

6.0(12) Asset Management

Overview

Over the last twelve years, HACC has aggressively pursued renovation and redevelopment of a large portion of its low-income public housing inventory. Using a variety of financial and asset management strategies, the Authority to date has redeveloped or is in the process of redeveloping 70% of its original low-income portfolio of 2,334 rental units. In addition, HACC has created over 350 homeownership opportunities for low-income families and additional units are currently in the homeownership pipeline.

Our focus over the next several years will be preservation of the low-income nature of some of HACC's sites, pursuit of opportunities for redevelopment of the oldest in our inventory, aggressively monitor existing contracts with private management companies, and improve the Authority's asset management and property management capabilities.

AMP 1 Ablett Village: Ablett Village is the agency's second oldest family development site. The End of Initial Operating Period (EIOP) for this development was December 31, 1943. There are 23 two-story buildings on the site with 306 row-type units. Each unit is individually metered for gas cooking and hot water. Ablett Village is one of only two sites left in HACC's low-income real estate portfolio yet to be completely redeveloped or scheduled for redevelopment.

Recently, as part of a comprehensive strategy to deal with the long term vacant units on the site, various units were rehabilitated using Capital Fund Program monies. As a result, the vacancy rate has been reduced to 6% from 9% just 12 months ago.

Long-term Vision for Property: Hold, Maintain and Upgrade. Consider for future redevelopment by HACC or in conjunction with the City of Camden.

Strategies:

- Maximize staff and other resources available to address unit turnaround and leasing of units at the property.
- Dedicate Capital Fund Resources for rehabilitating vacant units that require more work than a standard unit turnover.
- Aggressively pursue solutions to the problems identified including occupancy, turnover rate, and overall physical condition of property.
- Continue improvements to further enhance private sector appeal.
- Consider redevelopment. A component of the City of Camden's redevelopment strategy is the inclusion of the site as a part of a \$1.2 billion redevelopment plan in the Cramer Hill section of the City. This would require the relocation of all 306 families and demolition of the site. HUD's Special Applications Center (SAC) has indicated that the City of Camden would have to pay for relocation costs, the replacement housing units, and demolition of the property. The HACC and the City have agreed to continue discussions and planning for this section of the City.

- Should the City not proceed with including the site in their redevelopment plan, HACC will maintain the property until 9% tax credits can be applied for. The City of Camden under the state of NJ Qualified Action Plan can only received three tax credit awards per year. At this time there are over 20 development deals that are waiting to apply for tax credits.

AMP 2

Branch Village: Branch is the oldest family development site. The EIOP for this development was September 30, 1941. There are 20 two-story buildings that contain 279 row-type units. This property is one of only two properties in HACC's portfolio that has not yet been comprehensively redeveloped. HACC has rehabilitated over 80 vacant units over the last 24 months to reduce the vacancy rate to 9% from over 16% in the last 12 months. All units were quickly occupied after completion. The demand for affordable housing in this market exceeds the supply.

Long-term Vision for Property: Hold, Maintain and Upgrade. Consider for future HACC redevelopment including applying for an HOPE VI Grant.

Strategies:

- Aggressively pursue management solutions to the issues and problems identified as deficiencies in the areas of vacancy management, overall physical condition, and crime and drug incidents.
- Continue improvements to landscaping and other site amenities/curb appeal items to further enhance private sector appeal and compliment the \$144 million HOPE VI redevelopment plan that is nearly completed across the street from Branch.
- Consider for Redevelopment. This site is located across the street from the \$144 million Roosevelt Manor HOPE VI redevelopment. HACC has completed some necessary site and building work within the last 12-month period. In addition, some site fencing has been constructed and a new community center will be designed in the near future and permanently placed on-site taking into account the new site plan when the site is ultimately redeveloped. HACC will use any available resources including HOPE VI to redevelop the property and including if necessary to wait until other priority projects go through the 9% tax credit pipeline.

Chelton Terrace – AMP 5: This site's original EIOP was June 1943 and included 200 family units. The site was demolished in 2002 and redeveloped in two phases as reflected below:

AMP 3

Chelton Terrace Phase I: This first phase consisted of 66 newly constructed Annual Contribution Contract (ACC) family townhouse units and is currently owned by HACC but managed by a private property management company. The newly renovated units have been occupied for seven years and are well managed and maintained. The property sustains a very low vacancy rate. Demand for the units is high. A new community center was also completed as part of this phase of construction.

Long-term Vision for Property: Hold and Maintain

Strategies: Continue to monitor the management and maintenance of the site as well as the overall operation of the property.

AMP 4 Chelton Terrace Phase II: The second phase of construction was completed in December 2005 and consists of 101 newly constructed ACC family townhouse units. The second phase was a HUD Mixed-Finance development that is privately owned and privately managed by the same company managing Phase I. The units were occupied in January 2006. The property is well managed and maintained. The units are in high demand.

Long-term Vision for Property: Hold and Maintain

Strategies: Continue to monitor the management and maintenance of the site as well as the overall operation of the property.

AMP 6 McGuire Gardens: The original EIOP for this site was March 1955. The site originally consisted of 367 family units. McGuire Gardens has been fully redeveloped using a 1994 HOPE VI grant of \$42 million. The site has been occupied for over 7 years. During the period 1999 through 2002, 190 units on the original site were demolished. On-site relocation was part of the redevelopment plan thus necessitating phased demolition. The redevelopment plan created 75 newly constructed ACC family units and another 178 reconfigured and completely rehabilitated ACC family units for a total of 253 units on the site. The units are owned by HACC but are privately managed. Demand for the units is high and the property is always occupied. A newly constructed community center was completed in 2005 and a passive park/town square with a tot lot was completed in 2006.

Long-term Vision for Property: Hold and Maintain

Strategies: Continue to monitor the management and maintenance of the site as well as the overall operation of the property. HACC is planning to request HUD approval to include these 253 units in the Capital Funds Formula to ensure the long-term viability of the property.

AMP 5, 7 –12 Roosevelt Manor: The original EIOP for this site was June 1955. The site consisted of 268 family units. HACC received a 2004 HOPE VI grant of \$20 million as part of a \$144 million, 13-phase redevelopment plan for this site and the surrounding neighborhood. Currently, two off-site construction phases are complete and another three phases have been funded. All of the residents of the site were relocated as of January 2006 and all units have been demolished in preparation for five on-site phases of development which include both rental and homeownership units. Phases 5, 7, and 12 have been fully occupied with Phases 9 and 10 near completion. All of the ACC rental units are privately owned and managed pursuant to HUD's Mixed-Finance program.

Long-term Vision for Property: Complete redevelopment, Hold and Maintain.

Strategies: Complete all of the phases of construction by August 2009 as planned under the redevelopment plan. The newly constructed rental phases will be privately owned and managed and each will have a separate AMP number.

Westfield Acres: This site's original EIOP was June 1943. The site originally had 514 family units and was demolished in 2000-2001 with the use of a "Demolition Only" HOPE VI grant. The HACC was able to secure a \$35 million HOPE VI Grant in 2000 for this site which has since been demolished and redeveloped. The \$106 million redevelopment plan was carried out in nine (9) phases. Eight (8) of the phases were completed and occupied as of September 2007. The final phase is now under construction. When completed, this redevelopment will have created 516 new houses both on site and off site in the surrounding neighborhood. Two hundred and nineteen (219) of the units are owner occupied. The 182 family and senior ACC rental units that are completed are privately owned and managed under HUD's Mixed-Finance

program. This development also has a newly constructed community center as well. The four rental phases that are replacing the original Westfield Acres are Baldwin's Run, Carpenter's Hill, Baldwin's Run Senior Building and Baldwin's Run General Color Site. The four rental phases are described below.

AMP 13 **Baldwin's Run :** This site's original EIOP was December 31, 2003. This is the first rental phase redeveloped on the former Westfield Acre site. This phase consists of 78 family rental units. The rental units are interspersed with 109 newly constructed homeownership units, constructed in June 2003. The project design received a HUD Secretary Award of Excellence in 2003. The site was financed under HUD's Mixed Finance Program using HOPE VI funds and leveraged tax credit equity. The site is privately owned and managed. The site is located in a very stable section of the City where property values are rising. Demand for these units is very high. A new \$30 million elementary school across the street from the site was opened in September 2007.

Long-term Vision for Property: Hold and Maintain

Strategies: Continue to monitor the management and maintenance of the site as well as the overall long-term viability of the property.

AMP 14 **Carpenter's Hill:** The EIOP for this property was March 31, 2003. This is the first off-site rental phase of the Westfield Acres HOPE VI grant and consists of 30 family rental units located across from Baldwin's Run and one block from the new \$30 million dollar school. The 30 family rental units are interspersed with 19 market rate tax credit only rental units. The units are privately owned and managed.

Long-term Vision for Property: Hold and Maintain

Strategies: Continue to monitor the management and maintenance of the site as well as the overall long-term viability of the property.

AMP 15 **Baldwin's Run General Color Site:** These recently newly constructed 73 family units were completed the end of December 2007. These townhouse units are in a very stable neighborhood. These units have a very strong market demand. The units are two blocks from a newly constructed \$30 million school. The site is right next to what will soon be a new county park. Twenty (20) of the units have been set aside for special needs housing for formerly homeless women and their families. The state has provided \$2 million in Capital Funds for these 20 special needs housing units. Direct services for these families have also been funded. The site will be privately owned and operated.

Long-term Vision for Property: Hold and Maintain

Strategies: Continue to monitor the management and maintenance of the site as well as the overall long-term viability of the property.

AMP 19 **Baldwin's Run Senior Building:** This recently newly constructed 74 unit Senior only building was completed in June 2007. The building is fully leased. The property is in a very stable neighborhood, and the building has many amenities and services including a laundry room on each floor, a library, a room for light gym equipment, a visiting doctor's office, and a community room. There is a very high market demand for these units. The site is privately owned and managed.

Long-term Vision for Property: Hold and Maintain

Strategies: Continue to monitor the management and maintenance of the site as well as the overall long-term viability of the property.

AMP 16 **Kennedy Tower:** The EIOP for this property was February 1966. There recently were 99 units in this 10-story elevator building. The Authority has converted, with HUD approval, the second floor (11 residential units) for HACC's administrative offices. The administrative offices for HACC's Assisted Living Program are on the first floor. HACC's most recent modernization and physical improvement activities include restoration of the building facade; installation of two new elevators; and retrofitting the building with a fire suppression system throughout. HACC has also completed several major energy efficient upgrades throughout the units as part of a HUD approved Energy Services Contract. In order to mitigate fire safety issues HACC has installed smoke and CO detectors throughout the building. HACC has also recently installed a new HVAC system throughout. Designation as an "Elderly Only" building by HUD facilitated creation of a state approved "Assisted Living" program for the residents of this building.

Long-term Vision for Property: Hold, Maintain and Upgrade

Strategies: This is a well-maintained building. HACC will continue to enhance the amenities provided and routinely maintain and upgrade the physical plant. Strategies to reduce operating costs and increase revenue generated at the site are being developed.

AMP 17 **Westfield Tower:** The EIOP for this property was March 1970. There are presently 103 elderly and disabled units in this 10-story elevator building. As part of its long-term strategy to maintain and upgrade this property, HACC recently completed restoration of the building facade; installation of two new elevators; and retrofitting the building with a fire suppression system throughout. HACC also completed major energy efficient upgrades throughout the units as part of a HUD approved Energy Services Contract. In order to mitigate fire safety issues HACC has installed smoke and CO detectors throughout the building.

Long-term Vision for Property: Hold, Maintain and Upgrade

Strategies: This is a well-maintained building. HACC will continue to enhance the amenities provided at this site and pursue cost reduction and revenue generating strategies.

AMP 18 **Mickle Tower:** The EIOP for this property was December 1974. Presently there are 104 elderly and disabled units in this 9-story elevator building. As part of its long-term strategy to maintain and upgrade this property. HACC recently completed restoration of the building facade, installation of two new elevators; and retrofitting of the building with a fire suppression system throughout. In addition, the Authority has completed major energy efficient upgrades throughout the units as part of a HUD approved Energy Services Contract. In order to mitigate fire safety issues HACC has installed smoke and CO detectors throughout the building.

Long-term Vision for Property: Hold, Maintain and Upgrade

Strategies: This is a well-maintained building. The Authority will continue to enhance the amenities provided at this site and pursue cost reduction and income generation strategies.

Other PHA Goals and Objectives:

1. Provide leadership in strengthening, expanding, and developing new governmental departments and office relationships.
2. Evaluate information for cost cutting decisions.
3. Provide services that are beneficial to the changing demographics of the population that the HACC serves; emphasis on youth and aging residents.
4. Improve the Hearing process for residents for Public Housing and Section 8 programs.
5. Develop an MIS Administrative Plan.
6. Complete a plan for constructing, acquiring or leasing new facilities for HACC's Administrative Office.
7. Develop and implement a standardized system to monitor and track tools and equipment Authority wide.
8. Recruit and retain quality staff.
9. Develop detailed individual site evaluations using the PHAS Indicators to determine need, strengths, and weaknesses.
10. Evaluate information from QC forms developed for tracking site based performance- develop monthly reports based on PHAS/MADD reporting indicators.
11. Comply with HUD mandate of 3% vacancy rate at each development.
12. Increase resident satisfaction.
13. Establish a 501 (c) (3) corporation.
14. Continue implementing and expanding the Housing Choice Voucher Homeownership Program.
15. Improve quality of life issues; enforce all laws equally.