

LEXINGTON-FAYETTE URBAN COUNTY HOUSING AUTHORITY



MOVING TO WORK (MTW) ANNUAL PLAN Fiscal Year 2019

Centre Meadows RAD PBV Development

SUBMITTED TO HUD July 24, 2018

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I. INTRODUCTION

The Lexington-Fayette Urban County Housing Authority (LHA) submitted a formal application to the federal U.S. Department of Housing and Urban Development (HUD) seeking admittance to the Moving to Work (MTW) demonstration program in November 2010. HUD announced LHA's selection for program admittance in March 2011, and the Housing Authority formally entered the MTW program on November 10, 2011 with the execution of an MTW Agreement between HUD and LHA. In April 2016, HUD extended the agreements of all 39 MTW agencies until 2028. This FY2019 Annual MTW Plan marks the LHA's eighth year in the Demonstration.

The MTW demonstration allows public housing authorities to design and test activities and policies that further at least one of the statutory goals to reduce costs and achieve greater cost effectiveness; encourage self-sufficiency households with children; and, increase housing choices for low-income families.

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B. OVERVIEW OF SHORT-TERM AND LONG-TERM GOALS



Short-Term Goals

Smoke-Free LHA

The Lexington Housing Authority (LHA) Board of Commissioners has approved a smoke-free policy which will make all public housing and some tax credit/mixed-finance LHA properties smoke-free as well as all LHA management offices. The policy is in accordance with PIH Notice 2017-3 and HUD's Final Rule CFR 965.653 (Smoke-free public housing). All PHAs are required to design and implement a policy prohibiting the use of prohibited tobacco products in all public housing living units and interior areas (including but not limited to hallways, rental and administrative offices, community centers, day care centers, laundry centers, and similar structures), as well as in outdoor areas within 25 feet from public housing and administrative office buildings (collectively, "restricted areas") in which public housing is located.

To prepare residents and employees for the July 31, 2018 smoke-free effective date, a series of meetings were held at LHA offices monthly (January – June 2018). The LHA has partnered with the Lexington Fayette County Health Department to offer cessation support to residents and employees who want it as well as conduct surveys for research purposes.

APPLICATION FOR VOLUNTARY CONVERSION OF CONNIE GRIFFITH TOWERS

Connie Griffith Manor (Griffith) is a 183-unit, 10 story public housing high rise for seniors owned and operated by the Lexington-Fayette County Urban Housing Authority (LHA). Griffith is connected by a 1-story structure to Ballard, 134-unit high-rise for seniors subsidized by Section 8 project-based rental assistance. It is anticipated that, subject to fulfillment of all HUD requirements, the result of Griffith's voluntary conversion will be a renovated development assisted by project-based vouchers (PBV) with continued availability to current and future low-income households (*See Voluntary Conversion Plan, Assessment, Relocation Plan and Cost Comparison at Appendix D*). Once the property receives approval for tenant-based vouchers for the Griffith public housing units, the LHA will use the authorizations of Activity 24: Project Based Voucher Waivers (page 10) to complete the conversion.

After approval of voluntary conversion and establishment of PBV designation, the LHA hopes to be able to utilize LIHTC. The owner entity will be a limited partnership of which LHA's related entity will be the sole general partner. These activities are anticipated to be completed within 24 months from HUD approval of voluntary conversion and award of the tax credits.

TAX CREDIT AWARD FOR RENOVATION OF BALLARD TOWERS

Ballard Apartments (non-MTW units) is an eight-story high rise located in downtown Lexington, with 134 one-bedroom units serving persons aged sixty-two and over. Ballard Place Apartments was originally constructed in 1978 by LHA. The building was rehabilitated in 1999. Eighteen years after that renovation, the building has inefficient plumbing fixtures, lighting, windows, and outdated décor. The old windows lack energy efficiency and are allowing water intrusion; which is causing damage to the units and the building.

In March 2018 the LHA was awarded 9% low-income housing tax credits (LIHTC) that will make financing the renovation possible. The proposed rehabilitation is anticipated to include new energy efficient windows, new energy efficient bath fixtures and LED lighting fixtures, as well as aesthetically pleasing interiors with new floor finishes, new kitchen cabinets, new entry and interior doors, and an updated paint scheme.

LONG-TERM GOALS

LHA LEADERSHIP ACADEMY

As a way of developing leaders, the Lexington Housing Authority is developing the LHA Leadership Academy. The Leadership Academy is a leadership development program is directed toward LHA employees who demonstrate leadership qualities. The six-month program gives participants the opportunity to better understand business practices and to prepare for the challenges of the affordable housing industry. Academy participants will be exposed to lessons in leadership from industry peers and community leaders as well as training opportunities meeting once a month. The Leadership Academy is an educational opportunity that broadens perspectives and allows participants to gain greater self-knowledge and leadership competence.

CRAFT LOCAL INITIATIVES TO ADDRESS LONG-TERM NEEDS

To ensure LHA's participation in the MTW demonstration program meets the specific needs of the Lexington-Fayette community, the agency will continue to craft local initiatives to address long term needs and meet the following MTW objectives:

1. Increase the number and quality of affordable housing choices throughout the Lexington-Fayette community;
2. Increase the number of families moving toward self-sufficiency;
3. Increase and strengthen the number of community partnerships benefitting residents with special needs, especially those not adequately served elsewhere in the community and those requiring a "service-enriched" housing environment; and
4. Reduce the agency's administrative costs while limiting the administrative burdens placed on staff and residents.

To further both the federal and local MTW objectives listed above; the LHA has sought and received HUD approval to implement 22 MTW activities since entering the program in 2011. Below is a chart summarizing the LHA's MTW activities. The numbers in the statutory objectives column of the table corresponds with the numbered descriptions below.

Statutory Objectives

1. To reduce costs and achieve greater cost effectiveness in federal expenditures;
2. To give incentives to families with children where the head of household is working; is seeking work; or is preparing for work by participating in job training, educational programs, or programs that assist people to obtain employment and become economically self-sufficient; and
3. To increase housing choices for low-income families.

Activity	Activity Description	Plan Year Proposed/ Modified	Status	Statutory Objective
1	Minimum Rent Increase to \$150 Across All Housing Programs	-FY2012-13 -FY2014 Significantly Modified	Implemented agency-wide April 1, 2014	2
2	Management Team III Rent Reform Controlled Study – No Rent Reduction Requests for 6 Months After Initial Occupancy for Bluegrass HOPE VI Public Housing Residents	-FY2012-FY2013	Closed Out FY2014 and replaced with Activity 13	1
3	Triennial Recertification of Connie Griffith Towers and HCV Elderly/Disabled Households	-FY2012-FY2013 Significantly - Modified FY2014 -FY2016 Request Approval to change HUD Form 9886	Ongoing	1
4	HCV Rent Reform Controlled Study: No Rent Reduction Requests for 6 Months After Initial Occupancy	FY2012-FY2013	Closed Out FY2015	1 & 2
5	Streamlined HQS Inspection Policy for HCV Units	- FY2012-13 -FY2014 (Significantly Modified)	Implemented FY2015	1
6	Biennial Housekeeping Inspection Policy for Public Housing Residents	FY2012-FY2013	-Not Implemented -Closed out	1
7	Public Housing Acquisition Without Prior HUD Approval	FY2012-FY2013	Not Implemented until necessary	3
8	Conversion of Appian Hills Public Housing to Project-Based Vouchers	-FY2012-FY2013 -FY2014 Significantly Modified	Modified in FY2014 - Pimlico Converted to PBV w/ RAD/Not Implemented	3
9	Development of Project-Based Voucher Units at 800 Edmond Street	FY2012-FY2013	Not Implemented Resources used for RAD revitalization of Pimlico	3
10	HCV (Tenant-Based) Special Partners Programs	-FY2012-FY2013	Ongoing	3

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		-FY2014 Significantly Modified		
11	Local, Non-Traditional Use of MTW Funds: Emergency Reserves for Connie Griffith- Ballard Towers	- FY2012-FY2013 -FY2014 Significantly Modified	Not Implemented until/ necessary for emergency capital repairs	3
12	Local, Non-Traditional Use of MTW Funds for HCV Special Partners With Designated Units	FY2014	Ongoing	2 & 3
13	Local Self-Sufficiency Admissions and Occupancy Requirements	FY2014	Implemented April 1, 2014	2
14	Elimination of Earned Income Disallowance	FY2015	Ongoing	1
15	Limit HCV Landlord Rent Increases to the Lesser of 2%, the HUD Fair Market Rent (FMR) or Comparable Rent	FY2015	Discontinued in FY2016	1
16	HUD/MDRC HCV Rent Reform Demonstration	FY2015	Ongoing	2
17	Limit Interim Re-examinations for Public Housing Households	FY2016	Ongoing	1
18	Streamlined HQS Inspection of LHA- Owned/Controlled Property	FY2017	Ongoing	1
19	Tenant-Based Rental Assistance for Youth Aging Out of Foster Care	FY2017	Ongoing	3
20	Assign Project-Based Vouchers To LHA Owned and Controlled Units Without Bid Process	FY2017	Ongoing	3
21	Triennial Certifications For HCV Homeownership Participants (Rent Reform)	FY2017	Ongoing	1
22	HCV Time Limit Pilot Program (Rent Reform)	FY2018	Ongoing	1, 2 & 3
23	Rent Reasonableness Determinations To Be Made By LHA Staff on LHA-Owned/ Controlled Properties	FY2018 Amended Plan	Ongoing	1
24	Elimination of Project-Based Voucher Choice Mobility at LHA-Owned/ Controlled Units (proposed FY2019).	FY2019	Proposed	1

II. GENERAL HOUSING AUTHORITY OPERATING INFORMATION

A. HOUSING STOCK INFORMATION

(II) General Housing Authority Operating Information											
Annual MTW Plan											
II.1.Plan.HousingStock											
A. MTW Plan: Housing Stock Information											
Planned New Public Housing Units to be Added During the Fiscal Year											
AMP Name and Number	Bedroom Size							Total Units	Population Type *	# of UFAS Units	
	0	1	2	3	4	5	6+			Fully Accessible	Adaptable
PIC Dev. # /AMP PIC Dev. Name	0	0	0	0	0	0	0	0	Type Noted *	0	0
PIC Dev. # /AMP PIC Dev. Name	0	0	0	0	0	0	0	0	Type Noted *	0	0
PIC Dev. # /AMP PIC Dev. Name	0	0	0	0	0	0	0	0	Type Noted *	0	0
PIC Dev. # /AMP PIC Dev. Name	0	0	0	0	0	0	0	0	Type Noted *	0	0
Total Public Housing Units to be Added								0			
* Select Population Type from: Elderly, Disabled, General, Elderly/Disabled, Other If Other, please describe: Description of "other" population type served											
Planned Public Housing Units to be Removed During the Fiscal Year											
PIC Dev. # / AMP and PIC Dev. Name	Number of Units to be Removed		Explanation for Removal								
4-6 / AMP 4 Connie Griffith	183		Voluntary Conversion of Connie Griffith Towers to Project-Based Vouchers								
PIC Dev. # /AMP PIC Dev. Name	0		N/A								
PIC Dev. # /AMP PIC Dev. Name	0		N/A								
Total Number of Units to be Removed	183										

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New Housing Choice Vouchers to be Project-Based During the Fiscal Year			
Property Name	Anticipated Number of New Vouchers to be Project-Based *	Description of Project	
Connie Griffith	183	183 units at this highrise apartment building, designated for 62 and over, will be converted from public housing to project-based vouchers pending approval of a voluntary conversion application.	
N/A	N/A	N/A	
N/A	N/A	N/A	
N/A	N/A	N/A	
Anticipated Total New Vouchers to be Project-Based	183	Anticipated Total Number of Project-Based Vouchers Committed at the End of the Fiscal Year	389
		Anticipated Total Number of Project-Based Vouchers Leased Up or Issued to a Potential Tenant at the End of the Fiscal Year	389
*New refers to tenant-based vouchers that are being project-based for the first time. The count should only include agreements in which a HAP agreement will be in place by the end of the year.			

Other Changes to the Housing Stock Anticipated During the Fiscal Year	
N/A	
N/A	
N/A	
Examples of the types of other changes can include but are not limited to units that are held off-line due to the relocation of residents, units that are off-line due to substantial rehabilitation and potential plans for acquiring units.	

General Description of All Planned Capital Fund Expenditures During the Plan Year
<p>1408-Management Improvements-PHA Wide Software Upgrade \$103,884</p> <p>1410-Administration-Capital Fund Fee \$103,884</p> <p>1430-Fees and Costs-PHA Wide A & E Fees \$155,827</p> <p>KY004000001-Bainbridge-PineVly-Const: Replace front & back storm doors; replace crawl space doors; single-family window replacement; parking lot replace/repair \$114,062</p> <p>KY004000002-Unnamed: Tub surround replacement; roof replacement; drainage excavation \$177,000</p> <p>KY004000003-Unnamed: Bathroom vanity & cabinet replacement, kitchen cabinet & counter top replacement; doors & window replacement; perimeter fence replacement; retention basin gate replacement; roof & gutter replacement \$109,999</p> <p>KY004000007-Homownership: Fence replacement & repair \$15,822</p> <p>KY004000010-Bluegrass Apartments: ION Monitoring \$17,600</p> <p>KY004000013-Bluegrass Phase III: ION Monitoring \$33,000</p>

II.2.Plan.Leasing		
B. MTW Plan: Leasing Information		
Planned Number of Households Served at the End of the Fiscal Year		
MTW Households to be Served Through: Federal MTW Public Housing Units to be Leased Federal MTW Voucher (HCV) Units to be Utilized Number of Units to be Occupied/Leased through Local, Non-Traditional, MTW Funded, Property-Based Assistance Programs ** Number of Units to be Occupied/Leased through Local, Non-Traditional, MTW Funded, Tenant-Based Assistance Programs ** Total Households Projected to be Served	Planned Number of Households to be Served*	Planned Number of Unit Months Occupied/Leased***
	914	10968
	2519	30228
	0	0
	388	4656
	3821	45852
<p>* Calculated by dividing the planned number of unit months occupied/leased by 12.</p> <p>** In instances when a local, non-traditional program provides a certain subsidy level but does not specify a number of units/households to be served, the PHA should estimate the number of households to be served.</p> <p>***Unit Months Occupied/Leased is the total number of months the PHA has leased/occupied units, according to unit category during the fiscal year.</p>		
Reporting Compliance with Statutory MTW Requirements		
<p>If the PHA has been out of compliance with any of the required statutory MTW requirements listed in Section II(C) of the Standard MTW Agreement, the PHA will provide a narrative discussion and a plan as to how it will return to compliance. If the PHA is currently in compliance, no discussion or reporting is necessary.</p>		
<p>LHA is currently in compliance with statutory requirements.</p>		
Description of any Anticipated Issues Related to Leasing of Public Housing, Housing Choice Vouchers and/or Local, Non-Traditional Units and Possible Solutions		
Housing Program	Description of Anticipated Leasing Issues and Possible Solutions	
Public Housing	Should the LHA's application for voluntary conversion of Connie Griffith be approved. All 183 units in that building will be removed from public housing and converted to PBVs.	
N/A	N/A	
N/A	N/A	

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C. MTW Plan: Wait List Information

Wait List Information Projected for the Beginning of the Fiscal Year

Housing Program(s) *	Wait List Type**	Number of Households on Wait List	Wait List Open, Partially Open or Closed***	Are There Plans to Open the Wait List During the Fiscal Year
Public Housing	Community-Wide	1744	Partially Open	Yes
Housing Choice Voucher	Community-Wide	57	Partially Open	Yes
Non-Traditional MTW Housing Assistance	Program Specific	N/A	Open	Yes

Rows for additional waiting lists may be added, if needed.

* Select Housing Program : Federal MTW Public Housing Units; Federal MTW Housing Choice Voucher Program; Federal non-MTW Housing Choice Voucher Units; Tenant-Based Local, Non-Traditional MTW Housing Assistance Program; Project-Based Local, Non-Traditional MTW Housing Assistance Program; and Combined Tenant-Based and Project-Based Local, Non-Traditional MTW Housing Assistance Program.

** Select Wait List Types : Community-Wide, Site-Based, Merged (Combined Public Housing or Voucher Wait List), Program Specific (Limited by HUD or Local PHA Rules to Certain Categories of Households which are Described in the Rules for Program Participation), None (If the Program is a New Wait List, Not an Existing Wait List), or Other (Please Provide a Brief Description of this Wait List Type).

*** For Partially Open Wait Lists, provide a description of the populations for which the waiting list is open.

Public Housing - waiting list is open for the general public and Connie Griffith Towers waiting list is Elderly only.

Non-Traditional MTW Housing Assistance - waiting list is open for HCV special program partner programs

N/A

If Local, Non-Traditional Housing Program, please describe:

1) Canaan House - Individuals who have been diagnosed with a mental illness; 2) Urban League of Lexington-Fayette County - Elderly Individuals; 3) New Beginnings - Individuals who have been diagnosed with a mental illness; 4) OASIS Rental Assistance Housing Program - Families in need of financial literacy, credit management, and homeownership resources

5) One Parent Scholar House - Single parents who are full-time students in a post-secondary educational institution; 6) Greenhouse17 - for victims of domestic violence

7) HOPE Center - Persons who have a substance abuse problem and are in need of voluntary or court-mandated treatment; 8) Serenity House Place - Parents with children: who have recently been released from jail, are homeless and who are substance abuse treatment program graduates

If Other Wait List Type, please describe:

Centre Meadows - Project-Based Voucher Wait List Closed; Wait List will likely open during FY2019

N/A

N/A

If there are any changes to the organizational structure of the wait list or policy changes regarding the wait list, provide a narrative detailing these changes.

N/A

III. PROPOSED MTW ACTIVITIES: HUD APPROVAL REQUESTED

Activity 24: Elimination of Project-Based Voucher Choice Mobility at LHA-Owned/Controlled Units

Description

The Lexington Housing Authority proposes to eliminate the project-based voucher Choice Mobility option to offer assistance for families who elect to move after one year of occupancy in LHA-owned/controlled project-based voucher units (24 CFR 983.261). The LHA is mindful of the overwhelming need for affordable housing and sees the benefit of offering tenant-based rental assistance to families on the waiting list while continuing to assist families who are currently housed and receiving rental assistance in PBV units. This activity will aid in reducing a family's time on the waiting list. This activity does not apply to RAD units, reasonable accommodation instances or Violence Against Women (VAWA) cases.

MTW Statutory Objective

This activity will reduce costs and achieve greater cost effectiveness in federal expenditures.

Anticipated Impacts

LHA anticipates the proposed elements of this activity will allow the LHA continue to house families on the waiting list while providing rental assistance to families who are currently housed in PBV units.

Anticipated Schedule

LHA proposes to implement this activity upon approval of the 2019 MTW Annual Plan. Specifically, the LHA will use the flexibilities provided through this activity to convert a public housing site, Connie Griffith Manor a 183-unit, high-rise for seniors through voluntary conversion to project-based vouchers (PBV). The renovation would be undertaken with a commitment of low-income housing tax credits.

Activity Metrics Information

Activity 24: Elimination of Project-Based Voucher Choice Mobility at LHA-Owned/Controlled Units			
CE #1: Agency Cost Savings			
Unit of Measure: Total Cost of task in dollars (decrease)			
Baseline	Benchmark	Outcome	Benchmark Achieved
Cost of task prior to implementation of the activity (in dollars).	Expected cost of task after implementation of the activity (in dollars).	Actual cost task after implementation of the activity.	Whether the outcome meets or exceeds the benchmark.
\$0 Total cost of task (decrease)	\$0	To be Determined	To be Determined

Activity 24: Elimination of Project-Based Voucher Choice Mobility at LHA-Owned/Controlled Units			
CE #2: Staff Time Savings			
Unit of Measure: Total time to complete the task in staff hours (decrease)			
Baseline	Benchmark	Outcome	Benchmark Achieved
Total staff time dedicated to the task prior to implementation of the activity.	Expected total staff time dedicated to the task after implementation of the activity.	Actual total staff time dedicated to the task after implementation of the activity.	Whether the outcome meets or exceeds the benchmark.
0 hours	0 Hours	To Be Determined	To Be Determined

Activity 24: Elimination of Project-Based Voucher Choice Mobility at LHA-Owned/Controlled Units			
HC #5: Increase in Resident Mobility			
Unit of Measure: Number of households able to move to a better unit and/or neighborhood of opportunity as a result of the activity (increase).			
Baseline	Benchmark	Outcome	Benchmark Achieved?
Households able to move to a better unit and/or neighborhood of opportunity prior to implementation of the activity (number). This number may be zero.	Expected households able to move to a better unit and/or neighborhood of opportunity after implementation of the activity (number).	Actual increase in households able to move to a better unit and/or neighborhood of opportunity after implementation of the activity (number).	Whether the outcome meets or exceeds the benchmark.
0	0	To Be Determined	To Be Determined

Data Source for Metric Data

LHA will collect data through staff interviews, internal reports and Emphasys computer software.

Authorization Cited

From Standard MTW Agreement, Attachment C, Statement of Authorizations, Section:

D. Authorization Related to Section 8 Housing Choice Vouchers Only

1. Operational Policies and Procedures

The Agency is authorized to determine the following basic operational policies and procedures for all Section 8 assistance the Agency is provided under section 8(o) of the 1937 Act:

b. The Agency is authorized to determine the length of the lease period, when vouchers expire and when vouchers will be reissued. *This authorization waives certain provisions of Sections 8(o)(7)(a), 8(o)(13)(F) and 8(o)(13)(G) of the 1937 Act and 24 C.F.R. 982.303, 982.309 and 983 Subpart F as necessary to implement the Agency's Annual MTW Plan.*

Explanation for Authorization

MTW flexibility is needed to eliminate the project-based voucher Choice Mobility option to offer assistance for families who elect to move after one year of occupancy in LHA-owned/controlled units (24 CFR 983.261).

IV. APPROVED MTW ACTIVITIES: HUD APPROVAL PREVIOUSLY GRANTED

A. IMPLEMENTED ACTIVITIES

Activity 1: Increase Rent to \$150 Across All Housing Programs

Activity_Proposed FY 2012 – FY 2013 for Pimlico Apartments / Implemented May 1, 2012; Activity Expanded FY2014 to all Public Housing Units and HCV Units / Implemented April 1, 2014

Description/Update

All non-elderly/non-disabled public housing and Housing Choice Voucher (HCV) tenants pay \$150 in minimum rent. The LHA increased the minimum rent to \$150 across all housing programs (Section 8 & 9) excluding elderly and/or disabled households and households participating in HCV special partner programs in April 2014. The initiative promotes self-sufficiency by encouraging heads-of-household to work, while raising much-needed revenue.

Non-Significant Changes or Modifications During FY2019

The LHA does not anticipate any non-significant changes or modifications during the FY2019 Plan year.

Changes or Modifications to Metrics, Baselines or Benchmarks During FY2019

The LHA does not anticipate any changes or modifications during the FY2019 Plan year to metrics, baselines or benchmarks for this activity.

Attachment C or D Authorization(s) Changes

There have been no changes in Attachment C or D authorizations since this activity was proposed and approved.

Significant Change or Modifications to the Activity Since Approval

There are no significant changes or modifications to the activity as previously proposed and approved.

Activity 5: Streamlined HQS Inspection Policy for Housing Choice Voucher Program

Activity Proposed and Approved FY2012 – FY2013 Plan; Significantly Modified FY2014 Plan: Implemented FY2015

Description/Update

The LHA proposes to modify the inspection intervals for HCV landlords based on their star-rating. In FY 2014, the LHA implemented a streamlined, cost-effective approach that enforced Housing Quality Standards (HQS) at the most at-risk/problematic properties at more frequent intervals and reduced inspection frequency at high-quality properties. The LHA plans to modify the 5-Star Inspection Program to be known as the Star-Rating Inspection Program changing the rating system to 3-stars instead of 5-stars. The following table demonstrates the difference in the inspection intervals based on the landlord's star rating.

Current 5-Star Rating Category	Revised Star-Rating Category
1 Star (12-month interval between HQS inspections)	1 Star 12-month interval between HQS inspections <ul style="list-style-type: none"> · A high percentage of units have historically failed annual HQS · 20% or more of units go into abatement annually or 20% or more of units receive complaint inspections
2 Star (24-month interval between HQS inspections)	2 Star 24-month interval between HQS inspections <ul style="list-style-type: none"> · Any landlord with 3 or fewer units on the program (subject to increased rating after three years with no failed inspections) · Landlords new to the program · Fewer than 20% of units go into abatement annually · Fewer than 20% of units required complaint inspections over the previous year
3 Star (30-month interval between HQS inspections)	3 Star 36-month interval between HQS inspections <ul style="list-style-type: none"> · No complaint inspections over the previous year · No failed drive by inspections · Landlords self-certify biennially that all units meet HQS
4 Star (36-month interval between HQS inspections)	
5 Star (42-month interval between HQS inspections)	

The protocol used to rate landlords is unchanged and continues evaluate landlords on multiple factors that include:

- Past inspection scores;
- Results of new drive-by inspections;
- Proportion of units that have been abated in the past; and
- Past complaints reported by voucher holders

The longest inspection interval of 36-months will be available to 3-Star landlords. Staff has reduced the interval for inspections for our best landlords by 6 months and 1 and 2-Star landlords will keep the same inspection interval created under the 5-Star program.

LHA staff determined that the 42-month interval between inspections invited unintended consequences for missed inspections and unreported deficiencies at an occupied unit.

Upon approval of the FY2019 Plan, the LHA HCV Administrative Plan will be updated with the new star-rated inspection intervals.

Non-Significant Changes or Modifications During FY2019

The LHA plans to modify the 5-Star Inspection Program to be known as the Star-Rating Inspection Program changing the rating system to 3-star system instead of 5-star system during the FY2019 Plan year.

Changes or Modifications to Metrics, Baselines or Benchmarks During FY2019

The LHA does not anticipate any changes or modifications during the FY2019 Plan year to metrics, baselines or benchmarks for this activity.

Attachment C or D Authorization(s) Changes

The changes to the activity require no changes in Attachment C or D authorizations since this activity was proposed and approved.

Significant Change or Modifications to the Activity Since Approval

The LHA does not anticipate any significant changes or modifications during the FY2019 Plan year.

Activity 10: Housing Choice Voucher Tenant-Based Special Partners Programs
*Activity Proposed, Approved, and Implemented in FY 2012 – FY 2013*Description/Update

This activity is ongoing and both partner programs are providing stable tenant-based voucher assistance and special services to specific populations. Currently, Bluegrass.org (formerly known as Bluegrass Mental Health Mental Retardation) and Community Action Council are the special partner programs receiving the flexibility of this activity. BGMHMR (22 tenant-based vouchers) provides wraparound services for persons with severe mental illness or substance abuse diagnoses who have completed treatment and are involved in recovery services, in order to, stabilize the household's situation to increase self-sufficiency. The Housing Authority provides tenant-based assistance to Community Action Council (CAC). CAC provides case management to youth aging out of Foster Care (as described in Activity 19). The assistance for this program is capped at 10 tenant-based vouchers.

Non-Significant Changes or Modifications During FY2019

The LHA does not anticipate any non-significant changes or modifications during the FY2019 Plan year.

Changes or Modifications to Metrics, Baselines or Benchmarks During FY2019

The LHA does not anticipate any changes or modifications during the FY2019 Plan year to metrics, baselines or benchmarks for this activity.

Attachment C or D Authorization(s) Changes

There have been no changes in Attachment C or D authorizations since this activity was proposed and approved.

Significant Change or Modifications to the Activity Since Approval

There are no significant changes or modifications to the activity as previously proposed and approved.

Activity 12: Local, Non-Traditional Uses of MTW Funds for Special Partners*Activity proposed and implemented in FY2014*Description/Update

The Housing Authority provides a fixed monthly rental subsidy to eight (8) special partners who have agreed to house and provide wraparound social services to a minimum of 388 families with special needs. HCV staff has signed Memoranda of Understanding (MOUs) in with each special partner program. At last reporting, 626 households were served through this activity. The Special Partner Programs are described in the following table:

Special Partner Program	Description of Households Served	# of Vouchers
Canaan House	Individuals who have been diagnosed with a mental illness	17
Greenhouse17	victims of domestic violence, dating violence, sexual assault, and stalking	25
Hope Center	Persons who have a substance abuse problem and are in need of voluntary or court-mandated treatment	144
New Beginnings Bluegrass, Inc.	Individuals who have been diagnosed with a mental illness	29
OASIS Rental Assistance Housing Program	Families in need of financial literacy, credit management, and homeownership resources	30
One Parent Scholar House	Single parents who are full-time students in a post-secondary educational institution	80
Serenity Place (Chrysalis House)	Parents with children: 1) who have recently been released from jail or are homeless and 2) who are substance abuse treatment program graduates	40
Urban League of Lexington-Fayette County	Elderly individuals	23
Total Special Partner Units		388

Non-Significant Changes or Modifications During FY2019

The LHA does not anticipate any non-significant changes or modifications during the FY2019 Plan year.

Changes or Modifications to Metrics, Baselines or Benchmarks During FY2019

The LHA does not anticipate any changes or modifications during the FY2019 Plan year to metrics, baselines or benchmarks for this activity.

Attachment C or D Authorization(s) Changes

There have been no changes in Attachment C or D authorizations since this activity was proposed and approved.

Significant Change or Modifications to the Activity Since Approval

There are no significant changes or modifications to the activity as previously proposed and approved.

Activity 13: Local Self-Sufficiency Admissions and Occupancy Requirements

Activity proposed and approved in FY2014; A technical amendment was submitted January 14, 2016 and approved January 20, 2016

Description/Update

Through this activity the LHA requires that work-able, non-elderly, non-disabled heads of household (including full-time students), co-head or spouse residing at self-sufficiency units and Centre Meadows (PBV site) work a minimum number of hours per week earning at least the federal minimum wage. This requirement is a condition of admissions and continued occupancy for all families who accept self-sufficiency units.

LHA's Self-Sufficiency Level I units require those affected by the policy to work 37.5 hours x federal minimum wage; and, Self-Sufficiency II units and Centre Meadows PBV units -require employment of 20 hours per week at the federal minimum wage; should the affected households not be employed the Housing Authority will calculate rent based on assumed/imputed income of 20 hours or 37.5 hours depending on the unit at 52 weeks annually. Families whose head/co-head is elderly or disabled are exempted.

For admission to Self-Sufficiency units or Centre Meadows units, a three-month consecutive work history is required – allowing a gap of no more than ten (10) days between changes in employment to satisfy the 3-month requirement.

Families who lose income through no fault of their own may submit a hardship request (Appendix A).

Non-Significant Changes or Modifications During FY2019

The LHA does not anticipate any non-significant changes or modifications during the FY2019 Plan year.

Changes or Modifications to Metrics, Baselines or Benchmarks During FY2019

The LHA does not anticipate any changes or modifications during the FY2019 Plan year to metrics, baselines or benchmarks for this activity.

Attachment C or D Authorization(s) Changes

There have been no changes in Attachment C or D authorizations since this activity was proposed and approved.

Significant Change or Modifications to the Activity Since Approval

There are no significant changes or modifications to the activity as previously proposed and approved.

Activity 14: Rent Reform: Elimination of Earned Income Disallowance*Activity Proposed, Approved, and Implemented – FY2015 Plan*Description/Update

LHA staff proposed to eliminate the Earned Income Disallowance (EID) calculation for public housing and HCV disabled households. Federal regulations mandate the exclusion of earnings for public housing households for an individual family member or HCV disabled household for a maximum of 24 consecutive months with an overall lifetime limit of 48-months. No public housing or HCV disabled household receive the EID and no new program participants may receive the EID. Elimination of the EID calculation has been successful in reducing the administrative burden of monitoring household members receiving the EID and tracking employment.

Non-Significant Changes or Modifications During FY2019

The LHA does not anticipate any non-significant changes or modifications during the FY2019 Plan year.

Changes or Modifications to Metrics, Baselines or Benchmarks During FY2019

The LHA does not anticipate any changes or modifications during the FY2019 Plan year to metrics, baselines or benchmarks for this activity.

Attachment C or D Authorization(s) Changes

There have been no changes in Attachment C or D authorizations since this activity was proposed and approved.

Significant Change or Modifications to the Activity Since Approval

There are no significant changes or modifications to the activity as previously proposed and approved.

Activity 16: HCV Rent Reform Study*Activity Proposed, Approved, and Implemented – FY2015*Description/Update

Lexington Housing Authority (LHA) is one of four MTW agencies participating in a study commissioned by the U.S. Department of Housing and Urban Development (HUD) to evaluate a Housing Choice Voucher (HCV) alternative rent reform policy (the “Study”). MDRC, a nonprofit research organization, is conducting the Study on behalf of HUD. The Study sets forth alternative rent calculation and recertification strategies. The centerpiece of the new policy is the substitution of triennial recertification of households’ incomes for annual recertification. During the three-year period until a household’s next recertification date, any increase in earnings it achieves will not cause the amount of rent and utilities it pays to go up. July of 2018 will mark the first triennial recertifications for study group participants. LHA will provide an update on the results of those recertifications in the FY2018 Annual Report.

Non-Significant Changes or Modifications During FY2019

The LHA does not anticipate any non-significant changes or modifications during the FY2019 Plan year.

Changes or Modifications to Metrics, Baselines or Benchmarks During FY2019

The LHA does not anticipate any changes or modifications during the FY2019 Plan year to metrics, baselines or benchmarks for this activity.

Attachment C or D Authorization(s) Changes

There have been no changes in Attachment C or D authorizations since this activity was proposed and approved.

Significant Change or Modifications to the Activity Since Approval

There are no significant changes or modifications to the activity as previously proposed and approved.

Activity 17: Limit Interim Re-Examinations for Public Housing Households
*Activity Proposed, Approved, and Implemented – FY2016*Description/Update

The LHA sought and received approval to limit interim re-examinations for public housing households to one for households seeking reductions in rent based on reductions in earned income. This restriction applies to all households who are not defined as elderly or disabled households. At any time between required annual re-examinations and after one interim reduction in rent, a family residing in public housing may submit a written hardship request for an exemption to the interim rent reduction policy (see Appendix B). All cases are reviewed on a case-by-case basis.

Non-Significant Changes or Modifications During FY2019

The LHA does not anticipate any non-significant changes or modifications during the FY2019 Plan year.

Changes or Modifications to Metrics, Baselines or Benchmarks During FY2019

The LHA does not anticipate any changes or modifications during the FY2019 Plan year to metrics, baselines or benchmarks for this activity.

Attachment C or D Authorization(s) Changes

There have been no changes in Attachment C or D authorizations since this activity was proposed and approved.

Significant Change or Modifications to the Activity Since Approval

There are no significant changes or modifications to the activity as previously proposed and approved.

Activity 18 - Streamline HQS Inspection of LHA-Owned/Controlled Property
*Activity Proposed, Approved, and Implemented – FY2017*Description/Update

The LHA's Housing Choice Voucher (HCV) inspectors perform HQS inspections of LHA-owned property or affiliates that receive HCV assistance rather than a third-party inspector. Prior to proposal of this activity HCV inspectors from other jurisdictions perform HQS inspections on LHA-owned properties or affiliates, which slows the leasing process. In cases where the property is a tax credit entity, the property is being inspected by LHA public housing management staff in addition to an HQS inspection. This activity is ongoing and HCV staff believes this authority allows for more efficient use of staff time and unit turn around has been expedited.

Non-Significant Changes or Modifications During FY2019

The LHA does not anticipate any non-significant changes or modifications during the FY2019 Plan year.

Changes or Modifications to Metrics, Baselines or Benchmarks During FY2019

The LHA does not anticipate any changes or modifications during the FY2019 Plan year to metrics, baselines or benchmarks for this activity.

Attachment C or D Authorization(s) Changes

There have been no changes in Attachment C or D authorizations since this activity was proposed and approved.

Significant Change or Modifications to the Activity Since Approval

There are no significant changes or modifications to the activity as previously proposed and approved.

Activity 19: Tenant-Based Rental Assistance for Youth Aging Out of Foster Care
*Activity Proposed, Approved, and Implemented in FY 2017*Description/Update

The LHA received approval offer tenant-based vouchers to Foster Care youth (ages 18- 24) aging out Kentucky's foster care program. The LHA provides a maximum ten (10) tenant-based vouchers annually for youth aging out of foster care. LHA staff has established a partnership with the local Community Action Council (CAC), who receives referrals from the state Cabinet for Health and Family Services, to implement this initiative. The LHA has entered into a Memorandum of Understanding with CAC to supply vouchers to the Cabinet referrals and CAC provides the mandatory case management to the participant. The CAC staff interview, screen and enroll families for the program. To date, four participants are housed through this program.

Non-Significant Changes or Modifications During FY2019

The LHA does not anticipate any non-significant changes or modifications during the FY2019 Plan year.

Changes or Modifications to Metrics, Baselines or Benchmarks During FY2019

The LHA does not anticipate any changes or modifications during the FY2019 Plan year to metrics, baselines or benchmarks for this activity.

Attachment C or D Authorization(s) Changes

There have been no changes in Attachment C or D authorizations since this activity was proposed and approved.

Significant Change or Modifications to the Activity Since Approval

There are no significant changes or modifications to the activity as previously proposed and approved.

Activity 20: Assign Project-Based Vouchers to LHA Owned/Controlled Units Without Bid Process

Activity Proposed, Approved, and Implemented in FY 2017

Description/Update

The LHA received approval to select existing and new LHA owned/managed property for project-based voucher assistance without a competitive bid process. Site selection for LHA owned or managed property will be based on the need to maintain and preserve affordable housing. Each site may create a separate wait list for applicants interested in renting project-based units. LHA will eliminate the restriction on the percentage of units leased in a building or project. The LHA may project-base its own new construction projects during FY2019 and this flexibility will have a positive impact for the agency and the clients we serve.

Non-Significant Changes or Modifications During FY2019

The LHA does not anticipate any non-significant changes or modifications during the FY2019 Plan year.

Changes or Modifications to Metrics, Baselines or Benchmarks During FY2019

The LHA does not anticipate any changes or modifications during the FY2019 Plan year to metrics, baselines or benchmarks for this activity.

Attachment C or D Authorization(s) Changes

There have been no changes in Attachment C or D authorizations since this activity was proposed and approved.

Significant Change or Modifications to the Activity Since Approval

There are no significant changes or modifications to the activity as previously proposed and approved.

Activity 21: Triennial Certifications for HCV Homeownership Participants (Rent Reform)

Activity Proposed, Approved, and Implemented in FY 2017

Description/Update

The LHA received approval to implement reexaminations every three (3) years for Housing Choice Voucher (HCV) Homeownership households by conducting income reexaminations every three (3) years. Triennial recertification has proved successful for HCV elderly disabled on fixed incomes. Staff sees minimal changes in income for the homeownership households in the Housing Choice Voucher program. The elimination of these annual certifications has allowed for more time for HCV specialist to devote to other programs.

Non-Significant Changes or Modifications During FY2019

The LHA does not anticipate any non-significant changes or modifications during the FY2019 Plan year.

Changes or Modifications to Metrics, Baselines or Benchmarks During FY2019

The LHA does not anticipate any changes or modifications during the FY2019 Plan year to metrics, baselines or benchmarks for this activity.

Attachment C or D Authorization(s) Changes

There have been no changes in Attachment C or D authorizations since this activity was proposed and approved.

Significant Change or Modifications to the Activity Since Approval

There are no significant changes or modifications to the activity as previously proposed and approved.

Activity 22: Rent Reform: Housing Choice Voucher Time Limit Pilot Program
*Activity Proposed and Implemented in FY2018*Description/Update

The Lexington Housing Authority received approval in the FY2018 Plan to test time-limited housing assistance for work-able new admissions to the HCV Program for five (5) years with a potential two (2) year extension. Elderly households are exempt from this activity.

Currently, the HCV case manager is contacting households currently on the waiting list to recruit voluntary participants for this pilot program. The HCV waiting list opened for one week in late March 2018 and more than 3,000 applications were taken, offering a larger pool of potential participants.

Work-able new admission participants will be subject to:

- Total Tenant Payment (TTP) calculated based on 28% for work-able households
- A triennial recertification schedule
- Mandatory participation in LHA-provided case management
- Elimination of all deductions except childcare (elderly/disabled deduction, dependent deduction, medical expenses)
- Increases in income are excluded until the next certification
- Adult head of household, co-head or spouse must be employed at least 20 hours per week earning no less than local or federal minimum wage (whichever is higher); at least 25 hours per week employment beginning with their third year of program participation and at least 37.5 hours per week employment for the fourth and any subsequent year program participation.
- Should the participant not reach \$0 HAP at the end of five (5) years; the LHA will continue to provide rental assistance capped as follows:
 - 1 BR – \$200 maximum subsidy
 - 2 BR – \$300 max subsidy
 - 3 BR and over – \$400 max subsidy
- Minimum rent of \$150

The LHA defines self-sufficiency as a participant that is able to supply for their own needs with a reduced need for subsidy. Families who lose income through no fault of their own may submit a hardship request (see Appendix A).

Non-Significant Changes or Modifications During FY2019

The LHA does not anticipate any non-significant changes or modifications during the FY2019 Plan year.

Changes or Modifications to Metrics, Baselines or Benchmarks During FY2019

The LHA does not anticipate any changes or modifications during the FY2019 Plan year to metrics, baselines or benchmarks for this activity.

Attachment C or D Authorization(s) Changes

There have been no changes in Attachment C or D authorizations since this activity was proposed and approved.

Significant Change or Modifications to the Activity Since Approval

There are no significant changes or modifications to the activity as previously proposed and approved.

Activity 23: Rent Reasonableness Determinations To Be Made By LHA Staff on LHA-Owned/Controlled Properties

FY2018 Amendment Proposed in January 2018, Approved March 2018

Description/Update

The LHA proposed through the amended FY2018 MTW Annual Plan to perform rent reasonableness determinations on all property owned or managed by the LHA. This initiative aims to eliminate the administrative work and cost of acquiring an independent entity to perform rent reasonableness determinations on LHA owned-controlled units. Eliminating the independent entity will improve administrative efficiencies, eliminate confusion for the voucher participant, and improves the response time for performing inspections. As this activity was approved on March 28, 2018, LHA will immediately begin using this authority.

Non-Significant Changes or Modifications During FY2019

The LHA does not anticipate any non-significant changes or modifications during the FY2019 Plan year.

Changes or Modifications to Metrics, Baselines or Benchmarks During FY2019

The LHA does not anticipate any changes or modifications during the FY2019 Plan year to metrics, baselines or benchmarks for this activity.

Attachment C or D Authorization(s) Changes

There have been no changes in Attachment C or D authorizations since this activity was proposed and approved.

Significant Change or Modifications to the Activity Since Approval

There are no significant changes or modifications to the activity as previously proposed and approved.

SECTION IV – APPROVED MTW ACTIVITIES: HUD APPROVAL PREVIOUSLY GRANTED

B. NOT YET IMPLEMENTED ACTIVITIES

Activity #7:

Public Housing Acquisition Without Prior Approval

Approval Dates:

FY2012-2013 Plan

Description

Relief from HUD approvals prior to the acquisition of property will enhance LHA's ability to respond quickly to unique market conditions, making the Authority more competitive with other purchasers in the tight real estate markets typical of low poverty areas of the city. This relief will apply only to the acquisition of public housing units or vacant land purchased for the development of public housing units in non-impacted areas of the city.

All acquired properties will meet HUD's site selection requirements. Approval from the local HUD office will be sought when a pending real estate acquisition deviates from the selection requirements. Copies of all required forms and appraisals will be maintained at the Authority's main office. After acquisition, all required documentation will also be provided to the HUD field office so HUD officials can ensure that site selection requirements were met and establish records for these new public housing properties in the agency's data systems.

Update

The LHA did not acquire any public housing properties during where it was necessary to implement this activity.

Timeline for Implementation:

The LHA will develop a timeline for this activity during FY 2019 should the Authority decide to acquire public housing units or land for the development of public housing.

Explanation of any non-significant changes or modifications to the activity since it was approved:

The LHA does not anticipate any non-significant changes or modifications to this activity during FY2019.

B. NOT YET IMPLEMENTED ACTIVITIES

Activity #8: Conversion of Appian Hills Public Housing to Project-Based Vouchers		Approval Dates: FY2012-2013 Plan FY2014 (modified)
Description	Appian Hills needs extensive capital improvements – including façade improvements, new windows, insulation in the exterior walls, and soundproofing between units. As part of this renovation, LHA will explore various ways to reconfigure the site’s 27 four-bedroom homes. LHA continues to work diligently to secure adequate funding to revitalize the Appian Hills public housing development. This site may be rehabilitated in its entirety or in phases, as determined by the Authority.	
Update	Should HUD issue a NOFA during FY 2019 that would aid in the redevelopment of Appian Hills, LHA may apply for these funds.	
Timeline for Implementation: Once a plan for revitalization is agreed upon that includes the substitution of project-based vouchers for public housing subsidies, LHA will submit an appropriate application for disposition of the affected portion(s) of the site as well as a request for tenant protection vouchers for residents of affected units.		
Explanation of any non-significant changes or modifications to the activity since it was approved: The LHA does not anticipate any non-significant changes or modifications to this activity during FY2019.		

Activity #9: Development of Project-Based Voucher Units at 800 Edmond St.		Approval Dates: FY2012-2013 Plan
Description	The flexibilities provided through this MTW activity will be used to project-base the units at Edmond Street without a competitive process and to exceed the per-building cap typically placed on project-based voucher developments.	
Update	The LHA still plans to implement this activity once financial resources become available.	
Timeline for Implementation: The LHA will develop a timeline for this activity during FY 2019 should the Authority decide to develop the Edmond Street property.		
Explanation of any non-significant changes or modifications to the activity since it was approved: The LHA does not anticipate any non-significant changes or modifications to this activity during FY2019.		

B. NOT YET IMPLEMENTED ACTIVITIES

Activity #11: Local, Non-Traditional Use of MTW Funds: Emergency Reserves for Connie Griffith-Ballard Towers		Approval Dates: FY2012-2013 Plan FY2014 (modified)
Description	<p>Through its FY 2014 MTW Annual Plan, the LHA requested to retain the flexibility to use MTW funds should Ballard Towers (non-MTW units which are attached to an LHA-owned public housing site, Connie Griffith Towers, serving low-income, elderly households) require significant emergency capital repairs. MTW funds would only be used if the LHA does not have the financial resources to complete the repairs itself. Despite the number/extent of unforeseen capital emergencies that might arise, the LHA will provide Ballard Towers no more than \$300,000 in emergency funds in total.</p> <p>When this activity was proposed the LHA did not have a confirmed funding source for sorely needed capital improvements at Ballard. After the activity was approved, the site's tax credit investors informed the LHA that they would indeed have sufficient funds to complete the needed work. Having spent a significant portion of their reserves to fund these improvements the Housing Authority was concerned about their ability to cover any additional emergency capital repairs, which prompted creation of this activity.</p>	
Update	Ballard Towers falls outside Section 8 and 9 programs as it is a Multi-Family site that was a tax-credit entity until October 20, 2015 when the property exited tax credit compliance and is now solely owned by the Ballard, LLC, a LHA controlled entity. The LHA is weighing the possibility of Voluntary Conversion for Connie Griffith Towers and continues to seek a funding mechanism for Ballard Towers.	

Timeline for Implementation:

The LHA will develop a timeline for this activity during FY 2019 should the Authority encounter an emergency that would result in a financial hardship for the property which would necessitate the used of the MTW emergency reserves.

Explanation of any non-significant changes or modifications to the activity since it was approved:

The LHA does not anticipate any non-significant changes or modifications to this activity during FY2019.

SECTION IV – APPROVED MTW ACTIVITIES: HUD APPROVAL PREVIOUSLY GRANTED

C. ACTIVITIES ON HOLD

N/A

D. CLOSED OUT ACTIVITIES

Activity #2 - Management Team III Rent Reform Controlled Study – No Rent Reduction Requests for 6 Months After Initial Occupancy for Bluegrass HOPE VI Public Housing Residents (Closed out FY2014)

The implementation of this activity made no discernable impact on the percentage of Bluegrass HOPE VI public housing families meeting the self-sufficiency requirement. Staff reported that many families simply waited for the six-month restriction to expire, and then requested a rent reduction shortly thereafter. Given its negligible impact, the LHA decided to terminate this activity.

Activity #3 - Triennial Recertification of Connie Griffith Towers and HCV Elderly/Disabled Households (Closed out FY2018)

PIH Notice 2016-05 Streamlining Rule allows for all PHAs to adopt triennial recertifications and received approval to discontinue reporting on standard metrics for this activity in the MTW FY18 plan.

Activity #4 - HCV Rent Reform Controlled Study: No Rent Reduction Requests for 6 Months After Initial Occupancy (Closed out FY2015)

The implementation of this activity did not reduce the percentage of families requesting a rent reduction within 6 months of their effective move-in date. In fact, the percentage of families making such a request rose from 10% to 18% during FY2012 – FY2013. For those reasons, the LHA has decided to terminate this activity.

Activity #6 - Biennial Housekeeping Inspection Policy for Public Housing Residents (Closed out FY2014)

This activity was not implemented in FY 2012-FY2013 because it was determined that tracking the housekeeping ratings would require software modifications that would be cost prohibitive.

SECTION IV – APPROVED MTW ACTIVITIES: HUD APPROVAL PREVIOUSLY GRANTED

Activity #15 - Limit HCV Landlord Rent Increases to the Lesser of 2%, the HUD Fair Market Rent (FMR) or Comparable Rent (Closed out FY2016)

HCV staff decided to close out this activity because the number of landlords requesting rent increases beyond above comparable rents or HUD's FMR was not as significant as initially anticipated. In many cases when a landlord's rent increase was denied the landlord withdrew the request as to not cause the tenant to have to move.

V. SOURCES AND USES OF FUNDS

(V) Sources and Uses of Funds		
Annual MTW Plan		
V.1.Plan.Sources and Uses of MTW Funds		
A. MTW Plan: Sources and Uses of MTW Funds		
Estimated Sources of MTW Funding for the Fiscal Year		
PHAs shall provide the estimated sources and amounts of MTW funding by FDS line item.		
Sources		
FDS Line Item	FDS Line Item Name	Dollar Amount
70500 (70300+70400)	Total Tenant Revenue	\$5,366,032
70600	HUD PHA Operating Grants	\$25,143,989
70610	Capital Grants	\$300,000
70700 (70710+70720+70730+70740+70750)	Total Fee Revenue	\$1,761,305
71100+72000	Interest Income	\$12,470
71600	Gain or Loss on Sale of Capital Assets	\$0
71200+71300+71310+71400+71500	4406942	\$5,514
70000	Total Revenue	\$32,589,310
Estimated Uses of MTW Funding for the Fiscal Year		
PHAs shall provide the estimated uses and amounts of MTW spending by FDS line item.		
Uses		
FDS Line Item	FDS Line Item Name	Dollar Amount
91000 (91100+91200+91400+91500+91600+91700+91800+91900)	Total Operating - Administrative	\$4,406,942
91300+91310+92000	Management Fee Expense	\$1,761,305
91810	Allocated Overhead	\$0
92500 (92100+92200+92300+92400)	Total Tenant Services	\$0
93000 (93100+93600+93200+93300+93400+93800)	Total Utilities	\$1,911,324
93500+93700	Labor	\$0
94000 (94100+94200+94300+94500)	Total Ordinary Maintenance	\$3,465,744
95000 (95100+95200+95300+95500)	Total Protective Services	\$341,621
96100 (96110+96120+96130+96140)	Total Insurance Premiums	\$569,198
96000 (96200+96210+96300+96400+96500+96600+96800)	Total Other General Expenses	\$217,650
96700 (96710+96720+96730)	Total Interest Expense and Amortization Cost	\$0
97100+97200	Total Extraordinary Maintenance	\$0
97300+97350	Housing Assistance Payments + HAP Portability-In	\$19,039,778
97400	Depreciation Expense	\$1,673,348
97500+97600+97700+97800	All Other Expenses	\$401,643
90000	Total Expenses	\$33,788,553

Describe the Activities that Will Use Only MTW Single Fund Flexibility	
<p>The LHA will use single-fund fungibility by transferring excess cash reserves from Low Rent Public Housing (LRPH) and Section 8 funds as of 7/01/2018 per our audited report to be utilized for a number of projects. Those projects would include but not limited to: development of 11 units (owned/controlled by LHA) at Glen Arvin Avenue designated for extremely low-income families; Ballard Towers, a senior designated highrise that has been awarded 9% tax credits may need additional funding for cost overruns related to renovation; possible tax credit funding and source of funds to meet rehab needs for Connie Griffith Towers vountary conversion from public housing to PBV. In addition, this flexibility may be necessary to take advantage of existing or new construction development opportunities as well as resident programs that promote self-sufficiency.</p>	
V.2.Plan.Local Asset Management Plan	
B. MTW Plan: Local Asset Management Plan	
Is the PHA allocating costs within statute?	<input type="text" value="Yes"/> or <input type="text"/>
Is the PHA implementing a local asset management plan (LAMP)?	<input type="text"/> or <input type="text" value="No"/>
<p>If the PHA is implementing a LAMP, it shall be described in an appendix every year beginning with the year it is proposed and approved. The narrative shall explain the deviations from existing HUD requirements and should be updated if any changes are made to the LAMP.</p>	
Has the PHA provided a LAMP in the appendix?	<input type="text"/> or <input type="text" value="No"/>
<p>The LHA is not implementing a LAMP.</p>	

Depreciation accounts for the difference in estimated sources and estimated uses of funds.

Section VI. Administrative

- A. Resolution Signed by the Board of Commissioners and Certifications of Compliance
- B. The beginning and end dates of when the Plan was made available for public review, public hearing sign-in sheet and # of attendees, etc.
- C. Evaluation
- D. The Annual Statement/Performance and Evaluation Report (HUD 50075.1)

A. LHA Board Resolution

RESOLUTION TO APPROVE THE LEXINGTON HOUSING AUTHORITY FY 2019 MOVING TO WORK ANNUAL PLAN

WHEREAS, the Lexington-Fayette Urban County Housing Authority (LHA) executed a Moving to Work (MTW) Agreement on November 10, 2011, which provides LHA with the authority to investigate and adopt new policies and to flexibly use HUD funding; and

WHEREAS, as part of the MTW Agreement, an annual plan must be developed and submitted to HUD to formally enable the Authority to fully use the policy and budget flexibility provided to participants in the MTW Program; and

WHEREAS, the U.S. Department of Housing and Urban Development (HUD) approved the LHA's FY 2012 MTW Annual Plan on December 29, 2011; and

WHEREAS, the LHA's FY2018 MTW Annual Plan was submitted to HUD on April 14, 2017 and approved by HUD on July 19, 2017, effective through June 30, 2018; and

WHEREAS, LHA has proposed one new activity in the FY 2019 MTW Annual Plan that will serve to reduce costs and achieve greater cost effectiveness in federal expenditures; and

WHEREAS, the LHA has proposed to modify certain previously approved MTW activities as necessary; and

WHEREAS, a Board Resolution approving the proposed FY 2019 MTW Annual Plan and required Certifications of Compliance that must be included in the submission provided to HUD; and

WHEREAS, LHA staff has distributed the Annual Plan to the Board of Commissioners, has allowed thirty days from March 16, 2018 through April 16, 2018 for the public to comment on the Plan, and has conducted a Public Hearing on March 27, 2018 to discuss the proposed Annual Plan before its submission to HUD;

NOW, THEREFORE, BE IT RESOLVED BY THE LEXINGTON-FAYETTE URBAN COUNTY HOUSING AUTHORITY BOARD OF COMMISSIONERS that the FY 2019 MTW Annual Plan is approved, and that the Executive Director, Austin Simms, is hereby authorized to submit this Annual Plan and the required Certifications to the U.S. Department of Housing and Urban Development.



Daryl Smith
Chairperson, Board of Commissioners

April 19, 2018
Date

A. Certification of Compliance

OMB Control Number: 2577-0216
Expiration Date: 5/31/2016

Form 50900: Elements for the Annual MTW Plan and Annual MTW Report	
Attachment B	
Certifications of Compliance	
Annual Moving to Work Plan Certifications of Compliance	U.S. Department of Housing and Urban Development Office of Public and Indian Housing
Certifications of Compliance with Regulations: Board Resolution to Accompany the Annual Moving to Work Plan*	
<p>Acting on behalf of the Board of Commissioners of the Public Housing Agency (PHA) listed below, as its Chairman or other authorized PHA official if there is no Board of Commissioners, I approve the submission of the Annual Moving to Work Plan for the PHA fiscal year beginning <u>7/1/2018</u>, hereinafter referred to as "the Plan", of which this document is a part and make the following certifications and agreements with the Department of Housing and Urban Development (HUD) in connection with the submission of the Plan and implementation thereof:</p> <ol style="list-style-type: none"> 1. The PHA published a notice that a hearing would be held, that the Plan and all information relevant to the public hearing was available for public inspection for at least 30 days, that there were no less than 15 days between the public hearing and the approval of the Plan by the Board of Commissioners, and that the PHA conducted a public hearing to discuss the Plan and invited public comment. 2. The PHA took into consideration public and resident comments (including those of its Resident Advisory Board or Boards) before approval of the Plan by the Board of Commissioners or Board of Directors in order to incorporate any public comments into the Annual MTW Plan. 3. The PHA certifies that the Board of Directors has reviewed and approved the budget for the Capital Fund Program grants contained in the Capital Fund Program Annual Statement/Performance and Evaluation Report, form HUD-50075.1. 4. The PHA will carry out the Plan in conformity with Title VI of the Civil Rights Act of 1964, the Fair Housing Act, section 504 of the Rehabilitation Act of 1973, and title II of the Americans with Disabilities Act of 1990. 5. The Plan is consistent with the applicable comprehensive housing affordability strategy (or any plan incorporating such strategy) for the jurisdiction in which the PHA is located. 6. The Plan contains a certification by the appropriate State or local officials that the Plan is consistent with the applicable Consolidated Plan, which includes a certification that requires the preparation of an Analysis of Impediments to Fair Housing Choice, for the PHA's jurisdiction and a description of the manner in which the PHA Plan is consistent with the applicable Consolidated Plan. 7. The PHA will affirmatively further fair housing by examining its programs or proposed programs, identify any impediments to fair housing choice within those programs, address those impediments in a reasonable fashion in view of the resources available and work with local jurisdictions to implement any of the jurisdiction's initiatives to affirmatively further fair housing that require the PHA's involvement and maintain records reflecting these analyses and actions. 8. The PHA will comply with the prohibitions against discrimination on the basis of age pursuant to the Age Discrimination Act of 1975. 9. The PHA will comply with the Architectural Barriers Act of 1968 and 24 CFR Part 41, Policies and Procedures for the Enforcement of Standards and Requirements for Accessibility by the Physically Handicapped. 10. The PHA will comply with the requirements of section 3 of the Housing and Urban Development Act of 1968, Employment Opportunities for Low-or Very-Low Income Persons, and with its implementing regulation at 24 CFR Part 135. 11. The PHA will comply with requirements with regard to a drug free workplace required by 24 CFR Part 24, Subpart F. 12. The PHA will comply with requirements with regard to compliance with restrictions on lobbying required by 24 CFR Part 87, together with disclosure forms if required by this Part, and with restrictions on payments to influence Federal Transactions, in accordance with the Byrd Amendment and implementing regulations at 49 CFR Part 24. 	

Attachment B

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13. The PHA will comply with acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 and implementing regulations at 49 CFR Part 24 as applicable.
14. The PHA will take appropriate affirmative action to award contracts to minority and women's business enterprises under 24 CFR 5.105(a).
15. The PHA will provide HUD or the responsible entity any documentation needed to carry out its review under the National Environmental Policy Act and other related authorities in accordance with 24 CFR Part 58. Regardless of who acts as the responsible entity, the PHA will maintain documentation that verifies compliance with environmental requirements pursuant to 24 Part 58 and 24 CFR Part 50 and will make this documentation available to HUD upon its request.
16. With respect to public housing the PHA will comply with Davis-Bacon or HUD determined wage rate requirements under section 12 of the United States Housing Act of 1937 and the Contract Work Hours and Safety Standards Act.
17. The PHA will keep records in accordance with 24 CFR 85.20 and facilitate an effective audit to determine compliance with program requirements.
18. The PHA will comply with the Lead-Based Paint Poisoning Prevention Act and 24 CFR Part 35.
19. The PHA will comply with the policies, guidelines, and requirements of OMB Circular No. A-87 (Cost Principles for State, Local and Indian Tribal Governments) and 24 CFR Part 85 (Administrative Requirements for Grants and Cooperative Agreements to State, Local and Federally Recognized Indian Tribal Governments).
20. The PHA will undertake only activities and programs covered by the Plan in a manner consistent with its Plan and will utilize covered grant funds only for activities that are approvable under the Moving to Work Agreement and Statement of Authorizations and included in its Plan.
21. All attachments to the Plan have been and will continue to be available at all times and all locations that the Plan is available for public inspection. All required supporting documents have been made available for public inspection along with the Plan and additional requirements at the primary business office of the PHA and at all other times and locations identified by the PHA in its Plan and will continue to be made available at least at the primary business office of the PHA.

Lexington-Fayette Urban County Housing Authority
PHA Name

KY004
PHA Number/HA Code

I hereby certify that all the information stated herein, as well as any information provided in the accompaniment herewith, is true and accurate. Warning: HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3802)

Daryl Smith
Name of Authorized Official

Board Chairperson
Title


Signature

April 19, 2018
Date

*Must be signed by either the Chairman or Secretary of the Board of the PHA's legislative body. This certification cannot be signed by an employee unless authorized by the PHA Board to do so. If this document is not signed by the Chairman or Secretary, documentation such as the by-laws or authorizing board resolution must accompany this certification.

B. The beginning and end dates of when the Plan was made available for public review, public hearing sign-in sheet and # of attendees, etc.

Public Comment Documents



PUBLIC HEARING

You are welcome to attend; however, attendance is not mandatory.

TUESDAY, MARCH 27, 2018 @ 5:30 PM

**LHA CENTRAL OFFICE
300 W. NEW CIRCLE RD**

SUBJECTS TO BE DISCUSSED:

- 1) PROPOSE THE FY 2019 MOVING TO WORK (MTW) ANNUAL PLAN
- 2) VOLUNTARY CONVERSION PLAN, ASSESSMENT AND RELOCATION PLAN FOR CONNIE GRIFFITH TOWERS APPLICATION
- 3) PUBLIC HOUSING ADMISSIONS & CONTINUED OCCUPANCY POLICY UPDATES
- 4) HOUSING CHOICE VOUCHER (SECTION 8) ADMINISTRATIVE PLAN UPDATES
- 5) ADOPTION OF THE LHA'S SMOKE FREE POLICY AT OTHER LHA OWNED/CONTROLLED PROPERTIES.

Lexington-Fayette Urban County Housing Authority (LHA) Announces a Public Hearing Regarding: 1) Amend the FY 2019 Moving to Work (MTW) Annual Plan to add a new activity; 2) Voluntary Conversion of Connie Griffith Towers Application; 3) updates to the Public Housing Admissions and Continued Occupancy Policy (ACOP); 4) updates to the Housing Choice Voucher (Section 8) Administrative Plan; and, 5) adoption of LHA Smoke-Free Policy at other LHA owned-controlled properties.

There will be a public hearing on **Tuesday, March 27, 2018 at 5:30 PM** at LHA's Central Office, located at 300 W. New Circle Rd, Lexington, Kentucky, 40505. The subject of the meeting will be to amend the FY 2019 MTW Annual Plan; proposed modifications to the Public Housing ACOP; proposed modifications to the Housing Choice Voucher (Section 8) Administrative Plan; and, adoption of the LHA's Smoke Free Policy at LHA mixed finance/tax credit properties.

The LHA welcomes public comment regarding these changes from March 16 –April 16, 2018. Complete copies of the affected documents (and a summary of proposed changes to each) have been posted on the LHA website (www.lexha.org), are available for public viewing at LHA's Central Office, or can be mailed upon request. Written comments should be addressed to Andrea Wilson at LHA's Central Office or emailed to wilsona@lexha.org. For additional information, call (859) 281-5060.

Accommodations for disabled or non-English speaking residents will be made available upon advance request. Please call (859) 281-5063. Residents with hearing or speech impairments may receive assistance contacting the LHA by dialing 7-1-1 to reach the Kentucky Telephone Relay Service.

The following is a copy of the ad from the Lexington Herald-Leader newspaper Sunday, March 11, 2018.

PUBLIC HEARING ANNOUNCEMENT

Lexington-Fayette Urban County Housing Authority (LHA) will hold a Public Hearing regarding: 1) the proposed FY 2019 Moving to Work (MTW) Annual Plan; 2) updates to the Public Housing Admissions and Continued Occupancy Policy (ACOP); 3) updates to the Housing Choice Voucher (Section 8) Administrative Plan; and 4) adoption of a Smoke-Free policy at LHA mixed finance/tax credit properties.

The public hearing will be held on Tuesday, March 27th, 2018 at 5:30 PM at LHA's Central Office, located at 300 W. New Circle Rd, Lexington, KY 40505. Accommodations for disabled or non-English speaking persons will be made available upon advance request. The subject of the meeting will be to review the proposed FY 2019 MTW Annual Plan; proposed modifications to the Housing Choice Voucher (Section 8) Administrative Plan and Public Housing ACOP; and adoption of a Smoke-Free Policy at LHA mixed finance/tax credit properties.

LHA welcomes public comment regarding these changes from March 18 - April 14, 2018. Complete copies of the affected documents (and a summary of proposed changes) have been posted on the LHA website (www.lexha.org), are available for public viewing at LHA's Central Office, or can be mailed upon request. Written comments should be addressed to Andrea Wilson at the LHA Central Office or emailed to awilson@lexha.org. For additional information, call (859) 251-5060. Persons with hearing or speech impairments can receive assistance contacting the LHA by dialing 7-1-1 to reach the Kentucky Telephone Relay Service.

(001)251-5060

Lexington Housing Authority Public Hearing Sign-In Sheet
Tuesday, March 27, 2018
5:30 p.m.

<u>Name</u>	<u>Address</u>
<u>Rose</u>	<u>650 Tower Plaza 4-3</u>
<u>Rose</u>	<u>650 Tower Plc 61</u>
<u>Carolyn Frost</u>	<u>LHA</u>
<u>Donna Chikoyan</u>	<u>LHA</u>
<u>Beth Trems</u>	<u>650 Tower Plaza</u>
<u>Michelle C. Lee</u>	<u>LHA</u>
<u>Dana Mason</u>	<u>LHA</u>
<u>BARRY HOGUE</u>	<u>LHA</u>
<u>Cathy Hall</u>	<u>LHA</u>
<u>Riki L. Hittman</u>	<u>LHA</u>

Lexington Housing Authority Public Hearing Sign-In Sheet

Tuesday, March 27, 2018

5:30 p.m.

Name

Address

Sasha Cooper

LHA

T. Smart

LHA

Andrea Wilson

LHA

Amber Lee

LHA

C. Evaluation

Dr. Amanda Soka leads oversight of the MTW program evaluation process, with an overall mandate to assess, monitor and report on the effects of the LHA's MTW initiatives. Dr. Soka is an independent consultant, who is currently employed by the University of Arizona, College of Public Health, Community Environment & Policy Department. Dr. Soka served as lead evaluator of the LHA's MTW program when the LHA entered the Demonstration in 2011. At that time, she was employed by Kentucky State University but has since left the university.

The central goal of the rent reform evaluation is to measure the overall effectiveness of the rent reform in accomplishing HUD's stated goals of: increasing the number and quality of affordable housing choices throughout the Lexington-Fayette community, increasing the number of families moving toward self-sufficiency, strengthening the number of community partnerships benefitting residents with special needs, and reducing administrative costs while limiting administrative burdens placed on staff and residents. In addition, the evaluation will consider potential disparate impacts on protected classes of residents as determined by sex, race, ethnicity, age and disability.

D. The Annual Statement/Performance and Evaluation Report (HUD 50075.1)

Annual Statement/Performance and Evaluation Report
Capital Fund Program, Capital Fund Program Replacement Housing Factor and
Capital Fund Financing Program

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
OMB No. 2577-0226
Expires: 8/31/2011

Part I: Summary		Grant Type and Number		FY of Grant: 2010	
PHA Name: Leavenworth-Holston Urban Housing Authority		Capital Fund Program Grant No. 3-VI0190450114		FY of Grant Approval:	
		Replacement Housing Grant Grant No.:			
		Date of CFP:			
<input type="checkbox"/> Original Annual Statement <input type="checkbox"/> Reserve for Disasters/Emergencies <input type="checkbox"/> Revised Annual Statement/Performance and Evaluation Report <input checked="" type="checkbox"/> Performance and Evaluation Report for Period Ending: 12/31/10 <input type="checkbox"/> Final Performance and Evaluation Report					
Line	Summary for Capital Fund Account	Original	Revised ¹	Obligated	Total Actual Cost ²
1	Total pass-CFP Funds				
2	1400 Apartments (may not exceed 20% of line 21)		271,695	271,695	271,695
3	1400 Management Improvements		244,525	244,525	244,525
4	1410 Administration (may not exceed 10% of line 21)		135,847	135,847	135,847
5	1411 Audit				
6	1412 Liquidated Damages				
7	1420 Fee and Cost		30,000	30,000	30,000
8	1440 Site Assessment				
9	1450 Site Improvement		194,290	194,290	150,906.99
10	1460 Building Structures		482,120	482,120	410,202.91
11	1461 Building Equipment—Nonoperational				
12	1470 Non-building Structures				
13	1472 Non-building Equipment				
14	1480 Demolition				
15	1492 Moving to Work Demonstration				
16	1495 Relocation Costs				
17	1499 Development Activities ³				

¹ To be completed for the Performance and Evaluation Report.

² To be completed for the Performance and Evaluation Report or a Revised Annual Statement.

³ PHAs with under 250 units in management may use 100% of CFP funds for operations.

⁴ HUD funds shall be included here.

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Form HUD-50075.1 (4/2008)

Annual Statement/Performance and Evaluation Report
Capital Fund Program, Capital Fund Program Replacement Housing Factor and
Capital Fund Financing Program

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
OMB No. 2577-0226
Expires 8/31/2011

Part I: Summary		Grant Type and Number		FY of Grant: 2010	
PHA Name: Leavenworth-Holston Urban Housing Authority		Capital Fund Program Grant No. 3-VI0190450114		FY of Grant Approval:	
		Replacement Housing Factor Grant No.:			
		Date of CFP:			
<input type="checkbox"/> Original Annual Statement <input type="checkbox"/> Reserve for Disasters/Emergencies <input type="checkbox"/> Revised Annual Statement/Performance and Evaluation Report <input checked="" type="checkbox"/> Performance and Evaluation Report for Period Ending: 02/28/11 <input type="checkbox"/> Final Performance and Evaluation Report					
Line	Summary for Capital Fund Account	Original	Revised ¹	Obligated	Total Actual Cost ²
18a	1500 Collaboration in Debt Service paid by the PHA				
18b	1500 Collaboration in Debt Service paid Via System of Direct Payments				
19	1502 Contingency (may not exceed 5% of line 20)				
20	Amount of Actual Grants: (sum of lines 7 - 19)		1,358,477	1,358,477	1,243,176.90
21	Amount of line 20 Related to CDF Activities				
22	Amount of line 20 Related to Section 504 Activities				
23	Amount of line 20 Related to Security - Staff Costs				
24	Amount of line 20 Related to Security - Fixed Costs				
25	Amount of line 20 Related to Security - Construction Materials				
Signature of Executive Director		Date		Signature of Public Housing Director	
				Date	

¹ To be completed for the Performance and Evaluation Report.

² To be completed for the Performance and Evaluation Report or a Revised Annual Statement.

³ PHAs with under 250 units in management may use 100% of CFP funds for operations.

⁴ HUD funds shall be included here.

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Form HUD-50075.1 (4/2008)

² To be completed for the Programme and Evaluation Report

Form HUD-50075-1 (4/2008)

	Total Project KY004000002			107,800			
KY004000004:							
Comet Griffin	Security Camera Upgrade	1408	183 units	108,678	28,306		
	Sub-Total			108,678			
	Total Project KY004000004			108,678			
KY004000007							
12 th Street	Door replacement; bldg. exterior & apartment entrance	1460	40 units	50,400			
	Fence repair & replacement	1450	40 units	15,822			
	Sub-Total			66,222			
	Total Project KY004000007			66,222			
KY004000009							
Russell Cave	Roof & gutter repair over doors	1460	26 units	47,160			
	Trim trim	1450	26 units	15,000			
	Fence repair/replacement	1450	26 units	10,000			
	Sub-Total			68,160			
	Total Project KY004000009			68,160			
KY004000003							
Aiya Place	Bathroom-cabinets & vanity top replacement	1460	18 units	5380			
	Kitchen-cabinets & counter top replacement	1460	18 units	5380			
	Roof & gutter replacements	1460	18 units	72,880			
	Dead tree removal	1450	18 units	3000			
	Perimeter fencing replacement	1450	18 units	8105			
	Sub-Total			93,745			
Calera Trace	Retention Basin Gates-gate, poles & railing repair/replacement	1450	23 units	900			
	Unit fencing-gate, poles, & rail replacement	1450	23 units	900			
	Privacy fence repair/replacement	1450	23 units	1200			
	Sub-Total			3000			

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Form HUD-50375.1 (4/2008)

Scattered Single-Family Housing	Roof & vanity replacement	1460	13 units	57,080			
	Doors & windows replacement	1460	8 units	54,960			
	Bathroom-cabinet & vanity top replacement	1460	12 units	9580			
	Kitchen-cabinet & counter top replacement	1460	13 units	9580			
	Tree & shrubbery replacement	1450	8 units	6300			
	Sub-Total			137,520			
	Total Project KY004000003			234,265			
KY004000010							
Bluegrass Apartments (The Shireburne)	Perimeter Fencing Replacement	1450	32 units	8105			
	Total Project KY004000010			8105			
KY004000015							
Bridlewood Apartments	Perimeter Fencing Replacement	1450	88 units	8105			
	Power repair & re-striping	1450	88 units	11,225			
	Downspout pad repair	1450	88 units	2775			
	Total Project KY004000015			23,105			
KY004000033							
Grand Oaks	Perimeter Fencing Replacement	1450	88 units	800			
	Large Tree removal	1450	88 units	5600			
	Total Project KY004000033			4400			

¹ Corresponds to the Performance and Evaluation Report or 3 Revised Annual Statement.

² To be completed for the Performance and Evaluation Report.

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Form HUD-50375.1 (4/2008)

Part III: Implementation Schedule for Capital Fund Financing Program					
PHA Name: Lexington-Fayette Urban County Housing Authority				Federal FFY of Grant: 2014	
Development Number (Include PHA-Wide Activities)	All Fund Obligation (Quarter Ending Date)		All Funds Expended (Quarter Ending Date)		Reasons for Revised Target Dates ¹
	Original Obligation End Date	Actual Obligation End Date	Original Expenditure End Date	Actual Expenditure End Date	
1406 LHA Wide - Operations	06/2016	06/2016	06/2016	06/2016	
1408 Mgmt Improvements	06/2016	06/2016	06/2016	06/2016	
1410 Administration	06/2016	06/2016	06/2016	06/2016	
1430 Fees & Costs	06/2016	06/2016	06/2016	06/2016	
1450 Site Improvements	06/2016	06/2016	06/2016	06/2016	
1460 Dwelling Structures	06/2016	06/2016	06/2016	06/2016	

¹ Obligation and expenditure end dates can only be revised with HUD approved permission in accordance with the U.S. Housing Act of 1992 as amended.

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form HUD-50075.1 (4/9/08)

Part I: Summary					
PHA Name: Lexington-Fayette Urban County Housing Authority		Grant Type and Number: Capital Fund Program Grant No.: KY36P00450115 Replacement Housing Factor Grant No.: Date of CFFP:	FFY of Grant: 2015 FFY of Grant Approval:		
Type of Grant: <input type="checkbox"/> Original Annual Statement <input type="checkbox"/> Reserve for Disasters/Emergencies <input checked="" type="checkbox"/> Performance and Evaluation Report for Period Ending: 02/28/18 <input type="checkbox"/> Revised Annual Statement (revision no.:) <input type="checkbox"/> Final Performance and Evaluation Report					
Line	Summary by Development Account	Original	Revised ²	Obligated	Expended
1	Total non-CFF Funds				
2	1406 Operations (may not exceed 20% of line 21) ³				
3	1408 Management Improvements				
4	1410 Administration (may not exceed 10% of line 21)				
5	1411 Audit				
6	1415 Liquidated Damages				
7	1430 Fees and Costs				
8	1440 Site Acquisition				
9	1450 Site Improvement				
10	1460 Dwelling Structures				
11	1465.1 Dwelling Equipment—Nonexpendable				
12	1470 Non-dwelling Structures				
13	1475 Non-dwelling Equipment				
14	1485 Demolition				
15	1492 Moving to Work Demonstration		1,070,421	494,422.20	473,321.02
16	1495.1 Relocation Costs				
17	1499 Development Activities ⁴				

¹ To be completed for the Performance and Evaluation Report.

² To be completed for the Performance and Evaluation Report or a Revised Annual Statement.

³ PHAs with under 250 units in management may use 100% of CFF Grants for operations.

⁴ RHF funds shall be included here.

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form HUD-50075.1 (07/2014)

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
OMB No. 2577-0226
Expires 06/30/2017

Part I: Summary		Expires 06/30/2017			
PHA Name: Lexington-Fayette Urban County Housing Authority	Grant Type and Number Capital Fund Program Grant No.: KY36P004S0115 Replacement Housing Factor Grant No.: Date of CHFP:	FFY of Grant: 2015 FFY of Grant Approval:			
Type of Grant					
<input type="checkbox"/> Original Annual Statement <input type="checkbox"/> Reserve for Disasters/Emergencies		<input type="checkbox"/> Revised Annual Statement (revision no:)			
<input checked="" type="checkbox"/> Performance and Evaluation Report for Period Ending: 02/28/18		<input type="checkbox"/> Final Performance and Evaluation Report			
Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost ¹	
		Original	Revised ¹	Obligated	Expended
18a	1501 Collateralization or Debt Service paid by the PHA				
18ba	9000 Collateralization or Debt Service paid Via System of Direct Payment				
19	1502 Contingency (may not exceed 8% of line 20)				
20	Amount of Annual Grant:: (sum of lines 2 - 19)	1,070,421		494,422.20	473,321.02
21	Amount of line 20 Related to LBP Activities				
22	Amount of line 20 Related to Section 504 Activities				
23	Amount of line 20 Related to Security - Soft Costs				
24	Amount of line 20 Related to Security - Hard Costs				
25	Amount of line 20 Related to Energy Conservation Measures				
Signature of Executive Director		Date	Signature of Public Housing Director		Date

³ PHAs with under 250 units in management may use 100% of CFP Grants for operations.

Annual Statement/Performance and Evaluation Report
Capital Fund Program, Capital Fund Program Replacement Housing Factor and
Capital Fund Financing Program

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
OMB No. 2577-0226
Expires 06/30/2017

[illegible]

² To be completed for the Performance and Evaluation Report.

¹ Obligation and expenditure end dated can only be revised with HUD approval pursuant to Section 9j of the U.S. Housing Act of 1937, as amended

¹ To be completed for the Performance and Evaluation Report.

Annual Statement/Performance and Evaluation Report
Capital Fund Program, Capital Fund Program Replacement Housing Factor and
Capital Fund Financing Program

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
OMB No. 2577-0226
Expires 06/30/2017

Part I: Summary		Grant Type and Number Capital Fund Program Grant No: KY36P00450116 Replacement Housing Factor Grant No: Date of CFFP:		FFY of Grant: 2016 FFY of Grant Approval:	
PHA Name: Lexington-Fayette Urban County Housing Authority					
Type of Grant <input type="checkbox"/> Original Annual Statement <input checked="" type="checkbox"/> Performance and Evaluation Report for Period Ending: 02/28/18 <input type="checkbox"/> Reserve for Disasters/Emergencies <input type="checkbox"/> Revised Annual Statement (revision no:) <input type="checkbox"/> Final Performance and Evaluation Report					
Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost ¹	
		Original	Revised ²	Obligated	Expended
18a	1501 Collateralization or Debt Service paid by the PHA				
18b	9000 Collateralization or Debt Service paid Via System of Direct Payment				
19	1502 Contingency (may not exceed 8% of line 20)				
20	Amount of Annual Grant: (sum of lines 2 - 19)	1,114,747		497,487	443,231.10
21	Amount of line 20 Related to LBP Activities				
22	Amount of line 20 Related to Section 504 Activities				
23	Amount of line 20 Related to Security - Soft Costs				
24	Amount of line 20 Related to Security - Hard Costs				
25	Amount of line 20 Related to Energy Conservation Measures				
Signature of Executive Director		Date		Signature of Public Housing Director	
				Date	

¹ To be completed for the Performance and Evaluation Report.
² To be completed for the Performance and Evaluation Report or a Revised Annual Statement.
³ PHAs with under 250 units in management may use 100% of CFFP Grants for operations.
⁴ RHP funds shall be included here.

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form HUD-50075.1 (07/2014)

Annual Statement/Performance and Evaluation Report
Capital Fund Program, Capital Fund Program Replacement Housing Factor and
Capital Fund Financing Program

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
OMB No. 2577-0226
Expires 06/30/2017

Part II: Supporting Pages		Grant Type and Number Capital Fund Program Grant No: KY36P00450116 CFFP (Yes/ No): Replacement Housing Factor Grant No:		Federal FFY of Grant: 2016	
PHA Name: Lexington-Fayette Urban County Housing Authority					
Development Number Name/PHA-Wide Activities	General Description of Major Work Categories	Development Account No.	Quantity	Total Estimated Cost	Total Actual Cost
				Original	Revised ¹
				Funds Obligated ²	Funds Expended ²
PHA-Wide	Operations	1406		222,949	222,949 222,949
PHA-Wide	Management Improvements	1408		156,064	156,064 101,808.10
PHA-Wide	Administration CF Program Fee	1410		111,474	111,474 111,474
PHA-Wide	Fees and Costs A & E Fees	1430		111,474	
PHA-Wide	Site Improvement	1450		60,219	
PHA-Wide	Dwelling Structures	1460		435,432	7,000 7,000
PHA-Wide	Non-dwelling Equipment	1475		17,135	

¹ To be completed for the Performance and Evaluation Report or a Revised Annual Statement.
² To be completed for the Performance and Evaluation Report.

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form HUD-50075.1 (07/2014)

Part II: Supporting Pages								
PHA Name: Lexington-Fayette Urban County Housing Authority		Grant Type and Number Capital Fund Program Grant No: KY36P00450116 CFFP (Yes/ No): Replacement Housing Factor Grant No:			Federal FFY of Grant: 2016			
Development Number Name/PHA-Wide Activities	General Description of Major Work Categories	Development Account No.	Quantity	Total Estimated Cost		Total Actual Cost		Status of Work
				Original	Revised ¹	Funds Obligated ²	Funds Expended ²	
KY004000001								
Allante Brook	Doors, storm doors, & window replacement	1460	32 units	42,070				
	Sub-Total			42,070				
Camelot	Doors, storm doors, & window replacement	1460	36 units	42,070				
	Sub-Total			42,070				
	Total Project KY004000001			84,140				
KY004000002								
Pine Valley	Fencing Replacement	1450	32 units	15,000				
	Storm Door Replacement	1460	32 units	32,000				
	Tub enclosure replacement	1460	32 units	38,400				
	Sub-Total			85,400				
Heartsbrook	Storm Door Replacement	1460	36 units	28,800				
	Sub-Total			28,800				
Rogers Manor	Steps tread replacement & seal wooden steps	1460	10 units	4,000				
	Sub-Total			4,000				
McCullough Drive	Steps tread replacement & seal wooden steps	1460	14 units	4,500				
	Sub-Total			4,500				
Rosemary	Storm door replacement	1460	26 units	22,400				
	Sub-Total			22,400				
	Total Project KY004000002			145,100				

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form HUD-50075.1 (07/2014)

KY004000003								
Antya	Tubs, surround, vanity replacement and plumbing upgrades	1460	15 units	7,254				
Constitution	Tubs, surround, vanity replacement and plumbing upgrades	1460	17 units	6,862				
Old Wilcox	Window repair/replacement/upgrade	1460	10 units	9,091				
	Tubs, surround, vanity replacement and plumbing upgrades	1460	10 units	4,036				
Catera Tract	Window repair/replacement/upgrade	1460	34 units	30,909				
Single Family	Tubs, surround, vanity replacement and plumbing upgrades	1460	14 units	5,633				
	Total Project KY004000003			63,815				
KY004000004								
Comie Griffith	Energy Management Control System Replacement	1460	183 units	25,517				
	Total Project KY004000004			25,517				
KY004000007								
Homeworship	Building exterior painting	1460	40 units	18,698				
	Repair/replace concrete steps & porches; exterior entrance doors, door locks, hardware repair/replace/upgrade, metal stairway repair/replace	1460	40 units	8,000				
	Total Project KY004000007			26,698				
KY004000008								
Sugar Mill Apts	Building exterior painting	1460	46 units	21,502				
	Total Project KY004000008			21,502				
KY004000010								
Bluegrass Apartments	Brick dumpster enclosures	1450	32 units	8,000				
	Building exterior painting	1460	32 units	8,000				
	Deck/balcony repair/replacement	1460	4 units	6,958				
	Power Lift	1475	32 units	1,878				
	Total Project KY004000010			24,836				
KY004000011								
Bluegrass Phase II	Exterior perimeter fencing	1450	24 units	11,219				
	Power Lift	1475	24 units	1,408				
	Total Project KY004000011			12,627				

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Annual Statement/Performance and Evaluation Report
Capital Fund Program, Capital Fund Program Replacement Housing Factor and
Capital Fund Financing Program

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
OMB No. 2577-0226
Expires 06/30/2017

Part I: Summary		PHA Name: Lexington-Fayette Urban County Housing Authority		Grant Type and Number: Capital Fund Program Grant No: KY36P00450117 Replacement Housing Factor Grant No: Date of CFFP:		FFY of Grant: 2017 FFY of Grant Approval:	
Type of Grant: <input type="checkbox"/> Original Annual Statement <input type="checkbox"/> Reserve for Disasters/Emergencies <input type="checkbox"/> Revised Annual Statement (revision no:) <input checked="" type="checkbox"/> Performance and Evaluation Report for Period Ending: 02/28/18 <input type="checkbox"/> Final Performance and Evaluation Report							
Line	Summary by Development Account	Original	Revised ¹	Obligated	Total Actual Cost ¹		
1	Total non-CFP Funds						
2	1406 Operations (may not exceed 20% of line 21) ²						
3	1408 Management Improvements						
4	1410 Administration (may not exceed 10% of line 21)						
5	1411 Audit						
6	1415 Liquidated Damages						
7	1430 Fees and Costs						
8	1440 Site Acquisition						
9	1450 Site Improvement						
10	1460 Dwelling Structures						
11	1465.1 Dwelling Equipment—Nonexpendable						
12	1470 Non-dwelling Structures						
13	1475 Non-dwelling Equipment						
14	1485 Demolition						
15	1492 Moving to Work Demonstration		1,154,275	0.00	115,427	115,427	
16	1495.1 Relocation Costs						
17	1499 Development Activities ⁴						

¹ To be completed for the Performance and Evaluation Report.
² To be completed for the Performance and Evaluation Report or a Revised Annual Statement.
³ PHAs with under 250 units in management may use 100% of CFP Grants for operations.
⁴ RHF funds shall be included here.

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form HUD-50075.1 (07/2014)

Annual Statement/Performance and Evaluation Report
Capital Fund Program, Capital Fund Program Replacement Housing Factor and
Capital Fund Financing Program

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
OMB No. 2577-0226
Expires 06/30/2017

Part I: Summary		PHA Name: Lexington-Fayette Urban County Housing Authority		Grant Type and Number: Capital Fund Program Grant No: KY36P00450117 Replacement Housing Factor Grant No: Date of CFFP:		FFY of Grant: 2016 FFY of Grant Approval:	
Type of Grant: <input type="checkbox"/> Original Annual Statement <input type="checkbox"/> Reserve for Disasters/Emergencies <input type="checkbox"/> Revised Annual Statement (revision no:) <input checked="" type="checkbox"/> Performance and Evaluation Report for Period Ending: 02/28/18 <input type="checkbox"/> Final Performance and Evaluation Report							
Line	Summary by Development Account	Original	Revised ¹	Obligated	Total Actual Cost ¹		
18a	1501 Collaboration in Debt Service paid by the PHA						
18b	5000 Collaboration or Debt Service paid Via System of Direct Payment						
19	1502 Community (may not exceed 8% of line 20)						
20	Amount of Annual Grant: (sum of lines 1 - 19)		1,154,275	0.00	115,427	115,427	
21	Amount of line 20 Related to LBP Activities						
22	Amount of line 20 Related to Section 594 Activities						
23	Amount of line 20 Related to Security - Soft Costs						
24	Amount of line 20 Related to Security - Hard Costs						
25	Amount of line 20 Related to Energy Conservation Activities						
Signature of Executive Director:		Date:		Signature of Public Housing Director:		Date:	

¹ To be completed for the Performance and Evaluation Report.
² To be completed for the Performance and Evaluation Report or a Revised Annual Statement.
³ PHAs with under 250 units in management may use 100% of CFP Grants for operations.
⁴ RHF funds shall be included here.

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Part II: Supporting Pages								
PHA Name: Lexington-Fayette Urban County Housing Authority			Grant Type and Number: Capital Fund Program Grant No: KY36P00450117 CFFP (Yes/ No): Replacement Housing Factor Grant No:			Federal FFY of Grant: 2016		
Development Number Name/PHA-Wide Activities	General Description of Major Work Categories	Development Account No.	Quantity	Total Estimated Cost		Total Actual Cost		Status of Work
				Original	Revised ¹	Funds Obligated ²	Funds Expended ²	
PHA-Wide	Operations	1406						
PHA-Wide	Management Improvements	1408		138,513				
PHA-Wide	Administration CF Program Fee	1410		115,427		115,427	115,427	
PHA-Wide	Fees and Costs A & E Fees	1430						
PHA-Wide	Site Improvement	1450						
PHA-Wide	Dwelling Structures	1460						
PHA-Wide	Moving To Work - Demonstration	1492		374,984				

¹ To be completed for the Performance and Evaluation Report or a Revised Annual Statement.

² To be completed for the Performance and Evaluation Report.

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Part II: Supporting Pages								
PHA Name: Lexington-Fayette Urban County Housing Authority		Grant Type and Number: Capital Fund Program Grant No: KY36P00450117 CFFP (Yes/No): Replacement Housing Factor Grant No:			Federal FFY of Grant: 2011			
Development Number Name/PHA-Wide Activities	General Description of Major Work Categories	Development Account No.	Quantity	Total Estimated Cost		Total Actual Cost		Status of Work
				Original	Revised	Funds Obligated ¹	Funds Expended ²	
KY004000001/								
Lexington South								
Atlantic Brook	Replace back stoops	1460	32 units	24,177				
	Sub-Total			24,177				
Appian Way	Replace/repair sidewalks	1450	44 units	17,809				
	Replace handrails	1460	44 units	20,809				
	Sub-Total			38,618				
Bainbridge Court	Replace/repair sidewalks	1450	48 units	20,882				
	Replace handrails	1460	48 units	7,882				
	Sub-Total			28,765				
Camelot	Replace back stoops	1460	36 units	26,324				
	Sub-Total			26,324				
Trent	Replace exterior doors & storm doors	1460	9 units	13,890				
	Sub-Total			13,890				
Scattered SF Houses	Replace/repair sidewalks & driveways; roof replacement	1450	11 units	27,404				
	Sub-Total			27,404				
	Total Project KY004000001			161,178				
KY004000002/								
Lexington West								
Heartsbrook	Window replacement	1460	26 units	122,148				
	Sub-Total			122,148				
Rosemary	Window replacement	1460	26 units	47,039				
	Sub-Total			47,039				
	Total Project KY004000002			169,187				

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KY004000003								
Unnamed								
Catria Trace	Replace sliding patio doors, Replace cabinets & countertops in kitchen and bathrooms	1460	25 units	32,594				
Old Wilson	Replace exterior entrance doors	1460	10 units	14,028				
New Wilson	Replace exterior entrance doors	1460	17 units	22,845				
Scattered Units	Replace exterior entrance doors	1460	3 units	3,270				
Scattered SF Homes	Replace flooring in living room, kitchen, and bathroom, Replace bathroom tub surround, roof replacement	1460	14 units	22,135				
	Total Project KY004000003			83,872				
KY004000007								
Homownership	Replace interior & exterior lighting, paint interior hallways	1460	40 units	18,420				
	Total Project KY004000007			18,420				
KY004000010								
Bluegrass Apartments	Parking lot repair	1450	32 units	4,177				
	Replace kitchen cabinets, Replace bathroom tub	1460	4 units	16,527				
	Total Project KY004000010			20,704				
KY004000011								
Bluegrass Phase II	Replace kitchen countertops & cabinets, Replace shower stall doors	1460	24 units	9,582				
	Total Project KY004000011			9,582				
KY004000013								
Bluegrass Phase III	Sidewalk repair, dumpster replacement	1450	60 units	8,103				
	Paint MF interior hallways	1460	60 units	8,103				
	Total Project KY004000013			16,206				

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KY004000015								
Bridlewood Apts.	Paint MF interior hallways	1460	88 units	22,236				
	Total Project KY004000015			22,236				
KY004000033								
Grand Oaks Apts.	Paint MF interior hallways	1460	88 units	23,966				
	Total Project KY004000033			23,966				

¹ To be completed for the Performance and Evaluation Report or a Revised Annual Statement.

² To be completed for the Performance and Evaluation Report.

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¹ Obligation and expenditure end dated can only be revised with HUD approval pursuant to Section 9j of the U.S. Housing Act of 1937, as amended.

APPENDIX A – HARDSHIP POLICY

This policy is applicable to LHA housing programs excluding the HCV Rent Reform Study and MTW Activity 17.

A Hardship Review Committee will be created to review individual cases of significant rent burdens or rent increases for families. Residents can request a Hardship Waiver Request form from their housing management office. The Hardship Review Committee will review hardship requests on a case-by-case basis.

The hardship committee will consist of at least two people one of which must be a senior LHA public housing or housing choice voucher management staff member.

In order to qualify for a hardship exemption, the household must provide proof it is unable to continue to pay the current rent share because of a financial hardship, including:

The family's income has decreased because of loss of employment through no fault of the family and the family demonstrates efforts towards regaining employment;

A death has occurred in the family which eliminates a prior source of income; or

Other circumstances determined to warrant an exemption by the LHA.

The qualifying financial hardship must be long-term (a minimum of 4 months) and will set the household's Total Tenant Payment (TTP) at 30 percent of current income, but no lower than the minimum rent for up to six (6) months.

Until the request for a hardship exemption is reviewed and approved by the LHA Hardship Review Committee, the participating household is expected to continue to pay its portion of the rent and utilities as previously agreed. The family is required to abide by all other requirements for continued occupancy and failure to do so is grounds for termination/eviction.

The Hardship Review Committee will send decisions to the housing manager within five (5) business days of receiving verification of all necessary information, such as income, social security benefits, etc., associated with the hardship request.

If the resident disagrees with the Hardship Review Committee's decision they can request a grievance hearing. The LHA will take no action to change a resident's rent in cases where a grievance hearing has been requested until such time as the grievance process has concluded.

If the resident is approved for a hardship and the hardship expires, the resident can re-apply as needed. There is no limit on the number of hardship requests that can be made.

The Hardship Review Committee will consist of at least two people. One of whom will be a member of LHA's senior staff. Public Housing management teams or HCV management will not review hardship requests submitted for tenants that report to their management team or HCV office.

APPENDIX B – HARDSHIP POLICY (ACTIVITY 17)

Hardship Policy for Interim Re-examinations

The LHA will adopt a policy that may limit the ability of a participating family to request an interim re-examination between normally scheduled annual re-examinations. This restriction applies to all households who are not defined as elderly or disabled households. However, a household will be exempted from the limit of one rent decrease each year if it qualifies for a hardship exemption. To be considered for a hardship exemption the participant household must demonstrate that it is experiencing a financial hardship due to an unexpected or unprecedented economic burden on the family.

At any time between required annual re-examinations and after one interim reduction in rent, a family residing in public housing may submit a written request for an exemption to the interim rent reduction policy. A household must meet the following requirements in order to receive a hardship exemption; all cases will be reviewed on a case-by-case basis:

The participant household must provide proof it is unable to continue to pay the current rent share because of a financial hardship, including:

The family's income has decreased because of loss of employment through no fault of the family and the family demonstrates efforts towards regaining employment;

A death has occurred in the family which eliminates a prior source of income; or

Other circumstances determined to warrant an exemption by the LHA.

The qualifying financial hardship must be long-term (a minimum of 4 months).

Allowing an additional interim re-examination beyond the normal one-per-year option could lower the household's rent (but only as low as the \$150 minimum rent) for up to 6 months.

Setting the household's rent at the minimum level for up to 6 months.

Setting the household's TTP at 30 percent of current income (but no lower than the \$150 minimum rent), for up to 6 months.

Until the request for a hardship exemption is reviewed and approved by the LHA the participating household is expected to continue to pay its portion of rent and utilities as previously agreed. The family is required to abide by all other requirements for continued occupancy and failure to do so is grounds for termination.

APPENDIX C – LHA GRIEVANCE PROCEDURE

1. RIGHT TO A HEARING

- a. The Lexington Housing Authority Grievance Procedure shall be applicable (except as provided in Section (b), (c) and (d) of this section) to all individual grievances as defined in Section 2 between the Leaseholder/Resident and the Lexington Housing Authority including grievances regarding accessibility and reasonable accommodation unless otherwise excluded herein.
- b. The Department of Housing and Urban Development has issued a due process determination for Lexington. This excludes from the LHA administrative grievance procedure under this subpart any grievance concerning a termination of tenancy or eviction that involves: (a) any criminal activity that threatens the health, safety, or right to peaceful enjoyment of the premises of other residents or employees of the LHA, or (b) any drug-related criminal activity on or off such premises.
- c. Since HUD has issued a due process determination, the LHA will evict the occupants of the dwelling unit through the judicial eviction procedures which are the subject of the determination and the LHA is not required to provide the opportunity for a hearing under the LHA's administrative grievance procedure.
- d. The LHA grievance procedure shall not be applicable to disputes between tenants not involving the LHA or to class grievances. The grievance procedure is not intended as a forum for initiating or negotiating policy changes between a group or groups of tenants and the LHA's board of Commissioners.

2. DEFINITIONS

The following definitions are applicable:

- a. Grievance shall mean any dispute which a tenant may have with respect to LHA action or failure to act in accordance with the individual Leaseholder's lease or LHA regulations which adversely affect the individual Leaseholder/Resident's rights, duties, welfare or status.

- b. Complainant shall mean any Leaseholder whose grievance is presented to the LHA or at the management office in accordance with Sections 3 and 4.
- c. Elements of due process shall mean an eviction action or a termination of tenancy in a State or local court in which the following procedural safeguards are required:
 - 1. Adequate notice to the Leaseholder of the grounds for terminating the tenancy and for eviction;
 - 2. Right of the Leaseholder to be represented by counsel;
 - 3. Opportunity for the Leaseholder to refute the evidence presented by the LHA including the right to confront and cross-examine witnesses and to present any affirmative legal or equitable defense which the Leaseholder may have;
 - 4. A decision on the merits.
- d. Hearing officer shall mean a person selected in accordance with Section 4(b) to hear grievances and render a decision with respect thereto.
- e. Hearing panel shall mean a panel selected in accordance with Section 4(b) to hear grievances and render a decision with respect thereto.
- f. Leaseholder shall mean the adult person (or persons) (other than a live-in aid or co-Leaseholder residing in the unit under the “stable family” definition):
 - 1. Who resides in the unit, and who executed the lease with the LHA as lessee of the dwelling unit, or, if no such person now resides in the unit;
 - 2. Who resides in the unit, and who is the remaining head of household of the tenant family residing in the dwelling unit.
- g. Resident organization includes a resident management corporation.

3. INFORMAL SETTLEMENT OF GRIEVANCE

Any grievance shall be personally presented, either orally or in writing, to the LHA office or to the management office of the community in which the complainant resides so that the grievance may be discussed informally and settled without a hearing. A summary of such discussion shall be prepared within a reasonable time and one copy shall be given to the Leaseholder and one retained in the LHA's resident file. This summary shall specify the names of the participants, dates of meeting, the nature of the proposed disposition of the complaint and the specific reasons thereof, and shall specify the procedures by which a hearing under Section 4 may be obtained if the complainant is not satisfied.

4. PROCEDURE TO OBTAIN A HEARING

- a. Request for hearing. The complainant shall submit a written request for a hearing to the LHA or to the management office within ten (10) days after receipt of the summary of discussions pursuant to Paragraph 3. The written request shall specify:
 1. The reasons for the grievance; and
 2. The action or relief sought
- b. Selection of Hearing Officer or Hearing Panel. In cases where Leaseholders request a formal hearing under the Grievance Procedure for any reason, the selection of the hearing officer will be made by the Executive Director. The Executive Director may choose one person or a panel of up to 3 persons. The Executive Director is not prohibited from selecting himself as the hearing officer provided that he was not the person who made or approved the public housing authority action.
- c. Failure to Request a Hearing. If the complainant does not request a hearing in accordance with this paragraph, then the LHA's disposition of the grievance under Section 3 shall become final: Provided, that failure to request a hearing shall not constitute a waiver by the complainant of his right, thereafter to contest the LHA's action in disposing of the complaint in an appropriate judicial proceeding.

- d. **Hearing Prerequisite.** All grievances shall be personally presented either orally or in writing pursuant to the informal procedure prescribed in Paragraph 3 as a condition precedent to a hearing under this section: Provided, that if the complainant shall show good cause why he failed to proceed in accordance with Paragraph 3 to the hearing officer or hearing panel, the provisions of this subsection may be waived by the hearing officer or hearing panel.
- e. **Escrow Deposit.** Before a hearing is scheduled in any grievance involving the amount of rent the LHA claims is due, the complainant shall pay the LHA an amount equal to the amount of the rent due and payable as of the first of the month preceding the month in which the act or failure to act took place. The complainant shall thereafter deposit the same amount of the monthly rent in an escrow account monthly until the complaint is resolved by decision of the hearing officer or hearing panel. These requirements may be waived by the LHA in extenuating circumstances. Unless so waived, the failure to make such payments shall result in a termination of the grievance procedure: Provided, that failure to make payment shall not constitute a waiver of any right the complainant may have to contest the LHA's disposition of his grievance in any appropriate judicial proceeding.
- f. **Scheduling of Hearings.** Upon complainant's compliance with paragraphs (a), (d) and (e) of this section, a hearing shall be scheduled by the hearing officer or hearing panel promptly for a time and place reasonably convenient to both the complainant and the LHA. A written notification specifying the time, place and the procedures governing the hearing shall be delivered to the complainant and the appropriate LHA official.

5. PROCEDURES GOVERNING THE HEARING

- a. The hearing shall be held before a hearing officer or hearing panel as appropriate.
- b. The complainant shall be afforded a fair hearing, which shall include:

1. The opportunity to examine before the grievance hearing any LHA documents including records and regulations, that are directly relevant to the hearing. The Leaseholder shall be allowed to copy any such document at the Leaseholder's expense. If the LHA does not make the document available for examination upon request by the complainant, the LHA may not rely on such document at the grievance hearing.
 2. The right to be represented by the counsel or other person chosen as the Leaseholder's representative, and to have such person make statements on the Leaseholder's behalf.
 3. The right to a private hearing unless the complainant requests a public hearing.
 4. The right to present evidence and arguments in support of the Leaseholder's complaint, to controvert evidence relied on by the LHA management, and to confront and cross-examine all witnesses upon whose testimony or information the LHA management relies; and
 5. A decision based solely and exclusively upon the facts presented at the hearing.
- c. The hearing officer or hearing panel may render a decision without proceeding with the hearing if the hearing officer or hearing panel determines that the issue has been previously decided in another proceeding.
- d. If the complainant or the LHA fails to appear at a scheduled hearing, the hearing officer or hearing panel may make a determination to postpone the hearing for not to exceed five business days or make a determination that the party has waived his right to a hearing. Both the complainant and the LHA shall be notified of the determination by the hearing officer or hearing panel: Provided, that a determination that the complainant has waived his right to a hearing shall not constitute a waiver or any right the complainant may have

to contest the LHA's disposition of the grievance in an appropriate judicial proceeding.

- e. At the hearing, the complainant must first make a showing of an entitlement to the relief sought and thereafter the LHA must sustain the burden of justifying the LHA action or failure to act against which the complaint is directed.
- f. The hearing shall be conducted informally by the hearing officer or hearing panel and oral or documentary evidence pertinent to the facts and issues raised by the complaint may be received without regard to admissibility under the rules of evidence applicable to judicial proceedings. The hearing officer or hearing panel shall require the LHA, the complainant, counsel and other participants or spectators to conduct themselves in an orderly fashion. Failure to comply with the directions of the hearing officer or hearing panel to obtain order may result in exclusion from the proceedings or in a decision adverse to the interests of the disorderly party and granting or denial of the relief sought, as appropriate.
- g. The complainant or the LHA may arrange, in advance and at the expense of the party making the arrangement, for a transcript of the hearing. Any interested party may purchase a copy of such transcript.
- h. Accommodation of persons with disabilities.
 - 1. The LHA must provide reasonable accommodation for persons with disabilities to participate in the hearing. Reasonable accommodation may include qualified sign language interpreters, readers, accessible locations, or attendants.
 - 2. If the tenant is visually impaired, any notice to the tenant which is required under this subpart must be in an accessible format.

6. DECISION OF THE HEARING OFFICER OR HEARING PANEL

- a. The hearing officer or hearing panel shall prepare a written decision, together with the reasons thereof, within a reasonable time after the hearing. A copy of the decision shall be sent to the complainant and the LHA. The LHA shall retain a copy of the decision in the Leaseholder's folder. A copy of such decision, with all names and identifying references deleted, shall also be maintained on file by the LHA and made available for inspection by a prospective complainant, his representative, or the hearing panel.
- b. The decision of the hearing officer or hearing panel shall be binding on the LHA which shall take all actions, or refrain from any actions, necessary to carry out the decision unless the LHA Board of Commissioners determines within a reasonable time, and promptly notifies the complainant of its determination, that
 - 1. The grievance does not concern LHA action or failure to act in accordance with or involving the complainant's lease or LHA regulations, which adversely affect the complainant's rights, duties, welfare or status;
 - 2. The decision of the hearing officer or hearing panel is contrary to applicable Federal, State or local law, HUD regulations or requirements of the annual contributions contract between HUD and the LHA.
- c. A decision by the hearing officer, hearing panel, or Board of Commissioners in favor of the LHA or which denies the relief requested by the complainant in whole or in part shall not constitute a waiver of, nor affect in any manner whatever, any rights the complainant may have to trial de nova or judicial proceedings, which may thereafter be brought in the matter.

7. LHA EVICTION ACTIONS

If a tenant has requested a hearing in accordance with Paragraph 4 on a complaint involving a LHA Notice of Termination of Tenancy and, the hearing officer or hearing panel upholds the LHA's action to terminate the tenancy, the LHA shall not commence an eviction action in a State or local court until it has served a notice to vacate on the tenant, and in no event shall the notice to vacate be issued prior to the decision of the hearing officer or the hearing panel having been mailed or delivered to the complainant. Such notice to vacate must be in writing and specify that if the tenant fails to quit the premises within the applicable statutory period, or on the termination date stated in the notice of termination, whichever is later, appropriate action will be brought against him or her and he or she may be required to pay court costs and attorney fees.

APPENDIX D

Lexington-Fayette County Urban Housing Authority Voluntary Conversion

CONVERSION ASSESSMENT

Connie Griffith Manor (Griffith) is a 133-unit, 10 story public housing high rise for seniors owned and operated by the Lexington-Fayette County Urban Housing Authority (LHA). Griffith is connected by a 1-story structure to Ballard, 154-unit high-rise for seniors subsidized by Section 8 project-based rental assistance. It is anticipated that, subject to fulfillment of all HUD requirements and implementation of a rehabilitation plan, the result of Griffith's voluntary conversion will be a (re)developed development assisted by project-based vouchers (PBV) with continued availability to current and future low-income households. The renovation would be undertaken in conjunction with the renovation of Ballard, with both projected to benefit from a commitment of low-income housing tax credits (Tax Credits) upon award of the credits (Ballard first and Griffith thereafter);

The Conversion Assessment is a basic requirement for voluntary conversion of public housing to vouchers. A discussion of each of its five required elements per §972.218 follows:

(iv) Cost Analysis

The LHA completed the HUD-specified cost analysis, comparing the cost of providing Section 8 tenant-based assistance with the cost of continuing to operate the development as public housing. The cost analysis shows public housing costs exceeding voucher costs by 22%.

(ii) Analysis of the Market Value

- (1) On May 1, 2017, the LHA had an independent appraisal conducted for Griffith to compare the market value of the development before and after rehabilitation.

- (2) The conclusions are as follows:

Current Value "As Is" Public Housing -	\$ 0
Future Value "Post Rehab" Public Housing -	\$ 0
Current Value "As Is" Assisted Housing -	\$5,960,000
Future Value "Post Rehab" Assisted Housing -	\$7,580,000
Highest and Best Use" Value or "Market Value" -	\$7,580,000

- (3) A copy of the appraisal demonstrating the findings and analysis of market value of the development is included in the attachment.

(c) Analysis of Rental Market Conditions

- (1) The LHA conducted an analysis of the likely source of long-term-based demand for the conversion of the Griffith public housing development. LHA is currently serving 7,103 Section 8 vouchers. There is a sufficient availability of vouchers and secondary waiting units in the market area to meet at or below the applicable Section 8 payment standard for the jurisdiction. LHA's Section 8 program has a utilization rate of 103.5%, evidencing its success providing tenant-based vouchers.
- (2) Vacancy rates are consistent with the overall high utilization rate. 17% of the LHA's current program portfolio are elderly. On its current closed waiting list of 2257 applicants, 15% are elderly households. In any event, subject to fulfillment of HUD requirements, the LHA expects to project-based the vouchers at the current rate, thus allowing the residents to remain in place.

(d) Impact Analysis

- (1) There will be a positive impact on the availability of affordable housing in the neighborhood where the public housing units are located as a result of the conversion. Because there will be no change in the number of low-income units, there will be no impact on the concentration of poverty through the preservation, preservation and retention of units.
- (2) Conversion of the public housing units at Griffith will help to ensure these units are renovated and maintained while remaining affordable to the current residents and future low-income households. Successful conversion will help to ensure that residents will continue to have affordable housing choice and a quality home in this location.

(e) Conversion Implementation

Once the property receives approval for tenant-based vouchers for the Griffith public housing units, the LHA will undertake the necessary steps that will allow LHA to project-based the units under a long-term Section 8 PBD contract. The LHA will use its Housing is Work initiative as needed to facilitate this conversion.

After approval of voluntary conversion and disposition and commitment of PBDs, the LHA hopes to be able to utilize Tax Credits to produce a rehabilitated all-Section 8 complex consisting of Griffith and Griffith. Budget already has an award of 4% Tax Credits and the plan is that Griffith would receive thirty 4% Tax Credits. The owner entities will be limited partnership of which LHA-related entities will be the sole general partners.

Appendix C: Griffith Hall, PHU, Approval of Conversion

the Commission, Per 40 TAC 234.1114, concluded, approved that conversion that demonstrated that the conversion of Griffith is:

- (1) That effective and/or more cost-effective in order to be opened to the public housing;
- (2) Will principally benefit the residents, the PHA and the community; and
- (3) Will not adversely affect the availability of affordable housing in the community.

C. Findings:

- (1) Additional evidence. The Commission concludes, demonstrated that it is not more cost-effective to protect the public housing development than continuing to operate the development as public housing.
- (2) Benefit to Residents, the PHA, and the community. Continued operation of this affordable housing development greatly benefits the current residents, neighbors, and communities in and around the Griffith Hall complex.

(i) Conversion will principally benefit the residents, the PHA and the community as demonstrated in the recent market analysis, the analysis of the impact on the neighborhood, the public cost analysis and the projected long-term of the development. The conversion does not conflict with any regulatory, contractual agreements, voluntary conversion agreements or other financial agreements signed by the PHA with HUD.

Reconversion to Griffith is required to preserve the long-term affordability and viability of a critical, large population and community asset. The LHA has determined this can best be accomplished by conversion. The LHA determined at the time this agreement was developed that without voluntary conversion, the building's current subsidy structure will have to remain a public housing as needed with an implementing much needed capital improvements. At minimum, Griffith would have had to be converted using public housing mixed-income and limited using the underlying Section 8 contract, a much more difficult and less likely available development scenario as opposed to an all-Section 8 scenario. That would leave Griffith at risk for further effects of deferred maintenance, system problems, and institutional issues from a vulnerable population of residents unlikely to be able to afford other housing opportunities in the area. (Note: The Rental Assistance Demonstration (RAD) was not yet increased by 230,000 units when the LHA completed the draft Voluntary Conversion Agreement and Voluntary Conversion Plan and completed most of the required public process prior to submission to HUD. Thus, LHA pursued the voluntary conversion process rather than RAD for Gracie Griffith.)

By contrast, conversion to Section 8 and use of PBV AGI facilitate use of Tax Credits to renovate substantially the entire Griffith/Halland complex. The placement of the entire complex under the Section 8 subsidy platform also will result in management efficiencies and an end to differing treatment of residents in some respects depending solely on which wing they call home. The intent of the conversion is to facilitate the preservation, renovation and long-term affordability of Griffith for the existing and future residents, and to improve services to those through more efficient management and equitable treatment among Griffith and Halland residents. While there is sufficient supply of area landlords providing tenant-based assistance and good access to schools, jobs and transportation, the LHA expects to pay-as-you-go the vouchers at the current rate, thus allowing the residents to remain in place.

(iv) With respect to benefits to residents, the LHA provided copies of the Conversion Assessment and Conversion Plan to all Current Griffith residents. A meeting was held with the Resident Council on December 11, 2017. Residents were invited to resident meetings held on December 11, 2017 and February 21, 2018. At those meetings, the LHA explained the Conversion Plan and the requirements for voluntary conversion and provided the draft conversion agreement. In addition, the Conversion Assessment and Conversion Plan were included in the fiscal 2019 Meeting to Work (MTW) Annual Plan and were a specific subject of the MTW Annual Plan hearing on March 27, 2018.

(vii) The LHA allowed thirty days for the submission of comments on the conversion process. Resident comments received related to the benefits of the conversion to continued affordability. Residents expressed an overwhelming desire to remain at the property and welcomed the much needed renovations. The residents see the conversion as a positive action that steps it on displacement to retirement and their housing and services will be improved.

(3) *Impact on Affordable Housing.* The voluntary conversion action would help to preserve the current affordable housing at Griffith as a stable resource over the coming decades by facilitating revitalization, more efficient administration, more equitable treatment of households in the Griffith/Halland complex, and better support for the development's physical resources over time.

ATTACHMENTS

- D. HUD Cost Analysis
- E. Approval

CONVERSION PLAN

Levenson-Groffin (Groffin) is a 104-unit public housing high rise for senior residents operated by the Levenson-Groffin Family Urban Housing Authority (LHA). Groffin is converted by a 1-story structure in Ballard, 134-unit high-rise for senior residents by Section 8 project-based rental assistance. It is anticipated that, subject to fulfillment of all HUD requirements, the result of Groffin's voluntary conversion will be a renovated development owned by Section 8 project-based landlord (PIV) with continued availability to current and future low-income households. The conversion would be undertaken in conjunction with the renovation of Ballard, with both proposed to benefit from a commitment of low-income housing tax credits (Tax Credits) over period of the credits (Ballard from and Groffin thereafter).

The Conversion Plan is a basic document for voluntary conversion of public housing is needed. It documents plan of to cover required elements per § 972.230 follows:

(a) Conversion and preservation of the nature of the public housing commitment

The future use of Groffin is expected to be affordable housing supported by 1 long-term Section 8 project-based voucher contract. To allow for the use of PIV and Tax Credits, the ownership initially will be transferred in an entity related to the LHA and later in a limited partnership of which LHA is a related entity will be the managing general partner and the limited partner can use the Tax Credits. The intent is to preserve and renovate Groffin and Ballard by creating Tax Credits and other public-private financing. Long-term contracts will be put in place to protect Groffin's status as affordable senior housing.

(b) Minimal disruption of the character of the affected community

There will be no adverse impact on the availability of affordable housing in Levenson-Groffin. The nature of affordable housing will be preserved while implementing much needed physical improvements. The 104 units of public housing in Groffin will remain affordable in the same manner via the PIV program.

Successful conversion and preservation of Groffin will continue to have affordable housing offered and of quality form in this community. Because the residents will be project-based, subject to fulfillment of HUD requirements, the conversion will not take an impact on concentration of poverty in local neighborhoods. Except that a net change in the number of units that will be occupied in the conversion of poverty through the program, conversion and renovation of Groffin.

The impact of conversion on the physical asset itself is expected to be positive. Griffith has constructed in 1965 and has significant physical needs. The building requires many original mechanical systems and components, which are nearing or past the end of their useful life, drive up operating costs and reduce the overall energy efficiency of the property. While modern modernization needs have been covered over time, substantial rehabilitation is needed. Included in the scope of a new build, covering all the parking lot, and associated public amenities and the hallways, corridors and other common areas. A general update will include painting, flooring, electrical, doors and hardware. Mechanical upgrades include plumbing, roof pump replacement, replacement of panel boards and wiring within the units just to name a few. In addition to a general update security and camera system will be upgraded.

(c) Continuity with features of conversion document

Based on the findings of the Conversion document, the Conversion Plan implements the action recommended by the Conversion document, and thus, is consistent with the Conversion document's proposed framework (p. 17, 21).

(d) Summary of resident response

The LHA provided copies of the Conversion document and Conversion Plan to all residents. A meeting was held with the Resident Council on December 11, 2017. Residents were invited to resident meetings held on December 11, 2017 and February 27, 2018 and the public hearing on March 27, 2018. At these meetings, the LHA explained the Conversion Plan and the requirements for voluntary conversion. The LHA allowed thirty days for the submission of comments for the conversion process. Resident comments received related to the benefits of the conversion to community affordability. Residents expressed an interest in learning more in regard to the security and reduced the health and safety issues. The residents of the conversion as a positive future for the property.

(e) Summary of comments

Any proceeds received from the conversion will be subject to the provisions under Section 8 (d)(4)(i) of the Federal State Housing Act of 1977, applicable to projects receiving State assistance and assistance. However, the LHA does not expect to receive net proceeds as part of the voluntary conversion or disposition and stated only rental PIV can be utilized. The LHA will make any net proceeds that may be generated after the property is converted and at the time of full credit history in accordance with the financing, conversion and long-term affordability of PIV is waived. All will be utilized to become PIV at Griffith and all remain Section 8 project-based rental assistance in place.

(f) Support of Introductory Conditions for Conversion

The Conversion Agreement supports the three conditions necessary for conversion identified in 24 CFR 972.214, for the reasons described in the Conversion Agreement. That section of the Conversion Agreement is repeated here for convenience:

Necessary Conditions for HUD Approval of Conversion

- (a) *Condition. Pw 972.214: LHA conducted a conversion assessment that demonstrates that the conversion of Griffith is:*
 - (1) *Cost effective and just from a perspective that is consistent to operate it as public housing;*
 - (2) *Will principally benefit the residents, the LHA, and the community; and*
 - (3) *Will not adversely affect the availability of affordable housing in the community.*

Findings:

- (1) *Efficient operation:* The cost analysis results demonstrate that it is not more expensive to convert the public housing development than continuing to operate the development as public housing.
- (2) *Benefit to residents, the PHA, and the community:* Continued success of the affordable housing development greatly benefits the current residents, neighbors, and communities in and around the Griffith/Hallard complex.
 - (i) *Conversion will principally benefit the residents, the PHA, and the community as demonstrated in the rental market analysis, the analysis of the impact on the neighborhood, the market future analysis and the proposed future use of the development. The conversion does not conflict with any ongoing settlement agreements, voluntary compliance agreements or other similar agreements signed by the PHA with HUD.*
- Efficient operation at Griffith is required to preserve the long-term affordability and viability of a critical large population and community asset. The LHA has determined this can best be accomplished by conversion. The LHA determined in the internal assessment was developed that without voluntary conversion, the building's current already obsolete #22 have to remain in place without #22 due to path to implementing much needed capital improvements. At minimum, Griffith would have had to be renovated using public housing rental-funds and Hallard using the underlying Section 8 contract; a much more difficult and financially unstable development scenario is applied to an all-Section 8 scenario. This would have Griffith at risk for further effects of deferred maintenance, systems*

moderate it, without adversely, having had a reasonable opportunity to discuss and reply in the same or afford other writing opportunity in the area. (Note: The Board Authorized Compensation (BAC) was not yet increased by 250,000 until after the LHA completed the staff Voluntary Conversion Agreement and Voluntary Conversion Plan and completed most of the required public process prior to submission to the LHA. Thus, LHA received the voluntary conversion process before that it could have been fulfilled.)

By contrast, any change in Board or process of the LHA will facilitate use of the LHA's resources to partially the same fundamental issues. The placement of the same issues under the same LHA's platform also will result in management of the organization at all in differing framework of political in some respects depending solely on which time they will have. The intent of the conference will facilitate the preservation resources and they are intended to be carried out the current and future actions, and to improve service to them. Through more efficient management and capital business strategy (100%) and financial resources. To the extent it is required, every effort will be made to ensure that the organization's and public accountants, plus public representatives. The LHA expects to have those the vision of the board etc. that allowing the solution to remain open.

(ii) With respect to benefit to residents, the LHA provided copies of the conversion recommendations to residents in all Council member's residence. A meeting was held with the Resident Council on December 11, 2017. Residents were invited to resident meetings held on December 11, 2017 and January 12, 2018. At these meetings, the LHA explained the conversion plan and the implications for voluntary conversion and private the staff conversion agreement. In addition, the Conversion Agreement and Conversion Plan was provided to the staff. 2018 meeting in March 2018 (LHA's Annual Plan and work specific subject of the LHA Annual Plan meeting on March 27, 2018).

(iii) The LHA allowed thirty days for the submission of comments on the conversion process. Resident comments received related to the benefits of the conversion process and the LHA's position on the conversion. The residents of the community and the LHA's position on the conversion. The residents of the community are a positive action and the LHA's position on the conversion and the LHA's position on the conversion will be improved.

(3) *Impact on Affordable Housing.* The voluntary conversion action would help to preserve the current affordable housing at Griffith as a viable resource over the coming decades, by facilitating rehabilitation and allowing for more efficient administration and better support for the development's physical needs.

(g) Relocation plan

No residents are anticipated to be permanently relocated due to the voluntary conversion action and transfer of ownership of Griffith. To the extent residents must be temporarily relocated during the renovation process, they will be offered appropriate resources to do so and notified in a timely manner in compliance with applicable requirements.

A relocation plan is attached.

ATTACHMENTS

- I. HUD Cost Analysis
- II. Appraisal
- III. Relocation Plan

Cornie Griffith (CG) Voluntary Conversion - Relocation Plan

Lexington-Fayette Urban County Housing Authority

The voluntary conversion and related disposition will not require relocation. Instead, the LHA will commit project-based vouchers (PBV) to CG units. This will allow CG residents to stay.

The rehabilitation of CG is anticipated to occur after the rehabilitation of the adjacent connected tower, Ballard Apartments, which already has a commitment for 9% low-income housing tax credits. CG thus is anticipated to be rehabilitated within several years on a phased basis, with an anticipated relocation schedule extending 18-24 months. Residents will be temporarily relocated for less than one year. Elements of the relocation plan, as required by 24 CFR 972.230(g) (the Relocation Regulation), are as follows:

(1) The number of households to be relocated, by bedroom size, by the number of accessible units.

CG contains 156 (1) bedroom units (151 occupied as of 4/11/18) and 27 (0) bedroom units (20 occupied as of 4/11/18). There are 20 accessible units (2 per floor) at the site.

(2) The relocation resources that will be necessary, including a request for any necessary Section 8 funding and a description of actual or potential public or other assisted housing vacancies that can be used as relocation housing and budget for carrying out relocation activities.

The LHA requests replacement tenant protection vouchers for all units, which will be used to provide ongoing PBV subsidy. Because the voluntary conversion and associated immediate disposition of CG will not require relocation of residents from their current units, additional costs will be limited to counseling and advisory services to assist that residents understand the transition from public housing to PBVs. LHA staff will provide these services, which will fulfill the counseling and advisory services requirement for public housing disposition.

In connection with the subsequent rehabilitation, LHA's goal is that phasing will allow all relocation to be to vacant units within the CG/Ballard Apartments complex for residents who want to stay in that complex. If additional resources are needed, LHA first would utilize units in other properties controlled by LHA and second its tenant-based vouchers if LHA determines this to be necessary. In addition to the Section 8 tenant protection vouchers already awarded in connection with the voluntary conversion, the budget for carrying out those relocation activities will be \$185,000 (\$1,000 per unit), to be taken from Cornie Griffith's Section 8 revenues.

(3) A schedule for relocation and removal of units from the public housing inventory (including the schedule for providing actual and reasonable relocation expenses, as determined by the PHA, for families displaced by the conversion).

All units will be removed from the public housing inventory and converted to project-based vouchers upon HUD's approval of voluntary conversion and allocation of tenant protection vouchers. No households will be displaced. LHA will use its authority as an MTW agency and

under the Housing Opportunity Through Modernization Act (HOTMA) as needed to convert project-based vouchers to the Connie Griffith units promptly and seamlessly.

The subsequent relocation in conjunction with rehabilitation would occur after LHA obtains low-income housing tax credits for CG. The phases of relocation will consist of approximately 30 units per phase, throughout the construction period. Each phase will last approximately 4 months. No families will be displaced as defined by the Uniform Relocation Act.

(4) Provide for issuance of a written notice to families residing in the development.

All resident households will be provided notice of relocation that complies with applicable requirements of the Relocation Regulation, as well as the requirements for public housing disposition. Notices will be required at the appropriate times for the voluntary conversion and initial disposition, as well as the later relocation related to rehabilitation.

**LEXINGTON-FAYETTE URBAN COUNTY HOUSING AUTHORITY
(KY 004) LEXINGTON, KY
VOLUNTARY CONVERSION COST COMPARISON SPREADSHEET NOTES
AS OF 4/11/18**

The Lexington-Fayette Urban County Housing Authority is submitting a request for a Voluntary Conversion for one of our developments, Connie Griffith which is a 10 story, 183-unit senior high rise. Of the 183 units, 26 are (0) bedroom and 157 (1) bedroom.

The operating costs and vacancy information for Connie Griffith were predicated on detail with respect to the most recently completed audit from 7/1/16 – 6/30/17. Capital costs of \$10,927,724 were spread with 65% for year 1 and 35% for year 2, which is based on experience of a recently completed project. The market value of the property was taken from an appraisal completed on May 1, 2017 in the amount of \$7,580,000.

Voucher costs reflect the current payment standard.

Public Housing Operating Cost

1. Calculation of Projected Operating Cost for the Revitalized Development

Enter the PHA's projected monthly costs for operating the development after revitalization or modernization in the green cells below. This estimate should reflect the costs of operating comparable developments and must be reasonable in light of the revitalization/modernization plan proposed.

a. Non-utility costs (including pro-rated share of overhead costs)	\$64,161
Utilities	\$24,929
Utility Allowances	\$0
Total Projected Monthly Operating Costs for Revitalized Development	\$109,090
b. Total Number of Units in Revitalized Development	183
c. Projected Monthly Operating Costs Per Unit	\$596
d. Total Projected Annual Operating Costs	\$1,309,080

2. Reasonableness Tests

Projected operating costs must be shown to be reasonable. This test compares projected monthly per-unit costs (above) with the current operating costs of the property. If projected costs are more than 10% lower than current costs, a narrative description must be provided detailing how this reduction in costs will be achieved. Current operating costs are calculated using either the development-based method or the PHA-wide method. If the development has a current vacancy rate of less than 20% and there is reliable development-level data on operating costs, use the development-based method (A). If the development has a current vacancy rate of 20% or greater or there is no reliable development-level data available, use the PHA-wide method (B).

What is the current vacancy rate of the development?
Is there reliable development based data available?

Enter vacancy rate here: 3%
Enter Yes or No here: YES

Method to be used:

Use Development-Based Method

Go to Section

Voluntary Conversion as of 04-19-18 _

2A. Development-Based Method

A1 Total Current Operating Cost for the Development \$1,309,080

A2 Calculation of Vacancy-Adjusted Units for the Property (Enter the number of units of each type.)

Occupancy Adjustment	Property Units - Current	
	Units	Adjusted
# of Occupied units (x1)	178	178
# of Vacant Fully Funded (x1)	5	5
# of Long-Term Vacant (x0.2)	0	0
Total	183	183

183

A3 Current Operating Costs Per Unit Per Month (PUM) ((A1/A2)/12)

\$596

2B. PHA-Wide Method

B1 Total Current Operating Cost for the Agency

B2 Calculation of Vacancy-Adjusted Units for the PHA (Enter the number of units of each type.)

Occupancy Adjustment	PHA Units	
	Units	Adjusted
# of Occupied units (x1)		NA
# of Vacant Fully Funded (x1)		NA
# of Long-Term Vacant (x0.2)		NA
Total	NA	NA

NA

B3 Current Operating Costs Per Unit Per Month (PUM) ((B1/B2)/12)

NA

B4 Calculation of Bedroom Adjustment Factor (Enter the number of units of each type.)

Bedroom Adjustment		PHA Units		Property Units - Current	
		Units	Unit Cost Factor	Units	Unit Cost Factor
0 BR	0.7		NA		NA
1 BR	0.85		NA		NA
2 BR	1		NA		NA
3 BR	1.25		NA		NA
4 BR	1.4		NA		NA
5 BR	1.61		NA		NA
6 BR	1.82		NA		NA
Total		NA	NA	NA	NA
Adjustment Factors		x	NA	y	NA

B5 Overall Bedroom Adjustment Factor (y/x)

NA

B6 Current Monthly Operating Cost per Unit (B3*B5)

NA

3. Comparison of Projected and Current Operating Costs (and Justification)

Projected Operating Costs (from Section 1)

\$596

Current Operating Cost

Using Development-Based Method

\$596

Percent difference

0.0%

If current costs exceed the PHA's projection by more than 10 percent, the PHA must justify the use of the lower amount in the space below.

Not Applicable

Public Housing Capital Cost

1 Type of Modernization (Select one option)

- ☐ Light or Moderate Modernization (20 Yrs)
☐ Addresses All Backlog (30 Yrs)
☐ Equivalent to New Construction (40 Yrs)

2 Type of Conversion (Select one option)

- ☐ Required
☒ Voluntary

3 Initial Capital Costs (Enter costs over the appropriate time span.)

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Total
a Modernization Cost	7100211	\$3,324,703	\$0								
b Total Initial Capital Cost	\$7,100,211	\$3,324,703	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$10,927,724
c Total Number of Units in Revitalized Development	153										
d Capital Cost per Unit	\$59,714										

4 Accrual (Enter the applicable HCC limit below, along with the bedroom distribution for the revitalized development.)

	Delinquent/Semi-Delinquent	Raw House	Walkup	Elevator
# of Units	HCC Limit	# of Units	HCC Limit	# of Units
0BR				
1BR				26
2BR				157
3BR				
4BR				
5BR				
0	\$0	0	\$0	183
				\$17,449,218

- a HCC, per unit average
 b Total Number of Units in Revitalized Development
 c 50% of Capital Cost per Unit
 d Adjusted HCC (HCC (a) minus 50% of Capital Cost per Unit (c))
 e Annual per Unit Accrual for 40 Year Replacement Cycle (Adjusted ACC (d) x 0.025)
 f Annual Accrual after Modification (e x b)

\$48,990
183
\$29,897
\$67,133
\$1,678
\$307,134

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
g Annual Accrual	\$0	\$0	\$307,134	\$307,134	\$307,134	\$307,134	\$307,134	\$307,134	\$307,134	\$307,134

(Accrual begins in the year after modernization is complete.)

5 Opportunity Cost (If this is a voluntary conversion, enter the following costs)

- a Demolition Cost Paid for by PHA
 b Remediation Cost (if not in demo) Paid for by PHA

\$0
\$0

- c Market Value of Property
 d Residual Value

	Year 2	Year 3	Year 4	Year 5
c Market Value of Property	\$7,500,000			
d Residual Value	\$7,500,000			

Voucher Cost**Voucher Cost**

Enter the number of units in the revitalized development by bedroom size and corresponding voucher costs per month

Unit Size Post Revitalization	a	b	c
	# of Units	Voucher Costs	Units X Cost
0BR	26	\$533	\$13,858
1BR	157	\$617	\$96,869
2BR	0		\$0
3BR	0		\$0
4BR	0		\$0
5BR	0		\$0
	183		\$110,727

d Monthly Voucher Cost Per Unit (c / a)

\$605

e Monthly Section 8 Administrative Fee (per unit)

\$62.20

f Annual Voucher and Administrative Costs

\$1,465,315

g Per Unit Relocation Costs

\$1,000

h Total Relocation Costs

\$183,000

Cost Comparisons

Assumptions

OMB Nominal Discount Rate
 OMB Real Discount Rate
 Useful Life (20, 30 or 40 Years)

20 Year	30/40 Year
5.3%	5.2%
3.0%	3.0%
30	

Inflation Rate for the Selected Useful Life
 Real Discount Rate for the Selected Useful Life

2.14%	1.021
3.00%	1.030

Units

105

Uninflated/Undiscounted Cost Summary

Public Housing

Annual Operating Cost
 Capital Cost
 Annual Accrual after Modification
 Residual Value

Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
\$1,309,080		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
\$7,105,021	\$3,824,705	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$307,134	\$307,134	\$307,134	\$307,134	\$307,134	\$307,134	\$307,134	\$307,134
\$7,580,000									

Vouchers

Annual Voucher and Administrative Costs
 Year 1 Relocation Costs

\$1,465,316
\$163,000

PUM Cost Comparisons:

Net Present Value
 (Required Conversions Only)

Public Housing
 Vouchers
 Difference

New Budget Authority
 (Voluntary Conversion only)

\$1,182
\$925
22%

Final Result

--

Public Housing Cost exceeds Voucher Cost

Required Conversion Calculation
Net Present Value of the Stream of Costs

Public Property	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Commuter										
Initial Cost/	\$1,300,000	\$1,300,000	\$1,300,000	\$1,300,000	\$1,300,000	\$1,300,000	\$1,300,000	\$1,300,000	\$1,300,000	\$1,300,000
Annual	\$1,102,071	\$1,102,071	\$1,102,071	\$1,102,071	\$1,102,071	\$1,102,071	\$1,102,071	\$1,102,071	\$1,102,071	\$1,102,071
Salvage	\$279,000	\$279,000	\$279,000	\$279,000	\$279,000	\$279,000	\$279,000	\$279,000	\$279,000	\$279,000
TOTAL	\$1,300,000	\$1,300,000	\$1,300,000	\$1,300,000	\$1,300,000	\$1,300,000	\$1,300,000	\$1,300,000	\$1,300,000	\$1,300,000
Discount Rate	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
Discounted Costs	\$1,102,071	\$1,102,071	\$1,102,071	\$1,102,071	\$1,102,071	\$1,102,071	\$1,102,071	\$1,102,071	\$1,102,071	\$1,102,071

Total
Per Unit
Per One Month
\$1,102,071
\$1,102,071
\$1,102,071

Public Property	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Commuter										
Initial Cost/	\$1,300,000	\$1,300,000	\$1,300,000	\$1,300,000	\$1,300,000	\$1,300,000	\$1,300,000	\$1,300,000	\$1,300,000	\$1,300,000
Annual	\$1,102,071	\$1,102,071	\$1,102,071	\$1,102,071	\$1,102,071	\$1,102,071	\$1,102,071	\$1,102,071	\$1,102,071	\$1,102,071
Salvage	\$279,000	\$279,000	\$279,000	\$279,000	\$279,000	\$279,000	\$279,000	\$279,000	\$279,000	\$279,000
TOTAL	\$1,300,000	\$1,300,000	\$1,300,000	\$1,300,000	\$1,300,000	\$1,300,000	\$1,300,000	\$1,300,000	\$1,300,000	\$1,300,000
Discount Rate	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
Discounted Costs	\$1,102,071	\$1,102,071	\$1,102,071	\$1,102,071	\$1,102,071	\$1,102,071	\$1,102,071	\$1,102,071	\$1,102,071	\$1,102,071

Total
Per Unit
Per One Month
\$1,102,071
\$1,102,071
\$1,102,071

Public Property	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Commuter										
Initial Cost/	\$1,300,000	\$1,300,000	\$1,300,000	\$1,300,000	\$1,300,000	\$1,300,000	\$1,300,000	\$1,300,000	\$1,300,000	\$1,300,000
Annual	\$1,102,071	\$1,102,071	\$1,102,071	\$1,102,071	\$1,102,071	\$1,102,071	\$1,102,071	\$1,102,071	\$1,102,071	\$1,102,071
Salvage	\$279,000	\$279,000	\$279,000	\$279,000	\$279,000	\$279,000	\$279,000	\$279,000	\$279,000	\$279,000
TOTAL	\$1,300,000	\$1,300,000	\$1,300,000	\$1,300,000	\$1,300,000	\$1,300,000	\$1,300,000	\$1,300,000	\$1,300,000	\$1,300,000
Discount Rate	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
Discounted Costs	\$1,102,071	\$1,102,071	\$1,102,071	\$1,102,071	\$1,102,071	\$1,102,071	\$1,102,071	\$1,102,071	\$1,102,071	\$1,102,071

Total
Per Unit
Per One Month
\$1,102,071
\$1,102,071
\$1,102,071

Voluntary Conversion Calculation
New Budget Authority

Public Housing	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
Operating	\$1,305,000	\$1,307,000	\$1,309,000	\$1,311,000	\$1,313,000	\$1,315,000	\$1,317,000	\$1,319,000	\$1,321,000	\$1,323,000	\$1,325,000	\$1,327,000	\$1,329,000	\$1,331,000	\$1,333,000	\$1,335,000	\$1,337,000
Initial Capital	30	\$1,000,000	30	30	30	30	30	30	30	30	30	30	30	30	30	30	30
Netted		\$0	\$300,000	\$300,000	\$300,000	\$300,000	\$300,000	\$300,000	\$300,000	\$300,000	\$300,000	\$300,000	\$300,000	\$300,000	\$300,000	\$300,000	\$300,000
Netted	\$1,305,000	\$1,307,000	\$1,309,000	\$1,311,000	\$1,313,000	\$1,315,000	\$1,317,000	\$1,319,000	\$1,321,000	\$1,323,000	\$1,325,000	\$1,327,000	\$1,329,000	\$1,331,000	\$1,333,000	\$1,335,000	\$1,337,000
TOTAL	\$1,305,000	\$1,307,000	\$1,309,000	\$1,311,000	\$1,313,000	\$1,315,000	\$1,317,000	\$1,319,000	\$1,321,000	\$1,323,000	\$1,325,000	\$1,327,000	\$1,329,000	\$1,331,000	\$1,333,000	\$1,335,000	\$1,337,000

Initial Factor	1.000	1.0214	1.0432	1.0650	1.0868	1.1086	1.1304	1.1522	1.1740	1.1958	1.2176	1.2394	1.2612	1.2830	1.3048	1.3266	1.3484
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Public Housing	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
Operating	\$1,305,000	\$1,307,000	\$1,309,000	\$1,311,000	\$1,313,000	\$1,315,000	\$1,317,000	\$1,319,000	\$1,321,000	\$1,323,000	\$1,325,000	\$1,327,000	\$1,329,000	\$1,331,000	\$1,333,000	\$1,335,000	\$1,337,000
Initial Capital	30	\$1,000,000	30	30	30	30	30	30	30	30	30	30	30	30	30	30	30
Netted		\$0	\$300,000	\$300,000	\$300,000	\$300,000	\$300,000	\$300,000	\$300,000	\$300,000	\$300,000	\$300,000	\$300,000	\$300,000	\$300,000	\$300,000	\$300,000
Netted	\$1,305,000	\$1,307,000	\$1,309,000	\$1,311,000	\$1,313,000	\$1,315,000	\$1,317,000	\$1,319,000	\$1,321,000	\$1,323,000	\$1,325,000	\$1,327,000	\$1,329,000	\$1,331,000	\$1,333,000	\$1,335,000	\$1,337,000
TOTAL	\$1,305,000	\$1,307,000	\$1,309,000	\$1,311,000	\$1,313,000	\$1,315,000	\$1,317,000	\$1,319,000	\$1,321,000	\$1,323,000	\$1,325,000	\$1,327,000	\$1,329,000	\$1,331,000	\$1,333,000	\$1,335,000	\$1,337,000

Initial Factor	1.000	1.0214	1.0432	1.0650	1.0868	1.1086	1.1304	1.1522	1.1740	1.1958	1.2176	1.2394	1.2612	1.2830	1.3048	1.3266	1.3484
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Public Housing	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
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Public Housing PUM
Voucher PUM
Delta Dollar
Delta Percent

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total	Avg
Operating	\$1,750,000	\$3,707,333	1,400,706	11,071,499	11,970,607	11,500,351	8,507,773	\$2,500,399	\$2,000,000	\$1,100,000	\$1,100,000	\$1,100,000	\$2,200,000	\$2,014,584
Total Capital														
Local	\$411,000	\$111,700	\$240,700	\$222,500	\$440,000	\$400,000	\$400,000	\$210,714	\$400,000	\$400,000	\$400,000	\$400,000	\$500,000	\$414,286
Federal														
TOTAL	\$2,172,000	\$3,819,033	\$1,641,406	\$12,293,999	\$12,410,607	\$11,900,351	\$8,907,773	\$2,711,113	\$2,400,000	\$1,500,000	\$1,500,000	\$1,500,000	\$2,700,000	\$2,428,870

[illegible]

Bank Group	Jan-18	Jan-17	Jan-16	Jan-15	Jan-14	Jan-13	Jan-12	Jan-11	Jan-10	Jan-09	Jan-08	Jan-07
Operating	12,000,117	11,414,174	11,400,000	11,500,000	11,115,113	11,115,113	11,115,113	11,115,113	11,115,113	11,115,113	11,115,113	11,115,113
Interest Capital												
Assets	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Liabilities												
TOTAL	13,000,117	12,414,174	12,400,000	12,500,000	12,115,113	12,115,113	12,115,113	12,115,113	12,115,113	12,115,113	12,115,113	12,115,113

Interest Expense	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
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Bank Group	Jan-18	Jan-17	Jan-16	Jan-15	Jan-14	Jan-13	Jan-12	Jan-11	Jan-10	Jan-09	Jan-08	Jan-07
Operating	12,000,117	11,414,174	11,400,000	11,500,000	11,115,113	11,115,113	11,115,113	11,115,113	11,115,113	11,115,113	11,115,113	11,115,113
Interest Capital												
Assets	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Liabilities												
TOTAL	13,000,117	12,414,174	12,400,000	12,500,000	12,115,113	12,115,113	12,115,113	12,115,113	12,115,113	12,115,113	12,115,113	12,115,113

Interest Expense	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
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