



Public Housing Authorities Directors Association

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January 31, 2008

The Honorable Albio Sires
United States House of Representatives
Washington, D.C. 20515

Dear Representative Sires:

On behalf of its members, PHADA thanks you for your support of the public housing program and for your efforts to ensure the workability of public housing asset management. Asset management is a landmark program change now several years in the making. During this time, PHADA has advocated for a cost-effective and practicable transition to asset management; a transition that would also enable smaller housing agencies (for whom the transition to individual project based management is neither cost effective nor practical) to be exempt from the process altogether.

The *Public Housing Asset Management Improvement Act of 2008* (HR 3521) would authorize in statute recommendations long advocated for and broadly supported by PHADA's membership; recommendations that would accomplish this overall objective. PHADA is pleased to express its strong support for the passage of this important and necessary legislation.

HR 3521 will make possible the following:

1. In 2009, housing agencies and HUD will have an expanded formal process, the basis of which is already established in the Public Housing Operating Fund Final Rule, enabling the negotiation of appropriate property management, bookkeeping and asset management fees. Further, once arrived upon, execution of those fees would commence in 2011.
2. Small housing authorities that own and manage between 250 to 500 public housing units, 12 percent of all agencies, will gain regulatory relief in that the transition to asset management will be optional for them.
3. The legislation upholds current statute by which public housing residents may organize and participate in the development of policies at public housing agencies.

PHADA believes these simple provisions will mitigate implementation impediments broadly identified by its members and would provide flexibility critical to housing agencies' survival in a time of dwindling resources.

PHADA views these items as being essential to the fair, efficient and effective implementation of asset management as currently defined by HUD. It welcomes the opportunity to continue to work with the Department and Members of Congress to ensure that the administration of asset management is handled in a responsible manner going forward. Thank you for the opportunity to express these views.

Respectfully,

Timothy G. Kaiser
Executive Director