



# Commonwealth of Massachusetts DEPARTMENT OF HOUSING & COMMUNITY DEVELOPMENT

Deval L. Patrick, Governor ♦ Timothy P. Murray, Lt. Governor ♦ Tina Brooks, Undersecretary

Public Housing Notice: 2011-05

TO: All Local Housing Authorities  
FROM: Lizbeth Heyer, Associate Director for Rental and Public Housing  
RE: Massachusetts State-Aided Public Housing Preservation and Modernization Program Guidelines  
DATE: July 5, 2011

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We are several months into the implementation of capital planning and formula funding and we are pleased to report that ten (10) plans have been approved. We have 228 more to go and we will need to work closely together to make sure that **every LHA gets its plan submitted this year** and most importantly, that **LHAs collectively spend the fiscal year 2012 bond cap** that DHCD has dedicated to formula funding projects.

To help meet these important milestones DHCD is pleased to transmit to all LHAs the ***Massachusetts State-Aided Public Housing Preservation and Modernization Program Guidelines***, a user-friendly manual providing you with relevant, timely information to guide and support you as you prepare your Capital Improvement Plan (CIP) and move to spend your formula funding. These program guidelines will be updated as necessary and available on DHCD's website.

These guidelines are intended to complement the two (2) important Web based tools you are already using or being trained to use:

- The **Capital Planning System (CPS)** which is the primary - but not exclusive - database of information about your Authority's capital needs. CPS is a Web based property inventory that documents the condition of building components at every LHA development, and will be updated by the LHA as capital upgrades are completed and as components age and require repair or replacement. CPS also includes a set of recommended capital projects that were developed by an expert real estate consultant team retained by DHCD; and
- The **Capital Improvement Management System (CIMS)** which is the Web based application for preparing a Capital Improvement Plan (CIP) and collaborating with DHCD on plan review and approval.

We are again encouraging you to take advantage of the many technical assistance and training activities DHCD has made available. Our transition plan to formula funding included \$23M in FY12 and \$43M in FY13 bond cap for formula funding projects. Since FY12 has just started and FY13 is only 12 months away, we need to get plans approved and projects in the pipeline as quickly as possible if we are to be successful in meeting our bond spending cap. It takes time to bring a project through the design and construction process: count on a project with a construction budget of \$25,000 to \$100,000 to take 6 to 12 months to complete; bigger projects take longer. While we have given LHAs until March 2012 to complete their plans, we know

that many LHAs are in a position to do this much sooner if they've already had Field Assistance, and/or completed their CPS and CIMS training.

DHCD staff are ready to help you get your CIP submitted in CIMS. In addition to the trainings, here's how we can help;

- Field Assistance – it's not too late to sign up for a one (1) day capital planning session held at your LHA with a team of DHCD staff. At the end of the day you'll have a draft plan ready to be entered into CIMS. For more information, see <http://www.mass.gov/Ehed/docs/dhcd/ph/formula/cip-field.pdf>
- CIMS & CPS Help Line – any time you get stuck during a CIMS or CPS work session, give us a call at 617-573-1227 and we'll get back to you the same day.
- Coming soon...Capital Plan Conference Calls enhanced by *GoToMeeting* software – DHCD and LHA staff on a conference call accessible to their computers can simultaneously look at the LHA's CIMS account loaded with CPS data and then manipulate it to create a plan.

If you are a part-time LHA executive director, we want to let you know that you can, with your Board's approval, receive up to 37.5 hours of additional compensation for work directly related to first-year CIP preparation. Eligible activities include;

- training taken in CPS and CIMS software,
- meeting with DHCD Field Assistance staff,
- reviewing capital needs,
- updating CPS,
- entering the CIP in CIMS, and
- presenting the plan to tenants.

These hours can be paid from the administrative portion of your FF grant which is intended for capital project oversight; its use for preparation of your first CIP is a one-time opportunity. Executive directors may not bill for additional time to cover CIMS requirements that are already a requirement of the executive director's job, such as submitting up-to-date energy, vacancy and financial reports. Executive directors seeking this funding should keep track of both the actual hours worked and CIP work performed for submission and approval to their board and DHCD. DHCD approval for payment of these hours will only be issued after the CIP has received final approval.

Thank you for your partnership in getting capital planning and formula funding off the ground and your on-going commitment to revitalizing state-aided public housing.