

Comments and Responses to the BHA FY 2022 State Annual Plan.

The following document contains the comments and responses received on the BHA's FY 2022 State Annual Plan. BHA staff met with the Resident Advisory Board from September through December discussing the Plan process and documents and sent copies of the Plan to the RAB and Local Tenant Organizations. The Plan was put out for public comment on November 1, 2021 and the comment period closed on December 15, 2021 with a virtual public hearing held on zoom December 6, 2020 at 11 am and another at 6 pm.

The BHA took several steps to notify the public of the FY 2022 State Annual Plan and the opportunity to comment. The BHA placed an advertisement in the Boston Globe, included a notice with the rent statement of public housing residents, sent a mailing to Leased Housing participants in Boston and nearby towns notifying them of the Public Hearing and the proposed Plan. The BHA also sent letters to many local officials and advocacy groups. The Plan was made available for review at Boston Public Library Copley Square branch, BHA's headquarters at 52 Chauncy St., and on its website www.bostonhousing.org.

Many comments are specific to Plan attachments:

AP: Annual Plan template

CP: Capital Plan

Overview and Certification

Comment: (Ops) P. 2: This shows 2,139 units in the state public housing portfolio, the vast majority of which are Chapter 200 family public housing units. 178 units are Chapter 667 elderly/disabled public housing units (most of which are at Franklin Field Elderly and Msgr. Powers), and 194 are Chapter 705 family or other special purpose units (like Chapter 689 units for persons with disabilities done in conjunction with the Dept. Of Mental Health); the Chapter 705 units include scattered site condominium units, many of which are managed through United Housing Management.

Response: Thank you for reviewing the Annual Plan and your comment.

Comment: (Lsd Hsg) P. 3: BHA also has 975 MRVP units, and listed Debbie Sullivan as a contact for that program. *It should be noted that MRVP resources can only be used in Massachusetts, and this can be a barrier in case an MRVP household needs to relocate for safety reasons. There should be some system for transfer between the MRVP program and Section 8 where this may help households; however, some MRVP households may encounter difficulty utilizing federal resources due to immigration status.*

Response: Thank you for reviewing the Annual Plan and your comment. BHA staff will take the comment under advisement.

Comment: (Lsd Hsg) PP. 2-3: Both the BHA MRVP portfolio and the Chapter 667 portfolio are relatively small in comparison to BHA's overall elderly/disabled portfolio (most of which is federally funded) or the BHA's Section 8 portfolio (14,000 units). Don't believe BHA has any Alternative Housing Voucher Program (AHVP) units, which reflects the small size of its Chapter 667 portfolio. *While BHA is able to use the state Chapter 200 program to help serve the needs of immigrant households that haven't yet obtained documentation necessary for federal housing assistance, it is not able to do the same for immigrant elders who may need to reach out to other housing authorities in the area who have a larger Chapter 667 portfolio.*

Response: Thank you for reviewing the Annual Plan and your comment.

Comment: (REC) p. 3: *Local Tenant Organization Recognition*: BHA should describe what steps it is taking at other sites to inquire about recognition of LTO's. For example, a few unrecognized sites (South Street, Archdale, and Fairmount) have had recognized LTOs in the past. At South Street, Boston Tenants Coalition (BTC) has been a community partner willing to work with the BHA on enhancing LTO operations. GBLS is aware of some inquiries from BHA about Msgr. Powers, and it would be good to know progress there as well.

Response: We will continue to work towards identifying residents interested in establishing LTOs. Our plans for 2022 for these sites, Msgr. Powers, and others without LTOs include:

- Distributing general information describing LTOs, how residents can organize to form an LTO
- Reconnecting with existing partners (i.e. Boston Tenants Coalition) and identifying new partners to support LTO elections at these sites
- Conducting more outreach and engagement at the non-LTO sites to familiarize residents with the Resident Empowerment Coalition (REC) and Resident Capacity Program (RCP). Due to COVID, our engagement will likely be virtual through REC bimonthly meetings, flyering, and through sharing information through community partners at these sites and others

Comment: p. 4: *PHA Plan Process*: There is reference to a quarterly meeting. While the BHA in fact normally has monthly meetings with the RAB (there were a few interruptions in 2020-2021 due to COVID-19 and other reasons), and several of the meetings do touch on State Plan issues, there is no quarterly meeting per se on the State Plan. Instead, State Plan issues (like Federal Plan issues) can commonly come up at any point during the year, particularly where there are issues of overall BHA policy, such as customer satisfaction or delivery of services, that are common to both state and federal sites. Often BHA staff will need to follow up on items raised on both the state and federal portfolios at a monthly meeting.

Response: The reference to a quarterly meeting is part of DHCD's template. BHA staff agree with the commenter that there is not a quarterly meeting per se on the State Plan but that BHA staff do meet monthly with the Resident Advisory Board where issues, including State and Federal Plan issues, can come up for discussion.

Capital Improvement Plan

Comment: There were a couple of work items where I couldn't be sure if they were for a particular site--these were 035439 and 035442. That's because the items didn't list the development. They were immediately below an item for Faneuil, and may have been intended as part of a Faneuil list, but it's probably better practice for any item to either say in the work item which site it is or if its program wide (for example, like the window repair and replacement item which says it's for any Chapter 200 developments).

Response: The Work Items referenced under the Comment were funded through DHCD Health and Safety Fund. These Work Items occurred at both Family (200) developments and Elderly (667) developments as noted in the Health and Safety Fund table below. [Also Note: The names of these two developments were omitted in error in this plan] Additionally, none of these work items was associated with the Faneuil Development, and only appears under the Faneuil development due to the sequential numbering of the Fish numbers attached to the project when they are created.

HEALTH & SAFETY FUND					
Site #	Development Name	Fish No.	BHA No.	Active / Proposed Projects Work Description	Project Category
200-07/ 667-01 /200-01	ARHDLE/FRKLN FILD/W BRDWY	035439	1816-02	Tub Cuts	Accessibility _Reasonable Accommodations
200-07	ARCHDALE	035442	1815-01	Extend Boiler Exhaust to Roof Line	HVAC - Life & Safety

Specifically, Work Items, [Fish Number] 035439 includes Archdale, Franklin Field, West Broadway Developments, and Work Item 035442 is for the Archdale Development. Also note the word 'Additionally' is referring to the fact these work items are not associated with the Faneuil Development. FISH stands for Financial Information Systems for Housing: All state construction projects utilizing capital funds require and are assigned FISH numbers.

Comment: Capital Overview: On p. 3, it would be helpful to have more explanation about the distinction between the unrestricted formula funding (\$10.3 million) and the special DHCD designated funding (\$15.1 million), and BHA should indicate which sites or work is funded through each. In addition, on p. 3, this states that BHA gets no Community Preservation Act (CPA) funding through DHCD. I thought that the City of Boston (and therefore BHA) did get such funding, although it may be that this is not allocated through DHCD—an explanation of this would be helpful. There is also an item listed as \$111 million "other", and it would be helpful for the RAB and the public to have an explanation of what this is and where the funding is allocated (for example, whether this is redevelopment money associated with Orient Heights).

Response: Unrestricted Formula Funding "UFF": is money awarded to the LHA by DHCD under the Formula Funding program other than amounts set aside (restricted) for accessibility improvements or for facilities operated by DMH or DDS. [UFF funded projects are listed in the Formula Funding and Special DHCD Award Planned Spending tables of the AP. The UFF projects consist of the 200, 667, and 705 Developments located on pages 1-9] DHCD Designated Funding "DHCDDF":

DHCD awards targeted to specific projects. Award programs include funds for emergencies beyond what an LHA can fund, for complying with regulatory requirements, for projects that will save water or energy use, and various other programs the department may run from time to time. [DHCDDF funded projects are listed under the Funds in Addition to Annual Formula Funding Award tables of the AP located on pages 10-11. Specifically this table includes the title Other Funds in last column.]

For the fiscal year 2020-2021 the BHA received one Community Preservation Award (CPA) from the City of Boston and a BHA development partner received another. BHA's CPA grants are awarded to both the State and Federal Portfolios. A total of six requests were submitted for BHA properties, three from the BHA and three from our redevelopment partners for the properties they manage. The CPA awarded to the BHA was in the amount of \$250K for a community garden and public meeting area at the BHA's Franklin Field Elderly property. The CPA awarded to a BHA development partner in the amount of \$300,000 was for a playground and other site improvements at the BHA's Mildred C. Hailey property. Other BHA CPA grant applications – not funded - were: site improvements and a bocce court at Heritage; site improvements and a playground at Archdale; a garden with raised beds at Mary Ellen McCormack; and a new park at Orient Heights.

Comment: In Section 2.3, p. 1, what is an "Alternate CIP" and what does "Other" under "Justification" mean?

Response: Alternate CIP allows a LHA the flexibility to implement projects that require greater variation from an LHA's cap share in any given year, an LHA may propose an Alternate CIP in which Rule (a) is disregarded. [see Note (i) below]. Additionally, the Alternate CIP budget must also show BHA's active projects, proposed projects, funding sources, and timeframe for planning and construction. BHA's projects are in the millions of dollars it makes nearly impossible to spread them over the individual CAP Share years correctly, as an example for planning purposes when no spending was scheduled for one of those years.

The Alternate CIP selection will include a Budget Scenario that shows the LHA's active projects and proposed projects, with all the funding sources, i.e. (FF plus all other available sources). The Alternate CIP will also include the planning and construction timeframe for both. The LHA will also prepare a Primary CIP with a Budget Scenario that meets the spending rules. Additionally, the LHA may also request a spending distribution in the Alternate CIP.

Note (i) Rule (a) Spending in each of the five years of the CIP falls within 20% of the Cap Share for the respective years.

(ii) Cap Share is the amount of Formula Funding spending approved by DHCD for each Year

When requesting an Alternate Plan, there are 3 to 4 reasons that an LHA may use. However, if the LHA's reason do not fall into one of these categories the LHA may chose an alternate reason defined by Other. The BHA's reasoning in this case was \$0 in one of the years, see above note on spreading project spending over individual CAP Share years.

Comment: i. On p. 2, there is reference to quarterly reports on capital spending. Can the RAB be provided with these? ii. On the same page, there is reference to a Capital Funding Database being updated. lii. Where would the RAB find this, and how can the RAB stay on top of updates?

Response: (i) The BHA is open to meeting with the RAB to review the CIP's capital spending and the project updates that occur during the life of a project. Furthermore, the BHA welcomes all communications from RAB to foster a constructive dialogue throughout this process, and to help facilitate the best outcome possible for these projects. Inherently, this process will also include resident engagement meetings that will serve to foster a greater understanding for how a project affects their development and their wellbeing.

(ii) CPS is a web-based software system used by LHA to update their CPS data on an ongoing basis. This data includes: entering new and editing existing projects and closing out projects, as well as updating the facility component inventory. The CPS is also a tool DHCD uses to determine the state-aided public housing portfolio's needs and to determine funding allocations for capital improvements. Although, the Capital Planning System (CPS) is on the web, its access is restricted to DHCD and LHA's. Please note the information contained in these reports is available through DHCD's CAPHub system, however, the consolidated state mod reports updates referred to in the Annual Plan would need to be created and disseminated through another department, since CAPHub does not have the capabilities to create these reports.

(iii) Please see response denoted in Response (i).

Comment: On p. 2, under item 9, deficiencies in high priority projects, it is said that BHA can't include all high priority projects in the CIP, and there is reference to an attachment (without any explanation of which attachment should be referenced or what it's intended to show). It's not clear if BHA's just saying that there is no way it can fund all of the work that would be identified as high priority, or something else—and if the attachment is meant to show how BHA prioritizes choices when it does not have sufficient funds.

Response: Attachment Reference: The Attachment is referring all the projects listed in our CIP, which are high priority (Priority 1 and 2 projects). At present BHA cannot fund all of its High Priority projects, because the total cost of all the projects combined would exceed not only the yearly award, but the entire budget of the five year plan. However, BHA has implemented an Authority Wide Survey strategy to address these concerns for its common systems, i.e., Building Envelopes, Roofs, Stairwells, Life & Safety, HVAC, Site Work, Utilities, and Accessibility. This approach will identify the systems current condition, the priority of each system, [high priority systems which require immediate repair from medium and low priority systems, which can be safely deferred.] and determine the need for repair or replacement and its costs. At present there are several AW surveys that are in the process of being completed.

Comment: On p. 2 under item 12, the latest water & energy data here is from 2004-2005. That is not acceptable. There should be something more current.

Response: The latest water & energy data is from 2020 – 2021 and not 2004-2005. The BHA updates data regularly with DHCD in a manual process parallel to EFIS. The most recent update was for calendar year 2020 for water, gas, and electricity. Data stopped flowing through our Utility Data Management System in 2021 concurrent with the natural end of a contract for services. A draft Request For Proposals for a new Utility Data Management System, reflecting the reporting requirements outlined in the recently promulgated regulations under BERDO 2.0, is in development.

We anticipate vetting and implementing a new system in 2022 and resuming a seamless and efficient flow of data at that point.

Comment: On p. 3, under item 13, it is not clear why BHA is not pursuing energy or water-saving audits or grants, and one would assume, given the emphasis on climate change and resiliency, this would be a focus for the BHA's work in alliance with City, State, and Federal initiatives.

Response: The BHA regularly pursues energy and water savings audits and grants through multiple channels, including a close partnership with the LEAN / ABCD program, numerous City of Boston programs and initiatives (EEOS), state programs (DOER, DHCD), and Federal (HUD, DOE) initiatives. For example, the BHA is presently implementing a DHCD Comprehensive Sustainability Initiative grant (\$750,000) at Monsignor Powers, a project that also leveraged grant funding from ABCD for other elements of envelop work.

Comment: (also Ops) On p. 3, under item 14, the vacancy rate is unacceptably high for the family programs (Chapter 200 and Chapter 705), and other than saying that vacancies are not generally due to capital work (with the exception of needing to get the Park Street Chapter 705 units on line), BHA has not explained why vacancies are so high and what strategy it will undertake to reduce vacancies so that it can collect rent and house as many families in need as possible.

Response: Unfortunately, like most property rental agencies, COVID-19 has created a number of significant challenges affecting the ability to complete all tasks as we look forward to continue improving regardless of these challenges such as staffing resources who have been affected by this health crisis as much as everyone nation/worldwide, and who also have had to be deployed to attend other urgent matters to ensure we are attending the needs of our residents during this health crisis; the delay in the delivery of needed materials, as well as the ability to promptly and successfully screen prospective residents for the units that have become vacant as a direct result of social distancing and clients ability to respond. BHA has been and will remain focused in re-establishing its high occupancy and rent collection rates. The occupancy rates are now at 96% and daily staff are dedicated to meet the various goals and demands. With the help of our valuable communities and partners, we will once again meet all required regulatory goals as well as BHA's own goals. BHA's occupancy goal is to reach 97% by the end of the current fiscal year. The state program's occupancy rate is currently 96.1%

Comment: I did not see any capital funding for the South Street development, (unless it is part of a grouping). Apart from the parking area, the courtyards and surroundings at South Street are poorly lit; dark and unsettling at night. Can BHA install some brighter lights (solar panels?) to adequately light the grounds at night?

Response: The following Authority Wide Projects Surveys, which include Roofing, Building Envelope, Stair Halls, Mechanical, Deck & Stairs, Life & Safety, and Site Conditions are either being undertaken or are scheduled to start at South Street. Upon the completion of these Surveys will create a construction project that will target and prioritize each of these systems at this development. Based on the AW Life & Safety survey the BHA will access which option should be used to provide adequate lighting for the grounds at night

Comment: Lighting for grounds should be assessed and should be included in capital program for state and federal.

Response: There are two (2) Authority Wide Life & Safety Surveys “AWLSS”, which are presently being conducted at the [705-06] Scattered Sites and the [200] Family Sites, Each sites includes and extensive list of Life & Safety Components that are being reviewed through a series of component priorities. The Lighting, which is included in this survey, includes the following Group Elements, Individual Elements, and Sub- Individual Elements.

Electrical

Site Electrical Utilities

Site Lighting

Exterior Lighting Fixtures

Exterior Flood Lights

Exterior Lighting

Maintenance and Repair

Comment: In the Maintenance Overview (3.1), on p. 2, there are subsections on Vacancy Refurbishment (Section II), Preventive Maintenance (Section III), Programmed Maintenance (Section IV), and Requested Maintenance (Section V). Under Vacancy Refurbishment, it’s not clear how or why waivers are sought after 30 days, and then what happens. It is also clear from other data that the average turnover time is 160 days, and 102 of those are due to maintenance (and presumably the 58 other days are due to occupancy and lease-up normal processing and delays). See later discussion on p. 6 (subpart E, Unit Turnover Summary). Here, as throughout, BHA should be doing much better to get back to its original vacancy turnover goals established at the end of the receivership and to be similar to PHAS goals. For maintenance requested by tenants, the expectation is completion within 14 days, which matches what state law presumes (see G.L. c. 111, sec. 127L), except for emergency repairs which should be addressed within 24-48 hours, and programmed maintenance is to be completed within 30 days. However, given the reference to items falling into “deferred maintenance” if they are not completed in these time frames, and then the complete lack of tracking of deferred maintenance (see p. 4), there is concern that BHA may completely miss tracking delayed requests and there will not be sufficient impetus to get delayed work completed.

Response: Thank you for your comment. Please refer to the earlier response regarding unit vacancy turnover. BHA will develop a transparent methodology to keep track of, and prioritize, deferred maintenance items to limit any detrimental impacts on the quality of life of the residents, and keep track of any deferred items so that residents are aware of the types of work that may be deferred, and why. BHA will not defer any life/safety items under the deferred maintenance plan while under this health crisis.

DHCD provides a list of criteria for limited circumstances to approved waivers for units that be turnover or made available for occupancy. For example to casualty loss such as a fire. DHCD does

review of BHA's request and only if the BHA meets the set criteria will DHCD approve the waiver for the unit to remain vacant for a longer period of time.

The BHA does respond and abates emergency work-orders within the 24 hours mandate. The BHA closely monitors the status of emergency and non-emergency work-orders. As needed, BHA allocates additional staff to address the outstanding work-orders at each of our properties.

Comment: In the Maintenance Overview (3.1) on p. 3, under Emergency Request, there should be options for contact by email or text, as well as a time frame to get back to tenants who have called/emailed/texted where someone did not respond immediately. Regarding normal communications on p. 4, there is no email provided that tenants could leave an email at requesting that a repair need be addressed, and there should be.

Response: BHA is currently exploring creating a work order email box for residents to send requests for non-emergency maintenance issues. We are running a pilot for email work-order requests at one property, and will expand it when determined if it is successful.

BHA is also in the initial planning stages of extending access to a resident portal to allow residents to report maintenance issues.

Comment: In the Maintenance Overview (3.1) on p. 5, there is a discussion that BHA will begin review of its Standard Operating Procedures (SOP), but there are no projected dates given for: (a) when there will be an opportunity for tenant review & comment; and (b) projected date for completion. It appears, from the "work in progress" piece, that most of the document dates back to 2004, with only a small portion having a more recent date (2018). It would likely be good to have a "track changes" version of this that reflects everything that BHA has done to date. GBLS has not commented on the draft SOP here since we are not sure if this is the most current version and what would be the best way for residents & advocates to provide feedback to the BHA in a meaningful way. BHA has, on the federal side, talked about contracting out some of the routine inspections, as well as use of updated technology to record unit deficiencies in real time, and these options and technologies are likely not captured in a document dating back to 2004.

Response: The SOP is an extensive document that requires incremental review and discussion by multiple staff members and consensus on best practices before changes are finalized, but BHA is committed to the release a comprehensive, updated SOP during the coming fiscal year. The draft document will be made available for public review by the end of the BHA's next fiscal year. BHA is utilizing contract unit inspectors to ensure quality control and objective results. New inspection protocols will be reflected in the SOP.

Comment: In the Maintenance Overview (3.1) on p. 6, there is a discussion of the Maintenance Budget (subsection D) in response to DHCD inquiries. It is not clear why there was so large a discrepancy between what was planned for extraordinary maintenance expenses for the year (roughly \$800,000) and what was actually spend \$59,000); BHA should discuss this. If certain work was not done because of COVID-19, or if other funding became available, this should be mentioned.

Response: Some of the work was impacted by COVID-19, but much was done and captured in the operating budgets for each individual property, instead of overall state program extraordinary maintenance expenses. In 2022, BHA will refine the property and program budgets to capture these expenses as state program extraordinary maintenance, rather than maintenance costs for each property. This will help protect the individual property budgets from large unanticipated maintenance expenses and should assist in planning this work as much as possible through long-term Capital expenditures.

Comment: BHA notes that it does not currently have a Deferred Maintenance Plan, as any repair needs get captured in the work order system. However, if the work-order system doesn't have any way to capture or focus in on items that are long delayed that may require a different strategy, BHA may not be able to be most effective. A number of good reasons are identified here why work on a repair would be delayed—that it would be best done on unit turnover, or at a different season (for example, not doing tree/shrub work in winter), or lack of sufficient funding, or ability to get greater efficiencies by combining work items, or competing priorities (such as the need to redirect staff in a vacancy reduction initiative, for example). But in all cases, there should be a strategy and a reason, and then a set of expectations for the tenant (that living conditions will be made tolerable in the meantime or the family will be transferred to a more appropriate unit).

Response: BHA will develop a transparent methodology to keep track of, and prioritize, deferred maintenance items to limit any detrimental impacts on the quality of life of the residents, and keep track of any deferred items so that residents are aware of the types of work that may be deferred, and why. BHA will not defer any life/safety items under the deferred maintenance plan.

Comment: Should be some kind of recycling program that public housing residents (state and federal) can participate in.

Response: BHA is currently working with the City of Boston to deploy recycling containers for single-stream recycling and will revisit site-based storage and location needs and the availability of containers.

Budget

Comment: On pp. 1-2, the operating reserve for BHA was very high (70%) and it would be good to get an explanation of that. On tenant rents, there was a shortfall of about \$800,000 (\$8.9 million received as opposed to \$9.7 million received)--was any of that made up with ERAP, RAFT, Boston Rental Relief or other funds, and how do rent adjustments factor into this (where tenants income fell due to economic impact of COVID-19)? What was the other revenue received account (\$5.7 million) and note an additional amount of DHCD revenue (\$1.3 million) and other grants (\$200,000). The bottom line appears among \$6 million better than the initial budget.

Response: Regarding operating reserve, BHA staff are clarifying this with DHCD staff. The shortfall in tenant rents is due to the pandemic. During fy21, BHA received an additional \$679,295 of Covid

grant from DHCD. Regarding other revenue, \$5.7m represents the receiving of \$134,000 of ground lease income and the recording of a \$5.6m Camden Ground Lease. Regarding additional DHCD revenue, in fy21, BHA received \$1,460,000 of subsidy pass-through for the redeveloped sites: Trinity Orient Heights Phase 1 and Phase 2, and Camden. Regarding other grants, \$200,000 represents the amount of Covid grant earned in fy21.

Comment: On p. 3, the expenses for LTOS were dramatically different, dropping from \$371,000 to \$35,000). It would help to get a breakdown whether funds were issued at all to LTOs, for what, and if they weren't spent, can they be carried over or repurposed for other tenant participation activities? Under administrative, salary expenses were lower but "other" were higher—was this because due to employees not being able to work, there was a higher fringe cost (and fewer salary expenses because vacancies were lagged)? It is also hard to figure out the solar operator costs and the next item—there was over a half-million spent for the solar item that wasn't originally budgeted, but it may be that the next item reflects savings from use of solar. An explanation of this would be helpful.

Response: In prior years, the amount that we paid to MUPHT had been reported together with the expenses for LTOs in line 4191. That was also how the budget was prepared. However, for fy21 reporting, we moved the MUPHT payments of \$352,414 to line 4190 – Administrative Other. DHCD is paying MUPHT and BHA is a pass through. Regarding LTOs only some task forces requested funds: Orient Hts, Franklin Field Family, and Gallivan. Some state sites have faced challenges including leaders who have passed away and some have not accessed funds because there is no recognized Task Force. BHA Resident Capacity Program staff have planned to repurpose funds as the need arises for use towards upcoming Task Force elections. The amount reported in line 4392 – Net Meter Utility Credit represents the savings in electric that BHA received from using solar power. The amount reported in line 4391 – Solar Operator Costs represents the actual expense that BHA had to pay the solar vendors.

Comment: On p. 4, the "other general expense" item jumped by \$6 million, and it would be good to have an explanation of what this is. In addition, why did depreciation expenses go from zero to over \$3 million—here again, an explanation in terms that the general public and RAB would understand would be helpful.

Response: Of this \$6 million, \$5.6m is the recording of the allowance for the \$5.6m Camden Ground Lease reported in Other Revenue. It was an oversight for not including depreciation expenses in the budget.

Comment: On p. 5, the offset of expenses and revenues is given, and it's shown that BHA went from a net positive balance of over a million dollars to a deficit of a similar amount (or about \$2 million less). If BHA could summarize where that came from, and how this will affect future operations and how it intends to get on a positive footing going forward, that would be helpful.

Response: The difference in Excess Revenue Over Expenses between the budget and actual was due to the oversight of not including \$3m of depreciation expenses in the budget. Depreciation expenses do not represent cash payment and should not affect cash flow.

Comment: The general notes at the end, while helpful, do not answer the questions above, because they are generic descriptions by DHCD about how different categories are used, but they do not explain the fluctuations in the anticipated versus actual expenditure items above. What would be helpful would be a BHA specific explanation.

Response: Please see above for specific explanations.

Performance Management Review

Comment: As BHA notes, DHCD suspended much of this due to COVID-19. It would be good to know when this will be resumed, and what all is involved, including any formal opportunity for tenant participation. The various surveys here are dated and/or were, we believe, part of last year's PHA Plan (2016 surveys and 2020 analysis); if there is anything new, please let the RAB know.

Response: BHA staff will update the RAB once information is available.

Policies

Comment: (Legal, Grievance & RED) As we have noted elsewhere, what BHA calls here its Sexual Harassment policy is actually broader than that, and BHA may want to retitle the policy to reflect the breadth of the policy. There is also a question whether BHA intends to use the term "latest version" or "latest revision". Moreover, where the Section 3 policy has a date in 2021 which was later than simply being folded into the last PHA Plan approval (early 2021), it may be best to attach it. We understand that the revisions here were meant to track HUD regulatory changes, but I am not sure that the revised Section 3 policy and related documents have been shared with the RAB or with LTOs generally (even if they may not be subject to notice and comment if revisions were solely due to federal regulatory changes. Finally, while this gives a 2012 date for the smoking policy, BHA may want to change that to a 2017 date, since HUD revised its final smoking regulation then and BHA slightly revised its policy to comport to HUD rules.

Response: Thank you for your comments. BHA will review and take appropriate actions where warranted.

Waivers

Comment: (Legal, Grievance & RED) BHA indicates only two general waivers, last done in 2019, which would allow BHA to align its federal and state admissions policies and its grievance

procedures. BHA has long had such DHCD waivers, dating back to the 1970's, and these are valuable. Of course, as BHA rolls out various portal changes for its admission process (these were expected to be in place by now, but are now expected at the very end of this fiscal year), it will be important to keep track with whether this is operating well.

Response: Thank you for the comment. The BHA continues working with DHCD to determine what waivers may continue to be requested in order to avoid households duplicate efforts. BHA will update on its progress.