schools or training programs.

AHA's Work/Program Requirement	
Full-time Worker	Employed for 30 or more hours per week
Participation in an approved program	Attending an accredited school as a "full-time" student Participating in an approved "full-time" training program Attending an accredited school as a "part-time" student, AND successfully participating in an approved "part-time" training program
Part-time Job and Part-time Program Participant	Employed as a part-time employee (at least 16 hours) AND successfully participating in an approved training program Employed as a part-time employee (at least 16 hours) AND successfully participating in an accredited school as a "part-time" student

This benchmark aligns the previous Resident Workforce Participation benchmark with measuring resident and participant compliance with AHA's Work/Program Compliance policy. Since the execution of AHA's MTW Agreement, the agency has implemented a Work/Program Compliance policy requiring one adult (ages 18-61, excluding elderly and disabled persons) in the household to work full-time at least 30 hours per week and all other adults in the household to be either program or work compliant (see table for compliance meanings).

Demonstrating the importance of the Atlanta Model and the impact of mixed-income environments, 94 percent of AHA-assisted households with Target Adults¹ in AHA-Sponsored Mixed-Income and PBRA Communities were in compliance with AHA's work/program requirement. Compliance requires that they maintained full-time employment or were engaged in a combination of school, job training and/or part-time employment.

These adults succeeded because they have been positively influenced by a culture of work. They

¹ Target Adults are non-elderly, non-disabled adults ages 18-61 years old who are subject to the work/program requirement.

EXHIBIT OPS-2-A

FY 2014 MTW PROGRAM BENCHMARKS – MEASURABLE OUTCOMES

also benefited from private property management's support and guidance for gaining and maintaining employment (under AHA's site-based administration policies). This support also helps maintain the integrity and viability of the entire mixed-income community.

Further supporting this view, AHA found that of families living in the AHA-Owned Residential Communities, 99 percent of households were in compliance with the work/program requirement.

By contrast, target adults in the Housing Choice Voucher Program found it harder to find jobs or retrain for new ones. In FY 2013, 57 percent of Housing Choice households were in compliance. This rate is composed of 37 percent of households working full-time plus 20 percent of households in which the target adults were engaged in a combination of work, school or training for less than 30 hours per week. During FY 2014, AHA transitioned to a new system. Until the system is fully operational, AHA believes the 57 percent compliance rate is directionally representative of current compliance levels.

Non-compliant households can be divided into two categories: non-compliant and progressing, a newly introduced status. AHA created "progressing" because many families have found it difficult to maintain employment and work hours in the tough economy. For households in which all Target Adults are engaged in a minimum of 15 hours per week of work, training, and/or school, AHA will designate their status as "progressing." Progressing households will be encouraged to continue improvements and will not be referred for support services until their next recertification.

For households in which Target Adults are not working or meeting any of the work/program requirements – i.e. "non-compliant" households – AHA will utilize an expanded Human Development Services staff (including two Family Self-Sufficiency Coordinators) to provide case management services to address the needs of the whole family in support of Target Adults transitioning to the workforce.

AHA recognizes that many families continue to need human development support. Adults may find it difficult to obtain full-time employment, especially if they lack marketable skills, knowledge or certifications necessary for success and advancement in the new economy. To further help families along their path to self-sufficiency, in FY 2015, AHA will invest in intensive coaching and counseling services with seven service providers for households that are non-compliant and need extra support in obtaining and retaining jobs.

Unemployment trends for Georgia, the Atlanta Metro region, and the City of Atlanta, have been consistently higher than the national unemployment rates. By July 2014, the US unemployment rate was 6.2 percent; while unemployment rates for Georgia at 7.8 percent, the city of Atlanta at 10.4 percent, and the Atlanta Metro region at 8.0 percent all exceeded the national rate. High unemployment has contributed to the decline in AHA's family work compliance outcomes.

Overall, a vast majority of AHA-assisted families are on the road towards self-sufficiency as they continue to improve their skill sets and income-earning potential through education, training and on-the job experience.

- H. Project Based Financing Closings - Finance.** AHA met its Project Based Financing Closings target goal in continuing to facilitate the creation of healthy mixed-income communities owned by private entities by committing project-based rental assistance or by investing MTW funds to promote or support the development or rehabilitation of housing units that are affordable to low-income families.

EXHIBIT OPS-2-B

MINIMUM RENT POLICY IMPACT ANALYSIS

POLICY BACKGROUND

100% of the rental units in AHA-Owned Residential Communities and a portion, generally 40%, of the rental units in AHA-Sponsored Mixed Income Communities (*See Note below) are funded with operating subsidies under Section 9 of the 1937 Housing Act, as amended or modified by AHA's MTW Agreement. AHA's Minimum Rent Policy for these communities is outlined below. Part III, Article One, Paragraphs 10-11 Amended and Restated Statement of Corporate Policies adopted by the Board of Commissioners on April 3, 2014 states:

- Residents paying an Income Adjusted Rent must pay a minimum rent of \$125, or such lesser or greater amount as Atlanta Housing Authority may set from time to time.
- The minimum rent requirement does not apply to resident households in which all household members are either elderly and/or disabled, and whose sole source of income is Social Security, SSI, or other fixed annuity pension or retirement plans. Such resident households will still be required to pay the Income Adjusted Rent or Affordable Fixed Rent, as applicable.

*NOTE: Mixed-income, mixed-finance rental communities, including AHA-assisted units and Project Based Rental Assistance (PBRA) units, in private developments are developed through public-private partnerships and are managed by the owner entity's professional property management agent. While AHA does not own these communities, AHA engages the respective owner entities and their property management agents in its capacity as both a partner and asset manager by actively monitoring performance, reviewing monthly and quarterly reports, making site visits and consulting with management agent representatives with respect to management and maintenance performance, financial oversight and occupancy tracking. Management agents are responsible for implementing AHA housing policies; detailed results from these communities are not included in this analysis.

Rental assistance to households in the Housing Choice Tenant-Based Program within jurisdiction and Project Based Rental Assistance Developments (*See Note above) are covered under Section 8 of the 1937 Housing Act, as amended or modified by AHA's MTW Agreement. AHA's Minimum Rent Policy for households receiving rental assistance is outlined below. Part IV, Article Four, Paragraphs 1-2, Amended and Restated Statement of Policies adopted by the Board of Commissioners on April 3, 2014 states:

- Participants must pay a minimum rent of \$125, or such other amount approved by Atlanta Housing Authority.
- The minimum rent requirement does not apply to Participant households in which all household members are either elderly and/or disabled.

DATA ANALYSIS

Chart 1 compares the FY 2013 and the FY 2014 rents paid by the households residing in AHA-Owned Residential Communities. The analysis excludes households in which all members are elderly or disabled and whose source of income is fixed income.

- In FY 2013, approximately 85.6% or **189** of the resident households paid rents greater than the Minimum Rent. Another 11.3% or **25** households paid rents at the \$125 Minimum Rent level. Additionally, less than 3.2% or **7** households of all resident households were paying less than the Minimum Rent.
- In FY 2014, approximately 86.1% or **182** of the resident households paid rents greater than the Minimum Rent. Another 9.5% or **20** households were paying rent at the \$125 Minimum Rent level. Additionally, 4.3% or **9** households of all resident households were paying less than the Minimum Rent under approved hardship exemptions.

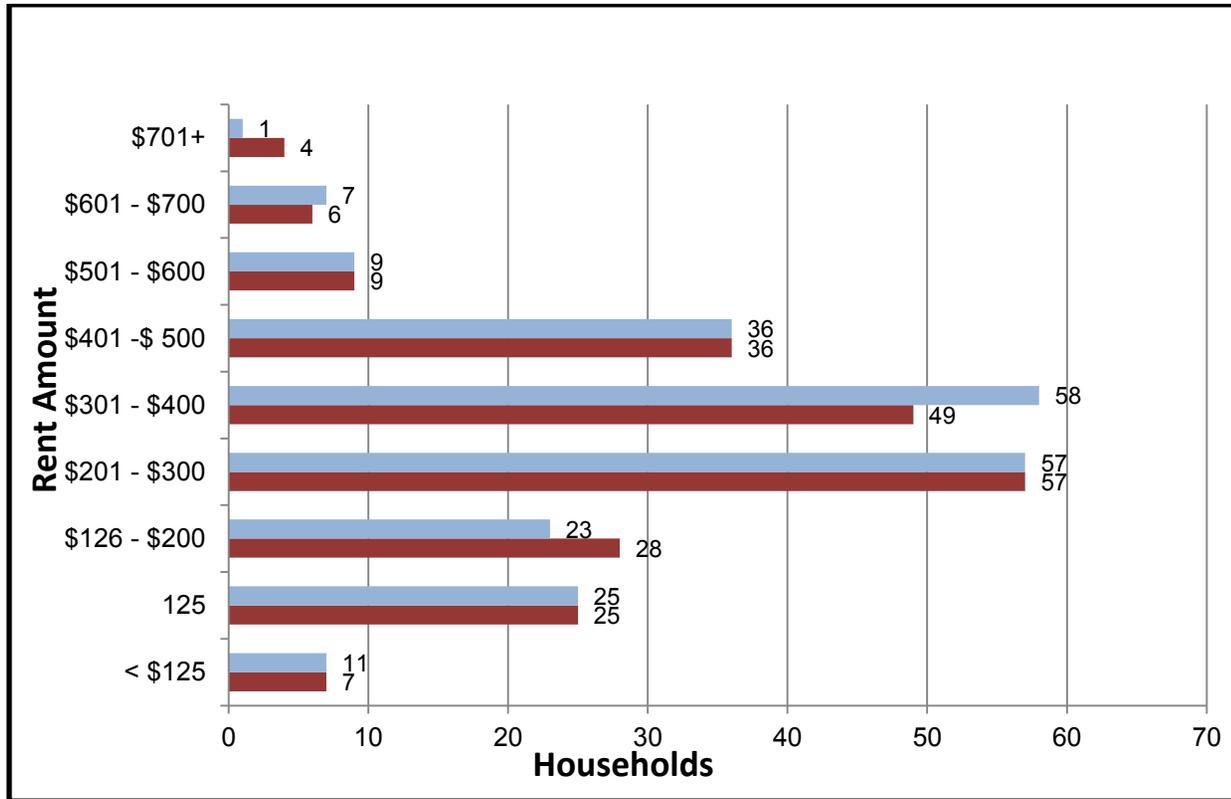
Chart 2 compares the FY 2013 and the FY 2014 rents (Total Tenant Payment) paid by Housing Choice Tenant-Based Program households. The analysis excludes households in which all members are elderly or disabled.

- In FY 2013, approximately 83.7% or **3,876** of Housing Choice households paid rents greater than the Minimum Rent. Another 15.7% or **727** paid rents at the \$125 Minimum Rent level. Additionally, less than 0.4% or **18** households of all households were paying less than the Minimum Rent. There was one household with an approved hardship exemption.
- In FY 2014, approximately 84.8% or **3,634** of Housing Choice households paid rents greater than the Minimum Rent. Another 15.1% or **649** paid rent at the \$125 Minimum Rent level. Additionally, approximately 0.0% or **1** household of all households paid less than the Minimum Rent.

IMPACT ANALYSIS CONCLUSION

The Minimum Rent Policy does not have a negative impact on assisted families because most assisted households are able to pay at or above the Minimum Rent of \$125. The policy also provides an opportunity for AHA-assisted families to file an appeal for hardship.

EXHIBIT OPS-2-B Chart 1 - Minimum Rent Policy Impact Analysis
Households in Section 9 Operating Subsidy Funded Units
AHA-Owned Residential Communities⁽¹⁾⁽²⁾
(As of June 30, 2014)



FY 2014

Rent Amount	< \$125	125	\$126 - \$200	\$201 - \$300	\$301 - \$400	\$401 - \$ 500	\$501 - \$600	\$601 - \$700	\$701+	Total
Total Households	9	20	33	56	37	35	7	4	10	211
%	4.3%	9.5%	15.6%	26.5%	17.5%	16.6%	3.3%	1.9%	4.7%	96%

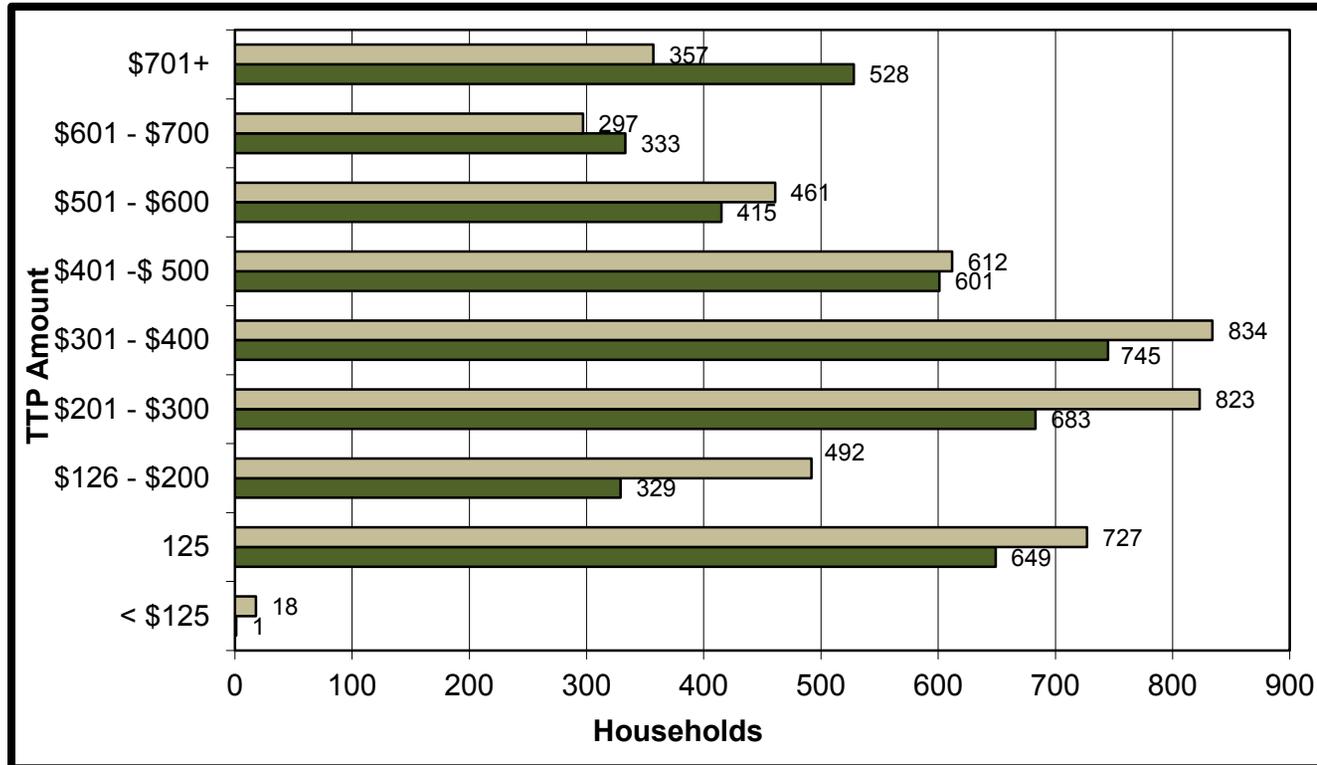
FY 2013

Rent Amount	< \$125	125	\$126 - \$200	\$201 - \$300	\$301 - \$400	\$401 - \$ 500	\$501 - \$600	\$601 - \$700	\$701+	Total
Total Households	7	25	28	57	49	36	9	6	4	221
%	3.2%	11.3%	12.7%	25.8%	22.2%	16.3%	4.1%	2.7%	1.8%	100.0%

(1) Excludes Households that are exempted under the Minimum Rent policy (households in which all members are elderly or disabled and whose source of income is fixed income).

(2) Rent amounts may vary between years with turnover based on changes in household types.

EXHIBIT OPS-2-B Chart 2 - Minimum Rent Policy Impact Analysis
Households Receiving Section 8 Subsidy
Housing Choice Tenant-Based Program⁽¹⁾⁽²⁾
(As of June 30, 2014)



FY 2014

Rent Amount	< \$125	125	\$126 - \$200	\$201 - \$300	\$301 - \$400	\$401 - \$500	\$501 - \$600	\$601 - \$700	\$701+	Total
HOUSEHOLDS	1	649	329	683	745	601	415	333	528	4,284
%	0.0%	15.1%	7.7%	15.9%	17.4%	14.0%	9.7%	7.8%	12.3%	100.0%

FY 2013

Rent Amount	< \$125	125	\$126 - \$200	\$201 - \$300	\$301 - \$400	\$401 - \$500	\$501 - \$600	\$601 - \$700	\$701+	Total
HOUSEHOLDS	18	727	492	823	834	612	461	297	357	4,621
%	0.4%	15.7%	10.6%	17.8%	18.0%	13.2%	10.0%	6.4%	7.7%	100%

(1) Excludes Households that are exempted under the Minimum Rent policy (households in which head of household, spouse, or co-head of household are elderly or disabled).

(2) Rent amounts may vary between years with turnover based on changes in household types.

EXHIBIT OPS-2-C

ELDERLY AND NON-ELDERLY DISABLED INCOME DISREGARD POLICY IMPACT ANALYSIS

POLICY BACKGROUND

Part III, Article One, Paragraph 12 of the Amended and Restated Statement of Corporate Policies adopted by the Board of Commissioners on April 3, 2014 states:

AHA, in determining annual household income, will disregard the employment income of an Elderly Person or Non-Elderly Disabled Person whose sole source of income is Social Security, SSI, and/or other similar fixed income received from a verified plan (Annual Fixed Income), provided the employment income does not reduce or result in the discontinuance of the Elderly Person's or Non-Elderly Disabled Person's sole source of Annual Fixed Income.

Part IV, Article Five of the Amended and Restated Statement of Policies adopted by the Board of Commissioners on April 3, 2014 states:

AHA, in determining annual household income, will disregard the employment income of an Elderly Person or Non-Elderly Disabled Person whose sole source of income is Social Security, SSI, and/or other similar fixed income received from a verified plan (Annual Fixed Income), provided the employment income does not reduce or result in the discontinuance of the Elderly Person's or Non-Elderly Disabled Person's sole source of Annual Fixed Income.

Part XV of the Amended and Restated Statement of Policies adopted by the Board of Commissioners on April 3, 2014 provides the policy direction for Project Based Rental Assistance (PBRA). Under PBRA, all program activities are administered at the property level by the owner entity's professional management agent. Although PBRA is administered independent of and separate from the Housing Choice Tenant-Based Program, the Elderly and Non-Elderly Disabled Income Disregard policy as stated above is applicable to PBRA households.

DATA ANALYSIS

Chart 1 – Of Elderly households assisted in AHA-Owned Residential Communities only 1.8% (21 households) are subject to the policy. Of households assisted in AHA-Sponsored Mixed-Income Communities only 2.1% (34 households) are subject to the policy. Of households assisted in PBRA Mixed-Income Developments, only 3.0% (48 households) of Elderly households are subject to the policy. Of households assisted in AHA's Housing Choice Voucher program, 3.5% (44 households) of Elderly households are subject to the policy.

Chart 2 – For households with Non-Elderly Disabled members, a similar picture emerges. Of Non-Elderly Disabled households assisted in AHA-Owned Residential Communities and AHA-Sponsored Mixed-Income Communities, only 1.4% (10 households) and 1.9% (10 households), respectively, are subject to the policy. Of households assisted in PBRA Mixed-Income Developments, 1.0% (5 households) of Non-Elderly Disabled households are subject to the policy. Of households assisted in AHA's Housing Choice Voucher program, 2.8% (53 households) of Non-Elderly Disabled households are subject to the policy.

IMPACT ANALYSIS CONCLUSION

Overall, the Elderly and Non-Elderly Disabled Income Disregard rent policy has a positive impact because it reduces the rent (or Total Tenant Payment*) of assisted households by disregarding the employment income of household members with eligible fixed income and employment income. Due to the policy, 2.4% or 225 households may receive a net positive benefit of a reduction in rent (Total Tenant Payment).

**Total Tenant Payment is the assisted household's share of the rent and utilities before any adjustment for utility allowances.*

EXHIBIT OPS-2-C Charts 1 and 2
Analysis of Elderly and Non-Elderly Disabled
Income Disregard Policy Impact
(As of June 30, 2014)

HOUSEHOLDS WITH ELDERLY		FIXED INCOME AND EMPLOYMENT INCOME <i>DISREGARD APPLIES</i>	
Program Type	N	N	% of Total Households
AHA-Owned Residential Communities	1,157	21	1.8%
AHA-Sponsored Mixed-Income Communities	1,613	34	2.1%
PBRA Mixed-Income Developments	1,621	48	3.0%
Housing Choice Tenant-Based Program	1,258	44	3.5%
SUMMARY	5,649	147	2.6%

HOUSEHOLDS WITH NON-ELDERLY DISABLED ADULTS		FIXED INCOME AND EMPLOYMENT INCOME <i>DISREGARD APPLIES</i>	
Program Type	N	N	% of Total Households
AHA-Owned Residential Communities	714	10	1.4%
AHA-Sponsored Mixed-Income Communities	526	10	1.9%
PBRA Mixed-Income Developments	491	5	1.0%
Housing Choice Tenant-Based Program	1,917	53	2.8%
SUMMARY	3,648	78	2.1%

EXHIBIT OPS-2-D

RENT SIMPLIFICATION POLICY IMPACT ANALYSIS

POLICY BACKGROUND

Part III, Article One, Paragraph 8 of the Amended and Restated Statement of Corporate Policies adopted by the Board of Commissioners on April 3, 2014 states:

STANDARD INCOME DEDUCTIONS AND ASSET DETERMINATIONS: Atlanta Housing Authority, in its discretion, may establish fixed-rate, or standard deduction and asset determination procedures to be used in calculating annual income. Standard income deductions would replace the calculation of income deductions based on actual expenses. Asset determinations would examine the nature and value of the asset in establishing procedures for setting a schedule of assets that would or would not be used in calculating annual income.

Part IV, Article Six, Paragraph 2 of the Amended and Restated Statement of Policies adopted by the Board of Commissioners on April 3, 2014 states:

STANDARD INCOME DEDUCTIONS AND ASSET DETERMINATIONS: Atlanta Housing Authority, in its discretion, may establish fixed-rate, or standard deduction and asset determination procedures to be used in calculating annual income. Standard income deductions would replace the calculation of income deductions based on actual expenses. Asset determinations would examine the nature and value of the asset in establishing procedures for setting a schedule of assets that would or would not be used in calculating annual income.

Prior to implementation of the Rent Simplification Policy, AHA determined that across all programs, including Housing Choice Tenant-Based Program, Project Based Rental Assistance Mixed-Income Developments, AHA-Owned Residential Communities and AHA-Sponsored Mixed-Income Communities, 80% to 85% of assisted families were not claiming “other deductions” relating to unreimbursed medical, attendant care and auxiliary apparatus, and child care expenses.

The goal of the Rent Simplification Policy is to streamline operations by eliminating the burden and potentially inaccurate process of verifying unreimbursed out-of-pocket expenses. The Standard Income Deductions improve and add value to the integrity and accuracy of rent and subsidy determinations and over time will result in improved operating efficiency and effectiveness across all programs. In addition, by increasing the amount of the HUD standard deduction for dependents from \$480 to AHA’s standard deduction of \$750, and the HUD standard deduction for elderly/disabled families from \$400 to AHA’s standard deduction of \$1,000, AHA’s Standard Income Deductions under the Rent Simplification Policy provide an equitable deduction approach applicable to all assisted families.

DATA ANALYSIS

The implementation of the Standard Income Deductions under the Rent Simplification Policy is based on an appeals process that allows families to file for hardships. Based on the **Chart 1** below, the number of hardship requests for rent reduction has been very minimal. Only **2** assisted households submitted hardship requests as a result of the policy.

EXHIBIT OPS-2-D Chart 1
COMPARISON OF NUMBER OF HARDSHIP REQUESTS TO NUMBER OF HOUSEHOLDS
BENEFITING FROM AHA’S STANDARD INCOME DEDUCTIONS
(As of June 30, 2014)

Program Type	ELDERLY/DISABLED DEDUCTION				DEPENDENT DEDUCTION			
	Housing Choice Tenant-Based	AHA-Owned Residential	AHA-Sponsored Mixed-Income	PBRA Mixed-Income	Housing Choice Tenant-Based	AHA-Owned Residential	AHA-Sponsored Mixed-Income	PBRA Mixed-Income
Total Number of Households Benefiting	2,852	1,862	2,117	2,089	4,162	78	1,618	707
Number with Hardship Requests	1	1	0	0	0	0	0	0

IMPACT ANALYSIS CONCLUSION

The Rent Simplification Policy has a net positive impact and provides financial support for the preponderance of AHA-assisted families when compared to the previous policy that only benefited 15% to 20% of all households. The policy also provides an opportunity for AHA-assisted families to file an appeal for hardship, if required. As shown above very few families filed a hardship request as a result of the policy. The implementation of Standard Income Deductions is an effective method of providing assisted households with relief while, at the same time, streamlining the administrative processes of AHA and its partners and improving accuracy, consistency, and operating efficiencies in the calculation of adjusted incomes.

**CERTIFICATION TO THE U.S. DEPARTMENT OF HOUSING AND URBAN
DEVELOPMENT (“HUD”) REGARDING THE
HOUSING AUTHORITY OF THE CITY OF ATLANTA, GEORGIA’S
FY 2014 MOVING TO WORK (“MTW”) ANNUAL REPORT**

On behalf of The Housing Authority of the City of Atlanta, Georgia (“AHA”), and in accordance with AHA’s Amended and Restated MTW Agreement, effective as of November 13, 2008, as further amended by that certain Second Amendment to the Moving to Work Agreement, effective as of January 16, 2009 (the “MTW Agreement”), I hereby certify the following:

1. At least 75 percent of the households assisted by AHA are very low-income families, as defined in Section 3(b)(2) of the U.S. Housing Act of 1937, as amended;
2. As set forth in AHA’s HUD Funding Availability Protocol, dated November 9, 2007, AHA assisted substantially the same total number of eligible low-income families as would have been served had the HUD funds which comprise the MTW Funds (as defined in the MTW Agreement) not been combined into a single fund;
3. As set forth in AHA’s HUD Funding Availability Protocol, dated November 9, 2007, AHA maintained a comparable mix of families (by family size) as would have been served or assisted had the MTW Funds made available to AHA not been used under the MTW demonstration; and
4. AHA’s FY 2014 Moving to Work Annual Report meets the substantive information reporting requirements of the Paperwork Reduction Act for the MTW Demonstration Program and HUD Form 50900 (OMB Control Number 2577-0216).

All capitalized terms used but not defined herein shall have their respective meaning as set forth in the MTW Agreement.

**THE HOUSING AUTHORITY OF THE
CITY OF ATLANTA, GEORGIA**

BY: 
Name: Joy W. Fitzgerald
Title: Interim President and Chief Executive Officer
Date: September 24, 2014

Appendix C

Ongoing Activities

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Appendix C1: Ongoing Activities

BACKGROUND

The Atlanta Housing Authority's (AHA) Ongoing Activities addresses the HUD Form 50900 requirement by listing activities identified in AHA's MTW Annual Implementation Plans ("MTW Annual Plans") since FY 2005. Per AHA's MTW Agreement with HUD on September 23, 2003, the initial period of which was effective from July 1, 2003 through June 30, 2010, and the executed Amended and Restated MTW Agreement, effective as of November 13, 2008, and further amended by that certain Second Amendment to the Moving to Work Agreement, effective as of January 16, 2009, once HUD approves AHA's MTW Annual Plan, the approval is deemed to be cumulative and remains in effect for the duration of the Amended and Restated MTW Agreement period, as it may be extended from time to time.

In June 2014, AHA decided to report its MTW-approved activities in accordance with the HUD Form 50900 – Attachment B and solely for purposes of complying with the substantive information reporting requirements of the Paperwork Reduction Act.

DESCRIPTION

This section includes information for **Section IV: Approved Activities** of the HUD Form 50900. Activities are divided into the following sub-sections: Implemented, Not Yet Implemented, On Hold, and Closed Out.

Each sub-section includes a summary table of activities, year implemented and MTW authorizations, followed by narrative descriptions, HUD Standard Metrics and FY 2014 outcomes. Per HUD's requirements **"standard metrics must be shown in the table format provided in the 'HUD Standard Metrics' Section of Form 50900."**

PLEASE NOTE: Because HUD Standard Metrics Form 50900 was established after AHA submitted its FY 2014 MTW Annual Plan, benchmarks were not set for each metric for FY 2014. Therefore, AHA reports the FY 2014 outcomes in comparison to the baseline figures. Benchmark achievement is noted as "n/a" in each table.

EXAMPLE of HUD Standard Metrics:

<i>HC #5: Increase in Resident Mobility</i>				
Unit of Measurement	Baseline	FY2014 Benchmark	FY2014 Outcome	Benchmark Achieved?
Number of households able to move to a better unit and/or neighborhood of opportunity as a result of the activity (increase).	Households able to move to a better unit and/or neighborhood of opportunity prior to implementation of the activity (number). This number may be zero. AHA = 0	No benchmark set in FY 2014 MTW Annual Plan.	10 households	n/a

*AHA-reported figures or definitions in **BOLD** type*

FY 2014 benchmarks were not required.

AHA reports the FY 2014 outcomes in comparison to the baseline figures.

A. Approved MTW Activities: HUD Approval Previously Granted

The MTW activity number indicates the functional area and fiscal year in which the activity was approved in AHA's MTW Plan. **Key:** AW – Agency-wide; HC – Housing Choice; HD – Human Development; PH – Public Housing; RE – Real Estate; SH – Supportive Housing.

Implemented Activities			
Activity #	Activity	Fiscal Year Impl.	MTW Authorization(s)
AW.2005.01	\$125 Minimum Rent	2005	Attachment D, Section I.O: General Conditions
PH.2005.07	4 to 1 Elderly Admissions Policy at AHA's High-Rise Communities	2005	Attachment D, Section III: Occupancy Policies Attachment D, Section IV: Self-Sufficiency/Supportive Services
SH.2005.08	Affordable Assisted Living Demonstration	2005	Attachment D, Section V: Single Fund Budget with Full Flexibility Attachment D, Section VII. B: Simplification of the Process to Project Based Section 8 Vouchers Attachment D, Section VII. C: Simplification of the Development and Redevelopment Process
PH.2011.03	Aging Well Program	2011	Attachment D, Section IV: Self-Sufficiency/Supportive Services Attachment D, Section V: Single Fund Budget with Full Flexibility
HC.2006.01	AHA Submarket Payment Standards	2006	Attachment D, Section VII: Establishment of Housing Choice Voucher Program
AW.2010.01	Business Transformation Initiative	2010	Attachment D, Section V: Single Fund Budget with Full Flexibility Attachment D, Section VII: Establishment of Housing Choice Voucher Program
RE.2007.03	Comprehensive Homeownership Program	2007	Attachment D, Section V: Single Fund Budget with Full Flexibility
SH.2005.09	Developing Alternative & Supportive Housing Resources	2005	Attachment D, Section V: Single Fund Budget with Full Flexibility Attachment D, Section VII. B: Simplification of the Process to Project Based Section 8 Vouchers Attachment D, Section VII. C: Simplification of the Development and Redevelopment Process
AW.2005.02	Elderly Income Disregard	2005	Attachment D, Section I.O: General Conditions
PH.2008.03	Energy Performance Contracting	2010	Attachment D, Section IX: Energy Performance Contracting
HC.2005.04	Enhanced Inspection Standards	2005	Attachment D, Section VII: Establishment of Housing Choice Voucher Program
RE.2005.11	Gap Financing	2005	Attachment D, Second Amendment, Section 2: Use of MTW Funds Second Amendment, Section 3: Reinstatement of "Use of MTW Funds" Implementation Protocol
HD.2005.05	Good Neighbor Program II	2005	Attachment D, Section IV: Self-Sufficiency/Supportive Services Attachment D, Section V: Single Fund Budget with Full Flexibility

Activity #	Activity	Fiscal Year Impl.	MTW Authorization(s)
HC.2011.02	Housing Choice Voucher Program HAP Abatement Policy	2011	Attachment D, Section VII: Establishment of Housing Choice Voucher Program
HD.2005.06	Human Development Services	2005	Attachment D, Section IV: Self-Sufficiency/Supportive Services Attachment D, Section V: Single Fund Budget with Full Flexibility
HC.2008.02	Leasing Incentive Fee (LIF)	2007	Attachment D, Section VII: Establishment of Housing Choice Voucher Program
AW.2011.01	Non-Elderly Disabled Income Disregard	2011	Attachment D, Section I.O: General Conditions
RE.2007.04	Project Based Rental Assistance as a Strategic Tool	2007	Attachment D, Section V: Single Fund Budget with Full Flexibility Attachment D, Section VII. B: Simplification of the Process to Project Based Section 8 Vouchers Attachment D, Section VII. C: Simplification of the Development and Redevelopment Process
RE.2006.02	Project Based Rental Assistance Site Based Administration	2006	Attachment D, Section V: Single Fund Budget with Full Flexibility Attachment D, Section VII. B: Simplification of the Process to Project Based Section 8 Vouchers Attachment D, Section VII. C: Simplification of the Development and Redevelopment Process
HC.2007.01	Re-engineering the Housing Choice Voucher Program	2008	Attachment D, Section V: Single Fund Budget with Full Flexibility Attachment D, Section VII: Establishment of Housing Choice Voucher Program Attachment D, Section VII. B: Simplification of the Process to Project Based Section 8 Vouchers Attachment D, Section VII. C: Simplification of the Development and Redevelopment Process
RE.2005.09	Reformulating the Subsidy Arrangement in AHA-Sponsored Mixed-Income, Mixed-Finance Communities including Centennial Place and AHA's Affordable Communities	2005	Attachment D, Section V: Single Fund Budget with Full Flexibility Attachment D, Section VII. C: Demonstration Program on Project Based Financing
HC.2007.02	Rent Reasonableness	2011	Attachment D, Section VII: Establishment of Housing Choice Voucher Program
AW.2008.01	Rent Simplification / AHA Standard Deductions	2010	Attachment D, Section I.O: General Conditions
RE.2005.10	Revitalization Program	2005	Attachment D, Section V: Single Fund Budget with Full Flexibility Attachment D, Section VII. B: Simplification of the Process to Project Based Section 8 Vouchers Attachment D, Section VII. C: Simplification of the Development and Redevelopment Process
RE.2012.01	Single Family Home Rental Demonstration	2013	Attachment D, Section V: Single Fund Budget with Full Flexibility

Activity #	Activity	Fiscal Year Impl.	MTW Authorization(s)
SH.2013.01	Veterans Supportive Housing	2013	Attachment D, Section IV: Self-Sufficiency/Supportive Services Attachment D, Section V: Single Fund Budget with Full Flexibility
AW.2005.03	Work/Program Requirement	2005	Attachment D, Section I.O: General Conditions Attachment D, Section IV: Self-Sufficiency/Supportive Services

AW.2005.01 – \$125 MINIMUM RENT

DESCRIPTION

Effective October 1, 2004 (FY 2005), AHA raised its minimum rent from \$25 to \$125 for its Public Housing and Housing Choice programs. This rent policy does not apply to households where all members are either elderly or disabled and living on a fixed income, in which case their total tenant payment continues to be based on 30% of their adjusted gross income.

IMPACT

AHA's family policy initiatives such as the work requirement are aligned with standards set in the private sector. These policies are intended to prepare AHA's families to live in market-rate, mixed-income communities. Since raising the minimum rent, the number of families paying minimum rent has steadily decreased as adults move into the workforce. Families are becoming more economically self-sufficient which also allows them to be more competitive within the job market and housing arenas.

IMPLEMENTATION YEAR

This activity was approved in the FY 2005 MTW Annual Plan. Implementation began in FY 2005.

CHANGES TO METRICS, BASELINE, OR BENCHMARK

Because the metrics, baseline and benchmarks were established as part of AHA's *Revised FY 2015 MTW Annual Plan*, there have been no changes.

CE #5: Increase in Agency Rental Revenue				
Unit of Measurement	Baseline	FY2014 Benchmark	FY2014 Outcome	Benchmark Achieved?
Rental revenue in dollars (increase).	Rental revenue prior to implementation of the activity (in dollars). AHA = \$25 rent x 2,272 PH and HC households x 12 = \$681,000 approx. (FY 2006).	No benchmark set in FY 2014 MTW Annual Plan.	Expected rental revenue after implementing the activity = \$125 rent x (20 PH residents + 649 HC households) x 12 = \$1.0 million resulting in increased rental revenue and greater HAP savings.	n/a

PH.2005.07 – 4-TO-1 ELDERLY ADMISSIONS POLICY AT AHA'S HIGH-RISE COMMUNITIES

DESCRIPTION

AHA implemented an admissions policy that applies to public housing-assisted units in communities for elderly (62 years or older), almost elderly (55 to 61 years old) and non-elderly disabled and allows the admission of four elderly or almost elderly applicants from the waiting list before admitting a non-elderly disabled applicant. This policy helps to create an optimal mix of elderly, almost elderly and non-elderly disabled residents in a community.

IMPACT

Implementation of this policy has helped reach an optimal mix of elderly and non-elderly disabled residents in the AHA-Owned high-rise communities, which has helped create an improved quality of life for all residents. All residents have a greater ability to access services and resources needed to be engaged and in control of decisions that affect their lives and the aging process.

IMPLEMENTATION YEAR

This activity was approved in the FY 2005 MTW Annual Plan. Implementation began in FY 2005.

CHANGES TO METRICS, BASELINE, OR BENCHMARK

Because the metrics, baseline and benchmarks were established as part of AHA's *Revised FY 2015 MTW Annual Plan*, there have been no changes.

SS #8: Households Transitioned to Self Sufficiency				
Unit of Measurement	Baseline	FY2014 Benchmark	FY2014 Outcome	Benchmark Achieved?
Number of households transitioned to self-sufficiency (increase).	Households transitioned to self-sufficiency (defined as the ability to access services and resources needed to be engaged, active and in control of decisions that affect their lives and the aging process) prior to implementation of the activity (number). This number may be zero. AHA = 0 (FY 2005)	No benchmark set in FY 2014 MTW Annual Plan.	1,845 households in the AHA-Owned high-rise communities	n/a

SH.2005.08 – AFFORDABLE ASSISTED LIVING DEMONSTRATION

DESCRIPTION

AHA will explore and implement strategies that create affordable assisted living opportunities for low-income elderly persons and persons with disabilities. These strategies will leverage resources with Medicaid Waivers or other service funding.

IMPACT

The property has received funding and AHA and the developer have closed on the transaction. Work is underway on remedial site work and public improvements. It is anticipated that vertical construction will begin in the Fall 2015. Upon completion in FY 2015, the development will provide 60 affordable assisted rental units for seniors.

IMPLEMENTATION YEAR

This activity was approved in the FY 2005 MTW Annual Plan. Implementation began in FY 2005.

CHANGES TO METRICS, BASELINE, OR BENCHMARK

Because the metrics, baseline and benchmarks were established as part of AHA's *Revised FY 2015 MTW Annual Plan*, there have been no changes.

HC #1: Additional Units of Housing Made Available				
Unit of Measurement	Baseline	FY2014 Benchmark	FY2014 Outcome	Benchmark Achieved?
Number of new housing units made available for households at or below 80% AMI as a result of the activity (increase).	Housing units of this type prior to implementation of the activity (number). This number may be zero. AHA = 0 (FY 2005)	No benchmark set in FY 2014 MTW Annual Plan.	0 units	n/a

HC #7: Households Assisted by Services that Increase Housing Choice				
Unit of Measurement	Baseline	FY2014 Benchmark	FY2014 Outcome	Benchmark Achieved?
Number of households receiving services aimed to increase housing choice (increase).	Households receiving this type of service prior to implementation of the activity (number). This number may be zero. AHA = 0 (FY 2005)	No benchmark set in FY 2014 MTW Annual Plan.	0 households	n/a

PH.2011.03 – AGING WELL PROGRAM

DESCRIPTION

In support of AHA's efforts to enhance the delivery of case management and supportive services to elderly and persons with disabilities in AHA high-rise communities, AHA in collaboration with Atlanta Regional Commission Area Agency on Aging and other partners, implemented a place-based supportive services pilot using the NORC (Naturally Occurring Retirement Community) model. The NORC is a national program model focused on enabling adults to "age in place" and builds the community capacity to support the process. A strong emphasis is placed on resident involvement with priorities set by residents and new initiatives that capitalize on the economy of scale created by the concentration of individuals with similar needs.

Using lessons learned from the NORC program model and recognizing that there are higher percentages of active older adults who want to maintain their quality of life, AHA introduced the expanded Aging Well program in 2011 to provide our residents with vibrant physical spaces, active programming, and enhanced opportunities for socialization, learning, and wellness.

IMPACT

Compared to the baseline prior to implementation, all AHA-Owned high-rise residents now have the ability to access services and resources needed to be engaged and in control of decisions that affect their lives and the aging process.

Residents have access to on-site Service Coordinators who help refer and link residents to community-based resources to meet their health and wellness needs. Each property also has on-site programs and activities that promote wellness such as: dance and fitness classes, resource fairs, computer classes, nutrition classes, vision screening, podiatry screening, behavioral health practitioner visits, and nursing student visits.

IMPLEMENTATION YEAR

This activity was approved in the FY 2011 MTW Annual Plan. Implementation began in FY 2011.

CHANGES TO METRICS, BASELINE, OR BENCHMARK

Because the metrics, baseline and benchmarks were established as part of AHA's *Revised FY 2015 MTW Annual Plan*, there have been no changes.

SS #8: Households Transitioned to Self Sufficiency				
Unit of Measurement	Baseline	FY2014 Benchmark	FY2014 Outcome	Benchmark Achieved?
Number of households transitioned to self-sufficiency (increase).	Households transitioned to self-sufficiency (defined as the ability to access services and resources needed to be engaged, active and in control of decisions that affect their lives and the aging process) prior to implementation of the activity (number). This number may be zero. AHA = 0 (FY 2011)	No benchmark set in FY 2014 MTW Annual Plan.	1,845 households in the AHA-Owned high-rise communities	n/a

SS #5: Households Assisted by Services that Increase Self Sufficiency				
Unit of Measurement	Baseline	FY2014 Benchmark	FY2014 Outcome	Benchmark Achieved?
Number of households receiving services aimed to increase self-sufficiency (increase).	Households receiving self-sufficiency services prior to implementation of the activity (number). AHA = 0 (FY 2011)	No benchmark set in FY 2014 MTW Annual Plan.	1,845 households in the AHA-Owned high-rise communities	n/a

HC.2006.01 – AHA SUBMARKET PAYMENT STANDARDS

DESCRIPTION

Using a third-party real estate market research firm, AHA developed its own Payment Standards based on local market conditions and identified submarkets that exist within the City of Atlanta. Separate payment standard schedules were implemented for each of the identified submarkets upon establishment of new HAP contracts and at the recertification of existing contracts.

IMPACT

By aligning its payment standards in the City of Atlanta, market rents for a particular neighborhood are not skewed by subsidy paid by AHA in that neighborhood. The realignment of the rents also allows AHA to better manage its subsidy allocation so that AHA can provide more housing opportunities in low poverty and less impacted areas.

IMPLEMENTATION YEAR

This activity was approved in the FY 2006 MTW Annual Plan. Implementation began in FY 2006.

CHANGES TO METRICS, BASELINE, OR BENCHMARK

Because the metrics, baseline and benchmarks were established as part of AHA's *Revised FY 2015 MTW Annual Plan*, there have been no changes.

HC #5: Increase in Resident Mobility				
Unit of Measurement	Baseline	FY2014 Benchmark	FY2014 Outcome	Benchmark Achieved?
Number of households able to move to a better unit and/or neighborhood of opportunity as a result of the activity (increase).	Households able to move to a better unit and/or neighborhood of opportunity prior to implementation of the activity (number). This number may be zero. AHA = 0 (FY 2006)	No benchmark set in FY 2014 MTW Annual Plan.	1,146 households	n/a

HC #1: Additional Units of Housing Made Available				
Unit of Measurement	Baseline	FY2014 Benchmark	FY2014 Outcome	Benchmark Achieved?
Number of new housing units made available for households at or below 80% AMI as a result of the activity (increase).	Housing units of this type prior to implementation of the activity (number). This number may be zero. AHA = 0 (FY 2006)	No benchmark set in FY 2014 MTW Annual Plan.	1,766 units	n/a

AW.2010.01 – BUSINESS TRANSFORMATION INITIATIVE

DESCRIPTION

The Business Transformation initiative is a three-phase strategy that (I) assesses and evaluates AHA's current business systems and practices, (II) develops and recommends an efficient and effective business model patterned after the best practices of successful private-sector real estate companies and the state-of-the-art information systems that support such companies and (III) develops and launches a business transformation implementation plan. As part of the plan, AHA is implementing a fully integrated enterprise-wide solution designed to provide business process automation across every department at AHA as well as third-party data-exchange with partners and service providers. The system will support greater productivity of AHA's staff, resulting in AHA providing better customer service to AHA-assisted families and the community at large.

IMPACT

Business process improvements in concert with the Enterprise Resource Planning (ERP) solution will significantly increase each employee's and AHA's overall business productivity resulting in a monetary return on investment for the enterprise. This investment will support greater productivity of AHA's staff, resulting in AHA providing better customer service to AHA-assisted families, as well as to AHA's partners and stakeholders and to the community at-large.

The ERP solution will automate business processes internally; eliminate manual, redundant processes and paperwork; and introduce broader controls and data security. By improving the quality, accuracy, and frequency of interaction between AHA, families, real estate development partners, property management companies, and owners, AHA believes that it can improve relationships, resulting in better outcomes for families.

IMPLEMENTATION YEAR

This activity was approved in the FY 2010 MTW Annual Plan. Implementation began in FY 2010.

CHANGES TO METRICS, BASELINE, OR BENCHMARK

Because the metrics, baseline and benchmarks were established as part of AHA's *Revised FY 2015 MTW Annual Plan*, there have been no changes.

CE #1: Agency Cost Savings				
Unit of Measurement	Baseline	FY2014 Benchmark	FY2014 Outcome	Benchmark Achieved?
Total cost of task in dollars (decrease).	Cost of task prior to implementation of the activity (in dollars). AHA = \$27.3 million for administrative and program management costs (FY 2013)	No benchmark set in FY 2014 MTW Annual Plan.	\$25.3 million for administrative and program management costs	n/a

RE.2007.03 – COMPREHENSIVE HOMEOWNERSHIP PROGRAM

DESCRIPTION

AHA will continue implementing its Comprehensive Homeownership Program which develops affordable homeownership opportunities in healthy, mixed-income communities and prepares low- to moderate-income families in becoming successful homeowners utilizing the following approaches: (1) Housing Choice Voucher Homeownership Program-provides mortgage payment assistance to qualified Housing Choice clients seeking homeownership.(2) Builders/Owners Initiative - AHA's various private sector development partners have entered into agreements with single-family home builders or owners throughout the City of Atlanta to provide down payment assistance in the form of a subordinated mortgage loan to households that earn up to 80 percent or 115 percent (depending on the funding source) of the metropolitan Atlanta area median income (AMI).

IMPACT

AHA's homeownership program increases affordable homeownership opportunities for low-income families and helps to reduce the excess inventory of newly constructed single family units in the market. AHA further increases homeownership opportunities by leveraging other state and local down payment assistance programs and available funds.

IMPLEMENTATION YEAR

This activity was approved in the FY 2007 MTW Annual Plan. Implementation began in FY 2007.

CHANGES TO METRICS, BASELINE, OR BENCHMARK

Because the metrics, baseline and benchmarks were established as part of AHA's *Revised FY 2015 MTW Annual Plan*, there have been no changes.

HC #1: Additional Units of Housing Made Available				
Unit of Measurement	Baseline	FY2014 Benchmark	FY2014 Outcome	Benchmark Achieved?
Number of new housing units made available for households at or below 80% AMI as a result of the activity (increase).	Housing units of this type prior to implementation of the activity (number). This number may be zero. AHA = 0 (FY 2007)	No benchmark set in FY 2014 MTW Annual Plan.	34 housing units	n/a

HC #6: Increase in Homeownership Opportunities				
Unit of Measurement	Baseline	FY2014 Benchmark	FY2014 Outcome	Benchmark Achieved?
Number of households that purchased a home as a result of the activity (increase).	Number of households that purchased a home prior to implementation of the activity (number). This number may be zero. AHA = 0 (FY 2007)	No benchmark set in FY 2014 MTW Annual Plan.	38 households	n/a

SS #8: Households Transitioned to Self Sufficiency				
Unit of Measurement	Baseline	FY2014 Benchmark	FY2014 Outcome	Benchmark Achieved?
Number of households transitioned to self-sufficiency (increase).	Households transitioned to self-sufficiency (defined as households with sufficient income and savings to maintain a mortgage without subsidy) prior to implementation of the activity (number). This number may be zero. AHA = 0 households (FY 2007)	No benchmark set in FY 2014 MTW Annual Plan.	3 households graduated	n/a

SH.2005.09 – DEVELOPING ALTERNATIVE & SUPPORTIVE HOUSING RESOURCES

DESCRIPTION

AHA will continue developing and implementing alternative and supportive housing resources for income-eligible families. Resources include Elderly Designated Housing, Special Needs Designated Housing for Persons with Disabilities, Affordable Assisted Living or other supportive housing initiatives.

IMPACT

Using its MTW flexibility to partner with the private sector, government agencies, and the service provider community, AHA has created multiple solutions to address the various local housing needs of at-risk populations.

IMPLEMENTATION YEAR

This activity was approved in the FY 2005 MTW Annual Plan. Implementation began in FY 2005.

CHANGES TO METRICS, BASELINE, OR BENCHMARK

Because the metrics, baseline and benchmarks were established as part of AHA's *Revised FY 2015 MTW Annual Plan*, there have been no changes.

HC #1: Additional Units of Housing Made Available				
Unit of Measurement	Baseline	FY2014 Benchmark	FY2014 Outcome	Benchmark Achieved?
Number of new housing units made available for households at or below 80% AMI as a result of the activity (increase).	Housing units of this type prior to implementation of the activity (number). This number may be zero. AHA = 0 (FY 2005)	No benchmark set in FY 2014 MTW Annual Plan.	90 units	n/a

HC #7: Households Assisted by Services that Increase Housing Choice				
Unit of Measurement	Baseline	FY2014 Benchmark	FY2014 Outcome	Benchmark Achieved?
Number of households receiving services aimed to increase housing choice (increase).	Households receiving this type of service prior to implementation of the activity (number). This number may be zero. AHA = 0 (FY 2005)	No benchmark set in FY 2014 MTW Annual Plan.	90 households	n/a

AW.2005.02 – ELDERLY INCOME DISREGARD

DESCRIPTION

As part of this rent policy, when determining annual household income, AHA will disregard the employment income of an Elderly Person whose sole source of income is Social Security, SSI, and/or other similar fixed income received from a verified plan. Provided the employment income does not result in the discontinuance of the elderly person's sole source of annual fixed income, then employment income will be disregarded and not used in calculating annual income. This policy will be applicable to all AHA housing assistance programs and serve as the replacement for applicable HUD rules and regulations.

IMPACT

Compared to baseline, the number of households with working elderly persons has increased. The increase in working elderly households took place largely in the first few years after implementation of the policy. Each year this number seems to trend upward slightly. Most importantly, individuals who choose to work may improve their quality of life and an increased level of self-sufficiency. This policy complements AHA's Aging Well strategy by encouraging elderly individuals to maintain their engagement in their communities.

IMPLEMENTATION YEAR

This activity was approved in the FY 2005 MTW Annual Plan. Implementation began in FY 2005.

CHANGES TO METRICS, BASELINE, OR BENCHMARK

Because the metrics, baseline and benchmarks were established as part of AHA's *Revised FY 2015 MTW Annual Plan*, there have been no changes.

SS #8: Households Transitioned to Self Sufficiency				
Unit of Measurement	Baseline	FY2014 Benchmark	FY2014 Outcome	Benchmark Achieved?
Number of households transitioned to self-sufficiency (increase).	Households transitioned to self-sufficiency (defined as elderly persons who have earned income) prior to implementation of the activity (number). This number may be zero. AHA = 26 households (FY 2005)	No benchmark set in FY 2014 MTW Annual Plan.	AHA = 147 households	n/a

PH.2008.03 – ENERGY PERFORMANCE CONTRACTING

DESCRIPTION

AHA continues to employ energy conservation and efficiency standards, practices and improvements to its properties while enhancing the quality of the living environment for its residents. AHA is utilizing an Energy Performance Contract (EPC) to facilitate upgrades at its AHA-Owned Residential Communities as well as pursuing other funding for green initiatives.

Working with Johnson Controls, in FY 2011 AHA implemented its second energy performance contract (EPC) which combines a \$9.1 million EPC loan with additional MTW funds. Through the EPC project AHA serviced newer HVAC systems in the buildings, replaced the older systems with new more energy efficient systems, upgraded bathrooms with new sinks, light fixtures, low-flow faucets and showerheads, toilets and compact fluorescent lights.

IMPACT

These capital improvements complement and supplement the ARRA renovations begun in FY 2010 and accelerate AHA's ability to continue the physical improvements designed to support delivery of vibrant "aging well" programs for its residents. The FY 2014 savings were higher than anticipated due to the success of the energy conservation measures while program costs remained approximately the same as anticipated. Because of AHA's MTW relief, AHA is able to keep the savings for other improvements and services.

IMPLEMENTATION YEAR

This activity was approved in the FY 2008 MTW Annual Plan. Implementation began in FY 2010.

CHANGES TO METRICS, BASELINE, OR BENCHMARK

Because the metrics, baseline and benchmarks were established as part of AHA's *Revised FY 2015 MTW Annual Plan*, there have been no changes.

CE #1: Agency Cost Savings				
Unit of Measurement	Baseline	FY2014 Benchmark	FY2014 Outcome	Benchmark Achieved?
Total cost of task in dollars (decrease).	Cost of task prior to implementation of the activity (in dollars). AHA = 0 (FY 2011)	No benchmark set in FY 2014 MTW Annual Plan.	\$375,406 in total savings (net program costs) which is \$111,258 more that AHA is allowed to keep under its MTW Agreement.	n/a

HC.2005.04 – ENHANCED INSPECTION STANDARDS

DESCRIPTION

Components of AHA’s Enhanced Real Estate Inspection systems include: inspections for single family, duplex, triplex and quadraplex units that include pre-contract assessments; initial inspections for property inclusion in the HC program; annual property and unit inspections; special inspections as initiated by participant, landlord or neighbors related to health and safety issues; and Quality Control inspections used to re-inspect properties that have passed or failed previous inspections. AHA will continue enhancing its inspection standards and processes to improve the delivery of quality affordable housing to Housing Choice participants.

IMPACT

Enhanced real estate inspections have improved the quality and safety of AHA’s families’ homes.

IMPLEMENTATION YEAR

This activity was approved in the FY 2005 MTW Annual Plan. Implementation began in FY 2005.

CHANGES TO METRICS, BASELINE, OR BENCHMARK

Because the metrics, baseline and benchmarks were established as part of AHA’s *Revised FY 2015 MTW Annual Plan*, there have been no changes.

HC #1: Additional Units of Housing Made Available				
Unit of Measurement	Baseline	FY2014 Benchmark	FY2014 Outcome	Benchmark Achieved?
Number of new housing units made available for households at or below 80% AMI as a result of the activity (increase).	Housing units of this type prior to implementation of the activity (number). This number may be zero. AHA = 0 (FY 2005)	No benchmark set in FY 2014 MTW Annual Plan.	7,253 units	n/a

RE.2005.11 – GAP FINANCING

DESCRIPTION

AHA supports the financial closings of mixed-income rental communities that serve low-income families (earning less than 80% of Area Median Income) to include Tax Credit, Project Based Rental Assisted-units and public housing assisted-units. Gap financing alleviates the challenges in identifying investors and funders for proposed real estate development projects.

IMPACT

Gap financing facilitates financial closings in development projects, thereby creating new affordable housing opportunities. In FY 2014, Oasis at Scholars Landing began construction and is expected to come online during the current fiscal year.

IMPLEMENTATION YEAR

This activity was approved in the FY 2005 MTW Annual Plan. Implementation began in FY 2005.

CHANGES TO METRICS, BASELINE, OR BENCHMARK

Because the metrics, baseline and benchmarks were established as part of AHA's *Revised FY 2015 MTW Annual Plan*, there have been no changes.

HC #1: Additional Units of Housing Made Available				
Unit of Measurement	Baseline	FY2014 Benchmark	FY2014 Outcome	Benchmark Achieved?
Number of new housing units made available for households at or below 80% AMI as a result of the activity (increase).	Housing units of this type prior to implementation of the activity (number). This number may be zero. AHA = 0 (FY 2011)	No benchmark set in FY 2014 MTW Annual Plan.	0 units	n/a

HD.2005.05 – GOOD NEIGHBOR PROGRAM II

DESCRIPTION

AHA's Good Neighbor Program (GNP) is an instructional program established by AHA and taught by Georgia State University (GSU). The curriculum includes training on the roles and responsibilities of being a good neighbor after relocating to amenity-rich neighborhoods. AHA leverages MTW Funds with GSU resources to support the implementation of this program. The program expanded its coursework to include a certification requirement for participants under three "real life" issues: (1) conflict resolution and problem solving; (2) community expectations – "It takes a Village"; and, (3) valuing life-long education. Also referred to as "Empowering S.E.L.F."

IMPACT

Providing training under the Good Neighbor Program prepares families to be successful neighbors. The continuation of Human Services and Support Services also assists with the successful transition of assisted families into their new neighborhoods and as contributing members of their communities.

IMPLEMENTATION YEAR

This activity was approved in the FY 2005 MTW Annual Plan. Implementation began in FY 2005.

CHANGES TO METRICS, BASELINE, OR BENCHMARK

Because the metrics, baseline and benchmarks were established as part of AHA's *Revised FY 2015 MTW Annual Plan*, there have been no changes.

SS #5: Households Assisted by Services that Increase Self Sufficiency				
Unit of Measurement	Baseline	FY2014 Benchmark	FY2014 Outcome	Benchmark Achieved?
Number of households receiving services aimed to increase self-sufficiency (increase).	Households receiving self-sufficiency services prior to implementation of the activity (number). AHA = 0 (FY 2005)	No benchmark set in FY 2014 MTW Annual Plan.	310 households participated in activity	n/a

HC.2011.02 – HOUSING CHOICE VOUCHER PROGRAM HAP ABATEMENT POLICY

DESCRIPTION

AHA, in its discretion, may develop and implement procedures and practices governing the abatement of housing assistance payments payable to owners in the event a rental unit assisted under the HCVP fails to comply with AHA's Inspection Standards. The procedures and practices established under this policy are set forth in the HCVP operating procedures and implemented as a substitute for any applicable HUD rules and regulations.

IMPACT

AHA has continued to professionalize its relationships with landlords. As a result of elevating expectations and standards for accountability and a higher quality product, the private sector real estate community has responded in kind. These positive changes have resulted in a higher caliber of units and landlords participating in the program who are attracted to AHA's streamlined way of doing business. By becoming a better and more astute business partner, AHA has begun to reposition the Housing Choice program as an asset in the broader Atlanta community.

IMPLEMENTATION YEAR

This activity was approved in the FY 2011 MTW Annual Plan. Implementation began in FY 2011.

CHANGES TO METRICS, BASELINE, OR BENCHMARK

Because the metrics, baseline and benchmarks were established as part of AHA's *Revised FY 2015 MTW Annual Plan*, there have been no changes.

CE #5: Increase in Agency Rental Revenue				
Unit of Measurement	Baseline	FY2014 Benchmark	FY2014 Outcome	Benchmark Achieved?
Rental revenue in dollars (increase) = HAP savings	Rental revenue prior to implementation of the activity (in dollars). AHA = 0 (FY 2011)	No benchmark set in FY 2014 MTW Annual Plan.	\$893,786 based on 482 unit months	n/a

HD.2005.06 – HUMAN DEVELOPMENT SERVICES

DESCRIPTION

AHA continues to utilize its MTW flexibility to facilitate self-sufficiency of households participating in its Housing Choice Voucher Program with particular emphasis on the following population segments:

1. Working-age Adults - AHA's Human Development Strategy will primarily focus on assisting households to become compliant with its Work/Program Participation requirement by providing human development case management services and connecting household members to specialized supportive services provided by organizations contracted by AHA;
2. Elderly and Disabled Adults - providing supportive services for aging in place and independent living; and,
3. Children (0-5) and Youth (6-17) - advancing educational success and opportunities.

AHA will continue to utilize its MTW Single Fund to support its human development services initiatives.

IMPACT

AHA's philosophy for supporting families through the process of positive transformation is premised on a belief that all members, but especially non-elderly, non-disabled adult members, can and should contribute to the community, and that communities should provide a nurturing environment for such contribution. AHA's human development approach has been developed from numerous lessons learned in similar human and community development situations and believes that it is important to offer support to all members of the family balanced with clear information about individual responsibilities. As a result, the human development process is designed to counsel, coach and educate. Providing the human development intervention and guidance for the next generation will ensure a better chance for individual success, thereby, resulting in successful communities.

IMPLEMENTATION YEAR

This activity was approved in the FY 2005 MTW Annual Plan. Implementation began in FY 2005.

CHANGES TO METRICS, BASELINE, OR BENCHMARK

Because the metrics, baseline and benchmarks were established as part of AHA's *Revised FY 2015 MTW Annual Plan*, there have been no changes.

SS #5: Households Assisted by Services that Increase Self Sufficiency				
Unit of Measurement	Baseline	FY2014 Benchmark	FY2014 Outcome	Benchmark Achieved?
Number of households receiving services aimed to increase self-sufficiency (increase).	Households receiving self-sufficiency services prior to implementation of the activity (number). AHA = 0 (FY 2005)	No benchmark set in FY 2014 MTW Annual Plan.	975 households using case management services	n/a

SS #8: Households Transitioned to Self Sufficiency				
Unit of Measurement	Baseline	FY2014 Benchmark	FY2014 Outcome	Benchmark Achieved?
Number of households transitioned to self-sufficiency (increase).	Households transitioned to self-sufficiency (AHA defines as households moving from non-compliant with work requirement to Compliant and Progressing) prior to implementation of the activity (number). This number may be zero. AHA = 0 (FY 2005)	No benchmark set in FY 2014 MTW Annual Plan.	Information is not available during systems transition.	n/a

SS #3: Increase in Positive Outcomes in Employment Status				
Unit of Measurement	Baseline	FY2014 Benchmark	FY2014 Outcome	Benchmark Achieved?
Report the following information separately for each category: (1) Employed Full- Time (2) Employed Part- Time (3) Enrolled in an Educational Program (4) Enrolled in Job Training Program (5) Unemployed (6) Other	Head(s) of households in << all categories >> prior to implementation of the activity (number). This number may be zero. AHA = 0 (FY 2005)	No benchmark set in FY 2014 MTW Annual Plan.	975 households using case management services	n/a

HC.2008.02 – LEASING INCENTIVE FEE (LIF)

DESCRIPTION

Originally used as a deconcentration strategy to provide financial incentives to encourage landlords and property owners to lease available housing to families impacted by relocation from AHA projects to be demolished. AHA continues to utilize this incentive to facilitate program moves.

IMPACT

This tool was a critical element of the Quality of Life Initiative in which AHA facilitated relocation for nearly 3,000 families in public housing. Currently, for families that need to move, the LIF allows them greater buying power in lower poverty neighborhoods where security deposits and application fees would normally create a barrier. The LIF also attracts more landlords in lesser-impacted markets.

IMPLEMENTATION YEAR

This activity was approved in the FY 2005 MTW Annual Plan. Implementation began in FY 2007.

CHANGES TO METRICS, BASELINE, OR BENCHMARK

Because the metrics, baseline and benchmarks were established as part of AHA's *Revised FY 2015 MTW Annual Plan*, there have been no changes.

HC #5: Increase in Resident Mobility				
Unit of Measurement	Baseline	FY2014 Benchmark	FY2014 Outcome	Benchmark Achieved?
Number of households able to move to a better unit and/or neighborhood of opportunity as a result of the activity (increase).	Households able to move to a better unit and/or neighborhood of opportunity prior to implementation of the activity (number). This number may be zero. AHA = 0 (FY 2005)	No benchmark set in FY 2014 MTW Annual Plan.	44 households	n/a

HC #1: Additional Units of Housing Made Available				
Unit of Measurement	Baseline	FY2014 Benchmark	FY2014 Outcome	Benchmark Achieved?
Number of new housing units made available for households at or below 80% AMI as a result of the activity (increase).	Housing units of this type prior to implementation of the activity (number). This number may be zero. AHA = 0 (FY 2005)	No benchmark set in FY 2014 MTW Annual Plan.	44 units in which household utilized LIF	n/a

HC #7: Households Assisted by Services that Increase Housing Choice				
Unit of Measurement	Baseline	FY2014 Benchmark	FY2014 Outcome	Benchmark Achieved?
Number of households receiving services aimed to increase housing choice (increase).	Households receiving this type of service prior to implementation of the activity (number). This number may be zero. AHA = 0 (FY 2005)	No benchmark set in FY 2014 MTW Annual Plan.	44 households	n/a

AW.2011.01 – NON-ELDERLY DISABLED INCOME DISREGARD

DESCRIPTION

AHA amended its Income Disregard policy to include that AHA, in determining annual household income, will disregard the employment income of a Non-Elderly Disabled Person whose sole source of income is Social Security, SSI, and/or other similar fixed income received from a verified plan (Annual Fixed Income), provided the employment income does not reduce or result in the discontinuance of the Non-Elderly Disabled Person's sole source of Annual Fixed Income. This policy is applicable to all AHA housing assistance programs and serves as the replacement for any applicable HUD rules and regulations.

IMPACT

Since implementation of this policy, the number of households with working non-elderly disabled persons has not significantly changed, and we do not anticipate any significant fluctuations in future years. Most importantly, individuals who choose to work may improve their quality of life and an increased level of self-sufficiency. This policy complements AHA's Aging Well strategy by encouraging disabled individuals to maintain their engagement in their communities.

IMPLEMENTATION YEAR

This activity was approved in the FY 2011 MTW Annual Plan. Implementation began in FY 2011.

CHANGES TO METRICS, BASELINE, OR BENCHMARK

Because the metrics, baseline and benchmarks were established as part of AHA's *Revised FY 2015 MTW Annual Plan*, there have been no changes

SS #8: Households Transitioned to Self Sufficiency				
Unit of Measurement	Baseline	FY2014 Benchmark	FY2014 Outcome	Benchmark Achieved?
Number of households transitioned to self-sufficiency (increase).	Households transitioned to self-sufficiency (defined as non-elderly disabled persons who have earned income) prior to implementation of the activity (number). This number may be zero. AHA = 82 households (FY 2011)	No benchmark set in FY 2014 MTW Annual Plan.	AHA = 78 households	n/a

RE.2007.04 – PROJECT BASED RENTAL ASSISTANCE AS A STRATEGIC TOOL

DESCRIPTION

AHA designed its Project Based Rental Assistance (PBRA) program in which, through a competitive process, AHA solicits private developers and owners interested in reserving a percentage of their multi-family rental units for at least ten years. Commitments for PBRA may be extended beyond the ten-year period after meeting agreed upon conditions. As AHA receives and approves proposals from developers for multi-family rental properties outside of AHA's jurisdiction, AHA may negotiate intergovernmental agreements with PHAs or local governments in the Atlanta metropolitan area. AHA will continue to use its PBRA program to expand the availability of quality affordable housing in healthy, mixed-income communities for families and the elderly, to further develop supportive services housing, and as a tool for its Reformulation initiative.

IMPACT

AHA's PBRA program has successfully increased the long-term availability of 4,427 market-rate quality new and existing affordable units to low-income families in Atlanta. In FY 2014, AHA committed PBRA to support 90 units at Commons at Imperial Hotel, a supportive housing community for homeless adults created by renovating the historic 1910 Imperial Hotel in downtown Atlanta.

IMPLEMENTATION YEAR

This activity was approved in the FY 2007 MTW Annual Plan. Implementation began in FY 2007.

CHANGES TO METRICS, BASELINE, OR BENCHMARK

Because the metrics, baseline and benchmarks were established as part of AHA's *Revised FY 2015 MTW Annual Plan*, there have been no changes.

HC #1: Additional Units of Housing Made Available				
Unit of Measurement	Baseline	FY2014 Benchmark	FY2014 Outcome	Benchmark Achieved?
Number of new housing units made available for households at or below 80% AMI as a result of the activity (increase).	Housing units of this type prior to implementation of the activity (number). This number may be zero. AHA = 0 (FY 2007)	No benchmark set in FY 2014 MTW Annual Plan.	90 units	n/a

HC #2: Units of Housing Preserved				
Unit of Measurement	Baseline	FY2014 Benchmark	FY2014 Outcome	Benchmark Achieved?
Number of housing units preserved for households at or below 80% AMI that would otherwise not be available (increase). If units reach a specific type of household, give that type in this box.	Housing units preserved prior to implementation of the activity (number). AHA = 0 (FY 2007)	No benchmark set in FY 2014 MTW Annual Plan.	90 units	n/a

RE.2006.02 – PROJECT BASED RENTAL ASSISTANCE SITE BASED ADMINISTRATION

DESCRIPTION

AHA developed and implemented a Project Based Rental Assistance Agreement, which replaces the former Project Based HAP contract, for the effective implementation of the PBRA Site-Based Administration. Under site-based administration, the owner entities of such developments and their professional management agents have full responsibility, subject to AHA inspections and reviews, for the administrative and programmatic functions carried out in connection with admissions and occupancy procedures and processes relating to PBRA assisted units.

IMPACT

This process has made the PBRA program attractive to private sector real estate professionals by allowing them to manage and mitigate their market risk associated with owning and implementing the program. AHA provides oversight and accrues significant administrative cost savings over direct management.

IMPLEMENTATION YEAR

This activity was approved in the FY 2006 MTW Annual Plan. Implementation began in FY 2006.

CHANGES TO METRICS, BASELINE, OR BENCHMARK

Because the metrics, baseline and benchmarks were established as part of AHA's *Revised FY 2015 MTW Annual Plan*, there have been no changes.

CE #1: Agency Cost Savings				
Unit of Measurement	Baseline	FY2014 Benchmark	FY2014 Outcome	Benchmark Achieved?
Total cost of task in dollars (decrease) = PHA administrative fee x number of PBRA vouchers X 12 Annualized per unit month (PUM) HC Admin Fee x 80% (assuming AHA still incurs 20% of the admin costs) is a reasonable measure of the admin expenses saved by the agency for PBRA Units administered at the site.	Cost of task prior to implementation of the activity (in dollars). AHA = Estimated savings realized in Baseline Year: 923 PBRA Units x HUD CY2008 PUM HC Blended Admin Fee Rate (\$53.26) x 12 months x 80% = \$471,926 Baseline Agency Cost Savings. (FY 2008)	No benchmark set in FY 2014 MTW Annual Plan.	Expected cost of task after implementation of the activity (in dollars) = Estimated savings: 4,427 PBRA Units x HUD CY2014 PUM HC Column A Admin Fee Rate (\$74.99) x 12 months x 80% = \$3.2 million Baseline Agency Cost Savings.	n/a

CE #2: Staff Time Savings				
Unit of Measurement	Baseline	FY2014 Benchmark	FY2014 Outcome	Benchmark Achieved?
<p>Total time to complete the task in staff hours (decrease) =</p> <p>Total staff time savings (in hours) realized by dividing Agency Cost Savings from CE-1 by assuming a staff per hour pay rate of \$35.</p>	<p>Total amount of staff time dedicated to the task prior to implementation of the activity (in hours).</p> <p>AHA =</p> <p>Divide the agency cost savings by AHA hourly rate to estimate staff time savings.</p> <p>\$471,926 ÷ \$35 =</p> <p>13,484 hours saved (FY 2008)</p>	<p>No benchmark set in FY 2014 MTW Annual Plan.</p>	<p>Expected amount of total staff time dedicated to the task after implementation of the activity (in hours) =</p> <p>\$3.2 million ÷ \$35 =</p> <p>91,058 hours saved</p>	<p>n/a</p>

HC.2007.01 – RE-ENGINEERING THE HOUSING CHOICE VOUCHER PROGRAM

DESCRIPTION

AHA will continue to re-engineer, enhance, and streamline its business processes and related policies, procedures, and business documents such as Family Obligations, using its MTW flexibility to (1) increase cost efficiency of administering the program; (2) increase housing opportunities for families; and (3) advance self-sufficiency of Housing Choice Participants. Housing Choice Voucher Program core business processes that are being reviewed include: 1- Waitlist 2- Portability 3- Eligibility & Voucher Issuance 4- Referrals 5- Landlord Eligibility & RTA 6- Unit Eligibility 7- HAP & UAP Payments 8- HAP Contract & Contract Maintenance 9- Recertification 10- Move Request 11- Inquiry Management 12- Compliance

IMPACT

By creating its own Housing Choice Program standards, business practices and procedures based on private real estate market principles, AHA has improved cost efficiencies and reduced the administrative burden, enhanced its image within the community and amongst landlords, and, ultimately, created a program that enables and empowers families to move toward self-sufficiency.

IMPLEMENTATION YEAR

This activity was approved in the FY 2007 MTW Annual Plan. Implementation began in FY 2008.

CHANGES TO METRICS, BASELINE, OR BENCHMARK

Because the metrics, baseline and benchmarks were established as part of AHA's *Revised FY 2015 MTW Annual Plan*, there have been no changes.

CE #1: Agency Cost Savings				
Unit of Measurement	Baseline	FY2014 Benchmark	FY2014 Outcome	Benchmark Achieved?
Total cost of task in dollars (decrease).	Cost of task prior to implementation of the activity (in dollars). AHA = Overhead Cost of \$12 million which was voucher administration cost of \$1,309 per voucher (FY 2008)	No benchmark set in FY 2014 MTW Annual Plan.	Overhead Cost of \$7.4 million which was voucher administration cost of \$821 per voucher	n/a

RE.2005.09 – REFORMULATING THE SUBSIDY ARRANGEMENT IN AHA-SPONSORED MIXED-INCOME, MIXED-FINANCE COMMUNITIES INCLUDING CENTENNIAL PLACE AND AHA'S AFFORDABLE COMMUNITIES

DESCRIPTION

AHA continues to explore strategies to reformulate the subsidy arrangement for AHA-Sponsored mixed-income, mixed-finance communities and AHA-Owned Communities from public housing operating subsidy (under the existing Annual Contributions Contract) to AHA's Project Based Rental Assistance (under a PBRA Agreement), in order to sustain and preserve investments in these multi-family rental communities AHA has worked with HUD to develop the program structure and process for implementation based on the Centennial Place demonstration model.

On November 2, 2012, HUD approved AHA's proposal to pilot AHA's Reformulation Demonstration Program under the auspices of its MTW Agreement at Centennial Place. In conjunction with the reformulation of Centennial Place, AHA received additional Housing Choice voucher funding on April 23, 2013, which will be used as part of the PBRA funding to replace the public housing operating subsidy upon conversion.

IMPACT

The ultimate objective of the Reformulation Demonstration Program at Centennial Place is to reposition the 301 AHA-assisted units so that these units will carry their aliquot share of the debt service, equity requirements, and operating costs for the property for the long-term sustainability of the development.

Tax credits were awarded for Centennial Phase I during FY 2014; financial closing is scheduled for early 2015. Closings on reformulation of four phases of Centennial Place are scheduled to take place during FY 2015.

IMPLEMENTATION YEAR

This activity was approved in the FY 2005 MTW Annual Plan. Implementation began in FY 2005.

CHANGES TO METRICS, BASELINE, OR BENCHMARK

Because the metrics, baseline and benchmarks were established as part of AHA's *Revised FY 2015 MTW Annual Plan*, there have been no changes.

HC #2: Units of Housing Preserved				
Unit of Measurement	Baseline	FY2014 Benchmark	FY2014 Outcome	Benchmark Achieved?
Number of housing units preserved for households at or below 80% AMI that would otherwise not be available (increase). If units reach a specific type of household, give that type in this box.	Housing units preserved prior to implementation of the activity (number). AHA = 0 (FY 2005)	No benchmark set in FY 2014 MTW Annual Plan.	0 units	n/a

HC.2007.02 – RENT REASONABLENESS

DESCRIPTION

AHA developed and initiated rent reasonableness determinations in which an independent market analysis is conducted to establish the market equivalent rent for each residential unit in AHA's Housing Choice Voucher Program. This will result in improved and consistent rent determination outcomes which will stabilize Housing Choice contract rents in line with the rental market and available subsidy resources.

IMPACT

Using internal real estate expertise and knowledge of rents in the Atlanta market as well as professional services, AHA's rent determinations reflect the changing market rent dynamics and realities of the residential real estate market. More accurate and timely determination of rents has allowed AHA to realize HAP savings.

IMPLEMENTATION YEAR

This activity was approved in the FY 2007 MTW Annual Plan. Implementation began in FY 2011.

CHANGES TO METRICS, BASELINE, OR BENCHMARK

Because the metrics, baseline and benchmarks were established as part of AHA's *Revised FY 2015 MTW Annual Plan*, there have been no changes.

CE #5: Increase in Agency Rental Revenue				
Unit of Measurement	Baseline	FY2014 Benchmark	FY2014 Outcome	Benchmark Achieved?
Rental revenue in dollars (increase).	Rental revenue prior to implementation of the activity (in dollars). AHA = Average HAP per voucher = \$916. HAP assistance = \$81 million (FY 2011)	No benchmark set in FY 2014 MTW Annual Plan.	Average HAP per voucher = \$863. Projected HAP assistance = \$71 million	n/a

AW.2008.01 - RENT SIMPLIFICATION / AHA STANDARD DEDUCTIONS

DESCRIPTION

During FY 2008 AHA adopted a policy, which was clarified in FY 2011 that states that the President and Chief Executive Officer shall approve the schedule of standard income deductions and any changes to the treatment of assets used to calculate an assisted household's portion of the contract rent. This policy was adopted and is implemented across all AHA housing and rental assistance programs.

IMPACT

This policy positively affects all families with dependent children or medical expenses. For the agency, less time is required collecting and processing receipts. There are also fewer errors because of streamlined processing.

IMPLEMENTATION YEAR

This activity was approved in the FY 2008 MTW Annual Plan. Implementation began in FY 2010.

CHANGES TO METRICS, BASELINE, OR BENCHMARK

Because the metrics, baseline and benchmarks were established as part of AHA's *Revised FY 2015 MTW Annual Plan*, there have been no changes.

CE #2: Staff Time Savings				
Unit of Measurement	Baseline	FY2014 Benchmark	FY2014 Outcome	Benchmark Achieved?
Total time to complete the task in staff hours (decrease).	Total amount of staff time dedicated to the task prior to implementation of the activity (in hours). AHA = 15% of households historically seek deductions x 17,338 households x 1 hour verification = 2,600 hours (FY 2010)	No benchmark set in FY 2014 MTW Annual Plan.	15% of households historically seek deductions x 18,486 households x 1 hour verification = 2,773 hours	n/a

CE #3: Decrease in Error Rate of Task Execution				
Unit of Measurement	Baseline	FY2014 Benchmark	FY2014 Outcome	Benchmark Achieved?
Average error rate in completing a task as a percentage (decrease).	Average error rate of task prior to implementation of the activity (percentage). AHA = 3% (FY 2012)	No benchmark set in FY 2014 MTW Annual Plan.	2.5% error rate for AHA-Owned and Mixed-Income Communities	n/a

RE.2005.10 – REVITALIZATION PROGRAM

DESCRIPTION

Over the last 19 years, AHA and its private sector development partners have repositioned its public housing properties into 16 mixed-use, mixed-income communities with a seamless affordable housing component. The community-building model including human development strategies for mixed-use, mixed-income communities is a blend of private sector market principles and public sector safeguards, which AHA has branded the “Atlanta Model.”

In partnership with private sector developers, AHA will continue transforming conventional public housing developments into economically sustainable, market rate quality, mixed-use, mixed-income communities through its Strategic Revitalization Program. To further advance the program, AHA will continue acquiring improved or unimproved real estate parcels to support the creation of mixed-use, mixed-income communities, support local revitalization initiatives and stabilize local neighborhoods. Each of the Master Plans for the communities undergoing revitalization incorporates a vision for (1) re-integrating the revitalized communities with the surrounding neighborhoods; (2) incorporating great recreational facilities and green space; (3) retail and commercial activities; and (4) high-performing neighborhood schools.

IMPACT

Public/private partnerships are the key ingredient. AHA leverages its special standing under its charter, its goodwill, its land, its MTW Agreement, and HUD grants, while the private Development Partner leverages its balance sheet, know-how, brand, and track record to raise private equity and incur debt. In all cases, the partners align their interests so that both parties are focused on the success of the community. AHA’s revitalization efforts with private development partners have created 5,075 mixed-income rental units (including AHA-assisted units and tax-credit-only units) and 315 affordable single family homes have been sold to low-income families.

IMPLEMENTATION YEAR

This activity was approved in the FY 2005 MTW Annual Plan. Implementation began in FY 2005.

CHANGES TO METRICS, BASELINE, OR BENCHMARK

When the metrics, baseline and benchmarks were established initially as part of AHA’s *Revised FY 2015 MTW Annual Plan*, HUD metric HC#2 was identified for this MTW Activity. Upon subsequent review, HUD Standard Metric HC#2 is not applicable to this development activity.

HC #1: Additional Units of Housing Made Available				
Unit of Measurement	Baseline	FY2014 Benchmark	FY2014 Outcome	Benchmark Achieved?
Number of new housing units made available for households at or below 80% AMI as a result of the activity (increase).	Housing units of this type prior to implementation of the activity (number). This number may be zero. AHA = 2,720 units (FY 2005)	No benchmark set in FY 2014 MTW Annual Plan.	51 rental units 13 affordable homes developed, sold to families with 80% AMI or less.	n/a

RE.2012.01 – SINGLE FAMILY HOME RENTAL DEMONSTRATION

DESCRIPTION

AHA will sell land to a Mechanicsville development partner for a neighborhood stabilization demonstration program for families at or below 60% AMI. AHA is not providing subsidy to families. For families that remain in the home throughout the 15-year low-income housing tax credit compliance period and increase their income sufficiently to become a qualified buyer, the opportunity to purchase the home will be provided.

IMPACT

The developer has received Low Income Housing Tax Credits and a closing is anticipated in FY 2015.

IMPLEMENTATION YEAR

This activity was approved in the FY 2012 MTW Annual Plan. Implementation began in FY 2013.

CHANGES TO METRICS, BASELINE, OR BENCHMARK

Because the metrics, baseline and benchmarks were established as part of AHA's *Revised FY 2015 MTW Annual Plan*, there have been no changes.

HC #1: Additional Units of Housing Made Available				
Unit of Measurement	Baseline	FY2014 Benchmark	FY2014 Outcome	Benchmark Achieved?
Number of new housing units made available for households at or below 80% AMI as a result of the activity (increase).	Housing units of this type prior to implementation of the activity (number). This number may be zero. AHA = 0	No benchmark set in FY 2014 MTW Annual Plan.	0 units	n/a

SH.2013.01 – VETERANS SUPPORTIVE HOUSING

DESCRIPTION

Under AHA's PBRA for Supportive Housing program, owners and developers of supportive housing receive housing subsidy under PBRA agreement with AHA for up to two years. In return, the owner is required to 1) work with a certified Service Coordinator such as the United Way and 2) enter into an agreement with one or more service providers who will provide appropriate intensive support services for the target population. They also agree to coordinate with any public agencies and nonprofit organizations that are providing additional case support to individual residents.

AHA provides supportive housing for veterans using its PBRA program and tenant-based vouchers such as the HUD Veterans Affairs Supportive Housing (HUD-VASH) voucher program. The HUD-VASH vouchers program is not an MTW activity, but is operated under AHA's Supportive Housing policies and administered through AHA's Housing Choice Program.

IMPACT

Although AHA did not create any new housing units during FY 2014, 60 units at Oasis at Scholars Landing began construction and are expected to come on line during FY 2015. *VASH vouchers are not reported as an MTW Activity.*

IMPLEMENTATION YEAR

This activity was approved in the FY 2013 MTW Annual Plan. Implementation began in FY 2013.

CHANGES TO METRICS, BASELINE, OR BENCHMARK

Because the metrics, baseline and benchmarks were established as part of AHA's *Revised FY 2015 MTW Annual Plan*, there have been no changes.

HC #1: Additional Units of Housing Made Available				
Unit of Measurement	Baseline	FY2014 Benchmark	FY2014 Outcome	Benchmark Achieved?
Number of new housing units made available for households at or below 80% AMI as a result of the activity (increase).	Housing units of this type prior to implementation of the activity (number). This number may be zero. AHA = 0 (FY 2013)	No benchmark set in FY 2014 MTW Annual Plan.	0 units	n/a

HC #7: Households Assisted by Services that Increase Housing Choice				
Unit of Measurement	Baseline	FY2014 Benchmark	FY2014 Outcome	Benchmark Achieved?
Number of households receiving services aimed to increase housing choice (increase).	Households receiving this type of service prior to implementation of the activity (number). This number may be zero. AHA = 0 (FY 2013)	No benchmark set in FY 2014 MTW Annual Plan.	0 households	n/a

AW.2005.03 – WORK/PROGRAM REQUIREMENT

DESCRIPTION

Effective October 1, 2004, AHA’s work/program participation policy requires that (a) one non-disabled adult household member (between the age of 18 – 61 years) maintain continuous full-time employment (at least 30 hours per week) and (b) all other non-elderly, non-disabled adults maintain work or participation in a combination of school, job training and/or part-time employment as a condition of the household receiving and maintaining subsidy assistance.

IMPACT

The dignity and empowerment of work cannot be underestimated. When first instituted, less than 14 percent of households were working. During the current economic recession, families have had difficulty obtaining and maintaining employment. As the general unemployment rate has risen, AHA-assisted households have experienced a drop in income, either from job lay-offs or reduction in available work hours. However, the work/program requirement remains a powerful tool in enabling families to move to self-sufficiency.

IMPLEMENTATION YEAR

This activity was approved in the FY 2005 MTW Annual Plan. Implementation began in FY 2005.

CHANGES TO METRICS, BASELINE, OR BENCHMARK

Because the metrics, baseline and benchmarks were established as part of AHA’s *Revised FY 2015 MTW Annual Plan*, there have been no changes.

SS #3: Increase in Positive Outcomes in Employment Status				
Unit of Measurement	Baseline	FY2014 Benchmark	FY2014 Outcome	Benchmark Achieved?
Report the following information separately for each category: (1) Employed Full- Time (2) Employed Part- Time (3) Enrolled in an Educational Program (4) Enrolled in Job Training Program (5) Unemployed (6) Other	Head(s) of households in << all categories >> prior to implementation of the activity (number). This number may be zero. AHA = 0 (FY 2005)	No benchmark set in FY 2014 MTW Annual Plan.	975 households	n/a

SS #8: Households Transitioned to Self Sufficiency				
Unit of Measurement	Baseline	FY2014 Benchmark	FY2014 Outcome	Benchmark Achieved?
Number of households transitioned to self -sufficiency (increase).	Households transitioned to self -sufficiency (AHA defines as households moving from non-compliant with work requirement to Compliant and Progressing) prior to implementation of the activity (number). This number may be zero. AHA = 0 (FY 2005)	No benchmark set in FY 2014 MTW Annual Plan.	Information is not available during systems transition.	n/a

SS #5: Households Assisted by Services that Increase Self Sufficiency				
Unit of Measurement	Baseline	FY2014 Benchmark	FY2014 Outcome	Benchmark Achieved?
Number of households receiving services aimed to increase self -sufficiency (increase).	Households receiving self -sufficiency services prior to implementation of the activity (number). AHA = 0 (FY 2005)	No benchmark set in FY 2014 MTW Annual Plan.	975 households	n/a

B. NOT YET IMPLEMENTED MTW ACTIVITIES

The MTW activity number indicates the functional area, fiscal year in which the activity was approved in AHA's MTW Plan. **Key:** AW – Agency-wide; HC – Housing Choice; HD – Human Development; PH – Public Housing; RE – Real Estate; SH – Supportive Housing.

Not Yet Implemented Activities		
Activity #	Activity	MTW Authorization(s)
PH.2003.01	Affordable Fixed Rent / Affordable Flat Rent	Attachment D, Section I.O: General Conditions
HC.2012.02	Comprehensive Graduation Program	Attachment D, Section VII: Establishment of Housing Choice Voucher Program
HD.2013.02	Endowment Fund for Human Development Services	Attachment D, Section I.O: General Conditions Attachment D, Section V: Single Fund Budget with Full Flexibility
HC.2006.03	Housing Choice Inspection Fees	Attachment D, Section VII: Establishment of Housing Choice Voucher Program
HD.2005.14	Individual Development Accounts (IDAs)	Attachment D, Section VII: Establishment of Housing Choice Voucher Program
HD.2006.04	Standards for Residency in Single Family Homes	Attachment D, Section VII: Establishment of Housing Choice Voucher Program

PH.2003.01 – AFFORDABLE FIXED RENT / AFFORDABLE FLAT RENT

DESCRIPTION

AHA will explore different rent structures for Public Housing to further align with private sector practices as well as maximize the use of the subsidy resource.

UPDATE

Because this initiative was developed to address rent structures in AHA's large family public housing communities, it is obsolete and does not align with AHA's current strategy.

TIMELINE FOR IMPLEMENTATION

With recent changes in HUD flat rent requirements, AHA may explore rent structures consistent with self-sufficiency goals.

HC.2012.02 – COMPREHENSIVE GRADUATION PROGRAM

DESCRIPTION

AHA will develop and implement a comprehensive graduation program for assisted families who have achieved economic self-sufficiency and financial stability and who no longer need rental assistance. AHA will use the standard income levels for determining eligibility as the benchmark for success and will develop and implement strategies to ensure the smooth transition of successful families who have graduated. Such strategies may include financial counseling and homeownership opportunities.

UPDATE

AHA expects to consider implementation of this program following completion of an appropriate stage of the Business Transformation/ERP initiative.

TIMELINE FOR IMPLEMENTATION

A timeline has not been established for this activity.

HD.2013.02 – ENDOWMENT FUND FOR HUMAN DEVELOPMENT SERVICES

DESCRIPTION

To further enhance its human development strategy, AHA will establish an endowment fund for long-term sustainability of investments in human development services and other non-HUD funded initiatives.

UPDATE

After initial exploratory research, AHA determined that more research is needed to assess fully the feasibility of this initiative.

TIMELINE FOR IMPLEMENTATION

A timeline has not been established for this activity.

HC.2006.03 – HOUSING CHOICE INSPECTION FEES

DESCRIPTION

AHA contemplated charging landlords reasonable fees for pre-inspections and subsequent re-inspections following the initial re-inspection to cover the administrative costs associated with these additional inspections. AHA also contemplated charging participant households a fee to cover the administrative costs of re-inspections due to certain deficiencies which were the responsibility of the household and remained unaddressed.

UPDATE

AHA postponed the implementation of this project during the implementation of the Enterprise Resource Planning solution.

TIMELINE FOR IMPLEMENTATION

AHA expects to consider implementation of this program following completion of an appropriate stage of the Business Transformation/ERP initiative.

HD.2005.14 – INDIVIDUAL DEVELOPMENT ACCOUNTS (IDAS)

DESCRIPTION

Having eliminated the Federal Earned Income Disallowance for residents paying an income-adjusted rent, at its discretion, AHA explored the implementation of an IDA initiative which would promote and encourage economic independence among residents through a monetary incentive program.

UPDATE

Due to the implementation of AHA's Quality of Life Initiative, AHA discontinued exploring this program and during FY 2009 postponed any further development.

TIMELINE FOR IMPLEMENTATION

AHA may explore use of similar self-sufficiency programs in the future.

HD.2006.04 – STANDARDS FOR RESIDENCY IN SINGLE FAMILY HOMES

DESCRIPTION

AHA contemplated adopting and implementing single family home eligibility standards (1-4 units) to assure that families are prepared financially and otherwise to live in single family homes and be successful in neighborhoods.

UPDATE

Due to other priority Housing Choice Re-engineering efforts, this activity was postponed in FY 2008. AHA informally incorporates rental housing counseling in its case management.

TIMELINE FOR IMPLEMENTATION

A timeline has not been established for this activity.

C. ACTIVITIES ON HOLD

The MTW activity number indicates the functional area, fiscal year in which the activity was approved in AHA’s MTW Plan. **Key:** AW – Agency-wide; HC – Housing Choice; HD – Human Development; PH – Public Housing; RE – Real Estate; SH – Supportive Housing.

Activities On Hold		
Activity #	Activity	MTW Authorization(s)
HC.2006.05	Port Administration Re-engineering	Attachment D, Section VII: Establishment of Housing Choice Voucher Program

HD.2006.05 – PORT ADMINISTRATION RE-ENGINEERING

DESCRIPTION

AHA will continue to build its collaborative relationships with metro Atlanta public housing authorities to explore strategies for creating seamless mobility administration arrangements and agreed upon procedures and business terms that would be implemented through intergovernmental agreements. AHA is also exploring strategies for contractually passing on its MTW flexibility to partnering PHAs through these intergovernmental agreements.

UPDATE

After some early enthusiasm in discussions with metro Atlanta PHAs, interest in formal agreements waned. AHA will build on these relationships to continue to explore streamlining ports administration, eventually resulting in formal agreements when warranted.

D. CLOSED OUT ACTIVITIES

The MTW activity number indicates the functional area, fiscal year in which the activity was approved in AHA's MTW Plan. **Key:** AW – Agency-wide; HC – Housing Choice; HD – Human Development; PH – Public Housing; RE – Real Estate; SH – Supportive Housing

Closed Out Activities		
Activity #	Activity	MTW Authorization(s)
--	ARRA Funds	n/a
HD.2007.05	Housing Choice Family Self-Sufficiency (FSS) Program Re-engineering	Attachment D, Section VII: Establishment of Housing Choice Voucher Program
SH.2008.04	John O. Chiles Annex Supportive Housing Pilot	Attachment D, Section V: Single Fund Budget with Full Flexibility Attachment D, Section VII. B: Simplification of the Process to Project Based Section 8 Vouchers Attachment D, Section VII. C: Simplification of the Development and Redevelopment Process
HD.2008.05	Pre-Relocation Client Education	Attachment D, Section VII: Establishment of Housing Choice Voucher Program
RE.2007.06	Quality of Life (QLI) Initiative	Attachment D, Section I.O: General Conditions Attachment D, Section VII. C: Simplification of the Development and Redevelopment Process
PH.2007.07	Utility Allowance Waiver	Attachment D, Section V: Single Fund Budget with Full Flexibility
--	Voluntary Compliance Agreement (VCA)	n/a

ARRA FUNDS

Reason for Closing Out Initiative

The American Recovery and Reinvestment Act of 2009 (ARRA) legislation released the award of a \$2.985 billion Capital Fund formula grant to local housing authorities across the country, with AHA receiving approximately \$26.5 million. AHA used \$6.6 million in ARRA funds for demolition activities at several vacated, obsolete and distressed public housing communities and \$19.9 million to rehabilitate and make quality of life improvements at 13 AHA-Owned Residential Communities. The grant was closed out in FY 2012.

While this activity was outlined in AHA's MTW Annual Plans, it was a non-MTW activity governed by grant requirements.

Final Outcome and Lessons Learned

Not applicable.

HD.2007.05 – HOUSING CHOICE FAMILY SELF-SUFFICIENCY (FSS) PROGRAM RE-ENGINEERING

Reason for Closing Out Initiative

AHA re-engineered its Housing Choice FSS program in alignment with its CATALYST Plan goals. As a result, AHA developed a simplified FSS Program designed to provide mortgage assistance to eligible Housing Choice participants who were first-time homebuyers. This program transitioned as an opportunity under AHA's Comprehensive Homeownership Program until the FSS grant ended. (Closed out 2008).

Final Outcome and Lessons Learned

Homeownership results reported under AHA's Comprehensive Homeownership Program.

SH.2008.04 – JOHN O. CHILES ANNEX SUPPORTIVE HOUSING PILOT

Reason for Closing Out Initiative

In collaboration with The Integral Group, this pilot program provided comprehensive and intensive support services targeted to low-income residents with developmental and mental disabilities who often struggle to retain stable housing. Providing people who have special needs with a way to connect to various in-home services and resources aids in reducing the use of public emergency services. Residents were assisted with establishing and maintaining connections to their service providers within the community.

Final Outcome and Lessons Learned

Upon completion, this 26-unit property became known as Gardens at CollegeTown, and is now managed under AHA's Supportive Housing Program.

HD.2008.05 – PRE-RELOCATION CLIENT EDUCATION

Reason for Closing Out Initiative

As part of its Quality of Life Initiative (QLI), AHA provided a variety of educational seminars to families in advance of relocation efforts including training on the Housing Choice Voucher program, utility seminars to educate families on conservation, and budget management (Closed out 2010).

Final Outcome and Lessons Learned

All QLI-impacted households were successfully relocated during FY 2010 and continue to receive post-relocation support through Human Development Services and AHA's Service Provider Network.

RE.2007.06 – QUALITY OF LIFE (QLI) INITIATIVE

Reason for Closing Out Initiative

During FY 2007, AHA embarked on the Quality of Life Initiative (QLI) to relocate approximately 2,100 households from 12 deteriorating and obsolete public housing developments to better quality housing, in healthy mixed-income communities. (Closed out 2010).

Final Outcome and Lessons Learned

AHA successfully relocated impacted households from the 12 properties. The last property was demolished in 2010 and all families have completed the 27 months of support services. AHA will use its guiding principles, programmatic and return on investment criteria to inform redevelopment plans for the vacated sites of the QLI-impacted communities.

PH.2007.07 – UTILITY ALLOWANCE WAIVER

Reason for Closing Out Initiative

During FY 2009, AHA examined the cost/benefit of its Excess Utility Billing Program at its remaining AHA-Owned Residential Communities (Closed out 2010).

Final Outcome and Lessons Learned

AHA's analysis found that administrative costs outweighed the collected revenue and AHA elected to discontinue the program beginning in FY 2010. AHA will continue to assess the effects of this change and implement supplemental resident education forums for encouraging energy conservation behaviors.

VOLUNTARY COMPLIANCE AGREEMENT (VCA)

Reason for Closing Out Initiative

AHA made improvements and enhancements to its facilities, programs, policies, and procedures to make them accessible to persons with disabilities and will continue making accessibility improvements, as appropriate, to include reasonable accommodations for persons with disabilities. (Closed out 2011)

While this activity was outlined in AHA's Annual MTW Plans, it was a non-MTW activity governed by other requirements.

Final Outcome and Lessons Learned

Not applicable.

Appendix C2: MTW Implementation Protocols

MTW Implementation Protocols	Amended and Restated MTW Agreement Reference
ACC Waiver	<i>Article I - Statutory Authorizations; Legacy Attachment A - Calculation of Subsidies; Legacy Attachment B - Elements for the Annual MTW Plan and Annual MTW Report; Attachment D - Legacy and Community Specific Authorizations; Attachment E – Implementation Protocols; and the Second Amendment.</i>
Alternate Resident Survey	<i>Legacy Attachment B - Elements for the Annual MTW Plan and Annual MTW Report, Section IX.</i>
Designation of Senior Public Housing Developments	<i>In accordance with the provision of the MTW Agreement’s Statement of Authorizations, Section III.A, AHA is authorized to define its own occupancy policies. AHA discussed its plans to implement designations in its FY 2005, FY 2006, and FY 2007 Implementation Plans.</i>
Disposition of Public Housing Operating Subsidy in AHA-Owned Affordable Communities	<i>Pursuant to Article VI, Section C of the Statement of Authorizations (Appendix A of the MTW Agreement), AHA, in consultation with HUD, may convert, as appropriate and feasible, all or a portion of its public housing assisted units from public housing operating subsidy under Section 9 of the 1937 Act to project-based rental assistance under Section 8 of the 1937 Act. This initiative is referred to as the Project Based Financing Demonstration in the MTW Agreement.</i>
Disposition of Public Housing Operating Subsidy in AHA-Sponsored Mixed-Finance Communities	<i>Pursuant to Article VI, Section C of the Statement of Authorizations (Appendix A of the MTW Agreement), AHA, in consultation with HUD, may convert, as appropriate and feasible, all or a portion of its public housing assisted units from public housing operating subsidy under Section 9 of the 1937 Act to project-based rental assistance under Section 8 of the 1937 Act. This initiative is referred to as the Project Based Financing Demonstration in the MTW Agreement.</i>
Fee for Service Methodology	<i>Attachment D - Legacy and Community Specific Authorizations, Sections V.A.2 and VI; and First Amendment, Section 4.</i>
HOPE VI and Other HUD-Funded Master Planned on and off-site Developments Site and Neighborhood Standards	<i>In accordance with the provision of the Section VIII.C.1 of Attachment D of the AHA’s MTW Agreement, the regulatory requirements of 24 CFR Part 941 shall not apply to the implementation of the activities of AHA except for the provisions of 24 CFR 941.202, 24 CFR 941.207, 24 CFR 941.208, 24 CFR 941.209, 24 CFR 941.602(d), 24 CFR 941.610(b) all as modified by the terms of Attachment D; provided, however, that in determining the location of six or more newly constructed or substantially rehabilitated units or developments, AHA is authorized to adopt the alternative Site and Neighborhood Standards set forth in Section VII.B.3 of Attachment D of AHA’s MTW Agreement.</i>
HUD Funding Availability	<i>In accordance with the provisions of Sections I.I, III.A, V.A of Attachment D of AHA’s MTW Agreement, AHA has the flexibility to pursue locally driven policies, procedures and programs to develop more efficient ways of providing housing assistance to low- and very-low income families; to expand, improve and diversify AHA’s portfolio and to provide flexibility in the design and administration of housing assistance to eligible families while reducing costs and achieving greater cost effectiveness.</i>

Appendix C2: MTW Implementation Protocols

MTW Implementation Protocols	Amended and Restated MTW Agreement Reference
Identity of Interest	<i>Attachment D - Legacy and Community Specific Authorizations, Section VIII.C.</i>
MTW Mixed-Finance Closing Procedures	<i>Attachment D - Legacy and Community Specific Authorizations, Section V.A.2.</i>
Process for Managing Replacement Housing Factor (RHF) Funds	<i>In accordance with Section V.A.1 of Attachment D of AHA's MTW Agreement, AHA is authorized to combine operating subsidies provided under Section 9 of the 1937 Act (42 U.S.C. 1437g), capital funding (including development and replacement housing factor funds) provided under Section 14 of the 1937 Act (42 U.S.C. 1437l) and assistance provided under Section 8 of the 1937 Act for the voucher programs (42 U.S.C. 1437f) to fund HUD approved MTW activities. AHA has elected to follow HUD guidance in its use as outlined in Sections V.A.1 and V.A.5 of AHA's MTW Agreement and this protocol.</i>
Program Flexibility for Special Purpose Vouchers	<i>Article I - Statutory Authorizations, Section D; and Attachment D - Legacy and Community Specific Authorizations, Sections V.A.I VII.A.</i>
Project-Based Rental Assistance Developer Selection	<i>Section VII.B of Attachment D of AHA's MTW Agreement authorizes AHA to develop and adopt a reasonable policy and process for providing Section 8 project-based rental assistance during the term of AHA's MTW Agreement; this includes the establishment of a reasonable competitive process for selection of developers. AHA is also authorized to exempt itself or development sponsors from the need to participate in a competitive process to provide project-based rental assistance at a community where (i) AHA has a direct or indirect ownership interest in the entity that owns the community; (ii) AHA owns the land on which the community has been or is to be developed; or (iii) AHA is funding a portion of the construction costs of the community and subsidizing the operating costs or rents of the community for low-income families. Project Based Rental Assistance as a Development Tool has been included in AHA's Annual MTW Plans since FY 2006.</i>
Project-Based Rental Assistance Subsidy Layering Review	<i>In accordance with the provisions of AHA's Amended and Restated MTW Agreement, Attachment D, Section VII. B.10, "AHA shall be authorized to perform subsidy layering reviews for Section 8 project-based rental assistance properties; provided, however, that AHA shall identify and engage in independent third party to do the subsidy layering review where AHA is the direct or indirect owner of the property."</i>
Revision of MTW Benchmarks	<i>Legacy Attachment D - MTW Program Benchmarks and MTW Program Benchmark Definitions</i>
Use of MTW Funds	<i>Recitals; Article I - Statutory Authorizations, Sections A, B and D; Article II - Requirements and Covenants, Sections B and D; Attachment D - Legacy and Community Specific Authorizations, Sections I.G, I.I, V.A.1, V.A.2, V.A.4, V.A.5, V.C.2, V.C.3, VII.B.4, VII.C.4, and VIII.B.5; Legacy Attachment G, Good Cause Justification for the Waiver of Sections of 24 CFR 941 and the Second Amendment.</i>

Appendix D

AHA MTW Benchmarks

(Legacy Attachment B)

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Appendix D: AHA MTW Benchmarks (Legacy Attachment B)

1. Housing Opportunities and Households Served (actual as of June 30, 2014)

As defined in AHA's MTW Agreement, Households Served includes all AHA-assisted households ("AHA Families") plus low-income families living in affordable housing facilitated by AHA's investments. This includes Low-Income Housing Tax Credit units, down payment assistance (homeownership), and other services.

Community & Program Type	Type of Assistance ⁽⁵⁾	Household Totals*			Percent Change FY 2013 to FY 2014
		End of FY 2013	Planned, End of FY 2014	Actual End of FY 2014	
AHA-Owned Residential Communities	PH	1,942	1,942	1,942	0.0%
AHA-Sponsored Mixed-Income Communities	PH	2,471	2,522	2,522	0.0%
	PBRA ⁽⁶⁾	1,409	1,443	1,387	-1.6%
	LIHTC-only ⁽⁶⁾	1,112	1,117	1,176	5.8%
PBRA Developments	PBRA ⁽⁶⁾	2,949	3,339	3,040	3.1%
	LIHTC-only ⁽⁶⁾	1,644	1,644	1,644	0.0%
Housing Choice Tenant-Based ⁽²⁾	HCV	7,043	7,411	7,292	3.5%
Housing Choice Ports ⁽³⁾	HCV	2,265	2,172	2,303	1.7%
Housing Choice Homeownership	HCV	62	65	59	-4.8%
Homeownership - Other ⁽⁴⁾	Down-payment	277	313	315	13.7%
TOTAL⁽¹⁾		21,025	21,968	21,680	3.1%

NOTES:

PH = Public Housing (ACC-assisted), PBRA= Project Based Rental Assistance, LIHTC-only = Low-Income Housing Tax Credits only, HCV= Housing Choice Voucher

* Sources: FY 2013 MTW Annual Report, FY 2014 MTW Annual Implementation Plan.

⁽¹⁾ Overall, AHA saw an increase in households served in the Housing Choice Voucher Program, Supportive Housing Programs and new units from development in AHA Sponsored Mixed-Income Communities.

⁽²⁾ Housing Choice Tenant-Based includes 300 Family Unification Program (FUP) vouchers, 225 Mainstream vouchers, 210 HUD VASH vouchers and port-ins being administered by AHA for other PHAs.

⁽³⁾ Changes in Housing Choice Ports are partially due to absorption of the vouchers by other PHAs and households with AHA vouchers that return to AHA's jurisdiction (i.e. no longer porting).

⁽⁴⁾ Homeownership - Other category includes down payment assistance through AHA's Owners/Builders Initiative or through AHA's Revitalization Program.

⁽⁵⁾ AHA does not have any non-MTW PH or PBRA units in its portfolio. Most PH and PBRA-assisted units in mixed-income, mixed-finance communities are developed using low income housing tax credit equity and are also tax credit units. For reporting purposes, these units are categorized only as PH or PBRA units (not as LIHTC-only units).

⁽⁶⁾ Changes in PBRA and LIHTC-only are due to added units and shifts between types of assistance on a unit within a community.

2. Units Added (during FY 2014)

Community	Type of Assistance	Units by Bedroom Size					TOTAL Units
		Studio	1 BR	2 BR	3 BR	4+ BR	
Imperial Hotel	PBRA	90					90
Ashley Auburn Pointe II	PH		24	24	3		51
TOTAL		90	24	24	3	0	141

3. Units Under Commitment (as of June 30, 2014)

Community	Type of Assistance	Units by Bedroom Size					TOTAL Units
		Studio	1 BR	2 BR	3 BR	4+ BR	
Commons at Nelms	PBRA	95					95
Centennial Place I*	PBRA		10	43	19	2	74
Centennial Place II*	PBRA		8	42	20		70
TOTAL		95	18	85	39	2	239

NOTES:

PH = Public Housing (ACC-assisted), PBRA= Project Based Rental Assistance, HCV= Housing Choice Voucher

* Under the Reformulation Demonstration Program, the operating subsidy for the 301 public housing-assisted units at Centennial Place will be converted to project based rental assistance (PBRA) as designed and implemented by AHA using its MTW flexibility. During FY 2013, pursuant to an agreement with the owner-entities of each phase, AHA committed to provide PBRA assistance for 144 units .

4. Units Removed (during FY 2014)

Community	Type of Assistance	Units by Bedroom Size					TOTAL Units
		Studio	1 BR	2 BR	3 BR	4+ BR	
Capitol Gateway I	PBRA			6			6
Ashley Courts at Cascade I	PBRA				7	1	8
Ashley Courts at Cascade II	PBRA		1	4			5
Ashley Courts at Cascade III	PBRA			3			3
TOTAL		0	1	13	7	1	22

NOTES:

PBRA assistance for these units was intended to be temporary.

5. Household Characteristics (actual as of June 30, 2014)

A. Household Income Profile

Community & Program Type	Number of Households by Income group (percent of Area Median Income (AMI))														
	< 30% of AMI			30 - 50% of AMI			50 - 80% of AMI			> 80% of AMI			TOTAL		
	Jun-13	Jun-14	% Chg	Jun-13	Jun-14	% Chg	Jun-13	Jun-14	% Chg	Jun-13	Jun-14	% Chg	Jun-13	Jun-14	% Chg
AHA-Owned Residential Communities	1,629	1,557	-4%	267	326	22%	30	43	43%	7	10	43%	1,933	1,936	0.2%
AHA-Sponsored Mixed-Income Communities ⁽¹⁾	1,586	2,473	56%	1,462	1,119	-23%	574	244	-57%	28	9	-68%	3,650	3,845	5%
PBRA Developments ⁽¹⁾	1,243	2,104	69%	1,088	716	-34%	420	133	-68%	0	2	n/a	2,751	2,955	7%
Housing Choice Tenant-Based	4,969	5,418	9%	1,631	1,413	-13%	423	422	0%	20	39	95%	7,043	7,292	4%
Housing Choice Ports	1,751	1,866	7%	430	331	-23%	77	98	27%	7	8	14%	2,265	2,303	2%
TOTAL	11,178	13,418	20%	4,878	3,905	-20%	1,524	940	-38%	62	68	10%	17,642	18,331	3.9%

	Number of Households by Income June 30, 2014	Percent of Total Households Served
Total ≤ 50% of AMI ("very low-income")	17,323	95%
Total > 50% of AMI	1,008	5%

NOTES:

⁽¹⁾ AHA does not capture household characteristics for LIHTC-only units within AHA-Sponsored Mixed-Income Communities and PBRA Mixed-Income Developments.

5. Household Characteristics (actual as of June 30, 2014)
B. Household Family Size Profile

Community & Program Type	Number of Households by Family Size																	
	1 Member			2 Members			3 Members			4 Members			5+ Members			TOTAL		
	Jun-13	Jun-14	% Chg	Jun-13	Jun-14	% Chg	Jun-13	Jun-14	% Chg	Jun-13	Jun-14	% Chg	Jun-13	Jun-14	% Chg	Jun-13	Jun-14	% Chg
AHA-Owned Residential Communities	1,746	1,754	0%	139	127	-9%	21	25	19%	15	18	20%	12	12	0%	1,933	1,936	0%
AHA-Sponsored Mixed-Income Communities ⁽¹⁾	1,785	2,123	19%	949	768	-19%	621	569	-8%	225	259	15%	70	126	80%	3,650	3,845	5%
PBRA Developments ⁽¹⁾	1,710	2,152	26%	659	417	-37%	222	211	-5%	111	123	11%	49	52	6%	2,751	2,955	7%
Housing Choice Tenant-Based	2,118	2,187	3%	1,518	1,641	8%	1,322	1,422	8%	1,012	1,021	1%	1,073	1,021	-5%	7,043	7,292	4%
Housing Choice Ports	468	530	13%	395	421	7%	482	466	-3%	453	444	-2%	467	442	-5%	2,265	2,303	2%
TOTAL	7,827	8,746	12%	3,660	3,374	-8%	2,668	2,693	1%	1,816	1,865	3%	1,671	1,653	-1%	17,642	18,331	N/A

NOTES:

⁽¹⁾ AHA does not capture household characteristics for LIHTC-only units within AHA-Sponsored Mixed-Income Communities and PBRA Mixed-Income Developments.

5. Household Characteristics (actual as of June 30, 2014)
C. Household Bedroom Size Profile

Community & Program Type	Number of Households by Unit Size																	
	0/1 Bedroom			2 Bedrooms			3 Bedrooms			4 Bedrooms			>4 Bedrooms			TOTAL		
	Jun-13	Jun-14	% Chg	Jun-13	Jun-14	% Chg	Jun-13	Jun-14	% Chg	Jun-13	Jun-14	% Chg	Jun-13	Jun-14	% Chg	Jun-13	Jun-14	% Chg
AHA-Owned Residential Communities	1,838	1,841	0%	46	46	0%	20	20	0%	29	29	0%	0	0	--	1,933	1,936	0%
AHA-Sponsored Mixed-Income Communities ⁽¹⁾	1,621	1,690	4%	1,421	1,538	8%	551	570	3%	57	47	-18%	0	0	--	3,650	3,845	5%
PBRA Developments ⁽¹⁾	1,580	1,671	6%	999	1,118	12%	167	162	-3%	5	4	-20%	0	0	--	2,751	2,955	7%
Housing Choice Tenant-Based	1,410	1,458	3%	2,340	2,406	3%	2,382	2,480	4%	753	802	7%	158	146	-8%	7,043	7,292	4%
Housing Choice Ports ⁽²⁾	281	286	2%	745	757	2%	949	965	2%	245	249	2%	45	46	2%	2,265	2,303	2%
TOTAL	6,730	6,946	3%	5,551	5,865	6%	4,069	4,197	3%	1,089	1,131	4%	203	192	-6%	17,642	18,331	4%

NOTES:

⁽¹⁾ AHA does not capture household characteristics for LIHTC-only units within AHA-Sponsored Mixed-Income Communities and PBRA Mixed-Income Developments.

⁽²⁾ The FY 2014 information shown was estimated by applying the percent allocation across Unit Size from FY 2013.

6. Waiting List Characteristics (actual as of June 30, 2014)

Community & Program Type*	Waiting List Households by Income Group (% of Area Median Income)				Waiting List Households by Unit Size Requested (# of Bedrooms)					Waiting List Households by Family Size (# of Members)					TOTAL					
	<30%	30-50%	50-80%	>80%	Studio	1 BR	2 BR	3 BR	4+ BR	1	2	3	4	5+						
AHA-Owned Residential Communities	2,935	298	58	2		2,982	200	69	42						3,293					
AHA-Sponsored Mixed-Income Communities	11,127	11,671	1,126	182	12	7,428	10,606	5,979	81											24,106
PBRA Developments ⁽¹⁾	2,726	3,766	1,418	0	199	2,515	2,844	2,043	309											
Housing Choice ⁽²⁾⁽³⁾ Tenant-Based	569	198	16	0						140	180	220	128	114	783					
TOTAL	17,357	15,933	2,618	184	211	12,925	13,650	8,091	432	140	180	220	128	114	36,092					

NOTES:

* Using flexibilities afforded to AHA under its MTW Agreement with HUD, waiting lists (except the Housing Choice Tenant-Based Program) are maintained by partners as part of AHA's site-based administration policies.

⁽¹⁾ Numbers shown do not include data for Supportive Housing communities that are leased through referrals from a contracted service provider that provides supportive services to the target population.

⁽²⁾ AHA does not capture waiting list data on the Mainstream waiting list and does not maintain FUP or VASH waiting lists, because these special purpose vouchers are issued through referrals from the public child welfare agency (PCWA) under agreement with AHA or the Veterans Administration, respectively.

⁽³⁾ The FY 2014 AMI information shown was estimated by applying the percent allocation across Unit Size from FY 2013.

7. Occupancy Rate			
The ratio of occupied public housing units to available units as of the last day of the fiscal year shall be greater than or equal to the target benchmark.			
Program / Community Type	AHA MTW Target (at least)	Actual Occupancy Rate (%)	Difference
AHA-Owned Residential Communities			
Barge Road Highrise	98%	98.4%	0.4%
Cheshire Bridge Road Highrise	98%	100.0%	2.0%
Cosby Spear Highrise	98%	99.3%	1.3%
East Lake Highrise	98%	100.0%	2.0%
Georgia Avenue Highrise	98%	100.0%	2.0%
Hightower Manor Highrise	98%	100.0%	2.0%
Juniper and Tenth Highrise	98%	100.0%	2.0%
Marian Road Highrise	98%	99.6%	1.6%
Marietta Road Highrise	98%	99.2%	1.2%
Martin Street Plaza	98%	98.3%	0.3%
Peachtree Road Highrise	98%	99.0%	1.0%
Piedmont Road Highrise	98%	100.0%	2.0%
Westminster	98%	100.0%	2.0%
AHA-Owned Communities Average	98%	99.5%	1.5%
AHA-Sponsored Mixed-Income Communities			
Ashley Auburn Pointe I	98%	98.1%	0.1%
Ashley Auburn Pointe II	98%	100.0%	2.0%
Ashley CollegeTown	98%	100.0%	2.0%
Ashley CollegeTown II	98%	100.0%	2.0%
Ashley Courts at Cascade I	98%	97.8%	-0.2%
Ashley Courts at Cascade II	98%	95.1%	-2.9%
Ashley Courts at Cascade III	98%	100.0%	2.0%
Ashley Terrace at West End	98%	97.1%	-0.9%
Atrium at CollegeTown	98%	97.4%	-0.6%
Capitol Gateway I	98%	97.8%	-0.2%
Capitol Gateway II	98%	100.0%	2.0%
Centennial Place I	98%	100.0%	2.0%
Centennial Place II	98%	98.6%	0.6%
Centennial Place III	98%	95.9%	-2.1%
Centennial Place IV	98%	98.8%	0.8%
Columbia Commons	98%	97.9%	-0.1%
Columbia Creste	98%	100.0%	2.0%
Columbia Estate	98%	94.0%	-4.0%
Columbia Grove	98%	96.4%	-1.6%
Columbia Mechanicsville Apartments	98%	91.9%	-6.1%
Columbia Park Citi	98%	98.4%	0.4%
Columbia Senior Residences at Mechanicsville	98%	98.1%	0.1%

Program / Community Type	AHA MTW Target (at least)	Actual Occupancy Rate (%)	Difference
AHA-Sponsored Mixed-Income Communities, cont.			
Columbia Village	98%	100.0%	2.0%
Gardens at CollegeTown	98%	100.0%	2.0%
Magnolia Park I	98%	98.9%	0.9%
Magnolia Park II	98%	90.4%	-7.6%
Mechanicsville Crossing	98%	100.0%	2.0%
Mechanicsville Station	98%	93.7%	-4.3%
Parkside at Mechanicsville	98%	100.0%	2.0%
Veranda at Auburn Pointe	98%	100.0%	2.0%
Villages at Carver I	98%	96.4%	-1.6%
Villages at Carver II	98%	93.9%	-4.1%
Villages at Carver III	98%	92.6%	-5.4%
Villages at Carver V	98%	94.9%	-3.1%
Villages at Castleberry Hill I	98%	97.0%	-1.0%
Villages at Castleberry Hill II	98%	97.4%	-0.6%
Villages of East Lake I	98%	100.0%	2.0%
Villages of East Lake II	98%	98.3%	0.3%
AHA-Sponsored Communities Average	98%	97.6%	-0.4% *
Public Housing-Assisted Average	98%	98%	0%

Meets
Benchmark

A. MANAGEMENT NOTES:

Overall, AHA had a combined occupancy rate of 98% for public housing assisted units in AHA-Owned Communities and AHA-Sponsored Mixed-Income Communities.

This was despite a shortfall in benchmark performance in some of the AHA-Sponsored Mixed-Income Communities (starred items above), this shortfall is generally attributable to factors such as: eligibility, turnover, and timing, which are unrelated to the viability of the communities.

The occupancy rate within communities with a low number of assisted units can often skew downward with just one or two vacancies. Vacant unit turnovers often occurred just before the end of FY 2014. Those units were subsequently leased during the first month of the new fiscal year. Also, when multiple units were vacated around the same time, the communities often fell below their occupancy target.

Perhaps more so than in previous years, property management has noticed the economy's effect on the applicants' ability to meet eligibility criteria – in particular many applicants on the waiting list do not meet credit requirements or AHA's work/program requirements, or they lack the money for a security deposit.

Additionally, situations unique to some communities, such as extraordinary repairs, age of the waiting list, and property staff turnover effected the timing of leasing units before the reporting deadline.

Property managers will continue to utilize proactive management of the waiting list to ensure a ready pool of eligible applicants when a unit becomes available. AHA's portfolio management staff will continue to monitor occupancy in collaboration with the professional management companies responsible for the AHA-Sponsored Mixed-Income Communities in order to improve performance.

Each of the AHA-Sponsored Mixed-Income Communities, developed as a result of public-private partnerships, is owned by a private sector owner entity formed as a limited partnership with a managing general partner, and is managed by the owner entity's professional property management agent. While AHA does not own these communities, AHA engages the respective owner entities and their property management agents in its capacity as both a partner and asset manager by actively monitoring performance (including conducting periodic inspections, audits, and business process reviews), reviewing monthly and quarterly reports, making site visits and consulting with management agent and owner representatives at regularly scheduled meetings with respect to management and maintenance performance, financial oversight and occupancy tracking.

* Indicates a community that has reported individual performance below the benchmark.

† The Magnolia Park community is not factored into the overall results shown above because of substantial operational and financial challenges. HUD is aware of the situation and actions taken to resolve it. AHA is working closely with the managing general partner of the owner entities and the tax credit syndicator to resolve the issues.

8. Percent Rents Uncollected			
Gross tenant rents receivable through the last day of the fiscal year divided by the total amount of tenant rents billed during the FY shall be less than or equal to the target benchmark.			
Program / Community Type	AHA MTW Target (at most)	Actual Rents Uncollected (%)	Difference
AHA-Owned Residential Communities			
Barge Road Highrise	2%	0.0%	-2.0%
Cheshire Bridge Road Highrise	2%	0.0%	-2.0%
Cosby Spear Highrise	2%	0.7%	-1.3%
East Lake Highrise	2%	0.0%	-2.0%
Georgia Avenue Highrise	2%	0.0%	-2.0%
Hightower Manor Highrise	2%	1.2%	-0.8%
Juniper and Tenth Highrise	2%	1.4%	-0.6%
Marian Road Highrise	2%	0.0%	-2.0%
Marietta Road Highrise	2%	0.0%	-2.0%
Martin Street Plaza	2%	0.4%	-1.6%
Peachtree Road Highrise	2%	0.0%	-2.0%
Piedmont Road Highrise	2%	0.0%	-2.0%
Westminster	2%	0.0%	-2.0%
AHA-Owned Communities Average	2%	0.3%	-1.7%
AHA-Sponsored Mixed-Income Communities			
Ashley Auburn Pointe I	2%	0.2%	-1.8%
Ashley Auburn Pointe II	2%	0.0%	-2.0%
Ashley CollegeTown	2%	0.2%	-1.8%
Ashley CollegeTown II	2%	0.6%	-1.4%
Ashley Courts at Cascade I	2%	5.5%	3.5% *
Ashley Courts at Cascade II	2%	4.5%	2.5% *
Ashley Courts at Cascade III	2%	4.4%	2.4% *
Ashley Terrace at West End	2%	0.4%	-1.6%
Atrium at CollegeTown	2%	0.0%	-2.0%
Capitol Gateway I	2%	0.2%	-1.8%
Capitol Gateway II	2%	0.0%	-2.0%
Centennial Place I	2%	0.0%	-2.0%
Centennial Place II	2%	0.0%	-2.0%
Centennial Place III	2%	2.9%	0.9% *
Centennial Place IV	2%	0.0%	-2.0%
Columbia Commons	2%	0.0%	-2.0%
Columbia Creste	2%	2.7%	0.7% *
Columbia Estate	2%	1.8%	-0.2%
Columbia Grove	2%	0.0%	-2.0%
Columbia Mechanicsville Apartments	2%	0.0%	-2.0%
Columbia Park Citi	2%	2.4%	0.4% *
Columbia Senior Residences at Mechanicsville	2%	1.0%	-1.0%

Program / Community Type	AHA MTW Target (at most)	Actual Rents Uncollected (%)	Difference
AHA-Sponsored Mixed-Income Communities, cont.			
Columbia Village	2%	2.5%	0.5% *
Gardens at CollegeTown	2%	6.5%	4.5% *
Magnolia Park I	2%	0.9%	-1.1% †
Magnolia Park II	2%	0.4%	-1.6% †
Mechanicsville Crossing	2%	0.0%	-2.0%
Mechanicsville Station	2%	0.2%	-1.8%
Parkside at Mechanicsville	2%	0.7%	-1.3%
Veranda at Auburn Pointe	2%	4.3%	2.3% *
Villages at Carver I	2%	1.3%	-0.7%
Villages at Carver II	2%	3.4%	1.4% *
Villages at Carver III	2%	0.5%	-1.5%
Villages at Carver V	2%	2.2%	0.2% *
Villages at Castleberry Hill I	2%	0.0%	-2.0%
Villages at Castleberry Hill II	2%	0.0%	-2.0%
Villages of East Lake I	2%	0.0%	-2.0%
Villages of East Lake II	2%	0.0%	-2.0%
AHA-Sponsored Communities Average	2%	1.0%	-1.0%
Public Housing-Assisted Totals	2%	0.6%	-1.4%

Exceeds
Benchmark

A. MANAGEMENT NOTES:

Overall, AHA exceeded this benchmark. The AHA-Sponsored Mixed-Income Communities that fell below this benchmark (starred items above) were addressing issues relating to the impact of the economic downturn on resident households. The adverse effects of a depressed economy coupled with high unemployment in the Atlanta metropolitan area contributed to the volatility of rent collections especially for low-income working families who experienced layoffs or reduced hours. Additionally, some cases of households with overdue rent are in the termination process, which can last several months, wherein some households are court-ordered not to pay rents. AHA's portfolio management staff will continue to monitor uncollected rents in collaboration with the professional management companies responsible for the AHA-Sponsored Mixed-Income Communities in order to improve performance.

Each of the AHA-Sponsored Mixed-Income Communities, developed as a result of public-private partnerships, is owned by a private sector owner entity formed as a limited partnership with a managing general partner, and is managed by the owner entity's professional property management agent. While AHA does not own these communities, AHA engages the respective owner entities and their property management agents in its capacity as both a partner and asset manager by actively monitoring performance (including conducting periodic inspections, audits, and business process reviews), reviewing monthly and quarterly reports, making site visits and consulting with management agent and owner representatives at regularly scheduled meetings with respect to management and maintenance performance, financial oversight and occupancy tracking.

* Indicates a community that has reported individual performance below the benchmark.

† The Magnolia Park community is not factored into the overall results shown above because of substantial operational and financial challenges. HUD is aware of the situation and actions taken to resolve it. AHA is working closely with the managing general partner of the owner entities and the tax credit syndicator to resolve the issues.

9. Emergency Work Orders Completed or Abated in <24 Hours			
The percentage of emergency work orders that are completed or abated within 24 hours of issuance of the work order shall be greater than or equal to the target benchmark. (Abated is defined as “emergency resolved through temporary measure, and a work order for long term resolution has been issued.”)			
Program / Community Type	AHA MTW Target (at least)	Actual Emergency Work Orders Completed / Abated in <24 hrs (%)	Difference
AHA-Owned Residential Communities			
Barge Road Highrise	99%	100%	1.0%
Cheshire Bridge Road Highrise	99%	100%	1.0%
Cosby Spear Highrise	99%	100%	1.0%
East Lake Highrise	99%	100%	1.0%
Georgia Avenue Highrise	99%	100%	1.0%
Hightower Manor Highrise	99%	100%	1.0%
Juniper and Tenth Highrise	99%	100%	1.0%
Marian Road Highrise	99%	100%	1.0%
Marietta Road Highrise	99%	100%	1.0%
Martin Street Plaza	99%	100%	1.0%
Peachtree Road Highrise	99%	100%	1.0%
Piedmont Road Highrise	99%	100%	1.0%
Westminster	99%	100%	1.0%
AHA-Owned Communities Average	99%	100.0%	1.0%
AHA-Sponsored Mixed-Income Communities			
Ashley Auburn Pointe I	99%	100%	1.0%
Ashley Auburn Pointe II	99%	100%	1.0%
Ashley CollegeTown	99%	100%	1.0%
Ashley CollegeTown II	99%	100%	1.0%
Ashley Courts at Cascade I	99%	100%	1.0%
Ashley Courts at Cascade II	99%	100%	1.0%
Ashley Courts at Cascade III	99%	100%	1.0%
Ashley Terrace at West End	99%	100%	1.0%
Atrium at CollegeTown	99%	100%	1.0%
Capitol Gateway I	99%	100%	1.0%
Capitol Gateway II	99%	100%	1.0%
Centennial Place I	99%	100%	1.0%
Centennial Place II	99%	100%	1.0%
Centennial Place III	99%	100%	1.0%
Centennial Place IV	99%	100%	1.0%
Columbia Commons	99%	100%	1.0%
Columbia Creste	99%	100%	1.0%
Columbia Estate	99%	100%	1.0%
Columbia Grove	99%	100%	1.0%
Columbia Mechanicsville Apartments	99%	100%	1.0%
Columbia Park Citi	99%	100%	1.0%
Columbia Senior Residences at Mechanicsville	99%	100%	1.0%

Program / Community Type	AHA MTW Target (at least)	Actual Emergency Work Orders Completed / Abated in <24 hrs (%)	Difference
AHA-Sponsored Mixed-Income Communities, cont.			
Columbia Village	99%	97%	-2.0% *
Gardens at CollegeTown	99%	100%	1.0%
Magnolia Park I	99%	100%	1.0% †
Magnolia Park II	99%	100%	1.0% †
Mechanicsville Crossing	99%	100%	1.0%
Mechanicsville Station	99%	100%	1.0%
Parkside at Mechanicsville	99%	100%	1.0%
Veranda at Auburn Pointe	99%	100%	1.0%
Villages at Carver I	99%	100%	1.0%
Villages at Carver II	99%	100%	1.0%
Villages at Carver III	99%	100%	1.0%
Villages at Carver V	99%	100%	1.0%
Villages at Castleberry Hill I	99%	100%	1.0%
Villages at Castleberry Hill II	99%	99%	-0.2% *
Villages of East Lake I	99%	100%	1.0%
Villages of East Lake II	99%	100%	1.0%
AHA-Sponsored Communities Average	99%	99.9%	0.9%
Public Housing-Assisted Totals	99%	99.9%	0.9%

Exceeds
Benchmark

A. MANAGEMENT NOTES:

AHA exceeded this benchmark by completing or abating approximately 99.9% of emergency work orders within 24 hours.

This was despite a shortfall in benchmark performance at two of the AHA-Sponsored Mixed-Income Communities (starred items above).

Each of the AHA-Sponsored Mixed-Income Communities, developed as a result of public-private partnerships, is owned by a private sector owner entity formed as a limited partnership with a managing general partner, and is managed by the owner entity's professional property management agent. While AHA does not own these communities, AHA engages the respective owner entities and their property management agents in its capacity as both a partner and asset manager by actively monitoring performance (including conducting periodic inspections, audits, and business process reviews), reviewing monthly and quarterly reports, making site visits and consulting with management agents and owner representatives at regularly scheduled meetings with respect to management and maintenance performance, financial oversight and occupancy tracking.

* Indicates a community that has reported individual performance below the benchmark.

† The Magnolia Park community is not factored into the overall results shown above because of substantial operational and financial challenges. HUD is aware of the situation and actions taken to resolve it. AHA is working closely with the managing general partner of the owner entities and the tax credit syndicator to resolve the issues.

10. Routine Work Orders Completed in < 7 Days			
The average number of days that all non-emergency work orders will be active during the fiscal year shall be 7 days or less.			
Program / Community Type	AHA MTW Target (at most)	Actual Average Days to Complete Routine Work Orders (# days)	Difference
AHA-Owned Residential Communities			
Barge Road Highrise	7	2	-4.8
Cheshire Bridge Road Highrise	7	1	-6.0
Cosby Spear Highrise	7	1	-5.6
East Lake Highrise	7	1	-5.9
Georgia Avenue Highrise	7	1	-5.9
Hightower Manor Highrise	7	2	-5.0
Juniper and Tenth Highrise	7	4	-3.2
Marian Road Highrise	7	1	-6.0
Marietta Road Highrise	7	2	-4.9
Martin Street Plaza	7	1	-5.9
Peachtree Road Highrise	7	2	-5.3
Piedmont Road Highrise	7	2	-5.4
Westminster	7	1	-6.0
AHA-Owned Communities Average	7	1.5	-5.5
AHA-Sponsored Mixed-Income Communities			
Ashley Auburn Pointe I	7	1	-6.0
Ashley Auburn Pointe II	7	1	-6.0
Ashley CollegeTown	7	2	-4.9
Ashley CollegeTown II	7	2	-5.1
Ashley Courts at Cascade I	7	1	-5.7
Ashley Courts at Cascade II	7	2	-5.4
Ashley Courts at Cascade III	7	1	-5.5
Ashley Terrace at West End	7	1	-5.7
Atrium at CollegeTown	7	1	-6.0
Capitol Gateway I	7	4	-2.6
Capitol Gateway II	7	4	-2.9
Centennial Place I	7	1	-6.0
Centennial Place II	7	1	-6.0
Centennial Place III	7	1	-5.5
Centennial Place IV	7	1	-6.0
Columbia Commons	7	2	-4.6
Columbia Creste	7	1	-6.0
Columbia Estate	7	1	-5.9
Columbia Grove	7	1	-6.0
Columbia Mechanicsville Apartments	7	3	-3.8
Columbia Park Citi	7	3	-4.3
Columbia Senior Residences at Mechanicsville	7	1	-5.5

Program / Community Type	AHA MTW Target (at most)	Actual Average Days to Complete Routine Work Orders (# days)	Difference
AHA-Sponsored Mixed-Income Communities, cont.			
Columbia Village	7	2	-5.3
Gardens at CollegeTown	7	2	-5.3
Magnolia Park I	7	3	-4.2
Magnolia Park II	7	3	-4.2
Mechanicsville Crossing	7	3	-4.2
Mechanicsville Station	7	3	-4.1
Parkside at Mechanicsville	7	3	-4.1
Veranda at Auburn Pointe	7	3	-4.0
Villages at Carver I	7	3	-4.0
Villages at Carver II	7	3	-4.0
Villages at Carver III	7	3	-4.0
Villages at Carver V	7	3	-4.0
Villages at Castleberry Hill I	7	2	-5.1
Villages at Castleberry Hill II	7	2	-5.1
Villages of East Lake I	7	2	-5.1
Villages of East Lake II	7	1	-5.6
AHA-Sponsored Communities Average	7	2.0	-5.0
Public Housing-Assisted Totals	7	1.8	-5.2

Exceeds
Benchmark

A. MANAGEMENT NOTES:

AHA exceeded this benchmark by fulfilling routine work orders on average within 1.8 days, which is far less time than the 7-day target.

Each of the AHA-Sponsored Mixed-Income Communities, developed as a result of public-private partnerships, is owned by a private sector owner entity formed as a limited partnership with a managing general partner, and is managed by the owner entity's professional property management agent. While AHA does not own these communities, AHA engages the respective owner entities and their property management agents in its capacity as both a partner and asset manager by actively monitoring performance (including conducting periodic inspections, audits, and business process reviews), reviewing monthly and quarterly reports, making site visits and consulting with management agent and owner representatives with respect to management and maintenance performance, financial oversight and occupancy tracking.

† The Magnolia Park community is not factored into overall result shown above because of substantial operational and financial challenges. HUD is aware of the situation and actions taken to resolve it. AHA is working closely with the managing general partner of the owner entities and the tax credit syndicator to resolve the issues.

11. Percent Planned Inspections Completed			
The percentage of all occupied units and common areas that are inspected during the fiscal year shall be greater than or equal to the target benchmark.			
Program / Community Type	AHA MTW Target (at least)	Actual Inspections Completed (%)	Difference
AHA-Owned Residential Communities			
Barge Road Highrise	100%	100.0%	0%
Cheshire Bridge Road Highrise	100%	100.0%	0%
Cosby Spear Highrise	100%	100.0%	0%
East Lake Highrise	100%	100.0%	0%
Georgia Avenue Highrise	100%	100.0%	0%
Hightower Manor Highrise	100%	100.0%	0%
Juniper and Tenth Highrise	100%	100.0%	0%
Marian Road Highrise	100%	100.0%	0%
Marietta Road Highrise	100%	100.0%	0%
Martin Street Plaza	100%	100.0%	0%
Peachtree Road Highrise	100%	100.0%	0%
Piedmont Road Highrise	100%	100.0%	0%
Westminster	100%	100.0%	0%
AHA-Owned Communities Average	100%	100%	0%
AHA-Sponsored Mixed-Income Communities			
Ashley Auburn Pointe I	100%	100%	0%
Ashley Auburn Pointe I	100%	100%	0%
Ashley CollegeTown	100%	100%	0%
Ashley CollegeTown II	100%	100%	0%
Ashley Courts at Cascade I	100%	100%	0%
Ashley Courts at Cascade II	100%	100%	0%
Ashley Courts at Cascade III	100%	100%	0%
Ashley Terrace at West End	100%	100%	0%
Atrium at CollegeTown	100%	100%	0%
Capitol Gateway I	100%	100%	0%
Capitol Gateway II	100%	100%	0%
Centennial Place I	100%	100%	0%
Centennial Place II	100%	100%	0%
Centennial Place III	100%	100%	0%
Centennial Place IV	100%	100%	0%
Columbia Commons	100%	100%	0%
Columbia Creste	100%	100%	0%
Columbia Estate	100%	100%	0%
Columbia Grove	100%	100%	0%
Columbia Mechanicsville Apartments	100%	100%	0%
Columbia Park Citi	100%	100%	0%
Columbia Senior Residences at Mechanicsville	100%	100%	0%

Program / Community Type	AHA MTW Target (at least)	Actual Inspections Completed (%)	Difference
AHA-Sponsored Mixed-Income Communities, cont.			
Columbia Village	100%	100%	0%
Gardens at CollegeTown	100%	100%	0%
Magnolia Park I	100%	100%	0%
Magnolia Park II	100%	100%	0%
Mechanicsville Crossing	100%	100%	0%
Mechanicsville Station	100%	100%	0%
Parkside at Mechanicsville	100%	100%	0%
Veranda at Auburn Pointe	100%	100%	0%
Villages at Carver I	100%	100%	0%
Villages at Carver II	100%	100%	0%
Villages at Carver III	100%	100%	0%
Villages at Carver V	100%	100%	0%
Villages at Castleberry Hill I	100%	100%	0%
Villages at Castleberry Hill II	100%	100%	0%
Villages of East Lake I	100%	100%	0%
Villages of East Lake II	100%	100%	0%
AHA-Sponsored Communities Average	100%	100.0%	0.0%
Public Housing-Assisted Totals	100%	100.0%	0.0%

Meets
Benchmark

A. MANAGEMENT NOTES:

AHA completed 100 percent of its planned inspections. Each AHA-Owned Residential Community and the Owner Entity of the AHA-Sponsored Mixed-Income Communities, through their respective property management agents, are required to inspect 10 percent of the public housing -assisted units at each property monthly. At year end, each site’s agent is required to certify that 100 percent of all units, buildings, and common areas have been inspected and work orders have been completed to address deficiencies.

Each of the AHA-Sponsored Mixed-Income Communities, developed as a result of public-private partnerships, is owned by a private sector owner entity formed as a limited partnership with a managing general partner, and is managed by the owner entity’s professional property management agent. While AHA does not own these communities, AHA engages the respective owner entities and their property management agents in its capacity as both a partner and asset manager by actively monitoring performance (including conducting periodic inspections, audits, and business process reviews), reviewing monthly and quarterly reports, making site visits and consulting with management agent and owner representatives at regularly scheduled meetings with respect to management and maintenance performance, financial oversight and occupancy tracking.

† The Magnolia Park community is not factored into overall result shown above because of substantial operational and financial challenges. HUD is aware of the situation and actions taken to resolve it. AHA is working closely with the managing general partner and the tax credit syndicator to resolve the issues.

Inspections Strategy

AHA Reviews of AHA-Sponsored Mixed-Income Communities

(1) **Physical Real Estate/Operational:** An annual Business Process Review is conducted at all Mixed-Income Communities. The Business Process Review includes a review of the property operations as well as a physical review of a sample of the greater of five (5) units or 5% of the AHA-Assisted Units. The purpose of the annual review is 1) to confirm that site-based administration activities are in compliance with AHA policies, federal requirements and various legal agreements defining the obligations of the owner entities and professional property management companies with respect to the management, maintenance and operations of the respective properties, and 2) to streamline and enhance the compliance review process by utilizing audits, inspections and compliance reviews conducted by other agencies and compliance contractors.

(2) **Business Process Reviews:** Through Business Process Reviews, Asset Management has been able to strengthen AHA's internal controls and external oversight of owner entity and property management performance related to maintenance of the site-based waiting list, operations, physical conditions of the portfolio, enforcement of AHA's Work / Program Requirement, rent determination, and accessibility.

(3) **Financial:** AHA also reviews the audited financial statements of the Mixed-Income Communities, identifying any trends that may affect the long-term financial viability and sustainability of the underlying asset. When there are going concerns, impairments, audit findings or material adverse changes that may impact the ability to meet current or future obligations, AHA works with the Owner to ensure the deficiencies are resolved and develop a corrective action plan, as necessary.

AHA Reviews of AHA-Owned Residential Communities

Through its quality assurance program, AHA is focused on maintaining quality living environments throughout the AHA-Owned real estate portfolio. AHA provides an integrated assessment of the status of each property, and works closely with its Property Management-Developer Company (PMD) partners to identify and proactively address issues at the properties.

The emphases and outcomes of each element of the quality assurance program are as follows:

(1) **Uniform Physical Conditions Standards (UPCS):** AHA conducts UPCS quality assurance inspections annually at each property. A minimum of 5% of the units, all common areas, and all building systems are inspected. The inspections result in a reduction of systemic maintenance issues and an overall improvement in the physical condition of the communities.

(2) **Elevator:** AHA's elevator consultant continues to provide an annual audit for each elevator at the high-rise communities, as well as to coordinate with the PMDs on equipment modernization and ongoing routine maintenance. Improved equipment maintenance has led to improved operational up-time as well as a significant decrease in resident complaints concerning elevators.

(3) **Rental Integrity Monitoring (RIM):** The RIM review, conducted annually at each property, focuses on procedures related to the complete occupancy life-cycle from the application to termination. The findings from RIM help in the design of staff training, which has, in turn, reduced the amount of errors identified.

(4) **Procurement/Contracts:** AHA conducts this regular on-site review to audit procedures related to the PMD procurements and contract management. PMD staff have made significant progress in maintaining best practices for documentation of contract administration and in public transparency and accountability.

(5) **Finance/Accounting:** This internal financial audit, conducted annually at each property, is beneficial in identifying areas of concern within the properties' fiscal operations.

(6) **Community Safety/Risk:** This inspection of requirements for property administrative, technical, and physical security systems enables the PMDs to identify and mitigate safety issues at the communities. This inspection, conducted annually at each property, also includes items in accordance with AHA's Risk/Safety program (inspections, analysis, etc.), which complies with the Insurer's Work Plan instituted by our liability insurance company. AHA insurance premiums have been reduced as a result of AHA's Risk/Safety program.

(7) **Accessibility:** Accessibility inspections are conducted at each property annually to ensure each community's compliance with applicable Fair Housing and accessibility statutes, HUD guidelines, and AHA's related policies and procedures. These inspections enable AHA to have early detection and resolution of accessibility issues, identify process improvements, and identify topics for staff training.

12. Security

AHA has continued to address crime and safety in the communities through collaborative strategies with its private development partners, PMDs, local law enforcement, and residents. AHA continues to aggressively combat crime by:

- (1) Dedicating over \$1.8 million during FY 2014 at the AHA-Owned Residential Communities to:
 - a) maintain the security presence of concierges/security staff on the properties, and
 - b) provide video surveillance and a community security channel,
- (2) Utilizing visitor management systems at the high-rise AHA-Owned Residential Communities to further monitor access to the buildings,
- (3) Collaborating with the Atlanta Police Department to identify strategies to deter crime and enhance safety and security at AHA-Owned Residential Communities and AHA-Sponsored Mixed-Income Communities,
- (4) Continuing utilization of enhanced criminal screening standards and processes and strict lease enforcement, and
- (5) Completing the necessary preventive maintenance and repairs to ensure security equipment remains operational on a routine basis.

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Appendix E

**HUD Information Reporting Requirement
(HUD Form 50900 – Attachment B)**

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

**Attachment B
to
AMENDED AND RESTATED MOVING TO WORK AGREEMENT
BETWEEN
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
AND
MOVING TO WORK (MTW) HOUSING AGENCIES**

The information on this form is being collected so that HUD is able to evaluate the impacts of MTW activities; respond to congressional and other inquiries regarding outcome measures; and identify promising practices learned through the Moving to Work (MTW) demonstration. The information collected through this form is not confidential. MTW public housing authorities (PHAs) will report outcome information on the effects of MTW policy changes on residents, the agency's operations, and the local community. The estimated burden per year, per agency, is 81 hours. Responses to this collection of information are required to obtain a benefit or to retain a benefit. HUD may not conduct or sponsor, and MTW agencies are not required to respond to, a collection of information unless that collection displays a valid OMB control number. All MTW PHAs will provide the following required elements in the order and format given in the 50900 in their Annual MTW Plans and Annual MTW Reports, consistent with the requirements in Section VII of the Standard MTW Agreement.

(I) Introduction

Annual MTW Report

A. Table of Contents, which includes all the required elements of the Annual MTW Report; and

B. Overview of the PHA's short-term and long-term MTW goals and objectives. The PHA should include information about whether short-term goals and objectives were accomplished and report progress towards long-term goals and objectives.

[See Annual Report: Sections I & II](#)

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

Attachment B

(II) General Housing Authority Operating Information

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
Commons at Imperial Hotel	90	90	90 units of permanent Supportive Housing PBRA

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 *
90	90	90	90
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	90	90

* From the Plan

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

None

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

The \$1.3 million in expenditures for capital repairs/improvements at AHA-owned residential communities are categorized as follows: Building Improvements (improvements to energy/lighting/blinds, plumbing, envelope/roof/doors, and/or corridor/elevator/doors); Site Improvements (asphalt/concrete work); and Furniture, Fixtures, & Equipment (including fire/security, HVAC/mechanical equipment, and appliances):

- Cosby Spear Highrise: \$15,900 was expended for Building Improvements.
- East Lake Highrise: \$10,770 was expended for Building Improvements.
- Hightower Manor Highrise: \$57,700 was expended for Building Improvements.
- Juniper & Tenth Highrise: \$8,600 was expended for Building Improvements.
- Cheshire Bridge Road Highrise: \$169,600 was expended for Building Improvements and Furniture, Fixtures, & Equipment.
- Marian Road Highrise: \$64,500 was expended for Building Improvements and Furniture, Fixtures, & Equipment.
- Martin Street Plaza: \$40,200 was expended for Building Improvements and Furniture, Fixtures, & Equipment.
- Georgia Avenue Highrise: \$102,290 was expended for Building Improvements, Furniture, Fixtures, & Equipment.
- Westminster: \$30,900 was expended for Building Improvements, Furniture, Fixtures, & Equipment.
- Barge Road Highrise: \$42,800 was expended for Furniture, Fixtures, & Equipment, and Site Improvements.
- Piedmont Road Highrise: No expenditures.
- Peachtree Road Highrise: \$116,600 was expended for Furniture, Fixtures, & Equipment.
- Marietta Road Highrise: \$15,700 was expended for Site Improvements.

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

Housing Program *	Total Units	Overview of the Program
Not Applicable	0	AHA does not own or manage any other housing
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: None

II.5.Report.Leasing

B. MTW Report: Leasing Information

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

Housing Program: Federal MTW Public Housing	Number of Households Served*	
	Planned	Actual
Number of Units that were Occupied/Leased through Public Housing (PH Units in AHA owned and AHA Sponsored Mixed-Income Communities) **	4,464	4,464
Total Projected and Actual Households Served	4,464	4,464

* 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: Federal MTW Public Housing

Unit Months Occupied/Leased****

Number of Units that were Occupied/Leased through Public Housing (PH Units in AHA owned and AHA Sponsored Mixed-Income Communities)***

Planned	Actual
53,568	53,568
53,568	53,568

Total Projected and Annual Unit Months Occupied/Leased

There was no difference between number of households planned and actual households served in Public Housing.

*** 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.

Housing Program: Federal MTW Housing Choice Voucher

Number of Households Served*

Number of Units that were Occupied/Leased through Federal MTW Housing Choice Voucher Property-Based Assistance Programs (PBRA Units)**

Planned	Actual
4,782	4,427
9,648	9,654
N/A	0
14,430	14,081

Number of Units that were Occupied/Leased through Federal MTW Housing Choice Voucher Tenant-Based Assistance Programs (HC Voucher Units) **

Port-In Vouchers (not absorbed)

Total Projected and Actual Households Served

* 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: Federal MTW Housing Choice Voucher

Unit Months Occupied/Leased****

Number of Units that were Occupied/Leased through Federal MTW Housing Choice Voucher Property-Based Assistance Programs (PBRA Units) ***

Planned	Actual
57,384	53,124
115,776	115,848
N/A	0
173,160	168,972

Number of Units that were Occupied/Leased through Federal MTW Housing Choice Voucher Tenant-Based Assistance Programs (HC Voucher Units) ***

Port-In Vouchers (not absorbed)

Total Projected and Annual Unit Months Occupied/Leased

Anticipated pilot programs in PBRA Supportive Housing are not yet leased.

*** 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.

Housing Program: Local, Non-Traditional Programs	Number of Households Served*	
	Planned	Actual
Number of Units that were Occupied/Leased through Local, Non-Traditional MTW Funded Property-Based Assistance Programs (LIHTC Units) **	2,761	2,820
Number of Units that were Occupied/Leased through Local, Non-Traditional MTW Funded Tenant-Based Assistance Programs (Downpayment Assistance) **	313	315
Total Projected and Actual Households Served	3,074	3,135

* 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: Local, Non-Traditional Programs	Unit Months Occupied/Leased****	
	Planned	Actual
Number of Units that were Occupied/Leased through Local Non-Traditional MTW Funded Property-Based Assistance Programs (LIHTC Units)***	33,132	33,840
Number of Units that were Occupied/Leased through Local, Non-Traditional MTW Funded Tenant-Based Assistance Programs (Downpayment Assistance) ***	3,756	3,780
Total Projected and Annual Unit Months Occupied/Leased	36,888	37,620

Increase in LIHTC units primarily attributed to adding new units at Ashley Auburn Pointe II.

*** 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	2828	2,971	3074	3135	X	X	X	X
Number of Local, Non-Traditional MTW Households with Incomes Below 50% of Area Median Income	X	X	X	X	X	X	X	X
Percentage of Local, Non-Traditional MTW Households with Incomes Below 50% of Area Median Income	X	X	X	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	X	X	X	X	X
2 Person	X	X	X	X	X
3 Person	X	X	X	X	X
4 Person	X	X	X	X	X
5 Person	X	X	X	X	X
6+ Person	X	X	X	X	X
Totals	0	0	0	0	0

Explanation for Baseline Adjustments to the Distribution of Household Sizes Utilized

Per AHA's MTW agreement, AHA established bedroom sizes, not family sizes. Changes in mix of family sizes served is primarily due to relocation associated with AHA's Quality of Life Initiative (QLI), in which nearly 3,000 families were relocated from large family public housing communities to mixed-income communities or private developments using Housing Choice vouchers.

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 **	X	X	X	X	X	X	0
Number of Households Served by Family Size this Fiscal Year ***	8,746	3,374	2,693	1,865	1,653	N/A	18,331
Percentages of Households Served by Household Size this Fiscal Year ****	48%	18%	15%	10%	9%	N/A	100%
Percentage Change	-	-	-	-	-	-	See note below

Justification and Explanation for Family Size Variations of Over 5% from the Baseline Percentages

AHA has experienced less than 5 percent variation between family sizes per year. Chart excludes our baseline figures, because per AHA's MTW agreement, AHA established bedroom sizes, not family sizes. Chart also excludes LIHTC units because detailed household demographic information is not collected for such units.

* "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
None	None

Number of Households Transitioned To Self-Sufficiency by Fiscal Year End		
Activity Name/#	Number of Households Transitioned *	Agency Definition of Self Sufficiency
4-to-1 Elderly Admissions Policy at AHA's High-Rise Communities	1,845	Defined as the ability to access services and resources needed to be engaged, active and in control of decisions that affect their lives and the aging process
Aging Well Program	1,845	Defined as the ability to access services and resources needed to be engaged, active and in control of decisions that affect their lives and the aging process
Comprehensive Homeownership Program	3	Defined as households with sufficient income and savings to maintain a mortgage without subsidy
Elderly Income Disregard	147	Defined as elderly persons who have earned income
Non-Elderly Disabled Income Disregard	78	Defined as non-elderly disabled persons who have earned income
Households Duplicated Across Activities/Definitions	1,845	
ANNUAL TOTAL NUMBER OF HOUSEHOLDS TRANSITIONED TO SELF SUFFICIENCY	2,073	

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 Units (AHA Owned Residential Communities)	Site Based	3,293	Open	Yes
Federal MTW Public Housing & PBRA Units (AHA-Sponsored Mixed-Income Communities)	Site Based	24,106	Open	Yes
Federal MTW Housing Choice Voucher Program (AHA HCV)	Community Wide	783	Closed	No
Project-Based Local, Non-Traditional MTW Housing Assistance Program (AHA PBRA Developments)	Site Based	7,910	Open	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.

None

If Local, Non-Traditional Program, please describe:

Using the flexibility authorized under its MTW Agreement, AHA manages occupancy and waiting lists through its various relationships with private developer partners and property management companies. Except for its Housing Choice Tenant-Based Voucher Program which AHA manages directly, partner entities manage all aspects of leasing units and occupancy, including waiting lists, for other AHA communities. For AHA's Project Based Rental Assistance Program and at AHA-Sponsored Mixed-Income Communities, AHA streamlines program activities through site-based administration delivered at the property level. The waiting lists at these communities are administered at the sites by the respective owners and management agents. Each is responsible for the opening, closing, ongoing maintenance and updating the site-based waiting list.

If Other Wait List Type, please describe:

None

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.

None

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

Attachment B

(III) Proposed MTW Activities: HUD approval requested

Required Elements for Proposed Activities in the MTW Report:

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

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

Attachment B

(IV) Approved MTW Activities: HUD approval previously granted

All required elements grouped by each MTW activity are in *Appendix C: Ongoing Activities Previously Approved by HUD*.

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

Attachment B

(V) Sources and Uses of Funds

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

Except for the portion of certain revitalization and development activities outlined below and expenditures requiring non-federal funds, AHA operates all activities as detailed in its FY 2015 MTW Annual Plan using its MTW Single Fund authority. Pursuant to the authority in AHA's MTW Agreement, AHA has combined its low-income operating funds, Housing Choice voucher funds and certain capital funds into a single fund (referred herein as "MTW Single Fund" or "MTW Funds") which may be expended on MTW Eligible Activities as set forth in AHA's business plan. Under this MTW Single Fund authority, AHA determines the best use of funds for the purposes of fulfilling its mission to deliver innovative, affordable housing. Although the MTW Agreement allows AHA to include RHF funds in the MTW Single Fund, AHA has elected not to do so.

In accordance with Section V.A.1 of Attachment D of AHA's MTW Agreement, AHA is authorized to combine operating subsidies provided under Section 9, capital funding (including development and replacement housing factor funds) provided under Section 9 (formerly Section 14), and assistance provided under Section 8 of the 1937 Act for the voucher programs to fund HUD approved MTW activities.

As detailed in Schedule A of the FY 2014 Comprehensive Budget, AHA funds all operations with MTW Funds except where limited by law or regulation. AHA drew **\$203,373,049** from HUD in FY 2014 to support MTW operations. (See Sources and Uses of Funds Schedule I). AHA funds all operations with MTW funds except where other funds are provided for specific purposes (e.g. Replacement Housing Factor funds) or where limited by law or regulation. In FY 2014, AHA used **\$196,720,909** in MTW Single Fund to support AHA's operations. These funds are augmented by proceeds from National Housing Compliance (a non-federal source of funds) to fund expenditures that cannot be funded with federal funds.

Further, AHA used **\$5,055,375** in MTW Single funds to support MTW-authorized revitalization activities. AHA's revitalization activities are also funded by RHF funds, public improvement funds provided by the City of Atlanta, and program income from prior years.

But for the MTW Single Fund flexibility, AHA would be unable to fund fully the costs of (i) operating the PH-assisted units in its mixed-income, mixed-finance communities, (ii) operating and maintaining the housing AHA owns (consisting primarily of senior high-rises, (iii) funding human development services intended to support fragile populations as well as promote resident self-sufficiency, and (iv) fund AHA's HUD-approved version of project-based rental assistance (PBRA) at communities including both AHA-sponsored mixed-income, mixed-finance properties as well as multi-family communities that are privately owned.

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

In the body of the Report, PHAs should provide a narrative updating the progress of implementing and operating the Local Asset Management Plan during the fiscal year.

V.5.Report.Unspent MTW Funds

C. MTW Report: Commitment of Unspent Funds

Until HUD issues a methodology for defining reserves, including a definition of obligations and commitments, MTW agencies are not required to complete this section.

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.

Form 50900: Elements for the Annual MTW Plan and Annual MTW Report	
Attachment B	
(VI) Administrative	
The PHA shall provide the information below with the first Plan/Report submittal to HUD.	
Annual MTW Report	
A. General description of any HUD reviews, audits or physical inspection issues that require the agency to take action to address the issue;	None
B. Results of latest PHA-directed evaluations of the demonstration, as applicable; and	See Appendix G: MTW Benchmarking Study Update
C. Certification that the PHA has met the three statutory requirements of: 1) assuring that at least 75 percent 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 had the amounts not been combined; and 3) 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.	See Appendix B: MTW Annual Report Resolution and Certifications

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Appendix F

Financial Analysis

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The Housing Authority of the City of Atlanta, Georgia

Sources and Uses of Funds

FY 2014 Actual vs. Budget
for the Twelve Months Ended June 30, 2014

PRELIMINARY AND UNAUDITED

(Excludes Non-cash Items)

Schedule		Annual Budget	YTD Actual	Greater than/ (Less than) Budget	
I	Sources of Funds				
	Current Year Sources of Funds *				
	Housing Choice Voucher Funds	\$ 185,139,920	\$ 186,120,453	\$ 980,533	1%
	Public Housing Operating Subsidy	13,650,684	12,375,540	(1,275,144)	(9%)
	Capital Funds Program (CFP) **	15,202,406	4,877,056	(10,325,351)	(68%)
	Total MTW Single Fund	\$ 213,993,010	\$ 203,373,049	\$ (10,619,961)	(5%)
	Replacement Housing Factor (RHF) Grants **	11,616,438	3,155,021	(8,461,417)	(73%)
	Tenant Dwelling Revenue	5,566,578	5,749,639	183,061	3%
	National Housing Compliance (NHC)	500,000	845,317	345,317	69%
	Development and Transaction Fees	1,028,400	1,337,407	309,007	30%
	Other Current Year Revenue	250,400	1,030,247	779,847	(454%)
	Major Non-Operating Sources of Funds	-	25,318,724	25,318,724	
	Total Current Year Sources of Funds	\$ 232,954,826	\$ 240,809,404	\$ 7,854,578	3%
	Sources of Funds from Prior Year Accumulations*				
	Drawdown of Funds Restricted for Revitalization Activities	\$ 207,451	\$ 443,295	\$ 235,844	114%
	Drawdown of NHC Funds for Non-MTW Activities	-	130,577	130,577	
	Public Improvement Funds Provided by the City of Atlanta and Other Agencies***	2,114,000	1,788,067	(325,933)	(15%)
	Total Sources of Funds from Prior Year Accumulations	\$ 2,321,451	\$ 2,361,939	\$ 40,488	2%
	Total Sources of Funds	\$ 235,276,277	\$ 243,171,343	\$ 7,895,066	3%

* Current Year Sources of Funds refers to funds which AHA receives from external sources during the fiscal year. Sources of Funds from Prior Year Accumulations include the use of non-MTW funds cash balances available to AHA on July 1, 2013.

** Since HUD capital grants are funded through a reimbursement drawdown process, a decrease in requests for funding of reimbursable expenditures using these grants creates a corresponding decrease in grant disbursements from HUD for the period. The balance of these grants remains available to be drawn in future periods based on their respective expenditure deadlines.

*** Includes public improvements eligible for City of Atlanta and Other City Agencies funding which have been recorded as receivable and temporarily funded (bridged) using AHA funds.

FY 2014 Actual vs. Budget
for the Twelve Months Ended June 30, 2014

(Excludes Non-cash Items)

Continued from previous page

Schedule		Annual Budget	YTD Actual	Favorable (Unfavorable) Variance
	Uses of Funds			
	Housing Assistance and Operating Subsidy Payments			
	Tenant-Based and Homeownership Vouchers / Portability Administrative Fees	\$ 92,514,025	\$ 90,521,926	\$ 1,992,099 2%
	Project Based Rental Assistance (PBRA)	37,613,870	33,430,315	4,183,555 11%
	Mixed-Income Communities Operating Subsidy for AHA-Assisted Units	13,844,366	15,035,892	(1,191,526) (9%)
II	Total Housing Assistance and Operating Subsidy Payments	\$ 143,972,261	\$ 138,988,133	\$ 4,984,128 3%
III	Operating Divisions	15,444,131	13,932,840	1,511,291 10%
IV	Corporate Support	27,194,041	24,775,716	2,418,325 9%
V	Human Development Support Services and Community Relations	2,555,629	1,102,159	1,453,470 57%
VI	Operating Expense for AHA-Owned Residential Communities & Other AHA Properties	20,622,298	19,377,523	1,244,775 6%
VII	Capital Expenditures for Modernization of AHA-Owned Residential Communities & AHA Headquarters	8,260,334	2,075,062	6,185,272 75%
VIII	Development and Revitalization	39,259,944	9,440,758	29,819,186 76%
IX	ERP Solution	2,410,945	1,411,628	999,317 41%
X	Non-ERP Hardware and Software Solutions	525,000	5,686	519,314 99%
	Debt Service on Energy Performance Contract (EPC) Capital Lease	984,749	932,378	52,371 5%
	Total Uses of Funds	\$ 261,229,332	\$ 212,041,883	\$ 49,187,449 19%
	Excess (Shortfall) of Sources over Uses of Funds before Drawdown of MTW Funds Accumulated in Prior Years	\$ (25,953,055)	\$ 31,129,460	\$ 57,082,515 216%
	Drawdown of MTW Funds Accumulated in Prior Years	26,323,055	-	(26,323,055)
	Excess (Shortfall) of Sources over Uses of Funds after Drawdown of MTW Funds Accumulated in Prior Years	\$ 370,000	\$ 31,129,460	\$ 30,759,460

Schedule I
Sources of Funds
FY 2014 Actual vs. Budget
for the Twelve Months Ended June 30, 2014

Description	Annual Budget	YTD Actual	Greater than/ (Less than) Budget	
Sources of Funds				
Current Year Sources of Funds *				
Housing Choice Voucher Funds	\$ 185,139,920	\$ 186,120,453	\$ 980,533	1%
Public Housing Operating Subsidy	13,650,684	12,375,540	(1,275,144)	(9%)
Capital Funds Program (CFP) **	15,202,406	4,877,056	(10,325,351)	(68%)
Total MTW Single Fund	\$ 213,993,010	\$ 203,373,049	\$ (10,619,961)	A (5%)
Replacement Housing Factor (RHF) Grants **	11,616,438	3,155,021	(8,461,417)	B (73%)
Tenant Dwelling Revenue	5,566,578	5,749,639	183,061	C 3%
National Housing Compliance (NHC)	500,000	845,317	345,317	D 69%
Development and Transaction Fees	1,028,400	1,337,407	309,007	E 30%
Other Current Year Revenue	250,400	1,030,247	779,847	F (454%)
Major Non-Operating Sources of Funds	-	25,318,724	25,318,724	G
Total Current Year Sources of Funds	\$ 232,954,826	\$ 240,809,404	\$ 7,854,578	3%
Sources of Funds from Prior Year Accumulations*				
Drawdown of Funds Restricted for Revitalization Activities	\$ 207,451	\$ 443,295	\$ 235,844	114%
Drawdown of NHC Funds for Non-MTW Activities	-	130,577	130,577	
Public Improvement Funds Provided by the City of Atlanta and Other Agencies***	2,114,000	1,788,067	(325,933)	(15%)
Total Sources of Funds from Prior Year Accumulations	\$ 2,321,451	\$ 2,361,939	\$ 40,488	2%
Total Sources of Funds	\$ 235,276,277	\$ 243,171,343	\$ 7,895,066	3%

* Current Year Sources of Funds refers to funds which AHA receives from external sources during the fiscal year. Sources of Funds from Prior Year Accumulations include the use of non-MTW funds cash balances available to AHA on July 1, 2013.

** Since HUD capital grants are funded through a reimbursement drawdown process, a decrease in requests for funding of reimbursable expenditures using these grants creates a corresponding decrease in grant disbursements from HUD for the period. The balance of these grants remains available to be drawn in future periods based on their respective expenditure deadlines.

*** Includes public improvements eligible for City of Atlanta and Other City Agencies funding which have been recorded as receivable and temporarily funded (bridged) using AHA funds.

Significant Variance Explanations are provided on the following page.

Schedule I
Sources of Funds
FY 2014 Actual vs. Budget
for the Twelve Months Ended June 30, 2014

Significant Variance Explanations:

A - Total MTW Single Fund revenues are less than Budget due to AHA's timing of draws from HUD which are based on AHA's Cash Management Strategy in response to changes in HUD's disbursement methodology for Housing Choice Voucher Funds. HUD currently requires that draws of these funds be timed to coincide with expenditures so that local reserves are not increased. Draws from Public Housing Operating Subsidy and CFP were not required to fund MTW expenditures during the period to the extent budgeted, and remain available in FY 2015.

B - Replacement Housing Factor (RHF) Grants, which are awarded by HUD for qualifying development and revitalization activities, are less than Budget primarily due to the deferral of several revitalization expenditures until FY 2015 (see Schedule VIII) resulting in a favorable variance for grant-funded expenditures and an offsetting unfavorable variance in grant reimbursements.

C - Tenant Dwelling Revenue at AHA-Owned Communities has a favorable variance due to higher tenant income primarily from Social Security revenue. The increase in Social Security was not reflected in AHA's FY 2014 Budget because of the uncertainty surrounding the 2014 Federal Budget.

D - National Housing Compliance (NHC) revenues are greater than Budget primarily due to distributions which were not anticipated at the time the Budget was developed.

E - Development and Transaction Fees include Developer Fees, Transaction Fees, Home Ownership Participation, and other fees. Many of these fees are based on the cash flow of the Owner-Entity and because the amounts are difficult to predict, fee revenues based on cash flow are not included in AHA's Annual Budget.

F - AHA's Annual Budget for Other Current Year Revenue is limited to incentive partnership management fees, cell tower income and other regular miscellaneous revenue. Each year AHA receives interest income from loans to Owner-Entities of mixed-income rental communities. The timing and amounts of these interest payments are based on the cash flow of the Owner-Entity which is difficult to predict, therefore, these revenues are also excluded from AHA's Annual Budget. The favorable variance is primarily due to the receipt of interest payments on loans from Owner-Entities.

G - Major Non-Operating Sources of Funds include the receipt of \$21,358,764 in repayment of prior year public improvements from the Perry Bolton Tax Allocation District (TAD) bond issuance. It also includes mainly the proceeds from the sale of Roosevelt site and the Joyland property to the Fulton County for a regional library. Sources resulting from the collection of receivables and sale of properties are difficult to predict and, therefore, are excluded from AHA's Annual Budget.

Schedule II
Housing Assistance and Operating Subsidy Payments
FY 2014 Actual vs. Budget
for the Twelve Months Ended June 30, 2014

Description	Annual Budget	YTD Actual	Favorable (Unfavorable) Variance		
Tenant-Based and Homeownership Vouchers / Portability Administrative Fees	\$ 92,514,025	\$ 90,521,926	\$ 1,992,099	A	2%
Project Based Rental Assistance (PBRA)	37,613,870	33,430,315	4,183,555	B	11%
Mixed-Income Communities Operating Subsidy for AHA-Assisted Units	13,844,366	15,035,892	(1,191,526)	C	(9%)
Total	\$ 143,972,261	\$ 138,988,133	\$ 4,984,128		3%

Significant Variance Explanations:

A - Tenant-Based and Homeownership Vouchers / Portability Administrative Fees have a favorable variance primarily due to a decrease in average Tenant-Based Housing Assistance Payments per voucher; a lower number of vouchers than budgeted due to the absorption of AHA vouchers by administering public housing authorities; a temporary suspension of new admission activities as AHA focused on stabilization of the Customer Services Group's processes in the new ERP Solution; and delayed implementation of the Tenant Based Supportive Housing Program.

B - Project Based Rental Assistance (PBRA) has a favorable variance primarily due to a delay in the implementation of the reformulation of AHA's assisted units at the four rental phases of Centennial Place from Section 9 ACC operating subsidy to Section 8 PBRA rental assistance under AHA's MTW Agreement combined with higher than budgeted vacancies and prior year favorable adjustments at several communities.

C - Mixed-Income Communities Operating Subsidy for AHA-Assisted Units has an unfavorable variance primarily due to a delay in the implementation of the reformulation of AHA's assisted units at the four rental phases of Centennial Place from Section 9 ACC operating subsidy to Section 8 PBRA rental assistance under AHA's MTW Agreement. This unfavorable variance is partially offset by prior year favorable adjustments for several communities.

Schedule III
Operating Divisions
FY 2014 Actual vs. Budget
for the Twelve Months Ended June 30, 2014

Description	Annual Budget	YTD Actual	Favorable (Unfavorable) Variance		
Customer Services Group					
Customer Services	\$ 1,128,702	\$ 1,299,616	\$ (170,914)	A	(15%)
Housing Services	4,132,623	4,011,026	121,597	B	3%
Inspections Services	1,644,007	1,734,772	(90,765)		(6%)
Human Development Services	510,955	633,992	(123,037)	C	(24%)
Total Customer Services Group	\$ 7,416,287	\$ 7,679,406	\$ (263,119)		(4%)
Real Estate Group					
Office of the Chief Real Estate Officer	\$ 387,972	\$ 85,825	\$ 302,147	D	78%
Real Estate Oversight & Services	4,164,161	3,621,040	543,121	D/E	13%
Real Estate Development	1,232,284	806,807	425,477	D	35%
Real Estate Finance & Investments	1,688,734	1,316,550	372,184	D	22%
Total Real Estate Group	\$ 7,473,151	\$ 5,830,222	\$ 1,642,929		22%
Pay for Performance Program	\$ 554,693	\$ 423,212	\$ 131,481	F	24%
Total	\$ 15,444,131	\$ 13,932,840	\$ 1,511,291		10%

Significant Variance Explanations:

A - Customer Services has an unfavorable variance primarily due to the continued need for temporary resources to support the stabilization of the Customer Services Group's business processes as part of the Business Transformation and ERP initiative.

B - Housing Services has a favorable variance primarily due to the decrease in utilization of some contracted services during and following the transition of the Customer Services Group's business processes to the new ERP solution. In addition, the need for contracted services to administer the waiting list and the Tenant-Based Supportive Housing program was postponed until FY 2015. Partially offsetting these favorable variances were higher than budgeted outside services resulting from the extension of contracts to further stabilize processes impacted by the Business Transformation and ERP initiative.

C - Human Development Services has an unfavorable variance primarily due to increased staffing related to the implementation of an enhanced participant compliance program earlier than anticipated in the Budget, and unbudgeted expenses associated with Human Development Services operations relocation to the Zell Miller building.

D - Real Estate Group has favorable variances primarily due to vacant positions which were anticipated but not filled during FY 2014.

E - Real Estate Oversight & Services has a favorable variance due primarily to: (1) the timing of the Green Physical Needs Assessments (PNAs) for the Mixed-Income, Mixed-Finance Communities which are expected to be completed in the first half of FY 2015; (2) fewer accessibility certification inspections required in FY 2014 than budgeted; and (3) the closeout of the EPC contract without using all of the budgeted EPC contingency.

F - Pay for Performance Program for the Operating Divisions has a favorable variance primarily due to vacant positions for which bonuses were budgeted but not paid.

Schedule IV
Corporate Support
FY 2014 Actual vs. Budget
for the Twelve Months Ended June 30, 2014

Description	Annual Budget	YTD Actual	Favorable (Unfavorable) Variance		
Executive Office	\$ 802,714	\$ 1,100,285	\$ (297,571)	A	(37%)
General Counsel including External Legal Services	2,641,312	2,325,958	315,354	B	12%
Finance	2,387,417	2,252,744	134,673	C	6%
Internal Audit	278,155	10,139	268,016	D	96%
Records & Information Management	2,123,931	1,929,948	193,983	E	9%
Information Technology	7,006,719	6,484,413	522,306	F	7%
Acquisition & Management Services	1,052,929	922,273	130,656	G	12%
Community, Governmental & External Affairs	342,215	366,287	(24,072)		(7%)
Office of Policy & Strategy	2,159,617	1,229,761	929,856	H	43%
Enterprise Program Management Office	1,454,330	1,244,661	209,669	I	14%
Communications	327,432	253,864	73,568		22%
Human Resources Operations	1,523,593	1,440,403	83,190		5%
Activities Managed by Human Resources:					
Professional Development & Training	568,000	199,199	368,801	J	65%
Business Transformation & Change Management	626,700	664,428	(37,728)		(6%)
HR Technology Solutions	76,470	10,646	65,824		86%
Recruitment Fees	200,000	177,359	22,641		11%
Risk Management	732,200	366,197	366,003	K	50%
Severance & Related Expense	350,000	405,245	(55,245)		(16%)
Pension Contribution	1,500,000	2,500,000	(1,000,000)	L	(67%)
Pension Consulting Services	150,000	89,984	60,016		40%
Agency-wide Temporary Services	145,000	41,306	103,694	M	72%
Pay for Performance Program	745,307	760,616	(15,309)		(2%)
Total	\$ 27,194,041	\$ 24,775,716	\$ 2,418,325		9%

Significant Variance Explanations are provided on the following page.

Schedule IV
Corporate Support
FY 2014 Actual vs. Budget
for the Twelve Months Ended June 30, 2014

Significant Variance Explanations:

A - The unfavorable variance in the **Executive Office** is the result of Board approved payments to the former CEO pursuant to her Severance & Consultation Agreement.

B - General Counsel including External Legal Services has a favorable variance primarily due to vacant positions which were anticipated but not filled during the period, lower than budgeted external legal expenses resulting from utilizing internal as opposed to external resources, and the timing of legal expenses related to the reformulation initiative.

C - Finance has a favorable variance primarily due to the decision to not undertake certain projects requiring external consultants, as well as the timing of field work for the FY 2014 audit.

D - Internal Audit has a favorable variance primarily due to the deferral of implementing the Internal Audit function.

E - Records & Information Management has a favorable variance primarily due to vacant positions which were partially offset by unbudgeted other staff augmentation, to a reduction in authority-wide office supply purchases during the transition to a new vendor, and to printer standardization which reduced paper, toner and office supplies consumption.

F - Information Technology has a favorable variance primarily due to vacant positions and postponement of new projects until FY 2015 to align with AHA's FY 2014 priorities.

G - Acquisition & Management Services has a favorable variance primarily as a result of the deferral of a reorganization and other salary-related savings.

H - Office of Policy & Strategy has a favorable variance primarily due to: (1) Emory's MTW Benchmark Study survey expenses being lower than anticipated; (2) strategic planning being scaled back to include only the solicitation for a strategic real estate consultant with most of the work to be performed in FY 2015; and (3) AHA changed direction with respect to the agency's business development strategy which will be reevaluated in FY 2015.

I - Enterprise Program Management Office has a favorable variance primarily due to a change in program governance strategy during the last half of FY 2014.

J - Professional Development & Training, which includes staff training unrelated to AHA's ERP Solution, has a favorable variance primarily due to deferred or cancelled training during FY 2014 as AHA focused on training related to the ERP Solution (captured under Business Transformation & Change Management). Both of these line items are presented in the Corporate Support Schedule IV under **Activities Managed by Human Resources**.

K - Risk Management has a favorable variance primarily due to over-budgeting for property and liability insurance, as well as less than budgeted payments for claims during FY 2014.

L - Pension Contribution has an unfavorable variance due to a decision to increase the contribution in FY 2014 based on the actuary report.

M - Agency-wide Temporary Services has a favorable variance primarily due to a reduction in the demand for HR-managed temporary outside resources.

Schedule V
Human Development Support Services and Community Relations
FY 2014 Actual vs. Budget
for the Twelve Months Ended June 30, 2014

Description	Annual Budget	YTD Actual	Favorable (Unfavorable) Variance	
Community Relations	\$ 20,000	\$ 9,006	\$ 10,994	55%
Human Development Support*	1,985,629	1,093,154	892,475	A 45%
Temporary Housing Support	550,000	-	550,000	B 100%
Total	\$ 2,555,629	\$ 1,102,159	\$ 1,453,470	57%

* Human Development Support includes activities such as the provision of intensive case management for families with complex needs, the Good Neighbor training program, Aging Well programs for seniors, supportive services and activities for youth.

Significant Variance Explanations:

A - The favorable variance in **Human Development Support** is due to the delay in procuring service providers for AHA's Human Development Services Strategy.

B - The favorable variance in **Temporary Housing Support** reflects the delay in implementing the Housing Stability Program which is projected to begin in FY 2015.

Schedule VI
Operating Expense for AHA-Owned Residential Communities &
Other AHA Properties
FY 2014 Actual vs. Budget
for the Twelve Months Ended June 30, 2014

Description	Annual Budget	YTD Actual	Favorable (Unfavorable) Variance		
AHA-Owned Residential Communities					
Barge Road Highrise	\$ 1,139,646	\$ 1,046,647	\$ 92,999		8%
Cheshire Bridge Road Highrise	1,562,370	1,429,068	133,302		9%
Cosby Spear Highrise	2,445,342	2,381,922	63,420		3%
East Lake Highrise	1,238,796	1,146,065	92,731		7%
Georgia Avenue Highrise	946,586	935,357	11,229		1%
Hightower Manor Highrise	1,153,619	1,112,021	41,598		4%
Juniper and Tenth Highrise	1,414,351	1,342,208	72,143		5%
Marian Road Highrise	1,736,736	1,711,070	25,666		1%
Marietta Road Highrise	1,125,765	1,020,354	105,411		9%
Martin Street Plaza	849,789	874,180	(24,391)	(3%)	
Peachtree Road Highrise	1,635,980	1,502,785	133,195		8%
Piedmont Road Highrise	1,617,607	1,541,309	76,298		5%
Westminster	331,348	349,308	(17,960)	(5%)	
Total AHA-Owned Residential Communities	\$ 17,197,935	\$ 16,392,294	\$ 805,641	A	5%
Other AHA Properties					
AHA Headquarters Building	\$ 2,202,252	\$ 1,725,283	\$ 476,969	B	22%
Zell Miller Center	135,018	217,457	(82,439)	(61%)	
PILOT and Other AHA Land	1,087,093	1,042,489	44,604		4%
Total Other AHA Properties	\$ 3,424,363	\$ 2,985,229	\$ 439,134		13%
Total	\$ 20,622,298	\$ 19,377,523	\$ 1,244,775		6%

Significant Variance Explanations:

A - Operating Expense for **AHA-Owned Residential Communities** has a favorable variance primarily due to the transition of the new Property Managers/Developers (PMDs).

B - Operating Expense for **AHA Headquarters Building** has a favorable variance primarily due to operating funds budgeted for the security upgrade which was cancelled.

Schedule VII
Capital Expenditures for Modernization of AHA-Owned Residential Communities &
AHA Headquarters
FY 2014 Actual vs. Budget
for the Twelve Months Ended June 30, 2014

Description	Annual Budget	YTD Actual	Favorable (Unfavorable) Variance	
AHA-Owned Residential Communities				
Barge Road Highrise	\$ 463,583	\$ 28,248	\$ 435,335	94%
Cheshire Bridge Road Highrise	871,690	523,730	347,960	40%
Cosby Spear Highrise	853,498	-	853,498	100%
East Lake Highrise	304,151	-	304,151	100%
Georgia Avenue Highrise	417,406	203,496	213,910	51%
Hightower Manor Highrise	704,633	8,493	696,140	99%
Juniper and Tenth Highrise	452,835	70,776	382,059	84%
Marian Road Highrise	494,098	502,707	(8,609)	(2%)
Marietta Road Highrise	389,001	64,526	324,475	83%
Martin Street Plaza	230,203	35,352	194,851	85%
Peachtree Road Highrise	733,127	196,629	536,498	73%
Piedmont Road Highrise	653,863	155,498	498,365	76%
Westminster	132,246	32,247	99,999	76%
Total AHA-Owned Residential Communities	\$ 6,700,334	\$ 1,821,702	\$ 4,878,632	A 73%
AHA Headquarters Capital Expenditures				
Technology Investments	\$ 651,000	\$ 98,107	\$ 552,893	B 85%
Capital Improvements to AHA Corporate Headquarters	882,000	141,796	740,204	C 84%
Equipment	27,000	13,457	13,543	50%
Total AHA Headquarters Capital Expenditures	\$ 1,560,000	\$ 253,360	\$ 1,306,640	84%
Total	\$ 8,260,334	\$ 2,075,062	\$ 6,185,272	75%

Significant Variance Explanations are provided on the following page.

Schedule VII
Capital Expenditures for Modernization of AHA-Owned Residential Communities & AHA
Headquarters
FY 2014 Actual vs. Budget
for the Twelve Months Ended June 30, 2014

Significant Variance Explanations:

A - Modernization of AHA-Owned Residential Communities: The first priority for the new Property Managers/Developers (PMDs) appointed in July 2013 was to complete the transition and training necessary to fully understand and effectively manage the properties. The first priority for capital improvements in FY 2014 was the development of physical needs assessment for each property. Based on their findings and understanding of the properties, the PMDs have worked with AHA to revise their capital improvement plans. The delay in the capital improvements has enabled the PMDs to ensure that the capital funding is focused on the priority work that supports not only the current needs at each property but also supports the vision for the planned rehabilitation project for each of the properties. Due to this delay, a significant portion of the capital improvement work and related expenditures was deferred to FY 2015.

B - The favorable variance in **Technology Investments** results primarily from the cancellation or deferral of several major purchases until FY 2015.

C - The favorable variance in **Capital Improvements to AHA Corporate Headquarters** results primarily from the decision to cancel or postpone several major projects.

Schedule VIII
Development and Revitalization
FY 2014 Actual vs. Budget
for the Twelve Months Ended June 30, 2014

Description	Annual Budget	YTD Actual	Favorable (Unfavorable) Variance		
Demolition and Remediation	\$ 2,412,200	\$ 1,995,973	\$ 416,227	A	(25%)
Acquisitions	9,540,000	2,717,667	6,822,333	B	72%
Predevelopment Loans	195,000	87,266	107,734	C	55%
Developer Loan Draws	2,705,493	1,248,532	1,456,961	D	54%
Homeownership	600,000	717,000	(117,000)	E	(20%)
Non-Residential Structures	2,000,000	-	2,000,000	F	
Public Improvements	9,987,355	2,006,347	7,981,008	G	80%
Choice Neighborhood Sustainability	10,250,000	-	10,250,000	H	
Consultants, Professional Services and other Administrative Expenses	1,345,896	508,666	837,230	I	62%
Legal Expense	224,000	159,307	64,693		29%
Total Development and Revitalization Expenditures	\$ 39,259,944	\$ 9,440,758	\$ 29,819,186		76%
Sources of Funds					
Replacement Housing Factor (RHF) Grants	\$ 11,616,438	\$ 3,155,021	\$ (8,461,417)		(73%)
Drawdown of Funds Restricted for Revitalization Activities	207,451	443,295	235,844		114%
Public Improvement Funds Provided by the City of Atlanta and Other City Agencies*	2,114,000	1,788,067	(325,933)		(15%)
Drawdown of MTW Funds for Revitalization Activities	26,323,055	5,055,375	(21,267,680)		(81%)
Total Sources of Funds	\$ 40,260,944	\$ 10,441,758	\$ (29,819,186)	J	(74%)
Fees for Service to Support Administrative Expenses	\$ 1,001,000	\$ 1,001,000	\$ -		

* Includes public improvements eligible for City of Atlanta and Other City Agencies funding which have been recorded as receivable and temporarily funded (bridged) using AHA funds.

Significant Variance Explanations are provided on the following page.

Schedule VIII
Development and Revitalization
FY 2014 Actual vs. Budget
for the Twelve Months Ended June 30, 2014

Significant Variance Explanations:

A - The favorable variance in **Demolition and Remediation** is the result of timing with the closing of Oasis Phase 2 at Scholars Landing which occurred later than anticipated, delaying the start of work. Partially offsetting this favorable variance is the unfavorable variance resulting from additional environmental and remediation work related to demolished properties at Magnolia Perimeter, Mechanicsville (Warehouse) and Capitol Gateway, requiring an increase in the scope of work which was not anticipated in the Budget.

B - The favorable variance in **Acquisitions** is due to AHA's decision to defer several budgeted acquisitions during the fiscal year. However during FY 2014, AHA acquired a property located at 311 North Avenue in a cash transaction.

C - The favorable variance in **Predevelopment Loans** is due to developer draws which were less than the amount budgeted.

D - The favorable variance in **Developer Loan Draws** is primarily due to the timing in closing of Oasis Phase 2 at Scholars Landing as well as work expenditures related to Ashley Auburn Pointe II which were financed from non-AHA funding sources in order to meet requirements of external funding sources.

E - The unfavorable variance in **Homeownership** is due to AHA's success in closing an additional 8 down payment assistance loans over the original budget of 30 loans.

F - The favorable variance in **Non-Residential Structures** is due to the delay in the re-development of Roosevelt Administration Building at Scholars Landing primarily as a result of AHA not being selected for a Choice Neighborhood Implementation Grant in FY 2014.

G - The favorable variance in **Public Improvements** is primarily due to timing, with the majority of work postponed into FY 2015.

H - The favorable variance in **Choice Neighborhood Sustainability** is primarily due to AHA not being selected for a Choice Neighborhood Grant in FY 2014.

I - The favorable variance in **Consultants, Professional Services and other Administrative Expenses** is the result of timing associated with the implementation of the Real Estate Strategy which resulted in projects being deferred to FY 2015.

J - The unfavorable variance in **Sources of Funds** is due to lower than budgeted Development and Revitalization spending for which funding is directly related to the actual amount expended.

Schedule IX
ERP Solution
FY 2014 Actual vs. Budget
for the Twelve Months Ended June 30, 2014

Description	Annual Budget	YTD Actual	Favorable (Unfavorable) Variance	
One-time Investment				
YARDI Professional Services excluding Orion				
Implementation Services	\$ 875,977	\$ 466,980	\$ 408,997	47%
Customizations	75,000	64,765	10,235	14%
Total YARDI Professional Services excluding Orion	\$ 950,977	\$ 531,745	\$ 419,232	44%
Bolt-ons, Extensions, Integrations and Related Services plus ECM Software and Related Services including Orion	391,548	496,219	(104,671)	(27%)
Transformation Professional Services	101,870	100,000	1,870	2%
Total One-time Investment	\$ 1,444,395	\$ 1,127,964	\$ 316,431	22%
Software Licensing Costs	466,550	283,664	182,886	39%
Total Investment Excluding Contingency	\$ 1,910,945	\$ 1,411,628	\$ 499,317	26%
Contingency	500,000	-	500,000	100%
Total	\$ 2,410,945	\$ 1,411,628	\$ 999,317	A 41%

Significant Variance Explanations:

A - The implementation of the ERP Solution continues. The FY 2014 Budget was based on a projected March 31, 2013 “go live” date for Housing Choice and Human Development (HCHD), the second and most complex phase of the project, which actually went "live" during October 2013. The Actual vs. Budget is favorable for the period due to a project scope reassessment during the last half of FY 2014 including the development of a completion plan through FY 2017.

Schedule X
Non-ERP Hardware and Software Solutions
FY 2014 Actual vs. Budget
for the Twelve Months Ended June 30, 2014

Description	Annual Budget	YTD Actual	Favorable (Unfavorable) Variance
Non-ERP Hardware and Software Solutions			
Intranet and Internet Redesign	\$ 475,000	\$ 5,686	\$ 469,314 A 99%
e-Procurement Solution	50,000	-	50,000 100%
Total	\$ 525,000	\$ 5,686	\$ 519,314 99%

Significant Variance Explanations:

A - The favorable variance for **Intranet and Internet Redesign** reflects the deferral of work until FY 2015.

**Appendix F: Modernization and Non-Operating Expenditures
(AHA-Owned Residential Communities)**

Property	Description	7/1/2013 Budget	06/30/2014 Budget	Paid Through 06/30/2014
Barge Road Highrise	Blind Replacement	17,768.00	17,768.00	17,274.58
	Concrete	18,878.00	18,878.00	18,354.00
	Contingency	103,365.00	103,365.00	0.00
	Erosion Control Barge Road	7,411.00	7,411.00	7,205.00
	Green PNA	6,325.00	6,325.00	0.00
	Replace Appliance	44,500.00	44,500.00	0.00
	Replace Bathroom Mixing Valves	246,429.00	246,429.00	0.00
	Barge Road Total	444,676.00	444,676.00	42,833.58
Cheshire Bridge Highrise	Contingency	296,688.00	296,688.00	0.00
	Green PNA	10,157.00	10,157.00	0.00
	Replace Appliances	60,234.00	60,234.00	60,234.00
	Replace Blinds and Screens	96,883.00	96,883.00	0.00
	Replace Nurse Call System	109,449.00	109,449.00	109,449.00
	Cheshire Bridge Total	573,411.00	573,411.00	169,683.00
Cosby Spear Highrise	Contingency	309,487.00	309,487.00	
	Green PNA	15,938.00	15,938.00	15,938.00
	Replace Appliances in the Units	52,215.55	52,215.55	0.00
	Replace Call Boxes on Building A&B	26,400.00	26,400.00	0.00
	Replace Fire Panel/Pull cord	168,300.00	168,300.00	0.00
	Replace Water Heater for Laundry Facilities	33,000.00	33,000.00	0.00
	Cosby Spear Total	605,340.55	605,340.55	15,938.00
East Lake Highrise	Contingency	309,485.00	309,485.00	
	Erosion/Sidewalk/Asphalt	33,000.00	33,000.00	0.00
	Green PNA	10,769.00	10,769.00	10,769.00
	Intall PTAC Condensation Drains	11,000.00	11,000.00	0.00
	Replace Appliances in the Units	27,774.23	27,774.23	0.00
	East Lake Total	392,028.23	392,028.23	10,769.00
Georgia Avenue Highrise	Contingency	158,710.00	158,710.00	0.00
	Green PNA	5,079.00	5,079.00	5,079.00
	Multi-Site HVAC	26,088.00	26,088.00	0.00
	Multi-Site Security Phase 2	71,720.00	71,720.00	0.00
	Replace Appliances	87,753.00	87,753.00	87,753.00
	Upgrade Cameras/NVRs - Georgia Ave	9,460.00	9,460.00	9,460.00
	Georgia Avenue Total	358,810.00	358,810.00	102,292.00
Hightower Manor Highrise	Contingency	309,485.00	309,485.00	0.00
	Erosion/Sidewalk/Asphalt	5,500.00	5,500.00	0.00
	Filter for Water Treatment System and Replace Insulation	7,150.00	7,150.00	0.00
	Green PNA	7,469.00	7,469.00	7,469.00
	Plumbing Jetting / Video Inspection	50,261.00	50,261.00	50,261.00
	Replace Appliances in the Units	24,071.00	24,071.00	0.00
	Window Screen Replacement	8,493.00	8,493.00	0.00
	Hightower Manor Total	412,429.00	412,429.00	57,730.00
Juniper & Tenth Highrise	Contingency	309,485.00	309,485.00	
	Entrance Vehicle Gate Replacement	8,819.00	8,819.00	0.00
	Erosion/Sidewalk/Asphalt	7,700.00	7,700.00	0.00
	Green PNA	8,600.00	8,600.00	8,600.00
	Install PTAC Sleeves in 48 units	17,050.00	17,050.00	0.00
	Replace 3 Domestic Hot Waterheaters	29,480.00	29,480.00	0.00
	Replace Appliances in the Units	27,774.23	27,774.23	0.00
Juniper & Tenth Total	408,908.23	408,908.23	8,600.00	

**Appendix F: Modernization and Non-Operating Expenditures
(AHA-Owned Residential Communities)**

Property	Description	7/1/2013 Budget	06/30/2014 Budget	Paid Through 06/30/2014
Marian Road Highrise	Contingency	265,420.00	265,420.00	0.00
	Green PNA	15,048.00	15,048.00	15,048.00
	Multi-Site HVAC	17,318.00	17,318.00	0.00
	Replace Appliances	52,012.00	52,012.00	49,452.00
	Marian Road Total	349,798.00	349,798.00	64,500.00
Marietta Road	Concrete	16,222.00	16,222.00	15,771.00
	Contingency	110,132.00	110,132.00	0.00
	Green PNA	6,325.00	6,325.00	0.00
	Replace Appliance	44,500.00	44,500.00	0.00
	Replace Bathroom Mixing Valves	246,429.00	246,429.00	0.00
	Replace Cooling Tower	26,905.00	26,905.00	0.00
	Marietta Road Total	450,513.00	450,513.00	15,771.00
Martin Street Plaza	Asphalt Repairs & Re-Stripping	11,000.00	11,000.00	0.00
	Contingency	126,555.00	126,555.00	0.00
	Green PNA	3,762.00	3,762.00	3,762.00
	Install Site Guardrails	30,800.00	30,800.00	0.00
	Multi-Site Security Phase 2	19,580.00	19,580.00	0.00
	Replace Appliances	36,465.00	36,465.00	36,465.00
	Martin Street Plaza Total	228,162.00	228,162.00	40,227.00
Peachtree Road Highrise	Contingency	26,149.00	26,149.00	0.00
	Emergency Trash Compactor	21,088.00	21,088.00	20,502.00
	Green PNA	9,040.00	9,040.00	0.00
	Install Pantry in Units	98,876.00	98,876.00	96,129.59
	Replace Appliance	44,500.00	44,500.00	0.00
	Peachtree Road Total	199,653.00	199,653.00	116,631.59
Piedmont Road Highrise	Contingency	88,518.00	88,518.00	0.00
	Green PNA	9,576.00	9,576.00	0.00
	Install Roof Access Stairs	8,613.00	8,613.00	0.00
	Replace Appliance	44,500.00	44,500.00	0.00
	Replace Bathroom Mixing Valves	246,429.00	246,429.00	0.00
	Replace Electrical Room Doors	46,067.00	46,067.00	0.00
	Piedmont Road Total	443,703.00	443,703.00	0.00
Westminster	Contingency	77,908.00	77,908.00	0.00
	Green PNA	2,006.00	2,006.00	2,006.00
	Painting at Westminster	16,147.00	16,147.00	16,147.00
	Replace Appliances	20,091.00	20,091.00	11,636.00
	Replace Blinds and Screens	1,192.00	1,192.00	1,192.00
	Westminster Total	117,344.00	117,344.00	30,981.00
Energy Performance Contract	HVAC Transfer Fans - Cheshire Bridge	162,520.00	162,520.00	162,520.00
	HVAC Transfer Fans - Georgia Avenue	80,257.00	80,257.00	80,257.00
	HVAC Transfer Fans - Juniper & Tenth	62,199.00	62,199.00	62,199.00
	HVAC Transfer Fans - Peachtree Road	196,629.00	196,629.00	196,629.00
	HVAC Transfer Fans - Piedmont Road	155,498.00	155,498.00	155,498.00
	Energy Performance Contract Total	657,103.00	657,103.00	657,103.00
	Grand Total	\$ 5,641,879.00	\$ 5,641,879.00	\$ 1,333,059.17

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

U.S. Department of Housing and Urban Development
 Office of Public and Indian Housing
 OMB No. 2577-0226
 Expires 3/31/2014

Part I: Summary				FFY of Grant: 2009 FFY of Grant Approval: 2009	
PHA Name: The Housing Authority of the City of Atlanta, Georgia		Grant Type and Number Capital Fund Program Grant No: GA06P006501-09 Replacement Housing Factor Grant No: Date of CFFP:			
Type of Grant Original Annual Statement <input type="checkbox"/> Reserve for Disasters/Emergencies				<input type="checkbox"/> Revised Annual Statement (revision no:)	
Performance and Evaluation Report for Period Ending:				<input checked="" type="checkbox"/> Final Performance and Evaluation Report	
Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost ¹	
		Original	Revised ²	Obligated	Expended
1	Total non-CFP Funds				
2	1406 Operations (may not exceed 20% of line 21) ³				
3	1408 Management Improvements				
4	1410 Administration (may not exceed 10% of line 21)				
5	1411 Audit				
6	1415 Liquidated Damages				
7	1430 Fees and Costs				
8	1440 Site Acquisition				
9	1450 Site Improvement				
10	1460 Dwelling Structures				
11	1465.1 Dwelling Equipment—Nonexpendable				
12	1470 Non-dwelling Structures				
13	1475 Non-dwelling Equipment				
14	1485 Demolition				
15	1492 Moving to Work Demonstration	12,535,836	12,535,836	12,535,836	12,535,836
16	1495.1 Relocation Costs				
17	1499 Development Activities ⁴				

¹ To be completed for the Performance and Evaluation Report.

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

³ PHAs with under 250 units in management may use 100% of CFP Grants for operations.

⁴ RHF funds shall be included here.

Part I: Summary					
PHA Name: The Housing Authority of the City of Atlanta, Georgia	Grant Type and Number Capital Fund Program Grant No: GA06P006501-09 Replacement Housing Factor Grant No: Date of CFFP:	FFY of Grant:2009 FFY of Grant Approval: 2009			
Type of Grant <input checked="" type="checkbox"/> Original Annual Statement Performance and Evaluation Report for Period Ending: <input type="checkbox"/> Reserve for Disasters/Emergencies <input type="checkbox"/> Revised Annual Statement (revision no:) <input checked="" type="checkbox"/> Final Performance and Evaluation Report					
Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost ¹	
		Original	Revised ²	Obligated	Expended
18a	1501 Collateralization or Debt Service paid by the PHA				
18ba	9000 Collateralization or Debt Service paid Via System of Direct Payment				
19	1502 Contingency (may not exceed 8% of line 20)				
20	Amount of Annual Grant:: (sum of lines 2 - 19)	12,535,836	12,535,836	12,535,836	12,535,836
21	Amount of line 20 Related to LBP Activities				
22	Amount of line 20 Related to Section 504 Activities				
23	Amount of line 20 Related to Security - Soft Costs				
24	Amount of line 20 Related to Security - Hard Costs				
25	Amount of line 20 Related to Energy Conservation Measures				
Signature of Executive Director		Date		Signature of Public Housing Director	
		9/8/14			

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

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

U.S. Department of Housing and Urban Development
 Office of Public and Indian Housing
 OMB No. 2577-0226
 Expires 3/31/2014

Part I: Summary	
PHA Name: The Housing Authority of the City of Atlanta, Georgia	Grant Type and Number Capital Fund Program Grant No: GA06P006501-11 Replacement Housing Factor Grant No: Date of CFFP:
FFY of Grant: 2011 FFY of Grant Approval: 2011	

Type of Grant
 Original Annual Statement
 Reserve for Disasters/Emergencies
 Revised Annual Statement (revision no:)
 X Performance and Evaluation Report for Period Ending: 06/30/2014
 Final Performance and Evaluation Report

Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost ¹	
		Original	Revised ²	Obligated	Expended
1	Total non-CFP Funds				
2	1406 Operations (may not exceed 20% of line 21) ³				
3	1408 Management Improvements				
4	1410 Administration (may not exceed 10% of line 21)				
5	1411 Audit				
6	1415 Liquidated Damages				
7	1430 Fees and Costs				
8	1440 Site Acquisition				
9	1450 Site Improvement				
10	1460 Dwelling Structures				
11	1465.1 Dwelling Equipment—Nonexpendable				
12	1470 Non-dwelling Structures				
13	1475 Non-dwelling Equipment				
14	1485 Demolition				
15	1492 Moving to Work Demonstration	9,426,542	9,426,542	9,426,542	0
16	1495.1 Relocation Costs				
17	1499 Development Activities ⁴				

¹ To be completed for the Performance and Evaluation Report.

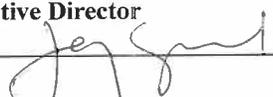
² To be completed for the Performance and Evaluation Report or a Revised Annual Statement.

³ PHAs with under 250 units in management may use 100% of CFP Grants for operations.

⁴ RHF funds shall be included here.

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

U.S. Department of Housing and Urban Development
 Office of Public and Indian Housing
 OMB No. 2577-0226
Expires 3/31/2014

Part I: Summary					
PHA Name: The Housing Authority of the City of Atlanta, Georgia		Grant Type and Number Capital Fund Program Grant No: GA06P006501-11 Replacement Housing Factor Grant No: Date of CFFP:		FFY of Grant:2011 FFY of Grant Approval: 2011	
Type of Grant <input type="checkbox"/> Original Annual Statement <input type="checkbox"/> Reserve for Disasters/Emergencies <input type="checkbox"/> Revised Annual Statement (revision no:) <input checked="" type="checkbox"/> Performance and Evaluation Report for Period Ending: 06/30/2014 Final Performance and Evaluation Report					
Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost ¹	
		Original	Revised ²	Obligated	Expended
18a	1501 Collateralization or Debt Service paid by the PHA				
18ba	9000 Collateralization or Debt Service paid Via System of Direct Payment				
19	1502 Contingency (may not exceed 8% of line 20)				
20	Amount of Annual Grant:: (sum of lines 2 - 19)	9,426,542	9,426,542	9,426,542	0
21	Amount of line 20 Related to LBP Activities				
22	Amount of line 20 Related to Section 504 Activities				
23	Amount of line 20 Related to Security - Soft Costs				
24	Amount of line 20 Related to Security - Hard Costs				
25	Amount of line 20 Related to Energy Conservation Measures				
Signature of Executive Director 		Date 9/8/14		Signature of Public Housing Director 	
				Date	

¹ To be completed for the Performance and Evaluation Report.

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

³ PHAs with under 250 units in management may use 100% of CFP Grants for operations.

⁴ RHF funds shall be included here.

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

U.S. Department of Housing and Urban Development
 Office of Public and Indian Housing
 OMB No. 2577-0226
 Expires 3/31/2014

Part I: Summary					
PHA Name: The Housing Authority of the City of Atlanta, Georgia		Grant Type and Number Capital Fund Program Grant No: Replacement Housing Factor Grant No: GA06R006502-11 Date of CFFP:			FFY of Grant: 2011 FFY of Grant Approval: 2011
Type of Grant <input checked="" type="checkbox"/> Original Annual Statement <input type="checkbox"/> Reserve for Disasters/Emergencies <input type="checkbox"/> Revised Annual Statement (revision no:) X Performance and Evaluation Report for Period Ending: 06/30/2014 Final Performance and Evaluation Report					
Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost ¹	
		Original	Revised ²	Obligated	Expended
1	Total non-CFP Funds				
2	1406 Operations (may not exceed 20% of line 21) ³				
3	1408 Management Improvements				
4	1410 Administration (may not exceed 10% of line 21)				
5	1411 Audit				
6	1415 Liquidated Damages				
7	1430 Fees and Costs				
8	1440 Site Acquisition				
9	1450 Site Improvement				
10	1460 Dwelling Structures				
11	1465.1 Dwelling Equipment—Nonexpendable				
12	1470 Non-dwelling Structures				
13	1475 Non-dwelling Equipment				
14	1485 Demolition				
15	1492 Moving to Work Demonstration				
16	1495.1 Relocation Costs				
17	1499 Development Activities ⁴	2,136,846	2,136,846	1,900,001	1,151,777

¹ To be completed for the Performance and Evaluation Report.

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

³ PHAs with under 250 units in management may use 100% of CFP Grants for operations.

⁴ RHF funds shall be included here.

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

U.S. Department of Housing and Urban Development

Office of Public and Indian Housing
 OMB No. 2577-0226
 Expires 3/31/2014

Part I: Summary	
PHA Name: The Housing Authority of the City of Atlanta, Georgia	Grant Type and Number Capital Fund Program Grant No: Replacement Housing Factor Grant No:GA06R006502-11 Date of CFFP:
FFY of Grant:2011 FFY of Grant Approval: 2011	

Type of Grant
 Original Annual Statement Reserve for Disasters/Emergencies Revised Annual Statement (revision no:)
 Performance and Evaluation Report for Period Ending: 06/30/2014 Final Performance and Evaluation Report

Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost ¹	
		Original	Revised ²	Obligated	Expended
18a	1501 Collateralization or Debt Service paid by the PHA				
18ba	9000 Collateralization or Debt Service paid Via System of Direct Payment				
19	1502 Contingency (may not exceed 8% of line 20)				
20	Amount of Annual Grant:: (sum of lines 2 - 19)	2,136,846	2,136,846	1,900,001	1,151,777
21	Amount of line 20 Related to LBP Activities				
22	Amount of line 20 Related to Section 504 Activities				
23	Amount of line 20 Related to Security - Soft Costs				
24	Amount of line 20 Related to Security - Hard Costs				
25	Amount of line 20 Related to Energy Conservation Measures				

Signature of Executive Director 	Date 9/8/14	Signature of Public Housing Director	Date
-------------------------------------	----------------	--------------------------------------	------

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

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

U.S. Department of Housing and Urban Development
 Office of Public and Indian Housing
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Part I: Summary				FFY of Grant: 2012	
PHA Name: The Housing Authority of the City of Atlanta, Georgia		Grant Type and Number Capital Fund Program Grant No: GA06P006501-12 Replacement Housing Factor Grant No: Date of CFFP:		FFY of Grant Approval: 2012	
Type of Grant <input checked="" type="checkbox"/> Original Annual Statement <input type="checkbox"/> Reserve for Disasters/Emergencies <input type="checkbox"/> Revised Annual Statement (revision no:) X Performance and Evaluation Report for Period Ending: 06/30/2014 Final Performance and Evaluation Report					
Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost ¹	
		Original	Revised ²	Obligated	Expended
1	Total non-CFP Funds				
2	1406 Operations (may not exceed 20% of line 21) ³				
3	1408 Management Improvements				
4	1410 Administration (may not exceed 10% of line 21)				
5	1411 Audit				
6	1415 Liquidated Damages				
7	1430 Fees and Costs				
8	1440 Site Acquisition				
9	1450 Site Improvement				
10	1460 Dwelling Structures				
11	1465.1 Dwelling Equipment—Nonexpendable				
12	1470 Non-dwelling Structures				
13	1475 Non-dwelling Equipment				
14	1485 Demolition				
15	1492 Moving to Work Demonstration	4,667,238	4,667,238	4,667,238	745,348.50
16	1495.1 Relocation Costs				
17	1499 Development Activities ⁴				

¹ To be completed for the Performance and Evaluation Report.

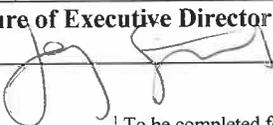
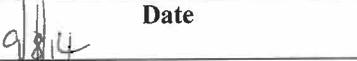
² To be completed for the Performance and Evaluation Report or a Revised Annual Statement.

³ PHAs with under 250 units in management may use 100% of CFP Grants for operations.

⁴ RHF funds shall be included here.

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

U.S. Department of Housing and Urban Development
 Office of Public and Indian Housing
 OMB No. 2577-0226
Expires 3/31/2014

Part I: Summary					
PHA Name: The Housing Authority of the City of Atlanta, Georgia		Grant Type and Number Capital Fund Program Grant No: GA06P006501-12 Replacement Housing Factor Grant No: Date of CFFP:		FFY of Grant:2012 FFY of Grant Approval: 2012	
Type of Grant <input checked="" type="checkbox"/> Original Annual Statement <input type="checkbox"/> Reserve for Disasters/Emergencies <input type="checkbox"/> Revised Annual Statement (revision no:) <input checked="" type="checkbox"/> Performance and Evaluation Report for Period Ending: 06/30/2014 Final Performance and Evaluation Report					
Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost ¹	
		Original	Revised ²	Obligated	Expended
18a	1501 Collateralization or Debt Service paid by the PHA				
18ba	9000 Collateralization or Debt Service paid Via System of Direct Payment				
19	1502 Contingency (may not exceed 8% of line 20)				
20	Amount of Annual Grant:: (sum of lines 2 - 19)	4,667,238	4,667,238	4,667,238	745,348.50
21	Amount of line 20 Related to LBP Activities				
22	Amount of line 20 Related to Section 504 Activities				
23	Amount of line 20 Related to Security - Soft Costs				
24	Amount of line 20 Related to Security - Hard Costs				
25	Amount of line 20 Related to Energy Conservation Measures				
Signature of Executive Director		Date		Signature of Public Housing Director	
		9/8/14			

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

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

U.S. Department of Housing and Urban Development
 Office of Public and Indian Housing
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 Expires 3/31/2014

Part I: Summary		FFY of Grant: 2012
PHA Name: The Housing Authority of the City of Atlanta, Georgia	Grant Type and Number Capital Fund Program Grant No: Replacement Housing Factor Grant No: GA06R006501-I2 Date of CFFP:	FFY of Grant Approval: 2012

Type of Grant
 Original Annual Statement **Reserve for Disasters/Emergencies** **Revised Annual Statement (revision no:)**
X Performance and Evaluation Report for Period Ending: 06/30/2014 **Final Performance and Evaluation Report**

Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost ¹	
		Original	Revised ²	Obligated	Expended
1	Total non-CFP Funds				
2	1406 Operations (may not exceed 20% of line 21) ³				
3	1408 Management Improvements				
4	1410 Administration (may not exceed 10% of line 21)				
5	1411 Audit				
6	1415 Liquidated Damages				
7	1430 Fees and Costs				
8	1440 Site Acquisition				
9	1450 Site Improvement				
10	1460 Dwelling Structures				
11	1465.1 Dwelling Equipment—Nonexpendable				
12	1470 Non-dwelling Structures				
13	1475 Non-dwelling Equipment				
14	1485 Demolition				
15	1492 Moving to Work Demonstration				
16	1495.1 Relocation Costs				
17	1499 Development Activities ⁴	6,618,731	6,618,731	0	0

¹ To be completed for the Performance and Evaluation Report.

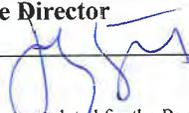
² To be completed for the Performance and Evaluation Report or a Revised Annual Statement.

³ PHAs with under 250 units in management may use 100% of CFP Grants for operations.

⁴ RHF funds shall be included here.

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

U.S. Department of Housing and Urban Development
 Office of Public and Indian Housing
 OMB No. 2577-0226
Expires 3/31/2014

Part I: Summary					
PHA Name: The Housing Authority of the City of Atlanta, Georgia		Grant Type and Number Capital Fund Program Grant No: Replacement Housing Factor Grant No:GA06R006501-12 Date of CFFP:		FFY of Grant: 2012 FFY of Grant Approval: 2012	
Type of Grant <input checked="" type="checkbox"/> Original Annual Statement <input type="checkbox"/> Reserve for Disasters/Emergencies <input type="checkbox"/> Revised Annual Statement (revision no:) <input checked="" type="checkbox"/> Performance and Evaluation Report for Period Ending: 06/30/2014 Final Performance and Evaluation Report					
Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost ¹	
		Original	Revised ²	Obligated	Expended
18a	1501 Collateralization or Debt Service paid by the PHA				
18ba	9000 Collateralization or Debt Service paid Via System of Direct Payment				
19	1502 Contingency (may not exceed 8% of line 20)				
20	Amount of Annual Grant:: (sum of lines 2 - 19)	6,618,731	6,618,731	0	0
21	Amount of line 20 Related to LBP Activities				
22	Amount of line 20 Related to Section 504 Activities				
23	Amount of line 20 Related to Security - Soft Costs				
24	Amount of line 20 Related to Security - Hard Costs				
25	Amount of line 20 Related to Energy Conservation Measures				
Signature of Executive Director 			Signature of Public Housing Director		Date 9/8/14

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

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

U.S. Department of Housing and Urban Development
 Office of Public and Indian Housing
 OMB No. 2577-0226
 Expires 3/31/2014

Part I: Summary				FFY of Grant: 2012 FFY of Grant Approval: 2012	
PHA Name: The Housing Authority of the City of Atlanta, Georgia		Grant Type and Number Capital Fund Program Grant No: Replacement Housing Factor Grant No: GA06R006502-12 Date of CFFP:			
Type of Grant Original Annual Statement <input type="checkbox"/> Reserve for Disasters/Emergencies <input type="checkbox"/> Revised Annual Statement (revision no:) X Performance and Evaluation Report for Period Ending: 06/30/2014		Final Performance and Evaluation Report			
Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost ¹	
		Original	Revised ²	Obligated	Expended
1	Total non-CFP Funds				
2	1406 Operations (may not exceed 20% of line 21) ³				
3	1408 Management Improvements				
4	1410 Administration (may not exceed 10% of line 21)				
5	1411 Audit				
6	1415 Liquidated Damages				
7	1430 Fees and Costs				
8	1440 Site Acquisition				
9	1450 Site Improvement				
10	1460 Dwelling Structures				
11	1465.1 Dwelling Equipment—Nonexpendable				
12	1470 Non-dwelling Structures				
13	1475 Non-dwelling Equipment				
14	1485 Demolition				
15	1492 Moving to Work Demonstration				
16	1495.1 Relocation Costs				
17	1499 Development Activities ⁴	1,429,204	1,429,204	0	0

¹ To be completed for the Performance and Evaluation Report.

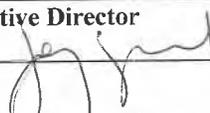
² To be completed for the Performance and Evaluation Report or a Revised Annual Statement.

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

U.S. Department of Housing and Urban Development
 Office of Public and Indian Housing
 OMB No. 2577-0226
Expires 3/31/2014

Part I: Summary						
PHA Name: The Housing Authority of the City of Atlanta, Georgia		Grant Type and Number Capital Fund Program Grant No: Replacement Housing Factor Grant No:GA06R006502-12 Date of CFFP:			FFY of Grant:2012 FFY of Grant Approval: 2012	
Type of Grant <input checked="" type="checkbox"/> Original Annual Statement <input type="checkbox"/> Reserve for Disasters/Emergencies <input type="checkbox"/> Revised Annual Statement (revision no:) <input checked="" type="checkbox"/> Performance and Evaluation Report for Period Ending: 06/30/2014 Final Performance and Evaluation Report						
Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost ¹		
		Original	Revised ²	Obligated	Expended	
18a	1501 Collateralization or Debt Service paid by the PHA					
18ba	9000 Collateralization or Debt Service paid Via System of Direct Payment					
19	1502 Contingency (may not exceed 8% of line 20)					
20	Amount of Annual Grant:: (sum of lines 2 - 19)	1,429,204	1,429,204	0	0	
21	Amount of line 20 Related to LBP Activities					
22	Amount of line 20 Related to Section 504 Activities					
23	Amount of line 20 Related to Security - Soft Costs					
24	Amount of line 20 Related to Security - Hard Costs					
25	Amount of line 20 Related to Energy Conservation Measures					
Signature of Executive Director 			Signature of Public Housing Director		Date 9/8/14	

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

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

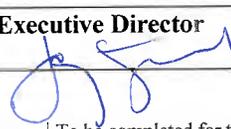
U.S. Department of Housing and Urban Development
 Office of Public and Indian Housing
 OMB No. 2577-0226
 Expires 3/31/2014

Part I: Summary		FFY of Grant: 2013
PHA Name: The Housing Authority of the City of Atlanta, Georgia	Grant Type and Number Capital Fund Program Grant No: GA06P006501-13 Replacement Housing Factor Grant No: Date of CFFP.	FFY of Grant Approval: 2013

Type of Grant
 Original Annual Statement
 Reserve for Disasters/Emergencies
 Revised Annual Statement (revision no:)
X Performance and Evaluation Report for Period Ending: 06/30/2014
Final Performance and Evaluation Report

Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost ¹	
		Original	Revised ²	Obligated	Expended
1	Total non-CFP Funds				
2	1406 Operations (may not exceed 20% of line 21) ³				
3	1408 Management Improvements				
4	1410 Administration (may not exceed 10% of line 21)				
5	1411 Audit				
6	1415 Liquidated Damages				
7	1430 Fees and Costs				
8	1440 Site Acquisition				
9	1450 Site Improvement				
10	1460 Dwelling Structures				
11	1465.1 Dwelling Equipment—Nonexpendable				
12	1470 Non-dwelling Structures				
13	1475 Non-dwelling Equipment				
14	1485 Demolition				
15	1492 Moving to Work Demonstration	3,885,905	3,885,905		
16	1495.1 Relocation Costs				
17	1499 Development Activities ⁴				

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

Part I: Summary				FFY of Grant:2013 FFY of Grant Approval: 2013	
PHA Name: The Housing Authority of the City of Atlanta, Georgia		Grant Type and Number Capital Fund Program Grant No: GA06P006501-13 Replacement Housing Factor Grant No: Date of CFFP:			
Type of Grant <input checked="" type="checkbox"/> Original Annual Statement <input type="checkbox"/> Reserve for Disasters/Emergencies <input type="checkbox"/> Revised Annual Statement (revision no:) <input checked="" type="checkbox"/> Performance and Evaluation Report for Period Ending: 06/30/2014 <input type="checkbox"/> Final Performance and Evaluation Report					
Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost¹	
		Original	Revised²	Obligated	Expended
18a	1501 Collateralization or Debt Service paid by the PHA				
18ba	9000 Collateralization or Debt Service paid Via System of Direct Payment				
19	1502 Contingency (may not exceed 8% of line 20)				
20	Amount of Annual Grant:: (sum of lines 2 - 19)	3,885,905	3,885,905		
21	Amount of line 20 Related to LBP Activities				
22	Amount of line 20 Related to Section 504 Activities				
23	Amount of line 20 Related to Security - Soft Costs				
24	Amount of line 20 Related to Security - Hard Costs				
25	Amount of line 20 Related to Energy Conservation Measures				
Signature of Executive Director		Date		Signature of Public Housing Director	
		9/8/14			

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

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

U.S. Department of Housing and Urban Development
 Office of Public and Indian Housing
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 Expires 3/31/2014

Part I: Summary				FFY of Grant: 2013 FFY of Grant Approval: 2013	
PHA Name: The Housing Authority of the City of Atlanta, Georgia		Grant Type and Number Capital Fund Program Grant No: Replacement Housing Factor Grant No: GA06R006501-13 Date of CFFP:			
Type of Grant <input checked="" type="checkbox"/> Original Annual Statement <input type="checkbox"/> Reserve for Disasters/Emergencies <input type="checkbox"/> Revised Annual Statement (revision no:) <input checked="" type="checkbox"/> Performance and Evaluation Report for Period Ending: 06/30/2014 <input type="checkbox"/> Final Performance and Evaluation Report					
Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost ¹	
		Original	Revised ²	Obligated	Expended
1	Total non-CFP Funds				
2	1406 Operations (may not exceed 20% of line 21) ³				
3	1408 Management Improvements				
4	1410 Administration (may not exceed 10% of line 21)				
5	1411 Audit				
6	1415 Liquidated Damages				
7	1430 Fees and Costs				
8	1440 Site Acquisition				
9	1450 Site Improvement				
10	1460 Dwelling Structures				
11	1465.1 Dwelling Equipment—Nonexpendable				
12	1470 Non-dwelling Structures				
13	1475 Non-dwelling Equipment				
14	1485 Demolition				
15	1492 Moving to Work Demonstration				
16	1495.1 Relocation Costs				
17	1499 Development Activities ⁴		5,803,172	5,803,172	

¹ To be completed for the Performance and Evaluation Report.

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

³ PHAs with under 250 units in management may use 100% of CFP Grants for operations.

⁴ RHF funds shall be included here.

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

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Part I: Summary				FFY of Grant:2013 FFY of Grant Approval: 2013	
PHA Name: The Housing Authority of the City of Atlanta, Georgia		Grant Type and Number Capital Fund Program Grant No: Replacement Housing Factor Grant No:GA06R006501-13 Date of CFFP:			
Type of Grant <input checked="" type="checkbox"/> Original Annual Statement <input type="checkbox"/> Reserve for Disasters/Emergencies <input type="checkbox"/> Revised Annual Statement (revision no:) X Performance and Evaluation Report for Period Ending: 06/30/2014 Final Performance and Evaluation Report					
Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost ¹	
		Original	Revised ²	Obligated	Expended
18a	1501 Collateralization or Debt Service paid by the PHA				
18ba	9000 Collateralization or Debt Service paid Via System of Direct Payment				
19	1502 Contingency (may not exceed 8% of line 20)				
20	Amount of Annual Grant:: (sum of lines 2 - 19)	5,803,172	5,803,172		
21	Amount of line 20 Related to LBP Activities				
22	Amount of line 20 Related to Section 504 Activities				
23	Amount of line 20 Related to Security - Soft Costs				
24	Amount of line 20 Related to Security - Hard Costs				
25	Amount of line 20 Related to Energy Conservation Measures				
Signature of Executive Director		Date		Signature of Public Housing Director	
		9/8/14			

¹ To be completed for the Performance and Evaluation Report.

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

³ PHAs with under 250 units in management may use 100% of CFP Grants for operations.

⁴ RHF funds shall be included here.

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

U.S. Department of Housing and Urban Development
 Office of Public and Indian Housing
 OMB No. 2577-0226
 Expires 3/31/2014

Part I: Summary	
PHA Name: The Housing Authority of the City of Atlanta, Georgia	Grant Type and Number Capital Fund Program Grant No: Replacement Housing Factor Grant No: GA06R006502-13 Date of CFFP:
FFY of Grant: 2013 FFY of Grant Approval: 2013	

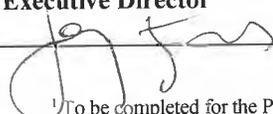
Type of Grant
 Original Annual Statement
 Reserve for Disasters/Emergencies
 Revised Annual Statement (revision no: _____)
X Performance and Evaluation Report for Period Ending: 06/30/2014
 Final Performance and Evaluation Report

Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost ¹	
		Original	Revised ²	Obligated	Expended
1	Total non-CFP Funds				
2	1406 Operations (may not exceed 20% of line 21) ³				
3	1408 Management Improvements				
4	1410 Administration (may not exceed 10% of line 21)				
5	1411 Audit				
6	1415 Liquidated Damages				
7	1430 Fees and Costs				
8	1440 Site Acquisition				
9	1450 Site Improvement				
10	1460 Dwelling Structures				
11	1465.1 Dwelling Equipment—Nonexpendable				
12	1470 Non-dwelling Structures				
13	1475 Non-dwelling Equipment				
14	1485 Demolition				
15	1492 Moving to Work Demonstration				
16	1495.1 Relocation Costs				
17	1499 Development Activities ⁴	2,672,813	2,672,813		

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

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

U.S. Department of Housing and Urban Development
 Office of Public and Indian Housing
 OMB No. 2577-0226
 Expires 3/31/2014

Part I: Summary		FFY of Grant:2013		FFY of Grant Approval: 2013	
PHA Name: The Housing Authority of the City of Atlanta, Georgia		Grant Type and Number Capital Fund Program Grant No: Replacement Housing Factor Grant No:GA06R006502-13 Date of CFFP:			
Type of Grant <input checked="" type="checkbox"/> Original Annual Statement <input type="checkbox"/> Reserve for Disasters/Emergencies <input type="checkbox"/> Revised Annual Statement (revision no:) <input checked="" type="checkbox"/> Performance and Evaluation Report for Period Ending: 06/30/2014 <input type="checkbox"/> Final Performance and Evaluation Report					
Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost ¹	
		Original	Revised ²	Obligated	Expended
18a	1501 Collateralization or Debt Service paid by the PHA				
18ba	9000 Collateralization or Debt Service paid Via System of Direct Payment				
19	1502 Contingency (may not exceed 8% of line 20)				
20	Amount of Annual Grant:: (sum of lines 2 - 19)	2,672,813	2,672,813		
21	Amount of line 20 Related to LBP Activities				
22	Amount of line 20 Related to Section 504 Activities				
23	Amount of line 20 Related to Security - Soft Costs				
24	Amount of line 20 Related to Security - Hard Costs				
25	Amount of line 20 Related to Energy Conservation Measures				
Signature of Executive Director			Signature of Public Housing Director		Date
					9/8/14

¹ To be completed for the Performance and Evaluation Report.
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Annual Statement/Performance and Evaluation Report
 Capital Fund Program, Capital Fund Program Replacement Housing Factor and
 Capital Fund Financing Program

U.S. Department of Housing and Urban Development
 Office of Public and Indian Housing
 OMB No. 2577-0226
 Expires 8/31/2011

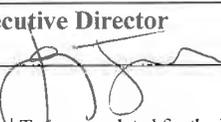
Part I: Summary				FFY of Grant: 2014	
PHA Name: The Housing Authority of the City of Atlanta, Georgia		Grant Type and Number Capital Fund Program Grant No: GA06P006501-14 Replacement Housing Factor Grant No: Date of CFFP:		FFY of Grant Approval:	
Type of Grant Original Annual Statement <input type="checkbox"/> Reserve for Disasters/Emergencies		Revised Annual Statement (revision no:)			
X Performance and Evaluation Report for Period Ending: June 30, 2014		Final Performance and Evaluation Report			
Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost ¹	
		Original	Revised ²	Obligated	Expended
1	Total non-CFP Funds				
2	1406 Operations (may not exceed 20% of line 21) ³				
3	1408 Management Improvements				
4	1410 Administration (may not exceed 10% of line 21)				
5	1411 Audit				
6	1415 Liquidated Damages				
7	1430 Fees and Costs				
8	1440 Site Acquisition				
9	1450 Site Improvement				
10	1460 Dwelling Structures				
11	1465.1 Dwelling Equipment—Nonexpendable				
12	1470 Non-dwelling Structures				
13	1475 Non-dwelling Equipment				
14	1485 Demolition				
15	1492 Moving to Work Demonstration	\$4,665,921	\$4,665,921		
16	1495.1 Relocation Costs				
17	1499 Development Activities ⁴				

¹ To be completed for the Performance and Evaluation Report

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

³ PHAs with under 250 units in management may use 100% of CFP Grants for operations.

⁴ RHF funds shall be included here.

Part I: Summary					
PHA Name: The Housing Authority of the City of Atlanta, Georgia		Grant Type and Number Capital Fund Program Grant No: GA06P006501-14 Replacement Housing Factor Grant No: Date of CFFP:		FFY of Grant:2014 FFY of Grant Approval:	
Type of Grant <input checked="" type="checkbox"/> Original Annual Statement <input type="checkbox"/> Reserve for Disasters/Emergencies <input checked="" type="checkbox"/> Performance and Evaluation Report for Period Ending: June 30, 2014 Revised Annual Statement (revision no:) Final Performance and Evaluation Report					
Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost ¹	
		Original	Revised ²	Obligated	Expended
18a	1501 Collateralization or Debt Service paid by the PHA				
18ba	9000 Collateralization or Debt Service paid Via System of Direct Payment				
19	1502 Contingency (may not exceed 8% of line 20)				
20	Amount of Annual Grant:: (sum of lines 2 - 19)	\$4,665,921	\$4,665,921		
21	Amount of line 20 Related to LBP Activities				
22	Amount of line 20 Related to Section 504 Activities				
23	Amount of line 20 Related to Security - Soft Costs				
24	Amount of line 20 Related to Security - Hard Costs				
25	Amount of line 20 Related to Energy Conservation Measures				
Signature of Executive Director		Date	Signature of Public Housing Director		Date
		9/8/14			

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

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

U.S. Department of Housing and Urban Development
 Office of Public and Indian Housing
 OMB No. 2577-0226
 Expires 8/31/2011

Part I: Summary		FFY of Grant: 2014 FFY of Grant Approval:
PHA Name: The Housing Authority of the City of Atlanta, Georgia	Grant Type and Number Capital Fund Program Grant No: Replacement Housing Factor Grant No: GA06R006501-14 Date of CFFP:	

Type of Grant
 Original Annual Statement Reserve for Disasters/Emergencies
 Performance and Evaluation Report for Period Ending: June 30, 2014
 Revised Annual Statement (revision no:)
 Final Performance and Evaluation Report

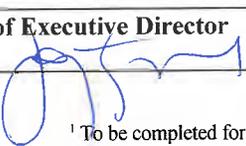
Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost ¹	
		Original	Revised ²	Obligated	Expended
1	Total non-CFP Funds				
2	1406 Operations (may not exceed 20% of line 21) ³				
3	1408 Management Improvements				
4	1410 Administration (may not exceed 10% of line 21)				
5	1411 Audit				
6	1415 Liquidated Damages				
7	1430 Fees and Costs				
8	1440 Site Acquisition				
9	1450 Site Improvement				
10	1460 Dwelling Structures				
11	1465.1 Dwelling Equipment—Nonexpendable				
12	1470 Non-dwelling Structures				
13	1475 Non-dwelling Equipment				
14	1485 Demolition				
15	1492 Moving to Work Demonstration				
16	1495.1 Relocation Costs				
17	1499 Development Activities ⁴	\$5,536,616	\$5,536,616		

¹ To be completed for the Performance and Evaluation Report.

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

³ PHAs with under 250 units in management may use 100% of CFP Grants for operations.

⁴ RHF funds shall be included here.

Part I: Summary					
PHA Name: The Housing Authority of the City of Atlanta, Georgia		Grant Type and Number Capital Fund Program Grant No: Replacement Housing Factor Grant No: GA06R006501-14 Date of CFFP:		FFY of Grant:2014 FFY of Grant Approval:	
Type of Grant <input checked="" type="checkbox"/> Original Annual Statement <input type="checkbox"/> Reserve for Disasters/Emergencies <input type="checkbox"/> Revised Annual Statement (revision no:) X Performance and Evaluation Report for Period Ending: June 30, 2014 Final Performance and Evaluation Report					
Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost ¹	
		Original	Revised ²	Obligated	Expended
18a	1501 Collateralization or Debt Service paid by the PHA				
18ba	9000 Collateralization or Debt Service paid Via System of Direct Payment				
19	1502 Contingency (may not exceed 8% of line 20)				
20	Amount of Annual Grant:: (sum of lines 2 - 19)	\$5,536,616	\$5,536,616		
21	Amount of line 20 Related to LBP Activities				
22	Amount of line 20 Related to Section 504 Activities				
23	Amount of line 20 Related to Security - Soft Costs				
24	Amount of line 20 Related to Security - Hard Costs				
25	Amount of line 20 Related to Energy Conservation Measures				
Signature of Executive Director 		Date 9/8/14		Signature of Public Housing Director	
				Date	

¹ To be completed for the Performance and Evaluation Report.
² To be completed for the Performance and Evaluation Report or a Revised Annual Statement.
³ PHAs with under 250 units in management may use 100% of CFP Grants for operations.
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Annual Statement/Performance and Evaluation Report
 Capital Fund Program, Capital Fund Program Replacement Housing Factor and
 Capital Fund Financing Program

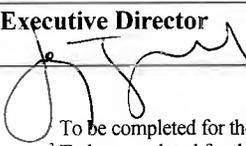
U.S. Department of Housing and Urban Development
 Office of Public and Indian Housing
 OMB No. 2577-0226
 Expires 8/31/2011

Part I: Summary	
PHA Name: The Housing Authority of the City of Atlanta, Georgia	Grant Type and Number Capital Fund Program Grant No: Replacement Housing Factor Grant No: GA06R006502-14 Date of CFFP:
FFY of Grant: 2014 FFY of Grant Approval:	

Type of Grant <input checked="" type="checkbox"/> Original Annual Statement <input type="checkbox"/> Reserve for Disasters/Emergencies	Revised Annual Statement (revision no:) Final Performance and Evaluation Report
<input checked="" type="checkbox"/> Performance and Evaluation Report for Period Ending: June 30, 2014	

Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost ¹	
		Original	Revised ²	Obligated	Expended
1	Total non-CFP Funds				
2	1406 Operations (may not exceed 20% of line 21) ³				
3	1408 Management Improvements				
4	1410 Administration (may not exceed 10% of line 21)				
5	1411 Audit				
6	1415 Liquidated Damages				
7	1430 Fees and Costs				
8	1440 Site Acquisition				
9	1450 Site Improvement				
10	1460 Dwelling Structures				
11	1465.1 Dwelling Equipment—Nonexpendable				
12	1470 Non-dwelling Structures				
13	1475 Non-dwelling Equipment				
14	1485 Demolition				
15	1492 Moving to Work Demonstration				
16	1495.1 Relocation Costs				
17	1499 Development Activities ⁴		\$2,629,657	\$2,629,657	

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

Part I: Summary					
PHA Name: The Housing Authority of the City of Atlanta, Georgia	Grant Type and Number Capital Fund Program Grant No: Replacement Housing Factor Grant No: GA06R006502-14 Date of CFFP:	FFY of Grant:2014 FFY of Grant Approval:			
Type of Grant <input type="checkbox"/> Original Annual Statement <input type="checkbox"/> Reserve for Disasters/Emergencies <input checked="" type="checkbox"/> Revised Annual Statement (revision no:) <input checked="" type="checkbox"/> Performance and Evaluation Report for Period Ending: June 30, 2014 <input type="checkbox"/> Final Performance and Evaluation Report					
Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost ¹	
		Original	Revised ²	Obligated	Expended
18a	1501 Collateralization or Debt Service paid by the PHA				
18ba	9000 Collateralization or Debt Service paid Via System of Direct Payment				
19	1502 Contingency (may not exceed 8% of line 20)				
20	Amount of Annual Grant:: (sum of lines 2 - 19)	\$2,629,657.00	\$2,629,657.00		
21	Amount of line 20 Related to LBP Activities				
22	Amount of line 20 Related to Section 504 Activities				
23	Amount of line 20 Related to Security - Soft Costs				
24	Amount of line 20 Related to Security - Hard Costs				
25	Amount of line 20 Related to Energy Conservation Measures				
Signature of Executive Director 		Date 9/8/17	Signature of Public Housing Director		Date

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

U.S. Department of Housing and Urban Development
 Office of Public and Indian Housing
 OMB No. 2577-0226
 Expires 3/31/2014

Part I: Summary					
PHA Name: The Housing Authority of the City of Atlanta, Georgia		Grant Type and Number Capital Fund Program Grant No: GA06P006501-10 Replacement Housing Factor Grant No: Date of CFFP:			FFY of Grant: 2010 FFY of Grant Approval: 2010
Type of Grant Original Annual Statement <input type="checkbox"/> Reserve for Disasters/Emergencies <input type="checkbox"/> Revised Annual Statement (revision no:) Performance and Evaluation Report for Period Ending: 06/30/2014 <input checked="" type="checkbox"/> Final Performance and Evaluation Report					
Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost ¹	
		Original	Revised ²	Obligated	Expended
1	Total non-CFP Funds				
2	1406 Operations (may not exceed 20% of line 21) ³				
3	1408 Management Improvements				
4	1410 Administration (may not exceed 10% of line 21)				
5	1411 Audit				
6	1415 Liquidated Damages				
7	1430 Fees and Costs				
8	1440 Site Acquisition				
9	1450 Site Improvement				
10	1460 Dwelling Structures				
11	1465.1 Dwelling Equipment—Nonexpendable				
12	1470 Non-dwelling Structures				
13	1475 Non-dwelling Equipment				
14	1485 Demolition				
15	1492 Moving to Work Demonstration	11,998,337	11,998,337	11,998,337	11,998,337
16	1495.1 Relocation Costs				
17	1499 Development Activities ⁴				

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

³ PHAs with under 250 units in management may use 100% of CFP Grants for operations.

⁴ RHF funds shall be included here.

Part I: Summary					
PHA Name: The Housing Authority of the City of Atlanta, Georgia	Grant Type and Number Capital Fund Program Grant No: GA06P006501-10 Replacement Housing Factor Grant No: Date of CFFP:	FFY of Grant:2010 FFY of Grant Approval: 2010			
Type of Grant <input checked="" type="checkbox"/> Original Annual Statement <input type="checkbox"/> Reserve for Disasters/Emergencies <input type="checkbox"/> Revised Annual Statement (revision no:) Performance and Evaluation Report for Period Ending: 06/30/2014 <input checked="" type="checkbox"/> Final Performance and Evaluation Report					
Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost ¹	
		Original	Revised ²	Obligated	Expended
18a	1501 Collateralization or Debt Service paid by the PHA				
18ba	9000 Collateralization or Debt Service paid Via System of Direct Payment				
19	1502 Contingency (may not exceed 8% of line 20)				
20	Amount of Annual Grant:: (sum of lines 2 - 19)	11,998,337	11,998,337	11,998,337	11,998,337
21	Amount of line 20 Related to LBP Activities				
22	Amount of line 20 Related to Section 504 Activities				
23	Amount of line 20 Related to Security - Soft Costs				
24	Amount of line 20 Related to Security - Hard Costs				
25	Amount of line 20 Related to Energy Conservation Measures				
Signature of Executive Director 			Signature of Public Housing Director		Date 9/18/14

¹ To be completed for the Performance and Evaluation Report.

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

U.S. Department of Housing and Urban Development
 Office of Public and Indian Housing
 OMB No. 2577-0226
 Expires 3/31/2014

Part I: Summary				FFY of Grant: 2010 FFY of Grant Approval: 2010	
PHA Name: The Housing Authority of the City of Atlanta, Georgia		Grant Type and Number Capital Fund Program Grant No: Replacement Housing Factor Grant No: GA06R006502-10 Date of CFFP:			
Type of Grant <input checked="" type="checkbox"/> Original Annual Statement <input type="checkbox"/> Reserve for Disasters/Emergencies <input type="checkbox"/> Revised Annual Statement (revision no:)) Performance and Evaluation Report for Period Ending: 06/30/2014 X Final Performance and Evaluation Report					
Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost ¹	
		Original	Revised ²	Obligated	Expended
1	Total non-CFP Funds				
2	1406 Operations (may not exceed 20% of line 21) ³				
3	1408 Management Improvements				
4	1410 Administration (may not exceed 10% of line 21)				
5	1411 Audit				
6	1415 Liquidated Damages				
7	1430 Fees and Costs				
8	1440 Site Acquisition				
9	1450 Site Improvement				
10	1460 Dwelling Structures				
11	1465.1 Dwelling Equipment—Nonexpendable				
12	1470 Non-dwelling Structures				
13	1475 Non-dwelling Equipment				
14	1485 Demolition				
15	1492 Moving to Work Demonstration				
16	1495.1 Relocation Costs				
17	1499 Development Activities ⁴	3,958,066	3,958,066	3,958,066	3,958,066

¹ To be completed for the Performance and Evaluation Report.

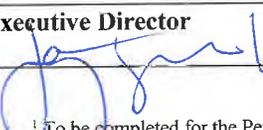
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Annual Statement/Performance and Evaluation Report
 Capital Fund Program, Capital Fund Program Replacement Housing Factor and
 Capital Fund Financing Program

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Part I: Summary						
PHA Name: The Housing Authority of the City of Atlanta, Georgia		Grant Type and Number Capital Fund Program Grant No: Replacement Housing Factor Grant No:GA06R006502-10 Date of CFFP:		FFY of Grant:2010 FFY of Grant Approval: 2010		
Type of Grant Original Annual Statement <input type="checkbox"/> Reserve for Disasters/Emergencies <input type="checkbox"/> Revised Annual Statement (revision no:) Performance and Evaluation Report for Period Ending: <input checked="" type="checkbox"/> Final Performance and Evaluation Report						
Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost ¹		
		Original	Revised ²	Obligated	Expended	
18a	1501 Collateralization or Debt Service paid by the PHA					
18ba	9000 Collateralization or Debt Service paid Via System of Direct Payment					
19	1502 Contingency (may not exceed 8% of line 20)					
20	Amount of Annual Grant:: (sum of lines 2 - 19)	3,958,066	3,958,066	3,958,066	3,958,066	
21	Amount of line 20 Related to LBP Activities					
22	Amount of line 20 Related to Section 504 Activities					
23	Amount of line 20 Related to Security - Soft Costs					
24	Amount of line 20 Related to Security - Hard Costs					
25	Amount of line 20 Related to Energy Conservation Measures					
Signature of Executive Director 			Date 9/8/14		Signature of Public Housing Director _____	
			Date _____			

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 Capital Fund Financing Program

U.S. Department of Housing and Urban Development
 Office of Public and Indian Housing
 OMB No. 2577-0226
 Expires 3/31/2014

Part I: Summary					
PHA Name: The Housing Authority of the City of Atlanta, Georgia		Grant Type and Number Capital Fund Program Grant No: Replacement Housing Factor Grant No: GA06R006501-11 Date of CFFP:			FFY of Grant: 2011 FFY of Grant Approval: 2011
Type of Grant <input checked="" type="checkbox"/> Original Annual Statement <input type="checkbox"/> Reserve for Disasters/Emergencies <input type="checkbox"/> Revised Annual Statement (revision no:) <input checked="" type="checkbox"/> Final Performance and Evaluation Report Performance and Evaluation Report for Period Ending: 06/30/2014					
Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost ¹	
		Original	Revised ²	Obligated	Expended
1	Total non-CFP Funds				
2	1406 Operations (may not exceed 20% of line 21) ³				
3	1408 Management Improvements				
4	1410 Administration (may not exceed 10% of line 21)				
5	1411 Audit				
6	1415 Liquidated Damages				
7	1430 Fees and Costs				
8	1440 Site Acquisition				
9	1450 Site Improvement				
10	1460 Dwelling Structures				
11	1465.1 Dwelling Equipment—Nonexpendable				
12	1470 Non-dwelling Structures				
13	1475 Non-dwelling Equipment				
14	1485 Demolition				
15	1492 Moving to Work Demonstration				
16	1495.1 Relocation Costs				
17	1499 Development Activities ⁴	2,534,662	2,534,662	2,534,662	2,534,662

¹ To be completed for the Performance and Evaluation Report.
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Part I: Summary					
PHA Name: The Housing Authority of the City of Atlanta, Georgia		Grant Type and Number Capital Fund Program Grant No: Replacement Housing Factor Grant No:GA06R006501-11 Date of CFFP:		FFY of Grant:2011 FFY of Grant Approval: 2011	
Type of Grant <input checked="" type="checkbox"/> Original Annual Statement Performance and Evaluation Report for Period Ending: 06/30/2014 <input type="checkbox"/> Reserve for Disasters/Emergencies <input type="checkbox"/> Revised Annual Statement (revision no:) <input checked="" type="checkbox"/> Final Performance and Evaluation Report					
Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost ¹	
		Original	Revised ²	Obligated	Expended
18a	1501 Collateralization or Debt Service paid by the PHA				
18ba	9000 Collateralization or Debt Service paid Via System of Direct Payment				
19	1502 Contingency (may not exceed 8% of line 20)				
20	Amount of Annual Grant:: (sum of lines 2 - 19)	2,534,662	2,534,662	2,534,662	2,534,662
21	Amount of line 20 Related to LBP Activities				
22	Amount of line 20 Related to Section 504 Activities				
23	Amount of line 20 Related to Security - Soft Costs				
24	Amount of line 20 Related to Security - Hard Costs				
25	Amount of line 20 Related to Energy Conservation Measures				
Signature of Executive Director 			Signature of Public Housing Director		Date 5/8/14

¹ To be completed for the Performance and Evaluation Report.

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⁴ RHF funds shall be included here.

Appendix F: Housing Choice Vouchers Authorized – as of June 30, 2014

Number of MTW HCV authorized at the end of FY 2014

As of June 30, 2014, AHA had 19,069 MTW Housing Choice Vouchers (HCV) authorized. This is an increase of 160 MTW vouchers over June 30, 2013 resulting from the conversion of Tenant Protection Vouchers to MTW vouchers during FY 2014.

Number of Non-MTW HCV authorized at the end of FY 2014

As of June 30, 2014, AHA had 735 non-MTW vouchers. This represents a net decrease of 85 non-MTW vouchers since June 30, 2013. This increase resulted from the receipt of additional vouchers and the conversion of Tenant Protection Vouchers to MTW vouchers during FY 2014.

Permanent Non-MTW Vouchers: As of June 30, 2014, AHA had 735 non-MTW vouchers that will not be converted to MTW vouchers. This includes 300 Family Unification Program (FUP) vouchers, 175 1-Year Mainstream vouchers, 50 5-year Mainstream Vouchers, and 210 Veterans Affairs Supportive Housing (VASH) vouchers.

Table 1. Housing Choice Vouchers Authorized⁽¹⁾

Housing Choice Vouchers	6/30/2013	6/30/2014	Change	% Change
MTW Vouchers	18,909	19,069	160	0.8%
Non-MTW Vouchers:				
<i>Permanent Non-MTW Vouchers</i>	660	735	75	11.4%
<i>Tenant Protection Vouchers</i>	160	-	(160)	(100.0%)
Total Non-MTW Vouchers	820	735	(85)	(10.4%)
TOTAL VOUCHERS	19,729	19,804	75	0.4%

⁽¹⁾ AHA also received 2 FSS Coordinator vouchers effective January 1, 2014 which are not included in these figures.

Background and Introduction

The Amended and Restated Moving to Work Agreement, effective as of November 13, 2008, as further amended by that certain Second Amendment to the Moving to Work Agreement, effective as of January 16, 2009 authorizes AHA to design and implement a Local Asset Management Program for its Public Housing Program and describe such program in its Annual MTW Implementation Plan. The term “Public Housing Program” means the operation of properties owned or units in mixed-income communities subsidized under Section 9 of the U.S. Housing Act of 1937, as amended (“1937 Act”) by the Agency that are required by the 1937 Act to be subject to a public housing declaration of trust in favor of HUD. The Agency’s Local Asset Management Program shall include a description of how it’s implementing project-based property management, budgeting, accounting, and financial management and any deviations from HUD’s asset management requirements. Under the First Amendment to the MTW Agreement, AHA agreed to describe its cost accounting plan as part of its Local Asset Management Program including how the indirect cost fee for service rate is determined and applied.

Project-Based Approach for Public Housing Program

AHA maintains a project-based management approach by decentralizing property operations to each property and by contracting with private management companies to professionally manage each of the AHA owned properties under the Public Housing Program. Project level budgeting and accounting is maintained for these properties. In addition, each mixed-income, mixed-financed rental community that contain authority assisted units under the Public Housing Program are owned, managed and operated by third party partnerships as established at the time each of the transactions were structured. AHA maintains a separate budget and accounting for the operating subsidy paid to the owners of these communities, but does not maintain the accounting for property operations as AHA does not own or operate these properties.

Identification of Cost Allocation Approach

AHA approached its cost allocation plan with consideration to the entire operation of AHA, rather than a strict focus on only the MTW Program. The MTW Agreement addresses the cost accounting system in reference to the MTW Program without consideration to the entire operation of the Agency. This cost allocation plan addresses the entire AHA operation as well as the specific information required for the MTW Program.

Under the MTW Agreement, the cost accounting options available to AHA include either a “fee-for-service” methodology or an “indirect cost rate” methodology. AHA can establish multiple cost objectives or a single cost objective for its MTW Program. AHA opted to use the “fee for service” methodology and establish the MTW Program as a single cost objective, as further described below.

Classification of Costs

There is no universal rule for classifying certain costs as either direct or indirect under every accounting system. A cost may be direct with respect to some specific service or function, but indirect with respect to the Federal award or other final cost objective. Therefore, the definitions and guidelines provided in this Local Asset Management Program are used for determining direct and indirect costs charged to the cost objectives.

Definitions:

Cost Objective – Cost objective is a function, organizational subdivision, contract, grant, or other activity for which cost data are needed and for which costs are incurred.

Direct Costs – Direct costs are those that can be identified specifically with a particular final cost objective.

Indirect Costs – Indirect costs are those: (a) incurred for a common or joint purpose benefitting more than one cost objective, and (b) not readily assignable to the cost objectives specifically benefitted, without effort disproportionate to the results achieved. After direct costs have been determined and assigned directly to Federal awards and other activities as appropriate, indirect costs are determined as those remaining cost to be allocated to the benefitted cost objectives.

Indirect Cost Fee for Service Rates – Fee for service is used for determining in a reasonable manner, the proportion of indirect costs each cost objective should bear. It is the ratio (expressed as a percentage) of the indirect costs to a direct cost base.

Cost Base – A cost base is the accumulated direct costs (normally either total direct salaries and wages or total direct costs exclusive of any extraordinary or distorting expenditures) used to distribute indirect costs to cost objectives (Federal awards). Generally, the direct cost base selected should result in each award bearing a fair share of the indirect costs in reasonable relation to the benefits received from the costs.

AHA Cost Objectives

AHA has identified the following cost objectives:

Direct Cost:

MTW Program - MTW Program and all associated activities funded under the MTW Single Fund authority as a **single cost objective**. The single cost objective is the eligible MTW activities as articulated in AHA's MTW Agreement and Annual MTW Implementation Plan.

Indirect Costs:

Revitalization Program – The Revitalization Program includes the development related activity funded from HOPE VI and other local funds. Generally, AHA will capture costs by development and will include the ability to track charges to specific funding sources.

Special Purpose Housing Choice Tenant-based Vouchers – Special Purpose Vouchers includes, but is not limited to, the Family Unification Program vouchers, and the 1-year and 5-year Mainstream vouchers.

American Recovery and Reinvestment Act (ARRA) Grant – The ARRA grant is a one-time grant which will be use for demolition, rehabilitation of existing AHA-owned Public Housing properties, and gap funding related to the public housing-assisted units inside of mixed-income, mixed-finance developments.

Other Federal, State and Local Awards – AHA may be the recipient of other Federal, State (CDBG) and local awards from time to time. Each of these awards will be a separate cost objective as necessary.

Non Federal Programs – This relates to entrepreneurial activities, Affiliate/Component Units, Georgia HAP, and the Mark-to-Market program that will be cost objectives.

AHA Direct Costs

AHA direct costs are defined in conjunction with the cost objectives defined in this Cost Allocation Plan. Under A-87, there is no universal rule for classifying costs as either direct or indirect. A cost may be direct with respect to some specific service or function, but indirect with respect to the final cost objective.

MTW Program direct costs include, but are not limited to:

1. Contract costs readily identifiable with delivering housing assistance to low income families under the MTW Program,
2. Housing Assistance Payments (including utility allowances) for tenant based voucher and PBRA,
3. Portability administrative fees,
4. Homeownership voucher funding,
5. Foreclosure and emergency assistance for low income families served under the HC voucher program,
6. The Housing Choice department costs for administering Housing Choice tenant based vouchers including inspection activities
7. Operating costs directly attributable to operating AHA-owned properties,
8. Capital improvement costs at AHA-owned properties, (this would not be expensed)
9. Operating subsidies paid to Mixed-income, mixed-finance (MIMF) communities,
10. The Real Estate Management department costs associated with managing the AHA-owned properties,
11. The Asset Management department costs attributable to PBRA, HC tenant based vouchers, AHA-owned properties, mixed-income, mixed-finance properties and other AHA assets
12. The Relocation and Resident Services department costs directly attributable to MTW Program activities,
13. Gap financing in (qualified) real estate transactions,
14. Acquisition costs funded from MTW funds,
15. Demolition, relocation and leasing incentive fees in repositioning AHA-owned real estate,
16. Homeownership activities for low-income families,
17. Real Estate Development and Acquisition department costs associated with MTW funded development activity, homeownership initiatives, PBRA as a development tool, and acquisition activity, and
18. Any other activities that can be readily identifiable with delivering housing assistance to low-income families under the MTW Program.

AHA Indirect Costs

Revitalization Program direct costs include, but are not limited to:

1. Leasing incentive fees
2. Legal expenses
3. Professional services
4. Contract cost (case management)
5. Relocation
6. Extraordinary site work
7. Demolition
8. Other revitalization expenditures (such as homeownership mortgage assistance and down payment assistance)
9. Acquisitions
10. Program Administration
11. Investments (loans, grants, etc.)

Special Purpose Housing Choice Tenant-based Vouchers direct costs include, but are not limited to:

1. Housing assistance payments (HAP), and
2. Program Administration Costs

American Recovery and Reinvestment Act (ARRA) Grant direct costs include, but are not limited to:

1. Demolition of AHA-owned Public Housing properties and related fees and costs
2. Rehabilitation of existing AHA-owned Public Housing properties and related fees and costs
3. Gap funding related to the Public Housing-assisted units inside of mixed-income, mixed-finance developments.

Other Federal and State Awards direct cost include, but are not limited to:

1. Any cost identified for which the award is made. Such costs will be determined as AHA receives awards.

Non-Federal Programs direct costs include, but are not limited to:

1. Legal expenses
2. Professional services
3. Utilities (gas, water, electric, other utilities expense)
4. Real estate taxes
5. Insurance
6. Bank charges
7. Staff training
8. Interest expense
9. Contract cost for CDBG, and
10. Any other costs required of a specific program, award or contract.

Direct Costs – Substitute System for Compensation of Personnel Services

In addition to the direct costs identified previously, AHA will allocate direct salary and wages based upon quantifiable measures (substitute system) of employee effort rather than timesheets. This substitute system is allowed under OMB Circular A-87 Attachment B Part 8 paragraph (h)(6). The substitute system allows AHA to more efficiently and effectively allocate direct costs on measures that are readily determined for each department. Those departments and measures will be re-evaluated periodically and updated as necessary. The departments and measures effective July 1, 2009 are listed below:

Business Unit / Department	Quantifiable Measure
Asset Management	Number or properties
Real Estate Development	Active revitalizations
Real Estate Management	Leased units
Housing Choice	Leased vouchers
Relocation	Impacted families
Resident services	Families served

AHA Fee for Service

AHA will establish a Fee for Service Rate based on the anticipated indirect cost for the fiscal year. The fee for service rate is determined in a reasonable manner where the proportion of indirect costs for each cost objective is determined as a ratio of the indirect costs to a direct cost base. The resulting amount is the fee for service amount to be charged to each program. Based on current budget estimates, AHA projects the indirect cost fee to be approximately 10% of total direct costs. This percentage will be finalized once the FY 2010 budget is complete.

Limitation on indirect cost or administrative costs – AHA recognizes that there may be limitations on the amount of administrative or indirect costs that can be charged to specific grant awards. Should such limitations prevent the charging of direct and indirect costs to a grant award, AHA will charge such costs to the remaining cost objectives as defined in the Local Asset Management Program.

AHA will begin accounting for costs under this Local Asset Management Program beginning July 1, 2009 and will begin reporting under the Financial Data Schedule (FDS) for its fiscal year ending June 30, 2010. Such reporting will include the reporting of property level financial information for those properties under the Public Housing Program.

Explanation of Differences

AHA has the ability to define direct costs differently than the standard definitions published in HUD's Financial Management Guidebook pertaining to the implementation of 24 CFR Part 990.

AHA is required to describe any differences between the Local Asset Management Program and HUD's asset management requirements in its Annual MTW Plan in order to facilitate the recording of actual property costs and submission of such cost information to HUD:

1. AHA determined to implement a fee for service system that was more comprehensive than HUD's asset management system. HUD's system was limited in focusing only on a fee-for-service system at the property level and failed to address AHA's comprehensive operation which includes other programs and business activities. AHA's MTW Program is much broader than Public Housing properties and includes activities not found in traditional HUD Programs. This Local Asset Management Program Plan addresses the entire AHA operation.
2. AHA defined its cost objectives at a different level than HUD's asset management system. Specifically, AHA defined the MTW Program as a cost objective which is consistent with the issuance of the CFDA number. HUD defined its cost objective at the property level which fails to recognize the overall effort required to deliver the housing resources to Low Income families under the MTW Program. Because the cost objectives are defined differently, direct and indirect costs are defined based on the cost objectives identified in this Local Asset Management Program.

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Comprehensive
Annual Financial
Report and
Independent
Auditors' Report



For the fiscal years ended
June 30, 2013 and 2012

The Housing Authority of the City of
Atlanta, Georgia

Prepared by the Atlanta Housing Authority

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**COMPREHENSIVE ANNUAL FINANCIAL REPORT AND
INDEPENDENT AUDITORS' REPORT**

THE HOUSING AUTHORITY OF THE CITY OF ATLANTA, GEORGIA

For the fiscal years ended June 30, 2013 and 2012

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INTRODUCTORY SECTION

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November 20, 2013

Board of Commissioners
The Housing Authority of the City of Atlanta, Georgia

We are pleased to present the Comprehensive Annual Financial Report of The Housing Authority of the City of Atlanta, Georgia (AHA or the Authority) for the fiscal year ended June 30, 2013 (FY 2013).

The information presented in this report is the responsibility of the management of AHA. To the best of our knowledge and belief, the information as presented is accurate in all material respects, is presented in a manner designed to fairly state the financial position and the results of operations of the Authority, and includes all necessary disclosures to enable the reader to gain a complete understanding of AHA's financial position. To provide a reasonable basis for making these representations, management of the Authority has established internal controls that are designed both to protect its assets and the integrity of its operations, and to compile sufficient reliable information for the preparation of the Authority's financial statements in conformity with generally accepted accounting principles (GAAP).

The U.S. Department of Housing and Urban Development (HUD) requires that each local housing authority publish, within nine months of the close of its fiscal year, a complete set of financial statements prepared in accordance with GAAP, consistently applied, and audited by a firm of independent certified public accountants. Metcalf Davis, engaged by AHA to audit its FY 2013 financial statements, issued an unmodified opinion on the financial statements of the Authority for the fiscal years ended June 30, 2013 and 2012, indicating that the Authority's financial statements are fairly presented in conformity with GAAP. The Independent Auditors' Report is included as the first component of the financial section of this report.

The independent audit of the financial statements of the Authority is part of a broader, federally mandated "Single Audit" designed to meet the special needs of Federal grantor agencies. The standards governing Single Audit engagements require an independent auditor to report not only on the fair presentation of the financial statements, but also on the Authority's internal controls and compliance with Federal program requirements.

The Financial Statements of AHA consist of the Statements of Net Position, Statements of Revenue, Expense and Changes in Net Position, and Statements of Cash Flows. The Notes to the Financial Statements are an integral part of the Financial Statements.

The Government Accounting Standards Board (GASB) requires that management provide a narrative introduction, overview and analysis to accompany the Financial Statements in the form of a Management's Discussion and Analysis (MD&A). This Letter of Transmittal is designed to complement the MD&A and should be read in conjunction with it. The MD&A can be found immediately following the report of the independent public accountants.

Profile of the Authority

AHA is a public body corporate and politic created under the Housing Authorities Laws of the State of Georgia. AHA's mission is to provide quality affordable housing in amenity-rich, mixed-income communities for the betterment of the community. AHA has transformed its operations from a troubled public housing authority in 1994 to a well-managed, nationally recognized organization and is moving toward becoming a high-performing diversified real estate company, with a public mission and purpose. AHA meets its mission by deploying its assets to facilitate quality affordable housing opportunities for low-income households (including low-income elderly and disabled persons) in amenity-rich, mixed-income communities in the City of Atlanta. AHA has broad corporate powers including, but not limited to, the power to acquire, manage, own, operate, develop and renovate housing; invest and lend money; create for-profit and not-for-profit entities; administer Housing Choice vouchers; issue bonds for affordable housing purposes; and acquire, own and develop commercial, retail and market-rate properties that benefit affordable housing. Many of AHA's programs are funded, in part, and regulated by HUD under the provisions of the U.S. Housing Act of 1937, as amended, as modified by AHA's Moving to Work Agreement (MTW Agreement) dated September 23, 2003, as amended and restated effective as of November 13, 2008 and as further amended effective as of January 16, 2009.

Under the Housing Authorities Laws, the governing body of AHA is the Board of Commissioners, whose members are appointed by the Mayor of the City of Atlanta. The Board of Commissioners hires the President and Chief Executive Officer who, in turn, hires the staff of the Authority. The current President and Chief Executive Officer is Joy Fitzgerald, who was appointed Interim President and Chief Executive Officer by the Board of Commissioners, effective September 4, 2013. Until that date, Renée Lewis Glover had served as President and Chief Executive Officer since September 1, 1994.

AHA has created affiliate entities to implement and execute a number of the Authority's program activities and initiatives. The financial statements of these affiliates are included in AHA's financial statements as blended component units. AHA has one affiliate that is not a component unit, but is considered a related entity. As such, the financial activities for this entity have been excluded from the Authority's financial statements. (See Note A of the Notes to the Financial Statements for further details.)

AHA is one of the 11 founding members of National Housing Compliance (NHC), a Georgia not-for-profit 501(c)(4) corporation that performs contract administration services for HUD's project-based Section 8 and FHA-insured portfolio in the states of Georgia and Illinois. NHC subcontracts with its members, and pays incentive fees and makes distributions for work performed. Fees earned by AHA as a member of NHC are included in AHA's financial statements.

On an annual basis, AHA submits its Comprehensive Operating and Capital Budget to the Board of Commissioners for approval. Throughout the fiscal year, the Board-approved budget is used as a management tool to plan, control and evaluate spending for major activities and programs.

AHA's Mission, Vision and Guiding Principles

Under Ms. Glover's leadership, AHA chartered a new course and embarked on an important and ambitious mission: to transform its delivery of affordable housing by ending the practice of concentrating low-income families and by abandoning the traditional 100 percent public housing model through implementation of a comprehensive and strategic revitalization program (Revitalization Program). Under AHA's Revitalization Program, public-housing-assisted households were relocated to housing of their choice, primarily to private housing (using tenant-based Housing Choice vouchers). After relocation, distressed and obsolete housing projects were demolished, and the sites remediated and prepared for development. Through partnerships with excellent private-sector developers, market-rate-quality, mixed-use, mixed-income communities are developed using public and private resources. AHA's Revitalization Program is designed to intentionally deconcentrate poverty and create communities of choice, where Atlanta's families from every socio-economic status can live, learn, work and play as they pursue their version of the American dream.

In response to the deteriorating conditions in AHA's remaining distressed and obsolete public housing projects, the escalating rates of crime in these projects and the need to facilitate the assisted households in moving from such detrimental conditions, AHA designed and began implementing in FY 2007 a program called the "Quality of Life Initiative" (QLI). As of June 30, 2010, AHA successfully completed the relocation of all affected public-housing-assisted households and, by December 31, 2010, AHA had completed the demolition of these 12 properties. With the completion of the relocation and demolition phases of QLI, AHA no longer owned or operated any large-family public housing projects, thereby ending the era of warehousing low-income households in distressed and obsolete developments in isolated and depressed areas.

As a result of the above-described strategic initiatives, AHA's portfolio of housing opportunities has changed dramatically since FY 1995. In 1994, AHA owned and operated 14,300 public-housing-assisted units in 43 conventional public housing projects and administered approximately 4,500 certificates and vouchers.

As of June 30, 2013, AHA owned and operated, through professional property management firms, 11 senior high-rise buildings and two small-family public-housing-assisted developments with a total of 1,953 units, all of which are well-located in economically integrated neighborhoods (referred to as AHA-Owned Residential Communities). In addition, during FY 2013, AHA: (a) provided operating subsidy for 2,471 ACC (HUD-subsidized) units in the 16 AHA-Sponsored mixed-income, mixed-finance rental communities owned and operated by related public/private owner entities; (b) provided rental assistance for 1,409 PBRA-assisted units in six of the mixed-income, mixed-finance rental communities owned and operated by related public/private owner entities; (c) provided rental assistance for 2,403 PBRA-assisted units in other mixed-income communities owned and operated by unrelated private owners; (d) provided 546 PBRA-assisted units in Supportive Housing communities owned and operated by unrelated private owners; (e) provided tenant-based Housing Choice rental assistance for 9,308 units owned and operated by unrelated private owners; (f) provided mortgage assistance for 62 participants, who used their Section 8 tenant-based Housing Choice vouchers for homeownership; and (g) provided down payment assistance to 29 first-time home buyers.

The implementation of these initiatives has also changed the mix of AHA's revenue from HUD from being primarily comprised of Section 9 public housing operating funds and capital funds in FY 1995 to being primarily comprised of Section 8 Housing Choice Voucher Funds in FY 2013. As of June 30,

2013, approximately 90% of AHA's revenue from HUD was attributable to Section 8 Housing Choice Voucher Funds.

As a result of the above-described strategic initiatives, during FY 2012 and FY 2013 AHA has been able to focus more of its investments on the remaining AHA-Owned Residential Communities to improve the physical plants and quality of life for residents.

Moreover, as a result of these strategic initiatives — the Revitalization Program and QLI — and the shift from a primarily Section 9 public housing funds platform to a Section 8 Housing Choice Voucher Funds platform, AHA's operations are more stable and its financial position is stronger.

AHA's Vision

“Healthy Mixed-Income Communities, Healthy Self-Sufficient Families”

AHA's strategies and initiatives for facilitating housing opportunities for low-income families in the City of Atlanta are governed by five guiding principles:

- End the practice of concentrating low-income families in distressed and isolated neighborhoods.
- Create healthy mixed-use, mixed-income (children-centered) communities using a holistic and comprehensive approach to assure long-term market competitiveness and sustainability of the community and to support excellent outcomes for families (especially children), with emphasis on excellent, high-performing neighborhood schools and high quality-of-life amenities, including first-class retail and green space.
- Create mixed-income communities with the goal of creating market-rate communities with a seamlessly integrated affordable residential component.
- Develop communities through public/private partnerships using public and private sources of funding and private-sector real estate market principles.
- Support AHA-assisted families with strategies and programs that help them achieve their life goals, focusing on self-sufficiency and educational advancement of the children with expectations and standards for personal responsibility benchmarked for success.

Since 1994, AHA has been able to successfully deconcentrate poverty through implementation of its Revitalization Program. The Revitalization Program calls for AHA, in partnership with excellent private-sector developers, to leverage its public housing development funds, its land and its operating subsidies to facilitate, for income-eligible households, the availability of quality affordable housing opportunities in mixed-use, mixed-income communities. To date, AHA has sponsored the creation of 16 master-planned, mixed-use, mixed-income communities, leveraging more than \$300 million in HOPE VI, other public housing development funds and MTW Funds, resulting in a total financial investment and economic impact of more than \$3 billion.

Moving to Work (MTW) Status

Having moved from “troubled agency” status in 1994 to “high performer” status in 1999 and sustaining that status thereafter, AHA applied for and received the MTW designation in 2001. After protracted negotiations with HUD, AHA executed its MTW Agreement with HUD on September 23, 2003, effective as of July 1, 2003. AHA negotiated and executed with HUD an extension of this agreement effective November 13, 2008, as amended on January 16, 2009, which extended the MTW Agreement until June 30, 2018, with options for further ten-year extensions, subject to HUD’s approval and meeting certain agreed-upon conditions. AHA’s MTW Agreement provides substantial statutory and regulatory relief under the U.S. Housing Act of 1937, as amended. AHA’s program design for implementing its MTW Agreement is reflected in AHA’s multi-year Business Plan, which was prepared leveraging the statutory and regulatory relief under its MTW Agreement and the guiding principles, the lessons learned and best practices from AHA’s Revitalization Program. Under its MTW Agreement, AHA has the statutory and regulatory flexibility to innovate and create new programs, and to create and implement local solutions to address local challenges in providing affordable housing opportunities to income-eligible households in Atlanta.

Consistent with the five guiding principles, AHA’s Business Plan sets forth **three primary goals**:

- Quality Living Environments — Provide quality affordable housing in healthy mixed-income communities with access to excellent quality-of-life amenities.
- Self-Sufficiency — (a) Facilitate opportunities for families and individuals to build economic capacity and stability which reduce their dependency on subsidy, ultimately becoming financially independent; (b) facilitate and support initiatives and strategies to support great educational outcomes for children; and (c) facilitate and support initiatives that enable the elderly and persons with disabilities to live independently with enhanced opportunities for aging well.
- Economic Viability — Maximize AHA’s financial soundness and viability to ensure sustainability.

FY 2013 Priority Activities

AHA’s enterprise-wide activities continued to be aligned around the **three major priorities** of its FY 2013 MTW Annual Implementation Plan which are highlighted as follows:

- Implement the Business Transformation Initiative, including an integrated Enterprise Resource Planning solution.
- Advance AHA’s real estate initiatives with the goals of community sustainability, market competitiveness and long-term financial sustainability.
- Advance the human development services strategy through strategic partnerships and new funding strategies.

During FY 2013, AHA achieved the following:

- 21,174 households were served.
- 357 households were housed from AHA's Housing Choice waiting list.
- 35 veterans were housed through the HUD Veterans Affairs Supportive Housing (VASH) program and AHA's Supportive Housing Program. Based on this success and the local need identified by the Veterans Affairs Medical Center, HUD awarded AHA 185 additional VASH vouchers.
- 14 students were awarded \$36,350 in scholarships through AHA's Atlanta Community Scholars Program, administered by the United Negro College Fund.
- A new rental community for elderly persons with 100 PBRA-assisted units was completed and leased by one of AHA's private-sector development partners as a part of AHA-Sponsored mixed-use, mixed-income communities developed on the sites of former public housing projects.
- 29 eligible, first-time home buyers received down payment assistance from AHA.
- AHA increased its commitment from 700 to 1,000 units of supportive housing to help eliminate homelessness in Atlanta in partnership with the Regional Commission on Homelessness and the United Way.
- \$12.9 million in upgrades were completed across the 13 AHA-Owned (public-housing-assisted) Residential Communities.
- Advanced the Business Transformation Initiative and completed the first two phases of the Enterprise Resource Planning (ERP) solution.

These and other successes are highlighted in AHA's FY 2013 MTW Annual Report.

Transforming the Business of Helping People

We take our responsibility to serve the community and Atlanta's low-income families very seriously. Our MTW Agreement has allowed us to be innovative, and engage our partners and stakeholders in local problem-solving. This innovation extends to the back-office operations and the way we do business.

In FY 2010, AHA began a multi-year, comprehensive business transformation to better serve our families and to position AHA as a best-in-class diversified real estate company with a public mission and purpose. In partnership with Boston Consulting Group (BCG), an international strategy and business consulting firm, AHA assessed our business model, strategy and operations from five dimensions: process; policy and procedure; people; technology; and data.

During FY 2013, we continued to re-engineer our business and implement the Business Transformation Initiative.

In our first major success, AHA implemented the first two phases of the Enterprise Resource Planning (ERP) solution and immediately reduced manual paper invoice approval processes, improved financial

reporting capabilities and automated the Housing Choice Voucher Program Port Out process. During 2014, we expect to substantially complete the remaining phases of the ERP solution, and begin realizing other long-term operating efficiencies and benefits to the families we serve.

Economic Conditions

Like every other major metropolitan area in the United States, metropolitan-Atlanta has been adversely impacted by the global economic recession. Many local and national economists have stated that metropolitan-Atlanta and Georgia remain attractive places to live, work and invest because the fundamentals are quite strong. Metropolitan-Atlanta enjoys the benefits of moderate weather, an educated workforce, a concentration of excellent colleges and universities, and the Hartsfield-Jackson Atlanta International Airport. Such economists have stated that, given these fundamentals, Atlanta's economic recovery will be stronger than that of the nation. Job loss data suggests, however, that Atlanta in the near term was hit slightly harder by the recession than the nation. Net job growth in metropolitan-Atlanta began in late 2010 and continued through 2012 and 2013, but at a slower pace than some of its counterparts. All indications suggest full recovery will take several more years.

AHA has been impacted as follows:

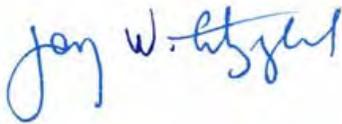
- AHA-Sponsored development activities, in partnership with private-sector developers, rely on private investment and the conditions in the real estate and financial markets. During FY 2013, the local real estate market began to strengthen, especially in the multi-family rental market. AHA expects that our development activities will continue to pick up as those markets improve and investors continue to return to the market.
- During FY 2013, the multi-family rental market began to recover nationally and in the City of Atlanta. There has also been steady improvement in the sales prices of single-family homes with the sustained reduction in excess inventory.
- The downturn in the Atlanta real estate market has created both opportunities and challenges. AHA has been able to purchase real estate at more reasonable prices to advance revitalization activities. In this environment, real estate owners throughout the City of Atlanta have been willing to participate in AHA's PBRA program, thereby guaranteeing a stream of income for a percentage of their units in a soft market. This has opened new markets in Atlanta for this program. Households using tenant-based Housing Choice vouchers have had a broader array of choices to use their vouchers, tempered by the recent improvements in the single-family home market. With the recent recovery in the multi-family rental market, AHA will need to develop new incentives and approaches in order to facilitate continued access to Class A and B properties for tenant-based voucher holders.
- AHA-assisted households have been impacted by the downturn in the employment market, which will result in higher aggregate subsidy payments from AHA until the employment market recovers.
- In preparing our budget for FY 2014 in the context of the reality of the staggering Federal deficit, AHA was more conservative in making assumptions and projections concerning revenue. AHA believes that, as a result of: a) the statutory and regulatory relief provided under its MTW Agreement; b) AHA's shift from a Section 9 public housing funds platform to a Section 8 Housing Choice Voucher Funds platform; c) the operational and financial efficiencies resulting from combining its low-income operating funds, Housing Choice

Voucher Funds and certain capital funds into a single fund and preparing a multi-year Business Plan; and d) the elimination of the obsolete, distressed and socially dysfunctional public housing projects through the thoughtful implementation of its comprehensive Revitalization Program and QLI, AHA is well-positioned to come through this economic downturn. Even in a down economy, these strategic decisions have enabled AHA to provide income-eligible households with substantially better housing opportunities in amenity-rich communities and neighborhoods, while sustaining its strong financial position.

We wish to express our appreciation to all of the individuals who contributed to the preparation of this Report.



Renée Lewis Glover
Former President and CEO

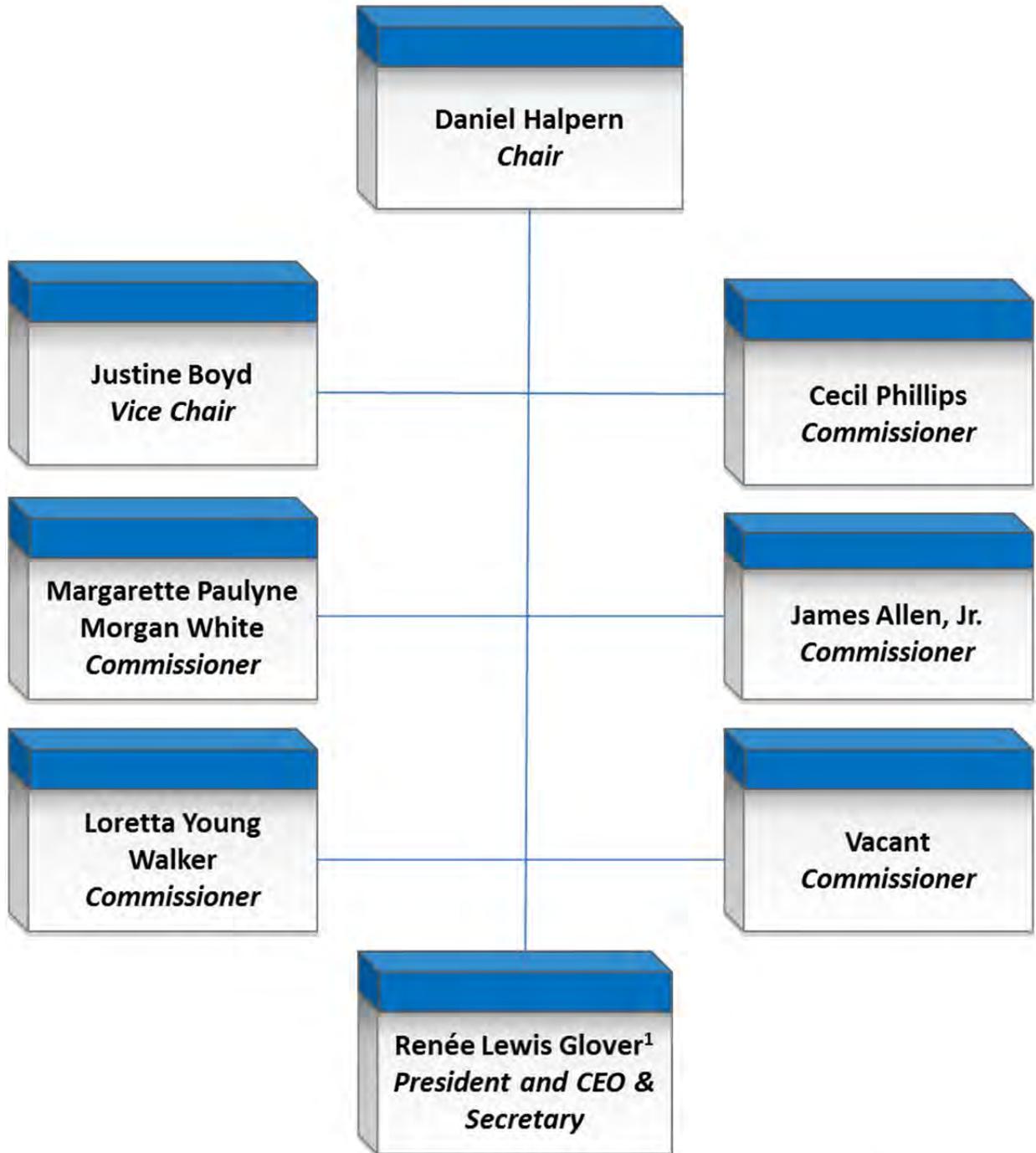


Joy W. Fitzgerald
Interim President and CEO



Suzi Reddekopp
Chief Financial Officer

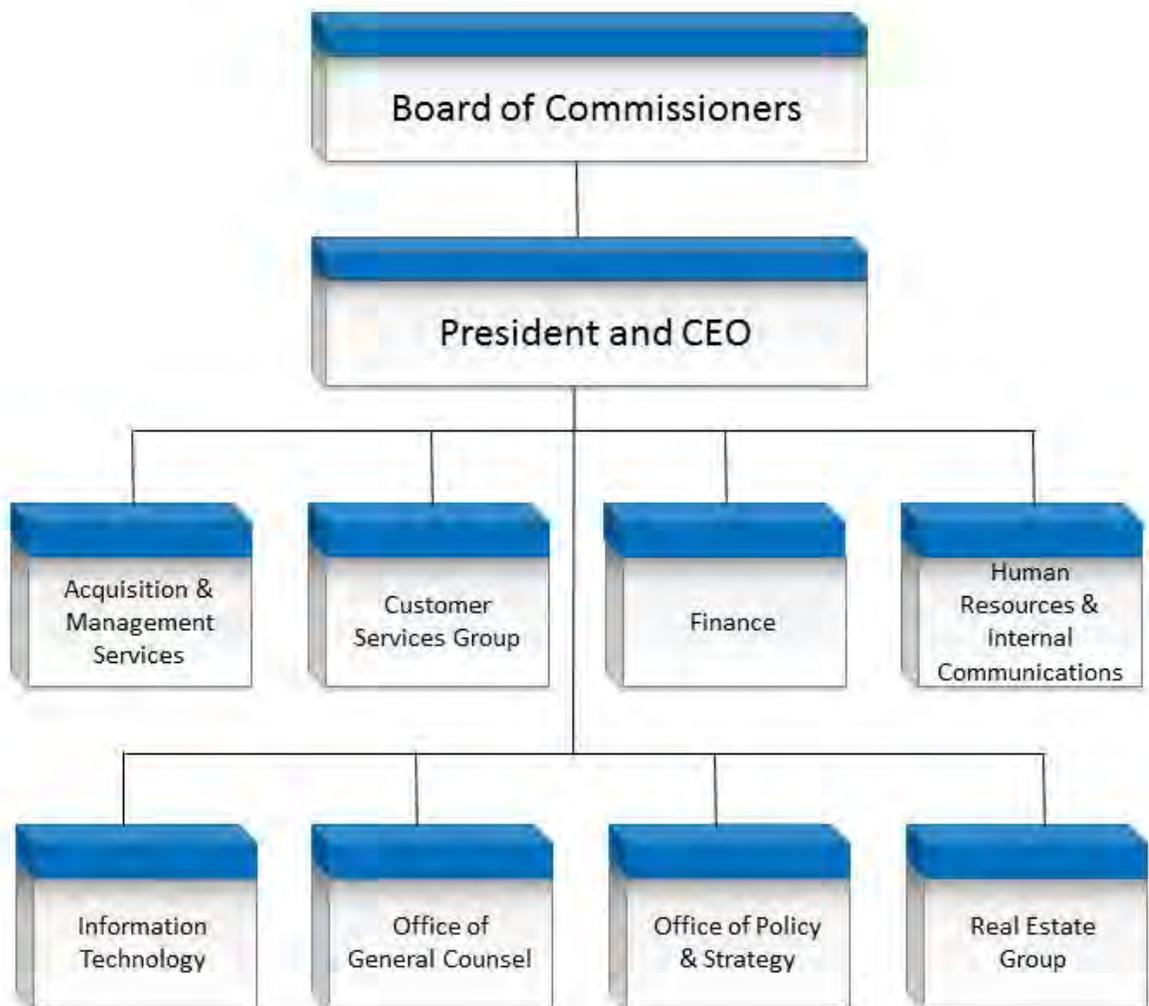
AHA's Board of Commissioners



¹Ms. Glover resigned from AHA, effective September 4, 2013

As of June 30, 2013

AHA's Organizational Structure



As of June 30, 2013

FINANCIAL SECTION

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Independent Auditors' Report

Board of Commissioners
The Housing Authority of the City of Atlanta, Georgia

Report on the Financial Statements

We have audited the accompanying basic financial statements of **The Housing Authority of the City of Atlanta, Georgia** (hereinafter referred to as the "**Atlanta Housing Authority**"), as of and for the fiscal years ended June 30, 2013 and 2012, and the related notes to the financial statements, which collectively comprise the **Atlanta Housing Authority's** basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such

opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the **Atlanta Housing Authority**, as of June 30, 2013 and 2012, and the respective changes in financial position and cash flows for the fiscal years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 19 through 46 and the Schedule of Pension Funding Progress on page 87 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audits were conducted for the purpose of forming opinions on the financial statements that collectively comprise the **Atlanta Housing Authority's** basic financial statements. The Financial Data Schedules and notes thereto, the Schedule of HUD-Funded Grants, and Program Cost Certification Schedules listed as other supplementary information in the table of contents are required by the U.S. Department of Housing and Urban Development and are presented for purposes of additional analysis and are not a required part of the basic financial statements of the **Atlanta Housing Authority**.

The Financial Data Schedules, the Schedule of HUD-Funded Grants, and Program Cost Certification Schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements.

Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects, in relation to the basic financial statements taken as a whole.

Our audits were conducted for the purpose of forming an opinion on the basic financial statements that collectively comprise of the **Atlanta Housing Authority's** basic financial statements. The introductory section is presented for purposes of additional analysis and is not a required part of the basic financial statements. This section has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them or provide any assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 20, 2013 on our consideration of the **Atlanta Housing Authority's** internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the **Atlanta Housing Authority's** internal control over financial reporting and compliance.

Metcalf Davis

Atlanta, Georgia
November 20, 2013

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MANAGEMENT'S DISCUSSION AND ANALYSIS

The management of The Housing Authority of the City of Atlanta, Georgia (AHA) is providing this Management's Discussion and Analysis as an analytical overview of AHA's financial performance for the fiscal years ended June 30, 2013 (FY 2013) and June 30, 2012 (FY 2012). This document should be read in conjunction with the Letter of Transmittal, AHA's Financial Statements and accompanying Notes.

BACKGROUND AND CONTEXT

Moving to Work (MTW) Demonstration Program

AHA is an MTW agency under HUD's MTW Demonstration Program which provides certain "high-performing" agencies with substantial statutory and regulatory relief under the U.S. Housing Act of 1937, as amended (1937 Act), as reflected in an agreement between the selected agency and HUD. AHA negotiated and entered into its MTW Agreement with HUD on September 25, 2003 which was effective from July 1, 2003 through June 30, 2010. In response to HUD's decision to introduce a standard form of agreement and expand the MTW Demonstration Program, AHA successfully negotiated and executed an Amended and Restated MTW Agreement on November 13, 2008. On January 16, 2009, AHA and HUD executed a further amendment to the Amended and Restated MTW Agreement. AHA's MTW Agreement, as amended and restated, is referred to as the "MTW Agreement."

AHA's MTW Agreement incorporates its legacy authorizations from its initial MTW Agreement and clarifies AHA's ability to use MTW-eligible funds outside of Section 8 and Section 9 of the 1937 Act. AHA's MTW Agreement was extended until June 30, 2018, and may be automatically extended for additional 10-year periods, subject to HUD approval and AHA meeting certain agreed-upon conditions. AHA developed its base Business Plan in FY 2004, which lays out AHA's strategic goals and objectives during the term of its MTW Agreement. AHA's Business Plan and its subsequent annual MTW Implementation Plans on a cumulative basis outline AHA's priority projects, activities and initiatives to be implemented during each fiscal year.

Significance of MTW

AHA's MTW Agreement has enabled it to strengthen its financial position and to face the headwinds resulting from Federal budget deficits and the Congressional Appropriations process. Under its auspices, AHA has been able to operate as an innovator and problem solver, to be a nimble, efficient and effective real estate enterprise, and to serve more low-income families in the City of Atlanta. The MTW Agreement has removed regulatory and statutory barriers, and has enabled AHA to align its policies, business processes and practices with the goal of leveraging private-sector investment and incenting participation by private real estate developers and owners, as well as investors in long-term public/private partnerships, utilizing private-sector real estate business principles in achieving AHA's goals and objectives. Through these public/private partnerships, AHA is able to do more with less, realize better operating efficiencies and effectiveness, and achieve dramatically better outcomes for AHA-assisted families and AHA's real estate investments. The relief provided AHA under the MTW Agreement is essential to AHA's continued success and long-term financial viability.

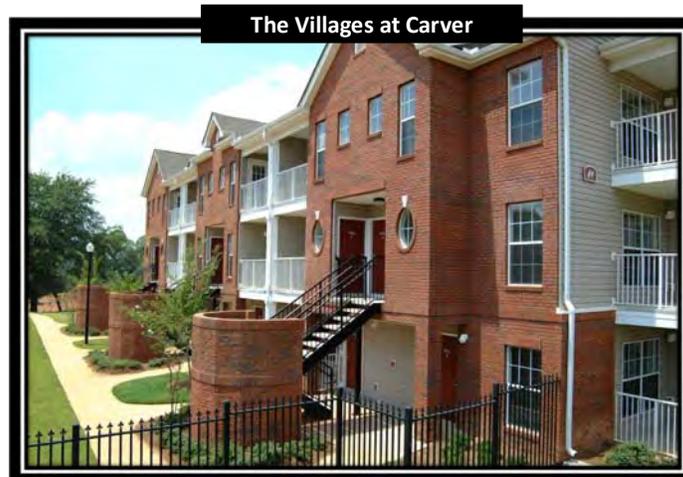
The Housing Authority of the City of Atlanta, Georgia
MANAGEMENT'S DISCUSSION AND ANALYSIS

BACKGROUND AND CONTEXT — continued

MTW Single Fund

Under its MTW Agreement, AHA has combined its Housing Choice Voucher Funds, Public Housing Operating Subsidy and Capital Fund Program Grant awards into an MTW Single Fund which may be used for MTW-eligible activities as authorized under the MTW Agreement and set forth in AHA's MTW Business Plan and annual MTW Implementation Plans. As discussed in the Transmittal Letter, as a result of AHA's strategic revitalization program (Revitalization Program) and the QLI initiative, the mix of AHA's funding sources from HUD changed from a Section 9 public housing funds platform to a Section 8 Housing Choice Voucher Funds platform. Housing Choice Voucher Funds make up approximately 94% of the FY 2013 MTW Single Fund revenues. Although the programmatic restrictions for the use of each of these funding sources have been waived under AHA's MTW Agreement, the various funds that make up AHA's MTW Single Fund continue to have different expiration dates, obligation and expenditure deadlines, and drawdown conditions, the most recent of which is HUD's new approach to disbursing the Housing Choice Voucher Funds.

At the beginning of calendar year 2012, HUD made a major change in its approach for disbursing Housing Choice Voucher Funds to public housing authorities (PHAs). HUD now disburses such funds based on a PHA's historical housing assistance payment spend rate and projected need, rather than in 12 equal installments of the full annual authorization. As a Moving to Work (MTW) agency, HUD also allows AHA to include in the spend rate and needs analyses expenditures of MTW funds for MTW-eligible activities under its HUD-approved MTW Annual Implementation Plans. PHAs may request additional disbursements up to their annual authorization, but must expend all funds drawn or face further disbursement reductions in the future. With approximately 90% of AHA's FY 2013 HUD funding coming from Housing Choice Voucher Funds, the recent change in HUD's disbursement approach has major implications to AHA's financial status and operations. In response to all of these factors, AHA adopted a cash management strategy (Cash Management Strategy) designed to meet such funding requirements while preventing the forfeiture of funds as a result of expenditure deadlines. This strategy requires AHA to more carefully manage its draws from the three components of AHA's MTW Single Fund.



The Housing Authority of the City of Atlanta, Georgia
MANAGEMENT'S DISCUSSION AND ANALYSIS

FY 2013 OVERVIEW

AHA's financial position remained strong with a Net Position (*formerly referred to as Net Assets*) of **\$440.0 million** at June 30, 2013. An overview of AHA's operations, including initiatives and activities pursued by AHA during the year, are summarized below and are further described in the **FY 2013 Financial Highlights** beginning on page 26.

During FY 2013, AHA received over 95% of its total revenue from HUD which included Housing Choice Voucher Funds, Public Housing Operating Subsidy and Capital Funds grants. As stated previously, at the beginning of calendar year 2012, HUD made a major change in its approach in disbursing Housing Choice Voucher Funds to public housing authorities and, in response, AHA adopted a Cash Management Strategy designed to ensure that it meets funding requirements and precludes the forfeiture of funds.

AHA also received revenue from rents paid by residents of the 13 AHA-Owned Residential Communities; fees earned in connection with development activities under its Revitalization Program; participation in net cash flows with the Managing General Partner of the individual limited partnerships or limited liability companies (Owner Entities) formed exclusively to own and operate individual phases of mixed-income, mixed-finance rental communities; profit participation from the sale of single-family homes at the sites of the master-planned, mixed-use, mixed-income communities; fees earned as a member of National Housing Compliance (NHC); and other miscellaneous activities.

Nearly 20 years ago, AHA chartered a new course and embarked on an important and ambitious mission: to end the practice of concentrating low-income families in poverty and to abandon the traditional 100% public housing model. AHA has accomplished this goal through the implementation of its comprehensive and strategic mixed-use, mixed-income Revitalization Program using the seed funding and regulatory flexibility under the HOPE VI Demonstration program (HOPE VI). During 1994, AHA and The Integral Partnership of Atlanta (a joint venture between Integral Development and McCormick Barron Salazar), its procured program manager and private-sector development partner for the revitalization of Techwood/Clark Howell Homes, created Centennial Place, the first mixed-use, mixed-income community (with public-housing-assisted units as a component) in the United States. The financial, regulatory and development model used to develop the first rental phase of Centennial Place was adopted and has been used by HUD since 1996 as the national blueprint for mixed-income, mixed-finance rental communities. Leveraging the learning and best practices from its early success in creating Centennial Place, AHA successfully competed for and received six additional HOPE VI revitalization grants, one public housing development grant and four HOPE VI demolition grants totaling approximately \$200 million. To date, AHA and its private-sector development partners have created 16 mixed-use, mixed-income communities leveraging AHA-owned land and approximately \$300 million in HOPE VI and other public housing development grants into approximately \$3 billion in public and private investment and economic impact. During FY 2012, the financial close-outs for the remaining three HOPE VI grants were successfully submitted to HUD. Although the programmatic grant requirements have been met, AHA and its private-sector development partners are leveraging the value created in the

MANAGEMENT'S DISCUSSION AND ANALYSIS

FY 2013 OVERVIEW — continued

newly revitalized communities to implement additional mixed-use rental and commercial development as described in the various Master Plans, primarily using private sources of funds. Consistent with this strategy, during FY 2013, AHA and its private-sector development partners continued to use MTW and other sources of funds as seed capital to advance the community-building strategies as outlined in the Master Plans. Significant FY 2013 revitalization activities by Master Plan are addressed on page 28.

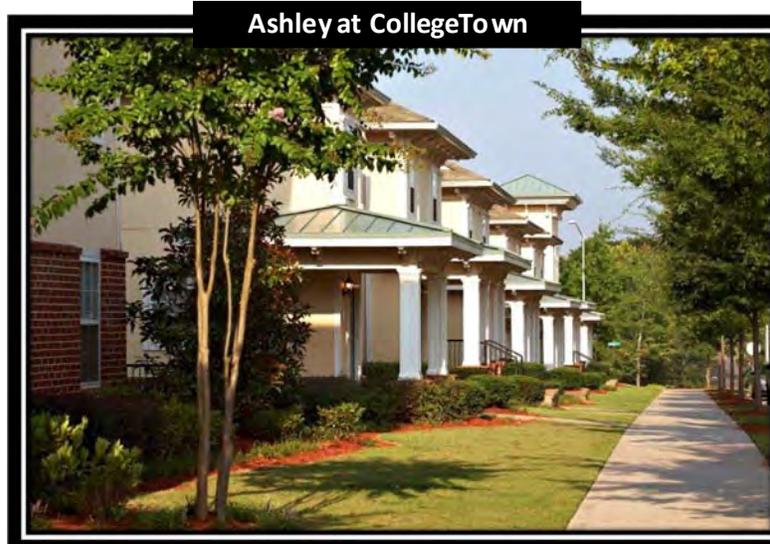
Leveraging the learning and best practices from HOPE VI, HUD has created a new program called Choice Neighborhoods, which seeks to revitalize larger neighborhoods that are anchored by distressed public housing or distressed assisted housing. In FY 2011, AHA was awarded a \$250,000 Choice Neighborhoods Planning Grant for the revitalization of University Homes and surrounding neighborhood (CN Study Area). Working with Integral Development (its private-sector development partner) and other stakeholders, AHA has developed a holistic Neighborhood Transformation Plan for the CN Study Area, including strategies and plans for mixed-income housing, cradle-to-career education, retail and commercial uses and economic development. In response to HUD's Notice of Funding Availability, AHA submitted its application for a Choice Neighborhoods Implementation Grant for the CN Study Area on September 10, 2013.

In collaboration with HUD, AHA and Integral Development, the Managing General Partner of each of the Owner Entities of the four rental phases of Centennial Place, continued their efforts to evolve AHA's Reformulation Demonstration Program for the four rental phases at Centennial Place. This program was designed by AHA under the auspices of its MTW Agreement to improve the long-term financial sustainability and market competitiveness of the four rental phases of Centennial Place and other AHA-Sponsored mixed-income, mixed-finance rental communities. This demonstration program, presented to HUD in 2010, proposed the conversion of the Section 9 public-housing-assisted ACC units into Section 8 project-based rental assisted units using AHA's form of Project Based Rental Assistance (PBRA) Agreement. AHA and HUD agreed to pilot the proposal at Centennial Place. As proposed, the conversion will facilitate the Managing General Partner of each of the Owner Entities of the four rental phases at Centennial Place to raise private debt and equity using the net operating income generated by each such phase, including the AHA-assisted units as converted, to pay for much-needed capital improvements. AHA will use the protocols and learning from this demonstration program to facilitate similar refinancings at other AHA-Sponsored master-planned communities. HUD has indicated that it also intends to leverage the learnings from this demonstration program to reform its Rental Assistance Demonstration Program. On November 2, 2012, HUD formally approved AHA's Reformulation Demonstration Program for Centennial Place. As part of AHA's and HUD's commitment to support the program for Centennial Place, HUD awarded AHA 160 Housing Choice vouchers and AHA agreed to supplement such new voucher funding with its MTW Single Funds to support the conversion. HUD awarded the voucher allocation to AHA effective April 4, 2013. AHA and Integral Development are currently taking the actions necessary to fully implement the reformulation of the four rental phases of Centennial Place.

The Housing Authority of the City of Atlanta, Georgia
MANAGEMENT'S DISCUSSION AND ANALYSIS

FY 2013 OVERVIEW — continued

AHA also continued to advance first-time home ownership through agreements between its private-sector development partners and single-family homebuilders (Builder/Owner Agreements) by providing down payment assistance to qualified families to purchase homes throughout the City of Atlanta from such homebuilders. During the economic recession, first-time home buyers were able to purchase their homes at considerably discounted prices and historically low mortgage rates, which helped absorb Atlanta's excess single-family home inventory.



AHA continued to facilitate quality affordable housing opportunities in a variety of healthy mixed-income communities for low-income families as follows:

Tenant-Based Housing Choice Voucher Program

Almost half of the families served by AHA during FY 2013 received housing assistance through the Tenant-Based Housing Choice Voucher Program (HCVP). During FY 2013, AHA pulled households from the HCVP waiting list and 357 low-income families accessed affordable housing using a Housing Choice voucher. HCVP offers families the greatest amount of mobility and the broadest range of choice in selecting where they live. A household can move anywhere in the United States where there is a Tenant-Based Housing Choice Voucher Program. Participating property owners/landlords of single-family homes and apartments manage the properties and enter into landlord/tenant relationships with participants pursuant to a lease. HCVP includes in-jurisdiction participants, as well as participants who: (a) moved from AHA's service area to a residence outside of AHA's service area; (b) moved into AHA's service area from other public housing agencies' service areas; and (c) received mortgage assistance toward the purchase of their homes in AHA's service area.

Project Based Rental Assistance Program

AHA continued to expand and enhance its Project Based Rental Assistance (PBRA) program. Under this program, through a competitive process, AHA leverages private-sector development

MANAGEMENT’S DISCUSSION AND ANALYSIS

FY 2013 OVERVIEW — continued

activity by entering into renewable long-term rental assistance agreements with unrelated private-sector developers and owners with respect to an agreed-upon percentage of units in multi-family rental developments so that the units are affordable to low-income families. The PBRA program has proven to be an effective and efficient method for increasing the supply of quality affordable units in mixed-income rental communities and Supportive Housing communities for income-eligible families throughout the City of Atlanta.

In addition, AHA entered into renewable PBRA rental assistance agreements for PBRA-assisted units in mixed-income, mixed-finance rental communities owned and operated by related public/private owner entities.

AHA also leveraged its PBRA program to partner with mission-oriented for-profit, not-for-profit and faith-based developers/owners to create Supportive Housing opportunities for at-risk populations combined with wraparound supportive services and case management. These Supportive Housing communities help address the critical shortage of service-enriched affordable housing for homeless persons and persons with mental, developmental and physical disabilities. Through a competitive process, AHA selects and enters into a two-year renewable PBRA agreement with for-profit, not-for-profit and/or faith-based developers/owners with respect to an agreed-upon percentage of units in a supportive service-enriched rental development so that the units are affordable to persons who are homeless or who have special needs. To support the City of Atlanta’s initiative to address homelessness, AHA expanded its Supportive Housing project based rental assistance commitment from 700 to 1,000 units.

AHA-Sponsored Master-Planned Communities

As shared in the FY 2013 Overview on page 21, the AHA Revitalization Program facilitates the creation by private-sector real estate developers of market-rate quality mixed-use, mixed-income (children-centered) communities on the sites of former public housing projects. The Master Plan for each of these communities is holistic and transformational, and includes the following elements: new market-rate quality mixed-income housing for rent and for sale; high-performing neighborhood schools from cradle to college and/or career; great recreational facilities and amenities; green space and parks; and quality retail and commercial uses.

During FY 2013, AHA continued to provide operating subsidy to the Owner Entities of these mixed-income rental communities, in accordance with regulatory and operating agreements or Project Based Rental Assistance agreements to cover the operating costs of AHA-assisted units not covered by tenant rents.

AHA-Owned Residential Communities

AHA also continued to fund operating expenses not covered by tenant rents, including human development services to support residents, most of whom are elderly and disabled persons, at the AHA-Owned Residential Communities. Under its human development program, AHA funded initiatives that engaged the residents in social activities designed to promote physical, mental and intellectual well-being and enhanced computer literacy. In addition, during FY 2013, AHA continued its investment to enhance vibrant “aging well” environments through capital

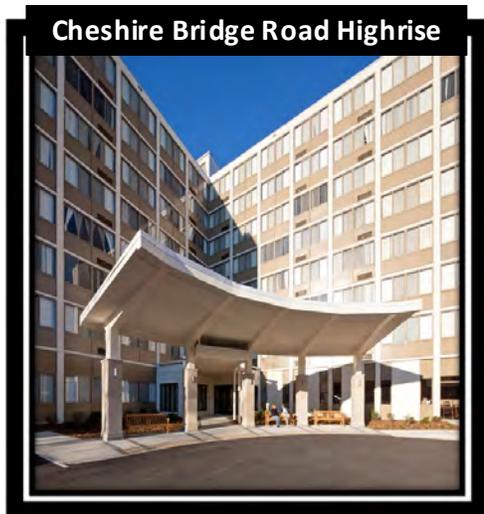
The Housing Authority of the City of Atlanta, Georgia
MANAGEMENT’S DISCUSSION AND ANALYSIS

FY 2013 OVERVIEW — continued

improvements in the communities through common area improvements, unit upgrades, and energy conservation and efficiency solutions. These communities are managed by professional private management firms.

In order to improve operational efficiencies and enhance services to the families we serve, AHA advanced its business transformation and continued the implementation of recommendations and strategies made by Boston Consulting Group and agreed to by AHA, including: (i) alignment of AHA’s organization structure, culture, human resources, information technology and other systems in order to sustain and elevate its national reputation as a thought leader and innovator in affordable housing; (ii) business process improvements in which AHA redesigned processes, operating policies and procedures to become a “best in class” real estate organization; and (iii) implementation of a new integrated Enterprise Resource Planning (ERP) solution, including a document management system, as approved by the Board in January 2011. During FY 2013, the first two phases of the ERP solution were implemented with the remaining phases anticipated to be substantially complete during 2014.

As described in the Letter of Transmittal, AHA’s strategy for FY 2013 was closely aligned around its major priorities and enterprise initiatives which advanced AHA’s evolution as an effective, high-performing, diversified real estate company, with a public mission and purpose.



The Housing Authority of the City of Atlanta, Georgia
MANAGEMENT'S DISCUSSION AND ANALYSIS

FY 2013 FINANCIAL HIGHLIGHTS

The FY 2013 Financial Highlights, as well as year-over-year analysis, follow.

AHA Continued to Facilitate Affordable Housing Opportunities

As stated in the FY 2013 Overview, AHA continued to facilitate quality affordable housing opportunities in a variety of healthy mixed-income communities for low-income families as follows:

Tenant-Based Housing Choice Voucher Program (HCVP)

Under HCVP, AHA supported 9,566 households at the end of FY 2013, including in-jurisdiction participants, as well as participants who: (a) moved from AHA's service area to a residence outside of AHA's service area; (b) moved into AHA's service area from other public housing agencies' service areas; or (c) received mortgage assistance toward the purchase of their homes in AHA's service area. Significant FY 2013 accomplishments include:

- Provided a total of **\$89.1 million** in payments under this program.
- Entered into Housing Choice Rental Agreements with owners/landlords for 357 households pulled from AHA's HCVP waiting list, increasing in-jurisdiction participation (net of attrition) from 6,878 to 7,043 households.
- Received an additional 185 HUD Veterans Affairs Supportive Housing (VASH) vouchers, a cooperative program between HUD and the Veterans Administration to support homeless veterans; increasing veterans assisted by AHA's VASH program to 210. During FY 2013, AHA funded 25 VASH vouchers which are included in the 7,043 households reported above.
- Continued to support 2,265 participants at the end of FY 2013 who moved outside AHA's service area under HUD's Portability Program compared to 2,399 at the end of FY 2012.
- Increased the number of households served who ported into AHA's service area by 26, bringing the total to 196. Under this program, AHA invoices other public housing authorities (PHAs) for administering their vouchers (rather than AHA absorbing their vouchers), collecting more than \$1.8 million in reimbursements for payments to landlords and administrative fees from PHAs during FY 2013.
- Continued to make Housing Choice mortgage assistance payments for 62 families at the end of FY 2013 compared to 83 households at the end of FY 2012.
- AHA increased its commitment from 700 to 1,000 units of supportive housing to help eliminate homelessness in Atlanta in partnership with the Regional Commission on Homelessness and the United Way.

The Housing Authority of the City of Atlanta, Georgia
MANAGEMENT'S DISCUSSION AND ANALYSIS

FY 2013 FINANCIAL HIGHLIGHTS — continued

Project Based Rental Assistance (PBRA) Program

At the end of FY 2013, 4,358 households were supported under AHA's PBRA program, which included payments to related Owner Entities of AHA-Sponsored master-planned communities, unrelated private-sector owners of mixed-income developments and unrelated owners of Supportive Housing. Significant FY 2013 accomplishments include:

- Provided a total of **\$33.3 million** in payments under this program.
- Provided rental assistance to 2,403 households in PBRA mixed-income developments under PBRA agreements with private property owners compared to 2,417 at the end of FY 2012.
- Increased the number of households served by a net of 82 at AHA-Sponsored master-planned communities under PBRA agreements with Owner Entities, bringing the total to 1,409 at the end of FY 2013.
- Increased the number of participants served to 546 in AHA-assisted Supportive Housing environments with PBRA agreements under AHA's Supportive Housing program compared to 536 at the end of FY 2012.

Operating Subsidy Provided to Owner Entities of Master-Planned Communities

AHA continued to serve 2,471 families in public-housing-assisted units in AHA-Sponsored mixed-income, mixed-finance rental communities, providing **\$14.6 million** in operating subsidy to Owner Entities, in accordance with regulatory and operating agreements with them, to cover the operating costs of AHA-assisted units in mixed-income communities not covered by tenant rents.

Operating Expense and Capital Improvements at the AHA-Owned Residential Communities

AHA continued to serve households in two small-family communities and advance the strategic goals of independent living and improving the quality of life for elderly and disabled persons "aging well" at the 11 senior high-rises as follows:

- Funded \$11.1 million in operating expenses not covered by tenant rents including human development services, to support 1,942 households.
- Invested an additional \$12.9 million for renovation construction projects designed to improve the quality of life at senior high-rises including energy conservation and efficiency solutions started in FY 2012, fully utilizing the balance of the Energy Performance Contract (EPC) capital lease secured during FY 2012.
- Began to realize the benefit of the energy and efficiency improvements through energy savings.

The Housing Authority of the City of Atlanta, Georgia
MANAGEMENT'S DISCUSSION AND ANALYSIS

FY 2013 FINANCIAL HIGHLIGHTS — continued

Revitalization Activities

AHA funded over \$14 million for revitalization activities during FY 2013 as AHA and its private-sector development partners continued to advance the Master Plans for the mixed-use, mixed-income communities. Significant accomplishments during FY 2013 follow.



Auburn Pointe — Grady Homes Revitalization

- Consummated the financial closing and began construction on Ashley Auburn Pointe II, a 150-unit mixed-income multi-family community consisting of 51 public housing-assisted (PH)/9% Low-Income Housing Tax Credits (LIHTC) units, 39 LIHTC-only units and 60 market-rate units. Completion of construction and start of lease-up are scheduled for FY 2014.

Capitol Gateway — Capitol Homes Revitalization

- Initiated remediation and demolition activities for structures located on land acquired to expand future mixed-use residential development.
- Under the Livable Communities Initiative, the Atlanta Regional Commission, the City of Atlanta and AHA funded streetscape improvements along Memorial Drive; construction was completed by AHA's development partner in FY 2013.

Centennial Place — Techwood/Clark Howell Revitalization

- Received approval from HUD for the Reformulation Demonstration Program, authorizing the conversion of the public-housing-assisted units in Centennial Place Phases I–IV from Section 9 operating subsidy to Section 8 Project Based Rental Assistance.

The Housing Authority of the City of Atlanta, Georgia
MANAGEMENT'S DISCUSSION AND ANALYSIS

FY 2013 FINANCIAL HIGHLIGHTS — continued

- Integral Development, as the Managing General Partner of the Owner Entity, submitted applications for 9% LIHTC for Centennial Place Phase I (181 units consisting of 74 PBRA/LIHTC units, 40 LIHTC-only units and 67 market-rate units) and Phase II (177 units consisting of 70 PBRA/LIHTC units, 37 LIHTC-only units and 70 market-rate units) as preservation projects in conjunction with the Reformulation Demonstration Program.



CollegeTown at West End — Harris Homes Revitalization

- Provided down payment assistance in the form of subordinated loans to 15 home buyers utilizing Builder/Owner Agreements for homes already constructed within three miles of the former Harris Homes site.

Mechanicsville — McDaniel Glenn Revitalization

- Supported a demonstration program sponsored by the City of Atlanta, Georgia Department of Community Affairs, and AHA's private-sector development partners, for scattered-site neighborhood stabilization and a lease-to-own homeownership initiative using 9% LIHTC. The financial closing for this initiative is anticipated to occur in FY 2014.
- Provided down payment assistance in the form of subordinated loans to 11 home buyers through Builder/Owner Agreements for homes already constructed within three miles of the former McDaniel Glenn site.

The Housing Authority of the City of Atlanta, Georgia
MANAGEMENT'S DISCUSSION AND ANALYSIS

FY 2013 FINANCIAL HIGHLIGHTS — continued

The Villages at Carver — Carver Homes Revitalization

- AHA's private-sector development partner procured a retail development consultant to analyze feasibility and make development recommendations for the Carver retail sites.
- AHA negotiated the sale of property to Fulton County in support of the development of a regional library. Closing is anticipated to take place in FY 2014.

West Highlands at Heman E. Perry Boulevard — Perry Homes Revitalization

- AHA's development partner continued to construct single-family homes and sold 16 homes during the year. AHA participated in the net profit, if any, from the sale of these homes.
- AHA provided down payment assistance in the form of subordinated loans to three eligible home buyers.
- Executed contract with AHA's private-sector development partner to begin on-site public improvements to support the future construction of 154 single-family homes.



Scholars Landing — University Homes Revitalization

- AHA's private-sector development partner completed construction and lease-up of Veranda at Scholars Landing, a 100-unit independent-living senior community consisting of 100 PBRA/LIHTC units.
- AHA's private-sector development partner received an allocation of LIHTC for Oasis at Scholars Landing, which will be the first affordable assisted-living community in Georgia involving the use of LIHTC. This community will consist of 60 PBRA/LIHTC units. The financial closing and commencement of construction will occur in FY 2014.

The Housing Authority of the City of Atlanta, Georgia
MANAGEMENT'S DISCUSSION AND ANALYSIS

FY 2013 FINANCIAL HIGHLIGHTS — continued

Choice Neighborhoods

- AHA received a \$250,000 Choice Neighborhoods Planning Grant from HUD in FY 2011, supporting the development of a Neighborhood Transformation Plan (NTP) to revitalize the former University Homes and the surrounding area. AHA submitted an application to HUD in response to a FY 2013 Notice of Funding Availability for a Choice Neighborhoods Implementation Grant during the first quarter of FY 2014.

The Housing Authority of the City of Atlanta, Georgia
MANAGEMENT'S DISCUSSION AND ANALYSIS

FINANCIAL ANALYSIS

**CONDENSED STATEMENTS OF REVENUE, EXPENSE
AND CHANGES IN NET POSITION ***

Years ended June 30,

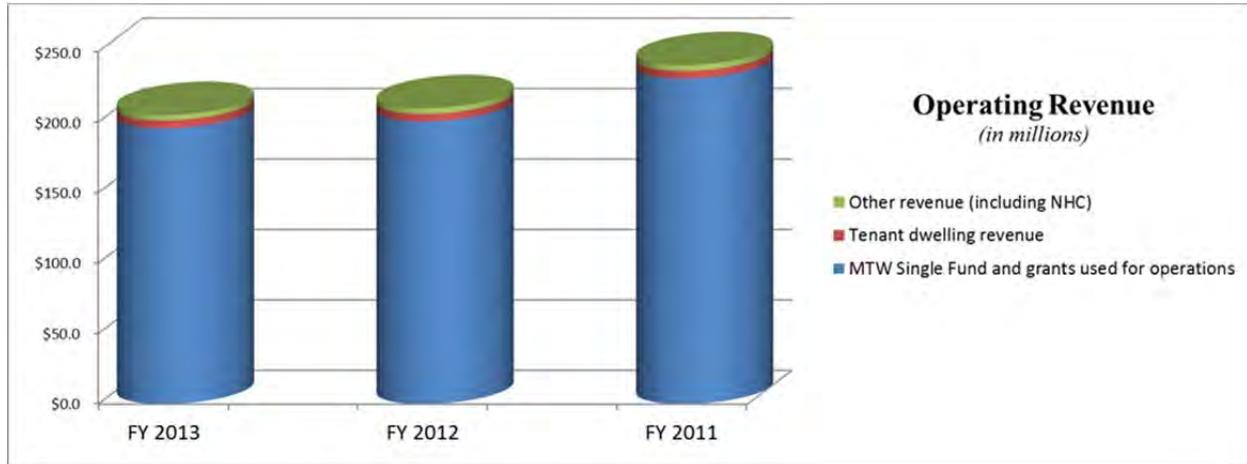
(in millions)

	2013	2012	2011	2013 vs. 2012 Increase/ (Decrease)	2012 vs. 2011 Increase/ (Decrease)
Operating revenue:					
MTW Single Fund and grants used for operations	\$ 195.7	\$ 200.5	\$ 231.0	\$ (4.8)	\$ (30.5)
Tenant dwelling revenue	5.6	5.4	5.4	0.2	0.0
Other revenue (including NHC)	3.8	4.0	4.1	(0.2)	(0.1)
Total operating revenue	<u>205.1</u>	<u>209.9</u>	<u>240.5</u>	<u>(4.8)</u>	<u>(30.6)</u>
Operating expense:					
Housing assistance payments (HAP)	137.0	140.6	147.4	(3.6)	(6.8)
Utilities, maintenance and protective services	13.1	13.8	13.0	(0.7)	0.8
Resident and participant services	3.6	4.0	3.6	(0.4)	0.4
General and administrative, including direct operating division and NHC expense	50.5	48.9	48.9	1.6	0.0
Depreciation and amortization	11.3	7.7	7.5	3.6	0.2
Total operating expense	<u>215.5</u>	<u>215.1</u>	<u>220.4</u>	<u>0.5</u>	<u>(5.4)</u>
Net operating income (loss)	<u>(10.3)</u>	<u>(5.2)</u>	<u>20.1</u>	<u>(5.2)</u>	<u>(25.0)</u>
Non-operating revenue:					
MTW Single Fund used for modernization	12.2	4.5	22.1	7.8	(17.6)
Capital grant revenue used for revitalization	6.0	1.6	16.3	4.6	(14.7)
Interest and investment income	0.5	1.2	0.4	(0.5)	0.6
Gain on sale of land	(0.0)	0.0	0.1	(0.0)	(0.1)
Total non-operating revenue	<u>18.7</u>	<u>7.2</u>	<u>38.9</u>	<u>11.8</u>	<u>(31.8)</u>
Non-operating expense:					
Demolition and remediation expense	0.2	0.6	7.4	(0.3)	(6.8)
Other revitalization expense	0.8	2.4	1.2	(1.7)	1.2
Relocation-related expense	-	0.1	2.6	(0.1)	(2.5)
Valuation allowance expense	0.4	0.8	1.9	(0.5)	(1.1)
Interest expense	0.2	0.7	0.1	(0.6)	0.7
Total non-operating expense	<u>1.6</u>	<u>4.6</u>	<u>13.2</u>	<u>(3.0)</u>	<u>(8.6)</u>
Net non-operating revenue (expense)	<u>17.1</u>	<u>2.6</u>	<u>25.6</u>	<u>14.8</u>	<u>(23.0)</u>
Change in net position	<u>6.8</u>	<u>(2.6)</u>	<u>45.7</u>	<u>9.4</u>	<u>(48.3)</u>
Net position — beginning of year	<u>433.2</u>	<u>435.8</u>	<u>390.1</u>	<u>(2.6)</u>	<u>45.7</u>
Net position — end of year	<u>\$ 440.0</u>	<u>\$ 433.2</u>	<u>\$ 435.8</u>	<u>\$ 6.8</u>	<u>\$ (2.6)</u>

* As a result of rounding, the sum of individual line items may deviate slightly from the actual total.

The Housing Authority of the City of Atlanta, Georgia
MANAGEMENT'S DISCUSSION AND ANALYSIS

OPERATING REVENUE



FY 2013 vs. FY 2012

Total operating revenue decreased **\$4.8 million** year-over-year primarily due to delays in draws from HUD based on AHA's Cash Management Strategy.

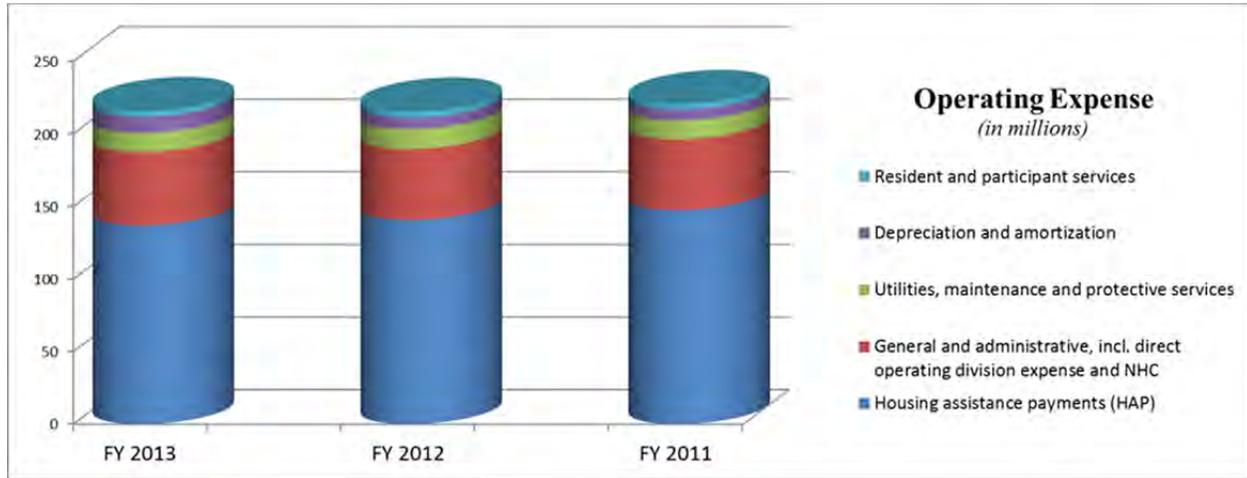
FY 2012 vs. FY 2011

Total operating revenue decreased **\$30.6 million** year-over-year primarily due to a **\$30.5 million** decrease in **MTW Single Fund and grants used for operations** due to the following:

- **Public Housing Operating Subsidy** decreased \$5.8 million year-over-year due to the impact of the demolition of the QLI properties and the end of the phase-down subsidy period, as well as a decrease in funding levels by HUD (proration).
- **Housing Choice Voucher Program** revenue decreased primarily due to implementation of AHA's Cash Management Strategy impacting the timing of draws from HUD which resulted in a \$9.0 million year-over-year decrease.
- **Capital Fund Program (CFP)** revenue decreased \$8.8 million year-over-year as these funds were available but not drawn in FY 2012 based on AHA's Cash Management Strategy. These funds remain available in future years subject to expenditure deadlines.
- **ARRA grant** used for operations decreased \$4.6 million year-over-year as AHA drew \$4.8 million against the grant for non-capitalized expenditures in FY 2011 compared to \$0.2 million in FY 2012.
- **Development grants used for operations** decreased \$2.3 million year-over-year as AHA drew \$5.7 million against the grants for non-capitalized expenditures in FY 2011 compared to \$3.4 million in FY 2012.

The Housing Authority of the City of Atlanta, Georgia
MANAGEMENT’S DISCUSSION AND ANALYSIS

OPERATING EXPENSE



FY 2013 vs. FY 2012

Total operating expense remained relatively consistent between years, increasing by **\$0.5 million** year-over-year primarily due to the offsetting changes by category which follow:

- **Housing Assistance Payments (HAP)** consist of payments to landlords under the Tenant-Based Housing Choice Voucher Program, rental assistance paid to unrelated private-sector owners and related Owner Entities under the PBRA Program, and operating subsidy paid to related Owner Entities of the mixed-income, mixed-finance (MIMF) rental communities. HAP decreased by a net of **\$3.6 million** year-over-year as presented below:

	<i>(in millions)</i>			2013 vs.	2012 vs.
	2013	2012	2011	2012	2011
				Increase/ (Decrease)	Increase/ (Decrease)
Housing Assistance Payments by Program					
Tenant-Based Housing Choice Vouchers	\$ 89.1	\$ 94.9	\$ 104.7	\$ (5.8)	\$ (9.8)
Project Based Rental Assistance (PBRA)	33.3	31.6	29.2	1.7	2.4
MIMF Operating Subsidy	14.6	14.1	13.5	0.5	0.6
Total Housing Assistance Payments	<u>\$ 137.0</u>	<u>\$ 140.6</u>	<u>\$ 147.4</u>	<u>\$ (3.6)</u>	<u>\$ (6.8)</u>

- **Tenant-Based Housing Choice Voucher** payments decreased by **\$5.8 million** year-over-year. Although AHA entered into Housing Choice Rental Agreements with respect to 357 households pulled from the HCVP waiting list during FY 2013, the number of families served at the end of FY 2013 versus FY 2012 remained relatively constant. The decrease in HAP expense was primarily due to a full year’s impact of the attrition which occurred during FY 2012 and normal attrition during FY 2013, combined with a reduction in the average cost per voucher as a result of AHA’s rent reasonableness process.

MANAGEMENT'S DISCUSSION AND ANALYSIS

OPERATING EXPENSE — continued

- ***Project Based Rental Assistance (PBRA)*** paid to Owner Entities of AHA-Sponsored master-planned communities, private-sector owners of mixed-income developments and owners of Supportive Housing increased by **\$1.7 million** year-over-year. The increase was primarily due to new units coming on-line during FY 2013 and full year funding for units that came on-line during FY 2012.
- ***Mixed-Income, Mixed-Finance (MIMF) Operating Subsidy*** for public housing-assisted units in AHA-Sponsored mixed-income, mixed-finance rental communities increased by **\$0.5 million** year-over-year. This increase was primarily due to a combination of slightly higher operating expense at the communities and the full year impact of 47 units that came on-line during FY 2012.
- ***Utilities, maintenance and protective services*** decreased **\$0.7 million** year-over-year primarily as a result of \$0.9 million in lower utility expenses at the AHA-Owned Residential Communities resulting from savings from EPC improvements, lower utility rates and milder weather. This decrease was partially offset by slight increases in maintenance and protective services.
- ***Resident and participant services*** decreased **\$0.4 million** year-over-year primarily as a result of a reduction in staffing costs due to department reorganization as part of AHA's business transformation.
- ***General and administrative, including direct operating division and National Housing Compliance (NHC) expense***, increased **\$1.6 million** year-over-year primarily due to a \$1.1 million increase in salaries and related benefits due to merit increases and business transformation impacts; a \$0.7 million increase in severance expense primarily due to reorganization of various departments as a part of the business transformation; and a \$0.6 million increase in professional services/staff augmentation costs associated with business transformation, including support for the implementation of the ERP solution. These increases were offset by a combined \$0.8 million decrease in various other general and administrative line items.

While salary expenses increased overall, salary expenses incurred related to NHC activities decreased year-over-year by \$0.2 million as, at HUD's direction, NHC suspended field reviews of assisted multi-family properties until HUD's procurement process is finalized. See Note F in the notes to the financial statements for additional information concerning NHC.

- ***Depreciation and amortization*** increased **\$3.6 million** year-over-year primarily due to accelerated depreciation taken on capital expenditures incurred at the AHA-Owned Residential Communities dating back to the mid-'90s and, to a lesser degree, an increase in depreciation expense in FY 2013 due to overall increase in capital spending and a change in the mix of assets acquired (shorter lives).

The Housing Authority of the City of Atlanta, Georgia
MANAGEMENT'S DISCUSSION AND ANALYSIS

OPERATING EXPENSE — continued

FY 2012 vs. FY 2011

Total operating expense decreased by **\$5.4 million** year-over-year with significant changes addressed below:

- *Housing Assistance Payments (HAP)* decreased **\$6.8 million** year-over-year, itemized by program as follows:
 - *Tenant-Based Housing Choice Voucher* payments decreased **\$9.8 million** year-over-year primarily due to attrition, absorption of vouchers by various public housing authorities and a decrease in the average cost per voucher.
 - *Project Based Rental Assistance (PBRA)* increased **\$2.4 million** year-over-year primarily due to new units that came on-line during FY 2012 and full year funding for units that came on-line in FY 2011.
 - *Mixed-Income, Mixed-Finance (MIMF) Operating Subsidy* increased **\$0.6 million** year-over-year primarily due to slightly higher operating expenses at these communities combined with new units that came on-line during FY 2012.
- *Utilities, maintenance and protective services* increased **\$0.8 million** year-over-year primarily as a result of addressing deferred maintenance at the AHA-Owned Residential Communities during FY 2012.
- *Resident and participant services* increased **\$0.4 million** year-over-year primarily as a result of the change in program focus.

NON-OPERATING REVENUE

FY 2013 vs. FY 2012

HUD capital grants are funded through a reimbursement drawdown process; therefore, a decrease in requests for funding of reimbursable expenditures using these grants creates a corresponding decrease in disbursements from HUD for the period. The balances in these grants remain available to draw in future periods subject to expenditure deadlines.

Total non-operating revenue increased by **\$11.8 million** year-over-year, primarily due to the following:

- *MTW Single Fund used for modernization of AHA-Owned properties* increased **\$7.8 million** year-over-year as modernization was substantially funded by the MTW Single Fund during FY 2013 as opposed to EPC capital lease proceeds for much of the work completed during FY 2012.
- *Capital grant revenue used for revitalization* increased by **\$4.6 million** year-over-year primarily due to increased construction loan and public improvement activity funded by capital grants.

MANAGEMENT'S DISCUSSION AND ANALYSIS

NON-OPERATING REVENUE — continued

- ***Interest and investment income*** decreased by **\$0.5 million** year-over-year primarily due to income recognized in related-party construction loan conversions during FY 2012 that did not occur during FY 2013.

FY 2012 vs. FY 2011

Total non-operating revenue decreased by **\$31.8 million** year-over-year primarily due to the following:

- ***MTW Single Fund and grants used for modernization of the AHA-Owned properties*** decreased **\$17.6 million** year-over-year primarily due to a \$15.9 million decrease in the use of ARRA grant funds used for construction activities and the deferred use of \$1.7 million of Capital Fund Program funds for modernization, which remain available in future years subject to expenditure deadlines. The American Recovery and Reinvestment Act (ARRA) grant was a one-time stimulus program by the Obama Administration, which allowed AHA (and other PHAs) to make much-needed capital improvements.
- ***Capital grant revenue used for revitalization*** decreased **\$14.7 million** year-over-year due to reduced grant-funded acquisition, construction loan and public improvement activity during FY 2012.
- ***Interest and investment income*** increased by **\$0.6 million** year-over-year primarily due to the income recognized in related-party construction loan conversions, as well as an increase in the receipt of related-party development interest payments.

NON-OPERATING EXPENSE

FY 2013 vs. FY 2012

Total non-operating expense decreased by **\$3.0 million** year-over-year, primarily due to the following:

- ***Demolition and remediation expense*** decreased by **\$0.3 million** year-over-year due to reduced demolition and remediation activity.
- ***Other revitalization expense*** decreased by **\$1.7 million** year-over-year primarily due to a \$0.9 million decrease in AHA-funded public improvements, as well as a one-time \$0.8 million contribution in FY 2012 toward revitalization of a city-owned park.
- ***Valuation allowance expense*** decreased by **\$0.5 million** year-over-year primarily due to adjustments in various reserves based on management's evaluation of the collectability of outstanding receivables.
- ***Interest expense*** decreased **\$0.6 million** year-over-year primarily due to the elimination of the interest expense (including a prepayment premium) on the AHA headquarters building loan which was paid off during FY 2012 and a decrease in interest expense on the EPC capital lease during FY 2013.

The Housing Authority of the City of Atlanta, Georgia
MANAGEMENT'S DISCUSSION AND ANALYSIS

NON-OPERATING EXPENSE — continued

FY 2012 vs. FY 2011

Total non-operating expense decreased by **\$8.6 million** year-over-year, primarily due to the following:

- *Demolition and remediation expense* decreased by **\$6.8 million** year-over-year due to completion of QLI related demolition during FY 2011.
- *Other revitalization expense* increased by **\$1.2 million** year-over-year primarily due to a one-time \$0.8 million contribution toward revitalization of a city-owned park as part of the Master Plan, as well as increased AHA-funded public improvement activity at the master-planned communities.
- *Relocation-related expense* decreased by **\$2.5 million** year-over-year due to completion of QLI relocation during FY 2011 and completion of related human development services activity during FY 2012.
- *Valuation allowance expense* decreased by **\$1.1 million** year-over-year primarily due to one-time unsecured loans made by AHA during FY 2011 to Owner Entities of the AHA master-planned communities for required improvements to meet Uniform Federal Accessibility Standards (UFAS) pursuant to AHA's Voluntary Compliance Agreement with HUD. Such loans were fully reserved at closing. No UFAS loans were made during FY 2012.
- *Interest expense* increased **\$0.7 million** year-over-year primarily due to interest on the EPC capital lease that closed in FY 2012, as well as the prepayment premium paid in connection with the payoff of the loan on the AHA headquarters building during FY 2012.

The Housing Authority of the City of Atlanta, Georgia
MANAGEMENT'S DISCUSSION AND ANALYSIS

FINANCIAL ANALYSIS — continued

CONDENSED STATEMENTS OF NET POSITION *

As of June 30,

(in millions)

	2013	2012	2011	2013 vs. 2012 Increase/ (Decrease)	2012 vs. 2011 Increase/ (Decrease)
ASSETS:					
Current assets	\$ 100.5	\$ 109.5	\$ 121.3	\$ (9.0)	\$ (11.8)
Related development loans, receivables and investments in partnerships, net of allowance	174.9	167.9	166.0	7.0	1.9
Capital assets, net of accumulated depreciation	158.4	151.1	143.1	7.3	8.0
Other non-current assets	34.8	34.4	33.1	0.3	1.3
Total assets	468.6	462.9	463.6	5.7	(0.7)
DEFERRED OUTFLOWS					
	1.9	0.9	0.8	1.0	0.2
Total assets and deferred outflows	\$ 470.6	\$ 463.8	\$ 464.4	\$ 6.7	\$ (0.5)
LIABILITIES:					
Current liabilities	\$ 19.7	\$ 20.0	\$ 24.4	\$ (0.3)	\$ (4.4)
Long-term debt, net of current portion	9.0	9.3	2.9	(0.3)	6.4
Other non-current liabilities	1.8	1.3	1.3	0.5	0.1
Total liabilities	30.5	30.6	28.6	(0.1)	2.0
NET POSITION:					
Invested in capital assets, net of related debt	149.0	141.8	139.9	7.2	1.9
Restricted-expendable net assets	215.8	214.9	217.8	0.9	(2.9)
Unrestricted net assets	75.3	76.5	78.1	(1.3)	(1.6)
Total net position	440.0	433.2	435.8	6.8	(2.6)
Total liabilities and net position	\$ 470.6	\$ 463.8	\$ 464.4	\$ 6.7	\$ (0.5)

* As a result of rounding, the sum of individual line items may deviate slightly from the actual total.

The Housing Authority of the City of Atlanta, Georgia
MANAGEMENT'S DISCUSSION AND ANALYSIS

TOTAL ASSETS AND DEFERRED OUTFLOWS

June 30, 2013 vs. June 30, 2012

Total assets and deferred outflows remained relatively consistent year-over-year reflecting balances of **\$470.6** and **\$463.8 million**, respectively, at June 30, 2013 and June 30, 2012. Changes by category follow:

- *Current assets* decreased by **\$9.0 million** year-over-year primarily due to a decrease in Cash of \$2.8 million, a decrease in Investments of \$2.4 million which reflected the unspent proceeds of the EPC capital lease held in escrow at the end of FY 2012, a decrease in various Receivables totaling \$2.5 million and a decrease in Prepaid expenses of \$1.3 million primarily due to the processing of the July (FY 2013) subsidy payments in June (FY 2012).
- *Non-current assets* increased **\$14.6 million** year-over-year primarily due to:
 - a year-over-year increase in *Related-party development and other loan activity* of **\$7.0 million** which was primarily associated with construction activity at various master-planned, mixed-income communities during FY 2013;
 - a year-over-year increase in *Capital assets, net of accumulated depreciation* of **\$7.3 million** resulting from capital expenditures of \$20 million (including capitalized interest) primarily associated with renovation construction projects designed to improve the quality of life at senior high-rises as well as site improvements and land acquisitions related to revitalization activities partially offset by a \$1.5 million land sale during FY 2013. The increase resulting from capital expenditures was offset by various write-offs during FY 2013 based on a comprehensive analysis performed on AHA's capital assets which translated into a reduction of capital assets and associated accumulated depreciation of \$19.3 and \$18.5 million, respectively. Additionally, accumulated depreciation increased by \$10.4 million from current year depreciation; and
 - a year-over-year increase in *Other non-current assets* of **\$0.3 million** primarily due to an increase in the Perry Bolton Tax Allocation District (TAD) receivable.
- *Deferred outflows*, which reflects AHA's receivable from HUD for RHF unreimbursed expenditures, increased **\$1.0 million** year-over-year primarily due to increased revitalization activity at the end of FY 2013. See Note B.10 in the Notes to the Financial Statements for additional information on Deferred outflows.

June 30, 2012 vs. June 30, 2011

Total assets and deferred outflows remained relatively consistent year-over-year reflecting balances of **\$463.8** and **\$464.4 million**, respectively, on June 30, 2012 and June 30, 2011.

The Housing Authority of the City of Atlanta, Georgia
MANAGEMENT’S DISCUSSION AND ANALYSIS

TOTAL LIABILITIES

June 30, 2013 vs. June 30, 2012

Total liabilities remained consistent year-over-year reflecting balances of **\$30.5** and **\$30.6 million**, respectively, on June 30, 2013 and June 30, 2012.

- *Current liabilities* remained consistent year-over-year reflecting balances of **\$19.7** and **\$20.0 million**, respectively, on June 30, 2013 and June 30, 2012.
- *Non-current liabilities*, including *Long-term debt, net of current portion* and *Other non-current liabilities* remained consistent year-over-year reflecting balances of **\$10.8** and **\$10.6 million**, respectively, on June 30, 2013 and June 30, 2012.

June 30, 2012 vs. June 30, 2011

Total liabilities increased by **\$2.0 million** year-over-year primarily due to the following:

- *Current liabilities* decreased by **\$4.4 million** year-over-year due primarily to a decrease of \$4.8 million in accrued liabilities; \$0.7 million in accounts payable and other current liabilities and \$0.3 million in the current portion of long-term debt. This decrease was partially offset by an accrual of \$1.3 million for agency-wide bonuses earned under the Pay for Performance Program.
- *Non-current liabilities*, including *Long-term debt, net of current portion* and *Other non-current liabilities* increased by **\$6.5 million** year-over-year primarily due to the addition of the EPC capital lease of \$9.3 million partially offset by the payoff of the \$3.2 million loan on the AHA headquarters building (including the current portion of \$0.3 million).

TOTAL NET POSITION

TOTAL NET POSITION *					
As of June 30,					
<i>(in millions)</i>					
	2013	2012	2011	2013 vs. 2012	2012 vs. 2011
				Increase/ (Decrease)	Increase/ (Decrease)
Invested in capital assets, net of related debt	\$ 149.0	\$ 141.8	\$ 139.9	\$ 7.2	\$ 1.9
Restricted–expendable net assets:					
HUD-funded programs	33.4	39.1	44.2	(5.7)	(5.1)
Related-party development and other loans	173.0	166.4	164.4	6.6	2.0
Related-party development operating reserves	9.3	9.4	9.2	(0.0)	0.1
Unrestricted net assets	75.3	76.5	78.1	(1.3)	(1.6)
Total net position	<u>\$ 440.0</u>	<u>\$ 433.2</u>	<u>\$ 435.8</u>	<u>\$ 6.8</u>	<u>\$ (2.6)</u>

* As a result of rounding, the sum of individual line items may deviate slightly from the actual total.

The Housing Authority of the City of Atlanta, Georgia
MANAGEMENT'S DISCUSSION AND ANALYSIS

TOTAL NET POSITION — continued

June 30, 2013 vs. June 30, 2012

Total Net Position (formerly referred to as *Net Assets*) was **\$440.0 million** and **\$433.2 million**, respectively, at June 30, 2013 and June 30, 2012, reflecting a **\$6.8 million** increase year-over-year. Changes by category follow:

- ***Invested in capital assets, net of related debt*** includes land, buildings, improvements and equipment less the related debt. The majority of these assets have restricted-use covenants tied to AHA's ownership and cannot be used to liquidate liabilities. AHA generally uses these assets to provide affordable housing to qualified income-eligible families. The **\$7.2 million** increase year-over-year reflects a net increase of \$7.3 million in capital assets net of depreciation, partially offset by an increase of \$0.1 million in related debt. See additional information under **Total assets and deferred outflows** year-over-year analysis on page 40.
- ***Restricted-expendable net assets***, subject to both internal and external constraints, are calculated at the carrying value of restricted assets less related liabilities. These net assets are restricted by time and/or purpose. Restricted-expendable net assets include restrictions for HUD-funded programs, related-party development and other loans, and related development operating reserves made in conjunction with the AHA-Sponsored mixed-income development transactions. These assets cannot be used, pledged or mortgaged to a third party or seized, foreclosed upon or sold in the case of a default, ahead of any HUD lien or interest without HUD approval.

Changes in ***Restricted-expendable net assets*** include:

- ***HUD-funded programs*** represent assets accumulated over the years within the MTW Single Fund that can be used as working capital to implement strategies as prescribed under AHA's MTW Agreement and related MTW Business Plan and Annual Implementation Plans. These assets decreased by **\$5.7 million** year-over-year primarily as the result of timing of HUD funding based on AHA's Cash Management Strategy.
- ***Related-party development and other loans*** represent predevelopment, construction and permanent loans made by AHA related to the development of mixed-income, mixed-finance rental communities. These net assets increased by **\$6.6 million** year-over-year as a result of related-party loan advances net of principal payments. AHA's related-party development and other loans receivable are not considered available to satisfy AHA's obligations due to their long-term, contingent nature.
- ***Related-party development operating reserves*** represent funds held in AHA escrow accounts for the sole purpose of covering operating subsidy shortfalls (under certain specified conditions) for the AHA-assisted units in the AHA-Sponsored mixed-income, mixed-finance rental communities owned by various Owner Entities. These reserves remained consistent year-over-year.

The Housing Authority of the City of Atlanta, Georgia
MANAGEMENT'S DISCUSSION AND ANALYSIS

TOTAL NET POSITION — continued

- **Unrestricted net assets**, although referred to as unrestricted, remain subject to varying degrees of restrictions. HUD approval is required, with some limited exceptions, to use or deploy these assets outside of the ordinary course of AHA's business. AHA's eligible business activities are set forth in its HUD-approved MTW Business Plan, as amended from time to time, by its MTW Annual Implementation Plans. In all cases, AHA's assets are subject to the limitations of AHA's charter and the Housing Authorities Laws of the State of Georgia. Unrestricted net assets decreased by **\$1.3 million** year-over-year.

June 30, 2012 vs. June 30, 2011

AHA's **Total Net Position** (formally referred to as *Net Assets*) remained relatively consistent year-over-year reflecting balances of **\$433.2** and **\$435.8 million**, respectively, at June 30, 2012 and June 30, 2011.



The Housing Authority of the City of Atlanta, Georgia
MANAGEMENT'S DISCUSSION AND ANALYSIS

ECONOMIC FACTORS

Future HUD Funding — Subsidies and Multi-year Grant Awards

Funding for AHA's Fiscal Year 2014 (FY 2014) is uncertain as subsidies and other resources from HUD for the last six months of the fiscal year will be funded by HUD Federal Fiscal Year 2014 (FFY 2014) appropriations which have not yet been finalized by Congress. On October 17, 2013, the President signed into law H.R. 2775, the "Continuing Appropriations Act, 2014," which provides fiscal year 2014 appropriations for projects and activities of the Federal Government at FFY 2013 sequestration spending levels through Wednesday, January 15, 2014.

Congress must still pass and the President must sign an appropriations bill or continuing resolution(s) which will fund the federal government through September 30, 2014. Based on the contentiousness which surrounded the passage of H.R. 2775, it is uncertain when such action will occur and whether Congress will continue funding at sequestration levels.

AHA has sufficient cash balances and reserves to maintain current operations during FY 2014 in the event Congress applies sequestration to FFY 2014 funding, but would have to adjust its plans for future years if funding reductions continue and no new sources of funding are identified.

Local Market Conditions

Current market conditions in the metropolitan-Atlanta area continue to have a direct impact on AHA-assisted households which will, in turn, impact AHA's FY 2014 rental subsidy expenditures. The ongoing partisan debate in Washington over the FFY 2014 Budget and the continuing resolution to fund the government have added a significant level of uncertainty to the nation's prospects for a near-term recovery from the recession. An October 2013 report issued by the U.S. Bureau of Labor Statistics stated that, while the employment rate for non-farm jobs in the Atlanta metropolitan area has improved by 2.4% (above the national average of 1.7%), which, incidentally helped reduce Atlanta's unemployment rate to 8% in September 2013, Atlanta's overall unemployment rate still exceeded the national average of 7.2%. The construction sector posted the greatest gain in new jobs, while the manufacturing, service industry and government employment sectors posted losses. Employment is trending in a positive direction but primarily in areas that require specific training and skills. Many AHA-assisted household members, unfortunately, fall short on relevant experience and training in those growth areas of the economy and continue to face challenges in gaining and maintaining full-time employment. As a consequence, those households are forced to work several part-time jobs to make ends meet. The resulting impact of lower household incomes is a reduction in the portion of the rent they can afford, thereby increasing the amount of housing subsidy payments that AHA must remit to owners in order to close the gap in the total rent due. Conversely, a significant increase in household income would result in a corresponding decrease in AHA's rental subsidy expenditures.

The overall foreclosure rate in the metropolitan-Atlanta area, currently slightly lower than the national average, continues to trend downward. Notwithstanding these improving conditions, there is still a large inventory of bank-owned properties, including a number of owner-occupied

The Housing Authority of the City of Atlanta, Georgia
MANAGEMENT’S DISCUSSION AND ANALYSIS

ECONOMIC FACTORS — continued

properties with mortgages that are underwater with respect to debt and value. The foreclosure or short sale of these properties continues to have an adverse impact on AHA’s Housing Choice Voucher Program. In response to these challenges, AHA has strengthened its due diligence process. Such process improvements, coupled with new regulations (e.g., the “Protecting Tenants at Foreclosure Act of 2009”), have helped to mitigate the adverse impact such foreclosures have had on Housing Choice participants. Nonetheless, foreclosures, whenever they occur, still disrupt the lives of participants and result in higher AHA program expenditures.



AHA-Sponsored development activities, in partnership with private-sector developers, rely on private investment and the conditions in the real estate and the financial markets. During FY 2013, the metropolitan-Atlanta real estate market began to strengthen, especially in the multi-family rental market. AHA expects that our real estate development activities will continue to pick up as those markets improve and investors continue to return to the market. During FY 2013, there has also been steady improvement in the sales prices of single family homes with the sustained reduction in excess inventory.

Recent Accounting Pronouncements

The Governmental Accounting Standards Board (GASB) has released new pronouncements which will be implemented by the Authority starting in fiscal year 2014 through 2015: GASB 68, “*Accounting and Financial Reporting for Pensions*”; GASB 69, “*Government Combinations and Disposals of Government Operations*”; and GASB 70, “*Accounting and Financial Reporting for Nonexchange Financial Guarantees.*” See Note V to the Financial Statements.

The Housing Authority of the City of Atlanta, Georgia
MANAGEMENT'S DISCUSSION AND ANALYSIS

CONTACTING AHA'S FINANCIAL MANAGEMENT

This financial report is designed to provide a general overview of AHA's financial position and to demonstrate AHA's accountability for the assets it manages to interested persons, including citizens of our local jurisdiction, creditors and other interested parties. If you have questions about this report or wish to request additional financial information, contact the Chief Financial Officer at The Housing Authority of the City of Atlanta, Georgia, 230 John Wesley Dobbs Avenue, N.E., Atlanta, Georgia 30303, telephone number (404) 817-7374.

FINANCIAL STATEMENTS

The Housing Authority of the City of Atlanta, Georgia

STATEMENTS OF NET POSITION

As of June 30, 2013 and 2012

	<u>2013</u>	<u>2012</u>
CURRENT ASSETS		
Cash:		
Unrestricted	\$ 54,805,954	\$ 60,542,870
Restricted	43,743,926	40,800,144
Total cash	<u>98,549,880</u>	<u>101,343,014</u>
Investments, restricted	-	2,395,868
Receivables, net of allowance of \$33,863 and \$353,112 in 2013 and 2012, respectively	998,015	3,440,939
Prepaid expense	<u>988,049</u>	<u>2,311,642</u>
Total current assets	100,535,944	109,491,463
NON-CURRENT ASSETS		
Investments, restricted	9,341,052	9,359,926
Related-party development and other loans, development receivables and investments in partnerships, net of allowances of \$34,170,098 and \$34,639,029 in 2013 and 2012, respectively	174,908,333	167,930,497
Capital assets, net of accumulated depreciation of \$109,095,124 and \$117,179,696 in 2013 and 2012, respectively	158,435,819	151,092,159
Other assets, net of accumulated amortization and allowance of \$4,815,818 and \$4,278,414 in 2013 and 2012, respectively	<u>25,409,850</u>	<u>25,065,563</u>
Total non-current assets	<u>368,095,054</u>	<u>353,448,145</u>
TOTAL ASSETS	468,630,998	462,939,608
DEFERRED OUTFLOWS		
HUD receivables (Grants)	<u>1,945,187</u>	<u>910,050</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS	<u>\$ 470,576,185</u>	<u>\$ 463,849,658</u>

The accompanying notes are an integral part of these statements.

	<u>2013</u>	<u>2012</u>
CURRENT LIABILITIES		
Accounts payable	\$ 3,411,639	\$ 1,102,938
Accrued liabilities	8,127,310	11,158,326
Other current liabilities	7,721,437	7,713,304
Current portion of long-term debt	463,396	-
Total current liabilities	<u>19,723,782</u>	<u>19,974,568</u>
NON-CURRENT LIABILITIES		
Long-term debt, net of current portion	8,988,602	9,293,862
Other non-current liabilities	1,826,633	1,341,235
Total non-current liabilities	<u>10,815,235</u>	<u>10,635,097</u>
TOTAL LIABILITIES	30,539,017	30,609,665
DEFERRED INFLOWS	-	-
NET POSITION		
Invested in capital assets, net of related debt	148,983,821	141,798,296
Restricted—expendable:		
HUD-funded programs	33,441,273	39,146,870
Related-party development and other loans	172,979,706	166,388,111
Related-party development operating reserves	9,341,053	9,359,926
Unrestricted	75,291,315	76,546,790
Total net position	<u>440,037,168</u>	<u>433,239,993</u>
TOTAL LIABILITIES, DEFERRED INFLOWS AND NET POSITION	<u>\$ 470,576,185</u>	<u>\$ 463,849,658</u>

The accompanying notes are an integral part of these statements.

The Housing Authority of the City of Atlanta, Georgia

**STATEMENTS OF REVENUE, EXPENSE AND
CHANGES IN NET POSITION**

Years Ended June 30, 2013 and 2012

	<u>2013</u>	<u>2012</u>
Operating revenue:		
MTW Single Fund used for operations	\$ 193,894,971	\$ 196,943,569
ARRA grant used for operations	-	235,428
Tenant dwelling revenue	5,595,112	5,435,556
Development grants used for operations	1,848,148	3,302,837
Fees earned from National Housing Compliance	820,022	1,302,261
Other operating revenue	<u>2,983,292</u>	<u>2,715,078</u>
Total operating revenue	205,141,545	209,934,729
Operating expense:		
Housing assistance payments	136,984,767	140,645,448
Administrative including direct operating division expense	48,844,339	47,080,893
Utilities, maintenance and protective services	13,095,127	13,809,507
Resident and participant services	3,614,930	4,033,862
General expense	1,497,723	1,589,610
Expense related to National Housing Compliance	176,669	245,938
Depreciation and amortization	<u>11,252,920</u>	<u>7,724,701</u>
Total operating expense	<u>215,466,475</u>	<u>215,129,959</u>
Net operating income (loss)	(10,324,930)	(5,195,230)
Non-operating revenue:		
MTW Single Fund used for Modernization of AHA-Owned Properties	12,186,023	4,492,985
Capital grant revenue — revitalization related	6,026,678	1,572,218
Interest and investment income	537,228	1,153,962
Gain (loss) on sale of assets	<u>(22,645)</u>	<u>7,570</u>
Total non-operating revenue	18,727,284	7,226,735
Non-operating expense:		
Demolition and remediation expense	235,445	551,003
Other revitalization expense	769,591	2,432,976
Relocation-related expense	-	56,789
Valuation allowance	367,413	845,009
Interest expense	<u>232,730</u>	<u>713,807</u>
Total non-operating expense	<u>1,605,179</u>	<u>4,599,584</u>
Change in net position	6,797,175	(2,568,079)
Net position — beginning of year	<u>433,239,993</u>	<u>435,808,072</u>
Net position — end of year	<u>\$ 440,037,168</u>	<u>\$ 433,239,993</u>

The accompanying notes are an integral part of these statements.

The Housing Authority of the City of Atlanta, Georgia

STATEMENTS OF CASH FLOWS

Years Ended June 30, 2013 and 2012

	2013	2012
Increase (decrease) in cash		
Cash flows from operating activities		
HUD funds used for non-capitalized expense	\$ 195,873,937	\$ 206,984,746
Receipts from residents	5,572,823	5,356,435
Payments to landlords	(136,984,767)	(140,645,447)
Payments to suppliers	(37,824,524)	(46,738,005)
Payments for employees	(28,669,133)	(24,655,456)
Other receipts	4,751,467	3,643,762
Net cash provided by operating activities	2,719,803	3,946,035
Cash flows from non-capital financing activities		
Net repayments (advances) related to public improvements	1,300,825	(818,533)
Net cash provided by (used by) non-capital financing activities	1,300,825	(818,533)
Cash flows from capital and related financing activities		
Capital grant revenues	16,413,845	16,089,839
Acquisition and modernization of capital assets	(18,587,925)	(15,677,650)
Unrealized and realized gain on sale of fixed assets	1,174,355	7,570
Demolition and remediation expense	(235,445)	(551,003)
Other revitalization expense	(769,591)	(2,432,976)
Related-party development and other loans, development receivables and investments in partnerships	(7,661,474)	(3,149,517)
Interest income on notes receivable	536,927	994,492
Proceeds received from capital lease	158,136	9,293,862
Payments of debt including interest	(238,759)	(3,812,175)
Net cash provided by (used by) capital and related financing activities	(9,209,931)	762,442
Cash flows from investing activities		
Purchases of investments, restricted	-	(2,527,732)
Sales of investments, restricted	2,395,868	-
Interest income on investments, restricted	301	159,470
Net cash provided by (used by) investing activities	2,396,169	(2,368,262)
Net increase (decrease) in cash	(2,793,134)	1,521,681
Cash — beginning of the year	101,343,014	99,821,333
Cash — end of the year	\$ 98,549,880	\$ 101,343,014

The accompanying notes are an integral part of these statements.

The Housing Authority of the City of Atlanta, Georgia

STATEMENTS OF CASH FLOWS — continued

Years Ended June 30, 2013 and 2012

	<u>2013</u>	<u>2012</u>
Reconciliation of net operating income (loss) to net cash provided by operating activities		
Net operating income (loss)	\$ (10,324,930)	\$ (5,195,230)
Adjustments to reconcile net operating income (loss) to net cash provided by operating activities		
Depreciation and amortization	11,252,920	7,724,701
Operating bad debt expense	17,570	84,881
Relocation-related expense	-	(56,789)
Changes in assets and liabilities related to operating activities		
Decrease in receivables	1,115,337	6,586,823
Decrease (increase) in prepaid expenses	1,323,595	(1,582,587)
Increase (decrease) in accounts payable and accrued liabilities	38,780	(3,234,902)
Increase (decrease) in deferred revenue and public improvements	8,133	(451,853)
Increase (decrease) in other non-current liabilities	(711,602)	70,991
	<u>13,044,734</u>	<u>9,141,265</u>
Net cash provided by operating activities	<u>\$ 2,719,803</u>	<u>\$ 3,946,035</u>

The accompanying notes are an integral part of these statements.

NOTES TO THE FINANCIAL STATEMENTS

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The Housing Authority of the City of Atlanta
NOTES TO THE FINANCIAL STATEMENTS

June 30, 2013 and 2012

NOTE A — ORGANIZATION AND NATURE OF OPERATIONS

1. Organization

The Housing Authority of the City of Atlanta, Georgia (“AHA” or “the Authority”) is a public body corporate and politic created under the Housing Authorities Laws of the State of Georgia, and is a diversified real estate company, with a public mission and purpose. The primary purpose of AHA is to facilitate affordable housing opportunities for low-income, elderly and disabled persons in the City of Atlanta (City). AHA has broad corporate powers including, but not limited to, the power to acquire, manage, own, operate, develop and renovate housing; invest and lend money; create for-profit and not-for-profit entities; administer Housing Choice vouchers; issue bonds for affordable housing purposes; and acquire, own and develop commercial land, retail and market-rate properties that benefit affordable housing.

The governing body of AHA is its Board of Commissioners (Board) which is comprised of seven members appointed by the Mayor of the City of Atlanta and includes two resident commissioners. The resident commissioners serve one-year terms and the five remaining members serve five-year staggered terms. The Board currently is comprised of six commissioners, including one resident member, with one vacancy. The Board appoints the President and Chief Executive Officer to operate the business of AHA. The Board provides strategic guidance and oversight of AHA’s operations; AHA is not considered a component unit of the City and is not included in the City’s financial statements.

2. Moving to Work (MTW) Agreement

AHA is an MTW agency under HUD’s MTW Demonstration Program which provides certain “high-performing” agencies with substantial statutory and regulatory relief under the U.S. Housing Act of 1937, as amended (1937 Act), as reflected in an agreement between the selected agency and HUD. AHA negotiated and entered into its MTW Agreement with HUD on September 25, 2003 which was effective from July 1, 2003 through June 30, 2010. In response to HUD’s decision to introduce a standard form of agreement and expand the MTW Demonstration Program, AHA successfully negotiated and executed an Amended and Restated MTW Agreement on November 13, 2008. On January 16, 2009, AHA and HUD executed a further amendment to the Amended and Restated MTW Agreement. AHA’s MTW Agreement, as amended and restated, is referred to as the “MTW Agreement.”

AHA’s MTW Agreement incorporates its legacy authorizations from its initial MTW Agreement and clarifies AHA’s ability to use MTW-eligible funds outside of Section 8 and Section 9 of the 1937 Act. AHA’s MTW Agreement was extended until June 30, 2018, and may be automatically extended for additional 10-year periods, subject to HUD approval and AHA meeting certain agreed-upon conditions. AHA developed its base Business Plan in FY 2004, which lays out AHA’s strategic goals and objectives during the term of its MTW Agreement. AHA’s Business Plan and its subsequent annual MTW Implementation Plans on a cumulative basis outline AHA’s priority projects, activities and initiatives to be implemented during each fiscal year.

The Housing Authority of the City of Atlanta
NOTES TO THE FINANCIAL STATEMENTS

June 30, 2013 and 2012

NOTE A — ORGANIZATION AND NATURE OF OPERATIONS — continued

3. Affiliate Entities/Component Units

To manage its business and financial affairs more effectively, AHA has created affiliate entities to support its various ventures. While AHA, the parent entity, manages federal programs, the affiliate entities support the various functions necessary to meet AHA's mission of providing quality affordable housing and related services and amenities.

Certain of these affiliate entities are considered component units in accordance with generally accepted accounting principles. Because of the nature and significance of their operational or financial relationships with AHA, the component units are included in AHA's reporting entity. These blended component units, although legally separate entities, are, in substance, part of AHA's operations.

These blended component units do not issue separate financial statements. Financial information for each of the following blended component units is presented in Note B in Other Supplementary Information.

- Atlanta Affordable Housing for the Future, Inc. (AAHFI) is a Georgia 501(c)(3) not-for-profit corporation created at the direction of the AHA Board in order to facilitate the revitalization of AHA-Owned distressed public housing projects. AAHFI participates in the revitalization of AHA-sponsored communities by holding limited partnership interests in either the related development project partnership (Owner Entity) or an interest in the general partner of the related development project partnership of the various public/private partnerships that own the mixed-income, mixed-finance rental communities.
- Special Housing and Homeownership, Inc. (SHHI) is a Georgia 501(c)(3) not-for-profit corporation created at the direction of the AHA Board in order to develop, maintain and implement programs to assist income-eligible individuals in achieving the goal of homeownership.
- 230 John Wesley Dobbs Boulevard Ventures, Inc. (JWD) is a Georgia 501(c)(3) not-for-profit corporation created at the direction of the AHA Board in order to lessen the burdens of government by acquiring and holding title to real property and improvements, and by providing such real property and improvements to government agencies and tax-exempt organizations at cost.
- Renaissance Affordable Housing, Inc. (RAH) is a Georgia 501(c)(3) not-for-profit corporation created at the direction of the AHA Board in order for AHA to participate in the acquisition and development of certain properties to support the overall revitalization program at or near AHA communities or other appropriate locations in metropolitan-Atlanta.

The Housing Authority of the City of Atlanta
NOTES TO THE FINANCIAL STATEMENTS

June 30, 2013 and 2012

NOTE A — ORGANIZATION AND NATURE OF OPERATIONS — continued

- Westside Affordable Housing, Inc. (WAH) is a Georgia 501(c)(3) not-for-profit corporation and was created at the direction of the AHA Board in order for AHA to participate in the acquisition and development of certain properties to support the overall revitalization program at or near AHA communities or other appropriate locations in metropolitan-Atlanta.
- Atlanta Housing Investment Company, Inc. (AHICI) is a for-profit corporation created at the direction of the AHA Board in order to assist AHA in its revitalization efforts at or near AHA communities or other appropriate locations in metropolitan-Atlanta. AHICI participates in the revitalization of AHA-Sponsored communities by holding partnership and financial interests in various transactions.
- Strategic Resource Development Corporation, Inc. (SRDC) is a Georgia not-for-profit corporation created at the direction of the AHA Board to solicit and accept charitable donations to fund AHA initiatives.
- Atlanta Housing Development Corporation (AHDC) is a Georgia not-for-profit organization, organized solely to serve as an “instrumentality” of AHA for the purpose of issuing tax-exempt bonds for construction, acquisition and rehabilitation of low-income housing pursuant to Section 11(b) of the Housing Act of 1937, as amended (42 U.S.C. Section 1437i). This entity had no activity in recent years.

AHA has one affiliate, Atlanta Housing Opportunity, Inc. (AHOI) that is not a component unit. It is, however, considered a related entity. AHOI is a Georgia not-for-profit corporation created at the direction of the AHA Board in order to facilitate the Housing Opportunity Bond Program established by the City of Atlanta. The activities of AHOI are limited to participation in the Housing Opportunity Bond Program. Since the City of Atlanta is financially accountable and responsible for the debt of AHOI, the financial activity of AHOI is not included in AHA’s financial statements but is included in the City’s financial statements (see further disclosure in Note T).

The Housing Authority of the City of Atlanta
NOTES TO THE FINANCIAL STATEMENTS

June 30, 2013 and 2012

NOTE B — SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A summary of the significant accounting policies consistently applied in the preparation of the accompanying financial statements follows.

1. Basis of Presentation and Accounting

The financial statements represent the combined net position and results of AHA and its blended component units, and have been prepared in accordance with generally accepted accounting principles (GAAP) of the United States of America as applied to governmental entities. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. AHA and its blended component units maintain their accounts substantially in accordance with the chart of accounts prescribed by HUD and are organized utilizing the fund accounting model. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts.

AHA accounts for its operations in a single enterprise fund. Enterprise funds account for those operations financed and operated in a manner similar to private business or where AHA has decided that determination of revenue earned, costs incurred and net revenue over expense is necessary for management accountability.

Enterprise funds are proprietary funds used to account for business activities of special purpose governments for which a housing authority qualifies under GASB No. 34, *“Basic Financial Statements and Management’s Discussion and Analysis for State and Local Governments.”* Proprietary funds are accounted for using the “economic resources” measurement focus and the accrual basis of accounting. Accordingly, all assets and liabilities (whether current or non-current) are included in the Statements of Net Position. The Statements of Revenue, Expense and Changes in Net Position present increases (revenue) and decreases (expense) in total Net Position. Under the accrual basis of accounting, revenue is recognized in the period in which it is earned while expense is recognized in the period in which the liability is incurred.

AHA has adopted the following GASB Standards:

GASB No. 61, *“The Reporting Entity,”* an amendment of GASBs No. 14 and 34. This Standard modifies certain requirements for inclusion of component units in the financial reporting entity. The Authority identified no changes to its reporting entity resulting from the adoption of GASB No. 61.

GASB No. 62, *“Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements.”* This guidance incorporates the FASB, Accounting Principles Board Opinions (APB) and Accounting Research Bulletin (ARB) pronouncements issued on or before November 30, 1989, which do not conflict with or contradict GASB pronouncements. GASB No. 62 supersedes GASB No. 20 that permitted enterprise funds and business type activities to apply those FASB statements and interpretations that did not conflict with or contradict GASB pronouncements. GASB No. 62 updated previous guidance to recognize the effects of the governmental environment and needs of governmental users.

The Housing Authority of the City of Atlanta
NOTES TO THE FINANCIAL STATEMENTS

June 30, 2013 and 2012

NOTE B — SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES — continued

GASB No. 63, “*Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position.*” This Standard amends the net asset reporting requirements in GASB No. 34, “*Basic Financial Statements and Management’s Discussion and Analysis for State and Local Governments*” and other pronouncements by incorporating deferred outflows of resources and deferred inflows of resources into the definitions of the required components of the residual measure and by renaming that measure as net position, rather than net assets. The adoption of this standard resulted in changes to captions in the basic financial statements. The Authority had transactions that resulted in deferred outflows as a result of GASB 63.

GASB No. 65, “*Items Previously Reported as Assets and Liabilities.*” This Standard clarifies financial reporting by (1) classifying certain items that were previously reported as assets and liabilities as deferred outflows or deferred inflows of resources and (2) recognizing certain items that were previously reported as assets and liabilities as outflows of resources (expense) or inflows of resources (revenue). AHA had deferred outflows consisting of \$1,945,187 and \$910,050 as of June 30, 2013 and 2012, respectively. The deferred outflows consisted of capital costs associated with the RHF grants that had been expended by AHA but had not yet been reimbursed by HUD. Accounting changes adopted to conform to the provision of GASB 65 have been applied retroactively by restating the fiscal year 2012 Financial Statements.

2. *Inter-company and Inter-program Receivables and Payables*

Inter-company and inter-program receivables and payables are the result of the use of a central fund as the common paymaster for shared costs of AHA. All inter-company and inter-program balances net to zero in combination and, hence, are eliminated for financial statement presentation. All programs aggregate into one single enterprise fund.

3. *Fair Value of Financial Instruments*

The carrying amount of AHA’s financial instruments at June 30, 2013 and 2012, which include cash, investments, accounts receivable, accounts payable and other current liabilities, approximates fair value due to the relatively short maturity of these instruments.

Investments of HUD funds are made in financial instruments that are consistent with HUD regulations. AHA requires uninsured funds on deposit be collateralized in accordance with HUD requirements and in AHA’s name, if held by a third party.

4. *Inventories*

AHA maintains no inventory. All supplies are expensed when purchased. Supplies on hand are nominal.

5. *Prepaid Expense*

Payments made to vendors for goods or services that will benefit periods beyond the fiscal year end are recorded as prepaid expense. Prepaid expense at June 30, 2013 and 2012 consisted primarily of prepaid insurance premiums and service contracts.

The Housing Authority of the City of Atlanta
NOTES TO THE FINANCIAL STATEMENTS

June 30, 2013 and 2012

NOTE B — SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES — continued

6. *Restricted Assets*

Certain assets may be classified as restricted assets on the Statements of Net Position because their use is restricted by time or specific purpose. AHA's practice is to expend restricted assets prior to utilizing unrestricted assets if allowable for the intended purpose.

7. *Related-Party Development and Other Loans and Valuation Allowance*

Related-Party Development Loans

AHA makes subordinated loans to the private-sector owners in conjunction with financing arrangements related to the development of the AHA-sponsored mixed-income, mixed-finance rental communities. These subordinated loans are fully obligated to the Owner Entities at the financial closing and represent AHA's share of the development budget for AHA-assisted Annual Contribution Contract (ACC) units. During FY 2013, loan advances were funded from Replacement Housing Factor funds. Prior to FY 2013, the loans advances were funded using MTW Funds, HOPE VI grants, public-housing-development funds and/or Replacement Housing Factor funds. The loans are amortized over periods generally up to 55 years and bear interest at various rates, as agreed to by AHA and individual Owner Entities, and approved by HUD. The respective loan agreements provide that these loans will be repaid by the Owner Entity to AHA from net cash flow, net project proceeds and/or condemnation proceeds for such phases; to the extent such amounts are available. For most of these development projects, AHA owns the land and enters into a long-term ground lease with the Owner Entity. At the end of the ground lease, the land and improvements revert to AHA.

Other Loans

Other loans include various financing arrangements that support AHA's mission and purpose.

Valuation Allowance

Management regularly evaluates the loans for collectability and records a valuation allowance for loans it determines may not be fully collectible. AHA adjusts the valuation allowance when appropriate.

8. *Other Allowances*

AHA establishes an allowance for all unpaid balances from tenants for accounts receivable older than 60 days.

Under AHA's Down Payment Assistance (DPA) Program, homeownership mortgage down payment loans are made to first time homebuyers. These loans are fully reserved at closing. The homeowner is subject to AHA's recapture policy as part of the terms and conditions of the DPA Program. The term of the subsidy loan is for ten years and can be forgiven based on the following: 100 percent recapture is in effect during the first five years of the loan; and the loan amount begins to burn off at 20 percent increments yearly, starting in year six through year ten.

The Housing Authority of the City of Atlanta
NOTES TO THE FINANCIAL STATEMENTS

June 30, 2013 and 2012

NOTE B — SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES — continued

9. *Capital Assets*

Capital assets include land, land improvements, buildings, equipment and modernization in process for improvements to land and buildings. Capital assets are defined by AHA as assets with an initial cost of more than \$2,500 and an estimated useful life of greater than one year.

Such assets are recorded at cost or fair value at the time of purchase or donation, respectively. Improvements and other capital activities are recorded as modernization in process until they are completed and placed in service.

The costs of normal and extraordinary maintenance and repairs that do not add value to the asset or extend the useful life of the asset are expensed as incurred to operations. Generally, demolition costs, land preparation, soil remediation and other site improvement costs that do not add value are expensed as non-operating items.

Depreciation is calculated using the straight-line method assuming the following useful lives:

Buildings	20–40 years
Building improvements	10–30 years
Building equipment	10–15 years
Land improvements	15 years
Equipment	5–10 years

Long-lived assets are reviewed annually for impairment under the provisions and in accordance with GASB No. 42, *“Accounting and Financial Reporting for Impairment of Capital Assets and for Insurance Recoveries.”*

AHA owns several paintings of historical significance which are being preserved for future educational and exhibition purposes. These works of art, commissioned in the 1940s at minimal cost, have an appraised value in excess of \$800,000 but have not been recorded on AHA’s books pursuant to the guidance of GASB No. 34.

10. *Deferred Outflows / Deferred Inflows*

Governmental Accounting Standards Board (GASB) Statement No. 63, *“Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position,”* and Statement No. 65, *“Items Previously Reported as Assets and Liabilities,”* were implemented by AHA during FY 2013. These statements change the financial reporting requirements for all governmental entities and require such entities to include Deferred Outflows and Deferred Inflows on the Statements of Net Position.

Deferred Outflows of resources and Deferred Inflows of resources are the consumption or acquisition, respectively, of net assets that is applicable to a future reporting period. For AHA, Deferred Outflows primarily consist of reimbursable expenditures which are receivable from HUD and Deferred Inflows would typically consist of overpayments related to HUD grants.

The Housing Authority of the City of Atlanta
NOTES TO THE FINANCIAL STATEMENTS

June 30, 2013 and 2012

NOTE B — SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES — continued

11. Income and Property Taxes

Income received or generated by AHA is not generally subject to federal income tax, pursuant to Section 115 of the Internal Revenue Service Code (IRC). Although exempt from state and local property taxes, AHA makes payments in lieu of taxes (PILOT), pursuant to agreements with the City of Atlanta and DeKalb and Fulton counties.

12. Accrued Compensated Absences

A liability for compensated absences (vacation) is accrued as employees earn the right to receive the benefit. The current portion represents the amount estimated to be taken in the ensuing year.

13. Fee and Interest Income Recognition on Related-Party Development and Other Loans

In connection with its Revitalization Program, AHA earns developer and other fees in its role as sponsor and co-developer. Developer and other fees are recorded as earned. Collection of developer fees are generally tied to equity payments from the tax credit investors.

Interest on the related-party development loans is subordinated and contingent on cash flows from the property. Recognition of interest income does not occur until payments are received or are reasonably expected to be received.

14. Revenue and Expense

Proprietary funds distinguish operating revenue and expense from non-operating items. Operating revenue and expense generally result from providing services or producing and delivering goods in connection with a proprietary fund's principal ongoing operations. AHA defines its operating revenue as income derived from operating funds received from HUD, tenant dwelling revenue, fees earned in conjunction with development activities under its Revitalization Program and other operating revenue. When grant funds are used for operations, AHA recognizes operating revenue at the time such costs are incurred, pursuant to a draw-down process on a reimbursement basis.

Operating expense for proprietary funds includes the cost of providing services, administrative expense and depreciation on capital assets.

When AHA completes capital improvements to be paid with grants, AHA's right to be reimbursed by HUD is perfected, and AHA records the asset and corresponding capital grant revenue as the work progresses. The unexpended portions of the grants held by HUD for AHA's account remain available for AHA's use, subject to the terms of the grant agreements and other agreements with HUD. The unexpended portions of the grants held by HUD are not reflected in AHA's financial statements.

Non-operating revenue includes reimbursements for capitalized expenditures under capital grants received from HUD for modernization, revitalization and other development activities, interest and investment income, and gain or loss from the sale of assets. Non-operating expense includes demolition and remediation, revitalization, relocation expenses, adjustments to valuation allowances and interest.

The Housing Authority of the City of Atlanta
NOTES TO THE FINANCIAL STATEMENTS

June 30, 2013 and 2012

NOTE B — SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES — continued

15. Self-insurance and Litigation Losses

AHA recognizes estimated losses related to self-insured workers' compensation claims and litigation claims in the period in which the occasion giving rise to the loss occurred when the loss is probable and reasonably estimable (see further disclosure in Note N).

16. Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that may affect the reported amounts. Accounting estimates for such items as depreciation, amortization, valuation of related-party development and other loans, other operating receivables, operating expense accruals and contingent liabilities are reflected in AHA's financial statements and disclosed in the notes thereto.

17. Budgets

On an annual basis, AHA submits its Comprehensive Operating and Capital Budget to the Board of Commissioners for approval. Throughout the fiscal year, the Budget is used as a management tool to plan, control and evaluate spending for major activities and programs. Budgets are not required for financial statement presentation.

18. Risk Management

AHA is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees and natural disasters. AHA carries commercial insurance and certain reserves deemed sufficient to cover potential uninsured losses.

19. Change in Presentation

Certain reclassifications have been made to the prior year's financial statements to conform to the current year's presentation. These reclassifications had no effect on total net position.

The Housing Authority of the City of Atlanta
NOTES TO THE FINANCIAL STATEMENTS

June 30, 2013 and 2012

NOTE C — CASH AND INVESTMENTS

Cash and investments are stated at cost, which approximates fair value, and consist primarily of cash in checking accounts and/or money market accounts and other investments. All funds on deposit are FDIC insured up to \$250,000 per institution or are fully collateralized in accordance with guidance recommended by HUD. HUD requires housing authorities to invest excess HUD funds in obligations of the United States, certificates of deposit or any other federally insured investments.

Cash and investments are classified as “Unrestricted” and “Restricted” for financial presentation purposes based on HUD guidance:

- *Cash — Unrestricted* includes cash available for program purposes including current operations (working capital and reserves). Because the funds are not tied to a certain program or property, they are classified as unrestricted. They remain subject, however, to varying degrees of restrictions. For example, HUD approval is required, with some limited exceptions, to use or deploy these funds strategically outside of the ordinary course of AHA’s business under the MTW Agreement. In all cases, AHA’s assets are subject to the limitations of AHA’s charter and the Housing Authorities Laws of the State of Georgia.
- *Cash — Restricted* includes cash to be expended for specific purposes based on the source of the money. AHA’s restricted cash generally includes: proceeds from the sale of property acquired with grant or development funds; program income from specific grants; income generated from development activities; partnership operating reserves; and public improvement funds.
- *Investments — Restricted (current)* includes the proceeds from an Energy Performance Contract capital lease, held in escrow, at June 30, 2012.
- *Investments — Restricted (non-current)* includes operating reserves that are held by escrow agents for the benefit of investors and Owner Entities of the mixed-income, mixed-finance rental communities. These reserves are restricted in accordance with agreements entered into in conjunction with the development of these properties. These reserves cannot be readily liquidated due to such restrictions.

The Housing Authority of the City of Atlanta
NOTES TO THE FINANCIAL STATEMENTS

June 30, 2013 and 2012

NOTE C — CASH AND INVESTMENTS — continued

Cash and investments at June 30, 2013 consisted of the following:

	<u>Fair value</u>	<u>Collateral held by third party</u>	<u>U.S.-backed securities and treasury obligations</u>
Unrestricted cash:			
MTW working capital and reserves	\$ 38,602,034	\$ -	\$ -
MTW program income	544,403		
National Housing Compliance	8,587,109		
Other	<u>7,072,408</u>		
	54,805,954		
Restricted cash:			
Development-related program income	28,643,548		
Public improvement funds	7,150,243		
Proceeds from disposition activity	3,620,167		
Perry program income	1,457,627		
Harris program income	1,542,767		
Other	<u>1,329,574</u>		
	<u>43,743,926</u>		
Total cash	98,549,880	104,995,486	-
Investments, restricted (current)	-		
Investments, restricted (non-current)	<u>9,341,052</u>	<u>-</u>	<u>9,341,052</u>
Total Cash and Investments	<u>\$ 107,890,932</u>	<u>\$ 104,995,486</u>	<u>\$ 9,341,052</u>

The Housing Authority of the City of Atlanta
NOTES TO THE FINANCIAL STATEMENTS

June 30, 2013 and 2012

NOTE C — CASH AND INVESTMENTS — continued

Cash and investments at June 30, 2012 consisted of the following:

	Fair value	Collateral held by third party	U.S.-backed securities and treasury obligations
Unrestricted cash:			
MTW working capital and reserves	\$ 41,644,667	\$ -	\$ -
MTW program income	6,196,361		
National Housing Compliance	7,742,331		
Other	4,959,511		
	60,542,870		
Restricted cash:			
Development-related program income	25,606,870		
Public improvement funds	7,408,471		
Proceeds from disposition activity	3,701,896		
Perry program income	1,506,117		
Harris program income	1,734,551		
Other	842,239		
	40,800,144		
Total cash	101,343,014	122,958,259	-
Investments, restricted (current)	2,395,868		
Investments, restricted (non-current)	9,359,926	-	9,359,926
Total Cash and Investments	\$ 113,098,808	\$ 122,958,259	\$ 9,359,926

The Housing Authority of the City of Atlanta
NOTES TO THE FINANCIAL STATEMENTS

June 30, 2013 and 2012

NOTE D — RECEIVABLES

Current receivables at June 30, 2013 and 2012 consisted of the following:

	<u>2013</u>	<u>2012</u>
HUD receivables (MTW)	\$ 23,110	\$ 153,927
Predevelopment loans	197,118	297,937
Development and other fees receivable	468,385	937,934
Tenant dwelling rents (net of allowance of \$7,492 and \$3,112 in 2013 and 2012, respectively)	10,045	4,660
Other receivables (net of allowance of \$26,371 and \$350,000 in 2013 and 2012, respectively)	268,757	715,055
Public improvement advances	30,600	1,331,426
	<u>\$ 998,015</u>	<u>\$ 3,440,939</u>
Deferred Outflows		
HUD receivables (Grants)	<u>\$ 1,945,187</u>	<u>\$ 910,050</u>

NOTE E — RELATED-PARTY DEVELOPMENT AND OTHER LOANS, DEVELOPMENT RECEIVABLES AND INVESTMENTS IN PARTNERSHIPS

GAAP defines related parties as those parties that can significantly influence the management or operating policies of the transacting parties or that have an ownership interest in one of the transacting parties. Related-party development and other loans, development receivables and investments in partnerships at June 30, 2013 and 2012 consisted of the following:

	<u>2013</u>	<u>2012</u>
Development loans (net of allowance of \$30,262,101 in 2013 and 2012)	\$ 162,656,937	\$ 158,551,823
Other loans (net of allowance of \$3,371,032 and \$3,203,062 in 2013 and 2012, respectively)	10,322,769	7,906,280
Development and other fees receivable (net of allowance of \$122,472 and \$759,373 in 2013 and 2012, respectively)	1,928,627	1,472,394
Investments in partnerships (net of allowance of \$414,493 in 2013 and 2012)	-	-
	<u>\$ 174,908,333</u>	<u>\$ 167,930,497</u>

The Housing Authority of the City of Atlanta
NOTES TO THE FINANCIAL STATEMENTS

June 30, 2013 and 2012

NOTE E — RELATED-PARTY DEVELOPMENT AND OTHER LOANS, DEVELOPMENT RECEIVABLES AND INVESTMENTS IN PARTNERSHIPS — continued

Development loans

AHA enters into subordinated development (construction and permanent) loans with the Owner Entities of the mixed-income, mixed-finance rental communities in conjunction with financing arrangements related to the development projects, as described in Note B.7. During FY 2013, the subordinated construction loans to Owner Entities increased by a net of \$4,105,114.

Other loans

Other loans that support AHA's mission are comprised of various financing arrangements and include (i) loans to the Owner Entities of mixed-income, mixed-finance rental communities for acquisitions and site improvements; (ii) a loan to a private sector development partner, representing the value of the lots supporting the financing and construction of single-family homes as a component of that AHA-Sponsored Master-planned community; (iii) a financing arrangement with a related Owner Entity of a mixed-income, mixed-finance rental community related to a land sale; (iv) loans to the Owner Entities of mixed-income, mixed-finance rental communities in order to meet federal statutory requirements (these loans are fully reserved); (v) predevelopment loans to development partners, typically an affiliate of the Owner Entity, prior to the financial closing to facilitate development of the site (these loans are paid off at the financial closing for the development financing); and (vi) gap financing to facilitate the construction of properties with up to a 15-year renewable PBRA agreement with private owners.

Development and other fees receivable

AHA earns development and other fees associated with the construction and revitalization activities at the mixed-income, mixed-finance rental communities and from certain properties with Project Based Rental Assistance (PBRA) agreements.

The Housing Authority of the City of Atlanta
NOTES TO THE FINANCIAL STATEMENTS

June 30, 2013 and 2012

NOTE E — RELATED-PARTY DEVELOPMENT AND OTHER LOANS, DEVELOPMENT RECEIVABLES AND INVESTMENTS IN PARTNERSHIPS — continued

Related-party development income and expense

Related-party development income and expense for the years ended June 30, 2013 and 2012 consisted of the following:

	<u>2013</u>	<u>2012</u>
Type of income (expense):		
Interest income	\$ 536,927	\$ 724,640
Developer and other fee income	\$ 1,782,067	\$ 1,701,818
Housing assistance payments to Owner Entities of the mixed-income communities	\$ (14,622,550)	\$ (14,086,311)
Housing assistance payments to private owners/ Owner Entities where AHA has a PBRA agreement and has advanced a loan	\$ (11,010,866)	\$ (11,169,518)

Other Related-Party Information

Owner Entity financial statements are audited by independent accounting firms hired by the managing general partner of each respective Owner Entity. See further disclosure in Note B.13 and in the Other Supplementary Information.

NOTE F — OTHER RELATED-PARTY TRANSACTIONS

National Housing Compliance

National Housing Compliance (NHC) was formed in August 1999 as a 501(c)(4) not-for-profit corporation pursuant to the laws of the State of Georgia for the purpose of administering Housing Assistance Payments Contracts between HUD and private owners of multi-family housing with project-based rental assistance. NHC, headquartered in Atlanta, Georgia, is comprised of 11 member organizations, including AHA (Members). NHC earns fees for contract administration services as HUD's Performance Based Contract Administrator (PBCA) for the states of Illinois and Georgia. NHC makes periodic contributions to Members based on NHC's earned PBCA revenue in excess of NHC's operating expenses. As a Member, AHA received unrestricted contributions (operating revenue) of \$820,022 and \$1,302,261 in FY 2013 and FY 2012, respectively, from NHC activities in Georgia and Illinois.

The Housing Authority of the City of Atlanta
NOTES TO THE FINANCIAL STATEMENTS

June 30, 2013 and 2012

NOTE F — OTHER RELATED-PARTY TRANSACTIONS — continued

During FY 2012, an amendment was made to NHC’s contract with HUD which suspended the PBCA requirement to perform management and occupancy reviews (MORs) of HUD-assisted properties in NHC’s PBCA portfolios until HUD could complete its PBCA procurement process for each state. Consequently, NHC advised its Members under their respective subcontract agreements to stop performing MORs. As a result of this action, AHA ceased MOR activities, which, therefore, eliminated the need for compliance staff that performed MORs and reduced the associated salary expense incurred under this activity.

Effective December 31, 2012, NHC and its Members mutually agreed to terminate the subcontract agreements for MORs. As a result of this action, effective January 1, 2013, PBCA revenue distributable to NHC’s Members in the form of contributions would be divided equally among the Members without regard to the proportionate share of the Georgia portfolio Members had been previously assigned under their subcontract agreements for their respective areas of operation.

NOTE G — CAPITAL ASSETS

Changes in capital assets for the year ended June 30, 2013 consist of the following:

	<u>Balance at June 30, 2012</u>	<u>Additions and reclasses</u>	<u>Deletions and reclasses</u>	<u>Balance at June 30, 2013</u>
Land*	\$ 57,417,056	\$ 6,247,130	\$ (1,399,627)	\$ 62,264,559
Land improvements	23,593,003	1,859,099	(946,916)	24,505,186
Buildings and improvements	143,562,067	17,305,334	(14,611,854)	146,255,547
Equipment	30,583,910	5,340,570	(3,807,748)	32,116,732
Modernization in process*	13,115,819	14,792,916	(25,519,816)	2,388,919
	<u>268,271,855</u>	<u>45,545,049</u>	<u>(46,285,961)</u>	<u>267,530,943</u>
Less accumulated depreciation				
Land improvements	(10,347,100)	(1,612,647)	946,916	(11,012,831)
Buildings and improvements	(89,974,516)	(7,020,104)	14,611,854	(82,382,766)
Equipment	(16,858,080)	(2,611,515)	3,770,068	(15,699,527)
	<u>(117,179,696)</u>	<u>(11,244,266)</u>	<u>19,328,838</u>	<u>(109,095,124)</u>
Total capital assets, net	<u>\$ 151,092,159</u>	<u>\$ 34,300,783</u>	<u>\$ (26,957,123)</u>	<u>\$ 158,435,819</u>

* Non-depreciable assets

The Housing Authority of the City of Atlanta
NOTES TO THE FINANCIAL STATEMENTS

June 30, 2013 and 2012

NOTE G — CAPITAL ASSETS — continued

Changes in capital assets for the year ended June 30, 2012 consist of the following:

	Balance at June 30, 2011	Additions and reclasses	Deletions and reclasses	Balance at June 30, 2012
Land*	\$ 52,444,233	\$ 4,989,201	\$ (16,378)	\$ 57,417,056
Land improvements	18,818,902	4,774,101	-	23,593,003
Buildings and improvements	137,298,051	15,326,683	(9,062,667)	143,562,067
Equipment	18,496,733	12,087,177	-	30,583,910
Modernization in process*	25,536,553	11,220,172	(23,640,906)	13,115,819
	<u>252,594,472</u>	<u>48,397,334</u>	<u>(32,719,951)</u>	<u>268,271,855</u>
Less accumulated depreciation				
Land improvements	(9,060,935)	(1,286,165)	-	(10,347,100)
Buildings and improvements	(85,971,804)	(4,002,712)	-	(89,974,516)
Equipment	(14,426,517)	(2,431,563)	-	(16,858,080)
	<u>(109,459,256)</u>	<u>(7,720,440)</u>	<u>-</u>	<u>(117,179,696)</u>
Total capital assets, net	<u>\$ 143,135,216</u>	<u>\$ 40,676,894</u>	<u>\$ (32,719,951)</u>	<u>\$ 151,092,159</u>

The cost and accumulated depreciation of AHA assets financed under Energy Performance Contract capital lease as of June 30, 2013 and 2012 were as follows:

	<u>2013</u>	<u>2012</u>
Building improvements	\$ 5,477,122	\$ -
Equipment	3,016,925	-
Modernization in process*	1,909,996	8,655,775
	<u>10,404,043</u>	<u>8,655,775</u>
Less accumulated depreciation	<u>(371,566)</u>	<u>-</u>
	<u>\$ 10,032,477</u>	<u>\$ 8,655,775</u>

* *Non-depreciable assets*

The Housing Authority of the City of Atlanta
NOTES TO THE FINANCIAL STATEMENTS

June 30, 2013 and 2012

NOTE H — OTHER NON-CURRENT ASSETS

Other non-current assets at June 30, 2013 and 2012 consisted of the following:

	2013	2012
Public improvement advances due from the City of Atlanta and related entities	\$ 25,409,850	\$ 25,047,719
Home ownership down payment assistance notes (net of allowance of \$4,720,267 and \$4,200,367 in 2013 and 2012, respectively)	-	-
Loan costs (net of accumulated loan amortization of \$39,941 and \$31,287 in 2013 and 2012, respectively)	-	8,654
Other (net of allowance of \$55,610 and \$46,760 in 2013 and 2012, respectively)	-	9,190
	\$ 25,409,850	\$ 25,065,563

NOTE I — ACCOUNTS PAYABLE

Accounts payable at June 30, 2013 and 2012 consisted of the following:

	2013	2012
Accounts payable, trade	\$ 3,395,211	\$ 582,229
HUD payable	-	309,170
Other	16,428	211,539
	\$ 3,411,639	\$ 1,102,938

The Housing Authority of the City of Atlanta
NOTES TO THE FINANCIAL STATEMENTS

June 30, 2013 and 2012

NOTE J — ACCRUED LIABILITIES

Accrued liabilities at June 30, 2013 and 2012 consisted of the following:

	2013	2012
Accrued expense	\$ 3,583,545	\$ 6,781,443
Contract retention	853,164	1,284,466
Compensated absences	1,022,971	709,138
Wages payable	2,302,116	2,020,390
Insurance, claims and litigation (Note N)	208,611	208,611
Interest payable	156,903	154,278
	\$ 8,127,310	\$ 11,158,326

Compensated absences at June 30, 2013 consisted of the following:

	Balance at June 30, 2012	Additions	Reductions	Balance at June 30, 2013	Non- current	Current
Compensated absences	\$ 1,353,952	1,054,804	(1,385,785)	\$ 1,022,971	\$ -	\$ 1,022,971

Compensated absences at June 30, 2012 consisted of the following:

	Balance at June 30, 2011	Additions	Reductions	Balance at June 30, 2012	Non- current	Current
Compensated absences	\$ 1,206,455	856,635	(709,138)	\$ 1,353,952	\$ 644,814	\$ 709,138

NOTE K — OTHER CURRENT LIABILITIES

Other current liabilities at June 30, 2013 and 2012 consisted of the following:

	2013	2012
Public improvement advances received from the City of Atlanta and related entities	\$ 6,728,898	\$ 6,985,389
Other	992,539	727,915
	\$ 7,721,437	\$ 7,713,304

The Housing Authority of the City of Atlanta
NOTES TO THE FINANCIAL STATEMENTS

June 30, 2013 and 2012

NOTE L — LONG-TERM DEBT

Long-term debt at June 30, 2013 consisted of the following:

	Balance at July 1, 2012	Additions	Reductions	Balance at June 30, 2013	Non-current	Current
EPC Capital Lease	\$ 9,293,862	158,136	-	\$ 9,451,998	\$ 8,988,602	\$ 463,396

Long-term debt at June 30, 2012 consisted of the following:

	Balance at July 1, 2011	Additions	Reductions	Balance at June 30, 2012	Non-current	Current
J.W. Dobbs Notes Payable	\$ 3,236,703		(3,236,703)	\$ -	\$ -	\$ -
EPC Capital Lease	-	9,293,862	-	9,293,862	9,293,862	-
	\$ 3,236,703	9,293,862	(3,236,703)	\$ 9,293,862	\$ 9,293,862	\$ -

Interest expense related to long-term debt was \$232,730 and \$713,807 for the years ended June 30, 2013 and 2012, respectively.

EPC capital lease

An Energy Performance Contract (EPC) is part of a HUD-sponsored program designed to incent local housing authorities to undertake energy-saving improvements at their properties. HUD allows such agencies to freeze the consumption base used to determine their utility funding at an agreed pre-constructed level for up to 20 years, so that the savings from such improvements can be used to finance the cost of water and energy conservation improvements. The EPC structure facilitates financing for the improvements to be repaid through future energy savings resulting from the improvements.

During FY 2012, AHA consummated an Energy Performance Contract (EPC) which combined an EPC capital lease of \$9,104,935 with MTW funds to fund capital improvements for energy conservation and efficiency solutions at the AHA-Owned Residential Communities.

During FY 2013 and FY 2012, accrued interest of \$158,136 and \$188,927, respectively, was capitalized into the lease. The outstanding lease balance at June 30, 2013 and 2012, respectively, was \$9,451,998 and \$9,293,862. MTW funds of \$952,045 were used to supplement the proceeds under the capital lease. The work under this project was substantially complete at June 30, 2013 with total cost of \$10,404,043, including capitalized interest.

The Housing Authority of the City of Atlanta
NOTES TO THE FINANCIAL STATEMENTS

June 30, 2013 and 2012

NOTE L — LONG-TERM DEBT — continued

J.W. Dobbs note payable

On June 29, 2012, AHA prepaid the full amount outstanding of \$3,148,942 including the prepayment premium owed under the Amended and Restated Facilities Lease and Option Agreement by and between AHA and 230 John Wesley Dobbs Boulevard Ventures, Inc. and facilitated the release of the AHA headquarters property from the Amended and Restated Deed to Secure Debt held by Bank of America, N.A. The titles to the land and the building at 230 John Wesley Dobbs Avenue and the two parcels of land at the intersection of John Wesley Dobbs Avenue and Bell Street used for parking were transferred to AHA.

Aggregate long-term debt by year

Aggregate long-term debt service payments under the EPC capital lease scheduled for the next five fiscal years and thereafter are as follows:

	Principal	Interest	Total
2014	\$ 463,396	\$ 461,699	\$ 925,095
2015	198,878	444,322	643,200
2016	223,177	434,013	657,190
2017	254,268	423,516	677,784
2018	287,507	412,817	700,324
Thereafter	8,024,772	3,377,171	11,401,943
	\$ 9,451,998	\$ 5,553,538	\$ 15,005,536

NOTE M — OTHER NON-CURRENT LIABILITIES

Other non-current liabilities at June 30, 2013 and 2012 consisted of the following:

	2013	2012
Resident security deposits	\$ 337,328	\$ 336,661
Deferred rooftop satellite lease revenue	292,305	359,760
Compensated absences (Note J)	-	644,814
Deferred gain for land sale	1,197,000	-
	\$ 1,826,633	\$ 1,341,235

The Housing Authority of the City of Atlanta
NOTES TO THE FINANCIAL STATEMENTS

June 30, 2013 and 2012

NOTE N — INSURANCE, CLAIMS AND LITIGATION

AHA is exposed to various risks of loss related to: torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees and natural disasters. AHA carries commercial insurance and certain reserves deemed sufficient to cover potential uninsured losses.

Self-insurance plan — workers' compensation

AHA is self-insured for workers' compensation claims and has purchased excess insurance for its workers' compensation self-insurance plan, which limits its liability to \$400,000 per accident. AHA has a system in place to identify incidents which might give rise to workers' compensation claims. It uses this information to compute an estimate of loss due to claims asserted and incidents that have been incurred but not reported. Settled claims have not exceeded the self-insured retention in any part of the past five years. AHA has recorded estimated liabilities of \$60,000 and \$50,000 as of June 30, 2013 and 2012, respectively.

Litigation and claims

AHA is party to legal actions arising in the ordinary course of business. Certain actions are in various stages of the litigation process and their ultimate outcome cannot be determined currently. Accordingly, potential liabilities in excess of insurance coverage may not be reflected in the accompanying financial statements. While it is the opinion of outside and in-house legal counsel that the ultimate liability of such litigation could reach up to \$300,000, the financial statements include estimated liabilities in the amount of \$148,611 and \$158,611 as of June 30, 2013 and 2012, respectively.

NOTE O — CONTINGENCIES AND UNCERTAINTIES

Easements, liens and other contractual obligations

Generally, real property owned by AHA under the public housing program or purchased using public housing development funds is subject to a HUD declaration of trust and most have various customary easements (e.g., utility rights-of-way). From time to time, mechanics' liens or other such liens may be recorded against AHA-Owned property. Notwithstanding any such liens, under Georgia law, all real property owned by AHA is exempt from levy and sale by virtue of execution, other judicial process or judgment. Additionally, real property owned by AHA affiliate entities and leasehold interests in AHA real property (ground leased to Owner Entities in connection with mixed-income rental communities) may be subject to mortgage liens and other contractual obligations.

The Housing Authority of the City of Atlanta
NOTES TO THE FINANCIAL STATEMENTS

June 30, 2013 and 2012

NOTE O — CONTINGENCIES AND UNCERTAINTIES — continued

Valuation of related-party development loans

The multi-family rental housing market is affected by a number of factors such as overall economic conditions, unemployment rates, mortgage interest rates, supply and demand, changes in neighborhood demographics and growth of the metropolitan Atlanta area. Because related-party development loans to Owner Entities of the mixed-income, mixed-finance multi-family rental communities are subordinated and payable from net cash flows, local market conditions could impact the value of those receivables as reflected on AHA's books. AHA's strategy is to monitor the performance of the properties and local market conditions, and to periodically engage a third-party financial expert to conduct valuation studies. During FY 2012, a valuation study based on a representative sample of such related development loans was completed and it was determined that no increase in valuation reserve was necessary (see further disclosure by Owner Entity in Other Supplementary Information).

NOTE P — DEFINED BENEFIT PENSION PLAN

Plan description

AHA's Retirement Plan (the Plan) is a single-employer, non-contributory defined benefit pension plan under a group annuity contract with Massachusetts Mutual Life Insurance Company, an insurance carrier, which maintains custody of Plan assets, administers the Plan and invests all funds through a General Investment account and a separate Money Market account. AHA is not required to provide a separate audited GAAP-basis pension plan report. Assets of the Plan represent less than one percent of the insurance carrier's total assets. None of the Plan's investments is the property of AHA. The Plan provides retirement, disability and death benefits to the participants and their beneficiaries.

The AHA Board froze the Plan as of December 31, 2007. No employees hired or rehired on or after January 1, 2008, may be added to or accrue additional benefits under the Plan. The Board also froze benefit accruals under the Plan for all current participants, except certain vested employees whose age plus years of service equaled 60 at December 31, 2007 and who elected to continue accruals under the Plan (grandfathered employees) and who elected to take the lump-sum cash payments. In FY 2009, AHA offered and made lump sum cash payments to those plan participants who were no longer employed with AHA, had vested in a retirement benefit but who had not retired nor been certificated by the Plan administrator. AHA is no longer liable to fund future retirement benefits for those 304 participants who elected to take their retirement benefit under the lump sum option. The plan document received a favorable determination letter from the IRS on June 3, 2011.

Funding policy

AHA's funding policy is to contribute an amount equal to or greater than the minimum required contribution. The Actuarial Standard of Practice recommends the use of best-estimate range for each assumption, based on past experience, future expectations and application of professional judgment.

The Housing Authority of the City of Atlanta
NOTES TO THE FINANCIAL STATEMENTS

June 30, 2013 and 2012

NOTE P — DEFINED BENEFIT PENSION PLAN — continued

The recommended contributions were computed as part of the actuarial valuations performed as of January 1, 2013, 2012 and 2011, respectively. Beginning June 1996, AHA's contributions were determined under the Projected Unit Credit Actuarial Cost method (pay-related benefit formula). See the multi-year pension trend information presented in the Schedule of Pension Funding Progress immediately following the Notes to the Financial Statements, which presents information about the actuarial value of plan assets relative to the actuarial accrued liability for benefits.

Annual pension costs and annual required contribution

For the fiscal year ended June 30, 2013 and 2012, AHA funded pension payments of \$1,000,000 and \$1,500,000, respectively. Such payments were greater than or equal to AHA's annual required contributions for the respective years.

For the year ended June 30, 2013, AHA's annual pension cost was as follows:

Annual required contribution	\$	(204,920)
Amortization of unfunded actuarial accrued liability		(287,588)
Interest		(24,133)
Annual pension costs		(516,641)
Contributions made		1,000,000
Decrease in net pension obligation (NPO)		483,359
NPO at beginning of year		(2,469,626)
Unfunded NPO at end of year	\$	(1,986,267)

Three-year trend information is as follows:

	January 1, 2013	January 1, 2012	January 1, 2011
Market value of assets	\$ 39,270,758	\$ 39,048,208	\$ 40,673,163
Actuarial accrued liability (AAL)	\$ 42,257,025 *	\$ 42,610,612 *	\$ 40,720,186
Unfunded AAL	\$ (2,986,267) *	\$ (3,562,404) *	\$ (47,023)
Covered payroll	\$ 9,599,723	\$ 9,401,000	\$ 10,983,388
AAL as a % of covered payroll	-31.11%	-37.89%	-0.43%
Funded ratio	92.93%	91.64%	99.88%
Annual pension cost (APC)	\$ 516,641	\$ 575,285	\$ -
Actual contributions during fiscal year	\$ 1,000,000	\$ 1,500,000	\$ -
Percentage of APC contributed	193.56%	260.74%	n/a
Unfunded net pension obligations after employer contributions	\$ (1,986,267)	\$ (2,469,626)	\$ -

* Based on level equivalent discount rates of 4.9%, 4.9% and 5.5% for 2013, 2012 and 2011, respectively

The Housing Authority of the City of Atlanta
NOTES TO THE FINANCIAL STATEMENTS

June 30, 2013 and 2012

NOTE P — DEFINED BENEFIT PENSION PLAN — continued

Significant actuarial assumptions used to compute the annual contribution requirement as of the January 1, 2013 valuation date are as follows: 1) the valuation uses the Projected Unit Credit Actuarial Cost method; 2) the Plan's unfunded actuarial accrued liability is being amortized as a level percentage of projected payrolls on an open basis. The remaining amortization period at January 1, 2013 is 15 years; 3) the Actuarial Value of plan assets is equal to the market value at the date of valuation; 4) the assumed average investment rate of return is 5.5 percent for participants without certificates and 4.25 percent for participants with certificates, for a level equivalent rate of 4.9 percent compounded annually; 5) mortality rates, used to calculate the actuarial accrued liability (AAL) were based upon the RP 2000 tables; and 6) projected salary increases are 4 percent per year.

NOTE Q — DEFERRED COMPENSATION AND DEFINED CONTRIBUTION PLANS

AHA offers its employees a deferred compensation plan created in accordance with IRC Section 457 (the 457 Plan). The 457 Plan is available to all full-time eligible employees and permits participants to defer a portion of their salary until future years. Effective February 1, 2008, all eligible employees had the option to participate in the 457 Plan with a deferral rate of two percent. Employees may change their deferral rates at any time. Employee contributions of \$895,729 and \$770,030 were made in FY 2013 and FY 2012, respectively.

In conjunction with changes made to the Defined Benefit Plan, effective February 1, 2008, AHA's Board also approved the creation of the new Defined Contribution Plan under IRC Section 401(a) (the 401(a) Plan), for all eligible employees. The 401(a) Plan provides an employer-matching contribution on amounts that employees defer into the 457 Plan, equal to 100 percent of the first two percent deferred by the participant. Additional matching contributions are made based on the participant's years of service with AHA. In addition, further contributions can be made at the discretion of management. The employer contribution to the 401(a) Plan was \$700,031 and \$590,231 during FY 2013 and FY 2012, respectively. Amounts from these plans are available to participants at the time of termination, retirement, death or emergency. As required by federal regulations, the funds are held in trust for the exclusive benefit of participants and their beneficiaries.

Both of the plans are administered by Wells Fargo. AHA has no ownership of the plans. Accordingly, the plans' assets are not reported in AHA's financial statements. Upon receipt of appropriate approval, AHA may amend, modify or terminate the plans.

NOTE R — POST-EMPLOYMENT BENEFITS

AHA offered early retirement programs in FY 1995 and FY 2004. AHA employees who elected early retirement under prescribed "open windows" in these years were permitted to continue their medical benefits until age 65 at 50 percent of the premium cost. AHA records these expenditures on a pay-as-you-go basis. Annual costs were \$8,985 and \$30,172 for FY 2013 and FY 2012, respectively. As of June 30, 2013, three employees were receiving these benefits.

The Housing Authority of the City of Atlanta
NOTES TO THE FINANCIAL STATEMENTS

June 30, 2013 and 2012

NOTE S — LEASES

AHA is party to lease agreements as lessor whereby it receives revenue for tenant dwellings leased in AHA-Owned public-housing-assisted residential properties. These leases are for a one-year period (which may or may not be renewed depending upon tenant eligibility and desire) and are considered operating leases for accounting purposes.

AHA is the ground lessor to Owner Entities of most of the mixed-income, mixed-financed rental communities, as discussed further in Note B.7. Revenue derived from these leases is nominal.

The cost and accumulated depreciation of AHA-Owned assets used in leasing activities were as follows, as of June 30, 2013 and 2012:

	2013	2012
Land	\$ 28,125,471	\$ 28,370,098
Site improvements	24,391,707	23,479,524
Building and improvements	130,515,867	127,812,029
Equipment	21,233,128	16,954,690
Modernization in process	2,295,377	11,862,446
	206,561,550	208,478,787
Less accumulated depreciation	(93,837,522)	(100,009,774)
	\$ 112,724,028	\$ 108,469,013

AHA is party to operating lease agreements as lessee for office equipment used in the normal course of business. Estimated calendar year disbursements over the remaining terms of these lease agreements are as follows:

Years ending December 31,	Amount
2014	\$ 121,265
2015	63,328
	\$ 184,593

Lease expense was \$251,374 and \$300,128 for the years ended June 30, 2013 and 2012, respectively.

The Housing Authority of the City of Atlanta
NOTES TO THE FINANCIAL STATEMENTS

June 30, 2013 and 2012

NOTE T — CONDUIT DEBT

The following bonds, issued by AHA as conduit issuer, do not represent a debt or pledge of the full faith and credit of AHA and, accordingly, have not been reported in the accompanying financial statements. AHA has no responsibility for this conduit debt beyond any resources provided by the related loans.

Taxable mortgage revenue refunding bonds

Taxable mortgage revenue refunding bonds were issued by AHA, as the conduit issuer, on September 25, 1995, related to the properties shown below. The mortgage payable balances are as follows:

Property	December 31, 2012	December 31, 2011
Oakland City	\$ 2,193,501	\$ 2,193,501
Bedford Pines	1,025,531	1,094,360
Bedford Towers	1,817,402	2,096,394
Grant Park	2,682,178	2,727,797
Capital Towers	1,273,645	1,277,794
Capital Avenue	1,387,052	1,417,156
	\$ 10,379,309	\$ 10,807,002

Taxable revenue bonds (Housing Opportunity Program)

Atlanta Housing Opportunity, Inc. (AHOI) is a Georgia not-for-profit corporation created at the direction of the AHA Board for the sole purpose of facilitating the Housing Opportunity Program for the City of Atlanta. AHOI has no other programs or purpose (see further disclosure in Note A.3).

The Urban Residential Finance Authority of the City of Atlanta, Georgia (URFA) is authorized to issue Housing Opportunity Bonds (conduit debt) and loan the proceeds to AHOI, up to a maximum principal amount not to exceed \$75 million. URFA issued the first bond series of \$35 million Series 2007 A bonds and loaned the proceeds to AHOI in FY 2007. The City of Atlanta has the absolute and unconditional obligation to make the debt payments. In addition to the debt payments, the City pays the administrative and corporate governance costs of AHOI. URFA serves as the program administrator for the Housing Opportunity Program. The City's program oversight role includes establishing the program, directing the activities, and establishing or revising the budget for the Housing Opportunity Program. As such, AHOI is considered a component unit of the City of Atlanta.

The Housing Authority of the City of Atlanta
NOTES TO THE FINANCIAL STATEMENTS

June 30, 2013 and 2012

NOTE T — CONDUIT DEBT — continued

Multi-family housing revenue bonds

In order to provide a portion of the funds for the construction of three AHA-sponsored mixed-income, mixed-finance communities, multi-family housing revenue bonds were issued by AHA, as the conduit issuer, on May 1, 1999, July 1, 1999, and December 7, 2006, respectively. The mortgage payable balances are as follows:

<u>Related development project</u>	<u>December 31, 2012</u>	<u>December 31, 2011</u>
John Hope Community Partnership II, L.P.	\$ 10,702,331	\$ 10,924,916
Carver Redevelopment Partnership V, L.P.	3,425,000	3,425,000
East Lake Redevelopment II, L.P.	9,840,000	10,240,000
	<u>\$ 23,967,331</u>	<u>\$ 24,589,916</u>

NOTE U — NET POSITION

Net position (Assets plus Deferred Outflows less Liabilities and Deferred Inflows) are comprised of three components: 1) capital assets, net of related debt; 2) restricted–expendable net assets; and 3) unrestricted net assets.

Capital assets, net of related debt represents the net book value of capital assets, net of outstanding debt used to acquire or lease those assets.

Restricted–expendable net assets, subject to both internal and external constraints, are calculated at the carrying value of restricted assets less related liabilities. These net assets are restricted by time and/or purpose. Restricted–expendable net assets include restrictions for HUD-funded programs, related development and other loans, and related-party development operating reserves made in conjunction with the AHA-sponsored mixed-income, mixed-finance rental development transactions. These assets cannot be used, pledged or mortgaged to a third party or seized, foreclosed upon or sold in the case of a default, ahead of any HUD lien or interest without HUD approval. In addition, the related-party development and other loans are not available to satisfy AHA’s obligations due to the long-term, contingent nature of the underlying notes (see further disclosure in Note E, Note O and Other Supplementary Information).

The Housing Authority of the City of Atlanta
NOTES TO THE FINANCIAL STATEMENTS

June 30, 2013 and 2012

NOTE U — NET POSITION — continued

Unrestricted net assets are not as restricted as in the foregoing category but remain subject to varying degrees of limitations. HUD approval is required, with some limited exceptions, to use or deploy these assets strategically outside of the ordinary course of AHA's business. AHA's eligible business activities are set forth in its HUD-approved Business Plan, as amended from time to time, by its MTW Annual Implementation Plans. In all cases, AHA's assets are subject to the limitations of AHA's charter and the Housing Authorities Laws of the State of Georgia.

NOTE V — RECENT ACCOUNTING PRONOUNCEMENTS

The Governmental Accounting Standards Board (GASB) has issued new pronouncements which will be implemented by the Authority starting in fiscal year 2014 through 2015: GASB 68, "*Accounting and Financial Reporting for Pensions*"; GASB 69, "*Government Combinations and Disposals of Government Operations*"; and GASB 70, "*Accounting and Financial Reporting for Non-exchange Financial Guarantees*."

GASB 68 will bring public pension accounting more in line with the private sector rules. Under the new standards, the financial statements will contain a liability which is the amount of the unfunded pension liability which is referred to in the new standards as the net pension liability (NPL). The NPL is the total pension liability (TPL) less the plan's fiduciary net position (PFNP). The PFNP represents the fair value of plan assets which are available to pay the pension benefits. The NPL is measured as of a date no earlier than the end of the employer's prior fiscal year (measurement date). AHA included a \$1,500,000 contribution to the Pension Plan in its FY 2014 Comprehensive Operating and Capital Budget. If AHA does not fund the balance of the NPL (based on the actuarial model prepared by the Pension Plan administrator as of January 1, 2014) within its next fiscal year, this pronouncement could have a material impact on AHA's Financial Statements.

GASB 69 establishes accounting and financial reporting standards related to governmental combinations and disposals of governmental operations (in this statement, the term *combination* refers to mergers, acquisitions and transfers of operations). The distinction between a government merger and a government acquisition is based on whether an exchange of significant consideration is present within the transaction. Mergers are combinations without the exchange of significant consideration; mergers would require the use of carrying values to measure the assets and liabilities in the merger. Acquisitions are transactions in which a government acquires another entity, or its operations, in exchange for significant consideration; acquisitions would require a measurement of assets acquired and liabilities assumed to be based upon their acquisition values. This Statement is effective for reporting periods beginning after December 15, 2013.

The Housing Authority of the City of Atlanta
NOTES TO THE FINANCIAL STATEMENTS

June 30, 2013 and 2012

NOTE V — RECENT ACCOUNTING PRONOUNCEMENTS — continued

GASB 70 defines a non-exchange financial guarantee as a financial guarantee extended for the obligations of another government, not-for-profit entity, or a private entity without receiving equal or approximately equal value in exchange. The Statement requires a government that extends a non-exchange financial guarantee to recognize a liability when qualitative factors and historical data, if any, indicate that it is likely that the government will be required to make a payment on the guarantee. The amount of the liability to be recognized should be the discounted present value of future cash outflows related to the guarantee. The Statement also requires a government that is required to repay a guarantor for making a payment on a guaranteed obligation to recognize a liability until legally released as an obligor. The Statement further provides additional guidelines for intra-entity non-exchange financial guarantees involving blended component units. This Statement is effective for reporting periods beginning after June 15, 2013.

NOTE W — SUBSEQUENT EVENTS

The AHA Board of Commissioners decided at its September 3, 2013 meeting to implement a change in leadership at AHA, by accepting the resignation of Renee Lewis Glover, effective September 4, 2013, pursuant to the Separation and Consultation Agreement, between Ms. Glover and AHA. Ms. Glover had led AHA as its President and CEO since September 1, 1994, during which AHA underwent a dramatic transformation from a “troubled” housing authority, on the verge of receivership, to a high-performing and financially strong diversified real estate company, with a public mission and purpose. The Board appointed Joy W. Fitzgerald, the Chief Real Estate Officer of AHA, as the Interim President and CEO of AHA, effective September 4, 2013.

REQUIRED SUPPLEMENTARY INFORMATION

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SCHEDULE OF PENSION FUNDING PROGRESS

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Overfunded (Unfunded) AAL	Funded Ratio	Covered Payroll	Overfunded (Unfunded) AAL as a % of Covered Payroll
January 1, 2004	\$33,491,848	\$30,407,288	\$3,084,560	110.14%	\$15,699,710	19.65%
January 1, 2005	\$34,586,113	\$34,195,565	\$390,548	101.14%	\$14,243,999	2.74%
January 1, 2006	\$36,301,044	\$43,272,475	(\$6,971,431)	83.89%	\$13,150,498	-53.01%
January 1, 2007	\$39,878,195	\$44,672,523	(\$4,794,328)	89.27%	\$11,253,960	-42.60%
January 1, 2008	\$38,728,718	\$45,673,452	(\$6,944,734)	84.79%	\$13,822,948	-50.24%
January 1, 2009	\$49,447,193	\$46,407,109	\$3,040,084	106.55%	\$13,877,719	21.91%
January 1, 2010	\$42,249,247	\$42,121,920	\$127,327	100.30%	\$12,695,948	1.00%
January 1, 2011	\$40,673,163	\$40,720,186	(\$47,023)	99.88%	\$10,983,388	-0.43%
January 1, 2012	\$39,048,208	\$42,610,612	(\$3,562,404)	91.64%	\$9,401,000	-37.89%
January 1, 2013	\$39,270,758	\$42,257,025	(\$2,986,267)	92.93%	\$9,599,723	-31.11%

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OTHER SUPPLEMENTARY INFORMATION

The Housing Authority of the City of Atlanta, Georgia

**FINANCIAL DATA SCHEDULE OF
COMBINING BALANCE SHEET ACCOUNTS**

As of June 30, 2013

	Project Total	Moving to Work Demonstration Program	Housing Choice Vouchers	Mainstream Vouchers	Revitalization of Severely Distressed Public Housing	Choice Neighborhoods Planning Grant	Component Units
CURRENT ASSETS							
Cash:							
Unrestricted	\$ 274,221	\$ 38,471,487	\$ -	\$ -	\$ -	\$ -	\$ 2,829,503
Restricted	1,329,574	-	-	-	1,061	-	-
Total cash	1,603,796	38,471,487	-	-	1,061	-	2,829,503
Receivables, net of allowance	2,146,623	(29,335)	183,874	23,109	-	7,384	-
Investments, restricted	-	-	-	-	-	-	-
Prepaid expenses and other assets	90,932	-	-	-	-	-	5,076
Interprogram - due from	1,716,285	576,945	-	-	66,360	3,111	351,992
Total current assets	5,557,636	39,019,097	183,874	23,109	67,421	10,495	3,186,571
NON-CURRENT ASSETS							
Capital Assets, net of accumulated depreciation	112,724,027	35,393	-	-	-	-	45,423,706
Notes, Loans and Mortgages Receivable - Non-Current	-	55,610	-	-	-	-	2,460,000
Other Assets	487,266	4,847,027	-	-	8,910,118	-	-
Total non-current assets	113,211,294	4,938,030	-	-	8,910,118	-	47,883,706
TOTAL ASSETS	\$ 118,768,930	\$ 43,957,127	\$ 183,874	\$ 23,109	\$ 8,977,539	\$ 10,495	\$ 51,070,277
CURRENT LIABILITIES							
Accounts payable	\$ 1,569,701	\$ 49,090	\$ -	\$ -	\$ -	\$ -	\$ 41,979
Accrued liabilities	1,346,163	195,525	-	-	-	-	56,920
Other current liabilities	1,488,245	85,085	62,687	-	709	-	-
Current Portion of long-term debt	463,396	-	-	-	-	-	-
Interprogram - due to	1,775,160	10,596	-	-	929,128	-	-
Total current liabilities	6,642,665	340,295	62,687	-	929,837	-	98,899
NON-CURRENT LIABILITIES							
Long-term debt, net of current portion	8,988,602	-	-	-	-	-	1,263,000
Other non-current liabilities	359,761	-	-	-	-	-	1,197,000
Total non-current liabilities	9,348,363	-	-	-	-	-	2,460,000
TOTAL LIABILITIES	15,991,028	340,295	62,687	-	929,837	-	2,558,899
NET ASSETS							
Invested In capital assets, net of related debt	103,272,029	35,393	-	-	-	-	44,160,706
Restricted net assets	(3,420,340)	38,840,864	121,187	23,109	-	-	3,053,118
Unrestricted net assets	2,926,213	4,740,575	-	-	8,047,702	10,495	1,297,554
TOTAL NET ASSETS	102,777,902	43,616,832	121,187	23,109	8,047,702	10,495	48,511,378
TOTAL LIABILITIES AND NET ASSETS	\$ 118,768,930	\$ 43,957,127	\$ 183,874	\$ 23,109	\$ 8,977,539	\$ 10,495	\$ 51,070,277

Other Federal Program	State/Local	Business Activities	MTW Demonstration Program for Low Rent	MTW Demonstration Program for Capital Fund	MTW Demonstration Program for HCV program	Competitive Capital Fund Stimulus Grant	Central Office Cost Center	Total Pre-Eliminations	Eliminations	Total Post-Eliminations
\$ -	\$ 951,121	\$ 8,914,823	\$ -	\$ -	\$ -	\$ -	\$ 3,364,799	\$ 54,805,953	\$ -	\$ 54,805,953
<u>44,116</u>	<u>7,149,182</u>	<u>35,219,993</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>43,743,927</u>	<u>-</u>	<u>43,743,927</u>
44,116	8,100,303	44,134,816	-	-	-	-	3,364,799	98,549,880	-	98,549,880
-	30,600	555,277	-	-	-	-	25,671	2,943,203	-	2,943,203
-	-	9,341,053	-	-	-	-	-	9,341,053	-	9,341,053
-	-	-	-	-	-	-	892,041	988,049	-	988,049
<u>191</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,714,884</u>	<u>(2,714,884)</u>	<u>-</u>
44,308	8,130,903	54,031,146	-	-	-	-	4,282,511	114,537,070	(2,714,884)	111,822,185
-	-	-	-	-	-	-	1,310,672	159,493,798	(1,057,980)	158,435,818
-	-	173,251,105	-	-	-	-	-	175,766,716	(1,263,000)	174,503,716
-	<u>3,366,022</u>	<u>8,204,033</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>25,814,466</u>	<u>-</u>	<u>25,814,466</u>
-	<u>3,366,022</u>	<u>181,455,138</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,310,672</u>	<u>361,074,979</u>	<u>(2,320,980)</u>	<u>358,753,999</u>
<u>\$ 44,308</u>	<u>\$ 11,496,925</u>	<u>\$ 235,486,284</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,593,183</u>	<u>\$ 475,612,049</u>	<u>\$ (5,035,864)</u>	<u>\$ 470,576,185</u>
\$ 11,576	\$ -	\$ 22,672	\$ -	\$ -	\$ -	\$ -	\$ 1,700,193	\$ 3,395,211	\$ -	\$ 3,395,211
6,605	28,000	5,253	-	-	-	-	1,867,035	3,505,501	-	3,505,501
-	6,788,050	772,823	-	-	-	-	3,431,948	12,629,547	-	12,629,547
-	-	-	-	-	-	-	-	463,396	-	463,396
-	-	-	-	-	-	-	-	2,714,884	(2,714,884)	-
<u>18,181</u>	<u>6,816,050</u>	<u>800,748</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,999,176</u>	<u>22,708,538</u>	<u>(2,714,884)</u>	<u>19,993,654</u>
-	-	-	-	-	-	-	-	10,251,602	(1,263,000)	8,988,602
-	-	-	-	-	-	-	-	1,556,761	-	1,556,761
-	-	-	-	-	-	-	-	11,808,363	(1,263,000)	10,545,363
<u>18,181</u>	<u>6,816,050</u>	<u>800,748</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,999,176</u>	<u>34,516,901</u>	<u>(3,977,884)</u>	<u>30,539,017</u>
-	-	-	-	-	-	-	1,310,672	148,778,800	205,020	148,983,820
-	-	181,123,758	-	-	-	-	(2,716,665)	217,025,031	(1,263,000)	215,762,031
<u>26,126</u>	<u>4,680,875</u>	<u>53,561,778</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>75,291,317</u>	<u>-</u>	<u>75,291,317</u>
<u>26,126</u>	<u>4,680,875</u>	<u>234,685,536</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,405,993)</u>	<u>441,095,148</u>	<u>(1,057,980)</u>	<u>440,037,168</u>
<u>\$ 44,308</u>	<u>\$ 11,496,925</u>	<u>\$ 235,486,284</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,593,183</u>	<u>\$ 475,612,049</u>	<u>\$ (5,035,864)</u>	<u>\$ 470,576,185</u>

The Housing Authority of the City of Atlanta, Georgia

**FINANCIAL DATA SCHEDULE OF COMBINING PROGRAM REVENUE, EXPENSES
AND CHANGES IN NET ASSET ACCOUNTS**

Year Ended June 30, 2013

	Project Total	Moving to Work Demonstration Program	Housing Choice Vouchers	Mainstream Vouchers	Revitalization of Severely Distressed Public Housing	Choice Neighborhoods Planning Grant	Component Units
Tenant Revenue	\$ 5,595,112	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
HUD PHA Operating Grants	1,848,148	-	7,557,390	737,109	-	23,520	-
Capital Grants	6,026,678	-	-	-	-	-	-
Other Fees	67,455	-	-	-	-	-	-
Interest and Investment Income	-	-	-	-	-	-	-
Other Revenue	185,674	110,393	-	-	-	-	479,379
Gain or Loss on Sale of Capital Assets	(40,627)	-	-	-	-	-	-
TOTAL REVENUE	13,682,440	110,393	7,557,390	737,109	-	23,520	479,379
Administrative	4,739,925	161,350	427,164	44,964	7,318	23,520	322,447
Tenant Services	1,561,010	-	-	-	-	-	-
Utilities, maintenance and protective services	11,601,777	9,564	-	-	-	-	1,170,115
General expenses	1,056,184	1,021,413	23,111	-	-	-	61,141
Interest expense	232,730	-	-	-	-	-	-
Extraordinary Maintenance	880,051	122,485	-	-	-	-	-
Housing Assistance Payments	14,622,550	114,768,227	6,889,400	692,145	-	-	-
Depreciation Expense	9,597,836	317,009	-	-	-	-	1,006,009
TOTAL EXPENSES	44,292,062	116,400,049	7,339,674	737,109	7,318	23,520	2,559,713
Operating Transfer In	76,410,441	198,349,691	7,278,663	822,963	4,836,837	33,659	-
Operating Transfer Out	(76,410,441)	(47,228,584)	(7,014,321)	(846,072)	(234,396)	(34,727)	-
Operating Transfers from/to Component Unit	-	-	-	-	19,845	-	(7,048,343)
Transfers between Program and Project - In	21,956,611	-	-	-	-	-	-
Transfers between Project and Program - Out	-	(17,961,058)	-	-	(424,020)	-	-
Total Other financing Sources (Uses)	21,956,611	133,160,049	264,342	(23,109)	4,198,266	(1,068)	(7,048,343)
Change in net assets	(8,653,010)	16,870,393	482,057	(23,109)	4,190,948	(1,068)	(9,128,677)
NET ASSETS- beginning of year	106,638,552	34,880,731	-	-	(1,153,858)	(11)	43,798,097
Prior Period Adjustments, Equity Transfers and Correction of Errors	4,792,361	(8,134,292)	(360,871)	46,218	5,010,612	11,574	13,841,958
NET ASSETS- end of year	\$ 102,777,902	\$ 43,616,832	\$ 121,187	\$ 23,109	\$ 8,047,702	\$ 10,495	\$ 48,511,378

Other Federal Program	State/Local	Business Activities	MTW Demonstration Program for Low Rent	MTW Demonstration Program for Capital Fund	MTW Demonstration Program for HCV program	Competitive Capital Fund Stimulus Grant	Central Office Cost Center	Total Pre-Eliminations	Eliminations	Total Post-Eliminations
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,595,112	\$ -	\$ 5,595,112
-	-	80,329	11,382,721	-	186,966,970	-	-	208,596,187	-	208,596,187
-	-	-	-	-	-	-	-	6,026,678	-	6,026,678
-	-	73,703	-	-	-	-	1,373,067	1,514,225	(1,373,067)	141,158
-	-	-	-	-	-	-	-	-	-	-
-	-	2,986,598	-	-	-	-	24,929	3,786,973	(254,634)	3,532,339
-	-	-	-	-	-	-	17,982	(22,645)	-	(22,645)
-	-	3,140,631	11,382,721	-	186,966,970	-	1,415,978	225,496,531	(1,627,701)	223,868,829
69,646	-	208,363	-	-	-	-	42,347,141	48,351,838	(1,627,701)	46,724,137
-	-	-	-	-	-	-	1,051,741	2,612,751	-	2,612,751
-	-	0	-	-	-	-	484,180	13,265,636	-	13,265,636
-	-	245,246	-	-	-	-	2,586,582	4,993,678	-	4,993,678
-	-	-	-	-	-	-	-	232,730	-	232,730
2,500	-	-	-	-	-	-	-	1,005,036	-	1,005,036
-	-	1,132	-	-	-	-	11,313	136,984,767	-	136,984,767
-	-	-	-	-	-	-	332,067	11,252,920	-	11,252,920
72,146	-	454,742	-	-	-	-	46,813,024	218,699,356	(1,627,701)	217,071,655
32,874	627,557	8,367,247	-	-	-	-	43,449,065	340,208,997	21,437	340,230,434
(131,147)	(3,880,051)	(6,101,004)	(11,382,721)	-	(186,966,970)	-	-	(340,230,434)	-	(340,230,434)
-	-	5,713,823	-	-	-	-	1,336,112	21,437	(21,437)	-
-	-	-	-	-	-	-	1,606,019	23,562,630	-	23,562,630
-	-	(4,904,357)	-	-	-	-	(273,195)	(23,562,630)	-	(23,562,630)
(98,273)	(3,252,494)	3,075,709	(11,382,721)	-	(186,966,970)	-	46,118,001	-	-	-
(170,419)	(3,252,494)	5,761,598	-	-	-	-	720,956	6,797,175	-	6,797,175
(10,873)	25,700,272	225,172,312	-	-	-	-	(727,249)	434,297,973	(1,057,980)	433,239,993
207,419	(17,766,903)	3,751,626	-	-	-	-	(1,399,702)	-	-	-
\$ 26,126	\$ 4,680,875	\$ 234,685,536	\$ -	\$ -	\$ -	\$ -	\$ (1,405,993)	\$ 441,095,148	\$ (1,057,980)	\$ 440,037,168

The Housing Authority of the City of Atlanta, Georgia

**FINANCIAL DATA SCHEDULE OF
COMBINING BALANCE SHEET ACCOUNTS**

As of June 30, 2012

	Project Total	Moving to Work Demonstration Program	Housing Choice Vouchers	Mainstream Vouchers	Revitalization of Severely Distressed Public Housing	Choice Neighborhoods Planning Grant	Component Units
CURRENT ASSETS							
Cash:							
Unrestricted	\$ 3,000,050	\$ 38,644,617	\$ -	\$ -	\$ -	\$ -	\$ 2,644,965
Restricted	336,661	-	-	-	-	-	15,000
Total cash	3,336,711	38,644,617	-	-	-	-	2,659,965
Receivables, net of allowance	1,372,554	287,518	47,921	153,927	-	9,428	-
Investments, restricted	2,395,868	-	-	-	-	-	-
Prepaid expenses and other assets	1,884,346	36,862	-	-	-	-	1,945
Interprogram - due from	40,607,083	18,684,808	-	-	-	-	94,452
Total current assets	49,596,562	57,653,805	47,921	153,927	-	9,428	2,756,362
NON-CURRENT ASSETS							
Capital Assets, net of accumulated depreciation	108,421,231	352,401	-	-	157,899	-	42,248,789
Notes, Loans and Mortgages Receivable - Non-Current	-	8,468	-	-	-	-	108,000
Other Assets	-	9,190	-	-	-	-	55,220
Total non-current assets	108,421,231	370,059	-	-	157,899	-	42,412,009
TOTAL ASSETS	\$ 158,017,793	\$ 58,023,864	\$ 47,921	\$ 153,927	\$ 157,899	\$ 9,428	\$ 45,168,371
CURRENT LIABILITIES							
Accounts payable	\$ 53,148	\$ 78,947	\$ -	\$ -	\$ 56,665	\$ -	\$ 18,731
Accrued liabilities	4,975,018	36,481	-	-	34,809	9,439	88,543
Other current liabilities	1,209,032	301,734	-	-	-	-	-
Current Portion of long-term debt	-	-	-	-	-	-	-
Interprogram - due to	34,901,628	22,614,550	47,921	153,927	1,220,283	-	-
Total current liabilities	41,138,826	23,031,712	47,921	153,927	1,311,757	9,439	107,274
NON-CURRENT LIABILITIES							
Long-term debt, net of current portion	9,293,862	-	-	-	-	-	1,263,000
Other non-current liabilities	946,553	111,421	-	-	-	-	-
Total non-current liabilities	10,240,415	111,421	-	-	-	-	1,263,000
TOTAL LIABILITIES	51,379,241	23,143,133	47,921	153,927	1,311,757	9,439	1,370,274
NET ASSETS							
Invested In capital assets, net of related debt	99,127,374	352,401	-	-	157,899	-	41,000,789
Restricted net assets	18,759,819	31,634,425	-	-	-	-	-
Unrestricted net assets	(11,248,641)	2,893,905	-	-	(1,311,757)	(11)	2,797,308
TOTAL NET ASSETS	106,638,552	34,880,731	-	-	(1,153,858)	(11)	43,798,097
TOTAL LIABILITIES AND NET ASSETS	\$ 158,017,793	\$ 58,023,864	\$ 47,921	\$ 153,927	\$ 157,899	\$ 9,428	\$ 45,168,371

Other Federal Program	State/Local	Business Activities	MTW Demonstration Program for Low Rent	MTW Demonstration Program for Capital Fund	MTW Demonstration Program for HCV program	Competitive Capital Fund Stimulus Grant	Central Office Cost Center	Total Pre-Eliminations	Eliminations	Total Post-Eliminations
\$ -	\$ 7,096	\$ 13,938,692	\$ -	\$ -	\$ -	\$ -	\$ 2,292,450	\$ 60,527,869	\$ -	\$ 60,527,869
-	7,408,471	32,549,434	-	-	-	-	505,578	40,815,144	-	40,815,144
-	7,415,567	46,488,126	-	-	-	-	2,798,028	101,343,014	-	101,343,014
-	1,329,393	1,071,251	-	-	-	-	90,478	4,362,470	-	4,362,470
-	-	9,359,926	-	-	-	-	-	11,755,794	-	11,755,794
-	-	-	-	-	-	-	972,255	2,895,408	(583,762)	2,311,646
-	708	1,306,980	-	-	-	-	364,204	61,058,235	(61,058,235)	-
-	8,745,668	58,226,283	-	-	-	-	4,224,965	181,414,921	(61,641,997)	119,772,923
-	-	36,109	-	-	-	-	922,226	152,138,655	(1,057,980)	151,080,675
-	-	167,778,926	-	-	-	-	-	167,895,394	(1,263,000)	166,632,394
-	25,047,719	1,251,537	-	-	-	-	-	26,363,666	-	26,363,666
-	25,047,719	169,066,572	-	-	-	-	922,226	346,397,715	(2,320,980)	344,076,735
<u>\$ -</u>	<u>\$ 33,793,387</u>	<u>\$ 227,292,855</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,147,191</u>	<u>\$ 527,812,636</u>	<u>\$ (63,962,977)</u>	<u>\$ 463,849,658</u>
\$ -	\$ -	\$ 744	\$ -	\$ -	\$ -	\$ -	\$ 374,262	\$ 582,497	\$ -	\$ 582,497
10,873	80,531	8,059	-	-	-	-	2,437,813	7,681,566	-	7,681,566
-	7,343,890	656,936	-	-	-	-	2,532,543	12,044,135	-	12,044,135
-	-	-	-	-	-	-	-	-	-	-
-	668,694	1,451,232	-	-	-	-	-	61,058,235	(61,058,235)	-
10,873	8,093,115	2,116,971	-	-	-	-	5,344,618	81,366,433	(61,058,235)	20,308,198
-	-	-	-	-	-	-	-	10,556,862	(1,263,000)	9,293,862
-	-	3,572	-	-	-	-	529,822	1,591,368	(583,762)	1,007,605
-	-	3,572	-	-	-	-	529,822	12,148,230	(1,846,762)	10,301,467
10,873	8,093,115	2,120,543	-	-	-	-	5,874,440	93,514,663	(62,904,997)	30,609,665
-	-	36,109	-	-	-	-	918,704	141,593,276	205,020	141,798,296
-	-	165,763,663	-	-	-	-	-	216,157,907	(1,263,000)	214,894,907
(10,873)	25,700,272	59,372,540	-	-	-	-	(1,645,953)	76,546,790	-	76,546,790
(10,873)	25,700,272	225,172,312	-	-	-	-	(727,249)	434,297,973	(1,057,980)	433,239,993
<u>\$ -</u>	<u>\$ 33,793,387</u>	<u>\$ 227,292,855</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,147,191</u>	<u>\$ 527,812,636</u>	<u>\$ (63,962,977)</u>	<u>\$ 463,849,658</u>

The Housing Authority of the City of Atlanta, Georgia

**FINANCIAL DATA SCHEDULE OF COMBINING PROGRAM REVENUE, EXPENSES
AND CHANGES IN NET ASSET ACCOUNTS**

Year Ended June 30, 2012

	Project Total	Moving to Work Demonstration Program	Housing Choice Vouchers	Mainstream Vouchers	Revitalization of Severely Distressed Public Housing	Choice Neighborhoods Planning Grant	Component Units
Tenant Revenue	\$ 5,435,557	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
HUD PHA Operating Grants	1,748,692	-	6,975,461	776,523	1,512,906	181,891	15,000
Capital Grants	1,446,850	-	-	-	125,368	-	-
Other Fees	-	-	-	-	-	-	-
Interest and Investment Income	-	-	-	-	-	-	-
Other Revenue	359,602	231,119	427,164	44,963	-	-	1,912,136
Gain or Loss on Sale of Capital Assets	7,570	-	-	-	-	-	-
TOTAL REVENUE	8,998,271	231,119	7,402,625	821,486	1,638,274	181,891	1,927,136
Administrative	7,408,866	41,012,728	427,164	44,963	1,871	181,902	319,142
Tenant Services	1,539,179	178,374	-	-	-	-	-
Utilities, maintenance and protective services	12,364,653	-	-	-	(2,947)	-	1,158,862
General expenses	14,754,547	2,049,877	-	-	-	-	47,565
Interest expense	343,206	-	-	-	-	-	370,602
Extraordinary Maintenance	1,175,497	-	-	-	1,536,912	-	-
Housing Assistance Payments	-	118,706,004	7,067,599	776,523	-	-	-
Depreciation Expense	6,030,812	316,183	-	-	-	-	1,124,850
TOTAL EXPENSES	43,616,760	162,263,166	7,494,763	821,486	1,535,836	181,902	3,021,021
Operating Transfer In	21,555,442	192,844,722	69,901	-	9,094,196	-	-
Operating Transfer Out	(21,555,442)	(377,917)	-	-	(5,399,797)	-	-
Operating Transfers from/to Component Unit	(330)	(3,148,942)	-	-	(1,361,622)	-	5,082,759
Transfers between Program and Project - In	16,224,274	-	-	-	-	-	-
Transfers between Project and Program - Out	-	(13,434,320)	-	-	(941,789)	-	-
Total Other financing Sources (Uses)	16,223,944	175,883,543	69,901	-	1,390,988	-	5,082,759
Change in net assets	(18,394,545)	13,851,496	(22,237)	-	1,493,426	(11)	3,988,874
NET ASSETS - beginning of year	105,753,846	40,260,186	22,237	-	8,099,672	-	39,809,223
Prior Period Adjustments, Equity Transfers and Correction of Errors	19,279,251	(19,230,951)	-	-	(10,746,956)	-	-
NET ASSETS - end of year	\$ 106,638,552	\$ 34,880,731	\$ -	\$ -	\$ (1,153,858)	\$ (11)	\$ 43,798,097

Other Federal Program	State/Local	Business Activities	MTW Demonstration Program for Low Rent	MTW Demonstration Program for Capital Fund	MTW Demonstration Program for HCV program	Competitive Capital Fund Stimulus Grant	Central Office Cost Center	Total Pre-Eliminations	Eliminations	Total Post-Eliminations
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,435,557	\$ -	\$ 5,435,557
-	-	-	17,933,751	328,520	173,562,810	235,428	-	203,270,982	-	203,270,982
-	-	-	-	1,019,641	-	684,197	-	3,276,056	-	3,276,056
-	-	-	-	-	-	-	34,788,022	34,788,022	(34,788,022)	-
-	-	884,110	-	-	-	-	-	884,110	-	884,110
-	18	3,159,529	-	-	-	-	41,403	6,175,934	(1,888,744)	4,287,190
-	-	-	-	-	-	-	-	7,570	-	7,570
-	18	4,043,639	17,933,751	1,348,161	173,562,810	919,625	34,829,425	253,838,231	(36,676,766)	217,161,465
38,906	-	487,801	-	-	-	-	34,028,987	83,952,330	(36,676,766)	47,275,564
-	-	289,794	-	-	-	-	466,306	2,473,653	-	2,473,653
-	-	42,050	-	-	-	-	228,722	13,791,340	-	13,791,340
-	-	555,009	-	-	-	-	809,373	18,216,371	-	18,216,371
-	-	-	-	-	-	-	-	713,808	-	713,808
-	-	36,142	-	-	-	235,428	-	2,983,979	-	2,983,979
-	-	-	-	-	-	-	-	126,550,126	-	126,550,126
-	-	-	-	-	-	-	252,858	7,724,703	-	7,724,703
38,906	-	1,410,796	-	-	-	235,428	35,786,246	256,406,310	(36,676,766)	219,729,544
-	2,310,563	3,524,018	-	-	-	-	75,057	229,473,901	-	229,473,901
-	-	(9,238,985)	(17,933,751)	(1,348,161)	(173,562,810)	-	(57,038)	(229,473,901)	-	(229,473,901)
-	-	(571,865)	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	16,224,274	-	16,224,274
-	(126,308)	-	-	(1,019,641)	-	(684,197)	(18,019)	(16,224,274)	-	(16,224,274)
-	2,184,255	(6,286,832)	(17,933,751)	(2,367,802)	(173,562,810)	(684,197)	-	-	-	-
(38,906)	2,184,273	(3,653,989)	-	(1,019,641)	-	-	(956,821)	(2,568,079)	-	(2,568,079)
-	9,958,867	228,940,366	-	-	-	2,965,225	1,056,429	436,866,052	(1,057,980)	435,808,072
28,033	13,557,132	(114,065)	-	1,019,641	-	(2,965,225)	(826,857)	-	-	-
\$ (10,873)	\$ 25,700,272	\$ 225,172,312	\$ -	\$ -	\$ -	\$ -	\$ (727,249)	\$ 434,297,973	\$ (1,057,980)	\$ 433,239,993

The Housing Authority of the City of Atlanta
NOTES TO FINANCIAL DATA SCHEDULES
Year Ended June 30, 2013

NOTE A — BASIS OF PRESENTATION

The accompanying Schedule of Combining Balance Sheet Accounts and Schedule of Combining Program Revenue, Expenses and Changes in Net Assets Accounts have been prepared using the basis of accounting required by HUD's Real Estate Assessment Center (REAC) and as modified in accordance with the provisions, policies and requirements contained in the MTW Agreement.

REAC requires certain items on the Schedule of Combining Balance Sheet Accounts to be classified entirely as short-term or long-term. However, these items are allocated between short and long-term in the financial statements prepared in accordance with GAAP. Also, REAC does not provide for presenting items on the Schedule of Combining Program Revenue, Expenses and Changes in Net Assets Accounts as operating or non-operating. Accordingly, there are differences in classifications and presentation between these schedules and the financial statements. However, total assets, total liabilities, total net assets and changes in net assets reported in these schedules agree to total assets and deferred outflows, total liabilities, total net position and change in net position, respectively, reported in the financial statements prepared in accordance with GAAP.

The Housing Authority of the City of Atlanta
NOTES TO FINANCIAL DATA SCHEDULES
Year Ended June 30, 2013

NOTE B — COMBINING SCHEDULE OF BLENDED COMPONENT UNITS

AHA's blended component units are created at the direction of the AHA Board to assist the Authority with development and other acquisition activities in support of affordable housing. Under GASBs No. 14 and 34, these blended component units are presented within the reporting entity of AHA and are identified within the Financial Data Schedules. See Note A.3 of the Notes to the Financial Statements for additional information on AHA's component units. Balances and activity for FY 2013 are as follows:

As of June 30, 2013								
	JWD	AAHFI	SHHI	RAH	SRDC	WAH	AHICI	Total Component Units
ASSETS								
Current and non-current assets	\$ 667,516	\$ 189,088	\$ 1,099,083	\$ 156,183	\$ -	\$ 3,002,487	\$ 180,222	\$ 5,294,579
Capital assets, net	11,959,460	-	-	-	-	33,816,239	-	45,775,698
Total assets	<u>\$ 12,626,976</u>	<u>\$ 189,088</u>	<u>\$ 1,099,083</u>	<u>\$ 156,183</u>	<u>\$ -</u>	<u>\$ 36,818,726</u>	<u>\$ 180,222</u>	<u>\$ 51,070,277</u>
LIABILITIES AND NET ASSETS								
Current and non-current liabilities	\$ 74,398	\$ 20	\$ 20	\$ 20	\$ 20	\$ 1,218,286	\$ 3,135	\$ 1,295,899
Long-term debt outstanding	-	-	-	-	-	1,263,000	-	1,263,000
Total liabilities	74,398	20	20	20	20	2,481,286	3,135	2,558,899
Invested in capital assets, net of debt	11,959,460	-	-	-	-	32,553,238	-	44,512,698
Unrestricted	593,118	189,068	1,099,063	156,163	(20)	1,784,201	177,087	3,998,679
Total net assets	<u>12,552,578</u>	<u>189,068</u>	<u>1,099,063</u>	<u>156,163</u>	<u>(20)</u>	<u>34,337,440</u>	<u>177,087</u>	<u>48,511,378</u>
Total liabilities and net assets	<u>\$ 12,626,976</u>	<u>\$ 189,088</u>	<u>\$ 1,099,083</u>	<u>\$ 156,183</u>	<u>\$ -</u>	<u>\$ 36,818,726</u>	<u>\$ 180,222</u>	<u>\$ 51,070,277</u>
Year ended June 30, 2013								
REVENUE								
Operating revenue	\$ 263,391	\$ 7,934	\$ 2,007	\$ 284	\$ -	\$ 7,087	\$ 198,676	\$ 479,379
Non-operating revenue	-	-	-	-	-	-	-	-
Total revenue	263,391	7,934	2,007	284	-	7,087	198,676	479,379
EXPENSE								
Operating and other expense	(2,424,246)	(60)	(60)	(60)	(1,860)	(90,174)	(43,254)	(2,559,713)
Operating transfers out	(1,301,262)	(40)	(40)	(40)	(1,840)	(5,742,678)	(2,443)	(7,048,343)
Change in net assets	(3,462,117)	7,834	1,907	184	(3,700)	(5,825,765)	152,979	(9,128,677)
Net assets — beginning of year	13,574,082	181,154	1,097,076	155,899	-	28,770,664	19,223	43,798,097
Prior period adjustments and equity transfers	2,440,613	80	80	80	3,680	11,392,541	4,885	13,841,958
Net assets — end of year	<u>\$ 12,552,578</u>	<u>\$ 189,068</u>	<u>\$ 1,099,063</u>	<u>\$ 156,163</u>	<u>\$ (20)</u>	<u>\$ 34,337,440</u>	<u>\$ 177,087</u>	<u>\$ 48,511,378</u>

The Housing Authority of the City of Atlanta, Georgia

SCHEDULE OF RELATED-PARTY BALANCES

As of June 30, 2013

Owner Entity:	Development Loans	Other Loans	Investment In Partnership	Valuation Allowance
Predevelopment Loans:				
Grady Multifamily II, L.P.	\$ -	\$ -	\$ -	\$ -
Harris Redevelopment, LLC	-	-	-	-
UH Senior Partnership II, L.P.	-	-	-	-
Construction/Permanent Financing Loans:				
Adamsville Green, LP	-	2,024,724	-	-
Campbell Stone, L.P.	-	1,500,000	-	-
Capitol Gateway Partnership I, L.P.	10,084,861	181,236	-	(181,236)
Capitol Gateway Partnership II, L.P.	3,946,821	-	-	-
Carver Redevelopment Partnership I, L.P.	9,074,250	225,792	-	(1,472,042)
Carver Redevelopment Partnership II, L.P.	740,000	-	-	-
Carver Redevelopment Partnership III, L.P.	8,430,000	111,500	-	(111,500)
Carver Redevelopment Partnership V, L.P.	6,240,000	-	-	-
Carver Senior Building, L.P.	-	-	-	-
CCH John Eagan I Homes, L.P.	5,896,000	46,565	-	(5,942,565)
CCH John Eagan II Homes, L.P.	4,536,000	-	-	(4,536,000)
Centennial Park North, LLC	-	-	-	-
Centennial Place Holdings	-	2,460,000	-	-
Columbia at Mechanicsville Apartments, L.P.	5,115,000	-	-	-
Columbia Commons, L.P.	3,425,221	-	82,580	(707,801)
Columbia Creste, L.P.	5,246,290	148,009	-	(494,299)
Columbia Estates, L.P.	4,566,413	168,791	-	(985,204)
Columbia Grove, L.P.	4,466,669	227,999	-	(390,772)
Columbia Park Citi Residences, L.P.	4,828,164	117,687	-	(370,851)
Columbia Senior Residences at Edgewood, L.P.	1,084,908	-	-	-
Columbia Senior Residences at Mechanicsville, L.P.	4,273,628	-	-	-
Columbia Village, L.P.	2,250,000	-	111,914	(2,361,914)
East Lake Redevelopment II, L.P.	11,903,505	318,728	-	(8,356,728)
East Lake Redevelopment, L.P.	5,824,000	197,702	-	(6,021,702)
Gates Park Crossing HFOP Apartments, L.P.	-	1,203,535	-	-
Gates Park Crossing HFS Apartments, L.P.	-	1,074,078	-	-
Grady Multifamily II, L.P.	4,521,176	-	-	-
Grady Redevelopment Partnership I, L.P.	2,830,213	-	-	-
Grady Redevelopment Partnership II, L.P.	7,451,027	-	-	-
Grady Senior Partnership II, L.P.	2,860,098	-	-	-
Harris Redevelopment Partnership I, L.P.	7,925,000	351,060	-	(351,060)
Harris Redevelopment Partnership II, L.P.	-	97,544	-	(97,544)
Harris Redevelopment Partnership Phase V, L.P.	9,196,000	-	-	-
John Hope Community Partnership I, L.P.	4,620,000	-	-	-
John Hope Community Partnership II, L.P.	7,980,000	-	-	-
Kimberly Associates I, L.P.	2,605,000	152,484	-	(152,484)
Kimberly Associates II, L.P.	1,507,000	70,335	-	(70,335)
Kimberly Associates III, L.P.	1,305,000	22,080	-	(22,080)
Legacy Partnership I, L.P.	3,520,000	43,382	-	(43,382)
Legacy Partnership II, L.P.	3,445,000	116,560	-	(116,560)
Legacy Partnership III, L.P.	3,774,000	391,289	-	(391,289)
Legacy Partnership IV, L.P.	3,920,000	284,483	-	(284,483)
Mechanicsville Apartments Phase 3, L.P.	5,965,395	-	-	-
Mechanicsville Apartments Phase 4, L.P.	5,494,000	-	-	-
Mechanicsville Apartments Phase 6, L.P.	5,170,000	-	-	-
Mercy Housing Georgia VI, L.P.	5,600,000	111,296	-	-
Veranda at Scholar's Landing	-	-	-	-
West End Phase III Redevelopment Partnership, L.P.	1,298,400	97,805	-	(365,795)
Other Loans:				
940 Cunningham Place, LLC	-	1,757,136	-	-
Brock Built Homes, LLC	-	192,000	-	-
Columbia Colony Senior	-	-	-	-
Columbia Heritage Senior Residences, L.P.	-	-	-	-
Harris Redevelopment Partnership VI, L.P.	-	-	220,000	(220,000)
	\$ 192,919,038	\$ 13,693,801	\$ 414,494	\$ (34,047,628)

Developer Fees and Other Fees Current	Developer Fees and Other Fees Long Term	Developer Fees and Other Fees Allowance	Predevelopment Loans Current
\$ -	\$ -	\$ -	\$ -
-	-	-	8,468
-	-	-	188,650
9,954	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	52,448	-	-
-	-	-	-
7,781	185,836	-	-
-	125,291	-	-
-	-	-	-
-	122,472	(122,472)	-
-	-	-	-
-	-	-	-
3,539	19,152	-	-
-	-	-	-
13,658	47,838	-	-
11,913	47,675	-	-
10,233	37,978	-	-
13,838	73,062	-	-
-	1,024	-	-
11,917	15,179	-	-
-	42,197	-	-
42,275	-	-	-
-	-	-	-
37,500	182,554	-	-
182,105	45,270	-	-
-	262,500	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	89,636	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	7,833	-	-
-	91,241	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
16,031	1,565	-	-
15,970	90,305	-	-
530	63,141	-	-
-	-	-	-
79,695	79,695	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	40,000	-	-
11,447	307,898	-	-
-	19,311	-	-
\$ 468,385	\$ 2,051,099	\$ (122,472)	\$ 197,118

The Housing Authority of the City of Atlanta, Georgia

SCHEDULE OF RELATED-PARTY BALANCES

As of June 30, 2012

Owner Entity:	Development Loans	Other Loans	Investment In Partnership	Valuation Allowance
Predevelopment Loans:				
Grady Multifamily II, L.P.	\$ -	\$ -	\$ -	\$ -
Harris Redevelopment, LLC	-	8,468	-	-
UH Senior Partnership II, L.P.	-	-	-	-
Construction/Permanent Financing Loans:				
Adamsville Green, LP	-	1,990,879	-	-
Campbell Stone, L.P.	-	1,500,000	-	-
Capitol Gateway Partnership I, L.P.	10,084,861	181,236	-	(181,236)
Capitol Gateway Partnership II, L.P.	3,946,821	-	-	-
Carver Redevelopment Partnership I, L.P.	9,074,250	225,792	-	(1,472,042)
Carver Redevelopment Partnership II, L.P.	740,000	-	-	-
Carver Redevelopment Partnership III, L.P.	8,430,000	111,500	-	(111,091)
Carver Redevelopment Partnership V, L.P.	6,240,000	-	-	-
Carver Senior Building, L.P.	-	-	-	-
CCH John Eagan I Homes, L.P.	5,896,000	-	-	(5,942,562)
CCH John Eagan II Homes, L.P.	4,536,000	-	-	(4,536,000)
Centennial Park North, LLC	-	108,000	-	-
Centennial Place Holdings	-	-	-	-
Columbia at Mechanicsville Apartments, L.P.	5,115,000	-	-	-
Columbia Commons, L.P.	3,425,221	-	82,580	(707,801)
Columbia Creste, L.P.	5,246,290	148,009	-	(494,299)
Columbia Estates, L.P.	4,566,413	168,791	-	(985,204)
Columbia Grove, L.P.	4,466,669	227,999	-	(390,772)
Columbia Park Citi Residences, L.P.	4,828,164	117,687	-	(370,851)
Columbia Senior Residences at Edgewood, L.P.	1,139,652	-	-	-
Columbia Senior Residences at Mechanicsville, L.P.	4,273,628	-	-	-
Columbia Village, L.P.	2,250,000	-	111,914	(2,361,914)
East Lake Redevelopment II, L.P.	11,903,505	297,548	-	(8,340,020)
East Lake Redevelopment, L.P.	5,824,000	182,365	-	(6,006,365)
Gates Park Crossing HFOP Apartments, L.P.	-	1,203,535	-	-
Gates Park Crossing HFS Apartments, L.P.	-	1,074,078	-	-
Grady Multifamily II, L.P.	-	-	-	-
Grady Redevelopment Partnership I, L.P.	2,957,625	-	-	-
Grady Redevelopment Partnership II, L.P.	7,545,027	-	-	-
Grady Senior Partnership II, L.P.	3,000,000	-	-	-
Harris Redevelopment Partnership I, L.P.	7,925,000	351,060	-	(115,047)
Harris Redevelopment Partnership II, L.P.	-	97,544	-	-
Harris Redevelopment Partnership Phase V, L.P.	9,196,000	-	-	(333,557)
John Hope Community Partnership I, L.P.	4,620,000	-	-	-
John Hope Community Partnership II, L.P.	7,980,000	-	-	-
Kimberly Associates I, L.P.	2,605,000	152,484	-	(152,484)
Kimberly Associates II, L.P.	1,507,000	70,335	-	(70,335)
Kimberly Associates III, L.P.	1,305,000	22,080	-	(22,080)
Legacy Partnership I, L.P.	3,520,000	43,382	-	(13,508)
Legacy Partnership II, L.P.	3,445,000	116,560	-	(108,689)
Legacy Partnership III, L.P.	3,774,000	391,289	-	(326,349)
Legacy Partnership IV, L.P.	3,920,000	284,483	-	(251,653)
Mechanicsville Apartments Phase 3, L.P.	5,965,395	-	-	-
Mechanicsville Apartments Phase 4, L.P.	5,494,000	-	-	-
Mechanicsville Apartments Phase 6, L.P.	5,170,000	-	-	-
Mercy Housing Georgia VI, L.P.	5,600,000	111,296	-	-
Veranda at Scholar's Landing	-	-	-	-
West End Phase III Redevelopment Partnership, L.P.	1,298,400	97,805	-	(365,795)
Other Loans:				
940 Cunningham Place, LLC	-	1,693,137	-	-
Brock Built Homes, LLC	-	132,000	-	-
Columbia Colony Senior	-	-	-	-
Columbia Heritage Senior Residences, L.P.	-	-	-	-
Harris Redevelopment Partnership VI, L.P.	-	-	220,000	(220,000)
	\$ 188,813,924	\$ 11,109,342	\$ 414,494	\$ (33,879,656)

Developer Fees and Other Fees Current	Developer Fees and Other Fees Long Term	Developer Fees and Other Fees Allowance	Predevelopment Loans Current
\$ -	\$ -	\$ -	\$ 297,937
-	-	-	-
-	308,470	-	-
86,883	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	52,448	(17,802)	-
-	-	-	-
-	185,836	(58,716)	-
-	187,891	(178,891)	-
-	89,223	(42,656)	-
-	274,091	(274,091)	-
-	-	-	-
-	-	-	-
-	32,610	-	-
-	-	-	-
-	47,838	-	-
-	47,675	-	-
-	37,978	-	-
-	73,062	-	-
-	1,024	-	-
-	27,022	-	-
-	42,197	-	-
-	42,275	-	-
-	-	-	-
37,500	182,554	-	-
182,105	45,270	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	89,636	(68,831)	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	7,833	(7,833)	-
-	91,241	(91,241)	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
54,979	17,449	-	-
87,137	20,936	-	-
489,330	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	307,898	-	-
-	19,311	(19,311)	-
\$ 937,933	\$ 2,231,767	\$ (759,373)	\$ 297,937

The Housing Authority of the City of Atlanta, Georgia

SCHEDULE OF RELATED-PARTY TRANSACTIONS

Year Ended June 30, 2013

Owner Entity:	Current Interest Income on Loans	Development Related Income	Housing Assistance Payments	
			Mixed-income Communities	PBRA ¹
Construction/Permanent Financing Loans:				
Campbell Stone, L.P.	\$ -	\$ -	\$ -	\$1,425,040
Capitol Gateway Partnership I, L.P.	-	-	332,406	130,416
Capitol Gateway Partnership II, L.P.	19,393	-	240,532	181,960
Carver Redevelopment Partnership I, L.P.	-	19,206	933,422	24,336
Carver Redevelopment Partnership II, L.P.	-	5,632	252,463	-
Carver Redevelopment Partnership III, L.P.	-	-	553,003	11,739
Carver Redevelopment Partnership V, L.P.	-	7,781	405,663	8,738
Carver Senior Building, L.P.	-	70,366	-	736,215
CCH John Eagan I Homes, L.P.	-	-	491,724	-
CCH John Eagan II Homes, L.P.	-	-	463,020	-
Centennial Park North, LLC	-	-	392,486	-
Columbia at Mechanicsville Apartments, L.P.	106,004	16,997	417,551	353,329
Columbia Commons, L.P.	-	-	278,609	87,769
Columbia Creste, L.P.	-	13,658	388,125	-
Columbia Estates, L.P.	-	11,913	336,060	-
Columbia Grove, L.P.	-	10,233	276,956	-
Columbia Park Citi Residences, L.P.	-	13,838	-	-
Columbia Senior Residences at Edgewood, L.P.	66,678	143,513	-	1,271,952
Columbia Senior Residences at Mechanicsville, L.P.	60,250	11,917	242,638	632,138
Columbia Village, L.P.	-	-	153,150	-
East Lake Redevelopment II, L.P.	-	13,050	1,229,868	-
East Lake Redevelopment, L.P.	-	-	771,004	-
Gates Park Crossing HFOP Apartments, L.P.	-	-	-	1,026,385
Gates Park Crossing HFS Apartments, L.P.	-	-	-	844,469
Grady Multifamily I, L.P.	72,037	-	-	-
Grady Multifamily II, L.P.	53,507	749,924	-	-
Grady Redevelopment Partnership I, L.P.	-	-	182,600	684,683
Grady Redevelopment Partnership II, L.P.	-	-	320,773	-
Grady Senior Partnership II, L.P.	20,292	-	-	-
Grady Senior Partnership III, L.P.	-	83,120	-	-
Harris Redevelopment Partnership I, L.P.	-	-	357,764	-
Harris Redevelopment Partnership II, L.P.	-	46,608	-	92,120
Harris Redevelopment Partnership Phase V, L.P.	48,255	-	398,470	-
John Hope Community Partnership I, L.P.	-	-	631,251	-
John Hope Community Partnership II, L.P.	-	-	585,405	-
Kimberly Associates I, L.P.	-	-	352,572	126,909
Kimberly Associates II, L.P.	-	-	205,161	92,200
Kimberly Associates III, L.P.	-	-	148,183	79,155
Legacy Partnership I, L.P.	-	-	394,479	-
Legacy Partnership II, L.P.	27,848	-	311,260	-
Legacy Partnership III, L.P.	9,633	-	372,597	-
Legacy Partnership IV, L.P.	-	-	332,459	-
Mechanicsville Apartments Phase 3, L.P.	-	16,031	397,508	267,214
Mechanicsville Apartments Phase 4, L.P.	-	15,970	380,548	360,530
Mechanicsville Apartments Phase 6, L.P.	-	-	320,100	-
Mercy Housing Georgia VI, L.P.	46,661	45,912	445,008	935,254
West End Phase III Redevelopment Partnership, L.P.	-	-	140,566	-
Other:				
Adamsville Green, L.P.	6,370	-	-	581,255
Boundaries Lot Sales Profit participations	-	-	-	-
Brock Built Homes, LLC	-	375,846	-	-
Carnegy Library, L.P.	-	27,264	-	-
Columbia Colony Senior	-	50,000	-	-
Columbia Heritage Senior Residences, L.P.	-	11,977	-	1,057,060
Harris Redevelopment Partnership VI, L.P.	-	-	187,165	-
Imperial Hotel	-	13,812	-	-
UH Senior Partnership II, L.P.	-	7,500	-	-
	\$ 536,927	\$ 1,782,067	\$ 14,622,550	\$ 11,010,866

¹ PBRA payments listed are not all inclusive. Related-party only.

The Housing Authority of the City of Atlanta, Georgia

SCHEDULE OF RELATED-PARTY TRANSACTIONS

Year Ended June 30, 2012

Owner Entity:	Current Interest Income on Loans	Development Related Income	Housing Assistance Payments	
			Mixed-income Communities	PBRA ¹
Construction/Permanent Financing Loans:				
Campbell Stone, L.P.	\$ 180,588	\$ -	\$ -	\$ 1,456,671
Capitol Gateway Partnership I, L.P.	-	23,693	447,268	137,840
Capitol Gateway Partnership II, L.P.	56,000	13,528	226,621	203,724
Carver Redevelopment Partnership I, L.P.	-	120	690,198	88,428
Carver Redevelopment Partnership II, L.P.	15,413	34,736	241,740	-
Carver Redevelopment Partnership III, L.P.	-	16,932	658,907	63,535
Carver Redevelopment Partnership V, L.P.	-	147,556	393,174	48,567
Carver Senior Building, L.P.	-	9,732	-	741,308
CCH John Eagan I Homes, L.P.	-	-	474,204	-
CCH John Eagan II Homes, L.P.	-	122,472	442,768	-
Centennial Park North, LLC	-	-	-	-
Columbia at Mechanicsville Apartments, L.P.	-	32,610	417,630	369,472
Columbia Commons, L.P.	-	-	254,106	22,550
Columbia Creste, L.P.	-	21,313	376,596	-
Columbia Estates, L.P.	-	22,400	161,819	-
Columbia Grove, L.P.	-	18,136	239,580	-
Columbia Park Citi Residences, L.P.	-	13,208	390,828	-
Columbia Senior Residences at Edgewood, L.P.	1,024	49,858	-	1,310,070
Columbia Senior Residences at Mechanicsville, L.P.	103,361	39,843	239,340	662,291
Columbia Village, L.P.	42,197	-	132,078	-
East Lake Redevelopment II, L.P.	-	13,550	1,282,447	-
East Lake Redevelopment, L.P.	-	-	770,630	-
Gates Park Crossing HFOP Apartments, L.P.	171,481	15,000	-	1,025,338
Gates Park Crossing HFS Apartments, L.P.	-	15,000	-	-
Grady Multifamily I, L.P.	-	-	-	-
Grady Multifamily II, L.P.	-	10,000	-	-
Grady Redevelopment Partnership I, L.P.	25,111	12,234	187,161	706,031
Grady Redevelopment Partnership II, L.P.	-	(35,383)	284,321	-
Grady Redevelopment Partnership III, L.P.	-	288,106	-	-
Grady Senior Partnership II, L.P.	-	3,172	-	-
Grady Senior Partnership III, L.P.	-	-	-	-
Harris Redevelopment Partnership I, L.P.	-	37,368	411,678	-
Harris Redevelopment Partnership II, L.P.	28,294	12,506	-	732,517
Harris Redevelopment Partnership Phase V, L.P.	-	10,438	293,296	-
John Hope Community Partnership I, L.P.	-	-	387,198	-
John Hope Community Partnership II, L.P.	-	-	495,546	-
Kimberly Associates I, L.P.	-	120	433,386	186,375
Kimberly Associates II, L.P.	-	110	212,472	103,202
Kimberly Associates III, L.P.	-	100	194,862	92,527
Legacy Partnership I, L.P.	32,440	-	554,137	-
Legacy Partnership II, L.P.	7,373	-	397,779	-
Legacy Partnership III, L.P.	-	-	306,679	-
Legacy Partnership IV, L.P.	-	-	477,501	-
Mechanicsville Apartments Phase 3, L.P.	-	53,982	375,372	268,585
Mechanicsville Apartments Phase 4, L.P.	-	57,785	354,390	352,657
Mechanicsville Apartments Phase 6, L.P.	-	-	115,192	-
Mercy Housing Georgia VI, L.P.	-	15,029	441,264	950,384
West End Phase III Redevelopment Partnership, L.P.	-	-	137,946	-
Other:				
Adamsville Green, L.P.	39,818	-	-	569,003
Boundaries Lot Sales Profit participations	-	-	-	-
Brock Built Homes, LLC	-	153,413	-	-
Camegy Library, L.P.	-	-	-	-
Columbia Colony Senior	-	-	-	-
Columbia Heritage Senior Residences, L.P.	21,541	61,378	-	1,078,443
Harris Redevelopment Partnership VI, L.P.	-	3,303	186,196	-
Imperial Hotel	-	-	-	-
UH Senior Partnership II, L.P.	-	408,470	-	-
	\$ 724,640	\$ 1,701,818	\$ 14,086,311	\$ 11,169,518

¹ PBRA payments listed are not all inclusive. Related-party only.

The Housing Authority of the City of Atlanta, Georgia

SCHEDULE OF HUD-FUNDED GRANTS

As of and Year Ended June 30, 2013

Program	Original Grant Award	Grant Drawdown			Expenditures			HUD Receivables **	Remaining Grant Award
	Authorized Amount	Cumulative as of June 30, 2012	Year ended June 30, 2013	Cumulative as of June 30, 2013	Cumulative as of June 30, 2012	Year ended June 30, 2013	Cumulative as of June 30, 2013	Balance as of June 30, 2013	Unexpended Balance as of June 30, 2013
Capital Fund Program Grants :									
GA06P006501-09 Capital Fund Program 2009	\$ 12,535,836	\$ 10,629,350	\$ -	\$ 10,629,350	\$ 10,631,236	\$ -	\$ 10,631,236	\$ 1,886	\$ 1,906,486
GA06P006501-10 Capital Fund Program 2010	11,998,337	9,771,230	-	9,771,230	9,771,230	-	9,771,230	-	2,227,107
GA06P006501-11 Capital Fund Program 2011	9,426,542	-	-	-	-	-	-	-	9,426,542
GA06P006501-12 Capital Fund Program 2012	4,667,238	-	-	-	-	-	-	-	4,667,238
Total Capital Fund Program Grants	38,627,953	20,400,580	-	20,400,580	20,402,466	-	20,402,466	1,886	18,227,373
HOPE VI Grants :									
GA4APH006CN110 Choice Neighborhood Planning	250,000	172,463	25,564	198,027	181,891	23,520	205,411	7,384	51,973
Total HOPE VI Grants	250,000	172,463	25,564	198,027	181,891	23,520	205,411	7,384	51,973
Replacement Housing Factor Grants :									
GA06R006501-08 RHF 2008-1	1,461,675	1,266,650	195,025	1,461,675	1,303,607	158,068	1,461,675	-	-
GA06R006502-08 RHF 2008-2	5,472,872	5,085,507	387,365	5,472,872	4,776,390	696,482	5,472,872	-	-
GA06R006501-09 RHF 2009-1	3,112,679	1,919,049	1,193,630	3,112,679	2,139,846	972,833	3,112,679	-	-
GA06R006502-09 RHF 2009-2	4,838,507	2,754,831	2,083,676	4,838,507	3,643,591	1,194,916	4,838,507	-	-
GA06R006501-10 RHF 2010-1	2,347,162	1,914,346	432,816	2,347,162	1,914,346	432,816	2,347,162	-	-
GA06R006502-10 RHF 2010-2	3,958,066	1,544,495	2,235,962	3,780,457	1,545,045	2,235,412	3,780,457	-	177,609
GA06R006501-11 RHF 2011-1	2,534,662	-	-	-	-	1,943,302	1,943,302	1,943,302	2,534,662
GA06R006502-11 RHF 2011-2	2,136,846	-	-	-	-	-	-	-	2,136,846
GA06R006501-12 RHF 2012-1	6,618,731	-	-	-	-	-	-	-	6,618,731
GA06R006502-12 RHF 2012-2	1,429,204	-	-	-	-	-	-	-	1,429,204
Total Replacement Housing Factor Grants	33,910,404	14,484,878	6,528,474	21,013,352	15,322,825	7,633,829	22,956,654	1,943,302	12,897,052
Total Grants	\$ 72,788,357	\$ 35,057,921	\$ 6,554,038	\$ 41,611,959	\$ 35,907,182	\$ 7,657,349	\$ 43,564,531	\$ 1,952,572	\$ 31,176,398

** Total amount presented in this schedule is higher than the figure presented as deferred outflows in Financial Statements by \$7,384 due to the exclusion of Hope VI Grants.

The Housing Authority of the City of Atlanta, Georgia

**SCHEDULE OF RHF PROGRAM COMPLETION
COSTS AND ADVANCES PROGRAM CERTIFICATION**

Contract completed during the year ending June 30, 2013

GRANT NAME	RHF 2008-1
PROJECT NUMBER	<u>GA06R006501-08</u>
GRANT AWARD EFFECTIVE DATE*	May 24, 2008
CONTRACT COMPLETION DATE	June 30, 2013
BUDGET	<u>\$ 1,461,675</u>
ADVANCES	\$ 1,461,675
COSTS	<u>1,461,675</u>
EXCESS/(DEFICIENCY) OF ADVANCES DUE TO/(FROM) HUD	<u>-</u>
AMOUNT TO BE RECAPTURED BY HUD	<u>\$ -</u>

*Represents the LOCCS effective date.

The actual CFRG Cost Certificate is in agreement with AHA records.

All amounts due have been received and all liabilities have been paid and there are no undischarged liens (mechanics, laborers, contractors, or material-means) against the Project on file in any public office where the same should be filed in order to be valid. The time in which such liens could be filed has expired.

The Housing Authority of the City of Atlanta, Georgia

**SCHEDULE OF RHF PROGRAM COMPLETION
COSTS AND ADVANCES PROGRAM CERTIFICATION**

Contract completed during the year ending June 30, 2013

GRANT NAME	RHF 2008-2
PROJECT NUMBER	<u>GA06R006502-08</u>
GRANT AWARD EFFECTIVE DATE*	May 24, 2008
CONTRACT COMPLETION DATE	June 30, 2013
BUDGET	<u>\$ 5,472,872</u>
ADVANCES	\$ 5,472,872
COSTS	<u>5,472,872</u>
EXCESS/(DEFICIENCY) OF ADVANCES DUE TO/(FROM) HUD	<u>-</u>
AMOUNT TO BE RECAPTURED BY HUD	<u>\$ -</u>

*Represents the LOCCS effective date.

The actual CFRG Cost Certificate is in agreement with AHA records.

All amounts due have been received and all liabilities have been paid and there are no undischarged liens (mechanics, laborers, contractors, or material-means) against the Project on file in any public office where the same should be filed in order to be valid. The time in which such liens could be filed has expired.

The Housing Authority of the City of Atlanta, Georgia

**SCHEDULE OF RHF PROGRAM COMPLETION
COSTS AND ADVANCES PROGRAM CERTIFICATION**

Contract completed during the year ending June 30, 2013

GRANT NAME	RHF 2009-1
PROJECT NUMBER	<u>GA06R006501-09</u>
GRANT AWARD EFFECTIVE DATE*	September 12, 2009
CONTRACT COMPLETION DATE	June 30, 2013
BUDGET	<u>\$ 3,112,679</u>
ADVANCES	\$ 3,112,679
COSTS	<u>3,112,679</u>
EXCESS/(DEFICIENCY) OF ADVANCES DUE TO/(FROM) HUD	<u>-</u>
AMOUNT TO BE RECAPTURED BY HUD	<u>\$ -</u>

*Represents the LOCCS effective date.

The actual CFRG Cost Certificate is in agreement with AHA records.

All amounts due have been received and all liabilities have been paid and there are no undischarged liens (mechanics, laborers, contractors, or material-means) against the Project on file in any public office where the same should be filed in order to be valid. The time in which such liens could be filed has expired.

The Housing Authority of the City of Atlanta, Georgia

**SCHEDULE OF RHF PROGRAM COMPLETION
COSTS AND ADVANCES PROGRAM CERTIFICATION**

Contract completed during the year ending June 30, 2013

GRANT NAME	RHF 2009-2
PROJECT NUMBER	<u>GA06R006502-09</u>
GRANT AWARD EFFECTIVE DATE*	September 12, 2009
CONTRACT COMPLETION DATE	June 30, 2013
BUDGET	<u>\$ 4,838,507</u>
ADVANCES	\$ 4,838,507
COSTS	<u>4,838,507</u>
EXCESS/(DEFICIENCY) OF ADVANCES DUE TO/(FROM) HUD	<u>-</u>
AMOUNT TO BE RECAPTURED BY HUD	<u>\$ -</u>

*Represents the LOCCS effective date.

The actual CFRG Cost Certificate is in agreement with AHA records.

All amounts due have been received and all liabilities have been paid and there are no undischarged liens (mechanics, laborers, contractors, or material-means) against the Project on file in any public office where the same should be filed in order to be valid. The time in which such liens could be filed has expired.

The Housing Authority of the City of Atlanta, Georgia

**SCHEDULE OF RHF PROGRAM COMPLETION
COSTS AND ADVANCES PROGRAM CERTIFICATION**

Contract completed during the year ending June 30, 2013

GRANT NAME	RHF 2010-1
PROJECT NUMBER	<u>GA06R006501-10</u>
GRANT AWARD EFFECTIVE DATE*	July 15, 2010
CONTRACT COMPLETION DATE	June 30, 2013
BUDGET	<u>\$ 2,347,162</u>
ADVANCES	\$ 2,347,162
COSTS	<u>2,347,162</u>
EXCESS/(DEFICIENCY) OF ADVANCES DUE TO/(FROM) HUD	<u>-</u>
AMOUNT TO BE RECAPTURED BY HUD	<u>\$ -</u>

*Represents the LOCCS effective date.

The actual CFRG Cost Certificate is in agreement with AHA records.

All amounts due have been received and all liabilities have been paid and there are no undischarged liens (mechanics, laborers, contractors, or material-means) against the Project on file in any public office where the same should be filed in order to be valid. The time in which such liens could be filed has expired.

Appendix G

MTW Benchmarking Study Update

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Appendix G: MTW Benchmarking Study Update

Introduction

AHA engaged Emory University's Center for Community Partnerships to conduct a longitudinal, comparative, multi-level assessment of the effects of AHA's MTW program on AHA-assisted families. The FY 2014 MTW Benchmarking Study established the preliminary analysis for further research by Emory University. The study incorporates the power of **comparative analysis** by providing comparison of low-income households assisted by AHA, an MTW agency, and those assisted by a non-MTW agency in the metropolitan Atlanta area. The focus of the study is to benchmark Atlanta's MTW performance through strengthening inferences about MTW outcomes and their key determinants.

Emory University's approach is consistent with national discussion regarding evaluation of the MTW demonstration, which has called for a greater emphasis on studies that "evaluate outcomes and establish cause-and-effect relationships between agencies' policies and recipients' experiences."¹ Similar research questions and methodological approaches have been followed in national evaluations of the Moving to Opportunity Demonstration Program and in national evaluation of the HOPE VI Program.²

Emory University's researchers have provided the following summary of their initial observations based on the early phases of the study.

¹U.S. Government Accountability Office, *Moving to Work Demonstration: Opportunities Exist to Improve Information and Monitoring*, (Washington, D.C.: GAO-12-490, April 2012).

²See, for example, Lisa Sanbonmatsu et al, *Moving to Opportunity for Fair Housing Demonstration Program: Final Impacts Evaluation* (Washington, D.C.: U.S. Department of Housing and Urban Development, Office of Policy Development and Research, November 2011) and Susan J. Popkin et al, *HOPE VI Panel Study: Baseline Report Final Report* (Washington, D.C.: The Urban Institute, Metropolitan Housing and Communities Policy Center, September 2002)

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ATLANTA HOUSING AUTHORITY MTW BENCHMARKING STUDY
Report No. 1
Atlanta MTW Panel Study: Wave I Household Survey Findings

Submitted By:

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Submitted to:

Atlanta Housing Authority
Contract No.: 2012-0039001

May 2014

The views expressed in this report are those of the authors and should not be attributed to the Atlanta Housing Authority, the Housing Authority of DeKalb County, or Emory University, its trustees, or its funders.

EXECUTIVE SUMMARY

The Atlanta Housing Authority is one of about 35 housing authorities (of more than 3,000 public housing authorities in the nation) participating in the Moving to Work Demonstration. In 1996, Congress established the Moving to Work (MTW) Demonstration program, which authorized the U. S. Department of Housing and Urban Development to grant a select group of “high performing” public housing agencies increased flexibility in designing and administering various approaches for providing quality affordable housing in their jurisdictions. The MTW agreement, which grants AHA substantial statutory and regulatory relief from the provisions of the U.S. Housing Act of 1937, as amended, provides the basic framework for AHA’s work. In return for the flexibility granted under MTW, AHA must align its activities in support of MTW’s three statutory goals, which are:

1. Reduce costs and achieve greater cost effectiveness in federal expenditures.
2. Give incentives to families with children where the head of household is working, seeking work, or is preparing for work by participating in job-training and educational programs that assist people to obtain employment and become economically self-sufficient.
3. Increase housing choices for low-income families.

AHA executed its MTW agreement in September 2003, and the current agreement runs through AHA’s fiscal year 2018. A comprehensive final report of the first phase of Atlanta’s MTW Demonstration (2004-2010) was released in October 2010. Emory University’s Center for Community Partnerships was commissioned by the Atlanta Housing Authority to undertake the next phase of AHA’s MTW Demonstration evaluation. The core activities of this research will include a panel study of a random sample of 1,200 families receiving public housing assistance through AHA’s major housing assistance programs: AHA-owned residential communities (public housing, predominantly senior high-rises), AHA mixed-income communities, AHA Project Based Rental Assistance (PBRA) communities, and the Housing Choice Voucher program. In addition, the evaluation will also include a panel study of a random sample of 400 families assisted by the Housing Authority of DeKalb County (HADC), adjacent to and containing a portion of the city of Atlanta, through its Housing Choice Voucher Program. Inclusion of the DeKalb County households will permit a comparison group that will sharpen contrasts between the MTW Demonstration and the practices of conventional public housing authorities. Both sets of families will participate in three waves of face-to-face interviews conducted over a six-year period (2013-2018). Where available, additional administrative data will add to the set of indicators tracked over the study period to broaden and deepen our knowledge of the experiences of families receiving public housing assistance and also extend the study period to include three additional years. Overall, the study will examine outcomes among AHA- and HADC-assisted families between 2010 and 2018.

This report presents the findings of the Atlanta Housing Authority’s MTW Benchmarking Study – MTW Panel Study Wave I Household Survey – which are based on household interviews conducted during summer 2013. The baseline survey covered a wide range of topics that will generate a number of indicators that will be tracked over the next six years to assess the trajectories families take in moving toward self-sufficiency. These include: family composition, housing history, neighborhood conditions and crime, social networks, education, employment, income, social services, health, and youth (primarily education).

Atlanta's Public Housing Transformation

Among the key initiatives outlined in AHA's MTW demonstration were a number of policy changes in AHA's leasing standards and practices, most of which took effect October 1, 2004. These policy changes included: 1) a work/program participation requirement that mandates that one non-disabled adult household member be employed for at least 30 hours per week and all other non-elderly, non-disabled adult household members maintain work or participation in a combination of school, job training, and/or part-time employment as a condition for receiving and maintaining AHA-assisted housing; 2) an increase from \$25 to \$125 in AHA's minimum rent under its Public Housing and Housing Choice Voucher programs; and 3) tighter rules on the screening of applicants and residents. In addition, through AHA's MTW agreement and the flexibility provided to AHA through its MTW single-fund authority, AHA has been able to design its own self-sufficiency programs and develop a continuum of assistance to tenants extending from pre-relocation, to relocation, to post-relocation.

While AHA's public housing transformation efforts were already well underway in 2004 when AHA began its participation in HUD's Moving to Work demonstration, by 2012 that transformation had been completed. Today, only two very small AHA-owned public housing communities for families remain, each serving about 50 families. Over the past 15 years, AHA demolished more than 40 family public housing communities, replacing 13 of these developments with new mixed-income residential communities. In addition, during this same time frame, 38 new PBRA mixed-income communities were developed. During this transformation of public housing assistance in Atlanta, the vast majority of former residents of AHA-owned residential properties resettled in either an AHA-sponsored mixed-income community or a PBRA mixed-income community, or utilized a tenant-based Housing Choice Voucher to obtain rental housing in the private market. The proportion of AHA-assisted households residing in AHA-owned residential properties declined from about 40 percent in 2004, the MTW baseline, to 11 percent in 2012. During that same time, the share of AHA-assisted households residing in mixed-income communities increased from about 7 percent to more than 35 percent. The share of households receiving assistance through tenant-based Housing Choice Vouchers remained largely the same, at about 53 percent.

AHA has also used its MTW flexibility to make a number of changes to its Housing Choice Voucher Program. These include, among others, changes in rent structures (giving tenants the option of paying either a fixed rent or a rent based on a percentage of income), limiting the tenant's contribution toward rent to 30 percent of adjusted income, establishing submarket payment standards instead of a uniform HUD Fair Market Rent, and providing a leasing incentive fee to attract landlords and private owners to make housing available through the HCVP in lower poverty neighborhoods.

Evaluation of Atlanta's MTW Demonstration: 2004 – 2010

During the first phase of Atlanta's MTW Demonstration, EuQuant, under the direction of Dr. Thomas D. Boston, was engaged to evaluate the impacts of AHA's MTW activities on assisted families and neighborhoods in the city of Atlanta. Three evaluation reports were prepared and according to the comprehensive final report covering this period, the authors concluded that "we have found compelling evidence that AHA's MTW activities greatly reduce the concentration of poverty among assisted families, appreciably increasing their access to affordable housing opportunities in healthy mixed-income communities,

significantly expanding their housing opportunities in better neighborhoods, and substantially increasing the economic self-sufficiency of families.”¹

The EuQuant report noted that not only did AHA-assisted households have a greater variety of housing choice options through MTW, but those options generally were located in neighborhoods that were safer, less poor, and had more amenities than the neighborhoods they called home while residing in public housing projects. For example, the EuQuant report points out that, in 2004, the average neighborhood poverty rate among AHA-assisted households residing in public housing was 56 percent; by 2010, the average neighborhood poverty rate for those families that relocated from public housing had declined to 29 percent.

The EuQuant findings indicate that AHA made considerable progress in providing quality affordable housing opportunities for low- and moderate-income households, particularly opportunities in mixed-income communities. These opportunities were realized by families, the elderly, and special needs populations. The EuQuant research also provided evidence that AHA made substantial progress in promoting family self-sufficiency during its initial MTW demonstration period. Based on an analysis of every AHA-assisted household that continuously received housing assistance between 2004 and 2010, the EuQuant final report of the MTW Phase I evaluation noted that employment among AHA-assisted heads of household in the MTW target population (adults aged 18-61) rose sharply during the MTW Demonstration, rising from about half (51.9%) in 2004 to nearly two-thirds (64.9%) in 2007, then declined to 58 percent in 2010, due largely to the effects of the Great Recession. Earned income among continuously assisted AHA households also increased over this same period, rising 37 percent between 2004 (\$10,736 per household) and 2010 (\$14,712 per household). Gains were sharpest for those families that moved into mixed-income developments, which experienced an 86 percent increase in earned income between 2004 and 2010. Despite these gains, the EuQuant report noted that the vast majority of AHA-assisted households still experienced very low incomes in 2010: more than 80 percent had incomes less than 30 percent (\$21,550) of the area-wide median income (AMI) for Atlanta (\$71,800). Only three percent of AHA households had incomes between 51 and 80 percent (\$35,990 - \$57,450) of AMI in 2010.

Evaluation of Atlanta’s MTW Demonstration: 2010 – 2018

The next phase of the evaluation of AHA’s MTW Demonstration (2010-2018) builds on this earlier research in four important ways. First, a major focus of the next phase of evaluation will involve gathering information directly from AHA-assisted households through three waves of household interviews conducted among a random sample of AHA-assisted households. Through these interviews, we hope to gain greater insights into the effects of AHA’s MTW Demonstration on low-income families and individuals, drawing on the perceptions and experiences of assisted households. Second, the evaluation will incorporate a comparison group of comparable low-income households in the greater Atlanta area receiving housing assistance through a non-MTW housing agency (Housing Authority of DeKalb County) that will sharpen contrasts between the MTW experience and current housing policy as carried out by conventional public housing authorities. Third, the evaluation will look more broadly at the entire pool of AHA-assisted households, including new emerging populations (e.g., new low-income households in mixed-income properties, low-income households in Project Based Rental Assistance properties) that comprised a relatively small share of the AHA portfolio at the time of the initial evaluation. Fourth, the evaluation will incorporate multivariate statistical modeling that

¹ Thomas D. Boston and Linje R. Boston, *Monitoring and Evaluating the Atlanta Housing Authority’s MTW Program: Comprehensive Final Report Covering 2004, 2007, and 2010*. Report prepared for the Atlanta Housing Authority (Atlanta: EuQuant, October 15, 2010), p. 3.

will enable a more rigorous estimation of MTW effects, controlling for a wide variety of confounding factors such as individual and family characteristics, housing situation, and neighborhood characteristics.

In preparation for the next phase of evaluation of AHA's MTW implementation, we completed interviews in August 2012 with more than a dozen key stakeholders familiar with the city, its changing neighborhoods, and the Atlanta Housing Authority's public housing transformation efforts. The stakeholders we interviewed represented a broad cross-section of the city's civic leadership, including executive directors of neighborhood-based and citywide nonprofit agencies, senior officials from local foundation and philanthropic organizations, private developers, city officials, academics, and an AHA board member. The primary purpose of the stakeholder interviews was to identify stakeholder perceptions and understanding of the themes, questions, and issues associated with AHA's public housing transformation over the past 20 years and the changing dynamics of the greater Atlanta region and its neighborhoods. Information gathered from the stakeholder interviews was used to guide development of research-design and data-collection instruments for the Atlanta MTW Panel Study.

In terms of the most important research questions to examine in the next phase of the MTW evaluation, informed stakeholders emphasized two different – but directly related – sets of issues. The first had to do with how AHA-assisted families are faring and their movement toward self-sufficiency and included a broad set of related questions: What happens to new low-income residents that move into mixed-income communities? How are AHA assisted households being prepared to move to the next level? What services are available to AHA families and are service providers nearby? Who is AHA partnering with to provide services to AHA families? How are AHA families faring in employment and training programs? How have AHA families fared compared to others during the economic downturn of the past few years? Do families become more stable in a wide variety of neighborhood contexts because of housing assistance? How many AHA families are moving to home ownership?

The second set of priority issues, according to the stakeholder interviews, focused on neighborhood effects on child and family well-being. These included, among others, neighborhood stability and health (both in terms of the areas immediately surrounding the new mixed-income communities, as well as those neighborhoods that were the destination of housing voucher recipients) as measured by indicators such as real estate values, home sales, crime rates, workforce participation, income levels, home ownership, the quality of the public schools, retail establishments, and related services and amenities.

The Atlanta MTW Panel Study is based on a longitudinal, comparative, multilevel assessment of the effects of AHA's MTW Program on AHA-assisted families. Our evaluation design incorporates the power of comparative analysis, providing a comparison group to benchmark Atlanta's MTW performance to strengthen inferences about MTW outcomes and their key determinants. We are especially interested in assessing how different types of housing assistance (public housing, mixed-income housing, project-based rental assistance, tenant-based housing vouchers) affect outcomes for children and families, as well as what effects neighborhood context has on child and family outcomes. This approach is consistent with national discussions regarding evaluation of the MTW demonstration, which have called for a greater emphasis on studies that “evaluate outcomes or establish cause-and-effect relationships between agencies' policies and recipients' experiences.” Similar research questions and methodological approaches have been followed in national evaluations of the Moving to Opportunity Demonstration Program and in national evaluations of the HOPE VI program.

Our data collection strategy for this component of the Atlanta MTW Panel Study involves two primary sources of data on individual and family well-being. The first will be derived from administrative data

maintained by the Atlanta and DeKalb housing authorities (HUD 50058) on assisted households and families from which we will obtain basic information on assisted households (household characteristics, housing characteristics). The second source will include a three-wave household survey administered in 2013, 2015, and 2017. Where available and data sharing agreements can be secured, additional administrative data from other public agencies will also be utilized.

Appendix H

Resident Satisfaction Survey AHA-Owned Residential Communities

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Appendix H: Resident Satisfaction Survey

AHA-Owned Residential Communities

In support of Atlanta Housing Authority's (AHA) mission to provide quality affordable housing and healthy living environments, and in alignment with the priorities of its Aging Well Program, AHA conducts an annual survey with residents of its 13 AHA-Owned Residential Communities. The Aging Well Program encompasses the Seven Dimensions of Wellness: Physical, Emotional, Occupational, Social, Intellectual, Environmental and Spiritual Wellness. The Resident Satisfaction Survey assesses how residents value key elements of daily living to include property management, property maintenance, safety, and resident services within their community. For 2014, the total number of surveys that were returned by residents was 1,204, which represents a 62% response rate. The "No Response" category consists of individuals who returned the survey but did not respond to a particular question.

DEMOGRAPHICS

1. Please indicate your age group.

	Under 49	50-69	70+	"No Response"
No. of Responses	93 / 7.7%	674 / 56%	386 / 32.1%	51 / 4.2%

2. How many years have you lived in this community?

	Fewer than 5 years	5 to 9 years	10 to 15 years	More than 15 years	"No Response"
No. of Responses	424 / 35.2%	294 / 24.4%	212 / 17.6%	155 / 12.9%	119 / 9.9%

OVERALL SATISFACTION

3. Overall, how would you describe the quality of life in your community?

	Very Good	Good	Average	Poor	"No Response"
No. of Responses	539 / 44.8%	427 / 35.5%	160 / 13.3%	33 / 2.7%	45 / 3.7%

4. Would you recommend your community to a friend?

	Yes	No	"No Response"
No. of Responses	1022 / 84.9%	121 / 10%	61 / 5.1%

PROPERTY MANAGEMENT

5. Is the property management staff available when you need them?

	Yes	No	"No Response"
No. of Responses	1086 / 90.2%	79 / 6.6%	39 / 3.2%

6. Is the staff in the rent office courteous and helpful?

	Yes	No	"No Response"
No. of Responses	1075 / 89.3%	58 / 4.8%	71 / 5.9%

PROPERTY MAINTENANCE

7. Do maintenance workers complete work orders in one week or less?

	Yes	No	"Does Not Apply"	"No Response"
No. of Responses	1038 / 86.2%	112 / 9.3%	32 / 2.7%	22 / 1.8%

8. Do maintenance workers complete emergency repairs in one day or less?

	Yes	No	"Does Not Apply"	"No Response"
No. of Responses	973 / 80.8%	78 / 6.5%	114 / 9.5%	39 / 3.2%

9. Are maintenance workers courteous and helpful?

	Yes	No	"Does Not Apply"	"No Response"
No. of Responses	1114 / 92.5%	43 / 3.6%	16 / 1.3%	31 / 2.6%

10. When not under construction, are the building grounds clean and well maintained?

	Yes	No	"No Response"
No. of Responses	1094 / 90.9%	65 / 5.4%	45 / 3.7%

11. Now that the new laundry equipment has been installed, when you go to the laundry room do the machines work?

	Most of the time	Some of the time	New equipment not installed	"No Response"
No. of Responses	690 / 57.3%	318 / 26.4%	63 / 5.2%	133 / 11.0%

12. PLEASE INDICATE HOW IMPORTANT THE FOLLOWING CATEGORIES ARE TO YOUR QUALITY OF LIFE:

	Low	Medium	High	"No Response"
Laundry				
No. of Responses	55 / 4.6%	280 / 23.3%	809 / 67.2%	60 / 5.0%
Parking				
No. of Responses	269 / 22.3%	264 / 21.9%	517 / 42.9%	154 / 12.8%
Pest Control				
No. of Responses	99 / 8.2%	197 / 16.4%	840 / 69.8%	68 / 5.6%
Property Cleanliness				
No. of Responses	36 / 3.0%	160 / 13.3%	958 / 79.6%	50 / 4.2%
Property Maintenance				
No. of Responses	31 / 2.6%	159 / 13.2%	963 / 80%	51 / 4.2%
Community Safety				
No. of Responses	39 / 3.2%	155 / 12.9%	960 / 79.7%	50 / 4.2%
Resident Services				
No. of Responses	49 / 4.1%	223 / 18.5%	881 / 73.2%	51 / 4.2%

RESIDENT SERVICES

13. How often do you participate in programs and recreational activities?

	Several times per week	Once per week	Once per month	Less than once per month	Never	"No Response"
No. of Responses	328 / 27.2%	232 / 19.3%	206 / 17.1%	213 / 17.7%	166 / 13.8%	59 / 4.9%

14. Are you aware of the resident services activities taking place in your building?

	Yes	No	"No Response"
No. of Responses	1077 / 89.5%	59 / 4.9%	68 / 5.6%

15. How satisfied are you with the CURRENT level of recreation and leisure activities offered at your community?

	Dissatisfied	Satisfied	Very Satisfied	"No Response"
No. of Responses	86 / 7.1%	590 / 49%	457 / 38%	71 / 5.9%

16. Does your community promote interaction with friends, neighbors, and others?

	Yes	No	"No Response"
No. of Responses	1036 / 86%	93 / 7.7%	75 / 6.2%

17. Do you feel you can contact the resident services director in your community if you need assistance?

	Yes	No	"No Response"
No. of Responses	1059 / 88%	75 / 6.2%	70 / 5.8%

18. My resident services director tries to understand my needs.

	Yes	No	"No Response"
No. of Responses	1028 / 85.4%	88 / 7.3%	88 / 7.3%

19. My resident services director knows what services are available that can help me live a healthy lifestyle in my community.

	Yes	No	"No Response"
No. of Responses	973 / 80.8%	73 / 6.1%	158 / 13.1%

20. The programs, services and activities provided in my community have contributed to improving my overall quality of life.

	Strongly Disagree	Disagree	Agree	Strongly Agree	"No Response"
No. of Responses	36 / 3%	84 / 7%	592 / 49.2%	394 / 32.7%	98 / 8.1%

21. WHAT SERVICES DID YOUR RESIDENT SERVICES DIRECTOR ASSIST YOU WITH THE PAST YEAR?

Physical Wellness

	Requested	Received	Not Selected
Help obtain disability-related equipment or assistive technology			
No. of Responses	114 / 9.5%	250 / 20.8%	840 / 69.8%
Personal attendant care			
No. of Responses	127 / 10.5%	252 / 20.9%	825 / 68.5%
Physical Exercise			
No. of Responses	121 / 10%	354 / 29.4%	729 / 60.5%
Chronic disease management (high blood pressure, diabetes)			
No. of Responses	105 / 8.7%	292 / 24.3%	807 / 67%
Nutrition and healthy eating			
No. of Responses	117 / 9.7%	370 / 30.7%	717 / 59.6%
Disability services			
No. of Responses	123 / 10.2%	264 / 21.9%	817 / 67.9%

Social Wellness

Transportation services

No. of Responses	128 / 10.6%	278 / 23.1%	798 / 66.3%
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Volunteer opportunities

No. of Responses	112 / 9.3%	263 / 21.8%	829 / 68.9%
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Social and/or recreational activities

No. of Responses	124 / 10.3%	397 / 33%	683 / 56.7%
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Environmental Issues

Housekeeping

No. of Responses	90 / 7.5%	302 / 25.1%	812 / 67.4%
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Emotional Issues

Referral to other services and programs that can help me

No. of Responses	121 / 10%	283 / 23.5%	800 / 66.4%
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Participation in a support group

No. of Responses	104 / 8.6%	244 / 20.3%	856 / 71.1%
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Mental Health Services

No. of Responses	97 / 8.1%	207 / 17.2%	900 / 74.8%
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Intellectual Wellness

Learning independent living skills, such as home management, personal financial management, etc.

No. of Responses	101 / 8.4%	261 / 21.7%	842 / 69.9%
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Counseling on public and private benefits that I may be eligible for

No. of Responses	114 / 9.5%	274 / 22.8%	816 / 67.8%
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SAFETY

Yes No "No Response"

22. Do you feel safe inside your apartment?

No. of Responses	1093 / 90.8%	58 / 4.8%	53 / 4.4%
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23. Do you feel safe in your apartment community?

No. of Responses	1,031 / 85.6%	102 / 8.5%	71 / 5.9%
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