



# REPORT

## ITEM 101

**DATE ISSUED:** August 8, 2003

**REPORT NO.:** HCR03-055  
For the Agenda of August 15, 2003

**SUBJECT:** Public Housing Assessment System (PHAS) for FY03  
(Citywide)

### SUMMARY

**Issue:** Should the Housing Commission authorize the submission of the Management Operations Certification (Indicator 3) to HUD and approve a resolution in accordance with the Public Housing Assessment System (PHAS)?

**Recommendation:** Authorize the Chief Executive Officer to execute the PHAS Certification for Management Operations (Indicator 3) and submit to HUD-Los Angeles office with the approved resolution by mail and electronically before August 31, 2003.

**Previous Related Action(s):** The Housing Commission has approved submission of a PHMAP/PHAS Certification annually since 1992, most recently on August 21, 2002 for FY02.

### BACKGROUND

Over the years the U.S. Department of Housing and Urban Development (HUD) has instituted various methods for measuring the performance of Public Housing agencies (PHAs). In 1990, Section 502 of the National Affordable Housing Act provided the statutory basis for the Public Housing Management Assessment Program (PHMAP), that measured agencies based on the following factors:

- Vacancy rate and vacant unit turnaround time;
- PHA's ability to administer HUD's modernization programs;
- Rent collection;
- PHA's performance with regard to completing maintenance work orders;
- Adequacy of the PHA's inspection system;
- Amount of cash reserves available to a PHA for operations;
- PHA's efforts to deliver quality customer services and to encourage partnerships with residents, resident organizations and the local community; and
- PHA's performance in tracking crime-related problems.



Under this system the Housing Commission received a "high performance rating" from HUD for fiscal years 91 through 99. In 1994, the Housing Commission received the **Sustained Performance Award** signed by HUD Secretary Henry Cisneros, for being one of the nations' best Public Housing agencies for "excellence in overall management performance in the Public Housing Program."

On October 1, 1998, HUD implemented a new measurement system, the Public Housing Assessment System (PHAS). Under the PHAS, HUD evaluates a PHA based on the following four indicators:

- Physical condition of the PHA's public housing properties as determined by an independent HUD-contracted inspector;
- PHA's entity wide financial condition based on audited financial statements;
- PHA's management operations, that include the statutorily required criteria and are tracked and certified by the PHA; and
- Residents' satisfaction, measured through an independent resident survey.

## DISCUSSION

Housing Authorities are required to submit an annual Public Housing Assessment System Certification (Attachment 1) for Indicator #3 – Management Operations, within 60 days of the close of the fiscal year, which must be accompanied by an approved Board Resolution (Attachment 2). For fiscal year 2002, the Housing Commission's Management Operations achieved 29.7 points out of 30 points, and for fiscal year 2003, the subject of this report, the Housing Commission should receive 30 points out of 30 (Attachment 3). The Housing Commission's score compares favorably to other California housing authorities with similar sized public housing programs. The housing authorities in Fresno and Sacramento, both "high performers," each received 30 points on the management certification indicator; San Joaquin Housing Authority scored 29 points and Contra Costa County received 27 points. San Joaquin and Contra Costa are rated as "standard performers."

After collection of all data, HUD staff reviews the submitted information and may conduct an on-site confirmatory review to determine accuracy. HUD will notify the Housing Commission of its PHAS score by October 31, 2003.

Respectfully submitted,

Approved by,

**Signature on File with Original Document**

Steve Snyder  
Asset Management Manager

Elizabeth C. Morris  
Chief Executive Officer

Attachment 1 - Certification Form HUD-50072

Attachment 2 - Resolution

Attachment 3 - Scoring Report

Information: Irma Castillo: 578-7411