

RAB Comments on the 5-Year Capital Fund Action Plan 2023 to 2027

1. What do blank cells in the 5-Year Capital Plan mean?

HACM Response: A blank cell indicates that no investment is planned for that development during that year.

2. Which repairs are eligible for Capital Funds?

HACM Response: Minor repairs or routine maintenance (such as a leaky toilet) are usually covered by public housing operating funds, while larger repairs (such as elevator repairs/replacements and window replacements) are able to be paid out of public housing capital funds. Also, if a unit is radically deteriorated, replacement items that might individually be considered routine maintenance could be collectively considered eligible for capital funds as deferred maintenance.

3. Are 504 Reasonable Accommodation requests eligible for Capital Funds? How much money is HACM currently spending on 504 Accommodations? Are unit transfers always required for 504 Accommodations?

HACM Response: Yes, there is a line item for Reasonable Accommodations in the 5-Year Capital Fund Action Plan . A total of \$100,000 has been included for the 5-Year Action Plan for 2023 to 2027 for 504 Accommodations in all Public Housing developments.

As a comparison, if one were to look at the last Capital Fund Action Plan for 2017 to 2022 approved by HUD on 11/15/2021 , the last plan had a budget line item of \$10,000 for Year 5 (just for 2022) for the cost of work items related to accommodations. Thus, the new capital fund action plan would represent an increase in budget for those items.

Additionally, some 504 requests involve unit transfers and/or assistance animals or other types of requests which do not involve capital funds. Unit transfers are not always required for 504 reasonable accommodation requests. Rather, each situation depends on how much work would be needed for required updates, and some developments are more accessible or more easily modified than others. Thus, each request is unique and reviewed on a case-by-case basis.

4. What is line item 0500 “Soft cost-Training (Management Improvement (1408)-Staff Training)”?

HACM Response: Staff training could include many topics, but this focuses on using the housing management software (Yardi). The specific description is “Training for PHA Personnel Operations and Procedures including, rent collection, resident selection and eviction. Improvement to the PHA, management, financial, accounting control.”

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5. How are the repairs identified in the 5-Year Capital Fund Action Plan prioritized since more repairs are needed than can be funded?

HACM Response: Items identified in REAC inspections (done on behalf of HUD) are prioritized. Any comments or suggestions from housing managers and housing management; Central Maintenance; Travaux; the RAB; public housing residents; and the public are also considered.

6. As was mentioned during the Annual Agency Plan discussion, carpets in public housing, specifically Scattered Sites, need to be replaced, similar to those in Project-based housing.

HACM Response: Given the significant backlog of deferred maintenance, HACM has had to prioritize certain items that impact the general structures or are required by REAC inspections, due to the limited amount of funding received from HUD.

However, there are also work items in this budget for some Scattered Sites developments in some years that describe other items of deferred maintenance on an as-needed basis upon unit turnover, such as “kitchen/bathroom sink and counter replacement, toilet replacement (low flow toilets), flooring, caulking, appliance replacement, tub replacement.” While not specific to carpeting, this could include it on a limited, but as-needed basis.

We do appreciate this comment and all others on the specifics of this Action Plan. Once we have received all comments, including comments from residents of public housing during the public comment period, we will review the budget to determine if we can make any changes to this action plan.

7. Are the fences (item 0414) identified in the Parklawn Capital funds planned for Parklawn for the daycare and playground?

HACM Response: Yes, they are.

8. Is any work planned for repairing Parklawn’s ramps?

HACM Response: Yes, see item 0427, about concrete walkway repairs.

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9. Why does the same type of work appear repeatedly, but with different costs?

HACM Response: The same type of work may be needed at several developments over several different years, and thus it is listed separately each time. For example, roof repair at Parklawn will cost more than roof repair at Arlington, and it might happen in different or multiple years.

10. Hillside units do not have air conditioning, why does item 0490 mention replacing the AC?

HACM Response: We believe that this item refers to air conditioning in community areas, such as in the highrise. We will review this with staff to determine.

11. Can the sewer/plumbing replacement line work (item 0458) happen sooner, ideally next year? This is a major concern and high priority for Parklawn residents.

HACM Response: HACM understands the importance of this item for Parklawn residents. We will review this comment with staff to determine if there is any possibility to move the sewer/plumbing replacement line work currently scheduled to 2026 to an earlier year.

12. HACM should build into the capital fund action plan more weatherization projects. At Riverview, the TV and Exercise area has a 10-degree difference from the rest of the building. Can we upgrade the windows there? Also, please inspect all units to ensure that the heaters function.

HACM Response: HACM does annual inspections of units. In addition, if any resident has an issue with the heat or temperature in their apartments, they should contact their management office for a work order and maintenance will check on it. Additionally, HACM will request an inspector from Travaux evaluate the TV and Exercise area for insulation improvements at Riverview. Riverview's roof is scheduled to be replaced in 2023 (item 0471), and tuckpointing done in 2025 (item 0473), which may also help insulate the building to an extent.

13. Do developments that aren't public housing have an equivalent of the 5-Year Capital Plan?

HACM Response: Yes, Tax credit/RAD properties have 20-year replacement reserve schedules, which are developed by the LLC and approved by investors, HUD, WHEDA, and HACM at the time that the development converts to RAD. The plans take into consideration the estimated useful life of building components. For example, Cherry Court may have a larger replacement reserve than Holton Terrace because of the age of the most recent renovations and extent of

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capital work that is needed. The replacement reserve plan schedules reflect the estimated needs of each building.

14. Do 20-year replacement reserve schedules limit the opportunity of residents to comment on needed repairs?

HACM Response: No, residents are always encouraged to report needed repairs to housing managers.

15. How much rent money is allocated to maintenance?

HACM Response: There is no way to specify rental income vs. other types of operating income such as operating subsidy from HUD that is used for a specific expense line item.

In the public housing program, the 2022 public housing budget approved by the Board of Commissioners shows total operating income of \$17,762,639. This includes \$8,523,851 of total rental income. The total amount of maintenance expenses for public housing developments in this budget is \$6,154,625.

16. When will HACM submit this document?

HACM Response: A public hearing will occur at the September 15, 2022 HACM Board of Commissioners meeting at 1:30 PM at City Hall and comments will be accepted there. HACM will also accept written comments by mail or email.

The Board of Commissioners will vote on this 5-Year Capital Fund Action Plan for 2023 to 2027 and a number of other documents (Annual Agency Plan, ACOP, Administrative Plan, Public housing Lease, Public Housing Resident Handbook, Resident Grievance Procedures) at their October meeting on October 12, 2022.