

SUPPLEMENTAL INFORMATION

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MTW REPORTING

During FY 2005, AHA engaged Dr. Thomas D. Boston of The Boston Research Group, Inc., to conduct an independent study of AHA's MTW Program. Dr. Boston's investigation centers on the impact AHA's MTW Program will have on improving neighborhoods and communities and on the quality of life of families that AHA serves. The benchmarking study will measure quality of life changes for families served by AHA during AHA's MTW Demonstration Period. The benchmarking study will also measure the impact of AHA's revitalization program on a property-by-property basis and will measure changes in levels of crime, poverty, and other social ills associated with concentrated poverty. Dr. Boston's study will provide a meaningful analysis of family demographic data required by HUD to be included in AHA's Annual MTW Reports and Plans over the life of its MTW Program. The study will include three reports, an FY 2006 Baseline Report, an FY 2008 Interim Report and an FY 2010 Final Report (collectively, the "Boston Reports").

AHA will prepare and submit demographic data as part of the FY 2005 MTW Report in accordance with AHA's MTW Agreement. Thereafter, demographic information required under AHA's MTW Agreement will no longer be provided as part of subsequent AHA MTW Annual Plans or Reports submitted to HUD. Instead, AHA will replace the HUD required demographic data with the Boston Reports. The Baseline Report will be submitted with AHA's FY 2006 MTW Annual Report; the Interim Report will be submitted with AHA's FY 2008 MTW Annual Report; and the final report will be submitted with AHA's FY 2010 MTW Annual Report.

AHA currently provides inventory and leased housing information through the PIH Information Center (PIC) and through other HUD reports. AHA will no longer provide certain inventory or leased housing information after the submission of AHA's FY 2005 Report.

The following table outlines AHA's new reporting requirements for future MTW Annual Plans and Reports. These new reporting requirements will be in effect for AHA's FY 2007 MTW Annual Plan, AHA's FY 2006 Annual Report and all subsequent Annual Plans and Reports.



ANNUAL PLAN (Current Requirements)	ANNUAL REPORT (Current Requirements)	AMENDMENT REQUEST (Where Indicated)
I. HOUSEHOLDS SERVED	I. HOUSEHOLDS SERVED	
A. Number and characteristics of households served at beginning of period, by: <ul style="list-style-type: none"> - unit size - family type (family vs. elderly or disabled) - income group (<30: 30-50; 50-80;>80) - housing type (LRPH; leased, other) - race & ethnicity 	A. Number served: plan vs. actual by: <ul style="list-style-type: none"> - unit size - family type - income group - program/housing type - race & ethnicity 	Replace with the Boston Reports.
B. Identify number and characteristics of households on waiting lists (all housing types). Discuss waiting list issues and proposed actions	B. Changes in tenant characteristics	(same as above)
C. Number projected to be served at end of period	C. Changes in waiting list numbers and characteristics	(same as above)
D. Narrative discussion/explanation of change	D. Narrative discussion/explanation of change	(same as above)
II. OCCUPANCY POLICIES	II. OCCUPANCY POLICIES	
A. Statement of policies governing eligibility, selection, admissions, assignment, and occupancy of families, including the admissions policy under section 16(a)(3)(B) for deconcentration of lower-income families	A. Changes in concentration of lower-income families, by program	No change.



ANNUAL PLAN (Current Requirements)	ANNUAL REPORT (Current Requirements)	AMENDMENT REQUEST (Where Indicated)
B. Statement of Rent Policy	B. Changes in Rent Policy, if any	No change.
	C. Narrative discussion/explanation of change	No change.
III. CHANGES IN THE HOUSING STOCK	III. CHANGES IN THE HOUSING STOCK	
A. Number of units in inventory at beginning of period by program (LRPH, leased, other)	A. Number of units in inventory at beginning by program: planned vs. actual	Eliminate. Public Housing inventory is reported to HUD through the PIC system. We are submitting Housing Choice unit leasing information through the quarterly 52681-B Housing Choice financials submissions.
B. Projected number at end of period by program	B. Narrative discussion/explanation of difference	(same as above)
IV. SOURCES AND AMOUNTS OF FUNDING	IV. SOURCES AND AMOUNTS OF FUNDING	
A. Identify/discuss all sources and amounts of funding included in consolidated budget statement	A. Planned vs. actual funding amounts	No change.
B. Identify/discuss sources, amounts, and planned uses of special purpose funds outside the consolidated budget (e.g., DEP)	B. Narrative discussion/explanation of difference	No change.



ANNUAL PLAN (Current Requirements)	ANNUAL REPORT (Current Requirements)	AMENDMENT REQUEST (Where Indicated)
C. Consolidated Budget Statement	C. Consolidated Financial Statement	No change.
V. USES OF FUNDS	V. USES OF FUNDS	
A. Previous year expenditures by line item	A. Budgeted vs. actual expenditures by line item	No change.
B. Planned expenditures by line item	B. Narrative/explanation of Difference	No change.
C. Description of proposed activities/investments by line item/explanation of change from previously approved plan		No change.
D. Reserve balance at beginning of year. Discuss adequacy of reserves.	C. Reserve balance at end of year. Discuss adequacy of reserves.	No change.
VI. CAPITAL PLANNING	VII. CAPITAL PLANNING	
A. Describe major capital needs and projects, estimated costs, and proposed timetables	A. Planned vs. actual expenditures by property	No change.
B. Identify planned expenditures	B. Narrative discussion/explanation of Difference	No change.



ANNUAL PLAN (Current Requirements)	ANNUAL REPORT (Current Requirements)	AMENDMENT REQUEST (Where Indicated)
C. Demolition and Disposition Requests, if planned		No change.
D. Homeownership activities, if any		No change.
VII. MANAGEMENT INFORMATION FOR OWNED/MANAGED UNITS	VII. MANAGEMENT INFORMATION FOR OWNED/MANAGED UNITS	
A. VACANCY (OCCUPANCY) RATES	A. VACANCY (OCCUPANCY) RATES	
1. Occupancy rates by property beginning of period	1. Target vs. actual occupancies by property	No change.
2. Narrative: issues and proposed action	2. Narrative /explanation of difference	No change.
3. Target rates by property at end of period		No change.
B. RENT COLLECTIONS	B. RENT COLLECTIONS	
1. Rents uncollected (%) beginning of period	1. Target vs. actual collections	No change.



ANNUAL PLAN (Current Requirements)	ANNUAL REPORT (Current Requirements)	AMENDMENT REQUEST (Where Indicated)
2. Narrative: issues and proposed actions	2. Narrative/explanation of difference	No change.
3. Target % at end of period		No change.
C. WORK ORDERS	C. WORK ORDERS	
1. Response rates beginning of period <ul style="list-style-type: none"> • % emergency within 24 hrs • % regular within 30 days 	1. Target vs. actual response rates	No change.
2. Narrative: issues and proposed actions	2. Narrative/explanation of difference	No change.
3. Target rates at end of period		No change.
D. INSPECTIONS	D. INSPECTIONS	
1. Description of inspection strategy	1. Planned vs. actual inspections completed	No change.
2. Planned inspections (% this FY)	2. Narrative/explanation of difference	No change.



ANNUAL PLAN (Current Requirements)	ANNUAL REPORT (Current Requirements)	AMENDMENT REQUEST (Where Indicated)
	3. Results of independent PHAS inspections	No change.
E. SECURITY	E. SECURITY	
1. Narrative: security issues and proposed Actions	1. Narrative: planned vs. actual actions/explanation of difference	No change.
VIII. MANAGEMENT INFORMATION FOR LEASED HOUSING	VIII. MANAGEMENT INFORMATION FOR LEASED HOUSING	
A. LEASING INFORMATION	A. LEASING INFORMATION	
1. Units under lease (%) beginning of period	1. Target vs. actual lease ups at end of period	Eliminate. We are submitting Housing Choice unit leasing information through the quarterly 52681-B Housing Choice financials submissions.
2. Target lease up rate at end of period		(same as above)
3. Plans regarding: <ul style="list-style-type: none"> • Ensuring rent reasonableness • Expanding housing opportunities • Deconcentration of low-income families 	2. Information and Certification of Data on Leased Housing Management, including <ul style="list-style-type: none"> • Ensuring rent reasonableness • Expanding housing opportunities • Deconcentration of low-income families 	No change.
4. Issues and proposed actions	3. Narrative/explanation of difference	No change.



ANNUAL PLAN (Current Requirements)	ANNUAL REPORT (Current Requirements)	AMENDMENT REQUEST (Where Indicated)
B. INSPECTION STRATEGY	B. INSPECTION STRATEGY	
1. Description of inspection strategy, including: <ul style="list-style-type: none"> a) Planned inspections completed (% this FY) by category: <ul style="list-style-type: none"> * Annual HQS inspections * Pre-contract HQS inspections * HQS Quality Control Inspections b) HQS Enforcement 	1. Results of inspection strategy, including: <ul style="list-style-type: none"> a) Planned vs. actual inspections completed by category: <ul style="list-style-type: none"> * Annual HQS inspections * Pre-contract HQS inspections * HQS Quality Control Inspections b) HQS Enforcement 	No change.
	2. Narrative/explanation of difference	No change.
IX. RESIDENT PROGRAMS	IX. RESIDENT PROGRAMS	
1. Description of activities	1. Narrative: planned vs. actual actions/explanation of difference	No change.
2. Issues and proposed actions	2. Results of latest PHAS Resident Survey, or equivalent as determined by HUD	No change.
X. OTHER INFORMATION AS REQUIRED BY HUD	X. OTHER INFORMATION AS REQUIRED BY HUD	
A. Board Resolution <ul style="list-style-type: none"> • Adopting Plan • Certifying that Public Hearing Requirements were met 	A. Results of latest completed 133 Audit, (including program-specific OMB compliance supplement items, as applicable to the AHA's Agreement)	No change.



ANNUAL PLAN (Current Requirements)	ANNUAL REPORT (Current Requirements)	AMENDMENT REQUEST (Where Indicated)
B. Required Certifications and other submissions from which the Agency is not exempted by the MTW Agreement	B. Required Certifications and other submissions from which the Agency is not exempted by the MTW Agreement	No change.
C. Submissions required for the receipt of funds	C. Submissions required for the receipt of funds	No change.



MTCS/PIC UPDATE

Under AHA's MTW Agreement, AHA is required to submit MTCS data to HUD annually. In 1999, HUD instructed MTW agencies to suspend transmitting MTCS data for MTW families and directed MTW agencies to use the Form HUD-50058 MTW. However, PIC is unable to receive the Form HUD-50058 MTW. In the interim, HUD has instructed MTW agencies to collect and hold MTCS data. As required, AHA continues to collect and hold MTCS data for each assisted household. Upon implementation of the new PIC MTW module, AHA will submit electronic records for all assisted households, except as described below for assisted households in the AHA-sponsored mixed-income communities. HUD has not yet provided a definitive implementation date for the new PIC MTW module.

AHA proposes to explore other possible methods for the practical collection and/or transmission of tenant information to HUD for the residents at the mixed-income communities. With respect to the mixed-income communities, AHA has prepared a Tax Credit Compliance model in accordance with AHA's approved FY 2005 MTW Annual Plan. The purpose of this model is to streamline compliance and reporting at the mixed-income communities by allowing the mixed-income communities to follow a tax credit compliance regime for the public housing assisted units. AHA believes that this new model will significantly reduce the costs and administrative burdens of the management companies at the mixed-income communities. AHA is in the process of reviewing and evaluating tenant information collection forms and procedures (e.g. HUD Form 50059, Tenant Income Certification forms, etc.) currently used by the mixed-income communities to determine the best method of collection. Moreover, as part of AHA's evaluation, AHA may, in consultation with HUD, determine that it may not be necessary for AHA to transmit tenant information to HUD for the mixed-income communities.

AHA is also in the process of updating the building and unit inventory in the PIC system for AHA-owned properties and public housing assisted units at AHA-sponsored mixed-income properties. Over the past years, AHA has encountered a number of technical issues associated with the transmission of information on the public housing assisted units at the mixed-income communities. AHA will continue to reconcile the unit and building information in the PIC system during FY 2006.



DISPOSITION OF PUBLIC HOUSING ASSISTED UNITS AT MIXED-FINANCE COMMUNITIES

In order to promote the more effective and efficient operation of low-income housing at AHA-sponsored mixed-income communities, AHA will dispose of the public housing units at these mixed-income communities out from under the existing Annual Contributions Contract ("ACC"), as amended by the applicable Mixed-Finance Amendment to the ACC. All of the AHA-sponsored mixed-income communities with public housing assisted units listed in AHA's FY 2006 Implementation Plan are candidates for disposition under this strategy.

In all cases, AHA will either amend an existing disposition application or submit a new disposition application in accordance with Section 18 of the U.S. Housing Act of 1937, as amended (the "Act"). Any submission will provide the following: (1) that the public housing assisted apartments are being disposed of out from under the ACC; (2) that the public housing assisted apartments will no longer constitute public housing assisted apartments; and (3) that such apartments will continue to be restricted as low-income housing for the remaining period of time under the applicable Mixed-Finance ACC Amendment and any Declaration of Trust or Declaration of Restrictive Covenants. A copy of any existing land use restrictive covenants will also be attached to the disposition application or amendment. The disposition application or amendment to HUD will also state that the appropriate justifications for the disposition apply including the following: (a) the disposition is appropriate and is in the best interests of the residents and AHA; (b) the disposition is consistent with the goals of the AHA and the AHA's MTW Plan; and (c) the disposition is otherwise consistent with Section 18 of the Act. In all cases, AHA reserves the right to withdraw any disposition application or amendment if AHA determines that HUD will not fund replacement housing vouchers that might be needed to pursue AHA's strategy.

AHA envisions that it will pursue this strategy primarily in three scenarios.

1. Mixed-Income Communities Where AHA Is The Ground Lessor. In this first scenario, AHA will amend the existing disposition application to state that AHA will not provide replacement public housing units in connection with the disposition as originally planned. In these transactions, AHA disposed of the land through a long-term ground lease to further the public purpose of providing housing for low-income families. The amendment will provide that AHA will dispose of the public housing assisted units out from under the ACC, as amended, and provide that AHA will provide project-based tenant vouchers for the same number and type of units that were previously identified as replacement public housing assisted units. In connection with the submission of the amended disposition application, AHA will apply for relocation vouchers for the public housing assisted units. Existing residents will be given the opportunity to relocate using their vouchers. Relocation activities will be conducted in accordance with the requirements of the Uniform Relocation Act.



The purpose of the substitution would be to create a rent structure and funding mechanism that will allow the mixed-income community to operate at a more sustainable level. In this scenario, AHA will continue its current roles (e.g., as ground lessor or second mortgage lender) in the transaction.

2. Mixed-Income Communities Where AHA Is Not The Ground Lessor And A Determination Has Been Made To Provide Project-Based Tenant Vouchers To The Mixed-Income Community. In this second scenario, AHA does not own the land on which the mixed-income community has been built and AHA has determined that it is in the best interests of AHA and the residents to provide project-based tenant vouchers to the mixed-income community. AHA's determination would be based on the following factors: (1) the overall financial condition and performance of the property; (2) the physical condition and quality of the asset; and (3) the quality of life afforded the assisted families at the property.

AHA would prepare and submit a disposition application which would dispose of the public housing assisted units out from under the ACC, as amended, and would stipulate that AHA will provide project-based tenant vouchers for the same number and type of units that were previously identified as replacement public housing assisted units. In connection with the submission of the disposition application, AHA will apply for relocation vouchers for the public housing assisted units. Affected residents will be given the opportunity to relocate. Relocation activities will be conducted in accordance with the requirements of the Uniform Relocation Act.

The purpose of the change in subsidy would be to create a rent structure and funding mechanism that will allow the mixed-income community to operate at a more sustainable level and promote the long-term financial sustainability and improved performance of the mixed-income community. This will promote the more effective and efficient operation of low-income housing. In these transactions, AHA may continue its current role (e.g., as second mortgage lender) in the transaction, as necessary or advisable.

3. Mixed-Income Communities Where AHA Is Not The Ground Lessor And A Determination Has Been Made To Provide The Affected Residents With Tenant Based Section 8 Assistance. In the third scenario, AHA's assessment has resulted in a determination that the better approach to the change in subsidy is only to provide tenant based voucher assistance to the affected residents.

AHA would prepare and submit a disposition application which would dispose of the public housing assisted units out from under the ACC, as amended. In connection with the submission of the disposition application, AHA will apply for relocation vouchers for the public housing assisted units. Affected residents will be relocated in accordance with the requirements of the Uniform Relocation Act.



AHA would remove the public housing restriction from the public housing assisted apartments in order to preserve the financial viability of the mixed-income community and allow for the more efficient and effective operation of low-income housing. In these situations, the public housing restriction and the presence of AHA may hinder the ability of the owner, lenders and equity investors to restructure the financial transaction as may be necessary to salvage the financial viability of the property. AHA would not provide project-based tenant voucher assistance to the mixed-income community and AHA would discontinue or significantly modify its various roles in the current transaction.

In all three scenarios, AHA will work with the owner and also seek appropriate approvals from the financial investors and other interested parties, as required, including the Georgia Department of Community Affairs and other parties to the development transaction (e.g., lenders or equity investors) to obtain the necessary consents and amend the appropriate documents to reflect the new transaction structure and subsidy arrangement. These documents include, but are not limited to, the mixed-finance amendment to the ACC, the ground lease, if applicable, the second mortgage loan documents, the regulatory and operating agreement and any applicable partnership agreements. AHA will also seek HUD approval, if required, of any amended evidentiaries.

Candidate Communities for Disposition

Ashley Courts at Cascade
Ashley Terrace at West End
Centennial Place
CollegeTown at West End
Columbia Commons
Columbia Village
Magnolia Park
Summerdale Commons
The Village at Castleberry Hill
The Villages at Carver
The Villages of Eastlake
West Highlands at Heman E. Perry Boulevard



DESIGNATED HOUSING AND ELDERLY ADMISSIONS PREFERENCE

As described in our FY 2006 Implementation Plan, AHA plans to implement new strategies at its 17 high-rise communities to address the complex social issues associated with mixing seniors and young disabled individuals in our 17 high-rise communities. These strategies include: (1) implementing a 4:1 elderly/almost-elderly admissions preference (Elderly Admissions Preference), (2) implementing permanent percentage-based mixed-population designations, and (3) implementing permanent elderly-only designations. AHA will also, as necessary, apply and implement permanent designations to support the development of elderly housing in connection with its revitalization efforts, including but not limited to the revitalizations of Capitol Homes, Grady Homes, Harris Homes, McDaniel Glenn, and Perry Homes. "Elderly" and "almost elderly" have the same respective definitions as set forth in AHA's FY 2006 Implementation Plan.

Prior to implementing any percentage-based mixed-population designation or elderly-only designation housing, AHA will (1) consult with any affected residents, (2) obtain the approval of its Board of Commissioners, and (3) submit the appropriate designated housing plan to HUD for approval. HUD approval is not required to implement the Elderly Admissions Preference.

MINIMUM RENT ANALYSIS

In AHA's FY 2005 MTW Annual Plan, AHA proposed a minimum rent increase from \$25 to \$125. AHA performed a rent impact analysis in June 2004, in accordance with the requirements of AHA's MTW Agreement, to determine the impact of the proposed minimum rent policy on households receiving either public housing or housing choice assistance. Rent burden, which is the ratio of rent to income expressed as a percentage, was used to investigate the impact of the new rent policy.

The minimum rent analysis included a table that imputed the potential rent burden of assisted households based on their actual incomes. The table used two overarching categories of assisted households; those who, at the time, were paying rents at or above the proposed minimum rent, and those who were paying rents below the proposed minimum rent. The latter category, or potentially impacted group, was divided into rent burden categories (Not Impacted = 30%; Minimum Rent Burden 31% - 39%; Moderate Rent Burden 40% - 50%; Impacted > 50%). To reiterate the rent burden concept, rent burden is the ratio of rent to income expressed as a percentage of household income. Rent burden is not the percentage that rent increased.

At the time the analysis was performed, 70% of AHA households were already paying \$125 or more for rent. The analysis concluded that there would be no major impact on assisted families in either program. The analysis did show, however, that approximately 42% of Family public housing households and 21.3% of Family housing choice households were in the "Impacted" rent burden category. "Family households" are defined as households where the head-of-household is neither elderly nor disabled.

To understand whether the impact of the minimum rent policy was minimal, it is necessary to investigate whether the policy resulted in any significant negative consequences. The following table shows the negative impact the increased minimum rent had on Family households during FY 2005. "Negative impact" is defined as terminations due to nonpayment of rent. "At risk" households are those Family households that would be subject to rent adjustments (i.e., paying less than \$125 per month) based on the June 2004 analysis.

**Minimum Renters Terminated for Nonpayment of Rent
As a Percentage of June 2004 At-Risk Assisted Households
October 31, 2004 to July 31, 2005¹**

Program of Assisted Household	Total Minimum Renter Terminations	Minimum Renters Reinstated Later	Net Minimum Renters Terminations	June 2004 Total At-Risk Households All Rent Burden Categories	Terminations as a Percentage of June 2004 At-Risk Households
Public Housing	75	14	61	2,168	2.82%
Housing Choice	11	0	11	3,344	0.33%
Total	86	14	72	5,512	1.31%

¹ This period captures data for both Public Housing and Housing Choice programs. Due to variances in reporting start dates, Public Housing reports for this period run from November 1, 2004 through July 31, 2005. The selected date range was used for the fiscal year to reflect the timing of terminations due to notice periods. The effective date of the minimum rent policy was October 1, 2004.

As the table demonstrates only 2.82% of public housing assisted households, 0.33% of housing choice assisted households, and 1.31% of all assisted households were negatively impacted by the minimum rent policy. Conversely, these percentages then demonstrate that 97.18% of public housing assisted households, 99.67% of housing choice assisted households, and 99.69% of all assisted households were not impacted by the minimum rent policy. Therefore, the impact of the minimum rent policy was indeed minimal.



SITE-BASED WAITING LIST – PROJECT-BASED VOUCHER ASSISTED COMMUNITIES

In AHA's FY 2006 Implementation Plan, AHA stated its intent to eliminate duplicative administrative waiting list processes related to the lease-up of units at project-based voucher assisted properties. AHA proposes to delegate the responsibility of determining eligibility and suitability of participants who wish to live at project-based voucher assisted properties to the owners of such properties. Under this initiative, owners would be permitted to manage their own site-based waiting list at the project-based voucher assisted property pursuant to AHA policies and HUD rules and regulations, as modified by AHA policies pursuant to the MTW Demonstration Agreement between HUD and AHA, effective July 1, 2003, as may be amended from time to time. Owners would be able to select potential eligible tenants immediately from their own site-based waiting lists and would not be required to undergo the duplicative process of first considering potential tenants from AHA's Housing Choice waiting list. This approach would be similar to the site-based waiting list approach which has already been approved by HUD and implemented by AHA's development partners at the mixed-income communities. AHA believes this will also simplify the process for administering vouchers for project-based voucher assisted properties and eliminate operational inefficiencies. In eliminating the dependence on a duplicative waiting list process, owners will be able to house eligible applicants in a more expeditious and timely manner.

