

SEP 26 REC'D

copied Doug Adkins
9-27-12



U.S. Department of Housing and Urban Development

Cleveland Area Office, Midwest Region
U.S. Bank Centre
1350 Euclid Avenue, Suite 500
Cleveland, Ohio 44115-1815

Phone (216) 522-4058 FAX (216) 522-7100
Internet <http://www.hud.gov>

SEP 24 2012

Judith A. Gilleland, Executive Director
Middletown Public Housing Agency
One Donham Plaza
Middletown, OH 45042

Dear Ms. Gilleland:

HUD staff visited the Middletown Public Housing Agency's, MPHA, Office on August 21 – 23, 2012 to review its leasing performance as well as timeliness of completing annual HQS inspections and annual participant reexaminations and correct HAP payments to owners.

Our review sample of 24 files revealed in all cases HAP payments to owners were correct. However we did find that 11 of the 24 files (45.9%) had late HQS inspections (beyond 365 days), or no documentation was available to support an inspection was conducted. Annual reexaminations were generally conducted timely but in a few instances notices to families were not provided in a timely manner, i.e., 30 days notice of the change.

Our review of MPHA's leasing performance revealed that no vouchers have been issued since the beginning of this calendar year; the waiting list contained two applicants; and cumulative leasing through July was at 89.3% of units and 86.2% of annual budget authority.

Discussions with MPHA staff indicated an on-line application process was being contemplated but was dependent on board approval. Given the extremely low leasing percentages and virtual absence of a waiting list, we are requesting a formalized corrective action plan to bring your leasing percentages within an acceptable level, i.e., at least 95% of units or ABA. We are also requesting an action plan be provided to address the late and undocumented HQS inspections.

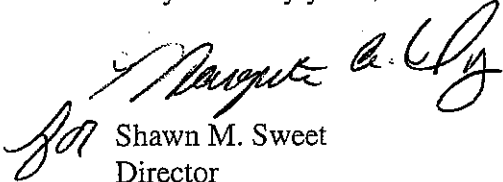
The written report must be provided to this office describing corrective actions to be taken within 30 calendar days of the date of this letter.

Please ensure your written description of corrective actions includes at a minimum, the following components:

1. A diagnosis/analysis identifying the root causes of the performance deficiency;
2. A detailed and realistic plan of action to correct the performance deficiency; and
3. A realistic timetable to complete the plan of action.

Should you have any questions, do not hesitate to contact Ms. Nancy Petrunak at (216) 357-7762.

Very sincerely yours,

A handwritten signature in black ink, appearing to read "Shawn M. Sweet", is written over the typed name.

Shawn M. Sweet
Director
Cleveland Office of Public Housing

Cc: Larry Mulligan, Jr.
Daniel Picard
Ann Mort
Andrew Smith
Joshua Laubach
Joe Mulligan
Anita Scott Jones