



Greensboro Housing Authority
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Office
Executive Director

March 22, 2013

Colette Pollard
Departmental Reports Manager Officer, QDAM
Department of Housing and Urban Development
451 7th Street SW
Room 4160
Washington, DC 20410-5000

Re: Notice of Revised Information Collection for Public Comment; Public Housing Authority
Executive Compensation Information

Dear Ms. Pollard:

The Greensboro Housing Authority (GHA) submits the following comments regarding the Notice of Revised Information Collection for Public Comment; Public Housing Authority Executive Compensation Information.

GHA is concerned that the proposed new draft form HUD-52725 poses issues of public policy fairness and impracticality for the nation's approximately 4,000 public housing authorities. While we share the administration's commitment to transparency and accountability, and recognize and respect HUD's oversight responsibilities, we submit that the salary caps intended to be placed on public housing authorities represent bad public policy and an overreach of HUD's authority.

Asset management was created by HUD as a system designed to make PHAs act like private management companies. In essence, PHAs are required to treat each Asset Management Property (AMP) separately and make decisions based on the interests of that AMP rather than the entire portfolio. Under the asset management system, PHAs treat themselves as if they were third party managers, charging a fee payable out of Public Housing Operating Funds to the property for management and these funds were considered "defederalized". This structure is laid out in the HUD Handbook 7475.1 REV., CHG-1, Financial Management Handbook. However, PIH 2012-14 required PHAs to report on their highest compensated staff, explicitly included fees earned by the COCC as federal funds, calling into question for the first time the defederalized nature of these funds.

Now, HUD is considering that these fees earned are to be federalized for the purposes of PHA compensation limits, and defederalized for other purposes. The proposed amendment to Form 52725 conflicts with the essence of the fee-for-service model by requiring PHAs to track the source of funds after they enter the COCC.

PHAs are required to distinguish on the proposed form how much of the Executive Compensation is paid from Section 8 (HCV) and Section 9 (Public Housing) funds. Common practice for PHAs, at HUD's guidance, is to combine these funds in the COCC, potentially with many other revenue sources. It is therefore difficult to determine which particular funds are used to pay Executive Compensation, or how PHAs are expected to determine going forward how much of compensation is paid from Section 8 or 9 funds, versus other revenue sources.

The tiered caps in HUD's proposal are based on the size and number of units within an authority. HUD has not indicated if this includes Section 8 and Section 9 units or just Section 9 units. This is hardly an adequate metric for determining appropriate levels of executive compensation. There may be a PHA that administers a small number of public housing units under Section 9, but administers large numbers of Housing Choice Vouchers under Section 8. Furthermore, the 1,250+ units cap combines PHAs managing less than 2,000 units with ones managing tens of thousands of units significantly larger and more complex operations than those at the lower end of the grouping. Additionally, the cap ranges proposed do not consider any geographical differences, or the long term tenure of many PHA executives. Clarity needs to be provided for inclusion of units, ranges need to be expanded and geographical and tenure differences should be considered.

The Greensboro Housing Authority thanks you for your consideration of these comments.

Sincerely,

A handwritten signature in black ink, appearing to read "Tina Akers Brown". The signature is fluid and cursive, with the first name "Tina" being the most prominent part.

Tina Akers Brown