CATALYST
Rethinking Community Building

# Atlanta Housing Authority's Fiscal Year 2005 Annual Report

Atlanta Housing Authority

**Board Approved August 23, 2005**

**One Vision:** *Healthy Mixed-Income Communities*

**One Mission:** *To provide quality affordable housing for the betterment of the community.*

**Five Guiding Principles:**

1. *End the practice of concentrating the poor in distressed, isolated neighborhoods.*
2. *Create healthy communities using a holistic and comprehensive approach to assure long-term marketability and sustainability of the community and to support excellent outcomes for families especially the children – emphasis on excellent, high performing neighborhood schools and excellent quality of life amenities, such as first class retail and green space.*
3. *Create mixed-income communities with the goal of creating market rate communities with a seamless affordable component.*
4. *Develop communities through public/private partnerships using public and private sources of funding and market principles.*
5. *Residents should be supported with adequate resources to assist them to achieve their life goals, focusing on self-sufficiency and educational advancement of the children. Expectations and standards for personal responsibility should be benchmarked for success.*

**Three Goals:**

1. *Economic Viability – Maximize AHA's economic viability and sustainability.*
2. *Quality Living Environments – Provide quality affordable housing opportunities in mixed-income communities with access to excellent quality of life amenities.*
3. *Self-Sufficiency – Facilitate opportunities for families and individuals to become self-sufficient and financially independent to transition from dependency on housing subsidy.*

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## INTRODUCTION

On September 25, 2003, The Housing Authority of the City of Atlanta, Georgia (AHA) executed its Moving to Work (MTW) Demonstration Agreement (MTW Agreement) with the U.S. Department of Housing and Urban Development (HUD). As a participant in the MTW Demonstration Program, AHA has the financial, legal, and regulatory flexibility to implement local solutions to address local challenges in providing affordable housing. AHA's MTW demonstration period began on July 1, 2003, and will last seven years, unless otherwise extended.

The negotiations with HUD for AHA's MTW Agreement were successfully concluded in September 2003, as evidenced by the execution and delivery of the MTW Agreement. After the negotiations were concluded, AHA and HUD worked together to establish the necessary framework and protocols with HUD for operating under the MTW Agreement. AHA and HUD agreed on an initial set of protocols, policies and procedures related to innovation under the MTW Agreement. This process is interactive and dynamic as AHA continues to work with HUD to get further clarification on protocols, as necessary under MTW.

AHA submitted its first MTW Annual Plan for FY 2005 in June 2004. The FY 2005 MTW Annual Plan is AHA's seven-year business plan (herein, CATALYST). During the planning phase for CATALYST, AHA consulted with external and internal stakeholders to create its plan for the demonstration period. CATALYST was prepared using best practices and lessons learned by AHA from its community building and revitalization activity during the past ten years. CATALYST was approved by HUD on September 10, 2004 and sets AHA's strategic direction for the entire seven-year MTW demonstration period.

AHA is now working to implement CATALYST. To ensure timely performance and achievement of desired outcomes, under CATALYST, AHA is using a project management approach and discipline to execute the projects outlined in CATALYST. As part of the implementation of CATALYST, AHA also refined its vision statement and established three principal business goals that drive all policies and operational strategies for the agency: (1) economic viability, (2) quality living environment and (3) self-sufficiency.

AHA's annual planning cycle is aligned with its budget cycle. Each year, after the Implementation Plan and budget are adopted for the fiscal year, AHA will execute projects based on the guidance and framework established in the Implementation Plan and budget. At the end of the fiscal year, AHA will assess its performance and make refinements to or realign CATALYST based on issues, concerns, and lessons learned during the past fiscal year. These refinements will be reflected in future fiscal year Implementation Plans which will be submitted to HUD after a comprehensive planning process with our strategic partners, including with assisted residents, public consultation and AHA Board Approval.

## AHA'S STRATEGIC VISION

AHA's vision is 'Healthy Mixed-income Communities." Since its first revitalization project in 1994, AHA has determined that warehousing poor families in isolated communities was detrimental and perpetuated the cycle of poverty. Through its revitalization efforts, AHA's approach has demonstrated that families fare better economically and socially when they are given an opportunity to move away from concentrated poverty and into healthy mixed-income communities. AHA believes that the better solution is to provide affordable housing seamlessly in market-rate, mixed-income communities. AHA's focus is on facilitating or creating housing opportunities that integrate all of the families assisted with AHA subsidies into mainstream, market-oriented residential environments. AHA has learned that until a community is healthy and hopeful, no amount of social intervention has been or can be effective at the level and scale that the problems demand. Simply put, **"Environment Matters!"**

The MTW Demonstration Program provides AHA with the opportunity to fulfill its vision and to transform a dysfunctional Public Housing and Housing Choice delivery system into a system that creates better housing opportunities and better outcomes for AHA's families. With our MTW flexibility, AHA now has the ability to address local issues with local solutions. CATALYST outlines the major initiatives that AHA is undertaking using its MTW flexibility to transform the manner of providing the affordable housing resource in the City of Atlanta. Under CATAYST, AHA is: (1) improving the sustainability of mixed-income communities, (2) creating opportunities for low-income families to live in healthy mixed-income communities, (3) reforming and re-engineering the Housing Choice program, (4) improving the quality of housing for seniors and persons with disabilities, and (5) maximizing its financial resources. The following sections highlight AHA's major accomplishments under CATALYST during FY 2005.

- During FY 2005, AHA, in partnership with its private sector development partners, continued the revitalization of six AHA family communities into healthy, market-rate mixed-income communities with a seamless affordable component. These revitalizations also incorporate four immediately adjacent high-rises. MTW allows AHA to address the effects of concentrated poverty, the physical condition of AHA's portfolio of family communities and the administrative burden associated with the management intensive family communities. The development of mixed-income communities will create quality living environments for the families with better outcomes for families and neighborhoods and reduce AHA's administrative burden and operational costs.

- AHA, in partnership with the Annie E. Casey Foundation, created a Responsible Relocation taskforce designed to bring additional capacity and resources to the relocation process and ensure that community stakeholder objectives were being addressed. An enhanced relocation process will support AHA's repositioning effort and standardize the timeframe and resource needs for AHA's significant relocation efforts.

- AHA procured 732 additional units of AHA-assisted affordable housing in privately owned developments using project-based vouchers as a development tool. MTW is enabling AHA to redesign the project-based voucher related processes to be more responsive and consistent with the expectations of AHA's private sector development partners. This process re-design will allow AHA to align its procurement and monitoring and oversight processes with existing procedures for other affordable housing funding resources, like low income housing tax credits. The realignment will make AHA a more viable affordable housing development partner and will result in additional quality housing opportunities for AHA's families. By using the project-based vouchers as a development tool, AHA has been able to leverage the development activity in the City of Atlanta and secure long-term commitments for outstanding affordable housing opportunities in healthy mixed-income communities.

- Relying on its MTW flexibility, AHA launched the Housing Choice Reform initiative to comprehensively enhance the program and make it a greater asset to communities and to families. Under this initiative, AHA will address issues associated with the use of vouchers including rent and subsidy levels, deconcentration, higher standards for renting single family homes, standards for inspections, frequency of moves, voucher administration, porting and voucher use criteria. AHA believes that the reform will result in reduced administrative and operating costs for AHA and landlords, a streamlined intake process, reduced time for lease execution, a positive perception of Housing Choice participants as neighbors and improved receptivity of the Housing Choice program in the City of Atlanta.

- AHA implemented the first phase of its Housing Choice Next Generations Solutions Project (NGSP), a comprehensive and integrated technology based system that will automate the back office operations of the Housing Choice voucher program. With MTW, AHA is able to address a paper and labor intensive process that often results in suboptimal customer responsiveness. AHA believes that the NGSP will result in improved operational efficiency and capacity, improved service to landlords and participants and reduced administrative burden and costs.

- AHA created a policy framework for its Deconcentration Plan that will guide all of AHA's programs toward its vision of healthy mixed-income communities. This framework incorporates both placed-based and people-based strategies, most of which would not have been able to be contemplated absent MTW. With this Deconcentration Plan, AHA hopes to increase the receptivity of the Housing Choice program in the larger community and improve the quality of life for AHA's Housing Choice participants. Under MTW, the Deconcentration Plan will allow AHA to address the significant pockets of concentrated poverty in impacted communities by creating "deconcentration" site and neighborhood standards.

- AHA, in partnership with the State of Georgia Department of Human Resources (DHR) and the Department of Community Health (DCH), launched a place-based Medicaid pilot at Georgia Avenue high-rise to establish on-site case management services for elderly and disabled residents. This is one of many strategies AHA intends to implement under MTW to improve the quality of life for seniors and the disabled.

- AHA began discussions with the Georgia Department of Community Affairs (DCA) to leverage project-based voucher assistance with DCA's Permanent Supportive Housing Program funds to stimulate the development of quality supportive housing for seniors and mentally disabled adults. AHA will use its MTW flexibility to design a legal, regulatory and financial model that will stimulate the development of quality supportive housing for persons with disabilities and for seniors.

- AHA implemented a number of critical household policy changes that align with its emphasis on personal accountability and standards for the families. These policy changes included the following reforms: (1) a work requirement and (2) a program participation requirement. AHA adopted a new Statement of Corporate Policies for administering Section 9 assisted apartments and a new Housing Choice Administrative Plan to reflect the policy changes identified in CATALYST. Without MTW, AHA would not have been able to create higher standards for our families that would allow them to reach their potential. Additionally, these policies reflect years of experience where AHA has encouraged voluntary participation and has funded programs based on the expectation of greater attendance and participation. MTW has allowed AHA to provide the appropriate balance of incentives and penalties for our families to move towards self-sufficiency.

- AHA has also adopted new rent policies, a new minimum rent and an elderly income disregard. Under MTW, AHA has adopted a new minimum rent that would not have been permissible under the existing HUD regulations. The new minimum rent resulted in approximately $1.9 million in revenue for AHA. This minimum rent adjustment has allowed AHA to begin the policy discussions around determining the appropriate tenant contribution level and the right level of affordability for apartments subsidized by AHA. These discussions will be reflected in new rent demonstrations which only could be accomplished under MTW. The elderly income disregard permits seniors on fixed-incomes to earn additional employment income without incurring a rent penalty.

- AHA established enhanced real estate inspection systems for both its Public Housing and Housing Choice Programs. AHA determined that neither the Housing Quality Standards (HQS) nor the Uniform Physical Conditions Standards (UPCS) were sufficient to insure good quality housing opportunities for assisted families. The enhanced systems were implemented to improve the health and safety of families and to improve the quality of the apartments. The alternative enhanced standards are explicitly permitted in AHA's MTW Agreement, and allow AHA to improve the quality of the product that AHA is subsidizing and improve the living environment for AHA's families.

- In order to reduce administrative burden and operating costs at the mixed-income communities, AHA created a new compliance regime for the mixed-income communities based on the existing tax credit compliance regime. MTW allows AHA to eliminate the double layer of tax credit and Section 9 compliance at the mixed-income communities without eliminating the appropriate oversight to ensure that eligible families are being assisted. The new tax credit compliance model will provide a streamlined compliance requirement thereby reducing the administrative burden and operational costs for AHA's private sector partners. The reduced administrative burden will allow the development partners to focus on more important property priorities.

- AHA established a Service Provider Network (SPN) for AHA assisted families to support their successful transition into mixed-income communities, and a Resident Connection System (RCS) to provide families with systematic access to the SPN. The SPN and the RCS reflect AHA's philosophy to partner with existing service providers instead of providing the services. The SPN also reflects local community support for the CATALYST initiatives. With the SPN and RCS, AHA will address the limited awareness that AHA families have of mainstream supportive service providers and low resident participation in self-sufficiency and job training programs.

- Through agreements (Human Services Management Agreements) with 360vu and Integral Management Service (IMS), AHA assisted 2,442 families affected by AHA-sponsored HOPE VI revitalizations with coaching and counseling services using a comprehensive case management approach. Under the Human Services Management Agreements, AHA is assisting families in addressing the complex set of challenges associated with relocation and preparing families to be successful in the private marketplace and the mainstream. Performance benchmarks under the Human Services Management Agreements include resident self-sufficiency, connection to supportive services, residents prepared to be successful neighbors in private housing and successful members in the workforce.

- AHA sponsored 4,341 Housing Choice families in the Georgia State University (GSU) managed Good Neighbor Program, a program designed to educate and assist Housing Choice households in their transition into local metro-Atlanta neighborhoods. AHA is requiring participation in this program by Housing Choice voucher participants under MTW. AHA believes this Program will lead to increased receptivity of the Housing Choice program by the local community and informed Housing Choice participants who make good neighbors.

- To improve safety and reduce crime in AHA-owned communities until they can be repositioned, AHA continued installations of video call down security systems in its high-rise and family communities. Since FY 2004, installations have been completed at seven additional communities. The video-call down system is a strategy AHA has implemented that reflects increased reliance on technology with a goal of reducing the heavy reliance on high cost private security.

- AHA executed an agreement with Comcast Cable establishing two new cable channels, an information channel and a security channel, at each of AHA's 17 high-rise communities. Implementation is underway. The Comcast Cable partnership was only possible as part of our MTW flexibility. The Comcast arrangement will allow AHA to address perceived or real security concerns at the high-rises and improve communications to the residents of the high-rise through the information channel.

- As a founding member of GA HAP an eleven-agency consortium organized to provide performance-based contract administration services for HUD, AHA earns ongoing administrative and incentive fees as a subcontractor to GA HAP for conducting management and occupancy reviews of multifamily properties in Atlanta and Fulton County. As of June 30, 2005, GA HAP is responsible for a contract administration portfolio of approximately 24,000 project-based Section 8 units in Georgia and approximately 40,000 in Illinois. During FY 2005, AHA provided oversight for 7,439 units in Atlanta and Fulton County as a GA HAP subcontractor. In addition, GA HAP contracted with AHA to prepare proposals for two service areas in response to a HUD RFP seeking contract administrators for HUD's entire non-Section 8 multifamily portfolio.

- During FY 2005, AHA continued to perform as the HUD Contract Administrator for eight properties (690 apartments) under the Section 8 New Construction and Substantial Rehabilitation Program. AHA evaluated ten assets in various locations in Georgia for HUD's Office of Affordable Housing Preservation (OAHP) as HUD's Participating Administrative Entity (PAE) for the state of Georgia. AHA also earned administrative fees serving as a contractor administrator for HUD. These fees provide AHA with additional financial resources to support its vision and mission.

- AHA initiated the close-out of the Turnkey III Homebuyers Program. As part of the close-out strategy, Habitat for Humanity will acquire the Turnkey III properties and develop affordable for-sale homes for low-income families. The close-out of the Turnkey III program will reduce AHA's administrative burden and allow for the appropriate disposition of deteriorated units.

- AHA procured The Boston Group to perform an independent assessment of the impact of AHA's MTW Program. The Boston Group will do a comprehensive evaluation of the impact of MTW on AHA's families and will provide empirical results necessary to determine whether MTW has improved the quality of life for AHA's families.

- AHA established 1-888-AHA-4YOU (AHA4YOU), a customer and community relations system which allows AHA to track and respond to complaints and concerns of AHA residents, Housing Choice participants and other Atlanta citizens.

- AHA adopted new procurement policies designed to reflect the regulatory flexibility provided under MTW. In the new procurement policy, AHA has memorialized regulatory relief provided to the PMCOs which allows these professional management companies to use their own sourcing strategies thereby reducing the administrative burden associated with standard Public Housing procurements and allowing cost savings for AHA and the PMCOs.

Additionally, AHA has included new provisions in its procurement policy that will allow AHA to use factors other than price in construction related projects. The new procurement policy also reflects a streamlined procedure for providing project-based assistance.

Finally, and most importantly, MTW flexibility has allowed AHA to respond to increasing budgetary challenges and downward funding pressures. Without the MTW funding flexibility which allows Housing Choice subsidy, Operating Subsidy and Capital Funds to be used interchangeably as a “block grant” for eligible MTW purposes, AHA would not have been able to maintain its economic viability because MTW funding flexibility mitigated the impact of funding cuts in operating subsidy and the voucher program. Only with this funding flexibility was AHA able to support the priorities of AHA while continuing to serve substantially the same number and mix of families as required under the MTW Agreement. Without MTW, AHA would have been required to operate the properties at a funding level which has been determined be inadequate by the Harvard Cost Study and AHA would not have had any remaining funding from operating subsidy to cover corporate overhead. MTW has also allowed AHA to manage the financial transitions associated with its repositioning strategy. While AHA remains convinced that the mixed-income approach is the correct approach for both social and economic reasons, there are “transition” costs which must be incurred during the development period. These transition costs are not fully covered or recognized by HUD with transitional subsidy. MTW has allowed AHA to sustain the transition that is a part of a comprehensive repositioning strategy. With MTW, AHA has also been able to identify a new minimum rent which has provided additional revenue for our budget and has allowed AHA to explore the right level of affordability for our families. AHA intends to continue the exploration of these policies with future rent demonstrations.

MTW has allowed AHA to meet our MTW obligations of (1) serving substantially the same number and mix of families and (2) ensuring that at least 75% of the families that we serve are very low income. MTW has allowed AHA to stay true to its mission while removing the barriers which hinder the ability to provide affordable housing in a more effective and efficient way.

## AHA PROFILE

**Total Households Served.** As of June 30, 2005, AHA served 19,101 households including 7,749 households (41%) as part of the Public Housing Program and 11,352 households (59%) in the Housing Choice Program. MTW funding flexibility has given AHA the ability to continue to serve substantially the same number and mix of families in the face of federal budget cuts. Without the funding flexibility afforded by MTW, AHA would not have been able to meet the MTW requirement to serve the same number and mix of households nor would AHA have been able maintain its economic viability as an agency.

| Program/Community | Households Served 6/30/04 | Households Served 6/30/05 | Change |
|---|---|---|---|
| High-Rise Communities | 3,072 | 3,043 | -29 (-1%) |
| Family Communities | 4,043 | 3,215 | -828 (-20%) |
| Mixed-Income Communities | 1,334 | 1,491 | 157 (12%) |
| **Total Public Housing Assisted Households** | **8,449** | **7,749** | **-700 (-8%)** |
| Housing Choice – Tenant Based | 10,802 | 10,879 | **77 (1%)** |
| Housing Choice – Project-Based | 234 | 473 | **239 (102%)** |
| **Total Housing Choice Households** | **11,036** | **11,352** | **316 (3%)** |
| **AHA Total Households Served** | **19,485** | **19,101** | **-384 (-2%)** |

As of June 30, 2005, 97% of households residing in AHA-owned properties, 77% of Public Housing assisted households residing in mixed-income communities, and approximately 81% of Housing Choice assisted households had incomes less than 30% of Area Medium Income (AMI) for the metro Atlanta area. Ninety-seven percent (97%) of all households served by AHA are African American.

**Housing Opportunities.** AHA does not need to own the housing to provide the best housing opportunities for its families. AHA intends to use its MTW flexibility to subsidize great housing opportunities, regardless of whether the units are owned by AHA. These housing opportunities will be located in healthy mixed-income communities and will lead to better outcomes for the families. As of June 30, 2005, AHA's provided subsidy assistance for 20,125 units. AHA owns 7,258 apartments in 16 family communities and 17 high-rise communities. The family and high-rise communities while owned by AHA are privately managed by professional property management companies (PMCOs) procured by AHA. AHA also has 11,352 units under lease in its Housing Choice program, 10,879 of these units are leased to tenant-based voucher holders. AHA provides project-based Section 8 housing assistance payments for 473 apartments in privately-owned multi-family rental communities. AHA also provides Section 9 housing assistance payments for 1,515 apartments that are a seamless part of 11 mixed-income communities.

| Program/Community | Total Units 6/30/04 | Total Units 6/30/05 | Change |
|---|---|---|---|
| High-Rise Communities | 3,082 | 3,082 | 0 (0%) |
| Family Communities | 4,176 | 4,176 | 0 (0%) |
| Mixed-Income Communities | 1,486 | 1,515 | 29 (2%) |
| **Total Public Housing Assisted Units** | **8,744** | **8,773** | **29 (.3%)** |
| Housing Choice – Tenant Based | 10,802 | 10,879 | **77 (1%)** |
| Housing Choice – Project-Based | 234 | 473 | **239 (102%)** |
| **Total Housing Choice Units** | **11,036** | **11,352** | **316 (3%)** |
| **Grand Total Inventory** | **19,780** | **20,125** | **345 (2%)** |

**Waiting Lists.** AHA no longer maintains a centralized waiting list for its Public Housing Program. Instead, each AHA-owned community has its own site-based waiting list. As of June 30, 2005, there were 11,134 households on the combined waiting lists for all of the AHA-owned communities. The majority of households (48%) require one bedroom units, 97% are African American and 96% earn below 30% of AMI.

As of June 30, 2005, there were 21,366 households on AHA's Housing Choice waiting list. The Housing Choice waiting list has not been opened since October 2001, at which time over 26,000 families applied for Housing Choice assistance. During FY 2005, over 94% of waiting list families are African American and 92% earn below 30% of AMI.

Each mixed-income community also has its own waiting list. As of June 30, 2005, there were 7,240 families on the combined waiting lists for the mixed-income communities. Approximately 41% of these families require two-bedroom units and 35% require one bedroom units. Approximately 80% of these families, excluding families at The Villages of East Lake and West Highlands at Heman E. Perry Boulevard (West Highlands), earn less than 30% of AMI, and over 98% of families, excluding families at Columbia Commons and West Highlands, are African American.

**Public Housing Management Outcomes.** AHA continues to earn its designated "High Performer" status under its MTW Agreement. AHA, working in partnership with the PMCOs and AHA's development partners, is meeting or exceeding all of the Public Housing related MTW benchmarks included in its MTW Agreement.

- **Occupancy Rates.** AHA achieved an overall adjusted occupancy rate of 98%, meeting its MTW benchmark of 98%.

- **Rent Collections**. AHA's percentage of uncollected rents was 1%, exceeding its MTW benchmark of 2%.

- **Emergency Work Orders.** AHA completed or abated 100% of all emergency work orders received in less than 24 hours, exceeding the MTW benchmark of 99%.

- **Routine Work Orders.** AHA responded to 100% of all routine non-emergency work orders within an average of 1.2 days during FY 2005, exceeding its MTW benchmark of seven days.

- **Planned Inspections.** AHA inspected 100% of its occupied units and common areas, meeting its MTW benchmark.

**Housing Choice Management Outcomes.** AHA also met or exceeded all of the Housing Choice related MTW Benchmarks during FY 2005.

- **Budget Utilization Rate.** AHA's budget utilization rate for MTW vouchers under the Housing Choice program was 99%, exceeding the MTW benchmark of 98%.
- **Planned Annual Inspections.** AHA completed 99% of all planned annual inspections, exceeding the MTW benchmark of 98%.
- **Quality Control Inspections.** AHA completed quality control inspections for 7% of all previously inspected units,

exceeding the MTW benchmark of 1.4%.

**Additional MTW Benchmarks**.

- **Workforce Participation.** 8,410 of AHA-assisted non-disabled adults (18 to 61 years of age) were employed as of June 30, 2005, exceeding the MTW benchmark of 7,015 adults[1]. One thousand, three hundred and thirty-three (1,333) of these adults reside in AHA-owned communities; 1,202 of these adults reside at the mixed-income communities; and 5,868 adults are Housing Choice participants.

- **Homeownership.** Forty-three AHA-assisted families became homeowners, exceeding the MTW benchmark of 35 families.

- **Project-Based Financing Closings.** AHA has not converted the subsidy at any of its properties from Section 9 to Section 8. AHA has worked with HUD to agree on the process for substituting project-based vouchers for the Section 9 assisted units at the mixed-income communities. This process has been included in AHA's FY 2006 Implementation Plan as supplemental information. AHA will also pursue a similar approach to support project-based financing closings for certain AHA-owned properties.

[1] AHA also captured work/program compliance information to determine compliance under AHA's CATALYST requirements. Under CATALYST, all adults, excluding the elderly and disabled, are required to be employed full-time (30 hours per week) as a condition of maintaining or receiving subsidy. AHA will accept, as a substitute for full-time employment, some combination of work, school or program participation which when combined equals 30 hours per week. The MTW benchmark definition for workforce participation does not have a minimum weekly requirement for employment.

## ASSET AND PROPERTY MANAGEMENT

AHA's Asset and Property Management business line is responsible for managing the agency's assets and the property management of its real estate portfolio and other real estate investments once the properties reach stabilization. This business line consists of four components: (1) Public Housing, (2) real estate investments, (3) conventional real estate, and (4) other AHA assets. As stated earlier, the AHA-owned Public Housing communities are managed by PMCOs. These companies are responsible for the day-to-day on-site property management functions including rent collections, property maintenance, property planning, resident services, capital improvements and other construction activities. AHA's Asset and Property Management group articulates AHA's goals and objectives as the owner to the PMCOs.

## AHA-OWNED PROPERTIES

Even after AHA and its private sector partners have repositioned nine of AHA's 25 traditional Public Housing family communities and built 14 new mixed-income, mixed-finance communities, more than 3,200 families still reside in the remaining 16 older family communities plagued by the same social problems experienced at the old Techwood/Clark Howell Homes and East Lake Meadows in the early to mid-1990's. The concentration of impoverished families continues to produce some of the City's worse environments for social ills and personal attitudes of hopelessness. Most of these remaining communities are characterized by high crime rates, marginal employment, failing schools, poor health, dysfunctional family structures, and disinvestment in Atlanta neighborhoods. In addition, AHA has 17 high-rise communities housing 3,000 elderly and disabled families burdened with their own unique set of challenges, such as life-style conflicts, mental illness, and frail and aging seniors lacking appropriate supportive services. AHA's goal under CATALYST is to reposition as many of these communities as is feasible over the next five years and beyond.

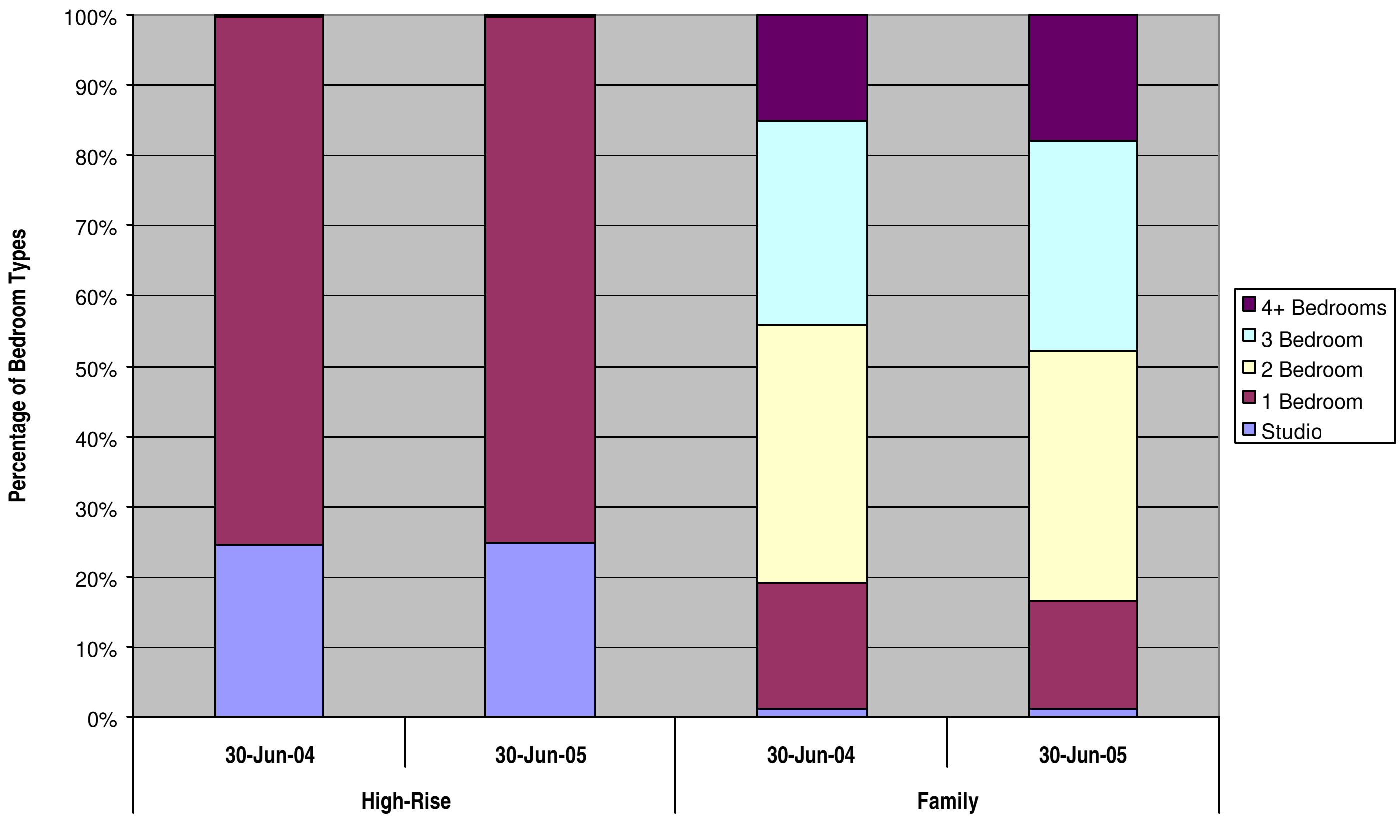
## PROGRAM PROFILE

**Housing Opportunities.** In both FY 2004 and FY 2005, AHA owned 7,258 units in 17 high-rise communities and 16 family communities.

**Households Served.** As of June 30, 2005, 6,258 families were served at the AHA-owned properties in comparison with 7,115 families as of June 30, 2004. There was a 20% decrease in the number families at the family communities, primarily due to relocation activity, evictions, and ongoing attrition. The high-rise population remained substantially the same.

**Bedroom Size Profile.** Since June 30, 2004, the percentage of families residing in one bedroom units at the high-rise communities has remained at approximately 75%. There has been a 23% and 18% decrease in the number of families residing in two and three-bedroom units, respectively, at the family communities.

**CHANGES IN HOUSEHOLDS SERVED - BEDROOM SIZE PROFILES**
**AT AHA-OWNED COMMUNITIES**




**Family Type.** There was a slight change in the types of households residing at the AHA-owned properties over the past year. As of June 30, 2004, 44% were family, 23% were elderly, and 33% were disabled compared with 40%, 33%, and 26%, respectively, as of June 30, 2005. The changes reflected in family types are largely due to the impact of the relocation of families from Grady Homes and McDaniel Glenn.

**Income Profile.** As of June 30, 2004, 6,705 (94%) of families at the AHA-owned properties earned household incomes of less than 30% of AMI compared with 6,409 (97%) as of June 30, 2005. Appendix E contains additional information on AHA's deconcentration policies.

**Race and Ethnicity**. Since June 30, 2004, the racial and ethnic mix of families has remained substantially the same. As of June 30, 2005, 92% of families at the AHA-owned properties are African American.

**Waiting List.** Each AHA-owned property has its own site-based waiting list. As of June 30, 2005, there were 11,134 families on the combined waiting lists for the AHA-owned properties, compared with 11,253 in FY 2004. The FY 2005 combined waiting list includes families with the following characteristics: (1) approximately 96% of families earn less than 30% of AMI, (2) 97% are African American, (3) 83% of elderly and disabled families on the waiting lists for the high-rise communities require one bedroom units, and (4) 40% of families on the waiting lists for the family communities require one-bedroom units, 36% two-bedroom units, 17% three-bedroom units, and 5% four-bedroom units. See Appendix D.

Bowen Homes, McDaniel Glenn, and University Homes had the largest waiting lists in excess of 1,000 families, in spite of the fact that McDaniel Glenn had the highest crime rate of all of AHA-owned properties. Bankhead Courts and Thomasville Heights had the second largest waiting lists, each with over 700 families. Cosby Spears, John O. Chiles, and Roosevelt House had the largest waiting lists among the high-rise communities, each with over 200 families.

**REAC Inspections.** AHA's PHAS Physical Report for FY 2004 was completed in October 2005. The results and AHA's appeals are included in Appendix G. Fifteen of the 17 high-rises scored at or above 85; however, only five of the 16 family communities scored above 80. The FY 2004 REAC assessment was the first time that HUD evaluated site conditions, including sidewalks (including sidewalks owned by the City of Atlanta) and erosion control, as part of its assessment. This change had a significant downward impact on the overall scores for the family communities. Given the limited funding that AHA receives for maintaining the properties, AHA has established other priorities for capital expenditures: (1) the health and safety of our residents, (2) security, and (3) sustaining viability until repositioning. The REAC scores reflect the high level of need at AHA's family communities and show the impact of AHA's budgetary constraints.

**Security.** AHA's approach to security has been to leverage technology and existing relationships with local and federal law enforcement agencies as much as possible. During FY 2005, AHA and the PMCOs implemented new security strategies at

AHA-owned properties to improve resident and community safety. The PMCOs installed video call down systems at seven family communities including: (1) Bowen Homes, (2) Englewood Manor, (3) Jonesboro North, (4) Jonesboro South, (5) Leila Valley, (6) Thomasville Heights, and (7) University Homes. They also upgraded the previously-installed video call down system at Martin Street Plaza. All systems are monitored by the site management staff and by a third party vendor who is responsible for conducting random call downs and surveillance. Digital video recorders were retrofitted at five high-rise communities, replacing traditional time lapse recorders. The third party vendor is also responsible for providing the PMCOs with incident reporting and video recordings upon demand. AHA's Information Technology Department provided access to the Atlanta Police Department (APD) headquarters and precincts to view live video of these properties for the purpose of conducting covert surveillance, substantiating criminal activities, and enhancing the safety of police officers.

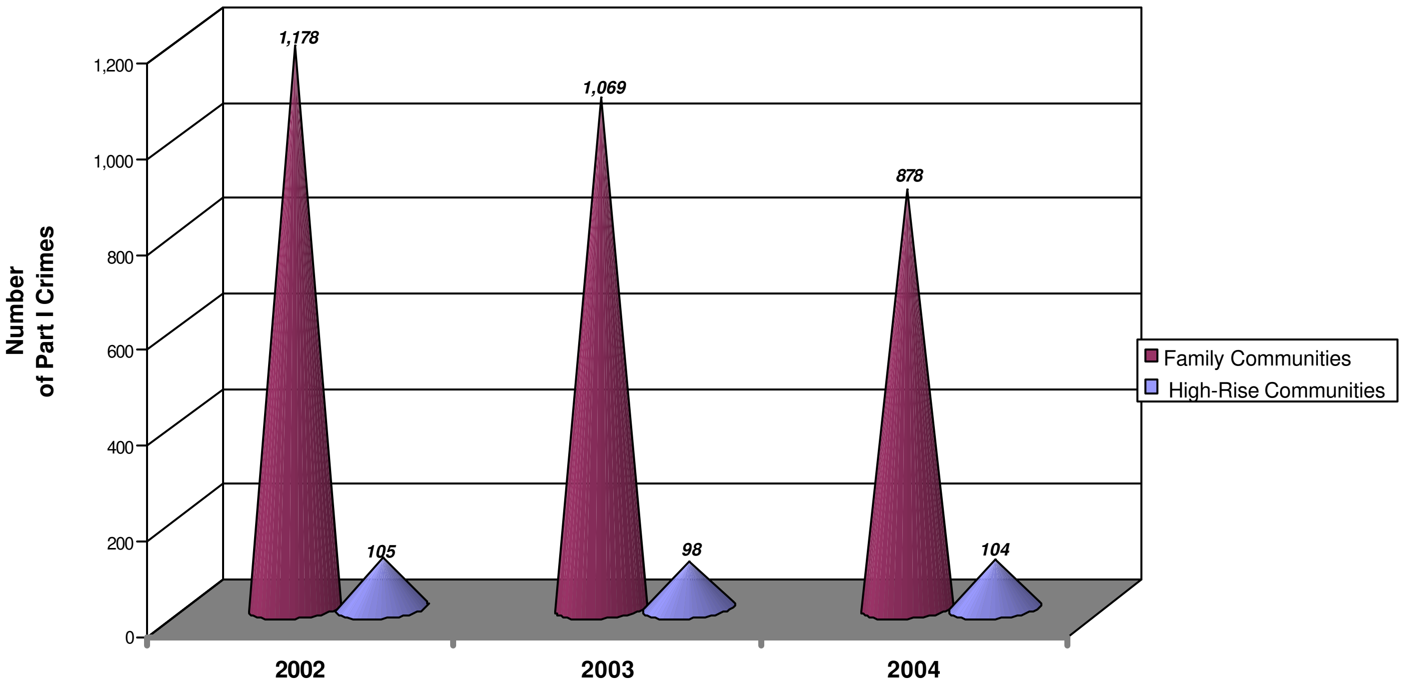
During FY 2005, APD provided AHA's Protective Services Department with direct electronic access to police incident reports, weekly arrest reports and monthly summary police incident reports. Quicker access to these reports will result in swifter action against lease violators. AHA and APD are currently conducting a crime study to determine the cost effectiveness and impact of the new security strategies. The results of this study will be published in September of 2005. AHA also implemented an electronic fingerprinting system for screening applicants and existing clients. This system allows AHA to scan rolled ink fingerprint impressions and send them electronically to the Federal Bureau of Investigation (FBI) for evaluation. FBI results are now transmitted to AHA within 7 days instead of 30 days.

Finally, to further enhance efforts to improve safety and security at AHA-owned properties, AHA was awarded a $225,000 Project Safe Neighborhood Program Demonstration grant by the U. S. Department of Justice. The grant will be used at University Homes over a 24-month grant period to improve police presence, reduce criminal activities, and enhance safety for the residents, staff, visitors, and the students of the neighboring colleges.

Crime at AHA-owned properties has decreased over the past three calendar years. The chart below highlights these changes.

## PART 1 CRIME STATISTICS FOR AHA-OWNED PROPERTIES*

**(High-Rise and Family Communities)**



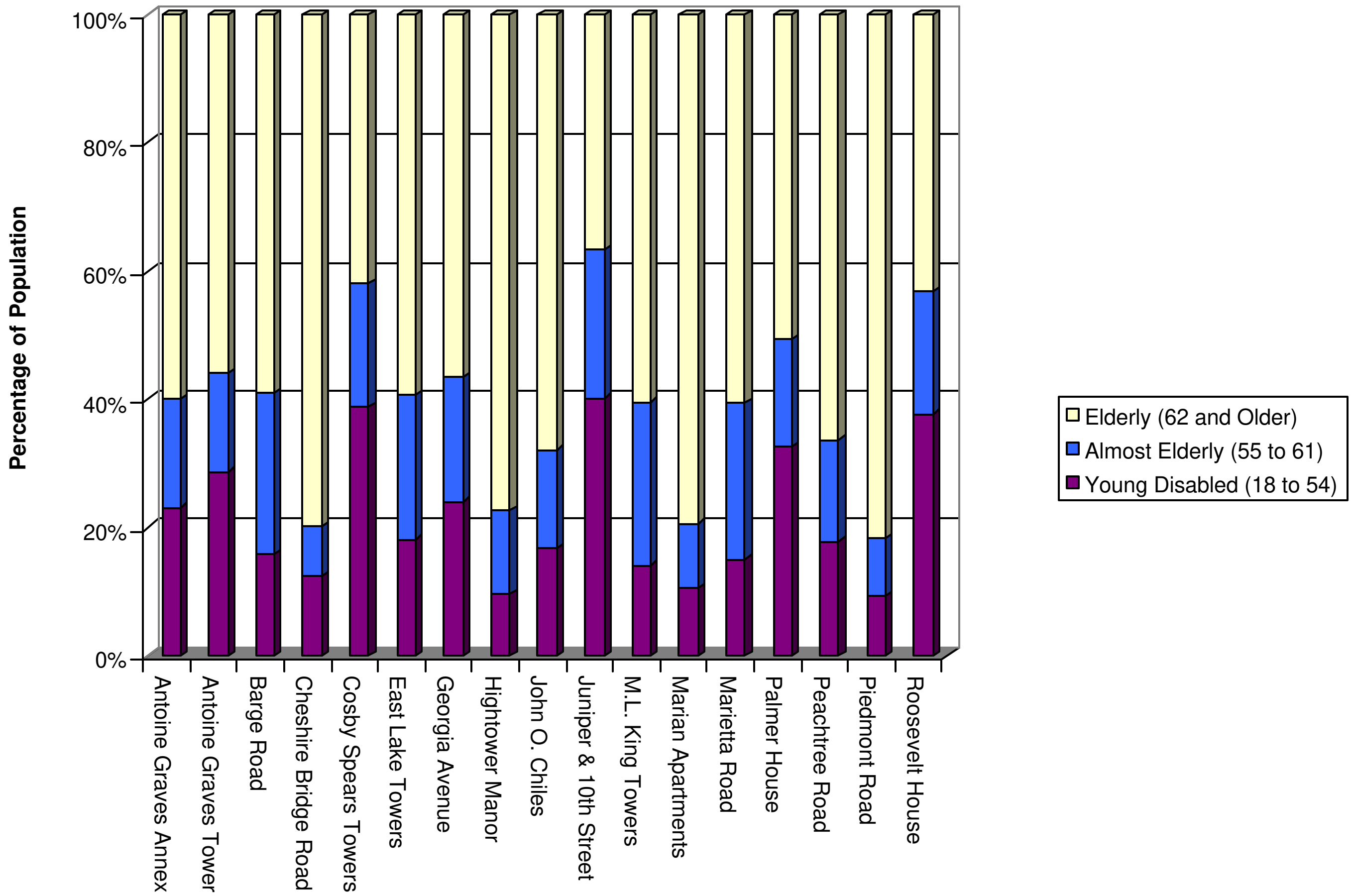

** Part I Crimes are: Homicide, Rape, Robbery, Burglary, Larceny, Aggravated Assault, Auto Theft, and Arson.*

## PROGRESS ON MAJOR INITIATIVES

**Elderly Admissions Preference at AHA's High-Rises.** Under CATALYST, AHA plans to implement a number of key strategies to address the complex social issues associated with mixing seniors and young disabled individuals in its high-rise communities. Though national research advises that elderly and disabled mixed-population housing maintain a rate of four elderly to one young disabled resident[2], many of AHA's 17 high-rise communities reflect a significant imbalance as reflected in the chart below:

[2] Research found in the following two articles provide recommendations on elderly/young disabled housing: (1) "The Mixed-Population Issue in State-Subsidized Elderly Housing: Management Problems Posed by Non-Elderly and Elderly Tenants" by Nancy W. Sheehan, Ph.D. and Charles Stelle, MS., *Journal of Aging and Social Policy,* Vol. 10, The Hawthorne Press, and *(2)* "Massachusetts Law Regarding Non-Elderly Disabled Tenants in State-Funded Elderly Housing", OLR Research Report, 2002-R-0133, Office of Legislative Research, State of Massachusetts, by John Moran, 2002.

## HIGH-RISE POPULATION MIX AS OF JUNE 30, 2005




As part of CATALYST, AHA intends to implement an elderly/almost elderly admissions preference at its 17 high-rise communities. The preference would allow the PMCOs to admit four elderly (62 and older) or almost elderly (55-61) residents on the waiting list before admitting a young disabled resident until such time as an optimal mix of elderly/almost elderly and young disabled residents is reached for the community. AHA's target date for implementation of this preference was July 1, 2005; however, in June 2005, a legal advocacy group raised concerns with AHA regarding the implementation of this initiative. Since raising these concerns, AHA has met with the advocacy group and has responded to its concerns. AHA has, however, incorporated the policy provisions necessary to implement this initiative in its Statement of Corporate Policies and plans to implement the preference during FY 2006.

**Designated Housing.** Another strategy AHA will consider to address mixed-population issues in its 17 high-rises is to designate one or more of these communities as elderly-only or percentage based mixed population. During FY 2005, AHA decided to develop a designated housing plan for a new elderly-only facility to be developed in connection with the revitalization of McDaniel Glenn. The elderly facility will be a mixed-finance project subsidized with project-based Section 8, tax credits, and Public Housing assistance. In support of this development, during FY 2006, AHA will submit a designated housing plan to HUD for the Public Housing assisted units in this new senior development.

**Individual Development Accounts (IDAs).** AHA plans to eliminate the existing earned income disregard and replace it with an Individual Development Accounts (IDA) program for Public Housing residents who are 18 to 61 years of age and who meet certain requirements. In order to manage the impact of the CATALYST policy changes on AHA families, AHA postponed the implementation of this initiative until January 2006.

**Placed-Based Supportive Services Strategy Pilot.** In January 2005, AHA and the Georgia State Department of Human Resources (DHR) implemented a "place-based" Medicaid pilot at AHA's Georgia Avenue high-rise community. The purpose of the pilot was to create a model for the delivery of case management and supportive services to elderly and disabled residents at AHA's high-rises. The "place-based" strategy is designed to enroll residents in Medicaid's SOURCE (Service Options Using Resources in a Community Environment) Program which will provide case management to clients through a managed care system. The SOURCE Program provides case management services, primary care physicians, personal care plans, and service delivery to SSI/Medicaid eligible individuals.

The success of the pilot depends heavily on the voluntary enrollment of current Medicaid clients in the SOURCE Program. Upon enrollment of at least 60 residents, DHR will provide a full-time, on-site case manager to serve Georgia Avenue high-rise residents. During FY 2005, enrollment at the Georgia Avenue high-rise was extremely low because many elderly residents were particularly reluctant to discontinue their relationships with their physicians who were not enrolled in SOURCE. DHR has since modified the program to actively enroll non-participating physicians. However, even with this modification, enrollment at Georgia Avenue high-rise continues to be low; therefore, AHA and DHR are identifying another pilot site.

**Program Requirements.** During FY 2005, AHA implemented a policy that generally requires that all 18 to 61 year old adult household members who are not disabled to work full-time as a condition of receiving and maintaining subsidy assistance. This policy became effective October 1, 2004. AHA's policy permits eligible adults to participate in some combination of school, program participation and part-time employment as a substitute for full-time employment. AHA's June 2005 compliance review indicated that 2,070 (approximately 63%) of the 3,311 target adults in AHA-owned communities were non-compliant.

AHA established annual benchmarks for non-compliant households which are as follows: (1) by June 30, 2005, at least one target adult in compliance, (2) by June 30, 2006, at least one target adult working and 75% of the remaining target adults in compliance, (3) by June 30, 2007, at least one target adult working and 100% of the remaining target adults in compliance, and (4) by June 30, 2008, 100% of all target adults working. As of the date of this report, AHA has extended the first benchmark date to December 31, 2005 to accommodate a request by the Atlanta City Council. Non-compliant households not meeting these benchmarks will be reviewed for eviction. All applicant households for Public Housing assistance must be in full compliance with the work requirement to receive housing assistance.

AHA may also require residents to attend economic independence or training programs if referred by AHA, its representatives or agents as a condition of receiving and maintaining subsidy. These programs include, but are not limited to, job skill/training programs, assessment services, coaching and counseling services and the Good Neighbor Program.

**Minimum Rent.** On October 1, 2004, AHA raised its minimum rent from $25 to $125. Households on fixed incomes, where all members are either elderly or disabled, are exempt from the minimum rent increase and pay rent based on 30% of their adjusted gross incomes. Prior to implementing the minimum rent increase, AHA conducted a rent impact analysis and found that over 72% of AHA households residing at AHA-owned properties were already paying $125 or more for rent. The number of minimum renters decreased by 554 families since AHA's minimum rent policy went into effect. From November 1, 2004 through July 31, 2005, 61 Public Housing assisted households were terminated for non-payment of the minimum rent.

**Elderly Income Disregard.** On October 1, 2004, AHA implemented an income disregard for employment income earned by elderly residents on fixed income.

**Setting "Market" Rents – Affordable Flat Rent Demonstration.** AHA intended to select, if feasible, one or more of its conventional Public Housing communities for participation in an affordable flat rent demonstration. However, in order to manage the impact of the CATALYST policy changes on families, AHA postponed the implementation of this initiative to FY 2006.

**Enhanced Business Systems (Lease/Family Obligation Document Enforcement, Enhanced Criminal Screening, and Health and Safety Standards).** AHA's Implementation of the CATALYST policies provided AHA with an opportunity to enhance its business systems. As part of the implementation of the CATALYST reforms, AHA revised its lease to incorporate CATALYST policy changes such as the work requirement and developed a procedures guide called PRISM (PMCO Reference Implementation Standards Manual). PRISM is a reference manual that describes enhanced standards and implementation guidelines related to the work requirement, improved screening and intake processes, and reporting. AHA also held several briefings and training sessions with the PMCOs' property management personnel on the new policies and programmatic changes. AHA deployed a core team of CATALYST Ambassadors who conducted briefing sessions for families. In addition, AHA and the PMCOs implemented a massive communications campaign educating families about the new policy changes and providing resource information on self-sufficiency programs and services.

**Enhanced Real Estate Inspection Systems.** During FY 2005, AHA revised its inspection standards for all subsidized units and integrated various inspection processes and systems. AHA's Inspections Department developed and began implementing Enhanced Uniform Physical Conditions Standards (UPCS Plus) that improved inspection standards in terms of addressing health and safety issues. For example, AHA added operable carbon monoxide detectors on every habitable floor as one of the criteria in its UPCS Plus checklist.

**Resident Satisfaction Surveys.** During FY 2005, AHA hired a third party vendor to conduct a resident satisfaction survey. The vendor conducted the survey with random selections of residents living in AHA-owned communities. Over 6,068 surveys were distributed and AHA received 1,747 completed surveys, a 29% response rate. Based on the survey, the five most important factors that contribute to residents' satisfaction in order of ranking are: (1) cleanliness and safety, (2) maintenance service, (3) resident association/resident services, (4) rent office service, and (5) responsiveness to requests for assistance. The response and satisfaction rates were higher for the high-rise communities than for the family communities.

## MIXED-INCOME COMMUNITIES

In an effort to create better communities and better outcomes for the families, AHA made a strategic determination in the winter of 1994 to begin repositioning its distressed Public Housing properties through its comprehensive revitalization program, the Olympic Legacy Program (OLP). OLP involves demolition, disposition and the creation of mixed-income, mixed finance communities through public/private partnerships. The mixed-income communities are not owned, controlled or operated by AHA or any of its affiliates. These communities are owned by public/private partnerships formed between an AHA affiliate and AHA's procured private sector development partners, with the private developer as the managing general partner. The limited partnership interests are acquired and owned by entities that purchase the low-income housing tax credits. In most cases, greater than 97% of those interests are held by those investors. AHA typically continues to own the land on which the mixed-income, multi-family rental apartments are constructed. AHA leases the land to the public/private partnership (Owner Entity) pursuant to a long-term ground lease, typically 50 to 60 years. At the end of the ground lease term, the land and improvements revert to AHA. The Owner Entity executes the development activities, including the construction of the improvements.

The development model for mixed-income communities is a market rate community, with a seamless affordable component. Typically, 30% to 40% of the apartments are reserved for families who are Public Housing eligible. The remaining 70% or 60% are leased to market rate and tax credit eligible families based on the financial and legal structure. The total development budgets for the mixed-income communities are comprised of various combinations of multiple public and private sources of funds. In all cases, AHA's development funds serve as seed capital to leverage private investment. The Owner Entity borrows conventional first mortgage debt from either a bank or other financial institution, or FHA insured 221 (d) (4) arrangements or private activity bonds with 4% low income housing tax credits. The Owner Entity, subject to limits under the State of Georgia's Qualified Allocation Plan, applies for 9% of low-income housing tax credits. If awarded, the credits are sold to investors to raise equity for the development project. AHA loans its funds to the Owner Entity for its proportionate share of the construction budget. AHA's proportionate share is based on the percentage of the apartments reserved for Public Housing eligible residents pursuant to regulatory agreements with HUD. AHA's loans are second mortgage loans subordinated to the first mortgage and are payable only out of cash flow generated from the property.

The housing assistance payment using Section 9 operating subsidy from HUD for the Public Housing assisted units in mixed-income communities is calculated to pay the difference between the operating costs (based on operating budgets prepared by the Owner Entity) and resident rents (based on 30% of adjustable income of the assisted family) so that such apartments operate on a break even basis. Related Partnership Operating Reserves have been established for each mixed-income community to mitigate the financial exposure in the event that AHA does not or cannot meet its housing assistance payment obligation to that property.

The mixed-income communities are market-rate developments with a seamless affordable component. These communities offer excellent quality of life amenities such parks, early childhood development center, retail, excellent schools, and recreational facilities that are important to providing a living environment where low-income families can achieve their full potential.

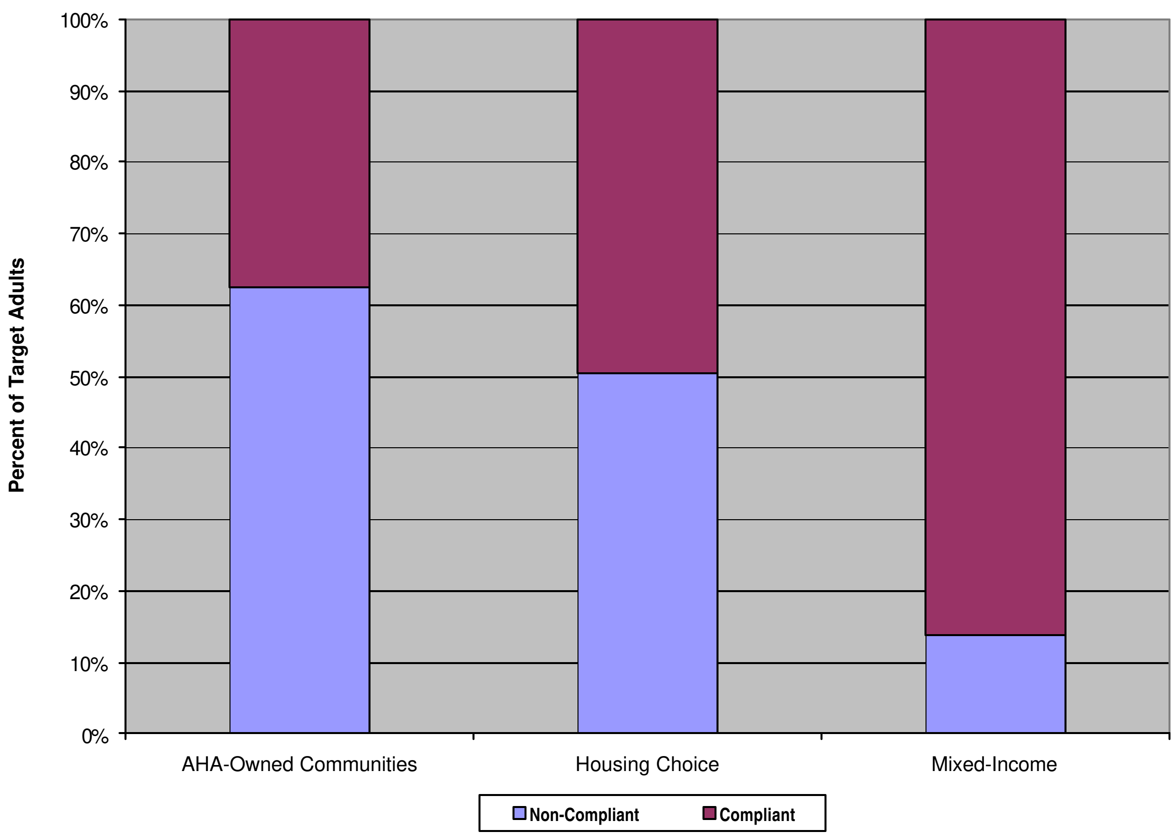
## MIXED-INCOME COMMUNITY OUTCOMES

AHA's vision is to create healthy mixed-income communities where families can achieve their full potential. AHA believes that low-income families thrive better in mixed-income communities and have better outcomes. To prove this theory, in 2001 AHA commissioned Dr. Thomas D. Boston, Professor of Economics at the Georgia Institute of Technology and President and CEO of the Boston Group, Inc., an Atlanta-based urban planning and research firm, to study independently the impact of AHA's revitalization program on the quality of life of Public Housing assisted families. The Boston Study focused on quality of life changes for residents associated with AHA's revitalization activities and sought to resolve, among other issues, whether the change in environment improved the quality of life of Public Housing assisted residents. The findings from the Boston Study are instructive. The percent of Public Housing assisted families (ages 16-62) in mixed-income communities whose primary source of income is from labor market earnings for 2001 was 52%, compared with 32% for assisted families living in conventional Public Housing and 58% for persons residing in housing subsidized by Housing Choice vouchers. These percentages compare to 67.5% for the State of Georgia. The average household income for assisted families in the mixed-income communities in 2001 was $9,738 compared with $7,317 for families residing in conventional Public Housing and $9,567 for families residing in housing subsidized by Housing Choice vouchers. The percentage of Public Housing assisted families below the poverty line in mixed-income communities in 2001 was 68%, compared with 84% for families in conventional Public Housing, and 67% for families residing in housing subsidized by Housing Choice vouchers. The evidence is clear that in families fare better in mixed-income environments both in the market rate, mixed-income communities and through the Housing Choice Voucher Program.

These trends remain consistent for AHA-assisted families. As of June 30, 2005, the employment rate among non-disabled adults (18 to 61 years of age) at the mixed-income communities is 93% in comparison with 49% for adults in the Housing Choice program and 40% for adults at AHA-owned communities. Seventy-seven percent of families at the mixed-income communities have incomes of less than 30% of AMI compared with 81% of Housing Choice households and 96% of households at the AHA-owned family communities.

The work and program requirements were not new to Public Housing assisted families at the mixed-income communities. Work and program participation requirements were already incorporated into lease addenda for these communities, and it is clear that the assisted families can meet or exceed our standards where given appropriate incentives and a healthy environment. Eighty-six percent of the targeted adults at the mixed-income communities are in compliance with AHA's CATALYST work requirement in comparison with 50% of the targeted adults in the Housing Choice program and only 38% of the targeted adults at the AHA-owned communities.

**WORK/PROGRAM COMPLIANCE AS OF JUNE 30, 2005**



## PROGRAM PROFILE

**Housing Opportunities.** As of June 30, 2005, AHA provided Section 9 housing assistance payments for 1,515 assisted units that are a seamless part of 11 privately-owned multifamily rental mixed-income communities, compared with 1,486 units as of June 30, 2004. This represents an increase of 2% (29 units) in the number of assisted units that reached EIOP (End of Initial Operating Period) as of June 30, 2005.

**Households Served.** There has been a planned, steady increase in the number of Public Housing assisted families served in the mixed-income communities. The number of Public Housing assisted families at mixed-income communities increased approximately 12% (157 families), from 1,334 families as of June 30, 2004, to 1,491 families as of June 30, 2005. This increase was due to progressive lease-up of new units.

**Bedroom Size Profile.** The bedroom size profile of Public Housing assisted families at the mixed-income communities has experienced slight changes since the initiation of AHA's MTW Program. Since June 30, 2004, the number of families residing in three-bedroom units has increased by 16%, in two-bedroom units by 13%, and in one-bedroom units by 3%. The increases are due to the ongoing development and availability of more Public Housing assisted units at the mixed-income communities.

**Family Type.** The types of households residing at the mixed-income communities have remained substantially the same since the initiation of CATALYST. As of June 30, 2004, 76% were family, 11% were elderly, and 13% were disabled as compared with 74%, 12%, and 15%, respectively, as of June 30, 2005.

**Income Profile.** As of June 30, 2004, 962 (72%) Public Housing assisted families earned household incomes of less than 30% of AMI as compared with 1,155 (77%) as of June 30, 2005.

**Race and Ethnicity**. The racial and ethnic mix of families has remained substantially the same. As of June 30, 2005, just over 99% of the Public Housing assisted families at the mixed-income communities were African American.

**Waiting List.** At the mixed-income communities, AHA's private development partners managed site-based waiting lists for the Public Housing assisted units. As of June 30, 2005, there were 7,240 families on the combined waiting lists for the mixed-income communities. Approximately 80% of the families on the waiting list, excluding families at the Villages of East Lake and West Highlands, earn less than 30% of AMI. Over 98% of families on the waiting list, excluding Columbia Commons and West Highlands, are African American. Approximately 41% of families on the waiting list require two-bedroom units and 35% in one bedroom units.

**PROGRESS ON MAJOR INITIATIVES**

**Program Requirements.** The work and the program participation requirements were not new to the mixed-income communities, as many of these properties already had work and program participation requirements in their existing lease documentation. The compliance review conducted by AHA's private development partners shows that of the 1,299 adults targeted by the policy, 1,118 (86%) are compliant.

**Minimum Rent.** See the *Minimum Rent* description under *AHA-Owned Properties* above.

**Elderly Income Disregard.** See the *Elderly Income Disregard* description under *AHA-Owned Properties* above.

**Sustaining Mixed-Income Investments.** AHA's plans for sustaining its mixed-income investments include converting the source of operating subsidy AHA provides to one more of the mixed-income communities from Section 9 to Section 8. During FY 2005, AHA worked with HUD to identify an alternate process for obtaining replacement vouchers for the Public Housing assisted units at the mixed-income communities. This process has been included in AHA's FY 2006 Implementation Plan as supplemental information.

**Tax Credit Compliance Model.** In February 2005, AHA's Management and Occupancy Compliance Department developed AHA's Tax Credit Compliance Model for the Signature Properties. This model replaces the HUD compliance requirements for the Public Housing assisted units at the mixed-income communities with the tax credit compliance regime. Once implemented, AHA assisted resident files at the mixed-income communities will be maintained in accordance with this new compliance model. During FY 2006, AHA will continue the roll-out of this initiative and will institutionalize and integrate this process in AHA's business systems and processes. AHA will also work with HUD officials to institutionalize this process in HUD systems.

This initiative also includes AHA's evaluation of the MTCS reporting requirement for Public Housing assisted residents to determine the least administratively burdensome method for relaying tenant characteristic information to HUD. AHA proposes to explore other possible methods for the practical collection and/or transmission of tenant information to HUD for the residents at the mixed-income communities. AHA is in the process of reviewing and evaluating tenant information collection forms and procedures (e.g. HUD Form 50059, Tenant Income Certification forms, etc.) currently used by the mixed-income communities to determine the best method of collection. Moreover, as part of AHA's evaluation, AHA may, in consultation with HUD, determine that it may not be necessary for AHA to transmit tenant information to HUD for the mixed-income communities.

**Setting "Market" Rents.** During FY 2005, AHA developed the Mixed-income Communities "Working Laboratory" Initiative and included it in its FY 2006 MTW Implementation Plan for HUD's approval. This initiative will allow AHA's development partners to use innovative approaches to achieve community specific goals and objectives at respective their properties. The "Working Laboratory" initiative will permit AHA's development partners to adopt and implement their own occupancy, leasing and rent policies and procedures with respect to their communities for assisted residents or applicants. Eligible policies and procedures include, but are not limited to, new rent structures (e.g., flat rents), application and waiting list procedures, eligibility and/or suitability criteria, program participation requirements and term limits.

## HOUSING CHOICE

AHA's Housing Choice voucher program provides Housing Choices to income eligible households in the private multifamily market. AHA is aware of the resistance to the Housing Choice program; however, AHA believes that with the appropriate redesign, the Housing Choice program can help AHA fulfill its mission of providing affordable housing while remaining an asset to the larger community. MTW will provide AHA with an opportunity to (1) eliminate administrative burdens and operational costs associated with duplicative processes; (2) better manage subsidy and rent levels so that local markets are not skewed; and (3) improve the receptivity of the Housing Choice program in the local community. MTW is the foundation for all of AHA's voucher reform initiatives.

## PROGRAM PROFILE

**Housing Opportunities.** As of June 30, 2005, AHA served 11,352 households through the Housing Choice program. This reflects a slight increase of 316 households since June 30, 2004. The increase is primarily attributable to relocation activity associated with the revitalization of Grady Homes and McDaniel Glenn.

| | Total Units 6/30/2004 | Total Units 6/30/05 | Change |
|---|---|---|---|
| **Housing Choice** | **11,036** | **11,352** | **316 (3%)** |

Over the past fiscal year, there was no significant change in overall profile of the households served by the Housing Choice program based on family types, incomes, race and ethnicity. As of June 30, 2005, over 76% of the heads of households served were family, (i.e., non-elderly and non-disabled) approximately 6% were elderly and approximately 18% were disabled, while as of June 30, 2004, 79%, 4% and 17% of heads of households were family, elderly and disabled, respectively. As of June 30, 2004 and June 30, 2005, over 99% of the heads of households were African-Americans. Approximately 84% of the households earned less than 30% of AMI as of June 30, 2004 while approximately 81% of the Housing Choice households earned less than 30% of AMI as of June 30, 2005. During FY 2005, 58% (4,838) of households in AHA's Housing Choice program, excluding families porting outside of AHA's jurisdiction, resided in low poverty areas, i.e., where no more than 20% of the households in the applicable census tract earned below 30% of AMI.

**Waiting List.** The Housing Choice waiting list decreased 27 households from 21,393 households as of June 30, 2004 to 21,366 households as of June 30, 2005. This decrease is a result of purging and processing households for housing assistance. The Housing Choice waiting list has not been opened since 2001 at which time just over 26,000 families signed up for housing assistance. As of June 30, 2004, and June 30, 2005, 92% of families on the Housing Choice waiting list earned less than 30% of AMI and 94% percent of families were African American.

**Bedroom Profile.** During FY 2004 and FY 2005, 37% of families in the Housing Choice Program resided in two-bedroom units and 40% in three-bedroom units.

**Inspections.** AHA inspects units for the Housing Choice program based on an enhanced HQS standard developed during FY 2005. The enhanced HQS standard will improve the quality of the housing units selected for participation in the Housing Choice Program. Examples of enhancements include requirements for air conditioning and carbon monoxide detectors in units. Units which do not meet the enhanced standard are not eligible for the Housing Choice program. Annual and initial inspections are performed using this standard.

## PROGRESS ON MAJOR INITIATIVES

AHA has and will continue to use its MTW flexibility to redesign the Housing Choice program. AHA wants to insure that the Housing Choice program is managed appropriately from the perspective of all involved parties, clients, landlords and other residents of the City of Atlanta. AHA has taken a new look at a number regulatory restraints that have historically shaped the Housing Choice program. For example, AHA has created a higher inspection standard to improve the quality of the product that is subsidized by AHA and to provide better housing opportunities for AHA's families. Another example is AHA's requirement that all participants enroll in and complete the Good Neighbor Program. The Good Neighbor Program will provide for better integration and receptivity of the Housing Choice participants in Atlanta neighborhoods. AHA believes that MTW will allow AHA to enhance the program to ensure the sustainability of the program. MTW will allow AHA to realign fair market rents so that the market rents for a particular neighborhood are not skewed by subsidy paid by AHA in that neighborhood. The realignment of the rents will allow AHA to better manage its subsidy allocation so that AHA can provide more housing opportunities in low poverty and less impacted areas.

**Deconcentration Plan.** AHA has created a policy framework for its Deconcentration Plan which acknowledges the need for both place-based and people-based strategies. However, during the past fiscal year, AHA determined that it was more appropriate to use its regulatory flexibility to completely reform its Housing Choice voucher program. This determination was made in recognition of the complexity of the Housing Choice program and the interplay between the various components of the Housing Choice program. The Deconcentration Plan is a component of AHA's more comprehensive Housing Choice Reform initiative. This initiative, outlined in AHA's FY 2006 Implementation Plan, will address and integrate several factors including "deconcentration site and neighborhood standards," rent and payment standards, restrictions on the use of the voucher for single family units, inspections standards, landlord certification and a shift in the allocation of voucher subsidy from tenant based vouchers to project-based vouchers in support of AHA's vision. As of June 2005, AHA had vouchers in all but one of Atlanta's 24 neighborhood planning units (NPUs); however, three NPUs have a disproportionately higher number of Housing Choice vouchers. AHA's Deconcentration Plan is intended to address this concern.

**Program Requirements.** In CATALYST, AHA announced its intent to create a work requirement for all households subsidized in the Housing Choice as well as the Public Housing program. Effective, October 1, 2004, all 18 to 61 year old adult household members who are not disabled are required to work full-time as a condition of receiving and maintaining subsidy assistance. AHA's policy permits eligible adults to participate in some combination of school, program participation and part-time employment as a substitute for full-time employment. During the past fiscal year, AHA engaged in an extensive communications campaign to inform Housing Choice participants of this policy change as well as other CATALYST policy changes. A June 2005 compliance review was completed and indicated that 5,986 (approximately 50%) of 11,871 target adults were non-compliant. AHA has established annual benchmarks for non-compliant households which are as follows: (1) by June 30, 2005, at least one target adult in compliance, (2) by June 30, 2006, at least one target adult working and 75% of the remaining target adults in compliance, (3) by June 30, 2007, at least one target adult working and 100% of the remaining target adults in compliance, and (4) by June 30, 2008, 100% of all target adults working. As of the date of this report, AHA has extended the first benchmark date to December 31, 2005 in response to a request from the Atlanta City Council.

CATALYST also stated that AHA may require residents to attend economic independence or training programs if referred by AHA, its representatives or agents as a condition of receiving and maintaining subsidy. These programs include, but are not limited to, job skill/training programs, assessment services, coaching and counseling services or the Good Neighbor

Program. During FY 2005, AHA required all heads of households in its Housing Choice Program to participate in the Good Neighbor Program provided by GSU. As a result, 4,341 participants completed the Good Neighbor Program.

**Minimum Rent.** On October 1, 2004, AHA raised its minimum rent from $25 to $125. Households on fixed incomes, where all members are either elderly or disabled, are exempt from the minimum rent increase and pay rent based on 30% of their adjusted gross incomes. Notwithstanding the increase to the minimum rent, the number of Housing Choice voucher households who paid the minimum rent decreased from 2,648 (June 30, 2004) to 1,958 (June 30, 2005).

**Elderly Income Disregard.** On October 1, 2004, AHA implemented an income disregard for the Housing Choice program for employment income earned by elderly residents or participants on fixed income. Currently, none of the elderly Housing Choice participants on fixed-income are eligible because they do not have any employment income.

**Setting "Market" Rents.** In CATALYST, AHA stated its intent to create local rent standards that would be used in lieu of the HUD established Fair Market Rents (FMRs). While AHA has not yet established replacement local FMRs, AHA has, as an interim measure, established a system for determining rent reasonableness using a rent matrix and comparables. The rent matrix is based on unit size (bedroom) and type (multifamily, single family or town home). The amount of rent allowed is determined by a grade given by AHA's inspectors based on unit conditions, the site and surrounding neighborhood conditions.

**Enhanced Business Systems (Family Obligation Document Enforcement, Revised Administrative Plan, Enhanced Criminal Screening, and Health and Safety Standards).** During FY 2005, AHA implemented a number of policy changes and programmatic reforms outlined in CATALYST. AHA has revised its Housing Choice Administrative Plan to align with these new standards and has revised its family obligation document to incorporate policy changes. These reforms included higher health and safety for Housing Choice program participants, enhanced criminal screening standards, and stricter enforcement of the requirements for participation in the Housing Choice program. AHA has distributed the new family obligations document to Housing Choice participants for execution and has received executed documents from 95% of the households. AHA has also briefed its Housing Choice advisors so that they may educate Housing Choice participants on the CATALYST requirements during the recertification process.

**Porting Adjustments.** CATALYST applies to all Housing Choice participants subsidized by AHA and by all participants who port into AHA's jurisdiction. Therefore, AHA acknowledges that portability procedures will need to be modified in partnership with other local PHAs in the metropolitan area. During FY 2005, AHA initiated conversations with these local housing authorities to educate them on CATALYST and to outline the framework for Memoranda of Understanding that will be executed with these agencies.

**Landlord Education and Outreach.** In June 2005, AHA, in partnership with the Georgia Real Estate Investors Association, sponsored its 6th Annual Landlord Symposium. The Symposium was designed to educate and retain existing landlords and to market the Housing Choice program to potential new landlords. The Symposium included a number of topics relevant to landlords including, the eviction process, AHA's inspection standards, City of Atlanta housing code information, taxes and the direction of the Housing Choice program. Speakers at the Symposium included Scott Keller, Deputy Chief of Staff for HUD and the President of the Atlanta City Council. Over 450 landlords attended this year's symposium. Landlord education and outreach also includes bi-monthly briefings and the production and distribution of Housing Choice collateral materials. AHA is also planning a Landlord Certification program designed to educate landlords on the responsibilities associated with being a Housing Choice landlord and the new enhanced program requirements.

**Good Neighbor Program.** In September 2004, AHA procured GSU to operate AHA's Good Neighbor Program. Prior to the procurement, the Good Neighbor Program was managed internally by AHA's staff. The procurement of GSU enabled AHA to enhance the program by (1) accessing the capacity and resources of GSU, specifically, the Alonzo A. Crim Center for Urban Educational Excellence, and (2) allowing the Housing Choice participants to engage with GSU faculty and graduate students in the context of an institution of higher learning. The Good Neighbor Program was established in 2003 specifically to maintain the viability of the Housing Choice program in metropolitan Atlanta by addressing local concerns about the ability of Housing Choice participants to successfully transition to single-family neighborhoods. As previously mentioned, 4,341 Housing Choice head of households completed the program during FY 2005.

**Enhanced Relocation Activity.** During the past year, AHA, in partnership with the Annie E. Casey Foundation (Casey) relocated substantially all of the residents at the 'Main Campus' of McDaniel Glenn under the auspices of a new "Responsible Relocation" taskforce. The desired outcomes for this relocation were to ensure (1) the responsible relocation of the McDaniel Glenn households, (2) that no family that is ineligible for a housing subsidy becomes homeless and (3) that families with children at a local elementary school have the option to relocate to a neighborhood served by that school. The

Responsible Relocation taskforce provided AHA and Casey with an opportunity to establish local partnerships with service providers and agencies to address mental health issues, criminal background issues, and family and housing counseling needs. As a result of the efforts of the taskforce, appropriate supportive housing opportunities were identified for affected residents of McDaniel Glenn and many obtained legal assistance which allowed the resident households to become eligible for housing subsidy. AHA will continue to work with Casey to document and incorporate lessons learned during this pilot. Future relocations will be informed by this process and will replicate best practices.

## REAL ESTATE DEVELOPMENT AND ACQUISITIONS

AHA's Real Estate Development and Acquisitions (REDA) business line executes AHA's repositioning strategy through various strategies, including the execution of HUD funded revitalization projects, single-family home development, the use of project-based Housing Choice vouchers to support new and existing developments, the exploration of housing opportunities for seniors and the disabled, and the exploration of the use of principles outlined by HUD with respect to the Public Housing Reinvestment Initiative.

The compelling need to address the AHA family communities which have not been repositioned is clear. First, the physical condition of the conventional family communities is obsolete.

- The average age of AHA's 17 family communities is 41 years, with ages that range from 24 to 68 years old. This is well past any intended "useful life" for the building structures.

- AHA has estimated that over the next five years the cost of capital improvements to keep the family communities safe and sanitary is $56 million. After AHA funds housing assistance payments, property operations at AHA-owned properties, and corporate overhead, $25 million remains for capital improvements over this same period of time.

- AHA has also estimated that the cost to upgrade the communities to "Class C" is approximately $117 million.

Most of AHA's Public Housing family communities do not have kitchen cabinets, closet doors, showers, kitchen/stove exhausts, dishwashers, disposals, washer/dryer hook-ups, ceiling fans, bathroom exhausts or air conditioning. Most of these properties have (1) combined storm/sanitary sewer systems, (2) undesirable building and unit densities, (3) obsolete floor plans and unit layouts and, (4) heating and electrical systems that are poorly designed and fail to meet modern standards.

Second, AHA's Public Housing family communities are not financially viable. An analysis of the net financial impact of the family communities for FY 2005 shows that the family communities do not operate on a break even basis, even with HUD subsidy. The operation of these properties generated a loss of approximately $2.4 million for AHA in FY 2005, before administrative costs and overhead.

Finally, AHA's housing product is not market competitive. AHA's target market is working families, the elderly and the disabled. During FY 2005, AHA implemented enhanced criminal background screening procedures for applicants and residents with the intent to improve the safety and quality of life of the residents at our communities. As a result, the PMCOs have reported that they must review, on average, between 20 and 40 applications of families on the waiting lists to identify a suitable family that meets AHA's eligibility criteria, on average. While our occupancy rates currently meet the performance benchmarks outlined in AHA's MTW Agreement, we fully anticipate that occupancy rates will decline with continued implementation of AHA's criminal screening standards. The poor product quality of units in the existing family communities only exacerbates these circumstances. Working income eligible families with choices are not choosing to live in AHA's family communities. AHA's family communities are not market competitive. The housing opportunities in AHA's family communities are not conducive to supporting the great outcomes we expect for our families. The neighborhoods are not safe and the quality of life infrastructure is insufficient. AHA's repositioning program will create better housing opportunities for the families which, in turn, will lead to better outcomes for the families.

## PROGRESS ON MAJOR INITIATIVES

**Repositioning.** Although CATALYST states AHA's intent to issue a Master RFP for its entire portfolio, AHA determined that it would be more prudent to focus on ongoing revitalization activity rather than to attempt to solicit proposals for all of communities at one time because of financial, relocation, staffing, and real estate market constraints. AHA will revisit and evaluate the suitability of the Master RFP approach described in CATALYST later during the demonstration period.

Notwithstanding AHA's decision to reevaluate the Master RFP approach for repositioning its communities, AHA has made and continues to make significant progress under its Public Housing revitalization program, the Olympic Legacy Program. During FY 2005, AHA had six HUD funded revitalization projects underway for the following former Public Housing communities: (1) Capitol Homes, (2) Carver Homes, (3) Grady Homes, (4) Harris Homes, (5) McDaniel Glenn, and (6) Perry Homes. Five of these projects are HOPE VI funded revitalization projects. Additionally, a critical part of the revitalization of the foregoing communities, the repositioning of four high-rise properties, John O. Chiles, Martin Luther King Towers, Antoine Graves, and Antoine Graves Annex, is being addressed.

AHA has used its MTW flexibility primarily in this area to streamline the closing process for its revitalization projects. AHA has worked with HUD to create a development process protocol which has eliminated a number of interim steps and procedures which otherwise would have been required as part of typical mixed-finance transactions. The new MTW procedures allow the transactions to develop and close on a pace that is more aligned with the private sector. With these new streamlined procedures, AHA will be viewed as a more viable partner in the development of affordable housing. Consequently, AHA will be able to attract more development partners and create more housing opportunities.

The following information provides highlights of AHA's development activity during the past fiscal year.

- ***The Revitalization of Capitol Homes.*** AHA is leveraging a $35 million HOPE VI grant to revitalize the former Capitol Homes into an upscale mixed-use community, Capitol Gateway with a total investment of more than $202 million. Capitol Gateway contemplates the development of 1,154 mixed-income multifamily rental units, 90 for-sale units, neighborhood retail, and an early childhood development center to be located off-site as part of the revitalized Grady Homes. AHA's revitalization partner is Capitol Redevelopment, LLC, a partnership between Integral Properties, Trammell Crow Residential, and Urban Realty Partners. To date, three single family homes have been constructed and sold. Additionally, at the off-site location directly adjacent to the Capitol Homes site proposed for new senior housing, relocation and demolition of the former senior facility is complete and site clearing and infrastructure work has started. This off-site parcel is being redeveloped by a partnership of Ebenezer Foundation and Columbia Residential. The co-developers of the second component of this adjacent site, which involves rehabilitation of an existing high-rise for special needs housing, applied for an allocation of low income housing tax credits. Phase 1 of the on-site multifamily (269 units) received an allocation of tax-exempt bonds and is scheduled to close in September 2005.

- ***The Revitalization of Carver Homes.*** Carver Redevelopment, LLC, a joint venture between Integral Properties and H.J. Russell & Company, is responsible for the redevelopment of Carver Homes. When completed, the on-site component of The Villages at Carver will consist of 750 multifamily rental units and 252 for-sale units. As of June 30, 2005, 596 units have come online, including 502 on-site multifamily rental units and 94 off-site senior rental units. In July 2004, AHA submitted an amended homeownership plan that subsequently has been approved by HUD. The homeownership plan provides for 252 for-sale units. The Villages at Carver will also have a new 40,000 s.f. YMCA facility. Funding for the YMCA (HOPE VI funds, private sector funds and City of Atlanta funds) has been obtained and construction has commenced. The total investment by the YMCA in this facility is approximately $11 million. AHA has also begun the acquisition of parcels in the surrounding neighborhood to support retail development. The total investment relating to the revitalization of Carver Homes will exceed $220 million.

- ***The Revitalization of Grady Homes, including Antoine Graves and Antoine Graves Annex High-Rises.*** The selected development partner for this revitalization is Grady Redevelopment, LLC, which has the same individual partners as Capitol Redevelopment, LLC. During FY 2005, relocation for Grady Homes was completed and demolition of the site began. Additionally, AHA recently submitted an application for HOPE VI funds for this community. The HOPE VI funds would be leveraged with other financing sources to create a community that includes 352 multifamily rental units, 124 senior rental units, 48 for-sale units, 21 off-site for-sale units, retail space, and an early childhood development center. The total investment relating to the revitalization of Grady Homes will exceed $133 million.

- ***The Revitalization of Harris Homes, including John O. Chiles High-Rise.*** In 1999, AHA was awarded $35 million in HOPE VI funds for the revitalization of Harris Homes. AHA selected Harris Redevelopment, LLC, a joint venture between Integral Properties and Real Estate Strategies as its development partner. The master plan for CollegeTown at West End contemplates 808 housing units, including 634 multifamily rental units, 100 senior rental units, 74 for-sale units, retail space, and possibly a small hotel. FY 2005 highlights for CollegeTown at West End include the following: (1) construction completion for the first phase of CollegeTown at West End (196 multifamily rental units), and (2) the financial closing on the second phase, Veranda at CollegeTown (100 senior rental units). Total investment at CollegeTown will exceed $145 million.

- ***The Revitalization of McDaniel Glenn, including Martin Luther King Towers.*** In June 2004, AHA was awarded a HOPE VI grant of $20 million for the revitalization of the McDaniel Glenn. AHA has selected McDaniel Glenn Redevelopment, LLC as its development partner, a partnership between four experienced residential developers, Columbia Residential, RHA, Hedgewood Homes, and Summech Community Development Corporation. During FY 2005, AHA continued predevelopment activities that were already underway. A supplement to the Revitalization Plan was submitted to HUD in March 2005 which now contemplates the development of 1,130 residential units, including 833 multifamily rental units and 297 for-sale units. In addition, during FY 2005, AHA made substantial progress on relocation of the site. Relocation of the McDaniel Glenn 'Main Campus' area is substantially complete with only seven out of 293 affected families remaining as of June 30, 2005. The total investment contemplated by the McDaniel Glenn master plan will be more than $138 million.

- ***The Revitalization of Perry Homes.*** The West Highlands development envisions 750 multifamily rental units and 100 for-sale units on-site. Plans for West Highlands also include the development of a 65,000 s.f. YMCA facility, an 18-hole golf course, an 18,000 s.f. public library and a site for a new 85,000 s.f. school. During the past fiscal year, AHA and its development partner, Perry Homes Redevelopment, LLC, reached the following milestones: (1) construction completion for Columbia Park Citi (154 multifamily rental units), (2) construction completion for Columbia Heritage (132 multifamily rental units), and the financial closing for Columbia Creste (152 multifamily rental units). The final phase of multifamily received an allocation of low income housing tax credits. The total investment for the revitalization of Perry Homes will exceed $430 million.

The chart on the following page summarizes AHA's development progress from inception of the Olympic Legacy Program through June 30, 2005.

# SUMMARY OF AHA OLYMPIC LEGACY PROGRAM

## Summary of AHA Revitalization Program: Rental Housing Completed as of 6/30/05

| Community | Phase | Rental Apartments: Public Housing Replacement Housing | Market Rate Apartments | Tax Credit Apartments | Project Based S-8 Replacement Housing* | Total Rental Housing Produced To Date For Revitalization |
|---|---|---|---|---|---|---|
| Centennial Place | I, II, III, IV | 301 | 311 | 126 | 0 | 738 |
| Summerdale Commons | I, II | 74 | 50 | 120 | 0 | 244 |
| The Villages of East Lake | I, II | 271 | 271 | 0 | 0 | 542 |
| Columbia Village | I | 30 | 0 | 70 | 0 | 100 |
| Columbia Commons | I | 48 | 79 | 31 | 0 | 158 |
| The Villages at Castleberry Hill | I, II | 180 | 180 | 90 | 0 | 450 |
| Magnolia Park | I | 87 | 88 | 45 | 0 | 220 |
| Magnolia Park | II | 73 | 72 | 35 | 0 | 180 |
| Ashley Courts at Cascade | I | 46 | 31 | 75 | 0 | 152 |
| Ashley Courts at Cascade | II | 54 | 41 | 41 | 0 | 136 |
| Ashley Courts at Cascade | III | 29 | 29 | 38 | 0 | 96 |
| Ashley Terrace at West End | I | 34 | 44 | 34 | 0 | 112 |
| Villages at Carver | I | 110 | 66 | 44 | 0 | 220 |
| Villages at Carver | II | 33 | 26 | 7 | 0 | 66 |
| Villages at Carver | III | 108 | 54 | 54 | 0 | 216 |
| Columbia High Point (Senior) | I | 0 | 0 | 94 | 94 | 94 |
| West Highlands: Columbia Estates | I | 50 | 62 | 12 | 0 | 124 |
| West Highlands: Columbia Heritage (Senior) | IIA | 0 | 54 | 78 | 100 | 132 |
| West Highlands: Columbia Park Citi | IIB | 61 | 74 | 19 | 0 | 154 |
| Collegetown at West End I | I | 78 | 78 | 40 | 0 | 196 |
| **Subtotal: Units Completed** | | **1,667** | **1,610** | **1,053** | **194** | **4,330** |

## Summary of AHA Revitalization Program: Rental Housing Under Construction as of 6/30/05

| Community | Phase | Rental Apartments: Public Housing Replacement Housing | Market Rate Apartments | Tax Credit Apartments | Project Based S-8 Replacement Housing* | Total Rental Housing Under Construction For Revitalization |
|---|---|---|---|---|---|---|
| West Highlands: Columbia Creste | III | 61 | 73 | 18 | 0 | 152 |
| College Town at West End: The Veranda (Senior) | II | 0 | 10 | 90 | 90 | 100 |
| **Subtotal: Units Under Construction** | | **61** | **83** | **108** | **90** | **252** |

## Summary of AHA Revitalization Program: Rental Housing Planned as of 6/30/05

| Community | Phase | Rental Apartments: Public Housing Replacement Housing | Market Rate Apartments | Tax Credit Apartments | Project Based S-8 Replacement Housing* | Total Rental Housing Planned For Revitalization |
|---|---|---|---|---|---|---|
| Villages at Carver | V | 78 | 40 | 40 | 0 | 158 |
| Villages at Carver (Senior) | VIII | 0 | 19 | 71 | 71 | 90 |
| West Highlands: Columbia Grove | IV | 56 | 42 | 40 | 0 | 138 |
| College Town at West End | III, V, VI | 346 | 151 | 89 | 0 | 586 |
| College Town at West End | VII | 0 | 72 | 0 | 0 | 72 |
| Capitol Homes | I - IX | 357 | 437 | 360 | 218 | 1,154 |
| Grady Homes | I - VIII | 226 | 352 | 410 | 410 | 988 |
| McDaniel Glenn | I - VI | 318 | 248 | 267 | 169 | 833 |
| **Subtotal: Units Planned** | | **1,381** | **1,361** | **1,277** | **868** | 4,019 |
| **Total Housing Units for AHA's Revitalization Program** | | **3,109** | **3,054** | **2,438** | **1,152** | **8,601** |

**Single Family Home Development Activities.** In connection with the revitalization projects described above, AHA will continue to support the construction of approximately 1,654 for-sale homes (market rate and affordable) at its mixed-income communities and at scattered site locations in Atlanta over the next five years. These homes will be sold to families of all income levels; however, approximately 402 units or twenty-five percent will be made available for low to moderate-income families earning no more than 115% of AMI. AHA will provide subsidy assistance, where needed and appropriate, and homebuyer counseling to qualifying homebuyers earning no more than 80% of AMI. AHA has allotted $4.8 million dollars of HOPE VI funds for subordinate mortgage assistance to AHA clients and low to moderate-income families. During the past fiscal year, twenty market rate and five affordable homes were built. Nineteen market homes and two affordable homes were sold.

**Project-Based Housing Choice Assistance.** AHA has continued to use project-based Housing Choice vouchers as a development tool to increase the supply and improve the quality of affordable housing in Atlanta by collaborating with private sector developers and owners to create housing opportunities for income-eligible families. During FY 2005, AHA executed HAP contracts to provide project-based assistance at three developments to support 438 units and provided commitments for project-based assistance at seven developments to support 732 units. AHA is using its MTW flexibility to design new streamlined processes and procedures to award project-based assistance. These new procedures will be aligned with other subsidy application processes, i.e. the application for low-income housing tax credits, to eliminate duplication of effort and maximize leverage. By using project-based assistance as a development tool, AHA continues to provide great housing opportunities to its families without ownership.

**Service-Enriched Housing for Seniors and the Disabled.** During FY 2005, AHA began discussions with the Georgia Department of Community Affairs (DCA) to stimulate the development of additional service-enriched housing for low-income senior and disabled clients. The partnership proposes leveraging an allocation of project-based Section 8 provided by AHA with the capital resources of DCA's Permanent Supportive Housing Program to attract developer interest. AHA intends to continue to work with DCA to plan the specifics of the partnership and to launch a pilot RFP process.

**Homeless Demonstration Program.** AHA is using its MTW flexibility to provide project-based assistance to a local initiative designed to provide housing to the chronically homeless. Under this initiative, AHA will provide an allocation of Housing Choice vouchers to a City of Atlanta agency. The City of Atlanta agency will in turn administer the program and provide project-based assistance to various supportive housing projects throughout Atlanta through a competitive process.

**Public Housing Reinvestment Initiative Pilot.** AHA has identified two communities, Martin Street Plaza and Westminster, which AHA believes are appropriate opportunities for this pilot. To implement the pilot, however, AHA will need to "convert" the operating subsidy allocated to these properties to voucher subsidy. To date, AHA has worked with HUD and has developed a protocol to obtain replacement housing vouchers through an alternate process that involves disposition for the mixed-income communities. AHA will pursue a similar strategy for the AHA-owned communities.

## CLIENT SERVICES

During FY 2005, AHA redesigned its existing client services and programs delivery system to be consistent with AHA's CATALYST strategy of preparing families to live in healthy mixed-income communities. AHA's client services delivery strategy is based on three principles: (1) equal access to programs and services regardless of the source of subsidy assistance received, (2) comprehensive support to connect AHA assisted families to mainstream society and new opportunities and (3) outcome-driven services and programs with the expectation of success for all families. AHA has used its MTW flexibility to provide the right combination of negative and positive incentives to promote self-sufficiency, and has used this opportunity to create a new framework for supportive service delivery.

## PROGRESS ON MAJOR INITIATIVES

**Service Provider Network.** During FY 2005, AHA established a network of partnerships with Atlanta-based service providers (Service Provider Network or SPN) to serve as a resource for AHA assisted families to prepare for participation in the workforce and to become part of the mainstream. These partnerships provide families with access to resources such as childcare, transportation, job training, life skills training, General Education Diploma (GED) training, literacy training, substance abuse rehabilitation, and elderly services. As of June 30, 2005, AHA had partnerships with 18 reputable organizations.

Key SPN partners include the following agencies: (1) City of Atlanta Workforce Development Agency (AWDA) providing job training and placement services, (2) Atlanta Technical College (ATC) providing technical education and job placement services, and (3) Fulton County Department of Family and Children Services (DFACS) offering childcare subsidy assistance. The early successes of these partnerships are evident. During FY 2005, AWDA enrolled 190 AHA clients into its programs. As of June 30, 2005, 97 of these clients had completed the program and 56 were placed in full-time jobs. During FY 2005, Atlanta Technical College enrolled 121 clients and DFACS is providing childcare assistance to 65 clients.

**CATALYST Resource Access Guide.** AHA published and distributed two editions of its semi-annual CATALYST Resource Access Guide (Guide) to support families in their efforts to meet the CATALYST work and program participation requirements. The purpose of the Guide is to provide a directory of reputable service providers and resources for AHA assisted families. The Guide identifies the services offered by SPN organizations and other organizations which offer educational services, disability services, employment and training, homeownership counseling services, childcare, senior supportive services, and services to address mental health and substance abuse.

**Resident Connection System.** During FY 2005, AHA also began the development of a system to refer AHA assisted families to services and resources that will help them meet the CATALYST requirements. The Resident Connection System (RCS) also links elderly, disabled, young adults, and youth to programs and services offered through the SPN.

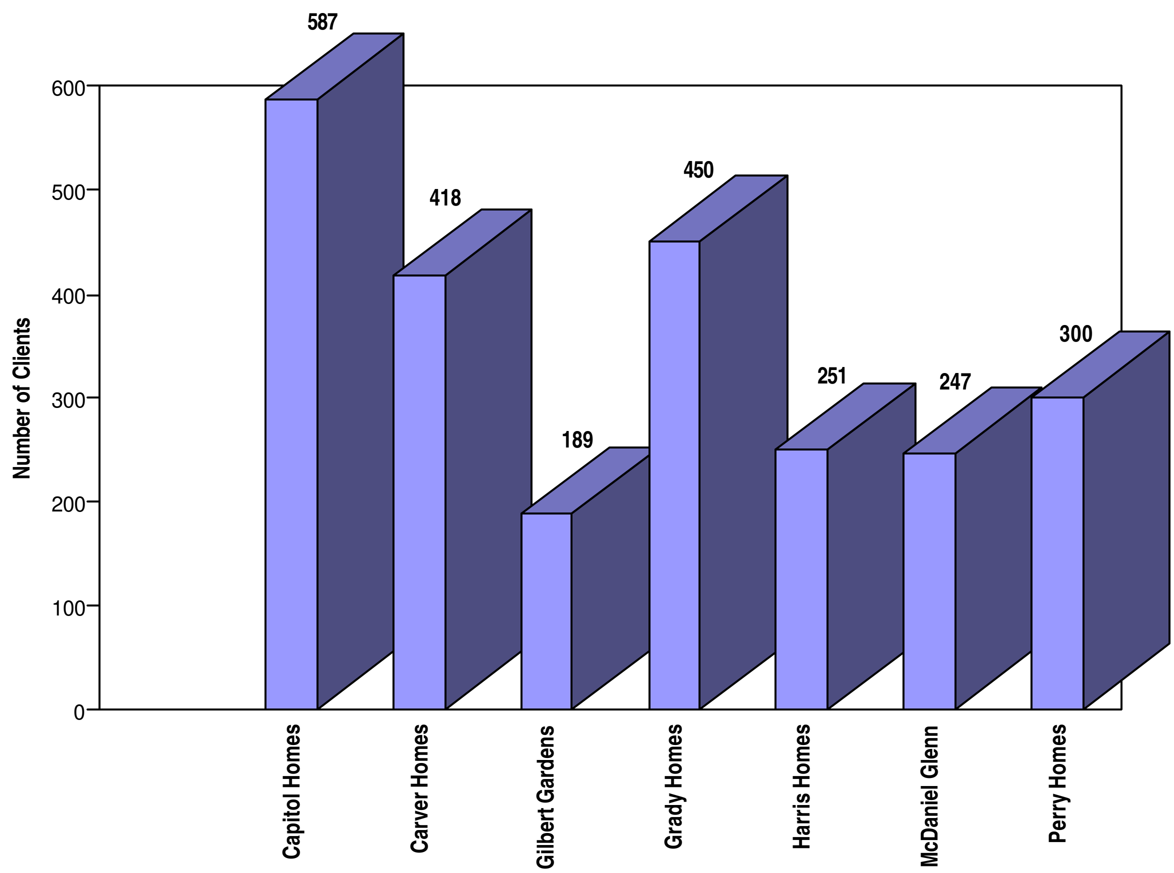
The RCS uses a 'Push, Pull, Lift' triage system designed to connect AHA clients to the most appropriate services. Clients who need a "push" are already prepared for workforce participation. AHA will motivate these clients to obtain employment and connect them with employment opportunities. Clients who need to be "pulled" are those who may need additional education and job training before becoming eligible for workforce participation. Clients who need to be "lifted" are chronically unemployed residents who may need case management, coaching and counseling.

AHA and SPN member organizations work collaboratively to ensure an effective connection system for AHA assisted families. AHA identifies and recruits member organizations to the SPN based on clients needs and communicates the availability of these resources through materials like the Guide and frequent direct mail endorsements. For Public Housing residents, the PMCOs identify resident needs and refer residents to the appropriate resources. For Housing Choice participants, assessments and referrals are made by Housing Choice advisors and human service management service providers. SPN members provide the services and programs and report resident participation data and outcomes back to AHA. AHA continuously monitors the effectiveness of the system by capturing resident data reported by the SPN members and enters it into a database.

**Human Services Management Program.** IMS and AHA decided several years ago, that a critical component to relocating families impacted by revitalization was investing in them during the development period, so that families would have an opportunity to work through any barriers to being successful in the newly revitalized community or in their new community with the Housing Choice voucher or in another Public Housing assisted community. The Human Services Management program was designed by IMS in collaboration with AHA. This program is now offered to all families affected by AHA's community revitalization projects.

During FY 2005 through its contracts with 360vu and IMS, AHA provided coaching and counseling services to 2,300 families affected by community revitalization or, in the case of Gilbert Gardens, property disposition, with a goal of enabling them to be self-sufficient. The chart below describes family caseloads per property for during FY 2005.

**FY 2005 HUMAN SERVICES MANAGEMENT CASELOADS**




**Homeownership Programs.** Forty-three AHA-assisted families became homeowners during FY 2005. Seventy-two percent of these homeowners were participants in AHA's two Homeownership Programs. The first program, the "Keys to Homeownership" Program is funded through HUD's ROSS grant program and is designed to assist families to prepare themselves for homeownership. The second program is AHA's Housing Choice Homeownership Program. This program allows families to use their Housing Choice voucher subsidy to pay for all or a portion of a mortgage payment for their first home. Families must meet certain eligibility criteria related to income and employment in order to participate in either program. In addition, AHA has a strategic relationship with Atlanta Habitat for Humanity; a non-profit ecumenical housing ministry that helps low-income Atlanta families achieve the American dream of homeownership.

## FEE-BASED CONTRACT ADMINISTRATION

Under the Fee Based Contract Administration business line, AHA provides administration and project oversight of 8,129 subsidized multifamily units in privately owned properties insured by FHA. HUD contracts directly with AHA as a Contract Administrator, or indirectly through a Performance-Based Contract Administrator on a fee-for-service basis to provide the necessary and appropriate oversight of the management, occupancy, and financial aspects of these properties. AHA is also the Georgia Participating Administrative Entity under contract with HUD for rent and debt restructuring services for eligible multifamily properties under the Mark-to-Market program.

**Contract Administration.** As a founding member of GA HAP an eleven-agency consortium organized to provide performance-based contract administration services for HUD, AHA earns ongoing administrative and incentive fees as a subcontractor to GA HAP for conducting management and occupancy reviews of multifamily properties in Atlanta and Fulton County. As of June 30, 2005, GA HAP is responsible for a contract administration portfolio of approximately 24,000 project-based Section 8 units in Georgia and approximately 40,000 in Illinois. During FY 2005, AHA provided oversight for 7,439 units in Atlanta and Fulton County as a GA HAP subcontractor. In addition, GA HAP contracted with AHA to prepare proposals for two service areas in response to a HUD RFP seeking contract administrators for HUD's entire non-Section 8 multifamily portfolio.

AHA continued to perform as the HUD Contract Administrator for eight properties (690 apartments) under the Section 8 New Construction and Substantial Rehabilitation Program, six properties funded by 11(b) bonds issued by AHA enhanced with FHA multifamily insurance and project-based rent subsidies and two properties funded by pension fund financing unrelated to AHA. AHA earns fees for administering HUD's multifamily subsidy pass-through and monitoring regulatory compliance practices at the eight properties. Contract administration under the Section 8 New Construction and Substantial Rehabilitation Program for HUD is not performance based and fees earned by AHA through this activity are restricted in their use.

As HUD's Participating Administrative Entity (PAE) for the state of Georgia, AHA conducts rent and debt restructurings of privately-owned FHA-insured multifamily properties, or assets using the program's terminology. AHA evaluated 10 assets in various locations in Georgia for HUD's Office of Affordable Housing Preservation (OAHP). In AHA's role as a PAE it underwrites the feasibility of extending subsidy contracts by recommending a rent and debt structure for an asset that will maintain the asset's viability over a 20-year period. AHA prepares a pro forma financial analysis and makes a recommendation to HUD/OAHP. AHA earned unrestricted administrative fees based on the asset's program designation and the level of difficulty of the restructuring.

**Close-out of the Turnkey III Program.** In FY 2005, AHA began the close-out of the Turnkey III Homebuyers Program (Turnkey III) which includes 21 deteriorating homes that were returned to AHA after certain Turnkey III participants failed to meet the requirements of the program. The close out strategy will address both the existing homeowners at two communities, Wildwood Lakes and Waites, and the returned properties. With respect to the existing Turnkey III homeowners, AHA will for each community (1) provide training to the homeowners association, (2) establish the association's independent governance as a 501(c) (3) nonprofit organization, (3) convey the community center building and common areas to the homeowners association and (4) create an AHA-controlled trust to fund repairs and support the long-term sustainability of the community.

AHA intends to demolish and dispose of the 21 remaining returned homes. After demolition, eighteen parcels will be acquired by Atlanta Habitat for Humanity. The three remaining parcels will be acquired by Grady Redevelopment, LLC, AHA's competitively procured developer for the revitalization of Grady Homes. Habitat for Humanity and Grady Redevelopment LLC will develop homes on these sites as part of the revitalization of Grady Homes.

## FINANCIAL MANAGEMENT

AHA's budget[3] consists of MTW funding sources eligible for block grant treatment and non-MTW funding sources. The MTW funding sources include Public Housing operating subsidy, Housing Choice voucher subsidy (excluding certain specially appropriated voucher programs), and Capital Funds, including Development and Replacement Housing Factor Funds. For AHA, non-MTW HUD funding sources include non-MTW Housing Choice vouchers, HOPE VI funds and Housing Assistance Payments (HAP) subsidy for the 11b program. AHA also collects rents and earns revenue associated with its real estate development, mark-to-market, and its project-based contract administration activities. Appendix H contains AHA's detailed financial information for FY 2005, including (1) AHA's Consolidated Income Statement for FY 2005 (unaudited), (2) FY 2005 Capital Project Expenditures, and (3) AHA's Consolidated Balance Sheet as of June 30, 2005 (unaudited).

## IMPACT OF MTW ON AHA'S FINANCIAL POSITION

The flexibility provided by the MTW block grant allowed AHA to make significant progress in FY 2005. The funding methodology for Housing Choice vouchers included in the block grant and the fungibility between Operating Subsidy, Capital Funds, and Housing Choice Subsidy gave AHA the ability to implement new programs that will have a significant long-range impact on our ability to provide quality affordable housing to the citizens of Atlanta.

Inadequate funding for Public Housing has allowed conditions at the AHA-owned communities to deteriorate. Maintenance was not funded and the backlog of repairs grew. A lack of maintenance led to further deterioration and the tenants lost respect for the property. Crime rates climbed and not only the Public Housing community, but the entire neighborhood, decayed. As neighborhood conditions worsened, fewer and fewer working families desired to live in Public Housing in these areas.

During the last ten years, AHA has developed a seamless affordable housing delivery model in market rate communities, owned by public/private partnerships by sponsoring the creation of mixed income communities with private sector

[3] The presentation of AHA's budget for FY 2005 has been modified since the submission of AHA's FY 2005 Annual Plan by separating "Operating" line items from "Non-Operating" line items. This presentation is more consistent with an approach based on Generally Accepted Accounting Principles (GAAP).

development partners. This model has been embraced and accepted by the City of Atlanta, the families, and the neighborhoods. This model has also been accepted by investors, private sector developers, financial institutions and the United States Department of Housing and Urban Development (HUD). Most importantly, the documented outcomes and improvement in the lives of the families and the impact on the neighborhoods and the City of Atlanta have been outstanding. The mixed income properties provide financial advantages, as well. In FY 2005, the average per unit monthly subsidy to mixed-income communities was $157 compared with $262 for the conventional AHA-owned properties when utilities are included.

One of the biggest challenges facing AHA prior to MTW was finding the funds necessary to finance the transition associated with repositioning the AHA-owned properties. The Harvard Cost Study commissioned by Congress concluded that HUD's current Performance Funding System (PFS) did not sufficiently fund PHAs to operate and maintain Public Housing properties. The results of the Harvard Cost Study showed that AHA should receive an increase in future funding, but no funds exist to address the backlog of physical needs accumulated during the years of under funding. Even the demolition and disposition of AHA's most troubled properties do not provide a financial remedy. As units come offline under our redevelopment strategy, Operating Subsidy is reduced even further. The PFS funding methodology certainly does not offer the flexibility, nor provide the funds necessary, to support our strategy to transform our properties to successful, mixed income communities. The MTW block grant largely has allowed AHA to move toward achieving its goals. It has provided the funds and the flexibility necessary for operations that are more effective and an improved housing product.

The strategic use of Housing Choice vouchers supports our transformational efforts as we relocate residents to apartments and homes in the community; we use the flexibility of the block grant and our MTW agreement to move them into high quality, healthy, mixed income neighborhoods. This has helped AHA progress in its program to deconcentrate poverty.

The flexibility of MTW and the block grant has allowed AHA to implement higher standards of responsibility for our Public Housing residents and our Housing Choice Voucher holders. AHA adopted a new Statement of Corporate Policies and a new Administrative Plan to reflect the policy changes identified in CATALYST. These policy changes included the following reforms: (1) a work requirement and (2) a minimum rent increase. These reforms had direct financial impacts. The work requirement resulted in increased income for many families, increasing their contribution to rent. At the same time, the increase in minimum rent had a similar impact. The number of minimum Public Housing renters decreased by 554 families since AHA's minimum rent policy went into effect, while the number of Housing Choice voucher households who paid the minimum rent decreased from 2,648 to 1,958 during the twelve months of FY 2005. The combination of the results of the work requirement and the raise in minimum rent resulted in over $1.9 million in increased rental income for Public Housing residents for the ten months in FY 2005 that the policies were in effect. The combination had a similar impact on Housing Choice. Due to these changes, coupled with voluntary or involuntary termination of voucher holders, the average monthly household total rent subsidy (HAP and Utility HAP) provided by AHA for tenants eligible for minimum rent was reduced by $46.41 or 6.5% between June 2004 and June 2005.

AHA is also using the flexibility afforded by MTW to reset many of the financial systems and processes associated with the management of the AHA-owned properties. AHA also has made significant progress in the areas of property-based financials and property based management. All of the AHA-owned properties are managed at and out of the site by the PMCOs. AHA has no centralized management functions. Additionally, AHA has reached significant milestones as it moves to provide property-based financials. As more refinements to the systems are made, AHA will be able to provide complete financial statements for each property on a quarterly basis.

## FY 2005 BUDGET EXPLANATION

The following explanations are provided for variances in the Consolidated Income Statement that are greater than $1 million or ten percent of the budgeted amount. Explanations are also provided for certain line items with no variance where the budgets were reduced during FY 2005.

## OPERATING REVENUE

- **Housing Choice Operating Subsidy (Variance of $ 7.3 million or 6.2%).** Housing Choice voucher subsidy received from HUD was higher than budgeted primarily because AHA applied for and received an award of HOPE VI funded vouchers. AHA also received additional voucher increments associated with HUD Multifamily opt-outs. These opt-outs were not anticipated when the FY 2005 budget was prepared.

- **Development and Transaction Fees (Variance of $2.9 million or 78.14%).** Adjustments in AHA's development closing schedule impacted the amount of development fees and transaction fees that AHA received this past fiscal year. AHA received approximately $2.9 million less in fees than budgeted; however, AHA expects to earn these fees in FY 2006.

- **Other Revenue (Variance of $1.3 million or 15.5%)**
  The "Other Revenue" variance consists primarily of three items. First, AHA received $622,563 as a result of a settlement. This revenue was not budgeted. Georgia HAP also became the contract administrator for 30,000 units in Illinois and earned $500,000 more than budgeted as incentive fees. Finally, AHA received $441,000 in unbudgeted revenue resulting from AHA's participation in homeownership sales at Centennial Place V. This unanticipated revenue was offset by projected revenues which were not received.

## OPERATING EXPENSES

- **Administrative (Variance of $7.9 million or 22.3%).** Several factors contributed to the variance in this category. AHA spent approximately $1 million less than projected during FY 2005 for office automation procurement and maintenance. AHA expects to incur these costs during FY 2006. Salaries and benefits were $1.1 million less than budgeted due to unfilled vacant positions. AHA also spent $1.2 million less for professional services than projected during FY 2005 by deferring certain projects that required additional consulting fees or by having the work done internally by AHA staff. Legal expenses for the agency were also $300,000 less than projected. The remainder of the variance is due to general cost avoidance throughout AHA.

- **General Expense (Variance of $2.2 million or 18.8%).** This variance is attributable primarily to (1) $1.7 million in contingent liability expenses and (2) a $1.3 million Payment in Lieu of Taxes (PILOT) resulting from extensive research and negotiation with Fulton County. These expenditures were offset by a savings of $320,196 in Housing Choice portability administrative expenses, $112,746 in workers compensation expenses, and other savings throughout AHA.

## NON-OPERATING REVENUE

- **Capital Fund - Capital Funds Program Revenue (No Variance Reported).** The Capital Funds Program is composed of multiyear capital grants, and funds are obligated to AHA by HUD as grants. Revenues resulting from such grants, however, are not recognized by AHA until the corresponding expenditures are incurred. HUD reimburses AHA for actual expenditures under the grants. Funds budgeted, but not expended, for a particular year become available to AHA in the following year. For this reason, the FY 2005 budget for Capital Funds was reduced to reflect the work that was actually performed and reimbursed during the fiscal year. When compared to the FY 2005 budget, actual Capital Fund Program revenue was $2.7 million less than projected. Capital Fund Program revenue was lower than projected because certain capital work items at the AHA-owned properties and at AHA headquarters was deferred until FY 2006. Capital funds are not lost and remain available during the HUD expenditure period for the grant. The deferred work items are in progress and the associated revenue will be recognized as these items are completed in FY 2006.

- **Capital Fund - Development and HOPE VI Program Revenue (No Variance Reported).** The Development and HOPE VI Programs are also composed of multiyear capital grants. Such funds are obligated to AHA by HUD as grants. Similar to Capital Fund Program revenue, revenues resulting from such grants are not recognized by AHA until the corresponding expenditures are incurred. HUD reimburses AHA for actual expenditures under the grants. Funds budgeted for one year, but not expended, also become available in the following year. For this reason, the FY 2005 budget line item for Development and HOPE VI funds was reduced to reflect the work that was actually performed and reimbursed during that fiscal year. When compared to the FY 2005 Board approved budget, actual revenue was $16.0 million less than projected. These multi-year grant funds are not lost and will be used for these developments during future periods. The initial budget for Development and HOPE VI program revenue was based on an aggressive revitalization schedule. However, the projected closing schedule for several of the development projects was adjusted due to factors outside of AHA's control.

- **Interest Income (Variance of $0.8 million or 67.1%).** Interest income was higher than anticipated due to favorable changes in the interest rate and cash balances which were higher than expected. The high cash balances are due primarily to the additional funds received from HUD for the Housing Choice programs and disposition proceeds from a previous sale of property.

## NON-OPERATING EXPENSES

- **Extraordinary Maintenance and Demolition (Variance of $0.9 million or 36.7%).** Extraordinary maintenance at AHA properties cost $460,000 less than budgeted during FY 2005 because of AHA's greater emphasis on preventive and routine maintenance. In addition, the Turnkey III Homebuyer Program had a demolition budget of $252,000 in FY 2005, but this demolition has not yet been approved by HUD; therefore, no expense was incurred in FY 2005. The demolition has been deferred to FY 2006.

- **Gain or Loss on Disposal of Fixed Asset (Variance of $4.9 million).** This variance reflects losses on AHA's fixed assets from the disposition of fixed assets at the McDaniel Glenn Main Campus ($6.2 million) and at Grady Homes ($1.9 million). These losses were offset by gains from the sale of land ($3.3 million) and by gains from other smaller transactions.

## CAPITAL IMPROVEMENTS AND EXPENDITURES

As noted in our FY 2005 MTW Plan, the capital needs of the AHA-owned communities continue to surpass capital funding levels from HUD. Therefore, AHA has prioritized capital expenditures during the past fiscal year based on the following criteria: (1) the health and safety of our residents, (2) security, and (3) sustaining the viability of the properties until repositioned by AHA. AHA spent approximately $10.3 million on capital projects during FY 2005. Over 43% of AHA's capital project budget was spent on priority life and safety issues including, elevator modernization, boiler replacements, emergency generators, electrical work and balcony repair. Approximately 26% was spent for gas fired appliance repair and replacement.

## MAJOR FY 2005 PROJECTS

- **Backflow Prevention**. In order to bring water supply systems into compliance with the Atlanta city code, AHA installed or upgraded backflow preventers at all AHA-owned properties that were not scheduled for demolition or disposition. ***Total cost: $1.38 million.***

- **Gas Fired Appliances, HVAC, Furnace, and Water Heater Replacements**. In an effort to safeguard the health of our residents and increase efficiencies, AHA continued its FY 2004 initiative to replace or upgrade gas fired appliances, HVAC units, furnaces, and water heaters at 11 properties. ***Total cost of $2.7 million.***

- **Call Down Systems.** To enhance the security of residents, AHA installed video call down systems at seven properties and upgraded existing systems at five properties. ***Total cost: $1.8 million.***

- **Priority Life and Safety Issues.** AHA completed numerous projects which addressed priority life and safety issues at the AHA-owned properties, including elevator modernization, boiler replacement, emergency generator installation, restoration of fire damaged units, electrical work, balcony repair, and upgrades to both dwelling units and common areas. ***Total cost: $4.42 million.***

The Capital Projects Expenditures table in Appendix H reflects AHA's expenditures by property for capital projects during FY 2005. For each capital project, the table identifies (1) the initial budget for FY 2005 based on projections of HUD funding and carryover amounts for the previous year, (2) the actual budget for FY 2005 based on actual amounts received from HUD and verified carryover amounts, (3) the amount expended through FY 2005 per project and (4) the remainder balance available for FY 2006. Savings from projects that were contracted at less than the original proposed budget were reallocated to other projects. AHA also continues to be sensitive to obligation and expenditure deadlines and moved forward to obligate funds for projects that were planned for FY 2006 in order to meet these deadlines.

A number of planned projects (approximately $1.7 million in costs) were deferred until or continued into FY 2006. These deferred projects included the video call down system for Bankhead, which was deferred to complete design studies and implementation plans. Other projects were cancelled or reduced in scope, notably, the site improvements at two family communities, University Homes and Thomasville. Approximately $255,000 in projects originally scheduled for FY 2005 were cancelled to address other priorities. These deferrals and reductions allowed AHA to address other emergencies in its portfolio and restore fire-damaged units at Hollywood Courts, Englewood Manor, Thomasville Heights, University Homes, Jonesboro North, Leila Valley and U-Rescue Villas. New unanticipated projects are noted in Appendix H.

**ADEQUACY OF RESERVES**

As of June 30, 2005, AHA had working capital (reserves) of $21,099,631 for MTW block grant accounts. On April 25, 2005, AHA's Board of Commissioners authorized AHA to establish an equity investment fund of $12 million to support the acquisition and development of affordable housing. The remaining balance of $9,099,631 is sufficient to support AHA's operations for FY 2006.

* * *

## REFERENCE NOTES

The information presented in AHA's FY 2005 MTW Annual Report including its appendices should be read in connection with the following reference notes. Unless otherwise specified, all information provided in this MTW Annual Report is as of June 30, 2005.

1. **Mixed-Income Communities.** AHA provides Section 9 subsidy to support housing opportunities in 14 mixed-income communities. The mixed-income communities are market-rate communities with a seamless affordable component. Typically 30% - 40% of the units are reserved for Public Housing eligible households. The mixed-income communities are not owned, controlled, or operated by AHA or any of its affiliates. These communities are owned by public/private partnerships (Owner Entity) formed between an affiliate of AHA and AHA's procured private sector development partner. The private developer acts as the managing general partner. The mixed-income communities are managed by private management companies, typically affiliates of the development partner. AHA provides a housing assistance payment with Section 9 funds to each Owner Entity which is calculated to pay the difference between the operating costs for the Public Housing Assisted Units and the residents so that the Public Housing Assisted Units operate on a break-even basis. As of June 30, 2005, 11 of the 14 mixed-income communities had public housing assisted units that had reached EIOP (End of Initial Occupancy Period).

2. **AHA-Owned Communities.** AHA is the owner of 33 communities, 17 high-rise communities and 16 family communities. These communities are managed by professional third-party management companies procured by AHA and referred to as PMCOs. There are two types of AHA-owned communities.

   A. **High-Rise Communities.** High-rise communities are properties where the heads-of-household are (1) elderly (62-older), (2) almost elderly (55-61) or (3) disabled.

   B. **Family Communtiies.** Family communities are properties where the heads-of-household are (1) non-elderly and non-disabled, (2) elderly or (3) disabled.

3. **Public Housing Assisted (PHA) Units.** Public Housing Assisted Units include units at the AHA-owned communities and the units reserved for Public Housing eligible households at the mixed-income communities.

4. **Housing Choice Program.** AHA's "Section 8 Voucher Program" or "Leased Housing" program is referred to as AHA's Housing Choice Program. AHA provides both project-based Housing Choice voucher assistance and tenant-based Housing Choice voucher assistance.

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5. **AHA Households.** Households served by AHA are categorized as "family," "elderly" or "disabled." Family households are households where the head of household is neither elderly or disabled. Family households also include "almost elderly" households, where the head of household is not disabled and is between the ages of 55 to 61. Elderly households are households where the head of household is 62 years of age or older and includes those households where the head of household is both disabled and 62 years of age or older. Disabled households are households where the head of household is certified as disabled and is under the age of 62.

6. **Waiting List Data.** Some of the mixed-income communities do not collect certain types of demographic data for households that are on the waiting lists at those communities. Columbia Commons does not capture racial and ethnicity information for families on the waiting list. The Villages of East Lake does not collect household income for families on the waiting list. This information is not included in the waiting list data tables located in Appendix D. Waiting list information for West Highlands at Heman E. Perry Boulevard was unavailable at the time of MTW reporting.

   AHA does not capture bedroom size requirements for households on the Housing Choice waiting list. This information is not included in the waiting list data tables located in Appendix D.

7. **Demographic and Housing Opportunities Information.** Family Demographics information is not reported for Grady Homes, an AHA-owned community, because all families were relocated from the community as of June 30, 2005. However, AHA still owned Grady Homes as of June 30, 2005 and the units had not been demolished; therefore, AHA included the Grady Homes unit count in the Number of Assisted Units table found in Appendix F. Grady Homes is not included in the Public Housing Assisted Communities performance tables (i.e., Occupancy Rate Levels, Rent Collection Levels, Emergency and Routine Work Order Responses, and Unit and Common Area Inspections) because the property was not operational as of June 30, 2005. Also, June 30, 2004 Family Demographics and Housing Opportunities information is not included for two mixed-income communities, Columbia Commons and West Highlands, because they had not reached EIOP by that time.

## MTW ANNUAL REPORT CROSS REFERENCE GUIDE

| MAJOR TOPIC | REQUIREMENT | LOCATION |
|---|---|---|
| I. Households Served | | |
| | A. Number served: plan vs. actual by Unit size, family type, income group, program/housing type, race & ethnicity | Pages 10-12; 14-16; 26-27; 29 Appendix D |
| | B. Changes in tenant characteristics | Pages 10-12; 14-16; 26-27; 29 Appendix D |
| | C. Changes in waiting list numbers and characteristics | Pages 11; 16; 26; 30; Appendix D |
| | D. Narrative discussion/ explanation of difference | Pages 10-12; 14-16; 26-27 |
| II. Occupancy Policies | | |
| | A. Changes in concentration of lower-income families, by program | Pages 10-11; 14; 26; 29; Appendix E |
| | B. Changes in Rent Policy, if any | Pages 6; 20-21; 27-28; 32; 49 Appendix E |
| | C. Narrative discussion/explanation of change | Pages 6; 10-11; 14; 20-21; 26-29; 32; 49 |
| III. Changes in the Housing Stock | | |
| | A. Number of units in inventory by program: planned vs. actual | Pages 4; 10-11; 14; 26; 29; 38-39; Appendix F |
| | B. Narrative discussion/explanation of difference | Pages 10-11; 14; 26; 29; |
| IV. Sources and Amounts of Funding | | |
| | A. Planned vs. actual funding amounts | Pages 50-54; Appendix H |
| | B. Narrative discussion/explanation of difference | Pages 9; 50-54; Appendix H |
| | C. Consolidated Financial Statement | Appendix H |
| V. Uses of Funds | | |
| | A. Budgeted vs. actual expenditures by line item | Pages 50-54; Appendix H |
| | B. Narrative/explanation of difference | Pages 50-54; Appendix H |
| | C. Reserve balance at end of year. Discuss adequacy of reserves. | Page 55 |

## Atlanta Housing Authority (AHA)
## FY 2005 MTW Program Benchmarks

| Performance Measure | Performance Measure Definition | FY 2005 Target | Outcome |
|---|---|---|---|
| **Public Housing Program (See Note A Below)** | | | |
| **% Rents Uncollected**<br>(Annual percentage of rents that are 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% | 1% |
| **Occupancy Rate**<br>(Annual physical 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 Notes B and C below.) | ≥ 98% | 98% |
| **Emergency Work Orders Completed or Abated in <24 Hours**<br>(Percentage of emergency work orders that will be completed or abated in less than 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% | 100% |
| **Routine Work Orders Completed in < 7 Days**<br>(Percentage of routine work orders that will be completed in less than 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. | 100%<br>(≤ 7 days) | 100%<br>(1.2 days) |
| **% Planned Inspections Completed**<br>(Percentage of all units inspected and common areas) | 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 D below.) | 100% | 100% |
| **Housing Choice Program (Section 8)** | | | |
| **Budget Utilization Rate**<br>(Annual percentage of Housing Choice Budget authority spent on housing assistance payments and administration) | The ratio of FY Housing Choice HAP and MTW administrative expenses to Housing Choice MTW Subsidy will be greater than or equal to the target benchmark. | ≥ 98% | 99% |
| **% Planned Annual Inspections Completed**<br>(Annual percentage of occupied units inspected) | The percentage of all occupied units that are inspected during the FY shall be greater than or equal to the target benchmark. | ≥ 98% | 99% |

| Measurable Outcome | Performance Measure | FY 2005 Target | Outcome |
|---|---|---|---|
| **Quality Control Inspections** Annual percentage of previously inspected units (initial or renewal inspection) that will be inspected again for quality control purposes | 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. | $\geq$ 1.4% | 7% |
| **Community and Supportive Services** | | | |
| **Resident Homeownership** (Annual number of Public Housing residents or Housing Choice participants who close on purchasing a home) | The number of Public Housing residents or Housing Choice Voucher participants that close on purchasing a home during the FY, regardless of participation in a current homeownership counseling program, shall be greater than or equal to the target benchmark. | 35 | 43 |
| **Resident Workforce Participation** (Annual number of Public Housing residents or Housing Choice participants (excluding elderly and disabled) who are in the workforce) | The number of Public Housing residents or Housing Choice participants (excluding elderly and disabled) that are employed as of the last day of the FY shall be greater than or equal to the target benchmark. | 7,015 | 8,403 |
| **Real Estate Development** | | | |
| **Project Based Financing Closings** (Annual number of properties refinanced using project based financing demonstration principles) | The number of properties that were previously funded under the Low Rent ACC proposed for conversion, and for which a conversion transaction has either been closed or will be in the closing process prior the end of the FY shall be greater than or equal to the target benchmark. Such closing will utilize the financing principles identified in the MTW Agreement. (See Note E.) | 3 | 0 |

Notes:

A. **General – Public Housing Program.** Information for the Public Housing Program includes information for both AHA-owned public housing communities and the public housing assisted units at AHA-sponsored mixed-income communities.

B**. Occupancy Rates – Public Housing Program.** Available Units: Units that are defined as dwelling units (occupied or vacant) under AHA's Annual Contribution Contract (ACC), that are available for occupancy, after adjusting for three 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 required to live in public housing as a condition of their job, 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. Units undergoing modernization and/or major rehabilitation.

C. **Occupancy Rates – Public Housing Program.** AHA's performance under this measurement will be impacted by the execution of various initiatives that will be set forth in AHA's approved MTW Plans, e.g. enhanced criminal background screening and portfolio repositioning.

D. % **Planned Inspections Completed – Public Housing Program.** 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.

E. AHA is working with HUD to create an alternate disposition process protocol. This protocol is included in supplemental information to AHA's FY 2006 Implementation Plan.

| MAJOR TOPIC | REQUIREMENT | LOCATION |
|---|---|---|
| VI. Capital Planning | A. Planned vs. actual expenditures by property | Pages 53-54; Appendix H |
| | B. Narrative discussion/explanation of difference | Pages 53-54; Appendix H |
| VII. Management Information for Public Housing Assisted Units | | |
| | A. Occupancy Rates | |
| | 1. Target vs. actual occupancies by property | Pages 12; Appendix F |
| | 2. Narrative/explanation of difference | Pages 12; Appendix F |
| | | |
| | B. Rent Collections (Rents Uncollected) | |
| | 1. Target vs. actual uncollected rents | Pages 12; Appendix F |
| | 2. Narrative/explanation of difference | Pages 12; Appendix F |
| | | |
| | C. Work Orders | |
| | 1. Target vs. actual response rates | Pages 12; Appendix F |
| | 2. Narrative/explanation of difference | Pages 12; Appendix F |
| | | |
| | D. Inspections | |
| | 1. Planned vs. actual inspections completed | Pages 12; 22; 30; Appendix F |
| | 2. Narrative/discussion of difference | Pages 12; 22; 30; Appendix F |
| | 3. Results of independent PHAS inspections | Page 16; Appendix G |
| | | |
| | E. Security | |
| | 1. Narrative: planned vs. actual actions/explanation of difference | Pages 7; 16-18 |
| VIII. Management Information for Housing Choice | | |
| | A. Leasing Information | |
| | 1. Target vs. actual lease ups at end of period | Page 29 |
| | 2. Information and Certification of Data on Leased Housing Management including: Ensuring rent reasonableness; Expanding housing opportunities; Deconcentration of low-income families | Page 29-34; Appendix E |
| | 3. Narrative/explanation of differences | Page 29 |

| MAJOR TOPIC | REQUIREMENT | LOCATION |
|---|---|---|
| | B. Inspection Strategy | |
| | 1. Results of strategy, including: a) Planned vs. actual inspections completed by category: Annual HQS inspections; Pre-contract HQS inspections; HQS Quality Control inspections; b) HQS Enforcement | Pages 12; 22; 30 |
| | 2. Narrative/discussion of difference | Pages 12; 22; 30 |
| IX. Client Services | | |
| | 1. Narrative: planned vs. actual actions/explanation of difference | Pages 43-45 |
| | 2. Results of latest PHAS Resident Survey, or equivalent as determined by HUD. | Page 22; Appendix C |
| X. Other information as required by HUD | | |
| | A. Results of latest completed 133 Audit, (including program-specific OMB compliance supplement items, as applicable to the HA's Agreement) | Appendix I |
| | B. Required Certifications and other submissions from which the Agency is not exempted by the MTW Agreement | Appendix K |
| | C. Submissions required for the receipt of funds | Appendix J |

# Atlanta Housing Authority Resident Satisfaction Survey
## Summary of Results
August 12, 2005

### Property Maintenance

| | Never | 1 to 3 times | More than 3 times | No Response | Multiple Responses |
|---|---|---|---|---|---|
| 1. In the past year, how often did you need assistance from the maintenance staff? | | | | | |
| Number of responses | 128 | 947 | 489 | 179 | 4 |
| Number of valid, completed responses ("no response" and "multiple responses" based on all 1747 respondents) | 1,564 | 1,564 | 1,564 | 1,747 | 1,747 |
| **Percentage** | 8.2% | 60.5% | 31.3% | 10.2% | 0.2% |

| | Yes | No | Does Not Apply | No Response | Multiple Responses |
|---|---|---|---|---|---|
| 2. Do maintenance workers complete work orders in one week or less? | | | | | |
| Number of responses | 1,245 | 369 | 55 | 69 | 9 |
| Number of valid, completed responses ("no response" and "multiple responses" based on all 1747 respondents) | 1,669 | 1,669 | 1,669 | 1,747 | 1,747 |
| **Percentage** | 74.6% | 22.1% | 3.3% | 3.9% | 0.5% |
| 3. Do maintenance workers complete emergency repairs in one day or less? | | | | | |
| Number of responses | 1,162 | 374 | 150 | 55 | 6 |
| Number of valid, completed responses ("no response" and "multiple responses" based on all 1747 respondents) | 1,686 | 1,686 | 1,686 | 1,747 | 1,747 |
| **Percentage** | 68.9% | 22.2% | 8.9% | 3.1% | 0.3% |
| 4. Do maintenance workers fix your work orders in a single visit? | | | | | |
| Number of responses | 1,175 | 462 | 51 | 51 | 8 |
| Number of valid, completed responses ("no response" and "multiple responses" based on all 1747 respondents) | 1,688 | 1,688 | 1,688 | 1,747 | 1,747 |
| **Percentage** | 69.6% | 27.4% | 3.0% | 2.9% | 0.5% |
| 5. Do maintenance workers answer your questions? | | | | | |
| Number of responses | 1,379 | 220 | 76 | 61 | 11 |
| Number of valid, completed responses ("no response" and "multiple responses" based on all 1747 respondents) | 1,675 | 1,675 | 1,675 | 1,747 | 1,747 |
| **Percentage** | 82.3% | 13.1% | 4.5% | 3.5% | 0.6% |
| 6. When you go to the laundry room do the machines work? | | | | | |
| Number of responses | 964 | 255 | 422 | 82 | 24 |
| Number of valid, completed responses ("no response" and "multiple responses" based on all 1747 respondents) | 1,641 | 1,641 | 1,641 | 1,747 | 1,747 |
| **Percentage** | 58.7% | 15.5% | 25.7% | 4.7% | 1.4% |
| 7. Is there trash on the ground or in the streets around the apartments? | | | | | |
| Number of responses | 557 | 1,064 | 29 | 79 | 18 |
| Number of valid, completed responses ("no response" and "multiple responses" based on all 1747 respondents) | 1,650 | 1,650 | 1,650 | 1,747 | 1,747 |
| **Percentage** | 33.8% | 64.5% | 1.8% | 4.5% | 1.0% |

## Property Management

| | Never | 1 to 3 times | More than 3 times | No Response | Multiple Responses |
|---|---|---|---|---|---|
| 8. In the past year, how often did you need assistance from the property management staff? | | | | | |
| Number of responses | 511 | 845 | 268 | 118 | 5 |
| Number of valid, completed responses ("no response" and "multiple responses" based on all 1747 respondents) | 1,624 | 1,624 | 1,624 | 1,747 | 1,747 |
| **Percentage** | 31.5% | 52.0% | 16.5% | 6.8% | 0.3% |

| | Yes | No | Does Not Apply | No Response | Multiple Responses |
|---|---|---|---|---|---|
| 9. Do the people in the rent office answer the phone? | | | | | |
| Number of responses | 1,504 | 108 | 82 | 42 | 11 |
| Number of valid, completed responses ("no response" and "multiple responses" based on all 1747 respondents) | 1,694 | 1,694 | 1,694 | 1,747 | 1,747 |
| **Percentage** | 88.8% | 6.4% | 4.8% | 2.4% | 0.6% |
| 10. When you visit the rent office is someone there to help you? | | | | | |
| Number of responses | 1,619 | 69 | 24 | 26 | 9 |
| Number of valid, completed responses ("no response" and "multiple responses" based on all 1747 respondents) | 1,712 | 1,712 | 1,712 | 1,747 | 1,747 |
| **Percentage** | 94.6% | 4.0% | 1.4% | 1.5% | 0.5% |
| 11. Do the people in the rent office answer your questions? | | | | | |
| Number of responses | 1,513 | 144 | 36 | 43 | 11 |
| Number of valid, completed responses ("no response" and "multiple responses" based on all 1747 respondents) | 1,693 | 1,693 | 1,693 | 1,747 | 1,747 |
| **Percentage** | 89.4% | 8.5% | 2.1% | 2.5% | 0.6% |

## How are we doing?

| | Very Good | Good | Average | Poor | No Response | Multiple Responses |
|---|---|---|---|---|---|---|
| 12. In the past year, how often did you need assistance from the property management staff? | | | | | | |
| Number of responses | 445 | 543 | 492 | 218 | 42 | 7 |
| Number of valid, completed responses ("no response" and "multiple responses" based on all 1747 respondents) | 1,698 | 1,698 | 1,698 | 1,698 | 1,747 | 1,747 |
| **Percentage** | 26.2% | 32.0% | 29.0% | 12.8% | 2.4% | 0.4% |

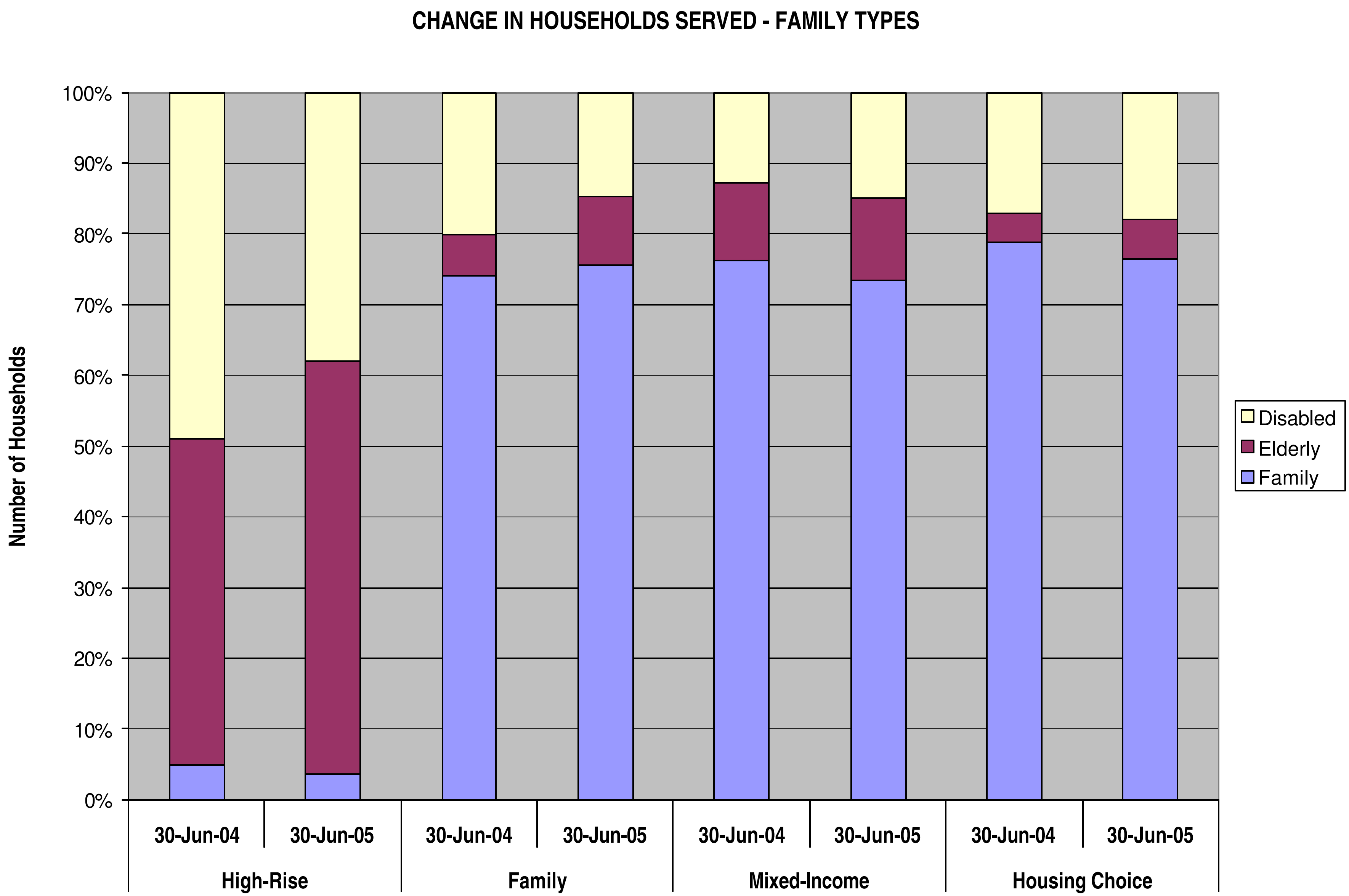
| | Yes | No | No Response | Multiple Responses |
|---|---|---|---|---|
| 13. Would you recommend your community to a friend? | | | | |
| Number of responses | 1,163 | 477 | 100 | 7 |
| Number of valid, completed responses ("no response" and "multiple responses" based on all 1747 respondents) | 1,640 | 1,640 | 1,747 | 1,747 |
| **Percentage** | 70.9% | 29.1% | 5.7% | 0.4% |

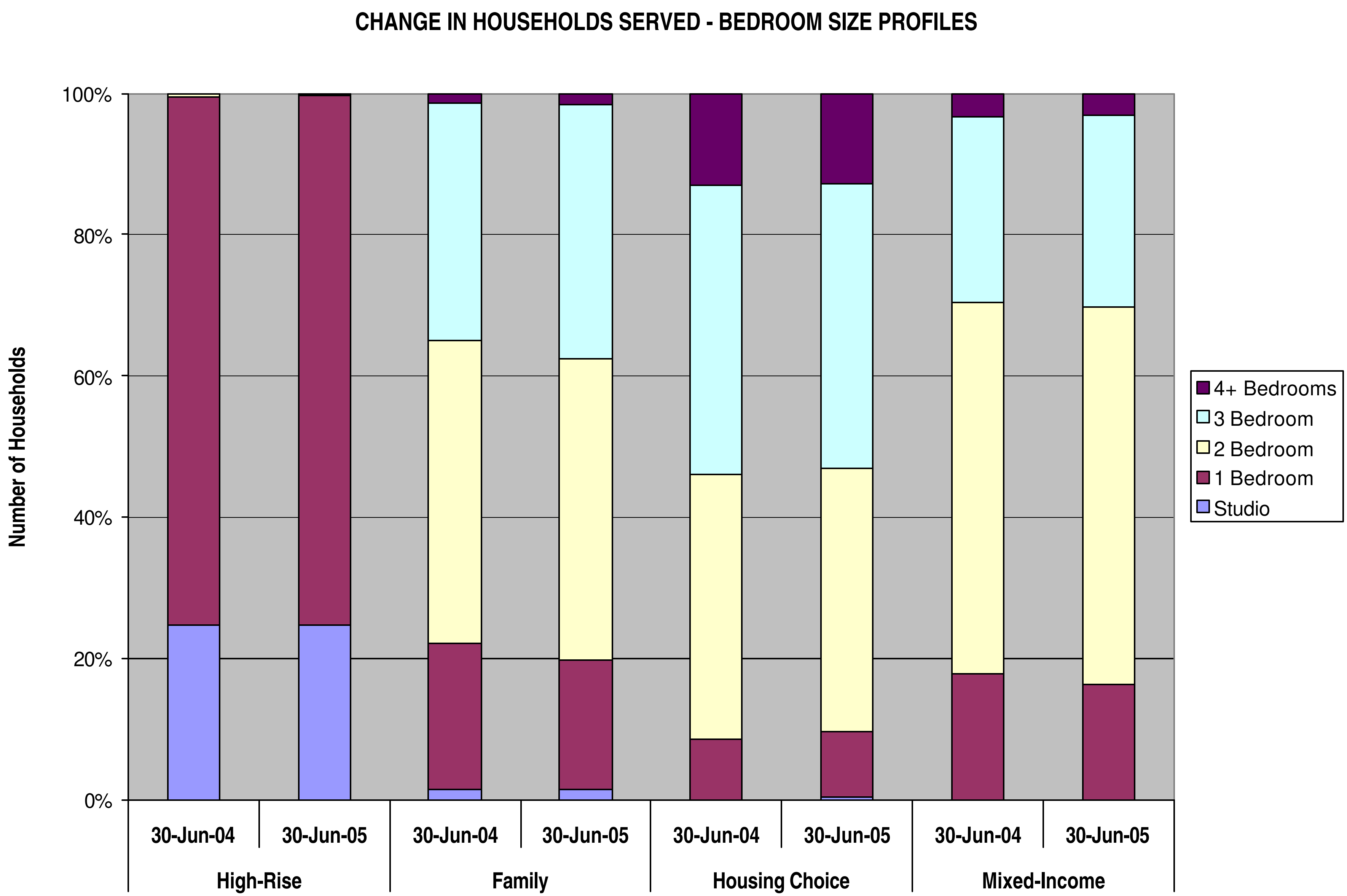
## Resident Services

| | Never | 1 to 3 times | More than 3 times | No Response | Multiple Responses |
|---|---|---|---|---|---|
| 14. In the past year, how often did the resident services staff help you? | | | | | |
| Number of responses | 483 | 897 | 257 | 107 | 3 |
| Number of valid, completed responses ("no response" and "multiple responses" based on all 1747 respondents) | 1,637 | 1,637 | 1,637 | 1,747 | 1,747 |
| **Percentage** | 29.5% | 54.8% | 15.7% | 6.1% | 0.2% |

| | Yes | No | No Response | Multiple Responses |
|---|---|---|---|---|
| 15. Does the resident services staff help you? | | | | |
| Number of responses | 1,154 | 456 | 125 | 12 |
| Number of valid, completed responses ("no response" and "multiple responses" based on all 1747 respondents) | 1,610 | 1,610 | 1,747 | 1,747 |
| **Percentage** | 71.7% | 28.3% | 7.2% | 0.7% |
| 16. Do you know when the resident association meetings are held? | | | | |
| Number of responses | 1,381 | 301 | 55 | 10 |
| Number of valid, completed responses ("no response" and "multiple responses" based on all 1747 respondents) | 1,682 | 1,682 | 1,747 | 1,747 |
| **Percentage** | 82.1% | 17.9% | 3.1% | 0.6% |
| 17. Do you feel the resident association meetings are important? | | | | |
| Number of responses | 1,383 | 278 | 71 | 15 |
| Number of valid, completed responses ("no response" and "multiple responses" based on all 1747 respondents) | 1,661 | 1,661 | 1,747 | 1,747 |
| **Percentage** | 83.3% | 16.7% | 4.1% | 0.9% |
| 18. Do you regularly attend the resident association meetings? | | | | |
| Number of responses | 896 | 777 | 66 | 8 |
| Number of valid, completed responses ("no response" and "multiple responses" based on all 1747 respondents) | 1,673 | 1,673 | 1,747 | 1,747 |
| **Percentage** | 53.6% | 46.4% | 3.8% | 0.5% |
| 19. Do you feel safe inside your apartment? | | | | |
| Number of responses | 1,425 | 286 | 21 | 15 |
| Number of valid, completed responses ("no response" and "multiple responses" based on all 1747 respondents) | 1,711 | 1,711 | 1,747 | 1,747 |
| **Percentage** | 83.3% | 16.7% | 1.2% | 0.9% |
| 20. Do you feel safe in your apartment community? | | | | |
| Number of responses | 1,237 | 456 | 41 | 13 |
| Number of valid, completed responses ("no response" and "multiple responses" based on all 1747 respondents) | 1,693 | 1,693 | 1,747 | 1,747 |
| **Percentage** | 73.1% | 26.9% | 2.3% | 0.7% |

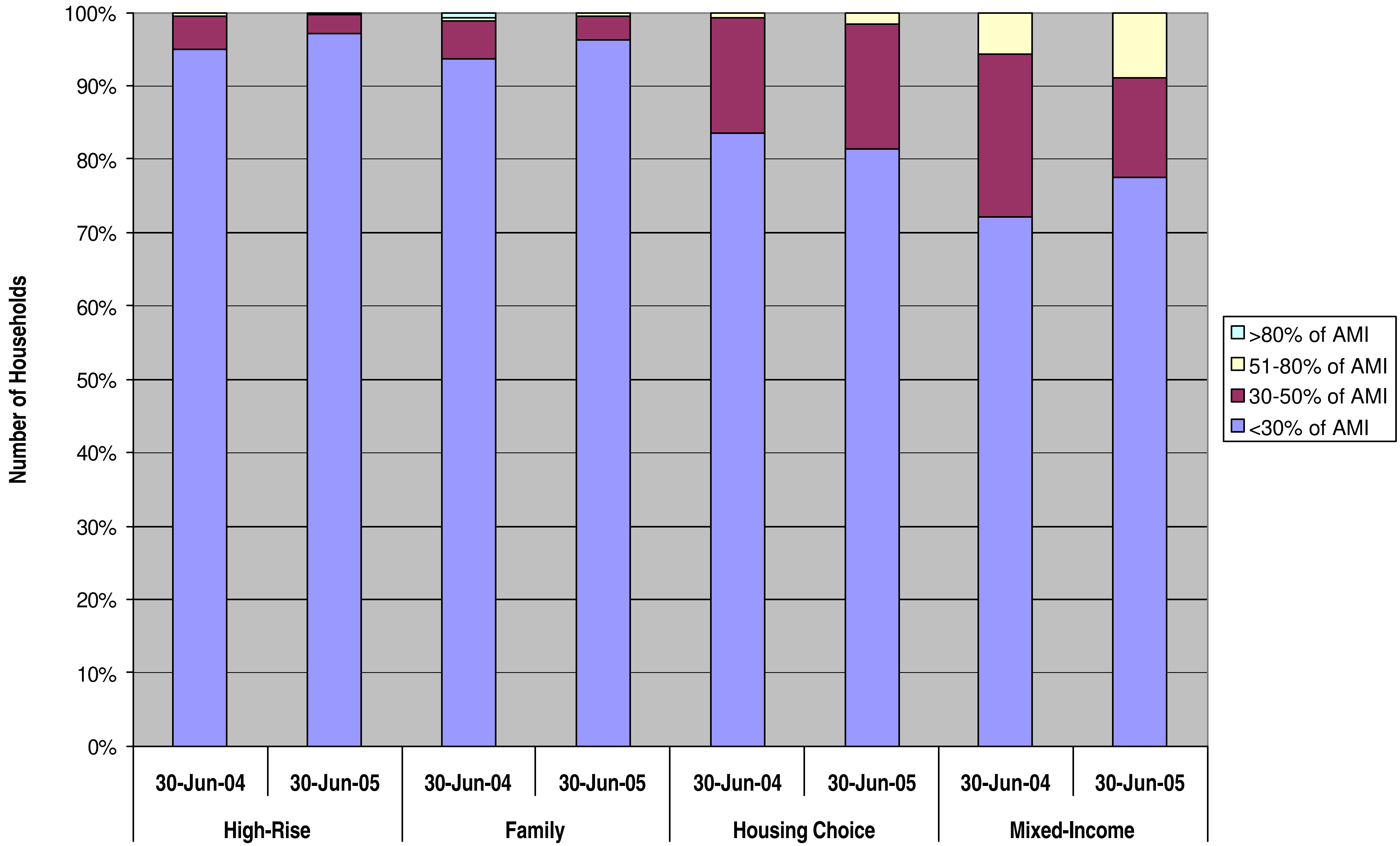
## FAMILY DEMOGRAPHICS



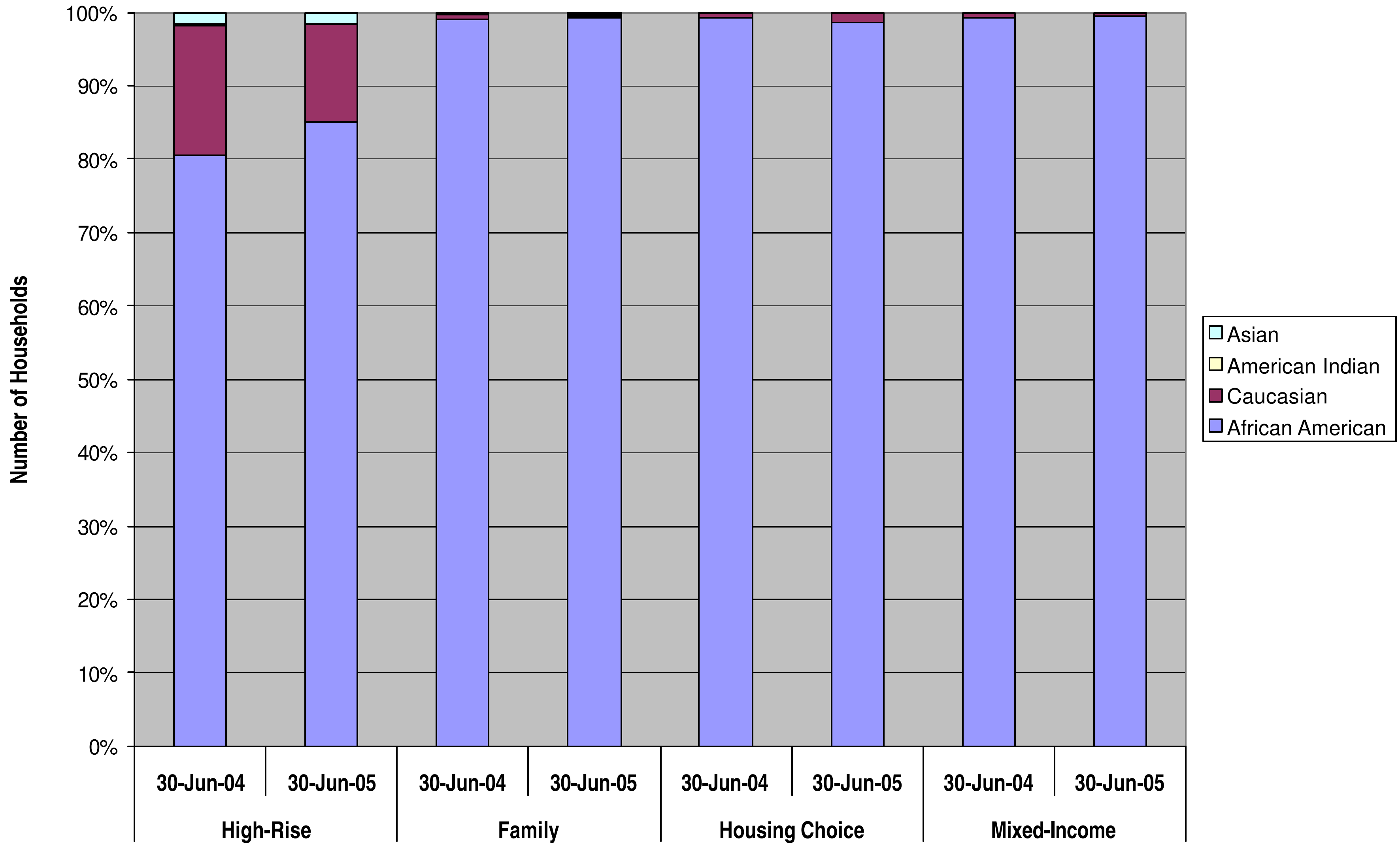


CHANGE IN HOUSEHOLDS SERVED - BEDROOM SIZE PROFILES
Number of Households
100%
80%
60%
40%
20%
0%
30-Jun-04
30-Jun-05
High-Rise
Family
Housing Choice
Mixed-Income
4+ Bedrooms
3 Bedroom
2 Bedroom
1 Bedroom
Studio

CHANGE IN HOUSEHOLDS SERVED - INCOME PROFILE



## CHANGE IN HOUSEHOLDS SERVED - RACIAL PROFILE



**D-1 Change in Households Served - BEDROOM SIZE PROFILE**

| PROGRAM/COMMUNITY TYPE | Studio | | | 1BR | | | 2BR | | |
|---|---|---|---|---|---|---|---|---|---|
| | Jun 2004 | Jun 2005 | Chg | Jun 2004 | Jun 2005 | Chg | Jun 2004 | Jun 2005 | Chg |
| **Public Housing Assisted** | | | | | | | | | |
| High-Rise | 758 | 754 | -1% | 2,298 | 2,281 | -1% | 13 | 7 | -46% |
| Family | 54 | 39 | -28% | 717 | 490 | -32% | 1,487 | 1,147 | -23% |
| Mixed-Income | 0 | 0 | 0% | 238 | 244 | 3% | 702 | 796 | 13% |
| **PHA Total** | **812** | **793** | **-2%** | **3,253** | **3,015** | **-7%** | **2,202** | **1,950** | **-11%** |
| **Housing Choice** | **4** | **41** | **925%** | **934** | **1,046** | **12%** | **4,151** | **4,228** | **2%** |
| **AHA Total** | **816** | **834** | **2%** | **4,187** | **4,061** | **-3%** | **6,353** | **6,178** | **-3%** |

| PROGRAM/COMMUNITY TYPE | 3BR | | | 4+BR | | | TOTAL | | |
|---|---|---|---|---|---|---|---|---|---|
| | Jun 2004 | Jun 2005 | Chg | Jun 2004 | Jun 2005 | Chg | Jun 2004 | Jun 2005 | Chg |
| **Public Housing Assisted** | | | | | | | | | |
| High-Rise | 1 | 1 | 0% | 2 | 0 | -100% | 3,072 | 3,043 | -1% |
| Family | 1,173 | 961 | -18% | 612 | 578 | -6% | 4,043 | 3,215 | -20% |
| Mixed-Income | 349 | 406 | 16% | 45 | 45 | 0% | 1,334 | 1,491 | 12% |
| **PHA Total** | **1,523** | **1,368** | **-10%** | **659** | **623** | **-5%** | **8,449** | **7,749** | **-8%** |
| **Housing Choice** | **4,508** | **4,579** | **2%** | **1,439** | **1,458** | **1%** | **11,036** | **11,352** | **3%** |
| **AHA Total** | **6,031** | **5,947** | **-1%** | **2,098** | **2,081** | **-1%** | **19,485** | **19,101** | **-2%** |

**D-2 Change in Households Served - INCOME PROFILE**

| PROGRAM/COMMUNITY TYPE | < 30% of AMI | | | 30-50% of AMI | | | 51-80% of AMI | | | >80% of AMI | | | TOTAL | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Jun 2004 | Jun 2005 | Chg | Jun 2004 | Jun 2005 | Chg | Jun 2004 | Jun 2005 | Chg | Jun 2004 | Jun 2005 | Chg | Jun 2004 | Jun 2005 | Chg |
| **Public Housing Assisted** | | | | | | | | | | | | | | | |
| High-Rise | 2,917 | 2,957 | 1% | 140 | 78 | -44% | 14 | 8 | -43% | 1 | 0 | -100% | 3,072 | 3,043 | -1% |
| Family | 3,788 | 3,092 | -18% | 204 | 104 | -49% | 23 | 19 | -17% | 28 | 0 | -100% | 4,043 | 3,215 | -20% |
| Mixed-Income | 962 | 1,155 | 20% | 296 | 202 | -32% | 76 | 134 | 76% | 0 | 0 | 0% | 1,334 | 1,491 | 12% |
| **PHA Total** | **7,667** | **7,204** | **-6%** | **640** | **384** | **-40%** | **113** | **161** | **42%** | **29** | **0** | **-100%** | **8,449** | **7,749** | **-8%** |
| **Housing Choice** | **9,221** | **9,237** | **0%** | **1,720** | **1,933** | **12%** | **95** | **181** | **91%** | **0** | **1** | **X** | **11,036** | **11,352** | **3%** |
| **AHA Total** | **16,888** | **16,441** | **-3%** | **2,360** | **2,317** | **-2%** | **208** | **342** | **64%** | **29** | **1** | **-97%** | **19,485** | **19,101** | **-2%** |

***X*** *=Percentage change cannot be determined.*

**D-3 Change in Households Served - RACIAL PROFILE**

| PROGRAM/COMMUNITY TYPE | Caucasian | | | African-American | | | American-Indian | | | Asian | | | TOTAL | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Jun 2004 | Jun 2005 | Chg | Jun 2004 | Jun 2005 | Chg | Jun 2004 | Jun 2005 | Chg | Jun 2004 | Jun 2005 | Chg | Jun 2004 | Jun 2005 | Chg |
| **Public Housing Assisted** | | | | | | | | | | | | | | | |
| High-Rise | 545 | 404 | -26% | 2,473 | 2,590 | 5% | 2 | 3 | 50% | 52 | 46 | -12% | 3,072 | 3,043 | -1% |
| Family | 26 | 13 | -50% | 4,007 | 3,187 | -20% | 7 | 4 | -43% | 3 | 11 | 267% | 4,043 | 3,215 | -20% |
| Mixed-Income | 9 | 9 | 0% | 1,325 | 1,482 | 12% | 0 | 0 | 0% | 0 | 0 | 0% | 1,334 | 1,491 | 12% |
| **PHA Total** | **580** | **426** | **-27%** | **7,805** | **7,259** | **-7%** | **9** | **7** | **-22%** | **55** | **57** | **4%** | **8,449** | **7,749** | **-8%** |
| **Housing Choice** | **74** | **155** | **109%** | **10,954** | **11,188** | **2%** | **2** | **1** | **-50%** | **6** | **8** | **33%** | **11,036** | **11,352** | **3%** |
| **AHA Total** | **654** | **581** | **-11%** | **18,759** | **18,447** | **-2%** | **11** | **8** | **-27%** | **61** | **65** | **7%** | **19,485** | **19,101** | **-2%** |

**D-4 Change in Households Served - ETHNIC PROFILE**

| PROGRAM/COMMUNITY TYPE | Hispanic | | | Non-Hispanic | | | TOTAL | | |
|---|---|---|---|---|---|---|---|---|---|
| | Jun 2004 | Jun 2005 | Chg | Jun 2004 | Jun 2005 | Chg | Jun 2004 | Jun 2005 | Chg |
| **Public Housing Assisted** | | | | | | | | | |
| High-Rise | 126 | 108 | -14% | 2,946 | 2,935 | 0% | 3,072 | 3,043 | -1% |
| Family | 13 | 20 | 54% | 4,030 | 3,195 | -21% | 4,043 | 3,215 | -20% |
| Mixed-Income | 0 | 2 | **X** | 1,334 | 1,489 | 12% | 1,334 | 1,491 | 12% |
| **PHA Total** | **139** | **130** | **-6%** | **8,310** | **7,619** | **-8%** | **8,449** | **7,749** | **-8%** |
| **Housing Choice** | **39** | **42** | **8%** | **10,997** | **11,310** | **3%** | **11,036** | **11,352** | **3%** |
| **AHA Total** | **178** | **172** | **-3%** | **19,307** | **18,929** | **-2%** | **19,485** | **19,101** | **-2%** |

***X** =Percentage change cannot be determined.*

D-5 Change in Heads of Households Served - RACIAL AND ETHNIC PROFILE (PHA by Development)

| PROGRAM/COMMUNITY TYPE | RACE AND ETHNICITY | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Caucasian | | | | | | African-American | | | | | |
| | Hispanic | | | Non-Hispanic | | | Hispanic | | | Non-Hispanic | | |
| | Jun 2004 | Jun 2005 | Chg | Jun 2004 | Jun 2005 | Chg | Jun 2004 | Jun 2005 | Chg | Jun 2004 | Jun 2005 | Chg |
| **Public Housing Assisted High-Rise** | | | | | | | | | | | | |
| Antoine Graves | 1 | 1 | 0% | 4 | 3 | -25% | 0 | 0 | 0% | 204 | 205 | 0% |
| Barge Road | 1 | 0 | -100% | 2 | 0 | -100% | 0 | 0 | 0% | 127 | 126 | -1% |
| Cheshire Bridge | 12 | 13 | 8% | 64 | 63 | -2% | 2 | 2 | 0% | 63 | 63 | 0% |
| Cosby Spear Towers | 3 | 3 | 0% | 22 | 20 | -9% | 1 | 3 | 200% | 256 | 255 | 0% |
| East Lake Towers | 0 | 0 | 0% | 2 | 20 | 900% | 1 | 1 | 0% | 145 | 129 | -11% |
| Georgia Avenue | 0 | 0 | 0% | 0 | 0 | 0% | 0 | 0 | 0% | 80 | 80 | 0% |
| Graves Annex | 0 | 0 | 0% | 0 | 0 | 0% | 0 | 0 | 0% | 99 | 98 | -1% |
| Hightower Manor | 0 | 0 | 0% | 2 | 0 | -100% | 0 | 0 | 0% | 128 | 126 | -2% |
| John O. Chiles | 2 | 2 | 0% | 4 | 4 | 0% | 0 | 0 | 0% | 243 | 241 | -1% |
| Juniper & 10th | 8 | 0 | -100% | 25 | 0 | -100% | 0 | 6 | **X** | 114 | 138 | 21% |
| M.L. King Tower | 1 | 0 | -100% | 1 | 0 | -100% | 0 | 1 | **X** | 152 | 124 | -18% |
| Marian Road | 11 | 0 | -100% | 135 | 48 | -64% | 2 | 0 | -100% | 80 | 106 | 33% |
| Marietta Road | 1 | 0 | -100% | 6 | 0 | -100% | 0 | 12 | 0% | 123 | 225 | 83% |
| Palmer House | 6 | 5 | -17% | 14 | 14 | 0% | 0 | 0 | 0% | 226 | 224 | -1% |
| Peachtree Road | 12 | 10 | -17% | 58 | 57 | -2% | 1 | 1 | 0% | 122 | 127 | 4% |
| Piedmont Road | 39 | 31 | -21% | 76 | 76 | 0% | 1 | 0 | -100% | 79 | 78 | -1% |
| Roosevelt House | 18 | 14 | -22% | 15 | 20 | 33% | 0 | 1 | **X** | 224 | 218 | -3% |
| **High-Rise Total** | **115** | **79** | **-31%** | **430** | **325** | **-24%** | **8** | **27** | **238%** | **2,465** | **2,563** | **4%** |

***X*** *=Percentage change cannot be determined.*

D-5 Change in Heads of Households Served - RACIAL AND ETHNIC PROFILE (PHA by Development) continued

| PROGRAM/COMMUNITY TYPE | RACE AND ETHNICITY | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | American-Indian | | | | | | Asian | | | | | |
| | Hispanic | | | Non-Hispanic | | | Hispanic | | | Non-Hispanic | | |
| | Jun 2004 | Jun 2005 | Chg | Jun 2004 | Jun 2005 | Chg | Jun 2004 | Jun 2005 | Chg | Jun 2004 | Jun 2005 | Chg |
| **Public Housing Assisted**<br>**High-Rise** | | | | | | | | | | | | |
| Antoine Graves | 0 | 0 | 0% | 0 | 0 | 0% | 0 | 0 | 0% | 0 | 1 | **X** |
| Barge Road | 0 | 0 | 0% | 0 | 0 | 0% | 0 | 0 | 0% | 0 | 0 | 0% |
| Cheshire Bridge | 0 | 0 | 0% | 0 | 0 | 0% | 0 | 0 | 0% | 21 | 21 | 0% |
| Cosby Spear Towers | 1 | 0 | -100% | 0 | 1 | **X** | 0 | 0 | 0% | 0 | 0 | 0% |
| East Lake Towers | 0 | 0 | 0% | 0 | 0 | 0% | 0 | 0 | 0% | 0 | 0 | 0% |
| Georgia Avenue | 0 | 0 | 0% | 0 | 0 | 0% | 0 | 0 | 0% | 0 | 0 | 0% |
| Graves Annex | 0 | 0 | 0% | 0 | 0 | 0% | 0 | 0 | 0% | 1 | 2 | 100% |
| Hightower Manor | 0 | 0 | 0% | 0 | 0 | 0% | 0 | 0 | 0% | 0 | 0 | 0% |
| John O. Chiles | 0 | 0 | 0% | 0 | 0 | 0% | 0 | 0 | 0% | 1 | 0 | -100% |
| Juniper & 10th | 0 | 0 | 0% | 0 | 0 | 0% | 0 | 0 | 0% | 1 | 0 | -100% |
| M.L. King Tower | 0 | 0 | 0% | 0 | 0 | 0% | 0 | 0 | 0% | 0 | 0 | 0% |
| Marian Road | 0 | 0 | 0% | 0 | 0 | 0% | 0 | 0 | 0% | 11 | 0 | -100% |
| Marietta Road | 0 | 0 | 0% | 0 | 0 | 0% | 0 | 0 | 0% | 0 | 0 | 0% |
| Palmer House | 0 | 0 | 0% | 1 | 1 | 0% | 0 | 0 | 0% | 1 | 1 | 0% |
| Peachtree Road | 0 | 0 | 0% | 0 | 1 | **X** | 0 | 0 | 0% | 3 | 1 | -67% |
| Piedmont Road | 0 | 0 | 0% | 0 | 0 | 0% | 2 | 2 | 0% | 11 | 18 | 64% |
| Roosevelt House | 0 | 0 | 0% | 0 | 0 | 0% | 0 | 0 | 0% | 0 | 0 | 0% |
| **High-Rise Total** | **1** | **0** | **-100%** | **1** | **3** | **200%** | **2** | **2** | **0%** | **50** | **44** | **-12%** |

***X*** *=Percentage change cannot be determined.*

D-5 Change in Heads of Households Served - RACIAL AND ETHNIC PROFILE (PHA by Development) continued

| PROGRAM/COMMUNITY TYPE | RACE AND ETHNICITY | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Caucasian | | | | | | African-American | | | | | |
| | Hispanic | | | Non-Hispanic | | | Hispanic | | | Non-Hispanic | | |
| | Jun 2004 | Jun 2005 | Chg | Jun 2004 | Jun 2005 | Chg | Jun 2004 | Jun 2005 | Chg | Jun 2004 | Jun 2005 | Chg |
| **Public Housing Assisted Family** | | | | | | | | | | | | |
| Bankhead Courts | 0 | 0 | 0% | 1 | 0 | -100% | 0 | 1 | **X** | 378 | 353 | -7% |
| Bowen Apartments | 1 | 0 | -100% | 6 | 2 | -67% | 1 | 3 | 200% | 617 | 617 | 0% |
| Englewood Manor | 0 | 0 | 0% | 1 | 1 | 0% | 0 | 3 | **X** | 298 | 291 | -2% |
| Grady Homes* | 0 | N/A | N/A | 1 | N/A | N/A | 0 | N/A | N/A | 451 | N/A | N/A |
| Herndon Homes | 0 | 0 | 0% | 0 | 0 | 0% | 2 | 1 | -50% | 275 | 251 | -9% |
| Hollywood Courts | 1 | 0 | -100% | 2 | 0 | -100% | 0 | 1 | **X** | 199 | 175 | -12% |
| John Hope Model Building | 0 | 0 | 0% | 0 | 0 | 0% | 0 | 0 | 0% | 6 | 3 | -50% |
| Jonesboro North | 0 | 0 | 0% | 1 | 0 | -100% | 0 | 0 | 0% | 97 | 94 | -3% |
| Jonesboro South | 1 | 0 | -100% | 1 | 0 | -100% | 0 | 0 | 0% | 145 | 148 | 2% |
| Leila Valley | 0 | 0 | 0% | 1 | 1 | 0% | 1 | 0 | -100% | 116 | 116 | 0% |
| Martin Street Plaza | 0 | 0 | 0% | 0 | 0 | 0% | 0 | 0 | 0% | 60 | 59 | -2% |
| McDaniel Glenn | 1 | 2 | 100% | 0 | 1 | **X** | 0 | 1 | **X** | 422 | 174 | -59% |
| Thomasville Heights | 1 | 0 | -100% | 2 | 1 | -50% | 0 | 2 | **X** | 345 | 328 | -5% |
| University Homes | 0 | 0 | 0% | 3 | 3 | 0% | 1 | 2 | 100% | 494 | 66 | -87% |
| U-Rescue Villa | 1 | 2 | 100% | 0 | 0 | 0% | 0 | 1 | **X** | 68 | 467 | 587% |
| Westminster | 0 | 0 | 0% | 1 | 0 | -100% | 1 | 0 | -100% | 30 | 30 | 0% |
| **Family Total** | **6** | **4** | **-33%** | **20** | **9** | **-55%** | **6** | **15** | **150%** | **4,001** | **3,172** | **-21%** |

** Community was not occupied as of June 30, 2005.*

***X*** *=Percentage change cannot be determined.*

D-5 Change in Heads of Households Served - RACIAL AND ETHNIC PROFILE (PHA by Development) continued

| PROGRAM/COMMUNITY TYPE | RACE AND ETHNICITY | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | American-Indian | | | | | | Asian | | | | | |
| | Hispanic | | | Non-Hispanic | | | Hispanic | | | Non-Hispanic | | |
| | Jun 2004 | Jun 2005 | Chg | Jun 2004 | Jun 2005 | Chg | Jun 2004 | Jun 2005 | Chg | Jun 2004 | Jun 2005 | Chg |
| **Public Housing Assisted** | | | | | | | | | | | | |
| **Family** | | | | | | | | | | | | |
| Bankhead Courts | 1 | 0 | -100% | 1 | 0 | -100% | 0 | 0 | 0% | 0 | 0 | 0% |
| Bowen Apartments | 0 | 0 | 0% | 1 | 0 | -100% | 0 | 0 | 0% | 0 | 0 | 0% |
| Englewood Manor | 0 | 0 | 0% | 1 | 1 | **X** | 0 | 0 | 0% | 0 | 3 | **X** |
| Grady Homes* | 0 | N/A | N/A | 1 | N/A | N/A | 0 | N/A | N/A | 0 | N/A | N/A |
| Herndon Homes | 0 | 0 | 0% | 0 | 0 | 0% | 0 | 0 | 0% | 1 | 0 | -100% |
| Hollywood Courts | 0 | 0 | 0% | 0 | 0 | 0% | 0 | 0 | 0% | 0 | 0 | 0% |
| John Hope Model Building | 0 | 0 | 0% | 0 | 0 | 0% | 0 | 0 | 0% | 0 | 0 | 0% |
| Jonesboro North | 0 | 0 | 0% | 0 | 0 | 0% | 0 | 0 | 0% | 0 | 0 | 0% |
| Jonesboro South | 0 | 0 | 0% | 0 | 0 | 0% | 0 | 0 | 0% | 0 | 0 | 0% |
| Leila Valley | 0 | 0 | 0% | 0 | 0 | 0% | 0 | 0 | 0% | 0 | 0 | 0% |
| Martin Street Plaza | 0 | 0 | 0% | 0 | 0 | 0% | 0 | 0 | 0% | 0 | 0 | 0% |
| McDaniel Glenn | 0 | 0 | 0% | 1 | 0 | -100% | 0 | 0 | 0% | 2 | 1 | -50% |
| Thomasville Heights | 0 | 0 | 0% | 1 | 2 | 100% | 0 | 0 | 0% | 0 | 0 | 0% |
| University Homes | 0 | 0 | 0% | 0 | 0 | 0% | 0 | 0 | 0% | 0 | 0 | 0% |
| U-Rescue Villa | 0 | 0 | 0% | 0 | 1 | **X** | 0 | 1 | **X** | 0 | 6 | **X** |
| Westminster | 0 | 0 | 0% | 0 | 0 | 0% | 0 | 0 | 0% | 0 | 0 | 0% |
| **Family Total** | **1** | **0** | **-100%** | **6** | **4** | **-33%** | **0** | **1** | **X** | **3** | **10** | **233%** |

** Community was not occupied as of June 30, 2005.*

***X*** *=Percentage change cannot be determined.*

D-5 Change in Heads of Households Served - RACIAL AND ETHNIC PROFILE (PHA by Development) continued

| PROGRAM/COMMUNITY TYPE | RACE AND ETHNICITY | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Caucasian | | | | | | African-American | | | | | |
| | Hispanic | | | Non-Hispanic | | | Hispanic | | | Non-Hispanic | | |
| | Jun 2004 | Jun 2005 | Chg | Jun 2004 | Jun 2005 | Chg | Jun 2004 | Jun 2005 | Chg | Jun 2004 | Jun 2005 | Chg |
| **Public Housing Assisted Mixed-Income** | | | | | | | | | | | | |
| Ashley Courts at Cascade | 0 | 0 | 0% | 1 | 1 | 0% | 0 | 0 | 0% | 81 | 112 | 38% |
| Ashley Terrace at West End | 0 | 0 | 0% | 0 | 0 | 0% | 0 | 0 | 0% | 33 | 34 | 3% |
| Centennial Place | 0 | 0 | 0% | 0 | 2 | **X** | 0 | 0 | 0% | 301 | 292 | -3% |
| Columbia Commons* | N/A | 0 | N/A | N/A | 0 | N/A | N/A | 0 | N/A | N/A | 47 | N/A |
| Columbia Village | 0 | 0 | 0% | 0 | 0 | 0% | 0 | 0 | 0% | 30 | 30 | 0% |
| Magnolia Park | 0 | 0 | 0% | 1 | 1 | 0% | 0 | 0 | 0% | 159 | 157 | -1% |
| Summerdale | 0 | 0 | 0% | 0 | 0 | 0% | 0 | 0 | 0% | 74 | 70 | -5% |
| The Village at Castleberry Hill | 0 | 0 | 0% | 4 | 2 | -50% | 0 | 0 | 0% | 176 | 176 | 0% |
| The Villages at Carver | 0 | 0 | 0% | 1 | 0 | -100% | 0 | 0 | 0% | 202 | 248 | 23% |
| The Villages of East Lake | 0 | 2 | **X** | 2 | 1 | -50% | 0 | 0 | 0% | 269 | 268 | 0% |
| West Highlands at Heman E. Perry Boulevard* | N/A | 0 | N/A | N/A | 0 | N/A | N/A | 0 | N/A | N/A | 48 | N/A |
| **Mixed-Income Total** | **0** | **2** | **X** | **9** | **7** | **-22%** | **0** | **0** | **0%** | **1,325** | **1,482** | **12%** |
| **PHA Total** | **121** | **85** | **-30%** | **459** | **341** | **-26%** | **14** | **42** | **200%** | **7,791** | **7,217** | **-7%** |
| **Housing Choice** | **17** | **42** | **147%** | **57** | **113** | **98%** | **18** | **0** | **-100%** | **10,936** | **11,188** | **2%** |
| **AHA Total** | **138** | **127** | **-8%** | **516** | **454** | **-12%** | **32** | **42** | **31%** | **18,727** | **18,405** | **-2%** |

** Communities were not on-line as of June 30, 2004.*

***X*** *=Percentage change cannot be determined.*

D-5 Change in Heads of Households Served - RACIAL AND ETHNIC PROFILE (PHA by Development) continued

| PROGRAM/COMMUNITY TYPE | RACE AND ETHNICITY | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | American-Indian | | | | | | Asian | | | | | |
| | Hispanic | | | Non-Hispanic | | | Hispanic | | | Non-Hispanic | | |
| | Jun 2004 | Jun 2005 | Chg | Jun 2004 | Jun 2005 | Chg | Jun 2004 | Jun 2005 | Chg | Jun 2004 | Jun 2005 | Chg |
| **Public Housing Assisted** | | | | | | | | | | | | |
| **Mixed-Income** | | | | | | | | | | | | |
| Ashley Courts at Cascade | 0 | 0 | 0% | 0 | 0 | 0% | 0 | 0 | 0% | 0 | 0 | 0% |
| Ashley Terrace at West End | 0 | 0 | 0% | 0 | 0 | 0% | 0 | 0 | 0% | 0 | 0 | 0% |
| Centennial Place | 0 | 0 | 0% | 0 | 0 | 0% | 0 | 0 | 0% | 0 | 0 | 0% |
| Columbia Commons* | N/A | 0 | N/A | N/A | 0 | N/A | N/A | 0 | N/A | N/A | 0 | N/A |
| Columbia Village | 0 | 0 | 0% | 0 | 0 | 0% | 0 | 0 | 0% | 0 | 0 | 0% |
| Magnolia Park | 0 | 0 | 0% | 0 | 0 | 0% | 0 | 0 | 0% | 0 | 0 | 0% |
| Summerdale | 0 | 0 | 0% | 0 | 0 | 0% | 0 | 0 | 0% | 0 | 0 | 0% |
| The Village at Castleberry Hill | 0 | 0 | 0% | 0 | 0 | 0% | 0 | 0 | 0% | 0 | 0 | 0% |
| The Villages at Carver | 0 | 0 | 0% | 0 | 0 | 0% | 0 | 0 | 0% | 0 | 0 | 0% |
| The Villages of East Lake | 0 | 0 | 0% | 0 | 0 | 0% | 0 | 0 | 0% | 0 | 0 | 0% |
| West Highlands at Heman E. Perry Boulevard* | N/A | 0 | N/A | N/A | 0 | N/A | N/A | 0 | N/A | N/A | 0 | N/A |
| **Mixed-Income Total** | **0** | **0** | **0%** | **0** | **0** | **0%** | **0** | **0** | **0%** | **0** | **0** | **0%** |
| **PHA Total** | **2** | **0** | **-100%** | **7** | **7** | **0%** | **2** | **3** | **50%** | **53** | **54** | **2%** |
| **Housing Choice** | **2** | **0** | **-100%** | **0** | **1** | **0%** | **2** | **0** | **-100%** | **4** | **8** | **100%** |
| **AHA Total** | **4** | **0** | **-100%** | **7** | **8** | **14%** | **4** | **3** | **-25%** | **57** | **62** | **9%** |

** Communities were not on-line as of June 30, 2004.*

D-6 Change in Households Served - FAMILY TYPE

| PROGRAM/COMMUNITY TYPE | Family | | | Elderly | | | Disabled | | | TOTAL | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Jun 2004 | Jun 2005 | Chg | Jun 2004 | Jun 2005 | Chg | Jun 2004 | Jun 2005 | Chg | Jun 2004 | Jun 2005 | Chg |
| Public Housing Assisted | 4,167 | 3,630 | -13% | 1,791 | 2,266 | 27% | 2,491 | 1,853 | -26% | 8,449 | 7,749 | -8% |
| Housing Choice | 8,705 | 8,679 | 0% | 430 | 623 | 45% | 1,901 | 2,050 | 8% | 11,036 | 11,352 | 3% |
| **AHA Total** | **12,872** | **12,309** | **-4%** | **2,221** | **2,889** | **30%** | **4,392** | **3,903** | **-11%** | **19,485** | **19,101** | **-2%** |

**D-7 FY 2005 Area Median Income (AMI) Limits by Household Size for Metro Atlanta Area**

| FY 2005 INCOME LIMITS | | | |
|---|---|---|---|
| **Household Size** | **<30% of AMI** | **30-50% of AMI** | **50-80% of AMI** |
| 1 | $14,950 | $24,900 | $39,850 |
| 2 | $17,100 | $28,500 | $45,550 |
| 3 | $19,200 | $32,050 | $51,250 |
| 4 | $21,350 | $35,600 | $56,950 |
| 5 | $23,050 | $38,450 | $61,500 |
| 6 | $24,800 | $41,300 | $66,050 |
| 7 | $26,500 | $44,150 | $70,650 |
| 8 | $28,200 | $47,000 | $75,200 |

D-8 Change in Households Served - INCOME PROFILE BY AMI (PHA by Development)

| PROGRAM/COMMUNITY TYPE | < 30% of AMI | | | 30-50% of AMI | | | 51-80% of AMI | | | > 80% of AMI | | | Totals | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Jun 2004 | Jun 2005 | Chg | Jun 2004 | Jun 2005 | Chg | Jun 2004 | Jun 2005 | Chg | Jun 2004 | Jun 2005 | Chg | Jun 2004 | Jun 2005 | Chg |
| **Public Housing Assisted** | | | | | | | | | | | | | | | |
| **High-Rise** | | | | | | | | | | | | | | | |
| Antoine Graves | 203 | 210 | 3% | 6 | 0 | -100% | 0 | 0 | 0% | 0 | 0 | 0% | 209 | 210 | 0% |
| Barge Road | 117 | 117 | 0% | 11 | 8 | -27% | 2 | 2 | 0% | 0 | 0 | 0% | 130 | 127 | -2% |
| Cheshire Bridge | 152 | 165 | 9% | 10 | 0 | -100% | 0 | 0 | 0% | 0 | 0 | 0% | 162 | 165 | 2% |
| Cosby Spear Towers | 275 | 278 | 1% | 8 | 9 | 13% | 0 | 4 | **X** | 0 | 0 | 0% | 283 | 291 | 3% |
| East Lake Towers | 137 | 137 | 0% | 10 | 13 | 30% | 1 | 1 | 0% | 0 | 0 | 0% | 148 | 151 | 2% |
| Georgia Avenue | 77 | 77 | 0% | 3 | 3 | 0% | 0 | 0 | 0% | 0 | 0 | 0% | 80 | 80 | 0% |
| Graves Annex | 97 | 99 | 2% | 2 | 0 | -100% | 1 | 0 | -100% | 0 | 0 | 0% | 100 | 99 | -1% |
| Hightower Manor | 120 | 118 | -2% | 7 | 8 | 14% | 2 | 1 | -50% | 1 | 0 | -100% | 130 | 127 | -2% |
| John O. Chiles | 234 | 249 | 6% | 15 | 0 | -100% | 1 | 0 | -100% | 0 | 0 | 0% | 250 | 249 | 0% |
| Juniper & 10th | 142 | 133 | -6% | 6 | 6 | 0% | 0 | 0 | 0% | 0 | 0 | 0% | 148 | 139 | -6% |
| M.L. King Tower | 149 | 137 | -8% | 5 | 3 | -40% | 0 | 0 | 0% | 0 | 0 | 0% | 154 | 140 | -9% |
| Marian Road | 233 | 231 | -1% | 6 | 8 | 33% | 0 | 0 | 0% | 0 | 0 | 0% | 239 | 239 | 0% |
| Marietta Road | 118 | 110 | -7% | 11 | 12 | 9% | 1 | 0 | -100% | 0 | 0 | 0% | 130 | 122 | -6% |
| Palmer House | 241 | 242 | 0% | 7 | 0 | -100% | 0 | 0 | 0% | 0 | 0 | 0% | 248 | 242 | -2% |
| Peachtree Road | 178 | 200 | 12% | 16 | 0 | -100% | 2 | 0 | -100% | 0 | 0 | 0% | 196 | 200 | 2% |
| Piedmont Road | 195 | 200 | 3% | 12 | 8 | -33% | 1 | 0 | -100% | 0 | 0 | 0% | 208 | 208 | 0% |
| Roosevelt House | 249 | 254 | 2% | 5 | 0 | -100% | 3 | 0 | -100% | 0 | 0 | 0% | 257 | 254 | -1% |
| **High-Rise Total** | **2,917** | **2,957** | **1%** | **140** | **78** | **-44%** | **14** | **8** | **-43%** | **1** | **0** | **-100%** | **3,072** | **3,043** | **-1%** |

D-8 Change in Households Served - INCOME PROFILE BY AMI (PHA by Development)

| PROGRAM/COMMUNITY TYPE | < 30% of AMI | | | 30-50% of AMI | | | 51-80% of AMI | | | > 80% of AMI | | | Totals | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Jun 2004 | Jun 2005 | Chg | Jun 2004 | Jun 2005 | Chg | Jun 2004 | Jun 2005 | Chg | Jun 2004 | Jun 2005 | Chg | Jun 2004 | Jun 2005 | Chg |
| **Public Housing Assisted** | | | | | | | | | | | | | | | |
| **Family** | | | | | | | | | | | | | | | |
| Bankhead Courts | 358 | 332 | -7% | 13 | 17 | 31% | 4 | 5 | 25% | 6 | 0 | -100% | 381 | 354 | -7% |
| Bowen Homes | 583 | 588 | 1% | 32 | 26 | -19% | 4 | 8 | 100% | 7 | 0 | -100% | 626 | 622 | -1% |
| Englewood Manor | 286 | 297 | 4% | 12 | 1 | -92% | 0 | 0 | 0% | 2 | 0 | -100% | 300 | 298 | -1% |
| Grady Homes* | 404 | N/A | N/A | 42 | N/A | N/A | 6 | N/A | N/A | 1 | N/A | N/A | 453 | N/A | N/A |
| Herndon Homes | 260 | 236 | -9% | 14 | 13 | -7% | 3 | 2 | -33% | 1 | 0 | -100% | 278 | 251 | -10% |
| Hollywood Courts | 195 | 172 | -12% | 6 | 3 | -50% | 1 | 1 | 0% | 0 | 0 | 0% | 202 | 176 | -13% |
| John Hope Model Building | 5 | 3 | -40% | 1 | 0 | -100% | 0 | 0 | 0% | 0 | 0 | 0% | 6 | 3 | -50% |
| Jonesboro North | 94 | 93 | -1% | 4 | 1 | -75% | 0 | 0 | 0% | 0 | 0 | 0% | 98 | 94 | -4% |
| Jonesboro South | 140 | 143 | 2% | 5 | 5 | 0% | 0 | 0 | 0% | 2 | 0 | -100% | 147 | 148 | 1% |
| Leila Valley | 109 | 110 | 1% | 7 | 7 | 0% | 1 | 1 | 0% | 1 | 0 | -100% | 118 | 118 | 0% |
| Martin Street Plaza | 47 | 47 | 0% | 12 | 12 | 0% | 0 | 0 | 0% | 1 | 0 | -100% | 60 | 59 | -2% |
| McDaniel Glenn | 408 | 170 | -58% | 18 | 8 | -56% | 0 | 0 | 0% | 0 | 0 | 0% | 426 | 178 | -58% |
| Thomasville Heights | 335 | 334 | 0% | 7 | 0 | -100% | 1 | 0 | -100% | 6 | 0 | -100% | 349 | 334 | -4% |
| University Apartments | 476 | 480 | 1% | 20 | 0 | -100% | 2 | 0 | -100% | 0 | 0 | 0% | 498 | 480 | -4% |
| U-Rescue Villa | 63 | 62 | -2% | 4 | 6 | 50% | 1 | 1 | 0% | 1 | 0 | -100% | 69 | 69 | 0% |
| Westminster | 26 | 25 | -4% | 6 | 5 | -17% | 0 | 1 | **X** | 0 | 0 | 0% | 32 | 31 | -3% |
| **Family Total** | **3,789** | **3,092** | **-18%** | **203** | **104** | **-49%** | **23** | **19** | **-17%** | **28** | **0** | **-100%** | **4,043** | **3,215** | **-20%** |

** Community was not occupied as of June 30, 2005.*

***X*** *=Percentage change cannot be determined.*

D-8 Change in Households Served - INCOME PROFILE BY AMI (PHA by Development) continued

| PROGRAM/COMMUNITY TYPE | < 30% of AMI | | | 30-50% of AMI | | | 51-80% of AMI | | | > 80% of AMI | | | Totals | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Jun 2004 | Jun 2005 | Chg | Jun 2004 | Jun 2005 | Chg | Jun 2004 | Jun 2005 | Chg | Jun 2004 | Jun 2005 | Chg | Jun 2004 | Jun 2005 | Chg |
| **Public Housing Assisted** | | | | | | | | | | | | | | | |
| **Mixed-Income** | | | | | | | | | | | | | | | |
| Ashley Courts at Cascade | 68 | 76 | 12% | 10 | 30 | 200% | 4 | 7 | 75% | 0 | 0 | 0% | 82 | 113 | 38% |
| Ashley Terrace at West End | 30 | 19 | -37% | 3 | 15 | 400% | 0 | 0 | 0% | 0 | 0 | 0% | 33 | 34 | 3% |
| Centennial Place | 142 | 127 | -11% | 113 | 53 | -53% | 46 | 116 | 152% | 0 | 0 | 0% | 301 | 296 | -2% |
| Columbia Commons* | N/A | 47 | N/A | N/A | 0 | N/A | N/A | 0 | N/A | N/A | 0 | N/A | N/A | 47 | N/A |
| Columbia Village | 20 | 26 | 30% | 10 | 4 | -60% | 0 | 0 | 0% | 0 | 0 | 0% | 30 | 30 | 0% |
| Magnolia Park | 140 | 155 | 11% | 20 | 3 | -85% | 0 | 0 | 0% | 0 | 0 | 0% | 160 | 158 | -1% |
| Summerdale | 63 | 62 | -2% | 11 | 7 | -36% | 0 | 1 | **X** | 0 | 0 | 0% | 74 | 70 | -5% |
| The Village at Castleberry Hill | 175 | 137 | -22% | 0 | 39 | **X** | 5 | 2 | -60% | 0 | 0 | 0% | 180 | 178 | -1% |
| The Villages at Carver | 132 | 192 | 45% | 54 | 48 | -11% | 17 | 8 | -53% | 0 | 0 | 0% | 203 | 248 | 22% |
| The Villages of East Lake | 192 | 268 | 40% | 75 | 1 | -99% | 4 | 0 | -100% | 0 | 0 | 0% | 271 | 269 | -1% |
| West Highlands at Heman E. Perry Boulevard* | N/A | 46 | N/A | N/A | 2 | N/A | N/A | 0 | N/A | N/A | 0 | N/A | N/A | 48 | N/A |
| **Mixed-Income Total** | **962** | **1,155** | **20%** | **296** | **202** | **-32%** | **76** | **134** | **76%** | **0** | **0** | **0%** | **1,334** | **1,491** | **12%** |
| **PHA Total** | **7,668** | **7,204** | **-6%** | **639** | **384** | **-40%** | **113** | **161** | **42%** | **29** | **0** | **-100%** | **8,449** | **7,749** | **-8%** |
| **Housing Choice** | **9,221** | **9,237** | **0%** | **1,720** | **1,933** | **12%** | **95** | **181** | **91%** | **0** | **1** | **0%** | **11,036** | **11,352** | **3%** |
| **AHA Total** | **16,889** | **16,441** | **-3%** | **2,359** | **2,317** | **-2%** | **208** | **342** | **64%** | **29** | **1** | **-97%** | **19,485** | **19,101** | **-2%** |

** Communities were not on-line as of June 30, 2004.*

***X*** *=Percentage change cannot be determined.*

**D-9 Change in Public Housing Assisted Waiting List - BEDROOM SIZE PROFILE**

| PROGRAM/COMMUNITY TYPE | Studio | | | 1BR | | | 2BR | | |
|---|---|---|---|---|---|---|---|---|---|
| | Jun 2004 | Jun 2005 | Chg | Jun 2004 | Jun 2005 | Chg | Jun 2004 | Jun 2005 | Chg |
| **Public Housing Assisted** | | | | | | | | | |
| High-Rise | 881 | 359 | -59% | 1,455 | 1,792 | 23% | 7 | 6 | -14% |
| Family | 107 | 83 | -22% | 3,780 | 3,604 | -5% | 3,165 | 3,259 | 3% |
| Mixed-Income | 0 | 0 | 0% | 2,509 | 2,555 | 2% | 2,880 | 2,944 | 2% |
| **PHA Total** | **988** | **442** | **-55%** | **7,744** | **7,951** | **3%** | **6,052** | **6,209** | **3%** |

| PROGRAM/COMMUNITY TYPE | 3BR | | | 4+BR | | | TOTAL | | |
|---|---|---|---|---|---|---|---|---|---|
| | Jun 2004 | Jun 2005 | Chg | Jun 2004 | Jun 2005 | Chg | Jun 2004 | Jun 2005 | Chg |
| **Public Housing Assisted** | | | | | | | | | |
| High-Rise | 2 | 0 | -100% | 0 | 0 | 0% | 2,345 | 2,157 | -8% |
| Family | 1,523 | 1,544 | 1% | 333 | 488 | 47% | 8,908 | 8,978 | 1% |
| Mixed-Income | 1,501 | 1,476 | -2% | 228 | 265 | 16% | 7,118 | 7,240 | 2% |
| **PHA Total** | **3,026** | **3,020** | **0%** | **561** | **753** | **34%** | **18,371** | **18,375** | **0%** |

**D-10 Change in Public Housing Assisted and Housing Choice Waiting List - RACIAL PROFILE**

| PROGRAM/COMMUNITY TYPE | Caucasian | | | African-American | | | American-Indian | | |
|---|---|---|---|---|---|---|---|---|---|
| | Jun 2004 | Jun 2005 | Chg | Jun 2004 | Jun 2005 | Chg | Jun 2004 | Jun 2005 | Chg |
| **Public Housing Assisted** | | | | | | | | | |
| High-Rise | 240 | 234 | -3% | 2,092 | 1,898 | -9% | 3 | 3 | 0% |
| Family | 44 | 45 | 2% | 8,859 | 8,893 | 0% | 4 | 14 | 250% |
| Mixed-Income | 23 | 39 | 70% | 7,055 | 6,935 | -2% | 30 | 39 | 30% |
| **PHA Sub-Total** | **307** | **318** | **4%** | **18,006** | **17,726** | **-2%** | **37** | **56** | **51%** |
| Columbia Commons* | N/A | - | N/A | N/A | - | N/A | N/A | - | N/A |
| West Highlands at Heman E. Perry Boulevard* | N/A | - | N/A | N/A | - | N/A | N/A | - | N/A |
| **PHA Total** | **307** | **318** | 4% | **18,006** | **17,726** | -2% | **37** | **56** | 51% |
| **Housing Choice** | 1,006 | 1,005 | 0% | 20,135 | 20,109 | 0% | 194 | 194 | 0% |
| **AHA Total** | **1,313** | **1,323** | 1% | **38,141** | **37,835** | -1% | **231** | **250** | 8% |

** Communities were not on-line as of June 30, 2004. These communities did not capture racial profile information on waiting list applicants. Waiting list data for West Highlands was unavailable at time of MTW reporting.*

| PROGRAM/COMMUNITY TYPE | Asian | | | TOTAL | | |
|---|---|---|---|---|---|---|
| | Jun 2004 | Jun 2005 | Chg | Jun 2004 | Jun 2005 | Chg |
| **Public Housing Assisted** | | | | | | |
| High-Rise | 10 | 21 | 110% | 2,345 | 2,156 | -8% |
| Family | 1 | 26 | 2500% | 8,908 | 8,978 | 1% |
| Mixed-Income | 10 | 10 | 0% | 7,118 | 7,023 | -1% |
| **PHA Sub-Total** | **21** | **57** | **171%** | **18,371** | **18,157** | **-1%** |
| Columbia Commons* | N/A | - | N/A | N/A | 217 | N/A |
| West Highlands at Heman E. Perry Boulevard* | N/A | - | N/A | N/A | - | N/A |
| **PHA Total** | **21** | **57** | 171% | **18,371** | **18,374** | 0% |
| **Housing Choice** | 58 | 58 | 0% | 21,393 | 21,366 | 0% |
| **AHA Total** | **79** | **115** | 46% | **39,764** | **39,740** | 0% |

** Communities were not on-line as of June 30, 2004. These communities did not capture racial profile information on waiting list applicants during FY 2005. Waiting list data for West Highlands at Heman E. Perry Boulevard was unavailable at time of MTW reporting.*

**D-11 Change in Public Housing Assisted and Housing Choice Waiting List - INCOME PROFILE**

| PROGRAM/COMMUNITY TYPE | < 30% of AMI | | | 30-50% of AMI | | | 51-80% of AMI | | | > 80% of AMI | | | Totals | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Jun 2004 | Jun 2005 | Chg | Jun 2004 | Jun 2005 | Chg | Jun 2004 | Jun 2005 | Chg | Jun 2004 | Jun 2005 | Chg | Jun 2004 | Jun 2005 | Chg |
| **Public Housing Assisted** | | | | | | | | | | | | | | | |
| High-Rise | 2,270 | 2,060 | -9% | 61 | 82 | 34% | 11 | 11 | 0% | 3 | 3 | 0% | 2,345 | 2,156 | -8% |
| Family | 8,386 | 8,576 | 2% | 481 | 374 | -22% | 36 | 23 | -36% | 5 | 5 | 0% | 8,908 | 8,978 | 1% |
| Mixed-Income | 5,058 | 3,825 | -24% | 1,823 | 896 | -51% | 235 | 59 | -75% | 2 | 1 | -50% | 7,118 | 4,781 | -33% |
| **PHA Sub-Total** | **15,714** | **14,461** | **-8%** | **2,365** | **1,352** | **-43%** | **282** | **93** | **-67%** | **10** | **9** | **-10%** | **18,371** | **15,915** | **-13%** |
| The Villages of East Lake* | N/A | - | N/A | N/A | - | N/A | N/A | - | N/A | N/A | - | N/A | N/A | 2,459 | N/A |
| West Highlands at Heman E. Perry Boulevard** | N/A | - | N/A | N/A | - | N/A | N/A | - | N/A | N/A | - | N/A | N/A | - | N/A |
| **PHA Total** | **15,714** | **14,461** | **-8%** | **2,365** | **1,352** | **-43%** | **282** | **93** | **-67%** | **10** | **9** | **-10%** | **18,371** | **18,374** | **0%** |
| **Housing Choice** | **19,737** | **19,750** | **0%** | **1,480** | **1,472** | **-1%** | **176** | **110** | **-38%** | **0** | **34** | **N/A** | **21,393** | **21,366** | **0%** |
| **AHA Total** | **35,451** | **34,211** | **-3%** | **3,845** | **2,824** | **-27%** | **458** | **203** | **-56%** | **10** | **43** | **330%** | **39,764** | **39,740** | **0%** |

**Fiscal Year 2004 Wating list data for The Villages of East Lake is incorporated in the mixed-income numbers above.*
*The community did not capture income profile information on waiting list applicants during FY 2005.*

***This community was not on-line as of June 30, 2004. This community did not capture racial profile information on waiting list applicants during FY 2005.*

D-12 Public Housing Assisted Waiting List - RACE PROFILE (PHA by Development)

| PROGRAM/COMMUNITY TYPE | Caucasian | | | African-American | | | American-Indian | | | Asian | | | Total | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Jun 2004 | Jun 2005 | Chg | Jun 2004 | Jun 2005 | Chg | Jun 2004 | Jun 2005 | Chg | Jun 2004 | Jun 2005 | Chg | Jun 2004 | Jun 2005 | Chg |
| **High-Rise** | | | | | | | | | | | | | | | |
| Antoine Graves | 1 | 4 | 300% | 132 | 80 | -39% | 0 | 0 | 0% | 0 | 0 | 0% | 133 | 84 | -37% |
| Barge Road | 2 | 2 | 0% | 116 | 33 | -72% | 1 | 0 | -100% | 1 | 0 | -100% | 120 | 35 | -71% |
| Cheshire Bridge | 28 | 32 | 14% | 86 | 63 | -27% | 0 | 0 | 0% | 6 | 8 | 33% | 120 | 103 | -14% |
| Crosby Spear Towers | 9 | 23 | 156% | 131 | 215 | 64% | 0 | 0 | 0% | 0 | 0 | 0% | 140 | 238 | 70% |
| East Lake Towers | 1 | 2 | 100% | 144 | 165 | 15% | 0 | 0 | 0% | 0 | 0 | 0% | 145 | 167 | 15% |
| Georgia Avenue | 2 | 2 | 0% | 93 | 86 | -8% | 0 | 0 | 0% | 0 | 0 | 0% | 95 | 88 | -7% |
| Graves Annex | 3 | 6 | 100% | 161 | 87 | -46% | 0 | 0 | 0% | 0 | 0 | 0% | 164 | 93 | -43% |
| Hightower Manor | 0 | 1 | **X** | 138 | 108 | -22% | 0 | 1 | **X** | 0 | 1 | **X** | 138 | 111 | -20% |
| John O. Chiles | 3 | 4 | 33% | 235 | 230 | -2% | 0 | 2 | **X** | 0 | 0 | 0% | 238 | 236 | -1% |
| Juniper & 10th | 56 | 23 | -59% | 243 | 118 | -51% | 1 | 0 | -100% | 2 | 0 | -100% | 302 | 141 | -53% |
| M.L. King Tower | 0 | 1 | N/A | 64 | 141 | 120% | 0 | 0 | 0% | 0 | 0 | 0% | 64 | 142 | 122% |
| Marian Road | 44 | 51 | 16% | 98 | 94 | -4% | 1 | 0 | -100% | 1 | 10 | 900% | 144 | 155 | 8% |
| Marietta Road | 3 | 2 | -33% | 18 | 14 | -22% | 0 | 0 | 0% | 0 | 0 | 0% | 21 | 16 | -24% |
| Palmer House | 6 | 3 | -50% | 142 | 75 | -47% | 0 | 0 | 0% | 0 | 0 | 0% | 148 | 78 | -47% |
| Peachtree Road | 63 | 40 | -37% | 178 | 126 | -29% | 0 | 0 | 0% | 0 | 0 | 0% | 241 | 166 | -31% |
| Piedmont Road | 18 | 25 | 39% | 24 | 34 | 42% | 0 | 0 | 0% | 0 | 0 | 0% | 42 | 59 | 40% |
| Roosevelt House | 1 | 13 | 1200% | 89 | 229 | 157% | 0 | 0 | 0% | 0 | 2 | **X** | 90 | 244 | 171% |
| **High-Rise Total** | **240** | **234** | **-3%** | **2,092** | **1,898** | **-9%** | **3** | **3** | **0%** | **10** | **21** | **110%** | **2,345** | **2,156** | **-8%** |

***X*** *=Percentage change cannot be determined.*

**D-12 Public Housing Assisted Waiting List - RACE PROFILE (PHA by Development) continued**

| PROGRAM/COMMUNITY TYPE | Caucasian | | | African-American | | | American-Indian | | | Asian | | | Total | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Jun 2004 | Jun 2005 | Chg | Jun 2004 | Jun 2005 | Chg | Jun 2004 | Jun 2005 | Chg | Jun 2004 | Jun 2005 | Chg | Jun 2004 | Jun 2005 | Chg |
| **Family** | | | | | | | | | | | | | | | |
| Bankhead Courts | 0 | 6 | **X** | 501 | 867 | 73% | 0 | 2 | **X** | 0 | 18 | 0% | 501 | 893 | 78% |
| Bowen Apartments | 1 | 2 | 100% | 1,055 | 1,512 | 43% | 1 | 3 | 200% | 0 | 0 | 0% | 1,057 | 1,517 | 44% |
| Englewood Manor | 2 | 3 | 50% | 439 | 579 | 32% | 0 | 6 | 0% | 0 | 1 | **X** | 441 | 589 | 34% |
| Grady Homes* | 5 | N/A | N/A | 1,559 | N/A | N/A | 0 | N/A | N/A | 1 | N/A | N/A | 1,565 | N/A | N/A |
| Herndon Homes | 4 | 1 | -75% | 730 | 425 | -42% | 1 | 0 | -100% | 0 | 1 | **X** | 735 | 427 | -42% |
| Hollywood Courts | 0 | 1 | **X** | 205 | 343 | 67% | 0 | 0 | 0% | 0 | 0 | 0% | 205 | 344 | 68% |
| John Hope Model Building | 0 | 0 | 0% | 0 | 0 | 0% | 0 | 0 | 0% | 0 | 0 | 0% | 0 | 0 | 0% |
| Jonesboro North | 0 | 0 | 0% | 183 | 410 | 124% | 1 | 1 | 0% | 0 | 0 | 0% | 184 | 411 | 123% |
| Jonesboro South | 0 | 0 | 0% | 267 | 336 | 26% | 0 | 1 | **X** | 0 | 0 | 0% | 267 | 337 | 26% |
| Leila Valley | 0 | 0 | 0% | 395 | 571 | 45% | 0 | 0 | 0% | 0 | 1 | **X** | 395 | 572 | 45% |
| Martin Street Plaza | 1 | 1 | 0% | 481 | 482 | 0% | 0 | 0 | 0% | 0 | 0 | 0% | 482 | 483 | 0% |
| McDaniel Glenn | 4 | 4 | 0% | 859 | 1,146 | 33% | 0 | 0 | 0% | 0 | 0 | 0% | 863 | 1,150 | 33% |
| Thomasville Heights | 5 | 6 | 20% | 882 | 784 | -11% | 0 | 0 | 0% | 0 | 1 | **X** | 887 | 791 | -11% |
| University Apartments | 7 | 7 | 0% | 892 | 1,003 | 12% | 0 | 0 | 0% | 0 | 2 | **X** | 899 | 1,012 | 13% |
| U-Rescue Villa | 7 | 8 | 14% | 249 | 277 | 11% | 0 | 1 | **X** | 0 | 1 | **X** | 256 | 287 | 12% |
| Westminster | 8 | 6 | -25% | 162 | 158 | -2% | 1 | 0 | -100% | 0 | 1 | **X** | 171 | 165 | -4% |
| **Family Total** | **44** | **45** | **2%** | **8,859** | **8,893** | **0%** | **4** | **14** | **250%** | **1** | **26** | **2500%** | **8,908** | **8,978** | **1%** |

** Community was not occupied as of June 30, 2005.*

***X** =Percentage change cannot be determined.*

**D-12 Public Housing Assisted Waiting List - RACIAL PROFILE (PHA by Development)**

| PROGRAM/COMMUNITY TYPE | Caucasian | | | African-American | | | American-Indian | | | Asian | | | Total | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Jun 2004 | Jun 2005 | Chg | Jun 2004 | Jun 2005 | Chg | Jun 2004 | Jun 2005 | Chg | Jun 2004 | Jun 2005 | Chg | Jun 2004 | Jun 2005 | Chg |
| **Public Housing Assisted** | | | | | | | | | | | | | | | |
| **Mixed-Income** | | | | | | | | | | | | | | | |
| Ashley Courts at Cascade | 3 | 2 | -33% | 490 | 655 | 34% | 0 | 0 | 0% | 5 | 0 | -100% | 498 | 657 | 32% |
| Ashley Terrace at West End | 2 | 0 | -100% | 139 | 26 | -81% | 1 | 0 | -100% | 0 | 0 | 0% | 142 | 26 | -82% |
| Centennial Place | 0 | 13 | X | 747 | 861 | 15% | 0 | 3 | X | 0 | 1 | X | 747 | 878 | 18% |
| Columbia Commons* | N/A | - | N/A | N/A | - | N/A | N/A | - | N/A | N/A | - | N/A | N/A | 217 | N/A |
| Columbia Village | 2 | 0 | -100% | 140 | 112 | -20% | 0 | 0 | 0% | 0 | 0 | 0% | 142 | 112 | -21% |
| Magnolia Park | 8 | 11 | 38% | 1,774 | 1,753 | -1% | 26 | 29 | 12% | 1 | 2 | 100% | 1,809 | 1,795 | -1% |
| Summerdale | 1 | 2 | 100% | 202 | 251 | 24% | 0 | 0 | 0% | 0 | 0 | 0% | 203 | 253 | 25% |
| The Village at Castleberry Hill | 2 | 0 | -100% | 536 | 595 | 11% | 0 | 0 | 0% | 2 | 0 | -100% | 540 | 595 | 10% |
| The Villages at Carver | 2 | 0 | -100% | 145 | 248 | 71% | 0 | 0 | 0% | 0 | 0 | 0% | 147 | 248 | 69% |
| The Villages of East Lake | 3 | 11 | 267% | 2,882 | 2,434 | -16% | 3 | 7 | 133% | 2 | 7 | 250% | 2,890 | 2,459 | -15% |
| West Highlands at Heman E. Perry Boulevard* | N/A | - | N/A | N/A | - | N/A | N/A | - | N/A | N/A | - | N/A | N/A | - | N/A |
| **Mixed-Income Total** | **23** | **39** | **70%** | **7,055** | **6,935** | **-2%** | **30** | **39** | **30%** | **10** | **10** | **0%** | **7,118** | **7,240** | **2%** |
| **PHA Totals** | **307** | **318** | **4%** | **18,006** | **17,726** | **-2%** | **37** | **56** | **51%** | **21** | **57** | **171%** | **18,371** | **18,374** | **0%** |
| **Housing Choice** | **1,006** | **1,005** | **0%** | **20,135** | **20,109** | **0%** | **194** | **194** | **0%** | **58** | **58** | **0%** | **21,393** | **21,366** | **0%** |
| **AHA Total** | **1,313** | **1,323** | **1%** | **38,141** | **37,835** | **-1%** | **231** | **250** | **8%** | **79** | **115** | **46%** | **39,764** | **39,740** | **0%** |

** Communities were not on-line as of June 30, 2004. These communities did not capture racial profile information on waiting list applicants during FY 2005.*

## DECONCENTRATION AND OCCUPANCY POLICIES

Atlanta Housing Authority is pledged to outcomes that lead to the deconcentration of poverty and the creation of mixed-income communities. AHA will consider all appropriate means to provide for the deconcentration of poverty and income mixing. These means include, but are not limited to, repositioning AHA's portfolio, the implementation of preferences, standards and criteria that reflect the importance of employment and self-sufficiency for public housing assisted residents and housing choice participants, site-based waiting lists and incentives for eligible families. Copies of AHA's Statement of Corporate Policies Governing the Leasing and Residency of Assisted Apartments and Administrative Plan are included in AHA's FY 2006 Implementation Plan and are incorporated herein by this reference.

Under AHA's MTW Agreement, AHA has the authority to pursue locally driven policies, procedures and programs with the aim of developing better, more efficient ways to provide housing assistance to low and very-low income families. Because of the existing poverty levels at all of the AHA-owned public housing assisted projects, AHA's approach to deconcentration is to implement preferences and eligibility criteria which recognize the value of employment and which promote self-sufficiency for all eligible adult household members. AHA believes this approach to poverty deconcentration is strategic and will result in increased household incomes thereby addressing the high poverty levels at all of the AHA-owned communities.

AHA has adopted a preference for full-time working families for both the Public Housing and Housing Choice programs. "Full-time working families" is defined as households in which the head-of-household and all members of the household are either: (1) 18 to 61 years old and legally employed on a full-time basis at least 30 hours per week and have been so employed for at least six consecutive months; (2) 18 to 61 and attending an AHA recognized school or institution as a full-time student; (3) 18 to 61 years of age and engaged in a combination, totaling 30 hours per week, of legal employment, education (attending an AHA recognized school or institution) and/or participation in an AHA-approved training program; (4) elderly; or (5) disabled. First preference is given to "Full-time working families" with incomes greater than 30% of AMI.

To further the deconcentration of poverty, AHA has adopted a work requirement that requires all adult household members ages 18 to 61, excluding the disabled, to obtain and maintain full-time employment as a condition of receiving and maintaining their housing subsidy assistance. AHA will also accept some combination of work, school or program participation as a substitute for full-time employment. As of June 2005, 5,977 (45%) target families were in compliance with this requirement. The work requirement became effective implemented October 1, 2004.

As part of its deconcentration strategy, AHA will also continue to reposition its public housing portfolio by transforming the distressed and obsolete AHA-owned public housing communities into market-rate, mixed-income communities with seamless affordable components. These communities will include households of all income ranges.

**F-1 Number of AHA-Assisted Units as of 6/30/05**

| PROGRAM / COMMUNITY TYPE | Bedroom Size: Studio | | | 1BR | | | 2BR | | | 3BR | | | 4+BR | | | TOTAL | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Jun 2004 | Jun 2005 | Chg | Jun 2004 | Jun 2005 | Chg | Jun 2004 | Jun 2005 | Chg | Jun 2004 | Jun 2005 | Chg | Jun 2004 | Jun 2005 | Chg | Jun 2004 | Jun 2005 | Chg |
| **Public Housing Assisted** | | | | | | | | | | | | | | | | | | |
| High-Rise | 764 | 764 | 0% | 2,302 | 2,302 | 0% | 15 | 15 | 0% | 1 | 1 | 0% | 0 | 0 | - | 3,082 | 3,082 | 0% |
| Family | 54 | 54 | 0% | 750 | 750 | 0% | 1,530 | 1,530 | 0% | 1,213 | 1,213 | 0% | 629 | 629 | 0% | 4,176 | 4,176 | 0% |
| Mixed-Income | 0 | 0 | - | 238 | 247 | 4% | 805 | 812 | 1% | 398 | 407 | 2% | 45 | 49 | 9% | 1,486 | 1,515 | 2% |
| **PHA Total** | **818** | **818** | 0% | **3,290** | **3,299** | 0% | **2,350** | **2,357** | 0% | **1,612** | **1,621** | 1% | **674** | **678** | 1% | **8,744** | **8,773** | 0% |
| **Housing Choice** | **4** | **41** | 925% | **934** | **1,046** | 12% | **4,151** | **4,228** | 2% | **4,508** | **4,579** | 2% | **1,439** | **1,458** | 1% | **11,036** | **11,352** | 3% |
| **AHA Total** | **822** | **859** | 5% | **4,224** | **4,345** | 3% | **6,501** | **6,585** | 1% | **6,120** | **6,200** | 1% | **2,113** | **2,136** | 1% | **19,780** | **20,125** | 2% |

F-2 Public Housing Assisted Communities - Occupancy Rate Levels as of 6/30/05

| Program/Community Type | Target | Percentage of Occupancy Level | Difference |
|---|---|---|---|
| **High-Rise** | | | |
| Antoine Graves | 98% | 100.0% | 2.0% |
| Barge Road | 98% | 100.0% | 2.0% |
| Cheshire Bridge | 98% | 100.0% | 2.0% |
| Cosby Spear Towers | 98% | 100.0% | 2.0% |
| East Lake Towers | 98% | 100.0% | 2.0% |
| Georgia Avenue | 98% | 100.0% | 2.0% |
| Graves Annex | 98% | 100.0% | 2.0% |
| Hightower Manor | 98% | 99.2% | 1.2% |
| John O. Chiles | 98% | 98.4% | 0.4% |
| Juniper & 10th | 98% | 100.0% | 2.0% |
| M.L. King Tower | 98% | 100.0% | 2.0% |
| Marian Road | 98% | 100.0% | 2.0% |
| Marietta Road | 98% | 100.0% | 2.0% |
| Palmer House | 98% | 98.4% | 0.4% |
| Peachtree Road | 98% | 100.0% | 2.0% |
| Piedmont Road | 98% | 100.0% | 2.0% |
| Roosevelt House | 98% | 98.4% | 0.4% |
| **High-Rise Totals** | **98%** | **99.7%** | **1.67%** |
| | | | |
| **Family** | | | |
| Bankhead Courts | 98% | 98.2% | 0.2% |
| Bowen Apartments | 98% | 99.4% | 1.4% |
| Englewood Manor | 98% | 96.0% | -2.0% |
| Herndon Homes | 98% | 100.0% | 2.0% |
| Hollywood Courts | 98% | 100.0% | 2.0% |
| John Hope Model Building | 98% | 50.0% | -48.0% |
| Jonesboro North | 98% | 99.0% | 1.0% |
| Jonesboro South | 98% | 98.7% | 0.7% |
| Leila Valley | 98% | 100.0% | 2.0% |
| Martin Street Plaza | 98% | 100.0% | 2.0% |
| McDaniel Glenn | 98% | 99.2% | 1.2% |
| Thomasville Heights | 98% | 97.4% | -0.6% |
| University Apartments | 98% | 99.2% | 1.2% |
| U-Rescue Villa | 98% | 100.0% | 2.0% |
| Westminster | 98% | 100.0% | 2.0% |
| **Family Totals** | **98%** | **95.8%** | **-2.2%** |
| | | | |
| **Mixed-Income** | | | |
| Ashley Courts at Cascade | 98% | 98.0% | 0.0% |
| Ashley Terrace at West End | 98% | 100.0% | 2.0% |
| Centennial Place | 98% | 98.3% | 0.3% |
| Columbia Commons | 98% | 96.0% | -2.1% |
| Columbia Village | 98% | 100.0% | 2.0% |
| Magnolia Park | 98% | 99.0% | 1.0% |
| Summerdale | 98% | 95.0% | -3.2% |
| The Village at Castleberry Hill | 98% | 98.5% | 0.5% |
| The Villages at Carver | 98% | 99.0% | 1.0% |
| The Villages of East Lake | 98% | 99.4% | 1.4% |
| West Highlands at Heman E. Perry Boulevard | 96% | 96.0% | 0.0% |
| **Mixed-Income Totals** | **98%** | **98.6%** | **0.6%** |
| **PHA Total** | **98%** | **97.9% *** | **-0.1%** |

* Rounded to 98% on AHA's MTW benchmark report.

## F-3 Public Housing Assisted Communities - Rent Collection Levels as of 6/30/05

| Program/Community Type | Target | Percentage of Rent Uncollected | Difference |
|---|---|---|---|
| **High-Rise** | | | |
| Antoine Graves | 2% | 0.2% | -1.8% |
| Barge Road | 2% | 0.0% | -0.02 |
| Cheshire Bridge | 2% | 0.0% | -2.0% |
| Cosby Spear Towers | 2% | 1.7% | -0.3% |
| East Lake Towers | 2% | 0.2% | -1.8% |
| Georgia Avenue | 2% | 0.0% | -2.0% |
| Graves Annex | 2% | 0.4% | -1.6% |
| Hightower Manor | 2% | 0.0% | -2.0% |
| John O. Chiles | 2% | 0.2% | -1.8% |
| Juniper & 10th | 2% | 1.1% | -0.9% |
| M.L. King Tower | 2% | 0.1% | -1.9% |
| Marian Road | 2% | 0.0% | -2.0% |
| Marietta Road | 2% | 0.0% | -2.0% |
| Palmer House | 2% | 0.4% | -1.6% |
| Peachtree Road | 2% | 0.1% | -1.9% |
| Piedmont Road | 2% | 0.1% | -1.9% |
| Roosevelt House | 2% | 0.3% | -1.7% |
| **High-Rise Totals** | **2%** | **0.3%** | **-1.7%** |
| | | | |
| **Family** | | | |
| Bankhead Courts | 2% | 1.4% | -0.6% |
| Bowen Apartments | 2% | 1.8% | -0.2% |
| Englewood Manor | 2% | 1.5% | -0.5% |
| Herndon Homes | 2% | 0.8% | -1.2% |
| Hollywood Courts | 2% | 2.7% | 0.7% |
| John Hope Model Building | 2% | 0.0% | -2.0% |
| Jonesboro North | 2% | 2.1% | 0.1% |
| Jonesboro South | 2% | 3.2% | 1.2% |
| Leila Valley | 2% | 1.4% | -0.6% |
| Martin Street Plaza | 2% | 0.1% | -1.9% |
| McDaniel Glenn | 2% | 1.0% | -1.0% |
| Thomasville Heights | 2% | 2.4% | 0.4% |
| University Apartments | 2% | 0.7% | -1.3% |
| U-Rescue Villa | 2% | 3.0% | 1.0% |
| Westminster | 2% | 1.2% | -0.8% |
| **Family Totals** | **2%** | **1.5%** | **-0.5%** |
| | | | |
| **Mixed-Income** | | | |
| Ashley Courts at Cascade | 2% | 0.7% | -1.3% |
| Ashley Terrace at West End | 2% | 0.5% | -1.5% |
| Centennial Place | 2% | 4.1% | 2.1% |
| Columbia Commons | 2% | 2.5% | 0.5% |
| Columbia Village | 2% | 1.3% | -0.7% |
| Magnolia Park | 2% | 3.4% | 1.4% |
| Summerdale | 2% | 1.4% | -0.6% |
| The Village at Castleberry Hill | 2% | 0.0% | -2.0% |
| The Villages at Carver | 2% | 1.3% | -0.7% |
| The Villages of East Lake | 2% | 0.7% | -1.3% |
| West Highlands at Heman E. Perry Boulevard | 2% | 2.5% | 0.5% |
| **Mixed-Income Totals** | **2%** | **1.7%** | **-0.3%** |
| **PHA Total** | **2%** | **1.1%** | **-0.9%** |

**F-4 Public Housing Assisted Communities - Emergency Work Order Responses as of 6/30/05**

| Program/Community Type | Target | Percentage of Emergency Work Orders Completed or Abated Within 24 Hours | Difference |
|---|---|---|---|
| **High-Rise** | | | |
| Antoine Graves | 100% | 100.0% | 0.0% |
| Barge Road | 100% | 100.0% | 0.0% |
| Cheshire Bridge | 100% | 100.0% | 0.0% |
| Cosby Spear Towers | 100% | 100.0% | 0.0% |
| East Lake Towers | 100% | 100.0% | 0.0% |
| Georgia Avenue | 100% | 100.0% | 0.0% |
| Graves Annex | 100% | 100.0% | 0.0% |
| Hightower Manor | 100% | 100.0% | 0.0% |
| John O. Chiles | 100% | 100.0% | 0.0% |
| Juniper & 10th | 100% | 100.0% | 0.0% |
| M.L. King Tower | 100% | 100.0% | 0.0% |
| Marian Road | 100% | 100.0% | 0.0% |
| Marietta Road | 100% | 100.0% | 0.0% |
| Palmer House | 100% | 100.0% | 0.0% |
| Peachtree Road | 100% | 100.0% | 0.0% |
| Piedmont Road | 100% | 100.0% | 0.0% |
| Roosevelt House | 100% | 100.0% | 0.0% |
| **High-Rise Totals** | **100%** | **100.0%** | **0.0%** |
| | | | |
| **Family** | | | |
| Bankhead Courts | 100% | 99.5% | -0.5% |
| Bowen Apartments | 100% | 100.0% | 0.0% |
| Englewood Manor | 100% | 100.0% | 0.0% |
| Herndon Homes | 100% | 100.0% | 0.0% |
| Hollywood Courts | 100% | 100.0% | 0.0% |
| John Hope Model Building | 100% | 100.0% | 0.0% |
| Jonesboro North | 100% | 89.8% | -10.2% |
| Jonesboro South | 100% | 88.6% | -11.4% |
| Leila Valley | 100% | 100.0% | 0.5% |
| Martin Street Plaza | 100% | 100.0% | 0.0% |
| McDaniel Glenn | 100% | 100.0% | 0.0% |
| Thomasville Heights | 100% | 100.0% | 0.0% |
| University Apartments | 100% | 100.0% | 0.0% |
| U-Rescue Villa | 100% | 100.0% | 0.0% |
| Westminster | 100% | 100.0% | 0.0% |
| **Family Totals** | **100%** | **98.5%** | **-1.48%** |
| | | | |
| **Mixed-Income** | | | |
| Ashley Courts at Cascade | 100% | 100.0% | 0.0% |
| Ashley Terrace at West End | 100% | 100.0% | 0.0% |
| Centennial Place | 100% | 100.0% | 0.0% |
| Columbia Commons | 100% | 100.0% | 0.0% |
| Columbia Village | 100% | 100.0% | 0.0% |
| Magnolia Park | 100% | 100.0% | 0.0% |
| Summerdale | 100% | 100.0% | 0.0% |
| The Village at Castleberry Hill | 100% | 99.5% | -0.5% |
| The Villages at Carver | 100% | 100.0% | 0.0% |
| The Villages of East Lake | 100% | 100.0% | 0.0% |
| West Highlands at Heman E. Perry Boulevard | 100% | 100.0% | 0.0% |
| **Mixed-Income Totals** | **100%** | **100.0%** | **0.0%** |
| **PHA Total** | **100%** | **99.5% *** | **-0.5%** |

*Rounded to 100% on AHA's MTW benchmark report.

F-5 Public Housing Assisted Communities - Routine Work Order Responses as of 6/30/05

| Program/Community Type | Target | Average # of Days to Complete Routine Work Orders | Difference |
|---|---|---|---|
| **High-Rise** | | | |
| Antoine Graves | 7 | 1.0 | -6.0 |
| Barge Road | 7 | 1.0 | -6.0 |
| Cheshire Bridge | 7 | 1.0 | -6.0 |
| Cosby Spear Towers | 7 | 0.8 | -6.2 |
| East Lake Towers | 7 | 0.0 | -7.0 |
| Georgia Avenue | 7 | 0.8 | -6.2 |
| Graves Annex | 7 | 1.0 | -6.0 |
| Hightower Manor | 7 | 1.5 | -5.5 |
| John O. Chiles | 7 | 1.0 | -6.0 |
| Juniper & 10th | 7 | 1.3 | -5.7 |
| M.L. King Tower | 7 | 0.0 | -7.0 |
| Marian Road | 7 | 2.7 | -4.3 |
| Marietta Road | 7 | 1.1 | -5.9 |
| Palmer House | 7 | 1.0 | -6.0 |
| Peachtree Road | 7 | 1.0 | -6.0 |
| Piedmont Road | 7 | 0.0 | -7.0 |
| Roosevelt House | 7 | 1.0 | -6.0 |
| **High-Rise Totals** | **7** | **1.0** | **-6.0** |
| | | | |
| **Family** | | | |
| Bankhead Courts | 7 | 2.8 | -4.2 |
| Bowen Apartments | 7 | 2.3 | -4.7 |
| Englewood Manor | 7 | 0.9 | -6.1 |
| Herndon Homes | 7 | 2.1 | -4.9 |
| Hollywood Courts | 7 | 1.4 | -5.6 |
| John Hope Model | 7 | 1.0 | -6.0 |
| Jonesboro North | 7 | 1.3 | -5.7 |
| Jonesboro South | 7 | 1.3 | -5.7 |
| Leila Valley | 7 | 0.1 | -6.9 |
| Martin Street Plaza | 7 | 1.3 | -5.7 |
| McDaniel Glenn | 7 | 2.1 | -4.9 |
| Thomasville Heights | 7 | 2.7 | -4.3 |
| University Apartments | 7 | 1.6 | -5.4 |
| U-Rescue Villa | 7 | 0.7 | -6.3 |
| Westminster | 7 | 1.3 | -5.7 |
| **Family Totals** | **7** | **1.5** | **-5.5** |
| | | | |
| **Mixed-Income** | | | |
| Ashley Courts at Cascade | 7 | 1.0 | -6.0 |
| Ashley Terrace at West End | 7 | 1.0 | -6.0 |
| Centennial Place | 7 | 0.4 | -6.6 |
| Columbia Commons | 7 | 1.3 | -5.7 |
| Columbia Village | 7 | 1.6 | -5.4 |
| Magnolia Park | 7 | 1.8 | -5.2 |
| Summerdale | 7 | 1.1 | -5.9 |
| The Village at Castleberry Hill | 7 | 0.7 | -6.3 |
| The Villages at Carver | 7 | 0.8 | -6.2 |
| The Villages of East Lake | 7 | 1.0 | -6.0 |
| West Highlands at Heman E. Perry Boulevard | 7 | 1.3 | -5.7 |
| **Mixed-Income Totals** | **7** | **1.1** | **-5.9** |
| **PHA Total** | **7** | **1.2** | **-5.8** |

**F-6 Public Housing Assisted Communities - Unit and Common Area Inspection Levels as of 6/30/05**

| Program/Community Type | Target | Percentage of Units and Common Areas Inspected | Difference |
|---|---|---|---|
| **High-Rise** | | | |
| Antoine Graves | 100% | 100.0% | 0.0% |
| Barge Road | 100% | 100.0% | 0.0% |
| Cheshire Bridge | 100% | 100.0% | 0.0% |
| Cosby Spear Towers | 100% | 100.0% | 0.0% |
| East Lake Towers | 100% | 100.0% | 0.0% |
| Georgia Avenue | 100% | 100.0% | 0.0% |
| Graves Annex | 100% | 100.0% | 0.0% |
| Hightower Manor | 100% | 100.0% | 0.0% |
| John O. Chiles | 100% | 100.0% | 0.0% |
| Juniper & 10th | 100% | 100.0% | 0.0% |
| M.L. King Tower | 100% | 100.0% | 0.0% |
| Marian Road | 100% | 100.0% | 0.0% |
| Marietta Road | 100% | 100.0% | 0.0% |
| Palmer House | 100% | 100.0% | 0.0% |
| Peachtree Road | 100% | 100.0% | 0.0% |
| Piedmont Road | 100% | 100.0% | 0.0% |
| Roosevelt House | 100% | 100.0% | 0.0% |
| **High-Rise Totals** | **100%** | **100.0%** | **0.0%** |
| **Family** | | | |
| Bankhead Courts | 100% | 100.0% | 0.0% |
| Bowen Apartments | 100% | 100.0% | 0.0% |
| Englewood Manor | 100% | 100.0% | 0.0% |
| Herndon Homes | 100% | 100.0% | 0.0% |
| Hollywood Courts | 100% | 100.0% | 0.0% |
| John Hope Model Building | 100% | 100.0% | N/A |
| Jonesboro North | 100% | 100.0% | 0.0% |
| Jonesboro South | 100% | 100.0% | 0.0% |
| Leila Valley | 100% | 100.0% | 0.0% |
| Martin Street Plaza | 100% | 100.0% | 0.0% |
| McDaniel Glenn | 100% | 100.0% | 0.0% |
| Thomasville Heights | 100% | 100.0% | 0.0% |
| University Apartments | 100% | 100.0% | 0.0% |
| U-Rescue Villa | 100% | 100.0% | 0.0% |
| Westminster | 100% | 100.0% | 0.0% |
| **Family Totals** | **100%** | **100.0%** | **0.0%** |
| **Mixed-Income** | | | |
| Ashley Courts at Cascade | 100% | 100.0% | 0.0% |
| Ashley Terrace at West End | 100% | 100.0% | 0.0% |
| Centennial Place | 100% | 100.0% | 0.0% |
| Columbia Commons | 100% | 100.0% | 0.0% |
| Columbia Village | 100% | 100.0% | 0.0% |
| Magnolia Park | 100% | 100.0% | 0.0% |
| Summerdale | 100% | 100.0% | 0.0% |
| The Village at Castleberry Hill | 100% | 100.0% | 0.0% |
| The Villages at Carver | 100% | 100.0% | 0.0% |
| The Villages of East Lake | 100% | 100.0% | 0.0% |
| West Highlands at Heman E. Perry Boulevard | 100% | 100.0% | 0.0% |
| **Mixed-Income Totals** | **100%** | **100.0%** | **0.0%** |
| **PHA Total** | **100%** | **100.0%** | **0.0%** |

integrated assessment subsystem (nass)

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REAL ESTATE ASSESSMENT CENTER
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

August 02, 2005

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individual reports

## PHAS Physical Report for Fiscal Year 2004

**PHA Information**

| PHA Code: | GA006 | PHA Name: | Housing Authority of the City of ATLANTA Georgia | Fiscal Year End: | 06/30 |
|---|---|---|---|---|---|

**Number of Projects:** 47 **Systemic Deficiencies**

**No Physical Condition Credits were selected with the Management Assessment**

| Inspection Complete Date | Project ID | Inspection Number | Unit Count | Property (Development) | Overall Score 100 - Point Basis | Inspection Reason |
|---|---|---|---|---|---|---|
| 03/10/2005 | GA06P006011 | 200875 | 209 | ANTOINE GRAVES | 62c* | Rescore |
| 03/10/2005 | GA06P006028 | 200889 | 386 | BANKHEAD COURTS | 66c* | Rescore |
| 10/14/2004 | GA006098 | 200920 | 110 | THE VILLAGE AT CARVER | 93b | Initial |
| 10/13/2004 | GA06P006012 | 200876 | 643 | BOWEN HOMES | 63c* | Initial |
| 10/12/2004 | GA06P006069 | 200907 | 87 | MAGNOLIA PARK I | 91b | Initial |
| 10/12/2004 | GA06P006020 | 200881 | 198 | HOLLYWOOD COURTS | 68c | Initial |
| 10/12/2004 | GA06P006025 | 200886 | 79 | GEORGIA AVE APTS* | 97a | Initial |
| 10/06/2004 | GA06P006029 | 200890 | 123 | LEILA VALLEY | 56c* | Initial |
| 10/06/2004 | GA006086 | 200919 | 73 | MAGNOLIA PARK II | 85c* | Initial |
| 10/06/2004 | GA06P006031 | 200892 | 148 | JONESBORO SOUTH | 41c* | Initial |
| 10/06/2004 | GA06P006056 | 200903 | 60 | MARTIN STREET PLAZA | 82c* | Initial |
| 10/06/2004 | GA06P006077C | 200912 | 83 | CENTENNIAL PLACE IV | 91c* | Initial |
| 10/06/2004 | GA06P006065 | 200906 | 91 | VILLAGES OF EASTLAKE I | 88c | Initial |
| 10/06/2004 | GA06P006078 | 200913 | 180 | VILLAGES OF EASTLAKE II | 91c* | Initial |
| 09/30/2004 | GA06P006016 | 200879 | 583 | MCDANIEL GLENN | 74c | Initial |
| 09/30/2004 | GA06P006043 | 200895 | 148 | JUNIPER TENTH* | 94a | Initial |
| 09/30/2004 | GA06P006017 | 200880 | 343 | THOMASVILLE HEIGHTS | 93b | Initial |
| 09/30/2004 | GA06P006048 | 200899 | 209 | 3601 PIEDMONT | 91b | Initial |

| | | | | | | |
|---|---|---|---|---|---|---|
| | | | | ROAD* | | |
| 09/24/2004 | GA06P006014 | 200878 | 250 | PALMER HOUSE* | 94b | Initial |
| 09/21/2004 | GA06P006004 | 200870 | 392 | GRADY HOMES | 75c* | Initial |
| 09/20/2004 | GA06P006005R2 | 200872 | 278 | HERNDON HOMES | 83c* | Initial |
| 09/17/2004 | GA06P006010 | 200874 | 497 | UNIVERSITY HOMES | 72c | Initial |
| 09/16/2004 | GA06P006023 | 200884 | 324 | ENGLEWOOD MANOR | 65b | Initial |
| 09/14/2004 | GA06P006013 | 200877 | 250 | JOHN O. CHILES*-ELDERLY | 93b | Initial |
| 09/10/2004 | GA06P006052 | 200900 | 240 | MARIAN APTS* | 94b | Initial |
| 09/10/2004 | GA06P006032 | 200893 | 99 | JONESBORO NORTH | 74b | Initial |
| 09/10/2004 | GA06P006045 | 200897 | 197 | PEACHTREE HIGHRISE | 94b | Initial |
| 09/10/2004 | GA06P006077B | 200911 | 74 | CENTENNIAL PLACE III | 95c | Initial |
| 09/10/2004 | GA06P006047 | 200898 | 162 | CHESHIRE BRIDGE HIGH RISE | 99b | Initial |
| 09/10/2004 | GA06P006070 | 200908 | 41 | SUMMERDALE COMMONS PHASE 1 | 85c* | Initial |
| 09/10/2004 | GA06P006079 | 200914 | 33 | SUMMERDALE COMMONS PHASE II | 69c* | Initial |
| 09/06/2004 | GA06P006077 | 200909 | 74 | CENTENNIAL PLACE I | 96c | Initial |
| 09/06/2004 | GA06P006077A | 200910 | 70 | CENTENNIAL PLACE II | 92c* | Initial |
| 08/24/2004 | GA06P006030 | 200891 | 147 | EAST LAKE | 98b | Initial |
| 08/24/2004 | GA006084 | 200918 | 34 | ASHLEY TERRACE | 97b | Initial |
| 08/24/2004 | GA06P006027 | 200888 | 255 | ROOSEVELT HOUSE* | 91b | Initial |
| 08/24/2004 | GA06P006044 | 200896 | 32 | WESTMINISTER APTS | 98a | Initial |
| 08/24/2004 | GA06P006002 | 200155 | 6 | JOHN HOPE-ELDERLY | 86b | Initial |
| 08/24/2004 | GA06P006026 | 200887 | 100 | ANTOINE GRAVES ANNEX | 94b | Initial |
| 08/24/2004 | GA06P006024 | 200885 | 351 | COSBY SPEAR/U-RESCUE VILLA | 85c* | Initial |
| 08/23/2004 | GA06P006054 | 200902 | 129 | BARGE ROAD* | 97c | Initial |
| 08/23/2004 | GA006081 | 200916 | 30 | COLUMBIA VILLAGE | 93c | Initial |
| 08/23/2004 | GA06P006053 | 200901 | 130 | HIGHTOWER MANOR* | 98b | Initial |
| 08/23/2004 | GA006083 | 200917 | 46 | ASHLEY COURTS AT CASCADE | 98a* | Initial |
| 08/23/2004 | GA06P006058 | 200904 | 129 | MARIETTA ROAD | 98a | Initial |

| | | | | | | |
|---|---|---|---|---|---|---|
| | | | | HIGHRISE* | | |
| 08/23/2004 | GA06P006061 | 200905 | 66 | THE VILLAGE AT CASTLEBERRY HILLS PHASE I | 97c* | Initial |
| 08/23/2004 | GA06P006080 | 200915 | 114 | THE VILLAGE AT CASTLEBERRY HILL PHASE II | 99c | Initial |

**Last Updated: 03/10/2005**

* Smoke detector violation.
The letter "a" is given if no health and safety deficiencies were observed other than for smoke detectors. The letter "b" is given if one or more non-life threatening H&S deficiencies, but no life threatening H&S deficiencies were observed other than for smoke detectors.
The letter "c" is given if there were one or more life threatening H&S deficiencies observed.

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Comments or Questions? Contact the REAC Technical Assistance Center.

## The Housing Authority of the City of Atlanta, GA
## Combined Statement of Revenues and Expenses

### Year Ended June 30, 2005

**(Unaudited)**

| | *Restated Budget See Note* | *Actual* | *Variance* | *% Variance* |
|---|---|---|---|---|
| **OPERATING REVENUES** | | | | |
| Rental Revenue | 18,192,023 | 17,785,941 | (406,082) | -2.23% |
| Low Income Operating Subsidy | 31,364,775 | 31,737,535 | 372,760 | 1.19% |
| Housing Choice Operating Subsidy | 118,838,403 | 126,151,767 | 7,313,364 | 6.15% |
| Capital Funds Program | 10,885,505 | 10,845,072 | (40,433) | -0.37% |
| Development and HOPE VI Grants | 8,977,834 | 8,977,834 | 0 | 0.00% |
| Development and Transaction Fees | 3,729,526 | 815,295 | (2,914,231) | -78.14% |
| Other Revenue | 8,324,358 | 9,616,992 | 1,292,634 | 15.53% |
| **TOTAL OPERATING REVENUES** | 200,312,424 | 205,930,436 | 5,618,011 | 2.80% |
| **OPERATING EXPENSES** | | | | |
| Administrative | 35,624,875 | 27,671,635 | 7,953,240 | 22.32% |
| Housing Assistance Payments | 105,599,839 | 104,832,769 | 767,070 | 0.73% |
| Resident Services | 5,495,992 | 5,349,087 | 146,905 | 2.67% |
| Utilities | 16,453,542 | 16,156,422 | 297,121 | 1.81% |
| Ordinary Maintenance and Operations | 13,571,673 | 13,708,617 | (136,944) | -1.01% |
| Protective Services | 6,002,956 | 6,019,026 | (16,070) | -0.27% |
| General Expenses | 11,511,690 | 13,679,246 | (2,167,555) | -18.83% |
| Depreciation and Amortization Expense | 10,725,673 | 10,767,907 | (42,234) | -0.39% |
| **TOTAL OPERATING EXPENSES** | 204,986,242 | 198,184,709 | 6,801,532 | 3.32% |
| **NET OPERATING GAIN/(LOSS)** | (4,673,818) | 7,745,726 | 12,419,544 | -265.73% |
| **NON-OPERATING REVENUES** | | | | |
| Capital Funding - Capital Funds Program | 10,597,934 | 10,597,934 | 0 | 0.00% |
| Capital Funding - Development and HOPE VI | 18,374,523 | 18,374,523 | 0 | 0.00% |
| Interest Income | 1,199,508 | 2,004,501 | 804,993 | 67.11% |
| **TOTAL NON-OPERATING REVENUES** | 30,171,965 | 30,976,958 | 804,993 | 2.67% |
| **NON-OPERATING EXPENSES** | | | | |
| Gain/Loss on Disposal of Fixed Asset | 0 | 4,859,791 | (4,859,791) | N/A |
| Extraordinary Maintenance and Demolition | 2,334,959 | 1,478,105 | 856,854 | 36.70% |
| Interest Expense | 765,063 | 741,761 | 23,302 | 3.05% |
| **TOTAL NON-OPERATING EXPENSES** | 3,100,022 | 7,079,656 | (3,979,634) | -128.37% |
| **NET NON-OPERATING GAIN/(LOSS)** | 27,071,943 | 23,897,301 | (3,174,641) | -11.73% |
| **CHANGE IN NET ASSETS** | 22,398,125 | 31,643,028 | 9,244,902 | 41.28% |

**Notes**

(1) The format of this Statement of Revenues and Expenses is in conformance with Generally Accepted Accounting Principals (GAAP) and varies from that found in the FY2005 MTW Plan. The total revenue budget of $249,622,205 has been revised down to account the amounts for Capital Fund and HOPE VI grants that were not drawn down in FY2005. These funds remain available at HUD and will be drawn as work is completed in future periods.

# FY 2005 Capital Project Expenditures

| Site Name | Project Description | 7/1/04 Budget | 6/30/05 Budget | Expended through 6/30/05 | Balance for Future Period | Status |
|---|---|---|---|---|---|---|
| Antoine Graves | Backflow Preventers | $22,872.93 | $22,647.07 | $22,647.07 | $0.00 | Complete |
| Antoine Graves | Domestic Water System Replacement | $68,923.38 | $62,044.53 | $62,044.53 | $0.00 | Complete |
| Antoine Graves | Laundry Room Upgrades | $0.00 | $34,555.40 | $33,612.98 | $942.42 | Closeout Pending |
| Antoine Graves | Trash Compactor Replacement | $12,864.50 | $12,864.50 | $12,864.50 | $0.00 | Complete |
| **Antoine Graves Total** | | $104,660.81 | $132,111.50 | $131,169.08 | $942.42 | |
| Antoine Graves Annex | Backflow Preventers | $22,872.93 | $22,647.07 | $22,647.07 | $0.00 | Complete |
| Antoine Graves Annex | Demo Emergency Pull Cord | $13,750.00 | $0.00 | $0.00 | $0.00 | Cancelled |
| **Antoine Graves Annex Total** | | $36,622.93 | $22,647.07 | $22,647.07 | $0.00 | |
| Bankhead Courts | Backflow Preventers | $104,500.00 | $69,128.85 | $69,128.85 | $0.00 | Complete |
| Bankhead Courts | Electrical Upgrades | $207,900.00 | $206,544.00 | $96,456.80 | $110,087.20 | Active |
| Bankhead Courts | Furnace/Water Heater Replacement | $1,074,095.00 | $716,415.00 | $716,415.00 | $0.00 | Complete |
| Bankhead Courts | Gas Meter Replace/Repair | $38,583.60 | $37,189.00 | $37,189.00 | $0.00 | Complete |
| Bankhead Courts | Stove Replacement* | $0.00 | $33,334.00 | $33,334.00 | $0.00 | Complete |
| Bankhead Courts | Video Call-Down System | $220,000.00 | $330,000.00 | $0.00 | $330,000.00 | FY 06 |
| **Bankhead Courts Total** | | $1,645,078.60 | $1,392,610.85 | $952,523.65 | $440,087.20 | |
| Barge Road | Backflow Preventers | $27,500.00 | $4,950.00 | $4,950.00 | $0.00 | Complete |
| Barge Road | Elevator Upgrades | $6,600.00 | $0.00 | $0.00 | $0.00 | Cancelled |
| Barge Road | Paint Hallways* | $0.00 | $22,000.00 | $19,600.00 | $2,400.00 | Active |
| **Barge Road Total** | | $34,100.00 | $26,950.00 | $24,550.00 | $2,400.00 | |
| Bowen Homes | Backflow Preventers | $407,000.00 | $178,926.00 | $178,926.00 | $0.00 | Complete |
| Bowen Homes | Camera Call Down System | $440,923.34 | $495,897.02 | $455,098.59 | $40,798.43 | Closeout Pending |
| Bowen Homes | Furnace/Water Heater Replacement | $1,278,283.60 | 664,243.03 | 664,243.03 | $0.00 | Complete |
| Bowen Homes | Gas Meter Replace/Repair* | $0.00 | $49,005.00 | 49,005.00 | $0.00 | Complete |
| **Bowen Homes Total** | | $2,126,206.94 | $1,388,071.05 | 1,347,272.62 | $40,798.43 | |
| Cheshire Bridge | Backflow Preventers | $30,277.24 | $29,815.56 | $29,815.56 | $0.00 | Complete |
| Cheshire Bridge | Site Improvements (Ext. Lighting) | $6,600.00 | $0.00 | $0.00 | $0.00 | Cancelled |
| Cheshire Bridge | Trash Compactor Replacement | $12,864.50 | $12,864.50 | $12,864.50 | $0.00 | Complete |
| **Cheshire Bridge Total** | | $49,741.74 | $42,680.06 | $42,680.06 | $0.00 | |
| Cosby Spear Towers | Backflow Preventers | $37,422.00 | $22,475.00 | $22,475.00 | $0.00 | Complete |
| Cosby Spear Towers | Balcony/Parapet (Construction) | $520,344.00 | $544,239.31 | $544,239.31 | $0.00 | Complete |
| Cosby Spear Towers | Balcony/Parapet (Design) | $10,670.00 | $10,727.36 | $10,727.36 | $0.00 | Complete |
| Cosby Spear Towers | Boiler Design* | $0.00 | $7,441.20 | 7,441.20 | $0.00 | Complete |
| Cosby Spear Towers | Camera Call Down System* | $0.00 | $21,550.00 | $21,550.00 | $0.00 | Complete |
| Cosby Spear Towers | Mechanical Upgrades (Boiler/Storage) | $132,000.00 | $83,108.43 | 83,108.43 | $0.00 | Complete |
| **Cosby Spear Towers Total** | | $700,436.00 | $689,541.30 | 689,541.30 | $0.00 | |
| East Lake Towers | Backflow Preventers | $23,966.25 | $28,622.47 | $28,622.47 | $0.00 | Complete |
| East Lake Towers | Camera Call Down System* | $0.00 | $7,400.00 | $7,400.00 | $0.00 | Complete |
| East Lake Towers | Fire Alarm Upgrades | $110,000.00 | $132,906.84 | $119,474.40 | $13,432.44 | Active |
| **East Lake Towers Total** | | $133,966.25 | $168,929.31 | $155,496.87 | $13,432.44 | |
| Englewood Manor | Backflow Preventers | $22,872.93 | $22,647.27 | $22,647.27 | $0.00 | Complete |
| Englewood Manor | Cabinet Installation | $42,625.00 | $5,038.00 | $5,038.00 | $0.00 | Complete |
| Englewood Manor | Camera Call Down System | $344,146.00 | $271,825.40 | $232,020.80 | $39,804.60 | Closeout Pending |
| Englewood Manor | Emergency HVAC Project | $190,669.88 | $4,213.66 | $4,213.66 | $0.00 | Complete |
| Englewood Manor | Erosion Control Design | $110,000.00 | $66,019.80 | $0.00 | $66,019.80 | Active |
| Englewood Manor | Fire Restoration - Unit Rehab* | $0.00 | $85,897.75 | $85,897.75 | $0.00 | Complete |
| Englewood Manor | Gas Fired Appliance | $481,506.23 | $481,506.23 | $481,506.23 | $0.00 | Complete |
| Englewood Manor | Modernization Units | $215,452.60 | $266,665.83 | $266,665.83 | $0.00 | Complete |
| Englewood Manor | Tree Pruning | $0.00 | $32,120.00 | $32,120.00 | $0.00 | Complete |
| **Englewood Manor Total** | | $1,407,272.64 | $1,235,933.94 | $1,130,109.54 | $105,824.40 | |
| Georgia Avenue | Backflow Preventers | $38,192.00 | $26,350.00 | $26,350.00 | $0.00 | Complete |
| Georgia Avenue | Camera Call Down System* | $0.00 | $7,400.00 | $7,400.00 | $0.00 | Complete |
| Georgia Avenue | Exterior Sealing* | $0.00 | $42,246.98 | $42,246.98 | $0.00 | Complete |
| Georgia Avenue | Fire Alarm Upgrades | $110,000.00 | $109,005.27 | $21,427.63 | $87,577.64 | Active |
| **Georgia Avenue Total** | | $148,192.00 | $185,002.25 | $97,424.61 | $87,577.64 | |

# FY 2005 Capital Project Expenditures

| Site Name | Project Description | 7/1/04 Budget | 6/30/05 Budget | Expended through 6/30/05 | Balance for Future Period | Status |
|---|---|---|---|---|---|---|
| Herndon Homes | Backflow Preventers | $71,500.00 | $60,060.00 | $60,060.00 | $0.00 | Complete |
| Herndon Homes | Demolition (Building 11) | $55,000.00 | $76,599.60 | $0.00 | $76,599.60 | Active |
| Herndon Homes | Gas Appliance Replacement | $183,978.00 | $78,455.40 | $78,455.40 | $0.00 | Complete |
| Herndon Homes | Gas Meter Replace/Repair | $17,908.00 | $19,265.00 | $19,265.00 | $0.00 | Complete |
| Herndon Homes | Stove Replacement* | $0.00 | $22,599.00 | $22,599.00 | $0.00 | Complete |
| Herndon Homes | Window Replacement* | $0.00 | $33,704.00 | $33,704.00 | $0.00 | Complete |
| **Herndon Homes Total** | | $328,386.00 | $290,683.00 | $214,083.40 | $76,599.60 | |
| Hightower Manor | Backflow Preventers | $11,000.00 | $34,819.40 | $34,819.40 | $0.00 | Complete |
| Hightower Manor | Vent Opening Repair* | $0.00 | $31,130.00 | $31,130.00 | $0.00 | Complete |
| **Hightower Manor Total** | | $11,000.00 | $65,949.40 | $65,949.40 | $0.00 | |
| Hollywood Courts | Backflow Preventers | $16,500.00 | $34,513.60 | $34,513.60 | $0.00 | Complete |
| Hollywood Courts | Ceilings* | $0.00 | $208,110.10 | $208,110.10 | $0.00 | Complete |
| Hollywood Courts | Fire Restoration - Unit Rehab* | $0.00 | $48,081.00 | $48,081.00 | $0.00 | Complete |
| Hollywood Courts | Gas Appliance Replacement | $270,325.00 | $182,487.50 | $182,487.50 | $0.00 | Complete |
| Hollywood Courts | Gas Meter Replace/Repair | $24,908.40 | $32,646.00 | $32,646.00 | $0.00 | Complete |
| Hollywood Courts | Parking Lot* | $0.00 | $11,055.00 | $11,055.00 | $0.00 | Complete |
| Hollywood Courts | Stove Replacement* | $0.00 | $63,957.00 | $63,957.00 | $0.00 | Complete |
| Hollywood Courts | Water Heater Install | $0.00 | $41,087.20 | $23,405.57 | $17,681.63 | Active |
| **Hollywood Courts Total** | | $311,733.40 | $621,937.40 | $604,255.77 | $17,681.63 | |
| John O. Chiles | Backflow Preventers | $20,900.00 | $31,801.65 | $31,801.65 | $0.00 | Complete |
| John O. Chiles | Boiler Design | $20,790.00 | $6,063.16 | $6,063.16 | $0.00 | Complete |
| John O. Chiles | Fire Alarm Repairs | $16,500.00 | $0.00 | $0.00 | $0.00 | Cancelled |
| **John O. Chiles Total** | | $58,190.00 | $37,864.81 | $37,864.81 | $0.00 | |
| Jonesboro North | Backflow Preventers | $22,214.50 | $23,550.00 | $23,550.00 | $0.00 | Complete |
| Jonesboro North | Camera Call Down System | $115,732.71 | $120,752.28 | $109,879.58 | $10,872.70 | Closeout Pending |
| Jonesboro North | Fire Restoration - Unit Rehab | $122,445.40 | $46,015.61 | $46,015.61 | $0.00 | Complete |
| Jonesboro North | Furnace/Water Heater Replacement | $88,726.00 | $30,072.58 | $30,072.58 | $0.00 | Complete |
| Jonesboro North | Gas Meter Replace/Repair | $22,000.00 | $6,754.00 | $6,754.00 | $0.00 | Complete |
| **Jonesboro North Total** | | $371,118.61 | $227,144.47 | $216,271.77 | $10,872.70 | |
| Jonesboro South | Backflow Preventers | $22,214.50 | $23,550.00 | $23,550.00 | $0.00 | Complete |
| Jonesboro South | Building Abatement & Demolition* | $0.00 | $75,835.06 | $75,835.06 | $0.00 | Complete |
| Jonesboro South | Camera Call Down System | $158,275.02 | $148,085.10 | $133,360.08 | $14,725.02 | Closeout Pending |
| Jonesboro South | Furnace/Water Heater Replacement | $146,757.60 | $12,292.73 | $12,292.73 | $0.00 | Complete |
| Jonesboro South | Gas Meter Replace/Repair | $22,000.00 | $18,951.00 | $18,951.00 | $0.00 | Complete |
| Jonesboro South | Hazardous Materials Survey* | $0.00 | $1,612.88 | $1,612.88 | $0.00 | Complete |
| **Jonesboro South Total** | | $349,247.12 | $280,326.77 | $265,601.75 | $14,725.02 | |
| Juniper & 10th | Backflow Preventers | $18,700.00 | $31,296.76 | $31,296.76 | $0.00 | Complete |
| Juniper & 10th | Common Area Renovations* | $0.00 | $74,525.00 | $38,812.70 | $35,712.30 | Active |
| Juniper & 10th | Elevator Upgrades | $8,250.00 | $0.00 | $0.00 | $0.00 | Cancelled |
| Juniper & 10th | Emergency Generator | $47,300.00 | $46,694.00 | $46,694.00 | $0.00 | Complete |
| Juniper & 10th | Epoxy Floor Installation* | $0.00 | $40,599.42 | $40,599.42 | $0.00 | Complete |
| Juniper & 10th | Parking Lot* | $0.00 | $23,650.00 | $23,650.00 | $0.00 | Complete |
| Juniper & 10th | Window Replacement | $275,000.00 | $161,061.56 | $0.00 | $161,061.56 | Active |
| **Juniper & 10th Total** | | $349,250.00 | $377,826.74 | $181,052.88 | $196,773.86 | |
| Leila Valley | Backflow Preventers | $17,575.25 | $13,100.00 | $13,100.00 | $0.00 | Complete |
| Leila Valley | Camera Call Down System* | $0.00 | $159,736.13 | $159,736.13 | $0.00 | Closeout Pending |
| Leila Valley | Fire Restoration - Unit Rehab* | $0.00 | $45,207.42 | $27,566.46 | $17,640.96 | Active |
| Leila Valley | Fire Restoration - Unit Rehab* | $0.00 | $211,557.98 | $211,557.98 | $0.00 | Complete |
| Leila Valley | Furnace/Water Heater Replacement | $269,599.95 | $80,471.52 | $80,471.52 | $0.00 | Complete |
| Leila Valley | Gas Meter Replace/Repair* | $0.00 | $15,919.00 | $15,919.00 | $0.00 | Complete |
| Leila Valley | Structural Design* | $0.00 | $10,917.50 | $5,921.60 | $4,995.90 | Closeout Pending |
| Leila Valley | Structural Repairs* | $0.00 | $62,940.37 | $61,980.61 | $959.76 | Closeout Pending |
| **Leila Valley Total** | | $287,175.20 | $599,849.91 | $576,253.30 | $23,596.61 | |

# FY 2005 Capital Project Expenditures

| Site Name | Project Description | 7/1/04 Budget | 6/30/05 Budget | Expended through 6/30/05 | Balance for Future Period | Status |
|---|---|---|---|---|---|---|
| Marian Road | Backflow Preventers | $24,200.00 | $14,960.00 | 14,960.00 | $0.00 | Complete |
| Marian Road | Carpet Replacement* | $0.00 | $9,947.30 | $9,947.30 | $0.00 | Complete |
| Marian Road | Elevator Upgrades | $245,264.87 | $296,954.90 | $0.00 | $296,954.90 | Active |
| Marian Road | Fire Alarm Panel* | $0.00 | $137,115.00 | $137,115.00 | $0.00 | Complete |
| Marian Road | Paint Hallways* | $0.00 | $32,500.00 | $15,992.80 | $16,507.20 | Active |
| Marian Road | Stair Installation* | $0.00 | $35,750.00 | $35,750.00 | $0.00 | Complete |
| **Marian Road Total** | | $269,464.87 | $527,227.20 | $213,765.10 | $313,462.10 | |
| Marietta Road | Backflow Preventers | $16,500.00 | $11,660.00 | $11,660.00 | $0.00 | Complete |
| Marietta Road | Parking Lot | 0.00 | 49,200.00 | 49,200.00 | $0.00 | Complete |
| **Marietta Road Total** | | 16,500.00 | 60,860.00 | 60,860.00 | $0.00 | |
| M. L. King Tower | Backflow Preventers | $49,656.75 | $12,824.00 | $12,824.00 | $0.00 | Complete |
| M. L. King Tower | Boiler Design | $29,579.00 | $7,518.49 | $7,518.49 | $0.00 | Complete |
| M. L. King Tower | Camera Call Down System* | $0.00 | $7,400.00 | $7,400.00 | $0.00 | Complete |
| M. L. King Tower | Mechanical Upgrades (Boiler/Storage) | $176,000.00 | $141,996.80 | $141,996.80 | $0.00 | Complete |
| **M. L. King Tower Total** | | $255,235.75 | $169,739.29 | $169,739.29 | $0.00 | |
| Martin Street Plaza | Backflow Preventers | $31,435.25 | $23,550.00 | $23,550.00 | $0.00 | Complete |
| Martin Street Plaza | Exterior Repairs | $275,000.00 | $116,002.95 | $116,002.95 | $0.00 | Complete |
| **Martin Street Plaza Total** | | $306,435.25 | $139,552.95 | $139,552.95 | $0.00 | |
| McDaniel Glenn | Furnace/Water Heater Replacement | $109,634.80 | $44,298.00 | $44,298.00 | $0.00 | Complete |
| **McDaniel Glenn Total** | | $109,634.80 | $44,298.00 | $44,298.00 | $0.00 | |
| McDaniel Glenn Annex | Backflow Preventers | $42,080.50 | $4,194.82 | $4,194.82 | $0.00 | Complete |
| **McDaniel Glenn Annex Total** | | $42,080.50 | $4,194.82 | $4,194.82 | $0.00 | |
| Palmer House | Backflow Preventers | $22,872.93 | $22,647.27 | $22,647.27 | $0.00 | Complete |
| Palmer House | Common Area Design | $32,175.00 | $32,175.00 | $19,707.39 | $12,467.61 | Active |
| Palmer House | In-Line Water Meters | $3,300.00 | $0.00 | $0.00 | $0.00 | Cancelled |
| Palmer House | Laundry Room Upgrades* | $0.00 | $33,246.40 | $32,317.98 | $928.42 | Closeout Pending |
| Palmer House | Lobby Upgrades | $22,000.00 | $160,934.40 | $141,914.88 | $19,019.52 | Active |
| **Palmer House Total** | | $80,347.93 | $249,003.07 | $216,587.52 | $32,415.55 | |
| Peachtree Road | Backflow Preventers | $31,102.24 | $31,243.50 | $31,243.50 | $0.00 | Complete |
| Peachtree Road | Common Area Renovations | $70,568.30 | $70,825.24 | $70,825.24 | $0.00 | Complete |
| Peachtree Road | Domestic Water System Replacement | $20,152.42 | $2,373.15 | $2,373.15 | $0.00 | Complete |
| Peachtree Road | Fire Alarm Design | $557.50 | $557.50 | $557.50 | $0.00 | Complete |
| Peachtree Road | Quality of Life Dwelling Modifications | $317,477.60 | $284,947.38 | $284,947.38 | $0.00 | Complete |
| Peachtree Road | Site Improvements (Ext. Lighting) | $6,600.00 | $0.00 | $0.00 | $0.00 | Cancelled |
| Peachtree Road | Trash Compactor Replacement | $12,864.50 | $12,864.50 | $12,864.50 | $0.00 | Complete |
| **Peachtree Road Total** | | $459,322.55 | $402,811.27 | $402,811.27 | $0.00 | |
| Piedmont Road | Backflow Preventers | $28,646.28 | $11,049.00 | $11,049.00 | $0.00 | Complete |
| Piedmont Road | Boiler Design* | $0.00 | $9,146.47 | $9,146.47 | $0.00 | Complete |
| Piedmont Road | Camera Call Down System* | $0.00 | $7,400.00 | $7,400.00 | $0.00 | Complete |
| Piedmont Road | Fire Alarm Upgrades | $165,000.00 | $57,605.87 | $57,605.87 | $0.00 | Complete |
| Piedmont Road | Mechanical Upgrades (Boiler/Storage)* | $0.00 | $15,948.90 | $15,948.90 | $0.00 | Complete |
| **Piedmont Road Total** | | $193,646.28 | $101,150.24 | $101,150.24 | $0.00 | |
| Roosevelt House | Backflow Preventers | $28,159.74 | $26,150.49 | $26,150.49 | $0.00 | Complete |
| Roosevelt House | Common Area Design | $32,175.00 | $37,290.00 | $24,187.38 | $13,102.62 | Active |
| Roosevelt House | Corridor Improvements | $247,615.50 | $243,473.40 | $243,473.40 | $0.00 | Complete |
| Roosevelt House | Demo Nurse Call System | $13,750.00 | $0.00 | $0.00 | $0.00 | Cancelled |
| Roosevelt House | Lobby Upgrades | $220,000.00 | $219,989.00 | $214,172.27 | $5,816.73 | Active |
| Roosevelt House | Trash Compactor Replacement | $12,864.50 | $12,864.50 | $12,864.50 | $0.00 | Complete |
| **Roosevelt House Total** | | $554,564.74 | $539,767.39 | $520,848.04 | $18,919.35 | |

# FY 2005 Capital Project Expenditures

| Site Name | Project Description | 7/1/04 Budget | 6/30/05 Budget | Expended through 6/30/05 | Balance for Future Period | Status |
|---|---|---|---|---|---|---|
| Thomasville Heights | Backflow Preventers | $315,237.98 | $222,487.90 | $222,487.90 | $0.00 | Complete |
| Thomasville Heights | Camera Call Down System | $211,600.40 | $372,792.00 | $322,998.40 | $49,793.60 | Closeout Pending |
| Thomasville Heights | Demo Playground Equipment | $6,600.00 | $0.00 | $0.00 | $0.00 | Cancelled |
| Thomasville Heights | Emergency HVAC Project | $204,361.00 | $4,564.80 | $4,564.80 | $0.00 | Complete |
| Thomasville Heights | Fire Restoration - Unit Rehab* | $0.00 | $32,286.72 | $32,286.72 | $0.00 | Complete |
| Thomasville Heights | Gas Fired Appliance | $289,083.37 | $298,583.37 | $298,583.37 | $0.00 | Complete |
| Thomasville Heights | Site Improvements | $57,225.66 | $0.00 | $0.00 | $0.00 | Cancelled |
| **Thomasville Heights Total** | | $1,084,108.41 | $930,714.79 | $880,921.19 | $49,793.60 | |
| University Homes | Backflow Preventers | $257,697.51 | $275,646.86 | $275,646.86 | $0.00 | Complete |
| University Homes | Camera Call Down System | $211,600.40 | $334,655.60 | $290,076.20 | $44,579.40 | Closeout Pending |
| University Homes | Demo Playground Equipment | $6,160.00 | $0.00 | $0.00 | $0.00 | Cancelled |
| University Homes | Erosion Control (Downspout Mod.) | $52,800.00 | $49,896.00 | $49,896.00 | $0.00 | Complete |
| University Homes | Fire Restoration - Unit Rehab* | $0.00 | $23,183.60 | $23,183.60 | $0.00 | Complete |
| University Homes | Tie Downspouts in Storm Drains | $125,400.00 | $0.00 | $0.00 | $0.00 | Cancelled |
| University Homes | Waterproof Crawl Spaces | $23,100.00 | $0.00 | $0.00 | $0.00 | Cancelled |
| **University Homes Total** | | $676,757.91 | $683,382.06 | $638,802.66 | $44,579.40 | |
| U-Rescue Villa | Fire Restoration - Unit Rehab* | $0.00 | $207,684.64 | $8,664.13 | $199,020.51 | Active |
| U-Rescue Villa | Furnace/Water Heater Replacement | $29,004.80 | $28,636.18 | $28,636.18 | $0.00 | Complete |
| U-Rescue Villa | Gas Meter Replace/Repair* | $0.00 | $3,631.00 | $3,631.00 | $0.00 | Complete |
| **U-Rescue Villa Total** | | $29,004.80 | $239,951.82 | $40,931.31 | $199,020.51 | |
| Westminster | Backflow Preventers | $11,314.60 | $38,647.40 | $38,647.40 | $0.00 | Complete |
| Westminster | Parking Lot Paving* | $0.00 | $25,575.00 | $25,575.00 | $0.00 | Complete |
| **Westminster Total** | | $11,314.60 | $64,222.40 | $64,222.40 | $0.00 | |
| Authority Wide | Lead Management | $110,000.00 | $102,189.90 | $102,189.90 | $0.00 | Complete |
| **Authority Wide** | | $110,000.00 | $102,189.90 | $102,189.90 | $0.00 | |
| **Grand Total** | | **$12,650,796.60** | **$12,045,125.03** | **$10,355,622.57** | **$1,689,502.46** | |

*These projects were not originally included in AHA's Capital Projects Plan for FY 2005, but were subsequently added based on AHA's priorities: (1) the health and safety of our residents, (2) security and (3) sustaining property viability.

# Financial Statements and Report of Independent Certified Public Accountants

## The Housing Authority of the City of Atlanta, Georgia

June 30, 2004 and 2003

# FINANCIAL STATEMENTS AND REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

# THE HOUSING AUTHORITY OF THE CITY OF ATLANTA, GEORGIA

**June 30, 2004 and 2003**

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C O N T E N T S – Continued

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Independent Auditors' Report

Board of Commissioners
The Housing Authority of the City of
Atlanta, Georgia

We have audited the accompanying financial statements of the business type activities, each major fund, and the aggregate remaining fund information of **The Housing Authority of the City of Atlanta, Georgia** as of and for the years ended June 30, 2004 and 2003, which collectively comprise the basic financial statements of **The Housing Authority of the City of Atlanta, Georgia** as listed in the table of contents. These basic financial statements are the responsibility of **The Housing Authority of the City of Atlanta, Georgia** management. Our responsibility is to express opinions on these financial statements based on our audits.

We conducted our audits 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 basic financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the business type activities, each major fund, and the aggregate remaining fund information of **The Housing Authority of the City of Atlanta, Georgia** as of June 30, 2004 and 2003, and the changes in financial position and cash flows for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated February 25, 2005, on our consideration of **The Housing Authority of the City of Atlanta, Georgia's** internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants, agreements and other matters. 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 results of our audit.

The management's discussion and analysis and information on pages 6 through 19, are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audits were performed for the purpose of forming opinions on the financial statements that collectively comprise **The Housing Authority of the City of Atlanta, Georgia's** basic financial statements. The supplementary information, on pages 60 through 70, listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements of **The Housing Authority of the City of Atlanta, Georgia**. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, "*Audits of States, Local Governments and Non-Profit Organizations*" and is not a required part of the basic financial statements. Also, the Financial Data Schedules and Cost Certification Schedules listed in the Table of Contents are presented for purposes of additional analysis and are also not a required part of the basic financial statements of **The Housing Authority of the City of Atlanta, Georgia**. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects, in relation to the basic financial statements taken as a whole.

Atlanta, Georgia
February 25, 2005

## MANAGEMENT'S DISCUSSION AND ANALYSIS

The following discussion is intended to provide a narrative overview and analysis of the financial activities of The Housing Authority of the City of Atlanta, Georgia ("AHA" or the "Authority") for the fiscal year ended June 30, 2004. The information presented in this discussion should be read in conjunction with the financial statements and the notes thereto and additional information furnished in the letter of transmittal.

### OVERVIEW OF FINANCIAL STATEMENTS

Governmental accounting falls under the auspices of the Government Accounting Standards Board ("GASB"). AHA implemented a new reporting model mandated by GASB in fiscal year 2002. The purpose of the new reporting model is to present financial statements that provide readers with a clear picture of the financial position of an entity, in a manner similar to a private-sector business.

AHA's basic financial statements are comprised of two components: (1) the financial statements and (2) the notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements. AHA's financial statements are prepared on an accrual basis in accordance with generally accepted accounting principles promulgated by the GASB. AHA is a special-purpose government entity engaged only in business-type activities; therefore, AHA is structured as a single enterprise fund. AHA's revenues are recognized when earned, and expenses are recognized when incurred. Capital assets are capitalized and, except land, are depreciated over their useful lives. See the notes to the financial statements for a summary of AHA's significant accounting policies. AHA's financial statements now encompass and include the following:

- The Combined Statements of Net Assets provide the reader with detail about the assets of AHA as well as its outstanding liabilities. The difference between assets and liabilities is reported as Net Assets. The Net Assets presentation shows additional breakdowns, which may help the reader's understanding of which of AHA's resources is restricted or unrestricted. The Combined Statements of Net Assets appear on page 20.

- The Combined Statements of Revenues and Expenses, found on page 21, present the revenues and expenses of the current and previous fiscal years which resulted from operations. The net of revenues less expenses when combined with other non-operating revenue such as interest income, interest expense, capital grants and contributions results in the net income (excess revenues over expenses) AHA generated for the fiscal year. The net income increased the Net Assets presented on the Combined Statements of Net Assets.

- The Combined Statements of Cash Flows, found on pages 23 and 24, show those items that resulted in increases or decreases to AHA's cash balance for the fiscal year. A reconciliation of the change in cash position to the operating income of AHA's Combined

Statements of Revenues and Expenses is included as a part of the Statements of Cash Flows.

- The Notes to the Financial Statements provide background information that is essential to a full understanding of the data provided in the financial statements. These notes give the reader additional information on items that may not be seen on the actual statements such as details on capital assets, disclosure of contingent liabilities, retirement plan and benefit information, details on leases, disclosure of conduit debt instruments and information regarding transactions with related mixed-income, mixed-finance developments. The Notes to the Financial Statements begin on page 25 and are an integral part of the financial statements.

- Supplementary Information presents additional information that may be of interest to the reader. This section includes the Financial Data Schedules as required by the U.S. Department of Housing and Urban Development (HUD), the Reconciliation of Advances, Costs and Budget for HUD Funded Programs, and Statements of Certification on Grant Programs which were closed. Supplementary Information begins on page 60.

## FINANCIAL HIGHLIGHTS

- The assets of AHA exceeded its liabilities at the close of the 2004 fiscal year by $306.6 million (Net Assets) as compared to $298.3 million in the 2003 fiscal year. Of this 2004 amount, $42.6 million (unrestricted net assets) may be used in support of AHA's general operations of various HUD programs and other corporate charter purposes to further affordable housing.

- Operating Revenue increased by 13% from $173.4 million in fiscal year 2003 to $195.9 million in fiscal year 2004. Operating Expenses increased by 9.1% from $181.9 million in fiscal year 2003 to $198.5 million in fiscal year 2004.

- Operating Expenses in Excess of Operating Revenues (Net Operating Deficit), decreased from $8.5 million in fiscal year 2003 to $2.6 million in fiscal year 2004.

## FINANCIAL POSITION SUMMARY

Total net assets serve as a useful indicator of the Authority's financial position. As shown in the following table, AHA's total net assets at June 30, 3004 increased by 2.8% or about $8.2 million compared to the 2003 fiscal year. Please see Combined Statements of Changes in Net Assets, page 20.

## CONDENSED STATEMENTS OF NET ASSETS

| | 2004 | 2003 | Total Percent Change |
|---|---|---|---|
| **ASSETS:** | | | |
| Current and Other Assets | $ 162,137,839 | $ 152,455,265 | 6.4% |
| Capital Assets | 188,410,049 | 196,666,662 | -4.2% |
| **Total Assets** | $ 350,547,888 | $ 349,121,927 | 0.4% |
| **LIABILITIES:** | | | |
| Current and Other Liabilities | $ 27,297,677 | $ 33,465,952 | -18.4% |
| Long-term Debt Outstanding | 16,681,345 | 17,335,501 | -3.8% |
| **Total Liabilities** | $ 43,979,022 | $ 50,801,453 | -13.4% |
| **NET ASSETS:** | | | |
| Invested in Capital Assets, Net of Debt | $ 171,095,996 | $ 178,545,501 | -4.2% |
| Restricted for | | | |
| Related Development Projects | 82,751,674 | 78,881,653 | 4.9% |
| Related Partnership Operating Reserves | 6,813,185 | 6,444,272 | 5.7% |
| Other | 3,287,316 | 3,340,121 | -1.6% |
| Unrestricted | 42,620,695 | 31,108,927 | 37.0% |
| **Total Net Assets** | $ 306,568,866 | $ 298,320,474 | 2.8% |
| **Total Liabilities and Net Assets** | $ 350,547,888 | $ 349,121,927 | 0.4% |

## TOTAL NET ASSETS

The largest portion of the Authority's net assets in fiscal year 2004 represented its investment in capital assets (e.g., land, buildings, improvements and equipment), less the related debt outstanding used to acquire those capital assets. AHA uses these assets primarily to provide affordable housing to qualified income eligible families and persons. Although AHA's investment in its capital assets is reported net of related debt, it is noted that the assets reflected generally represent land and buildings that carry a restricted use and cannot be used to liquidate liabilities. An additional $82.7 million (27.0%) of net assets represents loans made to related development partnerships made in support of AHA's ongoing development and revitalization program. An additional $6.8 million (2.2%) of net assets represents reserves which are restricted, pursuant to Authority Reserve Agreements entered into by AHA and its development partners, in order to provide a source of operating subsidy for the public housing assisted units in mixed-income, mixed finance communities under certain specified events. The Other Net Assets of $3.3 million (1.1%) represents an investment pledged by AHA to the lender in conjunction with the purchase by an AHA affiliate of Gates Park Crossing Apartments. The remaining unrestricted assets of $42.6 million (13.9%) may be used in support of AHA's general operations of various HUD programs and other corporate charter purposes to further affordable housing.

AHA's Net Asset composition will continue to change under its strategy to reposition distressed public housing communities. In an effort to substantially improve the quality of life for the families served by AHA, to improve the quality of its properties and improve the communities, AHA made the strategic determination, in the winter of 1994, to begin repositioning its distressed public housing through a comprehensive revitalization program which involves demolition and disposition and the creation of mixed-income, mixed finance communities through public/private partnerships.

The mixed-income communities are not owned, controlled or operated by AHA or any of its affiliates. These communities are owned by public/private partnerships formed between an AHA affiliate and AHA's procured private sector development partners, with the private developer as the managing general partner. The limited partnership interests are acquired and owned by entities that purchase the low-income housing tax credits. In most cases, greater than 97% of those interests are held by those investors. AHA continues to own the land, on which the mixed-income, multi-family rental apartments are constructed. AHA leases the land to the public/private partnership (Owner Entity) pursuant to a long-term ground lease, typically 50 to 60 years. At the end of the ground lease term, the land and improvements revert to AHA. The Owner Entity executes the development activities, including the construction of the improvements.

The development model for mixed-income communities is a market rate community, with a seamless affordable component. Typically, 30% to 40% of the apartments are reserved for families who are public housing eligible. The remaining 70% or 60% are leased to market rate and tax credit eligible families based on the financial and legal structure. The total development budgets for the mixed-income communities are comprised of various combinations of multiple public and private sources of funds. In all cases, AHA's development funds serve as seed capital to leverage private investment. The Owner Entity borrows conventional first mortgage debt from either a bank or other financial institution; or FHA insured 221 (d) (4) arrangement; or private activity bonds with 4% low income housing tax credits. The Owner Entity, subject to limits under the State of Georgia's Qualified Allocation Plan, applies for 9% of low-income housing tax credits. If awarded, the credits are sold to investors to raise equity for the development project. AHA loans its funds to the Owner Entity for its proportionate share of the construction budget. AHA's proportionate share is based on the percentage of the apartments reserved for public housing eligible residents pursuant to regulatory agreements with HUD. AHA's loans are second mortgage loans subordinated to the first mortgage and are payable only out of cash flow generated from the property.

The housing assistance payment using Section 9 operating subsidy from HUD for the public housing assisted units in mixed-income communities is calculated to pay the difference between the operating costs (based on operating budgets prepared by the Owner Entity) and resident rents (based on 30% of adjustable income of the assisted family) so that such apartments operate on a break even basis. Related Partnership Operating Reserves have been established for each mixed-income community to mitigate the financial exposure in the event that AHA does not or cannot meet its housing assistance payment obligation to that property.

AHA has applied for and received housing choice vouchers to the extent replacement housing is not funded on or off site. AHA's housing choice voucher program grew by approximately 200% from fiscal year 1996 to fiscal year 2004.

For its role in supporting the revitalization and development of mixed-income communities, AHA earns development and other fees. This income can be used for low income housing purposes. During the grant agreement period; however, any such income must be used in conjunction with the revitalization activities for a particular site.

The repositioning strategy uses and builds upon the legal, regulatory and financial model developed in March 1996 in connection with the revitalization of Techwood/Clark Howell, using the 1993 HOPE VI grant. The revitalization of Techwood/Clark Howell, East Lake Meadows, John Hope Homes and John Eagan Homes was packaged by AHA as the "Olympic Legacy Program" and formed the foundation of the repositioning initiative outlined in AHA's MTW Plan. This repositioning strategy has had a dramatically favorable impact on the quality of housing subsidized, and has had a major impact on the mix of housing resources offered by AHA (see chart below) and consequently, the composition of AHA's Net Assets. As AHA continues its repositioning strategy, AHA will continue to reposition its existing portfolio of distressed public housing properties and will subsidize more units in healthy mixed-income communities by using development resources such as HOPE VI and other development funds and Project-Based Housing Choice Vouchers. Accordingly, Net Assets Invested in Capital Asset, net of Related Debt associated with AHA owned real estate will likely decline over the foreseeable future. Conversely, loans and reserves relating to AHA sponsored mixed-income, mixed-finance communities will continue to increase.

**Composition of Housing Resources**

| Fiscal Year | Public Housing Owned | Asisted Units in Mixed Income Communities Owned by Public/ Private Entities | Housing Choice Vouchers |
|---|---|---|---|
| 1996 | 14,308 | - | 5,890 |
| 1997 | 12,148 | 74 | 7,101 |
| 1998 | 9,618 | 252 | 8,373 |
| 1999 | 8,181 | 572 | 9,466 |
| 2000 | 9,080 | 779 | 9,566 |
| 2001 | 8,487 | 1,036 | 10,432 |
| 2002 | 8,086 | 1,206 | 10,939 |
| 2003 | 7,765 | 1,247 | 12,007 |
| 2004 | 7,258 | 1,515 | 12,996 |

## FINANCIAL OPERATIONS SUMMARY

- Operating Revenues increased by 13.0% from $173.4 million for fiscal year 2003 to $195.9 million for fiscal year 2004 principally due to an increase in the number of vouchers administered by AHA and increased average Housing Assistance Payment per voucher under AHA's Housing Choice Voucher Program.

- Operating Expenses increased by 9.1% from $181.9 million for fiscal year 2003 to $198.5 million for fiscal year 2004 primarily as a result of an increase in the number of Housing Choice Vouchers utilized and an increase in Housing Assistance Payments associated with the Housing Choice Voucher Program due to higher fair market rents for higher quality units in less impacted neighborhoods. Also, Operating Expenses increased as a result of higher operating cost at AHA-owned properties. Gates Park Crossing ("GPC") was acquired by Renaissance Gates, LLC, whose sole member is Renaissance Affordable Housing ("RAH"), an AHA affiliate, in April 2003 for a purchase price of $9.8 million, with the intent of comprehensively rehabilitating the property and operating it as a mixed-income community with some portion of the community subsized by project based vouchers. GPC is not under any regulatory agreements or financing arrangement involving HUD. Accordingly, none of AHA's HUD funds can be used to meet any of GPC's obligations. AHA had advanced RAH non-HUD funds to assist GPC in meeting its obligations. GPC incurred losses aggregating about $304,000 (before depreciation) for the year ended June 30, 2004. A more detailed discussion of GPC appears on pages 13 and 18.

- The Net Operating Deficit (excess operating expenses over operating revenues) for fiscal year 2004 was $2.6 million, a decrease from the Net Operating Deficit of $8.5 million in fiscal year 2003.

- Other Income (Expense) combined was $10.8 million for fiscal year 2004 versus $20.4 million income for fiscal year 2003. Non-operating Revenue increased from $27.1 million in fiscal year 2003 to $31.1 million in fiscal year 2004 due primarily to the sale of Gilbert Garden Apartments. Non-operating Expenses increased by $13.6 million from $6.7 million in fiscal year 2003 to $20.3 million in fiscal year 2004 due primarily to a valuation allowance on related development project partnerships notes receivable and a charge for the total demolition of Capitol Homes Apartments.

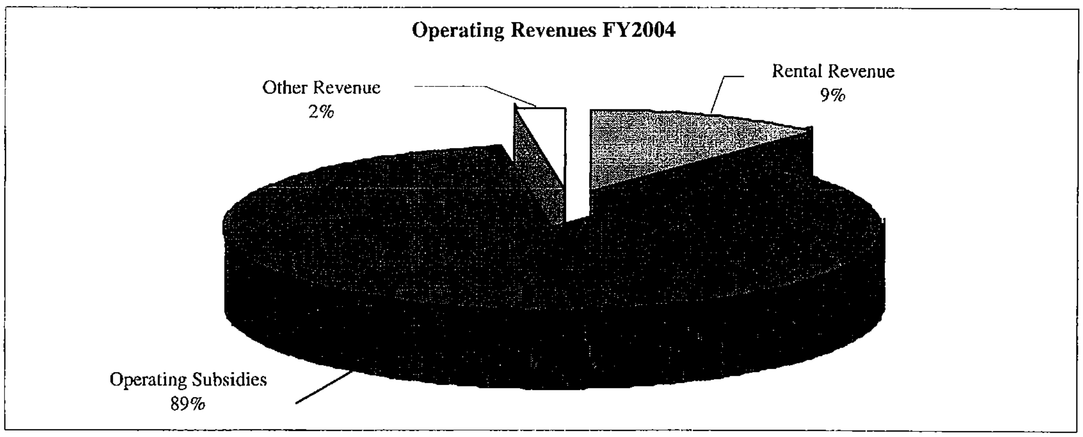
- As a result of the above, the Change in Net Assets for fiscal year 2004 was $8.2 million versus $11.9 million in fiscal year 2003. Please see Combined Statements of Revenues and Expenses, page 21.

## CONDENSED STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS

| | FY2004 | FY2003 | Total Percent Change |
|---|---|---|---|
| **REVENUES** | | | |
| Operating Revenue | $195,926,224 | $173,375,816 | 13.0% |
| Non-operating Revenues | 31,142,948 | 27,171,211 | 14.6% |
| **TOTAL REVENUES** | $227,069,172 | $200,547,027 | 13.2% |
| **EXPENSES** | | | |
| Operating Expenses | $198,504,901 | $181,941,207 | 9.1% |
| Non-operating Expenses | 20,315,879 | 6,741,734 | 201.3% |
| **TOTAL EXPENSES** | $218,820,780 | $188,682,941 | 16.0% |
| **CHANGE IN NET ASSETS** | $8,248,392 | $11,864,086 | -30.5% |
| **BEGINNING NET ASSETS** | 298,320,474 | 286,456,388 | 4.1% |
| **ENDING NET ASSETS** | $306,568,866 | $298,320,474 | 2.8% |

## REVENUES

The following chart shows the major sources and the percentages of Operating Revenues for the year ended June 30, 2004.




Operating Revenues increased by 13.0% from $173.4 million for fiscal year 2003 to $195.9 million for fiscal year 2004 principally due to an increase in the number of vouchers administered by AHA and increased average Housing Assistance Payment per voucher under AHA's Housing Choice Voucher Program. Rental revenue for AHA-owned units increased by $1.2 million primarily attributable to rental revenue from Gates Park Crossing Apartments, a 332 unit development purchased by an AHA affiliate in April 2003. Other Revenue was $4.2 million for fiscal year 2003 as compared to $3.3 million for fiscal year 2004. Fewer development transactions occurred in fiscal year 2004.

Operating Revenue decreased as a result of demolition in conjunction with the revitalization of AHA–owned distressed public housing communities under the Section 9 Low Rent Program. AHA's operating subsidy from the Low Rent Program decreased from $28.8 million for the fiscal year ended June 30, 2003 to $25.7 million for the fiscal year 2004. Operating Revenue also decreases as a result of the loss of rental revenue resulting from demolition. Under the HUD rules and regulations, a local housing agency loses operating subsidy under the Low Rent Program as units approved for demolition are vacated over a three year period in one-third incremental reductions, subject to further offsets for housing choice vouchers received under certain circumstances.

As part of its repositioning program, AHA has applied for and received additional Housing Choice Vouchers from HUD for families affected by the demolition and revitalization activity who need to be relocated or who elect to use the vouchers as their choice for replacement housing. AHA received additional vouchers as a result of certain decisions by private sector property owners to terminate contracts with HUD pursuant to which HUD provided project based voucher assistance directly to the project. These decisions are known as "opt-outs." When owners in AHA's jurisdiction of operation opt-out of a HUD contract for project based assistance, the residents at that property are generally entitled to tenant based vouchers which are administered by AHA. AHA receives additional revenue for these new vouchers. Operating Subsidy from the Housing Choice Program (formerly Section 8) increased from $99 million for the fiscal year ended June 30, 2003 to $121.3 million for the fiscal year ended June 30, 2004.

Gates Park Crossing ("GPC") was acquired by Renaissance Gates, LLC, whose sole member is Renaissance Affordable Housing ("RAH"), an AHA affiliate, in April 2003 for a purchase price of $9.8 million, with the intent of comprehensively rehabilitating the property and operating it as a mixed-income community with a portion of the community subsidized by project based vouchers. RAH borrowed $9.8 million from the bank, with the understanding that permanent financing would be obtained to repay the bank and to pay for the costs of the comprehensive rehabilitation. The loan matures on April 29, 2005. AHA has requested an 18-month extension from the bank, subject to an acceptable plan for repositioning Gates Park Crossing and paying the bank loan. AHA guaranteed the loan and pledged a $3 million financial instrument to further secure the loan.

GPC is not under any regulatory agreements or financing arrangement involving HUD. Accordingly, none of AHA's HUD funds can be used to meet any of GPC's obligations. GPC has incurred losses aggregating about $304,000 (before depreciation) for the year ended June 30, 2004. AHA has advanced RAH non-HUD funds to assist GPC in meeting its obligations and to make necessary capital improvements with the goal of operating the property at break-even or better until the property is sold.

On February 23, 2005, AHA's Board of Commissioners approved a proposal to sell GPC for $10 million to an unaffiliated third party. The sale is contingent on 9% low income housing tax credits being awarded to the purchaser in 2005. If successful, RAH will sell the property in or around June 2006. RAH will use the sale proceeds to repay the bank loan.

For its role in supporting the revitalization and development of mixed-income communities, AHA earns development and other fees. This income can be used for low income housing purposes. During the grant agreement period; however, any such income must be used in conjunction with the revitalization activities for a particular site.

A summary of revenues for the year ended June 30, 2004 and the amount and percentage of change in relation to prior year amounts is set forth below. The table below reflects a net increase in Operating Subsidies from fiscal year 2003 to fiscal year 2004 because the Operating Subsidies line includes subsidies received under both the Low Rent and Housing Choice Voucher Programs. This net increase can be accounted for because the increase in subsidy received under the Housing Choice Program was substantially greater than the decrease in operating subsidy received under the Low Rent Program.

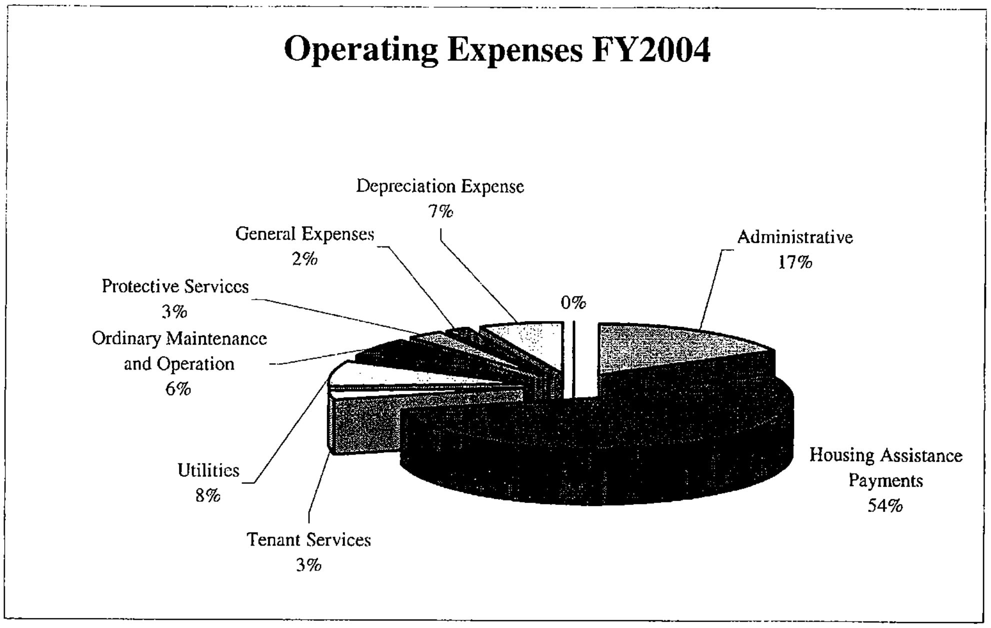
| | **FY2004** | **FY2003** | **Total Percent Change** |
|---|---|---|---|
| **REVENUES** | | | |
| Operating revenue | | | |
| Rental revenue | $ 17,054,377 | $ 15,848,502 | 7.6% |
| Operating subsidies | 175,552,213 | 153,332,589 | 14.5% |
| Other revenue | 3,319,634 | 4,194,725 | -20.9% |
| **Total Operating Revenues** | $ 195,926,224 | $ 173,375,816 | 13.0% |
| Non-operating Revenues | | | |
| Capital grants | $ 25,659,745 | $ 25,501,223 | 0.6% |
| Interest income | 1,528,676 | 1,620,330 | -5.7% |
| Gain from disposition of capital assets | 3,954,527 | 49,658 | 7863.5% |
| **Total Non-Operating Revenues** | 31,142,948 | 27,171,211 | 14.6% |
| **TOTAL REVENUES** | $ 227,069,172 | $ 200,547,027 | 13.2% |

Revenue from capital grants increased slightly from $25.5 million in fiscal year 2003 to $25.7 million in fiscal year 2004 primarily due to increased modernization and development activity. Because AHA uses the full accrual method, revenue from capital grants is recognized when earned (i.e. when expenses are incurred), and not when the grants are awarded to AHA. Accordingly, revenue from capital grants is directly tied to the level of modernization and development activity undertaken by AHA during the relevant period. The increase in the Capital Grants revenue for fiscal year 2004 reflects an overall increase in development and modernization program activity during this period and primarily attributable to revitalization activities at the former Perry Homes and Capitol Homes sites.

During fiscal year 2004, AHA sold Gilbert Gardens Apartments to the City of Atlanta, under the auspices of the Airport Noise Mitigation Program. AHA recognized a gain of $3.9 million on this sale.

## EXPENSES

The following chart shows the major Operating Expense categories and the percentages of Operating Expenses for the year ended June 30, 2004.




Operating Expenses increased by 9.1% from $181.9 million in fiscal year 2003 to $198.5 million in fiscal year 2004. Explanations for fluctuations in each expense category are provided below.

- Administrative Expenses increased 5.3% from $32.8 million in fiscal year 2003 to $34.5 million in fiscal year 2004 due to higher employee benefits costs and higher contract costs.

- Housing Assistance Payments increased 7.6% from $97.6 million in fiscal year 2003 to $105.0 million in fiscal year 2004 primarily due to an increase in the number of vouchers utilized and higher fair market rents for higher quality units in less impacted neighborhoods (lower poverty rates).

- Tenant Services increased 10.0% from $5.5 million for fiscal year 2003 to $6.0 million for fiscal year 2004 due to higher levels of case management services offered to residents of properties undergoing revitalization.

- Utilities expenses increased 19.0% from $13.0 million for fiscal year 2003 to $15.5 million for fiscal year 2004 as a result of higher water and gas rates.

- Ordinary Maintenance and Operation expenses increased 13.2% from $11.3 million for fiscal year 2003 to $12.8 million for fiscal year 2004 due to higher maintenance contracts and vacancy preparation costs at AHA-owned communities.

- Protective Services expenses increased 5.4% from $6.2 million for fiscal year 2003 to $6.6 million for fiscal year 2004. The increase resulted from higher security contract costs at AHA-owned properties.

- General expenses increased 77.9% from $2.7 million for fiscal year 2003 to $4.8 million for fiscal year 2004 due to real estate taxes paid on recently acquired real estate and higher contingent liability costs recorded in fiscal year 2004.

- Depreciation expense increased 4.1% from $12.8 million for fiscal year 2003 to $13.4 million for fiscal year 2004 due to higher capital asset balances associated with capital improvements made to AHA's Low Rent properties and the acquisition of Gates Park Crossing Apartments to the capital asset balances.

Non-Operating Expenses increased from $6.7 million in fiscal year 2003 to $20.3 million in fiscal year 2004. Explanations for fluctuations in each expense category are provided below.

- During fiscal year 2004, AHA recorded a $7 million charge on the demolition of capital assets primarily related to Capitol Homes Apartments.

- Extraordinary Maintenance Demolition and Relocation expense was $6.2 million in fiscal year 2003 as compared to $5.8 million in fiscal year 2004 primarily due to less demolition and relocation activity associated with revitalization efforts in fiscal year 2004.

- Interest expense increased due to the higher levels of debt service associated with the purchase of Gates Park Crossing Apartments.

- AHA recognized a valuation allowance of $6.7 million for fiscal year 2004 on certain notes receivable related to loans made in conjunction with the development of AHA's sponsored mixed-income, mixed-finance developments. Please see Combined Statements of Revenues and Expenses, page 21. More detailed information about the valuation and the charge taken is presented in Notes D and S to the financial statements.

A summary of Expenses for the year ended June 30, 2004 and the amount and percentage of change in relation to prior year amounts is set forth below.

| | FY2004 | FY2003 | Total Percent Change |
|---|---|---|---|
| **EXPENSES** | | | |
| Operating expenses | | | |
| Administrative | $ 34,507,988 | $ 32,762,674 | 5.3% |
| Housing assistance payments | 104,999,798 | 97,623,892 | 7.6% |
| Tenant services | 6,035,585 | 5,489,328 | 10.0% |
| Utilities | 15,529,271 | 13,046,759 | 19.0% |
| Ordinary maintenance and operation | 12,755,308 | 11,263,215 | 13.2% |
| Protective services | 6,567,239 | 6,231,832 | 5.4% |
| General expenses | 4,795,527 | 2,695,283 | 77.9% |
| Depreciation | 13,314,185 | 12,828,224 | 3.8% |
| **Total Operating Expenses** | 198,504,901 | 181,941,207 | 9.1% |
| Non-operating Expenses | | | |
| Loss on demolition of capital assets | 7,049,968 | - | |
| Extraordinary maintenance and demolition | 5,799,792 | 6,231,432 | -6.9% |
| Interest expense | 723,768 | 510,302 | 41.8% |
| Valuation allowance | 6,742,351 | - | |
| **Total Non-Operating Expenses** | 20,315,879 | 6,741,734 | 201.3% |
| **TOTAL EXPENSES** | $218,820,780 | $188,682,941 | 16.0% |

## CAPITAL ASSET AND LONG-TERM DEBT ADMINISTRATION

## CAPITAL ASSETS

AHA's repositioning strategy for the AHA-owned properties in the Low Rent Program has impacted AHA's Capital Assets. AHA removed Capitol Homes Apartments due to demolition and Gilbert Gardens Apartments due to its sale to the City of Atlanta, under the auspices of the Airport Noise Mitigation Program. AHA's net capital assets at June 30, 2004 (net of accumulated depreciation) totaled approximately $188.4 million. This amount represents a net decrease of $8 million from the $196.7 million balance at June 30, 2003.

More detailed information about AHA's capital assets is presented in Note E to the financial statements.

## LONG-TERM DEBT ADMINISTRATION

Long-term debt consists primarily of (i) the Energy Performance Contract (EPC) capital lease (ii) the J.W. Dobbs capital lease, as amended and the J. W. Dobbs note payable (collectively, the "J.W. Dobbs Payables") and (iii) the Gates Park Crossing Apartments loan.

As of June 30, 2004, the EPC capital lease had an ending balance of $2.5 million compared with $2.9 million outstanding at June 30, 2003. During the fiscal year, AHA refinanced the EPC capital lease resulting in a lower interest rate but retaining the original maturity date. The principal source of repayment is from the utility cost savings generated from the energy improvements. The J.W. Dobbs notes had a balance outstanding of $5.0 million at June 30, 2004, compared with $5.4 million as of June 30, 2003. Subsequent to the year ended June 30, 2004, AHA refinanced the J.W. Dobbs notes resulting in a lower interest rate and a new maturity date of September 1, 2014. During fiscal year 2003, an affiliate of AHA purchased Gates Park Crossing Apartments, a 332-unit apartment complex using an acquisition loan from a bank. The outstanding balance of that loan was $9.8 million as of June 30, 2004. Such acquisition loan is interest only with a maturity date of April 29, 2005. AHA has requested an 18-month extension from the bank, subject to an acceptable plan for repositioning Gates Park Crossing and paying the bank loan. AHA guaranteed the loan and pledged a $3 million financial instrument. On February 23, 2005, AHA's Board of Commissioners approved a proposal to sell GPC for $10 million to an unaffiliated third party. The sale is contingent on 9% low income housing tax credits being awarded to the purchaser in 2005. If successful, RAH will sell the property in or around June 2006. RAH will use the sales proceeds to repay the bank loan.

The long-term portion of AHA's total debt was $16.7 million, which reflects a decrease of 3.9% as to the 17.3 million in the prior year.

More detailed information about AHA's long-term debt is presented in Note I to the financial statements.

AHA also has served as the issuer of Taxable Mortgage Revenue Refunding bonds associated with six projects and has served as the issuer of Multifamily Housing Revenue bonds associated with two related mixed-income, mixed finance developments. The bonds do not represent a debt or pledge of AHA. More detailed information about AHA's conduit debt is presented in Note R to the financial statements.

## ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

In January 2001, HUD designated AHA as a Moving To Work ("MTW") agency. This designation allows AHA to participate in the MTW Demonstration Program, a program authorized by Congress to permit public housing authorities to explore more effective and efficient methods of delivering affordable housing and supportive services in their localities. As a designated MTW agency, AHA was able to negotiate a new regulatory framework with HUD. This framework is documented in AHA's MTW Agreement that was executed on September 25, 2003 and is effective as of July 1, 2003 and has a term of seven years.

The purpose of the MTW program as defined in the statement of authorizations is to delegate to AHA the authority to pursue locally driven policies, procedures and programs with the aim of developing better, more efficient ways to provide housing assistance to low and very low income families. The three funding sources included in this agreement are: Public Housing Performance Funding Subsidy ("Low Rent"), Housing Choice Voucher Program ("HCVP") (Section 8) and Capital Program Funding, retroactive for existing grants. Correspondingly, these primary funding sources will be consolidated into one MTW Block Grant for compliance. Funds are made available to achieve and maintain adequate operations, maintenance services, reserve funds, capital improvement funds and asset management fees for public housing assisted units and contract administration fees and rental assistance units leased from private owners under the housing choice voucher program.

HUD has made funding changes to the Housing Choice Program for 2005. The changes include funding based upon a set rate per voucher (budget based approach) rather than a reimbursement of voucher costs at year end (unit based reimbursement approach). HUD intends to apply a pro-ration factor to housing authority Housing Choice budgets based on the level of Congressional Appropriations. This change may impact AHA's funding level for the upcoming year depending on the level of Congressional Appropriations.

HUD has proposed funding changes to the Low Rent Public Housing Program for 2006. Under the proposed rules, HUD will fund on a property-by-property basis and require housing authorities to operate using a property centric approach. The impact of the proposed changes in the funding calculations under the Low Rent Program in 2006 and beyond is not yet known.

Also, of significant note are the local multifamily rental housing market conditions. The multi-family rental housing market continues to experience challenges due, primarily, to a softness in the rental of market rate units in the metropolitan Atlanta area. Because AHA's related development partnership notes receivable are contingent upon the performance of the related development partnerships and the underlying properties, the market conditions will impact the value of those receivables as reflected on AHA's books. The softness in the multi-family housing market; however, has facilitated increased utilization of Housing Choice vouchers and the ability of AHA, through the Housing Choice Program, to provide higher quality units to qualified income eligible families.

## CONTACTING AHA'S FINANCIAL MANAGEMENT

This financial report is designed to provide a general overview of AHA's finances 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 Ave., N.E., Atlanta, Georgia 30303, telephone number 404-892-4700.

# FINANCIAL SECTION

The Housing Authority of the City of Atlanta, Georgia

**COMBINED STATEMENTS OF NET ASSETS**

June 30,

| ASSETS | 2004 | 2003 |
|---|---|---|
| **CURRENT ASSETS** | | |
| Cash and cash equivalents (notes A7 and B) | | |
| Unrestricted | $ 15,724,571 | $ 31,192,244 |
| Restricted | 18,691,400 | 16,483,753 |
| | 34,415,971 | 47,675,997 |
| Receivables, net of allowance (notes A16 and C) | 35,632,659 | 16,022,578 |
| Prepaid expenses (note A11) | 464,657 | 165,679 |
| Total current assets | 70,513,287 | 63,864,254 |
| **NONCURRENT ASSETS** | | |
| Notes receivable (notes A5 and D) | 81,524,051 | 78,986,158 |
| Capital assets, net of accumulated depreciation (notes A5, A17 and E) | 188,410,049 | 196,666,662 |
| Investments - restricted (notes A7, A9 and B) | 10,100,501 | 9,604,853 |
| | 280,034,601 | 285,257,673 |
| | $ 350,547,888 | $ 349,121,927 |

| LIABILITIES AND NET ASSETS | 2004 | 2003 |
|---|---|---|
| **CURRENT LIABILITIES** | | |
| Accounts payable (note F) | $ 7,979,039 | $ 18,340,134 |
| Accrued liabilities (notes A18 and G) | 3,563,098 | 1,930,873 |
| Deferred revenue and other credits (note H) | 11,164,675 | 9,346,400 |
| Current portion of long-term debt (note I) | 635,572 | 785,660 |
| Total current liabilities | 23,342,384 | 30,403,067 |
| **LONG TERM DEBT**, net of current portion (note I) | 16,681,345 | 17,335,501 |
| **OTHER NONCURRENT LIABILITIES** (note J) | 3,955,293 | 3,062,885 |
| Total liabilities | 43,979,022 | 50,801,453 |
| **CONTINGENCIES** (notes A19 and A20) | | |
| **NET ASSETS** | | |
| Invested in capital assets, net of related debt | 171,093,132 | 178,545,501 |
| Restricted for: | | |
| Related development project partnerships | 82,751,674 | 78,881,653 |
| Related partnership operating reserves | 6,813,185 | 6,444,272 |
| Other | 3,287,316 | 3,340,121 |
| Unrestricted | 42,623,559 | 31,108,927 |
| | 306,568,866 | 298,320,474 |
| | $ 350,547,888 | $ 349,121,927 |

The accompanying notes are an integral part of these statements.

The Housing Authority of the City of Atlanta, Georgia

## COMBINED STATEMENTS OF REVENUES AND EXPENSES

Year ended June 30,

| | 2004 | 2003 |
|---|---|---|
| Operating revenues | | |
| Rental revenue | $ 17,054,377 | $ 15,848,502 |
| Operating subsidies | 175,552,213 | 153,332,589 |
| Other revenue | 3,319,634 | 4,194,725 |
| | 195,926,224 | 173,375,816 |
| Operating expenses | | |
| Administrative | 34,507,988 | 32,762,674 |
| Housing assistance payments | 104,999,798 | 97,623,892 |
| Tenant services | 6,035,585 | 5,489,328 |
| Utilities | 15,529,271 | 13,046,759 |
| Ordinary maintenance and operation | 12,755,308 | 11,263,215 |
| Protective services | 6,567,239 | 6,231,832 |
| General expenses | 4,795,527 | 2,695,283 |
| Depreciation expense | 13,314,185 | 12,828,224 |
| | 198,504,901 | 181,941,207 |
| Net operating loss | (2,578,677) | (8,565,391) |
| Other income (expenses) | | |
| Capital grants | 25,659,745 | 25,501,223 |
| Interest income | 1,528,676 | 1,620,330 |
| Gain/loss on disposition of capital assets | (3,095,441) | 49,658 |
| Extraordinary maintenance and demolition | (5,799,792) | (6,231,432) |
| Interest expense | (723,768) | (510,302) |
| Valuation losses on notes receivable (notes D and S) | (6,742,351) | - |
| | 10,827,069 | 20,429,477 |
| Change in net assets | $ 8,248,392 | $ 11,864,086 |

The accompanying notes are an integral part of these statements.

The Housing Authority of the City of Atlanta, Georgia

**COMBINED STATEMENT OF CHANGES IN NET ASSETS**

Years ended June 30, 2004 and 2003

| | Investment in capital assets, net of related debt | Related partnership development projects | Restricted for related partnership operating reserves | Restricted for other | Unrestricted | Total |
|---|---|---|---|---|---|---|
| Balance at June 30, 2002 | $ 174,593,465 | $ 72,538,194 | $ 5,701,719 | $ 48,938 | $ 33,574,072 | $ 286,456,388 |
| Change in net assets | 3,952,036 | 6,343,459 | 742,553 | 3,291,183 | (2,465,145) | 11,864,086 |
| Balance at June 30, 2003 | 178,545,501 | 78,881,653 | 6,444,272 | 3,340,121 | 31,108,927 | 298,320,474 |
| Change in net assets | (7,452,369) | 3,870,021 | 368,913 | (52,805) | 11,514,632 | 8,248,392 |
| Balance at June 30, 2004 | $ 171,093,132 | $ 82,751,674 | $ 6,813,185 | $ 3,287,316 | $ 42,623,559 | $ 306,568,866 |

The accompanying notes are an integral part of this statement.

The Housing Authority of the City of Atlanta, Georgia

## COMBINED STATEMENTS OF CASH FLOWS

Year ended June 30,

| | 2004 | 2003 |
|---|---|---|
| Increase (Decrease) in Cash and Cash Equivalents | | |
| Cash flows from operating activities | | |
| Receipts from residents | $ 16,738,951 | $ 15,777,832 |
| Operating subsidies | 160,411,515 | 156,682,428 |
| Other receipts | 4,240,362 | 3,427,767 |
| Payments to landlords | (104,999,798) | (97,623,892) |
| Payments to suppliers | (53,860,247) | (30,923,368) |
| Payments to/for employees | (29,672,689) | (27,727,729) |
| Net cash (used in) provided by operating activities | (7,141,906) | 19,613,038 |
| Cash flows from capital and related financing activities | | |
| Capital grants | 18,320,199 | 18,654,394 |
| Purchase and modernization of capital assets | (17,906,786) | (31,977,031) |
| Proceeds from the sale of capital assets | 7,100,000 | 49,658 |
| Cost of assets sold | (3,145,473) | - |
| Loans and grants | (9,998,123) | (7,660,482) |
| Borrowings under capital debt | - | 9,800,000 |
| Payments under capital leases | (1,520,965) | (1,394,622) |
| Net cash used in capital and related financing activities | (7,151,148) | (12,528,083) |
| Cash flows from investing activities | | |
| Purchase of investments | (495,648) | (3,903,134) |
| Proceeds from investments | - | 5,050,723 |
| Interest and dividends | 1,528,676 | 1,725,742 |
| Net cash provided by investing activities | 1,033,028 | 2,873,331 |
| Net increase in cash and cash equivalents | (13,260,026) | 9,958,286 |
| Cash and cash equivalents at beginning of the year | 47,675,997 | 37,717,711 |
| Cash and cash equivalents at end of the year | $ 34,415,971 | $ 47,675,997 |

Continued...

The Housing Authority of the City of Atlanta, Georgia

**COMBINED STATEMENTS OF CASH FLOWS** - Continued

Year ended June 30,

| | 2004 | 2003 |
|---|---|---|
| Reconciliation of Excess Operating Loss to Net Cash Used In Operating Activities | | |
| Excess operating expenses over operating revenues | $ (2,578,677) | $ (8,515,733) |
| Adjustments to reconcile revenues in excess of expenses to net cash used in operating activities | | |
| Depreciation expense | 13,314,185 | 12,828,224 |
| Provision for bad debts | 479,553 | 153,907 |
| Change in assets and liabilities | | |
| (Increase) decrease in receivables | (17,605,755) | 2,781,670 |
| (Increase) decrease in prepaid assets | (298,978) | 159,117 |
| (Decrease) decrease in accounts payable and accrued liabilities | (2,010,113) | 12,227,685 |
| Increase (decrease) in deferred revenue and other credits | 1,696,353 | (146,146) |
| Other non cash items | - | - |
| (Decrease) increase in other noncurrent liabilities | (138,474) | 124,314 |
| | (4,563,229) | 28,128,771 |
| Net cash (used in) provided by operating activities | $ (7,141,906) | $ 19,613,038 |

The accompanying notes are an integral part of these statements..

## NOTE A – SUMMARY OF ACCOUNTING POLICIES

A summary of the significant accounting policies consistently applied in the preparation of the accompanying financial statements follows.

*1. Organization*

The Housing Authority of the City of Atlanta, Georgia ("AHA") is a public body corporate and politic created under the Housing Authorities laws of the State of Georgia. AHA has broad corporate powers including the power to acquire, administer and renovate housing. The primary purpose of AHA is to provide safe, decent and affordable housing assistance for low-income, elderly and disabled families in Atlanta. Many of AHA's programs are funded and regulated by the U.S. Department of Housing and Urban Development ("HUD") under the provisions of the U.S. Housing Act of 1937, as amended. Approximately 89 percent of AHA's revenue is derived from HUD.

*2. Reporting Entity*

The governing body of AHA is its Board of Commissioners which is comprised of seven members appointed by the Mayor of the City of Atlanta; five members serve five year staggered terms, and two resident members serve one-year terms. The Board appoints a President and Chief Executive Officer to administer the business of AHA. AHA is not considered a component unit of the City, as the Board independently oversees AHA's operations.

In determining how to define the reporting entity, management has considered all potential component units. The decision to include a component unit in the reporting entity was made by applying the criteria set forth in Section 2100 and 2600 of the *"Codification of Governmental Accounting and Financial Reporting Standards and Statement No. 14 of the Governmental Accounting Standards Board, The Financial Reporting Entity."* These criteria include manifestation of oversight responsibility including financial accountability, appointment of a voting majority, imposition of will, financial benefit to or burden on a primary organization, financial accountability as a result of fiscal dependency, potential for dual inclusion, and organizations included in the reporting entity although the primary organization is not financially accountable.

## NOTE A – SUMMARY OF ACCOUNTING POLICIES - Continued

To manage its business and financial affairs more effectively, AHA has several affiliates to support its various product lines and ventures. While the parent entity of AHA manages Federal programs, the following affiliates support the various functions necessary to effectively meet AHA's mission of providing quality affordable housing to the betterment of the community. The reporting entity includes the following blended component units:

a. Atlanta Housing Development Corporation ("AHDC") is a not-for-profit organization, organized solely to serve as an "instrumentality" of AHA for the purpose of issuing tax exempt bonds for the financing of the construction, acquisition and rehabilitation of low income housing pursuant to Section 11(b) of the Housing Act of 1937, (42 U.S.C. Section 1437i).

b. Atlanta Affordable Housing for the Future, Inc. ("AAHFI") is a 501(c)(3) corporation created at the direction of the AHA Board of Commissioners in order to assist AHA in the revitalization of its communities. AAHFI participates in the revitalization of AHA communities by holding partnership and financial interests in certain mixed-income, mixed-financed developments.

c. East Lake Affordable Housing for the Future, Inc. ("ELAHFI") is a Georgia not-for-profit corporation created at the direction of the AHA Board of Commissioners formed to hold partnership and financial interests in Phase I of The Villages of East Lake, a mixed-income, mixed-financed development. Effective as of January 1, 2003, ELAHFI assigned all of its partnership and financial interest in Phase I of The Villages of East Lake to AAHFI. As ELAHFI has no other assets, AHA expects to dissolve ELAHFI in accordance with the Georgia Nonprofit Code.

d. Special Housing and Homeownership, Inc. ("SHHI") is a 501(c)(3) corporation created to develop, maintain and implement programs to assist low-income individuals in achieving the goal of homeownership.

e. 230 John Wesley Dobbs Boulevard Ventures, Inc. ("JWD") is a 501(c)(3) corporation created at the direction of the AHA Board of Commissioners 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 improvement to government agencies and tax exempt organizations at a cost. JWD owns and operates the 230 John Wesley Dobbs Avenue property.

**NOTE A – SUMMARY OF ACCOUNTING POLICIES** - Continued

f. Renaissance Affordable Housing, Inc. ("RAH") is a 501(c)3 created at the direction of the AHA Board of Commissioners in order to enhance the ability of AHA to reach its goals and objectives, including participating in the acquisition and development of certain properties to support the overall revitalization program near AHA communities or other appropriate locations in metropolitan Atlanta. RAH is the sole member of Renaissance Gates, LLC, a Georgia Limited Liability Company, that acquired Gates Park Crossing Apartments, an apartment community consisting of approximately 16.89 acres containing 332 apartment units, in fiscal year 2003.

g. Westside Affordable Housing, Inc. ("WAH") is a Georgia not-for-profit corporation and was created at the direction of the AHA Board of Commissioners in order to enhance the ability of AHA to reach its goals and objectives, including participating in the acquisition and development of certain properties to support the overall revitalization program near AHA communities or other appropriate locations in metropolitan Atlanta. WAH is the sole member of Carver Leasing Facility, LLC and Centennial Place Holdings, LLC, Georgia Limited Liability Companies.

h. Strategic Resource Development Corporation, ("SRDC") is a 501(c)3 created at the direction of the AHA Board of Commissioners to solicit and accept charitable donations to fund AHA initiatives.

In addition to the component units, the financial statements of AHA include the following programs:

MTW Funds. In September 2003, AHA executed its Moving to Work (MTW) Demonstration Program Agreement (MTW Agreement) with HUD. The effective date of the MTW Agreement is July 1, 2003. Under the terms of the MTW Agreement, AHA has been given a significant amount of regulatory relief with respect to certain aspects of its operations, including AHA's Housing Choice Voucher Program and the Low Rent (Public Housing) Program. In addition to the regulatory relief, AHA's MTW Agreement also permits AHA to use Section 9 Operating Subsidy, Section 14 Capital Funds (including Development and Replacement Housing Factor Funds) and Section 8 Housing Choice funds (collectively, "MTW Funds") may be used interchangeably for eligible MTW purposes which include the combined eligible purposes of the three component funds. All references to sections in this Note A are to specific sections in the U.S. Housing Act of 1937, as amended.

**NOTE A – SUMMARY OF ACCOUNTING POLICIES** - Continued

The Low Rent (Public Housing) Program. Historically, subsidy for operating costs, including utilities, for public housing assisted families is provided to AHA pursuant to Section 9 by AHA's Annual Contributions Contract A-3107 with HUD. Section 9 Operating Subsidy is funded based on annual appropriations by Congress. AHA owns and operates 33 multi-family apartment communities which are reserved for public housing assisted families (Conventional Public Housing Communities). Public housing assisted families pay either 30 percent of their adjusted income or a flat fixed rent, based on the market. Most of the families pay 30 percent of their adjusted income. Rental income, Section 9 Operating Subsidy and Capital Funds are the principal sources of funding for the operation of the Public Housing Program, though the MTW Funds can be used interchangeably for any MTW purpose.

AHA also provides Section 9 Operating Subsidy to various Owner Entities in the form of Housing Assistance Payments (Section 9 Housing Assistance Payments) for public housing assisted families who reside in 11 mixed-income, mixed-finance communities (Mixed Income Communities) which were developed as a result of the revitalization of 12 distressed public housing communities under AHA's strategic development program (Olympic Legacy Program). The amount of the Section 9 Housing Assistance Payments to the Owner Entities is calculated to cover the operating costs of the reserved public housing assisted units, together with rental income, on a break-even basis. These communities are owned by separate public/private partnerships (Owner Entities), in which AHA owns a non-controlling interest. AHA has a number of legal and financial relationships with each Owner Entity, which govern AHA's financial participation and legal interests. A fixed percentage (ranging from 30 percent to 50 percent) of the apartments in each of the Mixed-Income Communities is reserved for public housing assisted families. The Regulatory and Operating Agreement sets forth HUD's and AHA's requirements of the Owner Entity with respect to the apartments set aside for public housing assisted families.

The development budgets for Mixed-Income Communities are comprised of several sources of public and private resources, including, without limitiations, HOPE VI funds, Development funds, Replacement Housing Factor funds and other Capital Funds, low income housing tax credit equity, private acitivity bonds, conventional debt, and/or Affordable Housing Program funds. The City of Atlanta has provided funding to cover the costs of public improvements and infrastructure in the public right of way.

**NOTE A – SUMMARY OF ACCOUNTING POLICIES** - Continued

The Housing Choice Voucher Program. AHA also receives Section 8 funding under its Annual Contributions Contract A-3910 with HUD which has historically been exclusively for the Housing Choice Voucher Program, but now may be used interchangeably for any MTW purpose. AHA's Housing Choice Voucher Program consisted of 12,007 and 11,261 vouchers for fiscal years 2004 and 2003, respectively. The purpose of the Housing Choice Voucher program is to provide decent and affordable housing to low-income families, elderly, and handicapped persons by providing rental subsidy. The subsidized units are owned and managed by private landlords. Administrative fees earned by AHA from HUD for administering this program are intended to cover the cost of program operations.

The Comprehensive Grant Program ("CGP") /Capital Fund Program ("CFP"). AHA also receives funding from HUD pursuant to Section 14, which are considered MTW Funds and may be used for any MTW prupose. These funds are provided by HUD under Grant Agreements and, prior to MTW, were only eligible to be used for management improvements, security, resident services, professional fees, modernization, demolition and redevelopment of public housing. These are multi-year grant awards. Typically, capital improvements at the Conventional Public Housing Communities are funded under the CFP, using a needs based planning and allocation process. CGP is the predecessor program to CFP.

The HOPE VI and Development Programs funds are provided by HUD and partially fund the development of mixed-financed, mixed-income communities and the acquisition of property. These programs provide a portion of the funds for demolition of obsolete dwelling and non-dwelling structures, development through public-private partnerships of dwelling and non-dwelling structures, site improvements and resident services.

The Turnkey III Homebuyers Program operates under HUD's Annual Contribution Contract A-3107 for the purpose of leasing and selling single-family homes to qualified participants.

The Atlanta Center for Homeownership program provides comprehensive home ownership counseling for families including residents of the Empowerment Zone. This center was closed in July 2003.

## NOTE A – SUMMARY OF ACCOUNTING POLICIES - Continued

Georgia HAP Administrators, Inc. Atlanta Housing Authority is one of the eleven founding members of Georgia HAP Administrators, Inc. ("Georgia HAP"). Georgia HAP, a Georgia not-for-profit 501(c)(4) corporation, performs contract administration services on project based Section 8 properties for HUD on an unrestricted fee basis. Georgia HAP has a central office that administers the HID contract through a contractual relationship with each of its members. This contractual relationship is in the form of a subcontract agreement and each member is a Georgia HAP field office. AHA provides oversight for 73 Housing Assistance Contracts with a total of 7,439 units.

3. *Fund Financial Statements*

Fund financial statements present AHA's financial data for each of their major funds including their blended component units. Each fund is accounted for by providing a separate set of self-balancing accounts, which constitute its assets, liabilities, net assets, revenues and expenses. The focus of the fund statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. Non-major funds are aggregated and presented in a single column. A fund is considered major if the total assets, liabilities, revenues or expenses of that individual fund are at least 10 percent of the total for all funds; and/or, considered by management to be particularly important to financial statement users.

4. *Basis of Presentation and Accounting*

The accounting policies and financial reporting practices of AHA have been prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP") as applied to governmental units. The Governmental Accounting Standards Board ("GASB") is the accepted standard setting body for establishing governmental accounting and financial reporting principles. AHA and its component units maintain their accounts in accordance with the chart of accounts prescribed by HUD. For financial reporting purposes, AHA reports all of its operations in a single enterprise fund. The accounting principles used are those applicable to similar businesses in the private sector, therefore, these funds are maintained on the accrual basis of accounting.

## NOTE A – SUMMARY OF ACCOUNTING POLICIES - Continued

Enterprise funds are proprietary funds. Proprietary funds apply Financial Accounting Standards Board ("FASB") pronouncements and Accounting Principles Board ("APB") opinions issued on or before November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements, in which case GASB prevails. Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

*5. Accounting Changes - New Accounting Pronouncements*

In fiscal year 2004, AHA implemented the following new accounting standards issued by the Governmental Accounting Standards Board ("GASB"):

Statement 40, *Deposits and Investment Risk Disclosures an Amendment of GASB Statement Number 3*;

Statement 42, *Accounting and Financial Reporting for Impairment of Capital Assets and for Insurance Recoveries.*

Statement 40 amends GASB 3 by eliminating certain disclosure requirements while addressing common and deposit risks related to credit risk including concentrations, interest rate risk and foreign credit risk. Statement 42 establishes accounting and reporting standards for impairment of capital assets, including significant unexpected decline in value and/or service utility; and, requirements for insurance recoveries.

*6. Budgets*

Budgets are prepared and adopted on a basis consistent with generally accepted accounting principles on an annual basis for each major operating program and are used as a management tool throughout the accounting cycle. The budgets are used by management and various program supervisors to evaluate interim activity and are used to plan, control and evaluate proprietary fund spending. The capital projects budgets are adopted on a work item basis. Other revitalization and development project budgets are adopted on a project-length basis. Budgets are not required for financial statement presentation.

**NOTE A – SUMMARY OF ACCOUNTING POLICIES** - Continued

*7. Cash and Cash Equivalents*

Cash and cash equivalents consist principally of cash in checking accounts and money market accounts and other investments maturing within three months or less of the date acquired. They are stated at cost, which approximates market value. All funds on deposit are federal treasury accounts or are fully collateralized in accordance with requirements of HUD with collateral held by third parties in AHA's name.

*8. Interfund Receivables and Payables*

Interfund receivables/payables are all current, and are the result of the use of the Public Housing Program as the common paymaster for shared costs of AHA. Cash settlements are made periodically and all interfund balances net zero, and are eliminated for presentation purposes in the combined statement of net assets.

*9. Investments*

Investments are recorded at fair value. Investment instruments consist of items specifically approved for public housing agencies by HUD. It is AHA's policy that all funds on deposit are collateralized in accordance with HUD requirements and in AHA's name if held by a third party.

*10. Inventories*

AHA maintains no inventory of expendable items. All supplies are expensed when purchased. Supplies on hand are minimal.

*11. Prepaid Expenses*

Payments made to vendors for goods or services that will benefit periods beyond the fiscal year end are recorded as prepaid expenses. Prepaid expenses at June 30, 2004 and 2003 consist primarily of prepaid insurance premiums and service contracts on intellectual property.

*12. Restricted Assets*

Certain assets may be classified as restricted assets on the balance sheet because their use is restricted for specific purposes.

## NOTE A – SUMMARY OF ACCOUNTING POLICIES - Continued

*13. Use of Estimates*

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts. Accounting estimates for such items as depreciation, valuation of notes receivable including provision for uncollectible interest, and contingent liabilities are all reflected in AHA's financial statements and disclosed in the notes to financial statements.

*14. Risk Management*

AHA is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and injuries to employees. AHA carries commercial insurance deemed sufficient to meet current requirements.

*15. Fair Value of Financial Instruments*

The carrying amount of AHA's financial instruments at June 30, 2004 and 2003, including cash, investments, accounts receivable, notes receivable, accounts payable and long-term debt closely approximates fair value due to the relatively short maturity of these instruments.

*16. Allowance for Doubtful Accounts*

AHA has established an allowance for doubtful accounts based on the greater of receivables from vacated tenants or aging of tenant accounts receivable greater than 60 days.

*17. Capital assets*

Capital assets include land, buildings, equipment, and modernization in progress. Capital assets are defined by AHA as assets with an initial cost of more than $2,500 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

## NOTE A – SUMMARY OF ACCOUNTING POLICIES - Continued

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Extraordinary maintenance and repairs are expensed as non-operating items.

The useful lives of buildings and equipment for purposes of computing depreciation are as follows:

| | |
|---|---|
| Buildings | 30 years |
| Building modernization and improvements | 10-20 years |
| Land Improvements | 10-20 years |
| Leasehold Improvements | 5-20 years |
| Automobiles | 5 years |
| Equipment | 5 years |
| Computer equipment | 5 years |

AHA is the owner of several paintings of historical significance. These works of art were commissioned in the 1940s by AHA at minimal cost, and management estimates a value of $550,000; however, the value of these works of art have not been recorded. These paintings are protected, cared for and preserved for future uses which are educational purposes and exhibition to the public.

AHA has been and is currently involved in various demolition activities in conjunction with its revitalization and development programs. In accordance with GASB No. 42, *"Accounting and Financial Reporting for Impairment of Capital Assets and for Insurance Recoveries"* and FASB No. 144, *"Accounting for the Impairment or Disposal of Long-Lived Assets,"* AHA recognized the impact of the demolition activities in the accompanying financial statements at June 30, 2004 and 2003. Long-lived assets are to be reviewed for impairment under the provisions of the statement. If the sum of the expected future cash flows is less than the carrying value amount of the asset, an impairment loss should be recognized.

## NOTE A – SUMMARY OF ACCOUNTING POLICIES - Continued

*18. Compensated Absences*

Compensated absences are those absences for which employees will be paid, such as vacation. A liability for compensated absences that are attributable to services already rendered is accrued as employees earn the right to the benefits. Compensated absences that relate to future services or that are contingent on a specific event that is outside the control of AHA and its employees, are accounted for in the period in which such services are rendered or in which such services take place.

*19. Self-insurance and Litigation Losses*

AHA recognizes estimated losses related to self-insured workmens' compensation claims and litigation claims in the period in which the occasion giving rise to the loss occurred when the loss is probable and the loss is reasonably estimable.

*20. Annual Contribution Contracts*

Annual Contribution Contracts provide that HUD shall have the authority to audit and examine the records of public housing authorities. Accordingly, final determination of AHA's financing and contribution status for the Annual Contribution Contracts is the responsibility of HUD based upon financial reports submitted by AHA.

*21. Change in Presentation*

Certain reclassifications have been made to the prior year's financial statements to conform to the current year's presentation.

## NOTE B – CASH, CASH EQUIVALENTS AND INVESTMENTS

HUD requires housing authorities to invest excess HUD funds in obligations of the United States, certificates of deposit or any other federally insured investments.

HUD also requires that deposits be fully collateralized at all times. Acceptable collateralization includes FDIC/FSLIC insurance and the market value of securities purchased and pledged to the political subdivision. Pursuant to HUD restrictions, obligations of the United States are allowed as security for deposits. Obligations furnished as security must be held by AHA or with an unaffiliated bank or trust company for the account of AHA.

It is AHA's policy to maintain collateralization in accordance with HUD requirements.

## NOTE B – CASH, CASH EQUIVALENTS AND INVESTMENTS

There are three credit risk categories defined as follows:

a. Insured or collateralized with securities held by the entity or by its agent (correspondent bank or Federal Reserve Bank) in the entity's name.

b. Collateralized with securities held by the pledging financial institution trust department or agent in the entity's name.

c. Uncollateralized or collateralized with securities held by the pledging financial institution or by its trust department or agent but not in the entity's name.

At June 30, 2004 and 2003 cash and temporary cash investments consisted of deposits with financial institutions either fully collateralized by FDIC insurance and/or collateralized by securities held by third party in AHA's name and in government securities.

## NOTE C – RECEIVABLES

Receivables at June 30, 2004 and 2003 consist of the following:

| | 2004 | 2003 |
|---|---|---|
| U.S. Department of HUD | $ 21,950,932 | $ 7,458,824 |
| Notes and mortgages - current (note D) | 7,840,025 | 4,707,556 |
| Development fees | 2,558,131 | 1,426,762 |
| Predevelopment loans | 2,049,795 | 1,002,792 |
| Private management firms | 284,270 | 166,355 |
| Dwelling rents (net allowance of $212,704 for 2004 and $186,669 for 2003) | 137,440 | 175,391 |
| Other governments | 70,231 | 19,530 |
| Incentive fees | 304,089 | 197,517 |
| Other | 437,746 | 867,851 |
| | $ 35,632,659 | $ 16,022,578 |

## NOTE D – NOTES RECEIVABLE

Notes receivable at June 30, 2004 and 2003 consist of the following:

| | 2004 | 2003 |
|---|---|---|
| Developer loans | $ 92,045,564 | $ 81,377,925 |
| Accrued interest on loans | 6,483,751 | 4,668,983 |
| Relocation loans | 128,651 | 23,582 |
| | 98,657,966 | 86,070,490 |
| Valuation loss allowance on impaired loans | (9,293,890) | (2,376,776) |
| | $ 89,364,076 | $ 83,693,714 |
| Current portion | $ 7,840,025 | $ 4,707,556 |
| Long-term portion | 81,524,051 | 78,986,158 |
| | $ 89,364,076 | $ 83,693,714 |

Developer loans (i.e., loans to related development project partnerships) are paid from net cash flow, net project proceeds and condemnation proceeds, as defined in the respective notes and loan agreements, of the developed projects supported by the loans. The loans are amortized over periods up to 55 years at various interest rates ranging from zero percent to 7.99 percent as agreed to by AHA and the developer and are approved by HUD. The Development and HOPE VI programs of AHA funded the loans. In accordance with GASB No. 42, *"Accounting and Financial Reporting for Impairment of Capital Assets and for Insurance Recoveries"* and SFAS No. 144 *"Accounting for the Impairment of Long-Lived Assets to be Disposed of"* a valuation charge in the current year has been recorded, in the amount of $6,917,114, as reflected in these financial statements. A detail of the charge follows:

AHA established an allowance of $9,293,890 with respect to eight loans out of 24 of the related development project partnerships. This allowance reflects the contingent nature of the repayment of the AHA loans which are payable from net cash flow, net project proceeds or condemnation proceeds, to the extent such proceeds are available as estimated. Again, it is AHA's expectation and intent, as well as the expectation and intent of the related development project partnerships that these loans will be repaid to AHA from net cash flow, net project proceeds or condemnation proceeds, to the extent such proceeds are available, consistent with the terms of the respective notes and loan agreements. AHA's accounting policy is to value these properties and the related notes receivable periodically, not exceeding two-year intervals. See note S for further explanation.

## NOTE D – NOTES RECEIVABLE - Continued

Because interest on the AHA loans is payable from net cash flow, net proceeds or condemnation proceeds, as defined in the respective loan agreements and notes, interest income is recognized only when payments are received and totaled $1,175,472 in 2004 and $901,345 in 2003. Accrued but unpaid interest is recorded as deferred income and amounted to $4,985,032 and $2,848,721 as of June 30, 2004 and 2003, respectively. Of these amounts $2,857,681 and $2,250,066 were deferred during the fiscal years 2004 and 2003, respectively. See note S for further explanation.

## NOTE E – CAPITAL ASSETS

Changes in capital assets consist of the following at June 30, 2004:

| | Balance at June 30, 2003 | Additions and reclassifications | Deletions and reclassifications | Balance at June 30, 2004 |
|---|---|---|---|---|
| Land | $ 33,107,841 | $ 1,842,342 | $ (8,681,629) | $ 26,268,554 |
| Buildings | 286,860,282 | 1,344,012 | (27,876,176) | 260,328,118 |
| Equipment | 7,212,905 | 1,127,119 | (303,660) | 8,036,364 |
| Leasehold improvements | 9,116,010 | 7,219,654 | (6,995,628) | 9,340,036 |
| Modernization in process | 26,145,050 | 25,092,280 | (10,787,751) | 40,449,579 |
| | 362,442,088 | 36,625,407 | (54,644,844) | 344,422,651 |
| Less accumulated depreciation | | | | |
| Buildings | (160,101,235) | (16,049,297) | 28,013,209 | (148,137,323) |
| Equipment | (3,126,191) | (1,825,313) | 303,364 | (4,648,140) |
| Leasehold improvements | (2,548,000) | (679,139) | - | (3,227,139) |
| | (165,775,426) | (18,553,749) | 28,316,573 | (156,012,602) |
| | $ 196,666,662 | $ 18,071,658 | $(26,328,271) | $ 188,410,049 |

## NOTE E – CAPITAL ASSETS - Continued

Changes in capital assets consist of the following at June 30, 2003:

| | Balance at June 30, 2002 | Additions and reclassifications | Deletions and reclassifications | Balance at June 30, 2003 |
|---|---|---|---|---|
| Land | $ 31,597,595 | $ 4,489,498 | $ (2,979,252) | $ 33,107,841 |
| Buildings | 275,919,708 | 10,940,574 | - | 286,860,282 |
| Equipment | 6,510,768 | 702,137 | - | 7,212,905 |
| Leasehold improvements | 10,685,374 | 799,018 | (2,368,382) | 9,116,010 |
| Modernization in process | 12,032,703 | 15,711,199 | (1,598,852) | 26,145,050 |
| | 336,746,148 | 32,642,426 | (6,946,486) | 362,442,088 |
| Less accumulated depreciation | | | | |
| Buildings | (148,601,707) | (11,499,528) | - | (160,101,235) |
| Equipment | (2,028,517) | (1,097,674) | - | (3,126,191) |
| Leasehold improvements | (2,316,978) | (231,022) | - | (2,548,000) |
| | (152,947,202) | (12,828,224) | - | (165,775,426) |
| | $ 183,798,946 | $ 19,814,202 | $ (6,946,486) | $ 196,666,662 |

## NOTE F – ACCOUNTS PAYABLE

Accounts payable at June 30, 2004 and 2003 consist of the following:

| | 2004 | 2003 |
|---|---|---|
| Vendors payable | $ 7,979,039 | $ 9,486,007 |
| U.S. Department of Housing and Urban Development | - | 8,854,127 |
| | $ 7,979,039 | $ 18,340,134 |

## NOTE G – ACCRUED LIABILITIES

Accrued liabilities at June 30, 2004 and 2003, consist of the following:

| | 2004 | 2003 |
|---|---|---|
| Compensated absences | $ 514,643 | $ 284,850 |
| Wages payable | 754,575 | 667,020 |
| Claims payable (note L) | 363,133 | 241,565 |
| Contingencies and uncertainties (note M) | 1,117,993 | 328,435 |
| Interest payable | 101,570 | 94,523 |
| Other | 711,184 | 314,480 |
| | $ 3,563,098 | $ 1,930,873 |

## NOTE H – DEFERRED REVENUE AND OTHER CREDITS

Deferred revenue and other credits at June 30, 2004 and 2003 consist of the following:

During 2004, AHA sold its 10 high-rise roof top leases to a third party wireless company for $1,165,906, lump sum; for which the revenue is amortized over 15 years, approximately $77,000 per year.

| | 2004 | 2003 |
|---|---|---|
| Funds held in escrow for other governments | $ 4,936,934 | $ 4,437,391 |
| Capital projects unexpended revenue | 449,195 | 1,710,981 |
| Interest | 5,518,743 | 3,104,153 |
| Deferred rooftop satelite lease revenue | 77,000 | - |
| Other | 182,803 | 93,875 |
| | $ 11,164,675 | $ 9,346,400 |

## NOTE I – LONG-TERM DEBT

Long-term debt at June 30, 2004 consists of the following:

| | Balance at July 1, 2003 | Additions | Reductions | Balance at June 30, 2004 | Amount due within one year |
|---|---|---|---|---|---|
| EPC capital lease | $ 2,892,543 | $ - | $(391,000) | $ 2,501,543 | $ 381,800 |
| JW Dobbs note payable | 606,520 | - | (121,209) | 485,311 | 49,260 |
| JW Dobbs capital leases | 4,822,098 | - | (292,035) | 4,530,063 | 204,512 |
| Renaissance Gates note payable | 9,800,000 | - | - | 9,800,000 | - |
| | $ 18,121,161 | $ - | $(804,244) | $ 17,316,917 | $ 635,572 |

Long-term debt at June 30, 2003 consists of the following:

| | Balance at July 1, 2002 | Additions | Reductions | Balance at June 30, 2003 | Amount due within one year |
|---|---|---|---|---|---|
| EPC capital lease | $ 3,386,045 | $ - | $(493,502) | $ 2,892,543 | $ 372,496 |
| JW Dobbs note payable | 720,779 | - | (114,259) | 606,520 | 121,209 |
| JW Dobbs capital leases | 5,098,657 | - | (276,559) | 4,822,098 | 291,955 |
| Renaissance Gates note payable | - | 9,800,000 | - | 9,800,000 | - |
| | $ 9,205,481 | $ 9,800,000 | $(884,320) | $ 18,121,161 | $ 785,660 |

### EPC Capital Lease

The Energy Performance Contract capital lease consists of an Equipment Lease and Option Agreement which had an original balance of $4,623,000 between the bank and AHA to finance water and energy conservation improvements. Generally, improvements under an Energy Performance Contract create lower energy consumption resulting in savings in utility expenses. The savings are used to repay the debt under the capital lease. The improvements are included as leasehold improvements and have a net book value of $3,237,941 and $3,511,125 at June 30, 2004 and 2003, respectively.

## NOTE I – LONG-TERM DEBT - Continued

Repayment commenced March 31, 2000, refinanced September 19, 2003 with quarterly payments of approximately $115,910 consisting of principal and interest. Final payment is due on June 30, 2010.

Annual lease payments for the next six years and in the aggregate are as follows:

| | Principal | Interest | Total |
|---|---|---|---|
| 2005 | $ 381,800 | $ 81,840 | $ 463,640 |
| 2006 | 395,212 | 68,427 | 463,639 |
| 2007 | 409,095 | 54,544 | 463,639 |
| 2008 | 423,360 | 40,279 | 463,639 |
| 2009 | 438,338 | 25,301 | 463,639 |
| 2010 | 453,738 | 9,904 | 463,642 |
| | $ 2,501,543 | $ 280,295 | $ 2,781,838 |

### J.W. Dobbs Capital Leases

This liability consists of the following two agreements:

- J.W. Dobbs Capital Leases

  Capital lease agreement dated August 27, 1999 assigned to a bank with an original principal amount of $3,480,000. Proceeds were used to finance the purchase of the 230 J.W. Dobbs land and building by 230 John Wesley Dobbs Boulevard Ventures, Inc., a component unit of AHA. The building is used as the headquarters for AHA operations and has a net book value of $7,374,427 and $8,184,965 at June 30, 2004 and 2003, respectively. Repayment commenced October 1, 1999 with monthly interest only payments of $16,070 which were increased on April 1, 2000 to $28,511, consisting of principal and interest. Final balloon payment of $2,747,512 was due on September 1, 2004. Interest, which varies during the lease term, was 5.5416 percent at June 30, 2004 and 2003. This note was refinanced on September 1, 2004 and combined with the other J.W. Dobbs indebtedness.

**NOTE I – LONG-TERM DEBT** - Continued

Annual lease payments scheduled for fiscal year 2005 is as follows:

| | Principal | Refinance | Interest | Total |
|---|---|---|---|---|
| 2005 | $ 31,545 | $ 2,734,881 | $ 25,478 | $ 2,791,904 |

- J.W. Dobbs Capital Lease Amendment

Capital lease agreement assigned to a bank was modified December 7, 2000. Proceeds in the amount of $2,120,512 were advanced to pay for modernization of the 230 J.W. Dobbs building.

Repayment commenced January 7, 2001 with monthly payments of $17,069, consisting of principal and interest. Final balloon payment of $1,606,472 is due on December 7, 2005. Interest, which varies during the lease term, was 5.270 percent at June 30, 2004 and 2003. This note was refinanced on September 1, 2004 and combined with the other J.W. Dobbs indebtedness.

Annual lease payments scheduled for fiscal year 2005 is as follows:

| | Principal | Refinance | Interest | Total |
|---|---|---|---|---|
| 2005 | $ 18,688 | $ 1,744,949 | $ 15,450 | $ 1,779,087 |

**J.W. Dobbs Note Payable**

Unsecured loan agreement dated December 7, 2000 in the amount of $880,000. Proceeds were used to pay for capital improvements of the 230 J.W. Dobbs building.

Repayment commenced January 7, 2001 with monthly payments of approximately $12,822, consisting of principal and interest. Final payment of $12,822 is due on December 7, 2007. Interest, which varies during the term of the loan, was 5.92 percent at June 30, 2004 and 2003.

## NOTE I – LONG-TERM DEBT - Continued

Annual note payments scheduled for fiscal year 2005 is as follows:

| | Principal | Refinance | Interest | Total |
|---|---|---|---|---|
| 2005 | $ 20,907 | $ 464,404 | $ 4,737 | $ 490,048 |

### J.W. Dobbs Notes Payable (Refinance)

The J.W. Dobbs Capital Lease agreements and note payable were refinanced and combined effective September 1, 2004 in the amount of $39,193. The payments include principal and interest based on a fixed rate of 4.43 percent; a final balloon payment due September 1, 2014. The note is collateralized by the land and building located at 230 J.W. Dobbs Avenue.

Annual note payments scheduled for the next five years and thereafter in the aggregate are as follows:

| | Principal | Interest | Total |
|---|---|---|---|
| 2005 | $ 182,633 | $ 170,100 | $ 352,733 |
| 2006 | 253,483 | 216,828 | 470,311 |
| 2007 | 265,106 | 205,206 | 470,312 |
| 2008 | 276,733 | 193,578 | 470,311 |
| 2009 | 289,950 | 180,362 | 470,312 |
| 2010 through 2014 | 3,676,330 | 714,684 | 4,391,014 |
| | $ 4,944,235 | $ 1,680,758 | $ 6,624,993 |

## NOTE I – LONG-TERM DEBT - Continued

### Renaissance Gates Note Payable

The Renaissance Gates note payable is a promissory note with the principal amount of $9,800,000 maturing on April 29, 2005. It is an interest only loan at a rate of LIBOR adjustable plus two percent, with interest payable monthly beginning June 1, 2003. It is secured by Gates Park Crossing Apartments in Fulton County, Georgia, which were purchased on April 29, 2003. AHA has guaranteed this indebtedness for Renaissance Gates, LLC and Renaissance Affordable Housing, Inc. (a blended component unit). AHA has requested an 18-month extension from the bank, subject to an acceptable plan for reposition Gates Park Crossing and paying the loan. Accordingly, the entire balance is included in long-term liabilities. The future debt repayment schedule has not been provided.

## NOTE J – OTHER NONCURRENT LIABILITIES

Other noncurrent liabilities are as follows at June 30, 2004 and 2003:

| | 2004 | 2003 |
|---|---|---|
| Compensated absences, noncurrent | $ 456,381 | $ 661,031 |
| Family self sufficiency escrow | 807,446 | 721,239 |
| Resident security deposits | 1,660,584 | 1,680,615 |
| Deferred roof top satellite lease revenue, noncurrent | 1,030,882 | - |
| | $ 3,955,293 | $ 3,062,885 |

## NOTE K – ANNUAL CONTRIBUTIONS BY FEDERAL AGENCIES

### Low Rent (Public Housing) Program

HUD contributes an operating subsidy in the operating budget under the Annual Contributions Contract A-3107. Operating subsidy contributions for the years ended June 30, 2004 and 2003 were $26,594,413 and $33,566,601, respectively.

## NOTE K – ANNUAL CONTRIBUTIONS BY FEDERAL AGENCIES - Continued

### Housing Choice Programs

HUD contributions for Section 8 programs under Annual Contributions Contract A-2845 were as follows:

| | 2004 | 2003 |
|---|---|---|
| Rental vouchers | $ 121,366,247 | $ 99,117,076 |
| New construction (11B) | 4,882,501 | 4,659,754 |
| | $ 126,248,748 | $ 103,776,830 |

## NOTE L – CLAIMS PAYABLE

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 disaster. AHA is self-insured for workers' compensation claims. AHA purchases commercial insurance to finance other risks of loss. Settled claims have not exceeded purchased commercial insurance coverage in any part of the past four years. There was no reduction in insurance limits in the current fiscal year.

Claims payable are comprised of amounts payable under AHA's workers' compensation self-insurance plan, described further in the following paragraphs.

### Self-Insurance Plan – Workers' Compensation

AHA is self-insured for workers' compensation claims. Excess insurance has been purchased which limits AHA's liability to $300,000 per occurrence.

Benefit payments under the plan under $300,000 are handled by AHA Risk Management. At December 2, 2004, aggregate liability under the plan (which includes both actual benefits payable and an estimate of claims that have been incurred but not reported) for losses as of June 30, 2004 was between $378,252 and $462,308 Based upon the actuarial study supporting these amounts, the estimated total outstanding liability is $420,280 and the corresponding discount reserve liability of $363,133 has been recorded in the financial statements as of June 30, 2004.

**NOTE L – CLAIMS PAYABLE** - Continued

The calculations below supporting this reserve requirement are taken from the December 2, 2004 study as of June 30, 2004.

| March 1 through February 28 | Ultimate losses | Paid losses | Claim reserves | Discount factor | Reserve at fiscal year end |
|---|---|---|---|---|---|
| 1999 | $ 464,000 | $ 269,128 | $ 194,872 | 86.9% | $ 169,344 |
| 2000 | 97,164 | 97,164 | - | 87.9% | - |
| 2001 | 130,924 | 130,924 | - | 89.7% | - |
| 2002 | 66,000 | 15,729 | 50,271 | 91.8% | 46,149 |
| 2003 | 29,000 | 630 | 28,370 | 91.9% | 26,072 |
| 2004 | 199,337 | 52,570 | 146,767 | 82.8% | 121,568 |
| | | | | | $ 363,133 |

**NOTE M – CONTINGENCIES AND UNCERTAINTIES**

**Litigation and Claims**

AHA is party to several legal actions arising in the ordinary course of business. These actions are in various stages of the litigation process, and their ultimate outcome cannot be determined currently. Accordingly, not all potential liabilities in excess of insurance coverage have been reflected in the accompanying financial statements. While it is the opinion of outside and in-house legal counsel that the ultimate outcome of such litigation would be impossible to predict, the financial statements include an estimate of probable liabilities in the amount of $1,117,993 and $328,435, which is accrued for financial statement purposes as of June 30, 2004 and 2003, respectively.

Between September 2004 and February 2005, AHA was served with seven complaints alleging that seven plaintiffs (each minors) suffered personal injuries relating to alleged exposures to lead-based paint while residing at AHA-owned communities during 1988-1997. One of the complaints was dismissed without prejudice on January 25, 2005. Each of the plaintiffs seek general and compensatory damages, attorney's fees, expenses of litigation and punitive damages. AHA intends to vigorously defend these actions. Since these are relatively recent actions, AHA cannot yet identify a range of potential monetary damages, but anticipates that AHA liability might be material.

**NOTE M – CONTINGENCIES AND UNCERTAINTIES** – Continued

In addition, AHA owns property that is under remediation pursuant to the Georgia Hazardous Site Response Act. Management is not able at this time to reasonably estimate the amount of any obligation for remediation of various sites that would be material to AHA's financial statements.

Generally, real property owned by AHA under the public housing program is subject to a HUD declaration of trust and most have various customary easements (e.g., utility, right of way, etc.). In some cases, a property may have a mechanics or other such lien. Additionally, AHA real property that is ground leased to Owner Entities in connection with Mixed-Income Communities and real property owned by AHA components units (see notes I and S) are also subject to mortgage liens and other contractual obligations.

**Contracts**

AHA has entered into various contracts in administering and providing affordable housing. At June 30, 2004 and 2003, the uncompleted and unpaid portion of these contracts totaled approximately $128,134,077 and $128,984,716, respectively. The contracts will be paid with funds received through the Comprehensive Grant Program, the Capital Fund Program, the Development Program and the HOPE VI Program.

**Market Risk**

The multifamily rental housing market continues to experience challenges due, primarily, to a softness in the rental of market rate units in the metropolitan Atlanta area. Because AHA's related development partnership notes receivable are contingent upon the performance of the related development partnerships and the underlying properties, the market conditions will impact the value of those receivables as reflected on AHA's books. The softness in the multifamily housing market; however, has facilitated increased utilization of Housing Choice vouchers and the ability of AHA, through the Housing Choice Program, to provide higher quality units to qualified income eligible families.

## NOTE N – DEFINED BENEFIT PENSION PLAN

### Plan Description

AHA maintains a single employer non-contributory defined benefit Pension Plan (the "Plan") under a group annuity contract with Massachusetts Mutual Life Insurance Company. The insurance carrier maintains custody of plan assets and administers the Plan in a co-mingled trust and invests all funds through a pooled trust. Assets of the Plan represent less than one percent of the insurance carrier's total assets. None of the plan investments are the property of AHA. The Plan covers all regular full-time employees of AHA.

The Plan was formed by the AHA Board of Commissioners and the Board has the authority to amend and/or terminate the Plan at any time. If terminated, the Plan provides that if funds remain after satisfaction of all liabilities, the funds do not revert to AHA, but shall be allocated to the employees.

### Funding Policy and Annual Contributions

AHA's contributions to the Plan are authorized and may be amended by the Board of Commissioners. AHA's contributions to the Plan are primarily based on actuarial valuations.

AHA's funding policy is to contribute an amount equal to or greater than the minimum required contribution. The recommended contributions were computed as part of the actuarial valuation performed as of January 1, 2004 and 2003. Beginning June 1996, AHA's contributions were determined under the projected unit credit cost method (pay-related benefit formula). Significant actuarial assumptions used to compute the actuarially determined contribution requirements are the same as those used to compute the pension benefit obligation.

## NOTE N – DEFINED BENEFIT PENSION PLAN - Continued

### Annual pension costs

For the fiscal years ending June 30, 2004, 2003 and 2002, AHA's annual pension cost of $1,228,500, $713,334 and $548,542, respectively, was equal to AHA's actual contributions. The 2004 increase is due in part to the consideration of the calculation projection had the mortality rates used been updated to the 1983 GAM. The required contribution was determined as part of the January 1, 2004 and 2003 actuarial valuations using the entry age actuarial cost method. The actuarial assumptions included in the 2004 and 2003 reports were 9.72 percent and 8 percent investment rate of return, respectively, (net of administrative expenses) and projected average salary increases of five percent for both years, although the 2003 salary increase experience showed a greater increase. The actuarial value of the plan's assets was determined using techniques that smooth the effects of short-term volatility in the market value of investments. The plan's unfunded actuarial accrued liability is being amortized as a level percentage of projected payrolls on a closed basis. The remaining amortization period at January 1, 2004 and 2003 was 30 years.

### Supplementary Information – Historical Trend

The items presented are based on the January 1, 2004, 2003 and 2002 actuarial valuations:

| | 2004 | 2003 | 2002 |
|---|---|---|---|
| Market value of assets | $ 33,491,848 | $ 32,258,280 | $ 33,912,491 |
| Pension benefit obligations | * 30,407,288 ** | 29,594,674 ** | 29,317,632 ** |
| Percentage funded | 110.1% | 109.0% | 115.7% |
| Unfunded pension benefit obligations (funding excess) | (3,084,560) ** | (2,663,606) ** | (4,594,859) ** |
| Annual covered payroll | 15,699,710 | 14,592,516 | 17,043,407 |
| Unfunded excess as percentage of covered payroll | -19.6% | -19.0% | -27.0% |

* Based on eight percent interest ** Based on 7.5 percent interest

## NOTE N – DEFINED BENEFIT PENSION PLAN

Historical trend information designed to provide information about AHA's progress made in accumulating sufficient assets to pay benefits due is presented as follows:

| | Plan period from/to | | |
|---|---|---|---|
| | January 1, 2003 to December 31, 2003 | January 1, 2003 to December 31, 2003 | January 1, 2001 to December 31, 2001 |
| Net assets available for benefits expressed as a percentage of actuarial accrued liability | 110.1% | 109.0% | 115.7% |
| Un-funded actuarial accrued liability expressed as a percentage of covered payroll | 0% | 0% | 0% |
| Actual employer contributions expressed as a percentage of required contribution | 100.0% | 100.0% | 121.5% |

## NOTE O – DEFERRED COMPENSATION PLAN

AHA offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all full-time employees at their option, permits participants to defer a portion of their salary until future years. The deferred compensation is not available to participants until termination, retirement, death, or unforeseeable emergency. As required by federal regulations, the funds are held in trust for the exclusive benefit of participants and their beneficiaries. AHA has no ownership or fiduciary relationship with the plan. Accordingly, the plan's assets are not reported in AHA's financial statements.

## NOTE P – LEASES

AHA is a party to several lease agreements as lessor whereby it receives revenues for leasing office and retail spaces to various businesses. These revenue leases are considered for accounting purposes to be operating leases. Revenues derived from these leases are not significant.

## NOTE P – LEASES - Continued

AHA is party to numerous lease agreements as lessor whereby it receives revenues for tenant dwellings to low-income families. These leases are considered, for accounting purposes, to be operating leases. A majority of the revenue is received from HUD and the remaining revenue is received from the tenant based on the tenant's adjusted family income. These leases are for a one-year period which may or may not be renewed depending upon eligibility and desire.

AHA is party to several operating lease agreements for office equipment used in the normal course of business.

## NOTE Q – NON – MAJOR COMPONENT UNITS

Combining schedules for non-major component units for 2004 and 2003 are follows:

| | Year ended Jund 30, 2004 | | | | | | |
|---|---|---|---|---|---|---|---|
| | JWD | AAHFI | SHHI | RAH | SRDC | WAH | Total Nonmajor Component Units |
| **ASSETS** | | | | | | | |
| Current and other assets | $ 486,938 | $ 122,103 | $ 168,173 | $ 116,827 | $ 62,722 | $ 160,249 | $ 1,117,012 |
| Capital assets | - | - | 87,411 | 9,660,349 | - | 3,495,835 | 13,243,595 |
| Other non-current assets | 5,149,733 | 247 | - | 125,975 | - | - | 5,275,955 |
| Total assets | $ 5,636,671 | $ 122,350 | $ 255,584 | $ 9,903,151 | $ 62,722 | $ 3,656,084 | $ 19,636,562 |
| **LIABILITIES AND NET ASSETS** | | | | | | | |
| Current and other liabilities | $ 276,877 | $ 3,612 | $ 363,712 | $ 664,020 | $ - | $ 85,406 | $ 1,393,627 |
| Long-term debt outstanding | 4,820,444 | - | - | 9,844,870 | - | 2,400 | 14,667,714 |
| Total liabilities | 5,097,321 | 3,612 | 363,712 | 10,508,890 | - | 87,806 | 16,061,341 |
| Capital assets, net of debt | - | - | 87,411 | (139,651) | - | 3,495,835 | 3,443,595 |
| Unrestricted | 539,350 | 118,738 | (195,539) | (466,088) | 62,722 | 72,443 | 131,626 |
| Total net assets | 539,350 | 118,738 | (108,128) | (605,739) | 62,722 | 3,568,278 | 3,575,221 |
| Total liabilities and equity | $ 5,636,671 | $ 122,350 | $ 255,584 | $ 9,903,151 | $ 62,722 | $ 3,656,084 | $ 19,636,562 |
| Revenue | | | | | | | |
| Operating revenue | $ - | $ - | $ - | $ 1,592,421 | $ - | $ 43,313 | $ 1,635,734 |
| Non-operating revenue | 411,383 | 4,282 | 48,351 | 76,799 | 426 | 6,157 | 547,398 |
| Total revenue | 411,383 | 4,282 | 48,351 | 1,669,220 | 426 | 49,470 | 2,183,132 |
| Expenses | | | | | | | |
| Operating and other expenses | (288,348) | (18,456) | (31,868) | (2,288,451) | 173,249 | (112,952) | (2,566,826) |
| Operating transfers in | - | - | - | 7,340 | - | - | 7,340 |
| Change in net assets | 123,035 | (14,174) | 16,483 | (611,891) | 173,675 | (63,482) | (376,354) |
| Net assets at beginning of year | 416,315 | 132,912 | (124,611) | 6,152 | (110,953) | 3,631,760 | 3,951,575 |
| Net assets at end of year | $ 539,350 | $ 118,738 | $ (108,128) | $ (605,739) | $ 62,722 | $ 3,568,278 | $ 3,575,221 |

## NOTE Q – NON – MAJOR COMPONENT UNITS – Continued

Year ended Jund 30, 2003

| | JWD | AAHFI | SHHI | RAH | SRDC | WAH | Total Nonmajor Component Units |
|---|---|---|---|---|---|---|---|
| **ASSETS** | | | | | | | |
| Current and other assets | $ 458.930 | $ 132,665 | $ 206,962 | $ 492,693 | $ 44,027 | $ 882,517 | $ 2,217,794 |
| Capital assets | - | - | 45,356 | 9.910,425 | - | 2,752,849 | 12,708,630 |
| Other non-current assets | 5,469.215 | 247 | - | - | - | - | 5,469,462 |
| Total assets | $ 5,928,145 | $ 132,912 | $ 252,318 | $ 10,403,118 | $ 44,027 | $ 3,635,366 | $ 20,395,886 |
| **LIABILITIES AND NET ASSETS** | | | | | | | |
| Current and other liabilities | $ 496,375 | $ - | $ 376,929 | $ 532,631 | $ 154,980 | $ 3,105 | $ 1,564,020 |
| Long-term debt outstanding | 5,015,455 | - | - | 9,864,335 | - | 500 | 14,880,290 |
| Total liabilities | 5,511,830 | - | 376,929 | 10,396,966 | 154,980 | 3,605 | 16,444,310 |
| Capital assets, net of debt | - | - | 45,356 | 110,425 | - | 2,752,849 | 2,908,630 |
| Restricted | - | - | 179,787 | - | - | - | 179,787 |
| Unrestricted | 416,315 | 132,912 | (349,754) | (104,273) | (110,953) | 878,912 | 863,159 |
| Total net assets | 416,315 | 132,912 | (124,611) | 6,152 | (110,953) | 3,631.761 | 3,951,576 |
| Total liabilities and equity | $ 5,928,145 | $ 132,912 | $ 252,318 | $ 10,403,118 | $ 44,027 | $ 3,635,366 | $ 20,395,886 |
| Revenue | | | | | | | |
| Operating revenue | $ - | $ - | $ - | $ 288,500 | $ - | $ 17,581 | $ 306,081 |
| Non-operating revenue | 487,367 | 8,725 | 296,774 | 12,757 | 662 | 60,735 | 867,020 |
| Total revenue | 487,367 | 8,725 | 296,774 | 301,257 | 662 | 78.316 | 1,173,101 |
| Expenses | | | | | | | |
| Operating and other expenses | (355,302) | (1,187) | (273,863) | (295,105) | (111,615) | (137,654) | (1,174,726) |
| Operating transfers in | - | - | - | - | - | 1,627,888 | 1,627,888 |
| Change in net assets | 132,065 | 7,538 | 22,911 | 6,152 | (110,953) | 1,568.550 | 1,626,263 |
| Net assets at beginning of year | 284,250 | 125,374 | (147,522) | - | - | 2,063,211 | 2,325,313 |
| Net assets at end of year | $ 416,315 | $ 132,912 | $ (124,611) | $ 6,152 | $ (110,953) | $ 3,631,761 | $ 3,951,576 |

## NOTE R – CONDUIT DEBT

### Taxable Mortgage Revenue Refunding Bonds

In order to provide quality low-income housing and to reduce the mortgage costs, six Taxable Mortgage Revenue Refunding bonds were issued on September 25, 1995. While AHA, in prior years, received a fee from the earned savings of the Bond, the bonds do not represent a debt or pledge of faith and credit of AHA and accordingly, have not been reported in the accompanying financial statements.

| Site | 2004 Mortgage balances | 2003 Mortgage balances |
|---|---|---|
| Oakland City | $ 3,072,422 | $ 3,146,266 |
| Bedford Pines | 1,435,712 | 1,473,832 |
| Bedford Towers | 4,539,641 | 4,695,180 |
| Grant Park | 4,060,629 | 4,180,826 |
| Capital Towers | 1,214,379 | 1,243,566 |
| Capital Avenue | 936,732 | 985,207 |
| Total taxable mortgage revenue refunding bonds | $ 15,259,515 | $ 15,724,877 |

### Multi-Family Housing Revenue Bonds

In order to provide a portion of the funds for the construction of two AHA sponsored mixed-income communities, Multi-Family Housing Revenue bonds were issued on May 1, 1999, and June 22, 1999. The bonds do not represent a debt or pledge of faith and credit of AHA and accordingly, have not been reported in the accompanying financial statements. AHA receives issuer fees from the following related partnerships, as compensation for its role as issuer:

| | 2004 | 2003 |
|---|---|---|
| John Hope Community Partnership II, L.P. | $ 12,135,000 | $ 12,375,000 |
| East Lake Redevelopment II, L.P. | 13,500,000 | 13,800,000 |
| Total multi-family housing revenue bonds | $ 25,635,000 | $ 26,175,000 |

## NOTE S – RELATED PARTY AND PARTNERSHIP INVESTMENT TRANSACTIONS

During the past six years, certain component units of AHA described in note A2 obtained a limited partner interest of a limited partnership which is the general partner of certain related development partnerships. Each of the related development partnerships have received development loans and/or grants from AHA which contain repayment clauses based primarily on cash flow, net project proceeds or condemnation proceeds generated from the entities. Additionally, on several of the developments, AHA owns the land and has a long-term lease for a nominal amount to the related development partnerships.

AHA receives developer fees and expense reimbursements directly from the related development partnership for its role as co-developer and cash flow indirectly through its ownership interest in the related development partnership. During fiscal years 2004 and 2003, AHA recognized $1,175,472 and $901,345, respectively, in interest income from these development loans. Additionally, it recognized fee income of $1,462,129 and $1,449,794, respectively, for developer fees and related reimbursed expenses.

The partnerships operate under various regulatory and operating agreements with AHA, whereby a certain number of units are set aside for public housing assisted families. There are guarantees in many of the regulatory and operating agreements whereby AHA is obligated to fund operating costs related to the public housing assisted apartments on a break-even basis. During 2004 and 2003, payments in the amount of $2,706,130 and $2,330,392, respectively, were paid under these agreements.

A summary of certain key transactions between AHA and the investment partnerships is as follows and others are further explained in notes A2, D and R.

Atlanta Housing Authority & Component Units

## SCHEDULE OF RELATED PARTY TRANSACTIONS

Fiscal year ended June 30 , 2004

| Partnership Name | Notes receivable (interest bearing) | Valuation allowance | Accrued interest | Other assets | Current interest income | Deferred interest income | Other fee income | Housing Assistance payments paid by AHA | Component Unit | Percent ownership |
|---|---|---|---|---|---|---|---|---|---|---|
| East Lake Redevelopment, L. P. | $ 5,824,000 | $(2,764,599) | $ - | $ - | $ - | $ - | $ - | $ 185,160 | AAHFI | 0.25% |
| East Lake Redevelopment II, L.P. | 11,903,505 | (42,061) | - | - | - | - | 17,250 | 349,279 | AAHFI | 0.067% |
| Columbia Village, L.P. | 2,250,000 | - | 535,802 | - | - | 422,484 | - | 26,289 | AAHFI | 0.003% |
| Harris Redevelopment Partnership I, LP | 1,926,922 | - | - | 437,351 | 53,051 | - | 586,006 | - | AAHFI | 0.005% |
| John Hope Community Partnership I, L. P. | 4,620,000 | (444,818) | 50,050 | 174,763 | 46,200 | - | - | 158,674 | AAHFI | 0.0025% |
| John Hope Community Partnership II, L. P. | 7,980,000 | - | 86,450 | - | 79,800 | 79,800 | - | 353,535 | AAHFI | 0.0025% |
| Legacy Partnership I, L.P. | 3,520,000 | - | 1,243,230 | - | - | 881,538 | - | 206,116 | AAHFI | 0.067% |
| Legacy Partnership II, L.P. | 3,445,000 | - | 1,129,082 | - | 11,680 | 593,294 | - | 179,129 | AAHFI | 0.099% |
| Legacy Partnership III, L.P. | 3,774,000 | - | 749,233 | - | 27,178 | 621,967 | - | 190,840 | AAHFI | 0.099% |
| Legacy Partnership IV, L.P. | 3,920,000 | - | 452,307 | - | 85,980 | 514,906 | - | 203,099 | AAHFI | 0.099% |
| Carver Redevelopment Partnership I, L.P. | 8,200,000 | (2,509,559) | 274,288 | 111,472 | 110,938 | 121,032 | 32,431 | 248,928 | AAHFI | 0.0001% |
| Carver Redevelopment Partnership II, L.P. | 740,000 | - | 4,159 | 104,700 | 35,289 | 4,159 | - | - | AAHFI | 0.0025% |
| Carver Redevelopment Partnership III, L.P. | 6,302,873 | (263,379) | 124,029 | 221,280 | 105,444 | 124,029 | - | - | AAHFI | 0.0001% |
| West End Phase III Redevelopment Partnership, L.P. | 1,298,400 | - | 66,246 | - | 106,469 | (12,984) | - | 5,455 | AAHFI | 0.0025% |
| John Eagan I | 5,896,000 | - | 29,480 | - | 117,920 | (57,705) | - | 168,660 | AAHFI | 0.01% |
| John Eagan II | 4,536,000 | (1,024,133) | - | - | 45,360 | - | - | 81,696 | AAHFI | 0.01% |
| Kimberly Associates I, L.P. | 2,605,000 | - | 246,140 | - | (77,596) | 246,140 | - | 89,172 | AAHFI | 0.0001% |
| Kimberly Associates II, L.P. | 1,507,000 | - | 117,429 | 95,394 | - | 83,771 | 7,535 | 49,128 | AAHFI | 0.0025% |
| Kimberly Associates III, L.P. | 1,148,087 | - | 3,173 | 110,722 | 36,274 | 3,173 | - | - | AAHFI | 0.0025% |
| Columbia Commons, L.P. | 2,800,000 | - | 4,404 | 258,443 | 157,500 | 4,404 | - | - | AAHFI | 0.0030% |
| Columbia Estates, L.P.- Perry Homes Phase I | 3,715,482 | $ (902,379) | 5,954 | 257,549 | 169,645 | - | - | - | AAHFI | 0.0030% |
| Carnegie Library, LP | - | - | - | - | - | - | - | - | AAHFI | 0.01% |
| Columbia Park Citi, LP -Perry Homes Phase II | 147,295 | - | - | 786,457 | 679 | 27,450 | 818,907 | - | AAHFI | 0.0001% |
| Summerdale Partners, L.P. | 2,208,000 | - | 827,244 | - | 44,683 | 511,531 | - | 119,340 | AAHFI | 0.15% |
| Summerdale Partners, L.P. II | 1,778,000 | (1,342,962) | 535,051 | - | 18,978 | 361,942 | - | 91,630 | AAHFI | 0.0015% |
| | $ 92,045,564 | $(9,293,890) | $6,483,751 | $2,558,131 | $1,175,472 | $4,530,930 | $1,462,129 | $ 2,706,130 | | |

The Housing Authority of the City of Atlanta, Georgia

**SCHEDULE OF RELATED PARTY TRANSACTIONS**

Year ended June 30, 2003

| Partnership name | Notes receivable (interest bearing) | Valuation allowance | Accrued interest | Other assets | Current interest income | Deferred interest income | Other fee income | Housing Assistance Payments paid by AHA | Component Unit | Percent Ownership |
|---|---|---|---|---|---|---|---|---|---|---|
| East Lake Redevelopment, L.P. | $ 5,824,000 | $ (598,193) | $ - | $ - | $ - | $ - | $ - | $ 184,539 | AAHFI | 0.25% |
| East Lake Redevelopment II, L.P. | 11,709,880 | - | - | - | - | - | 11,750 | - | AAHFI | 0.067% |
| Columbia Village, L.P. | 2,250,000 | - | 389,462 | - | - | 276,180 | - | 8,041 | AAHFI | 0.003% |
| John Hope Community Partnership I, L.P. | 4,620,000 | (878,800) | 50,050 | - | 46,199 | - | - | 77,712 | AAHFI | 0.0025% |
| John Hope Community Partnership II, L.P. | 7,980,000 | - | 86,450 | - | 79,800 | 79,800 | 28,250 | 104,016 | AAHFI | 0.0025% |
| Legacy Partnership I, L.P. | 3,520,000 | - | 1,029,566 | - | - | 667,874 | - | 169,675 | AAHFI | 0.067% |
| Legacy Partnership II, L.P. | 3,445,000 | - | 907,536 | - | - | 371,748 | - | 145,427 | AAHFI | 0.099% |
| Legacy Partnership III, L.P. | 3,774,000 | - | 550,726 | - | - | 423,460 | - | 185,812 | AAHFI | 0.099% |
| Legacy Partnership IV, L.P. | 3,920,000 | - | 332,879 | - | - | 395,478 | - | 170,300 | AAHFI | 0.099% |
| Carver Redevelopment Partnership I, L.P. | 8,108,760 | - | 175,069 | 111,472 | 190.920 | 37,642 | 25,000 | 240,677 | AAHFI | 0.0001% |
| Carver Redevelopment Partnership II, L.P. | 477,481 | - | - | 163,108 | 9,711 | - | 291,936 | 755,305 | AAHFI | 0.0025% |
| Carver Redevelopment Partnership III, L.P. | 5,150,372 | - | - | 240,313 | 123,709 | - | - | - | AAHFI | 0.0001% |
| West End Phase III Redevelopment Partnership, L.P. | 1,298,400 | - | - | - | 80,501 | - | - | 82,968 | AAHFI | 0.0025% |
| CCH John Eagan I Homes, L.P. | 5,896,000 | - | 29,480 | - | 58,960 | 1,255 | - | 107,076 | AAHFI | 0.01% |
| CCH John Eagan II Homes, L.P. | 4,536,000 | - | - | - | 45,360 | - | - | - | AAHFI | 0.01% |
| Kimberly Associates I, L.P. | 2,605,000 | - | - | - | 158,776 | - | - | - | AAHFI | 0.0001% |
| Kimberly Associates II, L.P. | 1,416,231 | | 33,658 | 95,394 | 73,373 | - | - | - | AAHFI | 0.0025% |
| Kimberly Associates III, L.P. | 233,832 | - | - | 167,376 | 5,482 | - | 226,971 | - | AAHFI | 0.0025% |
| Columbia Commons, L.P. | - | - | - | 383,520 | - | - | 512,088 | - | AAHFI | 0.0030% |
| Columbia Estates, L.P. - Perry Homes Phase I | 626,969 | - | - | - | 28,554 | - | 353,799 | 98,844 | AAHFI | 0.0030% |
| Carnegie Library, L.P. | - | - | - | 265,549 | - | - | - | - | AAHFI | 0.01% |
| Summerdale Partners, L.P. | 2,208,000 | (594,885) | 668,337 | - | - | 352,624 | - | - | AAHFI | 0.15% |
| Summerdale Partners L.P., II | 1,778,000 | (304,898) | 415,770 | - | - | 242,660 | - | - | AAHFI | 0.0015% |
| | $ 81,377,925 | $ (2,376,776) | $ 4,668,983 | $ 1,426,732 | $ 901,345 | $ 2,848,721 | $ 1,449,794 | $ 2,330,392 | | |

## NOTE T – MOVING TO WORK DEMONSTRATION AGREEMENT

In January 2001, HUD designated AHA as a Moving To Work ("MTW") agency. This designation allows AHA to participate in the MTW Demonstration Program, a program authorized by Congress to permit public housing authorities to explore more effective and efficient methods of delivering affordable housing and supportive services in their localities. As a designated MTW agency, AHA was able to negotiate a new regulatory framework with HUD. This framework is documented in AHA's MTW Agreement that was executed on September 25, 2003 and is effective as of July 1, 2003 and has a term of seven years.

The purpose of the MTW program as defined in the statement of authorizations is to delegate to AHA the authority to pursue locally driven policies, procedures and programs with the aim of developing better, more efficient ways to provide housing assistance to low and very low income families. The three funding sources included in this agreement are: Low Rent (Public Housing) Performance Funding Subsidy ("Low Rent"), Housing Choice Voucher Program ("HCVP") (Section 8) and Capital Fund Program (including Replacement Housing Factor Grants and Development Grants). The MTW program covered existing unobligated grant balances at the time of the signing of the MTW agreement. Correspondingly, these primary funding sources will be consolidated into one MTW Block Grant for compliance. Funds are made available to achieve and maintain adequate operations, maintenance services, reserve funds, capital improvement funds and asset management fees for public housing assisted units and contract administration fees and rental assistance units leased from private owners under the housing choice voucher program.

The initial financial impact of the MTW Agreement on AHA is in the areas of funding under the Housing Choice Program, authorizations related to regulatory relief and revised benchmarks for assessing performance. Under the new calculation, Housing Choice receives full funding for all HCVP vouchers in the block grant and is not required to return any funds not used for housing assistance voucher payments or earned as related administrative fees. AHA received $2,537,434 representing a one time adjustment factor for 2004 HCVP expenses. In addition, AHA received an MTW reserve of $7,838,082 representing one-month housing assistance payment which is a reserve for the seven-year grant period to support the MTW eligible units. Additionally, compliance with the MTW program assumes no differentiation in uses between funding streams, except where specifically noted in the Agreement. Compliance is based on program performance and eligibility requirements as defined in the MTW agreement and/or MTW annual plan.

## NOTE U – POST-EMPLOYMENT BENEFITS

In addition to the pension benefits described in note N, AHA provides employees who elect early retirement an opportunity 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 cost was approximately $56,000 per year for years ended June 30, 2004 and 2003. AHA has offered early retirement programs in 1993, 1995 and on October 30, 2004. As of October 30, 2004, 22 employees were receiving these benefits, 16 of them from 1995.

## NOTE V – SUBSEQUENT EVENTS

Renaissance Affordable Housing, Inc. ("RAH"), the sole member of Renaissance Gates, LLC which is the owner of Gates Park Crossing Apartments ("Gates Park") (a senior residence community), received a proposal to acquire title to Gates Park in two parcels for a total of $10 million contingent upon the award of tax credits from the Georgia Department of Community Affairs. On February 25, 2005, AHA's Board of Commissioners approved that proposal. The agreement states the closing shall occur on or before June 30, 2006. Gates Park was acquired in 2003 for $9.8 million and has a net book value of $9.6 million as of June 30, 2004.

## SUPPLEMENTARY INFORMATION

The Housing Authority of the City of Atlanta, Georgia

## COMBINING STATEMENT OF NET ASSETS
**Financial Data Schedule**

June 30, 2004

| | Public Housing | Housing Choice | Development | Comprehensive Grant Program | Capital Fund | Revitalization of Severely Distressed Public Housing | MTW Technical Assistance Program | ROSS Program | Market to Market | N/C S/R Section 8 Programs | Business Activities | State/Local Program | Non-Major Component Units (notes A3 and Q) | Total Programs |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **ASSETS** | | | | | | | | | | | | | | |
| **CURRENT ASSETS** | | | | | | | | | | | | | | |
| Cash and cash equivalents | | | | | | | | | | | | | | |
| Unrestricted | $ 7,094,480 | $ 2,083,612 | $ - | $ - | $ - | $ - | $ - | $ - | $ 3,736 | $ 238,162 | $ 4,107,422 | $ 1,535,108 | $ 662,051 | $ 15,724,571 |
| Restricted | 434,529 | 721,239 | - | - | - | - | - | - | - | - | 17,535,632 | - | - | 18,691,400 |
| | 7,529,009 | 2,804,851 | - | - | - | - | | - | 3,736 | 238,162 | 21,643,054 | 1,535,108 | 662,051 | 34,415,971 |
| Receivables, net of allowance | 513,298 | 15,271,340 | 546,247 | 477,986 | 3,378,815 | 4,353,506 | 33,101 | 4,867 | - | 180,134 | 10,476,135 | 321,413 | 75,817 | 35,632,659 |
| Prepaid expenses | 369,882 | 86,475 | - | - | - | - | - | - | - | - | - | - | 8,300 | 464,657 |
| Interprogram - due from | 8,894,125 | 72,478 | - | 81,368 | 17,608 | - | - | 124,257 | - | 479,383 | (25,079) | 109,403 | 18,269 | 9,771,812 |
| Total current assets | 17,306,314 | 18,235,144 | 546,247 | 559,354 | 3,396,423 | 4,353,506 | 33,101 | 129,124 | 3,736 | 897,679 | 32,094,110 | 1,965,924 | 764,437 | 80,285,099 |
| **NONCURRENT ASSETS** | | | | | | | | | | | | | | |
| Notes receivable | - | - | - | - | - | - | - | - | - | - | 81,524,651 | - | - | 81,524,051 |
| Other non-current assets | - | - | - | - | - | - | - | - | - | - | 9,974,279 | - | 126,222 | 10,100,501 |
| Capital assets, net of accumulated depreciation | 129,119,662 | 346,286 | 3,671,455 | 11,235,069 | 18,015,042 | 6,649,692 | - | - | - | - | 6,129,248 | - | 13,243,595 | 188,410,049 |
| Total noncurrent assets | 129,119,662 | 346,286 | 3,671,455 | 11,235,069 | 18,015,042 | 6,649,692 | - | - | - | - | 97,627,578 | - | 13,369,817 | 280,034,601 |
| **TOTAL ASSETS** | $ 146,425,976 | $ 18,581,430 | $ 4,217,702 | $ 11,794,423 | $ 21,411,465 | $ 11,003,198 | $ 33,101 | $ 129,124 | $ 3,736 | $ 897,679 | $ 129,721,688 | $ 1,965,924 | $ 14,134,254 | $ 360,319,700 |
| **LIABILITIES AND NET ASSETS** | | | | | | | | | | | | | | |
| **CURRENT LIABILITIES** | | | | | | | | | | | | | | |
| Accounts payable | 3,098,023 | 850,581 | 95,159 | 22,507 | 1,041,229 | 1,956,355 | - | 3,071 | - | (53) | 432,321 | 7,950 | 471,896 | 7,979,039 |
| Accrued Liabilities | 2,460,481 | 719,866 | 22,034 | - | 210,663 | 17,666 | - | 14,660 | - | 2,606 | 5,604 | 406 | 109,112 | 3,563,098 |
| Deferred revenue and other credits | 77,000 | - | - | - | 449,195 | - | - | 110,398 | - | - | 10,524,173 | - | 3,909 | 11,164,675 |
| Current portion of long-term debt | 381,800 | - | - | - | - | - | - | - | - | - | - | - | 253,772 | 635,572 |
| Interprogram - due to | 27,673 | 3,927,265 | 419,889 | - | 1,668,127 | 1,320,459 | 33,101 | 995 | 780 | - | 1,476,458 | 342,127 | 554,938 | 9,771,812 |
| Total current liabilities | 6,044,977 | 5,497,712 | 537,082 | 22,507 | 3,369,214 | 3,294,480 | 33,101 | 129,124 | 780 | 2,553 | 12,438,556 | 350,483 | 1,393,627 | 33,114,196 |
| **NONCURRENT LIABILITIES** | | | | | | | | | | | | | | |
| Long-term debt, net of current | 2,119,743 | - | - | - | - | - | - | - | - | - | - | - | 14,561,602 | 16,681,345 |
| Other noncurrent liabilities | 2,901,072 | 1,018,193 | - | - | - | - | - | - | - | 1,275 | - | (12,517) | 47,270 | 3,955,293 |
| Total liabilities | 11,065,792 | 6,515,905 | 537,082 | 22,507 | 3,369,214 | 3,294,480 | 33,101 | 129,124 | 780 | 3,828 | 12,438,556 | 337,966 | 16,002,499 | 53,750,834 |
| **NET ASSETS** | | | | | | | | | | | | | | |
| Invested in capital assets, net of related debt | 126,618,119 | 346,286 | 3,671,455 | 11,235,069 | 18,015,042 | 6,649,692 | - | | | | 6,129,248 | | (1,571,779) | 171,093,132 |
| Restricted for: | | | | | | | | | | | | | | - |
| Related development project partnerships | - | | | | | | - | - | - | - | 82,751,674 | - | | 82,751,674 |
| Related partnership operating reserves | - | | | | | | - | | | | 6,813,185 | | | 6,813,185 |
| Other | - | | - | - | - | - | - | - | - | - | 3,161,094 | - | 126,222 | 3,287,316 |
| Unrestricted | 8,742,065 | 11,719,239 | 9,165 | 536,847 | 27,209 | 1,059,026 | - | - | 2,956 | 893,851 | 18,427,931 | 1,627,958 | (422,688) | 42,623,559 |
| Total net assets | 135,360,184 | 12,065,525 | 3,680,620 | 11,771,916 | 18,042,251 | 7,708,718 | - | - | 2,956 | 893,851 | 117,283,132 | 1,627,958 | (1,868,245) | 306,568,866 |
| **TOTAL LIABILITIES AND NET ASSETS** | $ 146,425,976 | $ 18,581,430 | $ 4,217,702 | $ 11,794,423 | $ 21,411,465 | $ 11,003,198 | $ 33,101 | $ 129,124 | $ 3,736 | $ 897,679 | $ 129,721,688 | $ 1,965,924 | $ 14,134,254 | $ 360,319,700 |

The Housing Authority of the City of Atlanta, Georgia

## COMBINING STATEMENT OF NET ASSETS
### Financial Data Schedule

June 30, 2003

| | Public Housing | Housing Choice | Development | Comprehensive Grant Program | Capital Fund | Revitalization of Severely Distressed Public Housing | PIH Drug Elimination Program | ROSS Program | Market to Market | N/C S/R Section 8 Programs | Business Activities | State/Local Program | Non-Major Component Units (notes A3 and Q) | Total Programs |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **ASSETS** | | | | | | | | | | | | | | |
| **CURRENT ASSETS** | | | | | | | | | | | | | | |
| Cash and cash equivalents | | | | | | | | | | | | | | |
| Unrestricted | $ 20,713,976 | $ 4,105,842 | $ - | $ - | $ 275 | $ - | $ - | $ - | $ 1,507 | $ 813,726 | $ 2,479,855 | $ 1,251,248 | $ 1,825,815 | $ 31,192,244 |
| Restricted | 7,054,494 | 721,239 | - | - | - | - | - | - | - | - | 8,708,020 | - | - | 16,483,753 |
| | 27,768,470 | 4,827,081 | - | - | 275 | - | - | - | 1,507 | 813,726 | 11,187,875 | 1,251,248 | 1,825,815 | 47,675,997 |
| Receivables, net of allowance | 769,125 | - | 615,614 | 981,073 | 3,125,226 | 3,646,516 | 107,484 | 5,814 | 28,000 | - | 6,308,846 | 250,972 | 183,908 | 16,022,578 |
| Prepaid expenses | 166,101 | - | - | - | - | (422) | - | - | - | - | - | - | - | 165,679 |
| Interprogram - due from | - | 180,791 | - | 4,635,068 | 3,241,410 | 89,405 | - | - | - | 87,125 | 251,185 | 4,215 | - | 8,489,199 |
| Total current assets | 28,703,696 | 5,007,872 | 615,614 | 5,616,141 | 6,366,911 | 3,735,499 | 107,484 | 5,814 | 29,507 | 900,851 | 17,747,906 | 1,506,435 | 2,009,723 | 72,353,453 |
| **NONCURRENT ASSETS** | | | | | | | | | | | | | | |
| Notes receivable | - | - | - | - | - | - | - | - | - | - | 78,986,158 | - | - | 78,986,158 |
| Other non-current assets | - | - | - | - | - | - | - | - | - | - | 9,604,606 | - | 247 | 9,604,853 |
| Capital assets, net of accumulated depreciation | 151,449,573 | 341,990 | 3,666,933 | 7,477,734 | 12,135,248 | 2,865,138 | - | - | - | - | 6,021,416 | - | 12,708,630 | 196,666,662 |
| Total noncurrent assets | 151,449,573 | 341,990 | 3,666,933 | 7,477,734 | 12,135,248 | 2,865,138 | - | - | - | - | 94,612,180 | - | 12,708,877 | 285,257,673 |
| **TOTAL ASSETS** | $ 180,153,269 | $ 5,349,862 | $ 4,282,547 | $ 13,093,875 | $ 18,502,159 | $ 6,600,637 | $ 107,484 | $ 5,814 | $ 29,507 | $ 900,851 | $ 112,360,086 | $ 1,506,435 | $ 14,718,600 | $ 357,611,126 |
| **LIABILITIES AND NET ASSETS** | | | | | | | | | | | | | | |
| **CURRENT LIABILITIES** | | | | | | | | | | | | | | |
| Accounts payable | 8,412,550 | 1,366,920 | 242,076 | 4,852,960 | 2,435,403 | 143,375 | - | - | 3,000 | 89,185 | 775,645 | 13,975 | 5,045 | 18,340,134 |
| Accrued Liabilities | 870,114 | 430,908 | 14,917 | 695 | 240,991 | 88,350 | - | - | 478 | 2,616 | 2,600 | 136,070 | 143,134 | 1,930,873 |
| Deferred revenue and other credits | 42,644 | - | - | - | 890,079 | 820,903 | - | - | - | - | 7,591,650 | - | 1,124 | 9,346,400 |
| Current portion of long-term debt | 372,496 | - | - | - | - | - | - | - | - | - | - | - | 413,164 | 785,660 |
| Interprogram - due to | 728,830 | - | 146,307 | 762,486 | 2,705,577 | 2,659,585 | 107,484 | 5,814 | 34,144 | - | 38,950 | 233,320 | 1,066,702 | 8,489,199 |
| Total current liabilities | 10,426,634 | 1,797,828 | 403,300 | 5,616,141 | 6,272,050 | 3,712,213 | 107,484 | 5,814 | 37,622 | 91,801 | 8,408,845 | 383,365 | 1,629,169 | 38,892,266 |
| **NONCURRENT LIABILITIES** | | | | | | | | | | | | | | |
| Long-term debt, net of current | 2,520,046 | - | - | - | - | - | - | - | - | - | - | - | 14,815,455 | 17,335,501 |
| Other noncurrent liabilities | 2,024,302 | 966,177 | - | - | - | - | - | - | - | 814 | - | 6,757 | 64,835 | 3,062,885 |
| Total liabilities | 14,970,982 | 2,764,005 | 403,300 | 5,616,141 | 6,272,050 | 3,712,213 | 107,484 | 5,814 | 37,622 | 92,615 | 8,408,845 | 390,122 | 16,509,459 | 59,290,652 |
| **NET ASSETS** | | | | | | | | | | | | | | |
| Invested in capital assets, net of related debt | 148,557,031 | 341,990 | 3,666,933 | 7,477,734 | 12,135,248 | 2,865,138 | - | - | - | - | 6,021,416 | - | (2,519,989) | 178,545,501 |
| Restricted for: | | | | | | | | | | | | | | - |
| Related development project partnerships | - | - | - | - | - | - | - | - | - | - | 78,881,653 | - | - | 78,881,653 |
| Related partnership operating reserves | - | - | - | - | - | - | - | - | - | - | 6,444,272 | - | - | 6,444,272 |
| Other | - | - | - | - | - | - | - | - | - | - | 3,160,334 | - | 179,787 | 3,340,121 |
| Unrestricted | 16,625,256 | 2,243,867 | 212,314 | - | 94,861 | 23,286 | - | - | (8,115) | 808,236 | 9,443,566 | 1,116,313 | 549,343 | 31,108,927 |
| Total net assets | 165,182,287 | 2,585,857 | 3,879,247 | 7,477,734 | 12,230,109 | 2,888,424 | - | - | (8,115) | 808,236 | 103,951,241 | 1,116,313 | (1,790,859) | 298,320,474 |
| **TOTAL LIABILITIES AND NET ASSETS** | $ 180,153,269 | $ 5,349,862 | $ 4,282,547 | $ 13,093,875 | $ 18,502,159 | $ 6,600,637 | $ 107,484 | $ 5,814 | $ 29,507 | $ 900,851 | $ 112,360,086 | $ 1,506,435 | $ 14,718,600 | $ 357,611,126 |

The Housing Authority of the City of Atlanta, Georgia

## COMBINING STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN NET ASSETS
### Financial Data Schedule

Year ended June 30, 2004

| | Public Housing | Housing Choice | Development | Comprehensive Grant Program | Capital Fund | Revitalization of Severely Distressed Public Housing | MTW Technical Grant Program | ROSS Program | Mark to Market | N/C S/R Section 8 Programs | Business Activities | State/Local Program | Non-Major Component Units (notes A3 and Q) | Total Programs |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Revenue | | | | | | | | | | | | | | |
| Rental revenue | $ 15,418,676 | $ (33) | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ 1,635,734 | $ 17,054,377 |
| Governmental grants | 26,594,413 | 121,366,247 | 4,536,712 | 4,517,803 | 19,716,366 | 19,318,072 | 33,101 | 210,041 | 28,867 | 4,882,501 | 7,836 | 23,514 | - | 201,235,473 |
| Investment income - unrestricted | 145,168 | 69,583 | - | - | (94,861) | - | - | - | 227 | 6,424 | 197,019 | 14,069 | 15,575 | 353,204 |
| Other revenue | (2,477,316) | 167,530 | - | - | - | - | - | - | - | - | 2,697,826 | 856,084 | 132,027 | 1,376,151 |
| TOTAL REVENUES | 39,680,941 | 121,603,327 | 4,536,712 | 4,517,803 | 19,621,505 | 19,318,072 | 33,101 | 210,041 | 29,094 | 4,888,925 | 2,902,681 | 893,667 | 1,783,336 | 220,019,205 |
| Expenses | | | | | | | | | | | | | | |
| Operating expenses | | | | | | | | | | | | | | |
| Adminstrative | 12,775,105 | 11,372,844 | 589,352 | 79,713 | 6,918,137 | 1,815,099 | 33,101 | 1,928 | 18,023 | 44,955 | 353,797 | 285,480 | 220,454 | 34,507,988 |
| Tenant services | 1,774,860 | 77,790 | - | 51,910 | 774,368 | 3,110,449 | - | 208,113 | - | - | 60 | 23,697 | 14,338 | 6,035,585 |
| Utilities | 15,066,692 | 119,545 | - | - | 7,020 | 1,653 | - | - | - | - | - | - | 334,361 | 15,529,271 |
| Ordinary maintenance and operation | 9,987,202 | 648,964 | 18,986 | 54,281 | 1,503,256 | 12,821 | - | - | - | - | - | - | 529,798 | 12,755,308 |
| Protective services | 4,954,894 | 189,904 | - | - | 1,313,461 | - | - | - | - | - | - | - | 108,980 | 6,567,239 |
| General expenses | 2,388,807 | 1,469,150 | - | - | 335,405 | 33,774 | - | - | - | - | 6,802,351 | 72,845 | 435,547 | 11,537,879 |
| Total operating expenses | 46,947,560 | 13,878,197 | 608,338 | 185,904 | 10,851,647 | 4,973,796 | 33,101 | 210,041 | 18,023 | 44,955 | 7,156,208 | 382,022 | 1,643,478 | 86,933,270 |
| Excess operating revenues over operating expenses | (7,266,619) | 107,725,130 | 3,928,374 | 4,331,899 | 8,769,858 | 14,344,276 | - | - | 11,071 | 4,843,970 | (4,253,527) | 511,645 | 139,858 | 133,085,935 |
| Other expenses | | | | | | | | | | | | | | |
| Extraordinary maintenance and demolition | 1,216 | 7,328 | - | 37,717 | 2,957,716 | 2,786,845 | - | - | - | - | - | - | 8,970 | 5,799,792 |
| Housing assistance payments | 2,706,130 | 97,535,313 | - | - | - | - | - | - | - | 4,758,355 | - | - | - | 104,999,798 |
| Depreciation expense | 12,747,289 | 94,746 | - | - | - | - | - | - | - | - | 182,218 | - | 289,932 | 13,314,185 |
| Interest expense | 99,322 | - | - | - | - | - | - | - | - | - | - | - | 624,446 | 723,768 |
| Total other expenses | 15,553,957 | 97,637,387 | - | 37,717 | 2,957,716 | 2,786,845 | - | - | - | 4,758,355 | 182,218 | - | 923,348 | 124,837,543 |
| TOTAL EXPENSES | 62,501,517 | 111,515,584 | 608,338 | 223,621 | 13,809,363 | 7,760,641 | 33,101 | 210,041 | 18,023 | 4,803,310 | 7,338,426 | 382,022 | 2,566,826 | 211,770,813 |
| Net income excluding depreciation before transfers | (10,073,287) | 10,182,489 | 3,928,374 | 4,294,182 | 5,812,142 | 11,557,431 | - | - | 11,071 | 85,615 | (4,253,527) | 511,645 | (493,558) | 21,562,577 |
| Other financing sources (uses) | | | | | | | | | | | | | | |
| Operating transfers in | 197,647 | - | - | - | - | - | - | - | - | - | 18,799,537 | - | | 18,997,184 |
| Operating transfers out | (7,199,174) | (608,075) | (4,127,001) | - | - | - | - | - | - | - | (325,797) | - | - | (12,260,047) |
| Non-operating transfers in (out) | - | - | - | - | - | (6,737,137) | - | - | - | - | (706,104) | - | 706,104 | (6,737,137) |
| Total other financing sources (uses) | (7,001,527) | (608,075) | (4,127,001) | - | - | (6,737,137) | - | - | - | - | 17,767,636 | - | 706,104 | - |
| Change in net assets | (29,822,103) | 9,479,668 | (198,627) | 4,294,182 | 5,812,142 | 4,820,294 | - | - | 11,071 | 85,615 | 13,331,891 | 511,645 | (77,386) | 8,248,392 |
| Total net assets | | | | | | | | | | | | | | |
| Beginning of year | 165,182,287 | 2,585,857 | 3,879,247 | 7,477,734 | 12,230,109 | 2,888,424 | - | - | (8,115) | 808,236 | 103,951,241 | 1,116,313 | (1,790,859) | 298,320,474 |
| End of year | $ 135,360,184 | $ 12,065,525 | $ 3,680,620 | $ 11,771,916 | $ 18,042,251 | $ 7,708,718 | $ - | $ - | $ 2,956 | $ 893,851 | $ 117,283,132 | $ 1,627,958 | $ (1,868,245) | $ 306,568,866 |

The Housing Authority of the City of Atlanta, Georgia

## COMBINING STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN NET ASSETS
### Financial Data Schedule

Year ended June 30, 2003

| | Public Housing | Housing Choice | Development | Comprehensive Grant Program | Capital Fund | Revitalization of Severely Distressed Public Housing | PIH Drug Elimination Program | ROSS Program | Mark to Market | N/C S/R Section 8 Programs | Business Activities | State/Local Program | Non-Major Component Units (notes A3 and Q) | Total Programs |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Revenue** | | | | | | | | | | | | | | |
| Rental revenue | $ 15,542,421 | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ 306,081 | $ 15,848,502 |
| Governmental grants | 33,566,601 | 99,117,076 | 4,019,436 | 2,950,415 | 18,456,448 | 14,128,099 | 1,454,797 | 423,477 | 32,710 | 4,659,754 | - | 25,000 | - | 178,833,813 |
| Investment income - unrestricted | 271,740 | 59,088 | - | - | 66,905 | - | - | - | 80 | 5,511 | 1,150,432 | 41,150 | 25,423 | 1,620,329 |
| Other revenue | 482,017 | - | - | - | - | - | - | - | - | - | 2,428,390 | 915,097 | 418,879 | 4,244,383 |
| TOTAL REVENUES | 49,862,779 | 99,176,164 | 4,019,436 | 2,950,415 | 18,523,353 | 14,128,099 | 1,454,797 | 423,477 | 32,790 | 4,665,265 | 3,578,822 | 981,247 | 750,383 | 200,547,027 |
| **Expenses** | | | | | | | | | | | | | | |
| Operating expenses | | | | | | | | | | | | | | |
| Adminstrative | 16,963,285 | 6,642,615 | 725,650 | 133,885 | 4,953,945 | 2,054,999 | 147 | - | 24,552 | 20,473 | 110,302 | 542,376 | 590,445 | 32,762,674 |
| Tenant services | 1,065,434 | 3,451 | 18 | 53,107 | 423,653 | 2,906,823 | 582,468 | 423,477 | - | 33 | 698 | 25,699 | 4,467 | 5,489,328 |
| Utilities | 12,999,104 | 19,602 | - | - | 1,825 | - | - | - | - | - | - | - | 26,228 | 13,046,759 |
| Ordinary maintenance and operation | 9,639,202 | 286,556 | 144,161 | 7,864 | 899,907 | 68,647 | 74,530 | - | - | 60,359 | 2,935 | 2,927 | 76,127 | 11,263,215 |
| Protective services | 3,241,879 | 25,974 | - | 44,437 | 2,224,920 | - | 682,568 | - | - | 33 | 699 | 1,521 | 9,801 | 6,231,832 |
| General expenses | 1,529,334 | 869,044 | - | - | - | 121,642 | - | - | - | 423 | 12,988 | 148,447 | 13,405 | 2,695,283 |
| Total operating expenses | 45,438,238 | 7,847,242 | 869,829 | 239,293 | 8,504,250 | 5,152,111 | 1,339,713 | 423,477 | 24,552 | 81,321 | 127,622 | 720,970 | 720,473 | 71,489,091 |
| Excess operating revenues over operating expenses | 4,424,541 | 91,328,922 | 3,149,607 | 2,711,122 | 10,019,103 | 8,975,988 | 115,084 | - | 8,238 | 4,583,944 | 3,451,200 | 260,277 | 29,910 | 129,057,936 |
| Other expenses | | | | | | | | | | | | | | |
| Extraordinary maintenance and demolition | 1,361,057 | - | - | 9,538 | 2,189,015 | 2,649,117 | - | - | - | - | - | - | 22,705 | 6,231,432 |
| Housing assistance payments | 2,055,937 | 91,012,901 | - | - | - | - | - | - | - | 4,555,054 | - | - | - | 97,623,892 |
| Depreciation expense | 12,520,385 | 77,205 | - | - | - | - | - | - | - | - | 178,823 | - | 51,811 | 12,828,224 |
| Interest expense | 130,564 | - | - | - | - | - | - | - | - | - | - | - | 379,738 | 510,302 |
| Total other expenses | 16,067,943 | 91,090,106 | - | 9,538 | 2,189,015 | 2,649,117 | - | - | - | 4,555,054 | 178,823 | - | 454,254 | 117,193,850 |
| TOTAL EXPENSES | 61,506,181 | 98,937,348 | 869,829 | 248,831 | 10,693,265 | 7,801,228 | 1,339,713 | 423,477 | 24,552 | 4,636,375 | 306,445 | 720,970 | 1,174,727 | 188,682,941 |
| Net income excluding depreciation before transfers | 876,983 | 316,021 | 3,149,607 | 2,701,584 | 7,830,088 | 6,326,871 | 115,084 | - | 8,238 | 28,890 | 3,451,200 | 260,277 | (372,533) | 24,692,310 |
| Other financing sources (uses) | | | | | | | | | | | | | | |
| Operating transfers in | - | - | - | - | - | - | - | - | - | - | 703,110 | - | - | 703,110 |
| Operating transfers out | 8,113,187 | (815,365) | (1,319,212) | - | (169,228) | (12,360,092) | (115,084) | - | - | - | 5,962,684 | - | - | (703,110) |
| Non-operating transfers in (out) | - | - | - | - | - | (789,913) | - | - | - | - | 4,659,619 | - | (3,869,706) | - |
| Total other financing sources (uses) | 8,113,187 | (815,365) | (1,319,212) | - | (169,228) | (13,150,005) | (115,084) | - | - | - | 11,325,413 | - | (3,869,706) | - |
| Change in net assets | (3,530,215) | (576,549) | 1,830,395 | 2,701,584 | 7,660,860 | (6,823,134) | - | - | 8,238 | 28,890 | 14,597,790 | 260,277 | (4,294,050) | 11,864,086 |
| Total net assets | | | | | | | | | | | | | | |
| Beginning of year | 168,712,502 | 3,162,406 | 2,048,852 | 4,776,150 | 4,569,249 | 9,711,558 | - | - | (16,353) | 779,346 | 89,353,451 | 856,036 | 2,503,191 | 286,456,388 |
| End of year | $ 165,182,287 | $ 2,585,857 | $ 3,879,247 | $ 7,477,734 | $ 12,230,109 | $ 2,888,424 | $ - | $ - | $ (8,115) | $ 808,236 | $ 103,951,241 | $ 1,116,313 | $ (1,790,859) | $ 298,320,474 |

The Housing Authority of the City of Atlanta, Georgia

## RECONCILIATION OF ADVANCES, COSTS AND BUDGET
## HUD FUNDED PROGRAMS SPECIAL GRANTS AND CAPITAL PROJECTS FUND

Year Ended June 30, 2004

| | | Grant Drawdowns | | | Expenditures | | | Excess/ | | Budget over / | Reconciliation of HUD advances | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Fund | Program | Cumulative as of June 30, 2003 | Year ended June 30, 2004 | Cumulative as of June 30, 2004 | Cumulative as of June 30, 2003 | Year ended June 30, 2004 | Cumulative as of June 30, 2004 | (deficiency) of advances as of June 30, 2004 | Budget | (under) costs as of June 30, 2004 | HUD AR/AP June 30, 2003 | Cash receipts June 30, 2004 | Expenditures June 30, 2004 | HUD AR/AP June 30, 2004 |
| 3107 | Capital Fund Program Year 1 | 12,940,625 | 5,186,602 | 18,127,227 | 14,820,519 | 3,306,708 | 18,127,227 | - | 18,127,227 | - | (1,879,894) | 5,186,602 | 3,306,708 | - |
| 3108 | Capital Fund Program Year 2 | 10,981,737 | 4,512,058 | 15,493,795 | 12,215,669 | 3,783,061 | 15,998,730 | (504,935) | 16,420,093 | 926,298 | (1,233,932) | 4,512,058 | 3,783,061 | (504,935) |
| 3115 | Capital Fund Program Year 3 | 6,484,021 | 4,223,428 | 10,707,449 | 5,593,942 | 6,517,232 | 12,111,174 | (1,403,725) | 14,837,596 | 4,130,147 | 890,079 | 4,223,428 | 6,517,232 | (1,403,725) |
| 3118 | Capital Fund Program Year 4 | - | 6,368,997 | 6,368,997 | - | 7,225,765 | 7,225,765 | (856,768) | 11,680,743 | 5,311,746 | - | 6,368,997 | 7,225,765 | (856,768) |
| 3119 | Capital Fund Program Year 4.2 | - | - | - | - | 120,193 | 120,193 | (120,193) | 3,497,386 | 3,497,386 | - | - | 120,193 | (120,193) |
| 3111 | CFP-Replacement Housing Factor 2000 | 3,721,549 | (2,871,951) | 849,598 | 1,670,497 | (1,270,094) | 400,403 | 449,195 | 3,721,549 | 2,871,951 | 2,051,052 | (2,871,951) | (1,270,094) | 449,195 |
| 3112 | CFP-Replacement Housing Factor 2001 | 4,604,242 | (3,919,574) | 684,668 | (30,826) | 656,634 | 625,808 | 58,860 | 5,115,824 | 4,431,156 | 4,635,068 | (3,919,574) | 656,634 | 58,860 |
| 3116 | CFP-Replacement Housing Factor 2002 | - | - | - | - | - | - | - | 6,450,529 | 6,450,529 | - | - | - | - |
| 3117 | CFP-Replacement Housing Factor 2003 | - | 17,201 | 17,201 | - | 32,954 | 32,954 | (15,753) | 3,432,489 | 3,415,288 | - | 17,201 | 32,954 | (15,753) |
| 3120 | CFP-Replacement Housing Factor 2004 | - | - | - | - | - | - | - | 2,435,481 | 2,435,481 | - | - | - | - |
| 3105 | Comp Grant - Yr. 7 | 21,688,965 | - | 21,688,965 | 21,688,965 | - | 21,688,965 | - | 21,688,965 | - | - | - | - | - |
| 3109 | Comp Grant - Yr. 8 | 766,169 | - | 766,169 | 766,169 | - | 766,169 | - | 766,169 | - | - | - | - | - |
| 3106 | Comp Grant - Yr. 9 | 16,148,565 | 3,257,371 | 19,405,936 | 16,555,744 | 2,850,192 | 19,405,936 | - | 19,405,936 | - | (407,179) | 3,257,371 | 2,850,192 | - |
| 3110 | CGP-Replacement Housing Factor 1999 | 924,180 | 1,615,697 | 2,539,877 | 1,498,074 | 1,041,803 | 2,539,877 | - | 2,539,877 | - | (573,894) | 1,615,697 | 1,041,803 | - |
| 066 | DEP - Drug Elimination Program 1999 | 2,309,101 | - | 2,309,101 | 2,309,101 | - | 2,309,101 | - | 2,309,101 | - | - | - | - | - |
| 202 | DEP - Drug Elimination Program 2000 | 2,439,853 | - | 2,439,853 | 2,439,853 | - | 2,439,853 | - | 2,439,853 | - | - | - | - | - |
| 6105 | DEP - Drug Elimination Program 2001 | 2,286,124 | 94,627 | 2,380,751 | 2,380,751 | - | 2,380,751 | (0) | 2,380,751 | 0 | (94,627) | 94,627 | - | (0) |
| 5216 | DVP - Clark Howell | - | - | - | - | - | - | - | 8,104,743 | 8,104,743 | - | - | - | - |
| 5222 | DVP - Columbia Commons | 232,589 | 2,920,411 | 3,153,000 | 232,589 | 2,969,317 | 3,201,907 | (48,907) | 3,260,000 | 107,000 | - | 2,920,411 | 2,969,317 | (48,907) |
| 5217 | DVP - Kimberly Courts Ph. 1 | 3,679,636 | - | 3,679,636 | 3,679,636 | - | 3,679,636 | - | 3,679,636 | - | - | - | - | - |
| 5218 | DVP - Kimberly Courts Ph. 2 | 2,281,155 | 95,053 | 2,376,208 | 2,575,876 | (102,589) | 2,473,287 | (97,079) | 2,467,340 | 91,132 | (294,721) | 95,053 | (102,589) | (97,079) |
| 5219 | DVP - Kimberly Courts Ph. 3 | 754,481 | 1,391,635 | 2,146,116 | 922,591 | 1,295,196 | 2,217,787 | (71,671) | 2,393,900 | 247,784 | (168,110) | 1,391,635 | 1,295,196 | (71,671) |
| 5214 | DVP - Peppermill | 1,455,515 | 212,725 | 1,668,241 | 1,518,876 | 239,598 | 1,758,474 | (90,233) | 1,775,051 | 106,810 | (63,361) | 212,725 | 239,598 | (90,233) |
| 5220 | DVP - West End | 2,723,131 | - | 2,723,131 | 2,723,131 | - | 2,723,131 | - | 2,723,131 | - | - | - | - | - |
| 5206 | DVP Eastlake | 30,930,579 | 29,671 | 30,960,250 | 30,946,579 | 207,335 | 31,153,914 | (193,664) | 33,510,000 | 2,549,750 | (16,000) | 29,671 | 207,335 | (193,664) |
| 5210 | DVP -John Eagan II | 5,740,905 | - | 5,740,905 | 5,740,905 | - | 5,740,905 | - | 5,740,905 | - | - | - | - | - |
| 5223 | DVP - Herndon Homes | 995,731 | 0.00 | 995,731 | 1,069,153 | (26,352) | 1,042,802 | (47,071) | 1,716,264 | 720,533 | (73,422) | 0 | (26,352) | (47,071) |
| 5108 | HOPE VI - Capitol Revitalization | 3,019,324 | 3,973,270 | 6,992,595 | 4,477,554 | 3,370,652 | 7,848,206 | (855,612) | 35,000,000 | 28,007,405 | (1,458,230) | 3,973,270 | 3,370,652 | (855,612) |
| 5105 | HOPE VI - Carver (D) | 7,346,521 | 551,965 | 7,898,486 | 7,390,690 | 949,358 | 8,340,048 | (441,562) | 9,720,520 | 1,822,034 | (44,169) | 551,965 | 949,358 | (441,562) |
| 5101 | HOPE VI - Carver Revitalization | 18,600,684 | 2,899,862.15 | 21,500,546 | 19,713,113 | 2,087,396 | 21,800,509 | (299,963) | 34,669,400 | 13,168,854 | (1,112,429) | 2,899,862 | 2,087,396 | (299,963) |
| 5103 | HOPE VI - Centennial | 42,562,635 | - | 42,562,635 | 42,562,635 | - | 42,562,635 | - | 42,562,635 | - | - | - | - | - |
| 5106 | HOPE VI - Harris Demo | 2,911,842 | 789,266 | 3,701,108 | 2,918,280 | 886,626 | 3,804,906 | (103,798) | 4,254,450 | 553,342 | (6,438) | 789,266 | 886,626 | (103,798) |
| 5102 | HOPE VI - Harris Revitalization | 2,371,637 | 1,812,208 | 4,183,845 | 1,623,699 | 2,820,104 | 4,443,804 | (259,959) | 35,000,000 | 30,816,155 | 747,938 | 1,812,208 | 2,820,104 | (259,959) |
| 5107 | HOPE VI - Perry Homes (D) | 5,135,500 | - | 5,135,500 | 5,135,500 | - | 5,135,500 | - | 5,135,500 | - | - | - | - | - |
| 5104 | HOPE VI - Perry Revitalization | 2,046,060 | 7,798,523 | 9,844,583 | 1,973,095 | 9,202,541 | 11,175,636 | (1,331,053) | 20,000,000 | 10,155,417 | 72,966 | 7,798,523 | 9,202,541 | (1,331,052) |
| 6110 | ROSS - 2000 | 1,000,000 | - | 1,000,000 | 1,000,000 | - | 1,000,000 | - | 1,000,000 | - | - | - | - | - |
| 6113 | ROSS - 2001 | 229,636 | 203,106 | 432,742 | 235,450 | 199,088 | 434,538 | (1,796) | 500,000 | 67,258 | (5,814) | 203,106 | 199,088 | (1,796) |
| 6118 | ROSS - 2002 | - | 110,398 | 110,398 | - | - | - | 110,398 | 250,000 | 139,602 | - | 110,398 | - | 110,398 |
| 6119 | ROSS - 2003 | - | 7,882 | 7,882 | - | 10,953 | 10,953 | (3,071) | 400,000 | 392,118 | - | 7,882 | 10,953 | (3,071) |
| 6120 | MTW Technical Assistance Grant | - | - | - | - | 33,101 | 33,101 | (33,101) | 175,000 | 175,000 | - | - | 33,101 | (33,101) |
| | | $ 219,312,693 | $ 41,280,430 | $ 260,593,124 | $ 218,347,810 | $ 48,406,773 | $ 266,754,583 | $ (6,161,459) | $ 391,288,044 | $ 130,694,920 | $ 964,884 | $ 41,280,430 | $ 48,406,773 | $ (6,161,459) |

The Housing Authority of the City of Atlanta, Georgia

## RECONCILIATION OF ADVANCES, COSTS AND BUDGET
## HUD FUNDED PROGRAMS SPECIAL GRANTS AND CAPITAL PROJECTS FUND

Year Ended June 30, 2003

| | | Grant Drawdowns | | | Expenditures | | | Excess/ | | Budget over / | Reconciliation of HUD advances | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Fund | Program | Cumulative as of June 30, 2002 | Year ended June 30, 2003 | Cumulative as of June 30, 2003 | Cumulative as of June 30, 2002 | Year ended June 30, 2003 | Cumulative as of June 30, 2003 | (deficiency) of advances as of June 30, 2003 | Budget | (under) costs as of June 30, 2003 | HUD AR/AP June 30, 2002 | Cash receipts June 30, 2003 | Expenditures June 30, 2003 | HUD AR/AP June 30, 2003 |
| 3107 | Capital Fund Program Year 1 | 9,647,002 | 3,293,623 | 12,940,625 | 8,822,784 | 5,997,735 | 14,820,519 | (1,879,894) | 18,127,227 | 5,186,602 | 824,218 | 3,293,623 | 5,997,735 | (1,879,894) |
| 3108 | Capital Fund Program Year 2 | 6,242,004 | 4,739,733 | 10,981,737 | 6,649,240 | 5,566,429 | 12,215,669 | (1,233,932) | 16,420,093 | 5,438,356 | (407,236) | 4,739,733 | 5,566,429 | (1,233,932) |
| 3115 | Capital Fund Program Year 3 | - | 6,484,021 | 6,484,021 | - | 5,593,942 | 5,593,942 | 890,079 | 14,837,596 | 8,353,575 | - | 6,484,021 | 5,593,942 | 890,079 |
| 3111 | CFP Replacement Housing Factor 2000 | 3,721,549 | - | 3,721,549 | 372,155 | 1,298,342 | 1,670,497 | 2,051,052 | 3,721,549 | - | 3,349,394 | - | 1,298,342 | 2,051,052 |
| 3112 | CFP Replacement Housing Factor 2002 | 4,604,242 | - | 4,604,242 | - | (30,826) | (30,826) | 4,635,068 | 5,115,824 | 511,582 | 4,604,242 | - | (30,826) | 4,635,068 |
| 3105 | Comp Grant - Yr. 7 | 19,907,487 | 1,781,478 | 21,688,965 | 21,687,130 | 1,835 | 21,688,965 | - | 21,688,965 | - | (1,779,643) | 1,781,478 | 1,835 | - |
| 3109 | Comp Grant - Yr. 8 | 720,949 | 45,220 | 766,169 | 761,400 | 4,769 | 766,169 | - | 766,169 | - | (40,451) | 45,220 | 4,769 | - |
| 3106 | Comp Grant - Yr. 9 | 14,097,569 | 2,050,996 | 16,148,565 | 14,360,262 | 2,195,482 | 16,555,744 | (407,179) | 19,405,936 | 3,257,371 | (262,693) | 2,050,996 | 2,195,482 | (407,179) |
| 3110 | CFP Replacement Housing Factor 1999 | 741,624 | 182,556 | 924,180 | 749,744 | 748,330 | 1,498,074 | (573,894) | 2,539,877 | 1,615,697 | (8,120) | 182,556 | 748,330 | (573,894) |
| 066 | DEP - Drug Elimination Program 1999 | 2,309,101 | - | 2,309,101 | 2,309,101 | - | 2,309,101 | - | 2,309,101 | - | - | - | - | - |
| 202 | DEP - Drug Elimination Program 2000 | 2,439,853 | - | 2,439,853 | 2,439,853 | - | 2,439,853 | - | 2,439,853 | - | - | - | - | - |
| 6105 | DEP - Drug Elimination Program 2001 | 929,346 | 1,356,778 | 2,286,124 | 926,379 | 1,454,372 | 2,380,751 | (94,627) | 2,380,751 | 94,627 | 2,967 | 1,356,778 | 1,454,372 | (94,627) |
| 5216 | DVP - Clark Howell | - | - | - | - | - | - | - | 12,965,983 | 12,965,983 | - | - | - | - |
| 5222 | DVP - Columbia Commons | - | 232,589 | 232,589 | - | 232,589 | 232,589 | - | 3,260,000 | 3,027,411 | - | 232,589 | 232,589 | - |
| 5217 | DVP - Kimberly Courts Ph. 1 | 3,354,763 | 324,873 | 3,679,636 | 3,361,890 | 317,746 | 3,679,636 | - | 3,679,636 | - | (7,127) | 324,873 | 317,746 | - |
| 5218 | DVP - Kimberly Courts Ph. 2 | 1,533,675 | 747,480 | 2,281,155 | 1,811,620 | 764,256 | 2,575,876 | (294,721) | 2,467,340 | 186,185 | (277,945) | 747,480 | 764,256 | (294,721) |
| 5219 | DVP - Kimberly Courts Ph. 3 | - | 754,481 | 754,481 | - | 922,591 | 922,591 | (168,110) | 2,393,900 | 1,639,419 | - | 754,481 | 922,591 | (168,110) |
| 5214 | DVP - Peppermill | - | 1,455,515 | 1,455,515 | 1,133,650 | 385,226 | 1,518,876 | (63,361) | 1,775,051 | 319,536 | (1,133,650) | 1,455,515 | 385,226 | (63,361) |
| 5220 | DVP - West End | 2,680,839 | 42,292 | 2,723,131 | 2,723,131 | - | 2,723,131 | - | 2,723,131 | - | (42,292) | 42,292 | - | - |
| 5206 | DVP - Eastlake | 30,320,922 | 609,657 | 30,930,579 | 30,699,018 | 247,561 | 30,946,579 | (16,000) | 33,510,000 | 2,579,421 | (378,096) | 609,657 | 247,561 | (16,000) |
| 027 | DVP - John Eagan II | 5,673,027 | 67,878 | 5,740,905 | 5,660,592 | 80,313 | 5,740,905 | - | 5,740,905 | - | 12,435 | 67,878 | 80,313 | - |
| 5223 | DVP - Herndon Homes | - | 995,731 | 995,731 | - | 1,069,153 | 1,069,153 | (73,422) | 1,716,264 | 720,533 | - | 995,731 | 1,069,153 | (73,422) |
| 5108 | HOPE VI - Capitol Revitalization | - | 3,019,324 | 3,019,324 | 991,531 | 3,486,023 | 4,477,554 | (1,458,230) | 35,000,000 | 31,980,676 | (991,531) | 3,019,324 | 3,486,023 | (1,458,230) |
| 5105 | HOPE VI - Carver (D) | 6,792,730 | 553,791 | 7,346,521 | 6,763,201 | 627,489 | 7,390,690 | (44,169) | 9,720,520 | 2,373,999 | 29,529 | 553,791 | 627,489 | (44,169) |
| 5101 | HOPE VI - Carver Revitalization | 11,593,990 | 7,006,694 | 18,600,684 | 12,131,237 | 7,581,876 | 19,713,113 | (1,112,429) | 34,669,400 | 16,068,716 | (537,247) | 7,006,694 | 7,581,876 | (1,112,429) |
| 5103 | HOPE VI - Techwood/Clark Howell | 42,562,635 | - | 42,562,635 | 42,562,635 | - | 42,562,635 | - | 42,562,635 | - | - | - | - | - |
| 5106 | HOPE VI - Harris Demolition | 2,795,923 | 115,919 | 2,911,842 | 2,898,613 | 19,667 | 2,918,280 | (6,438) | 4,254,450 | 1,342,608 | (102,690) | 115,919 | 19,667 | (6,438) |
| 5102 | HOPE VI - Harris Revitalization | - | 2,371,637 | 2,371,637 | 996,861 | 626,838 | 1,623,699 | 747,938 | 35,000,000 | 32,628,363 | (996,861) | 2,371,637 | 626,838 | 747,938 |
| 5107 | HOPE VI - Perry Homes (D) | 4,795,046 | 340,454 | 5,135,500 | 4,795,046 | 340,454 | 5,135,500 | - | 5,135,500 | - | - | 340,454 | 340,454 | - |
| 5104 | HOPE VI - Perry Revitalization | - | 2,046,060 | 2,046,060 | 527,244 | 1,445,851 | 1,973,095 | 72,965 | 20,000,000 | 17,953,940 | (527,244) | 2,046,060 | 1,445,851 | 72,966 |
| 6110 | ROSS - 2000 | 626,032 | 373,968 | 1,000,000 | 805,334 | 194,666 | 1,000,000 | - | 1,000,000 | - | (179,302) | 373,968 | 194,666 | - |
| 6113 | ROSS - 2001 | - | 229,636 | 229,636 | 6,639 | 228,811 | 235,450 | (5,814) | 500,000 | 270,364 | (6,639) | 229,636 | 228,811 | (5,814) |
| | | $ 178,090,308 | $ 41,222,385 | $ 219,312,693 | $ 176,946,290 | $ 41,401,520 | $ 218,347,810 | $ 964,883 | $ 367,827,656 | $ 148,514,963 | $ 1,144,018 | $ 41,222,385 | $ 41,401,520 | $ 964,883 |

The Housing Authority of the City of Atlanta, Georgia

## STATEMENT OF DEVELOPMENT PROGRAM COMPLETION COSTS AND ADVANCES PROGRAM CERTIFICATION

As of June 30, 2004

| | |
|---|---|
| PROJECT NAME | KIMBERLY COURTS I |
| PROGRAM NUMBER | GA06P006083 |
| BUDGET | $ 3,679,636 |
| ADVANCES | 3,679,636 |
| COSTS | 3,679,636 |
| EXCESS / (DEFICIENCY) OF ADVANCES DUE TO / (FROM) HUD | - |
| AMOUNT TO BE RECAPTURED BY HUD | $ - |

The actual Development Program 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-mens) 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.

There were no budget overruns.

The Housing Authority of the City of Atlanta, Georgia

## STATEMENT OF CAPITAL GRANT PROGRAM COMPLETION COSTS AND ADVANCES PROGRAM CERTIFICATION

As of June 30, 2004

| | |
|---|---|
| PROJECT NAME | Capital Fund Program Year 1 |
| PROGRAM NUMBER | GA06P006501-00 |
| BUDGET | $ 18,127,227 |
| ADVANCES | 18,127,227 |
| COSTS | 18,127,227 |
| EXCESS / (DEFICIENCY) OF ADVANCES DUE TO / (FROM) HUD | - |
| AMOUNT TO BE RECAPTURED BY HUD | $ - |

The actual Capital Fund Program 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-mens) 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.

There were no budget overruns.

The Housing Authority of the City of Atlanta, Georgia

## STATEMENT OF COMPREHENSIVE GRANT PROGRAMS' COMPLETION COSTS AND ADVANCES PROGRAM CERTIFICATION

As of June 30, 2004

| PROJECT NAME<br>PROGRAM NUMBER | CGP Year 9<br>GA06P006709 99 | CGP RHF 1999<br>GA06P006501 99 |
|---|---|---|
| BUDGET | $ 19,405,936 | $ 2,539,877 |
| ADVANCES | 19,405,936 | 2,539,877 |
| COSTS | 19,405,936 | 2,539,877 |
| EXCESS / (DEFICIENCY) OF ADVANCES DUE TO / (FROM) HUD | - | - |
| AMOUNT TO BE RECAPTURED BY HUD | $ - | $ - |

Each actual Comprehensive Grant Cost Certificate is in agreement with AHA records.

All work in connection with these grants has been completed.

Amounts due have been received, and all liabilities have been paid and there are no undischarged liens (mechanics, laborers, contractors or material-mens) against each 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.

There were no budget overruns.

The Housing Authority of the City of Atlanta, Georgia

## STATEMENT OF CERTIFICATION OF ACTUAL DEVELOPMENT COSTS AND ADVANCES

As of June 30, 2004

| | |
|---|---|
| PROJECT NAME | John Eagan II |
| PROGRAM NUMBER | GA06P006086 |
| BUDGET | $ 5,740,905 |
| ADVANCES | 5,740,905 |
| COSTS | 5,740,905 |
| EXCESS / (DEFICIENCY) OF ADVANCES DUE TO / (FROM) HUD | $ - |
| AMOUNT TO BE RECAPTURED BY HUD | $ - |

The Actual Development Cost Certificate is in agreement with Authority records.

All work in connection with this grant has been completed.

All liabilities have been paid and there are no undischarged mechanics', laborers', contractors' or material-mens liens 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

There were no budget overruns.

The Housing Authority of the City of Atlanta, Georgia

# STATEMENT OF URBAN REVITALIZATION (HOPE VI) PROGRAM COMPLETION COSTS AND ADVANCES PROGRAM CERTIFICATION

As of June 30, 2004

| | |
|---|---|
| PROJECT NAME | Techwood/Clark Howell HOPE VI |
| PROGRAM NUMBER | GA06URD006I193 |
| BUDGET | $ 42,562,635 |
| ADVANCES | 42,562,635 |
| COSTS | 42,562,635 |
| EXCESS / (DEFICIENCY) OF ADVANCES DUE TO / (FROM) HUD | $ - |
| AMOUNT TO BE RECAPTURED BY HUD | $ - |

The actual Urban Revitalization Program Cost Certificate is in agreement with AHA

All work in connection with this grant has been completed.

Amounts due have been received and all liabilities have been paid and there are no undischarged liens (mechanics, laborers, contractors or material-mens) 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.

There were no budget overruns.

# SINGLE AUDIT SECTION

Report on Internal Control over Financial Reporting and on
Compliance and Other Matters Based on an Audit of the
Financial Statements Performed in Accordance with
*Government Auditing Standards*

Board of Commissioners
The Housing Authority of the City of
Atlanta, Georgia

We have audited the financial statements of **The Housing Authority of the City of Atlanta, Georgia** as of and for the year ended June 30, 2004, and have issued our report thereon dated February 25, 2005. 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.

**Internal Control Over Financial Reporting**

In planning and performing our audit, we considered **The Housing Authority of the City of Atlanta, Georgia's** internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the basic financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses. However, we noted certain matters involving the internal control over financial reporting which we have reported to management of **The Housing Authority of the City of Atlanta, Georgia**, in a separate letter dated February 25, 2005.

As part of obtaining reasonable assurance about whether **The Housing Authority of the City of Atlanta, Georgia's** financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards.*

This report is intended for the information and use of the Board of Commissioners, **The Housing Authority of the City of Atlanta, Georgia's** management and federal awarding agencies and pass-through entities, and is not intended to be and should not be used by anyone other than these specified parties.

**Compliance**

Atlanta, Georgia
February 25, 2005

## REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

Report of Independent Certified Public Accountants on
Compliance with Requirements Applicable to
Each Major Program and Internal Control Over
Compliance in Accordance with OMB Circular A-133

Board of Commissioners
The Housing Authority of the City of
Atlanta, Georgia

**Compliance**

We have audited the compliance of **The Housing Authority of the City of Atlanta, Georgia** (AHA) with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2004. **The Housing Authority of the City of Atlanta, Georgia's** major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of **The Housing Authority of the City of Atlanta, Georgia's** management. Our responsibility is to express an opinion on **The Housing Authority of the City of Atlanta, Georgia's** compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States, and OMB Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance occurred with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about **The Housing Authority of the City of Atlanta, Georgia's** compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of **The Housing Authority of the City of Atlanta, Georgia's** compliance with those requirements.

In our opinion, **The Housing Authority of the City of Atlanta, Georgia** complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2004. However, the results of our auditing procedures disclosed immaterial instances of noncompliance with those requirements, which are described in a separate letter to management dated February 25, 2005.

**Internal Control Over Compliance**

The management of **The Housing Authority of the City of Atlanta, Georgia** is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts and grants applicable to Federal programs. In planning and performing our audit we considered **The Housing Authority of the City of Atlanta, Georgia's** internal control over compliance with requirements that could have a direct and material effect on a major Federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on the internal control over compliance in accordance with OMB Circular A-133.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with the applicable requirements of laws, regulations, contracts, and grants caused by error or fraud that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we considered to be material weaknesses.

This report is intended for the information and use of the Board of Commissioners, **The Housing Authority of the City of Atlanta, Georgia's** management and federal awarding agencies and pass-through entities, and is not intended to be and should not be used by anyone other than these specified parties.

Atlanta, Georgia
February 25, 2005

The Housing Authority of the City of Atlanta, Georgia

## SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Year ended June 30, 2004

### SECTION I – SUMMARY OF AUDITORS' RESULTS

#### Financial Statements

| | |
|---|---|
| Type of auditors' report issued: | Unqualified |
| Internal control over financial reporting: | |
| • Material weakness(es) identified? | No |
| • Reportable condition(s) identified that are not considered to be material weaknesses? | No |
| Noncompliance material to financial statements noted? | No |

#### Federal Awards

| | |
|---|---|
| Internal control over major programs: | |
| • Material weakness(es) identified? | No |
| • Reportable condition(s) identified that are not considered to be material weaknesses? | No |
| Type of auditors' report issued on compliance for major programs: | Unqualified |
| Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133? | No |

Identification of major programs:

| CFDA Number | Name of Federal Program |
|---|---|
| 14.850 (b) | Public Housing, Development Program |
| 14.871 | Section 8 Housing Choice Vouchers |
| 14.182 | Section 8 New Construction and Substantial Rehabilitation |

| | |
|---|---|
| Dollar threshold used to distinguish between type A and type B programs: | $ 3,000,000 |
| Auditee qualified as low-risk auditee? | Yes |

## SECTION II – FINANCIAL STATEMENT FINDINGS

There are no financial statement findings for 2004.

## SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

There are no reportable findings and questioned costs for 2004.

## SECTION IV – SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

The prior audit report for the period ended June 30, 2003 contained two audit findings. The status of each finding is as follows:

### FINDING 2003-1

The PHA's procedures for processing tenant applications and annual reviews and recertification resulted in questions regarding the accuracy of tenant monthly rent calculations and program eligibility.

Status

HUD closed its finding subsequent to prior year audit fieldwork testing period, on February 5, 2004, relating to Rent Integrity Monitoring where some of the same conditions were noted. HUD accepted the corrective action plan that addresses the conditions outlined in this finding. Those corrective actions include review and amendment of policies, procedures and processes around occupancy operations; use of file checklists of items to be documented in tenant files; provided training to individuals involved in the intake and recertification process; and implementation of quality control reviews of 10 percent of tenant files. Implementation of the corrective action plan had started, but was not yet complete at June 30, 2004. BKR Metcalf Davis evaluated the status of the interim monitoring visits and found substantial improvement. they will continue to monitor in fiscal year 2005.

**FINDING 2003-2**

The PHA did not record the promissory notes required from relocated individuals who were advanced relocation assistance required to be repaid to the Authority.

Status

The PHA had obtained the missing notes as identified in the prior year audit sample and has conduct file reviews on all files related to Capitol Homes Relocation to ensure promissory notes have been properly executed when required. Further, the PHA has implemented changes to their system of internal control which requires the promissory note be signed and recorded prior to disbursing funds. This finding is considered closed except for on-going agency monitoring.

The Housing Authority of the City of Atlanta, Georgia

## SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Year ended June 30, 2004

| Federal Program/Cluster Title | CFDA Number | Pass Thru Entity | Federal Expenditures | |
|---|---|---|---|---|
| U.S. Department of Housing and Urban Development | | | | |
| Public Housing | | | | |
| Public and Indian Housing | 14.850 (a) | N/A | $ 26,594,413 | |
| Development Program | 14.850 (b) | N/A | 4,536,712 | |
| Total | | | | $ 31,131,125 |
| Housing Choice Voucher | 14.871 | N/A | | 121,366,247 |
| Multifamily Assisted Housing Reform and Affordability Act | 14.197 | N/A | | 28,867 |
| Public Housing Comprehensive Grant Program | 14.859 | N/A | | 4,517,803 |
| Public Housing Capital Fund Program | 14.872 | N/A | | 19,715,820 |
| Demolition and Revitalization of Severely Distressed Public Housing (HOPE VI) | 14.866 | N/A | | 19,318,072 |
| MTW Technical Assistance Grant | N/A | N/A | | 33,101 |
| Resident Opportunity and Supportive Services Program | 14.870 | N/A | | 210,041 |
| Section 8 New Construction and Substantial Rehabilitation Awards | 14.182 | N/A | | 4,882,501 |
| Total Federal Expenditures | | | | $ 201,203,577 |

The Housing Authority of the City of Atlanta, Georgia

## NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Year ended June 30, 2004

### NOTE A – SIGNIFICANT ACCOUNTING POLICIES FOR FEDERAL AWARD EXPENDITURES

The Schedule of Expenditures of Federal Awards included herein represents all of the Federal grant awards of The Housing Authority of the City of Atlanta, Georgia ("AHA") over which AHA exercised direct operating control for the year ended June 30, 2004.

### NOTE B – BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards is presented using the accrual basis of accounting and includes revenues earned and expenses incurred by AHA during its fiscal year ending June 30, 2004.

### NOTE C – SCOPE OF AUDIT PURSUANT TO OMB CIRCULAR A-133

All Federal grant operations of AHA are included in the scope of the Office of Management and Budget ("OMB") Circular A-133 audit (the "Single Audit"). The Single Audit was performed in accordance with the provisions of the *OMB Circular A-133 Compliance Supplement* (Revised March 2003, the "Compliance Supplement"). Compliance testing of all requirements, as described in the Compliance Supplement, was performed for the grant programs noted below.

For year 2004, these programs were selected using a risk based approach to determine which federal programs are major programs. This risk based approach includes consideration of current and prior year audit experience, oversight by Federal agencies, inherent risk over the program, professional judgment and other criteria contained in the Federal guidelines. Audit coverage applying to AHA as a low risk auditee requires at least 25 percent of the total federal awards be examined. Actual coverage for 2004 is approximately 65 percent.

| CFDA Number | Name of Federal Program | |
|---|---|---|
| 14.182 (b) | Public Housing, Development Program | $ 4,536,712 |
| 14.871 | Section 8 Housing Choice Voucher Program | 121,366,247 |
| 14.182 | Section 8 N/C and Substantial Rehabilitation | 4,882,501 |
| | | $130,785,460 |

# Operating Fund
# Calculation of Operating Subsidy
PHA-Owned Rental Housing

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

OMB Approval No. 2577-0029 (exp.10/31/2004)

## Section 1

| | | | | | |
|---|---|---|---|---|---|
| a) Name and Address of Public Housing Agency<br><br>Housing Authority of the City of Atlanta, Georgia<br>230 John Wesley Dobbs Avenue NE<br>Atlanta, GA 30303-2429 | | | | b) Budget Submission to HUD required<br>☐ Yes ☒ No<br>c) Type of Submission<br>☒ Original<br>☐ Revision No. | |
| d) No. of HA Units<br>8,485 | e) Unit Months Available (UMAs)<br>101820 | f) Subject FYE<br>06/30/2006 | g) ACC Number<br>A-3107 | h) Operating Fund Project Number<br>G A 0 0 6 0 0 1 0 6 K | i) (Reserved)<br>069189850 |

## Section 2

| Line No. | Description | | Requested by PHA (PUM) | HUD Modifications (PUM) |
|---|---|---|---|---|
| **Part A. Allowable Expenses and Additions** | | | | |
| 01 | Previous allowable expense level (Part A, Line 08 of form HUD-52723 for previous year) | | 289.49 | |
| 02 | Part A, Line 01 multiplied by .005 | | 1.45 | |
| 03 | Delta from form HUD-52720-B, if applicable (see instructions) | | -3.67 | |
| 04 | "Requested" year units from latest form HUD-52720-A (see instructions) | 8,485 | | |
| 05 | Add-ons to allowable expense level from previous fiscal year (see instructions) | | | |
| 06 | Total of Part A, Lines 01, 02, 03 and 05 | | 287.27 | |
| 07 | Inflation factor | | 1.031 | |
| 08 | Revised allowable expense level (AEL) (Part A, Line 06 times Line 07) | | 296.18 | |
| 09 | Transition Funding | | | |
| 10 | Increase to AEL | | | |
| 11 | Allowable utilities expense level from form HUD-52722-A | | 182.65 | |
| 12 | Actual PUM cost of Independent Audit (IA) (Through FYE 06/30/2004) | | 0.86 | |
| 13 | Costs attributable to deprogrammed units | | 5.37 | |
| 14 | **Total Allowable Expenses and Additions** (Sum of Part A, Lines 08 thru 13) | | 485.06 | |
| **Part B. Dwelling Rental Income** | | | | |
| 01 | Total rent roll (as of 1/1/2005) | $ 1,529,564 | | |
| 02 | Number of occupied units as of rent roll date | 8,187 | | |
| 03 | Average monthly dwelling rental charge per unit for current budget year (Part B, Line 01 ÷ Line 02) | 186.83 | | |
| 04 | Average monthly dwelling rental charge per unit for prior budget year | 163.09 | | |
| 05 | Average monthly dwelling rental charge per unit for budget year 2 years ago | 171.66 | | |
| 06 | Three-year average monthly dwelling rental charge per unit ([Part B, Line 03+Line 04+Line 05]÷ 3) | 173.86 | | |
| 07 | 50/50 Income split ([Part B, Line 03 + Line 06] ÷ 2) | 180.35 | | |
| 08 | Average monthly dwelling rental charge per unit (lesser of Part B, Line 03 or Line 07) | | 180.35 | |
| 09 | Rental income adjustment factor | | 1.03 | 1. |
| 10 | Projected average monthly dwelling rental charge per unit (Part B, Line 08 times Line 09) | | 185.76 | |
| 11 | Projected occupancy percentage from form HUD-52728 | | 97% | % |
| 12 | **Projected average monthly dwelling rental income per unit** (Part B, Line 10 times Line 11) | | 180.19 | |
| **Part C. Non-dwelling Income** | | | | |
| 01 | Other income | | 5.96 | |
| 02 | **Total operating receipts** (Part B, Line 12 plus Part C, Line 01) | | 186.15 | |
| 03 | **PUM deficit or (Income)** (Part A, Line14 minus Part C, Line 02) | | 298.91 | |
| | | | Requested by PHA (Whole dollars) | HUD Modifications (Whole dollars) |
| 04 | Deficit or (Income) before add-ons (Part C, Line 03 times Section 1, e) | | 30,435,016 | |

| Line No. | Description | | Requested by PHA (Whole Dollars) | HUD Modifications (Whole Dollars) |
|---|---|---|---|---|
| **Part D. Add-ons for changes in Federal law or regulation and other eligibility** | | | | |
| 01 | FICA contributions | | 82,987 | |
| 02 | Unemployment compensation | | 198,029 | |
| 03 | Family Self Sufficiency Program | | | |
| 04 | Energy Add-On for loan amortization | | | |
| 05 | Unit reconfiguration | | | |
| 06 | Non-dwelling units approved for subsidy | | 71,083 | |
| 07 | Long-term vacant units | | | |
| 08 | Phase Down for Demolitions | | 101,258 | |
| 09 | Units Eligible for Resident Participation: Occupied Units (Part B, Line 02) | 8,187 | | |
| 10 | Employee Units | 8 | | |
| 11 | Police Units | 1 | | |
| 12 | Total Units Eligible for Resident Participation (Sum of Part D, Lines 09 thru 11) | 8,196 | | |
| 13 | Funding for Resident Participation (Part D, Line 12 x $25) | | 204,900 | |
| 14 | Other approved funding, not listed (Specify in Section 3) | | | |
| 15 | **Total add-ons** (sum of Part D, Lines 01, 02, 03, 04, 05, 06, 07, 08, 13 and 14) | | 658,257 | |
| **Part E. Calculation of Operating Subsidy Eligibility Before Adjustments** | | | | |
| 01 | Deficit or (Income) before adjustments (Total of Part C, Line 04 and Part D, Line 15) | | 31,093,273 | |
| 02 | Actual cost of Independent Audit (IA) | | 87,410 | |
| 03 | **Operating subsidy eligibility before adjustments** (greater of Part E, Line 01 or Line 02) (If less than zero, enter zero (0)) | | 31,093,273 | |
| **Part F. Calculation of Operating Subsidy Approvable for Subject Fiscal Year** (**Note:** Do **not** revise after the end of the subject FY) | | | | |
| 01 | Utility Adjustment for Prior years | | 2,709,514 | |
| 02 | Additional subject fiscal year operating subsidy eligibility (specify) | | | |
| 03 | Unfunded eligibility in prior fiscal years to be obligated in subject fiscal year | | | |
| 04 | HUD discretionary adjustments | | | |
| 05 | Other (specify) | | | |
| 06 | Other (specify) | | | |
| 07 | Unfunded portion due to proration | | ( ) | ( ) |
| 08 | Net adjustments to operating subsidy (total of Part F, Lines 01 thru 07) | | 2,709,514 | |
| 09 | **Operating subsidy approvable for subject fiscal year** (total of Part E, Line 03 and Part F, Line 08) | | 33,802,787 | |
| **HUD Use Only** (**Note**: Do **not** revise after the end of the subject FY) | | | | |
| 10 | Amount of operating subsidy approvable for subject fiscal year not funded | | | ( ) |
| 11 | Amount of funds obligated in excess of operating subsidy approvable for subject fiscal year | | | |
| 12 | **Funds obligated in subject fiscal year** (sum of Part F, Lines 09 thru 11) (Must be the same as line 690 of the Operating Budget, form HUD-52564, for the subject fiscal year) Appropriation symbol(s): | | | |
| **Part G. Memorandum of Amounts Due HUD, Including Amounts on Repayment Schedules** | | | | |
| 01 | Total amount due in previous fiscal year (Part G, Line 04 of form HUD-52723 for previous fiscal year) | | | |
| 02 | Total amount to be collected in subject fiscal year (Identify individual amounts under Section 3) | | ( ) | ( ) |
| 03 | Total additional amount due HUD (include any amount entered on Part F, Line 11) (Identify individual amounts under Section 3) | | | |
| 04 | **Total amount due HUD to be collected in future fiscal year(s)** (Total of Part G, Lines 01 thru 03) (Identify individual amounts under Section 3) | | | |

| Line No. | Description | Requested by PHA (Whole Dollars) | HUD Modifications (Whole Dollars) |
|---|---|---|---|
| | **Part H. Calculation of Adjustments for Subject Fiscal Year** **This part is to be completed only after the subject fiscal year has ended** | | |
| 01 | Indicate the types of adjustments that have been reflected on this form: ☐ Utility Adjustment ☐ HUD discretionary adjustment (Specify under Section 3) | | |
| 02 | Utility adjustment from form HUD-52722-B | | |
| 03 | Deficit or (Income) after adjustments (total of Part E, Line 01 and Part H, Line 02) | | |
| 04 | Operating subsidy eligibility after year-end adjustments (greater of Part E, Line 02 or Part H, Line 03) | | |
| 05 | Part E, Line 03 of latest form HUD-52723 approved **during** subject FY **(Do not use Part E, Line 03 of this revision)** | | |
| 06 | Net adjustments for subject fiscal year (Part H, Line 04 minus Part H, Line 05) | | |
| 07 | Utility adjustment (enter same amount as Part H, Line 02) | | |
| 08 | Total HUD discretionary adjustments (Part H, Line 06 minus Line 07) | | |
| 09 | Unfunded portion of utility adjustment due to proration | | |
| 10 | Unfunded portion of HUD discretionary adjustment due to proration | | |
| 11 | Prorated utility adjustment (Part H, Line 07 plus Line 09) | | |
| 12 | Prorated HUD discretionary adjustment (Part H, Line 08 plus Line 10) | | |

**Section 3**

Remarks (provide part and line numbers)

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

| Signature of Authorized HA Representative & Date: | Signature of Authorized Field Office Representative & Date: |
|---|---|
| X 3/30/05 | |

**Calculation of Allowable Utilities Expense Lev^l**
PHA/IHA-Owned Rental ɩg
Performance Funding Sy
Public Housing Agency / Indian ɩɩousing Authority

**U.S. Department of Housing and Urban Dev^lopment**
Office of Publ ˈndian Housing

OMB Approval No. 2577-00ـ (exp. 8/31/89

| HOUSING AUTHORITY of the CITY of ATLANTA | Old Project Numbers (Data Held on lines 1,2,3) MASTER LIST | New Project Numbers (Data listed on line 8) ROLLING BASE FROZEN | Fiscal Year Ending June 30, 2006 ACC Contract Number A-3107 | Submission Original 2/16/2003 Re-Submission Revision No. ( ) |
|---|---|---|---|---|

| Line no. (1) | Description (2) | Unit Months Available (3) | Sewerage and Water Consumption (4) | Electricity Energy Consumption (5) | Gas Consumption (6) | Fuel (Specity type e.g... oil, coal, wood) (7) | (8) | (9) |
|---|---|---|---|---|---|---|---|---|
| 01 | UMA and actual consumption for old projects for 12 month period which ended 12 months before the Requested Budget Year. | 101,820 | 987,515 | 74,004,617 | 3,941,166 | | | |
| 02 | UMA and actual consumption for old projects for 12 month period which ended 24 months before the Requested Budget Year. | 101,820 | 1,034,718 | 71,249,029 | 4,150,059 | | | |
| 03 | UMA and actual consumption for old projects for 12 month period which ended 36 months before the Requested Budget Year | 101,820 | 944,050 | 65,773,828 | 3,507,124 | | | |
| 04 | Accumulated UMA and actual consumption of old projects (sum of lines 01, 02, 03) | 305,460 | 2,966,283 | 211,027,474 | 11,598,348 | | | |
| 05 | Estimated Unit Months available for old projects for Requested Budget Year. | 101,820 | | | | | | |
| 06 | Ratio of Unit months available for old projects (line 04 divided by line 05 colum 3) | 3 | | | | | | |
| 07 | Estimated UMA and consumption for old projects for Requested Budget Year (Each figure on line 04 divided by line 06). | 101,820 | 988,761 | 70,342,491 | 3,866,116 | | | |
| 08 | Estimated UMA and comsumption for new projects. | - | 0 | 0 | 0 | | | |
| 09 | Total estimated UMA and consumption for old and new projects for Requested Budget Year (line 07 + line 08) | 101,820 | 988,761 | 70,342,491 | 3,866,116 | | | |
| 10 | Estimated cost of consumption on line 09 for Requested Budget Year (see instructions). | COST | 8,797,007 | 4,461,121 | 5,339,106 | | | |
| 11 | Total estimated cost for Requested Budget Year (sum of all colums of line 10) | $18,597,233 | | | | | | |
| 12 | Est. PUM cost of consumption for Requested Budget Year (Allowable Utilities Expense Level) (line 11 divided by line 09, col 3) | 182.65 | | | | | | |
| 12a | Rate | | 8.89700 | 0.06342 | 1.38100 | | | |
| 12b | Unit of Consumption | | CCF | KWH | THERMS | | | |

**Calculation of Allowable Utilities Expense Level**
PHA/IHA-Owned Rental ...g
Performance Funding Sy
Public Housing Agency / Indian ...using Authority

**U.S. Department of Housing and Urban Development**
Office of Publ... ...ndian Housing

OMB Approval No. 2577-00... (exp. 8/31/89

| HOUSING AUTHORITY of the CITY of ATLANTA | Old Project Numbers (Data Held on lines 1,2,3)<br>NON-EPC-1a | New Project Numbers (Data listed on line 8) | Fiscal Year Ending<br>**June 30, 2006**<br>ACC Contract Number<br>A-3107 | Submission<br>Original 2/16/2003<br>Re-Submission<br>Revision No. ( ) |
|---|---|---|---|---|

| Line no. (1) | Description (2) | Unit Months Available (3) | Sewerage and Water Consumption (4) | Electricity Energy Consumption (5) | Gas Consumption (6) | Electricity Demand Consumption (7) | Fuel (Specify type e.g... oil, coal, wood) (8) | (9) |
|---|---|---|---|---|---|---|---|---|
| 01 | UMA and actual consumption for old projects for 12 month period which ended 12 months before the Requested Budget Year. | 78,744 | 835,252 | 60,791,737 | 3,437,056 | | | |
| 02 | UMA and actual consumption for old projects for 12 month period which ended 24 months before the Requested Budget Year. | 78,744 | 867,190 | 56,188,709 | 3,526,346 | | | |
| 03 | UMA and actual consumption for old projects for 12 month period which ended 36 months before the Requested Budget Year | 78,744 | 780,461 | 52,669,348 | 3,032,460 | | | |
| 04 | Accumulated UMA and actual consumption of old projects (sum of lines 01, 02, 03) | 236,232 | 2,482,903 | 169,649,794 | 9,995,861 | | | |
| 05 | Estimated Unit Months available for old projects for Requested Budget Year. | 78,744 | | | | | | |
| 06 | Ratio of Unit months available for old projects (line 04 divided by line 05 column 3) | 3 | | | | | | |
| 07 | Estimated UMA and consumption for old projects for Requested Budget Year (Each figure on line 04 divided by line 06). | 78,744 | 827,634 | 56,549,931 | 3,331,954 | | | |
| 08 | Estimated UMA and consumption for new projects. | - | 0 | 0 | 0 | | | |
| 09 | Total estimated UMA and consumption for old and new projects for Requested Budget Year (line 07 + line 08) | 78,744 | 827,634 | 56,549,931 | 3,331,954 | | | |
| 10 | Estimated cost of consumption on line 09 for Requested Budget Year (see instructions). | COST | 7,363,463 | 3,586,397 | 4,601,428 | | | |
| 11 | Total estimated cost for Requested Budget Year (sum of all columns of line 10) | $15,551,287 | | | | | | |
| 12 | Est. PUM cost of consumption for Requested Budget Year (Allowable Utilities Expense Level) (line 11 divided by line 09, col 3) | 197.49 | | | | | | |
| 12a | Rate | | 8.89700 | 0.06342 | 1.38100 | | | |
| 12b | Unit of Consumption | | CCF | kWh | THERMS | | | |

Calculation of Allowable
Utilities Expense Level
PHA/IHA-Owned Rental ng
Performance Funding S
Public Housing Agency / Indian ... ing Authority

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

OMB Approval No. 2577-0029 (exp. 8/3...)

| HOUSING AUTHORITY of the CITY of ATLANTA | Old Project Numbers (Data Held on lines 1,2,3): EPC-1a | New Project Numbers (Data listed on line 8): ROLLING BASE FROZEN | Fiscal Year Ending: June 30, 2006; ACC Contract Number: A-3107 | Submission: Original 2/16/2003; Re-Submission; Revision No. ( ) |
|---|---|---|---|---|

| Line no. (1) | Description (2) | Unit Months Available (3) | Sewerage and Water Consumption (4) | Electricity Energy Consumption (5) | Gas Consumption (6) | Electricity Demand Consumption (7) | Fuel (Specify type e.g... oil, coal, wood) (8) | Fuel (9) |
|---|---|---|---|---|---|---|---|---|
| 01 | UMA and actual consumption for old projects for 12 month period which ended 12 months before the Requested Budget Year. | 23,076 | 152,263 | 13,212,880 | 504,110 | | | |
| 02 | UMA and actual consumption for old projects for 12 month period which ended 24 months before the Requested Budget Year. | 23,076 | 167,528 | 15,060,320 | 623,713 | | | |
| 03 | UMA and actual consumption for old projects for 12 month period which ended 36 months before the Requested Budget Year | 23,076 | 163,589 | 13,104,480 | 474,664 | | | |
| 04 | Accumulated UMA and actual consumption of old projects (sum of lines 01, 02, 03) | 69,228 | 483,380 | 41,377,680 | 1,602,487 | | | |
| 05 | Estimated Unit Months available for old projects for Requested Budget Year. | 23,076 | | | | | | |
| 06 | Ratio of Unit months available for old projects (line 04 divided by line 05 column 3) | 3 | | | | | | |
| 07 | Estimated UMA and consumption for old projects for Requested Budget Year (Each figure on line 04 divided by line 06). | 23,076 | 161,127 | 13,792,560 | 534,162 | | | |
| 08 | Estimated UMA and consumption for new projects. | - | - | - | - | | | |
| 09 | Total estimated UMA and consumption for old and new projects for Requested Budget Year (line 07 + line 08) | 23,076 | 161,127 | 13,792,560 | 534,162 | | | |
| 10 | Estimated cost of consumption on line 09 for Requested Budget Year (see instructions). | COST | 1,433,544 | 874,724 | 737,678 | | | |
| 11 | Total estimated cost for Requested Budget Year (sum of all columns of line 10) | $3,045,946 | | | | | | |
| 12 | Est. PUM cost of consumption for Requested Budget Year (Allowable Utilities Expense Level) (line 11 divided by line 09, col 3) | 132.00 | | | | | | |
| 12a | Rate | | 8.89700 | 0.06342 | 1.38100 | | | |
| 12b | Unit of Consumption | | CCF | kWh | THERMS | | | |

## Annual Statement / Performance and Evaluation Report
## Capital Fund Program and Capital Fund Program Replacement Housing Factor (CFP/CFPRHF) Part 1: Summary

PHA Name: **The Housing Authority of the City of Atlanta, Georgia**

**Grant Type and Number**
Capital Fund Program Grant No: **GA06P006501-05**
Replacement Housing Factor Grant No:

**Federal FY of Grant:** **2005**

☒ Original Annual Statement ☐ Reserve for Disasters/Emergencies ☐ Revised Annual Statement/Revision Number ( ____ )
☐ Performance and Evaluation Report for Program Year Ending 06/30/2005 ☐ Final Performance and Evaluation Statement

| Line No. | Summary by Development Account | Total Estimated Cost: Original | Total Estimated Cost: Revised | Total Actual Cost: Obligated | Total Actual Cost: Expended |
|---|---|---|---|---|---|
| 1 | Total non-CFP Funds | | | | |
| 2 | 1406 Operations | | | | |
| 3 | 1408 Management Improvements Soft Costs | | | | |
| | Management Improvements Hard Costs | | | | |
| 4 | 1410 Administration | | | | |
| 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 Nondwelling Structure | | | | |
| 13 | 1475 Nondwelling Equipment | | | | |
| 14 | 1485 Demolition | | | | |
| 15 | 1490 Replacement Reserve | | | | |
| 16 | 1492 Moving to Work Demonstration | $13,117,907.00 | $13,117,907.00 | $0.00 | $0.00 |
| 17 | 1495.1 Relocation Costs | | | | |
| 18 | 1499 Development Activities | | | | |
| 19 | 1502 Contingency | | | | |
| 20 | Amount of Annual Grant (Sum of lines 2-19) | **$13,117,907.00** | **$13,117,907.00** | **$0.00** | **$0.00** |
| 21 | Amount of line 20 Related to LBP Activities | | | | |
| 22 | Amount of line 20 Related to Section 504 Compliance | | | | |
| 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 | | | | |
| 26 | Collateralization Expenses or Debt Service | | | | |

**Annual Statement / Performance and Evaluation Report**
**Capital Fund Program and Capital Fund Program Replacement Housing Factor (CFP/CFPRHF) Part 1: Summary**

PHA Name: **The Housing Authority of the City of Atlanta, Georgia**

Grant Type and Number
Capital Fund Program Grant No: **GA06P006501-04**
Replacement Housing Factor Grant No:

Federal FY of Grant: **2004**

☐ Original Annual Statement ☐ Reserve for Disasters/Emergencies ☐ Revised Annual Statement/Revision Number ( ___ )
☒ Performance and Evaluation Report for Program Year Ending 06/30/2005 ☐ Final Performance and Evaluation Statement

| Line No. | Summary by Development Account | Total Estimated Cost | | Total Actual Cost | |
|---|---|---|---|---|---|
| | | Original | Revised | Obligated | Expended |
| 1 | Total non-CFP Funds | | | | |
| 2 | 1406 Operations | | | | |
| 3 | 1408 Management Improvements Soft Costs | | | | |
| | Management Improvements Hard Costs | | | | |
| 4 | 1410 Administration | | | | |
| 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 Nondwelling Structure | | | | |
| 13 | 1475 Nondwelling Equipment | | | | |
| 14 | 1485 Demolition | | | | |
| 15 | 1490 Replacement Reserve | | | | |
| 16 | 1492 Moving to Work Demonstration | $12,659,616.00 | $12,659,616.00 | $12,659,616.00 | $10,866,615.61 |
| 17 | 1495.1 Relocation Costs | | | | |
| 18 | 1499 Development Activities | | | | |
| 19 | 1502 Contingency | | | | |
| 20 | Amount of Annual Grant (Sum of lines 2-19) | **$12,659,616.00** | **$12,659,616.00** | **$12,659,616.00** | **$10,866,615.61** |
| 21 | Amount of line 20 Related to LBP Activities | | | | |
| 22 | Amount of line 20 Related to Section 504 Compliance | | | | |
| 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 | | | | |
| 26 | Collateralization Expenses or Debt Service | | | | |

**Annual Statement / Performance and Evaluation Report**
**Capital Fund Program and Capital Fund Program Replacement Housing Factor (CFP/CFPRHF) Part 1: Summary**

PHA Name
**The Housing Authority of the City of Atlanta, Georgia**

Grant Type and Number
Capital Fund Program Grant No: GA06P006502-03
Replacement Housing Factor Grant No:

Federal FY of Grant: 2003

☐ Original Annual Statement ☐ Reserve for Disasters/Emergencies ☐ Revised Annual Statement/Revision Number ( ___ )
☒ Performance and Evaluation Report for Program Year Ending 06/30/2005 ☐ Final Performance and Evaluation Statement

| Line No. | Summary by Development Account | Total Estimated Cost | | Total Actual Cost | |
|---|---|---|---|---|---|
| | | Original | Revised | Obligated | Expended |
| 1 | Total non-CFP Funds | | | | |
| 2 | 1406 Operations | | | | |
| 3 | 1408 Management Improvements Soft Costs | | | | |
| | Management Improvements Hard Costs | | | | |
| 4 | 1410 Administration | | | | |
| 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 Nondwelling Structure | | | | |
| 13 | 1475 Nondwelling Equipment | | | | |
| 14 | 1485 Demolition | | | | |
| 15 | 1490 Replacement Reserve | | | | |
| 16 | 1492 Moving to Work Demonstration | $3,497,386.00 | $3,497,386.00 | $3,497,386.00 | $3,421,084.94 |
| 17 | 1495.1 Relocation Costs | | | | |
| 18 | 1499 Development Activities | | | | |
| 19 | 1502 Contingency | | | | |
| 20 | Amount of Annual Grant (Sum of lines 2-19) | **$3,497,386.00** | **$3,497,386.00** | **$3,497,386.00** | **$3,421,084.94** |
| 21 | Amount of line 20 Related to LBP Activities | | | | |
| 22 | Amount of line 20 Related to Section 504 Compliance | | | | |
| 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 | | | | |
| 26 | Collateralization Expenses or Debt Service | | | | |

## Annual Statement / Performance and Evaluation Report
## Capital Fund Program and Capital Fund Program Replacement Housing Factor (CFP/CFPRHF) Part 1: Summary

PHA Name: **The Housing Authority of the City of Atlanta, Georgia**

**Grant Type and Number**
Capital Fund Program Grant No: **GA06P006501-03**
Replacement Housing Factor Grant No:

**Federal FY of Grant:** 2003

☐ Original Annual Statement ☐ Reserve for Disasters/Emergencies ☐ Revised Annual Statement/Revision Number ( ___ )
☒ Performance and Evaluation Report for Program Year Ending 06/30/2005 ☐ Final Performance and Evaluation Statement

| Line No. | Summary by Development Account | Total Estimated Cost Original | Total Estimated Cost Revised | Total Actual Cost Obligated | Total Actual Cost Expended |
|---|---|---|---|---|---|
| 1 | Total non-CFP Funds | | | | |
| 2 | 1406 Operations | | | | |
| 3 | 1408 Management Improvements Soft Costs | | | | |
| | Management Improvements Hard Costs | | | | |
| 4 | 1410 Administration | | | | |
| 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 Nondwelling Structure | | | | |
| 13 | 1475 Nondwelling Equipment | | | | |
| 14 | 1485 Demolition | | | | |
| 15 | 1490 Replacement Reserve | | | | |
| 16 | 1492 Moving to Work Demonstration | $11,680,743.00 | $11,680,743.00 | $11,680,743.00 | $11,024,491.32 |
| 17 | 1495.1 Relocation Costs | | | | |
| 18 | 1499 Development Activities | | | | |
| 19 | 1502 Contingency | | | | |
| 20 | Amount of Annual Grant (Sum of lines 2-19) | **$11,680,743.00** | **$11,680,743.00** | **$11,680,743.00** | **$11,024,491.32** |
| 21 | Amount of line 20 Related to LBP Activities | | | | |
| 22 | Amount of line 20 Related to Section 504 Compliance | | | | |
| 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 | | | | |
| 26 | Collateralization Expenses or Debt Service | | | | |

**Annual Statement / Performance and Evaluation Report**

**Capital Fund Program and Capital Fund Program Replacement Housing Factor (CFP/CFPRHF) Part 1: Summary**

| PHA Name | Grant Type and Number | Federal FY of Grant: |
|---|---|---|
| **The Housing Authority of the City of Atlanta, Georgia** | Capital Fund Program Grant No: **GA06P006501-02**<br>Replacement Housing Factor Grant No: | **2002** |

☐ Original Annual Statement ☐ Reserve for Disasters/Emergencies ☐ Revised Annual Statement/Revision Number ( __ __)

☒ Performance and Evaluation Report for Program Year Ending June 30, 2005 ☐ Final Performance and Evaluation Statement

| Line No. | Summary by Development Account | Total Estimated Cost | | Total Actual Cost | |
|---|---|---|---|---|---|
| | | Original | Revised | Obligated | Expended |
| 1 | Total non-CFP Funds | | | | |
| 2 | 1406 Operations | | | | |
| 3 | 1408 Management Improvements Soft Costs | $2,666,027.81 | $2,666,027.81 | $2,666,027.81 | $2,666,000.62 |
| | Management Improvements Hard Costs | | | | |
| 4 | 1410 Administration | $1,446,525.77 | $1,446,525.77 | $1,446,525.77 | $1,444,419.09 |
| 5 | 1411 Audit | | | | |
| 6 | 1415 Liquidated Damages | | | | |
| 7 | 1430 Fees and Costs | $1,596,858.64 | $1,594,681.81 | $1,594,681.81 | $1,484,197.18 |
| 8 | 1440 Site Acquisition | | | | |
| 9 | 1450 Site Improvement | $79,944.69 | $79,944.69 | $79,944.69 | $79,944.69 |
| 10 | 1460 Dwelling Structures | $1,541,565.14 | $1,327,981.13 | $1,327,981.13 | $1,327,981.13 |
| 11 | 1465.1 Dwelling Equipment - Nonexpendable | | | | |
| 12 | 1470 Nondwelling Structure | $231,492.98 | $201,786.25 | $201,786.25 | $201,786.25 |
| 13 | 1475 Nondwelling Equipment | $227,922.73 | $227,660.42 | $227,660.42 | $213,718.98 |
| 14 | 1485 Demolition | | | | |
| 15 | 1490 Replacement Reserve | | | | |
| 16 | 1492 Moving to Work Demonstration | $7,047,258.24 | $7,292,988.12 | $7,292,988.12 | $6,893,141.12 |
| 17 | 1495.1 Relocation Costs | | | | |
| 18 | 1499 Development Activities | | | | |
| 19 | 1502 Contingency | | | | |
| 20 | Amount of Annual Grant (Sum of lines 2-19) | **$14,837,596.00** | **$14,837,596.00** | **$14,837,596.00** | **$14,311,189.06** |
| 21 | Amount of line 20 Related to LBP Activities | | | | |
| 22 | Amount of line 20 Related to Section 504 Compliance | | | | |
| 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 | | | | |
| 26 | Collateralization Expenses or Debt Service | | | | |

## Annual Statement / Performance and Evaluation Report
## Capital Fund Program and Capital Fund Program Replacement Housing Factor (CFP/CFPRHF) Part 1: 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: **GA06R006502-05**

Federal FY of Grant: **2005**

[X] Original Annual Statement [ ] Reserve for Disasters/Emergencies [ ] Revised Annual Statement/Revision Number ( __ __)
[ ] Performance and Evaluation Report for Program Year Ending 06/30/2005 [ ] Final Performance and Evaluation Statement

| Line No. | Summary by Development Account | Total Estimated Cost: Original | Total Estimated Cost: Revised | Total Actual Cost: Obligated | Total Actual Cost: Expended |
|---|---|---|---|---|---|
| 1 | Total non-CFP Funds | | | | |
| 2 | 1406 Operations | | | | |
| 3 | 1408 Management Improvements Soft Costs | | | | |
| | Management Improvements Hard Costs | | | | |
| 4 | 1410 Administration | | | | |
| 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 Nondwelling Structure | | | | |
| 13 | 1475 Nondwelling Equipment | | | | |
| 14 | 1485 Demolition | | | | |
| 15 | 1490 Replacement Reserve | | | | |
| 16 | 1492 Moving to Work Demonstration | $5,292,808.00 | $5,292,808.00 | $0.00 | $0.00 |
| 17 | 1495.1 Relocation Costs | | | | |
| 18 | 1499 Development Activities | | | | |
| 19 | 1502 Contingency | | | | |
| 20 | Amount of Annual Grant (Sum of lines 2-19) | **$5,292,808.00** | **$5,292,808.00** | **$0.00** | **$0.00** |
| 21 | Amount of line 20 Related to LBP Activities | | | | |
| 22 | Amount of line 20 Related to Section 504 Compliance | | | | |
| 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 | | | | |
| 26 | Collateralization Expenses or Debt Service | | | | |

**Annual Statement / Performance and Evaluation Report**
**Capital Fund Program and Capital Fund Program Replacement Housing Factor (CFP/CFPRHF) Part 1: 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: **GA06R006501-05**

**Federal FY of Grant:** **2005**

[X] Original Annual Statement [ ] Reserve for Disasters/Emergencies [ ] Revised Annual Statement/Revision Number ( __ __)
[ ] Performance and Evaluation Report for Program Year Ending 06/30/2005 [ ] Final Performance and Evaluation Statement

| Line No. | Summary by Development Account | Total Estimated Cost: Original | Total Estimated Cost: Revised | Total Actual Cost: Obligated | Total Actual Cost: Expended |
|---|---|---|---|---|---|
| 1 | Total non-CFP Funds | | | | |
| 2 | 1406 Operations | | | | |
| 3 | 1408 Management Improvements Soft Costs | | | | |
| | Management Improvements Hard Costs | | | | |
| 4 | 1410 Administration | | | | |
| 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 Nondwelling Structure | | | | |
| 13 | 1475 Nondwelling Equipment | | | | |
| 14 | 1485 Demolition | | | | |
| 15 | 1490 Replacement Reserve | | | | |
| 16 | 1492 Moving to Work Demonstration | $2,712,327.00 | $2,712,327.00 | $0.00 | $0.00 |
| 17 | 1495.1 Relocation Costs | | | | |
| 18 | 1499 Development Activities | | | | |
| 19 | 1502 Contingency | | | | |
| 20 | Amount of Annual Grant (Sum of lines 2-19) | **$2,712,327.00** | **$2,712,327.00** | **$0.00** | **$0.00** |
| 21 | Amount of line 20 Related to LBP Activities | | | | |
| 22 | Amount of line 20 Related to Section 504 Compliance | | | | |
| 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 | | | | |
| 26 | Collateralization Expenses or Debt Service | | | | |

**Annual Statement / Performance and Evaluation Report**
**Capital Fund Program and Capital Fund Program Replacement Housing Factor (CFP/CFPRHF) Part 1: Summary**

| PHA Name | Grant Type and Number | Federal FY of Grant: |
|---|---|---|
| **The Housing Authority of the City of Atlanta, Georgia** | Capital Fund Program Grant No:<br>Replacement Housing Factor Grant No: **GA06R006501-04** | **2004** |

☐ Original Annual Statement ☐ Reserve for Disasters/Emergencies ☐ Revised Annual Statement/Revision Number ( ___ )
☒ Performance and Evaluation Report for Program Year Ending 06/30/2005 ☐ Final Performance and Evaluation Statement

| Line No. | Summary by Development Account | Total Estimated Cost Original | Total Estimated Cost Revised | Total Actual Cost Obligated | Total Actual Cost Expended |
|---|---|---|---|---|---|
| 1 | Total non-CFP Funds | | | | |
| 2 | 1406 Operations | | | | |
| 3 | 1408 Management Improvements Soft Costs | | | | |
| | Management Improvements Hard Costs | | | | |
| 4 | 1410 Administration | | | | |
| 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 Nondwelling Structure | | | | |
| 13 | 1475 Nondwelling Equipment | | | | |
| 14 | 1485 Demolition | | | | |
| 15 | 1490 Replacement Reserve | | | | |
| 16 | 1492 Moving to Work Demonstration | $4,540,123.00 | $4,540,123.00 | $0.00 | $0.00 |
| 17 | 1495.1 Relocation Costs | | | | |
| 18 | 1499 Development Activities | | | | |
| 19 | 1502 Contingency | | | | |
| 20 | Amount of Annual Grant (Sum of lines 2-19) | **$4,540,123.00** | **$4,540,123.00** | **$0.00** | **$0.00** |
| 21 | Amount of line 20 Related to LBP Activities | | | | |
| 22 | Amount of line 20 Related to Section 504 Compliance | | | | |
| 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 | | | | |
| 26 | Collateratization Expenses or Debt Service | | | | |

**Annual Statement / Performance and Evaluation Report**
**Capital Fund Program and Capital Fund Program Replacement Housing Factor (CFP/CFPRHF) Part 1: 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: **GA06R006502-04**

**Federal FY of Grant:** **2004**

☐ Original Annual Statement ☐ Reserve for Disasters/Emergencies ☐ Revised Annual Statement/Revision Number ( __ __)
☒ Performance and Evaluation Report for Program Year Ending 06/30/2005 ☐ Final Performance and Evaluation Statement

| Line No. | Summary by Development Account | Total Estimated Cost: Original | Total Estimated Cost: Revised | Total Actual Cost: Obligated | Total Actual Cost: Expended |
|---|---|---|---|---|---|
| 1 | Total non-CFP Funds | | | | |
| 2 | 1406 Operations | | | | |
| 3 | 1408 Management Improvements Soft Costs | | | | |
| | Management Improvements Hard Costs | | | | |
| 4 | 1410 Administration | | | | |
| 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 Nondwelling Structure | | | | |
| 13 | 1475 Nondwelling Equipment | | | | |
| 14 | 1485 Demolition | | | | |
| 15 | 1490 Replacement Reserve | | | | |
| 16 | 1492 Moving to Work Demonstration | $3,398,919.00 | $3,398,919.00 | $0.00 | $0.00 |
| 17 | 1495.1 Relocation Costs | | | | |
| 18 | 1499 Development Activities | | | | |
| 19 | 1502 Contingency | | | | |
| 20 | Amount of Annual Grant (Sum of lines 2-19) | **$3,398,919.00** | **$3,398,919.00** | **$0.00** | **$0.00** |
| 21 | Amount of line 20 Related to LBP Activities | | | | |
| 22 | Amount of line 20 Related to Section 504 Compliance | | | | |
| 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 | | | | |
| 26 | Collateralization Expenses or Debt Service | | | | |

## Annual Statement / Performance and Evaluation Report
## Capital Fund Program and Capital Fund Program Replacement Housing Factor (CFP/CFPRHF) Part 1: 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: **GA06R006502-03**

**Federal FY of Grant:** **2003**

☐ Original Annual Statement ☐ Reserve for Disasters/Emergencies ☐ Revised Annual Statement/Revision Number ( ___ )
☒ Performance and Evaluation Report for Program Year Ending 06/30/2005 ☐ Final Performance and Evaluation Statement

| Line No. | Summary by Development Account | Total Estimated Cost | | Total Actual Cost | |
|---|---|---|---|---|---|
| | | Original | Revised | Obligated | Expended |
| 1 | Total non-CFP Funds | | | | |
| 2 | 1406 Operations | | | | |
| 3 | 1408 Management Improvements Soft Costs | | | | |
| | Management Improvements Hard Costs | | | | |
| 4 | 1410 Administration | | | | |
| 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 Nondwelling Structure | | | | |
| 13 | 1475 Nondwelling Equipment | | | | |
| 14 | 1485 Demolition | | | | |
| 15 | 1490 Replacement Reserve | | | | |
| 16 | 1492 Moving to Work Demonstration | $2,435,481.00 | $2,435,481.00 | $200,000.00 | $78,750.00 |
| 17 | 1495.1 Relocation Costs | | | | |
| 18 | 1499 Development Activities | | | | |
| 19 | 1502 Contingency | | | | |
| 20 | Amount of Annual Grant (Sum of lines 2-19) | **$2,435,481.00** | **$2,435,481.00** | **$200,000.00** | **$78,750.00** |
| 21 | Amount of line 20 Related to LBP Activities | | | | |
| 22 | Amount of line 20 Related to Section 504 Compliance | | | | |
| 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 | | | | |
| 26 | Collateratization Expenses or Debt Service | | | | |

**Annual Statement / Performance and Evaluation Report**
**Capital Fund Program and Capital Fund Program Replacement Housing Factor (CFP/CFPRHF) Part 1: 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: **GA06R006501-03**

Federal FY of Grant: **2003**

☐ Original Annual Statement ☐ Reserve for Disasters/Emergencies ☐ Revised Annual Statement/Revision Number ( ___ )
☒ Performance and Evaluation Report for Program Year Ending 06/30/2005 ☐ Final Performance and Evaluation Statement

| Line No. | Summary by Development Account | Total Estimated Cost | | Total Actual Cost | |
|---|---|---|---|---|---|
| | | Original | Revised | Obligated | Expended |
| 1 | Total non-CFP Funds | | | | |
| 2 | 1406 Operations | | | | |
| 3 | 1408 Management Improvements Soft Costs | | | | |
| | Management Improvements Hard Costs | | | | |
| 4 | 1410 Administration | | | | |
| 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 Nondwelling Structure | | | | |
| 13 | 1475 Nondwelling Equipment | | | | |
| 14 | 1485 Demolition | | | | |
| 15 | 1490 Replacement Reserve | | | | |
| 16 | 1492 Moving to Work Demonstration | $3,432,489.00 | $3,432,489.00 | $2,161,519.62 | $981,776.21 |
| 17 | 1495.1 Relocation Costs | | | | |
| 18 | 1499 Development Activities | | | | |
| 19 | 1502 Contingency | | | | |
| 20 | Amount of Annual Grant (Sum of lines 2-19) | **$3,432,489.00** | **$3,432,489.00** | **$2,161,519.62** | **$981,776.21** |
| 21 | Amount of line 20 Related to LBP Activities | | | | |
| 22 | Amount of line 20 Related to Section 504 Compliance | | | | |
| 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 | | | | |
| 26 | Collateralization Expenses or Debt Service | | | | |

## Annual Statement / Performance and Evaluation Report
## Capital Fund Program and Capital Fund Program Replacement Housing Factor (CFP/CFPRHF) Part 1: 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: **GA06R006501-02**

Federal FY of Grant: **2002**

☐ Original Annual Statement ☐ Reserve for Disasters/Emergencies ☐ Revised Annual Statement/Revision Number ( __ __)
☒ Performance and Evaluation Report for Program Year Ending 06/30/2005 ☐ Final Performance and Evaluation Statement

| Line No. | Summary by Development Account | Total Estimated Cost: Original | Total Estimated Cost: Revised | Total Actual Cost: Obligated | Total Actual Cost: Expended |
|---|---|---|---|---|---|
| 1 | Total non-CFP Funds | | | | |
| 2 | 1406 Operations | | | | |
| 3 | 1408 Management Improvements Soft Costs | | | | |
| | Management Improvements Hard Costs | | | | |
| 4 | 1410 Administration | | | | |
| 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 Nondwelling Structure | | | | |
| 13 | 1475 Nondwelling Equipment | | | | |
| 14 | 1485 Demolition | | | | |
| 15 | 1490 Replacement Reserve | | | | |
| 16 | 1492 Moving to Work Demonstration | $6,450,529.00 | $6,450,529.00 | $6,450,529.00 | $2,425,439.01 |
| 17 | 1495.1 Relocation Costs | | | | |
| 18 | 1499 Development Activities | | | | |
| 19 | 1502 Contingency | | | | |
| 20 | Amount of Annual Grant (Sum of lines 2-19) | **$6,450,529.00** | **$6,450,529.00** | **$6,450,529.00** | **$2,425,439.01** |
| 21 | Amount of line 20 Related to LBP Activities | | | | |
| 22 | Amount of line 20 Related to Section 504 Compliance | | | | |
| 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 | | | | |
| 26 | Collateralization Expenses or Debt Service | | | | |

**Annual Statement / Performance and Evaluation Report**

**Capital Fund Program and Capital Fund Program Replacement Housing Factor (CFP/CFPRHF) Part 1: 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: **GA06R006501-01**

Federal FY of Grant: **2001**

☐ Original Annual Statement ☐ Reserve for Disasters/Emergencies ☐ Revised Annual Statement/Revision Number ( ___ )
☒ Performance and Evaluation Report for Program Year Ending 06/30/2005 ☐ Final Performance and Evaluation Statement

| Line No. | Summary by Development Account | Total Estimated Cost | | Total Actual Cost | |
|---|---|---|---|---|---|
| | | Original | Revised | Obligated | Expended |
| 1 | Total non-CFP Funds | | | | |
| 2 | 1406 Operations | | | | |
| 3 | 1408 Management Improvements Soft Costs | | | | |
| | Management Improvements Hard Costs | | | | |
| 4 | 1410 Administration | | | | |
| 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 Nondwelling Structure | | | | |
| 13 | 1475 Nondwelling Equipment | | | | |
| 14 | 1485 Demolition | | | | |
| 15 | 1490 Replacement Reserve | | | | |
| 16 | 1492 Moving to Work Demonstration | $4,431,156.00 | $5,115,824.00 | $5,115,824.00 | $4,474,832.01 |
| 17 | 1495.1 Relocation Costs | | | | |
| 18 | 1499 Development Activities | $684,688.00 | $0.00 | $0.00 | $0.00 |
| 19 | 1502 Contingency | | | | |
| 20 | Amount of Annual Grant (Sum of lines 2-19) | **$5,115,844.00** | **$5,115,824.00** | **$5,115,824.00** | **$4,474,832.01** |
| 21 | Amount of line 20 Related to LBP Activities | | | | |
| 22 | Amount of line 20 Related to Section 504 Compliance | | | | |
| 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 | | | | |
| 26 | Collateralization Expenses or Debt Service | | | | |

**Annual Statement / Performance and Evaluation Report**
**Capital Fund Program and Capital Fund Program Replacement Housing Factor (CFP/CFPRHF) Part 1: Summary**

| PHA Name | Grant Type and Number | Federal FY of Grant: |
|---|---|---|
| **The Housing Authority of the City of Atlanta, Georgia** | Capital Fund Program Grant No: <br> Replacement Housing Factor Grant No: **GA06R006501-00** | **2000** |

☐ Original Annual Statement ☐ Reserve for Disasters/Emergencies ☐ Revised Annual Statement/Revision Number ( ___ )
☒ Performance and Evaluation Report for Program Year Ending 06/30/2005 ☐ Final Performance and Evaluation Statement

| Line No. | Summary by Development Account | Total Estimated Cost | | Total Actual Cost | |
|---|---|---|---|---|---|
| | | Original | Revised | Obligated | Expended |
| 1 | Total non-CFP Funds | | | | |
| 2 | 1406 Operations | | | | |
| 3 | 1408 Management Improvements Soft Costs | | | | |
| | Management Improvements Hard Costs | | | | |
| 4 | 1410 Administration | $372,155.01 | $372,155.01 | $372,155.01 | $372,155.01 |
| 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 Nondwelling Structure | | | | |
| 13 | 1475 Nondwelling Equipment | | | | |
| 14 | 1485 Demolition | | | | |
| 15 | 1490 Replacement Reserve | | | | |
| 16 | 1492 Moving to Work Demonstration | $2,499,797.99 | $3,349,393.99 | $3,349,393.99 | $3,329,715.92 |
| 17 | 1495.1 Relocation Costs | | | | |
| 18 | 1499 Development Activities | $849,596.00 | | | |
| 19 | 1502 Contingency | | | | |
| 20 | Amount of Annual Grant (Sum of lines 2-19) | **$3,721,549.00** | **$3,721,549.00** | **$3,721,549.00** | **$3,701,870.93** |
| 21 | Amount of line 20 Related to LBP Activities | | | | |
| 22 | Amount of line 20 Related to Section 504 Compliance | | | | |
| 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 | | | | |
| 26 | Collateralization Expenses or Debt Service | | | | |

## SECRETARY'S CERTIFICATE

**I, RENÉE LEWIS GLOVER, 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 a resolution authorizing The Housing Authority of the City of Atlanta, Georgia (AHA) to submit its FY 2005 Moving to Work (MTW) Annual Report to the United States Department of Housing and Urban Development (HUD) in accordance with AHA's Moving to Work Demonstration Program Agreement.

3. This resolution was presented to the AHA Board of Commissioners (the "Board") at its Regular Meeting on August 23, 2005 (the "Meeting").

4. The following Board of Commissioners were present for the Meeting:

   Cecil Phillips, Chair
   Elder James Brown, Vice Chair
   Eva Davis
   Margarette Paulyne Morgan White

5. At the Meeting, the Board unanimously 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 25th day of August, 2005.

**RENÉE LEWIS GLOVER,**
**Secretary**

**EXHIBIT 1**
**RESOLUTION ADOPTED AT THE REGULAR MEETING OF**
**THE BOARD OF COMMISSIONERS OF**
**THE HOUSING AUTHORITY OF THE CITY OF ATLANTA, GEORGIA**
**HELD ON TUESDAY, AUGUST 23, 2005**

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**RESOLUTION**

**WHEREAS,** in 1996, the United States Congress authorized the United States Department of Housing and Urban Development (HUD) to select up to 30 housing authorities to participate in the Moving to Work Demonstration Program (MTW Program);

**WHEREAS,** the purpose of the MTW Demonstration Program is to give housing authorities the flexibility to design and test innovative approaches and strategies for providing affordable housing resources to low-income families on the most cost effective and cost efficient basis possible;

**WHEREAS,** The Housing Authority of the City of Atlanta, Georgia (AHA) was selected by HUD to participate in the MTW Demonstration Program in January 2001, and AHA executed its MTW Demonstration Program Agreement (MTW Agreement) with HUD effective July 1, 2003;

**WHEREAS,** Under AHA's MTW Agreement, AHA is required to submit an Annual MTW Report to HUD which, except for certain reports identified in the MTW Agreement, will replace all other conventional HUD performance measures, including Public Housing Assessment System (PHAS) and Section 8 Management Assessment Program (SEMAP);

**WHEREAS,** the Annual MTW Report must be submitted to HUD by September 1, 2005, no later than 60 days after the end of AHA's fiscal year end, June 30, 2005;

**WHEREAS,** the FY 2005 MTW Annual Report will be AHA's second annual report under the MTW Demonstration Program;

**WHEREAS,** AHA's MTW Agreement identifies specific types of information that are required to be included in the MTW Annual Report;

**WHEREAS,** this information includes: households served, occupancy policies, changes in housing stock, sources and amounts of funding, uses of funds, capital planning, management information for the Housing Choice Program, and management information for the Public Housing including occupancy rates, rent collections, work order management, inspections, security, and resident programs;

**WHEREAS,** additionally, AHA's MTW Agreement includes eleven performance benchmarks designed to evaluate AHA's performance during the MTW Demonstration Period; and

**WHEREAS,** AHA has met 10 of the 11 MTW performance benchmarks as identified in Exhibit EO-1-A.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF THE CITY OF ATLANTA, GEORGIA (AHA)** that AHA's FY 2005 Annual Moving to Work Report (Annual MTW Report) is hereby approved. Further, the President and Chief Executive Officer is authorized to submit AHA's FY 2005 Annual MTW Report and such other required documents, certifications or forms to HUD with such changes, additions or corrections as she shall deem necessary or appropriate or as may be required by HUD without further vote or approval of this Board. Further, the Chair of the Board of Commissioners and the President and Chief Executive Officer are hereby authorized to execute any required documents, certifications or United States Department of Housing and Urban Development (HUD) forms related to the approval and filing of AHA's FY 2005 Annual MTW Report without further vote or approval of this Board. Further, the President and Chief Executive Officer is hereby authorized to negotiate with HUD regarding any portion of AHA's FY 2005 Annual MTW Report without further vote or approval of this Board.

**Exhibit EO-1-A**

**FY 2005 MTW Program Benchmarks**

| Performance Measure | Performance Measure Definition | FY 2005 Target | Outcome |
|---|---|---|---|
| **Public Housing Program (See Note A Below)** | | | |
| **% Rents Uncollected** (Annual percentage of rents that are 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% | 1% |
| **Occupancy Rate** (Annual physical 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 Notes B and C below.) | ≥ 98% | 98% |
| **Emergency Work Orders Completed or Abated in <24 Hours** (Percentage of emergency work orders that will be completed or abated in less than 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% | 100% |
| **Routine Work Orders Completed in < 7 Days** (Percentage of routine work orders that will be completed in less than 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. | 100% (≤ 7 days) | 100% (1.2 days) |
| **% Planned Inspections Completed** (Percentage of all units inspected and common areas) | 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 D below.) | 100% | 100% |
| **Housing Choice Program (Section 8)** | | | |
| **Budget Utilization Rate** (Annual percentage of Housing Choice Budget authority spent on housing assistance payments and administration) | The ratio of FY Housing Choice HAP and MTW administrative expenses to Housing Choice MTW Subsidy will be greater than or equal to the target benchmark. | ≥ 98% | 99% |
| **% Planned Annual Inspections Completed** (Annual percentage of occupied units | The percentage of all occupied units that are inspected during the FY shall be greater than or equal to the target benchmark. | ≥ 98% | 99% |

| | | | |
|---|---|---|---|
| inspected) | | | |

| Measurable Outcome | Performance Measure | FY 2005 Target | Outcome |
|---|---|---|---|
| **Quality Control Inspections** Annual percentage of previously inspected units (initial or renewal inspection) that will be inspected again for quality control purposes | 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. | $\geq$ 1.4% | 7% |
| **Community and Supportive Services** | | | |
| **Resident Homeownership** (Annual number of Public Housing residents or Housing Choice participants who close on purchasing a home) | The number of Public Housing residents or Housing Choice Voucher participants that close on purchasing a home during the FY, regardless of participation in a current homeownership counseling program, shall be greater than or equal to the target benchmark. | 35 | 43 |
| **Resident Workforce Participation** (Annual number of Public Housing residents or Housing Choice participants (excluding elderly and disabled) who are in the workforce) | The number of Public Housing residents or Housing Choice participants (excluding elderly and disabled) that are employed as of the last day of the FY shall be greater than or equal to the target benchmark. | 7,015 | 8,526 |
| **Real Estate Development** | | | |
| **Project Based Financing Closings** (Annual number of properties refinanced using project based financing demonstration principles) | The number of properties that were previously funded under the Low Rent ACC proposed for conversion, and for which a conversion transaction has either been closed or will be in the closing process prior the end of the FY shall be greater than or equal to the target benchmark. Such closing will utilize the financing principles identified in the MTW Agreement. (See Note E.) | 3 | 0 |

Notes:

A. **General – Public Housing Program.** Information for the Public Housing Program includes information for both AHA-owned public housing communities and the public housing assisted units at AHA-sponsored mixed-income communities.

B. **Occupancy Rates – Public Housing Program.** Available Units: Units that are defined as dwelling units (occupied or vacant) under AHA's Annual Contribution Contract (ACC), that are available for occupancy, after adjusting for three 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 required to live in public housing as a condition of their job, 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. Units undergoing modernization and/or major rehabilitation.

C. **Occupancy Rates – Public Housing Program.** AHA's performance under this measurement will be impacted by the execution of various initiatives that will be set forth in AHA's approved MTW Plans, e.g. enhanced criminal background screening and portfolio repositioning.

D. % **Planned Inspections Completed – Public Housing Program.** 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.

E. HUD has not yet finalized the regulations for conversion; however, AHA is working with HUD to create an alternate disposition process protocol. This protocol is included in supplemental information to AHA's FY 2006 Implementation Plan.