



PUBLIC HOUSING QUARTERLY REPORT

FY21 Q3/ January to March 2021

Our quarterly reports are designed to provide an overview of the Town’s Public Housing’s rating as identified by the Department of Housing & Urban Development’s (HUD) Public Housing Assessment System (PHAS). The PHAS was created by HUD to evaluate the overall condition of each housing agency to obtain results that are objective, uniform, and verifiable. The current PHAS score is a result of the Oct. 2019 Real Estate Assessment Center (REAC) inspection.

Chapel Hill Public Housing received these scores:

- Physical Condition: 19 (out of 40)
- Management: 5 (out of 25)
- Capital Fund: 5 (out of 10)
- Total Score: 54 out of 100 = **Troubled Status**

Troubled Status resulted in a **Recovery Agreement** with HUD, which included the following corrective actions:

- Elected officials participating in training
- Increasing quantity and quality of contractors
- Improving expenditure of capital funds
- Evaluate maintenance staffing and performance
- Increase use of previous REAC reports for capital fund and maintenance cost planning

The methodology uses four evaluation tools referred to as **PHAS Indicators**. Public Housing leadership added a fifth, Community Engagement, to identify opportunities for further connections with tenants. The five indicators are listed below, as well as their evaluation measures and steps taken to positively influence those measures.

INDICATOR	HUD EVALUATION MEASURES	ACTIONS TAKEN TO IMPROVE SCORE
Physical Condition	<ul style="list-style-type: none"> ▪ Physical inspections 	<ul style="list-style-type: none"> ▪ Building improvements ▪ Repairs
Financial Condition	<ul style="list-style-type: none"> ▪ Management of funds 	<ul style="list-style-type: none"> ▪ Pay all invoices within 30 days
Management	<ul style="list-style-type: none"> ▪ Tenant Accounts Receivable ▪ Occupancy Rate ▪ Accounts Payable 	<ul style="list-style-type: none"> ▪ Account for reductions in rent due to loss of income during pandemic ▪ Offering timely rent payment incentives ▪ Increase quantity of contractors
Capital Fund	<ul style="list-style-type: none"> ▪ Obligation of HUD funds ▪ Occupancy Rate 	<ul style="list-style-type: none"> ▪ Obligate funds to specific projects – Create timeline to show exactly which properties will be improved and how ▪ Decrease time units are vacant
Community Engagement*	<ul style="list-style-type: none"> ▪ Create additional methods to maintain contact with residents 	<ul style="list-style-type: none"> ▪ Distribute Monthly newsletter ▪ Sponsor weekly Food Bank ▪ Facilitates Resident’s Council ▪ Provide masks to residents ▪ Surveyed residents reference programming interest

*added by Public Housing leadership to maintain and improve connections with residents.



COVID-19 CHANGES TO NORMAL OPERATIONS

- Continued pre-screening process (employees, residents, and applicants)
- Distributed face guards to Public Housing staff
- Postponed PHAS inspection this quarter
- Continued abbreviated monthly safety inspections.
- Responded to Emergency Work Orders only (maintained record of Routine Work Orders)



PHYSICAL CONDITION

QUARTER 1: JULY to SEPTEMBER 2020

- Responded to 184 Emergency Work Orders; 167 (90%) closed within 24 hours.
- Responded to Pest Control as needed; halted regular inspections for safety of residents and staff.
- New contract with landscape company for Public Housing properties
- Repair contracts completed or in progress:
 - Rebuilding of fire damaged units at Oakwood (E1 and E2)

QUARTER 2: OCTOBER to DECEMBER 2020

- Responded to 179 Emergency Work Orders; 173 (98%) closed within 24 hours.
- Responded to monthly Pest Control and air conditioner filter changes.
- Continued residential entry level inspections.
- Repair contracts completed or in progress:
 - Repair of brick wall at Sykes St. playground
 - Reroofing of Craig/ Gomains and Lindsay St. (19 buildings)
 - Continued rebuilding of fire damaged units at Oakwood (E1 and E2)

QUARTER 3: JANUARY to MARCH 2021

- **Responded to 152 Emergency Work Orders; 148 (96%) closed within 24 hours.**
- **Responded to monthly Pest Control and air filter changes.**
- **Repair contracts completed or in progress:**
 - **Continued rebuilding of fire damaged units at Oakwood (E1 and E2)**
 - **New sidewalk at Oakwood (D unit)**
 - **4 abandoned units reclaimed and repaired for leasing.**
 - **Replaced flooring and completed asbestos remediation in 509C at Craig/Gomains**
 - **Resurfaced bathtubs at Airport Gardens (21 bathtubs)**



Oakwood, side of unit



Oakwood, rear of unit



New sidewalk at Oakwood



FINANCIAL CONDITION/ OPERATING FUND

- Public Housing had no debt service and gained maximum points.
- Adequacy of Reserves has increased in percentage, which is a good thing.
- At the end of Quarter 3, we are on target with our expenditure rate.
- We have used 88% of our funds.

Quarter 1	10%
Quarter 2	52%
Quarter 3	26%



MANAGEMENT

QUARTER 1: JULY to SEPTEMBER 2020

- Tenant Account Receivable: 94% of accounts receivable paid
- Occupancy Rates: 6 vacant units at the end of the quarter, all being prepared to lease.

QUARTER 2: OCTOBER to DECEMBER 2020

- Tenant Account Receivable: 98% of accounts receivable paid
- Occupancy Rates: 7 vacant units at the end of the quarter
 - 2 units under repair due to fire damage, 5 being prepared to lease

QUARTER 3: JANUARY to MARCH 2021

- Tenant Account Receivable: 99% of accounts receivable paid**
- Occupancy Rates: 8 vacant units at the end of the quarter**
 - 2 units under repair due to fire damage, 6 being prepared to lease.



CAPITAL FUND

- Funds used for development, preservation, financing, modernization, and management improvements.
- Continued to exceed HUD's requirement of allocating 100% of funds to identified projects.
- FY 22 award amount \$935,260
- Summary of Capital Fund Grant balances per quarter.
 - Declining balances from Q1 to Q3 indicate we are spending funds timely.

Quarter	Current Encumbrances	Available Balance
3	\$260,031.55	\$2,137,648.83
2	\$333,313.41	\$2,182,249.84
1	\$304,688.85	\$2,363,794.71

- Projects from Quarter 3: Virtual Staff Retreat, Ballentine Associates-Affordable Housing Development analysis, Re-glazing bathtubs, asbestos testing and abatement, reroofing at Craig Gomains.



COMMUNITY ENGAGEMENT

QUARTER 1: JULY to SEPTEMBER 2020

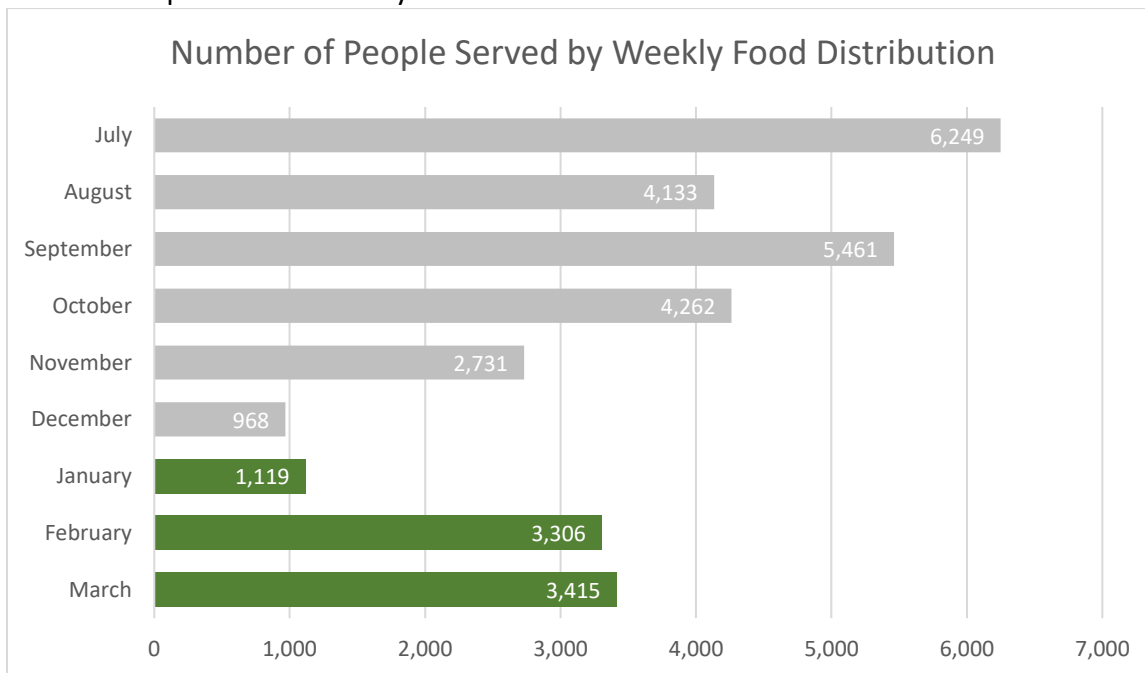
- Mailed monthly newsletter to residents.
- Continued operation of weekly food distribution.

QUARTER 2: OCTOBER to DECEMBER 2020

- Mailed monthly newsletter to residents.
- Mailed 2021 Calendars to residents including information on community resources.
- Mailed invitations to the new Resident Council to residents
- Partnered with Piedmont Health Services to administer COVID tests and flu shots.
- Distributed over 2,500 masks to residents.
- Continued operation of weekly food distribution.

QUARTER 3: JANUARY to MARCH 2021

- Mailed monthly newsletter to residents.
- Held monthly Resident Council Meetings in January, February, and March
- Continued re-certification of Residents' employment and family size.
- Continued operation of weekly food distribution.



**** NOTES AND DEFINITIONS**

HUD- U.S. Department of Housing and Urban Development

PHAS- Public Housing Assessment System- An assessment tool used by HUD to measure Public Housing Agencies uniformly and consistently.

PHAS Indicators - Four areas of Public Housing Agency operations that are inspected and rated; they are physical condition, financial condition, management, and capital fund.

Liquidity- The ratio between cash and current liabilities.

- The higher the ratio, the better the score.

Adequacy of Reserves-the ratio between unrestricted resources and average monthly operating expenses

- The higher the ratio, the better the score.

Unrestricted Resources- Access to anything that can be turned into cash (unrestricted cash, tenant's security deposits, unrestricted investments)

Monthly Operating Expenses- dwelling rent expense, operating expense, and extraordinary maintenance (divided by 12 for a monthly average)

Adjusted Operated Income-the ratio between operating income and annual debt service.

Accounts Payable-the ratio between total vendor accounts payable and monthly operating expense.

- The lower the ratio, the higher the score
- Accounts payable-(both > and < than 90 days)/Monthly operating expenses