

PUBLIC HOUSING AGENCY OF THE CITY OF SAINT PAUL

REPORT TO COMMISSIONERS

**FROM JON M. GUTZMANN
EXECUTIVE DIRECTOR**

REGARDING INFORMATIONAL REPORT
Project Update - RAD Conversion

DATE March 27, 2019

As this report was written, staff were putting the finishing touches on the eight Financing Plan packets to submit by the due date of March 31, 2019. As seen on the attached Financing Plan Checklist, documents the PHA will submit with the Financing Plans include resident comments and PHA answers from the Resident Information Meetings held in December 2018, twenty year Capital Needs and Environmental Assessments, Operating Pro-Formas, Property Title Reports, approved Significant Amendment to the PHA's Agency Plan, and a Development Budget showing the sources and uses of funds needed to complete the RAD conversion. Upon submission of the Financing Plan, staff will have successfully completed the first major milestone in the RAD conversion.

The Financing Plans demonstrate that the PHA will "self-finance" the approximately \$9.039 million Initial Deposit to Replacement Reserves (IDRR) using the 2019 Capital Fund Program (CFP) grant, as approved at the November 28, 2018 Board Meeting. This will allow the PHA to avoid incurring debt at the time of conversion and allow for greater long-term funding flexibility. The HUD Appropriations Act for this year was approved by Congress on February 15, 2019 but HUD has not announced the CFP grants that individual PHAs will receive.

Several PHA staff members have attended trainings in preparation for the transition into Project-Based Rental Assistance (PBRA). These trainings included a Multifamily Housing Specialist certification course presented by Nan McKay & Associates, which provided a comprehensive

training on the HUD Occupancy Handbook for Multifamily Housing (4350.3 REV-1). Topics covered included eligibility, screening and selection, admission, rent calculation, recertification, termination, and a discussion of HUD's multifamily systems. Staff also attended a training sponsored by the Affordable Housing Association of Certified Public Accountants (AHACPA), which focused on PBRA and HUD Multifamily regulatory compliance. Money is earmarked for RAD training in the 2018 Capital Fund Program budget, and staff continues to research available RAD and PBRA trainings to facilitate a smooth transition into HUD's Multifamily world and PBRA.

JTL/AJH/FAH

Attachments: RAD Project Plan
RAD Financing Plan Checklist