

AN INTERNATIONAL ACTIVITIES PROJECT

**FROM PLANNING TO MARKETS
HOUSING IN EASTERN EUROPE**

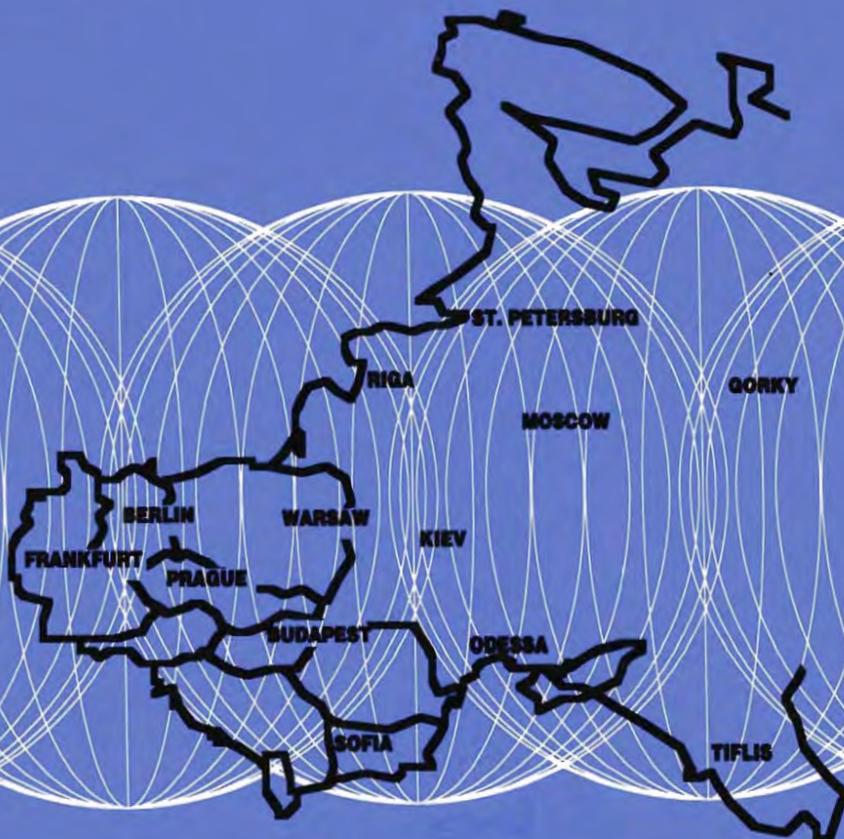
THE URBAN INSTITUTE

**Contract No. CCS-0008-C-00-2055-00
UI Project No. 06306-000-00**

**HOUSING SECTOR REFORM PROJECT
RUSSIAN FEDERATION/CITY OF MOSCOW**

QUARTERLY REPORT (No. 15)

March - May 1996



THE URBAN INSTITUTE

Prepared for the Office of Housing and Urban Programs (USAID)

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Contract No. CCS-0008-C-00-2055-00

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March - May 1996

Submitted on June 14, 1995

Section I - Contractor's Report

A. *Narrative*

1. **Background:** The program objective is to help shift the residential sector from a command basis (as existed in the Soviet era) to one operating on market principles, i.e. one in which decisions about production, financing, and allocation are made on the basis of freely determined prices. In particular, this objective is achieved by reaching these detailed goals:
 - Allocation of the housing stock by price mechanisms;
 - Consumer sovereignty in the choice of units and unit quality;
 - Promotion of private ownership of housing;
 - Competitive maintenance, rehabilitation, and construction;
 - Targeting of subsidies to low-income households, with equity among similarly situated households; and
 - Making housing affordable to families with a wide range of incomes in a way consistent with sound macroeconomic policy.
2. **Expected Results:** Expected results for the life of the project include:
 - Forty percent of Moscow's housing stock under private maintenance;
 - At a minimum, rents at or approaching full operating costs; at a maximum covering full costs, including allowance for depreciation and capital costs;
 - Housing allowance system fully functional;
 - Some households are relocating within social housing stock, shifting their housing vouchers when they move;
 - Dissemination of condominium legal infrastructure to other jurisdictions;
 - Mortgage lending equivalent of 30 to 50 percent of the volume of other countries with similar levels of development (GDP per capita) and financial system development;
 - Mortgage law in place; widespread dissemination and use of standardized loan documentation; and
 - Commencement of public initiatives in housing finance, such as mortgage insurance and secondary sales of mortgages.
3. **Current Activities:** See attached task order by task order synopsis.
4. **Performance:** See attached task order by task order synopsis.

5. **Statement of Work:** See attached task order by task order synopsis.

B. Administrative Data

Contract Data:	Total Level of Effort:	485.0 person-months
	Total Estimated Cost:	\$15,597,752
1.	Level of Effort (Last three months):	23.08 person-months
2.	Cumulative Level of Effort:	424.31 person-months
3.	Unused Level of Effort:	60.69 person-months
4.	Cumulative Expenditures to Date:	\$11,016,578
5.	Remaining Unexpended Balance:	\$4,581,174

C. Task Order by Task Order Synopsis

Task Order 12

Current Activities:

UI/Washington staff continue to provide technical and administrative support to the Moscow field operation. Major tasks this quarter include research on legal issues pertaining to land and mortgage lending, preparation of case studies for use in construction lending training courses, development of U.S. study tours in construction finance and long-term mortgage lending, and arrangement of logistics for short-term technical personnel traveling to Russia.

Olga Kaganova (UI/Washington) traveled to St. Petersburg and Moscow to help revise the Urban Real Estate Reform Code with a group of experts from the Union of Russian Cities. Kaganova met with Serdukov, Chair of the Department of Urban Planning and Land Use of the Union of the Russian Cities, and Serdukov, Director of the Fund of Reconstruction and Development of Cities, to discuss the contract: Information System: Land and Real Estate in the Russian Cities. The discussion focused on the content of the delivery order and the progress schedule of the contract. Serdukov submitted questionnaires with indicators and inquiry forms completed by participants of the Conference, which was organized by the Union of the Russian Cities in April. The budget for preliminary marketing (Section 1 of the contract) and pilot testing (Section 2) was negotiated. The following week, the contract between HSRP and the Fund of the Reconstruction and Development of the Cities was signed (Section 1 only). HSRP was represented by Struyk, and The Fund on the Reconstruction and Development of the Cities was represented by Serdukov. Kaganova and Kolokolnikova from HSRP, and Serdukov and Ashikhmin from the Union of Russian Cities participated.

Clare Romanik (UI/Washington) traveled to Moscow to conduct an analysis of the fourth wave of the Moscow household survey and other monitoring activities.

Performance: The task order is proceeding according to schedule.

Statement of Work: The task order performance period is being extended to September 1996 in order to align the work plan period with the HSRP II contract.

Task Order 9

Current Activities:

Legal Developments

The Law on Condominiums was passed by the State Duma on May 22, with the amendments proposed by the Federal Assembly. The law is now before the Assembly where it is expected to pass.

The Urban Planning Codex passed the State Duma on the first reading in May. The approved version was submitted by Minstroi to the Government. Major revisions which align the law with more market-oriented concepts are planned before the second reading occurs.

The draft Council of Ministers Resolution for implementation of the "Your Home" program has gone from the Apparatus of Government to the Office of the President. During the election campaign, in a change to regular procedures, all draft Government acts are being reviewed by the President's office. It is anticipated that the resolution will be approved at the meeting of the Government on housing, which is scheduled for June 13.

The draft Council of Ministers Resolution for implementing the amendments to the Law on Fundamentals of Housing Policy (dealing with rent reform) which was passed on December 8, 1995 has been sent by the Apparatus of Government to the Office of the President for review. An important adjustment in the current draft is that whereas the prior wording referred to payments to cover "maintenance and repairs," the new wording is "maintenance and current and capital repairs." The change means that the target for full cost recovery over the (now) 10 year period has been increased significantly to include capital repairs to the housing stock, as well as regular operating costs.

President Yeltsin's Decree, "On Mortgage," which was signed at the end of February, appears to be a shortened variant of the draft Law on Mortgage, which was defeated in the State Duma in December. The most important provision of the decree is that it allows for the eviction of the borrower and family members, following foreclosure, for mortgage loans given for the purchase of housing. This provision of the Presidential Decree, however, contradicts the Civil Code (Article 292) and may ultimately be tested in the courts. In the meantime, this decree does give banks more leverage in implementing mortgage lending programs and is a positive step in the development of housing finance.

In early April President Yeltsin signed two new decrees: one on down payment subsidies and one on maintenance competitions.

- (a) The decree on down payment subsidies offers a number of clarifications to the earlier decree that created the program. The new decree also states that this form of subsidy shall be the primary method for the Russian Federation to support residential construction. This demand-side approach was initially piloted in the U.S.-supported military officers resettlement program and then piloted in the Nizhni Novgorod Oblast where the experience was again positive.
- (b) The maintenance decree decisively breaks the monopoly of state firms in maintaining municipal housing. It mandates the separation of the functions of "customer" and contractor for housing maintenance, the competitive selection of firms to maintain municipal housing, and sets a schedule for competitively selected firms to take over the function. For example, by the end of 1998, 60 percent of the stock is to be maintained by firms selected through competitions. It also orders the Government to submit a draft law to the State Duma on the tax treatment of maintenance firms, the objective of which is to equalize the treatment of private and state firms.

Moscow's Mayor Yuri Luzhkov signed a decree that permits the competition to replace the "Office of Unified Customer" (DEZ) -- in effect the management company operating at the municipal district level -- with a private firm selected through competition. Five firms have already submitted bids in response to the tender to manage 25,000 units held by the Southeast Administrative District, but they had not been opened (pending the signing of the decree). In signing the decree the mayor overrode objections by the property committee and the legal department.

Following a round of meetings in February with regional officials, including Boris Nemstov, President Yeltsin ordered that Minstroii establish a working group to develop an overall plan for making improvements to the existing housing stock. Sasha Puzanov (IUE) and Nadezhda Kosareva (IUE) were appointed members of this group. Puzanov produced a draft of the program and another was produced by the Institute on Housing and Municipal Economy. At another meeting of the working group in mid-April a joint draft was developed which is primarily the Puzanov draft. This version is a serious, thoughtful description of the next steps in the reforms of rents, implementation of housing allowances, improvement of maintenance and management of the housing stock, and setting tariffs on communal services.

Housing Finance

The HSRP team continued its work with various banks to expand the mortgage lending programs. Currently HSRP is working with 30 banks on the development of mortgage lending. Of these banks, 19 are currently making mortgage loans with the remaining 11 banks scheduled to begin operations during the course of the year. These banks have made approximately 3,400 mortgage loans to date under our program. The Bridge Loan Program has also shown continued growth and acceptance by Russian banks while the Home Improvement Loan has proven to be popular with our regional banks. We estimate that 590 Bridge Loans have been made to date along with 65 Home Improvement Loans. A summary of this work included the following issues/banks:

- Discussed development of a savings program to support mortgage lending with Mosbusinessbank;
- Provided Nefthanoi Bank in Moscow with the standard underwriting guidelines and procedures and discussed questions related to the Bridge Loan;
- Installed the originations and servicing software at Sergei Zhivago Commercial Bank, Priovneshtorgbank, Baltiyskiy Bank, and Bank St. Petersburg;
- Discussed the savings account software, legal aspects of the Bridge Loan Program, and the self-amortization software with Novobank in Novgorod;
- Reviewed and provided recommendations on the Joint Stock Mortgage Bank's savings program;
- Installed the self-amortization software and ran the calculations for sample mortgage loans for Peter the First Bank in Voronezh, Mosbusinessbank, and the Joint Stock Mortgage Bank;

- Discussed with First Credit Union in Cheboksary their plans to implement a mortgage lending program and expand their savings program;
- Met with the Director of Mortgage Lending at the Moscow United Industrial Bank to discuss the bank's plans to originate mortgages to enterprise employees in the southwest district;

Ivan Labutin-Rymsho (CCN Consultant) completed computer software on self-amortization which can be used by Russian banks in calculating amortization schedules. We have been working closely with the banks to move from constant amortization to self-amortization in order to lower the opportunity costs and increase yields for mortgage loans originated.

James Cook (UI Housing Finance Advisor) and Labutin-Rymsho completed the new savings account software which will track cash flows for targeted use. A major drawback for banks entering the program has been finding a source for inexpensive resources to support mortgage loans. This software will be used in our discussions with banks on developing savings account programs to encourage clients to save towards the down payment for a mortgage loan. The software demonstrates that various investment opportunities during the savings period, along with the future cash flows from mortgage loans, can help alleviate part of the high cost of borrowing to fund mortgage loans. The software also shows that when combined with a savings account program, the mortgage loan becomes a more attractive investment.

The Irkutsk Oblast Administration announced that it has pledged 300 million roubles (\$64,000) towards the development of both mortgage lending and real estate finance. HSRP, the Barents Group, the Russian Guild of Realtors, East Siberian Commercial Bank, the Irkutsk Affiliate of Sberbank, Rossisky Kredit Bank, and the Investment Fund "Bank Basis" were named in the decree as interested parties working in housing reform. The grant will be used primarily for training and assisting low-income people obtain housing.

Andrei Suchkov (IUE) held a work session with Sergei Kurilov, Director of Mortgage Lending at East Siberian Commercial Bank in Irkutsk, to develop an updated business plan for the bank's proposal to the U.S. - Russia Investment Fund (USRIF). The business plan calls for the origination of 100 mortgage loans during the first year with money received from the USRIF. We also ran figures for the cash flow spreadsheet and determined the servicing fees to be charged for the loans along with a spread of 6 percent. The entire project is estimated to include 200 loans at \$4 million with an average loan amount of \$20,000. The final plan will be forwarded to USRIF prior to their trip to Irkutsk in June to finalize their investment in the mortgage lending program. In a conversation in late May, Ennis stated that the Fund will also invest in the mortgage lending of another bank in our program, Baltiyskiy Bank, in St. Petersburg. We agreed to meet with the Fund's representative in St. Petersburg in early June to discuss our work with Baltiyskiy. Ennis stated that the investment proposal should be completed and funded by July.

Kosareva, Suchkov and Ray Struyk (Project Director) had an initial meeting with officials from the Central Bank who have been charged with defining the role of the Bank in mortgage lending. At the end of the meeting we defined four actions the Bank could take in this direction: (a) developing and publishing regulations on mortgage lending to illustrate the Bank's view that such lending is an

important part of banking activities; (b) back creation of the Agency for Mortgage Lending within the government, and, at the extreme, contribute capital; (c) gather statistics from banks on the extent and type of their mortgage lending; and, (d) encourage banks to participate in training courses on mortgage finance, including possibly joint sponsoring with IUE.

Condominiums

Lisa Lee (UI/Moscow) completed the monitoring report on condominium developments. The report includes data on 34 cities. Combined, as of April 1, the cities report 383 condominiums registered, up from about 160 as of November 1995. Ryazan, Omsk and St. Petersburg report more than 30 condominiums. More generally, there has been clear progress in developing and implementing the legal basis for condominiums in these cities.

Natalya Vasilyeva (CCN Consultant) met with Nikolay Lavrentiev, a representative of the Committee for the Management of City Economy. They discussed a possible role for HSRP in the organization of condominiums in the city. Lavrentiev proposed the following directions of cooperation with HSRP: (a) creation of condominium associations in newly constructed buildings; (b) creation of condominium associations in buildings after reconstruction and rehabilitation; (c) "naim" contracting for residential units; (d) development of a foundation agreement for a condominium association; (e) issues of land allocation for condominium associations; (f) insurance for residential units; (f) assessment of the city's debt for rehabilitation and reconstruction of the old housing stock and possible ways of accumulating and allocating funds for rehabilitating buildings; (g) education for financial planning and accounting in condominium associations and training of city representatives on ownership in a condominium; (h) organization of maintenance in condominiums; and (i) issues of rent paid by renters of commercial spaces in order to accumulate funds and unite interests of renters and homeowners regarding repairs of engineering infrastructure and the entire building.

Tanya Koutakova (IUE) met with Alla Cherevko from the maintenance board of the Department of Housing Management in St. Petersburg to discuss problems concerning the creation of condominiums in 20 newly constructed buildings in Primorsky district. The Department had prepared an order-letter for developers which outlines the steps needed to register condominiums or to take the buildings to their balance for providing maintenance at their own expense.

Paul Collins (Quadel/Moscow), Alyosha Ovsyannikov (CCN Consultant) and Koutakova visited Arhangelsk and had a meeting with the Mayor and Deputy Mayor. On its own initiative the city has already begun to implement housing reforms, however, the Mayor and Deputy Mayor are interested in having HSRP assist with continuing these programs.

Rita Pinegina (IUE), Ovsyannikov and Schiogolev met with Valentina Lomovtseva, a consultant for the USAID Smolensk Business Support Center. They discussed the following areas of cooperation with HSRP: (1) Supporting Smolensk tenant activist groups willing to organize condominiums; (2) assisting the city administration in the field of condominium registration and competitive housing stock maintenance; (3) helping Smolensk banks develop mortgage and other types of financing focused at the housing construction sector. Lomovtseva and HSRP consultants agreed that it would be possible to make a presentation for the city and oblast administration.

Privatization of Maintenance and Management

Lisa Lee completed the monitoring report on maintenance competitions. As of April 1, we have information on 12 cities, all of which have benefited from HSRP assistance. Combined there have been 66 competitions to select firms to maintain municipal housing--41 in Moscow. Not counting units placed under contract in Nizhni Novgorod, and in some competitions for which information is missing, about 420,000 units are now maintained by firms selected on a competitive basis

Marina Shapiro (IUE) and Katya Petrova (CCN Consultant) contacted M. Arslanov, Head of the Housing Economy Board of the Department of Housing Maintenance of the Russian Federation, who requested our consultations and assistance in receiving information on private housing maintenance firms' activities in Russia. According to President Yeltsin's decree "On development of competition in rendering maintenance and repair services of state and municipal housing stock," the Department is responsible for generalizing the experience in competitive maintenance areas (the experience will be taken into consideration when developing normative documents on the program in Russia).

G. Arzhadeev, First Deputy Chairman of the Housing Economy Management Committee of Vladivostok, requested Shapiro's assistance in organizing the Board of Unified Customers in the city and to give some explanations on the division of function between customer and contractor (Shapiro met with G. Arzhadeev last year in Moscow and took him to the field).

Lee, Petrova, Shapiro, and Struyk completed a paper describing Moscow's experience with improving housing maintenance since 1991. The paper draws on previously unavailable data on the City's maintenance expenditures and exploits data on maintenance quality obtained in successive waves of the Moscow Longitudinal Household Survey.

A preliminary meeting of bidders for competitive maintenance took place on May 15 in Petrozavodsk. Eleven private firms and two ZhEUs participated. Pinegina and Olya Kim (IUE) attended the meeting and Pinegina spoke on the experience of such competitions in other cities.

The second bidding for competitive maintenance in Novocherkassk occurred this month. Three municipal housing packages were put up for bid with a total of 1,672 units and 5 firms submitted proposals.

Kim traveled to Volkhov in the second week of April to assist in the maintenance competition. Two packages were put out for bid comprising 2,006 units. Two non-municipal firms (the joint stock company "Vodokanal" and a private company "Forwards") and a municipal firm took part in the bidding. The price suggested by the private firms was slightly lower than that offered by the municipal firm. As a result, the two private firms won the bidding.

Shapiro and Petrova attended an interview with participants in housing maintenance competition in Kuzminki, South-East administrative district. Although they were quite satisfied with the private firm Akva which has been in charge of maintenance for the entire Kuzminki region for the past three years by that time, municipal and DEZ officials decided to organize a competition to find out whether there was another firm strong enough to keep the whole amount of work. Nine private firms entered the competition but Akva won the whole lot of 497 buildings (44,270 units). Nevertheless, there were

two other private firms willing and capable to maintain the work.

In early April, Petrova visited the "Voikovskiy" DEZ and spoke with E. Marbysheva, Head of the DEZ, and other DEZ officials about the competitive maintenance program, and provided them with instructions and materials on how to organize maintenance competition. She also arranged to conduct a training course on the competitive maintenance program for "Voikovskiy" DEZ staff. After the training course they will start preparing for the competition.

Kim visited Volkhov to set up logistics for the Housing Divestiture Program and to make a preliminary selection of 20 residential apartment buildings that were recently divested. The buildings were selected according to their physical condition, the percentage of privatized units, and other criteria set by HSRP. Kim and Magaeva worked to identify groups of people eager to work on reform in the selected buildings. It was decided that the city will make copies of the first 2 types of flyers that will be distributed during next two weeks. Kim and Magaeva also visited the City Registration Department to clarify the registration procedures for condominiums. They pointed out that the registration cost is too high and that it should be compensated by the city.

Shapiro and Petrova contacted seven strong private maintenance firms who have been working on our program for more than two years and distributed fill-in forms to collect initial information on planned and actual maintenance costs. We will process and analyze the information and prepare our proposal on maintenance costs normatives.

Housing Allowances

The Moscow city government adopted a new regulation on housing allowances which replaced the one adopted in 1994. In general the new regulation incorporates amendments made over the last two years. The most serious change is that the city voluntarily took the burden of compensating allowances of residents in the departmental housing stock. The application now needs to be signed by all members of a household. Some other minor provisions increase the power of the City Center for Subsidies.

Struyk and Clare Romanik (UI/Washington) completed a draft paper on participation in housing allowance programs at the national level. After final review it will be sent to USAID.

Puzanov traveled to Nizhny Novgorod and met with Novokreshchenov, Goltseva (Oblast Administration) and Ladygina (City Administration, Economy Department). Issues and variants of rent reform in the city in the second quarter of 1996 were discussed. The city's basic plan is the following: (a) to increase base rates by approximately 20 percent; (b) to introduce a new payment for naim and differentiate it according to location and quality; and (c) to increase rates for space above the social norm.

Puzanov visited the Nizhny Novgorod housing allowances office and observed their use of the tax inspection database on private enterprises which is being used for job verification. The city has reached a participation level of 18 percent. In the two districts where the HAO is attached to the district housing organization, the level is substantially lower (14 percent). The city's HAO continues to issue a series of instructive letters which provide guidance on particular cases.

Lee completed work on the data from the Moscow Longitudinal Household Survey. Based on these data, they estimate that in January 6.6 percent of all Moscow households received housing allowance payments. Because of Moscow's relatively high rent level, a large share of the population is eligible to receive payments; hence, the participation rate among eligible households is only 17 percent. On the other hand, nearly half of those eligible from the lowest income quintile receive allowance payments. Among all eligible households, 66 percent had heard something about the program and almost 40 percent actually knew something about how the program works.

Struyk, Puzanov and Lee finished the report evaluating two years' of experience with housing allowances based on household and recipient survey data from Gorodetz and Vladimir for 1994 and 1995. They found that participation rates increased sharply between the two years, as did knowledge of the program. The quality of service at the housing allowance offices was high in both years, although there is evidence that in Gorodetz insufficient attention is being paid to income verification.

Statement of Work: There are no statement of work changes.

Performance: The task order performance period is being extended to September 1996 in order to align the work plan period with the HSRP II contract.

Task Order 10

Current Activities:

This quarter Robert Odland continued as short-term technical advisor in urban land use and development to the St. Petersburg Fund of Real Estate Development. This assignment is part of the Urban Institute's work program of August 1995 for urban land redevelopment in St. Petersburg coordinated by Mr. Butler.

Anatoli Bulavin, Nina Grunicheva and Vladimir Novoselov traveled from Moscow, Russia to Washington, D.C. to attend and participate in a Codes and Inspections Computer Tour conducted by Quadel Consulting Corporation in late May.

In late April a group of 29 Russian bankers traveled to the U.S. to participate in a three-week observation tour on U.S. mortgage banking practices and policies.

Statement of Work: There are no statement of work changes.

Performance: The task order performance period is being extended to September 1996 in order to align the work plan period with the HSRP II contract.

Task Order 11

Current Activities:

Donald McCarthy (UI Consultant) traveled to Russia to provide technical assistance to Russian banks in the area of construction finance. More specifically, he assisted the banks in establishing and implementing construction lending operations, reviewing and upgrading existing construction finance programs operated by the banks, and evaluating construction loan applications.

Statement of Work: There are no statement of work changes.

Performance: There are no statement of work changes.

B. Administrative Information

(see attached)

Section II - Reserved for Project Officer's Comments

Section III - Reserved for Contract Office's Comments

End of Report

Quarterly Performance Report

Part B: Administrative Information

Contract No. CCS-0008-C-00-2055-00

Shelter Sector Reform Project (USAID Project 110-0008)

Component 1: Russian Federation/City of Moscow (UI Project 06306)

Contract Period: 9/1/92 - 11/30/96

Report Period: 3/1/96 - 5/31/96

Contract Data:	Total level of effort (@21.67 days/mo.)	or	$\frac{10,509 \text{ person days}}{485 \text{ person months}}$
	Total estimated cost		<u>\$15,597,752</u>
	Total obligated funds		<u>\$15,597,752</u>

1. Level of effort (this report period):		<u>23.08</u>	p/m	
2. Cumulative level of effort to date:	(a)	<u>424.31</u>	p/m	<u>87.00% of total LOE</u>
3. Unused level of effort:		<u>60.69</u>	p/m	<u>13.00% of total LOE</u>
4. Expenditures (this report period):		<u>\$831,564</u>		
5. Cumulative expenditures to date:	(a)	<u>\$11,016,578</u>		<u>71.00% of total oblig. funds</u>
6. Remaining Unexpended Balance:		<u>\$4,581,174</u>		<u>29.00% of total est. cost</u>

(a) Actual LOE and expenditures as of 5/21/96.

**THE URBAN INSTITUTE
FOURTEENTH QUARTERLY FINANCIAL REPORT (ESTIMATED) - MARCH 1, 1996 THROUGH MAY 31, 1996**

Shelter Sector Reform Project, Component 1 - Russian Federation and the Municipality of Moscow

Contract No. CCS-0008-C-00-2055-00 (UI Project 6306, Tasks 01-12)

Period of Performance: September 1, 1992 - November 30, 1996

filename: QFR15

11-Jun-96

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Months Remaining thru 11/96: 6

Category	Contract Budget Base Period (a)	Total Approved Task Orders (b)	Total Pending Task Orders (c)	Total Task Orders d= (b+c)	Budget Ceiling Balance (a-d)	Cumulative Costs as of : 5/21/96 (1) (e)	Costs for this quarter only (1)	BUDGETED Costs Remaining in Task Orders f = (d-e)	ESTIMATED Expenditures Next Quarter (6/96 - 8/96) (g)	Total Project Costs Thru Next Ctr. (6/96 - 8/96) h = (e+g)
Salaries and Wages	\$1,458,464	\$1,368,816	\$0	\$1,368,816	\$89,648	\$1,242,781	70,076	\$126,035	\$31,509	\$1,274,290
Fringe Benefits	592,149	567,125	0	567,125	25,024	495,700	25,789	71,425	\$17,856	513,556
Indirect Costs	591,246	570,022	0	570,022	21,224	535,411	34,168	34,611	\$8,653	544,064
Consultants	1,105,535	1,280,023	0	1,280,023	(174,488)	945,200	59,479	334,823	\$83,706	1,028,906
Subcontracts	4,978,857	4,478,857	0	4,478,857	500,000	2,438,449	200,705	2,040,408	\$510,102	2,948,551
Training and Seminars	148,000	98,000	0	98,000	50,000	204,742	31,786	(106,742)	\$0	204,742
Equipment	110,000	59,174	0	59,174	50,826	75,385	0	(16,211)	\$0	75,385
Travel & Logistic Support Costs	2,058,561	2,012,484	0	2,012,484	46,077	1,513,687	60,252	498,797	\$124,699	1,638,386
Other Direct Costs	2,181,371	1,769,256	0	1,769,256	412,115	1,714,613	202,141	54,643	\$13,661	1,728,274
G&A	1,560,417	1,465,968	0	1,465,968	94,449	1,276,286	103,816	189,682	\$47,421	1,323,707
Total Estimated Cost	\$14,784,600	\$13,669,725	\$0	\$13,669,725	1,114,875	10,442,254	788,212	3,227,471	837,606	\$11,279,860
Fixed Fee	813,152	751,612	0	751,612	61,540	574,324	43,352	177,288	46,068	620,392
Total Estimated Cost Plus Fee	\$15,597,752	\$14,421,337	\$0	\$14,421,337	1,176,415	11,016,578	831,564	3,404,759	\$883,674	\$11,900,252

Total obligated funds: \$15,597,752
Est. obligated funds available beginning 6/1/96: \$4,581,174
Est. monthly burn rate: 285,873
Mos. covered by funds available: 16.03
Mos. remaining (3/96-11/96): 6

THE URBAN INSTITUTE
FOURTEENTH QUARTERLY FINANCIAL REPORT (ESTIMATED) - MARCH 1, 1996 THROUGH MAY 31, 1996

Shelter Sector Reform Project, Component 1 - Russian Federation and the Municipality of Moscow

Contract No. CCS-0008-C-00-2055-00 (UI Project 6306, Tasks 01-12)

Period of Performance: September 1, 1992 - November 30, 1996

APPROVED TASK ORDERS

Task Order No.	1 (B)	2 (B)	3 (C)	4 (C)	5 (F)	6 (D)	7 (B)	8	9 (C)	10 (A)	11 (A)	12	Total
Category													
Salaries and Wages	\$131,439	\$10,233	\$148,951	\$173,141	\$16,598	\$59,568	\$48,750	\$179,346	\$357,571	\$78,811	\$22,776	\$141,632	\$1,368,816
Fringe Benefits	54,700	4,275	63,194	74,096	7,019	25,949	21,186	74,608	143,386	32,785	9,133	56,794	567,125
Indirect Costs	57,283	5,093	82,116	46,691	9,656	37,536	28,759	89,450	75,143	47,987	4,786	85,522	570,022
Consultants	34,517	3,841		71,509	79,298	288,874	20,518		371,925	264,618	144,923		1,280,023
Subcontracts		79,512			306,802	313,500	101,088		1,048,988	2,598,042	30,925		4,478,857
Training and Seminars									36,000	50,000	12,000		98,000
Equipment	3,114			16,300		7,760			32,000				59,174
Travel & Logistic Support Costs	86,483	34,742	37,923	71,829	103,212	300,291	64,355	52,242	278,832	404,970	122,807	33,239	1,590,925
Allowances				93,180		24,790			299,059		4,530		421,559
Other Direct Costs	67,161	6,741	44,496	187,592	48,435	73,836	26,720	37,783	596,975	543,714	93,147	42,656	1,769,256
G&A	53,033	11,808	50,510	100,596	53,375	131,976	42,073	76,717	433,047	375,969	73,891	62,973	1,465,968
Total Estimated Cost	487,730	156,245	427,190	834,934	624,395	1,264,080	353,449	510,146	3,672,926	4,396,896	518,918	422,816	13,669,725
Fixed Fee	26,825	8,593	23,385	45,811	34,342	69,524	19,440	28,058	202,011	241,828	28,540	23,255	751,612
Total Estimated Cost Plus Fee	\$514,555	\$164,838	\$450,575	\$880,745	\$658,737	\$1,333,604	\$372,889	\$538,204	\$3,874,937	\$4,638,724	\$547,458	\$446,071	\$14,421,337

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T.O. No.	End Date	Budget	AID Approval Date	Contract Budget Ceiling				Balance Obligated Funds		Balance			
				T.O. Budget	Cumulative T.O. Budget	%	%	T.O. LOE	Cumulative T.O. LOE	LOE Ceiling	%		
						\$15,597,752		\$15,597,752				10,509.0	
1		\$639,336	11/10/92								625.0		
1A		(32,734)	2/25/93								(44.0)		
1B	2/28/93	(92,047)	2/9/94								(26.0)		
				\$514,555	\$514,555	15,083,197	97.00%	15,083,197	97.00%	555.0	555.00	9,954.00	95.00%
2		225,630	11/22/92								168.0		
2A		(1,880)	2/24/93								(29.0)		
2B	2/28/93	(58,912)	2/9/94								(19.00)		
				164,838	679,393	14,918,359	96.00%	14,918,359	96.00%	120.00	675.00	9,279.00	88.00%
3		58,434	2/24/93								91.0		
3A		309,139	8/10/93								578.0		
3B		122,728	12/5/93								180.0		
3C	3/31/94	(39,726)	9/8/94								(75.0)		
				450,575	1,129,968	14,467,784	93.00%	14,467,784	93.00%	774.0	1,449.00	9,060.00	86.00%
4		140,835	3/3/93								108.0		
4A		415,881	9/2/93								369.0		
4B		455,590	10/5/93								428.0		
4C	3/31/94	(131,561)	9/8/94								(150.0)		
				880,745	2,010,713	13,587,039	87.00%	13,587,039	87.00%	755.0	2,204.00	8,305.00	79.00%
5		42,585	2/24/93								40.0		
5A		160,745	8/4/93								157.0		
5B		65,892	8/5/93								20.0		
5C		258,408	9/8/93								293.5		
5D		51,729	12/12/93								9.5		
5E		291,433	2/9/94								304.5		
5F	3/31/94	(212,055)	9/8/94								(208.5)		
				658,737	2,669,450	12,928,302	83.00%	12,928,302	83.00%	674.0	2,878.00	7,631.00	73.00%
6		44,414	8/5/93								47.0		
6A		92,109	10/6/93								41.0		
6B		422,922	12/27/93								231.0		
6C		479,467	2/8/94								416.0		
6D	12/31/94	294,692	9/1/94								191.0		
				1,333,604	4,003,054	11,594,698	74.00%	11,594,698	74.00%	926.0	3,804.00	6,705.00	64.00%
7		357,528	12/15/93								345.0		
7A		15,361	6/4/94								2.0		
7B	4/30/95	0	8/10/94								(36.0)		
				372,889	4,375,943	11,221,809	72.00%	11,221,809	72.00%	311.0	4,115.00	6,394.00	61.00%
8	3/31/95	538,204	5/24/94								685.0		
				538,204	4,914,147	10,683,605	68.00%	10,683,605	68.00%	685.0	4,800.00	5,709.00	54.00%
9		1,346,008	6/4/94								1,225.0		
9A		78,958	9/4/94								(3.0)		
9B		114,145	2/21/95								0		
9C	3/31/96	2,335,826	5/18/95								1,112.0		
				3,874,937	8,789,084	6,808,668	44.00%	6,808,668	44.00%	2,334.0	7,134.00	3,375.00	32.00%

T.O. No.	End Date	Budget	AID Approval Date	Cumulative		Balance Contract Budget		Balance Obligated Funds		T.O. Cumulative Balance				
				T.O. Budget	T.O. Budget	Contract Ceiling	Budget %	Obligated Funds	%	T.O. LOE	Cumulative T.O. LOE	Balance LOE Ceiling	%	
						\$15,597,752		\$15,597,752					10,509.0	
10		2,802,086	7/8/94								1,314.0			
10A	3/31/96	1,836,638	5/18/95								671.0			
				4,638,724	13,427,808	2,169,944	14.00%	2,169,944	14.00%	1,985.0	9,119.00	1,390.00	13.00%	
11		78,591	1/12/95								85.0			
11A	11/30/96	468,867	5/24/95								366.0			
				547,458	13,975,266	1,622,486	10.00%	1,622,486	10.00%	451.0	9,570.00	939.00	9.00%	
12	3/31/96	446,071	5/24/95								540.0			
				446,071	14,421,337	1,176,415	8.00%	1,176,415	8.00%	540.0	10,110.00	399.00	4.00%	

Summary Level of Effort Committed To Date

Category	Long-Term Advisors	Short-Term Consultants	Sub- Contractors	Home Office Prof. Staff	Contract Management	Training Support Staff	Total
Task Order No.							
1(B)	220.00	87.00		217.00	31.00		555.00
2(B)		12.00	43.00	65.00			120.00
3(C)				670.00	104.00		774.00
4(C)	633.00	122.00					755.00
5(F)		240.00	362.00	72.00			674.00
6(D)	66.00	685.00		135.00	40.00		926.00
7(B)	31.00	23.00	80.00	175.00	2.00		311.00
8				596.00	89.00		685.00
9(C)	1,448.00	194.00	692.00				2,334.00
10(A)		397.00	1,484.00	104.00			1,985.00
11(A)	25.00	304.00	42.00	80.00			451.00
12				420.00	120.00		540.00
Total	2,423.00	2,064.00	2,703.00	2,534.00	386.00	0.00	10,110.00
Ceiling	3,725.00	1,759.00	300.00	3,250.00	1,300.00	175.00	10,509.00
Balance	1,302.00	(305.00)	(2,403.00)	716.00	914.00	175.00	399.00

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Office of Housing and Urban Programs
U.S. Agency for International Development
Washington, D.C. 20523

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