

Louisville Metro Housing Authority

Moving to Work Annual Plan

Fiscal Year 2021

July 1, 2020 – June 30, 2021

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I. Introduction

The Louisville Metro Housing Authority (LMHA), formerly known as the Housing Authority of Louisville, is a nonprofit agency responsible for the development and management of federally assisted housing in the Louisville Metro area. LMHA was formed in 2003 as the result of a merger of the Housing Authority of Louisville and the Housing Authority of Jefferson County. A nine-member Board of Commissioners, appointed by the Metro Mayor, serves as the policy making body of the Agency. LMHA serves over 12,900 low-income families with children, seniors and people with disabilities through its public housing and rental assistance voucher programs.

A. Moving To Work (MTW) Demonstration Program Overview

LMHA, then the Housing Authority of Louisville, has been a participant in the Moving to Work (MTW) Demonstration Program since 1999. The MTW Program, authorized by Congress and signed into law as part of the Omnibus Consolidated Rescissions and Appropriations Act of 1996, provides public housing agencies (PHAs) with the flexibility to design and test innovative, locally-designed housing and self-sufficiency strategies for low-income families. The program allows waivers of certain existing low-income Public Housing (Section 9) and Housing Choice Voucher (Section 8) regulations and statutory provisions and permits LMHA to combine public housing operating and capital funds, along with Housing Choice Voucher rental assistance funds, into a single agency-wide MTW Block Grant.

The terms and conditions of LMHA's participation in the MTW Program, including the waivers authorized under the MTW statute, are defined in the MTW Agreement between LMHA and the US Department of Housing and Urban Development (HUD). The current MTW Agreement extends through 2028.

Each year, LMHA creates and adopts an MTW Annual Plan that describes new and ongoing activities that utilize MTW authority. HUD approval is required for the Annual Plan. This document is LMHA's MTW Annual Plan for Fiscal Year 2021, i.e. the period from July 1, 2020 through June 30, 2021. The MTW Annual Plan focuses primarily on the Public Housing, Housing Choice Voucher (HCV), and Capital Fund programs, as these are the LMHA programs that fall under the MTW demonstration. It provides information on newly proposed MTW activities, as well as MTW activities that were previously approved by HUD and are ongoing. The Annual Plan also incorporates information about some of LMHA's non-MTW initiatives, which are activities that do not require the use of MTW programmatic or financial flexibility. The MTW Annual Report, which is prepared at the end of each Fiscal Year, provides an update on the status and outcomes of those activities included in the MTW Annual Plan.

MTW Statutory Objectives

Each of LMHA's MTW activities must support at least one of the following three MTW statutory objectives:

- Reduce costs and achieve greater cost effectiveness in federal expenditures;
- Provide incentives to residents, especially families with children, to obtain employment and become economically self-sufficient; and,
- Increase housing choices for low-income families.

B. Long-Term MTW Goals and Objectives

LMHA believes that MTW designation provides an important set of programmatic and financial tools that can be utilized to support the agency’s mission, which is to provide quality, affordable housing for those in need, to assist residents in their efforts to achieve financial independence, and to work with the community to strengthen neighborhoods.

At the inception of LMHA’s designation as an MTW agency, LMHA evaluated its own goals and objectives in relation to those of the MTW demonstration. The outcome of this process was the development of six long-term goals for LMHA’s participation in the MTW program:

- Increase the share of residents moving toward self-sufficiency;
- Achieve a greater income mix at LMHA properties;
- Expand the spatial dispersal of assisted housing;
- Improve the quality of the assisted housing stock;
- Reduce and/or reallocate administrative, operational and/or maintenance costs; and
- Enhance the Housing Authority’s capacity to plan and deliver effective programs.

These broad goals have served as the framework for all LMHA’s MTW Annual Plans including the FY 2021 Plan. LMHA has also recognized a growing number of populations with specific needs that often go unmet by the existing housing and support service infrastructure. In addition to its original MTW goals, LMHA has established the goal to develop programs and housing stock targeted to populations with special needs, especially those families not adequately served elsewhere in the community.

C. MTW Activity Overview

An MTW activity is defined as any activity LMHA engages in that requires programmatic or financial flexibility to waive statutory or regulatory requirements, pursuant to the MTW Agreement.

A summary listing of LMHA’s MTW activities, including both newly proposed and previously approved activities, is found below in Table 1. Table 1 has been modified from prior Annual Plans to reflect streamlining and reformatting of some activities where the MTW authorizations are the same and the activities relate to the same policy or program areas. See Section IV. Approved MTW Activities for additional information.

Table 1: Moving to Work (MTW) Activity Matrix

Activity #	MTW Activity	Status
2005-1	Special Referral MTW HCV Programs (formerly Activity #44-2015), including the following previously approved activities: <ul style="list-style-type: none"> • Sub-Activity #1-2005, The Villager – Center for Women and Families (CWF); • Sub-Activity #7-2008, Day Spring (Renewed 2012); 	Implemented

Activity #	MTW Activity	Status
	<ul style="list-style-type: none"> • Sub-Activity #15-2009, Louisville Scholar House – Family Scholar House (formerly Project Women); • Sub-Activity #20-2010, Downtown Scholar House - Family Scholar House with Spalding University; • Sub-Activity #30-2012, 100,000 Homes Initiative; • Sub-Activity #31-2012, Stoddard Johnston Scholar House - Family Scholar House; • Sub-Activity #34-2012, Wellspring - Youngland Avenue Facility; • Sub-Activity #35-2012, Allocate MTW Housing Choice Vouchers to Special Referral Programs, including the following agencies: <ul style="list-style-type: none"> • Catholic Charities of Louisville; • Center for Accessible Living; • Choices; • Coalition for the Homeless; • Family & Children’s Place; • Home of the Innocents; • House of Ruth; • Joshua Community Connectors; • Kentucky Cabinet for Health and Family Services/Partnership for Families; • Kentucky Housing Corporation; • Kentucky Department of Behavioral Health; • Louisville Office of Resilience and Community Services; • Phoenix Health Center; • Volunteers of America Mid-States; • Sub-Activity #36-2013, Wellspring – Bashford Manor / Newburg Facility; • Sub-Activity #38-2013, Parkland Scholar House - Family Scholar House; • Sub-Activity #42-2015, Centerstone (Formerly Seven Counties Services, Inc.) Initiative; • Sub-Activity #46-2017, Riverport Scholar House - Family Scholar House; and, • Sub-Activity #47-2017, ChooseWell Communities, Inc. 	
2006-1	<p>MTW Homeownership Program, including the following previously approved activities:</p> <ul style="list-style-type: none"> • Activity #3-2006, HCV Homeownership Program - Amount and Distribution of Homeownership Assistance; • Activity #11-2009, HCV Homeownership Program - Flexibility in Third-Party Verifications; and, • Activity #13-2009, HCV Homeownership Program – Exception Payment Standards (Revised 2016) 	Implemented
2007-1	Streamlined Recertification Process (formerly Activity #4-2007, referred to as Alternate Year Reexaminations) (Revised 2012, 2014)	Implemented
2008-1	Occupancy at Elderly Developments, including the following previously approved activities:	Implemented

Activity #	MTW Activity	Status
	<ul style="list-style-type: none"> • Activity #10-2008, Locally Defined Definition of Elderly; and, • Activity #23-2010, Public Housing - Lease-up Incentives for New Residents at Dosker Manor 	
2009-1	<p>Streamlined Development and Acquisition, including the following previously approved activities:</p> <ul style="list-style-type: none"> • Activity #18-2009, Public Housing - Simplification of the Public Housing Development Submittal; and, • Activity #26-2011, Public Housing – Acquisition of Mixed-Income Sites 	Implemented
2010-1	Public Housing Sublease Agreement with Catholic Charities (formerly Activity #25-2010)	On Hold
2011-1	HCV Child Care Deductions Policy (formerly Activity #27-2011)	Implemented
2011-2	Locally Defined Guidelines for Development, Maintenance and Modernization of Public Housing (formerly Activity #28-2011)	Not Yet Implemented
2014-1	<p>Public Housing Sublease Programs, including the following previously approved activities:</p> <ul style="list-style-type: none"> • Activity #29-2015, Public Housing - Sublease Agreement with YouthBuild Louisville; and, • Activity #37-2014, Public Housing - Sublease Agreement with Frazier Spinal Cord Rehab Institute 	Implemented
2014-2	HCV Program Rent Increase Limit (formerly Activity #39-2014)	Implemented
2015-1	HCV Program - HUD/MDRC Rent Reform Demonstration (formerly Activity #43-2015)	Implemented
2018-1	Beecher Terrace CNI Revitalization – Broader Use of Funds to Support the Development of Off-Site, Mixed-Income Replacement Housing (formerly Activity #49-2018)	Implemented
2018-2	Increasing Housing Options for Relocating Beecher Terrace Families (formerly Activity #50-2018)	Implemented
2019-1	<p>Enhancements to Local Project-Based Voucher Program, including the following previously approved activities:</p> <ul style="list-style-type: none"> • Activity #48-2018, Local Project-Based Voucher Program; and, • Activity #51-2019, Enhancements to Local Project-Based Voucher Program 	Implemented
2020-1	<p>Rent Simplification, including the following:</p> <ul style="list-style-type: none"> • Activity #2020-1 – The following items approved in FY 2020: <ul style="list-style-type: none"> ○ Asset Policy ○ Exclusion of Full-Time Student Income ○ Exclusion of Adoption Assistance Payments ○ Application of Payment Standards • Activity #6-2008, Housing Choice Voucher (HCV) Program - Earned Income Disregard for Elderly Families; • Activity #8-2008, HCV Program & Public Housing - Standard Medical Deduction; • Activity #32-2012, HCV Program & Public Housing - Elimination of the Earned Income Disregard; and 	Implemented

Activity #	MTW Activity	Status
	<ul style="list-style-type: none"> Activity #40-2014, HCV Program - Financial Aid Disregard in Calculation of TTP 	
2020-2	Streamlined Flat Rent	Implemented
2020-3	Local Forms	Implemented
2020-4	FSS Program Enhancements	Implemented
2020-5	Gap Financing	Not Yet Implemented
2021-1	Vision Russell: Preservation of Low-Income Homeownership Units	Proposed
2-1999	MTW Unit Inspection Protocol	Closed Out
5-2007	Spatial Deconstruction of HCV Assisted Units	Closed Out
9-2007	Public Housing - Term Limits and Employment/Education Requirements for New Scattered Sites (Revised 2014, 2016)	Closed Out
16-2009	Explore HUD's Streamlined Demolition and Disposition Application Process for MTW Agencies	Closed Out
24-2010	Increased Flat Rents	Closed Out
21-2010	Occupancy Criteria Changes for New Scattered Sites – Mandatory Case Management	Closed Out
33-2012	Rents Set at 30% of Adjusted Income – Public Housing Program	Closed Out
45-2016	MTW Special Referral Program – Coalition for the Homeless “Move Up” Initiative	Closed Out

D. FY 2021 Goals and Objectives

LMHA will implement a coordinated, comprehensive program of capital improvements, housing and neighborhood development activities, maintenance and management initiatives, and resident supportive services in FY 2021. LMHA projects that 12,943 households will be served through the Agency's rental assistance, public housing and Local, Non-Traditional activities in FY 2021. As LMHA's funding for FY 2021 is unknown as of the publication date of the MTW Annual Plan, the activities described herein may be modified based on actual funding levels.

In FY 2021 LMHA is proposing a new activity *Vision Russell: Preservation of Low-Income Homeownership Units*. Among the key goals of LMHA's Choice Neighborhoods Transformation Plan for the Russell neighborhood is to support and increase the availability of high-quality, affordable mixed-income housing including both rental and homeownership units. This activity will assist current low-income, cost burdened homeowners in the targeted area by providing financial assistance. Specifically, LMHA will provide a local preference for a Housing Choice Voucher to eligible, low-income households who meet established program criteria. LMHA strives to ensure the equitable distribution of benefits that accrue from the Transformation Plan to long-term community residents and this activity will support that goal.

Highlights of planned FY 2021 activities include:

- Rent Policies:** After implementing several new rent simplification policies in FY 2020, in FY 2021 LMHA proposes to further streamline rent calculation by modifying its existing medical deduction threshold for elderly HCV and public housing families. LMHA proposes replacing the existing \$1,600 flat deduction threshold with a new threshold equivalent to the current Medicare Part B premium established by the U.S. Centers for Medicare and Medicaid Services (**\$1,735 flat**

deduction as of Calendar Year 2020). This change would enable LMHA to reliably account for rising medical costs without the additional expense and administrative burden of future MTW activity modifications when the deduction threshold needs to be increased.

- **Local Forms:** Under this activity first approved in FY 2021, LMHA intends to develop local versions of HUD required forms to streamline processing. LMHA anticipates realizing cost savings associated with the implementation.
- **FSS Program Enhancements:** LMHA implemented several enhancements to its Family Self-Sufficiency (FSS) Program in FY 2020, designed to better assist participants in attaining self-sufficiency goals and streamline processes for administering staff. LMHA proposes to continue enhancing its FSS program in FY 2021 by adopting the following two new policies:
 - Under the FSS Contract of Participation (CoP), LMHA proposes to allow the head/co-head of household to designate any adult household member to fulfill the employment, education/training, and other program requirements of the Individual Training and Service Plan (ITSP). This change will provide families with multiple working age adults greater opportunity to benefit from the program and achieve greater levels of self-sufficiency, particularly if the head of household has other responsibilities such as ongoing childcare.
 - For families who reach a threshold where 30 percent of their monthly adjusted income equals or exceeds the existing Fair Market Rent (FMR), instead of terminating the CoP as required under current HUD regulations, LMHA proposes to allow an additional period of up to six (6) months to complete ITSP goals before the contract terminates. LMHA believes that this extended time period will reduce the earnings disincentive inherent in the current regulation, and will allow families who have used the FSS program to significantly increase their income to accumulate additional financial assets to bolster their long-term economic security and progress toward larger goals such as homeownership.
 - Finally, LMHA proposes to offer an FSS CoP with modified terms for youth participating in the HUD Family Unification Program (FUP) Foster Care Alumni initiative. The modified CoP would reflect the needs of this population as well as the parameters of the FUP program. Key changes include a shortened term of 3 years and modifications to length of employment and TANF non-receipt requirements.
- **Gap Financing Program:** Under this activity approved in FY 2020, LMHA will explore the use of MTW flexibility to assist in the development and preservation of affordable housing. By providing developers awarded Project Based Vouchers (PBVs), gap financing in the form of loans and capital grants, LMHA will make development deals more feasible.
- **HCV Owner Leasing Incentives:** Relocation of Beecher Terrace families was complete in FY 2020. Therefore, LMHA will no longer offer a two-bedroom payment standard to these households if they lease a new one-bedroom unit, although they will continue to receive the two-bedroom payment standard as long as they remain in the same unit. However, to encourage owner participation in the HCV Program and to increase the inventory of one-bedroom units within the Louisville Metro area, LMHA will continue to offer a \$1,000 incentive fee to owners who lease a one-bedroom unit to a family entering LMHA's HCV Program for the first time. LMHA will also offer new incentives to owners who agree to lease new units in the HCV program, including vacancy loss and damage loss payments, biennial HQS inspections and the ability to have pre-qualifying HQS inspections.

- ***Off-Site, Mixed Income Replacement Housing:*** This activity allows LMHA to acquire unsubsidized units for development of mixed income housing. As these units will not receive ongoing operating subsidy, HUD approval of these acquisitions is not required. However, the units will still be targeted to households whose income does not exceed 80% of Area Median Income (AMI). Currently, LMHA is pursuing opportunities to acquire properties where it can provide off-site replacement for its current Beecher Terrace CNI Grant. LMHA pilot tested this approach with an initial acquisition of a 27-unit family apartment complex and is currently evaluating the feasibility of additional acquisitions of this nature, which would help LMHA meet its CNI Transformation Plan commitments, up to a maximum of 110 units.
- ***Enhancements to Local Project-Based Voucher (PBV) Program:*** LMHA has adopted project-based policies to help meet the requirements of LMHA’s Beecher Terrace Choice Neighborhood Initiative (CNI) Implementation Grant as well as to provide additional housing choices for low-income households in high opportunity areas, incentivize developers to preserve or create affordable housing units and streamline the administration of PBVs. Because of the expected increase in developer interest due to these changes, LMHA expects to execute several Housing Assistance Payment (HAP) and Agreement to Enter into Housing Assistance Payment (AHAP) contracts by the end of FY 2021.
- ***Special Referral Programs:*** Through its MTW Special Referral Programs, LMHA partners with local, non-profit social services organizations to provide housing support to vulnerable populations whose needs are not adequately met elsewhere in the community. In FY 2021, LMHA anticipates that over 600 Housing Choice Vouchers will be utilized to assist these families in making strides toward self-sufficiency and increasing their housing choices. Additionally, LMHA plans to add a new voucher allocation to the Special Referral Program. LMHA will partner with Catholic Charities of Louisville to provide up to 10 HCVs, coupled with self-sufficiency and job training programming to two groups: victims of human trafficking and individuals in the Migration and Refugee Services.
- ***Self-Sufficiency Programs:*** LMHA has implemented Homeownership, Special Referral and the Family Self-Sufficiency (FSS) programs to assist and support participants in achieving economic self-sufficiency. These initiatives leverage MTW Block Grant funding to secure additional public and private support.
- ***Homeownership:*** LMHA will continue to administer its Homeownership Program in FY 2021. LMHA anticipates that the increased subsidy for one-bedroom eligible households as well as the increased maximum subsidy in areas of opportunity will continue to help voucher holders achieve homeownership as well as result in increases to the number of households purchasing units in areas of opportunity.
- ***Elderly/Disabled Housing:*** LMHA will continue to use MTW flexibility in FY 2021 to maximize leasing at elderly/disabled developments. Efforts include changing the definition of elderly from 62 to 55 and above and providing lease-up incentives. It is anticipated that these initiatives will continue to increase occupancy rates at these developments.
- ***Streamlined Recertification Process:*** In FY 2021, LMHA plans to implement **biennial recertifications for all HCV and PH households.** ~~triennial recertifications for households whose only source of income is fixed and biennial recertifications for all other HCV and PH households.~~

These policies were approved in FY 2020. By extending the scope of LMHA's recertification policy, LMHA anticipates significant cost and staff time savings.

- ***Owner Rent Increase Limit:*** LMHA will continue to place a cap on annual contract rent increases. LMHA conducts reasonable rent determinations on a sample of units to ensure that rents are reasonable while maintaining the administrative efficiencies gained through this activity.
- ***HUD Rent Reform Demonstration:*** FY 2021 represents the sixth and final year of the HUD Rent Reform Demonstration. The Study sets forth alternative rent calculation and recertification strategies that have been implemented at several public housing authorities across the country to fully test the policies nationally. In FY 2021, because of households leaving the program, it is anticipated that the Alternate Rent Group will have 500 households and the Control Group will have 583 households. Once the study is concluded, households in the Alternate Rent Group will be transitioned back to standard MTW rent policies.
- ***Units for Underserved Populations:*** In its efforts to provide units to underserved populations, LMHA will continue to provide the following housing opportunities through public housing subleases programs:
 - Fully accessible units to individuals with disabilities in partnership with Frazier Rehab Institute. The program provides transitional housing for up to six months per family. Frazier Rehab sub-lessees are also referred to area service providers to assist them to leave the program and obtain stable housing.
 - Temporary housing for low-income YouthBuild Louisville (YBL) participants who are experiencing homelessness. Up to three, 2-bedroom units will be available for YBL participants who may stay in the unit if they are active in the YBL program. LMHA provides a public housing preference to these individuals upon graduation from YBL.
 - Temporary housing for parents while they work to obtain a college degree through a partnership with Family Scholar House. The head of household must have a high school diploma or GED and be willing to enroll in a degree-granting program at an accredited post-secondary institution as a full-time student. Participants who successfully graduate from the program will receive a preference for admission to LMHA's Housing Choice Voucher Program as long as the participant was living in LMHA public housing (including PH/LIHTC housing) at the time of program completion.

Along with its MTW implementation activities, LMHA will implement other initiatives in FY 2021 that do not specifically require MTW authority or Block Grant flexibility to administer. Highlights of LMHA's planned non-MTW activities include:

- ***Development and Redevelopment Activities***
 - ***Asset Management Table:*** In addition to the highlighted activities below, Appendix E includes LMHA's Asset Management Table, which is periodically updated to provide a portfolio-wide overview of planned or potential development, disposition, refinancing, conversion and/or homeownership activities.
 - ***Russell Choice Neighborhood Transformation;*** LMHA plans to continue redevelopment efforts in the Russell neighborhood in FY 2021:

- Phases I and II of construction, comprising 117 and 108 units respectively, will be completed in FY 2021.
 - Phase III construction, comprising 185 units, will begin in FY 2021, with estimated completion at the end of FY 2022.
 - Phase II demolition was complete in FY 2020, and Phase III demolition is slated to begin in the first half of FY 2021.
- *Friary*: LMHA continues to make progress in the redevelopment of the 24 units at the Friary. Construction is ongoing and expected to be complete in FY 2021. Once renovation work has been completed, LMHA will utilize 18 of the renovated units for public housing. An additional six replacement public housing units will be acquired in non-impacted areas.
 - *Sheppard Square HOPE VI Revitalization*: LMHA is still pursuing development of the outstanding homeownership units. Habitat for Humanity is under contract to develop five of the homeownership lots and is currently recruiting eligible homeowners. Habitat may develop additional lots in the future. **Habitat for Humanity also applied for an Enterprise grant that will provide funding and technical assistance to pilot a panelized, insulated, concrete form, multi-family homeownership model in or near Sheppard Square.** Habitat also applied for an Enterprise grant that would provide funding and technical assistance to pilot a panelized Insulated Concrete Form multi-family homeownership model in or near Sheppard Square.

LMHA anticipates up to two closings will have taken place before the beginning of FY 2021, with one additional contract pending. LMHA is in the process of revising its Letter of Interest to attract additional developers. Finally, the construction contract for 760 S. Hancock Street is on hold due to litigation with the contractor. Currently the building is fully occupied.

- *Porter Paint*: LMHA expects to begin demolition of this former paint factory by the start of FY 2021 and is exploring options for future **housing** development on the site, **including a potential park.**
- *H. Temple Spears*: This site comprises 65 LMHA public housing units **which are now vacant.** Occupancy rates were historically low due to marketing challenges related to the small size of the units. LMHA is planning to convert 24 of these units into 12 larger units to enhance marketability. Planning will continue throughout FY 2021, and renovation may also begin before the end of FY 2021. **LMHA is also exploring the possibilities of constructing new Beecher Terrace replacement units on the site using MTW flexibility.**
- *Rental Assistance Demonstration Participation*: **In FY 2021, LMHA will implement its first RAD conversion. HUD awarded LMHA a Choice Neighborhoods Initiative implementation grant in 2016 for the redevelopment of the former Beecher Terrace public housing site. Of the remaining units not yet demolished, twenty-one (21) have been identified as either non-dwelling units or vacant and eligible for RAD under the transfer of assistance provisions. On October 25, 2019, HUD issued a Commitment to Enter into Housing Assistance Payments (CHAP) for these units. LMHA anticipates developing 21 new construction RAD units on the Beecher former public housing site as part of Phase IV of redevelopment, which is planned to include 141 units in total. A RAD Significant Amendment is included as Appendix F to this Plan.**

In the medium to long term, LMHA is reviewing RAD as an asset repositioning strategy for several developments, including in its mixed finance and scattered site portfolio. LMHA will also continue to explore transferring subsidies through the RAD “transfer of assistance” provision from vacant, non-viable scattered public housing sites to project-based Section 8 vouchers at new construction and rehabilitation projects developed as part of the Beecher Terrace replacement housing initiative. LMHA also anticipates reviewing the possibility of combining state and federal resources at the remainder of its conventional public housing portfolio.

- ***Grants and Grant Opportunities*** – In FY 2021, LMHA will continue to administer existing grants, which include the FSS Coordinator and ROSS grants, the Choice Neighborhoods Implementation grant, and the new Choice Neighborhoods Supplemental grant. **LMHA anticipates completing and closing out the Choice Action Activity grant in FY2021.** LMHA will continue to pursue additional grant opportunities as they become available.
- ***Prudent Fiscal Management and Internal Controls*** – LMHA will continue to implement a comprehensive program of internal audit, compliance reviews and fiscal management.

II. General Operating Information

A. Housing Stock Information

i. Planned New Public Housing Units

LMHA does not plan to add any new public housing units to its inventory in FY 2021.

Table 2: Planned New Public Housing Units in FY 2021

AMP Name and Number	Bedroom Size						Total Units	Population Type*	# of UFAS Units	
	0/1	2	3	4	5	6+			Fully Accessible	Adaptable
N/A	0	0	0	0	0	0	0	N/A	0	0
Total Public Housing Units to be Added in the Plan Year							0			

*Population Type: General, Elderly, Disabled, Elderly/Disabled, Other

If "Population Type is "Other" please describe:

N/A

ii. Planned Public Housing Units to be Removed

Table 3: Planned Public Housing Units to Be Removed in FY 2021

AMP Name and Number	Number of Units to be Removed	Explanation for Removal
Bayberry KY001000034	10	LMHA plans to remove 10 public housing units at Bayberry, due to excessive repairs needed. These units are condos LMHA owns in a larger condo development. LMHA is currently offering owners of other units in the building the opportunity to purchase the LMHA units and will be requesting HUD approval for sale in FY 2021.
Manslick KY001000034	16	LMHA plans to remove 16 public housing units at Manslick, due to excessive repairs needed. LMHA has determined that the cost of repair exceeds the cost of replacement and will request HUD approval to sell the units in FY 2021.
Chestnut St. KY001000017	3	Due to structural issues as well as damage from roof leakage, LMHA has determined that disposition is the most cost-effective option for this property. LMHA anticipates the disposition process may be completed during FY 2021.
HOPE VI Scattered Sites KY001000034	10	Units (W. Kentucky St.) are slated for removal and sale through competitive bid process which may be completed in FY 2021.
Total Public Housing Units to be Removed in the Plan Year	39	

iii. *Planned New Project Based Vouchers (PBV)*

Table 4: New Housing Choice Vouchers to be Project-Based in FY 2021

Property Name	# of Vouchers to be Project-Based	RAD?	Description of Project
Louisville Historic Rising	15	No	Existing housing. 40-unit scattered site family property located in Russell Neighborhood (Choice Neighborhood focus area).
Newbridge Place	17	No	Existing housing. 27-unit scattered site family property acquired by LMHA affiliate in 2019. Units to be placed under PBV HAP as existing leases expire.
Brookside Apartments	12	No	New construction. 48 unit mixed finance family development with 24 total planned PBV units.
	32	Planned Total Vouchers to be Newly Project-Based	
<i>Note: As a result of PBV RFP responses in calendar year 2019, a number of new construction projects were conditionally selected, and LMHA anticipates the majority will come online in FY 2022.</i>			

iv. *Planned Existing Project Based Vouchers*

Table 5: Planned Existing Project Based Vouchers

Property Name	# of Project Based Vouchers	Planned Status at End of Plan Year*	RAD?	Description of Project
Louisville Historic Rising	5	Leased	No	Existing housing. 20-unit scattered site family property located in Russell Neighborhood (Choice Neighborhood focus area).
Newbridge Place	10	Leased	No	Existing housing. 27-unit scattered site family property acquired by LMHA affiliate in 2019.
	15	Planned Total Existing Project-Based Vouchers		

*Planned Status: Committed, Leased/Issued

v. *Planned Other Changes to MTW Housing Stock Anticipated During the Plan Year*

LMHA does not anticipate any other changes to LMHA's MTW housing stock in FY 2021.

Table 6: Planned Other Changes to the MTW Housing Stock

Property Name	Description
N/A	N/A

vi. General Description of Planned Capital Expenditures During the Plan Year

LHMA’s capital planning and development strategies are designed to support, rehabilitate, and modernize existing LMHA sites. Utilization of MTW Block Grant funding and programmatic flexibility remains a critical element in LMHA’s modernization and development efforts. LMHA maintains updated physical needs assessments, including estimated replacement and/or repair costs for all LMHA developments.

Table 7 provides information on LMHA’s planned capital and development expenditures for FY 2021 including projects funded from MTW Block Grant and other sources. The information on Table 7 is preliminary and subject to change based on actual funding and other factors. Actual obligations and expenditures may vary based on factors such as construction schedules, timing of HUD and local approvals, availability of leveraged funding and new and emerging repair needs. Note also that capital projects often are implemented over multiple years.

Table 7: Planned Capital Expenditures During the Plan Year

Project Type	Site Name	Project Description	Total Estimated Budget
Capital Improvements	Beecher Terrace	CHOICE – Beecher Implementation	1,263,826
Capital Improvements	Parkway Place	Replace Windows	2,952,612
		Heat Risers	
		Upgrade Washer Hookups	
		Tree Trimming	
		Dwelling Equipment	
		HALO	
Capital Improvements	Dosker Manor	Eviction Prevention Program	1,939,715
		Boiler system replacement Bldgs. A & C	
		Fire Panel and Medical Alert Panel Upgrades A, B and C Buildings	
		Automatic Door Closers (Required by Fire Marshall)	
		Dwelling Equipment	
		High-Rise Security	
		Eviction Prevention Program	
Resident Stipends			
Capital Improvements	St. Catherine Court	Replace Lock System	207,286
		Automatic Door Closers (required by Fire Marshall)	
		High-Rise Security	
		Eviction Prevention Program	
		Resident Stipends	
Capital Improvements	Avenue Plaza/550	Wash Windows	301,718
		Paint Apartments - 550 Apartments	
		Automatic Door Closers (required by Fire Marshall)	
		Dwelling Equipment	
		High-Rise Security	
		Eviction Prevention Program	
Capital Improvements	Scattered Sites - 017	Gutter Guards (KY 19-22-24) 17 #1	
		Repair/Replace dumpster pads and paving - Noltemeyer 17 #2	

Project Type	Site Name	Project Description	Total Estimated Budget
		Repair/Replace dumpster pads and paving - Whipps Mill 17 #2	80,850
		Repair/Replace dumpster pads and paving - Fegenbush 17 #2	
		Repair/Replace dumpster pads and paving - East Pages 17 #2	
		Dwelling Equipment - project 017	
Capital Improvements	Scattered Sites – 034	Gutter Guards (KY 34-35-38-45) 34 #1	512,986
		Norbrook structural repairs to deck 34 #2	
		Norbrook - Replace Vinyl Tile	
		Fencing - 1820 Neville Drive # .34	
		Fencing - 515 E Breckinridge and case by case CH6 # 47	
		Kitchen & Bath renovation - Six Mile Lane 34 #2	
		Del Maria - Replace doors front/back of ea. unit 34 #2	
		Ford Transit replaces # 1021	
		Ford Transit replaces # 1201	
		Ford Transit replaces # 1450	
		Ford Transit replaces # 1456	
		Dwelling Equipment - project 034	
		Eviction Prevention Program 1-34	
Capital Improvements	Lourdes Hall/Will E. Seay Plaza	Dwelling Equipment	887,865
		High-Rise Security	
		Eviction Prevention Program	
		Resident Stipends	
		Ford Transit, Replaces # 1374	
		Upgrade Elevator System	
		Window Replacement	
		Replace Medical Alert System	
Capital Improvements	Park DuValle	Mixed Finance Capital Contributions	142,031
Capital Improvements	Annual Capital Purchases/Services Contracts	Environmental Consultant - Remediation Monitoring	482,000
		Annual Asbestos and Lead Removal Contract	
		Annual A/E Contract	
		Annual Microsoft Software	
Capital Improvements	Administrative Costs	Construction Administration 10% transfer	1,100,000
		General Fund for Operations	
Capital Services	Auto Grounds	Truck, Mid-size 4X4, Replaces 1211 Auto/Grounds	104,000
		Ford F-700 Dump Truck Replaces 1056	
		Van, Transit Connect, Replaces 1263 Extermination	
Capital Services	Information Technology	Software Updates	300,000
Total			10,274,889

B. Leasing Information

i. Planned Number of Households Served

Table 8: Planned Number of Households Served

Planned Number of Households Served Through:	Planned Number of Unit Months Occupied/Leased	Planned Number of Households to be Served
MTW Public Housing Units Leased	44,300	3,692
MTW Housing Choice Voucher (HCV) Units Utilized	110,472	9,206
Local, Non-Traditional: Tenant Based	0	0
Local, Non-Traditional: Property-Based	516	45*
Local, Non-Traditional: Homeownership	0	0
Planned Total Households Served	155,288	12,943
<i>*Four of these units are leased for 6-month intervals and UMLs for those units cover 2 units for 12 months. See Note on Table 8A below.</i>		

Table 8A: Local, Non-Traditional Programs

Local, Non-Traditional Category	MTW Activity Name/Number	Planned Number of Unit Months Occupied/Leased	Planned Number of Households to be Served
Tenant-Based	N/A		
Property-Based	Public Housing - Sublease Agreement with Frazier Spinal Cord Rehab Institute (2014-1)	24	4*
Property-Based	Public Housing - Sublease Agreement with YouthBuild Louisville (2014-1)	36	3
Property-Based	Public Housing - Sublease Agreement with Family Scholar House (2014-1)	132	11
Property-Based	Activity #2018-1, Beecher Terrace Choice Neighborhood Initiative (CNI) Revitalization - Broader Use of Funds to Support Development of Off-Site, Mixed-Income Replacement Housing	324	27
Homeownership		0	0
<i>*Frazier units are leased for 6-month intervals. Four households are served for 6 months each. As such the UMLs cover 2 units for 12 months.</i>			

ii. *Discussion of Any Anticipated Issues/Possible Solutions Related to Leasing*

Table 9: Anticipated Issues and Possible Solutions Related to Leasing

Housing Program	Description of Anticipated Leasing Issues and Possible Solutions
MTW Public Housing	The Lease Up incentives provided for the Dosker Manor development under Activity #2008-1 continue to mitigate potential occupancy issues.
MTW Housing Choice Voucher	Louisville has a low available unit inventory, and therefore the HCV program has only a 60% voucher success rate. Shortage of 1BR units is a particular problem. LMHA is proposing to expand the owner incentives offered under Activity 2018-2 to encompass all unit sizes, vacancy and damage loss payments, and provide inspection relief. LMHA is also working on bringing several new Project Based Voucher developments online, which will also increase overall program-wide leasing rates.
Local, Non-Traditional	N/A

C. Waiting List Information

LMHA administers its waiting lists in accordance with the Housing Choice Voucher (HCV) Administrative Plan and Public Housing Admissions and Continued Occupancy Policy (ACOP), as applicable. Administration of the waiting list for the conventional program areas is managed under the Public Housing Admissions Department to ensure consistent and efficient management of applicants on the various waitlists. Administration of the Site Based Waiting Lists is overseen by each respective management company.

LMHA operates its waiting lists in a nondiscriminatory manner that seeks to avoid unintended discriminatory effects. LMHA affirmatively markets its sites in a variety of venues and periodicals to ensure that the public is aware of the availability of LMHA housing. LMHA treats all applicants in a non-discriminatory manner. LMHA also monitors its waiting lists to determine if there are significant changes in the percentage of protected classes and, if there were, would determine whether its affirmative marketing methods should be modified. Table 10 provides information on LMHA’s waiting lists in the format required by HUD.

i. *Waiting List Information Anticipated*

Table 10: Waiting List Information Projected for Beginning of FY 2021

Waiting List Name	Description	Number of Households on Waiting List	Waiting List Open, Partially Open or Closed	Plans to Open the Waiting List During the Plan Year
Federal MTW Housing Choice Voucher Program	Community Wide	8,011	Open	N/A
Federal MTW Project-Based Voucher Program	PBV Waiting List	TBD	Partially Open	No

Waiting List Name	Description	Number of Households on Waiting List	Waiting List Open, Partially Open or Closed	Plans to Open the Waiting List During the Plan Year
Federal MTW Public Housing Units	Site Based	5,225	Open	N/A
Federal MTW Public Housing Units	Community-Wide	3,005	Open	N/A
Project Based Local Non-Traditional MTW Housing Assistance	Program Specific	0	Open	N/A

Description of any duplication of applicants across waiting lists:

As LMHA maintains separate HCV, Public Housing and PBV wait lists, applicants may apply and be on multiple waiting lists.

ii. Planned Changes to Waiting List in FY 2021

Waiting List Name	Description of Planned Changes to Waiting List
Beecher Terrace Choice Neighborhoods Initiative	<p>LMHA will update its Administrative Plan to reflect the addition of a Project Based Program Waiting List for the Beecher Terrace Choice Neighborhoods (BTCNI) Initiative. LMHA will establish criteria/preferences for occupancy of PBV units in the new Beecher Terrace Community PB developments.</p> <p>316 replacement units will be rebuilt on the former Beecher Terrace site and 442 replacement units will be developed throughout the Louisville Metro area. The waiting list will cover all 758 PBV units.</p> <p>Returning Beecher residents will be given first priority for the BTCNI units and LMHA will conduct a lottery to determine waiting list order for returning Beecher residents. The BTCNI waiting list will remain partially open only for returning Beecher residents who elect to return after the lottery is conducted. These applicants will be placed on the BTCNI waiting list by date and time of application.</p> <p>If the BTCNI waiting list does not have any returning Beecher residents, LMHA will pull applicants from its HCV central waiting or use owner referrals.</p>

III. Proposed MTW Activities

Activity #2021-1: Vision Russell: Preservation of Low-Income Homeownership Units

Activity Description

This activity is intended to coordinate with and support LMHA's Choice Neighborhoods Transformation Plan for the Russell neighborhood, which includes the Beecher Terrace public housing development. Called Vision Russell, the Transformation Plan initiative's boundaries span from Market Street to Broadway, and from 9th to 32nd Streets. The \$29.5 million HUD Choice Neighborhoods Implementation grant was received in late 2016 and will fund replacement of the Beecher Terrace housing complex and critical community improvements in the Russell neighborhood. One of the key goals of Vision Russell is to increase the availability of high-quality, affordable mixed-income housing including both rental and homeownership units.

In addition to the distressed Beecher Village site, the Russell neighborhood is home to an estimated 650 low-income homeowners, many of whom are housing cost-burdened and struggling to meet the rising cost of mortgage loans, utilities, repairs and other homeownership costs. They are at risk of foreclosure and/or displacement. Consistent with the broader mixed-income housing goal, providing financial assistance to these homeowners is a goal of LMHA and its Vision Russell partners. This will help ensure that long-term residents can remain in the neighborhood and take advantage of the numerous community improvements that are underway or planned over the next several years.

As a result of both the planned CNI improvements and emerging gentrification trends in and around the Russell neighborhood, LMHA anticipates that home values will rise substantially in the coming years. Ensuring that existing, low-income, cost-burdened homeowners are able to maintain their homes through this evolving process and, ultimately, to build household equity resulting from increased real estate market valuations is a priority of LMHA, as it strives to ensure the equitable distribution of benefits that accrue from the Transformation Plan to long-term community residents.

Through this MTW activity, LMHA will provide a local preference for a Housing Choice Voucher (HCV) to eligible, low-income households who meet the criteria defined below:

- Currently own a home within the Vision Russell Transformation Plan target area identified in the CNI application that was purchased prior to June 28, 2016 (i.e. submission date for the Vision Russell CNI Implementation Grant proposal);
- Are cost-burdened, i.e. total homeownership costs exceed 30% of adjusted gross household income;
- Intend to use the voucher for homeownership assistance at their existing Russell neighborhood home; and,
- The household does not include a person who was an adult member of a family that previously received HCV homeownership assistance from LMHA or another PHA.

LMHA will waive 24 CFR 982.207(b)(ii) in order to apply a preference to the CNI-targeted Russell neighborhood. As this limited preference applies to certain existing low-income homeowners, LMHA will waive: 1) the first-time homebuyer eligibility requirement at 982.627; 2) the requirement to participate in homeownership counseling before commencement of homeownership assistance at 982.630, to be replaced with a requirement that the family participate in such counseling within one year of the start of homeownership assistance; and, 3) the requirements for the family to hire an independent inspector and for

PHA approval of the contract of sale at 982.631. All units will be inspected by LMHA in advance of the commencement of assistance and must comply with Housing Quality Standards (HQS). Following the initial HQS inspection, LMHA will refer the household, where appropriate and needed, to local government and other available low or no-cost programs to address needed repairs, support energy conservation objectives and other efforts to reduce ongoing homeownership operating costs to the household. Household eligibility will also be based on the same income, wage and asset thresholds as those included in the Housing Choice Voucher Homeownership program. The subsidy for households served under this activity will be calculated consistent with the methodologies used in the Housing Choice Homeownership program including term limits on the subsidy.

Subject to HUD approval of this MTW activity, LMHA will incorporate this activity into the HCV Administrative Plan.

Statutory Objective and Impact

This activity will promote the statutory objective of increasing housing choice for low-income families. As noted above, the households targeted for this activity are low-income, cost-burdened homeowners who, by definition, are at risk for foreclosure, displacement or other housing instability. By providing monthly HCV homeownership assistance, households will be able to remain in the emerging Russell neighborhood, improve the quality of their housing where needed, and avail themselves of the many new community amenities to be implemented through the Vision Russell CNI program.

Implementation

LMHA will begin implementation of the program in FY 2021, following HUD approval. Approximately 100 households are projected to be assisted during the first year; however, LMHA will report on actual activity as part of the MTW Annual Report.

Metrics

LMHA intends to utilize the following metrics for this activity. LMHA will utilize internal reporting systems to collect and analyze data on the number of households impacted and other relevant information.

<i>HC #2: Units of Housing Preserved</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of housing units preserved for households at or below 80% AMI that would otherwise not be available (increase).	Housing units preserved prior to implementation: 0	Expected housing units preserved after implementation of the activity: 100		
<i>HC #4: Displacement Prevention</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of households at or below 80% AMI that would lose assistance or need to move (decrease).	Households losing assistance/moving prior to	Expected households losing assistance/moving after		

	implementation of the activity: 650	implementation of the activity: 100		
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Cost Implications

LMHA will utilize existing HCV vouchers for this activity. Processing of applicants will be handled by LMHA’s existing staff, and no cost increases are anticipated.

Need/Justification for MTW Flexibility

LMHA requires the use of waiver authority allowed under its MTW Agreement to implement this activity, including waiver of: 1) 24 CFR 982.207(b)(ii) in order to apply a preference to the CNI-targeted Russell neighborhood; 2) the first-time homebuyer eligibility requirement at 982.627; 3) the requirement to participate in homeownership counseling before commencement of homeownership assistance at 982.630, to be replaced with a requirement that the family participate in such counseling within one year of the start of homeownership assistance; and, 4) the requirements for the family to hire an independent inspector and for PHA approval of the contract of sale at 982.631.

Rent Reform Activities

This is not a rent reform activity.

IV. Approved MTW Activities

This section of the MTW Annual Plan summarizes and provides a status update on MTW activities that have been previously approved by HUD and implemented by LMHA. As required, this section also includes summary information on MTW activities that have not yet been implemented, closed out, or placed on hold by LMHA. Please note that some of the previously approved MTW activities have been renumbered and combined where the authorizations were the same and where the activity features follow similar topics. The revised numbering convention reflects the earliest fiscal year that the activity was first included in the MTW Annual Plan, followed by a consecutive number for the activity for that year, i.e. 2008-1, 2008-2, 2008-3. Where activities were combined, the number reflects the earliest fiscal year one of the activities was approved; however, under “Plan Year Approved, Implemented and Amended,” each activity feature includes its own approval, implementation and amendment date.

A. Implemented MTW Activities

Activity #2005-1: Special Referral MTW Housing Choice Voucher Programs *(Formerly Activity #44-2015 and all of the activities in Table 11)*

Plan Year Approved, Implemented, Amended

Table 11 identifies the Plan Year each Special Referral sub-activity was approved, implemented and amended.

Description/Update

Through its MTW Special Referral Programs, LMHA partners with local, non-profit social services organizations to provide housing support to vulnerable populations whose needs are not adequately met elsewhere in the community. LMHA provides housing subsidy to HCV-eligible households, while the partnering agency provides social services support. The provision of services helps families make strides towards self-sufficiency, and the programs increase housing choices for low-income families who might otherwise have difficulty succeeding in the privately managed real estate market.

Families are referred to LMHA by the partner agencies, and program applicants receive an admissions preference for the authority’s HCV Program. Households are required to meet basic HCV eligibility criteria, and the amount of housing assistance each family receives is determined according to traditional HCV Program rules as modified through LMHA’s HUD-approved MTW initiatives.

The voucher recipients participating in some of the agency’s MTW Special Referral Programs are initially required to reside on-site and to meet the partner’s program requirements. However, their voucher resumes full portability after they successfully graduate from the program. As a participant moves from the site, LMHA issues a voucher to the next eligible applicant. For other Special Referral Programs, the voucher is fully portable from the time of admission.

Many of the residential facilities operated by these Special Referral partners are newly constructed or renovated. As such, LMHA has used MTW authority to allow the certificate of occupancy to suffice for the initial move-in inspection in lieu of a traditional HUD Housing Quality Standards (HQS) inspection. This

inspection alternative has saved the authority thousands of dollars since Louisville Scholar House first came online in 2008.

Additionally, LMHA may, without prior HUD approval, allocate up to 10 MTW Housing Choice Vouchers to an MTW Special Referral Program for service-enriched, affordable housing programs within the agency's jurisdiction. Eligible programs will offer housing and supportive services targeted to families whose needs are not adequately served elsewhere in the community. Some allocations may be incremental additions to existing Special Referral Programs while others will be allocations to newly established programs.

Table 11: LMHA Special Referral MTW Voucher Programs FY 2021 identifies all special referral voucher programs LMHA administers as well as information regarding:

- The year the voucher allocation was proposed;
- The year the voucher allocation was implemented and the number of vouchers allocated;
- A description of the program;
- Whether the vouchers are portable;
- If there is a streamlined admission; and
- What type of inspection applies.

Planned Non-Significant Changes

In FY 2021 LMHA will add additional voucher allocations; ten additional vouchers to Louisville Metro Government Office of Resilience and Community Services, ten vouchers to Catholic Charities of Louisville and 10 vouchers to Joshua Community Connectors. Each of these allocations will serve at-risk populations, including victims of human trafficking and homeless individuals

Planned Changes to Metrics/Data Collection

LMHA updated benchmarks for the following metrics to reflect the additional allocation of 30 vouchers in FY 2021 and updated the universe of the total voucher allocation:

- SS #3: Increase in Positive Outcomes in Employment Status
- SS #4: Households (HHs) Removed from Temporary Assistance for Needy Families (TANF)
- SS #5: Households (HHs) Assisted by Services that Increase Self-Sufficiency
- SS #8: Households Transitioned to Self-Sufficiency

These updated metrics assume 100% voucher utilization.

In addition, the benchmark for SS #1: Increase in Household (HH) Income was updated to more closely match actual expected increases in earned income based on currently available tenant income data.

Metrics

*CE #1: Agency Cost Savings**

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Total cost of task in dollars (decrease).	\$0	\$0		
<i>*Implementation of this activity does not modify any LMHA-completed tasks. Housing Authority staff determines applicant eligibility and performs all certifications.</i>				
CE #2: Staff Time Savings*				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Total time to complete the task in staff hours (decrease).	0 hours	0 hours		
<i>*Implementation of this activity does not modify any LMHA-completed tasks. Housing Authority staff determines applicant eligibility and performs all certifications.</i>				
CE #4: Increase in Resources Leveraged				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Amount of funds leveraged in dollars (increase)	\$0	\$0		
SS #1: Increase in Household (HH) Income				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Average earned income of HHs affected by this policy in dollars (increase).	FY 2016: \$4,108	\$8,000		
SS #3: Increase in Positive Outcomes in Employment Status				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Employed Full- Time*	As of FY 2016: 90 (32% of 279 HHs)	310 (47% of 659 HHs)		
Employed Part- Time*				
Enrolled in an Educational Program	As of FY 2018: 2 HHs have full-time adult students	2 HHs have full-time adult students		
Enrolled in Job Training Program	Not tracked	Not tracked		
Unemployed	As of FY 2016*: 189 (68% of 279 HHs)	349 (53% of 659 HHs)		
Other	N/A	N/A		
<i>*LMHA does not track part-time vs. full-time employment.</i>				
SS #4: Households (HHs) Removed from Temporary Assistance for Needy Families (TANF)				
Unit of Measurement	Baseline*	Benchmark	Outcome	Benchmark Achieved?
# Of HHs receiving TANF assistance (decrease).	FY 2016: 54 (19% of 279 HHs)	125 (19% of 659 HHs)		
SS #5: Households (HHs) Assisted by Services that Increase Self-Sufficiency				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
# of HHs receiving services aimed to increase self-sufficiency (increase).	As of FY 2016*: 13 (5% of 279 HHs)	33 (5% of 659 HHs)		

* LMHA tracks FSS participation for this metric. The special referral partner may offer additional self-sufficiency services.				
SS #6: Reducing Per Unit Subsidy Costs for Participating Households (HHs)				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Average amount of Housing Choice subsidies per HH affected by this policy in dollars (decrease).	As of FY 2016: \$617	\$617		
SS #7: Increase in Agency Rental Revenue*				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
PHA rental revenue in dollars (increase).	As of FY 2019 \$267	\$272		
*Rental revenue reflects TTP.				
SS #8: Households Transitioned to Self-Sufficiency*				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of households transitioned to self-sufficiency (increase).	As of FY 2016: 32 (11% of 279 HHs)	72 (11% of 659 HHs)		
*Self-Sufficiency is defined as the ability of a non-disabled / non-elderly family to obtain suitable employment. "Employment" means the household is receiving earned income. "Suitable" is defined as annual gross earned income equal to or exceeding \$14,500 (the hourly minimum wage as of \$7.25 multiplied by 2,000 hours).				
HC #3: Decrease in Wait List Time				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Average applicant time on wait list in months (decrease).	As of FY 2016: <1 month	<1 month		

Planned Significant Changes

No significant changes are planned.

Table 11: LMHA Special Referral MTW Voucher Programs FY 2021

Organization	Site	FY Originally Proposed	FY Implemented and # of Vouchers	Description	Portable	Streamlined Admission	MTW Inspections
100K Homes Initiative	N/A	2012	2012; 50	Vouchers are allocated to the 100,000 Homes initiative of the Louisville Substance Abuse and Mental Health Services Administration (SAMHSA) Community Consortium. This activity increases housing choices and access to services for up to 50 of the most vulnerable homeless persons on the streets of Louisville Metro. Participants in this Housing First model program, who are identified and referred by the Louisville SAMHSA, must be chronically homeless.	Full portability upon program completion	No	No: Traditional inspection protocol.
Center for Women and Families	Villager	2005	2005; 22	Vouchers are allocated to the Center for Women and Families for long-term transitional housing on their downtown campus. Programs at the Center focus on the elimination of domestic violence, sexual violence, and economic hardship. Voucher utilization has remained 100%. This activity has increased housing choices and the cost effectiveness of federal funds.	Full portability upon program completion	Yes	Yes: For initial lease-up, C.O. was used. After initial move-in, with new occupant and once per year concurrently.
Centerstone	N/A	2015	2015; 50	Vouchers are allocated to Centerstone (formerly Seven Counties Services, Inc.). This activity increases housing choices and access to services for 50 families referred through Centerstone's Assertive Community Treatment (ACT) team. Assertive Community Treatment is an Evidenced Based Practice approved by the Substance Abuse and Mental Health Services Administration (SAMHSA) and designed to engage persons with a Severe Mental Illness (SMI) whose needs are not met by traditional outpatient services. Services are delivered in the context and environment where they are needed (i.e. the team goes to the person). The priority population is adults with a severe mental illness who are currently	Full portability upon program completion	No	No: Traditional inspection protocol.

Organization	Site	FY Originally Proposed	FY Implemented and # of Vouchers	Description	Portable	Streamlined Admission	MTW Inspections
				institutionalized at a personal care home or at risk of being institutionalized because of a lack of adequate community support. Lack of on-site support is one of the primary reasons this priority population has been unsuccessful in achieving sustained psychiatric stability in the past. Assertive Community Treatment fills this gap and assists the program participants in achieving and maintaining community integration. Those persons originally from Jefferson County, but placed in a personal care home in another region of the State, will be considered for return to the Louisville area.			
Choices, Inc.	Choices owned units	2014	2014; 4 2016; 1 2019; 1	Vouchers are allocated to Choices, Inc. to provide permanent supportive housing for homeless families, including case management.	Full portability upon program completion	No	No: Traditional inspection protocol.
ChooseWell Communities	N/A	2016	2016; 10 2017; 60	Vouchers are allocated to ChooseWell Communities' Thrive Program, which assists families that include a pregnant or post-partum mother who has successfully completed residential and/or intensive outpatient treatment for addiction, combining housing support with wraparound social services assistance. In FY 2016, LMHA allocated up to 10 vouchers to this program; this was increased by 60 vouchers in FY 2017. Seventy (70) vouchers are allocated to referrals from ChooseWell Communities.	Full portability upon program completion	No	No: Traditional inspection protocol.
Coalition for the Homeless	N/A (Rapid Re-housing)	2012	2012; 10 2013; 10	Vouchers are allocated to Coalition for the Homeless for homeless families with children.	Full portability upon program completion	No	No: Traditional inspection protocol.
Day Spring	Day Spring units	2009	2012; 4	Vouchers are allocated to households with members who have a severe mental illness, if they initially reside at a Day Spring constructed unit, while they are participating in the program Day Spring, a faith-based	Full portability upon	Yes	No: Traditional inspection protocol.

Organization	Site	FY Originally Proposed	FY Implemented and # of Vouchers	Description	Portable	Streamlined Admission	MTW Inspections
				charitable organization, which provides residential and supportive services to adults with developmental disabilities who want the opportunity to live independently in a supportive community setting. Under this initiative, not all the residential units are subject to typical HUD HQS and rent reasonableness requirements.	program completion		
Family & Children's Place	N/A	2017	2017; 10	Vouchers are allocated to Family & Children's Place for Olmsted-eligible families participating in the organization's Homeless Prevention Program, which serves families that include at least one individual who is leaving an institution and is also at risk of homelessness. This population includes individuals leaving prison after being paroled or serving out their sentence; individuals who have aged out of foster care; and individuals who have a high rate of hospitalization due to a severe mental illness. Participants receive case management.	Full portability upon program completion	No	No: Traditional inspection protocol.
Family Scholar House	Louisville	2008	2008; 56	LMHA allocates vouchers to a Special Referral Program with Family Scholar House for their Louisville Scholar House facility. These solo heads of households often face multiple barriers to furthering their education and obtaining employment that will provide their families with adequate income to become self-sufficient.	Full portability upon program completion	No	Yes: For initial lease-up, C.O. is used. After initial move-in, with new occupant and once per year concurrently.
	Downtown	2010	2011; 54	Vouchers are allocated to the Family Scholar House and Spalding University at the Downtown Scholar House.			
	Stoddard Johnston	2012	2012; 57	Vouchers are allocated to the Family Scholar House for their new Stoddard Johnston Scholar House location.			
	Parkland	2013	2013; 53	Vouchers are allocated to the Family Scholar House at their Parkland Scholar House facility.			
	Riverport	2017	2017; 64	Vouchers are allocated to the Family Scholar House's Riverport Scholar House facility.			

Organization	Site	FY Originally Proposed	FY Implemented and # of Vouchers	Description	Portable	Streamlined Admission	MTW Inspections
House of Ruth	Glade House	2018	2018; 10	<p>LMHA will allocate vouchers to the House of Ruth to assist individuals who are homeless and HIV-positive, combining housing with wraparound social service support services, including:</p> <ul style="list-style-type: none"> • A safe, drug and alcohol-free community living environment; • Intensive case management; • Group and individual mental health counseling; • Intensive outpatient substance abuse treatment; • Life skills education; and, • Transportation assistance. <p>Special Referral Program participants will be required to live at the House of Ruth's Glade House, a single-room occupancy facility for two years, after which time vouchers become fully portable. Inspections will be conducted with each new occupant and once per year concurrently.</p>	Full portability upon program completion	No	Yes: Inspection with new occupant and once per year concurrently.
Kentucky Housing Corporation	N/A	2016	2016; 10	<p>Vouchers are allocated to the Kentucky Housing Corporation. These vouchers are available to low-income households where a family member meets one of the following criteria:</p> <ol style="list-style-type: none"> 1. Persons with serious mental illnesses exiting licensed personal care homes and state psychiatric hospitals 2. Persons with severe mental illness who are at risk of institutionalization 3. Persons with disabilities exiting nursing homes and intermediate care facilities for individuals with intellectual or other developmental disabilities 	Full portability upon program completion	No	No: Traditional inspection protocol.
Wellspring	Youngland Avenue	2012	2012; 5	<p>LMHA will allocate vouchers to households with members with severe mental illness, if they reside at Wellspring's Youngland Ave. facility, while they are participating in the program. Wellspring is a charitable organization that addresses Louisville's</p>	Full portability upon program completion	Yes	No: Traditional inspection protocol.

Organization	Site	FY Originally Proposed	FY Implemented and # of Vouchers	Description	Portable	Streamlined Admission	MTW Inspections
				need for supportive housing for adults with severe and persistent psychiatric illnesses. Referrals accepted for this initiative are considered to be Mainstream Program participants.			
	Bashford Manor - Newburg	2012	2012; 8	LMHA will allocate vouchers to households with members with severe mental illness, as long as they initially reside at Wellspring's Bashford Manor / Newburg facility, while they are participating in the program. Referrals accepted for this initiative are considered to be Mainstream Program participants.		No	
	N/A	2016	2016; 10	Vouchers are allocated to Wellspring for families with members with severe mental illness who are exiting Wellspring's Ardery House facility for permanent housing. These vouchers are only issued to households that are not eligible for an Olmstead voucher. Wellspring continues to provide case management / peer specialist services to all clients utilizing these vouchers.		No	
Louisville Metro Government Office of Resilience and Community Services	N/A	2019	2019; 10 2021; 10	LMHA will allocate vouchers to individuals and families experiencing homelessness participating in employment readiness programming. The Office of Resilience and Community Services (RCS) connects individuals and families in shelters to intensive wrap around services, training and job connections. As housing is such a basic need, it is anticipated that providing the Housing Choice Vouchers will increase the rate of attainment of self-sufficiency for program participants.	Full portability upon program completion	No	Yes: Inspection with new occupant and once per year concurrently.
Home of the Innocents	Home of the Innocents	2019	2019; 10	LMHA will allocate vouchers to homeless youth ages 18-24 and their dependents who are referred by the Home of the Innocents. Home of the Innocents (<i>the Home</i>) is where Louisville's vulnerable children and youth find emotional, physical, and intellectual support that can transform their lives. The Home provides the community with a range of important residential, treatment and community-based programs.	Full portability upon program completion	No	Yes: Inspection with new occupant and once per year concurrently.

Organization	Site	FY Originally Proposed	FY Implemented and # of Vouchers	Description	Portable	Streamlined Admission	MTW Inspections
Volunteers of America Mid-States	Scattered Site Locations	2020	2020; 50	LMHA will allocate vouchers to woman recovering from substance abuse disorders and who are pregnant and/or parenting. Specifically, vouchers will be allocated to women participating in the Volunteers of America Mid-States' Transitional Living for Woman program and who meet eligibility requirements in Louisville.	Full portability upon program completion	No	Yes: Inspection with new occupant and once per year concurrently.
Catholic Charities of Louisville	Scattered Site Locations	2021	2021; 10	Catholic Charities will provide self-sufficiency and job training programming to two groups: victims of human trafficking and individuals in the Migration and Refugee Services. These two groups are often overlapping.	Full portability upon program completion	No	No: Traditional inspection protocol.
Joshua Community Connectors/ Joshua Tabernacle Missionary Baptist Church	Scattered Site Locations	2021	2021; 10	LMHA will allocate vouchers to clients of the Russell neighborhood that are at risk of homelessness. Joshua Community Connectors provide case management and referral to physical and mental health providers, employment readiness training, and wraparound social services over the course of a 12 month period.	Full portability upon program completion	No	No: Traditional inspection protocol

Activity #2006-1: MTW Homeownership Program *(Formerly Activities #3-2006, #13-2009, and #11-2009)*

Plan Year Approved, Implemented, Amended

- Amount and Distribution of HCV Homeownership Assistance: Approved and implemented FY 2006.
- HCV Homeownership Program – Exception Payment Standards: Approved and implemented FY 2009; amended in FY 2017.
- Flexibility in Third-Party Verification for HCV Homeownership: Approved and implemented FY 2009.

Description/Update

LMHA has developed and implemented several MTW policies aimed at expanding homeownership opportunities for low-income families. Following is a description LMHA's MTW homeownership policies.

Using MTW flexibility, LMHA developed and implemented the following policies:

- ***Amount and Distribution of HCV Homeownership Assistance:*** Utilization of a two-bedroom payment standard for all one-bedroom eligible HCV Homeownership households.
- ***HCV Homeownership Program – Exception Payment Standards:*** Adjustment of payment standards for the HCV Homeownership Program to 120% of Fair Market Rent in high opportunity census tracts that LMHA has designated as exception payment standard areas.

Exception census tracts are determined by analyzing 5-Year American Community Survey data published by the U.S. Census Bureau. When this activity was first implemented in FY 2009, an exception census tract was defined as one where the *Owner-Occupied Median Value* was greater than **100%** of the same value for the Metropolitan Statistical Area (MSA) as a whole. Post implementation of this activity, the clear majority of Homeownership Program participants (nearly 90%) were still purchasing houses in non-exception payment standard areas. To boost participants' buying power in areas of opportunity, in FY 2016 LMHA increased the number of exception census tracts by re-defining the criteria to encompass any census tract where the *Owner-Occupied Median Value* exceeded **80%** of the *Owner-Occupied Median Value* for the Louisville MSA as a whole.

- ***Flexibility in Third-Party Verification for HCV Homeownership:*** Once approved for the HCV Homeownership Program, families have eight months to execute and close on a proposed sales agreement. Under this policy, the income verification completed during the program application process is valid for eight months, i.e. staff no longer must re-verify income for families who take more than 60 days to close on a sale.

Planned Non-Significant Changes

While there are no non-significant changes planned, the activity represents a consolidation of the former three homeownership activities that occurred in FY 2020.

Planned Changes to Metrics/Data Collection

No changes to metrics/data collection are planned.

Metrics

<i>CE #1: Agency Cost Savings</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Total cost of task in dollars (decrease).	As of FY 2008: \$179 (12 verifications x 0.5 hours x \$29.78/hour)	\$0		
<i>CE #2: Staff Time Savings</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Total time to complete the task in staff hours (decrease).	As of FY 2008: 6 hours (12 verifications x 0.5 hours)	0 hours		
<i>CE #3: Decrease in Error Rate of Task Execution</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Average error rate in completing a task as a percentage (decrease)	As of FY 2008: Not tracked	N/A (Task no longer conducted)		
<i>HC #5: Increase in Resident Mobility</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of households able to move to a better unit and/or neighborhood of opportunity because of the activity (increase).	0	4		
<i>HC #6: Increase in Homeownership Opportunities</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of households that purchased a home because of the activity (increase).	0	4		

Planned Significant Changes

No significant changes are planned.

Activity #2007-1: Streamlined Recertification Process *(Formerly Activity #4-2007, Alternate Reexaminations)*

Plan Year Approved, Implemented, Amended

Approved FY 2007; implemented in HCV Program FY 2007; implemented in Public Housing Program FY 2008; amended FY 2012; amended FY 2020.

Description/Update

This activity allows LMHA to conduct a re-certification of Housing Choice Voucher (HCV) and Public Housing (PH) households once every two years instead of annually. This will include households in the Project-Based Voucher (PBV) program.

Under this activity as originally implemented, biennial recertifications are completed for HCV households where the head, co-head or spouse is elderly or over age 55 and disabled and the only source of income for the household is Social Security (SS) or Disability (SSI). On the off years, HCV families complete a mini-recertification packet, which they return to the agency by mail. In the Public Housing program, each year 50% of elderly/disabled families receive a full recertification of eligibility on the anniversary of their lease-up date.

In FY 2020, LMHA amended this activity in several ways to further streamline the recertification process, which are detailed below. Most of these provisions have not yet been implemented and are planned to be implemented in FY 2021, except for acceptance of documents up to 120 days old, which was implemented in FY 2020.

FY 2020 Activity amendments included the following:

- **LMHA expanded the biennial recertification process to all Public Housing (PH) households and eliminated the mini recertification process for HCV. LMHA plans to implement this process by scheduling one half of households to complete recertifications on the odd years and the other half on the even years. LMHA also received approval to expand this flexibility to the Housing Choice Voucher program, but this change has not yet been implemented.**
- **Public Housing households on flat rent are to be recertified once every three years. Households who report zero income are recertified every 90 days.** Households currently on triennial recertifications will generally not have their recertification dates changed.
- LMHA also added a further streamlining benefit to the recertification process by accepting documents that are not more than 120 days old when received by LMHA.
- Finally, households whose only source of income is from SS, SSI and/or pension are now able to be recertified once every three years, but this change has not yet been implemented.

Planned Non-Significant Changes

No non-significant changes are planned.

Planned Changes to Metrics/Data Collection

The benchmark for CE #5: Increase in Agency Rental Revenue was updated to reflect expected household contributions toward housing assistance based on recent public housing and HCV tenant data.

Metrics

CE #1: Agency Cost Savings*				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Total cost of task in dollars (decrease).	Total Cost of Task prior to implementation: \$304,888 Number of Regular Recertifications PH: 2,672 HCV: 8,155 Time per recertification: 1 hour Hourly rate: \$28.16	Total Cost of Task: \$140,997 Number of Regular Recertifications PH: 1,153 HCV: 3,854 Time per recertification: 1 hour Hourly rate: \$28.16		
<i>*Baseline reflects data prior to implementation of biennial and triennial recertifications. Benchmark reflects post implementation of biennial and triennial recertifications.</i>				
CE #2: Staff Time Savings*				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Total time to complete the task in staff hours (decrease).	Total time to complete the task prior to implementation: 10,827 hours Number of Regular Recertifications PH: 2,672 HCV: 8,155 Time per recertification: 1 hour	Total time to complete the task: 5,007 hours Number of Regular Recertifications PH: 1,153 HCV: 3,854 Time per recertification: 1 hour		
<i>*Baseline reflects data prior to implementation of biennial and triennial recertifications. Benchmark reflects post implementation of biennial and triennial recertifications</i>				
CE #5: Increase in Agency Rental Revenue*				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?

Total household contributions towards housing assistance (increase).	PH: \$210	PH: \$233		
	HCV: \$267	HCV: \$261		
*Baseline reflects data prior to implementation of biennial and triennial recertifications. Benchmark reflects post implementation of biennial and triennial recertifications. Agency rental revenue represents TTP for both PH and HCV.				

Planned Significant Changes

No significant changes are planned.

Activity #2008-1: Occupancy at Elderly Developments
(Formerly Activities #10-2008 and #23-2010)

To increase occupancy rates at several of LMHA’s elderly/disabled developments, LMHA, using MTW flexibility, developed and implemented leasing incentives and a revised definition of elderly. The following are a description of the MTW policies, which address this important leasing objective. See Activity 2019-01 regarding elderly families and the Project Based Program.

Plan Year Approved, Implemented, Amended

- Local Definition of Elderly: Approved and implemented FY 2008.
- Lease-Up Incentives for New Residents at Dosker Manor: Approved and implemented 2010.

Description/Update

Local Definition of Elderly

Using MTW flexibility, LMHA has established the following local definition of “elderly”: any family whose head of household, co-head, or spouse is age 55 or above. Under existing HUD regulations, within the Public Housing Program, this definition is only used to determine eligibility for occupancy at the Housing Authority’s elderly/disabled high-rise towers. In all other public housing contexts, “elderly” begins at age 62.

Lease-Up Incentives for New Residents at Dosker Manor

Additionally, LMHA provides lease-up incentives to new residents at Dosker Manor, an elderly/disabled high-rise located in downtown Louisville that was experiencing particularly low occupancy rates. New residents receive a waiver of the initial deposit and the first month is rent-free. The incentives have successfully increased occupancy rates at Dosker Manor.

Planned Non-Significant Changes

No non-significant changes are planned.

Planned Changes to Metrics/Data Collection

No changes to metrics/data collection are planned.

Metrics

<i>CE #5: Increase in Agency Rental Revenue</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Total household contributions towards housing assistance (increase).	\$211,719	\$211,719		

<i>HC #4: Displacement Prevention</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of households at or below 80% AMI that would lose assistance or need to move (decrease). If units reach a specific type of household, give that type in this box.	0	0		
<i>HC #5: Increase in Resident Mobility</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of households able to move to a better unit and/or neighborhood of opportunity because of the activity (increase).	0	105		

Planned Significant Changes

No significant changes are planned.

Activity #2009-1: Streamlined Development and Acquisition *(Formerly Activities #18-2009 and #26-2011)*

LMHA's has implemented several initiatives to streamline the development and acquisition processes. The initiatives result in cost savings to the Agency as well as expedite timelines associated with development and acquisition activities.

Plan Year Approved, Implemented, Amended

- Simplification of the Public Housing Development Submittal: Approved and implemented FY 2009.
- Acquisition of Mixed-Income Sites for Public Housing: Approved and implemented FY 2011.
- Acquisition of Mixed-Income Sites for PBV development and/or preservation: Approved and implemented FY 2020.

Description/Update

Simplification of the Public Housing Development Submittal

LMHA has simplified the proposal process for each acquired or developed public housing property. Twice yearly, LMHA submits a six-month report summarizing the agency's acquisition and development activities to the HUD Louisville Field Office. The activity reduces the amount of time staff spends preparing development submittals and reduces the average length of time to close on a property.

Acquisition of Mixed-Income Sites for Public Housing

LMHA also used MTW flexibility to revise the acquisition process. The revised policy authorizes LMHA to acquire units for public housing or vacant land for developing public housing without prior HUD authorization if HUD does not respond to LMHA's request for authorization within 10 days of the submittal date. Acquired properties must meet all of HUD's other requirements, including site selection requirements.

While the policy was proposed and implemented in the FY 2011 Plan, LMHA has not utilized the flexibility to date. LMHA will utilize the regulatory flexibility provided by this activity if HUD has not responded to LMHA's request for authorization within 10 days of the submittal date. Where applicable, LMHA will use this MTW authority in FY 2021.

In FY 2020 LMHA, through its affiliate LMHA Development Corporation (LMHADC), extended the scope of this activity to include acquisition of sites and/or units for PBV development and/or preservation.

Planned Non-Significant Changes

No non-significant changes are planned.

Planned Changes to Metrics/Data Collection

No changes to metrics/data collection are planned.

Metrics

<i>CE #1: Agency Cost Savings</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Total cost of task in dollars (decrease).	As of FY 2008: \$12,249 (9 submittals x 25 hours x \$54.44/hour)	\$930 (2 submittals x 7.5 hours x \$62.00/hour)		
<i>CE #2: Staff Time Savings</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Total time to complete the task in staff hours (decrease).	As of FY 2008: 225 hours (9 submittals X 25 hours)	15 hours (2 submittals x 7.5 hours)		
<i>HC #1: Additional Units of Housing Made Available</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of new housing units made available for households at or below 80% AMI because of the activity (increase)	0	10		

Planned Significant Changes

No significant changes are planned.

Activity #2011-1: Housing Choice Voucher Child Care Deductions Policy (Formerly Activity #27-2011)

Plan Year Approved, Implemented, Amended

Approved and implemented in FY 2011.

Description/Update

This activity, which applies to the Housing Choice Voucher and Project Based Voucher programs, allows for the deduction of verified ongoing child-care expenses from a working household’s gross income when determining income eligibility. **To qualify for the adjustment, the family must include a head of household, co-head, and/or spouse with a demonstrated work history (full or part-time) for the entire year.** While this activity was designed to increase housing choice for working families with children who may be struggling to make ends meet, LMHA has determined that it also achieves the HUD Standard metrics of “Reducing the per Unit Subsidy Costs” for participating households and “Increases Agency Rental Revenue.”

Planned Non-Significant Changes

No non-significant changes are planned.

Planned Changes to Metrics/Data Collection

No changes to metrics/data collection are planned.

Metrics

<i>SS #6: Reducing Per Unit Subsidy Costs for Participating Households</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Average amount of Housing Choice subsidy per household affected by this policy in dollars (decrease).	As of FY 2010: No HHs affected by policy	\$542		
<i>SS #7: Increase in Agency Rental Revenue*</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Total household contributions towards housing assistance (increase)	As of FY 2019** \$267	\$272		
*Average total tenant payment. **2019 was the first year that a baseline for this metric was established.				

Planned Significant Changes

No significant changes are planned.

Activity #2014-1: Public Housing Sublease Programs *(Formerly Activities #37-2014 and #29-2015)*

Plan Year Approved, Implemented, Amended

- Public Housing Sublease Agreement with Family Scholar House: Proposed and approved in FY 2011.
- Accessible Units Sublease Agreement with Frazier Rehab Institute: Approved and implemented FY 2014.
- Public Housing Sublease Agreement YouthBuild Louisville: Approved and implemented FY 2015.

Description/Update

Using MTW flexibility LMHA has developed and implemented sublease programs. The programs use public housing units for temporary housing for specific populations in need. Specifically, LMHA currently subleases units to the following organizations:

- ***Family Scholar House***
LMHA maintains a partnership with the Family Scholar House to provide public housing to parents while they work to obtain a college degree. To be eligible for residency at the Downtown Scholar House, the head of household must have a high school diploma or GED and be willing to enroll in a degree-granting program at an accredited post-secondary institution as a full-time student. Eligibility is limited to households including no more than one adult family member. Families interested in applying for or transferring to a Family Scholar House unit contact the Family Scholar House directly for additional eligibility and screening requirements. Family Scholar House public housing units provide temporary housing to families actively participating in the Scholar House's programming. Families must relinquish their unit when they graduate from or otherwise terminate their participation in the Scholar House's programming. Participants who successfully graduate from the program will receive a preference for admission to LMHA's Housing Choice Voucher Program as long as the participant was living in LMHA public housing (including PH/LIHTC housing) at the time of program completion.
- ***Frazier Spinal Cord Rehab Institute***
Fully accessible units are subleased as temporary housing for Spinal Cord Injury (SCI) out-patients of Frazier Rehab Institute. The units are transitional housing provided for up to six months per family. Frazier Rehab Institute is responsible for verifying that the family is eligible to live in the unit (e.g. a program participant, household income is at or below 80% AMI). Frazier Rehab leases the apartments from LMHA and pays the cost of all utilities. Rent to Frazier Rehab is set at \$210 per month (or roughly 30% of monthly SSI for one person) and Frazier Rehab has agreed to pass on no more than 100% of the rent plus utilities to the tenant (the sub lessee). Frazier Rehab uses a modified version of LMHA's public housing lease as its tenant sublease. Frazier Rehab also refers sub lessees to area service providers, including the Center for Accessible Living (Kentucky's first Independent Living Center), which can assist households with leaving the program.

Frazier Rehab has established a hardship policy to define circumstances under which households may be exempted or temporarily waived from the rent Frazier Rehab may charge to the sub lessee. Examples could include involuntary loss of income or unexpected medical expenses.

- **YouthBuild Louisville**

YouthBuild Louisville (YBL) subleases public housing units to provide temporary housing for low-income YBL participants who are experiencing homelessness. LMHA subleases up to three 2-bedroom apartments for the use of YBL participants (and their families) and facility space for the YBL program. Units are provided to YBL on an as needed basis. This activity uses public housing as an incentive for young people to enroll in the YBL job-training program, which increases their chances of becoming self-reliant.

For each month a unit is occupied by an YBL program participant, YBL pays LMHA \$60. YBL certifies that students are income eligible upon entry to the YBL program through the application process and follow-up verification through local and state subsidy programs. The participant and their household may continue to live in the unit if they are active in the YBL program. Upon graduation, the household may elect to receive preference for a public housing unit.

All participants residing in the subleased public housing units must meet basic Public Housing Program eligibility criteria (no outstanding rent balance with LMHA or other public housing authority, criminal background check, age 18 or older). LMHA staff verifies that the YBL program participant is eligible for this MTW initiative.

In FY 2021, LMHA anticipates utilizing 2 public housing units for the Frazier Spinal Cord Rehab Institute, 3 units for the YouthBuild Louisville program, and 11 units for Family Scholar House clients.

Planned Non-Significant Changes

No non-significant changes are planned.

Planned Changes to Metrics/Data Collection

The benchmarks for SS #5: Households Assisted by Services that Increase Self Sufficiency, HC #1: Additional Units of Housing Made Available, and HC #5: Increase in Resident Mobility were adjusted upward to include Family Scholar House units, which were not previously included in these metrics.

In addition, the benchmarks for SS #3: Increase in Positive Outcomes in Employment Status and SS #8: Households Transitioned to Self Sufficiency were adjusted upward to account for increased positive employment outcomes and positive housing exits based on recent program participant experience.

Metrics

<i>CE #2: Staff Time Savings*</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Total time to complete the task in staff hours (decrease).	0 hours	N/A		
<i>*There are no staff savings associated with this activity</i>				
<i>SS #1: Increase in Household Income*</i>				
Unit of Measurement	Baseline	Benchmark	Outcome*	Benchmark Achieved?

Average earned income of households affected by this policy in dollars (increase).	0	N/A		
<i>*Clients in these programs are not expected to have an increase in income due to their education/training focus and/or population served.</i>				
SS #3: Increase in Positive Outcomes in Employment Status				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Employed Full-Time	As of FY2014: 0	1		
Employed Part-Time	As of FY2014: 0	3		
Enrolled in an Educational Program	As of FY2014: 0	10		
Enrolled in a Job Training Program	As of FY2014: 0	3		
Unemployed	As of FY2014: 0	3		
Other	N/A	N/A		
SS #5: Households Assisted by Services that Increase Self Sufficiency				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of households receiving services aimed to increase self-sufficiency (increase).	As of FY 2014: 0	16		
SS #8: Households Transitioned to Self Sufficiency*				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of households transitioned to self-sufficiency (increase).	As of FY 2014: 0	3		
<i>*Self-Sufficiency is defined as a participant exiting the program for any other reason than termination of subsidy/participation.</i>				
HC #1: Additional Units of Housing Made Available				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of new housing units made available for households at or below 80% AMI because of the activity (increase).	As of FY 2014: 0	16		
HC #5: Increase in Resident Mobility				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of households able to move to a better unit and/or neighborhood of opportunity because of the activity (increase).	As of FY 2014: 0	16		

Planned Significant Changes

No significant changes are planned.

Activity #2014-2: Housing Choice Voucher Program Rent Increase Limit (Formerly Activity #39-2014)

Plan Year Approved, Implemented, Amended

Approved and implemented FY 2014.

Description/Update

Under this MTW activity, which applies to the Housing Choice Voucher (HCV) program, LMHA places a 2% cap on annual contract rent increases for units where the tenant is already receiving HCV rental assistance. At contract renewal, LMHA limits the landlord's requested rent to whichever is least: 102% of the previous contract rent for the same tenant or the exception payment standard.

Under this activity, LMHA conducts reasonable rent (RR) determinations on a random sample of the units where rent increases were requested. LMHA uses the SEMAP sample size requirements to dictate the number of RR determinations to be completed and has established the universe as the number of units with requested rent increases. If the rent on more than 20% of sampled units, because of application of the policy, is not reasonable when compared with the RR determination, LMHA will conduct RR determinations on double the initially established sample size. LMHA will monitor outcomes and may modify this policy to ensure rents are reasonable, i.e. revise sample size requirements

Planned Non-Significant Changes

This activity will also apply to Project Based developments.

Planned Changes to Metrics/Data Collection

No changes to metrics/data collection are planned.

Metrics

<i>SS #6: Reducing Per Unit Subsidy Costs for Participating Households</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Average amount of Housing Choice subsidy per household affected by this policy in dollars (decrease).	As of FY 2014* \$526	\$542		
<i>*FY 2014 is the earliest year for which data is available.</i>				
<i>SS #7: Increase in Agency Rental Revenue*</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
PHA rental revenue in dollars (increase).	As of FY 2019** 267	\$272		
<i>*Total tenant payment.</i>				
<i>**2019 was the first year that a baseline for this metric was established.</i>				

Planned Significant Changes

No significant changes are planned.

Activity #2015-1: HCV Program - HUD/MDRC Rent Reform Demonstration (Formerly Activity #43-2015)

Plan Year Approved, Implemented, Amended

Approved and implemented FY 2015.

Description/Update

LMHA was selected to participate in a HUD-commissioned six-year study to evaluate an alternative HCV rent reform policy (the “Study”). MDRC, a nonprofit and nonpartisan education and social policy research organization, is conducting the Study on behalf of HUD. The Study sets forth alternative rent calculation and recertification strategies that have been implemented at several public housing authorities across the country, to fully test the policies nationally.

The goals of this alternative rent policy are to:

- Create a stronger financial incentive for tenants to work and advance toward self-sufficiency;
- Simplify the administration of the HCV Program;
- Reduce housing agency administrative burden and costs;
- Improve accuracy and compliance of program administration;
- Remain cost neutral or generate savings in HAP expenditures relative to expenditures under current rules; and,
- Improve transparency of the program requirements.

The Control Group vouchers are being managed using the LMHA’s standard policies. The Alternate Rent Group rent policy includes the following features:

- A revised formula to calculate tenant share of rent and utilities at 28% of gross annual income
- A minimum rent payment from tenants to owners of \$50
- A revised method for determining gross annual income
- Elimination of deductions and allowances
- A disregard of income from assets valued below \$25,000
- A triennial recertification procedure
- A limited number of interim re-certifications per household per year
- A revised methodology for determining tenant rent to owner
- A simplified utility allowance schedule
- A hardship policy to protect tenants from excessive rent burden

Only vouchers administered under the MTW Program are eligible for the Study; however, households receiving a biennial certification are also excluded. The Study is focused on work-able populations and does not include elderly households, disabled households, or households headed by people older than 56 years of age (who will become seniors during this long-term study). Households utilizing the childcare expense deduction for purposes of determining adjusted annual income, as well as households participating in Family Self-Sufficiency and Homeownership programs, were not eligible for Study selection. In addition, households that contain a mix of members: 1) with an immigration status that is eligible for housing assistance, and 2) with an immigration status that is non-eligible for housing assistance, are not included in the Study. Finally, households receiving case management or supportive services through one of the Housing Authority’s MTW Special Referral Programs are also excluded from the Study.

Households selected for the Alternate Rent Group met with an LMHA Housing Specialist to review the Study and their specific calculation of Total Tenant Payment under both the traditional and Study policies. They then had a period of 30 days to consider whether to select to be excluded from the Study. Study enrollment was completed in December 2015. In FY 2021, because of households leaving the program, it is anticipated that the Alternate Rent Group will have 500 households and the Control Group will have 583 households. FY 2021 will be the final year of the Study.

The Study offers appropriate hardship protections to prevent any Alternate Rent Group member from being unduly impacted including:

- If the household has a decrease in annual income, the household may request an interim recertification or other remedies under the hardship process;
- If the limit on interim certification presents a hardship, the household can apply for a Hardship Exemption; and,
- Where minimum rent to owner exceeds 40% of the household current anticipated gross income, the household may request a Hardship Waiver.

Planned Non-Significant Changes

This study is scheduled to end during FY 2021. Once the study is complete, all Alternate Rent Group households will be transitioned back to standard MTW rent policies. ~~To avoid undue hardship, if any Alternate Rent Group household experiences more than a 10% increase in rent as a result of this transition, LMHA will phase in the rent increase over 2 years.~~

Planned Changes to Metrics/Data Collection

Baselines have not changed; however, benchmarks were updated to reflect the participation levels in the control and treatment groups for FY 2021.

Benchmarks for SS #1: Increase in Household Income and SS #8: Households Transitioned to Self Sufficiency were adjusted upward based on recent experience showing increased earned income and positive housing exits among both the Alt Rent and Control groups.

In addition, the benchmark for CE #1: Agency Cost Savings, Cost Per Full Interim certification was adjusted to reflect expected number of certifications in FY 2021.

Metrics

<i>CE #1: Agency Cost Savings</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
<i>Cost Per Annual Certification</i> Total cost of task in dollars (decrease).	As of FY2015: Alt Rent Group: \$54,920 (1 annual cert x 1,000 households x \$54.92/cert)	Alt Rent Group (Non-Triennial Cert Years): \$0 (0 certs x \$0 per cert) Alt Rent Group (Triennial Cert		

	<p>Control Group: \$54,920 (1 annual cert x 1,000 households x \$54.92/cert)</p> <p>Per annual cert cost: \$54.92 (\$50.14 staff cost (2 hours x \$25.07/hour) + \$4.78 (mail + reproduction costs))</p>	<p>Years): \$30,550 (500 certs x \$61.10)</p> <p>Control Group (All Years): \$35,621 (583 certs x \$61.10)</p> <p>Cost per annual cert: \$61.10 (\$56.32 staff cost (2 hours x \$28.16/hour) + \$4.78 (mail + reproduction costs))</p>		
<p>Cost per Full Interim Certification* Total cost of task in dollars (decrease).</p>	<p>As of FY2015:</p> <p>Alt Rent Group: \$75,220 (2 interim certs * 1,000 HHs \$37.61/cert)</p> <p>Control Group: \$75,220 (2 interim certs * 1,000 HHs \$37.61/cert)</p> <p><u>Per interim cert cost:</u> \$37.61 (staff cost of \$25.07/hr. x 1.5 hrs.)</p>	<p>Alt Rent Group: \$23,570 (558 certs x \$42.24/cert)</p> <p>Control Group: \$18,712 (443 certs x \$42.24/cert)</p> <p>Per interim cert cost: \$42.24 (staff cost of \$28.16/hour x 1.5 hours)</p>		
<p>Cost per Streamlined Interim Certification* Total cost of task in dollars (decrease).</p>	<p>As of FY2015:</p> <p>Alt Rent Group: \$75,220 (2 traditional interim certs per household x 1,000 households x \$37.61/cert)</p> <p>Per traditional interim cert cost: \$37.61 (staff cost of \$25.07/hour x 1.5 hours)</p>	<p>Alt Rent Group: \$14,080 (500 certs x \$28.16/cert)</p> <p>Per streamlined interim cert cost: \$28.16 (staff cost of \$28.16/hour x 1.0 hours)</p>		
<p><i>*LMHA is not currently tracking traditional and streamlined interim certifications separately. All interim certifications have been reported as traditional interim certifications.</i></p>				
<p>Cost of Rent Calculation Total cost of task in dollars (decrease).</p>	<p>As of FY2015:</p>	<p>Alt Rent Group (Non-Triennial Cert Year): \$0</p>		

	<p>Alt Rent Group: \$25,070 (1,000 households x \$25.07 per rent calculation)</p> <p>Control Group: \$25,070 (1,000 households x \$25.07 per rent calculation)</p> <p>Per rent calculation cost: \$25.07 (staff cost of \$25.07/hour x 1.0 hours)</p>	<p>(0 rent calculations x \$28.16 per cert)</p> <p>(Triennial Cert Years): \$14,080 (500 rent calculations x 1.0 staff hours x \$28.16/hour)</p> <p>Control Group (All Years): \$16,417 (583 rent calculations x 1.0 staff hours x \$28.16/hour)</p>		
<p>Cost to Determine Income from Assets Total cost of task in dollars (decrease).</p>	<p>As of FY 2015:</p> <p>Alt Rent Group: \$13 (2 households (0.22% x 1,000 households) x \$6.27 per asset income determination)</p> <p>Control Group: \$13 (2 households (0.22% x 1,000 HHs) x \$6.27 per asset income determination)</p> <p>Per asset income determination cost: \$6.27 (staff cost of \$25.07/hour x 0.25 hours)</p>	<p>Alt Rent Group (Non-Triennial Cert Years): \$0 (0 household x \$28.16 per staff hour x 0.25 hours)</p> <p>Alt Rent Group (Triennial Cert Years): \$7 (1 household x \$28.16 per staff hour x 0.25 hours)</p> <p>Control Group (All Years): \$7 (1 households x \$28.16 per staff hour x 0.25 hours)</p>		
CE #2: Staff Time Savings*				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
<p>Time to Complete Annual Certification Total time to complete the task in staff hours (decrease).</p>	<p>As of FY 2015:</p> <p>Alt Rent Group: 2,000 hours (1,000 households x 2.0 hours per annual cert)</p> <p>Control Group: 2,000 hours</p>	<p>Alt Rent Group (Non-Triennial Cert Years): 0 hours (0 certs x 2 hours/cert)</p> <p>Alt Rent Group (Triennial Cert Years): 1,000 hours</p>		

	(1,000 households x 2.0 hours per annual cert)	(500 households x 2.0 hours/cert) Control Group (All Years): 1,166 hours (583 households x 2.0 hours/cert)		
Time to Determine Tenant Rent Total time to complete the task in staff hours (decrease).	As of FY 2015: Alt Rent Group: 1,000 hours (1,000 households x 1.0 hours per tenant rent determination) Control Group: 1,000 hours (1,000 households x 1.0 hours per tenant rent determination)	Alt Rent Group (Non-Triennial Cert Year): \$0 (0 rent calculations x 1 hour/determination) (Triennial Cert Years): 500 hours (500 determinations x 1.0 hour/determination) Control Group (All Years): 583 hours (583 determinations x 1.0 hour/determination)		
<i>*Includes regular recertifications; interim recertifications and hardship requests are excluded.</i>				
Time to Determine Utility Allowance Total time to complete the task in staff hours (decrease).	As of FY 2015: Alt Rent Group: 250 hours (1,000 households x 0.25 hours per UA determination) Control Group: 250 hours (1,000 households x 0.25 hours per UA determination)	Alt Rent Group (Non-Triennial Cert Year): \$0 (0 rent calculations x 0.08 hour/determination) (Triennial Cert Years): 40 hours (500 determinations x 0.08 hours per determination) Control Group (All Years): 146 hours (583 determinations x 0.25 hours per determination)		

CE #3: Decrease in Error Rate of Task Execution				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Average Error Rate in Determining TTP Average error rate in completing a task as a percentage (decrease).	As of FY2015: Not tracked	Not determined		
Average Error Rate in Determining Utility Allowance Average error rate in completing a task as a percentage (decrease).	As of FY2015: Not tracked	Not determined		
SS #1: Increase in Household Income				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Average earned income of households affected by this policy in dollars (increase).	As of FY2016: \$7,195	Alt Rent Group: \$12,000 Control Group: \$14,000		
SS #3: Increase in Positive Outcomes in Employment Status				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Employed Full-Time*	As of FY 2018: Alt Rent Group: 483 (80% of 604 households) Control Group: 316 (45% of 700 households)	Alt Rent Group: 400 (80% of 500 households) Control Group: 262 (45% of 583 households)		
Employed Part-Time*	As of FY 2015: Not tracked	Not Tracked		
Enrolled in an Educational Program	As of FY 2018: Alt Rent Group: 72 households Control Group: 49 households	Alt Rent Group: 72 households Control Group: 49 households		
Enrolled in a Job Training Program	As of FY 2015: Not tracked	Alt Rent Group: Not Tracked Control Group: Not Tracked		
Unemployed	As of FY 2015: Not tracked	Alt Rent Group: 105 (21% of 500 households)		

		Control Group: 350 (60% of 583 households)		
Other	As of FY 2015: Not tracked	Alt Rent Group: 0 Control Group: 0		
<i>*Full-time vs. part-time employment status is not tracked for either Alternate Rent Group or Control Group households. LMHA determines employment as earned income and includes all employment as full time employment.</i>				
SS #4: Households Removed from Temporary Assistance for Needy Families (TANF)				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of households receiving TANF assistance (decrease).	As of FY 2016: 69 (4% of 1,637 households)	Alt Rent Group: 25 (5% of 500 households) Control Group: 23 (4% of 583 households)		
SS #5: Households Assisted by Services that Increase Self Sufficiency*				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of households receiving services aimed to increase self-sufficiency (increase).	As of FY 2015: Alt Rent Group: 0 (0% of 1,000 households) Control Group: 0 (0% of 1,000 households)	Alt Rent Group: 5 (1% of 500 households) Control Group: 12 (2% of 583 households)		
<i>*Metric captures households enrolled in the Housing Authority's FSS Program.</i>				
SS #6: Reducing Per Unit Subsidy Costs for Participating Households*				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Average amount of Housing Choice subsidy per household affected by this policy in dollars (decrease).	As of FY 2015: \$634/month	Alt Rent Group: \$608/month Control Group: \$628/month		
<i>* Per unit subsidy equals average HAP to Owner.</i>				
SS #7: Increase in Agency Rental Revenue*				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Total household contributions towards housing assistance (increase).	This information was not	Alt Rent Group: \$281		

	previously tracked. As of FY 2019 Alt Rent Group: \$275 Control Group: \$267	Control Group: \$272		
<i>*Total tenant payment.</i>				
SS #8: Households Transitioned to Self Sufficiency*				
Unit of Measurement	Baseline*	Benchmark**	Outcome***	Benchmark Achieved?
Number of households transitioned to self-sufficiency (increase).	As of FY 2016: Alt Rent Group: 161 (22% of 722 households) Control Group: 188 (21% of 915 households)	Alt Rent Group: 175 (35% of 500 households) Control Group: 141 (21% of 583 households)		
<i>*Self-Sufficiency is defined as the ability of a non-disabled/non-elderly family to obtain suitable employment. "Employment" means the household is receiving earned income. "Suitable" is defined as annual gross earned income equal to or exceeding \$14,500 (the hourly minimum wage of \$7.25 multiplied by 2,000 hours).</i>				

Planned Significant Changes

No significant changes are planned.

Activity #2018-1: Beecher Terrace Choice Neighborhood Initiative (CNI) Revitalization – Broader Use of Funds to Support the Development of Off-Site, Mixed-Income Replacement Housing
(Formerly Activity #49-2018)

Plan Year Approved, Implemented, Amended

Approved and implemented FY 2018.

Description/Update

This activity allows LMHA to acquire unsubsidized units for development of mixed income housing. As these units will not receive ongoing operating subsidy, HUD approval of these acquisitions is not required. However, the units will still be targeted to households whose income does not exceed 80% of Area Median Income (AMI).

LMHA is currently using the flexibility under this activity to pursue opportunities to acquire properties where the Housing Authority can provide off-site replacement housing for its current CNI Grant, awarded for the redevelopment of Beecher Terrace, without relying on a 3rd-party developer or owner.

In June 2019, LMHA’s affiliate, LMHA Development Corporation, undertook the first acquisition under this activity and purchased 6600 Newbridge Place, a 27-unit family apartment complex. **LMHA provided an acquisition loan to LMHADC for the purchase price of Newbridge Place.** All existing tenants will have completed their lease terms before the end of FY 2021, and LMHA anticipates placing all 27 units under PBV HAP contract by the end of the fiscal year.

LMHA undertook the acquisition of this property as a pilot project to determine whether this unique approach to the provision of mixed-income replacement housing developments **to include PHA owned PBV acquisitions** is indeed feasible. Now that the agency has “proof of concept,” the Housing Authority plans to pursue additional acquisitions of this nature in furtherance of its CNI Transformation Plan commitments up to a maximum of 110 units.

Planned Non-Significant Changes

No non-significant changes are planned.

Planned Changes to Metrics/Data Collection

Benchmarks were updated throughout this activity to reflect the 27 units at Newbridge Place expected to come online in FY 2021. The benchmark for SS #7: Increase in Agency Rental Revenue was also updated to reflect expected per household rental revenue.

Metrics

<i>SS #6: Reducing Per Unit Subsidy Costs for Participating Households</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?

Average amount of Housing Choice subsidy per household affected by this policy in dollars (decrease).	As of FY 2017: \$5,460	\$0		
SS #7: Increase in Agency Rental Revenue				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
PHA rental revenue in dollars (increase).	As of FY 2017: \$7,536 (\$1,884 per household X 4 households)	\$50,868 (\$1,884 per household X 27 households)		
HC #1: Additional Units of Housing Made Available				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of new housing units made available for households at or below 80% AMI because of the activity (increase).	As of 2017: 0	27		
HC #5: Increase in Resident Mobility				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of households able to move to a better unit and/or neighborhood of opportunity because of the activity (increase).	As of FY 2017: 0	27		
CE #1: Agency Cost Savings				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Total cost of task in dollars (decrease).	As of FY2017: \$84 (4 households x 0.75 hours per verification x \$28.16 per staff hour)	\$571 (27 households x 0.75 hours per verification x \$28.16 per staff hour)		

Planned Significant Changes

No significant changes are planned.

Activity #2018-2: HCV Owner Leasing Incentive *(Formerly known as Increasing Housing Options for Relocating Beecher Terrace Families, Activity #2018-2)*

Plan Year Approved, Implemented, Amended

Approved and implemented FY 2018; amended FY 2021

Description/Update

LMHA originally developed this activity to address the significant need for one-bedroom units in LMHA's jurisdiction, including among families relocating from the Beecher Terrace public housing development (relocation of these families was completed in FY 2020).

Currently, there is still a significant need to increase the supply of quality rental units of all bedroom sizes in LMHA's jurisdiction. Landlords are sometimes reluctant to participate in the HCV program due to the increased administrative burden (inspections, paperwork) and perceived risks. To address the need to attract new owners and lease new units in the program, LMHA is proposing modifications to this activity. These modifications are designed to strengthen owner incentives to lease new units to HCV participants, and also to lease units in high opportunity areas. Please see "Planned Non-Significant Changes" below.

~~LMHA originally developed this activity to address the significant need for one-bedroom units among families relocating from the Beecher Terrace public housing development. This relocation was completed in FY 2020, but LMHA maintains a strong interest in increasing the ability of the Housing Choice Voucher (HCV) Program to absorb additional one-bedroom eligible households.~~

LMHA will partner with the Louisville Apartments Association, a landlord industry group, to promote these incentives to its members.

Under this activity, LMHA originally used its MTW flexibility to provide the following two incentives:

- **Increased Payment Standard for One-Bedroom-Eligible Households** (Relocating Beecher Terrace Households Only): In order to balance increased demand for and limited supply of one-bedroom units, LMHA has offered a two-bedroom payment standard to all one-bedroom-eligible households moving from the Beecher Terrace public housing development. However, as Beecher relocation is now complete, this portion of the activity will no longer be applicable. **These families will continue to receive a two-bedroom payment standard in their current unit but will not receive this incentive for future moves. Please see "Planned Non-Significant Changes" below.**
- **HCV Owner Incentive Fee** (HCV Program-Wide): To encourage owner participation in the HCV Program and increase the inventory of one-bedroom units within the Louisville Metro area, LMHA paid a \$1,000 incentive fee to owners who leased a one-bedroom unit to a family **newly admitted** to LMHA's HCV Program. For the purposes of this activity, a family was considered "newly admitted" and the unit eligible for an incentive fee if:
 - The family was signing a lease under the HCV Program for the first time;
 - The family was moving from one LMHA housing program to another (e.g., moving from the Public Housing Program to the HCV Program);

- The family was using the portability provisions provided through the HCV Program to move with continued HCV assistance from another Public Housing Agency's jurisdiction to LMHA's jurisdiction; or,
- The family had experienced an interruption of voucher assistance where the Public Housing Agency formerly assisting the family submitted an End of Participation action to HUD using form HUD-50058 or HUD-50058 MTW.

The incentive fee was paid in two installments of \$500 each, with the first installment paid during the first month of the Housing Assistance Payment (HAP) contract and the second installment paid following the first anniversary of the HAP contract's effective date. Should the HAP contract be terminated for any reason within the first year, the owner would not receive the second \$500 installment.

~~LMHA plans to increase its owner outreach and education efforts around this incentive in FY 2021. Local landlords are sometimes reluctant to participate in the HCV program due to the increased administrative burden (inspections, PHA paperwork), and LMHA believes that continued promotion of this incentive could help overcome this barrier.~~

Planned Non-Significant Changes

As Beecher Terrace resident relocation has been completed, the "Increased Payment Standard for One-Bedroom Eligible Households" will no longer be offered under this Activity. ~~These families will continue to receive a two-bedroom payment standard in their current unit but will not receive this incentive for future moves.~~

~~In FY 2021, LMHA is proposing several non-significant changes designed to strengthen incentives for owners to make new units (of any bedroom size) available for leasing to HCV program participants. Therefore, LMHA is renaming this activity "HCV Owner Leasing Incentive." The proposed changes are as follows:~~

- ~~**Modified Owner Incentive Fee:** Instead of the prior focus on leasing to newly admitted families, this incentive will now be provided to owners who lease a new unit to an HCV family (i.e. unit has never been previously leased to another LMHA HCV participant). LMHA will provide a one-time \$500 payment for leasing a new unit, payable upon execution of a HAP contract. As the low inventory of one-bedroom units in the Louisville Metro area is still a significant challenge, LMHA will also offer an *additional* \$500 payment at the one-year anniversary of the HAP contract to owners who lease new one-bedroom units to HCV participants.~~
- ~~**Vacancy Loss and Damage Loss Payments:** As another incentive to make new units available to HCV families, LMHA will offer limited vacancy loss and damage payments to owners who lease a new unit to an HCV family.~~

~~Vacancy loss payments will be made available to owners whose tenants vacate the unit without notice or LMHA authorization, prior to the end of their lease term. To qualify for the vacancy loss payment, the unit owner must re-rent the unit to another HCV family within 6 months of the date that the owner notifies LMHA of move-out. Owners will be paid only for the length of time the unit was vacant, with a maximum payment equivalent to two months of HAP. In addition, LMHA will only reimburse owners to the extent that the lost rent is not covered by the security deposit (after being applied to any damages). Finally, owners must demonstrate a good faith effort to re-rent the unit to another HCV family during the period of vacancy.~~

Example: Tenant A vacated a unit without providing notice. Owner A demonstrated good faith efforts to re-rent the unit to another HCV family, but the unit remained vacant for 3 months. After accounting for damages, Owner A had \$400 remaining in security deposit funds. In this case, LMHA would provide a vacancy loss payment equal to two months' HAP, minus the security deposit held. If the monthly HAP payment was \$600, the vacancy loss payment would be $\$600 * 2 - \$400 = \$800$.

LMHA will also provide damage loss payments to owners who agree to accept a reduced security deposit. The reduced security deposit will help mitigate the financial barriers families face at lease-up, reducing time for landlords to find a qualified HCV tenant. The reduced deposit must be equal to the lesser of one month of the tenant portion of the rent or \$200. At move out, LMHA will award a damage payment for tenant caused damages up to a maximum amount of one month's contract rent, which is typically the normally required security deposit amount, minus any amount covered by the tenant security deposit.

Example: Tenant B had a tenant rent share of \$150, and a total contract rent of \$1,000. At lease-up, Owner B agreed to accept the lesser of one month's tenant rent share or \$200 as a security deposit, resulting in a security deposit amount of \$150. At move out, the unit had \$900 of tenant caused damages. In this case, LMHA would provide a damage loss payment equal to the amount of damages (not to exceed the amount of one month's contract rent), minus the amount of the actual tenant security deposit. Therefore, the amount of the damage payment would be $\$900 - \$150 = \$750$. LMHA will hold the family accountable for any damage payments made on their behalf.

- **Pre-Qualifying Unit Inspections:** As another incentive to lease new units, LMHA will offer pre-qualifying unit inspections for units new to the HCV program. These inspections will not be linked to a specific tenant and are intended to expedite the leasing process by minimizing inspection-related delays. After the inspection is conducted, unit owners will have up to 90 days to lease the unit to an HCV family.
- **Inspection Incentive for Units in Exception Payment Standard Areas:** Exception Payment Standard areas are generally located in high opportunity neighborhoods. The housing stock in these areas is typically newer and/or in better condition than in other areas of LMHA's jurisdiction. However, HCV participants in these areas face competition with market rate tenants, who do not have the same administrative requirements for lease-up and continued occupancy, including inspections. As a final incentive to increase the supply of available HCV units and opportunities for families, LMHA proposes to conduct biennial HQS inspections for all units located in approved Exception Payment Standard areas or units with a construction date of 1990 or later (normally LMHA conducts annual HQS inspections). This new policy is designed to reduce the administrative burden of inspections on landlords, which will increase the overall inventory of HCV units available to LMHA.

Estimated Cost Impact – Owner Incentive Fee: In FY 2019, fifty-three (53) units received the benefit of the \$1,000 one-bedroom owner incentive, at a total cost of \$53,000. LMHA anticipates that expansion of this incentive to all bedroom sizes will double the number of new units made available (106). If half (53) of these units are one bedroom units, the total cost in FY 2021 would be $\$53 * \$500 + \$53 * \$1000 = \$79,500$.

Vacancy Loss Payments: LMHA estimates that 106 new units will be leased to HCV households in FY 2021 as a result of enhanced owner incentives. LMHA estimates that 5 percent of these units (5 units) will house tenants who vacate their unit without notice or authorization. With an average

monthly HAP cost of \$600, if each of these owners receive 2 months of vacancy payments, the total cost of this incentive would be \$6,000.

Damage Loss Payments: If 106 new units are leased to HCV households in FY 2021, LMHA estimates that 10 percent of those units (11 units) will have owners who agree to accept the reduced security deposit, and who will qualify for damage reimbursement. If the average amount of uncompensated damages is \$500, the total cost of this incentive would be \$5,500.

Planned Changes to Metrics/Data Collection

Metrics have been updated to reflect the volume of activity anticipated in FY 2021.

Metrics

<i>HC #3: Decrease in Wait List Time</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Average applicant time on wait list in months (decrease).	As of FY 2017: 84 months	84 months		
<i>HC #5: Increase in Resident Mobility</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of households able to move to a better unit and/or neighborhood of opportunity because of the activity (increase).	132	3106		

Planned Significant Changes

No significant changes are planned.

Activity #2019-1: Enhancements to Local Project-Based Voucher (PBV) Program

(Formerly Activities #51-2019 and #48-2018)

Plan Year Approved, Implemented, Amended

- Local Project-Based Voucher (PBV) Program: Approved and implemented FY 2018.
- Enhancements to Local Project-Based Voucher (PBV) Program: Approved and implemented FY 2019; amended FY 2020.

Description/Update

LMHA proposed, and HUD approved, revised project-based policies to help meet the requirements of LMHA's Beecher Terrace Choice Neighborhood Initiative (CNI) Implementation Grant as well as to provide additional housing choices for low-income households in high opportunity areas, incentivize developers to preserve or create affordable housing units and streamline the administration of PBVs.

Currently, PBV efforts are focused on replacing Beecher Terrace units; however, LMHA plans to utilize flexibilities included in this Activity for the preservation and development of other affordable housing units in the future.

The following MTW flexibilities are included in LMHA's Enhancements to Local Project-Based Voucher (PBV) Program:

- PBV proposals may be selected based on any one of the following three methods:
 - The results of a previous competition (no MTW authority required);
 - Issuance of a Request for Proposals, which may be limited to a specific site or sites or to geographic areas that meet certain criteria (for example, non-impacted census tracts); or,
 - Selection of LMHA-owned properties without a competitive process or prior HUD approval.
- Up to 100% of units within any given project may be awarded PBV assistance. However, in furtherance of the Housing Authority's commitment to the development of mixed-income housing, at its sole discretion, LMHA may limit the percentage of units that may be project-based at any given project to an amount less than 100%.
- When LMHA has received owner notice that the rehabilitated or newly constructed housing is completed, the Housing Authority will inspect the units to determine if the housing has been completed in accordance with the Agreement to Enter a HAP Contract (AHAP), including compliance with Housing Quality standards (HQS), except that in lieu of LMHA inspection of the units, the owner may submit the Certificate of Occupancy issued by Louisville Metro Government as evidence of compliance.
- LMHA will not inspect units at new tenant turnover. LMHA will inspect all units within a specific building concurrently once per year. Should the owner add or substitute a unit covered under the HAP contract, LMHA will inspect the new or substitute unit before assisting that unit. LMHA will also conduct complaint inspections upon tenant request. LMHA may still choose to rely on an alternative inspection process at mixed-finance properties in lieu of an annual inspection. However, LMHA will ensure that all units are inspected at least once per year.

- For determining the order in which families on the Housing Authority’s PBV waiting list are referred by LMHA to the owner of a project-based elderly or elderly/disabled building, an “Elderly Family” will be defined as a family whose head (including co-head), spouse, or sole member is a person who is at least 55 years of age. It may include two or more persons who are at least 55 years of age living together, or one or more persons who are at least 55 years of age living with one or more Live-In Aides.
- The income eligibility limit for PBV units will be increased from 50% to 80% of Area Median Income (AMI) except in the case of PBV units that are subject to a lower income restriction due to limitations imposed by other 3rd-party funding sources (for example, units that also have low-income housing tax credits or funding awarded through the National Housing Trust Fund). In the case of funding sources that impose an income cap that falls between 50% and 80% of AMI, the maximum allowable income cap will be used. (For example, PBV units that also have low-income housing tax credits capped at 60% of AMI would have an income eligibility limit of 60% of AMI.)
- For PBV units that are also low-income housing tax credit (LIHTC) units, LMHA will utilize the LIHTC program’s Tenant Income Certification form to verify income and assets both for determining eligibility at admission and at recertification.

In addition to the provisions identified above, LMHA’s FY 2019 MTW Plan (as amended) included the following additional revisions to the Agency’s PBV Program:

- Revised local PBV payment standards that are equal to the greater of 110% of the Metropolitan Area Fair Market Rent (MAFMR) or 110% of the Small Area Fair Market Rent (SAFMR) schedules published annually by HUD.
- Local PBV Program Site-Specific Utility Allowances. LMHA will allow PBV owners to calculate site-specific Utility Allowances in accordance with the provisions of Notice PIH 2018-11 or successor notices, subject to LMHA’s review and approval prior to implementation.
- Owner Managed Site Based Waiting Lists. This will allow individual owners participating in the LMHA’s Enhancements to Local Project-Based Voucher (PBV) Program to maintain site-based waiting lists. LMHA will determine whether to allow owner-maintained, site-based waiting lists based on LMHA’s assessment of each individual owner’s management capacity. Owners will be required to adhere to fair housing, the Americans with Disabilities Act and other applicable federal guidelines including, but not limited to: providing public notification of waiting list opening and closings; providing community-wide notice of housing availability; providing reasonable accommodations; and, conducting the application process in compliance with LMHA’s Language Access Plan. Subject to LMHA approval, tenant selection preferences may be adopted for individual projects in accordance with LMHA’s Administrative Plan; however, post-revitalization, relocated Beecher Terrace households will continue to receive a lifetime admission preference for all units designated as Beecher Terrace replacement units. Owners will forward applications nearing the top of the waiting list to LMHA, and LMHA will continue to maintain responsibility for eligibility determination. LMHA believes that this alternative MTW policy will expand the range and number of potential Local Project Based Voucher Program units in opportunity neighborhoods.
- Waiver of Independent Entity Requirements for LMHA-Owned Units. This would allow LMHA to directly perform the functions delegated to the independent entity for all LMHA-owned units, including the following: review of selection process (24 CFR 983.51(e)); unit inspections, exercise

of contractual remedies for violation of the HAP contract and the provision of inspection reports to the HUD Field Office (24 CFR 983.103(f)); and, determination of rent to owner, including initial rent (24 CFR 983.301(g) and 983.303(f)). Requiring approval from an independent entity increases costs and creates potential delays in the availability of critically needed replacement housing units, while adding no measurable value to the process. Under this MTW activity, LMHA will process rent determinations, inspections, contract renewal and other necessary program transactions on LMHADC-owned units in accordance with the policies and procedures applicable to all other units that are part of LMHA’s Local PBV Program. In the future, LMHA will provide HUD with documentation related to LMHADC-owned units upon HUD’s request. Also, LMHA’s transactions will continue to be subject to audit as part of the annual independent audit process.

- Expansion of Prior Competition Exemption. LMHA proposed and received approval to select without prior competition proposals for housing currently assisted with Low Income Housing Tax Credits (LIHTCs) or under a federal, State, or local government subsidy program if the project has been selected in accordance with the competitive requirements of the applicable funding source in the last 10 years. The original competitive selection of these projects cannot have involved any consideration that the project would receive PBV assistance.

The revision below was added in the FY 2020 plan.

- Allow existing, newly constructed and substantially rehabbed units receiving subsidy to be located *“in the agency’s jurisdiction, including within, but not limited to, the following types of urban areas: (1) an area of revitalization that has been designated as such by the governing jurisdiction, including Redevelopment Areas and Enhanced Enterprise Communities, (2) an area where public housing units were previously constructed and were demolished, (3) a racially or economically impacted area where the agency plans to preserve existing affordable housing, (4) in connection with a HOPE VI or other HUD funded master planned development, (5) in areas where a needs analysis indicates that subsidized housing represents a low percentage of the total number of housing units in the area, or (6) relocating units to an area with a lower concentration of public housing units.”*This flexibility allows LMHA and duly selected PBV owners/developers to pursue the development and/or acquisition of land and existing buildings, where feasible, for Choice Neighborhoods replacement units. Using this MTW flexibility, replacement units may be located on HOPE VI and Choice Neighborhood sites and in census tracts that border the HOPE VI and Choice Neighborhood census tracts.

Planned Non-Significant Changes

No non-significant changes are planned.

Planned Changes to Metrics/Data Collection

Baselines and benchmarks for CE #1: Agency Cost Savings and CE #2: Staff Time Savings were reset to account for the expected outcomes of implementing this activity.

Metrics

<i>CE #1: Agency Cost Savings</i>				
Unit of Measurement	Baseline*	Benchmark	Outcome	Benchmark Achieved?

Total cost of task in dollars (decrease).	<p>Waiver of Independent Entity for LMHA Owned Units: As of FY 2019: Total cost is \$0 (no PBV units)</p> <p>\$400 per PBV development for verification of site selection process</p> <p>\$48.14 per unit inspection</p> <p>Site-Specific Utility Allowances: As of FY 2019: Total cost is \$0 (no PBV units)</p> <p>FY 2019 2 BR utility allowance for HCV tenant-based unit: \$229</p>	<p>Waiver of Independent Entity for LMHA Owned Units: \$0 per local PBV project to verify site selection</p> <p>\$37.03 per unit per local PBV inspection performed by LMHA</p> <p>Site-Specific Utility Allowances: \$206 per unit, based on 10% savings</p>		
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**LMHA received approval for revised PBV policies prior to having any project-based units. Therefore, LMHA did not have baseline costs associated with the activities this MTW PBV program affects.*

CE #2: Staff Time Savings

Unit of Measurement	Baseline*	Benchmark	Outcome	Benchmark Achieved?
Total time to complete the task in staff hours (decrease).	<p>Waiver of Independent Entity for LMHA Owned Units: As of FY 2019: 0 hours (no PBV units)</p> <p>Site-Specific Utility Allowances: As of FY 2019: 0 hours (no PBV units)</p>	<p>Waiver of Independent Entity for LMHA Owned Units: 0 (no staff time savings projected)</p> <p>Site-Specific Utility Allowances: 0 (no staff time savings projected)</p>		

**LMHA received approval for revised PBV policies prior to having any project-based units. Therefore, LMHA did not have baseline costs associated with the activities this MTW PBV program affects.*

CE #4: Increase in Resources Leveraged

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
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Amount of funds leveraged in dollars (increase).	As of FY 2017: \$0 (no PBV units)	\$19,048,700 (\$190,487 (TDC for a 2-BR walkup) x 100 units)		
HC #1: Additional Units of Housing Made Available				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of new housing units made available for households at or below 80% AMI because of the activity (increase).	As of FY 2019: 0 (no PBV units)	100		
HC #3: Decrease in Wait List Time				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Average applicant time on wait list in months (decrease).	As of FY 2017: 65 months	63 months		
HC #4: Displacement Prevention				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of households at or below 80% AMI that would lose assistance or need to move (decrease). If units reach a specific type of household, give that type in this box.	As of FY 2017: 23 households moved (no assistance lost)	100 households moved (no assistance lost)		
HC #5: Increase in Resident Mobility				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of households able to move to a better unit and/or neighborhood of opportunity because of the activity (increase).	As of FY 2019: 0 (no PBV units)	100		

Planned Significant Changes

No significant changes are planned.

Activity #2020-1: Rent Simplification

Plan Year Approved, Implemented, Amended

- Financial Aid Disregard in Calculation of Total Tenant Payment (TTP) – HCV Program
(Formerly Activity #40-2014, approved FY 2015 and implemented FY 2016)
- Elimination of the Standard Earned Income Disregard
(Formerly Activity #32-2012, approved FY 2012; implemented in HCV Program FY 2012; and implemented in Public Housing Program FY 2014)
- Standard Medical Deduction
(Formerly Activity #8-2008, approved and implemented FY 2008, amended FY 2021)
- Earned Income Disregard for Elderly Families
(Formerly Activity #6-2008, approved and implemented FY 2008)
- Asset Policy
(Approved and implemented FY 2020)
- Exclusion of Full-Time Student Income
(Approved and implemented FY 2020)
- Exclusion of Adoption Assistance Payments
(Approved and implemented FY 2020)
- Application of Payment Standards
(Approved FY 2020, implementation planned FY 2021)

Description/Update

This activity applies to Housing Choice Voucher (HCV) and Public Housing (PH) residents.

- Financial Aid Disregard in Calculation of Total Tenant Payment (TTP) – HCV/PBV Programs
When calculating an HCV/PBV participant's Total Tenant Payment (which is based on their annual income), LMHA disregards financial aid exceeding amounts received for tuition and fees for all adult full-time students.
- Elimination of the Standard Earned Income Disregard

LMHA eliminated the HUD Standard Earned Income Disregard from the calculation of total tenant payment for families who are in the Public Housing and HCV programs.
- Standard Medical Deduction

LMHA currently offers a \$1,600 standard medical deduction to eligible disabled and elderly HCV and Public Housing families. The standard medical deduction is flexible in that if the families' health care costs exceed the \$1,600 exemption, the family can choose to have their expenses itemized.

- Earned Income Disregard for Elderly Families

LMHA provides a \$7,500 earned income disregard to elderly families whose only other source of income is their Social Security entitlement. Under the re-proposed rent simplification activity, in addition to applicable HCV/Project Based Voucher (PBV) families, LMHA will extend this income disregard to elderly public housing families who have earned income and whose only other source of income is their Social Security entitlement.

- Asset Policy

Using its MTW authority, LMHA has adopted the following policies regarding asset self-certification, verification, valuation, and income calculation:

- Self-certification of assets valued up to \$50,000. When the market/face value of assets is up to \$50,000 LMHA will accept a self-certification of asset value and income.
- When the market/face value of a family's assets is over \$50,000, regulatory HUD verification requirements is required.
- Exclusion of income from assets where the asset value is up to \$50,000.
- For assets with market/face value more than \$50,000, LMHA will calculate asset income by taking the market/face value and multiplying that value by the established passbook savings rate.

- Exclusion of Full-Time Student Income

Under existing HUD regulations, all but \$480 of earned income is excluded for full time students. Using its MTW flexibility, LMHA has adopted a policy of excluding *all* full-time student earned income. This income exclusion applies to full-time students other than the head of household, co-head and spouse. Because this income is fully excluded, LMHA will not require verification. However, LMHA will verify qualification for the exclusion.

- Exclusion of Adoption Assistance Payments

Under existing HUD regulations, all but \$480 of adoption assistance payments is excluded from the calculation of income. Using its MTW flexibility, LMHA has adopted a policy of excluding *all* adoption assistance payments. Because this income is fully excluded, LMHA will not require verification. However, LMHA will verify qualification for the exclusion.

- Application of Payment Standards

LMHA plans to implement these policies in FY 2021.

Using its MTW flexibility, LMHA will apply the payment standard in effect on the effective date of a household's regular recertification, regardless of any fluctuation in the payment standard from year to year. During an interim recertification, LMHA will apply the payment standard used at the last regular recertification; however, LMHA will apply the current payment standard for elderly/disabled households on triennial recertification cycles who have interim recertifications related to increases in contract rents. Where the payment standard in effect at the time of the applicable interim recertification reflects a decrease when compared to the payment standard applied at the last regular recertification,

LMHA will not update the payment standard at the interim recertification and will wait until the next regular recertification to update the payment standard.

Planned Non-Significant Changes

LMHA is proposing a modification to its existing medical deduction threshold for elderly HCV, PBV, and public housing families. Currently these families can claim a \$1,600 flat deduction without the need for third party verification. LMHA proposes establishing a new threshold equivalent to the Medicare Part B premium established by the U.S. Centers for Medicare and Medicaid Services. LMHA will use the premium amount corresponding to the year in which the family’s re-examination is scheduled to take place. For Calendar Year 2020, this premium is \$144.60 per month, or \$1735 per year.

This change would enable LMHA to account for rising medical costs using a known U.S. government figure but would also avoid the additional expense and administrative burden of future MTW activity modifications when the deduction threshold needs to be increased. This change also benefits families, as it represents a modest overall increase in the overall value of the deduction before third party verification is required.

Planned Changes to Metrics/Data Collection

No changes to metrics/data collection are planned.

Metrics

<i>COST EFFECTIVENESS (CE) #1: Agency Cost Savings</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Total cost of task in dollars (decrease)	Total Cost of Task: \$304,888 Hourly Rate: \$28.16 Number of hours per recertification: 1 Total number of regular recertifications: 10,827	Total Cost of Task: \$152,458 Hourly Rate: \$28.16 Number of hours per recertification: 1 Total number of regular recertifications: 5,414		
<i>CE #2: Staff Time Savings</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Total time to complete the task in staff hours - decrease	Total time to complete task: 10,827 hours	Total time to complete task: 5,414 hours		

	Number of hours per recertification: 1	Number of hours per recertification: 1		
	Total number of regular recertifications: 10,827	Total number of regular recertifications: 5,414		
CE #3: Decrease in Error Rate of Task Execution				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Average error rate in completing a task as a percentage – decrease)	Not Tracked	5%		
CE #5: Increase in Agency Rental Revenue*				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Total household contributions towards housing assistance (increase)	PH: \$562,364 HCV: \$2,181,057	PH: \$573,611 HCV: \$2,224,678		
<i>*Total monthly TTP used for PH and HCV.</i>				
CE #6: Reducing Per Unit Subsidy Costs for Participating Households*				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Average amount of Housing Choice subsidy (or local, non-traditional subsidy) per household affected by this policy in dollars (decrease)	\$592	\$580		
<i>*Average Total HAP</i>				
SELF SUFFICIENCY (SS) #1: Increase in Household Income*				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Average earned income of households affected by this policy in dollars (increase).	PH: \$19,340 HCV: \$17,635	PH: \$19,727 HCV: \$17,988		
<i>*Average earned income for those with earned income.</i>				
SS #3: Increase in Positive Outcomes in Employment Status*				
Unit of Measurement	Baseline*	Benchmark	Outcome	Benchmark Achieved?

Employed Full- or Part-Time	PH: No. Employed: 531 % Employed: 20% HCV: No. Employed: 2,457 % Employed: 30%	PH: No. Employed: 542 % Employed: 20% HCV: No. Employed: 2,506 % Employed: 31%		
Enrolled in an Educational Program	Not tracked	Not tracked		
Enrolled in a Job Training Program	Not tracked	Not tracked		
Unemployed	PH: No. Unemployed: 2,141 % Unemployed: 80% HCV: No. Unemployed: 5,698 % Unemployed: 70%	PH: No. Unemployed: 2,098 % Unemployed: 80% HCV: No. Unemployed: 5,584 % Unemployed: 69%		
<i>*LMHA does not track education and job training participation for participants who are not enrolled in FSS.</i>				
SS #4: Households Removed from Temporary Assistance for Needy Families (TANF)				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of households receiving TANF assistance (decrease)	PH: 69 HCV: 413	PH: 68 HCV:405		
SS #5: Households Assisted by Services that Increase Self Sufficiency*				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of households receiving services aimed to increase self-sufficiency (increase).	N/A	N/A		
<i>*There are no services associated with this activity.</i>				
SS #8: Households Transitioned to Self Sufficiency*				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of households transitioned to self-sufficiency (increase).	PH: 302 HCV: 1,364	PH: 308 HCV: 1,391		
<i>*Self-Sufficiency is defined as being employed and having earned income equal to or exceeding \$14,500.</i>				

Planned Significant Changes

No significant changes are planned.

Activity #2020-2: Streamlined Flat Rent

Plan Year Approved, Implemented, Amended

Approved and implemented FY 2020.

Description/Update

This activity applies to Public Housing (PH) residents. Using MTW flexibility, LMHA has revised the policy under which flat rents are updated as well as the policy for completing flat rent updates for families on flat rent.

Under existing HUD regulations, flat rents must be set at no less than 80% of the applicable Fair Market Rent (FMR). FMRs must be reviewed annually and flat rents revised as needed; however, if the FMR goes down, flat rents do not have to be adjusted. Additionally, HUD requires that flat rent updates be completed annually for families on flat rent. The annual review of flat rents, public notice process and flat rent update transactions carry an administrative burden. Often, errors result from incorrect application of updated flat rents.

Instead, LMHA will update flat rents every 5 years from the date of the last change; however, if the average FMR for all bedroom sizes increases more than 5% in any given year, LMHA will update the flat rent schedule and complete flat rent updates for families on their respective anniversary dates. In the absence of changes to the flat rent schedule, LMHA will not complete flat rent update transactions for families paying flat rent. Finally, where a flat rent family has a full recertification due, LMHA will apply the flat rent from the schedule in effect at the time of the full recertification. The average change in FMR between 2019 and 2020 was 2% and as such LMHA did not update its flat rent schedule.

Planned Non-Significant Changes

No non-significant changes are planned.

Planned Changes to Metrics/Data Collection

No changes to metrics/data collection are planned.

Metrics

<i>COST EFFECTIVENESS (CE) #1: Agency Cost Savings</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Total cost of task in dollars (decrease).	Total Cost: \$4,844 Average hourly rate: \$28.16 Time spent to complete a flat	Total Cost Year 1 assumes no updates needed: \$0 Average hourly rate: \$28.16		

	rent update: 1 hour Number of households on flat rent: 172	Time spent to complete a flat rent update: 0 hour Number of households on flat rent: 172		
CE #2: Staff Time Savings				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Total time to complete the task in staff hours (decrease).	Total Time to complete flat rent updates: 172 hours Time spent on each flat rent update: 1 hour Number of households on flat rent: 172	Total Time Year 1 assumes no updates needed: 0 hours Time spent on each flat rent update: 0 hour Number of households on flat rent: 172		
CE #3: Decrease in Error Rate of Task Execution				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Average error rate in completing a task as a percentage (decrease).	Not currently tracked	5%		
CE #5: Increase in Agency Rental Revenue*				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Total household contributions towards housing assistance (increase).	Avg. tenant rent for households on flat rent \$615	\$615		
*LMHA does not anticipate that this activity will result in an increase in agency rental revenue. The savings for this activity are generated through the administrative efficiency.				

Planned Significant Changes

No significant changes are planned.

Activity #2020-3: Local Forms

Plan Year Approved, Implemented, Amended

Approved and implemented FY 2020.

Description/Update

This initiative allows LMHA the flexibility to develop local versions of forms, as needed, to streamline processing, utilize “plain language”, address MTW policies, and address local housing market features. Forms that LMHA plans to develop include, but are not limited to, the Project Based Voucher (PBV) Housing Assistance Payment (HAP) contract, the Family Self-Sufficiency (FSS) Contract of Participation and Individual Training and Services Plan, the Request for Tenancy Approval (RFTA), the Tenant Based HAP Contract, and the Privacy Act Notice. Any HAP Contract changes will be submitted to HUD for review and will include language noting that funding for the contract is subject to the availability of appropriations and other required provisions identified by HUD. Development of any local form must meet all applicable HUD requirements.

In FY 2020, LMHA completed development of the following local forms:

- LMHA developed a local version of the FSS Contract of Participation to reflect the program enhancements undertaken under Activity #2020-4.
- LMHA has updated the Personal Declaration form, used for families to list household members, income, assets, and deductible expenses. The form now reflects LMHA’s Asset Policy, established under Activity #2020-1, that allows families to self-certify the value of assets under \$50,000. LMHA also increased the acceptable age of asset verification documents from 60 to 120 days.
- LMHA also created a Local Authorization for Release of Information/Privacy Act Notice (which replaces form HUD-9886). The form extends the expiration date to 36 months to accommodate families on biennial and triennial recertification cycles.
- Finally, LMHA created a Local Project Based Voucher Housing Assistance Payment (PBV HAP) contract, taking into account the flexibilities provided under LMHA’s Local PBV Program (Activity # 2019-1). The PBV Tenancy Addendum and Statement of Family Responsibility will also be updated during to also reflect these policies. The PBV forms revisions are scheduled for completion in FY 2020.

LMHA will explore options for additional local form development throughout FY 2021 as time and resources permit. New forms will be rolled out as they are completed.

Planned Non-Significant Changes

No non-significant changes are planned.

Planned Changes to Metrics/Data Collection

No changes to metrics/data collection are planned.

Metrics

<i>COST EFFECTIVENESS (CE) #1: Agency Cost Savings</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Total cost of task in dollars (decrease).	Total cost prior to implementation: \$93,322 Contracts executed in FY 2019: 1,657 Time to prepare contracts prior to implementation: 2 hours Average hourly wage: \$28.16	Total cost after implementation: \$46,661 Expected Contracts executed in FY 2021: 1,657 Time to prepare contracts after implementation: 1 hour Average hourly wage: \$28.16		

<i>CE #2: Staff Time Savings</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Total time to complete the task in staff hours (decrease).	Total staff time required prior to implementation: 3,314 hours Contracts executed in FY 2019: 1,657 Time to prepare HAP contract prior to implementation: 2 hours	Total staff time required after implementation: 1,657 hours Expected contracts executed in FY 2021: 1,657 Time to prepare contract after implementation: 1 hour		

Planned Significant Changes

No significant changes are planned.

Activity #2020-4: FSS Program Enhancements

Plan Year Approved, Implemented, Amended

Approved and implemented FY 2020; amended FY 2021.

Description/Update

This activity applies to Housing Choice Voucher (HCV) and Public Housing (PH) Family Self Sufficiency (FSS) program participants. Using MTW flexibility, LMHA has developed FSS program enhancements which are designed to both improve the participant retention rate as well as to increase participants' long-term economic capacity by providing incentives to complete education and training programs before entering the workforce. LMHA will also use MTW funds to provide support services aimed at empowering families to build savings and financial capabilities as a pathway out of poverty. Enhancements to LMHA's FSS program include:

- Modification of the requirement that an FSS applicant must have an interim or annual recertification within 120 days prior to FSS enrollment. LMHA will use the last completed certification prior to the effective date of the Contract of Participation (CoP).
- Opportunity to obtain escrow funds for clients who would otherwise be ineligible for the escrow component of FSS due to their level of income. LMHA has modified the escrow calculation methodology by calculating FSS credits using the same method for all participants regardless of income level. The method used for very low-income households will apply to all participants.
- Placement of an absolute cap on the amount of escrow regardless of prior FSS participation. The cap, which may be periodically reviewed and updated at LMHA's discretion, is currently set at \$16,000 per household. Generally, incentive payments count toward the \$16,000 escrow cap.
- Establishment of goal-specific incentive payments when a family attains an established goal. LMHA reserves the right to disburse incentive payments upon final escrow disbursement or at the time of goal completion. Incentives may include, but are not limited to:
 - \$50 for attendance at three FSS meetings within the first four months of enrollment in FSS;
 - \$100 for attending 12 consecutive months of case management meetings;
 - \$150 for completion of a GED or receipt of a high school diploma;
 - \$250 for an Associates Degrees (one-time limit per person); and,
 - \$500 for completion of a bachelor's or master's degree (one-time limit per person).
- Establishment of an incentive payment for FSS graduates who purchase a home within 2 years of completion of the FSS program. The incentive payment amount, which may be periodically reviewed and updated at LMHA's discretion, will be set at \$2,000 per household. To qualify for the homebuyer purchase bonus, the FSS homebuyer must complete an approved Homebuyer Education course. The \$2,000 bonus may be used for a down payment or for post-purchase expenses. LMHA may allow this bonus to be in addition to the \$16K escrow cap.

LMHA has also developed local versions of the FSS Contract of Participation and Individual Training and Service Plan to reflect the features of its local FSS Program. LMHA anticipates that approximately 115 new participants will join the FSS program in FY 2021.

Planned Non-Significant Changes

LMHA is proposing **three** non-significant changes to this activity for FY 2021:

- HUD currently requires that the head of household be the signatory for any FSS Contract of Participation (CoP). As a result, the head of household is responsible for compliance with ongoing program requirements, including agreed-upon employment and education/training goals established as part of the Individual Training and Services Plan (ITSP). LMHA proposes modifying this requirement such that the head of household (or co-head) will still execute the CoP, but at that time they may designate any adult household member (age 18 or over) to fulfill the ITSP requirements and allow the family to collect escrow. This change will provide families with working age adults greater opportunity to benefit from the program and achieve greater levels of self-sufficiency, particularly if the head of household has other responsibilities such as ongoing childcare. Please note that the family can only *change* their designated responsible household member either with prior LMHA approval, or in certain extenuating circumstances (death, move out, etc.).
- Under current FSS regulations, a CoP is automatically considered complete, and a family must graduate, once 30 percent of their monthly adjusted income equals or exceeds the existing Fair Market Rent (FMR) for the size of the unit for which they qualify based on the PHA's occupancy standards. For families in this situation, LMHA proposes to allow an additional period of up to six (6) months to complete ITSP goals before the contract terminates. This extended time period will reduce the disincentives to increased earnings that can result from this regulation, and will allow families – who have often used the FSS program to substantially increase their earnings – to more fully benefit from their hard work and accumulate increased escrow that will enhance their long-term prospects for self-sufficiency and ability to meet long-term goals such as homeownership. LMHA hopes that this change will also incentivize additional families to participate in and remain with the program.
- **Finally, LMHA proposes to offer an FSS CoP with modified terms for youth participating in the HUD Family Unification Program (FUP) Foster Care Alumni initiative. These youth receive a voucher for a limited three-year period, and LMHA is committed helping them attain self-sufficiency. The modified CoP would revise existing requirements in order to reflect the needs of this population as well as the parameters of the FUP program participation limits. The CoP would include the following terms and requirements:**
 - **A shortened contract term of 3 years;**
 - **Participants must be suitably employed, as stated in LMHA's FSS Action Plan, for at least 6 consecutive months;**
 - **Participants must be not receiving TANF assistance for at least 6 months (reduced from the normal 12-month requirement); and**
 - **Participants must attend at least 3 professional skills workshops in addition to completing financial skills training.**

Planned Changes to Metrics/Data Collection

No changes to metrics/data collection are planned.

Metrics

SELF SUFFICIENCY (SS) #1: Increase in Household Income*				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Average earned income of households affected by this policy in dollars (increase).	PH: 17,346 HCV: \$19,429	PH: \$17,693 HCV: \$19,818		
<i>*Average earned income is calculated for households with earned income.</i>				
SS #2: Increase in Household Savings*				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Average amount of savings/escrow of households affected by this policy (increase).	PH: 2,452 HCV: 2,873	PH: 2,501 HCV: 2,930		
<i>*Average amount of savings/escrow for households with savings/escrow.</i>				
SS #3: Increase in Positive Outcomes in Employment Status				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Employed full-time or part-time	PH: No. Employed: 51 % Employed: 63% HCV: No. Employed: 87 % Employed: 67%	PH: No. Employed: 53 % Employed: 65% HCV: No. Employed: 89 %: Employed: 68%		
Unemployed	PH: No. Unemployed: 30 % Unemployed: 37% HCV: No. Unemployed: 43 % Unemployed: 33%	PH: No. Unemployed: 28 %: Unemployed: 35% HCV: No. Employed: 41 %: Employed: 32%		
Enrolled in Education	PH: 4 HCV: 14	PH: 5 HCV: 15		
Enrolled in Job Training	PH: 1 HCV: 1	PH: 2 HCV: 2		
SS #4: Households Removed from Temporary Assistance for Needy Families (TANF)				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of households receiving TANF assistance (decrease).	PH: 0 HCV: 6	PH: 0 HCV: 6		

SS #5: Households Assisted by Services that Increase Self-Sufficiency*				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of households receiving services aimed to increase self-sufficiency (increase).	330	330		
<i>*Includes graduates as well as families who received services and who did not successfully complete the FSS program.</i>				
SS #6: Reducing Per Unit Subsidy Cost for Participating Households				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Average amount of Housing Choice and/or Public Housing subsidy (or local non-traditional subsidy) per household affected by this policy in dollars (decrease).	\$574	\$586		
SS #7: Increase in Agency Rental Revenue*				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Total household contributions towards housing assistance (increase).	PH: \$21,301 HCV: \$48,531	PH: \$21,727 HCV: \$49,502		
<i>*LMHA uses TTP as the household contribution toward housing assistance.</i>				
SS #8: Households Transitioned to Self-Sufficiency *				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of households transitioned to self-sufficiency (increase).	PH: 15 HCV: 31	PH: 16 HCV: 33		
<i>*LMHA defines self-sufficiency as graduation from the FSS program.</i>				

Planned Significant Changes

No significant changes are planned.

Activity #2020-5: Gap Financing

Plan Year Approved, Implemented, Amended

Approved FY 2020, Implementation Planned FY 2021.

Description/Update

The activity involves the use of MTW flexibility to develop and implement a Gap Financing Program (GFP) for developers using PBVs to create or preserve affordable housing. The GFP provides LMHA the flexibility to grant capital awards and/or loans to developers who have been awarded PBVs and need additional project funding for development or preservation of affordable housing. Applicants will be required to demonstrate experience in affordable housing development and meet other LMHA eligibility requirements, including but not limited to demonstrating proof of sufficient collateral to cover a default in the loan, demonstrating an acceptable payment history of previous financing, and meeting minimum credit score requirements as defined in LMHA’s underwriting criteria. All awarded developers will be required to pay prevailing wages and meet minority/women/disadvantaged business enterprise participation goals (M/W/DBE), where applicable.

Overall, LMHA expects that the GFP will make it more financially feasible for developers, awarded PBVs, to develop and/or preserve affordable housing.

The GFP will be offered in the form of loans with maximum interest rates not to exceed 3%, amortization periods not to exceed 40 years and loans not to exceed \$1M per project, subject to all required approvals. LMHA will not loan more than \$5M per year.

Implementation of this activity will be ongoing during FY 2021, as LMHA plans to use this financing tool to support a pipeline of ongoing redevelopment efforts using PBV assistance in both existing housing and new construction settings. LMHA expects that these efforts will accelerate the development of replacement units for its Russell Neighborhood Choice Neighborhood Initiative (CNI) project.

Planned Non-Significant Changes

No non-significant changes are planned.

Planned Changes to Metrics/Data Collection

No changes to metrics/data collection are planned.

Metrics

<i>HOUSING CHOICE (HC) #1: Additional Units of Housing Made Available</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of new housing units made available for households at or below 80% AMI because of the activity (increase)	PBV: 100	PBV: 100		
<i>HC #2: Units of Housing Preserved</i>				

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of housing units preserved for households at or below 80% AMI that would otherwise not be available (increase). If units reach a specific type of household, give that type in the box	PBV: 100	PBV: 100		
<i>HC #3: Decrease in Wait List Time</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Average applicant time on the wait list in months (decrease)	6 mos.	6 mos.		
<i>HC #4: Displacement Prevention</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of households at or below 80% AMI that would lose assistance or need to move (decrease). If units reach a specific type of household, give that type in this box.	0	0		
<i>HC #5: Increase in Resident Mobility</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of households able to move to a better unit and/or neighborhood of opportunity because of the activity (increase).	PBV: 200	PBV: 200		

Planned Significant Changes

No significant changes are planned.

B. MTW Activities Not Yet Implemented

Activity #2011-2: Locally Defined Guidelines for Development, Maintenance and Modernization of Public Housing

(Formerly Activity #28-2011)

Description/Update

This activity was proposed and approved in FY 2011. It has not yet been implemented.

The activity is to explore, using MTW authority, the creation of locally defined guidelines for the re/development, maintenance, and modernization of public housing. LMHA plans to develop reasonable and modest design guidelines, unit size guidelines, and unit amenity guidelines for new and ongoing public housing development activities. The criteria will focus on strategies for developing sustainable housing, preserving affordable housing, and developing low-income housing in low-concentration, non-impacted areas of the agency's jurisdiction. Strategies include rehabilitation and new construction standards that reduce energy consumption, including Energy Star criteria, and that increase the supply of accessible housing in the community.

LMHA anticipated the agency may need the flexibility provided under this activity for Beecher Terrace redevelopment and replacement purposes. Therefore, LMHA proposed the activity well in advance of needing the flexibility so the agency would be well positioned to implement new policies if and when the opportunity arises. As LMHA continues to develop plans for replacement units, the activity may be utilized.

Timeline for Implementation

Planning for this activity will be ongoing during FY 2021 in conjunction with the Housing Authority's Choice Neighborhoods Initiative efforts for the Russell neighborhood and the Beecher Terrace public housing development. As part of this process, LMHA is examining innovative ways to provide one-for-one replacement of the 758 Beecher Terrace public housing units, including the potential use of locally defined guidelines for the development, maintenance, and modernization of public housing. Any locally defined guidelines resulting from the Choice process would be officially proposed to HUD as an amendment to this Plan.

Explanation of Non-Significant Changes Since Approval

There have been no non-significant changes or modifications to this activity since its approval.

C. MTW Activities On Hold

Activity #2010-1 Public Housing Sublease Agreement with Catholic Charities (Formerly Activity #25-2010)

Description/Update

This activity was proposed and approved in FY 2010. The activity was placed on hold in 2012. HUD OGC investigated the use of public housing as emergency housing for victims of human trafficking and found that it was not feasible under MTW to permit families who could not produce valid identification to live in public housing communities.

Plan for Reactivating the Activity

This activity has been tabled. During FY 2021, LMHA will continue to investigate both MTW and non-MTW methods for serving this extremely vulnerable population.

Explanation of Non-Significant Changes Since Approval

No changes have been made since approval.

D. Closed-Out MTW Activities

The following table summarizes previously approved MTW activities that LMHA has completed, discontinued, or determined do not require MTW authority to implement.

Table 12: Closed-Out MTW Activities

Activity	Plan Year Approved and Implemented	Close Out Year	Reason for Close Out
MTW Unit Inspection Protocol (Activity #2-1999)	FY 1999	FY 2018	LMHA used MTW authority to allow the certificate of occupancy to suffice for the initial move-in inspection in lieu of a traditional HQS inspection. Unit inspections of facilities that participate in HUD's Housing Choice Moderate Rehabilitation Program and that are managed by organizations with which the Agency has had a long-term and outstanding relationship, are waived upon initial occupancy and the agency has the authority to conduct inspections once per year concurrently. This activity was closed out since there are no longer any new Mod-Rehab units coming online and as such, MTW flexibility is no longer needed to allow the certificate of occupancy to suffice for initial move-ins in lieu of a traditional HQS inspection.
Spatial Deconstruction of HCV Assisted Units (Activity #5-2007)	FY 2007	FY 2009	The activity was to limit the concentration of Housing Choice Voucher assisted units in complexes of one hundred or more units to 25% (excluding both elderly/disabled and special referral program sites). This activity was discontinued because of its potential to limit voucher holders' universe of housing choices.
Public Housing - Term Limits and Employment/Education Requirements for New Scattered Sites (Activity #9-2007)	FY 2007	FY 2016 FY 2017	This activity revised the occupancy criteria for detached, single family, scattered site units to include 5-year residency term limits and employment/education requirements for admission and ongoing occupancy. In 2014, LMHA implemented an admissions preference for qualified three-bedroom eligible families; however, the new preference did not lead to substantial improvement in occupancy levels. Due to continued low occupancy rates at these sites, the activity was revised in FY 2016 to remove the 5-year residency term limit and in FY 2017, LMHA stopped enforcing the employment/education requirements associated with these units and closed out this activity, allowing LMHA to increase occupancy rates.
Explore HUD's Streamlined Demolition and Disposition Application Process for MTW Agencies (Activity #16-2009)	FY 2009	FY 2014	This activity was never implemented. HUD investigated the possibility of streamlined demolition/disposition activities for MTW agencies but found that it was not feasible under MTW. Out of concern for residents' rights and the public process, HUD decided that MTW agencies must follow the established procedures for demolition and disposition of property.
Occupancy Criteria Changes for New Scattered Sites –	FY 2010	FY 2016	This activity revised the occupancy criteria for detached, single-family scattered site units to include mandatory participation in a case management program and

Activity	Plan Year Approved and Implemented	Close Out Year	Reason for Close Out
Mandatory Case Management (Activity #21-2010)			movement toward self-sufficiency. Residents moving into one of these units could choose between General Case Management and the Family Self-Sufficiency (FSS) Program. Due to low occupancy rates at these sites, this activity was closed out in early FY 2016.
Increased Flat Rents (Activity #24-2010)	FY 2010	FY 2011	LMHA proposed flat rents for the Agency's scattered sites be raised and adjusted based on the square footage, location, age and amenities at the property as rent comparables for the site were completed. LMHA decided not to implement this activity and flat rents have since been raised across all the agency's public housing units to meet HUD's recent requirement that PHAs set flat rents to at least 80% of FMR.
Rents Set at 30% of Adjusted Income – Public Housing Program (Activity #33-2012)	FY 2012	FY 2014	LMHA proposed that families receiving rental assistance under the Public Housing program would pay either 30% of their monthly adjusted income for rent, or the minimum rent established by the LMHA, whichever was higher. Upon further consideration, because the Housing Authority's housing stock includes tax credit units, LMHA considered amending the activity to include "ceiling rents" that would vary by bedroom size and that would be set in accordance with the annual tax-credit ceiling rents, as published by the Kentucky Housing Corporation (KHC). KHC is the tax credit allocating agency for the Commonwealth of Kentucky. However, this significant change was never submitted to HUD. Rather, in 2014, LMHA raised flat rents to conform to new HUD regulations mandating that PHAs set flat rents to at least 80% of FMR.
MTW Special Referral Program – Coalition for the Homeless "Move Up" Initiative (Activity #45-2016)	FY 2016	FY 2018	The "Move Up" Special Referral Program in partnership with the Coalition for the Homeless allocates up to 100 vouchers to formerly homeless families, allowing them to transition from homeless services vouchers to HCV vouchers, thus freeing up additional homeless services vouchers to serve currently homeless families. This activity was closed out, since the Housing Authority, with MTW Office concurrence, determined that this partnership can be continued without MTW authority through the provision of a "limited admission preference" to the Agency's HCV Program.

V. Sources and Uses of MTW Funds

A. Estimated Sources and Uses of MTW Funds

Tables 13 and 14 below provide estimated sources and uses of MTW funds for FY 2021. As LMHA's funding levels for future periods are unknown at the present time, this table provides preliminary projections. Actual sources and uses are expected to vary based on the level of funding provided to LMHA and the level of actual expenses. LMHA's estimated Sources and Uses budget for FY 2021 assumes continued reductions in Public Housing Operating Subsidy, Capital Fund Program, HCV, and HCV Administrative fees. The tables follow HUD's required formats and do not include information on non-MTW funding sources and uses.

i. Estimated Sources of MTW Funds

Table 13: Estimated Sources of MTW Funding for FY 2021

FDS Line Item	FDS Line Item Name	Dollar Amount
70500 (70300+70400)	Total Tenant Revenue	\$5,972,500
70600	HUD PHA Operating Grants	\$105,506,600
70610	Capital Grants	\$0
70700 (70710+70720+70730+70740+70750)	Total Fee Revenue	\$0
71100+72000	Interest Income	\$283,798
71600	Gain or Loss on Sale of Capital Assets	\$0
71200+71300+71310+71400+71500	Other Income	\$518,604
70000	Total Revenue	\$112,281,502

ii. Estimated Uses of MTW Funds

Table 14: Estimated Uses of MTW Funding for FY 2021

FDS Line Item	FDS Line Item Name	Dollar Amount
91000 (91100+91200+91400+91500+91600+91700+91800+91900)	Total Operating – Administrative	\$6,811,917
91300+91310+92000	Management Fee Expense	\$5,565,360
91810	Allocated Overhead	\$0
92500 (92100+92200+92300+92400)	Total Tenant Services	\$648,324
93000 (93100+93600+93200+93300+93400+93800)	Total Utilities	\$7,183,000

FDS Line Item	FDS Line Item Name	Dollar Amount
93500+93700	Labor	\$0
94000 (94100+94200+94300+94500)	Total Ordinary Maintenance	\$11,139,000
95000 (95100+95200+95300+95500)	Total Protective Services	\$1,026,313
96100 (96110+96120+96130+96140)	Total Insurance Premiums	\$829,412
96000 (96200+96210+96300+96400+96500+96600+96800)	Total Other General Expenses	\$308,268
96700 (96710+96720+96730)	Total Interest Expense and Amortization Cost	\$0
97100+97200	Total Extraordinary Maintenance	\$5,059,500
97300+97350	Housing Assistance Payments + HAP Portability-In	\$68,344,584
97400	Depreciation Expense	\$5,365,138
97500+97600+97700+97800	All Other Expenses	\$0
90000	Total Expenses	\$102,280,816

iii. Description of Planned Use of MTW Single Fund Flexibility

Under the MTW Program, LMHA is authorized to establish an MTW Block Grant budget. Activities that utilize Block Grant single fund flexibility are summarized below:

- Approximately \$4,147,410 in surplus funds is budgeted for transfer from the Housing Choice Voucher Program to the Public Housing Program. This will occur to fund the anticipated operating fund subsidy shortfall of \$1,300,000 in the Public Housing Program for calendar year 2020 and 2021, and the continued ability to operate AMPs at a high level and maintain a balanced operating budget. The HUD approved project expense levels (PEL) at some AMPs do not adequately provide for operational services at the level deemed necessary by LMHA.
- Approximately \$1,165,000 in surplus funds is budgeted for transfer from the Section 8 Voucher Program to the Central Office Cost Center. COCC revenues have declined in recent years with the reduction in public housing units associated with LMHA’s participation in multiple HOPE VI Programs and the CHOICE Program. Although the current fee structure funds basic property management functions that would occur at a traditional PHA, it is not sufficient to pay for all of the costs associated with MTW activities and the complex tasks and personnel necessary to put together development and financing packages for mixed-finance (HOPE VI) and CHOICE projects.
- Although LMHA has traditionally made transfers to the public housing program from both the CFP program and the Housing Choice Voucher Program in past years, the proposed budget year’s transfer is made entirely from the Housing Choice Voucher Program. However, LMHA wishes to retain the authority and flexibility to transfer CFP funds as necessary under current MTW regulations.

Although LMHA utilizes the funding fungibility available in the MTW Program, LMHA adheres to statutes and regulations relative to HUD’s asset management program. All budgeting and

reporting within the public housing program are done on an individual site basis, and LMHA utilizes a “fee for service” methodology that charges sites only for the services they receive.

Uses of Reserve Funds

LMHA is currently utilizing and planning to use HUD held project reserve funds in the Housing Choice Voucher Program to assist with the following projects:

- Public housing acquisition and development - acquiring new off-site public housing units in non-impacted areas related to the Sheppard Square HOPE VI effort; replacing demolished units at Iroquois Homes; other misc. projects (approx. \$6,000,000).
- To acquire 192 units and retire related debt on a tax-credit project that will reach the end of its tax-credit compliance period (approx. \$1,541,000 [Park DuValle Phase IV]).
- To supplement the CHOICE grant for neighborhood revitalization of the Russell area, which includes Beecher Terrace Homes (approx. \$29,450,000, includes Porter Paint and Plymouth Apts. activities).
- Completion of renovation and improvements to new the Housing Choice Voucher Program facility. During FYE 6/30/18, LMHA acquired a new building to house its Housing Choice Voucher Program staff. The old building was deteriorating, and the extensive repairs required were not cost effective. These renovations are to modify the new building for the Housing Choice Voucher Program staff that will be permanently housed there (approx. \$600,084).

Additionally, reserves are generally necessary to allow for such things as:

- Emergencies and catastrophic events
- Funding shortfalls
- Planned operating deficits
- To provide adequate cash flow when receipt of federal subsidy is delayed
- To increase housing inventory (Housing Choice Vouchers)
- To provide gap financing in mixed-finance projects

B. Local Asset Management Plan

i. Is the MTW PHA allocating costs within statute? Yes

ii. Is the MTW PHA implementing a local asset management plan (LAMP)? No

iii. Has the MTW PHA provided a LAMP in the appendix? No

iv. If the MTW PHA has provided a LAMP in the appendix, please describe any proposed changes to the LAMP in the Plan Year or state that the MTW PHA does not plan to make any changes in the Plan year.

Not applicable.

C. Rental Assistance Demonstration (RAD) Participation

i. Description of the RAD Participation

RAD FY 2021

HUD awarded LMHA a Choice Neighborhoods Initiative implementation grant in 2016 for the redevelopment of the former Beecher Terrace public housing site. Of the remaining units not yet demolished, twenty-one (21) have been identified as either non-dwelling units or vacant and eligible for RAD under the transfer of assistance provisions. HUD issued a Commitment to Enter into Housing Assistance Payments (CHAP) on October 25, 2019 and entered into a Converted Awaiting Transfer (CAT) Agreement with LMHA for these 21 units effective December 1, 2019.

LMHA anticipates developing 21 new construction RAD units on the Beecher former public housing site as part of Phase IV of Beecher redevelopment, which is planned to include 141 units in total. Phase IV financing is anticipated to use tax-exempt bonds, 4% low-income housing tax credits, an FHA-insured mortgage, and LMHA subordinate funds, as well as Choice Neighborhood Implementation Grant funding.

A RAD Significant Amendment for this transaction is included in Appendix F.

RAD Near-Term Strategy

LMHA is reviewing RAD as well as other asset repositioning strategies for Park DuValle. The first three mixed-finance phases have exited the initial low-income housing tax credit period and are under LMHA control. LMHA is in the process of obtaining control of the fourth and final phase.

LMHA will analyze opportunities to use the RAD program to reposition the scattered site portfolio. LMHA will explore transferring subsidies through the RAD “transfer of assistance” provision from vacant, non-viable scattered public housing sites to project-based Section 8 vouchers at new construction and rehabilitation projects developed as part of the Beecher Terrace replacement housing initiative.

RAD Long-Term Strategy

LMHA will consider RAD as one of the key tools available as LMHA looks to preserve its affordable housing portfolio. As noted, LMHA will review its scattered site properties for RAD conversion opportunities, including “transfer of assistance”. LMHA will consider RAD conversions for its Sheppard Square mixed-finance developments which are owned by LMHA. After the 15-year LIHTC compliance period and after LMHA obtains ownership of the Liberty Green redevelopment, LMHA will consider RAD. LMHA anticipates reviewing the possibility of combining state and federal resources at the remainder of its conventional public housing portfolio.

Table 15: RAD Conversions Planned in FY 2021

Property Name	No. of Units to be Converted	Conversion Type	Description
Beecher Phase IV	21	Converted Awaiting Transfer	Vacant and/or non-dwelling units at former Beecher Terrace public housing site.

Table 16: RAD Conversions Completed or Projected to be Completed by the End of FY 2021

Rental Assistance Demonstration (RAD) Participation
LMHA does not anticipate that any RAD conversion(s) will be completed by the end of FY 2021

ii. *Has the MTW PHA submitted a RAD Significant Amendment in the appendix? A RAD Significant Amendment should only be included if it is a new or amended version that requires HUD approval.*

Yes (Appendix E)

iii. *If the MTW PHA has provided a RAD Significant Amendment in the appendix, please state whether it is the first RAD Significant Amendment submitted or describe any proposed changes from the prior RAD Significant Amendment.*

First RAD Significant Amendment submitted.
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VI. Administrative

A. Board Resolution and Certifications of Compliance

The required Board Resolution and signed MTW Annual Plan Certifications of Compliance with Regulations are attached in Appendix A.

B. Documentation of Public Process

The Housing Authority's FY 2021 MTW Annual Plan was made available for public comment from March 5, 2020 thru April 4, 2020. Copies of the draft Plan were made available for public review on the Housing Authority's website (www.lmha1.org), at the Authority's central office (420 S. 8th St., Louisville, KY 40203), at the Housing Authority's Housing Choice office (600 South 7th Street, Louisville, KY 40203), and by mail as requested. Resident councils were emailed an electronic copy, as were members of the public who had previously requested to be notified of changes to LMHA policies.

A public hearing was held on March 19, 2020 at 6 PM at Avenue Plaza (400 S. 8th St., Louisville, KY 40203). A notice advertising the hearing and the public comment period appeared in the *Courier-Journal* and the *Louisville Defender* on March 4, 2020. Approximately XX people attended the hearing, including LMHA staff, Housing Authority residents, and local housing advocates. Copies of public notices, a summary of comments and responses, and sign-in sheets are attached in Appendix B.

C. Planned and Ongoing Evaluations

LMHA does not have any planned or ongoing MTW PHA-directed evaluations of the MTW demonstration and/or of any specific MTW activities.

D. Lobbying Disclosures

LMHA does not have any lobbying activities to disclose. LMHA has included the Lobbying Activities form (SF-LLL) in Appendix C and Certification of Payments form (HUD-50071) in Appendix D.

VII. Appendices

Appendix A: Board Resolution and Certifications of Compliance

Appendix B: Documentation of Public Process

Public Hearing and Comment Period Advertisement

Resident Flyer
Public Hearing Sign-In Sheet

**Louisville Metro Housing Authority
Fiscal Year 2021 MTW Plan**

Comments & Responses

The table below includes a summary of comments received during the public comment period and/or at the FY 2021 MTW Plan Public Hearing held on March 19, 2020 at Avenue Plaza in Louisville. LMHA’s responses are also included.

No.			
1.		•	•
2.			•
3.		•	•
4.		•	○
5.		•	•
6.		•	•
7.		•	•
8.		•	•
9.		•	•
10.		•	•
11.		•	•
12.		•	•

Comment Letters and Responses to Substantive Comments

Appendix C: Certification of Payments (HUD-50071) Form

Appendix D: Asset Management Table

Project Name & PIC Number	Units	Note for FY 2021 Plan	Development Activities	Demolition / Disposition Activities	Designated Housing Activities	Conversion Activities	Homeownership Activities
Beecher Terrace KY001000002	768	Planned RAD conversion and transfer of assistance in FY21 for 21 units.	Currently undergoing redevelopment under Choice Neighborhoods Transformation Plan				
Parkway Pl KY001000003	514		Possible development, rehabilitation of existing buildings, demolition of existing buildings, disposition of properties and new construction of units in connection with replacement unit initiative or mixed-finance developments, or Metro Housing Initiative, or third party mixed-finance/revitalization developments. LMHA may apply for RAD, Choice Neighborhood, LIHTC, and any other state and city funding sources when available				

Project Name & PIC Number	Units	Note for FY 2021 Plan	Development Activities	Demolition / Disposition Activities	Designated Housing Activities	Conversion Activities	Homeownership Activities
Scattered Sites KY001000003	126		Possible development, rehabilitation of existing buildings, demolition of existing buildings, disposition of properties and new construction of units in connection with replacement unit initiative or mixed-finance developments, or Metro Housing Initiative, or third party mixed-finance/revitalization developments. LMHA may apply for RAD, Choice Neighborhood, LIHTC, and any other state and city funding sources when available	Possible demolition/disposition of non-viable units and imminently dangerous properties for neighborhood redevelopment activity.			

Project Name & PIC Number	Units	Note for FY 2021 Plan	Development Activities	Demolition / Disposition Activities	Designated Housing Activities	Conversion Activities	Homeownership Activities
Dosker Manor KY001000012	644		Possible development, rehabilitation of existing buildings, demolition of existing buildings, disposition of properties and new construction of units in connection with replacement unit initiative or mixed-finance developments, or Metro Housing Initiative, or third party mixed-finance/revitalization developments. LMHA may apply for RAD, Choice Neighborhood, LIHTC, and any other state and city funding sources when available				

Project Name & PIC Number	Units	Note for FY 2021 Plan	Development Activities	Demolition / Disposition Activities	Designated Housing Activities	Conversion Activities	Homeownership Activities
Scattered Sites KY001000012	48		Possible development, rehabilitation of existing buildings, demolition of existing buildings, disposition of properties and new construction of units in connection with replacement unit initiative or mixed-finance developments, or Metro Housing Initiative, or third party mixed-finance/revitalization developments. LMHA may apply for RAD, Choice Neighborhood, LIHTC, and any other state and city funding sources when available	Possible demolition/disposition of non-viable units and imminently dangerous properties for neighborhood redevelopment activity.			

Project Name & PIC Number	Units	Note for FY 2021 Plan	Development Activities	Demolition / Disposition Activities	Designated Housing Activities	Conversion Activities	Homeownership Activities
St. Catherine KY001000013	143		Possible development, rehabilitation of existing buildings, demolition of existing buildings, disposition of properties and new construction of units in connection with replacement unit initiative or mixed-finance developments, or Metro Housing Initiative, or third party mixed-finance/revitalization developments. LMHA may apply for RAD, Choice Neighborhood, LIHTC, and any other state and city funding sources when available				

Project Name & PIC Number	Units	Note for FY 2021 Plan	Development Activities	Demolition / Disposition Activities	Designated Housing Activities	Conversion Activities	Homeownership Activities
Scattered Sites KY001000013	16		Possible development, rehabilitation of existing buildings, demolition of existing buildings, disposition of properties and new construction of units in connection with replacement unit initiative or mixed-finance developments, or Metro Housing Initiative, or third party mixed-finance/revitalization developments. LMHA may apply for RAD, Choice Neighborhood, LIHTC, and any other state and city funding sources when available	Possible demolition/disposition of non-viable units and imminently dangerous properties for neighborhood redevelopment activity.			

Project Name & PIC Number	Units	Note for FY 2021 Plan	Development Activities	Demolition / Disposition Activities	Designated Housing Activities	Conversion Activities	Homeownership Activities
Avenue Plaza KY001000014	264		Possible development, rehabilitation of existing buildings, demolition of existing buildings, disposition of properties and new construction of units in connection with replacement unit initiative or mixed-finance developments, or Metro Housing Initiative, or third party mixed-finance/revitalization developments. LMHA may apply for RAD, Choice Neighborhood, LIHTC, and any other state and city funding sources when available				

Project Name & PIC Number	Units	Note for FY 2021 Plan	Development Activities	Demolition / Disposition Activities	Designated Housing Activities	Conversion Activities	Homeownership Activities
Scattered Sites KY001000014	34		Possible development, rehabilitation of existing buildings, demolition of existing buildings, disposition of properties and new construction of units in connection with replacement unit initiative or mixed-finance developments, or Metro Housing Initiative, or third party mixed-finance/revitalization developments. LMHA may apply for RAD, Choice Neighborhood, LIHTC, and any other state and city funding sources when available	Possible demolition/disposition of non-viable units and imminently dangerous properties for neighborhood redevelopment activity.			

Project Name & PIC Number	Units	Note for FY 2021 Plan	Development Activities	Demolition / Disposition Activities	Designated Housing Activities	Conversion Activities	Homeownership Activities
Fegenbush-Whipps Mill KY001000017	209		Possible development, rehabilitation of existing buildings, demolition of existing buildings, disposition of properties and new construction of units in connection with replacement unit initiative or mixed-finance developments, or Metro Housing Initiative, or third party mixed-finance/revitalization developments. LMHA may apply for RAD, Choice Neighborhood, LIHTC, and any other state and city funding sources when available				

Project Name & PIC Number	Units	Note for FY 2021 Plan	Development Activities	Demolition / Disposition Activities	Designated Housing Activities	Conversion Activities	Homeownership Activities
Scattered Sites KY001000017	38		Possible development, rehabilitation of existing buildings, demolition of existing buildings, disposition of properties and new construction of units in connection with replacement unit initiative or mixed-finance developments, or Metro Housing Initiative, or third party mixed-finance/revitalization developments. LMHA may apply for RAD, Choice Neighborhood, LIHTC, and any other state and city funding sources when available	Possible demolition/disposition of non-viable units and imminently dangerous properties for neighborhood redevelopment activity.			

Project Name & PIC Number	Units	Note for FY 2021 Plan	Development Activities	Demolition / Disposition Activities	Designated Housing Activities	Conversion Activities	Homeownership Activities
Lourdes Hall KY001000018	149		Possible development, rehabilitation of existing buildings, demolition of existing buildings, disposition of properties and new construction of units in connection with replacement unit initiative or mixed-finance developments, or Metro Housing Initiative, or third party mixed-finance/revitalization developments. LMHA may apply for RAD, Choice Neighborhood, LIHTC, and any other state and city funding sources when available				

Project Name & PIC Number	Units	Note for FY 2021 Plan	Development Activities	Demolition / Disposition Activities	Designated Housing Activities	Conversion Activities	Homeownership Activities
Scattered Sites KY001000018	4		Possible development, rehabilitation of existing buildings, demolition of existing buildings, disposition of properties and new construction of units in connection with replacement unit initiative or mixed-finance developments, or Metro Housing Initiative, or third party mixed-finance/revitalization developments. LMHA may apply for RAD, Choice Neighborhood, LIHTC, and any other state and city funding sources when available	Possible demolition/disposition of non-viable units and imminently dangerous properties for neighborhood redevelopment activity.			
Chauncey KY001000027	59		Potential for refinancing, resyndication, change of entity ownership related to end of initial LIHTC compliance period. Potential for conversion to project based				

Project Name & PIC Number	Units	Note for FY 2021 Plan	Development Activities	Demolition / Disposition Activities	Designated Housing Activities	Conversion Activities	Homeownership Activities
			assistance under RAD.				
Park DuValle Phase II KY001000030	92		Potential for refinancing, resyndication, change of entity ownership related to end of initial LIHTC compliance period. Potential for conversion to project based assistance under RAD.				
Park DuValle Phase III KY001000031	78		Potential for refinancing, resyndication, change of entity ownership related to end of initial LIHTC compliance period. Potential for conversion to project based assistance under RAD.				

Project Name & PIC Number	Units	Note for FY 2021 Plan	Development Activities	Demolition / Disposition Activities	Designated Housing Activities	Conversion Activities	Homeownership Activities
Park DuValle Phase IV KY001000032	134		Potential for refinancing, resyndication, change of entity ownership related to end of initial LIHTC compliance period. Potential for conversion to project based assistance under RAD.				
HOPE VI Scattered Sites KY001000034	373		Possible development, rehabilitation of existing buildings, demolition of existing buildings, disposition of properties and new construction of units in connection with replacement unit initiative or mixed-finance developments, or Metro Housing Initiative, or third party mixed-finance/revitalization developments. LMHA may apply for RAD, Choice Neighborhood, LIHTC, and any other state and city	Possible demolition/disposition of non-viable units and imminently dangerous properties for neighborhood redevelopment activity.			

Project Name & PIC Number	Units	Note for FY 2021 Plan	Development Activities	Demolition / Disposition Activities	Designated Housing Activities	Conversion Activities	Homeownership Activities
			funding sources when available				
Scattered Sites KY001000034	52		Possible development, rehabilitation of existing buildings, demolition of existing buildings, disposition of properties and new construction of units in connection with replacement unit initiative or mixed-finance developments, or Metro Housing Initiative, or third party mixed-finance/revitalization developments. LMHA may apply for RAD, Choice	Possible demolition/disposition of non-viable units and imminently dangerous properties for neighborhood redevelopment activity.			

Project Name & PIC Number	Units	Note for FY 2021 Plan	Development Activities	Demolition / Disposition Activities	Designated Housing Activities	Conversion Activities	Homeownership Activities
			Neighborhood, LIHTC, and any other state and city funding sources when available				
St. Francis KY001000036	10		Potential for refinancing, resyndication, change of entity ownership related to end of initial LIHTC compliance period. Potential for conversion to project based assistance under RAD.				
Stephen Foster Senior Living Plus KY001000043	18		Potential for refinancing, resyndication, change of entity ownership related to end of initial LIHTC compliance period. Potential for conversion to				

Project Name & PIC Number	Units	Note for FY 2021 Plan	Development Activities	Demolition / Disposition Activities	Designated Housing Activities	Conversion Activities	Homeownership Activities
			project based assistance under RAD.				
Village Manor Apartments KY001000046	10		Potential for refinancing, resyndication, change of entity ownership related to end of initial LIHTC compliance period. Potential for conversion to project based assistance under RAD.				
Clarksdale I Scattered 69 KY001000047	61		Possible development, rehabilitation of existing buildings, demolition of existing buildings, disposition of properties and new construction of units in connection with replacement unit initiative or mixed-finance developments, or Metro Housing Initiative, or third party mixed-	Possible demolition/disposition of non-viable units and imminently dangerous properties for neighborhood redevelopment activity.			

Project Name & PIC Number	Units	Note for FY 2021 Plan	Development Activities	Demolition / Disposition Activities	Designated Housing Activities	Conversion Activities	Homeownership Activities
			finance/revitalization developments. LMHA may apply for RAD, Choice Neighborhood, LIHTC, and any other state and city funding sources when available				
Scattered Sites KY001000047	7		Possible development, rehabilitation of existing buildings, demolition of existing buildings, disposition of properties and new construction of units in connection with replacement unit initiative or mixed-finance developments, or Metro Housing Initiative, or third party mixed-finance/revitalization developments. LMHA may apply for RAD, Choice	Possible demolition/disposition of non-viable units and imminently dangerous properties for neighborhood redevelopment activity.			

Project Name & PIC Number	Units	Note for FY 2021 Plan	Development Activities	Demolition / Disposition Activities	Designated Housing Activities	Conversion Activities	Homeownership Activities
			Neighborhood, LIHTC, and any other state and city funding sources when available				
Liberty Green Rental Phase I KY001000049	94		Potential for refinancing, resyndication, change of entity ownership related to end of initial LIHTC compliance period. Potential for conversion to project based assistance under RAD.				
Liberty Green Rental Phase II KY001000050	42		Potential for refinancing, resyndication, change of entity ownership related to end of initial LIHTC compliance period. Potential for conversion to				

Project Name & PIC Number	Units	Note for FY 2021 Plan	Development Activities	Demolition / Disposition Activities	Designated Housing Activities	Conversion Activities	Homeownership Activities
			project based assistance under RAD.				
Liberty Green III KY001000051	127		Potential for refinancing, resyndication, change of entity ownership related to end of initial LIHTC compliance period. Potential for conversion to project based assistance under RAD.				
Liberty Green IV KY001000052	48		Potential for refinancing, resyndication, change of entity ownership related to end of initial LIHTC compliance period. Potential for conversion to project based assistance under RAD.				

Project Name & PIC Number	Units	Note for FY 2021 Plan	Development Activities	Demolition / Disposition Activities	Designated Housing Activities	Conversion Activities	Homeownership Activities
Downtown Scholar House KY001000054	11		Potential for refinancing, resyndication, change of entity ownership related to end of initial LIHTC compliance period. Potential for conversion to project based assistance under RAD.				
Wilart Arms Apartments KY001000055	15		Potential for refinancing, resyndication, change of entity ownership related to end of initial LIHTC compliance period. Potential for conversion to project based assistance under RAD.				
NSP Homes KY001000056	11		Potential for refinancing, resyndication, change of entity ownership related to end of initial LIHTC compliance period. Potential for conversion to project based assistance under RAD.				

Project Name & PIC Number	Units	Note for FY 2021 Plan	Development Activities	Demolition / Disposition Activities	Designated Housing Activities	Conversion Activities	Homeownership Activities
Sheppard Rental B KY001000057	50		Potential for refinancing, resyndication, change of entity ownership related to end of initial LIHTC compliance period. Potential for conversion to project based assistance under RAD.				
Sheppard Rental ACD KY001000058	87		Potential for refinancing, resyndication, change of entity ownership related to end of initial LIHTC compliance period. Potential for conversion to project based assistance under RAD.				
Sheppard Rental EF KY001000060	57		Potential for refinancing, resyndication, change of entity ownership related to end of initial LIHTC compliance period. Potential for conversion to project based assistance under RAD.				

Project Name & PIC Number	Units	Note for FY 2021 Plan	Development Activities	Demolition / Disposition Activities	Designated Housing Activities	Conversion Activities	Homeownership Activities
Sheppard PCC KY001000062	31		Potential for refinancing, resyndication, change of entity ownership related to end of initial LIHTC compliance period. Potential for conversion to project based assistance under RAD.				
Scattered Sites KY001000061	61		Possible development, rehabilitation of existing buildings, demolition of existing buildings, disposition of properties and new construction of units in connection with replacement unit initiative or mixed-finance developments, or Metro Housing Initiative, or third party mixed-finance/revitalization developments. LMHA may apply for RAD, Choice Neighborhood, LIHTC, and any other state and city	Possible demolition/disposition of non-viable units and imminently dangerous properties for neighborhood redevelopment activity.			

Project Name & PIC Number	Units	Note for FY 2021 Plan	Development Activities	Demolition / Disposition Activities	Designated Housing Activities	Conversion Activities	Homeownership Activities
			funding sources when available				

Appendix E: Rental Assistance Demonstration (RAD) Significant Amendment

Louisville Metropolitan Housing Authority Fiscal Year 2021 Moving to Work Annual Plan Rental Assistance Demonstration Significant Amendment #1

The Louisville Metropolitan Housing Authority (LMHA) is incorporating this Rental Assistance Demonstration (RAD) Significant Amendment #1 into its Fiscal Year 2021 Moving to Work (MTW) Annual Plan as required by the US Department of Housing and Urban Development (HUD). The Amendment provides information on LMHA's planned activities under the Rental Assistance Demonstration (RAD) program.

Pursuant to this Amendment, LMHA proposes to convert 21 units of public housing assistance from the former Beecher Terrace development to PBV assistance under the RAD transfer of assistance provisions. Redevelopment of Beecher Terrace is currently funded by a Choice Neighborhoods Implementation Grant, and this RAD conversion is an integral part of the larger redevelopment strategy.

Background

The HUD Office of Public Housing Investments approved demolition under Section 24 of all 768 ACC units of public housing at Beecher Terrace on July 27, 2018 in connection with a Choice Neighborhoods Initiative (CNI) Grant. The first two phases of the project have been demolished. Of the remaining units that are standing, only 21 units are eligible for RAD, and a Commitment to Enter into Housing Assistance Payments (CHAP) was issued for those units on October 25, 2019.

Pursuant to a Converted Awaiting Transfer Agreement effective December 1, 2019, assistance will be transferred under RAD to 21 newly constructed units, which will be developed in the final 2 phases of redevelopment over the remaining life of the Beecher Terrace Choice Neighborhoods project.

LMHA intends to proceed with the RAD conversion of the public housing assistance to project-based assistance, pursuant to the guidelines of PIH Notice 2019-23, (RAD Notice REV-4) dated September 5, 2019 and PIH Notice 2016-17 dated November 10, 2016 ("HUD RAD Notices") and any other successor Notices issued by HUD, as well as the requirements set forth in the applicable Choice Neighborhoods Notice of Funding Availability (NOFA) and Grant Agreement.

LMHA is required to submit a Significant Amendment to the MTW Annual Plan that incorporates required information on LMHA's RAD conversion plans. This document provides the required information and serves as LMHA's RAD Significant Amendment for the subject units. LMHA intends to propose further Significant Amendment(s) for additional HUD-approved RAD conversions, including potential transfers of assistance, at future dates. LMHA will provide a thirty-day public comment period and conduct a Public Hearing to allow residents and the general public an opportunity to review and comment on the RAD Significant Amendment. The LMHA

Board of Commissioners will conduct a vote on the RAD Significant Amendment at a future public meeting.

RAD Conversion Plan

This Significant Amendment provides information on LMHA's plans to convert public housing units to project-based assistance under the transfer of assistance provisions of RAD as follows:

- HUD awarded Beecher Terrace / Vision Russell a Choice Neighborhoods Initiative Implementation Grant of \$29.5 million in 2016. As of June 28, 2016, the date of the Beecher Terrace Choice Neighborhoods Implementation grant submission, several units at Beecher were identified as either non-dwelling units or were vacant. These vacant and non-dwelling units were not included in any of the three Tenant Protection Voucher (TPV) applications that LMHA submitted for the relocation of Beecher's residents. LMHA will use the RAD transfer of assistance program to convert the public housing assistance associated with the 21 units that did not receive TPVs.
- These 21 RAD units will be replacement units developed under the Transformation Plan. LMHA anticipates 21 new construction RAD units on the former Beecher Terrace public housing site, which is continuing to undergo a complete demolition of all former public housing units. The current Beecher Terrace Housing Plan includes a Phase IV that comprises the on-site replacement of 141 units. LMHA anticipates that development of the RAD units will be included in this phase. Phase IV financing is anticipated to use tax-exempt bonds, 4% low-income housing tax credits, an FHA-insured mortgage and LMHA subordinate funds, as well as Choice Neighborhoods Implementation Grant funding. The target closing date for Phase IV is June 2021.

Attachment 1 includes current information on the proposed RAD conversion. Attachment 1 includes the following information:

<i>Current Units:</i>	Total number of units, bedroom size distribution and unit type.
<i>Post-Conversion Units:</i>	If applicable, any changes proposed to the current number of units, the bedroom size distribution or the unit type including de minimis reductions. No unit reductions are proposed under this Significant Amendment.
<i>Transfer of Assistance:</i>	Whether LMHA intends to transfer assistance to another development as part of the RAD conversion and, if so, the location, number of units, bedroom size distribution, and unit type where known. LMHA proposes a transfer of assistance.
<i>PBV or PBRA:</i>	Whether LMHA intends to convert the development to the Project Based Voucher (PBV) program or to the Project Based Rental Assistance (PBRA) program. LMHA intends to convert assistance to the PBV program.

Capital Fund Impact: The current amount of Capital Fund dollars received prior to RAD conversion. Developments converted through the RAD program are not eligible for Public Housing Capital Funds after conversion.

Transfer of Waiting List: How existing waiting lists will be addressed as part of the conversion.

Conversion to Project Based Vouchers or Project Based Rental Assistance

Public housing developments that are converted to project-based assistance will no longer be subject to HUD rules and regulations pertaining to the public housing program. Upon conversion to RAD, the former public housing units will be subject to the rules and regulations pertaining to either the PBV or PBRA programs, depending on which program option is selected by PHA. HUD has modified the PBV and PBRA program rules and regulations to incorporate additional provisions that apply solely to units converted under RAD. These additional provisions provide important protections to current residents of public housing that are impacted by a RAD conversion.

LMHA intends to convert the developments/units listed in Attachment 1 to the PBV program. As part of the conversion initiative, LMHA will adopt all required RAD PBV rules except where MTW or other waivers are approved by HUD, and will modify its existing Housing Choice Voucher Program Administrative Plan as needed to incorporate those rules related to resident rights, resident participation, waiting list, lease, waiting list, grievance processes and other areas.

Attachment 2 provides information on the RAD PBV program as required by the HUD RAD Notices related to resident rights and participation, waiting list and grievance procedures.

Capital Fund Budget

Conversion of existing public housing developments under the RAD program will enable LMHA to leverage existing funds to secure additional private and other funding. This new funding will be used to undertake long-deferred capital improvements and, in instances where transfer of assistance is involved, to construct or rehabilitate new or existing affordable housing units.

LMHA currently receives HUD Capital Funds on an annual basis, subject to Congressional appropriations for the majority of its public housing units. Attachment 1 includes the most recent Capital Fund allocation for the proposed RAD conversion site. Upon conversion to RAD, LMHA will no longer receive a Capital Fund allocation for units that have been converted, and the annual Capital Fund grant will be decreased.

The total estimated reduction in LMHA Capital Funds on an annual basis for the subject units covered under this Significant Amendment is approximately \$57,295 annually based on FY2019 funding levels (\$2,728.50 per unit per year). Over a five-year period, the estimated Capital Fund reduction is approximately \$286,477 based on FY2019 funding levels. The actual amount of reduction may vary depending on Congressional appropriations. As RAD conversions are completed, LMHA will modify its existing capital plans to reflect the reduction in funding and change in work scopes.

LMHA does not have a Capital Fund Financing Program (CFFP) obligation.

LMHA anticipates developing the RAD units as part of onsite Phase 4. The Phase 4 financing is anticipated to use tax-exempt bonds, 4% low-income housing tax credits, an FHA-insured mortgage and LMHA subordinate funds, as well as Choice Neighborhoods Implementation Grant funding. Actual amounts will be incorporated into the final financing plan.

Fair Housing Requirements

Per PIH Notice 2019-23 (HUD RAD Notice REV-4), Section 1.2E, properties being redeveloped with funding under a Choice Neighborhoods Implementation (CNI) grant are not subject to the RAD Fair Housing, Civil Rights, and Relocation Notice (PIH 2016-17).

Per the requirements of Notice PIH 2016-17, Section 1.3, LMHA will adhere to the provisions of the applicable Choice Neighborhoods Notice of Funding Availability (NOFA) and grant agreement regarding site and neighborhood standards.

Relocation Plan

Please note that the only units that are eligible to convert to RAD were vacant, therefore, LMHA does not have any relocation obligations associated with these units. Separately, LMHA is implementing its Relocation Plan associated with the Choice Neighborhood Implementation Grant.

Compliance

LMHA is not presently subject to a voluntary compliance agreement, consent order, consent decree, final judicial ruling or administrative ruling that has any relation to or impact on the planned RAD conversion.

Moving-To-Work (MTW)

LMHA may utilize MTW Block Grant fungibility and programmatic flexibility to support the RAD conversion effort subject to any necessary Board and HUD approvals. LMHA certifies that regardless of any funding changes that may occur as a result of conversion under RAD, LMHA will continue to administer and maintain service levels for its remaining portfolio of public housing units subject to funding availability. LMHA will do this by utilizing available funding including Public Housing Operating Fund, Capital Fund, and Tenant Rental Income.

Significant Amendment Definition

As part of the RAD conversion initiative, a Significant Amendment to the MTW Plan will not be required for the following RAD-specific actions:

- Changes to the Capital Fund budget produced as a result of each approved RAD conversion regardless of whether the proposed conversion will include use of additional Capital Funds;

- Decisions to apply MTW funding or programmatic flexibility to post-conversion RAD developments;
- Decisions or changes related to the ownership and/or financing structures for each approved RAD conversion including decisions to allocate LMHA financial resources as a source of funds to support the RAD conversion initiatives;
- Changes to the construction and rehabilitation plans and scheduled for each approved RAD conversion;
- Changes to the project names or sponsor entity names;
- Changes in the post-conversion bedroom size distribution and/or the number of de minimis unit reductions up to the 5% permitted under RAD program rules;
- Changes to the pre-conversion bedroom size distribution and/or the project or AMP from which transfer of assistance units will be converted; and,
- Decisions to convert to either Project Based Vouchers or Project Based Rental Assistance.

**Louisville Metropolitan Housing Authority
Moving to Work Annual Plan
Rental Assistance Demonstration Significant Amendment #1
Attachment 1 – Information on Public Housing Developments to be Converted**

Development Name	Beecher Terrace		
PIC Development ID #	KY0010000002		
Conversion Type (PBV or PBRA)	PBV		
Capital Fund Grant (FFY19)	\$57,295		
Pre-Conversion Total Units	21		
Pre-Conversion Unit Type	Family		
Pre-Conversion Bedroom Size:			
1 BR	9		
2 BR	6		
3 BR	6		
Post-Conversion Total Units	21		
Post-Conversion RAD Units	21		
Post-Conversion Unit Type	Family		
Post- Conversion Development	Beecher Terrace Phase IV		
Post-Conversion Sponsor Entity	Beecher IV, LLC		
Name and Address	Beecher Terrace Phase IV		
Project Description	LMHA anticipates developing the RAD units as part of onsite Phase 4. The Phase 4 financing is anticipated to use tax-exempt bonds, 4% low-income housing tax credits, an FHA-insured mortgage and LMHA subordinate funds, as well as Choice Neighborhoods Implementation Grant funding. Actual amounts will be incorporated into the final financing plan.		
Post-Conversion Bedroom Size			
	Total # of Units	# of RAD Units	
0 BR	0	0	
1 BR	59	9	

2 BR	51	7	
3 BR	31	5	
4 BR	0	0	
5 BR	0	0	
6 BR	0	0	
Transfer of Assistance	Yes		
De Minimis Reduction	N/A		
How will Transfer of Waiting List be accomplished?	<p>Since the 21 RAD-eligible units were vacant or non-dwelling units, there is not a waiting list associated with these units.</p> <p>LMHA has made a commitment that all former Beecher residents have a lifetime right to return (assuming residents are lease compliant).</p>		