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# Public Housing, RAD, & Mixed - Finance Portfolio Management Strategies

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June 2019



# PHA's Public Housing Portfolio

Type of Development	# of Units
Conventional	5,991
PAPMC	2,038
AME	839
Scattered Sites	4,007
<b>Total</b>	<b>12,875</b>

Number of Residents Served	78,821
Number of Families Served	33,747



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## Current Repositioning Goals

PHA's primary focus has been to develop, acquire or preserve affordable housing in the city of Philadelphia.

Through its **"6 and 5" initiative**, PHA's goal is to address the loss of thousands of affordable housing units over the last two decades

PHA has also prioritized the preservation of existing public housing developments and the repositioning of scattered sites.



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# Repositioning Strategies

## RAD

Specifically, PHA has been utilizing RAD “transfer of assistance” provisions to transfer assistance from long-term vacant scattered site public housing units to new PBV developments.

## Section 18

PHA disposed and demolished the obsolete and crime-ridden Blumberg Towers and has project based units onsite as part of the Choice Neighborhood revitalization initiative in the Sharswood neighborhood of Philadelphia.



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## Scope of Challenge

PHA has an approximate **\$1.5 billion in deferred capital needs** in its conventional and scattered site portfolios. PHA has allocated **\$106,613,741** on spending for the existing housing stock in the next 5 years (less than 10%).

The capital needs of the public housing inventory have outpaced federal funding for much of the past decade.

PHA 's existing portfolio is aging. More than half of its public housing inventory is more than **60 years old.**



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## Scope of Challenge (continued)

The PAPMC-managed units represent the newest PHA units, however over the next five years, **15 PAPMC managed sites will come to an end of their initial 15 -year compliance period.**

PAPMC sites need continuous capital investments to ensure the developments remain in good condition and are preserved for decades to come.



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# Scattered Sites Evaluation Strategy

This strategy includes the collection of individual unit evaluations based on the following criteria:

- Physical needs assessments
- Market study indicators
- Community Investment
- Manageability

Comprehensive evaluation of scattered site inventory is used to assist in management decisions that include investing in the development of neighborhoods, unit upgrades, disposition, and home sales to current residents and/or the public.



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## PHA's RAD Activities

To date, PHA has closed **19 RAD PBV transactions** entailing approximately **1,396 new or preserved affordable housing units**.

Total investments exceed **\$415.37 million**, including more than **\$193.55 million in investor equity contributions** through the Low Income Housing Tax Credit program.

An additional **276 units** are projected for conversion by the end of 2019. Total Development Cost for these units amount to **\$111 million**.



# RAD Impacts to Date

To date, PHA has undertaken RAD PBV conversions at three conventional public housing sites:

Site	# of Units Completed	# of Units in Queue	Total units
Blumberg	151	238	389
Norris	89	213	302
Plymouth Hall	53	-	53
<b>Total</b>	<b>293</b>	<b>451</b>	<b>744</b>



Blumberg Phase I



Sharswood Tower



Norris Phase II

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# Future RAD Conversions

PHA plans to convert the following Conventional Public Housing sites to RAD:

## Fairhill Apartments

- Built in 1963, now 56 years old.
- Consists of 264 units located in 2 high-rise developments and 7 low-rise buildings, situated on a 4.5 acre site.

## Westpark Apartments

- Built in 1964, now 55 years old.
- Consists of 327 units located in three 20-story high-rise developments.

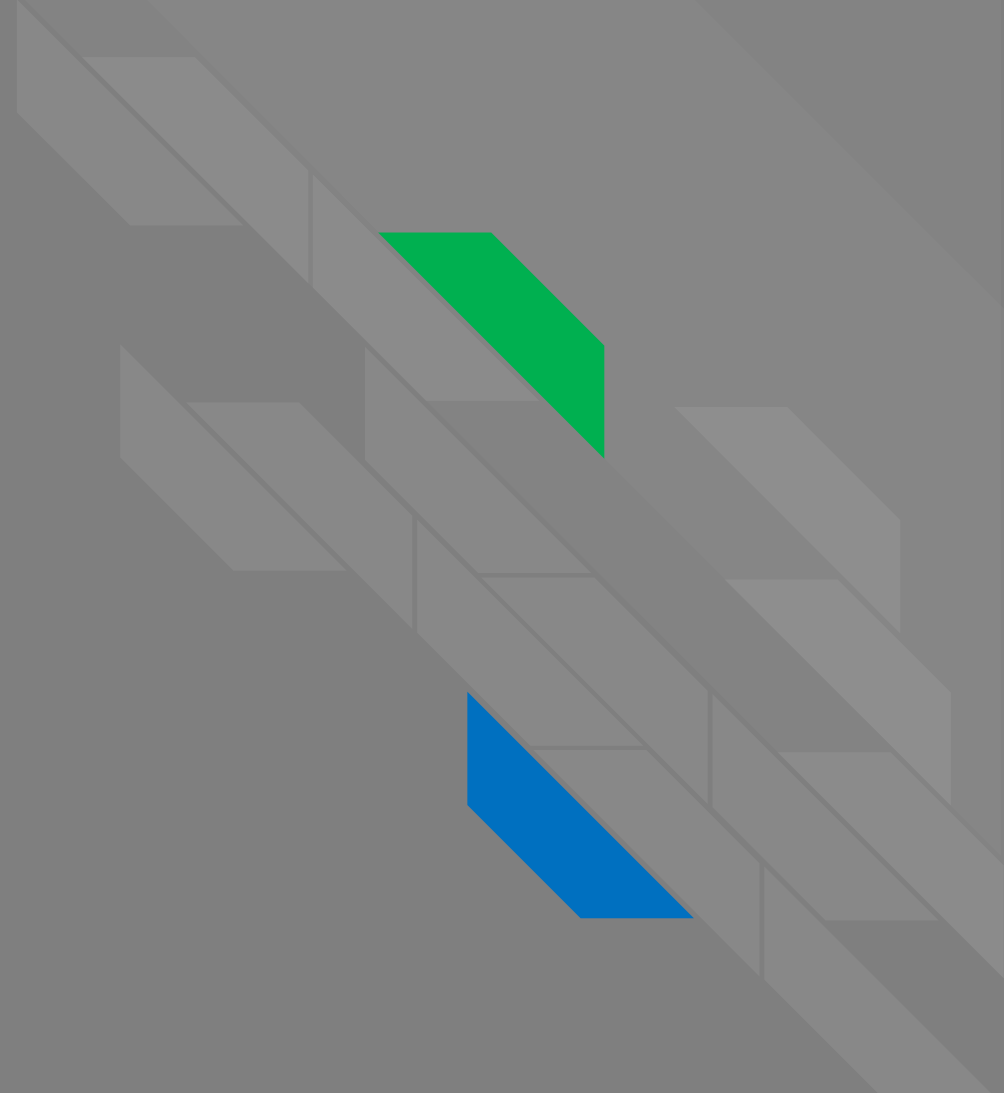
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# Anticipated Challenges

→ Containment of Operating Costs

→ Internal Process- HCV and Public Housing

→ Impact on Residents



Questions?

