

Louisville Metro Housing Authority

Moving to Work Annual Report

Fiscal Year 2021

July 1, 2020 – June 30, 2021

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I. Introduction

The Louisville Metro Housing Authority (LMHA) 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. In Fiscal Year 2021, LMHA administered rental assistance to over 13,000 families through its Public Housing, Housing Choice Voucher, and related 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 2021, i.e. the period from July 1, 2020 through June 30, 2021. 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 set a standard of operational excellence in providing quality, affordable housing opportunities for residents to achieve self-sufficiency and an enhanced quality of life, and collaborating with community partners to build strong, viable 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 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 set a standard of operational excellence in providing quality, affordable housing opportunities for residents to achieve self-sufficiency and an enhanced quality of life, and collaborating with community partners to build strong, viable neighborhoods. To continue to serve residents while protecting their health and safety during the COVID-19 pandemic, LMHA made significant changes to program operations and expanded supportive services in FY 2021. LMHA implemented regulatory waivers provided under the federal CARES Act and under Activity #2021-02: Emergency Waivers, so that core functions such as leasing, inspections, and recertifications could continue without impacting service to residents. For example, LMHA implemented the regulatory waiver which permitted the use of self-certification as the highest form of income verification, allowing LMHA to promptly process interim recertifications for residents financially impacted by the pandemic and reduce potential delays associated with third-party verification.

To meet the emerging needs of residents, LMHA also leveraged MTW Block Grant funding to expand direct services and support:

- To support families with children engaged in remote learning and adults working from home, LMHA partnered with Spectrum Community Solutions to deliver broadband internet access to residents of Parkway Place. Through MTW Block Grant funds, broadband service will be provided to residents free of charge for two years.
- To promote housing stability during the pandemic, LMHA created an Eviction Diversion program in partnership with the Legal Aid Society. Through the program, participants are connected to available rent assistance programs, informed of options to reduce their rent if they have lost income, and offered new ways to pay rent, including partial payments.

- For the health and safety of residents, LMHA began a wastewater testing program for COVID-19 to uncover heightened levels of infection at public housing sites. LMHA also worked with the University of Louisville to make vaccines accessible to residents.
- In addition to Public Housing and HCV participants, LMHA served low-income families at-risk of eviction in the Louisville Metro area by providing financial support to address rental arrears. Through Activity #2021-03: Eviction Prevention – COVID-19 Relief, LMHA allocated approximately \$2 million in MTW funds to the Louisville Metro Office of Housing’s (OH) Eviction Diversion Program to assist families financially impacted by the pandemic.

In addition to pandemic-related relief, LMHA undertook a range of MTW-related and other activities in the Housing Choice Voucher and Public Housing programs during FY 2021, which are summarized below. A complete list of LMHA’s MTW activities is shown on the table *Moving to Work (MTW) Activity Matrix*.

- **Housing Choice Vouchers:** In FY 2021, LMHA provided rental assistance and related services to 9,517 MTW households through the HCV program. An additional 380 households were served through the VASH program and 137 households through Mainstream program.
- **Public Housing:** In FY 2021, LMHA served 3,432 public housing households. Additionally, LMHA continued its preservation and redevelopment efforts across the public housing portfolio.
- **Rent Policies:** In FY 2021, LMHA received approval and implemented a revised medical deduction policy. LMHA has also consolidated previously approved rent simplification activities, which include:
 - A revised asset policy;
 - Exclusion of full-time student income;
 - Exclusion of adoption assistance payment; and,
 - A revised method of payment standard application.

These rent simplification policies streamline the rent calculation process and incentivize household members to pursue job training or education programs or obtain employment.

- **Leasing Initiatives:** In FY 2021, LMHA continued to implement initiatives to improve leasing in the HCV and Public Housing programs. LMHA received approval in FY 2021 to expand landlord incentives to increase their participation in the HCV program, including pre-qualifying inspections and incentive payments to encourage landlords to lease units to HCV participants. LMHA also continued to increase leasing in elderly/disabled developments in Public Housing through flexibilities approved through Activity #2008-1: Occupancy at Elderly Developments.
- **Streamlined Flat Rent:** LMHA continued to implement a new Streamlined Flat Rent policy. The revised policy allows LMHA to update flat rents every 5 years, except during years where the average Fair Market Rent (FMR) increases more than 5%. As the FMR for all bedroom sizes increased 6% on average between CY 2020 and 2021, LMHA updated the flat rent schedule and began completing flat rent updates for families on flat rent.
- **Local Forms:** LMHA developed several local versions of HUD required forms to streamline processing. In conjunction with the leasing of new PBV units, LMHA implemented a local Project Based HAP contract in FY 2021, which accounts for the flexibilities provided under the Local PBV Program activity. LMHA has also implemented a local version of the FSS Contract of Participation and Individual Training and Service Plan to reflect changes implemented as a result of the FSS Program Enhancements activity.

- ***FSS Program Enhancements:*** In FY 2021, LMHA modified the local Family Self-Sufficiency (FSS) Program to better assist participants in attaining their self-sufficiency goals and allow more participants to benefit from the program. LMHA received approval and implemented changes to the Contract of Participation (CoP) in FY 2021, which permit other adults in the household to fulfill the employment requirement, allow participants additional time to complete their goals after 30% of their income exceeds the existing FMR, and offer modified terms for FUP Foster Care Alumni participants. Additionally, participants began earning incentive payments for achieving interim goals, such as participating in case management for 12 months and obtaining their bachelor's degree.
- ***Gap Financing Program:*** To assist in the development and preservation of affordable housing, LMHA continued to evaluate opportunities to grant capital funds and loans to developers awarded Project Based Vouchers, flexibilities provided through the Gap Financing Program. By providing gap financing to developers, LMHA will make development deals more feasible.
- ***Off-Site, Mixed Income Replacement Housing:*** Under this MTW activity, Louisville Metro Housing Authority Development Corporation (LMHADC), LMHA's non-profit entity, acquired Newbridge Place, an existing 27-unit property to provide off-site replacement housing for Beecher Terrace. LMHA has also used the flexibilities provided under this activity to develop 205 tax credit units at three (3) developments: Sheppard Square, Liberty Green and Park DuValle.
- ***Enhancements to Local Project-Based Voucher (PBV) Program:*** To streamline and incentivize affordable housing development and preservation and meet public housing replacement requirements for LMHA's Choice Neighborhood Initiative (CNI) grant, LMHA created enhancements to its Local Project-Based Voucher Program, which included flexibilities and incentives to create and preserve affordable housing. The inclusion of these new flexibilities resulted in increased developer interest. During FY 2021, LMHA entered into AHAP and/or HAP contracts for eight projects, representing commitments for 389 new project-based units.
- ***Special Referral Programs:*** Through its MTW Special Referral Programs, LMHA partners with local, non-profit social services organizations to provide housing support to vulnerable populations whose needs are not adequately met elsewhere in the community. In FY 2021, LMHA allocated vouchers to four (4) new organizations to provide housing and supportive services to target populations including: Mattingly Edge to support individuals transitioning out of congregate housing settings, My Chosen People to support pregnant women and individuals released from incarceration, Catholic Charities of Louisville to support victims of human trafficking and individuals in the Migration and Refugee Services and Joshua Community Connectors to support those experiencing homelessness in the Russell neighborhood. LMHA also awarded additional allocations to existing partners, including the Center for Women and Families and Wellspring, among others. In total, over 750 Housing Choice Vouchers were made available in FY 2021 to assist families on their path to self-sufficiency and increase their housing choices.
- ***Homeownership:*** LMHA continued to administer its MTW Homeownership Program in FY 2021. Twenty-five households purchased homes in FY 2021 using one or more of the MTW flexibilities, including four one-bedroom eligible households who utilized the two-bedroom payment standard and 11 households who purchased a home in an exception payment standard area. The increased subsidy for one-bedroom eligible households along with the increased maximum subsidy in areas of opportunity continued to help voucher holders achieve homeownership and resulted in increases to the number of households purchasing units in areas of opportunity.

LMHA also implemented a newly approved activity to provide financial support to cost-burdened, low-income homeowners at risk of foreclosure and displacement. In FY 2021, Activity #2021-01: Preservation of Low-income Homeownership assisted three families with mortgage payments and other homeownership expenses.

- ***Streamlined Recertification Process:*** In FY 2021, LMHA expanded biennial recertifications in the Public Housing program and planned for the implementation of triennials. Additionally, LMHA adopted several CARES Act waivers related to regular and interim recertifications to streamline and expedite processing and address challenges presented by the pandemic.
- ***Owner Rent Increase Limit:*** LMHA continued to place a 2% cap on annual contract rent increases. LMHA conducted reasonable rent determinations on a sample of 201 units to ensure that rents are reasonable while maintaining the administrative efficiencies gained through this activity. In FY 2021, LMHA found that all contract rent increases reviewed in LMHA's quality control sample resulted in rents that were reasonable.
- ***HUD Rent Reform Demonstration:*** FY 2021 was the final year of the Rent Reform Demonstration, which set forth alternative rent calculation and recertification strategies that have been implemented at several public housing authorities across the country. During FY 2021, LMHA began notifying and preparing study participants for the transition from rent study to MTW rent policies, as the first cohort of participants will end their participation in the study in early FY 2022. At the end of the fiscal year, the Alternate Rent Group had 489 households and the Control Group had 559 households. These families will transition out of the study in early FY 2022.
- ***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 revised development and acquisition policies, which allow LMHA to acquire sites and/or units for Beecher Terrace replacement, PBV development and/or preservation, and public housing mixed income sites. These policies expedite the process for LMHA to develop and/or acquire affordable housing.
- ***Units for Underserved Populations:*** In its efforts to provide units to underserved populations, LMHA continued to provide:
 - Fully accessible units to Spinal Cord Injury (SCI) research participants through the University of Louisville's Kentucky Spinal Cord Injury Research Center (KSCIRC). The units are transitional housing provided for up to 12 months per family. A full-time social worker connects participants with applicable community resources and supports as well as financial assistance grants/opportunities to assist households in leaving the program. In FY 2021, management of this sub-lease program was transferred within the University of Louisville, from Frazier Rehab center to KSCIRC.
 - Temporary housing for low-income YouthBuild Louisville (YBL) participants who are experiencing homelessness. Three, 2-bedroom units are available for YBL participants who may stay in the unit if they are active in the YBL Program. LMHA provides a public housing preference to these individuals upon graduation from YBL.
 - Temporary housing for parents while they work to obtain a degree through LMHA's partnership with Family Scholar House. The program provides housing to families in which the head of household is enrolled in a degree-granted program at an accredited post-secondary institution.

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

- ***Development and Redevelopment Activities***

- *Russell Choice Neighborhood Transformation:* LMHA continued the redevelopment efforts in the Russell neighborhood in FY 2021:
 - Phases I and II of construction, comprising 117 and 108 units respectively, were completed in FY 2021.
 - Phase III construction, comprising 185 units, began in FY 2021, with estimated completion in late FY 2022.
 - Phase III demolition and site preparation is underway with estimated completion in early FY 2022.
- *Porter Paint Site:* LMHA completed demolition of this former paint factory in late FY 2021 and is exploring options for future development on the site, including a potential park.
- *Friary:* LMHA completed the redevelopment of the 24 units at the Friary in FY 2021. Eighteen of the renovated units are being used for public housing. An additional six replacement public housing units will be acquired in non-impacted areas.
- *Sheppard Square HOPE VI Revitalization:* LMHA is still pursuing the outstanding homeownership units. Habitat for Humanity is under contract to develop five (5) homeownership lots and may develop additional lots in future fiscal years. In FY 2021, Habitat for Humanity began recruiting eligible homeowners. LMHA is in the process of revising its Letter of Interest to attract additional developers. The closing of the construction contract for 760 S. Hancock Street remained on hold due to continuing litigation with the general contractor.
- ***Grants and Grant Opportunities*** – In FY 2021, LMHA continued to administer existing grants, which include the FSS Coordinator and ROSS grants and Choice Neighborhoods Implementation and Action Grants. Additionally, LMHA was awarded a Choice Neighborhoods Supplemental grant of \$4 million, which will continue through September 2025, and will be used to complete the final phases of on-site housing development.
- ***Prudent Fiscal Management and Internal Controls*** – LMHA continued to implement a comprehensive program of internal audit, compliance reviews and fiscal management.

Moving to Work (MTW) Activity Matrix

Activity No.	MTW Activity
<i>Implemented Activities</i>	
2021-1	Preservation of Low-Income Homeownership Units
2021-2	Emergency Waivers
2021-3	Eviction Prevention: COVID-19 Relief
2020-1	Rent Simplification <ul style="list-style-type: none"> • Financial Aid Disregard in Calculation of TTP; approved 2015 • Elimination of the Earned Income Disregard; approved 2012 • Standard Medical Deduction; approved 2008 • Earned Income Disregard for Elderly Families; approved 2008 • Asset Policy; approved 2020 • Exclusion of Adoption Assistance Payments; approved 2020 • Exclusion of Full-time Student Income; approved 2020 • Application of Payment Standards; approved 2020
2020-2	Streamlined Flat Rent
2020-3	Local Forms
2020-4	FSS Program Enhancements
2020-5	Gap Financing
2019-1	Enhancements to Local Project-Based Voucher (PBV) Program
2018-1	Beecher Terrace Choice Neighborhood Initiative (CNI) Revitalization – Broader Use of Funds to Support the Development of Off-Site, Mixed-Income Replacement Housing
2018-2	Increasing Housing Options for Relocating Beecher Terrace Families
2015-1	HCV Program - HUD/MDRC Rent Reform Demonstration
2014-2	HCV Program - Rent Increase Limit
2014-1	Public Housing - Sublease Programs <ul style="list-style-type: none"> • University of Louisville’s Kentucky Spinal Cord Research Injury Center (<i>formerly University of Louisville’s Frazier Rehab Institute</i>); approved FY 2013 • YouthBuild Louisville; approved 2011 • Family Scholar House; approved 2011
2011-1	HCV Child-Care Deductions Policy
2009-1	Streamlined Development and Acquisition <ul style="list-style-type: none"> • Simplification of the Public Housing Development Submittal; approved 2009 • Acquisition of Mixed-Income Sites for Public Housing; approved 2011
2008-1	Occupancy at Elderly Developments <ul style="list-style-type: none"> • Local Definition of Elderly; approved 2008 • Lease-up Incentives for New Residents at Dosker Manor; approved 2010
2007-1	Streamlined Recertification Process

Activity No.	MTW Activity
2006-1	HCV Homeownership Program <ul style="list-style-type: none"> • Amount and Distribution of HCV Homeownership Assistance; approved 2006 • Exception Payment Standards; approved 2009 • Flexibility in Third-Party Verification; approved in 2009
<i>Implemented Activities (continued)</i>	
2005-1	MTW Special Referral Program <ul style="list-style-type: none"> • 100K Homes Initiative; approved 2012 • Center for Women and Families; approved 2005 • Centerstone; approved 2015 • Choices, Inc.; approved 2014 • ChooseWell Communities; approved 2016 • Coalition for the Homeless; approved 2012 • Day Spring; approved 2009 • Family & Children's Place; approved 2017 • Family Scholar House; approved 2008 • House of Ruth; approved 2018 • Kentucky Housing Corporation; approved 2016 • St. Vincent DePaul; approved 2018 • Wellspring; approved 2012 • Office of Resilience and Community Services - Shelter Works; approved 2019 • Home of the Innocents; approved 2019 • Volunteers of America Mid-states; approved 2020 • Mattingly Edge; approved 2021 • My Chosen People; approved 2021 • Catholic Charities of Louisville; approved 2021 • Joshua Community Connectors; approved 2021
<i>Not yet implemented</i>	
2011-2	Public Housing - Locally Defined Guidelines for Development, Maintenance, & Modernization
<i>On Hold</i>	
2010-1	Public Housing - Sublease Agreement with Catholic Charities
<i>Closed Out</i>	
45-2016	MTW Special Referral Program – Coalition for the Homeless “Move Up” Initiative
33-2012	Public Housing - Rents Set at 30% of Adjusted Income
24-2010	Public Housing - Increased Flat Rents for New Scattered Sites
21-2010	Public Housing - Occupancy Criteria Changes for New Scattered Sites - Mandatory Case Management
16-2009	Public Housing - Streamlined Demolition and Disposition Application Process for MTW Agencies
9-2007	Public Housing - Term Limits and Employment/Educational Work Requirements for New Scattered Sites (Revised 2014, 2016)
5-2007	HCV Program - Spatial Deconstruction of HCV Assisted Units
2-1999	MTW Inspections Protocol

II. General Housing Authority Operating Information

A. Housing Stock Information

LMHA serves eligible low-income households through its two 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. LMHA's voucher inventory includes both MTW tenant-based and project-based vouchers. The HCV Program also provides support to first time homebuyers.

i. Actual New Project Based Vouchers

In FY 2021, LMHA entered into Agreements and/or Housing Assistance Payment contracts for 389 new project-based vouchers. A list of new PBV projects and summary descriptions is included in Table 1 below.

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			
Louisville Historic Rising	15	0	N/A	No	Existing housing. 40-unit scattered site family property located in Russell Neighborhood (Choice Neighborhood focus area).
Newbridge Place	17	27	Leasing	No	Existing housing. 27-unit family property acquired by LMHA affiliate in 2019.
Opportunity East	0	8	Leasing	No	Existing housing. 8-unit scattered site family property located in Eastern Jefferson County.
Roosevelt Apartments	0	2	Leasing	No	Existing housing. 47-unit family/senior property owned by New Directions.
Donerail Apartments	0	164	Committed	No	New construction. 312-unit family development located in Jeffersontown. Owned by LDG Development.
New Vision III	0	8	Committed	No	Substantial rehabilitation. 8-unit family development located in Dixie Highway area. Owned by APK Development.
Beecher I	0	114	Leasing	No	New construction. Senior Housing
Beecher III	0	66	Committed	No	New construction. Family Housing
	32	389	Planned/ Actual Total Vouchers Newly Project Based		

Describe differences between the Planned and Actual Number of Vouchers Newly Project-Based: Opportunity East, Roosevelt Apartments, Donerail, New Vision III, Beecher I and Beecher III went under AHAP or HAP earlier than anticipated in the FY 2021 MTW Plan. While LMHA also anticipated that 10 units at Newbridge Place would be under HAP prior to the start of FY 2021 (Table 2), all 27 units at Newbridge Place went under HAP after the start of the fiscal year.

Additionally, Louisville Historic Rising underwent a change in ownership during the fiscal year and the new owners of the property ultimately decided not to proceed with project-basing its units.

ii. Actual Existing Project Based Vouchers

LMHA provided continuing subsidy for 43 project-based vouchers in FY 2021. Table 2 provides a list of existing PBV projects in LMHA's portfolio.

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			
Louisville Historic Rising	5	0	N/A	No	Existing housing. 20-unit scattered site family property located in Russell Neighborhood (Choice Neighborhood focus area).
Newbridge Place	10	0	N/A	No	Existing housing. 27-unit family property acquired by LMHA affiliate in 2019.
Beecher II	0	43	Leasing	No	New construction. Family Housing
	15	43	Planned/Actual Total Existing Project-Based Vouchers		

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

During FY 2021, Louisville Historic Rising underwent a change in ownership and the property's new owners ultimately decided not to proceed with project-basing its units. Newbridge Place did not enter HAP before the start of the FY 2021; as a result, all units at Newbridge Place are included in Table 1 above. Additionally, Beecher Terrace II was inadvertently not included in the FY 2021 MTW Plan.

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

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

Site	Description of Project	Status as of June 30, 2021
N/A	N/A	N/A

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

Table 4 provides a general description of actual capital expenditures in FY 2021.

Table 4: Actual Capital Expenditures FY 2021

Site Name	Description	Amount
Beecher Terrace	HOPE VI HUD Legal	\$155,038
	MOLO Village	\$205,115
	Resident Relocation	\$101,547
	Site Improvements	\$66,843
	Beecher Phase II	\$323,175
	Beecher Phase III	\$2,124,781
	Security Services	\$11,220
	Demolition	\$4,110
Parkway Place	Eviction Prevention Program	\$5,314
	Tree Trimming	\$4,800
	Dwelling Equip - Ranges and Refrigerator,.etc	\$47,651
	Roof Repairs	\$67,057
	Roof Replacement	\$922,136
	Parking Lot Repairs	\$144,862
	Resident Stipends	\$540
Sheppard Square	Sheppard PCC	\$79,214
	Inspections	\$2,963
Dosker Manor	Replace entry system telephones (EL VOX)	\$7,000
	Add'l IP cameras for security system - troubled areas & laundry	\$272,085
	Resident Stipends	\$33,338
	Eviction Prevention Program	\$16,548
	Restripe parking areas	\$5,500
	Trash Chute Doors	\$7,962
	Exterior Doors	\$351
	Electrical Upgrades	\$1,223
	Replace DHW system - Bldgs A & C	\$188,090
	Interior Doors-Upgrade	\$32,725
	Dwelling Equip - Ranges and Refrigerators	\$40,644
	High Rise Security	\$749,681
	Elevators	\$290,409
	Replace A/C units as needed	\$69,195

Site Name	Description	Amount
	HVAC Installation	\$258,518
	Resident Relocation	\$5,876
	Tree Trimming	\$2,150
St. Catherine Court	Dwelling Equipment	\$4,723
	Interior and Exterior cameras	\$77,371
	Elevators (balance of Abell Elevator Contract)	\$252,372
	Elevators	\$7,391
	Cameras for elevators	\$29,911
	Fire Damage Repairs	\$701
	High Rise Security	\$111,076
	Eviction Prevention Program	\$1,696
	Resident Stipends	\$6,245
Avenue Plaza	Dwelling Equip	\$12,836
	Elevator	\$262,694
	Security Cameras	\$13,480
	Security Cameras - floors 3-18	\$42,300
	High Rise Security	\$149,256
	Eviction Prevention Program	\$3,393
	Resident Stipends	\$6,345
	Resident Relocation	\$1,350
	Interior Doors	\$14,982
	Exterior Doors	\$52
Scattered Sites KY 1-17	Tree Trimming	\$13,550
	Dwelling Equipment	\$6,038
	Resident Relocation	\$3,057
	Exterior Siding	\$10,987
	Roof replacement 624 Rubel Avenue	\$22,431
	Roof replacement 624 Rubel Avenue - Inspection	\$1,707
	Driveway, parking lot repaved at Country Club	\$10,000
	Parking Lot repair/replace - Noltemeyer	\$52,803
	Parking Lot repair/replace - Nolt & E P & Whipps #2	\$50,985
	Resident Stipends	\$1,720
	Eviction Prevention Program	\$640
	Scattered Sites - Exterior Doors	\$883
Scattered Sites KY 1-34	Tree Trimming	\$13,050
	5508 Del Maria Parking lot	\$19,937
	Norbrook - Parking Lot	\$3,965
	Taylorsville - Parking Lot	\$3,965
	Six Mile Lane - Parking Lot	\$5,562
	Landside - Parking Lot	\$10,354

Site Name	Description	Amount
	Breckenridge - Parking Lot	\$5,203
	Third St - Parking Lot	\$3,771
	922/926 Ormsby Lane Parking Lot -Townhomes	\$1,316
	906 & 908 S 6th St Parking Area repaved and striped	\$15,000
	Replace Stairwells - 906-908 and 964 South 6th Street	\$53,480
	Vinyl Siding - 1488 BLAND ST	\$13,864
	Dwelling Equip - Ranges and Refrigerators	\$13,956
	Eviction Prevention Program	\$960
	Resident Relocation	\$5,599
Lourdes Hall /WES Plaza	Kitchen Renovations	\$23,384
	Tree Trimming	\$900
	Elevator Upgrade	\$27,643
	Dwelling Equip - Ranges and Refrigerators	\$4,346
	High Rise Security	\$179,378
	Eviction Prevention Program	\$320
	Resident Stipends	\$6,710
	Upgrade Security Cameras and system	\$79,532
	Office Furniture-MX-4051 Copier	\$5,650
	Upgrade Security Cameras and system	\$158,340
	Transit Van (WES)	\$1,000
	Chevy 2500 Silverado 4WD DBL Cab w/ Service Body (WES)	\$34,744
Temple Spears	Generator	\$14,867
	Roof Replacement	\$63,402
	Security Cameras	\$11,897
	Repair parking lots	\$15,000
	Tree Trimming	\$17,250
	Resident Stipends	\$400
Park DuValle	Phase III Mixed Fin Cap Contribution	\$50,000
Agency-wide	Annual AE Contract	\$1,116,609
	Annual Asbestos/Lead Removal	\$273,519
	Agency Wide Computer Software Repl/Annual Contract	\$73,724
	Transfer to Operations	\$1,159,165
	Total	\$10,908,398

B. Leasing Information

i. Actual Number of Households Served

LMHA provided housing assistance to approximately 13,137 households in FY 2021 through the Public Housing and HCV programs (excluding non-MTW vouchers) and local, non-traditional activities, 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 to be Served	
	Planned	Actual	Planned	Actual
MTW Public Housing Units Leased	44,304	41,181	3,692	3,432
MTW Housing Choice Voucher (HCV) Units Utilized	109,272	114,201	9,106	9,517
Local, Non-Traditional: Tenant Based	3,200	1,076	267	90
Local, Non-Traditional: Property-Based	516	1,179	43	98
Local, Non-Traditional: Homeownership	0	10	0	1
Total Households Served	157,292	157,647	13,108	13,137

Describe any differences between the planned and actual households served:

In FY 2021, the number of actual households served exceeded the planned number of households served. The difference between the planned and actual number of Public Housing and HCV households served was due in part to the Beecher Terrace CNI Redevelopment. Over 300 original residents initially relocated from the original Beecher Terrace development to other Public Housing units. In FY 2021, LMHA began returning original residents to on-site replacement PBV units, as well as off-site replacement PBV units. The final relocation of original residents to replacement units created vacancies in Public Housing while also increasing the number of households served through the HCV program.

Tables 6 and 7 below include the number of households served in the plan year by LMHA's local, non-traditional programs. Please note that in the FY 2021 MTW Plan, Activity #2021-1 was incorrectly listed in the tenant-based category; however, the households assisted through this activity are counted in the category of local, non-traditional homeownership for the purposes of this report.

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
Property-Based	Public Housing - Sublease Agreement with Kentucky Spinal Cord Injury Research Center (2014-1)	24	14	2	1
Property-Based	Public Housing - Sublease Agreement with YouthBuild Louisville (2014-1)	36	36	3	3
Property-Based	Public Housing - Sublease Agreement with Family Scholar House (2014-1)	132	130	11	11

Local, Non-Traditional Category	MTW Activity Name/Number	Number of Unit Months Occupied/Leased		Number of Households to be Served	
		Planned	Actual	Planned	Actual
Property-Based	Activity #2018-1, Beecher Terrace Choice Neighborhood Initiative (CNI) Revitalization - Broader Use of Funds to Support Development of Off-Site, Mixed-Income Replacement Housing	324	999	27	83
Homeownership	Activity #2021-01: Preservation of Low-Income Homeownership Units	1,200	10	100	1
Tenant-Based	Activity #2021-03: Eviction Prevention – COVID-19 Relief	2,000	1,076	167	90
Planned/Actual Total		3,716	2,265	310	189

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 & Housing Choice Voucher Program	<p>To eliminate delays and expedite leasing, LMHA modified its ACOP and Admin Plan to provide a preference for applicants referred from the Continuum of Care's Common Assessment Team (CAT).</p> <p>In coordination with the CAT, LMHA has streamlined admissions and screening for referred applicants as the CAT has committed to helping applicants complete their applications and gather required documents as well as completing initial eligibility screening. The referral process has considerably reduced the time and resources required to house applicants.</p>
MTW Public Housing	<p>To address delays in re-leasing vacant units and decrease time to turnover a unit for a new resident, LMHA created vacancy preparation crews who are tasked with preparing vacant units for the next resident.</p> <p>Additionally, LMHA began a pilot to use its Force Account Crew to work on vacant units that require substantial renovation. These vacant units are triaged to identify those units that can be turned over quickly as well as those that may be in danger of deteriorating if they remained vacant.</p> <p>Taken together, LMHA has shifted the strategy for addressing vacancies from relying on development maintenance staff to deploying central crews to prioritize and address vacancies on an authority-wide level.</p>
MTW Housing Choice Voucher	<p>To address the shortage of available units and encourage owner participation in the HCV program, LMHA has modified and expanded owner leasing incentives to increase choices for voucher-holders and incentivize participation for owners.</p>

Housing Program	Description of Actual Leasing Issues and Solutions
	In FY 2021, LMHA also worked to expand the PBV program, providing commitments for nearly 400 project-based units.
Local, Non-Traditional	<p>As discussed in Activity #2021-01, LMHA has experienced delays and challenges to assisting families through the Preservation of Low-Income Homeownership activity. Specifically, HQS compliance issues have delayed and sometime prevented homeowners from receiving assistance.</p> <p>LMHA did not receive approval to implement Activity #2021-03: Eviction Prevention until the final quarter of the fiscal year. As such, fewer households were assisted in FY 2021, though LMHA expects to expend the remaining funds allocated to assist families early in FY 2022.</p>

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 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	5,166	Open	N/A
Federal MTW Public Housing Units	Community Wide	3,404	Open	N/A
Federal Public Housing Units*	Site-Based	5,253	Open	N/A
Property-Based Local Non-Traditional MTW Housing Assistance	Program Specific	20	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

Waiting List Name	Description of Actual Changes to Waiting List
Federal MTW Housing Choice Voucher Program and Federal MTW Public Housing Units	LMHA has updated the waiting list policy in the Administrative Plan and ACOP to establish preferences for applicants referred from the Common Assessment Team. In FY 2021, LMHA entered into an agreement with the Family Health Centers Common Assessment Team (CAT) to receive referred applications for families currently experiencing homelessness.
Federal MTW Project-Based Voucher Program	LMHA has modified its Admin Plan to establish policies for the administration of waiting lists for project-based units. Original Beecher Terrace residents who were relocated as a result of the CNI redevelopment have been given a lifetime preference for project-based units. LMHA has also provided a preference for eligible families residing in existing units on the proposal selection date for the property.

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	16
49% - 30% Area Median Income	21
Below 30% Area Median Income	54
Total Local, Non-Traditional Households Admitted	91

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.

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%	5,978	46%	-9%
2 Person	12%	2,314	18%	6%
3 Person	16%	2,000	15%	-1%
4 Person	10%	1,403	11%	1%
5 Person	4%	706	5%	1%
6+ Person	3%	518	4%	1%
Total	100%	12,919	100%	

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

The reduction in one-person families served is due in part to the limited number of one-bedroom units available in Louisville, which has created challenges for voucher-holders to locate and lease one-bedroom units. To address this challenge, LMHA expanded the HCV owner incentive program in FY 2021 to include additional incentives such as payments for vacancy or damage loss. LMHA also continued to provide incentives for owners to lease one-bedroom units.

The percentage of two-person families has increased at a similar rate as with previous fiscal years, as a result of turnover in the HCV and PH program and changing demographics.

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
#2005-1: Special Referral MTW HCV Programs	42	Self-Sufficiency is defined as being employed and having earned income equal to or exceeding \$14,500.
#2014-1: Public Housing Sublease Programs	7	Self-Sufficiency is defined as a participant exiting the program for any other reason than termination of subsidy/participation.
#2015-1: HUD / MDRC Rent Reform Demonstration for HCV Households	Alt Rent Group: 211 Control Group: 146	Self-Sufficiency is defined as being employed and having earned income equal to or exceeding \$14,500.
#2020-1: Rent Simplification	PH: 136 HCV: 1,724	Self-Sufficiency is defined as being employed and having earned income equal to or exceeding \$14,500.
#2020-4: FSS Program Enhancements	PH: 12 HCV: 24	Self-sufficiency is defined as graduation from the FSS program.
	421	(Households Duplicated Across MTW Activities)
	1,903	Total Households Transitioned to Self Sufficiency

III. Proposed MTW Activities

All proposed MTW activities that were granted approval by HUD are reported 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.

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

Plan Year Approved, Implemented, Amended

Approval: 2005

Implementation: Table 13 identifies the Plan Year each Special Referral sub-activity was approved, implemented and amended.

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 authority's HCV Program. Households are required to meet basic HCV eligibility criteria, and the amount of housing assistance each family receives is determined according to traditional HCV Program rules as modified through LMHA's HUD-approved MTW initiatives.

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

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

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

Table 13 (LMHA Special Referral MTW Voucher Programs FY 2021), which follows the metrics table for this activity, identifies all special referral voucher programs LMHA administers as well as information regarding:

- The year the voucher allocation was proposed;
- The year the voucher allocation was implemented, and the number of vouchers allocated;
- A description of the program;

- If there is a streamlined admission; and,
- What type of inspection applies.

Impact

During FY 2021, LMHA continued to provide housing subsidy to families through partnerships with supportive services agencies. LMHA provided four (4) allocations of ten (10) vouchers to new organizations in FY 2021 and increased the allocations of participating organizations, including the Center for Women and Families, Centerstone, ChooseWell Communities, Family Scholar House, Wellspring, the Louisville Metro Government Office of Resilience and Community Services, and Home of the Innocents.

Actual Non-Significant Changes

In FY 2021, LMHA provided additional voucher allocations to existing referral agencies and added special referral vouchers to new partner agencies. Four (4) new allocations were provided to:

- Mattingly Edge provides housing locations and supportive services for individuals with intellectual and/or physical disabilities who are transitioning out of congregate residential settings.
- My Chosen People provides mental health treatment, substance abuse treatment, employment search and case management to pregnant women and individuals released from incarceration.
- Catholic Charities of Louisville provides self-sufficiency and job training programming to victims of human trafficking and individuals in the Migration and Refugee Services.
- Joshua Community Connectors provides housing and supportive services to households experiencing homelessness in the Russell neighborhood.

Changes to Metrics

While LMHA tracks employment and enrollment in education and job training programs, part-time employment and other are not tracked and have been removed from SS #3: Increase in Positive Outcomes in Employment Status.

Actual Significant Changes

There were no significant changes to this activity in FY 2021.

Challenges in Achieving Benchmarks and Possible Strategies

As a result of the continued economic impact of the COVID-19 pandemic, LMHA experienced challenges in meeting benchmarks related to employment and subsidy. The pandemic also increased demand for housing and supportive services which impacted wait time for Special Referral applicants.

Metrics

<i>CE #1: Agency Cost Savings*</i>				
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>				
<i>CE #2: Staff Time Savings*</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Total time to complete the task in staff hours (decrease).	0 hours	0 hours	0	Yes

**Implementation of this activity does not modify any LMHA-completed tasks. Housing Authority staff determines applicant eligibility and performs all certifications.*

CE #4: Increase in Resources Leveraged				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Amount of funds leveraged in dollars (increase).	\$0	\$0	\$0	Yes
SS #1: Increase in Household (HH) Income				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Average earned income of HHs affected by this policy in dollars (increase).	FY 2016: \$4,108	\$8,000	\$13,973	Yes
SS #3: Increase in Positive Outcomes in Employment Status				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Employed	As of FY 2016: 90 (32% of 279 HHs)	361 (47% of 769 HHs)	114 (29% of 392 HHs)	No
Enrolled in an Educational Program	As of FY 2018: 2 HHs have full-time adult students	2	5	Yes
Enrolled in Job Training Program	Not tracked	Not tracked		
Unemployed	As of FY 2016*: 189 (68% of 279 HHs)	408 (53% of 769 HHs)	278 (71% of 392 HHs)	No
SS #4: Households (HHs) Removed from Temporary Assistance for Needy Families (TANF)				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
# of HHs receiving TANF assistance (decrease).	FY 2016: 54 (19% of 279 HHs)	146 (19% of 769 HHs)	50 (13% of 392 HHs)	Yes
SS #5: Households (HHs) Assisted by Services that Increase Self-Sufficiency				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
# of HHs receiving services aimed to increase self-sufficiency (increase).	As of FY 2016*: 13 (5% of 279 HHs)	39 (5% of 769 HHs)	16 (4% of 392 HHs)	No
<i>* LMHA tracks FSS participation for this metric. The special referral partner may offer additional self-sufficiency services.</i>				
SS #6: Reducing Per Unit Subsidy Costs for Participating Households (HHs)				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Average amount of Housing Choice subsidies per HH affected by this policy in dollars (decrease).	As of FY 2016: \$617	\$617	\$704	No
SS #7: Increase in Agency Rental Revenue*				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
PHA rental revenue in dollars (increase).	As of FY 2019 \$267	\$272	\$168	No
<i>*Rental revenue reflects TTP.</i>				

SS #8: Households Transitioned to Self-Sufficiency*				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of households transitioned to self-sufficiency (increase).	As of FY 2016: 32 (11% of 279 HHs)	85 (11% of 769 HHs)	42 (11% of 392 HHs)	Yes
<i>*Self-Sufficiency is defined as the ability of a non-disabled / non-elderly family to obtain suitable employment. "Employment" means the household is receiving earned income. "Suitable" is defined as annual gross earned income equal to or exceeding \$14,500 (the hourly minimum wage as of \$7.25 multiplied by 2,000 hours).</i>				
HC #3: Decrease in Wait List Time				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Average applicant time on wait list in months (decrease).	As of FY 2016: <1 month	<1 month	2.5 months	No

Table 13: LMHA Special Referral MTW Voucher Programs FY 2021

Organization	Site	FY Originally Proposed	FY Implemented and # of Vouchers	Description	Portable	Streamlined Admission	MTW Inspections
100K Homes Initiative	N/A	2012	2012; 50 Total: 50	Vouchers are allocated to the 100,000 Homes initiative of the Louisville Substance Abuse and Mental Health Services Administration (SAMHSA) Community Consortium. This activity increases housing choices and access to services for up to 50 of the most vulnerable homeless persons on the streets of Louisville Metro. Participants in this Housing First model program, who are identified and referred by the Louisville SAMHSA, must be chronically homeless.	Full portability upon program completion	No	No: Traditional inspection protocol.
Center for Women and Families	Villager, Scattered	2005	2005; 22 2021: 10 Total: 32	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. This activity has increased housing choices and the cost effectiveness of federal funds. The Center for Women and Families will also provide up to 10 HCVs for scattered site units to residents of public housing who are victims covered by VAWA when a public housing unit is not readily available for transfer.	Full portability upon program completion	Yes	Yes: For initial lease-up, C.O. was used. After initial move-in, with new occupant and once per year concurrently.
Centerstone	Scattered Site Locations	2015	2015; 50 2021: 10 Total: 60	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	Full portability upon program completion	No	No: Traditional inspection protocol.

Organization	Site	FY Originally Proposed	FY Implemented and # of Vouchers	Description	Portable	Streamlined Admission	MTW Inspections
				being institutionalized because of a lack of adequate community support. Lack of on-site support is one of the primary reasons this priority population has been unsuccessful in achieving sustained psychiatric stability in the past. Assertive Community Treatment fills this gap and assists the program participants in achieving and maintaining community integration. Those persons originally from Jefferson County, but placed in a personal care home in another region of the State, will be considered for return to the Louisville area.			
Choices, Inc.	Choices owned units	2014	2014; 4 2016; 1 2019; 1 Total 6	Vouchers are allocated to Choices, Inc. to provide permanent supportive housing for homeless families, including case management.	Full portability upon program completion	No	No: Traditional inspection protocol.
ChooseWell Communities	Scattered Sites Locations	2016	2016; 10 2017; 60 2021: 10 Total: 80	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.	Full portability upon program completion	No	No: Traditional inspection protocol.
Coalition for the Homeless	Scattered Site Locations (Rapid Re-housing)	2012	2012; 10 2013; 10 Total: 20	Vouchers are allocated to Coalition for the Homeless for homeless families with children.	Full portability upon program completion	No	No: Traditional inspection protocol.
Day Spring	Day Spring units	2009	2012; 4 Total: 4	Vouchers are allocated to households with members who have a severe mental illness, if they initially reside at a Day Spring constructed unit, while they are participating in the program. Day Spring is 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 the residential units are subject to typical HUD HQS and rent reasonableness requirements.	Full portability upon program completion	Yes	No: Traditional inspection protocol.

Organization	Site	FY Originally Proposed	FY Implemented and # of Vouchers	Description	Portable	Streamlined Admission	MTW Inspections
Family & Children's Place	Scattered Sites Locations	2017	2017; 10 Total: 10	Vouchers are allocated to Family & Children's Place for Olmstead-eligible families participating in the organization's Homeless Prevention Program, which serves families that include at least one individual who is leaving an institution and is also at risk of homelessness. This population includes individuals leaving prison after being paroled or serving out their sentence; individuals who have aged out of foster care; and individuals who have a high rate of hospitalization due to a severe mental illness. Participants receive case management.	Full portability upon program completion	No	No: Traditional inspection protocol.
Family Scholar House	Louisville	2008	2008; 56 Total: 56	LMHA allocates vouchers to a Special Referral Program with Family Scholar House for their Louisville Scholar House facility. These solo heads of households often face multiple barriers to furthering their education and obtaining employment that will provide their families with adequate income to become self-sufficient.	Full portability upon program completion	No	Yes: For initial lease-up, C.O. is used. After initial move-in, with new occupant and once per year concurrently.
	Downtown	2010	2011; 54 Total: 54	Vouchers are allocated to the Family Scholar House and Spalding University at the Downtown Scholar House.			
	Stoddard Johnston	2012	2012; 57 Total: 57	Vouchers are allocated to the Family Scholar House for their Stoddard Johnston Scholar House location.			
	Parkland	2013	2013; 53 Total: 53	Vouchers are allocated to the Family Scholar House at their Parkland Scholar House facility.			
	Riverport	2017	2017; 64 Total: 64	Vouchers are allocated to the Family Scholar House's Riverport Scholar House facility.			
	Scattered Site Locations	2021	2021: 10 Total 10	Vouchers are allocated to the Family Scholar House for scattered sites			
House of Ruth	Glade House	2018	2018; 10 Total: 10	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: 1. A safe, drug and alcohol-free community living environment; 2. Intensive case management;	Full portability upon program completion	No	Yes: Inspection with new occupant and once per year concurrently.

Organization	Site	FY Originally Proposed	FY Implemented and # of Vouchers	Description	Portable	Streamlined Admission	MTW Inspections
				3. Group and individual mental health counseling; 4. Intensive outpatient substance abuse treatment; 5. Life skills education; and, 6. Transportation assistance. 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.			
Kentucky Housing Corporation	Scattered Site Locations	2016	2016; 10 Total: 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: 1. Persons with serious mental illnesses exiting licensed personal care homes and state psychiatric hospitals 2. Persons with severe mental illness who are at risk of institutionalization 3. Persons with disabilities exiting nursing homes and intermediate care facilities for individuals with intellectual or other developmental disabilities	Full portability upon program completion	No	No: Traditional inspection protocol.
Wellspring	Youngland Avenue	2012	2012; 5 Total: 5	LMHA will allocate vouchers to households with members with severe mental illness, if they reside at Wellspring's Youngland Ave. facility, while they are participating in the program. Wellspring is a charitable organization that addresses Louisville's need for supportive housing for adults with severe and persistent psychiatric illnesses. Referrals accepted for this initiative are considered to be Mainstream Program participants.	Full portability upon program completion	Yes	No: Traditional inspection protocol.
	Bashford Manor - Newburg	2012	2012; 8 Total: 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	

Organization	Site	FY Originally Proposed	FY Implemented and # of Vouchers	Description	Portable	Streamlined Admission	MTW Inspections
	Scattered Site Locations	2016	2016; 10 2021: 10 Total: 20	Vouchers are allocated to Wellspring for families with members with severe mental illness who are exiting Wellspring's Ardery House facility for permanent housing. These vouchers are only issued to households that are not eligible for an Olmstead voucher. Wellspring continues to provide case management / peer specialist services to all clients utilizing these vouchers.		No	
Louisville Metro Government Office of Resilience and Community Services	Scattered Site Locations	2019	2019; 10 2021; 20 Total: 30	LMHA will allocate vouchers to individuals and families experiencing homelessness participating in employment readiness programming. The Office of Resilience and Community Services (RCS) connects individuals and families in shelters to intensive wrap around services, training and job connections. As housing is such a basic need, it is anticipated that providing the Housing Choice Vouchers will increase the rate of attainment of self-sufficiency for program participants.	Full portability upon program completion	No	Yes: Inspection with new occupant and once per year concurrently.
Home of the Innocents	Home of the Innocents	2019	2019; 10 2021: 10 Total: 20	LMHA will allocate vouchers to homeless youth ages 18-24 and their dependents who are referred by the Home of the Innocents. Home of the Innocents (<i>the Home</i>) is where Louisville's vulnerable children and youth find emotional, physical, and intellectual support that can transform their lives. The Home provides the community with a range of important residential, treatment and community-based programs.	Full portability upon program completion	No	Yes: Inspection with new occupant and once per year concurrently.
Volunteers of America Mid-States	Scattered Site Locations	2020	2020; 50 Total: 50	LMHA will allocate vouchers to women recovering from substance abuse disorders and who are pregnant and/or parenting. Specifically, vouchers will be allocated to women participating in the Volunteers of America Mid-States' Transitional Living for Woman program and who meet eligibility requirements in Louisville.	Full portability upon program completion	No	Yes: Inspection with new occupant and once per year concurrently.
Catholic Charities of Louisville	Scattered Site Locations	2021	2021; 20 Total: 20	Catholic Charities will provide self-sufficiency and job training programming to two groups: victims of human trafficking and individuals in the Migration and Refugee Services. These two groups are often overlapping.	Full portability upon program completion	No	No: Traditional inspection protocol.

Organization	Site	FY Originally Proposed	FY Implemented and # of Vouchers	Description	Portable	Streamlined Admission	MTW Inspections
Joshua Community Connectors/ Joshua Tabernacle Missionary Baptist Church	Scattered Site Locations	2021	2021; 20 Total: 20	LMHA will allocate vouchers to clients of the Russell neighborhood that are at risk of homelessness. Joshua Community Connectors provide case management and referral to physical and mental health providers, employment readiness training, and wraparound social services over the course of a 12-month period.	Full portability upon program completion	No	No: Traditional inspection protocol
Mattingly Edge	Scattered Site Locations	2021	2021; 10 Total 10	Vouchers are allocated to Mattingly Edge, which provides housing location and support services for individuals with intellectual and/or physical disabilities who are transitioning out of congregated residential settings.	Full portability upon program completion	No	No: Traditional inspection protocol
My Chosen People	Scattered Site Locations	2021	2021; 10 Total 10	Voucher are allocated to My Chosen People, which provides mental health treatment, substance abuse treatment, employment search and placement, and case management to pregnant women and individuals released from incarceration.	Full portability upon program completion	No	No: Traditional inspection protocol

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

Plan Year Approved, Implemented, Amended

- Amount and Distribution of HCV Homeownership Assistance
 - Approved FY 2006
 - Implemented FY 2006
- HCV Homeownership Program – Exception Payment Standards
 - Approved FY 2009
 - Implemented FY 2009
 - Amended in FY 2017
- Flexibility in Third-Party Verification for HCV Homeownership
 - Approved FY 2009
 - Implemented FY 2009

Description/Update of Activity

LMHA has developed and implemented several MTW policies aimed at expanding homeownership opportunities for low-income families. Using MTW flexibility, LMHA developed and implemented the following policies:

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

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

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

Impact

In FY 2021, 25 households purchased a home through the MTW Homeownership program. The average home sales price was \$153,759, with an average mortgage interest rate of 3.576%. Fourteen households received HOME down payment assistance through the Louisville Metro Government, receiving a total of \$268,300 in down payment assistance.

Of the households who purchased a home through the MTW Homeownership program:

- Four one-bedroom eligible households were able to purchase a home using the two-bedroom payment standard.
- Eleven households purchased a home in an exception payment standard area.
- Twenty-three households were able to close on the sales agreement for their homes within eight months.

The stories below highlight the success of participants in becoming homeowners through the program:

- A mother of two recently relocated from Beecher Terrace as a result of redevelopment at the site. After completing homeownership counseling, she was able to use her Section 8 voucher to become a first-time homeowner, purchasing a home in an exception census tract.
- A disabled participant was also able to purchase a home in an exception census tract. Looking to move closer to family, the participant found a condominium near his brother.

In response to health and safety restrictions imposed during the COVID-19 pandemic, LMHA shifted bi-monthly orientation for the homeownership program to a virtual format, which resulted in an increase in participation in FY 2021. Additionally, LMHA implemented waivers made available under the CARES Act, which allowed LMHA to waive the requirement to conduct an initial HQS inspection for homeownership units; however, LMHA continued to require that an independent inspection be performed by an American Society of Home Inspectors (ASHI) certified professional.

Hardship

LMHA conducted an analysis and confirmed that the Exception Payment Standards do 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 are no non-significant changes in FY 2021.

Changes to Metrics

No changes have been made to the metrics identified in the FY 2021 Annual Plan.

Actual Significant Changes

There were no significant changes to this activity in FY 2021.

Challenges in Achieving Benchmarks and Possible Strategies

LMHA did not meet benchmarks related to time and cost savings as a result of delays in closing home sales agreements for two households, which resulted in LMHA re-verifying the household's income.

Metrics

<i>CE #1: Agency Cost Savings</i>				
Unit of Measurement	Baseline	Benchmark	Outcome*	Benchmark Achieved?
Total cost of task in dollars (decrease).	As of FY 2008: \$179 (12 verifications x 0.5 hours x \$29.78/hour)	\$0	\$28.93	No
* Two households were not able to execute and close their sales agreement within eight months, requiring LMHA staff to re-verify their income. Outcome was calculated based on HCV staff hourly rate.				

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 2008: 6 hours (12 verifications x 0.5 hours)	0 hours	1 hour	No
<i>* Two households were not able to execute and close their sales agreement within eight months, requiring LMHA staff to re-verify their income.</i>				
CE #3: Decrease in Error Rate of Task Execution				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Average error rate in completing a task as a percentage (decrease)	As of FY 2008: Not tracked	N/A	N/A	N/A
HC #5: Increase in Resident Mobility				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of households able to move to a better unit and/or neighborhood of opportunity because of the activity (increase).	0	4	25*	Yes
<i>* Represents the number of households who purchased a home in FY 2021 using one or more of the flexibilities in this activity.</i>				
HC #6: Increase in Homeownership Opportunities				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of households that purchased a home because of the activity (increase).	0	4	25*	Yes
<i>* Represents the number of households who purchased a home in FY 2021 using one or more of the flexibilities in this activity.</i>				

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

Plan Year Approved, Implemented, Amended

- 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

To streamline the recertification process, LMHA has received approval for the following flexibilities:

- Allow for the biennial re-certification of Public Housing (PH) and Housing Choice Voucher (HCV) households, including households in the Project-Based Voucher (PBV) program.
- Allow for the triennial recertification of HCV and PH households whose only source of income is from SS, SSI and/or pension to recertify once every three years.
- Public Housing households on flat rent are also recertified once every three years. Households who report zero income are recertified every 90 days. Households currently on triennial recertifications will generally not have their recertification dates changed.
- LMHA also added a further streamlining benefit to the recertification process by accepting documents that are not more than 120 days old when received by LMHA.

To date, LMHA has implemented the flexibilities provided under this activity with the exception of triennial recertifications for HCV and PH households and biennial recertifications for all HCV households. LMHA currently permits only elderly/disabled HCV households to recertify biennially.

Impact

In FY 2021, LMHA completed planning to expand biennial recertifications in the HCV program, and plans to implement this change in FY 2022. Additionally, Public Housing completed planning to transition to new software, which will support the implementation of triennial recertifications in FY 2022 as well as changes to further streamline the process and reduce the number of manual tasks required to complete recertifications.

To address challenges in completing recertifications during the COVID-19 pandemic, LMHA also adopted the CARES ACT waiver related to income verification at regular and interim recertifications, which permitted LMHA to consider self-certification as the highest form of verification. LMHA continues to comply with the alternative requirement to address material discrepancies that may arise later, including taking enforcement action for unreported income.

Hardship

There were no hardships requests received.

Actual Non-Significant Changes

There were no non-significant changes to this activity in FY 2021.

Changes to Metrics

The benchmark for CE #1: Agency Cost Savings has been updated to reflect the current staff hourly rate.

Actual Significant Changes

There were no significant changes to this activity in FY 2021.

Challenges in Achieving Benchmarks and Possible Strategies

LMHA has not yet implemented biennial recertifications for all HCV households and triennial recertifications for fixed-income households in HCV and Public Housing. As a result, the number of regular recertifications was higher than anticipated and LMHA was not able to meet the benchmarks for CE #1 and CE #2. Additionally, the economic impact of the COVID-19 pandemic presented challenges for households seeking to increase their income and reduce their housing subsidy, as reflected in CE #5.

Metrics

CE #1: Agency Cost Savings*				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Total cost of task in dollars (decrease).	Total Cost of Task prior to implementation: \$304,888 Time per recertification: 1 hour Number of Regular Recertifications: 10,827 Hourly rate: \$28.16	Total Cost of Task: \$155,869 Number of hours per recertification: 1 Total number of regular recertifications: 5,414 Hourly Rate: \$28.79	Total Cost of Task: \$267,776 Number of hours per recertification: 1 Total number of regular recertifications: 9,301 Hourly Rate: \$28.79	No
<i>*Baseline reflects data prior to implementation of biennial and triennial recertifications. Benchmark reflects post implementation of biennial and triennial recertifications. LMHA has not yet implemented triennial recertifications or expanded biennial recertifications to all HCV households.</i>				
CE #2: Staff Time Savings*				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Total time to complete the task in staff hours (decrease).	Total time to complete the task prior implementation: 10,827 hours Number of Regular Recertifications PH: 2,672 HCV: 8,155 Time per recertification: 1 hour	Total time to complete task: 5,414 hours Number of hours per recertification: 1 Total number of regular recertifications: 5,414	Total time to complete task: 9,301 hours Number of hours per recertification: 1 Total number of regular recertifications: 9,301	No

**Baseline reflects data prior to implementation of biennial and triennial recertifications. Benchmark reflects post implementation of biennial and triennial recertifications. LMHA has not yet implemented triennial recertifications or expanded biennial recertifications to all HCV households.*

CE #5: Increase in Agency Rental Revenue

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Average household contributions towards housing assistance (increase).	PH: \$210 HCV: \$267	PH: \$233 HCV: \$261	PH: \$189 HCV: \$267	PH: No HCV: Yes

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

Plan Year Approved, Implemented, Amended

- Local Definition of Elderly
 - Approved FY 2008
 - Implemented FY 2008
- Lease-Up Incentives for New Residents at Dosker Manor
 - Approved 2010
 - Implemented 2010

Description/Update of Activity

To increase occupancy rates at several of LMHA's elderly/disabled developments, LMHA, using MTW flexibility, developed and implemented leasing incentives and a revised definition of elderly. The following is a description of the MTW policies, which address this important leasing objective. See Activity #2019-1 regarding elderly families and the Project Based Program.

Local Definition of Elderly

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

Lease-Up Incentives for New Residents at Dosker Manor

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

Impact

Occupancy rates have increased as a result of making non-disabled persons between ages 55 and 61 eligible for occupancy at elderly/disabled high-rise towers. This change has also 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, the occupancy rate at the close of FY 2021 was 96%. Higher occupancy rates improve operating revenues and maximize the cost effectiveness of federal funding.

The occupancy rate at Dosker Manor has improved significantly since the lease-up incentive was implemented. At the end of FY 2021, the occupancy rate was 96%.

Actual Non-Significant Changes

There were no non-significant changes to this activity in FY 2021.

Changes to Metrics

The baseline and benchmark for CE #5 were updated from the FY 2021 Annual Plan to reflect average total tenant payment (TTP), as opposed to total TTP. LMHA feels that average TTP more accurately reflects increases in household income and household contributions.

Actual Significant Changes

There were no significant changes to this activity in FY 2021.

Challenges in Achieving Benchmarks and Possible Strategies

LMHA did not experience any challenges in achieving benchmarks during FY 2021.

Metrics

<i>CE #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	\$197	Yes
<i>* Reflects average total tenant payment.</i>				
<i>HC #4: Displacement Prevention</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of households at or below 80% AMI that would lose assistance or need to move (decrease). If units reach a specific type of household, give that type in this box.	0	0	0	Yes
<i>HC #5: Increase in Resident Mobility</i>				
Unit of Measurement	Baseline	Benchmark	Outcome*	Benchmark Achieved?
Number of households able to move to a better unit and/or neighborhood of opportunity because of the activity (increase).	0	105	116	Yes
<i>* Reflects the number of households who received the lease-up incentive to move to Dosker Manor.</i>				

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

Plan Year Approved, Implemented, Amended

- Simplification of the Public Housing Development Submittal
 - Approved FY 2009
 - Implemented FY 2009
- Acquisition of Mixed-Income Sites for Public Housing
 - Approved FY 2011
 - Implemented FY 2011

Description/Update of Activity

LMHA has implemented several 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.

Simplification of the Public Housing Development Submittal

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

Acquisition of Mixed-Income Sites for Public Housing

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

LMHA extended the scope of this activity to include acquisition of sites and/or units for PBV development and/or preservation as well as public housing mixed income sites.

Impact

While the policy was proposed and implemented in the FY 2011 Plan, LMHA has not utilized the flexibility to date.

Actual Non-Significant Changes

There were no non-significant changes to this activity in FY 2021.

Changes to Metrics

No changes have been made to the metrics identified in the FY 2021 Annual Plan.

Actual Significant Changes

There were no significant changes to this activity in FY 2021.

Challenges in Achieving Benchmarks and Possible Strategies

As there were no submittals under this activity in FY 2021, LMHA cannot report on challenges related to the metrics for this activity.

Metrics

<i>CE #1: Agency Cost Savings</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Total cost of task in dollars (decrease).	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)	N/A	N/A
* There were no submittals under this activity in FY 2021.				
<i>CE #2: Staff Time Savings</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Total time to complete the task in staff hours (decrease).	As of FY 2008: 225 hours (9 submittals X 25 hours)	15 hours (2 submittals x 7.5 hours)	N/A	N/A
* There were no submittals under this activity in FY 2021.				
<i>HC #1: Additional Units of Housing Made Available</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of new housing units made available for households at or below 80% AMI because of the activity (increase)	0	10	0	No

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

Plan Year Approved, Implemented, Amended

Approved and implemented in FY 2011.

Description/Update of Activity

This activity allows for the deduction of verified ongoing childcare expenses from a working household's gross income when determining income eligibility. To qualify for the adjustment, the family must include a head of household, co-head, and/or spouse with a demonstrated work history for a period of 12 months or longer. While this activity was designed to increase housing choice for working families with children who may be struggling to make ends meet, LMHA has determined that it also achieves the HUD Standard metrics of "Reducing the per Unit Subsidy Costs" for participating households and "Increases Agency Rental Revenue." This policy remained in effect in FY 2021.

Impact

Seven households qualified to receive the childcare deduction when determining their income eligibility.

Actual Non-Significant Changes

There were no non-significant changes to this activity in FY 2021.

Changes to Metrics

No changes have been made to the metrics identified in the FY 2021 Annual Plan.

Actual Significant Changes

There were no significant changes to this activity in FY 2021.

Challenges in Achieving Benchmarks and Possible Strategies

LMHA experienced challenges in meeting benchmarks for SS #6 and SS #7. The continued economic impact of the COVID-19 pandemic presented barriers for participants seeking to increase earnings and reduce their subsidy.

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 2010: No HHs affected by policy	\$542	\$649	No
<i>* Reflects average HAP for all HCV households.</i>				
<i>SS #7: Increase in Agency Rental Revenue</i>				
Unit of Measurement	Baseline	Benchmark	Outcome*	Benchmark Achieved?
Total household contributions towards housing assistance (increase)	As of FY 2019** \$267	\$272	\$267	No
<i>*Reflects average Total Tenant Payment for all HCV households.</i>				
<i>**2019 was the first year that a baseline for this metric was established.</i>				

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

Plan Year Approved, Implemented, Amended

- Accessible Units Sublease Agreement with University of Louisville's Kentucky Spinal Cord Injury Research Center (*Transitioned from University of Louisville's Frazier Rehab Institute in FY 2021*)
 - Approved FY 2014
 - Implemented FY 2014
- Public Housing Sublease Agreement YouthBuild Louisville
 - Approved FY 2015
 - Implemented FY 2015
- Public Housing Sublease Agreement with Family Scholar House
 - Approved FY 2011
 - Implemented 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, LMHA currently subleases units to the following organizations:

- ***University of Louisville's Kentucky Spinal Cord Injury Research Center (KSCIRC)***
Fully accessible units are subleased as temporary housing for Spinal Cord Injury (SCI) research participants. The units are transitional housing provided for up to 12 months per family. KSCIRC 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). KSCIRC leases the apartments from LMHA and will pay monthly rent of \$235 per month (or roughly 30% of monthly SSI for one person). KSCIRC uses a modified version of LMHA's public housing lease as its tenant sublease. KSCIRC has a full-time social worker who is responsible for connecting SCI research participants with applicable community resources and supports as well as financial assistance grants/opportunities to assist households in leaving the program.
- ***YouthBuild Louisville***
YouthBuild Louisville (YBL) subleases public housing units to provide temporary housing for low-income YBL participants who are experiencing homelessness. LMHA subleases up to three 2-bedroom apartments for the use of YBL participants (and their families) and facility space for the YBL program. Units are provided to YBL on an as needed basis. This activity uses public housing as an incentive for young people to enroll in the YBL job-training program, which increases their chances of becoming self-reliant.

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

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

- ***Scholar House***

LMHA maintains a partnership with the Family Scholar House to provide public housing to parents while they work to obtain a college degree. To be eligible for residency at the Downtown Scholar House, the head of household must have a high school diploma or GED and agree 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.

In FY 2021, the contract and management of sub-leased units for Spinal Cord Injury (SCI) research participants was transferred within the University of Louisville's health network from the Frazier Rehabilitation Institute to the Kentucky Spinal Cord Injury Research Center.

Impact

In FY 2021, LMHA served 24 households through this activity: three (3) through its sublease agreement with Kentucky Spinal Cord Injury Research Center, ten through its sublease agreement with YouthBuild Louisville, 11 through its sublease agreement with Scholar House.

Hardship

Not applicable. Kentucky Spinal Cord Injury Research Center now covers the full cost of rent for households in this sub-lease program.

Actual Non-Significant Changes

While there were no non-significant changes to this activity in FY 2021, the lease term and rent for the KSCIRC sub-lease program have changed. The lease term is now one (1) year and rent has increased to \$235.

Changes to Metrics

The benchmarks for enrollment in an educational program and employment under SS #3 have been updated to reflect the requirements and participant characteristics of the sub-lease programs. As participants in the Scholar House sub-lease program are required to enroll in a degree-granting program, the benchmark for participants enrolled in an educational program has been updated to match the number of participants enrolled in the Scholar House sub-lease program. In addition to Scholar House's education requirement, YouthBuild requires that participants enroll in their job-training program. Finally, participants in KSCIRC's sub-lease program are engaged in rehabilitation from spinal cord injuries. To that end, the benchmarks for employment have also been updated as LMHA expects the majority of sub-lease participants may be unemployed or employed part-time but will be participating in job training or education programs.

Actual Significant Changes

There were no significant changes to this activity in FY 2021.

Challenges in Achieving Benchmarks and Possible Strategies

LMHA did not experience any challenges to achieve benchmarks.

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	N/A	N/A	N/A
<i>*There are no staff savings associated with this activity</i>				
SS #1: Increase in Household Income*				
Unit of Measurement	Baseline	Benchmark	Outcome*	Benchmark Achieved?
Average earned income of households affected by this policy in dollars (increase).	0	N/A	N/A	N/A
<i>*Clients in these programs are not expected to have an increase in income due to their education/training focus and/or population served.</i>				
SS #3: Increase in Positive Outcomes in Employment Status				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Employed Full-Time	As of FY2014: 0	1	4	Yes
Employed Part-Time	As of FY2014: 0	3	8	Yes
Enrolled in an Educational Program	As of FY2014: 0	11	21	Yes
Enrolled in a Job Training Program	As of FY2014: 0	3	6	Yes
Unemployed	As of FY2014: 0	12	12	Yes
SS #5: Households Assisted by Services that Increase Self Sufficiency				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of households receiving services aimed to increase self-sufficiency (increase).	As of FY 2014: 0	16	24	Yes
SS #8: Households Transitioned to Self Sufficiency*				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of households transitioned to self-sufficiency (increase).	As of FY 2014: 0	3	7	Yes
<i>*Self-Sufficiency is defined as a participant exiting the program for any other reason than termination of subsidy/participation.</i>				
HC #1: Additional Units of Housing Made Available				
Unit of Measurement	Baseline	Benchmark	Outcome*	Benchmark Achieved?
Number of new housing units made available for households at or below 80% AMI because of the activity (increase).	As of FY 2014: 0	16	16	Yes
<i>* Units sub-leased for the Kentucky Spinal Cord Injury Research Center and YouthBuild may house more than one household.</i>				
HC #5: Increase in Resident Mobility				

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of households able to move to a better unit and/or neighborhood of opportunity because of the activity (increase).	As of FY 2014: 0	16	24	Yes

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

Plan Year Approved, Implemented, Amended

Approved 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 Housing Choice Voucher (HCV) rental assistance. At contract renewal, LMHA limits the landlord's requested rent to whichever is least: 102% of the previous contract rent for the same tenant or the (exception) payment standard.

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

Impact

LMHA conducted reasonable rent determinations on a sample of 201 units where a rent increase was requested. In FY 2021, LMHA found that all units included in the sample had approved rents which proved to be reasonable. To that end, LMHA was not required to expand the sample size and conduct additional reasonable rent determinations.

Actual Non-Significant Changes

This activity also applies to Project Based developments.

Changes to Metrics

No changes have been made to the metrics identified in the FY 2021 Annual Plan.

Actual Significant Changes

There were no significant changes to this activity in FY 2021.

Challenges in Achieving Benchmarks and Possible Strategies

LMHA did not meet the benchmarks for SS #6 and SS #7 due to the continued economic impact of the COVID-19 pandemic, which presented challenges to increasing earnings and reducing subsidy.

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	\$642	No
<i>*FY 2014 is the earliest year for which data is available.</i>				
<i>SS #7: Increase in Agency Rental Revenue*</i>				

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
PHA rental revenue in dollars (increase).	As of FY 2019** 267	\$272	\$275	Yes
<i>*Total tenant payment.</i> <i>**2019 was the first year that a baseline for this metric was established.</i>				

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

Plan Year Approved, Implemented, Amended

Approved and implemented in FY 2015.

Description/Update of Activity

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

The goals of this alternative rent policy are to:

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

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

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

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

Households selected for the Alternate Rent Group met with an LMHA Housing Specialist to review the Study and their specific calculation of Total Tenant Payment under both the traditional and Study policies. They then had a period of 30 days to consider whether to select to be excluded from the Study. Study enrollment was completed in December 2015. In FY 2021, as a result of households leaving the program, the Alternate Rent Group consisted of 489 households and the Control Group consisted of 559 households.

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

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

Impact

As FY 2021 was the final year of the study, LMHA began preparing families participating in the study for the transition to MTW rent policies, which will occur on their respective recertification dates in early FY 2022. Recertification notices were sent to participating families which included information on the transition from the Rent Study to MTW policies.

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 2021, 489 of the Alternate Rent Group households and 559 Control Group families, were participants in the Housing Authority's HCV Program.

In FY 2021, 403 (82%) households in the Alternate Rent Group reported earned income at their most recent certification, compared with 216 (39%) households in the Control Group. In addition, at the end of the fiscal year, 211 Alternate Rent Group and 146 Control Group households were self-sufficient, i.e., receiving annual gross earned income equal to or exceeding \$14,500.

The rent study policy which sets forth limits on interim recertifications was waived during FY 2021 to address the economic impact of the COVID-19 pandemic.

Hardship

Under this activity, LMHA conducts triennial income recertifications for the Alternate Rent Group rather than annual recertifications, with provisions for a limited number of 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.

Eight hardship requests were received during FY 2021; five requests were approved. LMHA received fewer hardship requests than in prior fiscal years as a result of waivers implemented to address the economic impact of the COVID-19 pandemic. Specifically, LMHA waived the provision of this activity which limits the number of interim recertifications that Alternate Rent Group participants could request.

Actual Non-Significant Changes

There were no non-significant changes to this activity in FY 2021.

Changes to Metrics

No changes have been made to the metrics identified in the FY 2021 Annual Plan.

Actual Significant Changes

There were no significant changes to this activity in FY 2021.

Challenges in Achieving Benchmarks and Possible Strategies

LMHA did not meet benchmarks for CE #1 and CE #2 for the Alternate Rent Group as a LMHA waived limits on interim recertifications. Additionally, LMHA did not meet the benchmark for SS #6, as the COVID-19 pandemic created challenges for participants to increase their income and reduce subsidy.

Metrics

<i>CE #1: Agency Cost Savings</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
<i>Cost Per Annual Certification</i> Total cost of task in dollars (decrease).	As of FY2015: Alt Rent Group: \$54,920 (1 annual cert x 1,000 households x \$54.92/cert) Control Group: \$54,920 (1 annual cert x 1,000 households x \$54.92/cert) Per annual cert cost: \$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): \$31,320 (500 certs x \$62.64) Control Group (All Years): \$36,519 (583 certs x \$62.64) Cost per annual cert: \$62.64 (\$56.32 staff cost (2 hours x \$28.93/hour) + \$4.78 (mail + reproduction costs))	Alt Rent Group (Non-Triennial Cert Years): \$438 (7 certs x \$62.64 per cert) Control Group (All Years): \$29,817 (476 certs x \$62.64) Cost per annual cert: \$62.64 (\$57.86 staff cost (2 hours x \$28.93/hour) + \$4.78 (mail + reproduction costs))	No
<i>Cost per Full Interim Certification*</i> Total cost of task in dollars (decrease).	As of FY2015: Alt Rent Group: \$75,220 (2 interim certs * 1,000 HHs \$37.61/cert) Control Group: \$75,220 (2 interim certs * 1,000 HHs \$37.61/cert) <u>Per interim cert cost:</u> \$37.61 (staff cost of	Alt Rent Group: \$24,217 (558 certs x \$43.40/cert) Control Group: \$19,226 (443 certs x \$43.40/cert) Per interim cert cost: \$43.40 (staff cost of \$28.93/hour x 1.5 hours)	Alt Rent Group: \$27,255 (628 certs x \$43.40/cert) Control Group: \$15,711 (362 certs x \$43.40/cert) Per interim cert cost: \$43.40 (staff cost of \$28.93 hour x 1.5 hours)	No

	\$25.07/hr. x 1.5 hrs.)			
Cost per Streamlined Interim Certification* Total cost of task in dollars (decrease).	As of FY2015: Alt Rent Group: \$75,220 (2 traditional interim certs per household x 1,000 households x \$37.61/cert) Per traditional interim cert cost: \$37.61 (staff cost of \$25.07/hour x 1.5 hours)	Alt Rent Group: \$14,465 (500 certs x \$28.93/cert) Per streamlined interim cert cost: \$28.93 (staff cost of \$28.93/hour x 1.0 hours)	N/A	N/A
<i>*In, FY 2021, LMHA waived the limits on interim recertifications for Alternate Rent Group families in response to the economic impact of the COVID-19 pandemic. LMHA is not currently tracking traditional and streamlined interim certifications separately. All interim certifications have been reported as traditional interim certifications.</i>				
Cost of Rent Calculation Total cost of task in dollars (decrease).	As of FY2015: Alt Rent Group: \$25,070 (1,000 households x \$25.07 per rent calculation) Control Group: \$25,070 (1,000 households x \$25.07 per rent calculation) Per rent calculation cost: \$25.07 (staff cost of \$25.07/hour x 1.0 hours)	Alt Rent Group (Non-Triennial Cert Year): \$0 (0 rent calculations x \$28.93 per cert) (Triennial Cert Years): \$14,465 (500 rent calculations x 1.0 staff hours x \$28.93/hour) Control Group (All Years): \$16,866 (583 rent calculations x 1.0 staff hours x \$28.93/hour)	Alt Rent Group (Non-Triennial Cert Year): \$203 (7 rent calculations x \$28.93 per cert) Control Group (All Years): \$13,771 (476 rent calculations x 1.0 staff hours x \$28.93/hour)	No
Cost to Determine Income from Assets Total cost of task in dollars (decrease).	As of FY 2015: Alt Rent Group: \$13 (2 households (0.22% x 1,000 households) x \$6.27 per asset income determination) Control Group: \$13 (2	Alt Rent Group (Non-Triennial Cert Years): \$0 (0 household x \$28.93 per staff hour x 0.25 hours) Alt Rent Group (Triennial Cert Years): \$7 (1 household x \$28.93 per staff hour x 0.25 hours)	Alt Rent Group (Non-Triennial Cert Years): \$0 (0 household x \$28.93 per staff hour x 0.25 hours) Control Group (All Years): \$0 (0 households x \$28.93 per staff hour x 0.25 hours)	Yes

	households (0.22% x 1,000 HHs) x \$6.27 per asset income determination) Per asset income determination cost: \$6.27 (staff cost of \$25.07/hour x 0.25 hours)	Control Group (All Years): \$7 (1 households x \$28.93 per staff hour x 0.25 hours)		
CE #2: Staff Time Savings*				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
<i>Time to Complete Annual Certification</i> Total time to complete the task in staff hours (decrease).	As of FY 2015: Alt Rent Group: 2,000 hours (1,000 households x 2.0 hours per annual cert) Control Group: 2,000 hours (1,000 households x 2.0 hours per annual cert)	Alt Rent Group (Non-Triennial Cert Years): 0 hours (0 certs x 2 hours/cert) Alt Rent Group (Triennial Cert Years): 1,000 hours (500 households x 2.0 hours/cert) Control Group (All Years): 1,166 hours (583 households x 2.0 hours/cert)	Alt Rent Group (Non-Triennial Cert Years): 14 hours (7 certs x 2 hours/cert) Control Group (All Years): 952 hours (476 households x 2.0 hours/cert)	No
<i>Time to Determine Tenant Rent</i> Total time to complete the task in staff hours (decrease).	As of FY 2015: Alt Rent Group: 1,000 hours (1,000 households x 1.0 hours per tenant rent determination) Control Group: 1,000 hours (1,000 households x 1.0 hours per tenant rent determination)	Alt Rent Group (Non-Triennial Cert Year): \$0 (0 rent calculations x 1 hour/determination) (Triennial Cert Years): 500 hours (500 determinations x 1.0 hour/determination) Control Group (All Years): 583 hours (583 determinations x	Alt Rent Group (Non-Triennial Cert Year): \$7 (7 rent calculations x 1 hour/determination) Control Group (All Years): 476 hours (476 determinations x 1.0 hour/determination)	No

		1.0 hour/determination)		
<i>*Includes regular recertifications; interim recertifications and hardship requests are excluded.</i>				
<i>Time to Determine Utility Allowance</i> Total time to complete the task in staff hours (decrease).	As of FY 2015: Alt Rent Group: 250 hours (1,000 households x 0.25 hours per UA determination) Control Group: 250 hours (1,000 households x 0.25 hours per UA determination)	Alt Rent Group (Non-Triennial Cert Year): \$0 (0 rent calculations x 0.08 hour/determination) (Triennial Cert Years): 40 hours (500 determinations x 0.08 hours per determination) Control Group (All Years): 146 hours (583 determinations x 0.25 hours per determination)	Alt Rent Group (Non-Triennial Cert Year): 0.5 (6 rent calculations x 0.08 hour/determination) Control Group (All Years): 115 hours (461 determinations x 0.25 hours per determination)	No
<i>CE #3: Decrease in Error Rate of Task Execution</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
<i>Average Error Rate in Determining TTP</i> Average error rate in completing a task as a percentage (decrease).	As of FY2015: Not tracked	Not determined	Not tracked	N/A
<i>Average Error Rate in Determining Utility Allowance</i> Average error rate in completing a task as a percentage (decrease).	As of FY2015: Not tracked	Not determined	Not tracked	N/A
<i>SS #1: Increase in Household Income</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Average earned income of households affected by this policy in dollars (increase).	As of FY2016: \$7,195	Alt Rent Group: \$12,000 Control Group: \$14,000	Alt Rent Group: \$16,310 Control Group: \$22,810	Yes
<i>SS #3: Increase in Positive Outcomes in Employment Status</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?

Employed Full-Time*	As of FY 2018: Alt Rent Group: 483 (80% of 604 households) Control Group: 316 (45% of 700 households)	Alt Rent Group: 400 (80% of 500 households) Control Group: 262 (45% of 583 households)	Alt Rent Group: 403 (82% of 489 households) Control Group: 216 (39% of 559 households)	Yes
Employed Part-Time*	As of FY 2015: Not tracked	Not Tracked	Not tracked	N/A
Enrolled in an Educational Program	As of FY 2018: Alt Rent Group: 72 households Control Group: 49 households	Alt Rent Group: 72 households Control Group: 49 households	Alt Rent Group: 26 households Control Group: 47 households	No
Enrolled in a 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 Tracked	N/A
Unemployed	As of FY 2015: Not tracked	Alt Rent Group: 105 (21% of 500 households) Control Group: 350 (60% of 583 households)	Alt Rent Group: 86 (18% of 489 households) Control Group: 343 (61% of 559 households)	Yes
<i>*Full-time vs. part-time employment status is not tracked for either Alternate Rent Group or Control Group households. LMHA determines employment as earned income and includes all employment as full time employment.</i>				
SS #4: Households Removed from Temporary Assistance for Needy Families (TANF)				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of households receiving TANF assistance (decrease).	As of FY 2016: 69 (4% of 1,637 households)	Alt Rent Group: 25 (5% of 500 households) Control Group: 23 (4% of 583 households)	Alt Rent Group: 19 (4% of 489 households) Control Group: 13 (2% of 559 households)	Yes
SS #5: Households Assisted by Services that Increase Self Sufficiency*				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?

Number of households receiving services aimed to increase self-sufficiency (increase).	As of FY 2015: Alt Rent Group: 0 (0% of 1,000 households) Control Group: 0 (0% of 1,000 households)	Alt Rent Group: 5 (1% of 500 households) Control Group: 12 (2% of 583 households)	Alt Rent Group: 16 (3% of 489 households) Control Group: 38 (7% of 559 households)	Yes
<i>*Metric captures households enrolled in the Housing Authority's FSS Program.</i>				
SS #6: Reducing Per Unit Subsidy Costs for Participating Households*				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Average amount of Housing Choice subsidy per household affected by this policy in dollars (decrease).	As of FY 2015: \$634/month	Alt Rent Group: \$608/month Control Group: \$628/month	Alt Rent Group: \$653/month Control Group: \$698/month	No
SS #7: Increase in Agency Rental Revenue*				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Average household contributions towards housing assistance (increase).	This information was not previously tracked. As of FY 2019 Alt Rent Group: \$275 Control Group: \$267	Alt Rent Group: \$281 Control Group: \$272	Alt Rent Group: \$356 Control Group: \$309	Yes
SS #8: Households Transitioned to Self Sufficiency*				
Unit of Measurement	Baseline*	Benchmark**	Outcome***	Benchmark Achieved?
Number of households transitioned to self-sufficiency (increase).	As of FY 2016: Alt Rent Group: 161 (22% of 722 households) Control Group: 188 (21% of 915 households)	Alt Rent Group: 175 (35% of 500 households) Control Group: 141 (21% of 583 households)	Alt Rent Group: 211 (43% of 489 households) Control Group: 146 (26% of 559 households)	Yes
<i>*Self-Sufficiency is defined as the ability of a non-disabled/non-elderly family to obtain suitable employment. "Employment" means the household is receiving earned income. "Suitable" is defined as annual gross earned income equal to or exceeding \$14,500 (the hourly minimum wage of \$7.25 multiplied by 2,000 hours).</i>				

Activity #2018-1: Preservation of Affordable Housing – Broader Use of Funds to Support Mixed-Income Housing

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

Plan Year Approved, Implemented, Amended

Approved and implemented in FY 2018.

Description/Update of Activity

This activity allows LMHA to acquire unsubsidized units for development of mixed income housing. In some instances, such units will become PBV developments. As these units will not receive ongoing Section 9 operating subsidy, HUD approval of these acquisitions is not required. However, the units will still be targeted to households whose income does not exceed 80% of Area Median Income (AMI).

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

In June 2019, LMHA's affiliate, LMHA Development Corporation, undertook the first acquisition under this activity and purchased Newbridge Place, a family apartment complex. LMHA provided an acquisition loan to LMHADC for the purchase price of Newbridge Place. LMHA undertook the acquisition of this property as a pilot project to determine whether this unique approach to the provision of mixed-income replacement housing developments to include PHA-owned PBV acquisitions is indeed feasible. Now that the agency has "proof of concept," the Housing Authority may pursue additional acquisitions of this nature in furtherance of its CNI Transformation Plan commitments up to a maximum of 110 units.

Impact

To date, LMHA has used this flexibility to develop 205 tax credit units and acquire 27 units at Newbridge Place. In FY 2021, 185 families occupied these tax credit units developed with MTW funds, including 83 families who did not receive on-going subsidy.

In FY 2021, LMHA did not use the flexibility provided under this activity to acquire or develop additional unsubsidized units.

Actual Non-Significant Changes

While there were no non-significant changes to this activity in FY 2021, LMHA conducted a more thorough review of LMHA's past acquisitions and developments and found that affordable housing acquired and developed using MTW Broader Use of Funds flexibility had inadvertently not been counted in past reports. While the MTW flexibility provided under this activity was not utilized in FY 2021, LMHA has utilized MTW funds to develop 205 tax credit units to date.

Changes to Metrics

LMHA has revised benchmarks for SS #7, as LMHA does not receive rental revenue from these households. Additionally, benchmarks for HC #1 and 5 have been updated to reflect acquisitions and development to date.

Actual Significant Changes

There were no significant changes to this activity in FY 2021.

Challenges in Achieving Benchmarks and Possible Strategies

As LMHA did not use the flexibility provided under this activity in FY 2021, LMHA cannot report on challenges related to the metrics for this activity.

Metrics

<i>SS #6: Reducing Per Unit Subsidy Costs for Participating Households</i>				
Unit of Measurement	Baseline	Benchmark	Outcome*	Benchmark Achieved?
Average amount of Housing Choice subsidy per household affected by this policy in dollars (decrease).	As of FY 2017: \$5,460	\$0	N/A	N/A
<i>* Households assisted through this activity are not HCV or PH participants and do not receive on-going subsidy.</i>				
<i>SS #7: Increase in Agency Rental Revenue</i>				
Unit of Measurement	Baseline	Benchmark	Outcome*	Benchmark Achieved?
PHA rental revenue in dollars (increase).	As of FY 2017: \$7,536 (\$1,884 per household X 4 households)	\$0	N/A	N/A
<i>* Households assisted through this activity are not HCV or PH participants and do not receive on-going subsidy.</i>				
<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 2017: 0	205	0	No
<i>* Reflects additional units made available during the fiscal year.</i>				
<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 2017: 0	205	83	No
<i>* Reflects the number of households occupying tax credit units developed using MTW funds; excludes households also receiving on-going Section 8 subsidy.</i>				
<i>CE #1: Agency Cost Savings</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Total cost of task in dollars (decrease).	As of FY2017: \$84 (4 households x 0.75 hours per verification x \$28.16 per staff hour)	\$0	N/A	N/A

** LMHA notes that this metric is not applicable to this activity; however, HUD has required its use. The flexibilities provided under this activity do not reduce or eliminate tasks associated with acquisition or development.*

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

Plan Year Approved, Implemented, Amended

Approved and implemented in FY 2018.

Description/Update of Activity

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

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

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

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

- **Increased Payment Standard for One-Bedroom-Eligible Households** (Relocating Beecher Terrace Households Only): In order to balance increased demand for and limited supply of one-bedroom units, LMHA has offered a two-bedroom payment standard to all one-bedroom-eligible households moving from the Beecher Terrace public housing development. However, as Beecher relocation is now complete, this portion of the activity will no longer be applicable. These families will continue to receive a two-bedroom payment standard in their current unit, but will not receive this incentive for future moves. Please see "Actual Non-Significant Changes" below.
- **HCV Owner Incentive Fee** (HCV Program-Wide): To encourage owner participation in the HCV Program and increase the inventory of one-bedroom units within the Louisville Metro area, LMHA pays a \$1,000 incentive fee to owners who lease a one-bedroom unit to a family newly admitted to LMHA's HCV Program. For the purposes of this activity, a family was considered "newly admitted" and the unit eligible for an incentive fee if:
 - The family was signing a lease under the HCV Program for the first time;
 - The family was moving from one LMHA housing program to another (e.g., moving from the Public Housing Program to the HCV Program);
 - The family was using the portability provisions provided through the HCV Program to move with continued HCV assistance from another Public Housing Agency's jurisdiction to LMHA's jurisdiction; or,
 - The family had experienced an interruption of voucher assistance where the Public Housing Agency formerly assisting the family submitted an End of Participation action to HUD using form HUD-50058 or HUD-50058 MTW.

The incentive fee was paid in two installments of \$500 each, with the first installment paid during the first month of the Housing Assistance Payment (HAP) contract and the second installment paid

following the first anniversary of the HAP contract's effective date. Should the HAP contract be terminated for any reason within the first year, the owner would not receive the second \$500 installment.

In FY 2021, LMHA modified and expanded the HCV Owner Incentive Fee to increase the leasing of units that have not previously been leased to HCV participants.

Impact

In FY 2021, LMHA modified the owner incentive provided under this activity, as noted in the Actual Non-Significant Changes section below. Four hundred seventeen (417) owners received the modified owner incentive. This incentive has been effective in encouraging broader owner participation in the HCV program and increasing voucher-holders housing choices.

LMHA has also made incentive payments for damage loss and vacancy available to HCV owners; however, no such incentive payments have been made to date. Additionally, LMHA has not yet implemented approved changes which allow for pre-inspection and biennial inspection of units in exception payment standard areas.

Actual Non-Significant Changes

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

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

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

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

Example: Tenant A vacated a unit without providing notice. Owner A demonstrated good faith efforts to re-rent the unit to another HCV family, but the unit remained vacant for 3 months. After

accounting for damages, Owner A had \$400 remaining in security deposit funds. In this case, LMHA would provide a vacancy loss payment equal to two months' HAP, minus the security deposit held. If the monthly HAP payment was \$600, the vacancy loss payment would be $\$600 * 2 - \$400 = \$800$.

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

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

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

Changes to Metrics

No changes have been made to the metrics identified in the FY 2021 Annual Plan.

Actual Significant Changes

There were no significant changes to this activity in FY 2021.

Challenges in Achieving Benchmarks and Possible Strategies

LMHA did not experience any challenges in achieving benchmarks during FY 2021.

Metrics

<i>HC #3: Decrease in Wait List Time</i>
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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	30 months	Yes
<i>HC #5: Increase in Resident Mobility</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of households able to move to a better unit and/or neighborhood of opportunity because of the activity (increase).	132	106	417	Yes

Activity #2019-1: Enhancements to Local Project-Based Voucher (PBV) Program
(Formerly Activities #51-2019 and #48-2018)

Plan Year Approved, Implemented, Amended

- Local Project-Based Voucher (PBV) Program
 - Approved FY 2018
 - Implemented FY 2018
- Enhancements to Local Project-Based Voucher (PBV) Program
 - Approved FY 2019
 - Implemented FY 2019

Description/Update of Activity

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

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

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

- PBV proposals may be selected based on any one of the following three methods:
 - The results of a previous competition (no MTW authority required);
 - Issuance of a Request for Proposals, which may be limited to a specific site or sites or to geographic areas that meet certain criteria (for example, non-impacted census tracts); or,
 - Selection of LMHA-owned properties without a competitive process or prior HUD approval.
- Up to 100% of units within any given project may be awarded PBV assistance. However, in furtherance of the Housing Authority's commitment to the development of mixed-income housing, at its sole discretion, LMHA may limit the percentage of units that may be project-based at any given project to an amount less than 100%.
- When LMHA has received owner notice that the rehabilitated or newly constructed housing is completed, the Housing Authority will inspect the units to determine if the housing has been completed in accordance with the Agreement to Enter a HAP Contract (AHAP), including compliance with Housing Quality standards (HQS), except that in lieu of LMHA inspection of the units, the owner may submit the Certificate of Occupancy issued by Louisville Metro Government as evidence of compliance.
- 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.)
- Revised local PBV payment standards that are equal to the greater of 110% of the Metropolitan Area Fair Market Rent (MAFMR) or 110% of the Small Area Fair Market Rent (SAFMR) schedules published annually by HUD.
- Local PBV Program Site-Specific Utility Allowances. LMHA will allow PBV owners to calculate site-specific Utility Allowances in accordance with the provisions of Notice PIH 2018-11 or successor notices, subject to LMHA's review and approval prior to implementation.
- Owner Managed Site Based Waiting Lists. This will allow individual owners participating in the LMHA's Enhancements to Local Project-Based Voucher (PBV) Program to maintain site-based waiting lists. LMHA will determine whether to allow owner-maintained, site-based waiting lists based on LMHA's assessment of each individual owner's management capacity. Owners will be required to adhere to fair housing, the Americans with Disabilities Act and other applicable federal guidelines including, but not limited to: providing public notification of waiting list opening and closings; providing community-wide notice of housing availability; providing reasonable accommodations; and, conducting the application process in compliance with LMHA's Language Access Plan. Subject to LMHA approval, tenant selection preferences may be adopted for individual projects in accordance with LMHA's Administrative Plan; however, post-revitalization, relocated Beecher Terrace households will continue to receive a lifetime admission preference for all units designated as Beecher Terrace replacement units, as well as PBV units at Gray & Clay and Roosevelt Apartments. Owners will forward applications nearing the top of the waiting list to LMHA, and LMHA will continue to maintain responsibility for eligibility determination.
- For LIHTC units, the Tenant Income Certification form will be used to verify income and assets for eligibility determinations and recertifications. 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 allows LMHA to directly perform the functions delegated to the independent entity for all LMHA-owned units, including the following: review of selection process (24 CFR 983.51(e)); unit inspections, exercise of contractual remedies for violation of the HAP contract and the provision of inspection reports to the HUD Field Office (24 CFR 983.103(f)); and, determination of rent to owner, including initial rent (24 CFR 983.301(g) and 983.303(f)). Requiring approval from an independent entity increases costs and creates potential delays in the availability of critically needed replacement housing units, while adding no measurable value to the process. Under this MTW activity, LMHA will process rent determinations, inspections, contract renewal and other necessary program transactions on LMHADC-owned units in accordance with the policies and procedures applicable to all other units that are part of LMHA's Local PBV Program. In the future, LMHA will provide HUD with documentation related to LMHADC-owned units upon HUD's request. Also, LMHA's transactions will continue to be subject to audit as part of the annual independent audit process.

- Expansion of Prior Competition Exemption. LMHA proposed and received approval to select without prior competition proposals for housing currently assisted with Low Income Housing Tax Credits (LIHTCs) or under a federal, State, or local government subsidy program if the project has been selected in accordance with the competitive requirements of the applicable funding source in the last 10 years. The original competitive selection of these projects cannot have involved any consideration that the project would receive PBV assistance.
- Allow existing, newly constructed and substantially rehabbed units receiving subsidy to be located “in the agency's jurisdiction, including within, but not limited to, the following types of urban areas: (1) an area of revitalization that has been designated as such by the governing jurisdiction, including Redevelopment Areas and Enhanced Enterprise Communities, (2) an area where public housing units were previously constructed and were demolished, (3) a racially or economically impacted area where the agency plans to preserve existing affordable housing, (4) in connection with a HOPE VI or other HUD funded master planned development, (5) in areas where a needs analysis indicates that subsidized housing represents a low percentage of the total number of housing units in the area, or (6) relocating units to an area with a lower concentration of public housing units.” This flexibility allows LMHA and duly selected PBV owners/developers to pursue the development and/or acquisition of land and existing buildings. LMHA plans to use MTW site selection flexibility for only those PBV units which are not being developed as off-site replacement units in conjunction with the Choice Neighborhoods grant.

Impact

During FY 2021, LMHA entered into contracts for eight (8) properties, representing commitments for 389 new project-based units. LMHA utilized approved MTW flexibilities to encourage development and streamline administration of project-based vouchers, including allowing PBV owners to establish site-based waiting lists and site-specific utility allowances.

Actual Non-Significant Changes

There were no non-significant changes to this activity in FY 2021.

Changes to Metrics

No changes have been made to the metrics identified in the FY 2021 Annual Plan.

Actual Significant Changes

There were no significant changes to this activity in FY 2021.

Challenges in Achieving Benchmarks and Possible Strategies

LMHA did not experience any challenges in achieving benchmarks during FY 2021.

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:	Waiver of Independent Entity for LMHA Owned Units:	Total cost: \$34,784 Waiver of Independent	Yes

	<p>As of FY 2019: Total cost is \$0 (no PBV units)</p> <p>\$400 per PBV development for verification of site selection process</p> <p>\$48.14 per unit inspection</p> <p>Site-Specific Utility Allowances: As of FY 2019: Total cost is \$0 (no PBV units)</p> <p>FY 2019 2 BR utility allowance for HCV tenant- based unit: \$229</p>	<p>\$0 per local PBV project to verify site selection</p> <p>\$37.03 per unit per local PBV inspection performed by LMHA</p> <p>Site-Specific Utility Allowances: \$206 per unit, based on 10% savings</p>	<p>Entity for LMHA Owned Units: \$1,000</p> <p>Site-Specific Utility Allowances: \$33,784</p>	
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**LMHA received approval for revised PBV policies prior to having any project-based units. Therefore, LMHA did not have baseline costs associated with the activities this MTW PBV program affects.*

*** Total cost reflects the use of the flexibilities at Newbridge Place (waiver of independent entity requirement) and Donerail (site-specific utility allowances).*

CE #2: Staff Time Savings

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

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

*** The MTW flexibilities allow LMHA to realize cost savings related to these tasks, but do not reduce the time required to complete them.*

CE #4: Increase in Resources Leveraged

Unit of Measurement	Baseline	Benchmark	Outcome*	Benchmark Achieved?
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Amount of funds leveraged in dollars (increase).	As of FY 2017: \$0 (no PBV units)	\$19,048,700 (\$190,487 (TDC for a 2-BR walkup) x 100 units)	\$67,051,424	Yes
<i>* Reflects new construction and substantial rehab units put under AHAP or HAP in FY 2021.</i>				
HC #1: Additional Units of Housing Made Available				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of new housing units made available for households at or below 80% AMI because of the activity (increase).	As of FY 2019: 0 (no PBV units)	100	352	Yes
<i>* Reflects new construction and substantial rehab units put under AHAP or HAP in FY 2021.</i>				
HC #3: Decrease in Wait List Time				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Average applicant time on wait list in months (decrease).	As of FY 2017: 65 months	63 months	51 months*	Yes
<i>* Reflects the wait time for applicants on the HCV waiting list who were offered and leased up in a project-based unit.</i>				
HC #4: Displacement Prevention				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of households at or below 80% AMI that would lose assistance or need to move (decrease). If units reach a specific type of household, give that type in this box.	As of FY 2017: 23 households moved (no assistance lost)	100 households moved (no assistance lost)	389	Yes
HC #5: Increase in Resident Mobility				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of households able to move to a better unit and/or neighborhood of opportunity because of the activity (increase).	As of FY 2019: 0 (no PBV units)	100	389	Yes

Activity #2020-1: Rent Simplification

Plan Year Approved, Implemented, Amended

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

Description/Update

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

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

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

LMHA currently offers a \$1,782 standard medical deduction to eligible disabled and elderly HCV and Public Housing families. The standard medical deduction is flexible in that if the families' health care costs exceed the \$1,782 exemption, the family can choose to have their expenses itemized.
- Earned Income Disregard for Elderly Families

LMHA provides a \$7,500 earned income disregard to elderly families whose only other source of income is their Social Security entitlement.

- Asset Policy

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

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

- Exclusion of Full-Time Student Income

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

- Exclusion of Adoption Assistance Payments

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

- Application of Payment Standards

LMHA plans to implement these policies in FY 2022.

Using its MTW flexibility, LMHA will apply the payment standard in effect on the effective date of a household's regular recertification, regardless of any fluctuation in the payment standard from year to year. During an interim recertification, LMHA will apply the payment standard used at the last regular recertification; however, LMHA will apply the current payment standard for elderly/disabled households on triennial recertification cycles who have interim recertifications related to increases in contract rents. Where the payment standard in effect at the time of the applicable interim recertification reflects a decrease when compared to the payment standard applied at the last regular recertification, LMHA will not update the payment standard at the interim recertification and will wait until the next regular recertification to update the payment standard.

Impact

LMHA realized considerable time savings per recertification as a result of the streamlining and simplification of rent calculation. LMHA anticipates further savings in FY 2022 as HCV begins implementation of biennial recertifications program-wide and Public Housing implements triennial recertifications for fixed income households.

Hardship

Hardship applies to the portion of the rent simplification activity related to the application of payment standards. Where LMHA applies the payment standard in effect at the regular recertification regardless of fluctuations from one recertification to the next, LMHA allows participants to request a hardship when and if the application of this policy results in a rent increase of more than \$100.

However, in FY 2021, LMHA implemented the CARES Act waiver (HC-7) which allowed LMHA to apply the increase in payment standard from CY 2020 to CY 2021 once it became effective. As a result, LMHA did not receive any hardship requests related to the application of payment standards.

Actual Non-Significant Changes

LMHA received approval to modify its existing medical deduction threshold for elderly HCV, PBV, and public housing families. Prior to this change, families could claim a \$1,600 flat deduction without the need for third-party verification. LMHA has established a new threshold equivalent to the Medicare Part B premium established by the U.S. Centers for Medicare and Medicaid Services. LMHA uses the premium amount corresponding to the year in which the family's re-examination is scheduled to take place.

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

Changes to Metrics

The benchmark for CE #1 was updated to reflect the current staff hourly rate.

Actual Significant Changes

There were no significant changes to this activity in FY 2021.

Challenges in Achieving Benchmarks and Possible Strategies

LMHA did not meet benchmarks related to employment and subsidy, as the COVID-19 pandemic created challenges for participants to maintain and/or secure employment and reduce their subsidy. LMHA also experienced challenges to meeting the benchmark for CE #3 and decreasing the error rate in FY 2021, as LMHA processed a substantially higher volume of recertifications than anticipated, including recertifications delayed during FY 2020 due to the onset of the COVID-19 pandemic.

LMHA established benchmarks for CE #1 and CE 2 based on the implementation of biennial recertifications for all HCV households and triennial recertifications for fixed-income households in HCV and Public Housing; however, these flexibilities have not yet been implemented. As a result, LMHA was not able to meet the benchmarks for these metrics.

Metrics

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

Total cost of task in dollars (decrease)	Total Cost of Task: \$304,888 Hourly Rate: \$28.16 Number of hours per recertification: 1 Total number of regular recertifications: 10,827	Total Cost of Task: \$155,869 Hourly Rate: \$28.79 Number of hours per recertification: 1 Total number of regular recertifications: 5,414	Total Cost of Task: \$267,776 Hourly Rate: \$28.79 Number of hours per recertification: 1 Total number of regular recertifications: 9,301	No
<i>* Based on average staff hourly rate in Public Housing and HCV programs.</i>				
CE #2: Staff Time Savings				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Total time to complete the task in staff hours - decrease	Total time to complete task: 10,827 hours Number of hours per recertification: 1 Total number of regular recertifications: 10,827	Total time to complete task: 5,414 hours Number of hours per recertification: 1 Total number of regular recertifications: 5,414	Total time to complete task: 9,301 hours Number of hours per recertification: 1 Total number of regular recertifications: 9,301	No
CE #3: Decrease in Error Rate of Task Execution				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Average error rate in completing a task as a percentage – decrease	Not Tracked	5%	25%	No
CE #5: Increase in Agency Rental Revenue*				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Total household contributions towards housing assistance (increase)	Total: \$2,743,421 PH: \$562,364 HCV: \$2,181,057	Total: \$2,798,289 PH: \$573,611 HCV: \$2,224,678	Total: \$3,297,123 PH: \$362,307 HCV: \$2,934,816	Yes

<i>*Total monthly TTP used for PH and HCV.</i>				
CE #6: Reducing Per Unit Subsidy Costs for Participating Households*				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Average amount of Housing Choice subsidy (or local, non-traditional subsidy) per household affected by this policy in dollars (decrease)	\$592	\$580	\$649	No
<i>*Average Total HAP</i>				
SS #1: Increase in Household Income*				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Average earned income of households affected by this policy in dollars (increase).	PH: \$19,340 HCV: \$17,635	PH: \$19,727 HCV: \$17,988	PH: \$21,549 HCV: \$19,409	Yes
<i>*Average earned income for those with earned income.</i>				
SS #3: Increase in Positive Outcomes in Employment Status*				
Unit of Measurement	Baseline*	Benchmark	Outcome	Benchmark Achieved?
Employed Full- or Part-Time	PH: No. Employed: 531 % Employed: 20% HCV: No. Employed: 2,457 % Employed: 30%	PH: No. Employed: 542 % Employed: 20% HCV: No. Employed: 2,506 % Employed: 31%	PH: No. Employed: 230 % Employed: 12% HCV: No. Employed: 2,830 % Employed: 26%	No
Enrolled in an Educational Program	Not tracked	Not tracked	Not tracked	N/A
Enrolled in a Job Training Program	Not tracked	Not tracked	Not tracked	N/A
Unemployed	PH: No. Unemployed: 2,141 % Unemployed: 80% HCV: No. Unemployed: 5,698 % Unemployed: 70%	PH: No. Unemployed: 2,098 % Unemployed: 80% HCV: No. Unemployed: 5,584 % Unemployed: 69%	PH: No. Unemployed: 1,689 % Unemployed: 88% HCV: No. Unemployed: 8,170 % Unemployed: 74%	No
<i>*LMHA does not track education and job training participation for participants who are not enrolled in FSS.</i>				
SS #4: Households Removed from Temporary Assistance for Needy Families (TANF)				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?

Number of households receiving TANF assistance (decrease)	PH: 69 HCV: 413	PH: 68 HCV:405	PH: 47 HCV: 421	No
SS #5: Households Assisted by Services that Increase Self Sufficiency*				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of households receiving services aimed to increase self-sufficiency (increase).	N/A	N/A	N/A	N/A
<i>*There are no services associated with this activity.</i>				
SS #8: Households Transitioned to Self Sufficiency*				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of households transitioned to self-sufficiency (increase).	Total: 1,666 PH: 302 HCV: 1,364	Total: 1,699 PH: 308 HCV: 1,391	Total: 1,860 PH: 136 HCV: 1,724	Yes
<i>*Self-Sufficiency is defined as being employed and having earned income equal to or exceeding \$14,500.</i>				

Activity #2020-2: Streamlined Flat Rent

Plan Year Approved, Implemented, Amended

Approved and implemented in FY 2020.

Description/Update of Activity

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

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

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

Impact

As the average increase in FMR was 6% between CY 2020 and 2021, the existing flat rent schedules have been updated and LMHA completed flat rent updates for 74 families on flat rent.

Hardship

This activity poses no hardship on families, as families on flat rent can still request a change to income-based rent at regular recertification and/ or upon hardship.

Actual Non-Significant Changes

There were no non-significant changes to this activity in FY 2021.

Changes to Metrics

No changes have been made to the metrics identified in the FY 2021 Annual Plan.

Actual Significant Changes

There were no significant changes to this activity in FY 2021.

Challenges in Achieving Benchmarks and Possible Strategies

LMHA did not meet benchmarks associated with time and cost savings as a result of flat rent updates which were required due the increase in FMRs from CY 2020 to 2021.

Metrics

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

Total cost of task in dollars (decrease).	Total Cost: \$4,844 Average hourly rate: \$28.16 Time spent to complete a flat rent update: 1 hour Number of households on flat rent: 172	Total Cost Year 1 assumes no updates needed: \$0 Average hourly rate: \$28.65 Time spent to complete a flat rent update: 0 hour Number of households on flat rent: 172	Total Cost: \$2,120 Average hourly rate: \$28.65 Time spent to complete a flat rent update: 1 hour Number of households on flat rent: 74	No
<i>* Based on Public Housing staff hourly rate.</i>				
CE #2: Staff Time Savings				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Total time to complete the task in staff hours (decrease).	Total Time to complete flat rent updates: 172 hours Time spent on each flat rent update: 1 hour Number of households on flat rent: 172	Total Time Year 1 assumes no updates needed: 0 hours Time spent on each flat rent update: 0 hour Number of households on flat rent: 172	Total Time to Complete: 74 hours Time spent to complete a flat rent update: 1 hour Number of households on flat rent: 74	No
CE #3: Decrease in Error Rate of Task Execution				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Average error rate in completing a task as a percentage (decrease).	Not currently tracked	5%	Not tracked	N/A
CE #5: Increase in Agency Rental Revenue*				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Total household contributions towards housing assistance (increase).	Avg. tenant rent for households on flat rent \$615	\$615	\$676	Yes
<i>*LMHA does not anticipate that this activity will result in an increase in agency rental revenue. The savings for this activity are generated through the administrative efficiency.</i>				

Activity #2020-3: Local Forms

Plan Year Approved, Implemented, Amended

Approved and implemented in FY 2020.

Description/Update of Activity

This initiative allows LMHA the flexibility to develop local versions of forms, as needed, to streamline processing, utilize “plain language,” address MTW policies, and address local housing market features. Forms that LMHA has developed include, but are not limited to, the Project Based Voucher (PBV) Housing Assistance Payment (HAP) contract, the Family Self-Sufficiency (FSS) Contract of Participation and Individual Training and Services Plan, the Project Based HAP Contract, and the Privacy Act Notice.. Development of any local form must meet all applicable HUD requirements.

To date, LMHA has developed and implemented the following local forms:

- LMHA developed a local version of the FSS Contract of Participation and Individual Training and Services Plan to reflect the program enhancements undertaken under Activity #2020-4.
- LMHA also created a Local Authorization for Release of Information/Privacy Act Notice (which replaces form HUD-9886). The form extends the expiration date to 36 months to accommodate families on biennial and triennial recertification cycles.
- Finally, LMHA created a Local Project Based Voucher Housing Assistance Payment (PBV HAP) contract, taking into account the flexibilities provided under LMHA’s Local PBV Program (Activity # 2019-1). The PBV Tenancy Addendum and Statement of Family Responsibility were also updated during FY 2021 to reflect these policies.

LMHA will continue to explore options for additional local form development in FY 2022 as time and resources permit. New forms will be rolled out as they are completed.

Impact

As LMHA began leasing new PBV properties during FY 2021, LMHA implemented the local versions of the Project-Based Voucher Housing Assistance Payment (PBV HAP) contract, PBV Tenancy Addendum and Statement of Family Responsibility. LMHA also implemented the Local Authorization for the Release of Information in the HCV program, which will support plans to transition to biennial recertification program-wide.

Actual Non-Significant Changes

There were no non-significant changes to this activity in FY 2021.

Changes to Metrics

Benchmarks for CE #1 and CE #2 have been updated to reflect the planned number of PBV units that LMHA anticipated would enter contract in the FY 2021 MTW Plan.

Actual Significant Changes

There were no significant changes to this activity in FY 2021.

Challenges in Achieving Benchmarks and Possible Strategies

LMHA had significantly more project-based units enter contract in FY 2021 than anticipated in the FY 2021 MTW Plan. As a result, outcomes for cost and time savings exceeded the benchmark; however, LMHA did realize savings per contract.

Metrics

CE #1: Agency Cost Savings				
Unit of Measurement	Baseline	Benchmark	Outcome*	Benchmark Achieved?
Total cost of task in dollars (decrease).	<p>Total cost prior to implementation: \$93,322</p> <p>Contracts executed in FY 2019: 1,657</p> <p>Time to prepare contracts prior to implementation: 2 hours</p> <p>Average hourly wage: \$28.16</p>	<p>Total cost after implementation: \$926</p> <p>Expected Contracts executed in FY 2021: 32</p> <p>Time to prepare contracts after implementation: 1 hour</p> <p>Average hourly wage: \$28.93</p>	<p>Total cost in FY 2021: \$11,254</p> <p>Actual Contracts executed in FY 2021: 389</p> <p>Time to prepare contracts after implementation: 1 hour</p> <p>Average hourly wage: \$28.93</p>	No
<i>* Based on HCV staff hourly rate.</i>				
CE #2: Staff Time Savings				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Total time to complete the task in staff hours (decrease).	<p>Total staff time required prior to implementation: 3,314 hours</p> <p>Contracts executed in FY 2019: 1,657</p> <p>Time to prepare HAP contract prior to implementation: 2 hours</p>	<p>Total staff time required after implementation: 32 hours</p> <p>Expected contracts executed in FY 2021: 32</p> <p>Time to prepare contract after implementation: 1 hour</p>	<p>Total staff time required in FY 2021: 389 hours</p> <p>Actual Contracts executed in FY 2021: 389</p> <p>Time to prepare contracts after implementation: 1 hour</p>	No

Activity #2020-4: FSS Program Enhancements

Plan Year Approved, Implemented, Amended

Approved and implemented in FY 2020.

Description/Update of Activity

This activity applies to Housing Choice Voucher (HCV) and Public Housing (PH) FSS Program participants. LMHA utilizes MTW flexibility to strengthen and enhance the Family Self-Sufficiency (FSS) Program by improving the retention rate and by increasing participants' long-term economic capacity by providing incentives to encourage participants to complete education and training programs before entering the workforce. LMHA also uses MTW funds to provide support services aimed at empowering families to build savings and financial capabilities as a pathway out of poverty. Enhancements to LMHA's FSS Program include:

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

LMHA has also developed and implemented local versions of the FSS Contract of Participation and Individual Training and Service Plan to reflect the features of its local FSS Program.

Impact

During FY 2021, 422 families participated in the local FSS program and 36 families graduated from the program. LMHA also awarded the following recently approved incentives in FY 2021:

- 34 participants earned incentive payments for attending three (3) FSS meetings in the first four months of enrollment.
- Five participants earned incentive payments for attending 12 consecutive months of case management meetings.
- One participant earned an incentive payment for completing their Associate's degree and one participant earned an incentive for completing their Bachelor's degree.

In addition to the participants listed above, two graduates received incentive payments for purchasing a home within two years of completing the FSS program. Though they did not experience an increase in earned income and were unable to earn escrow during their participation in FSS, these graduates were able to become homeowners as a result of this incentive.

To continue to serve new and existing participants during the COVID-19, LMHA altered the operations of the FSS program, shifting the format of bi-monthly program orientation to video conference and conducting one-on-one case management over the phone. In FY 2021, LMHA also planned for the implementation of Docusign, which will be used for the Contract of Participation and other FSS documents to streamline processing and improve customer service during program enrollment.

Actual Non-Significant Changes

In FY 2021, LMHA received approval for and implemented the following non-significant changes to this activity:

- HUD currently requires that the head of household be the signatory for any FSS Contract of Participation (CoP). As a result, the head of household is responsible for compliance with ongoing program requirements, including agreed-upon employment and education/training goals established as part of the Individual Training and Services Plan (ITSP). LMHA modified this requirement such that the head of household (or co-head) will still execute the CoP, but at that time they may designate any adult household member (age 18 or over) to fulfill the ITSP requirements and allow the family to collect escrow. This change provides families with working age adults greater opportunity to benefit from the program and achieve greater levels of self-sufficiency, particularly if the head of household has other responsibilities such as ongoing childcare. Please note that the family can only *change* their designated responsible household member either with prior LMHA approval, or in certain extenuating circumstances (death, move out, etc.).
- Under current FSS regulations, a CoP is automatically considered complete, and a family must graduate, once 30 percent of their monthly adjusted income equals or exceeds the existing Fair Market Rent (FMR) for the size of the unit for which they qualify based on the PHA's occupancy standards. For families in this situation, LMHA allows an additional period of up to six months to complete ITSP goals before the contract terminates. This extended time period reduces the disincentives to increased earnings that can result from this regulation, and allows families – who have often used the FSS program to substantially increase their earnings – to more fully benefit from their hard work and accumulate increased escrow that will enhance their long-term prospects for self-sufficiency and ability to meet long-term goals such as homeownership. This change incentivizes additional families to participate in and remain with the program.

- Finally, LMHA offers an FSS CoP with modified terms for youth participating in the HUD Family Unification Program (FUP) Foster Care Alumni initiative. These youth receive a voucher for a limited three-year period, and LMHA is committed to helping them attain self-sufficiency. The modified CoP revises existing requirements in order to reflect the needs of this population as well as the parameters of the FUP program participation limits. The CoP includes the following terms and requirements:
 - A shortened contract term of 3 years;
 - Participants must be suitably employed, as stated in LMHA's FSS Action Plan, for at least 6 consecutive months;
 - Participants must not have received TANF assistance for at least 6 months (reduced from the normal 12-month requirement); and,
 - Participants must attend at least 3 professional skills workshops in addition to completing financial skills training.

Changes to Metrics

No changes have been made to the metrics identified in the FY 2021 Annual Plan.

Actual Significant Changes

There were no significant changes to this activity in FY 2021.

Challenges in Achieving Benchmarks and Possible Strategies

LMHA did not meet benchmarks related to employment, subsidy, and self-sufficiency due to the continued economic impact of the pandemic. Case managers worked closely with families experiencing job losses and reduction in income, encouraging families to request interim recertifications to reduce their rent payments in light of their reduced income and connecting them to available assistance programs.

Metrics

<i>SS #1: Increase in Household Income*</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Average earned income of households affected by this policy in dollars (increase).	PH: \$17,346 HCV: \$19,429	PH: \$17,693 HCV: \$19,818	PH: \$19,904 HCV: \$25,738	Yes
<i>*Average earned income is calculated for non-elderly and non-disabled households with earned income.</i>				
<i>SS #2: Increase in Household Savings*</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Average amount of savings/escrow of households affected by this policy (increase).	PH: \$2,452 HCV: \$2,873	PH: \$2,501 HCV: \$2,930	PH: \$4,795 HCV: \$3,207	Yes
<i>*Average amount of savings/escrow for households with savings/escrow.</i>				
<i>SS #3: Increase in Positive Outcomes in Employment Status</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?

Employed full-time or part-time*	PH: No. Employed: 51 % Employed: 63% HCV: No. Employed: 87 % Employed: 67%	PH: No. Employed: 53 % Employed: 65% HCV: No. Employed: 89 % Employed: 68%	PH: No. Employed: 20 % Employed: 43% HCV: Employed: 174 households % Employed: 55%	No
Unemployed*	PH: No. Unemployed: 30 % Unemployed: 37% HCV: No. Unemployed: 43 % Unemployed: 33%	PH: No. Unemployed: 28 %: Unemployed: 35% HCV: No. Employed: 41 %: Employed: 32%	PH: No. Unemployed: 27 % Unemployed: 57% HCV: No. Unemployed: 140 households % Unemployed: 45%	No
Enrolled in Education	PH: 4 HCV: 14	PH: 5 HCV: 15	PH: 2 HCV: 22	Yes
Enrolled in Job Training	PH: 1 HCV: 1	PH: 2 HCV: 2	PH: 0 HCV: 1	No
* Excludes elderly and disabled households				
SS #4: Households Removed from Temporary Assistance for Needy Families (TANF)				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of households receiving TANF assistance (decrease).	PH: 0 HCV: 6	PH: 0 HCV: 6	PH: 0 HCV: 16	No
SS #5: Households Assisted by Services that Increase Self-Sufficiency*				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of households receiving services aimed to increase self-sufficiency (increase).	330	330	PH: 51 HCV: 371	Yes
SS #6: Reducing Per Unit Subsidy Cost for Participating Households				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Average amount of Section 8 and/or 9 subsidy (or local non-traditional subsidy) per household affected by this policy in dollars (decrease).	\$574	\$586	\$620	No

SS #7: Increase in Agency Rental Revenue*				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Total household contributions towards housing assistance (increase).	PH: \$21,301 HCV: \$48,531	PH: \$21,727 HCV: \$49,502	PH: \$13,392 HCV: \$155,037	Yes
<i>*LMHA uses TTP as the household contribution toward housing assistance.</i>				
SS #8: Households Transitioned to Self-Sufficiency *				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of households transitioned to self-sufficiency (increase).	PH: 15 HCV: 31	PH: 16 HCV: 33	PH: 12 HCV: 24	No
<i>*LMHA defines self-sufficiency as graduation from the FSS program.</i>				

Activity #2020-5: Gap Financing

Plan Year Approved, Implemented, Amended

Approved FY 2020, Implementation Planned FY 2022.

Description/Update of Activity

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

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

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

Impact

LMHA has not yet used the flexibilities to grant capital awards and/or loans to developers who have been awarded PBVs. LMHA plans to begin using this financing tool in future fiscal years to support a pipeline of ongoing redevelopment efforts using PBV assistance in both existing housing and new construction settings.

Actual Non-Significant Changes

There were no non-significant changes to this activity in FY 2021.

Changes to Metrics

No changes have been made to the metrics identified in the FY 2021 Annual Plan.

Actual Significant Changes

There were no significant changes to this activity in FY 2021.

Challenges in Achieving Benchmarks and Possible Strategies

LMHA has not yet implemented the Gap Financing Program; therefore, the outcomes for these metrics are not yet applicable.

Metrics

<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)	PBV: 100	PBV: 100	N/A	N/A

<i>HC #2: Units of Housing Preserved</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of housing units preserved for households at or below 80% AMI that would otherwise not be available (increase). If units reach a specific type of household, give that type in the box	PBV: 100	PBV: 100	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 the wait list in months (decrease)	6 mos.	6 mos.	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.	0	0	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).	PBV: 200	PBV: 200	N/A	N/A

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

Plan Year Approved, Implemented, Amended

Approved and implemented in FY 2021

Description/Update of Activity

Utilizing the MTW local, non-traditional activity for homeownership assistance, LMHA provides limited financial assistance to existing cost-burdened, low-income homeowners who are at risk of foreclosure and/or displacement. These low-income homeowners reside in Louisville neighborhoods undergoing significant revitalization as a result of Opportunity Zone and other major federal, state and/or local investments such as Choice Neighborhoods Initiative (CNI) and HOPE VI.

As a result of recent and planned significant investments and emerging gentrification trends in and around Opportunity Zone neighborhoods, LMHA anticipates that home values will rise substantially in those areas in the coming years. Ensuring that cost-burdened, long-term low-income homeowners are able to maintain their homes through this evolving process and, ultimately, to build household equity resulting from increased real estate market valuations is a priority of LMHA, and is consistent with its goal to ensure the equitable distribution to long-term community residents of benefits that accrue from major public and private investment initiatives.

An example is the Russell neighborhood, for which LMHA has developed a Choice Neighborhoods Transformation Plan and secured \$35 million in HUD CNI grants. Called Vision Russell, the Transformation Plan initiative's boundaries fall within an Opportunity Zone and span from Market Street to Broadway, and from 9th to 32nd Streets. The CNI grant and leveraged funds secured by LMHA will fund replacement of the Beecher Terrace housing complex and critical community improvements in the Russell neighborhood. One of the key goals of Vision Russell is to increase the availability of high-quality, affordable mixed-income housing including both rental and homeownership units.

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

Similar dynamics and demographics are found in other proposed focus neighborhoods such as Park DuValle, Liberty Green and Sheppard Square, all of which are within Opportunity Zones where major HOPE VI initiatives have occurred.

LMHA provides homeownership assistance to households that meet the following criteria:

- Meet HUD's definition of low-income;
- Currently own a home within a neighborhood undergoing significant revitalization as a result of Opportunity Zone and other major federal, state and/or local investments such as Choice Neighborhoods and HOPE VI. To avoid rewarding speculators, the home must have been purchased prior to the designation of the neighborhood for significant revitalization investments. For example, in the Russell neighborhood, the home must have been purchased by the household prior to the submission date for the Vision Russell CNI Implementation Grant proposal; and,
- Are cost-burdened, i.e. total homeownership costs exceed 30% of adjusted gross household income.

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

LMHA also requires participants to meet the Principal Residency and Financial Capacity requirements applicable to local, non-traditional MTW homeownership activities as further described in PIH Notice 2011-45.

Impact

Upon HUD approval, LMHA began implementation of this activity in early FY 2021, conducting outreach to low-income homeowners in neighborhoods undergoing significant revitalization. Despite robust outreach efforts and engagement with eligible homeowners, LMHA provided assistance to only three (3) homeowners through this activity in FY 2021. Challenges in meeting HQS delayed the receipt of assistance, as LMHA found that cost-burdened homeowners often deferred maintenance and repairs, in addition to struggling to make mortgage payments.

LMHA connected these families to available assistance programs and will modify this activity in the FY 2022 MTW Plan to further support homeowners working to bring their home into compliance with HQS.

Actual Non-Significant Changes

There were no non-significant changes to this activity in FY 2021.

Changes to Metrics

No changes have been made to the metrics identified in the FY 2021 Annual Plan.

Actual Significant Changes

There were no significant changes to this activity in FY 2021.

Challenges in Achieving Benchmarks and Possible Strategies

Many eligible homeowners had difficulty meeting HQS, which delayed the receipt of assistance. To support homeowners in complying with HQS and increase the number of homeowners assisted through this activity, LMHA worked to connect families with local government and non-profit programs which provide assistance to address outstanding repairs.

Metrics

<i>HC #2: Units of Housing Preserved</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of housing units preserved for households at or below 80% AMI that would otherwise not be available (increase).	Housing units preserved prior to implementation: 0	Expected housing units preserved after implementation	3	No

		of the activity: 100		
HC #4: Displacement Prevention				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of households at or below 80% AMI that would lose assistance or need to move (decrease).	Households losing assistance/moving prior to implementation of the activity: 100	Expected households losing assistance/moving after implementation of the activity: 0	0	Yes

Activity #2021-2: Emergency Waivers

Plan Year Approved, Implemented, Amended

Approved and implemented in FY 2021

Description/Update of Activity

The COVID-19 outbreak threatens the lives of many Americans and the livelihoods of many more. It is an urgent health crisis of unprecedented scale, and one that is disproportionately impacting low-income families. The outbreak of COVID-19 also places additional burdens on housing authorities who are working tirelessly to respond to the needs of their participants while also maintaining compliance with program requirements. While the Coronavirus Aid, Relief and Economic Security (CARES) Act provides the U.S. Department of Housing and Urban Development (HUD) with broad authority to waive or establish alternative requirements for numerous statutory and regulatory requirements for the Public Housing program and Housing Choice Voucher (HCV) programs, the duration of this pandemic remains unknown and the national backlog of transactions, inspections and delayed reporting requirements continues to grow.

Accordingly, LMHA received approval in FY 2021 to establish an emergency waivers activity which addresses the burdens placed on all stakeholders as well as to mitigate the backlog of transactions at the end of the waiver period. This activity allows LMHA to establish the following emergency waivers in response to emergencies as declared by the applicable unit of government with jurisdiction over LMHA, including the authority to determine when to place and lift the waivers. LMHA may revise, add and/or remove waivers as needed to address the specific conditions associated with a given emergency (economic, health-related, a natural disaster, etc.). In addition to agency-specific waivers implemented through this activity, LMHA retains the right to avail itself of additional waivers, regulatory or statutory relief, or any other emergency-related provisions that may be made available by HUD or other governmental entities. Any additional waivers proposed by LMHA will be subject to approval by HUD through a plan or plan amendment before implementation by LMHA.

- 1. Administrative Plan and Admissions and Continued Occupancy Policies:** LMHA will waive the requirement to obtain Board approval prior to adopting new and/or revised policies. LMHA will obtain formal Board approval within three months of the end of the declared emergency.
- 2. Briefing:** LMHA will waive the requirement to conduct an oral briefing for voucher families and, as an alternative, will conduct the briefing by other means such as a webcast, video call, or expanded information packet. LMHA will ensure that the method of communication for the briefing ensures meaningful access for all invited attendees. This waiver applies to the HCV and PBV programs.
- 3. Delayed Reexaminations:** LMHA will waive the requirement to conduct a reexamination of family income and composition at least annually. Currently, LMHA completes reexaminations on a biennial basis for Public Housing (PH) and Housing Choice Voucher (HCV) program households and on a triennial basis for PH households on flat rents. Where reexaminations have been delayed, LMHA will complete the reexamination no later than the anniversary month of the following year. The next reexamination will be scheduled on the same anniversary month using the applicable reexam frequency for the family. For example, if a biennial reexam was due on July 2020, LMHA would complete the reexam by July 2021. The next scheduled biennial reexam would take place in July 2023. This waiver applies to the PH, HCV and PBV programs. Families will continue to be able to request interim reexaminations to report decreases in income and/or changes in family composition.

4. **Increase in Payment Standard:** LMHA will waive the requirement to apply the increased payment standard back to the regular effective date for delayed regular reexaminations. Instead, during periods of declared emergencies, LMHA will apply the increased payment standard at the next interim reexamination (where applicable) after the effective date of the increased payment standard. If LMHA completes a reexam late, LMHA will apply the payment standard in effect on the effective date of the delayed regular reexamination. This waiver applies to the HCV program.
5. **Delayed Regular HQS Inspections:** LMHA will waive the requirement for completion of regular HQS inspections at least biennially. Where a regular HQS inspection has been delayed, LMHA will complete the HQS inspection no later than the anniversary month of the following year. The next HQS inspection will be scheduled on the same anniversary month using the applicable inspection frequency for the unit. For example, if an HQS inspection was due on July 2020, LMHA would complete the inspection by July 2021. The next scheduled annual HQS inspection would take place in July 2022. LMHA will continue to request a self-certification from the owner that no life-threatening conditions exist in the unit. Additionally, LMHA will continue to conduct complaint inspections. This waiver applies to the HCV and PBV programs.
6. **Interim HQS Inspections:** LMHA will waive the requirement to conduct re-inspections to confirm repair; however, LMHA will require that the owner self-certify and provide documentation that a life-threatening deficiency has been corrected within 24 hours of notification or LMHA will conduct a remote video conference within 24 hours to confirm repair. LMHA will accept an owner self-certification that non-life-threatening deficiencies have been corrected within 30 days of LMHA notification. This waiver applies to the HCV and PBV programs.
7. **HQS QC Inspections:** LMHA will waive the requirement to conduct HQS quality control inspections and instead will suspend HQS quality control inspections until the emergency waiver has been lifted. This waiver applies to the HCV and PBV programs.
8. **Homeownership HQS:** LMHA will waive the requirement for the initial HQS inspection for homeownership units; however, an independent inspection performed by an American Society of Home Inspectors (ASHI) certified professional will still be required. LMHA will review the results of the independent inspection and may disapprove the unit in accordance with the applicable regulations at § 982.631. This waiver applies to the HCV Homeownership Program.
9. **Delayed PH Annual Self-Inspection:** LMHA will waive the requirement to complete annual self-inspections of PH units. LMHA will continue to respond to and address serious conditions that could jeopardize life or property. When the waiver is lifted, LMHA will resume self-inspections beginning with the units which were inspected on the oldest date. This waiver applies to the PH program.
10. **FSS Contract of Participation:** LMHA will waive the requirement regarding the maximum extension of an FSS Contract of Participation (COP). During periods of declared emergency, LMHA may extend a family's COP, using the declared emergency as good cause of the need for extension. For households who were already in the two-year extension period when the emergency was declared, LMHA may extend their COP beyond the two year extension threshold. This waiver applies to LMHA's MTW FSS program.
11. **Project-Based Voucher (PBV) Pre-HAP Contract Inspections: PHA Acceptance of Completed Units:** LMHA is waiving the HQS inspection requirement and establishing an alternative requirement. Instead of conducting the pre-HAP contract HQS inspection, LMHA may

rely on the owner's certification that the owner has no reasonable basis to have knowledge that life-threatening conditions exist in the unit or units in question. LMHA will require that both the owner and tenant sign the certification. LMHA may add other requirements or conditions in addition to the owner's certification but is not required to do so. LMHA will conduct an HQS inspection no later than 90 days after the owner's certification.

When and if LMHA has imposed an additional requirement under the AHAP for newly constructed or rehabilitated projects, LMHA may choose to allow the owner to certify that the LMHA requirement has been met instead of inspecting the housing to make that determination. This waiver and alternative requirement may also be applied to LMHA-owned units if the independent entity is unable to perform the inspection. LMHA may rely on the owner's certification that the owner has no reasonable basis to have knowledge that life-threatening conditions exist in the unit or units in question.

12. PBV Turnover Unit Inspections: LMHA is waiving the regulatory requirement to inspect PBV contract units at turnover and providing as an alternative requirement that LMHA may rely on the owner's certification that the owner has no reasonable basis to have knowledge that life-threatening conditions exist in the unit or units in question to allow a new family to occupy the vacated PBV unit. LMHA will require that both the owner and tenant sign the certification. LMHA may add other requirements or conditions in addition to the owner's certification but is not required to do so. LMHA will conduct the HQS inspection on the unit no later than 90 days from the date of the owner's certification. This waiver may also be applied to LMHA-owned units if the independent entity is unable to perform the inspection.

13. PBV HAP Contract: HQS Inspections to Add or Substitute Units: LMHA may amend a HAP contract to add additional PBV contract units or substitute a different unit for a previously covered contract unit. The PBV requirements include inspecting the proposed substitute or additional unit to determine that the unit meets HQS before it may be added to the HAP contract. LMHA is waiving the HQS inspection requirement. In order to substitute or add a new unit to the PBV HAP contract, LMHA may rely on the owner's certification that the owner has no reasonable basis to have knowledge that life-threatening conditions exist in the unit or units in question instead of conducting an initial inspection. LMHA will require that both the owner and tenant sign the certification. LMHA will conduct the HQS inspection on the unit no later than 90 days from the date of the owner's certification. LMHA may add other requirements or conditions in addition to the owner's certification but is not required to do so. This waiver may also be applied to LMHA-owned units if the independent entity is unable to perform the inspection. LMHA will gain agreement from the owner prior to entering into any contract amendment to add or substitute units.

14. Mandatory Removal of a Unit from the PBV HAP Contract: Under the PBV program, LMHA is required to remove a unit from a PBV HAP contract after 180 days of zero housing assistance payments to the unit owner on behalf of the family residing in the unit. This situation arises when the family increases its income to such an extent that it no longer requires housing assistance. LMHA is waiving this requirement and as an alternative requirement, LMHA may keep such units under contract for a period of time that exceeds 180 days but does not extend beyond the end of the LMHA emergency waiver period. LMHA may resume housing assistance payments on behalf of a family residing in such a unit should the family's income change at any point during the period of time covered by the emergency waiver and related extension.

Impact

The waivers provided under this activity and through the CARES Act allowed LMHA to continue to serve Public Housing and HCV families. Waivers, such as those related to HCV payment standards and FSS

contract extensions, helped to reduce hardship for families participating in these programs. Additionally, waivers and alternative requirements, including those impacting HCV briefings, allowed LMHA to minimize the impact of the COVID-19 pandemic and avoid delays in receiving housing assistance.

Actual Non-Significant Changes

There were no non-significant changes to this activity in FY 2021.

Changes to Metrics

No changes have been made to the metrics identified in the FY 2021 Annual Plan.

Actual Significant Changes

There were no significant changes to this activity in FY 2021.

Challenges in Achieving Benchmarks and Possible Strategies

In addition to the waivers listed above, LMHA also implemented CARES Act waivers related to income verification so that the agency could continue to process regular and interim recertifications in a timely manner. LMHA did not meet the benchmarks for CE #1 and CE #2 as they continued to process regular recertifications on time and without the delays permitted by this activity.

Metrics

<i>CE #1: Agency Cost Savings *</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Total cost of task in dollars (decrease)	\$181,924	\$90,962	\$267,776	No
<i>*The baseline reflects the cost of completion of all PH and HCV regular reexaminations for a one-year period. The benchmark reflects the cost of completion of one half the number of PH and HCV regular reexaminations in a one-year period.</i>				
<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).	6,399	3,200	9,301	No
<i>*The baseline reflects the time expended on all PH and HCV regular reexaminations for a one-year period. The benchmark reflects the time expended for one half the number of PH and HCV regular reexaminations in a one-year period.</i>				

Activity #2021-3: Eviction Prevention - COVID-19 Relief

Plan Year Approved, Implemented, Amended

Approved and implemented in FY 2021

Description/Update of Activity

In view of changing circumstances and needs as a result of the COVID-19 pandemic and to prevent homelessness resulting from evictions, the Eviction Prevention activity provides LMHA the flexibility to address the short-term housing needs of low-income renters impacted by COVID-19-related economic dislocation. This local non-traditional activity provides rental subsidies for rent arrearages consistent with PIH Notice 2011-45.

LMHA allocated approximately \$2 million in MTW funds to the Louisville Metro Office of Housing's (OH) Eviction Diversion Program for eligible low-income families who are financially impacted by the COVID-19 pandemic. Through a Memorandum of Understanding (MOU) with LMHA, OH agreed to qualify families and administer emergency rental arrearage assistance. Specifically, the OH verifies and retains documentation to validate family eligibility for the program as well as retains and provides, upon LMHA request, accounting records to support applicable audit requirements.

Eligible low-income households in LMHA's jurisdiction receive rental arrearage assistance for a limited period. Owners may not charge late fees, penalties or fines related to delinquent rent as a condition for receiving the emergency rental assistance. Finally, owners must agree to forgo evictions for assistance tenants for at least 90 days after assistance is provided.

This local non-traditional activity falls under the category of Rental Subsidy Programs as defined in HUD PIH Notice 2011-45 (Notice). Subsidies are provided to eligible low-income households who are not participants in the Housing Choice Voucher program or residents of federal public housing. The activity conforms to the General Parameters detailed in part 5.A. of the Notice.

Impact

In June 2021, LMHA and the Louisville Metro Office of Housing entered into a Memorandum of Understanding (MOU) to administer emergency rental assistance using the funds provided by LMHA. The Office of Housing agreed to track and provide summary data on households assisted as a result of funding provided by LMHA. In FY 2021, 168 households received assistance for a total of 1,076 months of rent. On average, households received 6.4 months of assistance.

LMHA expects that households will continue to receive assistance through this activity early in FY 2022. As funding is available and the economic impact of the COVID-19 pandemic persists, LMHA will continue to reserve the right to modify the time frame and funding for this activity.

Actual Non-Significant Changes

There were no non-significant changes to this activity in FY 2021.

Changes to Metrics

No changes have been made to the metrics identified in the FY 2021 Annual Plan.

Actual Significant Changes

There were no significant changes to this activity in FY 2021.

Challenges in Achieving Benchmarks and Possible Strategies

The Louisville Metro Office of Housing began administering rental assistance made possible by funding allocated through this activity in June 2021. As a result, fewer households were assisted through this activity in FY 2021 than expected. LMHA expects that remaining funds will be fully expended in early FY 2022.

Additionally, the amount of assistance per household was higher than anticipated with households receiving an average of 6.4 months of emergency rental assistance. As a result, LMHA expects that the total number assisted through this activity overall will be less than the benchmark of 500 households, noted in the FY 2021 MTW Plan.

Metrics

<i>HC #4: Displacement Prevention</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of households at or below 80% AMI that would lose assistance or need to move (decrease). If units reach a specific type of household, give that type in this box	0	500	168	No
<i>HC #7: Households Assisted by Services that Increase Housing Choice</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of households receiving services aimed to increase housing choice (increase).	0	500	168	No

B. MTW Activities Not Yet Implemented

Activity #2011-2: Locally Defined Guidelines for Development, Maintenance and Modernization of Public Housing (Formerly Activity #28-2011)

Description/Update 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

Not applicable.

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. In 2014, LMHA implemented an admissions preference for qualified three-bedroom eligible families; however, the new preference did not lead to substantial improvement in occupancy levels. Due to continued low occupancy rates at these sites, the activity was revised in FY 2016 to remove the 5-year residency term limit and in FY 2017, LMHA stopped enforcing the employment/education requirements associated with these units and closed out this activity, allowing LMHA to increase occupancy rates.
Explore HUD's Streamlined Demolition and Disposition Application Process for MTW Agencies (Activity #16-2009)	FY 2009	FY 2014	This activity was never implemented. HUD investigated the possibility of streamlined demolition/disposition activities for MTW agencies but found that it was not feasible under MTW. Out of concern for residents' rights and the public process, HUD decided that MTW agencies must follow the established procedures for demolition and disposition of property.
Occupancy Criteria Changes for New Scattered Sites – 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.
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.

Activity #2010-1: Public Housing Sub-lease Agreement with Catholic Charities

1. Plan Year Approved and Implemented

Activity #2010-1 was proposed in FY 2010 and was placed on hold in FY 2012. Implementation did not occur.

2. Activity Description

The Public Housing Sub-lease Agreement with Catholic Charities activity allowed LMHA to establish a sub-lease agreement with Catholic Charities to provide emergency housing for victims of human trafficking.

3. Plan Year Closed Out

LMHA closed out Activity #2010-1 in FY 2021.

4. *Reason Why Activity was Closed Out*

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.

5. *Final Outcomes and Lessons Learned*

LMHA was not able to implement this activity. As a result, there are no final outcomes.

6. *Statutory exceptions outside of MTW that would have provided additional benefit*

None.

7. *Summary table of outcomes from each year of the activity*

As this activity was never implemented, there are no outcomes to report.

V. Planned Application of MTW Funds

A. Financial Reporting

i. Available MTW Funds in the Plan Year

LMHA will submit all required FY 2021 unaudited and audited information in the prescribed Financial Data Schedule (FDS) format through the Financial Assessment System – PHA (FASPHA), or its successor system within the required time frame.

ii. Expenditures of MTW Funds in the Plan Year

LMHA will submit all required FY 2021 unaudited and audited information in the prescribed Financial Data Schedule (FDS) format through the Financial Assessment System – PHA (FASPHA), or its successor system within the required time frame.

iii. Describe Application of MTW Single Fund Flexibility

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

- Approximately \$7,024,858 in surplus funds is budgeted for transfer from the Housing Choice Voucher Program to the Public Housing Program. This will occur to fund the anticipated operating fund subsidy shortfall of \$1,300,000 in the Public Housing Program for calendar year 2020 and 2021, and the continued ability to operate AMPs at a high level and maintain a balanced operating budget. The HUD approved project expense levels (PEL) at some AMPs do not adequately provide for operational services at the level deemed necessary by LMHA.
- Approximately \$3,239,300 in surplus funds is budgeted for transfer from the Section 8 Voucher Program to the Central Office Cost Center. COCC revenues have declined in recent years with the reduction in public housing units associated with LMHA's participation in multiple HOPE VI Programs and the CHOICE Program. Although the current fee structure funds basic property management functions that would occur at a traditional PHA, it is not sufficient to pay for all of the costs associated with MTW activities and the complex tasks and personnel necessary to put together development and financing packages for mixed-finance (HOPE VI) and CHOICE projects.
- In FY 2021, LMHA utilized \$90,277 in Single Fund Flexibility to hire an Eviction Prevention Specialist who is responsible for providing support to residents who have become delinquent on their rent. The specialist works to connect residents to available rental assistance programs and guides them through other options to make their rent payments more affordable, such as requesting an interim recertification to recalculate rent or making partial payments.
- Although LMHA has traditionally made transfers to the public housing program from both the CFP program and Section 8 program in past years, the budget year's transfer is made entirely from the Section 8 program. However, LMHA wishes to retain the authority and flexibility to transfer CFP funds as necessary under current MTW regulations.

Although LMHA utilizes the funding fungibility available in the MTW Program, LMHA adheres to statutes and regulations relative to HUD’s asset management program. All budgeting and reporting within the public housing program are done on an individual site basis, and LMHA utilizes a “fee for service” methodology that charges sites only for the services they receive.

Uses of Reserve Funds

LMHA utilized HUD held project reserve funds in the Housing Choice Voucher Program to assist with the following projects in FY 2021:

- To supplement the Choice Neighborhood Implementation grant for neighborhood revitalization of the Russell area, which includes Beecher Terrace Homes (approx. \$5.7 million to support demolition, site improvement, infrastructure and construction at Beecher I, II, and III).
- To complete renovations and improvements to new the Housing Choice Voucher Program facility (\$291,130 in FY 2021).

B. Local Asset Management Plan

i. Did the MTW PHA allocate costs within statute in the Plan Year?	Yes
ii. Did the MTW PHA implement a local asset management plan (LAMP) in the Plan Year?	No
iii. Did the MTW PHA provide a LAMP in the appendix?	No
iv. If the MTW PHA has provided a LAMP in the appendix, provide a brief update on implementation of the LAMP. Please provide any actual changes, or state that the MTW PHA did not make any changes in the Plan Year.	N/A

VI. Administrative

A. Reviews, Audits and Inspections

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 has responded to the letter, providing the requested documentation, and is awaiting further action from the HUD OIG.

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 2021, it continued to meet the following statutory objectives of the MTW program:

1. Assuring that at least 75% of the families assisted by LMHA are very low-income; and
2. Maintaining a comparable mix of families (by family size) served as would have been served had the amounts not been used under the demonstration.

LMHA is actively working with HUD to comply with the statutory requirement to assist substantially the same number of eligible low-income families, implementing a Corrective Action Plan to reach full compliance with this requirement. Appendix A includes the certification required by HUD.

D. MTW Energy Performance Contract (EPC) Flexibility Data

Not applicable.

Appendix A: MTW Statutory Requirement Certification

Appendix A: MTW Certification

The Louisville Metro Housing Authority (LMHA) hereby certifies that in FY 2021, the period from July 1, 2020 to June 30, 2021, LMHA met the following statutory requirements:

1. Assuring that at least 75% of the families assisted by LMHA are very low-income; and
2. Maintaining a comparable mix of families (by family size) served as would have been served had the amounts not been used under the demonstration.

LMHA is actively working with HUD to comply with the statutory requirement to assist substantially the same total number of eligible low-income families as would have been served had the amounts not been combined. In FY 2021, LMHA developed and began to implement a Corrective Action Plan which sets forth strategies to reach full compliance with this requirement by December 31, 2022.

Louisville Metro Housing Authority

KY001
PHA Number/HA Code

I hereby certify that all the information stated herein is true and accurate:

Lisa Osanka
Name of Authorized Official

Executive Director
Title


Signature

9/10/21
Date