

Public Housing Agency Recovery and Sustainability (PHARS) Initiative

WAHA Training
January 24, 2012



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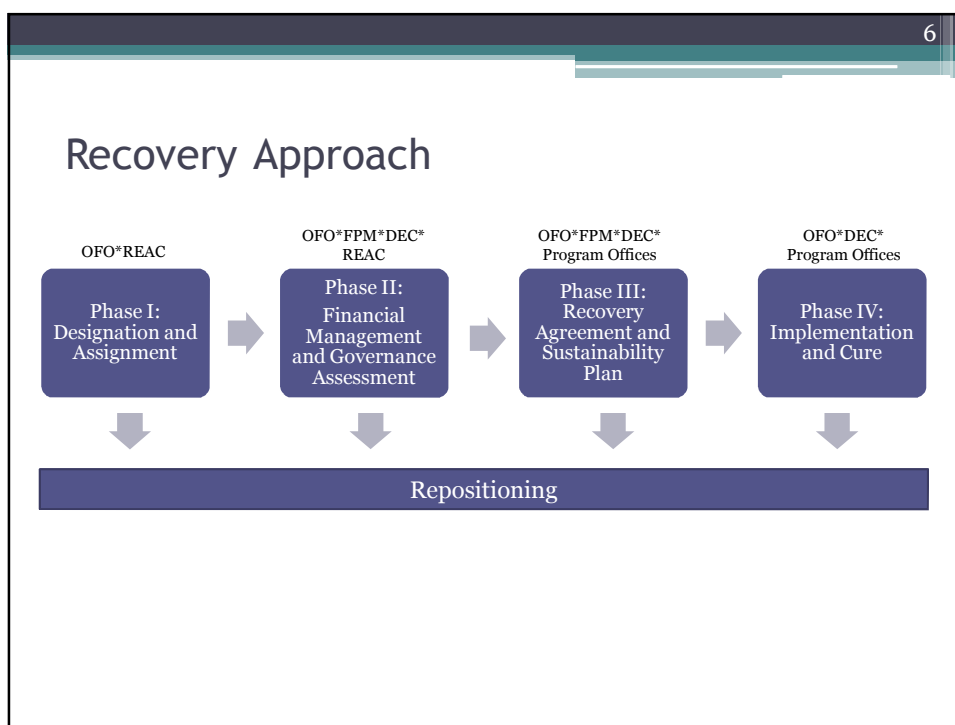
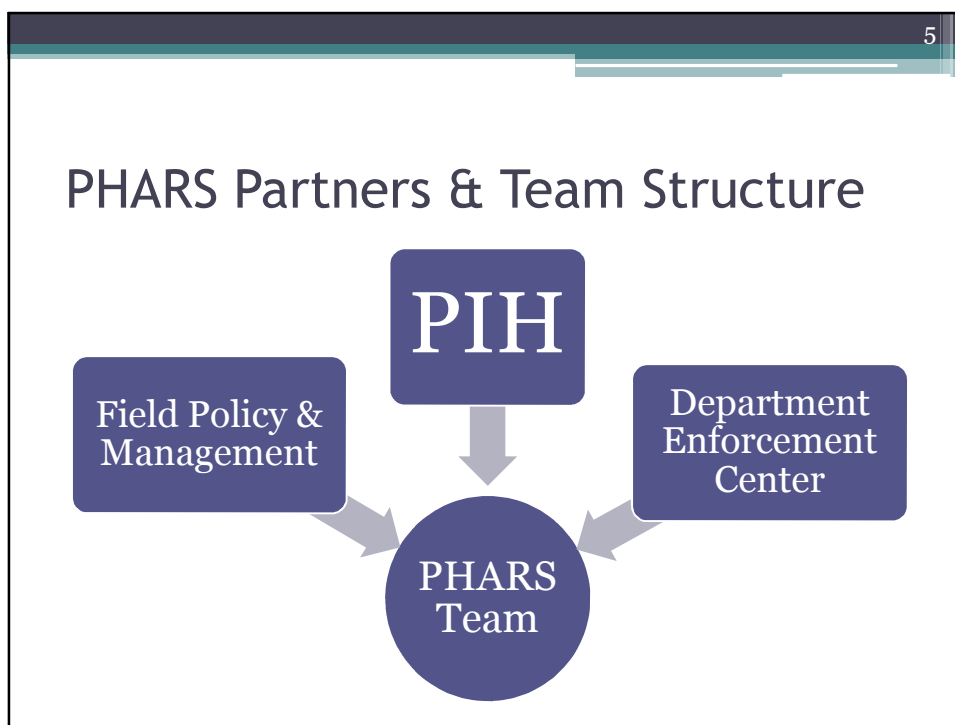
The New Approach: PHARS Initiative

“If you do what you’ve always done, you’ll get what you’ve always gotten.”

Anthony Robbins

PHARS Initiative Overview

- **Purpose:** To ensure effective and *sustainable* recovery of troubled public housing
- **Approach:** Place-based with an emphasis on sound fiscal management and good governance tailored to PHA needs (4 categories defining level of effort)
- **Process:**
 - Phase I: Designation and Assignment
 - Phase II: Financial management & Governance assessment
 - Phase III: Recovery Agreement/Action Plan & Sustainability Plan
 - Phase IV: Implementation and Cure
 - Repositioning



Phase I: Designation and Assignment

Objective: To maximize resources and tailor HUD's approach to recovering troubled PHAs by designating the expected level of effort required to sustainably recover a PHA and identifying the staff resources (Field Office or Network Team) to assist with this effort

Highlights:

Quarterly Troubled List release

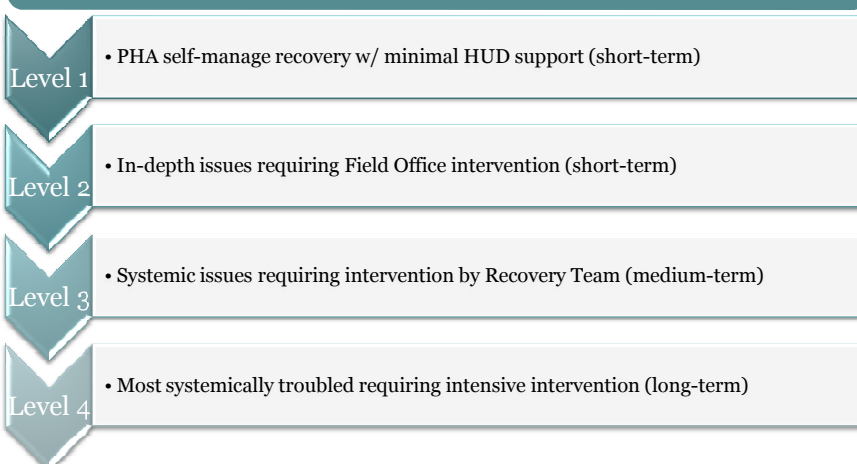
PHA notification of status from REAC

Request recovery plan proposal from PHA

Level of Effort identification

Assignment of HUD team to PHA

Levels of effort for recovery



Phase II: Financial Management & Governance Assessment

Objective: To provide a comprehensive understanding of the PHA's history and identify systemic causes of the PHA's Troubled status

Highlights:

Remote Assessment

- Analyze data 3-5 years from PIC, FDS, OIG, field office files and reports, PNA, Annual and 5-year plans

On-Site Assessment

- Assess oversight effectiveness of appointing official and PHA board
- Assess effectiveness of Executive Director, PHA management team and the relationship w/ community and residents served
- Analyze financial data for liquidity, financial health, revenue and expense trends, etc.

Internal Summary of Assessment

- Detail root causes identified in reviews, prioritize for action
- Outline a potential holistic, place-based solution to improve operations

Build Administrative Record

Purpose of Financial Assessment Report

- Assess financial condition of the PHA
- Identify causes of financial distress
- Provide recommendations for financial recovery



Items to Include in Assessment Report

- Overview of financial operations
- Entity wide financial condition
- Low rent public housings financial condition
- HCV program financial condition
- Other significant program(s) financial condition and information
- Recommendations

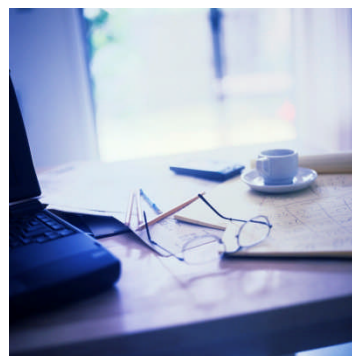
Public Housing Assessment

- Summarize results in same manner as entity wide
- Focus only on public housing operations
- Determine financial condition of public housing program



HCV Program Assessment

- Summarize results in same manner as entity wide
- Focus only on HCV program operations
- Determine financial condition of HCV program



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Phase III: Recovery Agreement/Action Plan & Sustainability Plan

Objective: To unite place-based priority setting with HUD cross-program collaboration to ensure recovery is timely, comprehensive and sustainable

Highlights:

Recovery Strategy Proposal (Internal Plan)

- Outline HUD's recommendations for recovery
- Outline HUD's resources/responsibilities

On-site planning discussion(s) with PHA management and community

Recovery Agreement/Action Plan

- Agreement (previously MOA) between HUD and PHA
- Specify target outcomes, performance standards and milestones
- Outline remedies (incentives and sanctions)

Sustainability Plan (Coordinated Community Plan)

- Collaborative document between PHA and community stakeholders
- Delineates steps, resources, commitments of PHA & community stakeholders
- Ensures achievement of outcomes specified in Recovery Agreement

Execution of Recovery Agreement

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Recovery Agreement/Action Plan & Sustainability Plan

Item Number	Results and Determinations from Assessment	Desired Outcome	Measures to Achieve Outcomes	Target Accomplishment Date	Actual Accomplishment Date	Remedies	Comments /Accomplishments
AREA: GOVERNANCE							
AREA: FINANCE							
AREA: PHYSICAL							

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Sustainability Plan Template

Identified Deficiencies and Results and Determinations from Assessment	Desired Outcome/Measures	Tasks to Accomplish to Achieve Desired Outcomes	Target Accomplishment Date	Actual Accomplishment Date	Person/Entity Responsible for Completion	Comments /Accomplishments
AREA: GOVERNANCE						
AREA: FINANCE						
AREA: PHYSICAL						
AREA: DEVELOPMENT						
AREA: HOUSING CHOICE VOUCHER						

Phase IV: Implementation & Cure

Objective: To implement Sustainability Plan and monitor progress of the Recovery Agreement through internal and external reporting and tracking

Highlights:

Provision of technical assistance (as needed)

On-going evaluation of the PHA progress toward recovery

Periodic remote and on-site progress meetings

- HUD, PHA, Board, appointing official, community stakeholders

Prepare internal tracking reports

Build and maintain an administrative record

Intervention by DEC (if necessary)

Repositioning

- Identify repositioning options and develop strategy
- Prepare package/brief including summary of administrative record
- Work with OGC to issue the remedy/notify PHA
- Implement repositioning strategy

Questions?

