

Louisville Metro Housing Authority

Moving to Work Annual Report

Fiscal Year 2019

July 1, 2018 – June 30, 2019

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TABLE OF CONTENTS

I. Introduction	1
A. Moving To Work (MTW) Demonstration Program Overview	1
B. Long Term MTW Goals and Objectives	1
C. MTW Short Term Goals and Objectives	2
Table 1: Moving to Work (MTW) Activity Matrix	7
II. General Housing Authority Operating Information	9
A. Housing Stock Information	9
Table 1: Actual New Project Based Vouchers	9
Table 2: Actual Existing Project Based Vouchers	10
Table 3: Actual Other Changes to MTW Housing Stock in the Plan Year	10
Table 4: Actual Capital Expenditures FY 2019	11
B. Leasing Information	13
Table 5: Actual Number of Households Served	13
Table 6: Local, Non-Traditional Housing Programs	14
Table 7: Local, Non-Traditional Service Programs	15
C. Waiting List Information	15
Table 8: Waiting List Information at Plan Year End	16
D. Information on Statutory Objectives and Requirements	16
Table 9: Local Non-Traditional Households and Income Levels	16
Table 10: Baseline Mix of Family Sizes Served (upon entry to MTW)*	17
Table 11: Mix of Family Sizes Served (in Plan Year)	17
Table 12: Transition to Self-Sufficiency	18
III. Proposed MTW Activities	19
IV. Approved MTW Activities	20
A. Implemented MTW Activities	20
A.1 Occupancy at Elderly/Disabled High-Rise Developments.....	21
<i>Activity #10-2008: Local Definition of Elderly.....</i>	<i>21</i>
<i>Activity #23-2010: Lease-Up Incentives for New Residents at Dosker Manor.....</i>	<i>22</i>
A.2 MTW Rent Policies	23
<i>Activity #40-2014: Financial Aid Disregard in Calculation of TTP – HCV Program</i>	<i>23</i>
<i>Activity #32-2012: Elimination of the Mandatory Earned Income Disregard</i>	<i>24</i>
<i>Activity #8-2008: Standard Medical Deduction</i>	<i>26</i>
<i>Activity #4-2007: Alternate Year Reexaminations</i>	<i>27</i>
<i>Activity #6-2008: Earned Income Disregard for Elderly HCV Families.....</i>	<i>30</i>

A.3	HCV Rent Reform Demonstration.....	33
	<i>Activity #43-2015: HCV Program – HUD/MDRC Rent Reform Demonstration</i>	<i>33</i>
A.4	Public Housing Development	40
	<i>Activity#18-2009: Simplification of the Public Housing Development Submittal</i>	<i>40</i>
	<i>Activity #26-2011: Acquisition of Mixed-Income Sites for Public Housing.....</i>	<i>41</i>
A.5	Expanded Homeownership Opportunities	43
	<i>Activity #3-2006: Amount and Distribution of HCV Homeownership Assistance.....</i>	<i>43</i>
	<i>Activity #13-2009: HCV Homeownership Program – Exception Payment Standards</i>	<i>44</i>
	<i>Activity #11-2009: Flexibility in Third Party Verification for HCV Homeownership.....</i>	<i>46</i>
A.6	Local Leased Housing Program	48
	<i>Activity #44-2015: Special Referral MTW HCV Programs</i>	<i>48</i>
	<i>Table 9: LMHA Special Referral MTW Voucher Programs FY 2019</i>	<i>52</i>
	<i>Activity #27-2011: Amend HCV Admissions Policy to Allow for Deduction of Child-Care Expenses in Determination of Eligibility</i>	<i>57</i>
	<i>Activity #39-2014: HCV Program Rent Increase Limit.....</i>	<i>58</i>
	<i>Activity #48-2018: Local Project-Based Voucher (PBV) Program and Activity #51-2019: Enhancements to Local Project-Based Voucher (PBV) Program</i>	<i>59</i>
A.7	Local, Non-Traditional Housing Programs.....	64
	<i>Activity #2014-1: Public Housing Sublease Programs.....</i>	<i>64</i>
	<i>Formerly Activities #37-2014 and #29-2015 and combined in the FY 2020 Plan.</i>	<i>64</i>
	<i>Activity #49-2018: Beecher Terrace CNI Revitalization – Broader Use of Funds to Support the Development of Off-Site, Mixed-Income Replacement Housing.....</i>	<i>67</i>
	<i>Activity #50-2018: Increasing Housing Options for Relocating Beecher Terrace Families</i>	<i>69</i>
B.	MTW Activities Not Yet Implemented	72
	<i>Activity #28-2011: Locally Defined Guidelines for Development, Maintenance and Modernization of Public Housing</i>	<i>72</i>
C.	MTW Activities On Hold	73
	<i>Activity #25-2010: Public Housing Sublease Agreement with Catholic Charities.....</i>	<i>73</i>
D.	Closed-Out MTW Activities.....	74
V.	Sources and Uses of Funds	76
A.	Actual Sources and Uses of MTW Funds for Fiscal Year 2019	76
B.	Local Asset Management Plan.....	76
VI.	Administrative	78
A.	Reviews, Audits and Inspections	78
B.	Evaluations.....	78
C.	Certification of MTW Statutory Requirements.....	78
D.	MTW Energy Performance Contract (EPC) Flexibility Data	78
	Appendix A: Certification of MTW Statutory Compliance.....	79

I. Introduction

The Louisville Metro Housing Authority is a nonprofit agency responsible for the development and management of federally assisted housing in the Louisville Metro area, which includes Jefferson County. A nine-member Board of Commissioners, appointed by the Metro Mayor, serves as the agency's policymaking body. LMHA administers rental assistance for approximately 4,000 families through its Public Housing Program and more than 9,000 families through its Section 8 programs.

A. Moving To Work (MTW) Demonstration Program Overview

In 1999, LMHA, then the Housing Authority of Louisville, became one of a small group of public housing agencies designated to participate in the Moving to Work (MTW) Demonstration Program. MTW is a demonstration program authorized by Congress, through which participating Public Housing Authorities are provided flexibility to waive certain statutes and federal regulations in order to design and test, unique and locally-driven approaches for providing housing assistance. These approaches must address one or more of the following MTW statutory objectives:

1. Reduce cost and achieve greater cost effectiveness in Federal expenditures;
2. Provide incentives to families with children whose heads of household are either working, seeking work, or are participating in job training, educational or other programs that assist in obtaining employment and becoming economically self-sufficient; and,
3. Increase housing choices for low-income families.

MTW designation also permits LMHA to combine public housing operating and capital funds, along with Housing Choice Voucher rental assistance funds, into a single agency-wide MTW Block Grant, and to use these funds flexibly for all authorized purposes.

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

At the close of each Fiscal Year, LMHA is required to submit an MTW Annual Report in a format defined by HUD. This Annual Report summarizes LMHA's MTW activities and initiatives for Fiscal Year 2019, i.e. the period from July 1, 2018 through June 30, 2019. For purposes of the Annual Report, an "MTW activity" is defined as any activity that requires MTW flexibility to waive statutory or regulatory requirements. As required, the Annual Report focuses primarily on describing the outcomes of existing approved and implemented MTW activities.

B. Long Term MTW Goals and Objectives

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

At the inception of LMHA's designation as an MTW agency, LMHA carefully evaluated its own goals and objectives, comparing them to those of the MTW demonstration. The outcome of this process was the

development of an original listing of six (6) long-term goals for LMHA's participation in the MTW program. Subsequently, LMHA added a seventh goal, which focuses on serving a growing number of populations with specific needs that often go unmet by existing housing and support service infrastructure. The following are LMHA's locally-determined long-term goals:

- Increase the share of residents moving toward self-sufficiency;
- Achieve a greater income mix at LMHA properties;
- Expand the spatial dispersal of assisted housing;
- Improve the quality of the assisted housing stock;
- Reduce and/or reallocate administrative, operational and/or maintenance costs;
- Enhance the Housing Authority's capacity to plan and deliver effective programs; and
- Develop programs and housing stock targeted to populations with special needs, especially those families not adequately served elsewhere in the community.

C. MTW Short Term Goals and Objectives

The mission of the Louisville Metro Housing Authority (LMHA) is to provide quality, affordable housing for those in need, to assist residents in their efforts to achieve financial independence, and to work with the community to strengthen neighborhoods. During FY 2019, LMHA undertook a range of MTW related and other activities in the Housing Choice Voucher and Public Housing programs, which are summarized below. A complete list of LMHA's MTW activities (along with their current status) is shown on the table *Moving to Work (MTW) Activity Matrix*.

- **Housing Choice Vouchers:** In FY 2019 LMHA provided rental assistance and related services to 8,817 MTW households through the HCV program. An additional 356 households were served through the VASH program.
- **Public Housing:** In FY 2019, LMHA served 3,860 public housing households. Additionally, LMHA continued its preservation and redevelopment efforts across the public housing portfolio.
- **Vision Russell:** LMHA continued its efforts to implement the Vision Russell Choice Neighborhoods Transformation Plan with the following FY 2019 activities:
 - Closing for Phase I occurred on March 5, 2019. Construction completion for these 117 units (unit mix remains 113 replacement and 4 LIHTC only) is projected for Q2 of FY 2020. Construction of Phase I units to be completed by the end of calendar year 2020.
 - Plans for the 108 units (revised to include 43 replacement, 15 LIHTC, and 50 market rate) in Phase II are complete and the closing occurred on June 27, 2019. Construction will begin soon thereafter and is anticipated to be completed by Q1 of FY 2021.
 - Phase III, which has been expanded to include the former Phase IV for a total of 185 units (66 replacement, 37 LIHTC, 82 market rate), is anticipated to close by Q4 of FY 2020.
 - The third and final phase of relocation was well underway at the end of FY 2019 and will be completed the end of September 2019.

- ***Housing Options for Beecher Relocates:*** In spite of LMHA’s efforts to relocate Beecher families, there continues to be a shortage of one-bedroom units both in LMHA’s Public Housing inventory and in the Louisville Metro area. In FY 2019, fifty-three (53) owners were eligible to receive the owner incentive. This incentive has been effective in marketing efforts to identify and attract owners with one-bedroom units. Additionally, ninety (90) families eligible for a one-bedroom voucher received the two-bedroom payment standard. In FY 2019, LMHA revised its ACOP transfer policy to address the needs of Beecher relocatees.
- ***Local Project Based Voucher Program:*** In FY 2019, LMHA submitted, and HUD approved, policy changes to the PBV Program, which streamlined the program and made it more appealing to developers. As a result, the Agency received four (4) proposals in response to a revised PBV RFP, of which three (3) proposals were selected competitively for a total of 288 units. All three (3) proposals are new construction, and as such, lease ups are not expected to occur until FY 2021 and FY 2022. In addition to the three (3) proposals selected, LMHA awarded another developer twenty (20) PBVs through prior competition and intends to project base vouchers in two (2) developments the Agency acquired. All awarded PBVs to date will serve as CNI replacement units for Beecher Terrace.
- ***Off-Site, Mixed Income Replacement Housing:*** LMHA anticipates that the vast majority of replacement units for Beecher Terrace will be subsidized through its Local Project Based Voucher Program. LMHA is also pursuing opportunities to acquire properties where the Agency can provide off-site replacement housing without relying fully on third-party developers. In FY 2019, LMHA continued its efforts to purchase two, historic 4-plex buildings in the Russell neighborhood on W. Market Street; however, LMHA has not yet closed on the property. LMHA also examined the possibility of acquiring another 12-unit apartment building in Russell; however, the owner decided not to sell the property. In June 2019, LMHA’s subsidiary, LMHA Development Corporation, purchased 6600 Newbridge Place, a 27-unit apartment complex in Fern Creek. As of the end of the fiscal year, a HAP had not been entered into for any of the units; however, LMHA plans to project-base units when they are vacated.
- ***Friary:*** LMHA closed on the Friary in Q3 FY 2019 and the new owner/developer is currently rehabbing the building into a 29-unit property. LMHA plans to utilize at least 18 of the 29 units for public housing once redevelopment is complete. Units are anticipated to be available for occupancy in Q4 FY 2020. LMHA did not acquire the additional six Friary replacement public housing units off-site in non-impacted census tracts during FY 2019, but anticipates this happening during FY 2020 either through off-site acquisitions or by LMHA acquiring more of the renovated Friary units.
- ***Russell Neighborhood Transformation:*** Using Choice Neighborhood Action Grant funds and leveraged funds from the Louisville Metro Government, the following progress was made on four high-impact action activities in Russell during FY 2019:
 - Spray grounds and other improvements at Sheppard Park were completed in June 2018.
 - Due to budget constraints, the number of SmART Stop bus shelter locations was reduced from six to five. Four of the five stops were substantially completed by the end of FY 2019. The fifth will be completed in Q1 of FY 2020.
 - Designs for all four (4) gateway murals were completed; however, the start of work was delayed due to liability insurance issues with the railroad. Work on the project is expected to begin in Q1 FY 2020 and to be completed by the end of Q2 FY 2020.

- Two of the three vacant lot projects are complete including 1) the Lily Pad, which was transformed into an outdoor gathering place next to a restaurant and 2) an overgrown lot that was cleared and bundled with two adjacent lots that were acquired by Louisville Metro Government, and currently being offered for redevelopment. 3) The last vacant lot project - Opportunity Corner – experienced some delays due to the discovery of underground debris. Removal of the debris is complete, and construction is now underway. Completion of this vacant lot transformation project, which will include shipping containers and a community garden, is expected by Q2 FY 2020.
- ***Sheppard Square HOPE VI Revitalization:*** The Smoketown Family Wellness Center celebrated its grand opening in March 2018. The Center hosted a number of community events during FY 2019 including an open house on their 1st year anniversary where they distributed free bike helmets and books, including books that were supplied through LMHA’s Book Rich Environment initiative. The Center also has three large plots in Sheppard’s community garden and has recruited several Sheppard residents to participate in gardening activities.
- ***Special Referral Programs:*** Through its MTW Special Referral Programs, LMHA partners with local, non-profit social services organizations to provide housing support to vulnerable populations whose needs are not adequately met elsewhere in the community. In FY 2019, LMHA continued to provide housing subsidy through its partnerships and added two (2) new allocations; one (1) allocation of ten (10) vouchers to Shelter Works, which connects homeless individuals to supportive services, and ten (10) vouchers to Home of the Innocents, which supports homeless youth. In addition, one (1) additional voucher was added to Choices, Inc., which provides permanent supportive housing to homeless families, including case management services.
- ***Self-Sufficiency and Development Programs:*** In FY 2019, LMHA provided financial literacy, adult education, employment and training programs through its network of partners. Credit Building, Homeownership, Special Referral and the Family Self-Sufficiency programs continued to be vehicles used by LMHA to assist participants in achieving economic self-sufficiency. These initiatives all leverage MTW Block Grant funding to secure additional public and private funding.
- ***Homeownership:*** LMHA operates three (3) MTW Homeownership activities; all designed to enhance the traditional HCV Homeownership Program. During FY 2019, thirty (30) HCV Homeownership Program participants purchased a home. Furthermore, using MTW flexibility, eleven (11) one-bedroom-eligible families purchased a unit using the two-bedroom payment standard and five (5) HCV Homeownership Program participants purchased a home in an exception payment standard area in FY 2019.
- ***Elderly/Disabled Housing:*** LMHA continued to use MTW flexibility in FY 2019 to maximize leasing at elderly/disabled developments. Efforts included utilizing a revised definition of elderly and providing lease-up incentives. These initiatives continued to result in increased occupancy rates at these developments.
- ***Rent Policies:*** LMHA’s rent policies address both participant self-sufficiency and LMHA administrative efficiency. In FY 2019, LMHA continued to apply the policies related to alternate year reexaminations, application of a standard medical deduction, elimination of the mandatory earned income disregard, and application of an earned income disregard for elderly HCV families. The average employment related income for elderly families where their only other source of income was Social Security, doubled the forecast and is indicative of the effect of the employment incentive for these targeted households.

- **Owner Rent Increase Limit:** In FY 2019, LMHA implemented a new MTW policy on owner rent increases. While LMHA will continued to place a cap on rent increases, LMHA began to conduct reasonable rent determinations on only a sample of the units where increases in rents were requested. In FY 2019, LMHA did not find any unreasonable rents in its sample review. The change significantly decreased the amount of time staff were spending on rent reasonableness determinations yet ensured that rents remained in line with the market.
- **HUD Rent Reform Demonstration:** FY 2019 represented the fourth of six years of the HUD Rent Reform Demonstration. The study sets alternative rent calculation and reexamination strategies that have been implemented at four (4) public housing authorities across the country in order to fully test the policies nationally. In FY 2019, LMHA had 602 households in the Alternate Rent Group, and 694 households in the Control Group. The study is scheduled to end in 2021.
- **Public Housing Development:** As part of its goal to transform aging portions of LMHA's physical housing stock while providing replacement units, LMHA developed and implemented two MTW Public Housing (PH) development activities. While LMHA did not use the flexibilities provided in the Simplified PH Development Submittal or the Acquisition of Mixed-Income Sites activities in FY 2019 LMHA may utilize them in the future.
- **Accessible Units:** In its efforts to provide fully accessible units to individuals with disabilities, LMHA, under its MTW Activity with Frazier Rehab Institute, provided transitional housing for up to six months per family. Frazier Rehab sub-lessees are also referred to area service providers to assist them to leave the program and obtain stable housing. In FY 2019, LMHA served two (2) households under this activity.
- **YouthBuild:** LMHA provided temporary housing for low-income YouthBuild Louisville (YBL) participants who are experiencing homelessness. Up to three, two-bedroom units are available for YBL participants who may stay in the unit as long as they are active in the YBL program. LMHA provides a PH preference to these individuals upon graduation from YBL. In FY 2019, five (5) households were assisted under this activity.
- **Scholar House:** LMHA provided housing to families actively participating in the Scholar House's programming. LMHA maintains a partnership with the Family Scholar House to provide public housing to parents while they work to obtain a college degree. To be eligible for residency at the Downtown Scholar House, the head of household must have a high school diploma or GED, and be willing to enroll in a degree-granting program at an accredited post-secondary institution as a full-time student. In FY 2019, eleven (11) households were assisted under this activity.

Along with its MTW implementation activities, LMHA implemented other initiatives that do not specifically require MTW authority or Block Grant flexibility to administer. Highlights of LMHA's Non-MTW activities include:

- **Smoke-Free Policy:** On December 5, 2016, HUD published a final Smoke-Free Housing Rule in the Federal Register that requires each public housing agency to implement a smoke-free policy. The effective date of this policy was July 30, 2018. More specifically PHA's were mandated to implement a policy banning the use of prohibited tobacco products in all public housing living units and in agency administrative office buildings. The smoke-free policy must also extend to all outdoor areas within 25 feet of public housing and administrative office buildings. As required by HUD, LMHA held a public hearing on November 16, 2017, to describe the new smoke-free

requirements to residents. During December 2017, LMHA staff sent a letter to residents informing them of the new policy. In January 2018, property management staff began meeting individually with families, having them sign the updated no-smoking lease addendum and providing information about free resources that can help residents who currently smoke to quit. Additionally, LMHA received a grant from the local Health Department, which will provide classes on site to help residents quit smoking. Construction is complete for the installation of smoking shelters at various LMHA properties. The installation of no smoking signage throughout the properties has also been completed. Property Management has begun the enforcement component of this new policy.

- ***Grants and Grant Opportunities*** – In FY 2019, LMHA continued to administer existing grants, which include the FSS Coordinator and Ross grants as well as the Choice Neighborhoods Implementation and Action grants. LMHA has also received grants from AmeriCorps VISTA and ConnectHome USA. During FY 2019, the VISTA grant was closed out and the final reporting period ended March 30, 2019. ConnectHome USA is an initiative, which provides digital inclusion services to public housing and HCV residents. In July 2018, LMHA obtained a \$1,500 GitHub micro grant in order to establish an on-site computer lab and resource center at Parkway Place. Since opening its doors in September 2018, the Parkway Tech Center serves an average of 17 people on days it is open. In addition, in April 2019, LMHA received an in-kind donation of 275 laptops from Google to go towards the Louisville Metro Computer Donation and Imaging Upgrade Program, which LMHA manages under the ConnectHome USA initiative in partnership with the Louisville Metro Government's Office of Performance Improvement and Innovation. Since program inception, recycled donated computers have been provided to over 500 low-income Louisville households, including 380 LMHA households.
- ***Prudent Fiscal Management and Internal Controls:*** LMHA continued to implement its comprehensive program of internal audit, compliance reviews, and fiscal management.

Table 1: Moving to Work (MTW) Activity Matrix

#	Fiscal Year	MTW Activity	Status
51	2019	Enhancements to Local Project-Based Voucher (PBV) Program	Implemented
50	2018	Increasing Housing Options for Relocating Beecher Terrace Families	Implemented
49	2018	Beecher Terrace CNI Revitalization – Broader Use of Funds to Support Development of Off-Site, Mixed-Income Replacement Housing	Implemented
48	2018	Local Project-Based Voucher Program	Implemented
47	2017	MTW Special Referral Program – ChooseWell Communities	Implemented
46	2017	MTW Special Referral Program – Riverport Scholar House	Implemented
45	2016	MTW Special Referral Program – Coalition for the Homeless “Move Up” Initiative	Closed out
44	2015	MTW Special Referral Programs	Implemented
43	2015	HCV Program - HUD/MDRC Rent Reform Demonstration	Implemented
42	2015	MTW Special Referral Program - Centerstone	Implemented
40	2014	HCV Program - Financial Aid Disregard in Calculation of TTP	Implemented
39	2014	HCV Program - Rent Increase Limit	Implemented
1	2014	Public Housing - Sublease Agreement <ul style="list-style-type: none"> • Accessible Units Sublease Agreement with Frazier Rehab Institute • Public Housing Sublease Agreement with YouthBuild Louisville • Public Housing Sublease Agreement with Family Scholar House 	Frazier Rehab Institute: Proposed in FY 2013 and re-proposed and implemented in FY 2014 YouthBuild Louisville: Proposed in FY 2011 and re-proposed and implemented in FY 2015 Family Scholar House: Proposed and approved in FY 2011
38	2013	MTW Special Referral Program – Parkland Scholar House	Implemented
36	2013	MTW Special Referral Program – Wellspring at Bashford Manor/Newburg	Implemented
35	2012	MTW Special Referral Programs – Allocation of MTW Housing Choice Vouchers	Implemented
34	2012	MTW Special Referral Program – Wellspring at Youngland Avenue	Implemented
33	2012	Public Housing - Rents Set at 30% of Adjusted Income	Closed out
32	2012	HCV Program & Public Housing - Elimination of the Earned Income Disregard	Implemented
31	2012	MTW Special Referral Program - Stoddard Johnston Scholar House	Implemented
30	2012	MTW Special Referral Program – 100,000 Homes Initiative	Implemented
28	2011	Public Housing - Locally Defined Guidelines for Development, Maintenance, & Modernization	Proposed and approved in FY 2011; not yet implemented

#	Fiscal Year	MTW Activity	Status
27	2011	HCV Program - Deduction of Child-Care Expenses in Determination of Eligibility	Implemented
26	2011	Public Housing - Acquisition of Mixed-Income Sites	Implemented
25	2010	Public Housing - Sublease Agreement with Catholic Charities	On hold
24	2010	Public Housing - Increased Flat Rents for New Scattered Sites	Closed out
23	2010	Public Housing - Lease-up Incentives for New Residents at Dosker Manor	Implemented
21	2010	Public Housing - Occupancy Criteria Changes for New Scattered Sites - Mandatory Case Management	Closed out
20	2010	MTW Special Referral Program - Downtown Family Scholar House	Implemented
18	2009	Public Housing - Simplification of the Public Housing Development Submittal	Implemented
16	2009	Public Housing - Streamlined Demolition and Disposition Application Process for MTW Agencies	Closed out
15	2009	MTW Special Referral Program - Louisville Scholar House	Implemented
14	2009	Center for Women and Families at the Villager - Determinations for Program Eligibility	Non-MTW
13	2009	HCV Homeownership Program – Exception Payment Standards (Revised 2016)	Implemented
11	2009	HCV Homeownership Program - Flexibility in Third-Party Verifications	Implemented
10	2008	Local Definition of Elderly	Implemented
9	2007	Public Housing - Term Limits and Employment/Educational Work Requirements for New Scattered Sites (Revised 2014, 2016)	Closed out
8	2008	HCV Program & Public Housing - Standard Medical Deduction	Implemented
7	2008	MTW Special Referral Program - Day Spring (Renewed 2012)	Implemented
6	2008	HCV Program - Earned Income Disregard for Elderly Families	Implemented
5	2007	HCV Program - Spatial Deconstruction of HCV Assisted Units	Closed out
4	2007	HCV Program & Public Housing - Alternate Year Reexaminations of Elderly and Disabled Families (Revised 2012, 2014)	Implemented
3	2006	HCV Homeownership Program - Amount and Distribution of Homeownership Assistance	Implemented
2	1999	MTW Inspections Protocol	Closed Out
1	2005	MTW Special Referral Program - Center for Women and Families	Implemented

II. General Housing Authority Operating Information

A. Housing Stock Information

LMHA serves eligible low-income households through its two (2) primary housing programs: Public Housing and the Housing Choice Voucher (HCV) programs. LMHA's public housing inventory includes units for families, seniors, and persons with disabilities. These affordable apartments are located throughout the Louisville Metro area. Through its Housing Choice Voucher (HCV) Program, LMHA provides rental assistance to families, seniors, and persons with disabilities. The HCV Program also provides support to first time homebuyers.

i. Actual New Project Based Vouchers

In FY 2019 LMHA did not have any project-based vouchers.

Table 1: Actual New Project Based Vouchers

Property Name	Number of Vouchers Newly Project-Based		Status at End of Plan Year **	RAD?	Description of Project
	Planned*	Actual			
Various	160	0	N/A	N/A	As part of its Beecher Terrace Choice Neighborhoods Initiative Transformation Plan, LMHA has committed to providing 442 off-site replacement units by September 30, 2023. Most, if not all, of these units will be funded with project-based vouchers.
	160	0	Planned/ Actual Total Vouchers Newly Project Based		

* Figures and text in the "Planned" column should match the corresponding Annual MTW Plan.

**Select "Status at the End of the Plan Year" from: Committed, Leased/Issued.

Describe differences between the Planned and Actual Number of Vouchers Newly Project-Based:

Prior to FY 2019, LMHA completed two procurement rounds for PBV; however, the Agency did not receive any responses to issued PBV RFPs. Consequently, in FY 2019, LMHA submitted, and HUD approved, policy changes to the PBV Program, which streamlined the program and made it more appealing to developers. LMHA expected that the Agency would be able to reissue the PBV RFP early in FY 2019 and successfully implement project-based vouchers in the plan year. However, due to time delays, the Agency reissued the RFP in the latter part of the fiscal year, and as such, LMHA did not use any project-based vouchers in FY 2019. However, the Agency received four (4) proposals as a result of the revised PBV RFP and three (3) have been selected.

ii. Actual Existing Project Based Vouchers

LMHA did not have any PBV projects in its portfolio prior to FY 2019 and, as a result, there are no properties included in Table 2.

Table 2: Actual Existing Project Based Vouchers

Property Name	Number of Project-Based Vouchers		Status at End of Plan Year **	RAD?	Description of Project
	Planned*	Actual			
N/A	0	0	N/A	N/A	N/A
	0	0	Planned/Actual Total Existing Project-Based Vouchers		

* Figures and text in the “Planned” column should match the corresponding Annual MTW Plan.

**Select “Status at the End of the Plan Year” from: Committed, Leased/Issued.

Describe differences between the Planned and Actual Existing Number of Vouchers Project-Based:

N/A

iii. Actual Other Changes to MTW Housing Stock in the Plan Year

LMHA is committed to one-for-one replacement of all units removed from its public housing stock. Acquisition does not occur on a fixed schedule, but rather as suitable properties become available. During FY 2019, LMHA will continued to work toward one-for-one replacement of the units identified as planned to be removed in the FY 2019 Plan and those already disposed of. Replacement units may be PBV, public housing, or local, nontraditional units.

Table 3 below provides an update on changes to LMHA’s housing stock during FY 2019.

Table 3: Actual Other Changes to MTW Housing Stock in the Plan Year

Site	Description from Annual Plan	Status as of June 30, 2019
Beecher Terrace (KY001000002)	Units to be Removed: LMHA received a Choice Neighborhoods Implementation Grant in December 2016. LMHA planned to remove 121 units in FY 2018 for the first phase of the 120-unit senior building. These units were not removed in FY 2018 and will be removed in FY 2019 plus an additional 296 units for phase two of the Implementation Grant.	HUD’s Special Application Center (SAC) approved the demolition of all Beecher Terrace units on July 27, 2018. To date, during Phase I, 129 units have been removed and in 2020 an additional 679 units are planned for demolition.
Fegenbush-Whipps Mill (KY001000017)	Units to be Removed: 8 units to be removed for excessive mold and/or lead abatement costs. An additional 7 units may be disposed of through a competitive bid process, pending HUD approval.	8 units were removed/sold on August 20, 2018 due to excessive mold and/or lead abatement costs. On 7/13/18, HUD approved the disposition of 7 additional units. LMHA is awaiting a closing date on these additional 7 units.
HOPE VI Scattered Sites (KY001000034)	Units to be Removed: 10 units for recurring water damage. 24 units at the Friary.	10 units (Bayberry) with recurring water damage are still slated for removal. 10 additional units (W. Kentucky) are slated for disposal through a competitive bid process. 24 units (The Friary on E. Liberty) were removed during Q3 FY 2019.

iv. General Description of All Actual Capital Expenditures during the Plan Year

Table 4 provides a general description of actual capital expenditures in in FY 2019.

Table 4: Actual Capital Expenditures FY 2019

Site Name	Description	Amount
Beecher Terrace - 002	HVAC INSTALLATION	\$ 102.28
	DWELLING EQPT-EXPENSED	\$ 813.57
	RESIDENT SERVICES	\$ 1,965.00
	TREE TRIMMING	\$ 8,425.00
	SITE IMPROVEMENTS	\$ 8,752.72
	EVICITION PREVENTION	\$ 17,317.22
	SECURITY SERVICES	\$ 18,269.47
	DEMOLITION	\$ 20,326.85
	HALO COMMUNITY POLICING	\$ 23,750.00
	HOPE VI PLANNING	\$ 57,436.39
	HOPE VI CONSULTANT COSTS	\$ 93,409.67
	HOPE VI HUD LEGAL	\$ 133,903.24
	HOPE VI REAL ESTATE LEGAL	\$ 207,441.77
	RELOCATION COSTS-MOVING	\$ 251,516.62
	PARKING LOT REPAIR	\$ 640.27
	ELEVATOR UPGRADES	\$ 1,446.21
	SMOKING SHELTERS	\$ 2,962.50
	TREE TRIMMING	\$ 5,450.00
	HVAC INSTALLATION	\$ 8,955.20
	ROOFS	\$ 12,631.52
	HALO COMMUNITY POLICING	\$ 23,750.00
	EVICITION PREVENTION	\$ 26,884.44
	DWELLING EQPT-EXPENSED	\$ 36,960.34
	ROOFS	\$ 101,384.69
	HEATING SYSTEMS	\$ 352,598.35
	BLOCK B PLANNING	\$ 90.00
	BLOCK PCC	\$ 129.11
	TREE TRIMMING	\$ 800.00
	LMHA CONSTRUCT INSPECTOR	\$ 2,562.57
	HOPE VI REAL ESTATE LEGAL	\$ 3,240.00
	HOPE VI HUD LEGAL	\$ 41,156.82
Dosker Manor - 012	RELOCATION COSTS-MOVING	\$ 187.50
	ELEVATOR UPGRADES	\$ 199.40
	HOT WATER	\$ 511.77
	SMOKING SHELTERS	\$ 5,242.50
	ELEVATOR UPGRADES	\$ 5,872.94
	OFFICE EQUIP	\$ 9,939.50
	TREE TRIMMING	\$ 12,350.00
	RESIDENT SERVICES	\$ 24,322.00
	EVICITION PREVENTION	\$ 43,119.34
	DWELLING EQPT-EXPENSED	\$ 70,501.56
	TRASH COMPACTORS	\$ 173,082.91
	HVAC INSTALLATION	\$ 391,475.13
	SECURITY SERVICES	\$ 661,843.51

Site Name	Description	Amount
St Catherine - 013	RESIDENT SERVICES	\$ 60.00
	EVICTON PREVENTION	\$ 3,495.58
	RESIDENT SERVICES	\$ 6,270.00
	TREE TRIMMING	\$ 7,750.00
	DWELLING EQPT-EXPENSED	\$ 12,401.33
	SECURITY	\$ 29,910.98
	SECURITY SERVICES	\$ 112,683.11
	TRASH COMPACTORS	\$ 173,082.84
	ELEVATOR UPGRADES	\$ 252,372.00
Avenue Plaza - 014	SMOKING SHELTERS	\$ 51.28
	ELEVATOR UPGRADES	\$ 199.39
	PARKING LOT REPAIR	\$ 640.28
	COMMUNITY BLDG & SPACE	\$ 2,725.72
	TREE TRIMMING	\$ 3,700.00
	GENERAL RENOVATIONS	\$ 5,509.22
	RESIDENT SERVICES	\$ 6,140.00
	DWELLING EQPT-EXPENSED	\$ 13,971.41
	EVICTON PREVENTION	\$ 26,613.42
	SECURITY	\$ 42,300.24
	SECURITY SERVICES	\$ 143,945.94
	TRASH COMPACTORS	\$ 173,209.16
Scattered Sites - 017	PARKING LOT REPAIR	\$ 189.29
	RESIDENT SERVICES	\$ 1,860.00
	RELOCATION COSTS-MOVING	\$ 1,890.00
	SMOKING SHELTERS	\$ 3,251.12
	EVICTON PREVENTION	\$ 4,750.00
	DWELLING EQPT-EXPENSED	\$ 9,960.69
	ROOFS	\$ 22,142.55
	TREE TRIMMING	\$ 25,910.00
	PORCH	\$ 148,038.68
Lourdes Hall/BLP - 018	ROOFS	\$ 49.30
	RELOCATION COSTS-MOVING	\$ 184.52
	PARKING LOT REPAIR	\$ 640.28
	SECURITY	\$ 1,249.86
	SMOKING SHELTERS	\$ 2,475.00
	EVICTON PREVENTION	\$ 4,528.19
	KITCHEN RENOVATIONS	\$ 5,953.58
	TREE TRIMMING	\$ 6,550.00
	RESIDENT SERVICES	\$ 8,625.00
	DWELLING EQPT-EXPENSED	\$ 20,506.99
	HEATING SYSTEMS	\$ 39,222.64
	SECURITY SERVICES	\$ 130,868.37
	TREE TRIMMING	\$ 2,450.00
	RELOCATION COSTS-MOVING	\$ 3,828.25
	PARKING LOT REPAIR	\$ 4,169.83
	EVICTON PREVENTION	\$ 12,999.95
	HOPE VI HUD LEGAL	\$ 17,481.02
	DWELLING EQPT-EXPENSED	\$ 21,406.45
	TREE TRIMMING	\$ 27,500.00
	LEAD BASE PAINT	\$ 104,714.67
	LEAD BASE PAINT	\$ 262,678.53
	ARCHITECTURAL/ENGINEERING	\$ 751,534.10

Site Name	Description	Amount
	GENERAL RENOVATIONS	\$ 1,139,912.00
NSP Homes - 056	EVICTON PREVENTION	\$ 879.63
Sheppard Rental B - 057	DWELLING EQPT-EXPENSED	\$ 11,534.10
	RELOCATION COSTS-MOVING	\$ 405.00
	SITE IMPROVEMENTS	\$ 578.24
	EVICTON PREVENTION	\$ 1,912.23
	DWELLING EQPT-EXPENSED	\$ 2,148.21
	SECURITY SERVICES	\$ 2,220.00
	UTILITY DIST SYSTEMS	\$ 2,523.09
	MAILBOXES	\$ 3,610.02
	SMOKING SHELTERS	\$ 6,014.83
	TREE TRIMMING	\$ 6,800.00
	ADMIN BLDG	\$ 11,897.00
	UTILITY DIST SYSTEMS	\$ 16,012.12
	KEY FOB ENTRY SYSTEM	\$ 24,847.00
Administrative Cost	ADMIN FEE TRANSFER TO GEN FUND	\$ 1,262,388.00
Administrative Cost	GENERAL FUND FOR OPERATIONS	\$ 50,000.00
Total		\$ 8,072,042.11

B. Leasing Information

i. Actual Number of Households Served

LMHA provided housing assistance to approximately 12,682 households in FY 2019 through the Public Housing and HCV programs, excluding non-MTW vouchers, as shown on Table 5 below.

Table 5: Actual Number of Households Served

Number of Households Served through:	Number of Unit Months Occupied/Leased*		Number of Households Served**	
	Planned	Actual	Planned	Actual
MTW Public Housing Units Leased***	48,408	46,188	4,034	3,849
MTW HCV Utilized	112,476	105,808	9,373	8,817
Local, Non-Traditional: Tenant-Based	NA	NA	NA	NA
Local, Non-Traditional: Property-Based***	192	192	16	16
Local, Non-Traditional: Homeownership	NA	NA	NA	NA
Planned/Actual Totals	161,076	152,188	13,423	12,682

*“Planned Number of Unit Months Occupied/Leased” is the total number of months the MTW PHA planned to have leased/occupied in each category throughout the full Plan Year (as shown in the Annual MTW Plan)

**“Planned Number of Households to be Served” is calculated by dividing the “Planned Number of Unit Months” by the number of months in the plan year.

*** In the FY 2019 Plan, the planned number of households served and the planned number of unit months occupied/leased for MTW Public Housing Units included the sublease agreement with Scholar House. This data has been adjusted to include Scholar House with Local, Non-Traditional Property-Based rather than MTW Public

Housing Units. LMHA's FY 2019 Plan did not use the HUD required methodology to populate Planned Number of Households Served by Local, Non-Traditional Activities. LMHA revised this number to reflect the HUD required methodology. Actual number of households served reflects the HUD required methodology; however, the lease term is six months for some of the units.

Describe any differences between the planned and actual households served:

In FY 2019, the number of HCV households served was 556 less and the number of Public Housing households served was 185 less than LMHA planned due to a number of factors described below, under *Discussion of Any Actual Issues/Solutions Related to Leasing*.

Tables 6 and 7 below, report the number of households served in the plan year by LMHA's local, non-traditional programs.

Table 6: Local, Non-Traditional Housing Programs

Local, Non-Traditional Category	MTW Activity Name/Number	Number of Unit Months Occupied/Leased		Number of Households to be Served	
		Planned*	Actual	Planned*	Actual
Tenant-Based	N/A	N/A	N/A	N/A	N/A
Property-Based	Activity #2014-1 Public Housing - Sublease Agreement with Frazier Spinal Cord Rehab Institute	24	24	2	2**
Property-Based	Activity #2014-1 Public Housing - Sublease Agreement with YouthBuild Louisville	36	36	3	3
Property-Based	Activity #2014-1 Public Housing – Sublease Agreement with Family Scholar House	132	132	11	11
Property-Based	Activity # 49-2018 Beecher Terrace CNI Revitalization - Broader Use of Funds to Support Development of Off-Site, Mixed-Income Replacement Housing***	0	0	0	0
Homeownership	N/A	N/A		N/A	
	Planned/Actual Totals	192	192	16	16

**Planned number of unit months occupied and planned number of households served was only included as an aggregate number for all local, non-traditional activities in the FY 2019 MTW Annual Plan, as this table was not required in previous HUD Form 50900. In the FY 2019 MTW Plan, the planned number of households served and the planned number of unit months occupied/leased for Local, Non-Traditional Housing Programs did not include the sublease agreement with Scholar House, as the data was included with MTW Public Housing units. This data has been adjusted to include Scholar House. LMHA's FY 2019 Plan did not use the HUD required methodology to populate Planned Number of Households Served by Local, Non-Traditional Activities. LMHA revised this number to reflect the HUD required methodology.*

***Actual number of households served reflects the HUD required calculation; however, the lease term is six months for the units on the program.*

****In June 2019, LMHA's subsidiary, LMHA Development Corporation, purchased 6600 Newbridge Place, a 27-unit apartment complex. As of the end of the fiscal year, a HAP had not been entered into; however, LMHA plans to utilize project-based units when they are vacated.*

Table 7: Local, Non-Traditional Service Programs

LMHA does not have any local non-traditional service only programs.

Households Receiving Local, Non-Traditional Services Only	Average Number of Households Per Month	Total Number of Households in the Plan Year
N/A	N/A	N/A

ii. Discussion of Any Actual Issues/Solutions Related to Leasing

Housing Program	Description of Actual Leasing Issues and Solutions
MTW Public Housing	Utilization of LMHA's Public Housing portfolio was slightly less than expected. This is primarily due to the fact that LMHA held units vacant for relocating families from Beecher Terrace. In addition, although LMHA provides lease-up incentives to new residents at Dosker Manor, the Agency continues to face leasing challenges at the site. The high rate of turnover at the site as well as the need for capital repairs resulted in unit vacancies.
MTW Housing Choice Voucher	<p>During FY 2019, LMHA continued to face a number of challenges related to leasing in the MTW HCV program, including the following:</p> <ul style="list-style-type: none">• LMHA's HCV waitlist has not been updated or purged in many years. Therefore, only approximately a quarter of the families selected from the waiting list and contacted for an eligibility interview attended, making it difficult to lease vouchers expediently.• There is low inventory of one-bedroom apartments in the Louisville Metro area. The lack of inventory results in increased search time for voucher holders. LMHA has already implemented a number of initiatives to provide an incentive to owners of one-bedroom units to participate in the HCV program, and will continue to look into other ways to increase the inventory of one-bedroom units available to participants. <p>In response to these issues, during FY 2019, LMHA added a new staff position of Voucher Specialist, who will work with families to resolve issues they are having in leasing a unit.</p>
Local, Non-Traditional	N/A

C. Waiting List Information

i. Actual Waiting List Information

LMHA administers its waiting lists in accordance with the HCV Administrative Plan and Public Housing Admissions and Continued Occupancy Policy (ACOP) as applicable. LMHA operates its waiting lists in a nondiscriminatory manner that seeks to avoid unintended discriminatory effects. LMHA affirmatively markets its sites in a variety of venues and periodicals to ensure that the public is aware of the availability of LMHA housing. LMHA treats all applicants in a non-discriminatory manner. LMHA also monitors its waiting lists to determine if there are significant changes in the percentage of protected classes and, if there were, would determine whether its affirmative marketing methods should be modified. Table 8 provides information on LMHA's waiting lists in the format required by HUD.

Table 8: Waiting List Information at Plan Year End

Waiting List Name	Description	Number of Households on Waiting List	Waiting List Open, Partially Open or Closed	Was the Waiting List Opened During the Plan Year?
Federal MTW Housing Choice Voucher Program	Community Wide	9,689	Open	N/A
Federal MTW Public Housing Units	Community Wide	2,593	Open	N/A
Federal Public Housing Units	Site-Based	4,844*	Open	N/A
Local Non-Traditional MTW Housing Assistance – Frazier, YouthBuild and Scholar House	Program Specific	51	Open	N/A

*Includes the site-based waiting lists at the following privately managed sites: Liberty Green, Wilart Arms, Sheppard Square, and Park DuValle.

Describe any duplication of applicants across waiting lists

As LMHA maintains separate HCV and Public Housing wait lists, applicants may apply and be on both waitlists.

ii. Actual Changes to Waiting Lists in the Plan Year

There were no changes to the waiting lists in FY 2019.

Waiting List Name	Description of Actual Changes to Waiting List
N/A	N/A

D. Information on Statutory Objectives and Requirements

Under the MTW Agreement between LMHA and HUD, LMHA is required to meet certain statutory objectives and other requirements, and to report on them in the MTW Annual Report. The tables below provide the required information.

i. 75% of Families Assisted Are Very Low Income

Table 9: Local Non-Traditional Households and Income Levels

Income Level	Number of Local, Non-Traditional Households Admitted in the Plan Year
80% - 50% Area Median Income	3
49% - 30% Area Median Income	
Below 30% Area Median Income	5
Total Local, Non-Traditional Households Admitted	8

ii. Maintain Comparable Mix

Table 10 provides a breakdown of LMHA households by family size when LMHA became an MTW agency.

Table 10: Baseline Mix of Family Sizes Served (upon entry to MTW)*

Family Size	Occupied Public Housing Units	Utilized HCVs	Non-MTW Adjustments**	Baseline Mix Number	Baseline Mix Percentage
1 Person	2496	54	0	2550	55%
2 Person	555	33	0	588	12%
3 Person	689	32	0	721	16%
4 Person	436	22	0	458	10%
5 Person	158	20	0	178	4%
6+ Person	137	14	0	151	3%
Total	4471	175	0	4646	100%

*“Occupied Number of Public Housing units by Household size when PHA Entered MTW” and “Utilized Number of Section 8 Vouchers by Household Size when PHA Entered MTW” come from the Housing Authority of Louisville’s (HAL) MTW application, which was prepared in 1997. The application reported household size data in the following categories: 1-2 people, 3-4 people, and 5+ people. For purposes of this report, the historic data was prorated, in order to conform with the categories above, based on the characteristics of the 2014 population of households served. In 2003, HAL merged with the Housing Authority of Jefferson County (HAJC) to form LMHA. Though the original agencies’ public housing and Section 8 programs were merged that year, demographic information (by household size) is not available for families who were then served by HAJC and is not represented above.

**“Non-MTW Adjustments” are defined as factors that are outside the control of the MTW PHA. An example of an acceptable “Non-MTW Adjustment” would include demographic changes in the community’s overall population. If the MTW PHA includes “Non-MTW Adjustments,” a thorough justification, including information substantiating the numbers given, should be included below.

Please describe the justification for any “Non-MTW Adjustments” given above

N/A

Table 11: Mix of Family Sizes Served (in Plan Year)

Mix of Family Sizes Served (in Plan Year)				
Family Size	Baseline Mix Percentage*	Number of Households Served in Plan Year**	Percentage of Households Served in Plan Year^	Percentage Change from Baseline Year to Current Plan Year
1 Person	55%	6,156	46%	-9%
2 Person	12%	2,279	17%	5%
3 Person	16%	2,088	16%	0%
4 Person	10%	1,501	11%	1%
5 Person	4%	781	6%	2%
6+ Person	3%	535	4%	1%
Total	100%	13,340	100%	

* The “Baseline Mix Percentage” figures given in the “Mix of Family Sizes Served (in Plan Year)” table should match those in the column of the same name in the “Baseline Mix of Family Sizes Served (upon entry to MTW)” table.

**The variance in households served shown in Tables 5 and 11 is due to the methodology used to populate each table. Table 5 represents the total number of unit months leased divided by 12, and therefore is an average of total households served; Table 11 represents all households that have been served through the fiscal year.

[^] The percentages in this column should be calculated by dividing the number in the prior column for each family size by the "Total" number of households served in the Plan Year. These percentages will reflect adjustment to the mix of families served that are due to the decisions of the MTW PHA. Justification of percentages in the current Plan Year that vary by more than 5% from the Baseline Year must be provided below.

Describe the justification for any variances of more than 5% between the Plan Year and Baseline Year

While LMHA served 9% less one-person families in FY 2019 than in the baseline year, the reduction is not indicative of the LMHA's population or need. The reduction in families served is most likely due to the large number of families living in one-bedroom units who are being relocated due to modernization projects at Beecher Terrace and the limited number of one-bedroom units available in Louisville. LMHA will continue to implement incentives to owners to participate in the HCV Program and provide one-bedroom families the flexibility to rent two-bedroom units.

iii. Number of Households Transitioned to Self-Sufficiency in the Plan Year

HUD requires information on households transitioned to self-sufficiency for any MTW activities that report on HUD's standard metric SS #8. Table 12 below provides the HUD-required information.

Table 12: Transition to Self-Sufficiency

MTW Activity Name/Number	Number of Households Transitioned to Self-Sufficiency*	MTW PHA Definition of Self Sufficiency
#6-2008: HCV Program - Earned Income Disregard for Elderly Families	6	Self-Sufficiency is defined as being employed and having earned income equal to or exceeding \$14,500.
#2014-1: Public Housing Sublease Agreement	3	Self-Sufficiency is defined as a participant exiting the program for any other reason than termination of subsidy/participation.
#43-2015: HUD / MDRC Rent Reform Demonstration for HCV Households	Alt Rent Group: 279 Control Group: 206	Self-Sufficiency is defined as being employed and having earned income equal to or exceeding \$14,500.
#44-2015: Special Referral MTW HCV Programs	43	Self-Sufficiency is defined as being employed and having earned income equal to or exceeding \$14,500.
	1	(Households Duplicated Across MTW Activities)
	536	Total Households Transitioned to Self Sufficiency

*Figures should match the outcome reported where metric is used in Section IV of this Annual MTW report.

III. Proposed MTW Activities

All proposed activities that have been granted approval by HUD are reported on in Section IV as “Approved Activities.”

IV. Approved MTW Activities

A. Implemented MTW Activities

This section of the MTW Annual Report provides information and updates on MTW activities that have been previously approved by HUD and implemented. Within this Report, implemented MTW activities have been grouped by topic area as follows:

- A.1 Occupancy at Elderly/Disabled High-Rise Developments
- A.2 MTW Rent Policies (Non-HCV Rent Reform Demonstration)
- A.3 HCV Rent Reform Demonstration
- A.4 Public Housing Development
- A.5 Expanded Homeownership Opportunities
- A.6 Local Leased Housing Program
- A.7 Local, Non-Traditional Housing Programs

In the FY 2020 MTW Plan, LMHA renumbered and combined approved activities where the authorizations were the same and where the activity features follow similar topics. The FY 2020 Report and all future reports and plans will follow the new numbering and combined activities. However, for purposes of the FY 2019 Report, with the exception of activities #37-2014 and #29-2015, LMHA has reported on activity outcomes and progress in the same format as was submitted in the FY 2019 Plan. Activities #37-2014 and #29-2015 were combined in the FY 2020 Plan as Activity #2014-1: Public Housing Sublease Programs and are being reported in this Report as such.

Please note that the baselines and benchmarks for the metrics for Cost Effectiveness #5 and Self-Sufficiency #7 have been updated to reflect average TTP, as opposed to total TTP. LMHA feels that average TTP more accurately reflects increases in household income and household contributions. In prior reports, LMHA reported that the Agency does not receive rental revenue from the HCV Program for these metrics; however, in this and future reports, LMHA is including average TTP for the HCV Program. These changes to the metrics are noted for each applicable activity.

A.1 Occupancy at Elderly/Disabled High-Rise Developments

LMHA had experienced decreasing occupancy rates at several of its elderly/disabled sites for many years, with an average occupancy rate of 90.8% in FY 2008. Through a combination of MTW initiatives implemented beginning that year, LMHA has increased occupancy across these sites to an average of 93% at the end of FY 2019. Higher occupancy rates improve LMHA's operating revenues (which achieves greater cost effectiveness of federal expenditures) and increase housing choices for zero- and one-bedroom-qualified applicants age 55 to 61.

Activity #10-2008: Local Definition of Elderly

Approval and Implementation

Approved and implemented in FY 2008.

Description/Update of Activity

This activity allows LMHA to use the following local definition of elderly: any family whose head of household, co-head, or spouse is age 55 or above. LMHA had been experiencing decreased occupancy rates at its elderly/disabled high-rises prior to adopting a local definition of elderly for these communities. The MTW age criterion is used to determine eligibility for residency at Avenue Plaza, Dosker Manor, Lourdes Hall, and Will E. Seay Plaza (formerly Bishop Lane Plaza).

Impact

Opening up these sites to non-disabled persons between ages 55 and 61 has helped raise occupancy rates and increased the pool of one-bedroom and efficiency units available to these applicants. While these sites had an average occupancy rate of 90.8% when this activity was implemented in FY 2008, at the end of FY 2019, the average occupancy rate was 93%. Higher occupancy rates improve the agency's operating revenues and maximize the cost effectiveness of federal funding.

Actual Non-Significant Changes

There were no non-significant changes to this activity in FY 2019.

Changes to Metrics

No changes have been made to the metrics identified in the FY 2019 Annual Plan.

Actual Significant Changes

There were no significant changes to this activity in FY 2019.

Challenges in Achieving Benchmarks and Possible Strategies

LMHA did not experience any challenges in achieving benchmarks during FY 2019.

Metrics

<i>Housing Choice #4: Displacement Prevention</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of households at or below 80% AMI that would lose assistance or need to move (decrease). If units reach a specific type of household, give that type in this box.	As of FY 2007: 0	0	0	Yes

<i>Housing Choice #5: Increase in Resident Mobility</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of households able to move to a better unit and/or neighborhood of opportunity as a result of the activity (increase).	As of FY 2007: 0	100	111	Yes

Activity #23-2010: Lease-Up Incentives for New Residents at Dosker Manor

Approval and Implementation

Approved and implemented in FY 2010

Description/Update of Activity

This activity provides lease-up incentives to new residents at Dosker Manor, an elderly/disabled high-rise located in downtown Louisville. New residents receive a waiver of the initial deposit and the first month is rent-free.

Impact

Before the initiative's implementation in FY 2010, occupancy at Dosker Manor had consistently averaged below 90% for some time. At the end of FY 2019, occupancy at this site was 94%.

Actual Non-Significant Changes

There were no non-significant changes to this activity in FY 2019.

Changes to Metrics

The metric for this activity has been updated to reflect average TTP at Dosker, as opposed to total TTP.

Actual Significant Changes

There were no significant changes to this activity in FY 2019.

Challenges in Achieving Benchmarks and Possible Strategies

LMHA did not experience any challenges in achieving benchmarks during FY 2019.

Metrics

<i>Cost Effectiveness #5: Increase in Agency Rental Revenue*</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Increase in agency rental revenue in dollars (increase)	\$132/month	\$136	\$202	Yes

A.2 MTW Rent Policies

The MTW Demonstration also allows LMHA to rethink other policies – like the rent policy for its Public Housing and HCV programs – to encourage families to work towards housing self-sufficiency. Alternate rent structures also ease the administrative burden on residents and the Agency.

Activity #40-2014: Financial Aid Disregard in Calculation of TTP – HCV Program

Approval and Implementation

Activity #40-2014 was approved in FY 2015 and implemented in FY 2016.

Description/Update of Activity

When calculating an HCV participant's Total Tenant Payment (which is based on their annual income), LMHA disregards financial aid exceeding amounts received for tuition and fees for all adult full-time students.

Impact

LMHA has been unable to track the affected households, as the information is not accounted for in LMHA's tenant management software system. However, during FY 2019, LMHA developed a tracking tool for this activity, which will be used for reporting in the FY 2020 MTW Report.

Actual Non-Significant Changes

There were no non-significant changes to this activity in FY 2019.

Changes to Metrics

LMHA has updated metrics for Cost Effectiveness #5: Increase in Agency Rental Revenue in the table below. Previously, LMHA reported that the Agency does not receive rental revenue from the HCV Program for this metric. During FY 2019, LMHA developed a tracking tool for this activity, and beginning with the FY 2020 MTW Report, LMHA will include average household TTP for this metric, as TTP is a function of income and increased household contributions towards housing assistance. LMHA will set the baseline, benchmark and outcome for the HCV Program to FY 2020 levels for this metric.

Actual Significant Changes

There were no significant changes to this activity in FY 2019.

Challenges in Achieving Benchmarks and Possible Strategies

LMHA does not track data on exclusion of financial aid above and beyond tuition and fees and as such cannot determine how many participants will be able to benefit from this exclusion or speak to challenges reaching benchmarks.

Metrics

<i>Cost Effectiveness #1: Agency Cost Savings</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Total cost of task in dollars (decrease).	As of FY 2015: \$25.07/ household (HH) (\$25.07/staff hour X 1.0 hour)	\$26.90/ HH (\$26.90/staff hour X 1.0 hour)*	Not Tracked	NA
<i>* This activity is not expected to affect agency cost. LMHA estimates the average cost will continue to be (average staff cost per hour) x (1.0 hours) with the benchmark adjusted each year to account for variations in staff cost.</i>				

<i>Cost Effectiveness #2: Staff Time Savings</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Total time to complete the task in staff hours (decrease).	As of FY 2015: 1.0 hour/household (HH)	1 hour (1 HH X 1.0 hour)	Not Tracked	NA
<i>Cost Effectiveness #3: Decrease in Error Rate of Task Execution</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Average error rate in completing a task as a percentage (decrease).	As of FY 2015: Not tracked	Not tracked	Not Tracked	NA
<i>Cost Effectiveness #5: Increase in Agency Rental Revenue*</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Total household contributions towards housing assistance (increase)	As of FY 2019: Not tracked	Not tracked	Not tracked	N/A
<i>*Beginning with the FY 2020 MTW Report, LMHA will include average household TTP for this metric.</i>				

Activity #32-2012: Elimination of the Mandatory Earned Income Disregard

Approval and Implementation

Approved in FY 2012. Implemented in the HCV Program in FY 2012 and implemented in Public Housing Program in FY 2014.

Description/Update of Activity

This activity eliminates the Earned Income Disregard (EID), which allows tenants who have been out of work to accept a job without having their rent increase right away. This activity increases rent revenues and simplifies the rent calculation.

Impact

HCV Program: By the end of FY 2014, there were no longer any HCV households who received the EID.

Public Housing Program: By end of FY 2018, there were no longer any public housing households who received the EID.

As there are no longer any households receiving EID across LMHA's portfolio, full cost savings were realized in FY 2019, and staff no longer spend time calculating EIDs for participants of either the HCV or Public Housing Programs.

Actual Non-Significant Changes

There were no non-significant changes to this activity in FY 2019.

Changes to Metrics

LMHA has updated metrics for Cost Effectiveness #5: Increase in Agency Rental Revenue in the table below. Previously, LMHA reported that the Agency does not receive rental revenue from the HCV Program for this metric. However, in FY 2019 LMHA has included, and will include in future reports, average household TTP for this metric, as TTP is a function of income and increased household contributions towards housing assistance. LMHA set the baseline, benchmark and outcome for the HCV Program to FY 2019 levels for this metric. In addition, the benchmarks for this metric have been updated for the Public Housing Program to reflect average TTP.

Actual Significant Changes

There were no significant changes to this activity in FY 2019.

Challenges in Achieving Benchmarks and Possible Strategies

LMHA did not experience any challenges in achieving benchmarks during FY 2019.

Metrics

<i>Cost Effectiveness #1: Agency Cost Savings</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Total cost of task in dollars (decrease).	HCV Program			
	As of FY 2011: \$447 (15 households (HHs) X \$29.80)	\$0 (0 HHs X \$0)	\$0 (0 HHs X \$0)	Yes
	Public Housing Program			
	As of FY 2014: \$2,154 (62 HHs X \$34.74)	\$0 (0 HHs X \$0)	\$0 (0 HHs X \$0)	Yes
<i>Cost Effectiveness #2: Staff Time Savings</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Total time to complete the task in staff hours (decrease).	HCV Program			
	As of FY 2011: 20.1 hours (15 households (HHs) X 1.34 hours)	0 hours (0 HHs X 0 hours)	0 hours (0 HHs X 0 hours)	Yes
	Public Housing Program			
	As of FY 2014: 65.1 hours (62 HHs X 1.05 hours)	0 hours (0 HHs X 0 hours)	0 hours (0 HHs X 0 hours)	Yes
<i>Cost Effectiveness #3: Decrease in Error Rate of Task Execution</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Average error rate in completing the task	HCV Program			
	As of FY 2011: Not tracked	N/A (EID no longer calculated)	N/A (EID no longer calculated)	N/A
	Public Housing Program			
	As of FY 2014: Not tracked	N/A (EID no longer calculated)	N/A (EID no longer calculated)	N/A
<i>Cost Effectiveness #5: Increase in Agency Rental Revenue</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
	HCV Program			

Total Household Contributions towards housing assistance	As of FY 2019: \$0	As of FY 2019: \$0	\$0	Yes
	Public Housing Program*			
	As of FY 2014: \$93,300	\$93,300	\$0	Yes
* Data represents total TTP.				

Activity #8-2008: Standard Medical Deduction

Approval and Implementation

Approved and implemented in FY 2009.

Description/Update of Activity

Under this activity, disabled and elderly (age 62+) families in both the Public Housing and HCV Programs are eligible to receive a \$1,600 standard medical deduction. Families electing the deduction do not have to furnish documentation of medical expenses, such as bills, receipts, records of payment, dates of trips, mileage log, or receipts for fares and tolls. The standard medical deduction is flexible in that if the families' health care costs exceed the \$1,600 exemption, the family can choose to have their expenses itemized.

Impact

This activity continued to result in administrative cost savings during FY 2019 for the HCV Program. Foregoing the verification of medical expenses for the 5,933 households that took the standard medical deduction resulted in savings of \$58,339.

Actual Non-Significant Changes

There were no non-significant changes to this activity in FY 2019.

Changes to Metrics

LMHA has updated metrics for Cost Effectiveness #5: Increase in Agency Rental Revenue in the table below. Previously, LMHA reported that the Agency does not receive rental revenue from the HCV Program for this metric. However, in FY 2019 LMHA has included, and will include in future reports, average household TTP for this metric, as TTP is a function of income and increased household contributions towards housing assistance. LMHA set the baseline, benchmark and outcome for the HCV Program to FY 2019 levels for this metric. In addition, the benchmarks for this metric have been updated for the Public Housing Program to reflect average TTP.

Actual Significant Changes

There were no significant changes to this activity in FY 2019.

Challenges in Achieving Benchmarks and Possible Strategies

LMHA cannot forecast the number of households with medical expenses greater than \$1,600. This is a HUD required metric. While the actual number of households with medical expenses greater than \$1,600 was lower than anticipated for the HCV Program, it was higher than anticipated for the Public Housing Program. Additionally, the hourly staff rate for the Public Housing Program increased more than 15%.

Metrics

<i>Cost Effectiveness #1: Agency Cost Savings</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Total cost of the task in dollars (decrease)	HCV Program			
	As of FY 2009: \$29,714 (3,529 HHs X \$8.42)	\$2,158 (243 HHs X \$8.88 (0.33 hours X \$26.90/hour))	\$1,245 (147 HHs X \$8.47 (0.33 hours X \$25.66/hour))	Yes
	Public Housing Program			
	As of FY 2009: \$5,246 (623 HHs X \$8.42)	\$141 (12 HHs X \$11.73 (0.33 hour X \$35.55/hour))	\$1,705 (126 HHs X \$13.53 (0.33 hour X \$41.01/hour))	No
<i>Cost Effectiveness #2: Staff Time Savings</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Total time to complete the task in staff hours (decrease)	HCV Program			
	As of FY 2009: 1,165 hours (3,529 households (HHs) X 0.33 hours)	80 hours (243 HHs X 0.33 hours)	49 hours (147 HHs X 0.33 hours)	Yes
	Public Housing Program			
	As of FY 2009: 206 hours (623 HHs X 0.33 hours)	4 hours (12 HHs X 0.33 hours)	42 hours (126 HHs X 0.33 hours)	No
<i>Cost Effectiveness #3: Decrease in Error Rate of Task Execution</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Average error rate in completing the task	HCV Program			
	As of FY 2009: Not tracked	Not tracked	Not tracked	Not tracked
	Public Housing Program			
	As of FY 2009: Not tracked	Not tracked	Not tracked	Not tracked
<i>Cost Effectiveness #5: Increase in Agency Rental Revenue*</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Total household contributions towards housing assistance (increase)	HCV Program			
	For FY 2019: \$261	For FY 2019: \$261	\$261	Yes
	Public Housing Program			
	As of FY 2009: Not tracked	\$206/month	\$233/month	Yes
*Represents average TTP.				

Activity #4-2007: Alternate Year Reexaminations

Approval and Implementation

Approved in FY 2007. Implemented in HCV Program in FY 2007 and implemented in Public Housing Program in FY 2008. Amended in FY 2012.

Description/Update of Activity

This activity allows LMHA to conduct a re-certification of elderly and disabled families in the Public Housing and HCV Programs once every two years instead of annually.

In the HCV program, eligible households receive a full reexamination every odd numbered fiscal year. In even numbered years, families are required to complete a mini-reexamination packet, which they return to the agency by mail. In the Public Housing Program, each year 50% of eligible families receive a full reexamination on the anniversary of their lease-up date.

When first implemented, the only households eligible for biennial reexaminations were elderly families and disabled families where the head of household and/or spouse was age 55+. The activity was amended in FY 2012 to include all disabled families; however, the HCV Program did not implement this change. In the Public Housing Program, biennial reexaminations for all elderly and/or disabled families began in FY 2016.

Impact

As FY 2019 was an odd numbered fiscal year, LMHA conducted full recertifications for applicable families in the HCV Program. As a result, \$19,091 was expended to complete full recertifications for the HCV Program in FY 2019.

In the Public Housing Program during FY 2019, the agency spent \$47,090 to conduct full reexaminations of approximately 50% of the public housing families that were either elderly (age 62+) or disabled.

Hardship

Hardship is not required as elderly and/or disabled families that experience a loss of income or an increase in expenses between biennial recertifications may request an interim reexamination at any time.

Actual Non-Significant Changes

There were no non-significant changes to this activity in FY 2019. LMHA did, as clarified in the FY 2019 Plan, apply the following to the HCV program:

- The biennial reexamination frequency applies to HCV households where the head, co-head or spouse is elderly or over age 55 and disabled and the only source of income for the household is SS or SSI. For these households, LMHA will complete biennial reexaminations and a mini-reexamination on the years between biennial reexaminations during which payment standards and contract rents will be updated.

Changes to Metrics

LMHA has updated metrics for Cost Effectiveness #5: Increase in Agency Rental Revenue in the table below. Previously, LMHA reported that the Agency does not receive rental revenue from the HCV Program for this metric. However, in FY 2019 LMHA has included, and will include in future reports, average household TTP for this metric, as TTP is a function of income and increased household contributions towards housing assistance. LMHA set the baseline, benchmark and outcome for the HCV Program to FY 2019 levels for this metric. In addition, the benchmarks for this metric have been updated for the Public Housing Program to reflect average TTP.

Actual Significant Changes

There were no significant changes to this activity in FY 2019.

Challenges in Achieving Benchmarks and Possible Strategies

In FY 2019, the number of public housing households who had regular recertifications was greater than anticipated and as such LMHA did not achieve the benchmarks for cost effectiveness for the Public Housing Program; however, these benchmarks were achieved for the HCV Program.

Metrics

<i>Cost Effectiveness #1: Agency Cost Savings</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Total cost of task in dollars (decrease).	HCV Program			
	As of FY 2008: \$5,799 (919 mini-recertifications X 0.25 staff hours X \$25.24/hour)	Even FYs: \$7,714 (1,147 mini-recerts X 0.25 staff hours X \$26.90/hour) Odd FYs: \$30,854 (1,147 full recerts X 1.0 staff hours X \$26.90/hour)	\$19,091 (744 full recerts X 1 staff hour X \$25.66/hour)	Yes
	Public Housing Program			
	As of FY 2008: \$16,695 (894 full recertifications X 0.75 staff hours X \$24.90/hour)	\$25,383 (952 full recerts X 0.75 staff hours X \$35.55/hour)	\$47,090 (1,531 full recerts X 0.75 staff hours X \$41.01/hour)	No
<i>Cost Effectiveness #2: Staff Time Savings</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Total time to complete the task in staff hours (decrease).	HCV Program			
	As of 2008: 578 hours (2,312 mini-recerts X 0.25 hours)	Even FYs: 287 hours (1,147 mini recerts X .25 staff hours) Odd FYs: 1,147 hours (1,147 full recerts X 1.0 staff hours)	744 hours (744 full recerts X 1 staff hour)	Yes
	Public Housing Program			
	As of FY 2008: 671 hours (894 full recerts X 0.75 hours)	714 hours (952 full recerts X 0.75 staff hours)	1,148 hours (1,531 full recerts X 0.75 staff hours)	No
<i>Cost Effectiveness #5: Increase in Agency Rental Revenue*</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Total household contributions towards housing assistance (increase)	HCV Program			
	For FY 2019: \$261	For FY 2019: \$261	\$261	Yes
	Public Housing Program			
	As of FY 2008: Not tracked	\$229	\$233	Yes
*Represents average TTP.				

Activity #6-2008: Earned Income Disregard for Elderly HCV Families

Approval and Implementation

Approved and implemented in FY 2008.

Description/Update of Activity

Under this activity, LMHA provides a \$7,500 earned income disregard to elderly families in the HCV Program whose only other source of income is their Social Security entitlement. While the disregard affects only a small number of families, it gives elderly families who do choose to work the ability to retain all of the earned income that falls below the threshold.

Impact

Fourteen (14) households qualified for the EID in FY 2019. This activity provides elderly families who choose to work with the ability to exclude \$7,500 of their earned income and maintain a more affordable rent. Six (6) households met LMHA's self-sufficiency definition having achieved the goal of earned income in excess of \$14,500.

Actual Non-Significant Changes

There were no non-significant changes to this activity in FY 2019.

Changes to Metrics

LMHA has updated metrics for Cost Effectiveness #5: Increase in Agency Rental Revenue in the table below. Previously, LMHA reported that the Agency does not receive rental revenue from the HCV Program for this metric. However, in FY 2019 LMHA has included, and will include in future reports, average household TTP for this metric, as TTP is a function of income and increased household contributions towards housing assistance. LMHA set the baseline, benchmark and outcome for the HCV Program to FY 2019 levels for this metric. In addition, the benchmark for CE #2, Staff Time Savings, was updated to reflect the correct benchmark.

Actual Significant Changes

There were no significant changes to this activity in FY 2019.

Challenges in Achieving Benchmarks and Possible Strategies

LMHA did not achieve benchmarks for positive outcomes in employment in FY 2019; however, all other benchmarks were met or exceeded, including households transitioned to self-sufficiency and increase in household income.

Metrics

<i>Self-Sufficiency #1: Increase in Household Income</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Average earned income of households (HHs) affected by this policy in dollars (increase).	FY 2009: \$5,651	\$5,500	\$12,044	Yes
<i>Self-Sufficiency #3: Increase in Positive Outcomes in Employment Status</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?

Employed Full or Part-Time	As of FY 2018: 40 (9%) Number and percent of elderly HHs with earned income and SS income	40 (9%) Number and percent of elderly HHs with earned income and SS income	35 (6%) Number and percent of elderly HHs with earned income and SS income	No
Enrolled in an Educational Program	Not Tracked	Not Tracked	Not Tracked	N/A
Enrolled in Job Training Program	Not Tracked	Not Tracked	Not Tracked	N/A
Unemployed	As of FY 2018: 402 (91%) Number of elderly HHs with SS income and no earned income	402 (91%) Number of elderly HHs with SS income and no earned income	508 (94%) Number of elderly HHs with SS income and no earned income	No
Self-Sufficiency #5: Households Assisted by Services that Increase Self-Sufficiency				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of households (HHs) receiving services aimed to increase self-sufficiency (increase).	As of FY 2009: 0	0	2	Yes
Self-Sufficiency #8: Households Transitioned to Self-Sufficiency*				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of households transitioned to self-sufficiency	As of FY 2009: 0	0	6	Yes
<i>*Self-Sufficiency is defined as being employed and having earned income equal to or exceeding \$14,500.</i>				
CE #1: Agency Cost Savings				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Total cost of task in dollars (decrease).	As of FY 2009: \$101 (16 HHs X .25 staff hours X \$25.24/hour)	\$0 (10 HHs X 0 staff hours X \$26.90/hour)	\$0 (14 HHs X 0 staff hours X \$25.66/hour)	Yes
CE #2: Staff Time Savings				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Total time to complete the task in staff hours (decrease).	As of FY 2009: 4 hours (16 HHs X 0.25 hours)	0 hours (10 HHs X 0 hours)	0 hours (14 HHs X 0 hours)	Yes
Cost Effectiveness #3: Decrease in Error Rate of Task Execution				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Average error rate in completing a task as a percentage (decrease).	FY 2009: Not tracked	Not tracked	Not tracked	N/A
Cost Effectiveness #5: Increase in Agency Rental Revenue*				

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Total household contributions towards housing assistance (increase)	For FY 2019: \$593	For FY 2019: \$593	\$593	Yes
<i>*Represents average TTP.</i>				

A.3 HCV Rent Reform Demonstration

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

Activity #43-2015: HCV Program – HUD/MDRC Rent Reform Demonstration

Approval and Implementation

Approved and implemented in FY 2015.

Description/Update of Activity:

The goals of this alternative rent policy are to:

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

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

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

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

Households selected for the Alternate Rent Group met with an LMHA Housing Specialist to review the Study and their specific calculation of Total Tenant Payment under both the traditional and Study policies. They then had a period of 30 days to consider whether to select to be excluded from the Study. Study enrollment was completed in December 2015. The study is scheduled to end in 2021.

Impact

Study enrollment was completed during FY 2016. In all, 767 families were enrolled in the Alternate Rent Group; 1,038 were enrolled in the Control Group; and 227 opted to be excluded from the study altogether.

As of the end of FY 2019, 72% of the original enrollees, including 602 of the Alternate Rent Group households and 694 Control Group families, were participants in the Housing Authority's HCV Program.

According to LMHA's FY 2019 data, 511 (85%) heads of household in the Alternate Rent Group and 323 (47%) heads of household in the Control Group reported earned income at their most recent certification. In addition, at the end of the fiscal year, 279 Alternate Rent Group and 206 Control Group non-elderly/non-disabled households were self-sufficient, i.e., receiving annual gross earned income equal to or exceeding \$14,500. It should be noted that the Alternate Rent Group had 86 households with earned income under \$5,000 where the Control Group only had 24 households with earned income under \$5,000. This disparity in earned income impacts the average earned income for the Alternate Rent Group and Control Group.

Hardship:

Under this activity, LMHA conducts triennial income recertifications rather than annual recertifications, with provisions for interim recertifications and hardship remedies if income decreases. Additionally, the Study offers appropriate hardship protections to prevent any Alternate Rent Group member from being unduly impacted.

Thirty-six (36) hardship requests were received during FY 2019. In twenty-seven (27) of these cases, the request was approved.

Actual Non-Significant Changes

There were no non-significant changes to this activity in FY 2019.

Changes to Metrics

LMHA has updated metrics for Self-Sufficiency #7: Increase in Agency Rental Revenue in the table below. Previously, LMHA reported that the Agency does not receive rental revenue from the HCV Program for this metric. However, in FY 2019 LMHA has included, and will include in future reports, household TTP for this metric, as TTP is a function of income and increased household contributions towards housing assistance. LMHA set the baseline, benchmark and outcome for the HCV Program to FY 2019 levels for this metric.

Actual Significant Changes

There were no significant changes to this activity in FY 2019.

Challenges in Achieving Benchmarks and Possible Strategies

LMHA achieved all benchmarks with the exception of enrollment in an education program; however, as LMHA determines this metric based on the number of households with full-time students, there may be additional households with adult household members that are part-time students, which are not included in the data.

Metrics

The HUD Standard Metrics for this activity follow. Please note that MDRC does not track HUD Standard Metrics. LMHA independently established the baselines and benchmarks below and is responsible for tracking outcomes. LMHA and MDRC may make different assumptions or use different calculations when reporting similar metrics.

<i>Cost Effectiveness #1: Agency Cost Savings</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Total cost of task in dollars	Cost per Annual Certification (Cert)			
	As of FY 2015: Alt Rent Group: \$54,920 (1 annual cert X 1,000 households (HHs) X \$54.92/cert) Control Group: \$54,920 (1 annual cert X 1,000 HHs * \$54.92/cert) <u>Per annual cert cost:</u> \$54.92 (\$50.14 staff cost (2 hours X \$25.07/hour) + \$4.78 (mail & reproduction costs))	Alt Rent Group (Non-Triennial Cert Years): \$0 (0 certs X \$0 per cert) Alt Rent Group (Triennial Cert Years): \$54,920 (1,000 certs X \$54.92) Control Group (All Years): \$54,920 (1,000 certs X \$54.92) <u>Cost per annual cert:</u> \$54.92 (\$50.14 staff cost (2 hours X \$25.07/ hour) + \$4.78 (mail & repro costs))	Alt Rent Group (Triennial Cert Year): \$32,797 (584 certs X \$56.16/cert) Control Group: \$31,618 (563 certs X \$56.16/cert) <u>Cost per annual cert:</u> \$56.16 staff cost (2 hours X \$25.66/ hour) + \$4.84 (mail & repro costs))	Yes
	Cost per Full Interim Certification (Cert)			
	As of FY 2015: Alt Rent Group: \$75,220 (2 interim certs X 1,000 HHs \$37.61/cert) Control Group: \$75,220 (2 interim certs X 1,000 HHs X \$37.61/cert) <u>Per interim cert cost:</u> \$37.61 (staff cost of \$25.07/hr X 1.5 hrs)	Alt Rent Group: \$18,805 (500 certs X \$37.61/cert) Control Group: \$75,220 (2,000 certs X \$37.61/cert) <u>Per interim cert cost:</u> \$37.61 (staff cost of \$25.07/hour X 1.5 hours)	Alt Rent Group: \$21,477 (558 certs X \$38.49/cert) Control Group: \$17,051 (443 certs X \$38.49/cert) <u>Per interim cert cost:</u> \$38.49 (staff cost of \$25.66/hour X 1.5 hours)	Yes
	Cost per Streamlined Interim Certification (Cert)			
	As of FY 2015: Alt Rent Group: \$75,220 (2 traditional interim certs per HH X 1,000 HHs X \$37.61/cert)	Alt Rent Group: \$25,070 (1,000 certs X \$25.07/cert) <u>Per streamlined interim cert cost:</u> \$25.07 (staff cost of \$25.07/hr X 1.0 hrs)	Alt Rent Group: Not tracked	N/A

	<u>Per traditional interim cert cost:</u> \$37.61 (staff cost of \$25.07/hr X 1.5 hrs)			
	Cost of Rent Calculation			
	As of FY 2015: Alt Rent Group: \$25,070 (1,000 HHs X \$25.07 per rent calculation) Control Group: \$25,070 (1,000 HHs X \$25.07 per rent calculation) <u>Per rent calculation cost:</u> \$25.07 (staff cost of \$25.07/hour X 1.0 hours)	Alt Rent Group (Non-Triennial Cert Year): \$0 (0 rent calculations X \$25.07 per cert) (Triennial Cert Years): \$25,070 (1,000 rent calculations X 1.0 staff hours X \$25.07/hour) Control Group (All Years): \$25,070 (1,000 rent calculations X 1.0 staff hours X \$25.07/hour)	Alt Rent Group (Triennial Cert Year): \$14,985 (584 rent calculations X 1.0 staff hours X \$25.66/hour) Control Group: \$14,447 (563 rent calculations X 1.0 staff hours X \$25.66/hour)	Yes
	Cost to Determine Income from Assets			
	As of FY 2015: Alt Rent Group: \$13 (2 HHs (0.22% X 1,000 HHs) X \$6.27 per asset income determination) Control Group: \$13 (2 HHs (0.22% X 1,000 HHs) X \$6.27 per asset income determination) <u>Per asset income determination cost:</u> \$6.27 (staff cost of \$25.07/hour X 0.25 hours)	Alt Rent Group (Non-Triennial Cert Years): \$6 (1 HH X \$25.07 per staff hour X 0.25 hours) Alt Rent Group (Triennial Cert Years): \$13 (2 HHs X \$25.07 per staff hour X 0.25 hours) Control Group (All Years): \$13 (2 HHs X \$25.07 per staff hour X 0.25 hours)	Alt Rent Group (Triennial Cert Year): \$6 (1 HH X 0.25 staff hours X \$25.66/hour) Control Group: \$13 (2 HHs X 0.25 staff hours X \$25.66/hour)	Yes
Cost Effectiveness #2: Staff Time Savings				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Total time to complete the task in staff hours (decrease).	Time to Complete Annual Certification			
	As of FY 2015: Alt Rent Group: 2,000 hours (1,000 HHs X 2.0 hours per annual cert) Control Group: 2,000 hours (1,000	Alt Rent Group (Non-Triennial Cert Years): 0 hours (0 certs X 2 hours/cert) Alt Rent Group (Triennial Cert Years): 2,000 hours (1,000 HHs X 2.0 hours/cert)	Alt Rent Group (Triennial Cert Year): 1,168 hours (584 certs X 2.0 hours/cert) Control Group: 1,126 hours (563 certs X 2.0 hours/cert)	Yes

	HHs X 2.0 hours per annual cert)	Control Group (All Years): 2,000 hours (1,000 HHs X 2.0 hours/cert)		
	Time to Determine Tenant Rent			
	As of FY 2015: Alt Rent Group: 1,000 hours (1,000 HHs X 1.0 hours per tenant rent determination) Control Group: 1,000 hours (1,000 HHs X 1.0 hours per tenant rent determination)	Alt Rent Group (Non-Triennial Cert Year): \$0 (0 rent calculations X 1 hour/determination) (Triennial Cert Years): 1,000 hours (1,000 determinations X 1.0 hour/determination) Control Group (All Years): 1,000 hours (1,000 determinations X 1.0 hour/determination)	Alt Rent Group (Triennial Cert Year): 584 hours (584 rent determinations X 1 hour/determination) Control Group: 563 hours (563 determinations X 1 hour/determination)	Yes
	Time to Determine Utility Allowance (UA)			
	As of FY 2015: Alt Rent Group: 250 hours (1,000 HHs X 0.25 hours per UA determination) Control Group: 250 hours (1,000 HHs X 0.25 hours per UA determination)	Alt Rent Group (Non-Triennial Cert Year): \$0 (0 rent calculations X .08 hour/determination) (Triennial Cert Years): 80 hours (1,000 determinations X 0.08 hours per determination) Control Group (All Years): 250 hours (1,000 determinations X 0.25 determination)	Alt Rent Group (Triennial Cert Years): 45 hours (561 determinations X 0.08 hours per determination) Control Group (All Years): 136 hours (544 determinations X 0.25 determination)	Yes
Cost Effectiveness #3: Decrease in Error Rate of Task Execution				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Average error rate in completing a task as a percentage (decrease).	Average Error Rate in Determining TTP			
	As of FY 2015: Not tracked	Not tracked	Not tracked	Not tracked
	Average Error Rate in Determining Utility Allowance (UA)			
	As of FY 2015: Not tracked	Not tracked	Not tracked	Not tracked
Self-Sufficiency #1: Increase in Household (HH) Income				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Average earned income of HHs affected by this policy in dollars (increase).	As of FY 2016: \$7,195	Alt Rent Group: \$8,285 Control Group: \$6,335	Alt Rent Group: \$17,611 Control Group: \$19,816	Yes
Self-Sufficiency #3: Increase in Positive Outcomes in Employment Status*				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Employed Full-Time	As of FY 2018:	Alt Rent Group: 483 (80% of 604 HHs)	Alt Rent Group: 511 (85% of 602 HHs)	Yes for employment

	Alt Rent Group: 483 (80% of 604 HHs) Control Group: 316 (45% of 700 HHs)	Control Group: 316 (45% of 700 HHs)	Control Group: 323 (47% of 694 HHs)	No for enrollment in an educational program
Employed Part-Time	As of FY 2015: Not tracked	Not Tracked	Not Tracked	
Enrolled in an Educational Program*	As of FY 2018: Alt Rent Group: 72 HHs Control Group: 49 HHs	Alt Rent Group: 72 HHs Control Group: 49 HHs	Alt Rent Group: 42 HHs have full-time adult students Control Group: 63 HHs have full-time adult students	
Enrolled in Job Training Program	As of FY 2015: Not tracked	Alt Rent Group: Not Tracked Control Group: Not Tracked	Alt Rent Group: Not Tracked Control Group: Not Tracker	
Unemployed	As of FY 2015: Not tracked	Alt Rent Group: 154 (21% of 722 HHs) Control Group: 549 (60% of 915 HHs)	Alt Rent Group: 91 (15% of 602 HHs) Control Group: 371 (53% of 694 HHs)	
Other	As of FY 2015: Not tracked	Alt Rent Group: 0 Control Group: 0	Alt Rent Group: 0 Control Group: 0	Yes
*Full-time vs. part-time employment status is not tracked for either Alternate Rent Group or Control Group households. LMHA determines employment as earned income and includes all employment as full time employment.				
Self-Sufficiency #4: Households (HHs) Removed from Temporary Assistance for Needy Families (TANF)				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
# of HHs receiving TANF assistance (decrease).	As of FY 2016: 69 (4% of 1,637 HHs)	Alt Rent Group: 36 (5% of 722 HHs) Control Group: 33 (4% of 915 HHs)	Alt Rent Group: 18 (3% of 602 HHs) Control Group: 14 (2% of 694 HHs)	Yes
Self-Sufficiency #5: Households (HHs) Assisted by Services that Increase Self-Sufficiency*				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
# of HHs receiving services aimed to increase self-sufficiency (increase).	As of FY 2015: Alt Rent Group: 0 (0% X 1,000 HHs) Control Group: 0 (0% X 1,000 HHs)	Alt Rent Group: 8 (1% of 722 HHs) Control Group: 15 (2% of 915 HHs)	Alt Rent Group: 10 (2% of 602 HHs) Control Group: 31 (4% of 694 HHs)	Yes
Self-Sufficiency #6: Reducing Per Unit Subsidy Costs for Participating Households (HHs)*				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?

Average amount of Section 8 and/or 9 subsidies per HH affected by this policy in dollars (decrease).	As of FY 2015: \$634/month	Alt Rent Group: \$608/month Control Group: \$628/month	Alt Rent Group: \$549/month Control Group: \$614/month	Yes
<i>*Per unit subsidy equals average HAP to Owner.</i>				
Self-Sufficiency #7: Increase in Agency Rental Revenue*				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Total household contributions towards housing assistance	For FY 2019: Alt Rent Group: \$384 Control Group: \$303	For FY 2019: Alt Rent Group: \$384 Control Group: \$303	Alt Rent Group: \$384 Control Group: \$303	Yes
<i>*Represents average TTP.</i>				
Self-Sufficiency #8: Households (HHs) Transitioned to Self-Sufficiency*				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
# of HHs transitioned to self-sufficiency (increase).	As of FY 2016: Alt Rent Group: 161 (22% of 722 HHs) Control Group: 188 (21% of 915 HHs)	Alt Rent Group: 161 (22% of 722 HHs) Control Group: 188 (21% of 915 HHs)	Alt Rent Group: 279 (46% of 602 HHs) Control Group: 206 (30% of 694 HHs)	Yes
<i>* Self-Sufficiency is defined as being employed and having earned income equal to or exceeding \$14,500.</i>				

A.4 Public Housing Development

One of LMHA's goals is to preserve and modernize its existing public housing stock. This can involve replacing these developments with mixed income communities, while at the same time providing replacement units so that the overall number of public housing families served will not decrease. LMHA has implemented a number of initiatives to streamline the development and acquisition processes. The initiatives result in cost savings to the Agency as well as expedited timelines associated with development and acquisition activities.

Activity#18-2009: Simplification of the Public Housing Development Submittal

Approval and Implementation

Approved and implemented in FY 2009.

Description/Update of Activity

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

Impact

LMHA did not use the regulatory flexibility provided through this MTW activity during FY 2019; however, it may be used in the future.

Actual Non-Significant Changes

There were no non-significant changes to this activity in FY 2019.

Changes to Metrics

No changes have been made to the metrics identified in the FY 2019 Annual Plan.

Actual Significant Changes

There were no significant changes to this activity in FY 2019.

Challenges in Achieving Benchmarks and Possible Strategies

As there were no submittals under this activity in FY 2019, LMHA cannot report on challenges.

Metrics

<i>Cost Effectiveness #1: Agency Cost Savings</i>				
Unit of Measurement	Baseline ¹	Benchmark	Outcome	Benchmark Achieved?
Total cost of task in dollars (decrease).	As of FY 2008: \$12,249 (9 submittals X 25 hours X \$54.44/hour)	\$930 (2 submittals X 7.5 hours X \$62.00/hour)	\$0 (0 submittal X 0 hours X \$62.00/hour)	Yes
<i>Cost Effectiveness #2: Staff Time Savings</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Total time to complete the task in staff hours (decrease).	As of FY 2008: 225 hours (9 submittals X 25 hours)	15 hours (2 submittals X 7.5 hours)	0 hours (0 submittals X 7.5 hours)	Yes

<i>Housing Choice #1: Additional Units of Housing Made Available</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
# of new housing units made available for HHs at or below 80% AMI as a result of the activity (increase).	As of 2008: Not tracked	10	0	No

Activity #26-2011: Acquisition of Mixed-Income Sites for Public Housing

Approval and Implementation

Approved and implemented in FY 2011.

Description/Update of Activity

The activity authorizes LMHA to acquire units for public housing or vacant land for developing public housing without prior HUD authorization, in the event HUD does not respond to LMHA's request for authorization within 10 days of the submittal date. All acquired properties will meet HUD's site selection requirements. LMHA will request approval of the HUD Field Office when a pending acquisition deviates from the selection requirements and/or at the discretion of the Executive Director. Copies of all required forms and appraisals will be maintained in the project file.

Impact

LMHA did not use the regulatory flexibility provided through this MTW activity during FY 2019; however, it may be used in the future.

Actual Non-Significant Changes

There were no non-significant changes to this activity in FY 2019.

Changes to Metrics

No changes have been made to the metrics identified in the FY 2019 Annual Plan.

Actual Significant Changes

There were no significant changes to this activity in FY 2019.

Challenges in Achieving Benchmarks and Possible Strategies

As there were no submittals under this activity in FY 2019, LMHA cannot report on challenges.

Metrics

<i>Cost Effectiveness #1: Agency Cost Savings*</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Total cost of task in dollars (decrease).	As of FY 2010: N/A	N/A	N/A	N/A
<i>*This activity does not modify the cost of any tasked performed by LMHA staff, as an acquisition package is still prepared and submitted to HUD.</i>				
<i>Cost Effectiveness #2: Staff Time Savings*</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?

Total time to complete the task in staff hours (decrease).	As of FY 2008: N/A	N/A	N/A	N/A
<i>*This activity does not modify the amount of staff time spent on any task performed by LMHA staff, as an acquisition package is still prepared and submitted to HUD.</i>				
Housing Choice #1: Additional Units of Housing Made Available*				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number (#) of new housing units made available for HHs at or below 80% AMI as a result of the activity (increase).	As of 2008: 0	0*	0	Yes
<i>*LMHA anticipates this activity will be invoked only rarely. In most years, we anticipate this flexibility will not be used at all.</i>				

A.5 Expanded Homeownership Opportunities

The Agency continues to focus on expanding homeownership opportunities for low-income families in its Public Housing and HCV Programs. LMHA has implemented several MTW policy changes to its HCV Homeownership Program.

Activity #3-2006: Amount and Distribution of HCV Homeownership Assistance

Approval and Implementation

Approved and implemented in FY 2006.

Description/Update of Activity

LMHA uses MTW flexibility to allow for the utilization of a two-bedroom payment standard for all one-bedroom eligible HCV Homeownership households. The activity maintains the 110% of Fair Market Rent (FMR) local payment standard for census tracts that are not considered to be exception payment standard areas. In exception areas, 120% of FMR is used.

Impact

During FY 2019, thirty (30) HCV Homeownership Program participants purchased a home. Eleven (11) of the participants who purchased a home were single person households who utilized the two-bedroom payment standard. The average home sales price was \$121,881, with an average mortgage interest rate of 5.19%. Twenty (20) of the buyers together received a total of \$378,430 in HOME down payment assistance through Louisville Metro Government.

Actual Non-Significant Changes

There were no non-significant changes to this activity in FY 2019.

Changes to Metrics

No changes have been made to the metrics identified in the FY 2019 Annual Plan.

Actual Significant Changes

There were no significant changes to this activity in FY 2019.

Challenges in Achieving Benchmarks and Possible Strategies

LMHA did not experience any challenges in achieving benchmarks during FY 2019.

Metrics

<i>Cost Effectiveness #1: Agency Cost Savings*</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Total cost of task in dollars (decrease).	As of FY 2005: N/A	N/A	N/A	N/A
<i>*This activity does not modify the cost of any task performed by LMHA staff. Staff simply substitute one payment standard value for another when carrying out the same tasks performed prior to implementation.</i>				
<i>Cost Effectiveness #2: Staff Time Savings*</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?

Total time to complete the task in staff hours (decrease).	As of FY 2005: N/A	N/A	N/A	N/A
<i>*This activity does not modify the amount of time spent on any task performed by LMHA staff. Staff simply substitute one payment standard value for another when carrying out the same tasks performed prior to implementation.</i>				
Housing Choice #5: Increase in Resident Mobility				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
# of households (HHs) able to move to a better unit &/or neighborhood of opportunity as a result of the activity (increase).	As of FY 2005: 0	2	11	Yes
Housing Choice #6: Increase in Homeownership Opportunities				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
# of households (HHs) that purchased a home as a result of the activity (increase).	As of FY 2005: 0	2	11	Yes

Activity #13-2009: HCV Homeownership Program – Exception Payment Standards

Approval and Implementation

Approved and implemented in FY 2009. Amended in FY 2016.

Description/Update of Activity

Under this activity, LMHA adjusts payment standards for the HCV Homeownership Program to 120% of Fair Market Rent in high opportunity census tracts that LMHA has designated as exception payment standard areas.

Exception census tracts are determined by analyzing 5-Year American Community Survey data published by the U.S. Census Bureau. When this activity was first implemented in FY 2009, an exception census tract was defined as one where the *Owner Occupied Median Value* was greater than **100%** of the same value for the Metropolitan Statistical Area (MSA) as a whole.

Post implementation of this activity, the vast majority of Homeownership Program participants (nearly 90%) were still purchasing houses in non-exception payment standard areas. In order to boost participants' buying power in areas of opportunity, in FY 2016 LMHA increased the number of exception census tracts

by re-defining the criteria to encompass any census tract where the *Owner Occupied Median Value* exceeded **80%** of the *Owner Occupied Median Value* for the Louisville MSA as a whole.

Impact

Five (5) HCV Homeownership Program participants purchased a home in an exception payment standard area during FY 2019.

Hardship

LMHA conducted an analysis and confirmed that this rent reform initiative does not unintentionally increase the rent burden of households purchasing homes in exception areas. In addition, the analysis confirmed that there is no disparate impact on the rent burden faced by protected classes of households by race, ethnicity, disability, age, or gender.

Actual Non-Significant Changes

There were no non-significant changes to this activity in FY 2019.

Changes to Metrics

No changes have been made to the metrics identified in the FY 2019 Annual Plan.

Actual Significant Changes

There were no significant changes to this activity in FY 2019.

Challenges in Achieving Benchmarks and Possible Strategies

LMHA did not experience any challenges in achieving benchmarks during FY 2019.

Metrics

<i>Cost Effectiveness #1: Agency Cost Savings*</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Total cost of task in dollars (decrease).	As of FY 2008: N/A	N/A	N/A	N/A
<i>*This activity does not modify the cost of any task performed by LMHA staff. Staff simply substitutes one payment standard value for another when carrying out the same tasks performed prior to implementation.</i>				
<i>Cost Effectiveness #2: Staff Time Savings*</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Total time to complete the task in staff hours (decrease).	As of FY 2008: N/A	N/A	N/A	N/A
<i>*This activity does not modify the amount of time spent on any task performed by LMHA staff. Staff simply substitutes one payment standard value for another when carrying out the same tasks performed prior to implementation.</i>				
<i>Housing Choice #5: Increase in Resident Mobility</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?

# of households (HHs) able to move to a better unit &/or neighborhood of opportunity as a result of the activity (increase).	As of FY 2008: 0	2	5	Yes
<i>Housing Choice #6: Increase in Homeownership Opportunities</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
# of households (HHs) that purchased a home as a result of the activity (increase).	As of FY 2008: 0	2	5	Yes

Activity #11-2009: Flexibility in Third Party Verification for HCV Homeownership

Approval and Implementation

Approved and implemented in FY 2009.

Description/Update of Activity

Once approved for the HCV Homeownership Program, families have eight months to execute and close on a proposed sales agreement. Under this activity, the income verification completed during the program application process is valid for eight months, and therefore staff no longer has to re-verify income for families who take more than 60 days to close on a sale.

Impact

Once approved for the HCV Homeownership Program, families have eight months to execute and close on a proposed sales agreement. Since the income verification completed during the program application process is now valid for eight months, staff no longer has to re-verify income for families who take more than 60 days to close on a sale. Thus, the cost of this task (re-verifying income after 60 days) has dropped from \$179 pre-implementation (FY 2008) to \$0.

During FY 2019, twenty-four (24) of the thirty (30) HCV Homeownership Program participants who purchased a home, closed on the sales agreement within eight months of the program application process.

Actual Non-Significant Changes

There were no non-significant changes to this activity in FY 2019.

Changes to Metrics

No changes have been made to the metrics identified in the FY 2019 Annual Plan.

Actual Significant Changes

There were no significant changes to this activity in FY 2019.

Challenges in Achieving Benchmarks and Possible Strategies

There were no challenges in achieving benchmarks in FY 2019.

Metrics

<i>Cost Effectiveness #1: Agency Cost Savings</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Total cost of task in dollars (decrease).	As of FY 2008: \$179 (12 verifications X 0.5 hours X \$29.78/hour)	\$0	\$0	Yes
<i>Cost Effectiveness #2: Staff Time Savings</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Total time to complete the task in staff hours (decrease).	As of FY 2008: 6 hours (12 verifications X 0.5 hours)	0 hours	0 hours	Yes
<i>Cost Effectiveness #3: Decrease in Error Rate of Task Execution</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Average error rate in completing a task as a percentage (decrease)	As of FY 2008: Not tracked	N/A (Task no longer conducted)	N/A (Task no longer conducted)	N/A

A.6 Local Leased Housing Program

LMHA continued to implement MTW policies in its leased housing program to provide housing opportunities for vulnerable populations and streamline program administration.

Activity #44-2015: Special Referral MTW HCV Programs (Includes allocations on Table 9)

Approval and Implementation

The umbrella activity #44-2015, “Special Referral MTW HCV Programs,” was proposed and implemented in FY 2015. Table 9 identifies the years each Special Referral sub-activity was proposed and implemented.

Description/Update of Activity

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

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

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

Many of the residential facilities operated by these Special Referral partners are newly constructed or renovated. As such, LMHA has used MTW authority to allow the certificate of occupancy to suffice for the initial move-in inspection in lieu of a traditional HUD Housing Quality Standards (HQS) inspection. This inspection alternative has saved the authority thousands of dollars since Louisville Scholar House first came online in 2008.

Table 9 summarizes LMHA’s Special Referral Programs.

Impact

During FY 2019, LMHA continued to provide housing subsidy to families through partnerships with supportive services agencies. LMHA provided two (2) new allocations in FY 2019; one (1) allocation of ten (10) vouchers to Shelter Works, which connects homeless individuals to supportive services, and ten (10) vouchers to Home of the Innocents, which supports homeless youth. In addition, one (1) additional voucher was added to Choices, Inc., which provides permanent supportive housing to homeless families, including case management services.

Actual Non-Significant Changes

In FY 2019 LMHA had two (2) new voucher allocations in FY 2019 and one (1) additional voucher was added to an existing allocation.

Changes to Metrics

LMHA has updated metrics for Self-Sufficiency #7: Increase in Agency Rental Revenue in the table below. Previously, LMHA reported the Agency does not receive rental revenue from the HCV Program for this metric. However, in FY 2019 LMHA has included, and will include in future reports, average TTP for this metric, as TTP is a function income and increased household contributions towards housing assistance. LMHA set the baseline, benchmark and outcomes for the HCV Program to FY 2019 levels for this metric.

Actual Significant Changes

There were no significant changes to this activity in FY 2019.

Challenges in Achieving Benchmarks and Possible Strategies

The outcome for average subsidy did not meet the benchmark; however, the other indicators in this activity reveal positive self-sufficiency outcomes, including employment status, enrollment in educational programs, households assisted by services that increase self-sufficiency, and households transitioned to self-sufficiency.

Metrics

LMHA tracks standard metrics for all of its MTW Special Referral Programs jointly under the umbrella of this single master activity.

All Self-Sufficiency metrics for this activity exclude elderly and disabled families. While 442 households participated in a Special Referral Program at fiscal year-end, the Self-Sufficiency outcomes below only include the 387 families that were neither elderly nor disabled.

Cost Effectiveness #1: Agency Cost Savings*				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Total cost of task in dollars (decrease).	\$0	\$0	\$0	Yes
<i>*Implementation of this activity does not modify any LMHA-completed tasks. Housing Authority staff determines applicant eligibility and performs all certifications.</i>				
Cost Effectiveness #2: Staff Time Savings*				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Total time to complete the task in staff hours (decrease).	0 hours	0 hours	0 hours	Yes
<i>*Implementation of this activity does not modify any LMHA-completed tasks. Housing Authority staff determines applicant eligibility and performs all certifications.</i>				
Cost Effectiveness #4: Increase in Resources Leverage*				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Amount of funds leveraged in dollars (increase)	\$0	\$0	\$0	Yes
<i>*Neither the level of LMHA housing subsidy nor task cost is affected by implementation of this activity.</i>				
Self-Sufficiency #1: Increase in Household (HH) Income				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?

Average earned income of HHs affected by this policy in dollars (increase).	FY 2016: \$4,108	\$4,108	\$11,289	Yes
Self-Sufficiency #3: Increase in Positive Outcomes in Employment Status				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
(1) Employed Full-Time	As of FY 2016: 90 (32% of 279 HHs)	138 (47% of 293 HHs)	176 (45% of 387 HHs)	Yes
(2) Employed Part-Time				
(3) Enrolled in an Educational Program	As of FY 2018: 2 HHs have full-time adult students	2 HHs have full-time adult students	6 HHs have full-time adult students	
(4) Enrolled in Job Training Program	Not tracked	Not tracked	Not tracked	
(5) Unemployed	As of FY 2016: 189 (68% of 279 HHs)	189 (68% of 279 HHs)	211 (55% of 387 HHs)	Yes
(6) Other	N/A	N/A	N/A	N/A
Self-Sufficiency #4: Households (HHs) Removed from Temporary Assistance for Needy Families (TANF)				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
# of HHs receiving TANF assistance (decrease).	FY 2016: 54 (19% of 279 HHs)	54 (19% of 279 HHs)	73 (19% of 387 HHs)	Yes
Self-Sufficiency #5: Households (HHs) Assisted by Services that Increase Self-Sufficiency				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
# of HHs receiving services aimed to increase self-sufficiency (increase).	As of FY 2016: 13 (5% of 279 HHs)	13 (5% of 279 HHs)	18 (5% of 387 HHs)	Yes
Self-Sufficiency #6: Reducing Per Unit Subsidy Costs for Participating Households (HHs)				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Average amount of Section 8 &/or 9 subsidies per HH affected by this policy in dollars (decrease).	As of FY 2016: \$617	\$617	\$681	No
Self-Sufficiency #7: Increase in Agency Rental Revenue*				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Total household contributions towards housing assistance (increase)	For FY 2019: \$165	For FY 2019: \$165	\$165	Yes
<i>*Represents average TTP</i>				
Self-Sufficiency #8: Households Transitioned to Self-Sufficiency*				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?

Number of households transitioned to self-sufficiency (increase).	As of FY 2016: 32 (11% of 279 HHs)	32 (11% of 279 HHs)	43 (11% of 387 HHs)	Yes
<i>*Self-Sufficiency is defined as being employed and having earned income equal to or exceeding \$14,500.</i>				
<i>Housing Choice #3: Decrease in Wait List Time</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Average applicant time on wait list in months (decrease).	As of FY 2016: <1 month	<1 month	<1 month	Yes

Table 9: LMHA Special Referral MTW Voucher Programs FY 2019

Organization	Site	Sub-Activity	FY Originally Proposed	FY Implemented and # of Vouchers	Description	Streamlined Admission	MTW Inspections
100K Homes Initiative	N/A	Sub-Activity #30-2012	2012	2012; 50	Vouchers are allocated to the 100,000 Homes initiative of the Louisville Substance Abuse and Mental Health Services Administration (SAMHSA) Community Consortium. This activity increases housing choices and access to services for up to 50 of the most vulnerable homeless persons on the streets of Louisville Metro. Participants in this Housing First model program, who are identified and referred by the Louisville SAMHSA, must be chronically homeless.	No	No: Traditional inspection protocol.
Center for Women and Families	Villager	Sub-Activity #1-2005	2005	2005; 22	Vouchers are allocated to the Center for Women and Families for long-term transitional housing on their downtown campus. Programs at the Center focus on the elimination of domestic violence, sexual violence, and economic hardship. Voucher utilization has remained 100%. This activity has increased housing choices and the cost effectiveness of federal funds.	Yes	Yes: For initial lease-up, C.O. was used. After initial move-in, with new occupant and once per year concurrently.
Centerstone	N/A	Sub-Activity #42-2015	2015	2015; 50	Vouchers are allocated to Centerstone (formerly Seven Counties Services, Inc.). This activity increases housing choices and access to services for 50 families referred through Centerstone's Assertive Community Treatment (ACT) team. Assertive Community Treatment is an Evidenced Based Practice approved by the Substance Abuse and Mental Health Services Administration (SAMHSA) and designed to engage persons with a Severe Mental Illness (SMI) whose needs are not met by traditional outpatient services. Services are delivered in the context and environment where they are needed (i.e. the team goes to the person). The priority population is adults with a severe mental illness who are currently institutionalized at a personal care home or at risk of being institutionalized because of a lack of adequate community support. Lack of on-site support is one of the primary reasons this priority population has been unsuccessful in achieving sustained psychiatric stability in the past. Assertive Community Treatment fills this gap and assists the program participants in achieving and maintaining community integration. Those	No	No: Traditional inspection protocol.

Organization	Site	Sub-Activity	FY Originally Proposed	FY Implemented and # of Vouchers	Description	Streamlined Admission	MTW Inspections
					persons originally from Jefferson County, but placed in a personal care home in another region of the State, will be considered for return to the Louisville area.		
Choices, Inc.	Choices owned units	Sub-Activity #35-2012	2014	2014; 4 2016; 1 2019: 1	Vouchers are allocated to Choices, Inc. to provide permanent supportive housing for homeless families, including case management.	No	No: Traditional inspection protocol.
ChooseWell Communities	N/A	Sub-Activity #47-2017	2016	2016; 10 2017; 60	Vouchers are allocated to ChooseWell Communities' Thrive Program, which assists families that include a pregnant or post-partum mother who has successfully completed residential and/or intensive outpatient treatment for addiction, combining housing support with wraparound social services assistance. In FY 2016, LMHA allocated up to 10 vouchers to this program; this was increased by 60 vouchers in FY 2017. Seventy (70) vouchers are allocated to referrals from ChooseWell Communities.	No	No: Traditional inspection protocol.
Coalition for the Homeless	N/A (Rapid Re-housing)	Sub-Activity #35-2012	2012	2012; 10 2013; 10	Vouchers are allocated to Coalition for the Homeless for homeless families with children.	No	No: Traditional inspection protocol.
Day Spring	Day Spring units	Sub-Activity #7-2008	2009	2012; 4*	Vouchers are allocated to households with members who have a severe mental illness, as long as they initially reside at a Day Spring constructed unit, while they are participating in the program Day Spring, a faith-based charitable organization, which provides residential and supportive services to adults with developmental disabilities who want the opportunity to live independently in a supportive community setting. Under this initiative, not all of the residential units are subject to typical HUD HQS and rent reasonableness requirements.	Yes	No: Traditional inspection protocol.
Family & Children's Place	N/A	Sub-Activity #35-2012	2017	2017; 10	Vouchers are allocated to Family & Children's Place for Olmsted-eligible families participating in the organization's Homeless Prevention Program, which serves families that include at least one individual who is leaving an institution and is also at risk of homelessness. This population includes individuals leaving prison after being paroled or serving out their sentence; individuals who have aged out of foster care; and individuals who have a high rate of hospitalization due to a severe mental illness. Participants receive case management.	No	No: Traditional inspection protocol.

Organization	Site	Sub-Activity	FY Originally Proposed	FY Implemented and # of Vouchers	Description	Streamlined Admission	MTW Inspections
Family Scholar House	Louisville	Sub-Activity #15-2009	2008	2008; 56	LMHA allocates vouchers to a Special Referral Program with Family Scholar House for their Louisville Scholar House facility. These solo heads of households often face multiple barriers to furthering their education and obtaining employment that will provide their families with adequate income to become self-sufficient.	No	Yes: For initial lease-up, C.O. is used. After initial move-in, with new occupant and once per year concurrently.
	Downtown	Sub-Activity #20-2010	2010	2011; 54	Vouchers are allocated to the Family Scholar House and Spalding University at the Downtown Scholar House.		
	Stoddard Johnston	Sub-Activity #31-2012	2012	2012; 57	Vouchers are allocated to the Family Scholar House for their new Stoddard Johnston Scholar House location.		
	Parkland	Sub-Activity #38-2013	2013	2013; 53	Vouchers are allocated to the Family Scholar House at their Parkland Scholar House facility. Vouchers become portable upon graduation.		
	Riverport	Sub-Activity #46-2017	2017	2017; 64	Vouchers are allocated to the Family Scholar House's Riverport Scholar House facility.		
House of Ruth	Glade House	Sub-Activity #35-2012	2018	2018; 10	<p>LMHA will allocate vouchers to the House of Ruth to assist individuals who are homeless and HIV-positive, combining housing with wraparound social service support services, including:</p> <ol style="list-style-type: none"> 1. A safe, drug and alcohol-free community living environment; 2. Intensive case management; 3. Group and individual mental health counseling; 4. Intensive outpatient substance abuse treatment; 5. Life skills education; and, 6. Transportation assistance. <p>Special Referral Program participants will be required to live at the House of Ruth's Glade House, a single-room occupancy facility for two years, after which time vouchers become fully portable. Inspections will be conducted with each new occupant and once per year concurrently.</p>	No	Yes: Inspection with new occupant and once per year concurrently.
Kentucky Housing Corporation	N/A	Sub-Activity #35-2012	2016	2016; 10	Vouchers are allocated to the Kentucky Housing Corporation. These vouchers are available to low-income households where a family member meets one of the following criteria:	No	No: Traditional inspection protocol.

Organization	Site	Sub-Activity	FY Originally Proposed	FY Implemented and # of Vouchers	Description	Streamlined Admission	MTW Inspections
					<ol style="list-style-type: none"> 1. Persons with serious mental illnesses exiting licensed personal care homes and state psychiatric hospitals 2. Persons with severe mental illness who are at risk of institutionalization 3. Persons with disabilities exiting nursing homes and intermediate care facilities for individuals with intellectual or other developmental disabilities 		
St. Vincent DePaul	1015-A S. Preston St.	Sub-Activity #35-2012	2018	2018; 10	LMHA will allocate vouchers to St. Vincent DePaul's Transitional Housing Program, which assists families with children, where the family is either homeless or at risk of becoming homeless, combining housing support with case management services. Participants will initially reside at 1015-A S Preston Street; however, vouchers remain fully portable. Inspections will be conducted with each new occupant and once per year concurrently	No	Yes: Inspection with new occupant and once per year concurrently.
Wellspring	Youngland Avenue	Sub-Activity #34-2012	2012	2012; 5	LMHA will allocate vouchers to households with members with severe mental illness, as long as they reside at Wellspring's Youngland Ave. facility, while they are participating in the program. Wellspring is a charitable organization that addresses Louisville's need for supportive housing for adults with severe and persistent psychiatric illnesses. Referrals accepted for this initiative are considered to be Mainstream Program participants.	Yes	No: Traditional inspection protocol.
	Bashford Manor - Newburg	Sub-Activity #36-2013	2012	2012; 8	LMHA will allocate vouchers to households with members with severe mental illness, as long as they initially reside at Wellspring's Bashford Manor / Newburg facility, while they are participating in the program. Referrals accepted for this initiative are considered to be Mainstream Program participants.	No	
	N/A		2016	2016; 10	Vouchers are allocated to Wellspring for families with members with severe mental illness who are exiting Wellspring's Ardery House facility for permanent housing. These vouchers are only issued to households that are not eligible for an Olmstead voucher. Wellspring continues to provide case management / peer specialist services to all clients utilizing these vouchers.	No	
Office of Resilience and Community	N/A	Sub-Activity #35-2012	2019	2019; 10	LMHA will allocate vouchers to individuals participating in the ShelterWorks program. The Office of Resilience and Community Services (RCS) started the ShelterWorks	No	Yes: Inspection with new occupant and

Organization	Site	Sub-Activity	FY Originally Proposed	FY Implemented and # of Vouchers	Description	Streamlined Admission	MTW Inspections
Services – Shelter Works					program, which connects individuals in shelters to intensive wrap around services, training and job connections. As housing is such a basic need, it is anticipated that providing the Housing Choice Vouchers will increase the rate of attainment of self-sufficiency for program participants.		once per year concurrently.
Home of the Innocents	Home of the Innocents	Sub-Activity #35-2012	2019	2019; 10	LMHA will allocate vouchers to homeless youth ages 18-24 and their dependents who are referred by the Home of the Innocents. Home of the Innocents (<i>the Home</i>) is where Louisville’s vulnerable children and youth find emotional, physical, and intellectual support that can transform their lives. The Home provides the community with a range of important residential, treatment and community-based programs.	No	Yes: Inspection with new occupant and once per year concurrently.

*Referral program suspended during FY 2010 and FY 2011.

Activity #27-2011: Amend HCV Admissions Policy to Allow for Deduction of Child-Care Expenses in Determination of Eligibility

Approval and Implementation

Proposed and implemented in FY 2011.

Description/Update of Activity

This activity allows for the deduction of verified ongoing child-care expenses from a working household's gross income when determining income eligibility. In order to qualify for the adjustment, the family must include a head of household, co-head, and/or spouse with a demonstrated work history for a period of 12 months or longer.

Impact

LMHA has been unable to track the affected households, as the information is not accounted for in LMHA's tenant management software system. However, during FY 2019, LMHA developed a tracking tool for this activity, which will be used for reporting in the FY 2020 MTW Report.

Actual Non-Significant Changes

There were no non-significant changes to this activity in FY 2019.

Changes to Metrics

LMHA has updated metrics for Self-Sufficiency #7: Increase in Agency Rental Revenue in the table below. Previously, LMHA reported that the Agency does not receive rental revenue from the HCV Program for this metric. During FY 2019, LMHA developed a tracking tool for this activity, and beginning with the FY 2020 MTW Report, LMHA will include average household TTP for this metric, as TTP is a function of income and increased household contributions towards housing assistance. LMHA will set the baseline, benchmark and outcome for the HCV Program to FY 2020 levels for this metric.

Actual Significant Changes

There were no significant changes to this activity in FY 2019.

Challenges in Achieving Benchmarks and Possible Strategies

LMHA does not have a tracking mechanism to account for families with child-care expenses removed from gross income calculation for income eligibility purposes at admission, and as such cannot determine the average subsidy per household affected or speak to challenges reaching benchmarks.

Metrics

<i>SS #6: Reducing Per Unit Subsidy Costs for Participating Households (HHs)</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Average amount of Section 8 subsidy per HH affected by this policy in dollars (decrease).	As of FY 2010: N/A (No HHs affected by policy)	\$542	Not tracked	N/A
<i>SS #7: Increase in Agency Rental Revenue*</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?

Total household contributions towards housing assistance (increase)	As of FY 2019: Not tracked	Not tracked	Not tracked	N/A
<i>*Beginning with the FY 2020 MTW Report, LMHA will include average household TTP for this metric.</i>				

Activity #39-2014: HCV Program Rent Increase Limit

Approval and Implementation

Activity #39-2014 was proposed and implemented in FY 2014.

Description/Update of Activity

Under this MTW activity, LMHA places a 2% cap on annual contract rent increases for units where the tenant is already receiving HCV rental assistance. At contract renewal, LMHA limits the landlord's requested rent to whichever is less: 102% of the previous contract rent for the same tenant or the (exception) payment standard. LMHA conducts reasonable rent determinations on a random sample of the units where rent increases were requested.

Impact

This activity caps the annual contract rent increases for HCV households. Benchmarks did not reflect the 2% increase nor did household income increase significantly during FY 2019.

Actual Non-Significant Changes

In FY 2019 LMHA modified this activity by revising the landlord's requested rent to reflect the lesser of 102% of the previous contract rent for the same tenant or the (exception) payment standard. LMHA will conduct reasonable rent (RR) determinations on a random sample of the units where rent increases were requested. LMHA will use the SEMAP sample size requirements to dictate the number of RR determinations to be completed and will establish the universe as the number of units with requested rent increases. If the rent on more than 20% of sampled units, as a result of application of the policy, is not reasonable when compared with the RR determination, LMHA will conduct RR determinations on double the initially established sample size. LMHA will monitor outcomes and may modify this policy to ensure rents are reasonable, i.e. revise sample size requirements.

Changes to Metrics

LMHA has updated metrics for Self-Sufficiency #7: Increase in Agency Rental Revenue in the table below. Previously, LMHA reported that the Agency does not receive rental revenue from the HCV Program for this metric. However, in FY 2019 LMHA has included—and will continue to include—household TTP for this metric, as TTP is a function income and increased household contributions towards housing assistance. LMHA set the baseline, benchmark and outcomes for the HCV Program to FY 2019 levels for this metric.

Actual Significant Changes

There were no significant changes to this activity in FY 2019.

Challenges in Achieving Benchmarks and Possible Strategies

Average subsidy continues to be higher than forecasted; however, the average subsidy decreased in FY 2019 as compared with FY 2018.

Metrics

<i>SS #6: Reducing Per Unit Subsidy Costs for Participating Households</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Average amount of Section 8 subsidy per household affected by this policy in dollars (decrease).	As of FY 2014: \$526	\$542	\$583	No
<i>SS #7: Increase in Agency Rental Revenue*</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Total household contributions towards housing assistance (increase)	For FY 2019: \$281	For FY 2019: \$281	\$281	Yes
*Represents average TTP.				

Activity #48-2018: Local Project-Based Voucher (PBV) Program and Activity #51-2019: Enhancements to Local Project-Based Voucher (PBV) Program

Approval and Implementation

Activity #48-2018: Local Project-Based Voucher (PBV) Program Provisions: Approved and implemented in FY 2018.

Activity #51-2019: Enhancements to Local Project-Based Voucher (PBV) Program Provisions: Approved and implemented in FY 2019.

Description/Update of Activity:

Given that the policies in LMHA's two (2) PBV MTW activities are used in conjunction, and the activities result in the same outcomes, for purposes of the FY 2019 report, LMHA has combined the updates and metrics of its Local Project Based Program and its Enhancements to Local Project-Based Voucher (PBV) Program. The FY 2020 Plan combined the activities, and as such, future documents will include one PBV activity.

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

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

- PBV proposals may be selected based on any one of the following three methods:
 - The results of a previous competition (no MTW authority required);
 - Issuance of a Request for Proposals, which may be limited to a specific site or sites or to geographic areas that meet certain criteria (for example, non-impacted census tracts); or,
 - Selection of LMHA-owned properties without a competitive process or prior HUD approval.

- Up to 100% of units within any given project may be awarded PBV assistance. However, in furtherance of the Housing Authority's commitment to the development of mixed-income housing, at its sole discretion, LMHA may limit the percentage of units that may be project-based at any given project to some amount less than 100%.
- When LMHA has received owner notice that the rehabilitated or newly constructed housing is completed, the Housing Authority will inspect the units to determine if the housing has been completed in accordance with the Agreement to Enter a HAP Contract (AHAP), including compliance with Housing Quality standards (HQS), except that in lieu of LMHA inspection of the units, the owner may submit the Certificate of Occupancy issued by Louisville Metro Government as evidence of compliance.
- LMHA will not inspect units at new tenant turnover. LMHA will inspect all units within a specific building concurrently once per year. Should the owner add or substitute a unit covered under the HAP contract, LMHA will inspect the new or substitute unit before assisting that unit. LMHA will also conduct complaint inspections upon tenant request. LMHA may still choose to rely on an alternative inspection process at mixed-finance properties in lieu of an annual inspection. However, LMHA will ensure that all units are inspected at least once per year.
- For determining the order in which families on the Housing Authority's PBV waiting list are referred by LMHA to the owner of a project-based elderly or elderly/disabled building, an "Elderly Family" will be defined as a family whose head (including co-head), spouse, or sole member is a person who is at least 55 years of age. It may include two or more persons who are at least 55 years of age living together, or one or more persons who are at least 55 years of age living with one or more Live-In Aides.
- The income eligibility limit for PBV units will be increased from 50% to 80% of Area Median Income (AMI) except in the case of PBV units that are subject to a lower income restriction due to limitations imposed by other 3rd-party funding sources (for example, units that also have low-income housing tax credits or funding awarded through the National Housing Trust Fund). In the case of funding sources that impose an income cap that falls between 50% and 80% of AMI, the maximum allowable income cap will be used. (For example, PBV units that also have low-income housing tax credits capped at 60% of AMI would have an income eligibility limit of 60% of AMI.)
- For PBV units that are also low-income housing tax credit (LIHTC) units, LMHA will utilize the LIHTC program's Tenant Income Certification form to verify income and assets both for determining eligibility at admission and at recertification.

In addition to the provisions identified above, LMHA submitted and received approval of an amendment to its FY 2019 MTW Plan, which included further revisions to the Agency's PBV Program, including:

- Revised local PBV payment standards that are equal to the greater of 110% of the Metropolitan Area Fair Market Rent (MAFMR) or 110% of the Small Area Fair Market Rent (SAFMR) schedules published annually by HUD.
- Local PBV Program Site-Specific Utility Allowances. LMHA will allow PBV owners to calculate site-specific Utility Allowances in accordance with the provisions of Notice PIH 2018-11 or successor notices, subject to LMHA's review and approval prior to implementation.

- **Owner Managed Site Based Waiting Lists.** This would allow individual owners participating in the LMHA's Enhancements to Local Project-Based Voucher (PBV) Program to maintain site-based waiting lists. LMHA will determine whether to allow owner-maintained, site-based waiting lists based on LMHA's assessment of each individual owner's management capacity. Owners will be required to adhere to fair housing, the Americans with Disabilities Act and other applicable federal guidelines including, but not limited to: providing public notification of waiting list opening and closings; providing community-wide notice of housing availability; providing reasonable accommodations; and, conducting the application process in compliance with LMHA's Language Access Plan. Subject to LMHA approval, tenant selection preferences may be adopted for individual projects in accordance with LMHA's Administrative Plan; however, post-revitalization, relocated Beecher Terrace households who are lease compliant will continue to receive an admission preference for all units designated as Beecher Terrace replacement units. Owners will forward applications nearing the top of the waiting list to LMHA, and LMHA will continue to maintain responsibility for eligibility determination. LMHA believes that this alternative MTW policy will expand the range and number of potential Local Project Based Voucher Program units in opportunity neighborhoods.
- **Waiver of Independent Entity Requirements for LMHA-Owned Units.** This would allow LMHA to directly perform the functions delegated to the independent entity for all LMHA-owned units, including the following: review of selection process (24 CFR 983.51(e)); unit inspections, exercise of contractual remedies for violation of the HAP contract and the provision of inspection reports to the HUD Field Office (24 CFR 983.103(f)); and, determination of rent to owner, including initial rent (24 CFR 983.301(g) and 983.303(f)). Requiring approval from an independent entity increases costs and creates potential delays in the availability of critically needed replacement housing units, while adding no measurable value to the process. Under this MTW activity, LMHA will process rent determinations, inspections, contract renewal and other necessary program transactions on LMHA-owned units in accordance with the policies and procedures applicable to all other units that are part of LMHA's Local PBV Program. In the future, LMHA will provide HUD with documentation related to LMHA-owned units upon HUD's request. Also, LMHA's transactions will continue to be subject to audit as part of the annual independent audit process.

Impact

While LMHA did not project base any vouchers in FY 2019, LMHA believes that the enhancements to the Local Project Based Program implemented in FY 2019 resulted in an increase in the response to LMHA's PBV RFP. Provisions such as site-based waiting list and development specific utility allowances attract more developers to the program.

Actual Non-Significant Changes

Under the Housing Opportunity Through Modernization Act, the length of the term of the initial HAP contract for any HAP contract unit may not be less than one year nor more than 20 years. In addition, PHA's may agree to enter into an extension, at the time of the initial HAP contract execution or any time before the expiration of the contract, for an additional term of up to 20 years. As MTW authority is no longer needed to implement this portion of the LMHA's Local Project Based Program, LMHA removed this provision from the MTW activity.

In FY 2019 LMHA also proposed and received approval to waive regulatory provision 24 CFR 983.51 and to implement the following policy: *LMHA may select, without prior competition a) a proposal for housing currently assisted with either 4% or 9% Low Income Housing Tax Credits (LIHTC), provided that the LIHTC award did not involve any consideration that the project would receive PBV assistance; or, b) a proposal for housing assisted under a federal, State or local government housing assistance, community development or supportive services program that required competitive selection of proposals, where the proposal has been selected in accordance with such program's competitive selection requirements within*

10 years of the PBV proposal selection date, and the earlier competitively selected housing assistance proposal did not involve any consideration that the project would receive PBV assistance.

Changes to Metrics

As LMHA combined the two MTW PBV activities, baseline and benchmark metrics were updated accordingly to account for all provisions.

Actual Significant Changes

There were no significant changes to this activity in FY 2019.

Challenges in Achieving Benchmarks and Possible Strategies

LMHA does not have outcomes to report, as there were no project-based units in FY 2019.

Metrics

<i>CE #1: Agency Cost Savings</i>				
Unit of Measurement	Baseline*	Benchmark	Outcome	Benchmark Achieved?
Total cost of task in dollars (decrease).	Waiver of Independent Entity for LMHA Owned Units: As of FY 2019: Total cost is \$0 (no PBV units) \$400 per PBV development for verification of site selection process \$48.14 per unit inspection Site-Specific Utility Allowances: As of FY 2019: Total cost is \$0 (no PBV units) FY 2019 2 BR utility allowance for HCV tenant-based unit: \$229	Waiver of Independent Entity for LMHA Owned Units: \$0 per local PBV project to verify site selection \$37.03 per unit per local PBV inspection performed by LMHA Site-Specific Utility Allowances: \$206 per unit, based on 10% savings	N/A	N/A
<i>CE #2: Staff Time Savings</i>				
Unit of Measurement	Baseline*	Benchmark	Outcome	Benchmark Achieved?
Total time to complete the task in staff hours (decrease).	Waiver of Independent Entity for LMHA Owned Units: As of FY 2019: 0 hours (no PBV units) Site-Specific Utility Allowances: As of FY 2019: 0 hours (no PBV units)	Waiver of Independent Entity for LMHA Owned Units: 0 (no staff time savings projected) Site-Specific Utility Allowances: 0 (no staff time savings projected)	N/A	N/A

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

A.7 Local, Non-Traditional Housing Programs

Activity #2014-1: Public Housing Sublease Programs

Formerly Activities #37-2014 and #29-2015 and combined in the FY 2020 Plan.

Approval and Implementation

- Accessible Units Sublease Agreement with Frazier Rehab Institute: Proposed in FY 2013 and re-proposed and implemented in FY 2014.
- Public Housing Sublease Agreement with YouthBuild Louisville: Proposed in FY 2011 and re-proposed and implemented in FY 2015.
- Public Housing Sublease Agreement with Family Scholar House: Proposed and approved in FY 2011.

Description/Update of Activity

Using MTW flexibility LMHA has developed and implemented sublease programs. The programs use public housing units for temporary housing for specific populations in need. Specifically, during FY 2019, LMHA subleased units to the following organizations:

- ***Frazier Rehab Institute***

Fully accessible units are subleased as temporary housing for Spinal Cord Injury (SCI) out-patients of Frazier Rehab Institute. The units are transitional housing provided for up to six months per family. Frazier Rehab Institute is responsible for verifying that the family is eligible to live in the unit (e.g. a program participant, household income is at or below 80% AMI). Two fully-accessible units located at the Liberty Green Community Center are dedicated to this activity. Frazier Rehab leases the apartments from LMHA and pays the cost of all utilities. Rent to Frazier Rehab is set at \$210 per month (or roughly 30% of monthly SSI for one person) and Frazier Rehab has agreed to pass on no more than 100% of the rent plus utilities to the tenant (the sub lessee). Frazier Rehab uses a modified version of LMHA's public housing lease as its tenant sublease. Frazier Rehab also refers sub lessees to area service providers, including the Center for Accessible Living (Kentucky's first Independent Living Center), which can assist households with leaving the program.

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

- ***YouthBuild Louisville***

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

For each month a unit is occupied by an YBL program participant, YBL pays LMHA \$60. YBL certifies that students are income eligible upon entry to the YBL program through the application process and follow-up verification through local and state subsidy programs. The participant and

their household may continue to live in the unit if they are active in the YBL program. Upon graduation, the household may elect to receive a preference for a public housing unit.

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

- ***Scholar House***

LMHA maintains a partnership with the Family Scholar House to provide public housing to parents while they work to obtain a college degree. To be eligible for residency at either the Downtown Scholar House, the head of household must have a high school diploma or GED and be willing to enroll in a degree-granting program at an accredited post-secondary institution as a full-time student. Eligibility is limited to households including no more than one adult family member. Families interested in applying for or transferring to a Family Scholar House unit contact the Family Scholar House directly for additional eligibility and screening requirements. Family Scholar House public housing units provide temporary housing to families actively participating in the Scholar House's programming. Families must relinquish their unit when they graduate from or otherwise terminate their participation in the Scholar House's programming. Participants who successfully graduate from the program will receive a preference for admission to LMHA's Housing Choice Voucher Program as long as the participant was living in LMHA public housing (including PH/LIHTC housing) at the time of program completion.

Impact

In FY 2019, LMHA served eighteen (18) households through this activity; two (2) through its sublease agreement with Frazier Rehab Institute, five (5) through its sublease agreement with YouthBuild Louisville, and eleven (11) through its sublease agreement with Scholar House.

Hardship

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

Actual Non-Significant Changes

There were no non-significant changes to this activity in FY 2019.

Changes to Metrics

Baselines and benchmarks were updated to account for the consolidation of activities.

Actual Significant Changes

There were no significant changes to this activity in FY 2019.

Challenges in Achieving Benchmarks and Possible Strategies

The outcomes for the number of households transitioned to self-sufficiency and unemployed did not meet the benchmark as all of the public housing participants at Scholar House were enrolled in an educational program during the fiscal year; however, all other benchmarks were met or exceeded.

Metrics

CE #2: Staff Time Savings*				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Total time to complete the task in staff hours (decrease).	0 hours	0 hour (0.0 hour X 6 HHs)	0 hour (0.0 hour X 18 HHs)	Yes
<i>*There are no staff savings associated with this activity.</i>				
Self-Sufficiency #1: Increase in Household (HH) Income*				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Average earned income of HHs affected by this policy in dollars (increase).	\$0	\$0	\$0.	N/A
<i>*Residents in these programs are not expected to have an increase in income during participation in the programs.</i>				
Self-Sufficiency #3: Increase in Positive Outcomes in Employment Status				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
(1) Employed Full-Time	As of FY 2014: 0	0	1	Yes
(2) Employed Part-Time	As of FY 2014: 0	0	5	Yes
(3) Enrolled in an Educational Program	As of FY 2014: 0	12	16	Yes
(4) Enrolled in Job Training Program	As of FY 2014: 0	1	5	Yes
(5) Unemployed	As of FY 2014: 0	1	6	No
(6) Other	N/A	N/A	N/A	N/A
Self-Sufficiency #5: Households (HHs) Assisted by Services that Increase Self-Sufficiency				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number (#) of HHs receiving services aimed to increase self-sufficiency (increase)	As of FY 2014: 0	15	16	Yes
Self-Sufficiency #8: Households (HHs) Transitioned to Self-Sufficiency*				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number (#) of HHs transitioned to self-sufficiency (increase). The PHA may create one or more definitions for "self-sufficiency" to use	As of FY 2014: 0	4	3	No

for this metric. Each time the PHA uses this metric, the "Outcome" # should also be provided in Section (II) Operating Information in the space provided.				
<i>*Self-Sufficiency is defined as a participant exiting the program for any other reason than termination of subsidy/participation.</i>				
Housing Choice #1: Additional Units of Housing Made Available				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of new housing units made available for households at or below 80% AMI that include a member with a Spinal Cord Injury (increase).	As of FY 2013: 0	15	16	Yes
Housing Choice #5: Increase in Resident Mobility				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number (#) of households (HHs) able to move to a better unit and/or neighborhood of opportunity as a result of the activity (increase).	As of FY 2014: 0	15	16	Yes

Activity #49-2018: Beecher Terrace CNI Revitalization – Broader Use of Funds to Support the Development of Off-Site, Mixed-Income Replacement Housing

Approval and Implementation

Approved and implemented in FY 2018.

Description/Update of Activity

This activity provides LMHA the flexibility to acquire unsubsidized units, for households whose income does not exceed 80% of AMI, outside of Section 8 and Section 9 using MTW Single Fund dollars to support the replacement of Beecher Terrace units.

Impact

During FY 2019, LMHA pursued opportunities to acquire properties where the Agency can provide off-site replacement housing itself without relying on a 3rd-party developer or owner. LMHA is in the process of purchasing of two, historic 4-plex buildings on W. Market Street in the Russell neighborhood. The

closing did not occur in FY 2019, but is anticipated to take place in FY 2020. LMHA also examined the possibility of acquiring another 12-unit apartment building in Russell; however, the owner decided not to sell the property. In June 2019, LMHA's subsidiary, LMHA Development Corporation, purchased 6600 Newbridge Place, a 27-unit apartment complex. As of the end of the fiscal year, a HAP had not been entered into for any of the units; however, LMHA plans to project-base units when they are vacated.

Actual Non-Significant Changes

There were no non-significant changes to this activity in FY 2019.

Changes to Metrics

No changes have been made to the metrics identified in the FY 2019 Annual Plan.

Actual Significant Changes

There were no significant changes to this activity in FY 2019.

Challenges in Achieving Benchmarks and Possible Strategies

As the flexibility in this activity was not utilized in FY 2019, LMHA cannot report on challenges in achieving benchmarks.

Metrics

<i>SS #6: Reducing Per Unit Subsidy Costs for Participating Households</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Average amount of Section 8 and/or 9 subsidies per household affected by this policy in dollars (decrease).	As of FY 2017: \$5,460	\$0	N/A	N/A
<i>SS #7: Increase in Agency Rental Revenue</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
PHA rental revenue in dollars (increase).	As of FY 2017: \$7,536 (\$1,884 per household X 4 households)	\$33,600 (\$8,400 per household X 4 households)	N/A	N/A
<i>HC #1: Additional Units of Housing Made Available</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
# of new housing units made available for HHs at or below 80% AMI as a result of the activity (increase). If units reach a specific type of HH, give that type in this box.	As of 2017: 0	4	N/A	N/A
<i>HC #5: Increase in Resident Mobility</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?

Number (#) of households (HHs) able to move to a better unit &/or neighborhood of opportunity as a result of the activity (increase).	As of FY 2017: 0	4	N/A	N/A
CE #1: Agency Cost Savings				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Total cost of task in dollars (decrease).	As of FY 2017: \$84.48 (4 HHs X 0.75 hours per verification X \$28.16 per staff hour)	\$84.48 (4 HHs X 0.75 hours per verification X \$28.16 per staff hour)	N/A	N/A

Activity #50-2018: Increasing Housing Options for Relocating Beecher Terrace Families

Approval and Implementation

Approved and implemented in FY 2018.

Description/Update of Activity

LMHA has determined that a large proportion of relocating Beecher households will need one-bedroom units. While the site had 355 one-bedroom units, LMHA anticipates that an estimated 409 families are one-bedroom-eligible based on their household size and composition.

While successfully relocating Beecher residents is the Housing Authority's top priority, LMHA is also dedicated to serving especially vulnerable populations within the Louisville community. Increasing the number of HCV units available to Beecher residents will ensure that an adequate supply of units is available to meet both goals.

To increase the range of housing options available to relocating Beecher Terrace families and to increase the ability of the Housing Authority's HCV Program to absorb additional one-bedroom-eligible households, LMHA adopted the following policies:

- Increase Payment Standard for One-Bedroom-Eligible Households (Relocating Beecher Terrace Households Only).

LMHA will offer a two-bedroom payment standard to all one-bedroom-eligible households moving from the Beecher Terrace public housing development to an HCV unit in relocation Phase II or III.¹ Both the regular two-bedroom payment standard (set at 100% of FMR) and the increased two-bedroom payment standard offered to families leasing in high opportunity census tracts (set at 110% of FMR) will be available to these households.

¹ Relocation Phase I was completed in December 2017. Thus, this activity will only apply to families relocating from Beecher in Phases II and III.

One-bedroom-eligible families will only be permitted to use the two-bedroom payment standard to lease a two-bedroom unit. If a family chooses to lease a one-bedroom unit, they will receive the one-bedroom payment standard. Although LMHA does not anticipate any relocating households will select a zero-bedroom unit, should they do so, they will receive the zero-bedroom payment standard.

- **HCV Owner Incentive Fee (HCV Program-Wide).**

To encourage owner participation in the HCV Program and increase the inventory of one-bedroom units available to these relocating Beecher families within the Louisville Metro area, LMHA will pay a \$1,000 incentive fee to owners who lease a one-bedroom unit to a family entering LMHA's HCV Program (to include relocating Beecher families). For the purposes of this activity, a family is considered to be "newly-admitted" and the unit eligible for an incentive fee if:

- The family is signing a lease under the HCV Program for the first time;
- The family is moving from one LMHA housing program to another (e.g., moving from the Public Housing Program to the HCV Program);
- The family is using the portability provisions provided through the HCV Program to move with continued HCV assistance from another Public Housing Agency's jurisdiction to LMHA's jurisdiction; or,
- The family has experienced an interruption of voucher assistance where the Public Housing Agency formerly assisting the family submitted an End of Participation action to HUD using form HUD-50058 or HUD-50058 MTW.

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

LMHA anticipates that MTW activity #50-2018 will be closed out once the second incentive fee installment has been paid to all eligible owners, approximately one year after Beecher relocation is completed.

Impact

In FY 2019, fifty-three (53) owners were eligible to receive the owner incentive. This incentive has been effective in marketing efforts to identify and attract owners with one-bedroom units. Additionally, ninety (90) families eligible for a one-bedroom voucher received the two-bedroom payment standard.

In FY 2019, LMHA revised its ACOP transfer policy to address the needs of Beecher relocatees. Pursuant to the revised ACOP, Beecher families that need to relocate due to redevelopment will be offered a housing choice voucher or an appropriately sized public housing replacement unit. In cases where the family is required to move and cannot locate a unit with a voucher and where there is no appropriately sized public housing unit available, LMHA may offer the family a public housing unit that is one (1) bedroom larger than the unit size for which the family is authorized under LMHA's occupancy standards. In such cases, the family is required to sign a lease addendum agreeing to move to an appropriately sized unit when one becomes available.

Actual Non-Significant Changes

There were no non-significant changes to this activity in FY 2019.

Changes to Metrics

No changes have been made to the metrics identified in the FY 2019 Annual Plan.

Actual Significant Changes

There were no significant changes to this activity in FY 2019.

Challenges in Achieving Benchmarks and Possible Strategies

The housing stock in Louisville is such that there is an inadequate supply of one-bedroom units. LMHA will continue to advertise this incentive to potential landlords.

Metrics

<i>Housing Choice #3: Decrease in Wait List Time</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Average applicant time on wait list in months (decrease).	As of FY 2017: 84 months	84 months*	84 months	Yes
<i>*Increasing the number of units on the HCV Program is not expected to reduce HCV waitlist time during FY 2019, as LMHA expects the majority of these additional units will be leased to relocating Beecher households</i>				
<i>Housing Choice #5: Increase in Resident Mobility</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number (#) of households (HHs) able to move to a better unit and/or neighborhood of opportunity as a result of the activity (increase).	Landlord Incentive Fee (HCV Program-Wide)			
	As of FY 2017: 132 (# of newly-admitted 1-BR HCV families)	152 (# of newly-admitted 1-BR HCV families)	53	No
	Increased Payment Standard (Relocating Beecher Families Only)			
	As of FY 2017: 0 (1-BR-eligible HHs relocating to 2-BR HCV unit)	75 (1-BR-eligible HHs relocating to 2-BR HCV unit)	90 (1 BR-eligible HH relocated to a 2 BR HCV unit)	Yes

B. MTW Activities Not Yet Implemented

Activity #28-2011: Locally Defined Guidelines for Development, Maintenance and Modernization of Public Housing

Description/Update of Activity

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

Status

This activity was proposed and approved in FY 2011. It has not yet been implemented; however, LMHA will continue to explore how the flexibility may be used in the future.

C. MTW Activities On Hold

Activity #25-2010: Public Housing Sublease Agreement with Catholic Charities

Description/Update of Activity

Proposed and approved in the FY 2010 Plan, this activity has been tabled. HUD OGC investigated the use of public housing as emergency housing for victims of human trafficking and found that it was not feasible under MTW to permit families who could not produce valid identification to live in public housing communities.

Status

While this activity was not implemented in FY 2019, LMHA continued to explore how the flexibility may be used in the future.

D. Closed-Out MTW Activities

Listed below is a summary of previously approved MTW activities that LMHA has completed, discontinued, or determined do not require MTW authority to implement:

Activity	Plan Year	Close Out Year	Reason for Close Out
Spatial Deconstruction of HCV Assisted Units (Activity #5-2007)	FY 2007	FY 2009	The activity was to limit the concentration of Housing Choice Voucher assisted units in complexes of one hundred or more units to 25% (excluding both elderly/disabled and special referral program sites). This activity was closed at FYE 2009 because of its potential to limit voucher holders' universe of housing choices.
Public Housing - Term Limits and Employment/Education Requirements for New Scattered Sites (Activity #9-2007)	FY 2007	FY 2016 FY 2017	This activity revised the occupancy criteria for detached, single family, scattered site units to include 5-year residency term limits and employment/education requirements for admission and ongoing occupancy. Due to continued low occupancy rates at these sites, the activity was revised in FY 2016 to remove the 5-year residency term limit and in FY 2017, LMHA stopped enforcing the employment/education requirements associated with these units and closed out this activity, allowing LMHA to increase occupancy rates. Please see below for further details.
Explore HUD's Streamlined Demolition and Disposition Application Process for MTW Agencies (Activity #16-2009)	FY 2009	FY 2014	This activity was never implemented. HUD investigated the possibility of streamlined demolition/disposition activities for MTW agencies but found that it was not feasible under MTW. Out of concern for residents' rights and the public process, HUD decided that MTW agencies must follow the established procedures for demolition and disposition of property.
Occupancy Criteria Changes for New Scattered Sites – Mandatory Case Management (Activity #21-2010)	FY 2010	FY 2016	This activity revised the occupancy criteria for detached, single-family scattered site units to include mandatory participation in a case management program and movement toward self-sufficiency. Residents moving into one of these units could choose between General Case Management and the Family Self-Sufficiency (FSS) Program. Due to low occupancy rates at these sites, this activity was closed out in early FY 2016.
Increased Flat Rents (Activity #24-2010)	FY 2010	FY 2011	LMHA proposed flat rents for the Agency's scattered sites be raised and adjusted based on the square footage, location, age and amenities at the property as rent comparables for the site were completed. LMHA decided not to implement this activity, and flat rents have since been raised across all of the agency's public housing units to meet HUD's recent requirement that PHAs set flat rents to at least 80% of FMR.

Activity	Plan Year	Close Out Year	Reason for Close Out
Rents Set at 30% of Adjusted Income – Public Housing Program (Activity #33-2012)	FY 2012	FY 2014	LMHA proposed that families receiving rental assistance under the Public Housing program would pay either 30% of their monthly adjusted income for rent, or the minimum rent established by the LMHA, whichever was higher. Upon further consideration, because the Housing Authority’s housing stock includes tax credit units, LMHA considered amending the activity to include “ceiling rents” that would vary by bedroom size and that would be set in accordance with the annual tax-credit ceiling rents, as published by the Kentucky Housing Corporation (KHC). KHC is the tax credit allocating agency for the Commonwealth of Kentucky. However, this significant change was never submitted to HUD. Rather, in 2014, LMHA raised flat rents to conform to new HUD regulations mandating that PHAs set flat rents to at least 80% of FMR.
Employment/Education Requirements in New Scattered Site (Activity #9-2007)	2007	2017	LMHA continuously struggled to maintain a high level of occupancy at these units, with three-bedroom units especially hard to fill. The Housing Authority tried to address this situation by implementing an admissions preference for qualified three-bedroom-eligible families in 2014; however, the new preference did not lead to a substantial improvement in occupancy levels. In a further effort to improve occupancy, LMHA removed the term limit and mandatory case management requirements; however, occupancy for the affected units continued to be subpar. Therefore, MHA elected to close out this activity in the interests of increasing occupancy.
MTW Special Referral Program – Coalition for the Homeless “Move Up” Initiative (Activity #45-2016)	FY 2016	FY 2018	The “Move Up” Special Referral Program allocated up to 100 vouchers to formerly homeless families, allowing them to transition from homeless services vouchers to HCV vouchers, thus freeing up additional homeless services vouchers to serve currently homeless families. However, upon further review of this activity, the Housing Authority, with MTW Office concurrence, has determined that this partnership can be continued without MTW authority through the provision of a “limited admission preference” to the agency’s HCV Program.
MTW Unit Inspection Protocol (Activity #2-1999)	FY 1999	FY 2018	The activity allowed the agency to waive initial occupancy unit inspections of facilities that participate in HUD’s Section 8 Moderate Rehabilitation Program and that are managed by organizations with which the Agency has had a long-term and outstanding relationship. Instead, LMHA conducted inspections once per year concurrently. These properties include the Chestnut Street YMCA SRO; St. Vincent de Paul SRO; and Willow Place. However, there are no longer any new Mod-Rehab units coming online and as such, MTW flexibility is no longer needed to allow the certificate of occupancy to suffice for initial move-ins in lieu of a traditional HQS inspection.

V. Sources and Uses of Funds

A. Actual Sources and Uses of MTW Funds for Fiscal Year 2019

i. Actual Sources of MTW Funds in the Plan Year

LMHA submitted all required FY 2019 unaudited and audited information in the prescribed Financial Data Schedule (FDS) format through the Financial Assessment System – PHA (FASPHA), or its successor system.

ii. Actual Uses of MTW Funds in the Plan Year

LMHA submitted all required FY 2019 unaudited and audited information in the prescribed FDS format through the FASPHA, or its successor system.

iii. Describe Actual Use of MTW Single Fund Flexibility

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

- LMHA utilized approximately \$611,000 to acquire 108 units and retire related debt on Park DuValle III, a tax-credit project that reached the end of its initial 15-year tax-credit compliance period.
- LMHA utilized approximately \$4.7M to supplement the CHOICE grant for the Russell neighborhood which includes the redevelopment of Beecher Terrace Homes.
- LMHA transferred approximately \$5.6M to fund operating deficits per MTW authority.
- LMHA loaned approximately \$1.9 million to Louisville Metro Housing Authority Development Corporation to purchase Newbridge to be operated as a Project Based Voucher development.

B. Local Asset Management Plan

- Did the MTW PHA allocate costs within statute in the Plan Year?
- Did the MTW PHA implement a local asset management plan (LAMP) in the Plan Year?
- Did the MTW PHA provide a LAMP in the appendix?
- If the MTW PHA has provided a LAMP in the appendix, provide a brief update on implementation of the LAMP. Please

Yes
No
No
N/A

provide any actual changes, or state that the MTW PHA did not make any changes in the Plan Year.

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VI. Administrative

A. Reviews, Audits and Inspections

HUD's QA Division performed a restricted net position validation review in August 2017, which resulted in one finding. HUD determined that the LMHA's general depository agreement with the bank was not in compliance with HUD requirements. Specifically, LMHA's executed agreement had an amendment with additional assurances; however, HUD requires PHAs to use HUD's agreement with no amendments. During FY 2019, this matter was resolved as HUD's General Depository Agreement, with no amendments, was executed by LMHA and the depository.

During FY 2017, the HUD Office of Inspector General (OIG) conducted an audit of LMHA's Section 8 Housing Choice Voucher Program. LMHA has responded to all findings identified in the audit and received a close-out letter from HUD on 8/27/19.

During FY 2019, the HUD OIG opened an investigation concerning a former LMHA employee. HUD sent a "Formal Demand Letter" to LMHA in July 2019, requesting documentation related to the investigation. LMHA is working to respond to HUD's letter and resolve this issue.

Additionally, HUD performed thirteen (13) REAC inspections at LMHA public housing sites. LMHA has begun and will continue to address deficiencies identified in REAC inspections.

B. Evaluations

Not applicable. LMHA is not currently directing any evaluations of its MTW Program.

C. Certification of MTW Statutory Requirements

LMHA certifies that, in FY 2019, it continued to meet the three statutory objectives of the MTW program. Appendix A includes the certification required by HUD.

D. MTW Energy Performance Contract (EPC) Flexibility Data

Not Applicable.

Appendix A: Certification of MTW Statutory Compliance

Moving to Work Demonstration Annual Report Certification

Acting on behalf of the Louisville Metro Housing Authority (LMHA) as its authorized official, I certify that LMHA met the three statutory requirements of the Moving to Work Demonstration Program in Fiscal Year 2019:

1. Ensuring that at least 75% of the families assisted by LMHA are very low-income;
2. Continuing to assist substantially the same total number of households as would have been served had LMHA not participated in the MTW demonstration; and,
3. Maintaining a comparable mix of households (by family size) served as would have been served had LMHA not participated in the MTW demonstration.

Lisa Osanka / WCW Way
Lisa Osanka, Executive Director

9/20/19
Date