

# **PHA Plans**

**Streamlined Annual  
Version**

**U.S. Department of Housing and  
Urban Development**  
Office of Public and Indian  
Housing

OMB No. 2577-0226  
(exp. 05/31/2006)

## **Streamlined Annual PHA Plan for Fiscal Year: 2006**

**PHA Name: Missoula Housing Authority**

**NOTE: This PHA Plan template (HUD-50075-SA) is to be completed in accordance with instructions contained in previous Notices PIH 99-33 (HA), 99-51 (HA), 2000-22 (HA), 2000-36 (HA), 2000-43 (HA), 2001-4 (HA), 2001-26 (HA), 2003-7 (HA), and any related notices HUD may subsequently issue.**

## Streamlined Annual PHA Plan Agency Identification

**PHA Name:** Missoula Housing Authority

**PHA Number:** MT033

**PHA Fiscal Year Beginning:** (mm/yyyy) 10/2006

**PHA Programs Administered:**

- Public Housing and Section 8**       **Section 8 Only**       **Public Housing Only**  
Number of public housing units:      Number of S8 units:      Number of public housing units:  
Number of S8 units:

**PHA Consortia:** (check box if submitting a joint PHA Plan and complete table)

Participating PHAs	PHA Code	Program(s) Included in the Consortium	Programs Not in the Consortium	# of Units Each Program
Participating PHA 1:				
Participating PHA 2:				
Participating PHA 3:				

**PHA Plan Contact Information:**

Name: Peter Hance

Phone: (406) 549-4113

TDD: 1 (800) 253-4091

Email (if available): phance@missoulahousing.org

**Public Access to Information**

Information regarding any activities outlined in this plan can be obtained by contacting:

- MHA's main administrative office  
1235 34<sup>th</sup> Street  
Missoula, MT 59801

**Display Locations For PHA Plans and Supporting Documents**

The PHA Plan revised policies or program changes (including attachments) are available for public review and inspection.     Yes     No.

If yes, select all that apply:

- Main administrative office of the PHA  
 PHA development management offices  
 Main administrative office of the local, county or State government  
 Public library       PHA website       Other (list below)

PHA Plan Supporting Documents are available for inspection at: (select all that apply)

- Main business office of the PHA  
1235 34<sup>th</sup> Street, Missoula, MT 59801

**Streamlined Annual PHA Plan**  
**Fiscal Year 2006**  
[24 CFR Part 903.12(c)]

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[24 CFR 903.7(r)]

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**B. SEPARATE HARD COPY SUBMISSIONS TO LOCAL HUD FIELD OFFICE**

**Form HUD-50076, PHA Certifications of Compliance with the PHA Plans and Related Regulations; Board Resolution to Accompany the Streamlined Annual Plan** identifying policies or programs the PHA has revised since submission of its last Annual Plan, and including Civil Rights certifications and assurances the changed policies were presented to the Resident Advisory Board for review and comment, approved by the PHA governing board, and made available for review and inspection at the PHA's principal office;

For PHAs Applying for Formula Capital Fund Program (CFP) Grants:

**Form HUD-50070, Certification for a Drug-Free Workplace;**

**Form HUD-50071, Certification of Payments to Influence Federal Transactions;** and

**Form SF-LLL &SF-LLL a, Disclosure of Lobbying Activities.**

**1. Site-Based Waiting Lists (Eligibility, Selection, Admissions Policies)**

[24 CFR Part 903.12(c), 903.7(b)(2)]

**A. Site-Based Waiting Lists-Previous Year**

1. Has the PHA operated one or more site-based waiting lists in the previous year? If yes, complete the following table; if not skip to B.

<b>Site-Based Waiting Lists</b>				
<b>Development Information:</b> (Name, number, location)	<b>Date Initiated</b>	<b>Initial mix of Racial, Ethnic or Disability Demographics</b>	<b>Current mix of Racial, Ethnic or Disability Demographics since Initiation of SBWL</b>	<b>Percent change between initial and current mix of Racial, Ethnic, or Disability demographics</b>

2. What is the number of site based waiting list developments to which families may apply at one time?
3. How many unit offers may an applicant turn down before being removed from the site-based waiting list?
4.  Yes  No: Is the PHA the subject of any pending fair housing complaint by HUD or any court order or settlement agreement? If yes, describe the order, agreement or complaint and describe how use of a site-based waiting list will not violate or be inconsistent with the order, agreement or complaint below:

**B. Site-Based Waiting Lists – Coming Year**

If the PHA plans to operate one or more site-based waiting lists in the coming year, answer each of the following questions; if not, skip to next component.

1. How many site-based waiting lists will the PHA operate in the coming year?
2.  Yes  No: Are any or all of the PHA's site-based waiting lists new for the upcoming year (that is, they are not part of a previously-HUD-approved site based waiting list plan)?  
If yes, how many lists?
3.  Yes  No: May families be on more than one list simultaneously  
If yes, how many lists?
4. Where can interested persons obtain more information about and sign up to be on the site-based waiting lists (select all that apply)?
  - PHA main administrative office
  - All PHA development management offices
  - Management offices at developments with site-based waiting lists
  - At the development to which they would like to apply
  - Other (list below)

## **2. Capital Improvement Needs**

[24 CFR Part 903.12 (c), 903.7 (g)]

### **A. Capital Fund Program**

1.  Yes  No Does the PHA plan to participate in the Capital Fund Program in the upcoming year? If yes, complete items 7 and 8 of this template (Capital Fund Program tables). If no, skip to B.
  
2.  Yes  No: Does the PHA propose to use any portion of its CFP funds to repay debt incurred to finance capital improvements? If so, the PHA must identify in its annual and 5-year capital plans the development(s) where such improvements will be made and show both how the proceeds of the financing will be used and the amount of the annual payments required to service the debt. (Note that separate HUD approval is required for such financing activities.).

### **B. HOPE VI and Public Housing Development and Replacement Activities (Non-Capital Fund)**

Applicability: All PHAs administering public housing. Identify any approved HOPE VI and/or public housing development or replacement activities not described in the Capital Fund Program Annual Statement.

1.  Yes  No: Has the PHA received a HOPE VI revitalization grant? (if no, skip to #3; if yes, provide responses to the items on the chart located on the next page, copying and completing as many times as necessary).
  
2. Status of HOPE VI revitalization grant(s):

<b>HOPE VI Revitalization Grant Status</b>	
a. Development Name:	
b. Development Number:	
c. Status of Grant:	
	<input type="checkbox"/> Revitalization Plan under development
	<input type="checkbox"/> Revitalization Plan submitted, pending approval
	<input type="checkbox"/> Revitalization Plan approved
	<input type="checkbox"/> Activities pursuant to an approved Revitalization Plan underway

3.  Yes  No: Does the PHA expect to apply for a HOPE VI Revitalization grant in the Plan year?  
If yes, list development name(s) below:

4.  Yes  No: Will the PHA be engaging in any mixed-finance development activities for public housing in the Plan year? If yes, list developments or activities below:
5.  Yes  No: Will the PHA be conducting any other public housing development or replacement activities not discussed in the Capital Fund Program Annual Statement? If yes, list developments or activities below:

**3. Section 8 Tenant Based Assistance--Section 8(y) Homeownership Program**  
(if applicable) [24 CFR Part 903.12(c), 903.7(k)(1)(i)]

1.  Yes  No: Does the PHA plan to administer a Section 8 Homeownership program pursuant to Section 8(y) of the U.S.H.A. of 1937, as implemented by 24 CFR part 982 ? (If “No”, skip to the next component; if “yes”, complete each program description below (copy and complete questions for each program identified.)

2. Program Description:

**The MHA in cooperation with the Missoula Housing Corporation, Women’s Opportunity & Resource Development, Inc. (WORD), District XI Human Resource Development Council, and Neighborhood Housing Services of Great Falls, continues to operate a Section 8 Homeownership Voucher Program. Eligible Section 8 participants are offered the opportunity to participate in a First Time Homeowners Program. Preference is given to participants who are under contract in the MHA’s Family Self-Sufficiency Program.**

**WORD is a fully approved HUD Counseling Agency in good standing.**

a. Size of Program

Yes  No: Will the PHA limit the number of families participating in the Section 8 homeownership option?

If the answer to the question above was yes, what is the maximum number of participants this fiscal year? **30 Participants**

b. PHA-established eligibility criteria

Yes  No: Will the PHA’s program have eligibility criteria for participation in its Section 8 Homeownership Option program in addition to HUD criteria? If yes, list criteria:

**Family must be a qualified existing program participant who has been receiving housing assistance from MHA for a minimum of one year, and who has successfully complied with all rental program and lease requirements during that time. No debt may be owing to MHA or any other housing authority.**

c. What actions will the PHA undertake to implement the program this year (list)?

**Program has been implemented since 2002. Currently eleven (11) families have purchased homes with homeownership vouchers.**

3. Capacity of the PHA to Administer a Section 8 Homeownership Program:



The PHA has demonstrated its capacity to administer the program by (select all that apply):

- Establishing a minimum homeowner down payment requirement of at least 3 percent of purchase price and requiring that at least 1 percent of the purchase price comes from the family's resources.
- Requiring that financing for purchase of a home under its Section 8 homeownership will be provided, insured or guaranteed by the state or Federal government; comply with secondary mortgage market underwriting requirements; or comply with generally accepted private sector underwriting standards.
- Partnering with a qualified agency or agencies to administer the program (list name(s) and years of experience below):
- Demonstrating that it has other relevant experience (list experience below):

**The Missoula Housing Authority and Western Montana Mental Health Clinic created Garden City CHDO to develop the award winning, 36-unit condominium project. The housing project serves first time low-income homebuyers, and 20% of the homebuyers served have a mental disability.**

#### **4. Use of the Project-Based Voucher Program**

##### **Intent to Use Project-Based Assistance**

Yes  No: Does the PHA plan to “project-base” any tenant-based Section 8 vouchers in the coming year? If the answer is “no,” go to the next component. If yes, answer the following questions.

1.  Yes  No: Are there circumstances indicating that the project basing of the units, rather than tenant-basing of the same amount of assistance is an appropriate option? If yes, check which circumstances apply:

- low utilization rate for vouchers due to lack of suitable rental units
- access to neighborhoods outside of high poverty areas
- other (describe below:)**

**Over the years of 1999 – 2003, Missoula's average vacancy rate has stood at less than 1% as contrasted to a desired rate of 6%. This has led to tremendous demand for apartments and the market pricing of units, which normally would be for extremely low income persons, well beyond their ability to pay. During that same time, building permits have not kept pace with estimated demand - - Missoula's Consolidated Plan for that period called for a minimum of 770 units per year or a total of 3,850. However, that period saw permits being issued for only 1,854 multi-family units. Compounding that problem is the fact that of those 1,854 units built, only 20 (or about 1%) are estimated to be priced for extremely low income, or 30% of Area Median Income (AMI). At the same time, MHA's waiting list for that income group has grown from 543 (approximately 2 year wait) to 756 in 2006, an increase of almost 40%. Simply put, there are insufficient units in the market to provide competitive rental rates for Section 8 tenant based units - - the Section 8 tenant based vouchers are used but at rental rates that are inflated due to the lack of units. By project basing units, MHA can both encourage new construction and preserve existing units which serve 30% AMI. Project basing also allows developers to specialize housing projects for special needs populations. Often these developments can address the specific and often sensitive issues that these populations face in becoming self-sufficient. These developments can be permanent or transitional (transitional in terms of maximum occupancy of two (2) years but minimum lease period of one year). Examples of transitional housing (with associated social services) for special needs populations include: homeless family housing, domestic violence, homeless veterans, and households graduating from chemical dependency treatment.**

**MHA's plan has already been approved by HUD to allocate 20% of its 754 tenant based vouchers to project based vouchers (approximately 150). MHA will coordinate an open competition for developers and service providers to submit proposals for award of a PBV contract for up to 10 years or longer depending**

**upon the type of project, the status of regulations, and upon appropriation by Congress. As part of the contract, MHA will administer the vouchers and manage site-based waiting lists specific to the special needs population of the development.**

**By MHA utilizing site-based waiting lists, MHA and the affordable housing provider can work together to draw applicants who may be specifically interested in the site or benefit from the program being run at the site. Examples of an appropriate sorting system(s) include: sorting by income tiers, Board approved preferences, special needs, and sorting by ranking.**

**All applicants will be given the opportunity to be included on any of the Missoula Housing Authority program waiting lists if they meet the program's eligibility requirements. It is expected that site-specific waiting lists will have criteria specific to the population, and therefore each site-based waiting list will be independent of one another. Residents will be selected on a "first-come first-serve" basis. To be added to the waiting list(s), an applicant must provide initial application information to prove their eligibility for the program. Their eligibility status and income level will be verified at the time they reach the top of the waiting list.**

**All units assisted will meet or exceed housing quality standards as set forth by HUD. All project-based vouchers will be under guidance of MHA's Section 8 Administration policy.**

**If a family moves out of its project-based unit at any time after the first year of assisted occupancy, the Missoula Housing Authority (MHA) will offer the family available tenant-based rental assistance. MHA will provide the family a voucher from the tenant-based section 8 voucher program. If a voucher is not available when the family is ready to move, MHA will give that family priority to receive the next available tenant-based voucher.**

2. Indicate the number of units and general location of units (e.g. eligible census tracts or smaller areas within eligible census tracts):

**MHA previously advertised for up to 35 vouchers in new and existing categories. Those have been approved according to MHA's application criteria and HUD's review of the new construction applications for Site & Neighborhood Standards 24 CFR 983.6:**

- **3 vouchers for existing, family housing = homeWORD Gold Dust LIHTC housing.**
- **3 vouchers for new housing for families leaving transitional alcohol/drug treatment facilities (requiring a supportive service plan to continue the treatment of those families) = MHA received no applicants.**
- **6 vouchers for existing housing for victims of domestic violence (requiring a supportive service plan to continue the treatment of those families) = YWCA of Missoula, 6 units.**
- **23 vouchers for new, family housing = Maclay Commons, new construction of 16 units in 8 duplexes for families facing homelessness and Orchard Gardens, homeWORD's**

**new construction LIHTC project. Of 35 units, 7 will be assisted with PBV.**

**It is projected that over the course of the next federal fiscal years (FY 2006 & 2007), the remaining 118 vouchers could be advertised and contracted to new and existing units. The populations that will benefit from the potential up-coming project based-vouchers are low-income, elderly, disabled and special needs populations.**

**The general location of the vouchers will be dispersed throughout the City of Missoula. The proposed PBV rules were passed in October 2005, and MHA adjusted its PBV program to meet the standards set in those new rules. Those new rules would permit the use of PBV in neighborhoods where there is a greater than 20% poverty rate based upon the same analysis of the immediate neighborhood outlined below.**

**One of the critical considerations in awarding PBV is the location of the project in relation to the true concentration of poverty. A heavy concentration of college students (many supported by grants, loans, and family income which are not counted as income) occupy units in those census tracts with poverty rates over 20%. Using income data and poverty information for students collected by the University of Montana, MHA backed out the number of college students under poverty level in each of the affected census tracts to end up with overall poverty rates less than 20%.**

**Of the 17 neighborhoods in Missoula, all but 5 have significant rental populations. Those 5 lie on the extreme outskirts of town, have the highest percentage of home ownership, limited public transportation, and nearly no-nonresidential uses such as stores or offices for supportive services. MHA anticipates that a majority of its tenant and project based voucher holders will live in the other 12 neighborhoods that comprise an area that is roughly 4 miles by 4 miles in size. It is anticipated that over 90% of the project based vouchers will be awarded to projects in that 12 neighborhood area; MHA's current projects are in only 4 of those 12 neighborhoods. In addition to the goal of poverty de-concentration explained above, another goal is to scatter the units through those 12 of the City's neighborhoods, targeting first (but not necessarily limiting) the 8 neighborhoods where MHA has few or no units, to de-concentrate poverty.**

## **5. PHA Statement of Consistency with the Consolidated Plan**

[24 CFR Part 903.15]

For each applicable Consolidated Plan, make the following statement (copy questions as many times as necessary) only if the PHA has provided a certification listing program or policy changes from its last Annual Plan submission.

1. Consolidated Plan jurisdiction: **City of Missoula, MT**
2. The PHA has taken the following steps to ensure consistency of this PHA Plan with the Consolidated Plan for the jurisdiction:
  - The PHA has based its statement of needs of families on its waiting lists on the needs expressed in the Consolidated Plan/s.
  - The PHA has participated in any consultation process organized and offered by the Consolidated Plan agency in the development of the Consolidated Plan.
  - The PHA has consulted with the Consolidated Plan agency during the development of this PHA Plan.
  - Activities to be undertaken by the PHA in the coming year are consistent with the initiatives contained in the Consolidated Plan. (list below)
  - Other: (list below)

**Assist homeless by increasing and/or expanding availability of emergency shelter facilities, transitional and permanent housing opportunities, and supportive services and prevention programs, and place greater emphasis on providing permanent housing as soon as possible for homeless individuals and families.**

**Increase and preserve the supply of affordable rental units for low and moderate-income households, including special needs persons, to include acquisition, rehabilitation and new construction.**

**Increase and preserve affordable homeownership for low and moderate income households, including special needs persons.**

**Further investigate and develop an action plan to address community-wide barriers to affordable housing and barriers to fair housing compliance.**

**Increase accessibility in compliance with ADA requirements.**

3. The Consolidated Plan of the jurisdiction supports the PHA Plan with the following actions and commitments: (describe below)

## **6. Supporting Documents Available for Review for Streamlined Annual PHA Plans**

PHAs are to indicate which documents are available for public review by placing a mark in the “Applicable & On Display” column in the appropriate rows. All listed documents must be on display if applicable to the program activities conducted by the PHA.

<b>List of Supporting Documents Available for Review</b>		
<b>Applicable &amp; On Display</b>	<b>Supporting Document</b>	<b>Related Plan Component</b>
<b>X</b>	<i>PHA Certifications of Compliance with the PHA Plans and Related Regulations and Board Resolution to Accompany the Standard Annual, Standard Five-Year, and Streamlined Five-Year/Annual Plans;</i>	5 Year and Annual Plans
<b>X</b>	<i>PHA Certifications of Compliance with the PHA Plans and Related Regulations and Board Resolution to Accompany the Streamlined Annual Plan</i>	Streamlined Annual Plans
<b>X</b>	<i>Certification by State or Local Official of PHA Plan Consistency with Consolidated Plan.</i>	5 Year and standard Annual Plans
<b>X</b>	Fair Housing Documentation Supporting Fair Housing Certifications: Records reflecting that the PHA has examined its programs or proposed programs, identified any impediments to fair housing choice in those programs, addressed or is addressing those impediments in a reasonable fashion in view of the resources available, and worked or is working with local jurisdictions to implement any of the jurisdictions’ initiatives to affirmatively further fair housing that require the PHA’s involvement.	5 Year and Annual Plans
<b>X</b>	Housing Needs Statement of the Consolidated Plan for the jurisdiction(s) in which the PHA is located and any additional backup data to support statement of housing needs for families on the PHA’s public housing and Section 8 tenant-based waiting lists.	Annual Plan: Housing Needs
<b>X</b>	Most recent board-approved operating budget for the public housing program	Annual Plan: Financial Resources
<b>X</b>	Public Housing Admissions and (Continued) Occupancy Policy (A&O/ACOP), which includes the Tenant Selection and Assignment Plan [TSAP] and the Site-Based Waiting List Procedure.	Annual Plan: Eligibility, Selection, and Admissions Policies
<b>X</b>	Deconcentration Income Analysis	Annual Plan: Eligibility, Selection, and Admissions Policies
<b>X</b>	Any policy governing occupancy of Police Officers and Over-Income Tenants in Public Housing. <input type="checkbox"/> Check here if included in the public housing A&O Policy.	Annual Plan: Eligibility, Selection, and Admissions Policies
<b>X</b>	Section 8 Administrative Plan	Annual Plan: Eligibility, Selection, and Admissions Policies
<b>X</b>	Public housing rent determination policies, including the method for setting public housing flat rents. <input checked="" type="checkbox"/> Check here if included in the public housing A & O Policy.	Annual Plan: Rent Determination
<b>X</b>	Schedule of flat rents offered at each public housing development. <input checked="" type="checkbox"/> Check here if included in the public housing A & O Policy.	Annual Plan: Rent Determination
<b>X</b>	Section 8 rent determination (payment standard) policies (if included in plan, not necessary as a supporting document) and written analysis of Section 8 payment standard policies. <input checked="" type="checkbox"/> Check here if included in Section 8 Administrative Plan.	Annual Plan: Rent Determination
<b>X</b>	Public housing management and maintenance policy documents, including policies for the prevention or eradication of pest infestation (including cockroach infestation).	Annual Plan: Operations and Maintenance
<b>X</b>	Results of latest Public Housing Assessment System (PHAS) Assessment (or other applicable assessment).	Annual Plan: Management and Operations
<b>N/A</b>	Follow-up Plan to Results of the PHAS Resident Satisfaction Survey (if necessary)	Annual Plan: Operations and Maintenance and Community Service & Self-

<b>List of Supporting Documents Available for Review</b>		
<b>Applicable &amp; On Display</b>	<b>Supporting Document</b>	<b>Related Plan Component</b>
		Sufficiency
<b>X</b>	Results of latest Section 8 Management Assessment System (SEMAP)	Annual Plan: Management and Operations
<b>X</b>	Any policies governing any Section 8 special housing types <input checked="" type="checkbox"/> Check here if included in Section 8 Administrative Plan	Annual Plan: Operations and Maintenance
<b>X</b>	Public housing grievance procedures <input type="checkbox"/> Check here if included in the public housing A & O Policy	Annual Plan: Grievance Procedures
<b>X</b>	Section 8 informal review and hearing procedures. <input checked="" type="checkbox"/> Check here if included in Section 8 Administrative Plan.	Annual Plan: Grievance Procedures
<b>X</b>	The Capital Fund/Comprehensive Grant Program Annual Statement /Performance and Evaluation Report for any active grant year.	Annual Plan: Capital Needs
<b>N/A</b>	Most recent CIAP Budget/Progress Report (HUD 52825) for any active CIAP grants.	Annual Plan: Capital Needs
<b>N/A</b>	Approved HOPE VI applications or, if more recent, approved or submitted HOPE VI Revitalization Plans, or any other approved proposal for development of public housing.	Annual Plan: Capital Needs
<b>X</b>	Self-evaluation, Needs Assessment and Transition Plan required by regulations implementing Section 504 of the Rehabilitation Act and the Americans with Disabilities Act. See PIH Notice 99-52 (HA).	Annual Plan: Capital Needs
<b>X</b>	Approved or submitted applications for demolition and/or disposition of public housing.	Annual Plan: Demolition and Disposition
<b>N/A</b>	Approved or submitted applications for designation of public housing (Designated Housing Plans).	Annual Plan: Designation of Public Housing
<b>N/A</b>	Approved or submitted assessments of reasonable revitalization of public housing and approved or submitted conversion plans prepared pursuant to section 202 of the 1996 HUD Appropriations Act, Section 22 of the US Housing Act of 1937, or Section 33 of the US Housing Act of 1937.	Annual Plan: Conversion of Public Housing
<b>N/A</b>	Documentation for required Initial Assessment and any additional information required by HUD for Voluntary Conversion.	Annual Plan: Voluntary Conversion of Public Housing
<b>N/A</b>	Approved or submitted public housing homeownership programs/plans.	Annual Plan: Homeownership
<b>X</b>	Policies governing any Section 8 Homeownership program (Section 20 Special Housing Types, G. Homeownership Option of the Section 8 Administrative Plan)	Annual Plan: Homeownership
<b>X</b>	Public Housing Community Service Policy/Programs <input checked="" type="checkbox"/> Check here if included in Public Housing A & O Policy	Annual Plan: Community Service & Self-Sufficiency
<b>X</b>	Cooperative agreement between the PHA and the TANF agency and between the PHA and local employment and training service agencies.	Annual Plan: Community Service & Self-Sufficiency
<b>X</b>	FSS Action Plan(s) for public housing and/or Section 8.	Annual Plan: Community Service & Self-Sufficiency
<b>X</b>	Section 3 documentation required by 24 CFR Part 135, Subpart E for public housing.	Annual Plan: Community Service & Self-Sufficiency
<b>N/A</b>	Most recent self-sufficiency (ED/SS, TOP or ROSS or other resident services grant) grant program reports for public housing.	Annual Plan: Community Service & Self-Sufficiency
<b>X</b>	Policy on Ownership of Pets in Public Housing Family Developments (as required by regulation at 24 CFR Part 960, Subpart G). <input checked="" type="checkbox"/> Check here if included in the public housing A & O Policy.	Annual Plan: Pet Policy
<b>X</b>	The results of the most recent fiscal year audit of the PHA conducted under the Single Audit Act as implemented by OMB Circular A-133, the results of that audit and the PHA's response to any findings.	Annual Plan: Annual Audit
<b>X</b>	Other supporting documents (optional) (list individually; use as many lines as necessary)	(specify as needed)
<b>N/A</b>	Consortium agreement(s) and for Consortium Joint PHA Plans <u>Only</u> : Certification that consortium agreement is in compliance with 24 CFR Part 943 pursuant to an opinion of counsel on file and available for inspection.	Joint Annual PHA Plan for Consortia: Agency Identification and Annual

<b>List of Supporting Documents Available for Review</b>		
<b>Applicable &amp; On Display</b>	<b>Supporting Document</b>	<b>Related Plan Component</b>
		Management and Operations



## 7. Capital Fund Program Annual Statement/Performance and Evaluation Report and Replacement Housing Factor

Annual Statement/Performance and Evaluation Report Capital Fund Program and Capital Fund Program Replacement Housing Factor (CFP/CFPRHF) Part I: Summary					
PHA Name:		Grant Type and Number Capital Fund Program Grant No: Replacement Housing Factor Grant No:			Federal FY of Grant:
<input type="checkbox"/> Original Annual Statement <input type="checkbox"/> Reserve for Disasters/ Emergencies <input type="checkbox"/> Revised Annual Statement (revision no:    )					
<input type="checkbox"/> Performance and Evaluation Report for Period Ending: <input type="checkbox"/> Final Performance and Evaluation Report					
Line No.	Summary by Development Account	Total Estimated Cost		Total Actual Cost	
		Original	Revised	Obligated	Expended
1	Total non-CFP Funds				
2	1406 Operations				
3	1408 Management Improvements				
4	1410 Administration				
5	1411 Audit				
6	1415 Liquidated Damages				
7	1430 Fees and Costs				
8	1440 Site Acquisition				
9	1450 Site Improvement				
10	1460 Dwelling Structures				
11	1465.1 Dwelling Equipment—Nonexpendable				
12	1470 Nondwelling Structures				
13	1475 Nondwelling Equipment				
14	1485 Demolition				
15	1490 Replacement Reserve				
16	1492 Moving to Work Demonstration				
17	1495.1 Relocation Costs				
18	1499 Development Activities				
19	1501 Collateralization or Debt Service				
20	1502 Contingency				
21	Amount of Annual Grant: (sum of lines 2 – 20)				
22	Amount of line 21 Related to LBP Activities				
23	Amount of line 21 Related to Section 504 compliance				
24	Amount of line 21 Related to Security – Soft Costs				
25	Amount of Line 21 Related to Security – Hard Costs				
26	Amount of line 21 Related to Energy Conservation Measures				

**7. Capital Fund Program Annual Statement/Performance and Evaluation Report and Replacement Housing Factor**

<b>Annual Statement/Performance and Evaluation Report                      Capital Fund Program and Capital Fund Program Replacement Housing Factor (CFP/CFPRHF)                      Part II: Supporting Pages</b>								
PHA Name:		Grant Type and Number Capital Fund Program Grant No: Replacement Housing Factor Grant No:				Federal FY of Grant:		
Development Number Name/HA-Wide Activities	General Description of Major Work Categories	Dev. Acct No.	Quantity	Total Estimated Cost		Total Actual Cost		Status of Work
				Original	Revised	Funds Obligated	Funds Expended	

**7. Capital Fund Program Annual Statement/Performance and Evaluation Report and Replacement Housing Factor**

<b>Annual Statement/Performance and Evaluation Report Capital Fund Program and Capital Fund Program Replacement Housing Factor (CFP/CFPRHF) Part III: Implementation Schedule</b>							
PHA Name:			Grant Type and Number Capital Fund Program No: Replacement Housing Factor No:			Federal FY of Grant:	
Development Number Name/HA-Wide Activities	All Fund Obligated (Quarter Ending Date)			All Funds Expended (Quarter Ending Date)			Reasons for Revised Target Dates
	Original	Revised	Actual	Original	Revised	Actual	

## 8. Capital Fund Program Five-Year Action Plan

<b>Capital Fund Program Five-Year Action Plan</b>					
<b>Part I: Summary</b>					
PHA Name				<input type="checkbox"/> <b>Original 5-Year Plan</b> <input type="checkbox"/> <b>Revision No:</b>	
Development Number/Name/HA-Wide	Year 1	Work Statement for Year 2  FFY Grant: PHA FY:	Work Statement for Year 3  FFY Grant: PHA FY:	Work Statement for Year 4  FFY Grant: PHA FY:	Work Statement for Year 5  FFY Grant: PHA FY:
	Annual Statement				
CFP Funds Listed for 5-year planning					
Replacement Housing Factor Funds					

**8. Capital Fund Program Five-Year Action Plan**

<b>Capital Fund Program Five-Year Action Plan</b>						
<b>Part II: Supporting Pages—Work Activities</b>						
Activities for Year 1	Activities for Year : ____ FFY Grant: PHA FY:			Activities for Year: ____ FFY Grant: PHA FY:		
	<b>Development Name/Number</b>	<b>Major Work Categories</b>	<b>Estimated Cost</b>	<b>Development Name/Number</b>	<b>Major Work Categories</b>	<b>Estimated Cost</b>
<b>See</b>						
<b>Annual</b>						
<b>Statement</b>						
Total CFP Estimated Cost			\$			\$

**8. Capital Fund Program Five-Year Action Plan**

Capital Fund Program Five-Year Action Plan Part II: Supporting Pages—Work Activities					
Activities for Year : ____ FFY Grant: PHA FY:			Activities for Year: ____ FFY Grant: PHA FY:		
Development Name/Number	Major Work Categories	Estimated Cost	Development Name/Number	Major Work Categories	Estimated Cost
Total CFP Estimated Cost		\$			\$



	A	B	C	D	E	F	G	H	I
1	<b>ANNUAL STATEMENT/PERFORMANCE AND EVALUATION REPORT</b>								
2	<b>Capital Fund Program</b>								
3	<b>Part II: Supporting Pages</b>								
4	<b>Missoula Housing Authority MT033</b>			Capital Fund Program Grant Number MT06-PO33-501-06			FFY of Grant Approval 2006		
5	Development Number Name/HA-Wide Activities	General Description of Major Work Categories	Dev. Acct No.	Quantity	Total Estimated Cost		Total Actual Cost		Status of Work
6					Original	Revised	Funds Obligated	Funds Expended	
7	HA-WIDE	Operations	1406		\$ 110,000.00				
8									
9	HA-WIDE	Administration	1410		\$ 10,000.00				
10									
11	HA-WIDE	Fees and Costs	1430		\$ 1,000.00				
12									
13	HA-WIDE	Site Improvements	1450		\$ 10,000.00				
14									
15	HA-WIDE	Dwelling Structures	1460		\$ 104,930.00				
16									
17	HA-WIDE	Dwelling Equipment	1465		\$ 10,000.00				
18									
19	HA-WIDE	Relocation Costs	1495		\$ 20,000.00				
20									
21		TOTAL CFP COST			\$ 265,930.00	\$ -	\$ -	\$ -	



**ANNUAL STATEMENT/PERFORMANCE AND EVALUATION REPORT**

**Capital Fund Program Part I: Summary**

<b>Missoula Housing Authority MT033</b>	Capital Fund Program Grant Number MT06-PO33-501-06	FFY of Grant Approval: 2006
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Original Annual Statement   
  Reserve for Disasters/Emergencies   
  Revised Annual Statement (revision no.\_\_\_\_\_)

Performance and Evaluation Report for Period Ending: \_\_\_\_\_   
  Final Performance and Evaluation Report

Line #	Summary by Development Account	Total Estimated Cost		Total Actual Cost	
		Original	Revised	Obligated	Expended
1	Total Non-CAP Funds				
2	1406 Operations	\$ 110,000.00		#REF!	#REF!
3	1408 Management Improvements				
4	1410 Administration	\$ 10,000.00			#REF!
5	1411 Audit				
6	1415 Liquidated Damages				
7	1430 Fees and Costs	\$ 1,000.00			
8	1440 Site Acquisition				
9	1450 Site Improvement	\$ 10,000.00			
10	1460 Dwelling Structures	\$ 104,930.00			
11	1465.1 Dwelling Equipment - Nonexpendable	\$ 10,000.00			
12	1470 Nondwelling Structures				
13	1475 Nondwelling Equipment				
14	1485 Demolition				
15	1490 Replacement Reserve				
16	1492 Moving to Work Demonstration				
17	1495.1 Relocation Costs	\$ 20,000.00			
18	1499 Development Activities				
19	1501 Collateralization or Debt Service				
20	1502 Contingency				
21	Amount of Annual Grant: (sum of lines 2-20)	\$ 265,930.00	\$ -	#REF!	#REF!
22	Amount of line 21 Related to LBP Activities				
23	Amount of line 21 Related to Section 504 compliance				
24	Amount of line 21 Related to Security - Soft Costs				
25	Amount of line 21 Related to Security - Hard Costs				
26	Amount of line 21 Related to Energy Conversation Measures				



	A	B	C	D	E	F	G	H	I
1	<b>ANNUAL STATEMENT/PERFORMANCE AND EVALUATION REPORT</b>								
2	<b>Capital Fund Program</b>								
3	<b>Part II: Supporting Pages</b>								
4	<b>Missoula Housing Authority MT033</b>			Capital Fund Program Grant Number MT06-RO33-501-06			FFY of Grant Approval 2006		
5	Development Number Name/HA-Wide Activities	General Description of Major Work Categories	Dev. Acct No.	Quantity	Total Estimated Cost		Total Actual Cost		Status of Work
6					Original	Revised	Funds Obligated	Funds Expended	
7	HA-WIDE	Operations	1406		-				
8									
9	HA-WIDE	Administration	1410		-				
10									
11	HA-WIDE	Fees and Costs	1430		-				
12									
13	HA-WIDE	Site Improvements	1450		-				
14									
15	HA-WIDE	Dwelling Structures	1460		-				
16									
17	HA-WIDE	Dwelling Equipment	1465		-				
18									
19	HA-WIDE	Relocation Costs	1495		-				
20									
21	002	Development Activity	1499		\$ 73,148.00		\$ 73,148.00		
22									
23		TOTAL CFP COST			\$ 73,148.00	\$ -	\$ 73,148.00	\$ -	

**ANNUAL STATEMENT/PERFORMANCE AND EVALUATION REPORT**

**Capital Fund Program Part I: Summary**

<b>Missoula Housing Authority MT033</b>	Capital Fund Program Grant Number MT06-RO33-501-06	FFY of Grant Approval: 2006
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Original Annual Statement   
  Reserve for Disasters/Emergencies   
  Revised Annual Statement (revision no.\_\_\_\_\_)  
 Performance and Evaluation Report for Period Ending: 9/30/2006   
  Final Performance and Evaluation Report

Line #	Summary by Development Account	Total Estimated Cost		Total Actual Cost	
		Original	Revised	Obligated	Expended
1	Total Non-CAP Funds				
2	1406 Operations				
3	1408 Management Improvements				
4	1410 Administration				
5	1411 Audit				
6	1415 Liquidated Damages				
7	1430 Fees and Costs				
8	1440 Site Acquisition				
9	1450 Site Improvement				
10	1460 Dwelling Structures				
11	1465.1 Dwelling Equipment - Nonexpendable				
12	1470 Nondwelling Structures				
13	1475 Nondwelling Equipment				
14	1485 Demolition				
15	1490 Replacement Reserve				
16	1492 Moving to Work Demonstration				
17	1495.1 Relocation Costs				
18	1499 Development Activities	\$ 73,148.00		\$ 73,148.00	
19	1501 Collateralization or Debt Service				
20	1502 Contingency				
21	Amount of Annual Grant: (sum of lines 2-20)	\$ 73,148.00	\$ -	\$ 73,148.00	\$ -
22	Amount of line 21 Related to LBP Activities				
23	Amount of line 21 Related to Section 504 compliance				
24	Amount of line 21 Related to Security - Soft Costs				
25	Amount of line 21 Related to Security - Hard Costs				
26	Amount of line 21 Related to Energy Conversation Measures				



# Capital Fund Program Five-Year Action Plan

## Part II: Supporting Pages - Work Activities

Activities for Year 1	Activities for Year: 2 FFY Grant: 2007 PHA FYE: 9/30/2008			Activities for Year: 3 FFY Grant: 2008 PHA FYE: 9/30/2009		
	Development Name/Number	Major Work Categories	Estimated Cost	Development Name/Number	Major Work Categories	Estimated Cost
See						
Annual	HA-Wide	Operations (1406)	\$100,000	HA-Wide	Operations (1406)	\$100,000
Statement	HA-Wide	Administration (1410)	\$45,000	HA-Wide	Administration (1410)	\$45,000
	HA-Wide	Fees & Costs (1430)	\$5,000	HA-Wide	Fees & Costs (1430)	\$5,000
	HA-Wide	Misc. paving repairs/fencing (1450)	\$10,000	HA-Wide	Misc. paving repairs/fencing (1450)	\$10,000
	HA-Wide	Comp. Mod (1460)	\$100,000	HA-Wide	Comp. Mod. (1460)	\$100,000
	HA-Wide	Roof Repair (1460)	\$20,000	HA-Wide	Roof Repair (1460)	\$20,000
	HA-Wide	Appliances/Equip (1465)	\$10,000	HA-Wide	Appliances/Safety	\$10,000
	HA-Wide	Comp/Office Equip (1475)	\$10,000	HA-Wide	Office/Maint. Equipment (1475)	\$10,000
	<b>Total CFP Estimated Cost</b>		\$300,000			\$300,000

# Capital Fund Program Five-Year Action Plan

## Part II: Supporting Pages - Work Activities

Activities for Year: 4 FFY Grant: 2009 PHA FYE: 9/30/2010			Activities for Year: 5 FFY Grant: 2010 PHA FYE: 9/30/2011		
Development Name/Number	Major Work Categories	Estimated Cost	Development Name/Number	Major Work Categories	Estimated Cost
HA-Wide	Operations (1406)	\$100,000	HA-Wide	Operations (1406)	\$100,000
HA-Wide	Administration (1410)	\$45,000	HA-Wide	Administration (1410)	\$45,000
HA-Wide	Fees & Costs (1430)	\$5,000	HA-Wide	Fees & Costs (1430)	\$5,000
HA-Wide	Misc. paving repairs/fencing (1450)	\$10,000	HA-Wide	Misc. paving repairs/fencing (1450)	\$10,000
HA-Wide	Comp. Mod. (1460)	\$100,000	HA-Wide	Comp. Mod. (1460)	\$100,000
HA-Wide	Roof Repair (1460)	\$20,000	HA-Wide	Roof Repair (1460)	\$20,000
HA-Wide	Appliances/Safety Devices (1465)	\$10,000	HA-Wide	Appliances/Safety Devices (1465.1)	\$10,000
HA-Wide	Office/Maint Equipment (1475)	\$10,000	HA-Wide	Office/Maint Equipment (1475)	\$10,000
<b>Total CFP Estimated Cost</b>		\$300,000			\$300,000

## **Resident Advisory Board (RAB) – comments to 2006 Annual Plan Review**

The final draft plan was presented to the May 2, 2006 RAB meeting and discussed with the group. MHA will be submitting a Streamlined Annual Plan in 2006 versus a 5-Year/Annual Plan like it has over the last several years. MHA is doing this because there are no substantial policy or strategic changes being proposed. RAB agreed this truncated process is acceptable. The Significant Amendments were reviewed with RAB. They had very few comments other than a few questions and those are:

- Is the \$100,000 line item change for Management Improvements a maximum for the line item or is \$100,000 being added to another amount?
  - The answer was \$100,000 was the max for the line item.
- Regarding the documents available for public view, will the new software program, YARDI, make access easier to the public?
  - Answer: Yardi may not but the website will. Currently the website is under construction and the goal for MHA is to get the website up and running by fall of 2006. The website will have the agency plans listed on it so the public can see what documents are available for public review.



**Capital Fund – Management Improvements** - line item adjustment:

Change is in 2004 Capital Fund Plan. MHA will adjust line item 1408 up to \$100,000 to cover computer hardware, software, consulting, and other equipment necessary for MHA to comply with HUD's Asset Management/Project Based Accounting directives and the stop loss of subsidy.

**9<sup>th</sup> Street Public Housing Fanny Mae Loan secured by Capital Fund**

A Fanny Mae Community Express Loan partially paying for the new construction of the 9<sup>th</sup> Street Public Housing units (6 units) will be re-paid by the forthcoming Replacement Housing Factor Funds and are secured by the Capital Fund. The Capital Fund is not encumbered but Fanny Mae can anticipate the Capital Fund/Replacement Housing Factor to pay off the loan. Said projects' completion is not dependant on the second increment funding and if the second increment is not funded MHA will refinance the Fanny Mae loan with public housing reserves or development funds.

**Public Housing Disposition:**

MHA will be pursuing a public housing disposition application with HUD for approximately 20 units. The 20 units are those that have unreasonably high maintenance, modernization, and accessibility improvement costs as well as not complying with location considerations under HUD's Asset Management/Project Based Accounting directives and the stop loss of subsidy. Most of the proposed units are in single family configuration. All residents will be relocated by MHA and will be provided relocation and moving assistance.

## **Replacement Housing Factor (RHF) Plan: Second Increment Funding**

### **Summary**

MHA began receiving annual RHF funds of approximately \$85,000 in 2003. The first five years of funding have been secured with HUD and have funded the construction of the 9<sup>th</sup> Street Public Housing Project (RHF funds will pay off Fannie Mae Loan). The second five year funding increment must be described in a RHF Plan, be available for public comment and approved by HUD. At this time, the plan for the second five-year increment is to 1) pay off remaining Fannie Mae Loan for construction of 9<sup>th</sup> Street project. The project's completion is not dependant on the second increment of funding and if the second increment is not funded MHA will repay the Fannie Mae loan with public housing reserves or development funds, 2) purchase an existing structure (likely a duplex) close to an existing public housing project (likely in 2012). MHA will purchase land and an existing structure with as many units as the RHF funding will allow.

### **Brief Description**

The Missoula Housing Authority is currently receiving the first increment of Replacement Housing Factor (RHF) funds, which it began receiving in 2003 and will continue to receive until 2007. At that time, MHA is required to submit a "Plan" for the second increment of RHF Funds as part of the 2007 Annual Plan process. MHA is submitting the second increment RHF Plan with the 2006 Annual Plan to get a head start on that process.

MHA had a public housing development application approved by HUD in 2005 and since has completed the construction of six (6) new public housing units in Missoula – the first to be built in the State of Montana in 12 years. MHA has used the RHF funds received to date to partially pay for the construction of the new housing and in addition secured a Fannie Mae Community Express Loan to finish the construction project. The Fannie Mae loan will be repaid by the forthcoming Replacement Housing Factor Funds (second increment). The Capital Fund is not encumbered by the loan, nor is the project's completion dependant on the second increment funding. If the second increment is not funded MHA will repay the Fannie Mae loan with public housing reserves or development funds.

MHA has projected requiring at least two years of the second increment of Replacement Housing Factor funds to pay off the Fannie Mae Community Express Loan. In addition to the loan repayment, MHA projects a remaining \$300,000 - \$400,000 in the second increment "pool" (this includes the required match or leveraging required to attain the second increment of funding). This will be used to purchase an existing housing structure and either turn-key it or conduct rehabilitation to get the structure into public housing condition. Because it is unknown how much funding will be available for this purchase, MHA is proposing buying either a duplex or tri-plex. If funding allowed, MHA would attempt to purchase a 4-plex property and rehab it into public housing.

To simplify, MHA will break the second increment of funding down to:

- Repayment of Fannie Mae Loan for 6 units developed utilizing the entire first increment of RHF funds. The completion of the project required a construction loan that Fannie Mae was able to provide at very competitive rates via their Community Express loan program. Fannie Mae did not use MHA's Capital Fund as collateral, but structured payments on an annual basis to accommodate the annual funding of RHF funds. The project's completion is not dependant on the second increment funding and if the second increment is not funded MHA will repay the Fannie Mae loan with public housing reserves or non-HUD development funds.
- In addition to the loan repayment, MHA projects a remaining \$300,000 - \$400,000 in the second increment "pool" (this includes the non-public housing required match or leveraging required to attain the second increment of funding). This will be used to purchase an existing housing structure and either turn-key it or conduct rehabilitation to get the structure into public housing condition. Because it is unknown how much funding will be available for this purchase, MHA is proposing buying either a duplex or tri-plex. If funding allowed, MHA would attempt to purchase a 4-plex property and rehab it into public housing.

### **Schedule**

The first year of the second increment of RHF funding will be 2008 (first year of first increment received from HUD was 2003).

- 2007 – MHA submission/approval of RHF plan (development proposal) for second increment funding (submitted in 2006 Plan year)
- 2008 – 1<sup>st</sup> year of second increment used for Fannie Mae loan repayment.
- 2009 – 2<sup>nd</sup> year of second increment used for Fannie Mae loan repayment.
- 2010 – 3<sup>rd</sup> year of second increment used for Fannie Mae loan repayment and remaining 3<sup>rd</sup> year increment will go towards accrual of RHF funds to purchase duplex type structure.
- Remaining funds from 2010, all of 2011 and 2012 will be accrued in order to determine how much RHF funding is available to purchase duplex, tri-plex or four-plex. This will allow MHA to plan for the property it can afford to purchase and avoid a bank loan and additional financing costs.
- 2012: MHA will seek out "for sale" existing properties to purchase outright with remaining RHF funding (projected at three years' equivalent from 2010 – 2012). MHA will attempt to purchase a duplex, triplex or four-plex (depending upon projected funding levels of RHF). MHA hopes to purchase property with little to no rehab, however if there is rehab required, MHA will seek out the professional advice of an architect. Direct purchase (turn key) or purchase with rehab will follow generally the same schedule:

- a. March 2012: seek out “for sale” property; submit buy-sell subject to due diligence contingencies such as home inspection and if rehab is required subject to cost estimate from architect;
- b. April 2012: submission of site acquisition proposal to HUD field office;
- c. May 2012: purchase of property;
- d. May 2012: rehab start (if applicable);
- e. Date of Full Availability (DOFA): May 2012 if no rehab necessary and August 2012 if rehab necessary (MHA will be seeking buildings with minimal rehab so an estimated three month rehab period is provided);
- f. End of Initial Operating Period (EIOP): June 30, 2012 if NO REHAB required and September 30, 2012 if minor rehab period required.

**Amount and Sources of Funding**

On average MHA has received \$85,000 for four years (2003 – 2006) of first increment RHF funding. Using this calculation, it’s expected that MHA could potentially receive \$85,000 per year for the second increment totaling \$425,000. MHA is expecting to have \$250,000 available to it for public housing acquisition after paying off the Fanny Mae Community Express Loan. Coupled with the leverage of Substantial Additional Funds (which is committed at \$150,000 – 1/3 or 33% of first increment total) equals \$400,000. MHA intends to contribute funds it receives as a General Partner for Russell Square Limited Partnership from Deferred Developers Fees.

Lambros Realty, one of the largest real estate firms in Western Montana, listed a four-plex in July 2006 consisting of four one bedroom apartments, all with one bathroom, for \$269,500. MHA would prefer to purchase a four-plex with some larger units (such as 2 & 3 bedrooms units) potentially in combination with the one-bedroom units which would place the market value higher. If the market prices continue as they have for the past several years by the time MHA purchases these units in 2012 it’s likely the market price for this same four-plex will exceed \$400,000. Thus including duplex, tri-plex and four-plex in this plan gives flexibility for market variability’s.

The 2006 Total Development Costs (TDC’s) for the above mentioned project is \$196,480. MHA is not expecting to use the second increment of RHF funding to acquire additional public housing until 2012. If the property purchase is above the approved TDC at time of closing, the public housing RHF will contribute to the maximum allowed with the leverage dollars making up the difference.

**Sources of funding:**

Replacement Housing Factor	\$250,000
MHA Contribution from Russell Square	<u>\$150,000</u>
Total	\$400,000

**Leveraging for Second Increment Plans**

MHA intends to contribute funds it receives as a General Partner for Russell Square Limited Partnership from Deferred Developers Fees.

Please see Exhibit 1 for the commitment letter evidencing the resource to be committed (submitted in hard copy).

**PHA Plan and Obligation/Expenditure Status for Second Increment Plans**

Missoula Housing Authority's Five Year PHA Plan and all Annual Plans (FYs 1998 – 2005) have been approved by HUD. MHA is in compliance with obligation and expenditure deadlines in FYs 1998-2005 for all Capital Fund grants.