On January 16, 2009, AHA and HUD executed a second amendment to AHA's Amended and Restated Agreement to reaffirm and clarify AHA's use of MTW Funds.

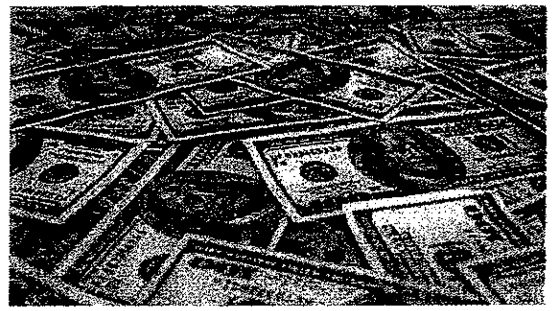
The second amendment reinstates AHA's ability to invest MTW Funds in real estate transactions pursuant to its "Use of MTW Funds" Implementation Protocol and reaffirms that AHA's MTW Funds may be used for MTW Eligible Activities as defined in the Restated MTW Agreement. The second amendment further acknowledges that AHA's use of combined public housing operating capital funds and voucher program funds (collectively, "MTW Funds") is not restricted in either AHA's Original MTW Agreement or in AHA's Amended and Restated Agreement to those uses specified in *Sections* 8 and 9 of the U.S. Housing Act of 1937, as amended.

As part of its FY 2010 priority activities, given the softness in the real estate and financial markets, AHA and its private sector real estate development partners, like all real estate firms, are finding it challenging to identify investors and funders willing to invest in proposed real estate development projects. In order to meet this challenge, as part of its FY 2010 priorities, AHA intends to use its MTW Funds to provide Gap funding that supports the financial closings of mixed-income rental communities that serve persons eligible (i.e. households earning less than 80 percent of area median income) for Tax Credit, Project Based Rental Assisted units and Public Housing Assisted Units; and that further carry out the on-going priorities and initiatives outlined in this Plan.

Set forth below is an overview of the current market conditions and how AHA intends to use its MTW Funds to provide Gap funding needed to advance AHA's Revitalization Program. Although the discussion is specific to certain developments, AHA will apply this conceptual approach to other mixed-income developments.

Use of MTW Funds for Development

AHA and its private sector development partners are working to close four mixed-income, mixed-finance transactions to advance the revitalization plans for each of Harris Homes and Grady Homes. Two of these transactions have been awarded 2007 9% low income housing tax credits, which would normally require that units be placed in service by the end of 2009: Ashley CollegeTown II (Harris HOPE VI Phase V) and Ashley Auburn Pointe I (Grady HOPE VI Phase III). Both transactions were scheduled to close in 2008, but the equity investor withdrew shortly before closing. AHA and its private sector development partner are continuing to identify a replacement investor on terms that would allow the projects to remain feasible. In addition, two other transactions were also awarded 9% low income housing tax credits in 2008. AHA and its private sector development partner are also continuing to identify an investor that will offer terms which will make the projects feasible as well: Veranda II at Auburn Pointe (Grady HOPE VI Phase VI) and Veranda III at Auburn Pointe (Grady HOPE VI Phase VII).



The market for tax credits has tightened largely due to the severe downturn in the housing and financial markets. The two largest downstream purchasers of tax credits, Fannie Mae and Freddie Mac, have withdrawn from the market for at least the next year. Also, other financial institutions and investors no longer have the same level of profits and have less appetite for tax credits. These institutions have also retrenched and are focused on their core business. Syndicators that remain in the market are being very selective with projects; are demanding higher yields (through lower pricing), higher levels of reserves and guarantees and lower amounts of debt and are targeting their investments to stronger markets.

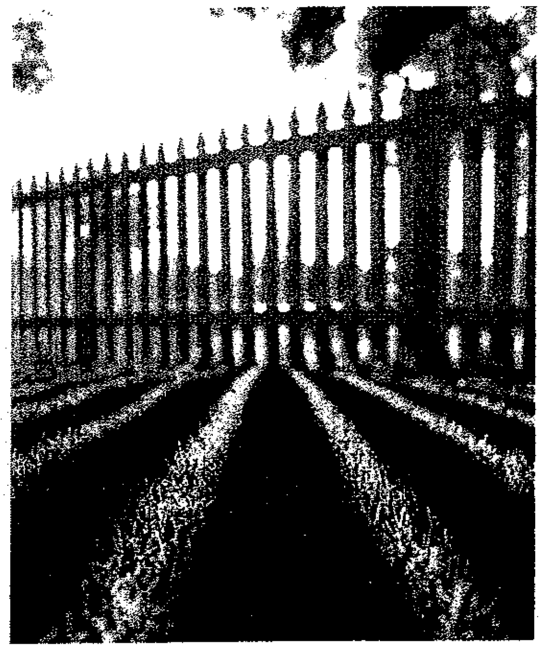
The impact on tax credit pricing has been significant, with pricing on federal credits falling from $0.95 in previous years to $0.70 or less in the current market. Under the American Recovery and Reinvestment Act of 2009, state housing finance agencies have the ability to exchange tax credits for cash at the rate of $0.85. However, Georgia also has state tax credits that typically sell for $0.25, and exchanging federal tax credits would make a project ineligible for state credits, furthering the gap. Georgia has also determined to continue to position the state as an attractive market for tax credit investors, so the Georgia Housing and Finance Agency, through the Georgia Department of Community Affairs (DCA), has indicated that it would like to minimize the exchange of credits by inducing investors, through more favorable terms and creative strategies, to continue to invest in the Georgia low income housing tax credit program.

Along with the DCA, AHA and our private sector development partners are discussing several strategies to make our current deals more attractive to tax credit syndicators by:

- Providing AHA public housing development funds in the form of capital contributions rather than as loans up to the HUD TDC limits (new limits were published in January which provides additional room), which reduces the amount of debt carried by the project.

- Reducing the amount of first mortgage debt. Utilizing DCA TCAP funds available to DCA to fill in the gap created by lower pricing. DCA has determined that funding could be provided allowing investors to pay $0.65 for credits, increasing their yield to more than 10 percent and making the projects more attractive investments; and/or

- Utilizing MTW Funds to fill the gap created by lower tax credit pricing to the extent that it cannot be filled by DCA TCAP funds. These funds will be provided on a pro rata basis established by the percentage of affordable units (public housing-assisted and/or PBRA-assisted and other tax credit).



"I love my home because it's wonderful.
I have my own space and my kids get to run around in my big back yard.
My home means to me safety, love, respect and togetherness."
*** Vonda Mosley ***

PART II: REVITALIZATION PROGRAM

The FY 2010 MTW Implementation Plan will continue to focus on repositioning all of its conventional public housing developments into market-rate, mixed-use, mixed-income communities. For the last 12 years, AHA and its private sector development partners have continued to evolve AHA's mixed-income, mixed-finance development model that creates market rate communities, with a seamless affordable component. Such communities are owned by public/private partnerships.

The two critical components of the Revitalization Program are the real estate component and the human development component. The goal of the real estate component is for AHA, in partnership with excellent private sector developers, to create healthy and economically sustainable market rate quality mixed-use, mixed-income communities. The goal of the human development component is to promote, through partnerships with excellent human development firms, economically independent families, educated youth, and healthy, self-sufficient elderly and disabled persons. This section of the Plan relates to the real estate development component; while the Human Development section of this Plan covers those activities that support successful outcomes for families.

Repositioning AHA's public housing developments may involve any one or a combination of the following strategies: (1) major revitalization using HUD funds as seed capital and AHA-owned land, as equity, to attract private sector developer participation and private investment; (2) major revitalization using Project Based Rental Assistance and the value of AHA-owned land as equity to attract private sector developer participation and private investment; (3) sale of AHA-owned land (including land swaps); (4) land banking; and/or (5) acquisitions.

AHA will also continue to enhance its Comprehensive Homeownership Program to assist families in achieving their goals of financial independence and homeownership.

Recognizing the dynamic Atlanta real estate market, AHA will consider and pursue, when appropriate, any attractive opportunity that furthers AHA's strategies, goals and objectives. Because AHA's Revitalization Program is focused on "community building," the scope of the Program is beyond housing. It also includes high performing neighborhood schools, high quality retail and commercial development, green space and other quality of life amenities that make great neighborhoods.

AHA is also looking to substantially upgrade and improve the longer-term public housing developments, which could, where necessary and feasible, involve Revitalization, disposition, demolition, voluntarily conversion or substitution of the type of subsidy of one or more of such developments. AHA may also demolish or dispose of properties for other valid business reasons not associated with its repositioning strategies including, but not limited to, the need to address life, safety and health issues.

All of AHA's longer-term hold conventional public housing-assisted properties are potential candidates for innovative subsidy strategies, rent restructuring or full or partial demolition or disposition in FY 2010. A list of such properties can be found in ***Appendix F***, which includes properties undergoing revitalization. In addition, AHA will, if necessary and feasible, acquire improved or unimproved real estate in its jurisdiction in order to facilitate its revitalization program, support the creation of mixed-use, mixed-income housing opportunities, and support local revitalization initiatives to stabilize local neighborhoods. A listing of properties acquired by AHA is also included under ***Appendix F***.

Real Estate Development and Acquisitions (REDA), which is comprised of Real Estate Development, Real Estate Development Transactions, Homeownership, PBRA Development and Financial Operations, working collaboratively with the Finance, Legal, Asset Management, Intergovernmental Relations, Relocation, Human Development and Real Estate Management Departments, (a) facilitates the repositioning of AHA's distressed public housing communities to mixed-use, mixed-income communities in partnership with private sector developers; (b) manages AHA's revitalization and development grants and contract administration responsibilities; (c) interfaces with public and quasi-public bodies such as City of Atlanta, Atlanta Development Authority, Atlanta Public Schools and Georgia Department of Community Affairs as it relates to redevelopment activities; (d) facilitates the financing mechanisms for the development deals with private sector developers and tax credit equity partners; and (e) manages the front-end development relationship with private developers and owners utilizing AHA's Project Based Rental Assistance Program.

Significance of MTW

The work under the Revitalization Program priority supports the MTW Statutory goal to expand housing opportunities for low-income families while further supporting AHA's vision of "Healthy Mixed-Income Communities". Through its Revitalization Program, AHA is addressing the City of Atlanta's need for additional high quality affordable housing in sustainable and economically integrated environments.

The Restated MTW Agreement has enabled AHA, in partnership with its private sector development partners, to be more responsive and nimble in taking advantage of the dynamic real estate market in metropolitan Atlanta. Using such authorizations, AHA has been able to invest MTW Funds in development deals, which include acquisition, new construction, rehabilitation, demolition, site improvement and the development of commercial facilities; has established its own PBRA program; and has established a streamlined development process. The Restated MTW Agreement also allows AHA to pass on the least restrictive statutory and regulatory requirements as set forth in its Restated MTW Agreement to its strategic partners and providers. Further, AHA has been able to use its authority under its Restated MTW Agreement to redesign HUD's Family Self-Sufficiency Program so that it works more effectively for the participants.

MTW Implementation Protocols – The following three MTW Implementation Protocols have been developed that further articulate the process or methodology AHA will use to further its Business Plan activities and the work of REDA.

Fee-for-Service Methodology – AHA established a fee-for-service methodology for allocating costs to HUD grants and programs for administration and overhead. This approach allows AHA to charge each property, program or grant a fixed fee for administration and corporate costs replacing the cumbersome salary allocation systems traditionally found in public housing agencies. AHA is able to apply the use of this protocol for mixed-finance/HOPE VI projects and other HUD grants and programs. This protocol has been approved by HUD and is included by reference in the Implementation Protocol Updated Reference Chart found in ***Appendix O*** of this Plan.

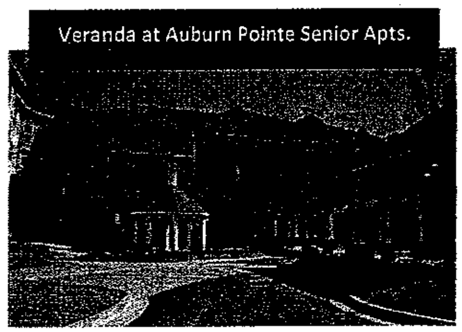
Identity of Interest – This Protocol permits streamlined submission and self-certification by AHA in lieu of obtaining an Identity of Interest waiver from HUD when an affiliate of AHA's procured development partner is the general contractor for a mixed-finance project. This Protocol has also been approved by HUD and is included by reference in the Implementation Protocol Updated Reference Chart found in ***Appendix O*** of this Plan.

Replacement Housing Factor (RHF) Funds – This Protocol outlines the process pursuant to which AHA manages and utilizes RHF funds. In FY 2007, AHA submitted to HUD its RHF Plan which accumulated RHF awards from Federal Fiscal Years 2003-2007. These funds will be used to support the revitalization of Grady Homes and McDaniel Glenn.

AHA intends to submit a revised RHF Plan to HUD during its 4th quarter of FY 2009 in order to use such funds to advance the Harris Homes revitalization. During its 2008 Fiscal Year, AHA submitted to HUD a plan for second tier RHF Funds received in HUD Funding Year 2008 which provides the plans to further advance AHA's revitalization activities. AHA also developed and submitted to HUD for review and approval a Replacement Housing Factor – Obligation and Expenditure Implementation Protocol which is also included in this Plan submission under ***Appendix O***.

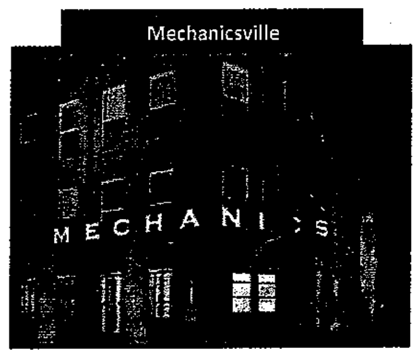
Supporting Activities

During FY 2010, AHA will continue to further advance its Revitalization Program.

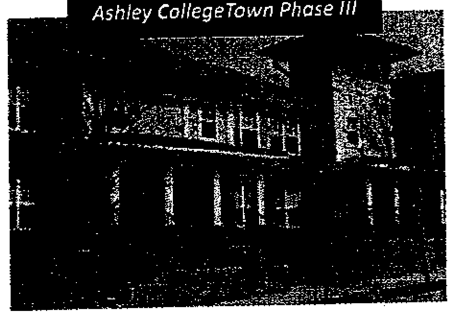


Revitalization Activities – During FY 2010, in partnership with excellent private sector developers, AHA will continue transforming conventional public housing developments into economically sustainable, market rate quality, mixed-use, mixed-income communities. Each of the Master Plans for the communities undergoing revitalization incorporates a vision for (1) re-integrating the revitalized communities with the surrounding neighborhoods; (2) incorporating great recreational facilities and green space; (3) upscale retail and commercial activities; and (4) high performing neighborhood schools. There are six major HOPE VI revitalization projects underway in various stages of development:

1. **Auburn Pointe** (Grady Homes Revitalization, which includes the revitalization of Antoine Graves and Graves Annex senior high-rises and University Homes)
2. **Capitol Gateway** (Capitol Homes Revitalization)
3. **CollegeTown at West End** (Harris Homes Revitalization, which includes the revitalization of John O. Chiles main building and John O. Chiles Annex)
4. **Mechanicsville** (McDaniel Glenn Revitalization, which includes the revitalization of McDaniel Glenn Annex buildings and Martin Luther King Jr. senior high-rise)
5. **The Villages at Carver** (Carver Homes Revitalization)
6. **West Highlands at Heman E. Perry Boulevard** (Perry Homes Revitalization)



The on-site phases of mixed-income, multi-family rental housing at each of The Villages at Carver, West Highlands, Capitol Gateway and McDaniel Glenn have been completed. Given current real estate and financial market conditions, AHA and its development partners are assessing and reviewing our strategies regarding the "for sale" homeownership component of the HOPE VI Revitalization Plans. Consideration is being given to a strategy focused on leveraging the opportunity presented by the availability of excess, high quality "for sale" product that has become more affordable, given the softness in the real estate and financial markets. Rather than adding any new product to the Atlanta market at a time when Atlanta has approximately four years of inventory, including homes undergoing foreclosure, AHA is looking to restructure its down-payment assistance programs and on-site affordable homeownership replacement housing plans to facilitate the purchase by income eligible households of some of the excess inventory. This will create high quality affordable homeownership opportunities for low-income households and help the recovery of the "for sale" single family home market in Atlanta. AHA intends to amend the HOPE VI Revitalization Plans, as appropriate, to implement this revised strategy.

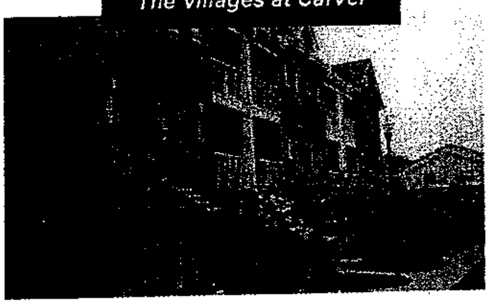


Ashley CollegeTown Phase III

AHA intends to close out the HOPE VI revitalization grants for Carver Homes, Perry Homes and McDaniel Glenn during FY 2009 and FY 2010. AHA is also developing a plan of action to expend Replacement Housing Factor funds with obligation deadlines of December 30, 2009 (FY 2010) to support the revitalization plans for Grady Homes, McDaniel Glenn and Harris Homes.

In its FY 2009, AHA submitted an amendment to the Grady Revitalization Plan to adjust the unit count and update the Master Plan configuration to create a continuum of housing for the elderly on the northeast portion of the site and to locate homeownership on the southeast along Decatur Street. In FY 2009, an amendment to the Harris Homes Revitalization Plan was submitted to HUD to update the unit configuration consistent with actual approved and financed construction. AHA has also submitted to HUD an amendment to the McDaniel Glenn Revitalization Plan to adjust and correct the number of replacement housing units required under the HOPE VI Grant based on the amount of the HOPE VI grant award.

AHA is still awaiting approval from HUD of the Grady, Harris and McDaniel Amendments. In its last quarter of FY 2009, AHA will submit to HUD a further amendment to the McDaniel Glenn Revitalization Plan to revise the Master Plan and unit configuration for the remaining phases of activity. In FY 2010, AHA may submit additional amendments to the Revitalization Plans to reflect a change in strategy to address the volatile market conditions.

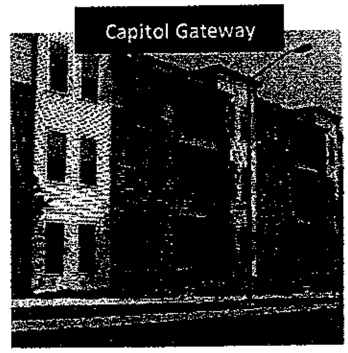


The Villages at Carver

Currently, the demolition of University Homes is underway. The demolition of the Warehouse at McDaniel Glenn will take place in the last quarter of AHA's 2009 Fiscal Year. The demolition of Graves Annex, Antoine Graves Tower, approved under the Grady Homes Revitalization Plan, and the demolition of the MLK Tower, approved under the McDaniel Glenn Revitalization Plan will be completed during AHA's FY 2010.

Acquisitions – As shown under ***Appendix F***, AHA has acquired a number of properties to further its various Revitalization Plan activities. AHA will continue such acquisition activity during its 2010 Fiscal Year.

Proposed Land Swaps – In addition to property acquisitions, AHA is also negotiating land swap transactions with a number of entities to futher support its revatalization efforts. The following highlights the possible land swaps:



Capitol Gateway

AHA and the State of Georgia are in discussions regarding a possible land swap, which transaction would enhance the Capitol Homes revitalization and the State of Georgia's strategic real estate plans.

University Homes Redevelopment

As AHA moves forward with the master planning phase of revitalization of the former University Homes community, AHA is discussing possible land swap transactions with one or more of the Atlanta University Center colleges and universities, with the goals of enhancing the University Homes revitalization and transforming the AUC corridor and neighborhood.

Roosevelt/Palmer High-rise

The revitalization of Palmer and/or Roosevelt senior high-rises may include land swaps to facilitate the development of senior housing in the Centennial Place corridor.

Perry Homes Park Land Swap

AHA and the City of Atlanta are in negotiations related to land swaps to facilitate the development of the West Side Park and the revitalization of Perry Homes.

Harris Homes Land Swap

AHA and the Boys and Girls Club of Metro-Atlanta are in negotiations regarding a possible land swap to further the revitalization of Harris Homes and the relocation of the John H. Harland Boys and Girls Club to a site closer to M. Agnes Jones Elementary school.

Developing Alternative & Supportive Housing Resources – During FY 2010, AHA will continue planning and possible implementation of alternative and supportive housing resources for income eligible families. The proposed initiatives are as follows:

Permanent Designated Housing – AHA, in partnership with private sector developers, will continue to develop alternative service - enriched housing opportunities for seniors and persons with mental and developmental disabilities. A principal goal is to facilitate the development of housing in which the elderly and young mentally disabled can live independently. During AHA's 2006 and 2007 Fiscal Years, Designated Housing Plans were submitted to, and approved by HUD, for Columbia Senior Residences at Mechanicsville and John O. Chiles high-rise main building and John O. Chiles Annex, respectively.

The development of Columbia Senior Residences as an *Elderly Only* facility is part of the McDaniel Glenn Revitalization Plan. This new senior development was completed in December 2008 and offers 155 independent living units for the elderly. The revitalization of John O. Chiles and Annex is part of the Harris Homes Revitalization Plan. AHA and its private sector development partners have comprehensively renovated the John O. Chiles main building to market rate quality standards and now provides 190 independent living units exclusively for elderly persons. The Annex is designated as *Disabled Only* supportive services housing and when completed in the 4th quarter of FY 2009 will offer 26 units of service enriched-housing for persons with mental and developmental disabilities. The John O. Chiles Annex will serve as a pilot program to develop best practices for service-enriched supportive housing.

John O. Chiles Annex Supportive Housing Pilot – In collaboration with the Integral Group, this pilot program will provide comprehensive intensive supportive services targeted to populations with developmental and mental disabilities who struggle to retain stable housing. By providing people with special needs a way to connect to various in-home services and resources, one of the goals will be to reduce instances where such individuals will require emergency public services. Residents will be assisted with establishing and maintaining connections to their service providers within the community and will have the benefit of staff that will coordinate the following services:

- Assistance with housekeeping and laundry services
- Medication reminders and/or help with medications
- Securing assistance with "Activities of Daily Living" (ADLs) including personal care, and meals
- Transportation
- Health monitoring
- Care / Case management
- Social and therapeutic activities and recreation
- Appropriately trained security

The goals and objectives for the revitalized John O. Chiles Annex supportive housing pilot will be the integration of persons with mental and developmental into the larger community, enhancing the ability of such persons to live independently, accessibility to needed services, and affordability.

Affordable Assisted Living Demonstration – During FY 2008, AHA began exploring strategies for developing affordable assisted living opportunities for low-income seniors and persons with disabilities. These strategies included examining ways to leverage resources with Medicaid waivers or other service funding and exploring ways to use Section 8 project-based rental assistance, Low Income Housing Tax Credits and other financial resources to create affordable assisted living models at AHA-sponsored mixed-income communities. During FY 2010, AHA will utilize a skilled and knowledgeable procured contractor to assist AHA with moving this demonstration forward.

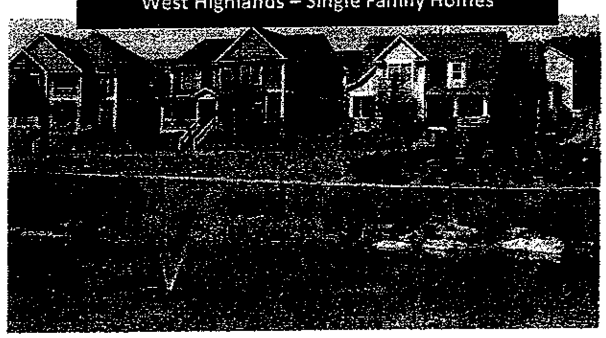
QLI Redevelopment – As described under the Quality of Life Initiative after families have successfully relocated from the QLI properties, AHA will demolish the existing structures and conduct a competitive procurement process to engage private sector developers to develop mixed-use, mixed-income communities on the vacated sites. If AHA determines to sell all or a portion of the vacated sites, the sale proceeds will be used to further AHA's mission and vision. All of the Phase I properties under QLI have been demolished (See the *Quality of Life Initiative* section of this Plan for the listing of Phase I communities). During AHA's 2009 and 2010 Fiscal Years, AHA will establish the development and financial goals and objectives and a prioritization schedule for all the QLI-impacted properties. The timing of the request for proposals will be driven by the conditions in the Atlanta real estate and financial markets.

Re-occupancy Process – During FY 2010, AHA will continue conducting the re-occupancy relocation of households returning to revitalized communities. In support of this, AHA will improve the functionality and reporting of the Consolidated Relocation Management System (CRMS) allowing REDA and Relocation staff to more accurately and effectively track re-occupancy residents.

Comprehensive Homeownership Program

During FY 2010, AHA will continue implementing its Comprehensive Homeownership Program which facilitates low to moderate income families in becoming successful homeowners and develops affordable homeownership opportunities in healthy, mixed-income communities utilizing three different approaches.

West Highlands – Single Family Homes



HOPE VI Homeownership Down Payment Assistance – An objective of the HOPE VI Homeownership Program is to provide a subordinate loan to low and moderate income first-time home buyers to reduce the principal amount of the first mortgage and thus, reduce their monthly housing costs so they can qualify for a private mortgage.

Eligible participants must undergo a rigorous review that is designed to evaluate a participant's preparedness in successfully purchasing and owning a home. The initial screening for the Comprehensive Homeownership program requires that qualified applicants meet the following criteria:

- Household income must be at or below 80 - 115% of Metropolitan Area Median Income, depending on the HOPE VI grant being utilized
- Applicants must not have owned a home within the last 18 months [1]
- Applicants must attend homebuyer's education classes
- The applicant should provide minimum down payment of 3% with no less than $1,000 from buyers own funds
- Be able to verify a minimum of two (2) months PITI (principal, interest, taxes and insurance) cash reserves after closing
- Debt-to-income ratio should not exceed 46%
- Loan-to-value ratio should not exceed 100%
- The applicant must occupy the home as their primary residence

Homebuyer readiness is gauged using an evaluation process that serves as a barometer against the lender's requirements. AHA has an internal Loan Review Committee, who examines the proposed buyer's information and makes recommendations on approval (or denial) of subsidy assistance.

Given the adverse conditions in the housing and financial markets, homeownership development tied to AHA's revitalization activities are being re-evaluated and may be restructured as discussed earlier in this Section.

Housing Choice Voucher Homeownership Mortgage Payment Assistance Program – The Housing Choice Voucher Homeownership Program began in 2002 with the first loan closing occurring in 2003. During the six years this program has been active, AHA has provided mortgage payment assistance to 81 Housing Choice clients.

During FY 2008, AHA began to re-structure its policies, procedures and implementation of the Housing Choice Voucher Homeownership Program. The program is being re-engineered with new eligibility benchmark criteria established for participants, new underwriting criteria, and the establishment of a Mortgage Payment Assistance Review Committee, which will evaluate and assess new participants' financial ability to become a homeowner. AHA has also taken care to carefully

[1] AHA's definition for "first-time" homebuyers.

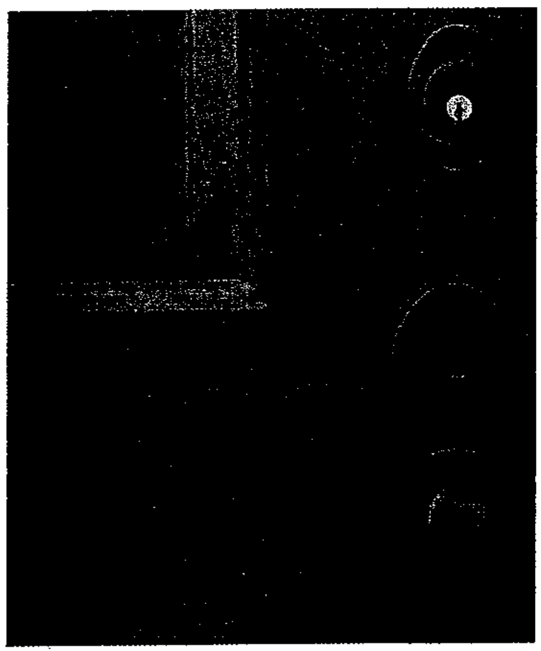
modify some of the HCV Homeownership policies to raise its standards to improve long-term success. Implementation of the re-structured program will be fully launched during the 4th quarter of FY 2009.

Homeownership/ Self-Sufficiency – During FY 2008, AHA began re-engineering the former HUD Family Self-Sufficiency (FSS) Program developing a new, locally designed and simplified FSS Program, utilizing the authority under AHA's Restated MTW Agreement. This program is now referred to as Homeownership Self-Sufficiency (HSS) and is a component of AHA's Comprehensive Homeownership Program.

One policy modification completed in FY 2009 was the development of a Housing Choice Homeownership Program Policy Statement in the Statement of Housing Choice Policies (See ***Appendix Q***, Part XVI of this Policy document). Consistent with this Policy Statement, participants who qualified, were allowed additional time (longer than the traditional FSS program requirements) to continue to participate in the Program.

AHA's newly minted HSS program provides comprehensive support and case management for 19 HSS families in the areas of financial literary and employment counseling.

The HSS families currently have escrow account balances that range from approximately $200 - $36,000; from which funds are disbursed upon attainment of homeownership or other self sufficiency goals. Additionally, the HSS Program has utilized escrow funds to assist HSS families with financial literacy, credit repair, job training, educational, and hardship purposes. In FY 2010, AHA will continue to work with these 19 participants to assist them in attaining financial independence and self sufficiency and to purchase a home, if desirable and feasible.



"Home means a dream. I never thought I could have my own home, but, once I got into the program and relocated, I found my home and now I am happy – because it is mine!"

Sonya Wright

The Quality of Life Initiative is a multi-departmental and collaborative effort of AHA. The Relocation Services and Resident Services departments, Housing Choice Voucher Administration, Real Estate Management and the Private Management Companies ("PMCOs"), which manage the AHA-owned public housing developments, are implementing the supporting activities under QLI. The primary objective of the departments and the PMCOs is to provide a seamless effort in all aspects of the clients' relocation experience, including helping clients to identify and secure quality housing and ensuring the timely processing of paperwork for their move and resettlement. Resident Services further supports the "client touch" by developing and implementing client training programs, managing the human services provider contract and brokering community partnerships that promote client economic self-sufficiency and family success. AHA has hired professional human development services firms to provide individual coaching and counseling to each and every QLI-affected household for a 27-month period to ensure successful outcomes.

Significance of MTW

Using its authority under the Restated MTW Agreement, AHA has improved its financial position as a result of changing the composition and mix of its portfolio and demolishing AHA-owned distressed and obsolete public housing developments, thereby substantially reducing the operating and capital costs associated with managing these troubled properties. Additionally, AHA has applied for and received Housing Choice vouchers to support the relocation of affected households, and to replace a portion of the demolished housing units that are otherwise not funded and replaced through the development of mixed-income communities. AHA has used its MTW Funds to pay for QLI related activities including relocation, demolition and disposition, planning costs and human development services.

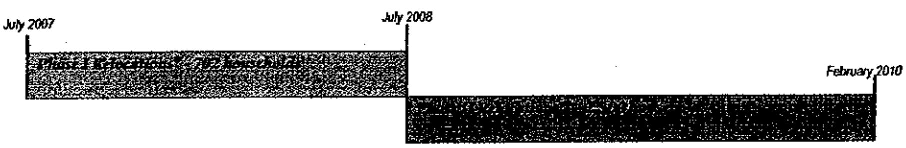
Supporting Activities

In order to ensure the success of relocating families, AHA has facilitated the provision of professional family-based human development and support services, connectivity to quality, community-based service providers and a number of placed-based and people-based de-concentration strategies as described under the Human Development and Housing Choice Voucher Program sections of this Plan. The following describes a number of specific activities that are being implemented to compliment the QLI relocation efforts to help families as they begin their transition out of public housing into quality, mixed-income living environments.

PART III: QUALITY OF LIFE INITIATIVE

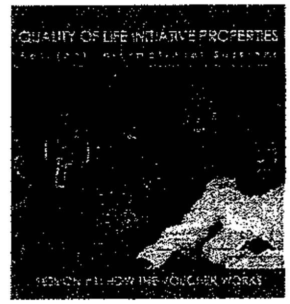
Initiated in FY 2007, AHA's Quality of Life Initiative (QLI) was designed to empower households in 12 AHA-owned obsolete and distressed public housing developments to relocate to higher quality, lesser impacted communities primarily using tenant based housing choice vouchers. The 12 targeted developments under QLI include 10 family communities- Bankhead Courts, Bowen Homes, Englewood Manor, Herndon Homes, Hollywood Courts, Jonesboro North, Jonesboro South, Leila Valley, Thomasville Heights and U-Rescue Villa and two senior developments- Palmer House and Roosevelt House. HUD has approved the demolition applications for all 12 developments. After relocation has been successfully completed, AHA will demolish the buildings and related infrastructure. Subject to conditions in the real estate and financial markets, AHA will solicit developers and investors, through a competitive process, for proposals to develop mixed-use, mixed-income communities on the sites.

Upon completion of the relocation phases of QLI, approximately 3,000 families will have successfully relocated as highlighted below:



***Phase I Relocations:** *Englewood Manor, Jonesboro North, Jonesboro South, Leila Valley and U-Rescue Villa*
****Phase II Relocations:** *Bankhead Courts, Bowen Homes, Herndon Homes, Hollywood Court, Palmer House, Roosevelt House, and Thomasville Heights*

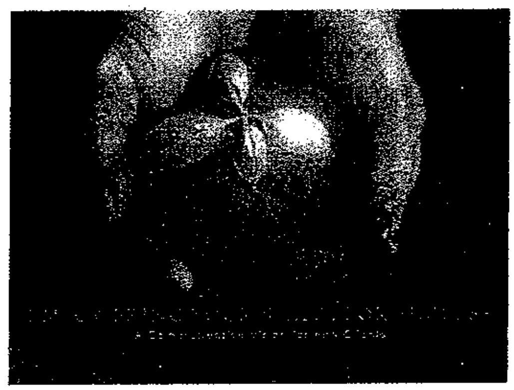
Since beginning Phase I of QLI relocations in early FY 2008, all eligible households have successfully relocated to better quality living environments, with 69% of those households choosing to remain in the city of Atlanta. Demolition of the five Phase I QLI properties has been successfully completed. During FY 2009, after receipt of all required HUD approvals, AHA began implementing Phase II of the QLI relocations which will continue into FY 2010, with completion scheduled well before June 30, 2010. When Phase II of the QLI relocation is completed, AHA will no longer own or operate any large family public housing developments; thereby ending the era of warehousing low-income families in isolated distressed and obsolete public housing projects. ***Appendix J*** provides a QLI fact sheet which includes the percentage of the Phase II relocations completed (by community) at the date of this Plan.



Human Development and Support Services – AHA will continue to invest and facilitate coaching and counseling services provided by professional human development services firms to each QLI affected household during pre- and post-relocation. This support is provided for 27- months with activities focused on (a) the household's successful transition into better neighborhoods; (b) sustained participation in the workforce and economic self-sufficiency programs and (c) achievement of personal goals.

Client Education Seminars[1] – Beginning in FY 2008, AHA began providing a variety of educational seminars to families in advance of relocation to include training for success in the Housing Choice Voucher Program, tips and tools on ensuring a successful move, adjusting to a new environment and utility seminars to educate families on conservation and managing their budgets.

During FY 2009 and FY 2010, AHA will continue offering client seminars and the "Empowering Your S.E.L.F. for Success" training during pre- and post-relocation. The comprehensive training uses the acronym S.E.L.F to describe its goals for the clients:



***S**elf-sufficient* individuals and families focused on building generational wealth

***E**ducation* to improve the quality of life for you and your children

***L**iving* Environment building on self-pride, program compliance and becoming productive citizens

***F**ocus* on life-long learning and continuous self-improvement

S.E.L.F. is complementary to other human and support services reinforcing the concept of self improvement and empowerment. Training topics will be offered along the various aspects of S.E.L.F. with messaging and communication delivered regularly in an all-inspiring and powerful manner. AHA staff and key community partners will also be engaged in on-going S.E.L.F training so they, too, will be equipped with current tools and approaches to facilitate client empowerment and success.

[1] Previously referred to as Pre-Relocation Client Education.

Responsible Relocation – AHA's collaborative multi-departmental relocation team will continue providing families with the tools to make informed choices about the best housing opportunities for their family. Such opportunities include transfers to longer-term hold AHA high-rise communities (for seniors and disabled residents); moving to privately owned mixed-income rental communities which have AHA Project Based Rental Assistance for a specified percentage of the units; and utilization of tenant based vouchers in the location of their choice. The multi-departmental relocation team works to facilitate a seamless process for relocating clients as it relates to identifying quality living environments, timely property inspections, Resident Tenancy Approvals (RTAs), Housing Assistance Payments (HAP) processing, and the provision of moving and other assistance and support. AHA will also continue to improve the functionality of its Consolidated Relocation Management System (CRMS) to enhance relocation staff and client tracking and reporting.

PART IV:
PROJECT BASED RENTAL ASSISTANCE AS A DEVELOPMENT TOOL

During FY 2010, AHA will continue its Project Based Rental Assistance (PBRA) priority initiative to expand the availability of quality, affordable housing in healthy mixed-income communities in metro-Atlanta. The goals for this initiative are to facilitate (a) housing opportunities for families in healthy mixed-income communities; (b) development of housing for the elderly; (c) development of supportive services housing for disabled persons and other transitional housing; and (d) the expansion of housing opportunities in areas of low poverty. PBRA helps to achieve these goals through a long-term contractual arrangement with private sector owners by agreeing to provide for up to ten years a rental subsidy to an agreed percentage of units in upscale multifamily rental developments. Rental Subsidy makes those rental units affordable to income eligible households, including families, elderly persons and persons with disabilities. Unlike the Housing Choice tenant-based voucher program where the rental subsidy follows the voucher holder in the event they should move, PBRA stays with the property ensuring the affordability of rental units and fostering the sustainability of the multifamily development over the term of the PBRA agreement.

Using a competitive process to ensure the quality of PBRA projects, AHA issues a request for proposals (RFP) from experienced developers/owners of multi-family rental developments. For those proposals chosen in accordance with the PBRA selection criteria, AHA issues a conditional PBRA commitment to the developer/owner. Upon delivery of the project in accordance with the approved proposal and the terms and conditions of the PBRA commitment, AHA and the developer/owner enter into a long-term (for a period up to 10 years as stipulated by AHA in the RFP) PBRA agreement. The PBRA agreement may be renewed by AHA if certain conditions are met.

The property types considered in the PBRA program include:

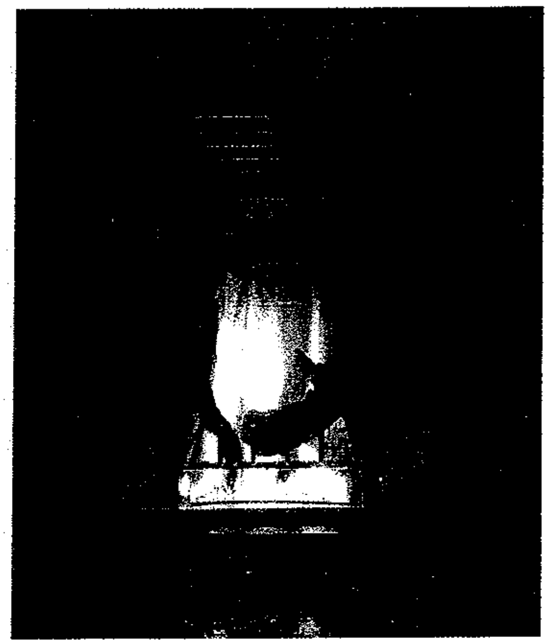
New Construction: Properties defined as new construction are those in which a conceptual design has been developed but no construction has commenced;

Rehabilitation: Properties defined as "substantial rehabilitation" are existing properties in which the average per unit rehabilitation hard costs equals or exceeds $20,000 for properties 20 years old or less and the average per unit rehabilitation hard costs equals or exceeds $25,000 for properties that exceed 20 years old.

Existing: Properties defined as Existing are high quality multifamily developments that are well-maintained requiring no additional rehabilitation, professionally managed and were either (a) constructed within 10 years of the date of the RFP, and meet all of AHA's inspection, accessibility and site and neighborhood standards; (b) constructed over 10 years but within 20 years before the date of the RFP, have been substantially rehabilitated within the past five years with average rehabilitation hard costs equal to or greater than $20,000 per unit and meet all of AHA's inspection, accessibility and site and neighborhood standards; and (c) constructed over 20 years before the date of the RFP, have been substantially rehabilitated within the past five years with average rehabilitation hard costs equal to or greater than $25,000 per unit and meet all of AHA's inspection, accessibility and site and neighborhood standards.

The PBRA program is managed by AHA's Real Estate Development and Acquisitions Division (REDA) during solicitation and development phases and by the Asset Management after construction completion and the properties enter the operating phase. Among other things, REDA manages all aspects of the prospective developer/owner relationship leading up to the execution of the PBRA Agreement. This includes the PBRA solicitation and evaluation process; monitoring of any development or rehabilitation activities at the proposed property; reviews of the financing structure that supports the development to include subsidy layering reviews; and issuance of a Commitment Letter for PBRA assistance once AHA's Board approves the project. The commitment letter evidences AHA's intent to provide rental assistance to the property once agreed upon conditions have been met.

REDA works closely with the Asset Management Division with respect to coordination of market rent reviews and stabilization tasks relating to permanent loan phase conversion and associated fees (as applicable), the establishment of site-based administration and the training of property management staff. At the point AHA is ready to execute a PBRA agreement with the owner entity, the relationship is turned over to the Asset Management Division. The Asset Management Division oversees the execution of the PBRA agreement between AHA and the owner entity, which documents the terms and conditions of the PBRA arrangement, including the on-going requirements for PBRA site-based administration. (See Section *Asset Management priority* for more information on PBRA site-based administration).



"I love my home because it's warm and loving and it's our castle."
*** Vonda Mosley ***

Significance of MTW

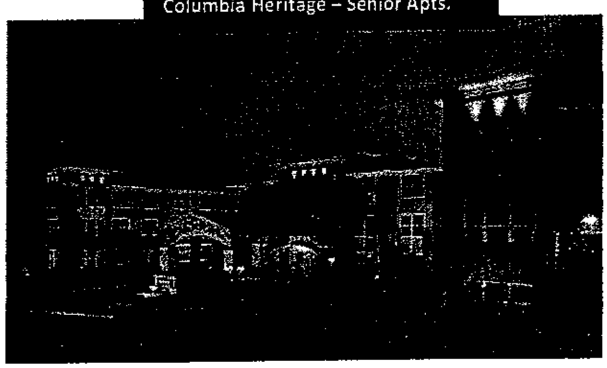
Using its Restated MTW Agreement authorizations, AHA has designed its own PBRA program, with the goal of making the program attractive to the local Atlanta real estate development professionals. Leveraging its MTW authority, AHA has been able to use PBRA as an incentive for the development of quality affordable housing in mixed-income communites as stated in the goals above; establish contract rents based on third party market rent studies approved by AHA removing fixed payment standards as a consideration; develop its own site and neighborhood standards; exceed the limitation on the percentage of Housing Choice Voucher funding that can be utilized for PBRA; and decentralize the administration of the program through site-based administration of PBRA by the owners, through their private management company professionals at the property.

AHA will continue to use its Restated MTW Agreement authority during FY 2010 to further develop and enhance its PBRA program and will implement activities and develop processes and procedures consistent with this authority and as changes in the local housing market, financial conditions, developer property owner participation dictates.

Supporting Activities

During FY 2010, AHA will be continuing the following activities as part of the implementation of this major priority.

Columbia Heritage – Senior Apts.



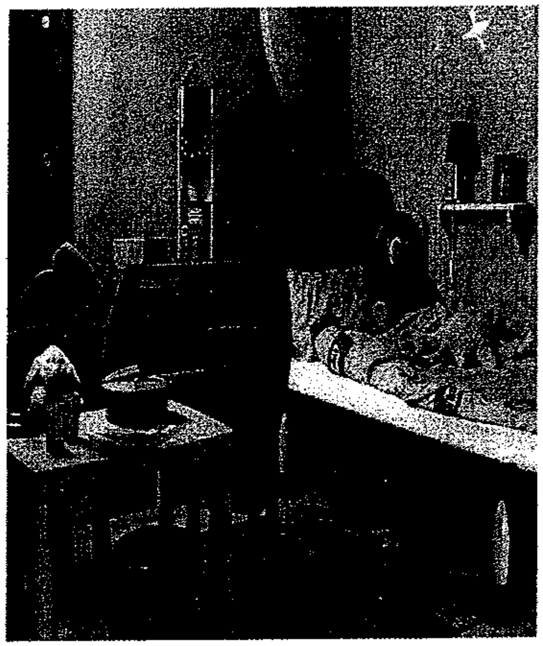
Project Based Rental Assistance inside of Mixed Income Communities – Through a competitive process, AHA will solicit private developers and owners interested in reserving a percentage of their multi-family rental units for at least ten years through AHA's PBRA program. Commitments for PBRA may be extended after the 10-year term after meeting agreed upon conditions. AHA has over 3,500 multi-family units either committed or under PBRA Agreements with private owners to provide housing for families, seniors and persons with special needs. AHA will continue to use this strategy to expand the availability of quality affordable housing in healthy, mixed-income communities.

Project Based Rental Assistance Regional Expansion Program – AHA will continue to negotiate Intergovernmental Agreements with various PHAs or local governments in the Atlanta metropolitan area, subject to the provisions of State law, to permit site-based administration of AHA's PBRA Program in those jurisdictions. AHA administers PBRA within the City of Atlanta limits (AHA's jurisdiction) and may provide PBRA assistance to properties in adjacent jurisdictions, provided an Intergovernmental Agreement is entered thereby authorizing AHA to administer PBRA within that jurisdiction.

Project Based Rental Assistance Special Needs Demonstration Program – In support of the Mayor's Regional Commission on Homelessness, whose goal is to end homelessness in the City of Atlanta, AHA has established a Homeless Demonstration Program in collaboration with United Way of Metropolitan Atlanta, Inc. that utilizes PBRA to facilitate the development of supportive services housing for homeless persons by private sector developers. Under this demonstration, AHA will solicit proposals from owners for PBRA who can ensure the delivery of supportive services to the homeless residing in their properties. PBRA commitments with developers/owners are made for a term consistent with the period that funding for supportive services are in place.

At June 30, 2008 there were 275 units under PBRA agreement and another 116 units committed. During FY 2010, AHA will continue to solicit proposals from housing providers who have partnered with United Way-approved service providers for the delivery of supportive services.

AHA will continue soliciting proposals from developers/owners of multifamily developments that provide housing to persons with mental health disabilities who can provide evidence of a supportive services agreement with a United Way-approved service provider. At June 30, 2008, AHA had 93 PBRA-assisted units under commitment serving this population.



"I love my home because it's filled with love, laughter and appreciation of my kids."
Tracie Rander

During FY 2010, AHA will continue the transformation of its Housing Choice Tenant Based Voucher Program into a world class operation focusing on the goals of identifying quality affordable housing opportunities in healthy neighborhoods; streamlining its internal business processes and systems, operations and service delivery utilizing its Moving To Work flexibility to reduce the financial and administrative burden of managing the program; creating incentives for families to achieve and maintain economic independence, improved quality of life and self-sufficiency; and, developing greater acceptance of the program in Atlanta communities and neighborhoods. AHA is also working to expand its relationship with the private market through creative outreach to Landlords, with the goals of improving the quality of the product for AHA clients, improving customer relations and increasing accountability with Participants and Landlord/Property Owners. Just as AHA has changed the face of affordable housing, Housing Choice must also undergo a transition to private sector principles and the operational discipline necessary to enhance the long-term sustainability of the program.

PART V: RE-ENGINEERING THE HOUSING CHOICE VOUCHER PROGRAM

Significance of MTW

As a core guiding principle, AHA believes that families using housing choice vouchers must not move from "vertical ghettos" to "horizontal ghettos." With the authority under its Restated MTW Agreement, AHA has been able to design and implement reforms to its Housing Choice Voucher Program so that income eligible families can use housing choice vouchers to live in lower poverty, opportunity-enriched neighborhoods, while continuing to pay no more than 30% of their adjusted income towards rent and utilities. These reforms are listed in the Executive Summary to the Plan and discussed in greater detail in this Section.

Under its Restated MTW Agreement, AHA is able to establish its own Housing Choice Voucher Program using innovation to determine program components such as reasonable contract rents and increases, lease length and reissuance policies, inspections standards, waiting list procedures, rent reasonableness and adjustments to the housing assistance payment. AHA can also revise its programs, services and terms available to landlords and other housing authorities to insure availability of affordable, high quality units for its participants. AHA's Single Fund Budget allows Housing Choice to further advance its work in terms of improved resource allocation for departmental operations, enhanced technology-based solutions that improve internal processes and service delivery to clients and expanded marketing capabilities, incentives and resources to attract and retain relationships with highly experienced Landlords. AHA is also able to enforce higher accountability and responsibility in clients' participation in work and self-sufficiency programs and allocate funding for the provision of self-sufficiency programs and activities that further educate and empower participants. In addition to implementing new reforms which promote client self-sufficiency and improved quality of life, AHA is also implementing the following reform initiatives in establishing its Housing Choice program in order to address issues in the local Atlanta market:

30% of Adjusted Income – To resolve the affordability issue that allows families newly admitted into the Housing Choice program and those who are moving to new units to pay up to 40% of their adjusted income for rent and utilities for the initial lease term and to pay an even higher percentage of adjusted income upon renewal, AHA created the 30% of Adjusted Income initiative using its authority under its Restated MTW Agreement to stabilize total tenant payments in recognition of the financially fragile situation of low income families. In order to preserve housing affordability for participants of the Housing Choice program, the total tenant payment of participants, unless subject to AHA's minimum rent, will be no more than 30% of the house hold's monthly adjusted income for rent and utilities. Especially important is the fact that this initiative ensures that the financial arrangement of former public housing families who relocated through the Housing Choice program will be no different than the financial arrangement they had as public housing residents. This initiative provides stability for all Housing Choice participants by setting the total tenant payment in line with family expectations and affords participants with further opportunities to progress to better neighborhoods of their choice.

AHA Payment Standards – AHA identified the limitations that HUD's Fair Market Rents placed on AHA's ability to maximize the use of the Housing Choice program to support strategies that promote the deconcentration of poverty, expand and broaden affordable rental housing opportunities, enhance opportunities for the development of affordable rental housing and provide better access to alternative housing that support the needs of the elderly and persons with disabilities. Using its authority under its Restated MTW Agreement, AHA conducted an analysis of the submarkets in the City of Atlanta and the equivalent market rents in those submarkets in order to develop and implement the AHA Payment Standards.

The AHA Payment Standards, updated annually, are based on data derived from a variety of resources including, but not limited to, market rent studies (whether conducted by Atlanta Housing Authority or other public or private entities), HUD Fair Market Rent data for Atlanta and/or other comparable metropolitan markets, private sector databases, academic and other empirical studies, and regional economic forecasts. The AHA Payment Standards replace the HUD Fair Market Rents thus eliminating the financial barriers families have in conducting their housing search. This initiative combined with the 30% of Adjusted Income initiative provide Housing Choice participants with additional financial leverage to broaden their ability to lease affordable, quality housing of their choice in great neighborhoods.

Rent Reasonableness – AHA intentionally moved the approval of Housing Choice contract rents from Housing Choice Operations to the Asset Management Division. As a process improvement measure, moving Housing Choice contract rent negotiations and determinations away from Housing Choice Operations, the managers of all ongoing landlord relationships, adds a higher level of internal controls and takes advantage of internal expertise. AHA believes that rent reasonableness determinations of rental housing units leased under the Housing Choice program must be thoughtful and in line with market equivalent rents for the market area of any assisted unit. AHA also believes that professionals with the requisite real estate expertise should be making the final determination with respect to Housing Choice contract rents. To make such determinations, Asset Management will be relying on its own analysis of quality market data and research outputs on leased units that have been independently verified, reviewed and analyzed by an external third-party firm with a national presence with local data collection and due diligence capacity.

These due diligence processes are essential and critical elements supporting the accuracy and integrity of rent reasonableness determinations. To improve AHA's rent reasonableness determinations, AHA will establish a web-based rent reasonableness system that will incorporate the best of three components; relationship management in Housing Choice Operations, internal real estate analytics and market rent expertise in the Asset Management Division and the external capacity of a firm driven by its due diligence processes to provide validated, quality market data. The value added outcome will be the consistency and stabilization of Housing Choice contract rents in line with the rental market.

Leasing Incentive Fee (LIF) – AHA established the Leasing Incentive Fee to streamline the leasing process and provide an incentive to landlords and private owners to offer quality, rental housing in great neighborhoods to low income families. Used primarily in the past as a relocation strategy, during FY 2010, AHA will expand the use of the LIF to provide additional support to Housing Choice participants in their choices to move to low poverty areas as determined by AHA. The LIF will afford Housing Choice families the opportunity to exercise their choice to move into quality, rental housing in low poverty areas.

Enhanced Inspection Standards – AHA is continuing to re-engineer its Housing Choice Inspections Standards to create an "engine" that will further ensure that Housing Choice Participants have the opportunity to reside in quality living environments including quality housing units and quality neighborhoods. Initially, AHA established higher inspection standards than HUD's Housing Quality Standards with a focus on improving the quality of the units on the Housing Choice Program. During FY 2010, AHA will use MTW innovation to create Housing Choice site and neighborhood standards that consider such quality of life factors as neighborhood amenities, poverty level, school performance, crime level, revitalization activities and access to public transportation and employment opportunities. AHA anticipates that higher inspection standards combined with higher eligibility criteria for Landlords participating on the Housing Choice program will help ensure more stability and higher quality living environments for low income families.

A number of the key reform policies will also continue to be implemented in AHA's Housing Choice Voucher Program, such as Work/Program Participation Requirement, $125 Minimum Rent, Elderly Income Disregard and Rent Simplification which are further described in various sections of this plan.

The supporting activities that follow further illustrate how AHA has used and will use its MTW Authority in developing innovative solutions to local problems.

AHA's Housing Choice Operations Department provides leadership to this priority in the agency. The department provides subsidy so that an "eligible" household can lease a "qualified" dwelling in a "decent" neighborhood at an "agreed" rent that is reasonable given its location, quality, amenities and rent comparables. Some dwellings include utilities; some dwellings do not. AHA provides a utility allowance so that the utilities are affordable to the household. AHA currently services over 9,000 families through its Housing Choice tenant based voucher program.

During FY 2009, AHA further refined its core functional work activity for the department into four primary areas: (1) Participant Services, (2) Landlord Services, (3) Housing Assistance Payments Contracting, and (4) Financial and Business Operations. By utilizing this approach, Housing Choice Operations will foster a more customer-centric focus in the service delivery units and improve cross functional collaboration both within the department, and with other AHA departments. During FY 2010, AHA will implement a number of key priorities aligned to the four core functional areas as follows.

Supporting Activities

During FY 2010, AHA will continue exercising its MTW Authority to re-engineer the Housing Choice Voucher Program focusing on, but not limited to, the following strategic priorities:

Housing Choice Supporting Projects – Participant Services

Starting in FY 2009 and into FY 2010, Housing Choice Operations will make a decisive shift to a customer-focused tenant voucher program by streamlining and enhancing its service delivery to applicants and participants. The Participant Services group will administer the full life cycle of functions from participant relationship management to waitlist administration and processing; intake and eligibility screening; voucher generation and briefing; management of program moves, portability transactions, annual recertification, referral to human services development; and, participant compliance, hearings and terminations. To successfully execute enhancements to these core functions, Housing Choice Operations will place particular emphasis on the following:

- **Policy Changes** – Housing Choice Operations will continue to develop, refine and institute policy, procedures and business processes using the authority under its Restated MTW Agreement in order to address local challenges and barriers to the effective delivery of housing assistance in the Atlanta market. AHA will continue the implementation of rent simplification strategies and further explore policy changes that streamline and improve the operational efficiency of the Program, facilitate greater success of the Participants in Atlanta neighborhoods and improve the quality of the housing and Landlords participating on the Program. During FY 2009, AHA began conducting a step-by-step analysis of HUD regulatory requirements for the Section 8 program, identifying barriers and using MTW innovation to create its own streamlined policies and procedures as a substitution to existing HUD requirements. AHA will continue this work throughout FY 2010.

- **Participant Relationship Management** – Housing Choice Operations will implement strategies to further develop its relationships with participants in order to facilitate self-sufficiency, improve service delivery and ensure their success in economically integrated neighborhoods. Such strategies will include demographic analysis and market segmentation, customer service surveys, educational sessions, enhanced communications involving e-mail and other technology, improved phone and walk-in customer service, improved connections with human services and enhancement of the Participant Advisory Board. Given the tremendous growth of AHA's Housing Choice participant population, AHA will also implement innovative strategies that reduce the administrative burden associated with carrying out annual re-certifications through use of technology, group re-certifications and other methods.

- **Rent Simplification** – In collaboration with other AHA departments, Housing Choice Operations will implement higher AHA Standard Deductions, with the intent of eliminating the costly and labor-intensive burden of collecting and verifying receipts for unreimbursed costs for allowable deductions. This will facilitate operating efficiency, improved customer service, accountability and greater relationship management.

- **Staff Capacity** – AHA will continue building core competencies and skills with in the Housing Choice Operations aligned with the re-engineering of the program. Primary core competencies include but are not limited to statistical and data analysis, financial analysis, real estate contracting, inspections certifications, business intelligence management and transformational leadership. AHA will continue to enhance and further develop its staff so that work responsibilities align with staff core competencies, messaging is consistent and well informed and interactions with its customers and clients are more responsive and timely.

- **Technology Solutions** – Integral to Housing Choice Operation's re-engineering is the enhancement to its information technology infrastructure. In FY 2010, AHA will implement a major system conversion from the DDI (Data Directions Inc.) system to Oracle E-Business Suite. This conversion will allow the consolidation of a number of localized databases and programs to one comprehensive relational system. Phase II of the conversion is also slated to begin the latter part of FY 2010 which will entail further refinement of business processes and enhancements to the Oracle E-Business Suite. An Oracle based records management system for maintaining participant, land lord and property information will also be developed.

  AHA will also further enhance its centralized call center to improve customer service and handling of participant inquiries and business transactions. AHA plans to establish an on-line neighborhood information resource to use both to educate participants as well as for use in implementing enhanced site and neighborhood standards.

Housing Choice Supporting Projects – Landlord Services

Housing Choice Operations is expanding the scope and breadth of its Landlord Services function. AHA intends to move to a private sector business model to enhance relations with prospective and current owners/landlords who interface with the tenant based voucher program. The Landlord Services group will be responsible for landlord relationship management, housing marketing and outreach, landlord briefings and certification, landlord communications, landlord portal and handling landlord phone calls, walk-ins, emails and correspondence. Concurrent to the execution of this operational activity are key emphasis areas:

- **Landlord Relationship Management** - To further build upon its relationship with experienced property owners and landlords participating in the tenant-based voucher program, AHA will continue enhancing its processes and procedures, and where appropriate, develop policies to effectively manage the quality of its landlord pool and units participating on the program. The Landlord Services Group will serve as the primary point of contact for landlords on matters pertaining to their participation in the Housing Choice Voucher Program. Landlord Services will serve as the first point of entry for interested property owners seeking to do business with AHA, and will continue the management of the relationship post execution of the Housing Assistance Payments (HAP) contract in conjunction with the HAP Contracting group described below.

Additionally, this group will continue conducting landlord briefings and trainings and will institute a Landlord Certification requirement to ensure that landlords are fully aware and educated on the Housing Choice Voucher Program requirements. Other relationship building strategies will include demographic analysis and market segmentation, customer service surveys and a Landlord Advisory Board during FY 2010.

- **Technology Solutions** – During FY 2010, AHA will explore consolidation of its Property Owner Application and Request for Tenancy Approval documents into a single Housing Assistance Payments Application for electronic completion and submission via AHA's Landlord Portal, and will establish a state-of-the-art system for educating participants on how to search among the various listings of available housing opportunities. As previously discussed, AHA will also further enhance its centralized call center to improve customer service and handling of landlord inquiries and business transactions, and plans to establish an on-line neighborhood information resource to use both to educate participants as well as for use in implementing enhanced site and neighborhood standards.

Leasing Incentive Fees – Used primarily in the past as a relocation strategy, during FY 2010, AHA will expand the use of the LIF to provide additional support to Housing Choice participants in their choices to move to low poverty areas as determined by AHA. The LIF will afford Housing Choice families the opportunity to exercise their choice to move into quality, rental housing in low poverty areas.

Housing Marketing – AHA will develop and implement an aggressive housing marketing plan to recruit quality units in low poverty areas into AHA's Tenant Based Housing Choice Program during FY 2010. AHA will target experienced landlords and Class A and B multifamily properties in Atlanta's best neighborhoods. This approach is consistent with AHA's deconcentration strategy as set forth in AHA's Statement of Housing Choice Policies included in this plan submission.

Housing Choice Supporting Projects – Housing Assistance Payments Contracting

The Housing Assistance Payments Contracting group will be responsible for the complete life cycle of services necessary to execute a HAP contract with an eligible landlord including receiving property owner / landlord applications, landlord and unit eligibility, requests for tenancy approval processing, QLI / relocation interface, rent determinations and adjustments, HAP Contract development and administration, landlord re-certifications and landlord terminations. Concurrent to the execution of operational activity to owner / landlords, are the following key emphasis areas:

- **Operational Enhancements** – During FY 2010, the HAP Contracting group will focus on making core business process improvements and procedural changes that create a seamless HAP Contracting process. This will include conducting a requirements gathering process to look at all major components in their current state and based on the desired future state understand, refine and institute Housing Choice and other departmental requirements. The group will also focus on improving the system for rent determination/rent reasonableness and rent adjustments. This effort is intended to improve internal controls to promote a seamless system for HAP Contracting processing.

- **Inspections** – Components of AHA's Enhanced Real Estate Inspections systems include: inspections for single family and multifamily that include pre-contract assessments; initial inspections for property inclusion in the Housing Choice Voucher Program; annual property and unit inspections; special inspections as initiated by participant, Landlord or neighbors related to health and safety issues; and Quality Control inspections used to re-inspect properties that have passed or failed previous inspections. During FY 2010, AHA will continue to re-engineer its inspection standards and processes to further align outcomes with AHA's strategic direction and vision of Healthy Mixed - Income Communities.

  As a key component its Enhanced Real Estate Inspections systems, AHA will restructure its site and neighborhood standards in order to establish qualitative standards for units participating in the Housing Choice Voucher Program. These standards will consider such community attributes as school performance, access to quality amenities, services, and schools, and the level of poverty and crime in the surrounding area. In addition, Housing Choice Operations will conduct an analysis and evaluation of properties currently participating on AHA's Housing Choice Voucher Program and develop a strategic approach for transforming its Housing Choice tenant based units portfolio to one that provide quality living environments for Housing Choice Participants more aligned with its strategic direction.

- **Technology Solutions** – Core to the operational enhancements of this group is the requirement to develop or improve its IT solutions and enhanced access to on-line information necessary to screen landlords participating in the program. AHA will make investments in its Housing Choice landlord/vendor database, inspections and pre-HAP contract IT modules to correspond to any procedural or process improvements that will occur during FY 2010.

Housing Choice Supporting Projects – Financial and Business Operations

The transformation of the Housing Choice business model is incomplete without the creation of supporting and enabling infrastructure that can serve as a foundation for AHA's Housing Choice Operations. This component also relates to the community building aspect of the Housing Choice Voucher Program with local stakeholders, and business relationships with other metropolitan area housing authorities in managing ports and the organizational coordination that will be required to support the on-going re-engineering of the department. This will include the following activities:

- **Housing Choice Operating System** – As previously discussed, AHA will complete the transformation of its business systems to one client information system and begin Phase II enhancements toward a world class system during FY 2010.

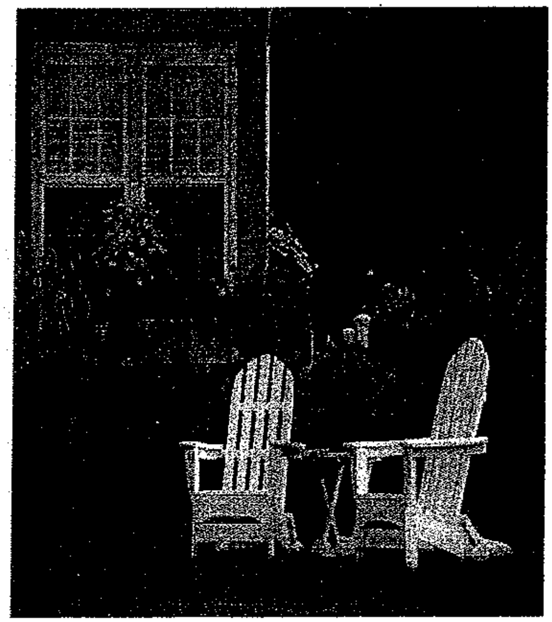
- **Port Administration** – AHA envisions building stronger collaboration and working relationships among metropolitan Atlanta Public Housing Authorities in seamlessly managing over 3,000 porting households participating in its Housing Choice Program. Toward this goal, AHA is working with its PHA partners to establish Intergovernmental Agreements among the agencies and automating port invoicing among PHAs. During FY 2010, AHA plans to use its MTW flexibility to streamline the port management procedures and create greater collaboration in implementing AHA's work/program participation requirement and other policy requirements.

- **AHA4You community meetings** – During FY 2010, AHA will continue to host community meetings in an effort to maintain and build relationships with its stakeholders.

- **Housing Choice Community Advisory Group** – In an effort to further the success of the Housing Choice Tenant Based Program in Atlanta's neighborhoods, AHA will establish a community advisory board aimed at building collaborative relationships among public elected officials, neighborhood leaders, advocacy groups, property owners, law enforcement and Housing Choice participants.

- **Customer Service Contact Center** – During FY 2010, Housing Choice Operations will continue to "power up" and streamline the services offered by its Call Center.

- **Financial Management** – During FY 2010, Housing Choice Operations will continue to strengthen internal controls related to the processing of Housing Assistance Payments to eligible landlords participating in the Housing Choice Program.



"The monetary value of a House is measured by its cost, while the intrinsic value of a Home is measured by the family bond, peace and refuge that it brings - the wise among us know that the two values are inextricable."

Dr. E. Mike Proctor

PART VI: ASSET MANAGEMENT AND POLICY DEVELOPMENT

Asset Management provides strategic oversight and financial management of AHA's assets, real estate investments and facilitates and manages certain strategic and external business relationships on an organizational basis. As a priority activity, asset management functions to further develop and evolve AHA's systems, processes, procedures and staff capacity to create a comprehensive, collaborative and integrated asset management resource for the entire organization with an emphasis on internal and external business relationship management and technology oriented solutions.

The Asset Management and Policy Development Group, comprised of Asset Management, Portfolio Management and Compliance, Valuation and Risk Assessment and Policy Research, facilitates and manages all aspects of the ongoing business relationships with Owner Entities in AHA-sponsored mixed-income communities and private sector developers and owners through the execution of Project Based Rental Assistance (PBRA) Agreements. Additional oversight functions include compliance monitoring activities and fee-based contract administration for federally assisted properties; policy development and advisement; and oversight of program evaluations in coordination with local universities and contracted organizations which include AHA's HOPE VI evaluations and MTW Benchmarking Study.

Significance of MTW

Asset Management is a critical player in designing and implementing a number of reforms utilizing the authority under AHA's Restated MTW Agreement in order to enhance operational efficiency and effectiveness, accountability, integrity and excellence. As a relationship manager, Asset Management ensures that the flexibility and authorizations AHA is able to exercise through its Restated MTW Agreement inures to the benefit of its strategic partners which include the Owner Entities and their professional management companies, and private developers and owners. The Asset Management Group has also developed a number of leasing and occupancy policies, utilizing AHA's authority under the Restated MTW Agreement. Two of those policies, which emphasize client economic self-sufficiency, personal accountability and responsibility, are discussed under AHA's Human Development priority (work/ program participation requirement and Minimum Rent). AHA's Statement of Corporate Policies and Statement of Housing Choice Policies located in

Appendix P and ***Appendix Q*** of this Plan, respectively, provide a comprehensive listing of AHA's leasing and occupancy policies that AHA has implemented that affect Public Housing and Housing Choice-assisted households.

Working collaboratively and in coordination with a number of AHA's Divisions including Finance, Real Estate Development and Acquisitions, Information Technology, Legal and Housing Choice, Asset Management continues to support and drive the seamless delivery of AHA's repositioning, revitalization and investment strategies with the various Owner Entities and private owners to ensure the continued viability and market competitiveness of AHA's portfolio of real estate partnerships and holdings while preserving the investments in low-income housing. This includes the conversion of public housing operating subsidy to Section 8 subsidy as discussed under the Sustaining Mixed-Income Investments and Innovative Subsidy Strategies as well as Private Sector Innovation strategies, as discussed below.

MTW Implementation Protocols – Several MTW Implementation Protocols have been developed that further clarify or articulate the process or methodologies that AHA will use to further its Business Plan activities and the work of Asset Management. These protocols include:

- ***Disposition of Public Housing Operating Subsidy in AHA–Sponsored Mixed – Finance Communities Protocol*** – Provides the process by which AHA will dispose the public housing operating subsidy under Section 9 of the 1937 Act to renewable project based rental assistance under Section 8 of the Act in AHA-sponsored, mixed-income, mixed financed rental communities. This protocol will be resubmitted under separate cover due to the strategic importance of this protocol as a MTW initiative and the need for further detailed discussions between AHA and HUD.

- ***Disposition of Public Housing Operating Subsidy in AHA-Owned Affordable Communities***- Provides the process by which AHA will dispose of the public housing operating subsidy under Section 9 of the 1937 Act to renewable project based rental assistance under Section 8 of the Act in AHA Affordable communities. This protocol will be resubmitted under separate cover due to the strategic importance of this protocol as a MTW initiative and the need for further detailed discussions between AHA and HUD.

- ***Project Based Rental Assistance Developer Selection Criteria Protocol*** – AHA developed a PBRA Developer Selection Criteria Implementation Protocol which describes the process AHA will use for considering developers and owners, through a competitive solicitation process, for participation in the PBRA program. AHA is re-submitting this protocol to HUD under this Plan submission for final approval (Protocol is located in ***Appendix O***).

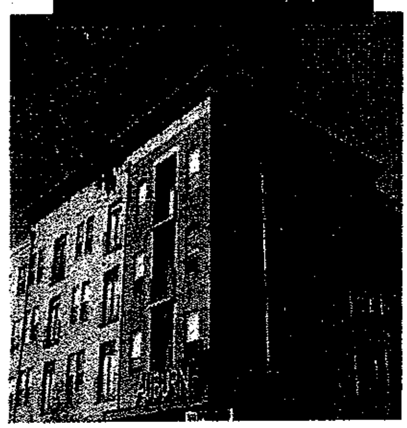
- ***Project Based Rental Assistance Subsidy Layering Review Protocol*** – This is a new MTW Protocol included in this Plan submission for HUD review and approval. This protocol outlines AHA's process for conducting subsidy layering reviews of proposed PBRA-assisted developments, using its MTW Authority, to mitigate excessive federal subsidy tied to a development while complying with HUD's subsidy layering review requirements.

Under the MTW Implementation Protocols section of this Plan is a broader discussion of all the MTW Protocols that AHA has developed in collaboration with HUD.

Supporting Activities

During FY 2010, AHA will continue exercising its authority under the Restated MTW Agreement to further develop and implement processes, procedures, policies, technology solutions and Implementation Protocols in support of this priority and other Business Plan activities.

Auburn Glenn – Family Apts.



Project Based Rental Assistance Site Based Administration

During FY 2008 Project Based Rental Assistance (PBRA) transitioned from Housing Choice Operations to the Asset Management Group as a strategic move to implement PBRA as a MTW initiative independent of the Housing Choice tenant-based program. As cited above, AHA has developed a reasonable process and procedure for project-basing Section 8 leased housing assistance. Consistent with this authorization, AHA initiated a new strategy which provides Project Based Rental Assistance to private developers and owners selected through a competitive procurement process to assist with the financing of affordable units in healthy mixed-income communities. To re-enforce the site-based administration of the PBRA by the Owners of the property, AHA determined to separate the administration of the PBRA Program from the tenant-based housing choice program thereby delineating clear lines of responsibility and accountability.

During FY 2010, AHA will continue enhancing its PBRA site based administration through the development of technology-based solutions to include the further development of its Asset Management Portal and strengthened service delivery strategies with United Way for AHA's PBRA Demonstration Programs.

Private Sector Innovation - The public/private partnerships formed to own AHA-sponsored mixed-income multifamily rental apartment communities (Owner Entities) have been authorized by AHA, through various agreements, to leverage the authority under its Restated MTW Agreement to use innovative private sector approaches to eliminate redundancy or unnecessary activity tied to the Section 9 or Section 8 operating subsidy. AHA's asset management function has been organized with respect to the mixed-income rental communities and the PBRA-assisted communities to take a unified approach focused on items such as subsidy considerations, leasing and occupancy reporting, financial reporting, site-based waiting list management, policy-related matters and compliance and oversight guidance with goal of long-term success and sustainability of these properties. During FY 2010, AHA will work with these Owner Entities to develop a policy document to promote private sector innovation in these communities.

Sustaining Mixed-Income Communities - During FY 2008, using the authority under its Restated MTW Agreement, AHA developed a strategy to convert the public housing operating subsidy at AHA-sponsored mixed-finance, mixed-income communities to PBRA in order to sustain and preserve investments in AHA-assisted units comprising a portion of these multi-family rental communities. Disposing of the Section 9 subsidy during the economic life of the property as it begins to age will enable the Owner Entity to raise new capital to be re-invested in the property to ensure its continued viability and market competitiveness.

During FY 2010, AHA will amend the Regulatory and Operating Agreements and implement an internally payment application invoicing process to execute this strategy. AHA will also continue working with HUD to obtain approval of its Disposition of Public Housing Operating Subsidy and Substituting Renewable PBRA subsidy for the AHA-assisted units in AHA-Sponsored Mixed Finance Communities Protocol for further implementation of this strategy. ***Appendix F*** of this Plan lists mixed-income developments that are candidate properties for this conversion strategy.

Innovative Subsidy Strategies for AHA's Affordable Communities Providing Housing for Seniors and Residents with Disabilities - Similar to the mixed-income community investment strategy above, this supporting activity provides innovative strategies for substituting the Section 9 subsidy arrangement for Renewable PBRA at 13 of AHA's longer-term hold[1] affordable communities (11 senior high-rises and two small family communities). The opportunity for such Affordable communities to achieve long-term viability can only be realized by either removing (through disposition) or restructuring the Section 9 ACCs (Annual Contributions Contract).

This strategy would also enable AHA to generate the income necessary to reinvest in these communities in order to meet the accessibility needs of its residents. During FY 2010, AHA will continue working with

[1] Longer-term hold communities refer to those communities AHA will retain in its real-estate owned portfolio.

Veranda at Collegetown - Senior

HUD to obtain approval of its Disposition of Public Housing Operating Subsidy in AHA-Owned Affordable Communities and Substituting for Renewable PBRA Subsidy Protocol for further implementation of this strategy. ***Appendix F*** of this Plan, lists the longer-term hold communities that are candidate properties for this conversion strategy.

Streamlining Property-Level Operations - The central focus of this initiative is to streamline operating procedures at the property level by examining the various regulatory requirements that are attached to financing and funding development activities and looking for ways to reduce duplication of effort and obsolete systems in meeting requirements in reporting back to HUD and other funding and equity sources. While meeting its due diligence requirements and fulfilling its fiduciary responsibilities, AHA will use a combination of oversight functions internal and external to the organization that will implement compliance procedures sensitive to the various funding sources during FY 2010.

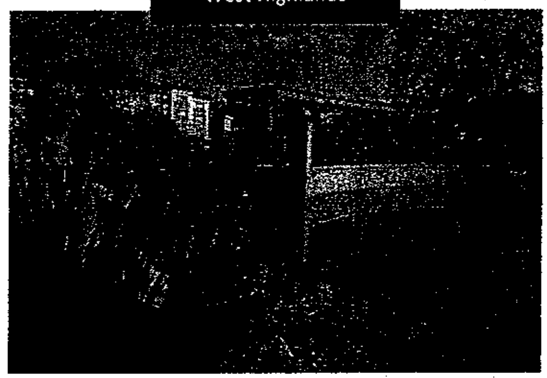
Fee-Based Contract Administration - AHA is a founding member of Georgia HAP Administrators, Inc. (GA HAP), an eleven-agency consortium organized to provide project-based administration services to HUD. AHA earns unrestricted administrative and incentive fees as a subcontractor to GA HAP for conducting management and occupancy reviews.

During FY 2010, AHA will continue to conduct management and occupancy reviews for over 7,400 units located in the City of Atlanta and Fulton County. Additionally, a portion of revenues earned in excess of expenses as a GA HAP subcontractor will continue to be allocated for AHA community and corporate stewardship activities and self-sufficiency programs.

Enhanced Accessibility Initiative - AHA is committed to making its facilities and programs accessible to persons with disabilities. AHA's commitment is reflected in its Accessibility Policies included in its Statement of Corporate Policies Governing the Leasing and Residency of Assisted Apartments (See ***Appendix P***) and pursuant to a Voluntary Compliance Agreement (VCA) with HUD, which is a four-year Agreement effective March 15, 2007. During FY 2010, AHA will continue to fund accessibility improvements at AHA-sponsored mixed-income rental communities.

Rent Simplification - During FY 2008, a policy was established permitting AHA to develop standard deductions for determining adjusted annual incomes in order to calculate the client's contribution toward rent. The goals of rent simplification were established to reduce the labor intensive and costly administrative burden associated with the verification process associated with other deductions, improve operating efficiencies, reduce errors and prevent fraud relating to the failure of assisted households to report accurately their expenses for other deductions. During FY 2009, AHA further implemented this policy by conducting a rent impact analysis and obtaining Board approval on the standard deductions schedule.

West Highlands



During FY 2010, AHA will continue the implementation of its rent simplification strategy. Additionally, as AHA enters into Intergovernmental Agreements with Atlanta metro PHAs to establish business relationships around portability, work/program participation requirement of clients, PBRA, subsidy billing and other matters, AHA will also work to incorporate the rent simplification methodology inside of these Agreements.

Corporate Policies Governing Eligibility, Occupancy and Program Administration

Statement of Corporate Policies Governing the Leasing and Residency of Assisted Apartments (Statement of Corporate Policies) - The Board of Commissioners last adopted Revision Four of AHA's Statement of Corporate Policies or SCP on April 30, 2008 after conducting a properly advertised and noticed public hearing held on April 15, 2008. This revision was included in AHA's submission of its FY 2009 MTW Annual Plan (CATALYST Implementation Plan) to HUD on May 7, 2008. The SCP was updated to clarify established policies and revise existing language, as appropriate, to ensure consistency in rent and occupancy policies governing the public housing and Housing Choice Voucher programs. At the writing of this draft plan, AHA anticipates that similar non-substantive changes will be made for the SCP submission of this FY 2010 Plan. A copy of the SCP is included in ***Appendix P*** of this Plan.

Statement of Policies Governing the Housing Choice Tenant-Based Program (Statement of Housing Choice Policies) - The Board of Commissioners adopted Revision Six of the Statement of Housing Choice Policies on April 30, 2008, along with the SCP above after conducting a public hearing on April 15, 2008. Similar to the SCP above, the Statement of Housing Choice Policies was updated to clarify established policies and revise existing language to ensure consistency between this document and the SCP. Additionally, policy language was included with respect to reasonable accommodations which afford persons with disabilities full participation in the Housing Choice Voucher program and related AHA activities, and added policy language related to the development of special programs.

Subsequent to this approval, AHA's Board adopted Revision Seven of the Statement of Housing Choice Policies on September 3, 2008 to elevate one of AHA's special programs, Housing Choice Homeownership

Program, to have its own policy statement in the Statement of Housing Choice Policies (See ***Appendix Q***, Part XVI of this Policy document). This policy statement is consistent with the discussion of AHA's Comprehensive Homeownership Program covered in the FY 2009 MTW Annual Plan, FY 2008 MTW Annual Report and public hearing held in April 2008.

MTW Benchmarking Study - During FY 2005, AHA engaged Dr. Thomas D. Boston of EuQuant to conduct an independent, longitudinal study of AHA's MTW Program. AHA's goals under MTW is to facilitate access to better housing opportunities, better neighborhoods and great economic self-sufficiency for assisted families and the study measures to the extent to which AHA has achieved these goals. The study will also provide meaningful analysis of family demographic data required by HUD.

So far Dr. Boston has provided to AHA a FY 2006 Baseline Report that was included in AHA's FY 2006 MTW Annual Report and a FY 2008 Interim Report included in AHA's FY 2008 MTW Annual Report. Included in this Annual Plan under *Part XII: MTW Benchmarking Study* section is an economic outlook summary and an update of what will be forthcoming in the FY 2010 Benchmarking Report.

EUQUANT

"A strong community is filled with families that participate in the vitality of the community – where friends know friends and neighbors know neighbors. We look out for one another."

Barney Simms

PART VII: HUMAN DEVELOPMENT

With Human Development being a major priority, AHA will continue to facilitate, through targeted investments and strategic linkages, connections to human services providers for AHA assisted households to ensure healthy outcomes with the goals of achieving (a) economically independent families; (b) educated children; and (c) self-sufficient elderly and persons with disabilities. AHA believes as a direct result of repositioning its properties and investing in the families, in time, the social and behavioral costs resulting from isolating families in concentrated poverty can be eliminated. To ensure that families are successful, AHA has adopted three guiding philosophies that direct its Human Development activities:

1. All families must be served and benefited by Human Development and Support Services Programs, especially during community revitalization;
2. Families who have lived in concentrated poverty must have comprehensive, hands-on support that connects them to mainstream society and new opportunities; and,
3. Human Development and Support Services Programs must be out come driven with the expectation of success for families.

The Resident Services and Community Partnerships Departments manage the supporting activities under this priority. Staff in this division serves as AHA's interface between the clients, strategic partners, service providers and community stakeholders on matters relative to client success and community relations. It is also the core organizational unit working collaboratively with other AHA departments and with community-based partners in designing, implementing and managing client self-sufficiency programs and supportive services.

Significance of MTW

AHA has raised its expectations and standards for assisted households grounded in the belief that all human beings have unlimited potential. AHA believes that repositioning its family communities into mixed-use, mixed-income communities is vital to the long-term success of families and neighborhoods and by using its authority under the Restated MTW Agreement, AHA has been able to implement important policy changes and requirements to inspire and facilitate families in achieving their life goals. Below are highlights of how MTW has enabled AHA to provide an enhanced Human Services component.

Policy Changes - Since the start of its MTW Demonstration, AHA has instituted a number of new leasing policies for assisted households. Some of these policies have self-sufficiency implications which are predicated on two objectives: (a) families must take more personal responsibility, and (b) families must embrace and be held accountable for maintaining quality standards in their new surroundings and be contributing members in these communities. Two specific policies that have been instituted that align with raising expectations and standards for assisted households while promoting economic self-sufficiency are:

- **Work/Program Participation Requirement** – Effective October 1, 2004, AHA's work/program participation policy requires that (a) one non-disabled adult household member (between the age of 18 – 61 years) maintain continuous full-time employment (at least 30 hours per week) and (b) all other non-elderly, non-disabled adults maintain work or participation in a combination of school, job training and/or part-time employment as a condition of the household receiving and maintaining subsidy assistance.

- **$125 Minimum Rent** – Effective October 1, 2004, AHA raised its minimum rent from $25 to $125 under its Public Housing and Housing Choice Programs. Households on fixed incomes, where all members are either elderly or disabled, are exempt from the minimum rent increase and their total tenant payment continues to be based on 30 percent of their adjusted gross incomes. Since implementing this requirement, AHA has seen a steady increase in households paying at or above the minimum rent.

Self-Sufficiency and Support Services - Consistent with its authorizations under the Restated MTW Agreement, AHA has taken advantage of the opportunity to design and develop its own self-sufficiency programs and activities that utilize its MTW single fund authority to support the on-going implementation of these programs. The ability to combine multiple types of HUD funding for use with eligible MTW activities has been germane to the overall success of AHA's self-sufficiency efforts. It affords AHA the ability to implement programs and activities and make targeted investments consistently and uniformly across its Public Housing and Housing Choice programs which was not available to AHA prior to MTW. Some examples of self-sufficiency and support services AHA has instituted that are discussed under this priority include:

- Human Development and Support Services
- Service Provider Network
- Good Neighbor Program II
- CATALYST Resource Guide

- Rapid Response Foreclosure Team
- Empowering S.E.L.F.

Supporting Activities

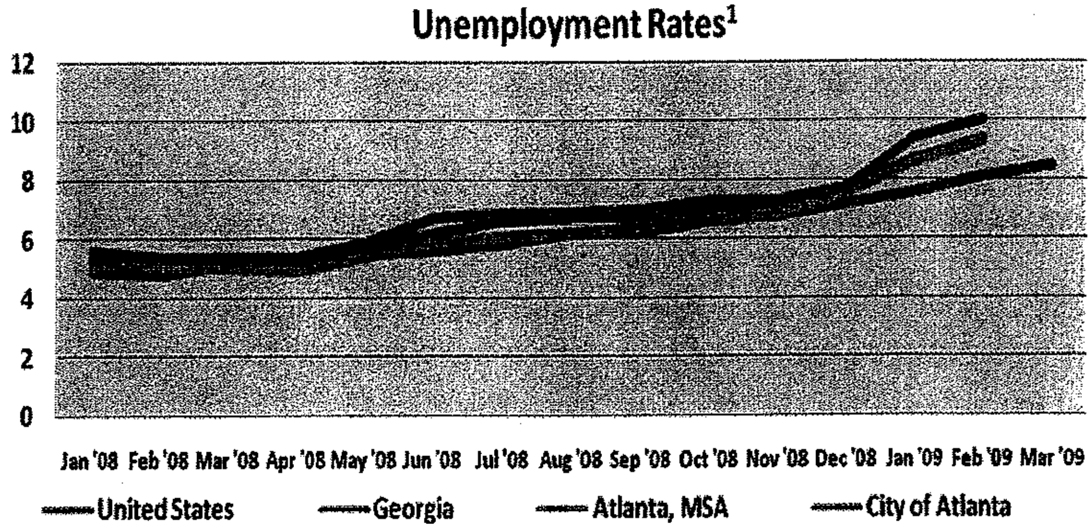
During FY 2010, AHA will continue making substantial investments that support self-sufficiency, client needs, and reduce dependency on subsidy. Using its authority under its Restated MTW Agreement, AHA will also explore, design and implement targeted self-sufficiency activities and policies during FY 2010 for assisted households as changes in the economy, client and local needs dictate.

Work/Program Participation Requirement - As further illustrated in the chart, the work/program participation policy requires that (a) at least one non-elderly, non-disabled adult household member maintain continuous full-time employment and (b) all other non-elderly, non-disabled adults maintain work or participation in a combination of school, job training and part-time employment as a condition of the household receiving and maintaining subsidy assistance.

CATALYST Compliance Meanings	
Full-time Worker	• Employed for 30 or more hours per week
Participation in an approved program	• attending an accredited school as a "full-time" student • participating in an approved "full-time" training program • attending an accredited school as a "part-time" student, AND successfully participating in an approved "part-time" training program
Part-time Job and Part-time Program Participant	• Employed as a part-time employee (at least 16 hours) AND successfully participating in an approved training program • Employed as a part-time employee (at least 16 hours) AND successfully participating in an accredited school as a "part-time" student

During FY 2010, AHA will continue to use its in-house professionally trained Client Services Counselors and Human Development and Support Services' Providers outlined below to assess, assist, and connect those households that are not compliant to community based services, programs and employment opportunities. As of the date of this Plan, the unemployment rate for the State of Georgia was 9.4 percent which is a 3.4 percent increase since June 2008 and has been higher than the national average for the past 15 months.

AHA understands the impact that the rising unemployment rate may have on its clients' ability to obtain and maintain employment. Therefore, during FY 2010 AHA and its Human Service partners will conduct geographically based "cluster briefings" to provide clients with tips and tools on how households can be compliant, even in tough economic times. AHA will also continue to place households on "deferment" statuses based upon review of individual household circumstances, provided that the affected households are continuing to pursue employment and are engaging in education and job training programs. This status delays or suspends the household's work/program participation requirement for a specified period of time, as approved by AHA or its representatives, to alleviate possible subsidy termination or eviction.



[1] US, Georgia and Atlanta, MSA data source: Georgia Department of Labor Statistics; City of Atlanta data source: Bureau of Labor Statistics

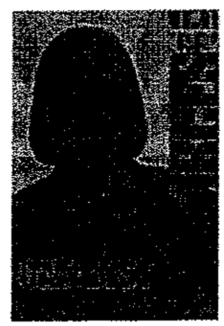
Human Development and Support Service – During FY 2010, AHA will continue to pay for professional Human Development and Support Services providers so they can continue providing intensive coaching and counseling and connection to quality resources and services to families affected by revitalization activities (see *Revitalization Program Priority* for description of revitalization activities) and QLI (see *Quality of Life Initiative Priority* for description of QLI activities). In support of the revitalization activities, AHA agreed that an investment in affected households would continue for a number of years so that families would have a continuum of support during pre- and post-relocation. For QLI affected households, human development and support services are provided to clients for a 27-month period to assist families as they transition into their new neighborhoods.

Additionally, AHA will continue utilizing its on-staff Client Services Counselors to provide coaching and counseling services for participants in AHA's Housing Choice Program and to residents not impacted by QLI or revitalization activities. AHA also has a Senior and Disabled Services Administrator on staff who works with the property management staff at its senior high-rises to connect the frail elderly and persons with disabilities to appropriate services and resources so that they can "age in place" or, if necessary, be placed in more appropriate supportive housing.

Service Provider Network – The Service Provider Network (SPN) is a focused group of established Atlanta-based service providers that are committed to serving as a resource for AHA-assisted families' connection to employment, training, educational and other mainstream opportunities. During FY 2010, AHA will continue managing the relationship with the SPN and expand its base, which is now at 46 providers. Due to the current state of the economy, AHA will offer training opportunities to service providers, AHA staff and human services counselors in key areas including mental health, crisis intervention, employment readiness and post-secondary education to keep the "coaches and trainers" abreast of tools, techniques and resources necessary for client success.

Connections to the Service Provider Network (SPN) – AHA will continue to implement and refine its referral system that connects AHA-assisted families with the services provided through the Service Provider Network (SPN). During FY 2010, AHA will continue using its Human Services providers and Client Services Counselors to facilitate clients' connection to mainstream resources. Also, during FY 2010 AHA, along with its Human Services partners and counselors will conduct "cluster meetings" with non-compliant and relocated households to ensure clients continue to be engaged with the SPN to ensure connections to available resources and opportunities.

CATALYST Resource Guide – AHA will continue to publish and distribute the CATALYST Resource Guide which provides a listing of a variety of committed community-based organizations with resources and connections to educational services, disability services, employment and training, homeownership counseling services, childcare, mental health services, and senior supportive services. As AHA's assisted households move into broader, mainstream communities, the guide will be updated to reflect resources in those areas where families are relocating.



Good Neighbor Program II – AHA's Good Neighbor Program (GNP) is an instructional program established by AHA to provide guidance to AHA-assisted families on values, roles and responsibilities associated with in being a good neighbor. The Alonzo A. Crim Center for Urban Educational Excellence at Georgia State University, in collaboration with AHA, designed the curriculum, training modules and provides the intensive instruction to participants of the program.

Since starting the program in 2004, both AHA and Georgia State continue to update and refresh the curriculum based upon lessons learned and feedback from instructors, participants, and the greater Atlanta community. During FY 2010, the program will expand its coursework to include a certification requirement for participants. Classes for certification will be classified under three "real life" issues: (1) conflict resolution and problem solving; (2) community expectations – "It takes a Village"; and, (3) valuing life-long education.

Customer and Community Relations Center – AHA will continue to operate and maintain its Customer and Community Relations Center including access to a dedicated phone line (1-888-AHA-4YOU) for the community to voice neighborhood and/or client compliments or concerns to AHA. During FY 2010, AHA will increase its Customer and Community Relations Center staff to be responsive to the increased number of AHA-assisted clients relocating into the community.

Rapid Response Assistance Team – During FY 2008, AHA established a Rapid Response Assistance Team to assist expeditiously Housing Choice participants impacted by property owner foreclosures. The Rapid Response Assistance team offers a continuum of support leading to the resettlement of impacted families into a new living environment. Since the inception of the Rapid Response Team, there has been an increased need for similar services for families impacted by other emergency situations such as natural disasters or property abatement. Therefore, during FY 2010, the team will work with Housing Choice staff and inspectors to enhance the "emergency move" referral process and procedures.

Atlanta Community Scholars Awards (ACSA) – Launched in 2003, the Atlanta Community Scholars Awards (ACSA) is an AHA initiative that provides post secondary scholarships to eligible AHA residents to attend the college, university or technical school of their choice. Partnering with the United Negro College Fund (UNCF), one of the nation's oldest and most successful education assistance organizations, UNCF provides fiscal oversight for grants and gifts received for ACSA and scholarship disbursements to awardees. The funding for the scholarships in the program are underwritten by AHA employees and other community benefactors who support the AHA mission of building healthy, mixed-use, mixed-income communities where families can thrive. AHA will continue to offer scholarship opportunities to eligible AHA residents during FY 2010.

Place-Based Supportive Services Strategy Pilot – AHA in collaboration with a number of partners will continue the implementation of a place-based pilot referred to as the NORC (Naturally Occurring Retirement Community) at Marian Road, Piedmont Road, and Cheshire Bridge Road high-rises. The NORC is a national program model that focuses on equipping adults to "age in place" and building the capacity of the community to support them in that process. The NORC places a strong emphasis on resident involvement with priorities set by residents and new initiatives capitalize on the economy of scale created by the concentration of individuals with similar needs. Led by the Atlanta Regional Commission's (ARC) Division on Aging, the primary partners on this pilot include AHA, Visiting Nurse Health System, Piedmont Hospital, Jewish Family and Career Services, Jewish Federation of Greater Atlanta.

During FY 2010, the NORC pilot will continue at the three AHA high-rises utilizing a $375,000 ROSS (Resident Opportunities and Self-Sufficiency) grant secured by ARC during FY 2007. Additionally, as a result of an Outreach grant received by ARC, during FY 2010 volunteers will be mobilized to the pilot sites and other AHA senior high-rises to assist seniors and persons with disabilities in getting enrolled into benefits that serve Medicare and Medicaid beneficiaries.

"Home is where the heart is; where you experience tranquility and peace. Home is where one can sit down to a feast. Home is where God is found; at His house is a Holy ground."

AHA Commissioner, Elder James Brown

PART VIII:

LONGER-TERM HOLD COMMUNITIES

As highlighted in the Executive Summary, AHA will continue to improve the quality of the facilities of its longer-term hold properties and develop expertise in housing for the elderly. The 13 longer-term properties include 11 senior high-rises and two small family communities. With increased emphasis on supportive services for the elderly and persons with disabilities residing in these communities, AHA intends to use its MTW authority to reposition these longer-term hold properties and strategically invest capital resources to improve the quality of life of its residents. Professional Private Management Companies (PMCOs) will continue to comprehensively manage these properties in accordance with AHA's goals, objectives and financial resources. AHA will also utilize approximately $18.5 million of its $26.5 million allocation of American Recovery and Reinvestment Act (ARRA) formula Capital Funds for rehabilitation of its longer-term hold properties as described below. A listing of the longer-term hold properties is located in ***Appendix F***.

During FY 2010, AHA will focus on real estate enhancements that reflect priorities to improve life / community safety, code compliance and viability of property, sustainability, and life enhancement for seniors and persons with disabilities.

Supporting Activities

4 to 1 Elderly Admissions Policy at AHA's High-Rise Communities – In 2004, AHA implemented a 4 to 1 elderly / almost elderly admissions policy to address the complex social issues associated with housing seniors and young persons with disabilities in consolidated high rise physical settings. This admissions policy allows the PMCOs to admit 4 elderly (62 years and older) or almost elderly (55-61) persons from the waiting list before admitting a non-elderly person with disabilities until an optimal mix of elderly / almost elderly and non-elderly residents with disabilities is reached for each community.

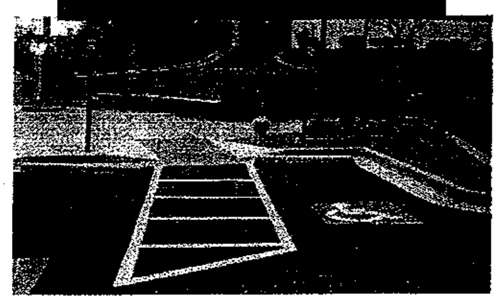
Elderly Income Disregard – On October 1, 2004, AHA implemented an income disregard for the Public Housing and Housing Choice Programs for employment income earned by elderly residents or participants on a fixed income. AHA will continue to implement this policy as part of the affordable housing operations during FY 2010 as we continue to emphasize the importance of work in enhancing long-term family self-sufficiency.

\$125 Minimum Rent – Effective October 1, 2004, AHA raised its minimum rent from \$25 to \$125 for its Public Housing and Housing Choice programs and will continue to do so in FY 2010. It should be noted that this policy does not apply to households where all members are either elderly or disabled and living on a fixed income, in which case their total tenant payment continues to be based on 30% of their adjusted gross income.

Work/Program Participation Requirement – As described under the Human Development priority, AHA will continue to implement its work / program participation policy for all non-elderly, non-disabled adult households. As AHA's affordable housing real estate portfolio evolves to a more senior resident focus, the work / program requirement will primarily be applicable to families living in the two small family communities of Westminster and Martin Street Plaza.

Enhanced Real Estate Inspection Systems – In AHA's quest to improve physical conditions at its properties, AHA has developed a system of primary and secondary real estate inspections to provide an integrated assessment of the physical condition of each property. These inspections assist in the proactive identification of problems and allow AHA and its PMCO partners to articulate proposed solutions and track problem corrections to closure. Inspection types include Rental Integrity Monitoring (RIM) review, asset control & risk assessment, UPCS, security, major systems, and elevator preventative maintenance. ***Appendix H*** of this Plan further describes the inspections and reviews set to take place during FY 2010.

Marian Road High-rise –parking lot



Enhanced Accessibility Initiative – Following the inception of AHA's 1998 Americans with Disabilities Act (ADA) transition plan, AHA has had an ongoing commitment to improve the accessibility of its services, programs, and activities for persons with disabilities. Key concepts that are integrated throughout AHA's ADA program include programmatic access, reasonable modifications, reasonable accommodations, and effective communication. Additionally, in the area of facilities access, AHA is significantly expanding our inventory of enhanced units so that we meet or exceed federal standards of 5% wheelchair accessible units and 2% of units accessible for persons with hearing or visual disabilities. This commitment is reflected in AHA's leasing and tenancy policies discussed under the Asset Management Priority (i.e. Statement of Corporate Policies and Statement of Housing Choice Policies) and aligns to our objectives outlined in our Voluntary Compliance Agreement (VCA) with HUD which became effective on March 15, 2007.

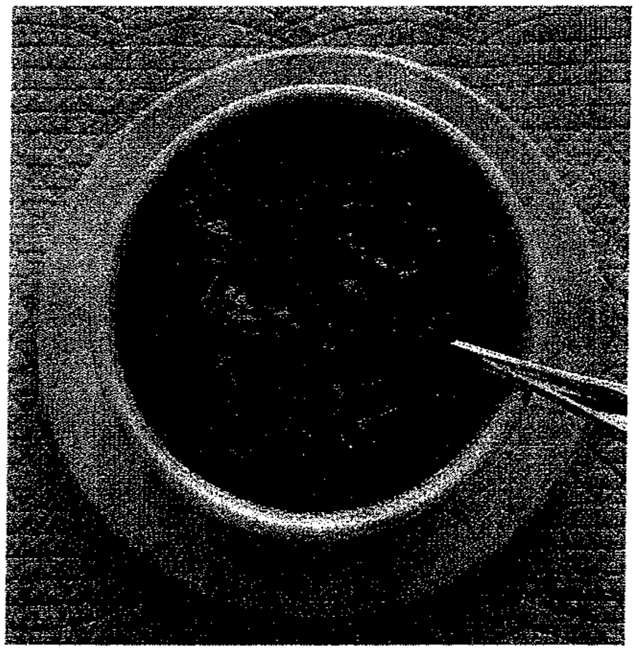
Energy Management Initiative – AHA is committed to improving the energy efficiency of its facilities while at the same time enhancing the comfortable living environment provided to its residents. The energy management initiative takes a holistic and comprehensive approach to energy management as a component of AHA's asset management strategy for its longer-term communities. As part of this initiative, AHA will also consider alternative methods for encouraging energy efficient living while reducing the burden of utility expenses on seniors and persons with disabilities, which are becoming a larger proportion of AHA's population, and who live in properties with obsolete systems and infrastructure.

Beginning in FY 2010, AHA will broaden its asset management strategy concerning energy management to allocate a significant portion of the ARRA formula Capital Funds described below to projects that improve energy efficiency; to thoroughly review existing maintenance procedures related to equipment that uses water and energy; to aggressively implement Energy Wise and Watersense as the energy and water efficiency standards for future equipment purchases and maintenance programs; to seek out and recommend seminars and conferences focused on improving our knowledge of energy efficiency; to provide constant and regular communication to our residents on the matter of water and energy efficiency; to consider discontinuing the excess utility billing process; and, to consider opportunities to enhance the water and energy cost savings through establishing and managing its own energy performance program, which may include, but will not be limited to, prepayment of the existing equipment lease, modification or buy-out of the contract with the ESCO, self-financing and implementing additional improvements at the longer-term properties.

Violence Against Women Act (VAWA) – The Violence Against Women and Department of Justice Reauthorization Act of 2005 (Public Law 109-162) articulates requirements in the law that serve and protect the needs of child and adult victims of domestic violence, dating violence, sexual assault, or stalking. With respect to this Act, AHA developed administrative procedures for its Public Housing and Housing Choice programs. AHA and the PMCOs will continue to implement these procedures during FY 2010.

Place-Based Supportive Services Strategy Pilot – As described under Human Development, this pilot is crafted around the NORC (Naturally Occurring Retirement Community) program model and will continue to be implemented at several of the longer-term hold senior communities. This pilot was established in collaboration with Atlanta Regional Commission's Division on Aging to design and test a comprehensive and systematic approach for creating a service-enriched environment that caters to the needs and desires of residents, and enables them to continue "aging in place". It is the intent that best practices and lessons learned from this model will be applied across AHA's entire senior portfolio.

ARRA Funds – AHA will use approximately $18.5 million in ARRA formula Capital funds for capital projects and related construction management and design fees for the 13 longer-term hold communities. These improvements include rehabilitation of dwelling structures, major systems, site improvements to include parking lot, exterior landscaping, erosion control and sidewalk and street repairs; improvements to common areas including lobbies and non-dwelling equipment such as computers used by tenants; and, energy efficiency improvements as described above under Energy Management Initiative. These improvements are planned to enhance the quality of the living environment and create spaces for seniors and persons with disabilities that enhance resident quality of life and are attractive, inviting, and functional to their needs.



"Home is the place from which we draw inspiration to pursue our dreams and strength to succeed."
Reneé Bentley

PART IX: CORPORATE SUPPORT

Using its MTW flexibility, AHA will continue making enhancements to improve its ongoing business operations and economic viability. These activities include, but are not limited to, capital improvements at AHA-owned properties and AHA-sponsored mixed-income communities, enhancements to information technology and changes to financial management, reporting and analysis.

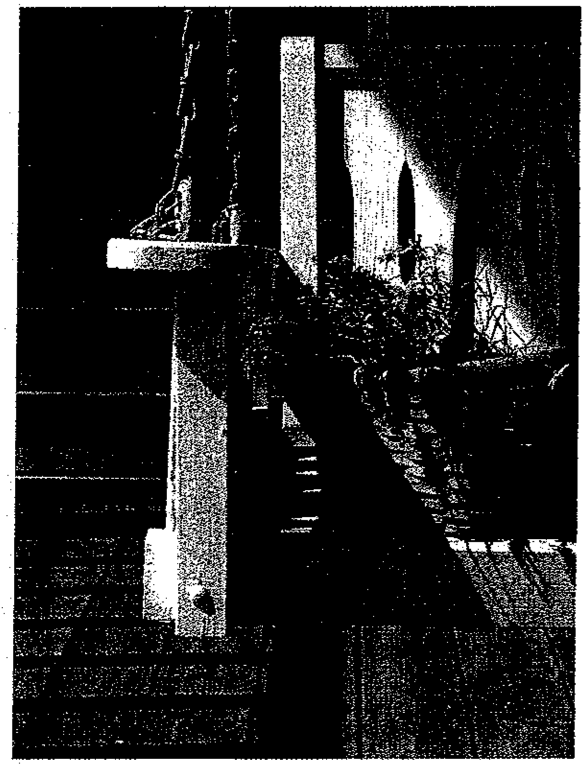
Comprehensive Integrated and Relational Agency-wide Database – As AHA continues to improve its information technology, financial, procurement, data and business system infrastructure, AHA will assess systems and business processes to ensure they align with current and future business operations and needs. AHA will also focus on creating a comprehensive, integrated and relational database using data as intelligence to inform and improve business decisions. This initiative will require both human and financial resources beginning in FY 2009 and 2010. When completed, AHA expects this initiative to yield significant returns over time including greater operational efficiency, effectiveness and cost savings.

Local Asset Management Program – Beginning in FY 2009 and continuing into 2010, AHA will refine its project based accounting and management system by designing and implementing a new Cost Allocation Plan. This approach will enhance AHA's ability to capture and report all costs associated with the operation of the cost objectives identified. The Cost Allocation Plan was designed to meet the requirements of The Amended and Restated Moving to Work Agreement and the requirements of the revised OMB Circular A-87, Cost Principles for State, Local, and Indian Tribal Governments to provide improved financial reporting for each cost objective. AHA intends to implement the Local Asset Management Program, which contains the cost accounting system on July 1, 2009 and monitor and refine the plan on ongoing continual basis. ***Appendix T*** of this Plan provides a comprehensive description of AHA's Local Asset Management Program.

AHA Annual Budget and Previous Year's Expenditures – Included in ***Appendix L*** of this Plan is AHA's Board-Approved FY 2009 Comprehensive Operating and Capital Budget for the period ending June 30, 2009. AHA had not completed its FY 2010 Budget at the submission date of this Plan. AHA will seek approval from its Board of Commissioners in May 2009 at which time the FY 2010 budget will be available for review. Also, since AHA has not finalized its FY 2010 budget, an explanation of changes in the proposed activities/investments between FY 2010 and FY 2009 could not be addressed. Under ***Appendix N***, AHA has provided Financial Highlights of its Condensed Statements of Net Assets and Condensed Statements of Revenues, Expenses and Change in Net Assets for the period ending June 30, 2008 and June 30, 2007, respectively.

Human Resources Development – As an integral part of AHA's strategic team, the Human Resources Department serves as a resource to all associates and leaders providing guidance in the development, implementation and administration of Human Resource policies, programs and systems to support AHA's goals and objectives. In addition, the Human Resources' function ensures fair, equitable and responsible leadership to foster a positive work environment throughout the organization. During FY 2010, Human Resources will focus on partnering with AHA leadership to develop the "people strategy" needed to support the transformation of AHA into a diversified real estate company. Human Resources will examine core competencies required by associates to meet the changing dynamics of the work environment and recruit talent, as needed, or develop appropriate core competency training curriculum. Additionally, Human Resources will continue implementing its in-house training to address various levels of employee development and training needs.

Media Management – As part of its communication plan, AHA relies on the procured services of the Alisias Group, an Atlanta-based public relations firm, to manage media relationships at the national, state and local levels; manage certain external community relationships; develop innovative approaches to positive and consistent messaging to AHA-assisted households, local, state and national political bodies and stakeholders; and, manage the development of AHA's CATALYST collateral materials. This work includes developing communication materials that are designed to inform, educate and motivate AHA-assisted families as well as the broader community. During FY 2010, Alisias will continue to provide communication support in the strategic areas of media relations, QLI, MTW, neighborhood revitalization and Intergovernmental communications.



"Home is a place of peace and serenity; where I can just relax, be myself and enjoy my family."

Joy Fitzgerald

PART X:
AMERICAN RECOVERY AND REINVESTMENT ACT (ARRA) FUNDS

On February 17, 2009, the President signed the American Recovery and Reinvestment Act (ARRA) of 2009. This legislation includes a $4 billion appropriation of Capital Funds for public housing agencies to carry out capital and other investment activities. ARRA requires that $3 billion of the appropriation be distributed as formula funds to public housing agencies and the remaining $1 billion be distributed through a competitive process. The legislation provides for specific eligible uses of the funding which include development, demolition, rehabilitation activities and capital improvements. Funds must be obligated within one year and spent within three years; thereby, requiring public housing agencies to use the funds on eligible projects that are "shovel ready" or can be implemented quickly.

Formula Funding

As part of the formula funding, AHA will receive approximately $26.5 million in ARRA funds and intends to use the funds for the following purposes:

I. ($8 million) Quality of Life Initiative Demolition Activities for the following Phase II communities:

- Bankhead Courts
- Hollywood Courts
- Thomasville Heights

II. ($18.5 million) Rehabilitation of AHA's 13 longer-term hold properties:

- **Site Improvements/Infrastructure** – paving, site repair and landscaping
- **Building Envelop** – Improvements to building exterior to include roofing, windows and doors. Improve energy efficiency where practical
- **Major Systems** – Improvements to mechanical, electrical and plumbing systems. Completion of elevator upgrades
- **Dwelling Units** – Improvements to kitchens, bathrooms and living areas
- **Common Areas** – Lobby area, common area renovations and non-dwelling equipment

Longer-term Hold Communities:

1. Barge Road
2. Cheshire Bridge Road
3. Cosby Spear Towers
4. East Lake Towers
5. Georgia Avenue
6. Hightower Manor
7. Juniper & 10th Street
8. Marian Road
9. Marietta Road
10. Peachtree Road
11. Piedmont Road
12. Martin Street Plaza
13. Westminster

Appendix U of this Plan includes the completed Capital Fund Annual Statement Part I and II which provides detail on the intended uses of the funds, and a resolution from AHA's Board of Commissioners approving AHA's acceptance of this funding. The Capital Planning section of the Plan (***Appendix M***) discusses AHA's Capital projects using both ARRA and MTW Funds. It should be noted that although ***Appendices M*** and ***U*** provide intended uses and dollar amounts for the ARRA funds, to the extent that bids come in favorable for planned work items, AHA may adjust the planned expenditures to include (1) fund the balance of the demolition costs at Hollywood Courts, based on current cost estimates; (2) demolition at additional QLI Phase II properties; (3) additional rehabilitation at the longer-term hold communities; and/or, (4) implement additional projects identified in AHA's Physical Needs Assessment.

Competitive Funding

In response to HUD's release of Notice of Funding Availability (NOFA) for the $1 billion in ARRA competitive capital funds, AHA will make application for a portion of these funds. AHA anticipates the eligible activities under the NOFA will not deviate from the ARRA Legislation; therefore, the following includes, but is not limited to, the activities AHA may apply for under the competitive round:

- Development Activities to further the revitalization of the following properties:
  - Perry Homes
  - Carver Homes
  - Capitol Homes
  - Grady Homes
  - Harris Homes
  - McDaniel Glenn
  - Techwood - Clark Howell Homes
- Acquisitions that support revitalization activities
- Redevelopment of other AHA-owned buildings or properties
- Additional rehabilitation of AHA's longer-term hold properties
- Other projects captured in AHA's Physical Needs Assessment

"I love my home because home is where the heart is. It's peace of mind, privacy and love. There's no place like home."
*** LC Wilson ***

PART XI: MTW IMPLEMENTATION PROTOCOLS

Since the initial execution of AHA's moving to Work (MTW) Agreement in 2003, AHA, in collaboration with HUD, developed and memorialized additional implementation guidance ("Implementation Protocols") related to the authorizations set forth in AHA's MTW Agreement. The Implementation Protocols articulate procedures for implementing MTW activities and/or clarifies certain requirements, procedures and methodologies related to AHA's operation as an MTW Agency. AHA and HUD agreed that in order to facilitate innovation, such Implementation Protocols are needed, and as they are established they would become part of the operating procedures upon which AHA and HUD would rely during the MTW period, as such period may be extended.

As a result of AHA and HUD executing an Amended and Restated MTW Agreement, effective November 13, 2008, the Implementation Protocols were elevated to a status and standing in the Amended Agreement and are referenced in the Agreement under Attachment E. Attachment E of the Amended Agreement lists Implementation Protocols that have received HUD approval and those that have been submitted and are pending HUD approval. AHA and HUD also executed a second Amendment to AHA's Amended and Restated Agreement, effective January 16, 2009. The second Amendment rescinds any limitation or restriction of AHA's use of MTW Funds and MTW Funds Protocol as discussed earlier in this Plan.

Additionally, since the HUD-approved Implementation Protocols make reference to sections of AHA's initial MTW Agreement, AHA developed and sent to HUD an Implementation Protocol Updated Reference Chart which corrects the Agreement references in the Protocols to be consistent with the Amended Agreement. ***Appendix O*** of this Plan provides the Protocol Updated Reference Chart and cover letter that was sent to HUD on February 3, 2009. As stated in the cover letter, the correction of the references are purely administrative, and since they don't affect the substance of the protocols, AHA will continue its MTW program in accordance with the Amended Agreement and the approved Protocols.

Included in ***Appendix O*** of this Plan are four pending Implementation Protocols and one new Protocol that AHA is requesting HUD's final approval under this Plan submission. They are listed below:

Pending HUD final approval:

- HOPE VI Site and Neighborhood Standards
- Replacement Housing Factor
- Project Based Rental Assistance Developer Selection Criteria
- HUD Funding Availability

New Protocol for HUD review and approval:

- Project Based Rental Assistance Subsidy Layering Review Protocol

Three additional pending Protocols will be resubmitted under separate cover to HUD due to the importance of these protocols as a MTW strategy and the need for further detailed discussions between AHA and HUD. These protocols are: (1) Disposition of Public Housing Operating Subsidy in AHA-Sponsored Mixed-Finance Communities Protocol; (2) Disposition of Public Housing Operating Subsidy in AHA-Owned Affordable Communities Protocol (3) Designation of Senior and Disabled Public Housing Developments Protocol.

IMPLEMENTATION PROTOCOLS DESCRIPTION

The following provides a brief description of the approved MTW protocols since they are not included in this Plan:

ACC Waiver Protocol

- Amends the terms and conditions of the ACCs to the extent that such terms and conditions conflict with AHA's MTW Agreement. Reviewed and approved by OGC.

Alternate Resident Survey Protocol

- Allows the use of an Alternate Survey in lieu of the PHAS Resident Survey.

Fee for Service Methodology Protocol

- As approved by HUD, provides for a new methodology for charging administrative fees against HUD grants and programs that are administered by AHA, and establishes a project and site based accounting system.

Identity of Interest Protocol

- Sets forth procedures by which AHA would certify that it has met the HUD requirements for an IOI approval. The procedures mirror the certifications made in conjunction with the Mixed-Finance Closing procedures.

MTW Mixed-Finance Closing Procedures Protocol

- Sets forth procedures for closing mixed-finance transactions involving MTW or development funds.

Program Flexibility for Special Purpose Vouchers Protocol

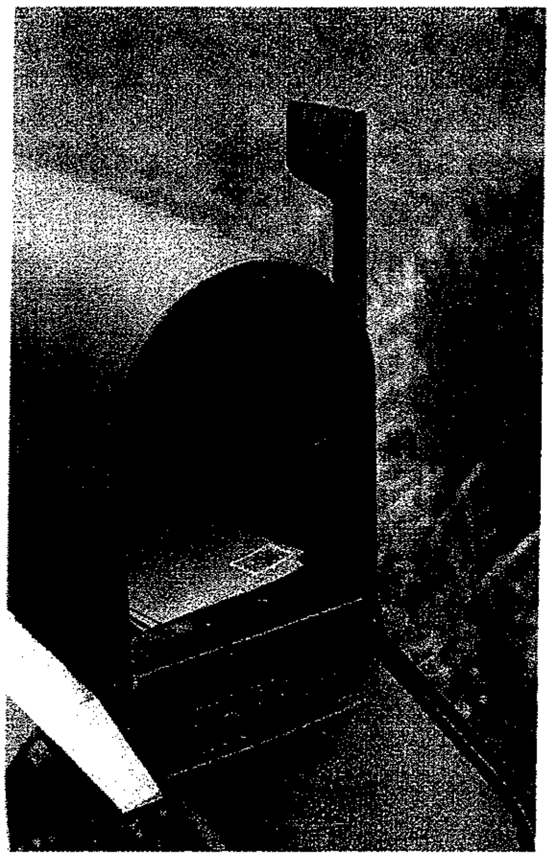
- Provides that AHA's demonstration authority applies to all allocations of housing choice vouchers, including Special Purpose Vouchers.

Revision of MTW Benchmarks Protocol

- Since AHA is not subject to Public Housing Assessment System (PHAS) and Section Eight Management Assessment Program (SEMAP) reviews, Benchmarks are metrics in which AHA measures and certifies its performance during the Demonstration Period. There are 12 indicators - some relate to AHA's Section 9 (Public Housing), while some relate to the Section 8 (Housing Choice) programs and then there are others that are unique to AHA (e.g. household work/program compliance, resident homeownership and Project Based Financing Closings). Annual results of Benchmarks are captured in AHA's MTW Annual Report. Benchmarks run through 2010 – which was the initial end of AHA's seven–year Demonstration Period (See Protocol in ***Appendix O***). The Benchmark Protocol will be replaced with a Performance Implementation Protocol, upon HUD review and approval, which will certify AHA's performance against certain metrics and will determine AHA's designation as a "high performing" agency. AHA and HUD will negotiate this Protocol outside of the HUD Plan submission process.

Use of MTW Funds Protocol

- Sets forth procedures for utilizing MTW Funds in affordable residential properties owned by private entities to further the development and rehabilitation of housing that is affordable to low-income families.



"Home represents that we are part of the mainstream, we are included in the neighborhood and in this great city we live in."
Marvin Nesbitt

PART XII: MTW BENCHMARKING STUDY

As stated in the introduction of this Plan, AHA and HUD executed an Amended and Restated MTW Agreement on November 13, 2008, which among other things, extended the term of the MTW Agreement to June 30, 2018. On January 16, 2009, AHA and HUD further amended the Amended and Restated MTW Agreement to clarify the use of multiple types of HUD funding from Housing Choice Voucher allocations, low-income operating subsidies and Capital Fund grants into a single fund to be used for MTW eligible activities as provided in the MTW Agreement and AHA's CATALYST Business Plan. Combined into this single fund, these multiple funding sources are commonly referred to as MTW Funds. The Amended and Restated MTW Agreement provides AHA with substantial statutory and regulatory relief under the U.S. Housing Act of 1937, as amended, to implement local solutions to address local challenges in providing affordable housing opportunities to low-income families. The MTW Agreement provides that HUD may further extend AHA's MTW Agreement for additional ten-year periods, subject to AHA meeting certain agreed-upon conditions.

AHA's Revitalization Program and Quality of Life Initiative ("QLI") and the statutory and regulatory relief afforded by AHA's MTW Agreement have had a significantly positive impact on assisted families. As a result of these programs and statutory and regulatory relief, the composition and mix of AHA's portfolio have intentionally changed. As AHA has demolished its distressed and obsolete public housing, it has applied for and received Housing Choice Vouchers to support the relocation of affected households and to replace a significant portion of the demolished housing units that are not otherwise replaced through the Revitalization Program. Under AHA's MTW Agreement, AHA has leveraged its Housing Choice Voucher funds through innovative and creative partnerships and relationships with private sector developers and owners to create additional mixed-income communities and to reposition AHA to be a more nimble and strategic provider of affordable housing in healthier mixed-income communities. From 1994, when AHA initiated its Revitalization Program through June 30, 2008, AHA's Housing Choice Voucher funds have increased approximately 400%. During this same period, AHA has demolished approximately 10,000 distressed and obsolete public housing units.

Faced with the continuing deterioration of its obsolete public housing projects; escalating crime associated with concentrated poverty in these housing projects; the costs of managing and repairing these obsolete housing projects outpacing the associated revenues; and an increasing demand by AHA-assisted households and Atlanta citizens for better living conditions, AHA accelerated the pace of its strategic plan to end concentrating low-income households in distressed and obsolete housing projects through QLI.

As of the fiscal year that ended on June 30, 2008, AHA successfully accomplished the relocation of affected households from the first phase of QLI (i.e. Leila Valley, Jonesboro South, Jonesboro North, U-Rescue Villa and Englewood Manor) and substantially completed the demolition of those housing projects. During the same period, HUD had approved the demolition of Bowen Homes, a housing project in the second phase of QLI, and AHA was engaged in the relocation of affected households from Bowen Homes. After July 1, 2008, the beginning of AHA's 2009 fiscal year, HUD approved the second phase of QLI demolition applications for Bankhead Courts, Herndon Homes, Hollywood Courts, Thomasville Heights, Palmer House and Roosevelt House. Relocation of affected households at all of these housing projects, except Palmer House and Roosevelt House, commenced and was underway. General relocation activities at Palmer House and Roosevelt House will commence in May 2009.

By June 30, 2010, AHA will have closed the door on concentrating households in obsolete, distressed and dysfunctional large family public housing projects. Upon closing that door, AHA will own 11 senior high-rise buildings and two small family public housing-assisted developments – Martin Street Plaza (60 units) and Westminster Apartments (32 units), all of which are located in economically integrated neighborhoods. Each of these communities will continue to be owned by AHA and comprehensively managed by professional private management firms in accordance with AHA's goals, objectives and financial resources. During the next three years, AHA intends to use the authority under its MTW Agreement to reposition these properties with the goal of substantially improved quality of life, with increased emphasis on supportive services for elderly and persons with disabilities.

The preceding summary, in highlighting AHA's progress under MTW, emphasizes the importance of understanding the positive impact of AHA's MTW statutory and regulatory relief. EuQuant, formerly Boston Research Group, is continuing its research in benchmarking that progress through the next fiscal year. Since the interim report, which reported EuQuant's findings through June 30, 2006, there have been significant changes in AHA's strategies to accelerate QLI activities, enter into different partnership strategies and arrangements like Project Based Rental Assistance, realign its administrative structure by forming a dedicated asset management function and implement new policies that benefit assisted families. With that understanding it is also important to examine EuQuant's major findings as EuQuant continues its research and lays the groundwork for its final report for the period ending June 30, 2010. To this end, Dr. Thomas D. Boston prepared the following progress report.[1]

Moving to Work Benchmarking Study Progress Report

This progress report provides an overview of EuQuant's research of AHA's initiatives and activities under the Moving to Work (MTW) Demonstration Program. AHA negotiated and entered into an MTW Agreement with HUD in September 2003, which was effective July 1, 2003 and it runs through June 30, 2010. In early 2004, AHA engaged EuQuant, formerly Boston Research Group, to provide three research reports benchmarking AHA's progress and effectiveness in utilizing its statutory and regulatory relief as an MTW agency under the MTW Agreement. EuQuant has issued two reports, a baseline report as of June 30, 2004 which was released in 2006 and an interim report as of June 30, 2007 which was released in 2008. The final report in this series will be issued in the fall of 2010 for the period ending June 30, 2010.

In the time between EuQuant's interim report and this progress report, HUD approved AHA's amended and restated MTW Agreement which extends the term of AHA's statutory and regulatory relief through June 30, 2018. In addition, as stated in the preceding section, AHA has made significant changes in its MTW strategies. Among its new strategic initiatives are the following: the Quality of Life Initiative (QLI), strategic partnerships and arrangements such as its Project Based Rental Assistance, and the realignment of its administrative structure by forming a dedicated asset management function. The benefits to families associated with these new initiatives will be examined by EuQuant in the final report in this series to be released in the Summer of 2010.

The major findings of EuQuant's ongoing MTW Benchmarking Study are listed here.

1. In 1995, 47% of assisted households lived in public housing developments, 33% used Housing Choice vouchers and 20% lived in properties primarily serving the elderly. By 2007, only 15% of households lived in public housing developments while 57% used Housing Choice vouchers, 9% lived in new mixed-income revitalized communities, 18% lived in properties primarily serving the elderly, and 2% lived in project based rental assisted properties.

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[1] Dr. Thomas D. Boston is a Professor of Economics at Georgia Institute of Technology and President of EuQuant, Inc.; an Atlanta based economic and statistical consulting company. Dr. Boston is a graduate of Cornell University where he received the Ph.D. Degree in Economics. His research centers on the economics of entrepreneurship, public housing, and community development. He is former President of the National Economic Association, past editor of The Review of Black Political Economy and past Senior Economist to the Joint Economic Committee of Congress. Dr. Boston has published research, working papers and monographs on public housing assistance including a recent article, "The Effects of Revitalization on Public Housing Residents," in the Journal of the American Planning Association (Autumn 2005, vol.71. no. 4).

2. To measure neighborhood quality the study used a Community Attribute Index (CAI). This is a multi-dimensional metric that contains 15 variables that best describe the characteristics of neighborhoods. The variables were grouped under the following categories: economic opportunity, poverty status, educational attainment, housing and population characteristics, family stability and crime. The study found that the large scale relocation of families from public housing developments to mainstream market rate housing (using the Housing Choice tenant-based voucher program), to mixed-income communities and to project based rental assisted properties allowed families to live in better neighborhoods. In those neighborhoods assisted families received higher quality housing services and gained access to opportunities that enhanced their upward mobility. As a result, voucher recipients and residents of mixed-income communities displayed significant improvements in self-sufficiency. In contrast, families who relocated from one public housing development to another development experienced the smallest improvement in neighborhood quality and attained the lowest increase in economic self-sufficiency.

3. AHA's Revitalization Program did not cause assisted families to lose housing assistance. To examine this, EuQuant employed a quasi-experimental research design in which we established a control group (that consisted of assisted families who lived in six public housing developments that were not revitalized) and a treatment group (that consisted of assisted families who lived in six public housing developments that were revitalized into mixed-income communities). The groups had similar characteristics in 1995. We measured the difference in attrition rates over time in order to determine if they varied significantly between the groups. Families were tracked longitudinally and observations were recorded in 1995, 2001, 2004 and 2007. The research results showed that there was no statistically significant difference in attrition between the control group and the treatment group. Therefore, families affected by revitalization (the treatment group) did not experience a greater loss of housing assistance than did families who were not affected by revitalization.

4. EuQuant examined Atlanta Public School 3rd and 5th graders whose families received AHA housing assistance. Students whose families lived in market rate housing (with the assistance of voucher) and students whose families lived in mixed-income communities performed significantly better in school when compared to children who lived in public housing developments. A regression analysis revealed that school quality (as measured by the performance of all students in the school) explained 44.0% of the variation in how students performed on a national standardized test. The conclusion is the housing opportunities created by Housing Choice vouchers and the mixed-income communities gave students access to better performing schools. Once enrolled, the children in these two housing categories performed better in comparison to children whose families lived in public housing projects.

5. A Benefit-Cost analysis found that the net benefit to society of the initial 13 phases of mixed-income developments sponsored by AHA was $1.6 billion. The analysis considered the fixed costs of constructing each mixed-income development phase and the on-going operating costs and revenues. Other non-financial benefits and costs associated with mixed-income communities in comparison to public housing developments were monetized. These included the net benefit of living in better quality housing, reducing crime and improving school quality. The average net social benefit of each revitalized mixed-income community was $123 million and the benefit-cost ratio was 1.58 to 1. (This finding will be discussed in greater detail later in this report.)

6. It is generally believed that assisted families who use Housing Choice vouchers or those who live in mixed-income communities are more highly motivated toward self-improvement than are families who live in public housing developments. We used an advanced statistical procedure to control for this selectivity bias. Having done so, we found that households in the Housing Choice voucher program had an average gain in household income that was $1,427 greater than the household income of identical households who lived in public housing. Likewise, the average gain in household income of households who lived in mixed-income communities was $2,915 greater than the household income of identical households who lived in public housing developments.

Forward Outlook to 2010

As stated above, EuQuant found that AHA has made significant progress in utilizing the statutory and regulatory relief granted under its MTW Agreement. In its June 30, 2010 report, EuQuant will examine the impact of QLI, AHA's priority initiative to "end the practice of concentrating households in obsolete, distressed and dysfunctional large family public housing projects." We will also investigate the effectiveness of other policies that have been designed to benefit assisted families. Included among these other policies are the following: the 30% of adjusted income limit on the total amount assisted families pay for rent and utilities; AHA Payment Standards (which are not tied to HUD's Fair Market Rents but are instead tied to the market conditions in defined submarkets in the City of Atlanta); rent simplification measures; and the growth of Project Based Rental Assistance. Of course, EuQuant will continue to update and examine the progress AHA assisted families are making towards greater self-sufficiency.

Benchmarking Against Current Economic Conditions and Their Impact

The current recession began in December 2007. Since then, U.S. economic activity has declined so sharply that this recession may ultimately rank second only to the Great Depression. During the first and second quarters of 2008, GDP growth (i.e. Gross Domestic Product or the total value of goods and services produced in the economy during the year) was very anemic; 2% and 2.8% respectively. Then in the third quarter, GDP began to contract and by the end of the fourth quarter it had plummeted by 3.8%. At its current pace, GDP will have declined by over 6% during the year. Additionally, the economic decline that began in the housing sector has since spread to the financial sector, manufacturing sector and more recently the services sector. New data suggest that US economic conditions have contributed significantly to a global recession. Not since 1940 has world economic output declined by as much as it is expected to decline over the coming year.

Georgia's economy is among the most troubled in the nation. Its rate of job loss and number of bank failures are the second-highest in the country. The bank failures are caused by a growing number of home mortgage defaults and delinquent loan payments. Georgia is second to California in the number of bank failures; 7 and 8 respectively. Weaknesses in employment growth and spending in Georgia and the Atlanta Metro area are occurring broadly. The industries that have experienced the most significant declines in employment over the last year are manufacturing (7.4%), construction (7.0%), and professional and business services (4.7%). The overall reduction in employment for all industries was 2.2%. Most other industries lost employment at a rate that was equal to or slightly below the industry average. This included leisure and hospitality (2.1%); financial services (1.0%); and trade, transportation and utilities (1.6%). Only education and health services recorded increases in employment over the last year (2.2%).

Given these circumstances, it is fitting to ask how AHA's CATALYST Business Plan and Quality of Life Initiative might be affected by current economic conditions. We answer this question by reviewing economic development at the national, state and local levels.

Potential Impact of Economic Downturn on AHA-Assisted Households

One of AHA's eligibility policies under its CATALYST Business Plan is the work/program participation policy. This policy requires that at least one adult member (18 to 61 years age) of any AHA-assisted household, must be employed full-time in the labor market for 30 or more hours each week. This policy excludes elderly members (62 or older) and persons with disabilities. Other eligible adult members must be working full-time, pursuing some educational or vocational training on a full-time basis or have a combination of part-time employment and education/training. EuQuant's interim MTW report tracked data periodically between 1995 and 2007. The report showed that employment of AHA adults increased significantly between 1995 (when it averaged 21%) and 2007 (when it averaged 53%). The data also indicated that employment may have been sensitive to the cyclical downturn in the economy that occurred in 2001.

More specifically, the table below indicates that there have been two peaks in employment of AHA assisted families; one occurred in 2001 and a second in 2007. The implementation of AHA's work/program participation policy occurred after the 2004 observation in the table. Following the initial peak in 2001, the percent of AHA adults employed decreased three percentage points by 2004. It is unclear how much of this decline may be attributed to the 2001 recession and the more slowly growing economy that followed the end of the IT expansion. That expansion fueled rapid economic growth from 1991 until 2001.

The current recession is more severe and has caused employment reductions in all sectors of Georgia's economy, with the exception of health and education. Metro Atlanta's unemployment rate in January 2009 was 8.4% while the unemployment rate for the State was 7.5%. The national unemployment rate masks the fact that today there are 7.8 million part-time workers who would prefer to be employed full-time and 734,000 unemployed workers who have become so discouraged they have given up searching for employment. Employment conditions in Georgia and in the nation vary substantially by demographic groups. For example, in 2007 the State's unemployment rate was 8.1% while the African-American unemployment rate was 12.4%. Persons who had less than a high school degree experienced an average unemployment rate of 20.6% and high school graduates experience an unemployment rate of 9.5%. In contrast, the unemployment rate for persons with college degrees was just 2.9%.

The 2010 report will examine whether or not these economic developments have affected employment rates among AHA assisted families and if so, how. It will also document the extent to which AHA's work/program participation and related supportive services may have in off-setting the downward cyclical pressure on employment.

Employment Rate for Various Types of Housing Assistance by AHA *Source: EnQuant, Inc.*					
Type of Housing Assistance	**1995**	**1998**	**2001**	**2004**	**2007**
Average Employment Rate	**21%**	**35%**	**41%**	**38%**	**53%**
Public Housing Developments	16%	26%	29%	25%	52%
Mixed Income Properties	-	56%	68%	62%	64%
Vouchers: City of Atlanta	26%	37%	41%	38%	54%
Vouchers: Rest of Atlanta Metro	30%	43%	47%	44%	48%

Declining Home Sales will make Affordable Rental Opportunities More Available

The current recession has its roots in the collapse of the housing sector. The latter was facilitated by speculative investment instruments such as mortgage-backed securities and credit default swaps. The nation's housing sector, and more specifically Atlanta's real estate market, continues to be stressed as inventories of unsold homes remain high. The weakened state of Atlanta's housing market places mounting pressure on local financial institutions. This condition is made worse by tightened credit markets. In 2007 multifamily building permits issued in Georgia decreased by 2.5%. During the same period, single family home permits declined by 36.4%. The decline in multifamily permits during the second quarter of 2008 reached 68.1%. Also, the number of third-quarter 2008 multi-family permits declined by 54.2%. Home prices have also declined significantly. In 2006 the home price index increased by 5.1% but during the third-quarter 2008, the home price index declined by .6%. In essence, housing market signs do not reveal that the market has bottomed out yet.

While difficulties in the housing market have caused significant problems for builders, the financial sector and the economy in general, one of the few bright spots of the economic downturn is that new affordable rental opportunities have become more available to families using Housing Choice vouchers. This is important because the significant relocation activity that is currently taking place among AHA-assisted households is accomplished increasingly with Housing Choice vouchers.

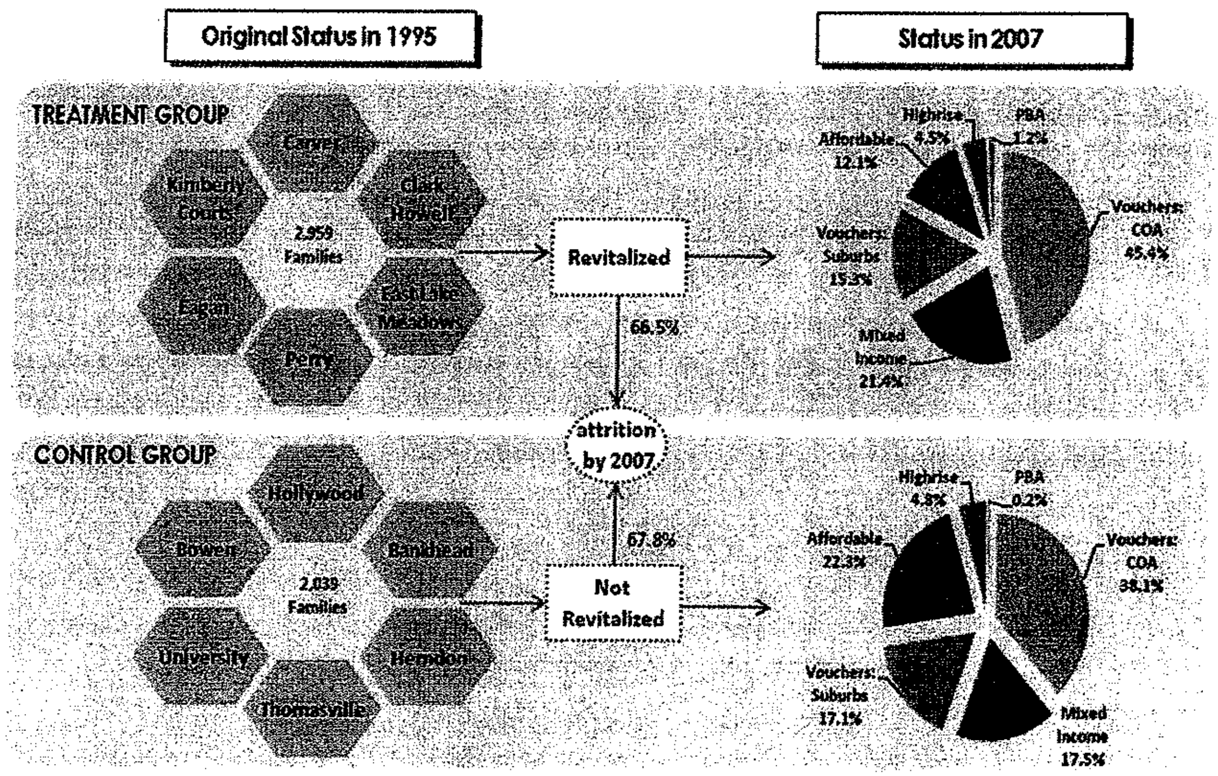
Following the approved demolition of public housing developments, AHA families are provided relocation assistance and have the option of choosing Housing Choice vouchers, project based rental assistance, a mixed income community or other public housing developments. AHA's CATALYST Business Plan made Housing Choice vouchers increasingly available to AHA-assisted families; even to those families who lived in public housing developments that were not demolished by 2007.

The table below tracks the relocation decisions of families who lived in six public housing developments that were revitalized after 1995 (the treatment group) and families who lived in six developments that were not revitalized between 1995 and 2007 (the control group). The table reveals two facts. First, revitalization of public housing developments did not cause affected families to experience a higher annual attrition rate (that is, a greater exit from AHA-assisted housing) than was the case among families who were not affected by revitalization. Second, by 2007 Housing Choice vouchers were used by 61% of treatment group families (all such families had to relocate because of revitalization) and by 55% of control group families. The latter group did not have to relocate because of revitalization. 2,959 treatment group families lived in public housing units in 1995 as did 2,039 families in the control group in 1995. By 2001, 50% of the original treatment families were still active with AHA as were 50% of the control group families. By 2007 there were 991 treatment group families still active and 656 control group families still active. Hence, 33.5% of the original treatment group families remained active while 32.2% of the control group families did so. This means that the annual attrition rates between the groups did not differ by a statistically significant amount. More precisely, annual attrition rates for the treatment group and the control group over the observation period were 11.5% and 12.0% respectively.

Finally, the soft housing and real estate markets have opened new opportunities to AHA-assisted families and allowed them access to quality affordable housing in neighborhoods throughout Atlanta and the Metropolitan area. By 2007, 19% of AHA assisted families lived outside of the Atlanta City limits. Affordable rental opportunities provide families greater access to housing in more diverse neighborhoods of the Atlanta Metro area.

What Happened to Families when Developments were Revitalized?

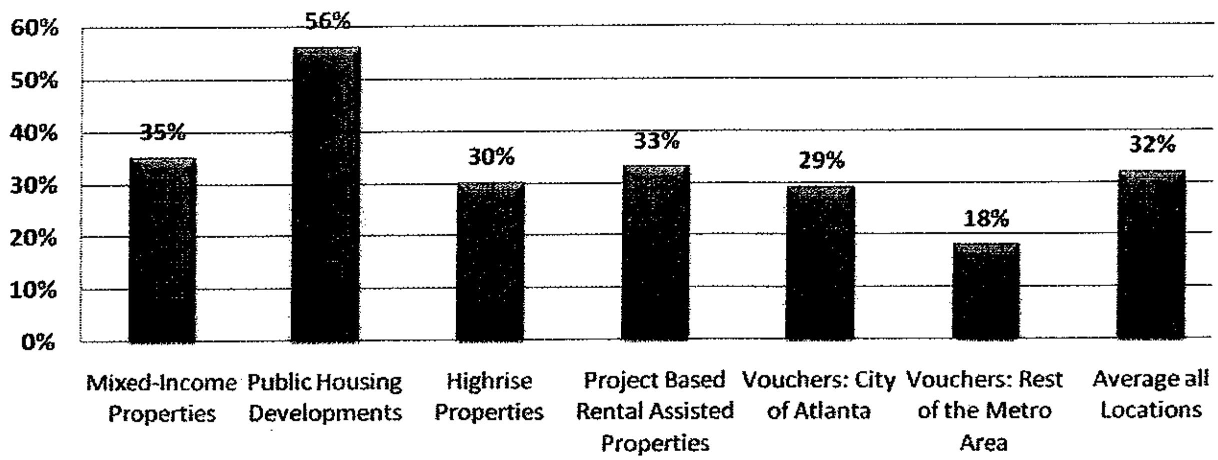
Source: EuQuant, Inc.



Housing Choice Vouchers Provide Residents Access to Better Neighborhoods

In 2007, the average poverty rate of census tracts where public housing developments were located was 56.0%; it was 29.0% in census tracts where Housing Choice voucher participants lived in the City of Atlanta and 18.0% in census tracts where Housing Choice voucher participants lived in suburban areas of Metropolitan Atlanta. By making affordable market rate rental housing more available to Housing Choice voucher participants, the economic downturn has created more opportunities for AHA-assisted households to move to better neighborhoods; where the latter is measured by poverty level, median income, school performance and home values. The figures in the table on the following page indicate the characteristics of neighborhoods where families resided in 2007 and the type of housing assistance associated with their places of residence. The figures demonstrate that Housing Choice vouchers are used in neighborhoods whose characteristics are much better in comparison to the neighborhoods where public housing developments are located.

Poverty Rates in Census Tracts
Where Families Receiving AHA Housing Assistance Resided in 2007



Source: EuQuant, Inc.

Neighborhood Characteristics where Families Lived in 2007

	Median HH Income	ITBS 5th Grade Percentile	2004 Average Price of Single Family Home
Mixed-Income Properties	$22,138	42	$232,027
Public Housing Developments	$17,584	40	$193,554
Highrise Properties	$30,099	52	$269,385
Project Based Rental Assisted Properties	$20,384	44	$177,441
Vouchers within the City of Atlanta	$27,698	44	$190,542
Vouchers within the rest of Metro Atlanta	$35,350	46	$157,481
Average all locations	$27,331	45	$201,645

Source: EuQuant, Inc.

Mixed-Income Financing may be more Difficult to Secure in the Short Run

In Georgia, the asset quality of banks has decreased significantly while past due loans as a percent of all loans have increased. In 2006, past due loans in Georgia banks as a percent of all loans was 1.6 %. In the third-quarter of 2008 this increased to 3.9%. During the same period, the percent of net loan losses to total loans increased from .08% to .36%. Finally, median Tier 1 leverage (the so-called stress test) declined from 9.55% to 9.28%. Together this means that Georgia's banks are experiencing significant turmoil. This explains why the state is ranked second in the number of bank defaults. Unfortunately, this also means that the capital needed to finance mixed income developments by AHA and its private sector development partners may be more challenging to secure. This challenge may diminish as the President's plan to stimulate the economy and recapitalize banks gains more traction in the economy as a whole.

AHA's Revitalization Program seeks to rebuild communities beyond the footprint of the old public housing project. The elements of a typical revitalization include a new mixed-income multi-family development (where typically 40% of all units are reserved for AHA-assisted families), new or greatly improved neighborhood schools, an early learning center, a new YMCA, new recreational and community facilities, the creation of affordable homeownership opportunities, the relocation of families using a combination of Housing Choice vouchers, and the provision of a broad range of job training and life skills programs for adults and social programs targeted to at-risk youths. A benefit-cost analysis of six public housing developments that represented the first 13 development phases that were revitalized into mixed-income communities indicates that the net social benefit was $740 million and society received $1.58 in benefits for every dollar of cost incurred. The average net social benefit of revitalizing a single community was $123 million. Therefore, AHA's Revitalization Program and its CATALYST Business Plan created a net social benefit of $1.6 billion.

In light of the large social return on investment, it remains to be seen whether it will become more difficult to secure the equity and debt financing that is needed to initiate or complete mixed-income revitalization.

PART XIII:
MTW ANNUAL PLAN REPORTING REQUIREMENTS

"Home makes me think of family...family means gathering, laughter and just chilling out together."
Carole Jean Green

MTW ANNUAL PLAN REPORTING REQUIREMENTS

ANNUAL PLAN	REQUIREMENT	LOCATION
I. HOUSEHOLDS SERVED		
	A. Number and characteristics of households served at beginning of period, by: *- unit size* *- family type (family vs. elderly or disabled* *- income group (<30: 30-50; 50-80;>80)* *- housing type (LRPH; leased, other)* *- race & ethnicity*	*N/A for FY 2010 Plan* [1] Although not required, see Appendix K – Housing Opportunities Data.
	B. Identify number and characteristics of households on waiting lists (all housing types). Discuss waiting list issues and proposed actions	*Same as above.*
	C. Number projected to be served at end of period	*Same as above.*
	D. Narrative discussion/explanation of change	*Same as above.*
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-	*Appendices P & Q*

[1] As part of the approval of AHA's FY 2006 CATALYST Implementation Plan, HUD approved AHA to replace this information with its MTW Benchmarking Study being conducted by EuQuant (formerly Boston Research Group, Inc.) The study will include three reports: an FY 2006 Baseline Report, an FY 2008 Interim Report and an FY 2010 Final Report. The FY 2008 Interim Report was included in AHA's FY 2008 MTW Annual Report and the 2010 Final Report will be included in AHA's FY 2010 MTW Annual Report.

MTW ANNUAL PLAN REPORTING REQUIREMENTS

ANNUAL PLAN	REQUIREMENT	LOCATION
	income families	
	B. Statement of Rent Policy	*Appendices P & Q*
III. CHANGES IN THE HOUSING STOCK		
	A. Number of units in inventory at beginning of period by program (LRPH, leased, other)	*No longer required.* [2] Although not required, see Appendix K – Housing Opportunities Data.
	▪ *Projected number at end of period by program*	*Same as above.*
IV. SOURCES AND AMOUNTS OF FUNDING		
	A. Identify/discuss all sources and amounts of funding included in consolidated budget statement	*Appendix L*
	B. Identify/discuss sources, amounts, and planned uses of special purpose funds outside the consolidated budget (e.g., DEP)	*Same as above.*
	C. Consolidated Budget Statement	*Same as above.*
V. USES OF FUNDS		
Need to note in Appendix L that final budget is not submitted in Plan. Once the final Plan is submitted it will included the information for items C and D	*A. Previous year expenditures by line item*	*Appendix N*
	B. Planned expenditures by line item	*Appendix L*
	C. Description of proposed activities/investments by line item/explanation of change from previously approved plan	*Same as above. See Annual Budget discussion under Corporate Support*
	D. Reserve balance at beginning of year. Discuss adequacy of reserves.	*Same as above.*
VI. CAPITAL PLANNING		
	A. Describe major capital needs and projects, estimated costs, and proposed timetables	*Appendix M*
	B. Identify planned expenditures	*Same as above.*

[2] As part of the approval of AHA's FY 2006 CATALYST Implementation Plan, HUD approved elimination of the requirement for AHA to provide this information as part of its annual plans.

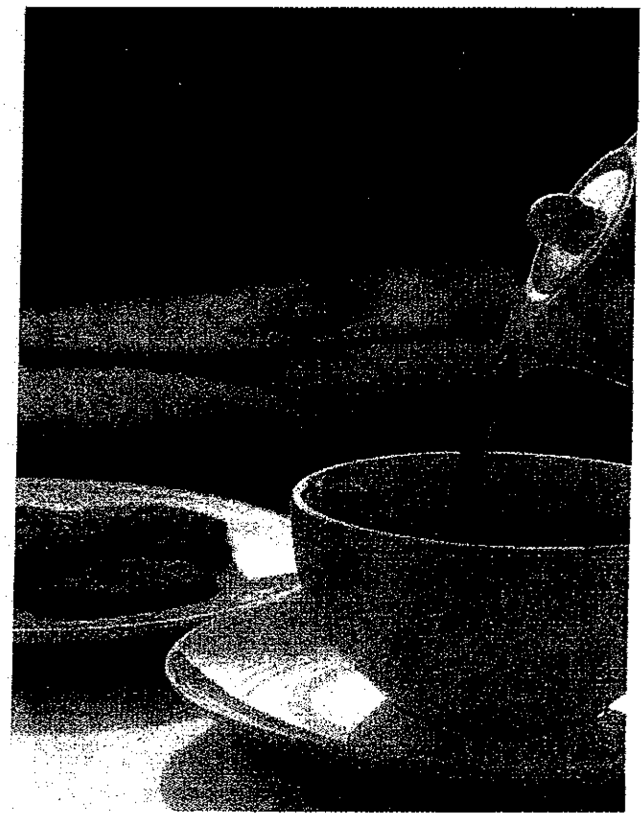
MTW ANNUAL PLAN REPORTING REQUIREMENTS

ANNUAL PLAN	REQUIREMENT	LOCATION
	C. Demolition and Disposition Requests, if planned	*Appendices F Part II, III, and VI of Plan*
	D. Homeownership activities, if any	*Part II of Plan*
VII. MANAGEMENT INFORMATION FOR OWNED/MANAGED UNITS		
A. VACANCY (OCCUPANCY) RATES		
	1. Occupancy rates by property beginning of period	*Appendix H*
	2. Narrative: issues and proposed action	*Same as above.*
	3. Target rates by property at end of period	*Same as above.*
B. RENT COLLECTIONS		
	1. Rents uncollected (%) beginning of period	*Appendix H*
	2. Narrative: issues and proposed actions	*Same as above.*
	3. Target % at end of period	*Same as above.*
C. WORK ORDERS		
	1. Response rates beginning of period • % emergency within 24 hrs • % regular within 30 days	*Appendix H*
	2. Narrative: issues and proposed actions	*Same as above.*
	3. Target rates at end of period	*Same as above.*
D. INSPECTIONS		
	1. Description of inspection strategy	*Appendix H*
	2. Planned inspections (% this FY)	*Same as above.*
E. SECURITY		
	1. Narrative: security issues and proposed Actions	*Appendix H*
VIII. MANAGEMENT INFORMATION FOR LEASED HOUSING		
A. LEASING INFORMATION		
	1. Units under lease (%) beginning of period	*No longer required.* [3] Although not required, see

[3] As part of the approval of AHA's FY 2006 CATALYST Implementation Plan, HUD approved elimination of the requirement for AHA to provide this information as part of its annual plans.

MTW ANNUAL PLAN REPORTING REQUIREMENTS

ANNUAL PLAN	REQUIREMENT	LOCATION
		Appendix K – Housing Opportunities Data.
	2. Target lease up rate at end of period	*Same as above.*
	3. Plans regarding: *Ensuring rent reasonableness* *Expanding housing opportunities* *Deconcentration of low-income families*	*Appendices I,* *Part II, III, IV, and V of Plan*
	4. Issues and proposed actions	*No longer required.*[3] *(Although not required, see the above referenced sections)*
B. Inspection Strategy		
	1. Description of inspection strategy, including: *a) Planned inspections completed (% this FY) by category:* *▪Annual HQS Inspections* *▪Pre-contract HQS Inspections* *▪HQS Quality Control Inspections* *b) HQS Enforcement*	*Appendix H & I*
IX. Resident Programs		
	1. Description of activities	*Parts VII of Plan*
	2. Issues and proposed actions	*Parts VII of Plan*
X. Other Information as Required by HUD		
	A. Board Resolution Adopting Plan Certifying that Public Hearing Requirements were met	*Appendix A*
	B. Required Certifications and other submissions from which the Agency is not exempted by the MTW Agreement	*Appendix A and B*
	▪ Submissions required for the receipt of funds	*Appendix S*



"There's no place like home...how splendid! The splendor is in the sanctuary it provides...the memories it holds...and the love that abides... There is no place like home!"

Adrienne Walker

PART XIV:

AHA LEADERSHIP

Since 1994, when Renée Lewis Glover joined AHA as its President and Chief Executive Officer, AHA has undergone a transformation from a bloated and broken public housing authority to a diversified real estate company, with a public mission and purpose. As part of this transformation, AHA has undergone a sea change in how it addresses the need for affordable housing by persons who earn minimum wage up to 80% of adjusted income. AHA's vision is Healthy Mixed-Income Communities. At June 30, 2010, AHA will close the door on the era of warehousing poor families in obsolete and distressed public housing projects. The transformation has been led and strategically implemented by Glover and her leadership team.

Glover has received numerous recognitions over the years. Glover was honored with the Turner Broadcasting Downtown Community Service Award in March 2007. On December 17, 2005, the "Masked" Award was presented to Ms. Glover by the United Negro College Fund, Inc., and the African Heritage Foundation, in appreciation for her support of UNCF and the 22nd Anniversary Mayor's Masked Ball. In July 2003, Glover was chosen by the Atlanta History Center as one of Atlanta's Defining Women. She was named Public Official of the Year 2002 by Governing Magazine. In June 2002, a collaboration among the Center for American Women in Politics, the Ford Foundation and the Council for Excellence in Government recognized Glover as one of the top ten American women in government. Glover has also been featured in Atlanta Women Speak, an anthology of speeches from Atlanta's political and corporate leadership. She was also honored with the Dan Sweat Community Leadership Award from the Urban Land Institute in 1998.

Glover served on the National Advisory Council of Fannie Mae and was appointed by the United States Congress to the Millennial Housing Commission in 2000, charged with providing legislative recommendations to Congress on national housing policy. In 2007, Glover became a Fellow of the National Academy of Public Administration.

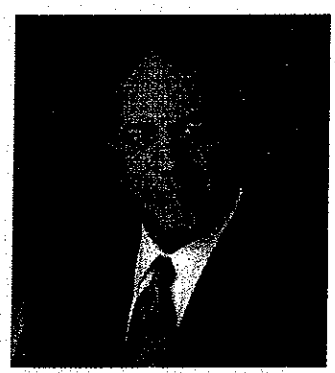
Glover currently serves as a member of the Board of Directors of the Federal Reserve Bank of Atlanta and the International Board of Directors of Habitat for Humanity.

AHA LEADERSHIP – continued

Including Ms. Glover, AHA's executive management team consists of eight Senior Executives, eleven Vice Presidents and a private sector Executive Program Manager who are responsible for guiding the day-to-day operations of AHA in accordance with AHA's Business Plan. A brief introduction of each of these professionals follows.

Renée Lewis Glover, President and Chief Executive Officer

Renée Lewis Glover joined the Atlanta Housing Authority (AHA) as CEO in September 1994. Glover has been nationally recognized for her role in transforming U.S. urban policy. At AHA, Glover pioneered master-planned, mixed finance, mixed-income residential development, and reorganized AHA to become a diversified real estate company, with a public policy and service-oriented mission. Her efforts have rebuilt entire communities from the ground up, and in creating a replicable model for redevelopment, Glover has helped cities across the country transform their urban landscapes. Prior to joining AHA, Glover was a corporate finance attorney in Atlanta and New York City. She received her Juris Doctorate from Boston University, her Master's degree from Yale University and her Bachelor of Arts from Fisk University.



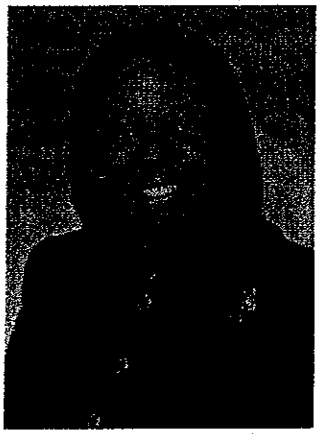
Nick Farsi, Chief Information Officer

Nick Farsi is a senior Information Technology executive with over 20 years of diversified experience in Retail, Telecomm, E-Commerce, Real Estate and Web Hosting. As Chief Information Officer for AHA, Mr. Farsi is leading initiatives that create Information Technology strategies which will transform how AHA does business in the 21st century.

Joy Fitzgerald, Chief Operating Officer, Real Estate Development & Acquisitions

Joy Fitzgerald has more than 25 years of experience in affordable housing and mixed-income revitalization, having served for ten years as the Executive Director of the Houston Housing Authority and for four years as the Director of Affordable Housing for the Georgia Housing Finance Agency before joining AHA. Ms. Fitzgerald provides leadership to AHA's repositioning strategy and oversees the strategic planning and implementation for all AHA redevelopment and acquisition projects.

AHA LEADERSHIP – continued



Gloria J. Green, General Counsel & Chief Legal Officer

Gloria J. Green's legal career includes serving as an Attorney with the Securities and Exchange Commission in the Office of General Counsel, Washington, D.C. and in the Division of Enforcement, Atlanta Regional Office, and Vice President, Deputy General Counsel and Director of Legal Services for the Federal Home Loan Bank of Atlanta where she directed the day-to-day activities of the Legal Department. Ms. Green is a graduate of Duke University in Durham, N.C. and holds a Juris Doctorate degree from Georgetown University Law Center, in Washington, DC. As an integral member of AHA's executive management team, Ms. Green manages the Legal Department which provides legal services to support the implementation of AHA's Business Plan.

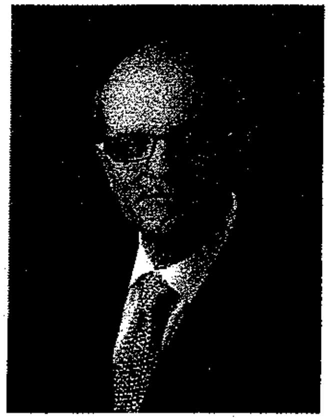
Mark Kemp, Senior Vice President of Operations

Mark Kemp has over 20 years of strategically mastering progressive action programs and solution-driven projects using innovative approaches to various operational and corporate initiatives in housing and educational environments. As an objective and constructive resource, Mark focuses on balancing AHA's resources through practical application of measures in order to drive strategies, improve efficiencies, and contain costs. Within AHA, Mr. Kemp is currently leading the Operations division of the agency, which includes Real Estate Management and Housing Choice Operations, as well as the related business systems for their support.

Steve Nolan, CPA, Chief Financial Officer

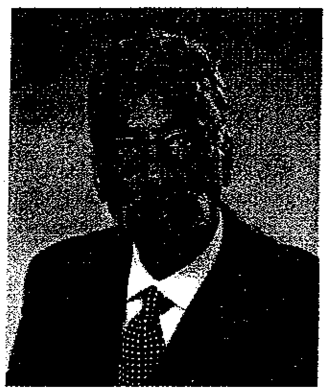
Steve Nolan has over 15 years of accounting and auditing experience in the HUD regulated environment which has provided him with expertise in the fields of nonprofit organizations, single audits of government financial assistance programs, and HUD and real estate accounting. He also is a Certified Public Account (CPA) and has experience in analyzing and developing systems of internal control, evaluating accounting systems, and developing and implementing accounting procedures for large and small housing authorities. Mr. Nolan provides leadership to financial reforms to make AHA a more economically viable business.

AHA LEADERSHIP – continued



E. Mike Proctor, Ph.D., Chief Operating Officer, Asset Management and Policy Development

E. Mike Proctor provides leadership in the areas of policy (where he serves as AHA's Chief Policy Officer), asset management, research and evaluation and new business opportunities. Dr. Proctor has over 30 years experience in housing programs, housing finance, and community development and revitalization. He received his doctorate with a specialty in public policy and administration from Georgia State University. As a Fannie Mae Foundation Fellow he focused on affordable housing issues at Harvard's Joint Center for Housing Studies and has sat on various panels at the request of the Joint Center. Dr. Proctor is also a graduate of the Harvard Senior Executives in State and Local Government Program at the John F. Kennedy School of Government. Dr. Proctor currently serves on the Community Coalition Board of the Morehouse School of Medicine's Prevention Research Center and is a member of the national Prevention Research Center Program's policy committee sponsored by the U. S. Centers for Disease Control and Prevention.



Barney Simms, Chief External Affairs Officer, Community, Governmental & External Affairs

Barney Simms is an innovative and outcomes driven leader well known for connecting to the hearts and spirits of people challenged by at-risk circumstances and situations. His brand of strategic leadership, coupled with his community involvement and compassion for people, has been paramount in AHA's work in changing lives. With more than 25 years of progressive leadership as a decision maker and an advocate for senior and children issues, Mr. Simms provides the guidance for the implementation of strategies that connect AHA participants to mainstream resources and support services that bolster healthy outcomes for children, independent families and self-sufficient elderly and persons with disabilities.

Pat Jones, Executive Program Manager, Real Estate Management

Pat Jones is a Senior Vice President & Managing Principal for Draper & Associates, an Atlanta-based firm that specializes in formulating and implementing solutions to business challenges with corporate clients. Ms. Jones has 31 years of project and program management and is currently on assignment to AHA as Program Manager for Comprehensive Technical Program Management Services. She has a proven track record in managing public-private relationships. Her experience in construction and contract management enable her to maximize efficiency and quality through the use of strategic partnerships. Her project based approach to improving real estate operations is evident in the AHA's Real Estate Management division that is responsible for the agency's relationship with its private sector partners who operate AHA's Affordable Properties.

AHA Vice Presidents

Reneé Bentley, Vice President, *Housing Choice Operations*

Angela Chadwick, Deputy General Counsel

Ken Clark, Vice President, *Real Estate Transactions and Financial Operations*

Vona Cox, Vice President, *Acquisitions Management Services*

Carolyn McCrorey, Vice President, *Human Resources*

Martha McMillin, *Deputy General Counsel*

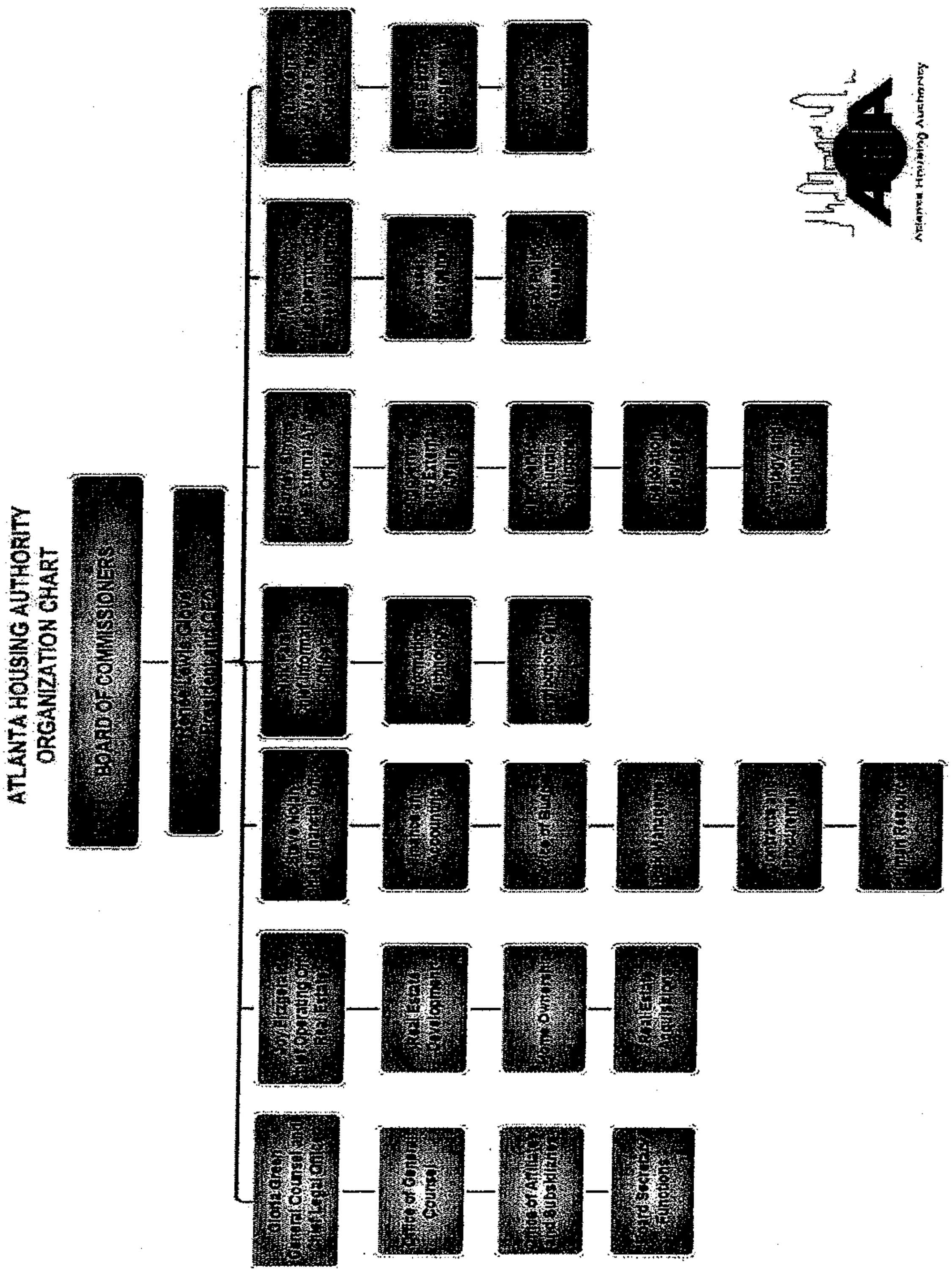
Patricia O'Connell, *Vice President, Real Estate Development*

Marion Quaye, Vice President, *Asset Management*

Suzi Reddekopp, Vice President, *Finance*

Adrienne Walker, Vice President, *Corporate Planning*

AHA Leadership and Organizational Structure



Atlanta Housing Authority