

Louisville Metro Housing Authority

Moving to Work Annual Report

Fiscal Year 2023

July 1, 2022 – June 30, 2023

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U.S. Department of Housing and Urban Development
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I. Introduction

The Louisville Metro Housing Authority (LMHA) is a quasi-municipal 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 2023, LMHA administered rental assistance to approximately 15,000 families through its Public Housing, Housing Choice Voucher, and local, non-traditional housing programs. In addition to families assisted through the MTW program, LMHA also served families through Special Purpose Voucher programs, such as Mainstream, Emergency Housing Vouchers (EHV), and Veterans Affairs Supportive Housing (VASH).

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 2023, i.e. the period from July 1, 2022 through June 30, 2023. 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 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.

During FY 2023, LMHA undertook a range of MTW activities in the Housing Choice Voucher and Public Housing programs and expanded support for low-income families outside of these programs through local, non-traditional activities. These activities 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 (HCV):*** In FY 2023, LMHA provided rental assistance and related services to 10,488 MTW households through the HCV program. In addition to MTW vouchers, a total of 798 families were assisted through special purpose vouchers as of June 30, 2023, including families assisted through the Family Unification Program for Youth, Veterans Affairs Supportive Housing (VASH), Mainstream, and Emergency Housing Voucher programs.
- ***Public Housing:*** In FY 2023, LMHA served 3,457 Public Housing households. Additionally, LMHA continued its preservation and redevelopment efforts across the Public Housing portfolio.
- ***MTW Utility Allowances:*** In FY 2023, LMHA continued to implement a revised utility allowance policy, which eliminates the requirement to bill Public Housing families for utility consumption in excess of the established utility allowance. The MTW utility allowance policy has allowed LMHA to realize savings as it eliminated the administrative burden of metering and billing Public Housing families for such expenses.

- **Rent Policies:** LMHA continued implementation of various MTW policies which simplify and streamline rent calculation. Combined with MTW recertification policies, MTW rent policies not only allow LMHA to save time and realize efficiencies but encourage and incentivize households to increase their earned income and save.
- **Leasing Initiatives:** In FY 2023, LMHA increased leasing in the HCV program, utilizing owner leasing incentives to encourage more landlords to participate in the program and lease to voucher-holders. 129 landlords received an owner incentive payment for leasing a new unit to an HCV family. LMHA also continues to offer an additional incentive payment for landlords who lease new one-bedroom units. LMHA also maintained high occupancy rates at 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 Streamlined Flat Rent policy, which allows LMHA to update flat rents every 5 years, except during years when the average Fair Market Rent (FMR) increases more than 5%. LMHA was required to update its flat rent schedule during the Fiscal Year, as the FMR average increase was more than 5% from Federal Fiscal Year (FFY) 2022 to FFY 2023.
- **Local Forms:** LMHA has developed several local versions of HUD required forms to streamline processing and ensure consistency with MTW policies. To date, LMHA has 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 Family Self-Sufficiency (FSS) Contract of Participation and Individual Training and Service Plan to reflect changes implemented as a result of the FSS Program Enhancements activity.
- **Family Self-Sufficiency (FSS) Program Enhancements:** In FY 2023, LMHA utilized MTW flexibility to implement an additional modification to the local FSS Program, by providing an additional incentive payment to graduating families who have not experienced a significant increase in earnings during their participation in the FSS Program but have met all program requirements and completed their Contract of Participation. If a family has less than \$500 accrued in their escrow at the time of graduation, LMHA provides an additional payment to supplement the family's total escrow savings, so that the family receives at least \$500 upon graduation.
- **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.
- **Preservation of Affordable Housing through the Broader Use of Funds:** LMHA has used the flexibilities provided under this activity to support the development of LIHTC properties and increase the supply of affordable housing for low-income families. To date, LMHA has used its flexibility under the Broader Use of Funds to develop tax credit units at four developments: Sheppard Square, Liberty Green, Park DuValle, and Beecher Terrace.
- **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 Neighborhoods Initiative grant, LMHA created enhancements to its Local PBV Program, which included flexibilities and incentives to create and preserve affordable

housing. The inclusion of these new flexibilities resulted in increased developer interest. As of June 30, 2023, LMHA had 458 existing Project-Based Vouchers.

- ***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 2023, LMHA allocated special referral vouchers to new partners as follows:
 - Hope Buss (10 vouchers)
 - Kentucky Refugee Ministries (10 vouchers)
 - YouthBuild Louisville (10 vouchers)
 - Kentucky Cabinet for Health and Family Services (50 vouchers)
 - Kentucky Department for Behavioral Health (60 vouchers)
 - New Life Directions Ministries (20 vouchers)
 - Feed Louisville (10 vouchers)
 - Churchill’s House of Hope (10 vouchers)
 - Option to Success (8 vouchers)

The Housing Authority also allocated additional vouchers to existing partners as follows:

- Wellspring (55 vouchers)
 - Louisville Metro Government Office of Resilience and Community Services (20 vouchers)
 - Joshua Community Connectors (20 vouchers)
 - Office of Safe and Healthy Neighborhoods (10 vouchers)
 - My Chosen People (10 vouchers)
 - St. John Center (58 vouchers)
 - Volunteers of America Mid-states (20 vouchers)
 - Boys and Girls Haven (10 vouchers)
 - Louisville Metro Police Department Victims Services (10 vouchers)
- ***Homeownership:*** Through the MTW Homeownership Program, LMHA assisted 46 families in purchasing a home in FY 2023. 13 one-bedroom eligible households utilized the two-bedroom payment standard and 18 households 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 provided support to low-income homeowners at risk of foreclosure and displacement through the Preservation of Low-income Homeownership activity. In FY 2023, 15 low-income homeowners received assistance from LMHA toward their mortgage payments and other homeownership expenses.

- ***Streamlined Recertification Process:*** In FY 2023, LMHA continued to use its MTW flexibilities to recertify certain households once every two to three years instead of annually.
- ***Housing Choice Voucher Program Owner Rent Increase Limit:*** In response to escalating Fair Market Rents, during FY 2023, LMHA increased its cap on annual contract rent increases to 9%. LMHA conducted reasonable rent determinations on a sample of 233 units to ensure that rents are reasonable while maintaining the administrative efficiencies gained through this activity.
- ***Affordable Housing Development:*** As part of its goal to transform aging portions of LMHA’s physical housing stock while providing replacement units, LMHA has developed and implemented

revised development and acquisition policies, which 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.
 - 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 or in a full-time apprenticeship program.

Along with its MTW implementation activities, LMHA implemented other initiatives in FY 2023 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:* Due to appliance shortages and other delays, Phase III was not completed prior to the end of FY 2023. Fifty-seven of the 185 Phase III units were available for lease at the end of the fiscal year, and the phase was substantially completed by September 2022. Phase IV predevelopment activities, including efforts to obtain additional gap funding, were ongoing during FY 2023.

Previously completed CNI Critical Community Improvements (CCIs) initiatives that supported the creation of commercial/retail space continued to have strong occupancy rates at the close of FY 2023 (Louisville Central Community Center’s Business Plaza at 93% and The Villages @ W. Jefferson at 100%). Progress also continued on the CCIs led by Louisville Metro Government - Stabilization on the Quinn Chapel and The 18th Street Corridor. Both initiatives are anticipated to be completed during FY 2024.

- *Beecher Terrace Recreational Amenities:* During FY 2023, LMHA was awarded a \$250,000 grant from LISC Louisville and the NFL’s Cincinnati Bengals towards the creation of a playing field at the replacement park at 13th Street and Muhammad Ali Boulevard. Six million dollars in American Rescue Plan funds were awarded to Develop Louisville to be used towards recreational amenities at Beecher Terrace, including \$3,685,000 for the replacement park at 13th and Muhammad Ali Boulevard and \$2,315,000 for the Baxter Community Center (BCC) renovation and expansion. ARP funds, combined with a \$1 million grant from the James Graham Brown Foundation, approximately \$1.9 million in Choice Neighborhoods Implementation grant dollars, and LMHA’s Section 8 Reserves, provided all the funds needed to begin work on construction documents in FY 2023. LMHA and Louisville Metro

Government (LMG) also executed an updated Interagency Governmental Agreement to implement and operate the BCC and the replacement Park reflecting the LISC/NFL and ARP funds. LMHA recorded a Deed of Restrictive Covenant on the new park.

A Request for Bids for a General Contractor was issued for the BCC on June 29, 2022, awarded in November 2022, and work began in January 2023. The grand reopening of the Center is anticipated for Summer 2024. LMHA is serving as project manager for the renovation work, and Metro Parks will operate the Center.

LMG will serve as the project manager and operate the replacement Park at 13th & Muhammad Ali Blvd. on the former Porter Paints site. LMG's architectural/engineering consultants began work on construction documents for the park in December 2022. A Request for Bids for a General Contractor is anticipated to be awarded in November 2023 and the grand opening is anticipated for Summer 2024.

- *Sheppard Square HOPE VI Revitalization*: LMHA is pursuing development of the outstanding homeownership units. Habitat for Humanity has committed to developing 16 lots. To date, seven units have been built and sold; two are nearing completion; and one is closing soon.
- *Iroquois Senior Living Community*: In FY 2023, LMHA was awarded a forgivable loan in the amount of \$11,750,000 from the Louisville Affordable Housing Trust Fund to develop 60 units of affordable, Project-Based Voucher housing for elderly families (age 55+) on the site of the former Iroquois Homes Public Housing development. LMHA hopes to begin construction during FY 2024. The Housing Authority's overall vision calls for the full Iroquois site to be developed in phases as a mixed-income, multi-generational community, including both affordable and market-rate housing, in the tradition of the Authority's previous comprehensive revitalization efforts at Park DuValle, Liberty Green, Sheppard Square, and Beecher Terrace.
- ***Grants and Grant Opportunities*** – During FY 2023, LMHA continued to administer existing grants, including the FSS Coordinator and ROSS Service Coordinator grants, the Choice Neighborhoods Implementation and Supplemental grants, and two grants to provide funding for Beecher Terrace's recreational amenities (\$1,000,000 from the James Graham Brown Foundation and \$6,000,000 in American Rescue Plan funds). The Authority also expended nearly \$200,000 in Emergency Rental Assistance 2 funding from the Kentucky Housing Corporation to assist 211 families with lease-up expenses, such as security and utility deposits and application fees.

Finally, LMHA received nearly \$34,000 from the Federal Communications Commission (FCC) for the Your Home Your Internet Pilot Program to increase awareness of and encourage participation in the FCC's Affordable Connectivity Program (ACP). The ACP provides a discount of up to \$30 per month toward internet service for eligible households. In June, LMHA began hosting weekly ACP sign up events at Parkway Place. All area ACP providers were invited, with participation from Spectrum, Verizon, and Cricket. Similar events are planned to continue at other public housing developments during FY 2024.

- ***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>	
2023-1	Special Referral MTW Public Housing Program
2022-1	MTW Utility Allowances
2021-1	Preservation of Low-Income Homeownership Units
2021-2	Emergency Waivers
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; discontinued 2023 in Public Housing; discontinued 2024 in HCV • Exclusion of Full-time Student Income; approved 2020; discontinued 2023 in Public Housing; discontinued 2024 in HCV • Application of Payment Standards; approved 2020 • Exclusion of Guaranteed Income Payments; approved 2023
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	Preservation of Affordable Housing – Broader Use of Funds to Support Mixed-Income Housing
2018-2	HCV Owner Leasing Incentives (<i>formerly Increasing Housing Options for Relocating Beecher Terrace Families</i>)
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 2013 • YouthBuild Louisville; 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 2009 • Income and Employment Requirements, approved 2023 • REBOUND Pilot, approved 2023 • De-coupling of Rental and Homeownership Payment Standards, approved 2023 • Waived HQS Inspection, approved 2023
2005-1	MTW Special Referral Program
<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>	
2021-3	Eviction Prevention: COVID-19 Relief
2015-1	HCV Program - HUD/MDRC Rent Reform Demonstration
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 two primary housing programs: Public Housing and the Housing Choice Voucher (HCV) Program. 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 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

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			
1405 W. Broadway Senior Apartments	116	116	Leased/Issued	No	New Construction – Senior Housing
Beecher IV	93	0	Committed	21 units	New Construction – Family Housing
The Eclipse in Russell	119	119	Leased/Issued	No	New Construction – Family Housing
Opportunity East	8	9	Leased/Issued	No	Existing – Family Housing
Iroquois Senior Living Community	60	0	Committed	No	New Construction – Senior Housing
The Prestonian	0	145	Leased/Issued	No	New Construction – Senior Housing
Roosevelt Apartments	0	43	Committed	No	Substantial Rehab – Family/Senior Housing
	396	432	Planned/ Actual Total Vouchers Newly Project Based		

Describe differences between the Planned and Actual Number of Vouchers Newly Project-Based: Beecher IV and the Iroquois Senior Living Community are in the process of completing pre-AHAP requirements. Beecher IV is expected to close during the summer of 2023.

Opportunity East was existing housing and had one unit that was occupied by an over-income household. That unit now has an income-eligible tenant, and the unit has been added to the HAP contract.

The Prestonian was inadvertently left out of the FY 2023 Annual Plan.

Roosevelt Apartments appears in both Table 1 and Table 2. The development had previously entered a HAP contract as existing housing. They subsequently decided to pursue substantial rehab and entered into an AHAP in FY 2023.

ii. Actual Existing Project Based Vouchers

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			
Beecher I	114	114	Leased/Issued	No	New Construction – Senior Housing
Beecher II	43	43	Leased/Issued	No	New Construction – Family Housing
Beecher III	61	66	Leased/Issued	No	New Construction – Family Housing
Crossings at Mill Creek	90	0	Committed	No	New Construction – Family Housing
Donerail	164	164	Leased/Issued	No	New Construction – Family Housing
Lower Hunter’s Trace	84	0	Committed	No	New Construction – Family Housing
Market St. Apts	8	1	Leased/Issued	No	Existing – Family Housing
New Vision III	8	0	Committed	No	Substantial Rehab – Family Housing
Newbridge Place	27	27	Leased/Issued	No	Existing – Family Housing
Roosevelt Apts	43	0	Committed	No	Existing – Family and Senior Housing
Zion Manor Senior Housing II	34	34	Leased/Issued	No	New Construction – Senior Housing
	676	449	Planned/Actual Total Existing Project-Based Vouchers		

Describe differences between the Planned and Actual Existing Number of Vouchers Project-Based:
 The unit count for Beecher III appears to have been mis-typed in the Annual Plan.

Crossings at Mill Creek, Lower Hunter’s Trace, New Vision III, and Market Street Apartments are now expected to be completed in FY 2024.

Roosevelt Apartments appears in both Table 1 and Table 2. The development had previously entered a HAP contract as existing housing. They subsequently decided to pursue substantial rehab and entered into an AHAP in FY 2023.

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

Property Name	Description From FY 2023 Plan	Update as of June 30, 2023
Dosker Manor	Approximately 22-32 units at a time in Buildings A, B, and C will be held offline for domestic water supply and sanitation drain line replacement.	This project has been delayed. LMHA anticipates work will be undertaken during FY 2024.
Holly Park	Twenty-seven (27) vacant units will be held offline for renovation. LMHA will award a contract and begin work on this renovation project in FY 2023. Former management office will be converted to 1-bedroom public housing unit.	This project has been delayed. LMHA anticipates work will be undertaken during FY 2024.
Scattered Sites (AMP 017)	Sixteen (16) vacant units will be held offline for renovation in FY 2023.	Six units have been renovated. The remaining 10 units will be renovated in FY 2024.
Scattered Sites (AMP 034)	One (1) vacant unit will be held offline and undergo renovation completed by LMHA Forced Account Crew in FY 2023.	Renovations are now complete, and this unit has been re-occupied.
Avenue Plaza	Approximately 32 units at a time will be held offline for domestic water supply and sanitation drain line replacement and bathroom upgrades.	This project has been delayed. LMHA anticipates work will be undertaken during FY 2024.
H. Temple Spears	Twenty-four (24) vacant units will be held offline for renovation. LMHA will award a contract and begin work on this renovation project in FY 2023.	This project has been delayed. LMHA anticipates work will be undertaken during FY 2024.
601 West Breckinridge	Former Louisville Housing Services Office will be converted into a public housing unit. LMHA anticipates awarding a contract to complete the conversion in FY 2023.	This project has been delayed. LMHA anticipates work will be undertaken during FY 2024.
643 Finzer St.	LMHA plans to request approval to dispose of this non-dwelling building. This property is not and never has been public housing.	LMHA did not request approval to dispose of this property during FY 2023. Disposition plans will be revisited in FY 2024.

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

Table 4 provides a general description of actual capital expenditures in FY 2023.

Table 4: Actual Capital Expenditures FY 2023

Site Name	Description	Amount
Beecher Terrace	HOPE VI HUD Legal	\$ 5,388
	Real Estate Legal	\$ 65,050
	HOPE VI Consulting	\$ 57,844
	Resident Relocation	\$ 33,039
	Site Improvements	\$ 34,783
	Tree Trimming	\$ 2,650
	Architectural/Engineering	\$ 76,126
Parkway Place	Tree Trimming	\$ 1,900
	Dwelling Equip - Ranges and Refrigerators, etc.	\$ 47,680
	Roof	\$ 10,032
	RAD Physical Conditions Assessment Consultant	\$ 28,893
	Broadband	\$ 160,019
	Eviction Prevention Program	\$ 7,092
	High Rise Security	\$ 16,747
	HALO Policing	\$ 11,527
	Resident Stipends	\$ 1,770
Sheppard Square Dosker Manor	Sheppard Legal	\$ 424
	Fire Alarm Replacement	\$ 1,965,734
	Resident Stipends	\$ 39,615
	Eviction Prevention Program	\$ 21,255
	Dwelling Equip - Ranges and Refrigerators	\$ 42,845
	High Rise Security	\$ 1,014,498
	Elevators	\$ 2,980
	HVAC Installation	\$ 45,287
	Resident Relocation	\$ 7,413
	RAD Physical Conditions Assessment Consultant	\$ 30,303
	Tree Trimming	\$ 2,400
St. Catherine Court	Dwelling Equip - Ranges and Refrigerators	\$ 8,805
	High Rise Security	\$ 223,409
	Fire & Medical Alert Panel Upgrades	\$ 1,687
	Tree Trimming	\$ 2,200
	Eviction Prevention Program	\$ 1,621
	RAD Physical Conditions Assessment Consultant	\$ 7,235
	Resident Stipends	\$ 7,320
Avenue Plaza	Office Equipment	\$ 1,730
	Non Dwelling Structure	\$ 2,500
	Tree Trimming	\$ 5,500
	High Rise Security	\$ 224,111
	Eviction Prevention Program	\$ 8,080
	Resident Stipends	\$ 6,545
	Fire & Medical Alert Panel Upgrades	\$ 1,259
	Resident Relocation	\$ 21,256
	Generator/Lighting	\$ 649,130
	Interior Renovations	\$ 53,315
	Dwelling Equip - Ranges and Refrigerators	\$ 17,801

Site Name	Description	Amount
Scattered Sites KY 1-17	Tree Trimming	\$ 12,300
	Dwelling Equip - Ranges and Refrigerators	\$ 23,140
	Fire Repairs	\$ 20,600
	Exterior Renovations	\$ 588,225
	Automotive Equipment	\$ 44,980
	Renovation: Interior & Exterior	\$ 1,424,571
	Resident Relocation	\$ 630
	Eviction Prevention Program	\$ 4,503
	RAD Physical Conditions Assessment Consultant	\$ 10,512
	Resident Stipends	\$ 2,135
Scattered Sites KY 1-34	Tree Trimming	\$ 41,600
	Exterior Buildings	\$ 14,891
	Dwelling Equip - Ranges and Refrigerators	\$ 31,680
	Plumbing & Water Lines	\$ 28,032
	Interior Renovations	\$ 19,180
	Roof	\$ 4,315
	RAD Physical Conditions Assessment Consultant	\$ 18,704
	Resident Stipends	\$ 380
	Eviction Prevention Program	\$ 3,543
	Resident Relocation	\$ 2,481
Lourdes Hall/Will E. Seay Plaza	Automotive Equipment	\$ 48,480
	Dwelling Equip - Ranges and Refrigerators	\$ 7,461
	High Rise Security	\$ 228,815
	Exterior Buildings	\$ 10,000
	Resident Relocation	\$ 8,005
	Eviction Prevention Program	\$ 1,287
	Fire & Medical Alert Panel Upgrades	\$ 1,259
	Tree Trimming	\$ 5,700
	RAD Physical Conditions Assessment Consultant	\$ 6,871
	Resident Stipends	\$ 4,895
Temple Spears	Doors	\$ 8,546
	Interior Renovations	\$ 29,900
	Dwelling Equip - Ranges and Refrigerators	\$ 8,767
	Tree Trimming	\$ 18,500
	High Rise Security	\$ 13,046
	RAD Physical Conditions Assessment Consultant	\$ 7,190
	Friary Additional Subsidy	\$ 32,000
Agencywide	Annual AE Contract	\$ 742,639
	Annual Asbestos/Lead Removal	\$ 626,141
	HUD Legal	\$ 20,012

TOTAL \$ 9,102,714

B. Leasing Information

i. Actual Number of Households Served

As of June 30, 2023, the Housing Authority was serving 14,193 households.

When calculated using the number of unit months leased over the course of the year, LMHA provided housing assistance to approximately 13,680 households in FY 2023 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	41,340	41,487	3,445	3,457
MTW Housing Choice Voucher (HCV) Units Utilized	125,880	121,595	10,490	10,133
Local, Non-Traditional: Tenant Based	0	0	0	0
Local, Non-Traditional: Property-Based	1,308	930	109	78
Local, Non-Traditional: Homeownership	252	144	21	12
Total Households Served	168,780	164,156	14,065	13,680

Describe any differences between the planned and actual households served:

While LMHA increased the size of its Project-Based Voucher (PBV) Program by 162 households during FY 2023, new construction units were not completed as quickly as LMHA had anticipated. The Housing Authority estimates an additional 220 PBV households will be served by the end of FY 2024.

LMHA’s local, non-traditional homeownership program also grew more slowly than anticipated. While the program served an average of 12 households monthly during the year, actual program size increased from nine to 15 participants. In order to increase participation, the Housing Authority has begun a program in partnership with Louisville Metro Government to provide forgivable loans of up to \$25,000 to help homeowners make the repairs necessary so that their units can pass an HQS inspection.

Please note that the number of households served listed in Tables 5 and 6 may vary from the corresponding local, non-traditional activities in the “Implemented MTW Activities” section. LMHA used the HUD required methodology to calculate the number of households served in Tables 5 and 6, dividing the total number of unit months/leased occupied by 12, which is in effect an average. In contrast, the number of households served listed in the corresponding activities represents the total number of households assisted as of the end of the fiscal year.

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	Activity #2014-1 - Public Housing - Sublease Agreement with Kentucky Spinal Cord Injury Research Center and YouthBuild Louisville	60	51	5	4

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 – Preservation of Affordable Housing - Broader Use of Funds to Support Mixed-Income Housing	1,248	880	104	73
Tenant-Based	Activity #2021-3: Eviction Prevention – COVID-19 Relief *	0	0	0	0
Homeownership	Activity #2021-1: Preservation of Low-Income Homeownership Units	252	144	21	12
	Planned/Actual Total	1,560	1,024	130	85

*Please see section IV.D, “Closed-Out MTW Activities” for additional information.

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 Housing Choice Voucher	<p>To house voucher holders more quickly and encourage new landlords to participate in the HCV program, LMHA continued to implement an owner leasing incentive program, offering incentive payments to landlords who lease to a tenant for the first time.</p> <p>LMHA continued to accept referrals of homeless families from the Continuum of Care’s Common Assessment Team.</p> <p>LMHA provided lease-up assistance (security/utility deposits, application fees, etc.) to 211 HCV and Public Housing applicants through a grant from the Kentucky Housing Corporation.</p>
MTW Public Housing	<p>In FY 2023, the Public Housing Program continued work to increase its overall occupancy rate, increasing the number of families served from 3,419 at the end of FY 2022 to 3,497 at the end of FY 2023.</p> <p>The Housing Authority has created dedicated vacancy preparation crews and continues to accept referrals of homeless families from the Continuum of Care’s Common Assessment Team.</p> <p>LMHA provided lease-up assistance (security/utility deposits, application fees, etc.) to 211 HCV and Public Housing applicants through a grant from the Kentucky Housing Corporation.</p>
Local, Non-Traditional	<p>LMHA’s local, non-traditional homeownership program grew more slowly than anticipated. In order to increase participation, the Housing Authority has begun a program in partnership with Louisville Metro Government to provide forgivable loans of up to \$25,000 to help</p>

Housing Program	Description of Actual Leasing Issues and Solutions
	homeowners make the repairs necessary so that their units can pass an HQS inspection.

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	7,070	Open (Closed 7/1/2023)	N/A
Federal MTW Project-Based Voucher Program	Site-Based	1,500	Open	Crossings at Mill Creek and Lower Hunter’s Trace opened waiting lists during FY 2023
Federal MTW Public Housing Units	Community Wide	2,789	Open	N/A
Federal MTW Public Housing Units*	Site-Based	3,582	Open	N/A
Property-Based Local Non-Traditional MTW Housing Assistance	Program Specific	0	Open	N/A

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

Describe any duplication of applicants across waiting lists

Applicants are not restricted to a certain number of waiting lists and may be duplicated across all categories.

ii. *Actual Changes to Waiting Lists in the Plan Year*

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

D. Information on Statutory Objectives and Requirements

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

i. 75% of Families Assisted Are Very Low Income

Table 9: Local Non-Traditional Households and Income Levels

Income Level	Number of Local, Non-Traditional Households Admitted in the Plan Year
80% - 50% Area Median Income	12
49% - 30% Area Median Income	6
Below 30% Area Median Income	4
Total Local, Non-Traditional Households Admitted	22

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	2,496	54	0	2,550	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	4,471	175	0	4,646	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%	6,303	45%	-10%
2 Person	12%	2,735	20%	+8%
3 Person	16%	2,248	16%	0%
4 Person	10%	1,503	11%	+1%
5 Person	4%	719	5%	+1%
6+ Person	3%	483	3%	0%
Total	100%	13,991	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. In FY 2023, LMHA continued to use the HCV owner incentive program to reduce barriers for families needing one-bedroom units, including one-person families.

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	82	Self-Sufficiency is defined as a non-elderly/non-disabled family being employed and having earned income equal to or exceeding \$14,500.
#2014-1: Public Housing Sublease Programs	1	Self-Sufficiency is defined as a participant exiting the program for any other reason than termination of subsidy/participation.
#2020-1: Rent Simplification	PH: 332 HCV: 2,031	Self-Sufficiency is defined as a non-elderly/non-disabled family being employed and having earned income equal to or exceeding \$14,500.
#2020-4: FSS Program Enhancements	27	Self-sufficiency is defined as graduation from the FSS program.
#2023-1: Special Referral MTW Public Housing Program	2	Self-sufficiency is defined as households who obtain their college degree and graduate from the Scholar House program.

MTW Activity Name/Number	Number of Households Transitioned to Self-Sufficiency	MTW PHA Definition of Self Sufficiency
	109	(Households Duplicated Across MTW Activities)
	2,366	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 2023"), 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 2023, LMHA continued to provide housing subsidies to families through partnerships with supportive services agencies. During the year, LMHA allocated special referral vouchers to new partners as follows:

- Hope Buss (10 vouchers)
- Kentucky Refugee Ministries (10 vouchers)
- YouthBuild Louisville (10 vouchers)
- Kentucky Cabinet for Health and Family Services (50 vouchers)
- Kentucky Department for Behavioral Health (60 vouchers)
- New Life Directions Ministries (20 vouchers)
- Feed Louisville (10 vouchers)
- Churchill’s House of Hope (10 vouchers)
- Option to Success (8 vouchers)

The Housing Authority also allocated additional vouchers to existing partners as follows:

- Wellspring (55 vouchers)
- Louisville Metro Government Office of Resilience and Community Services (20 vouchers)
- Joshua Community Connectors (20 vouchers)
- Office of Safe and Healthy Neighborhoods (10 vouchers)
- My Chosen People (10 vouchers)
- St. John Center (58 vouchers)
- Volunteers of America Mid-states (20 vouchers)
- Boys and Girls Haven (10 vouchers)
- Louisville Metro Police Department Victims Services (10 vouchers)

Actual Non-Significant Changes

In FY 2023, LMHA allocated an additional 401 vouchers under this activity. LMHA continued to monitor utilization and may re-allocate the vouchers if utilization is below the allocated number of vouchers.

Changes to Metrics

No changes have been made to the metrics identified in the FY 2023 Annual Plan.

Actual Significant Changes

There were no significant changes to this activity in FY 2023.

Challenges in Achieving Benchmarks and Possible Strategies

LMHA overestimated the number of households that would be assisted through special referral partner vouchers during FY 2023.

Due to the increased demand for housing assistance, LMHA did not meet the benchmark associated with wait time, HC# 3: Decrease in Wait List Time.

Metrics

<i>CE #4: Increase in Resources Leveraged</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Amount of funds leveraged in dollars (increase)	\$0	\$0	\$0	Yes
<i>SS #5: Households (HHs) Assisted by Services that Increase Self-Sufficiency</i>				

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)	1,072 (100% of 1,072 HHs)	412 (100% of 412 HHs)	No
<i>* All families participating in the Special Referral program receive supportive services intended to assist the family in becoming self-sufficient.</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)	118 (11% of 1,072 HHs)	82 (20% of 412 HHs)	Yes when viewed as % of total HHs.
<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	3 months*	No
<i>*Based on average applicant time on Family Scholar House wait list. More than half (55%) of special referral program participants are Family Scholar House households.</i>				

Table 13: LMHA Special Referral MTW Voucher Programs FY 2023

Organization	Site	FY Proposed	FY Implemented	No. of Vouchers	Description	Portable	Streamlined Admission	MTW Inspections
100K Homes Initiative	N/A	2012	2012	50	Vouchers are allocated to the 100,000 Homes initiative of the Louisville Substance Abuse and Mental Health Services Administration (SAMHSA) Community Consortium. This activity increases housing choices and access to services for up to 50 of the most vulnerable homeless persons on the streets of Louisville Metro. Participants in this Housing First model program, who are identified and referred by the Louisville SAMHSA, must be chronically homeless.	Full portability upon program completion	No	No: Traditional inspection protocol.
Center for Women and Families	Villager; Scattered	2005	2005	22	Vouchers are allocated to the Center for Women and Families for long-term transitional housing on their downtown campus. Programs at the Center focus on the elimination of domestic violence, sexual violence, and economic hardship. Voucher utilization has remained high. This activity has increased housing choices and the cost effectiveness of federal funds. The Center for Women and Families will also provide referrals for 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.
			2021	10				
Centerstone	Scattered Site Locations	2015	2015	50	Vouchers are allocated to Centerstone (formerly Seven Counties Services, Inc.). This activity increases housing choices and access to services for 50 families referred through Centerstone’s Assertive Community Treatment (ACT) team. Assertive Community Treatment is an Evidenced Based Practice approved by the Substance Abuse and Mental Health Services Administration (SAMHSA) and designed to engage persons with a Severe Mental Illness (SMI) whose needs are not met by traditional outpatient services. Services are delivered in the context and environment where they are needed (i.e. the team goes to the person). The priority population is adults with a severe mental illness who are currently	Full portability upon program completion	No	No: Traditional inspection protocol.
			2021	10				

Organization	Site	FY Proposed	FY Implemented	No. of Vouchers	Description	Portable	Streamlined Admission	MTW Inspections
					institutionalized at a personal care home or at risk of being institutionalized because of a lack of adequate community support. Lack of on-site support is one of the primary reasons this priority population has been unsuccessful in achieving sustained psychiatric stability in the past. Assertive Community Treatment fills this gap and assists the program participants in achieving and maintaining community integration. Those persons originally from Jefferson County, but placed in a personal care home in another region of the State, will be considered for return to the Louisville area.			
Choices, Inc.	Choices owned units	2014	2014	4	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.
			2016	1				
			2019	1				
ChooseWell Communities	Scattered Site Locations	2016	2016	10	Vouchers are allocated to ChooseWell Communities' Thrive Program, which assists families that include a pregnant or post-partum mother who has successfully completed residential and/or intensive outpatient treatment for addiction, combining housing support with wraparound social services assistance. In FY 2016, LMHA allocated up to 10 vouchers to this program; this was increased by 60 vouchers in FY 2017. Eighty (80) vouchers are allocated to referrals from ChooseWell Communities.	Full portability upon program completion	No	No: Traditional inspection protocol.
			2017	60				
			2021	10				
Coalition for the Homeless	Scattered Site Locations (Rapid Re-housing)	2012	2012	10	Vouchers are allocated to Coalition for the Homeless for homeless families with children.	Full portability upon program completion	No	No: Traditional inspection protocol.
			2013	10				
Day Spring	Day Spring units	2009	2012	4	Vouchers are allocated to households with members who have a severe mental illness, if they initially reside at a Day Spring constructed unit, while they are participating in the program Day Spring, a faith-based 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	Full portability upon program completion	Yes	No: Traditional inspection protocol.

Organization	Site	FY Proposed	FY Implemented	No. of Vouchers	Description	Portable	Streamlined Admission	MTW Inspections
					initiative, not all the residential units are subject to typical HUD HQS and rent reasonableness requirements.			
Family & Children's Place	Scattered Site Locations	2017	2017	10	Vouchers are allocated to Family & Children's Place for Olmsted-eligible families participating in the organization's Homeless Prevention Program, which serves families that include at least one individual who is leaving an institution and is also at risk of homelessness. This population includes individuals leaving prison after being paroled or serving out their sentence; individuals who have aged out of foster care; and individuals who have a high rate of hospitalization due to a severe mental illness. Participants receive case management.	Full portability upon program completion	No	No: Traditional inspection protocol.
Family Scholar House	Louisville	2008	2008	56	LMHA allocates vouchers to a Special Referral Program with Family Scholar House for their Louisville Scholar House facility. These solo heads of households often face multiple barriers to furthering their education and obtaining employment that will provide their families with adequate income to become self-sufficient.	Full portability upon program completion	No	Yes: For initial lease-up, C.O. is used. After initial move-in, with new occupant and once per year concurrently.
	Downtown	2010	2011	54				
	Stoddard Johnston	2012	2012	57				
	Parkland	2013	2013	53				
	Riverport	2017	2017	64				
	Scattered Site Locations	2021	2021	10				
House of Ruth	Glade House	2018	2018	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: <ul style="list-style-type: none"> · A safe, drug and alcohol-free community living environment; · Intensive case management; · Group and individual mental health counseling; · Intensive outpatient substance abuse treatment; · Life skills education; and, · Transportation assistance. Special Referral Program participants will be required to live at the House of Ruth's Glade House, a single-room occupancy facility for	Full portability upon program completion	No	Yes: Inspection with new occupant and once per year concurrently.

Organization	Site	FY Proposed	FY Implemented	No. of Vouchers	Description	Portable	Streamlined Admission	MTW Inspections
					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	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	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	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	
	Scattered Site Locations	2016	2016	10	Vouchers are allocated to Wellspring for families with members with severe mental illness. 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	
2021			10					
2023			55					
		2019	2019	10			No	

Organization	Site	FY Proposed	FY Implemented	No. of Vouchers	Description	Portable	Streamlined Admission	MTW Inspections
Louisville Metro Government Office of Resilience and Community Services	Scattered Site Locations		2021	20	LMHA will allocate vouchers to individuals and families experiencing homelessness. 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		Yes: Inspection with new occupant and once per year concurrently.
			2023	20				
Home of the Innocents	Home of the Innocents	2019	2019	10	LMHA will allocate vouchers to homeless youth ages 18-24 and their dependents who are referred by the Home of the Innocents. Home of the Innocents (the Home) 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.
			2021	10				
Volunteers of America Mid-States	Scattered Site Locations	2020	2020	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: For initial lease-up, C.O. is used.
	Germantown location (to be developed)		2023	20	VOA Mid-states will provide supportive housing for those experiencing homelessness and low-income families in the Louisville area. VOA will provide intensive, voluntary services in line with the Moving Up strategy.			
Catholic Charities of Louisville	Scattered Site Locations	2021	2021	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.
Joshua Community Connectors/ Joshua Tabernacle Missionary Baptist Church	Scattered Site Locations	2021	2021	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,	Full portability upon program completion	No	No: Traditional inspection protocol
			2023	20				

Organization	Site	FY Proposed	FY Implemented	No. of Vouchers	Description	Portable	Streamlined Admission	MTW Inspections
					employment readiness training, and wraparound social services over the course of a 12-month period.			
Mattingly Edge	Scattered Site Locations	2021	2021	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	Vouchers 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
			2023	10				
Boys and Girls Haven	Scattered Site Locations	2022	2022	10	LMHA will allocate vouchers to the Boys and Girls Haven Independence Readiness (IR) Program, which provides intensive case management and life skills preparedness for foster youth aged 18 – 21 years old and who are transitioning out of residential programming, transitional living, or therapeutic foster care.	Full portability upon program completion	No	No: Traditional inspection protocol
			2023	10				
Kentuckiana Builds/Kentuckiana Works	Scattered Site Locations	2022	2022	10	LMHA will allocate vouchers to Kentuckiana Work's Kentuckiana Builds, which provides employment readiness services in partnership with the Louisville Urban League and the state Department of Education. Participants are generally over the age of 24, are housing insecure, and participate in construction training in addition to wraparound services.	Full portability upon program completion	No	No: Traditional inspection protocol
Kentucky Youth Career Center/Kentuckiana Works	Scattered Site Locations	2022	2022	10	LMHA will allocate vouchers to the Kentuckiana Work's Kentucky Youth Career Center (KYCC), which provides education and employment services to young adults ages 16 – 24 experiencing barriers such as lack of high school diploma or GED, court-involvement, and/or homelessness. KYCC provides case management, supportive services, and incentives to help young adults reach their goals. For example, programs include Workforce Education, internal or links to external occupational skills certification programs, and GED services.	Full portability upon program completion	No	No: Traditional inspection protocol

Organization	Site	FY Proposed	FY Implemented	No. of Vouchers	Description	Portable	Streamlined Admission	MTW Inspections
Louisville Metro Government Office of Safe and Healthy Neighborhoods	Scattered Sites	2022	2022	10	Vouchers are to be utilized for participants who are in unstable and/or unsafe housing conditions due to being victims of gun violence. The program includes wraparound services from law enforcement, social services providers, and community members.	Full portability upon program completion	No	No: Traditional inspection protocol
			2023	10				
St. John Center	Scattered Site Locations	2022	2022	10	LMHA will allocate vouchers to the St. John Center, which provides case management and housing location services for individuals aged 24-55 that are experiencing homelessness.	Full portability upon program completion	No	Yes: For initial lease-up, C.O. is used.
	Supportive Housing location (to be developed)		2023	58				
Zora's Cradle	Scattered Site Locations	2022	2022	10	LMHA will allocate vouchers to Zora's Cradle, which provides case management, therapeutic services, and assistance with securing community-based resources to pregnant or post-partum women who are currently or at risk of experiencing homelessness.	Full portability upon program completion	No	No: Traditional inspection protocol
Goodwill Industries of Kentucky, Inc.	Scattered Site Locations	2022	2022	10	LMHA will allocate vouchers to the Ignite Program, a partnership between Goodwill and Jefferson Community and Technical College, which provides job training and supportive services for at-risk youth ages 18-24.	Full portability upon program completion	No	No: Traditional inspection protocol
Louisville Metro Police Department (LMPD)	Scattered Site Locations	2022	2022	10	LMHA will allocate vouchers to LMPD for the relocation of victims or witnesses of criminal activity.	Full portability upon program completion	No	No: Traditional inspection protocol
			2023	10				
Hope Buss	N/A	2023	2023	10	LMHA will allocate vouchers to Hope Buss, a local non-profit who provides emergency assistance to families in crisis.	Full portability upon program completion	No	No: Traditional inspection protocol
Kentucky Refugee Ministries	N/A	2023	2023	10	LMHA will allocate vouchers to Kentucky Refugee Ministries, an organization which supports the resettlement of eligible refugees and immigrants and provides comprehensive case management including employment and language services, and cultural orientation.	Full portability upon program completion	No	No: Traditional inspection protocol
YouthBuild Louisville	N/A	2023	2023	10	LMHA will allocate vouchers to YouthBuild Louisville, an organization that assists young people in meeting significant life goals, such as preparing for college and careers, by providing services in education, vocational training, community service, case	Full portability upon program completion	No	No: Traditional inspection protocol

Organization	Site	FY Proposed	FY Implemented	No. of Vouchers	Description	Portable	Streamlined Admission	MTW Inspections
					management, placement, and post-graduation support.			
Churchill's House of Hope	N/A	2023	2023	10	Homeless pregnant women	Full portability upon program completion	No	No: Traditional inspection protocol
Feed Louisville	N/A	2023	2023	10	Those with severe, persistent mental illness, those with substance use disorders, and the chronically homeless	Full portability upon program completion	No	No: Traditional inspection protocol
Kentucky Department for Behavioral Health	N/A	2023	2023	60	Individuals with severe & persistent psychiatric illness.	Full portability upon program completion	No	No: Traditional inspection protocol
Kentucky Department for Health and Family Services (Partnership for Families)	N/A	2023	2023	50	Families where housing is the only remaining issue preventing reunification of child(ren) with parents or child(ren) being removed from household.	Full portability upon program completion	No	No: Traditional inspection protocol
New Life Directions Ministries	Dixie Highway location (to be developed)	2023	2023	20	Homeless parents and their children	Full portability upon program completion	No	Yes: For initial lease-up, C.O. is used.
Option to Success	N/A	2023	2023	8	Homeless families exiting the organization's transitional housing program.	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
- Income and Employment Requirements
 - Approved FY 2023
 - Implemented FY 2023
- REBOUND Pilot
 - Approved FY 2023
 - Not yet implemented
- De-Coupling of Rental and Homeownership Payment Standards
 - Approved FY 2023
 - Implemented FY 2023
- Waived HQS Inspection
 - Approved FY 2023
 - Implemented FY 2023

Description/Update of Activity

LMHA has developed and implemented a number of MTW policies aimed at expanding homeownership opportunities for low-income families. Using MTW flexibility, LMHA has 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.
- ***Income and Employment Requirements:*** LMHA may provide homeownership assistance to families if they include an adult member working between 25-29 hours a week and earning at least 175% of the minimum wage. Families must meet all other eligibility requirements of the MTW Homeownership Program to qualify for assistance. LMHA may further adjust this minimum requirement in future fiscal years. Please note that families that include an adult member working 30 or more hours a week will continue to be subject to the existing regulatory minimum for earnings, which is currently \$14,500 annually.
- ***REBOUND Pilot:*** During FY 2023, LMHA began planning for a pilot program to assist eligible families in becoming homeowners and landlords; no households were served during the fiscal year. Through this pilot, LMHA may provide HCV homeownership assistance to families who purchase a duplex through the REBOUND homeownership initiative. LMHA has established a limited admissions preference for the HCV Homeownership Program for families participating in the REBOUND program if they are not currently participating in LMHA's HCV Homeownership Program. HCV Homeownership assistance provided by LMHA will be limited to the unit which the eligible family resides in (homeownership unit). LMHA will calculate homeownership assistance for the homeownership unit consistent with MTW homeownership policies. In order to support the homeowner in affording their total mortgage costs for the duplex, LMHA has provided an HCV admissions preference to eligible low-income families to lease the second unit (rental unit) during the period in which the homeowner will receive monthly HCV homeownership assistance for the homeownership unit.

As the homeowner will also be a landlord participating in the HCV Program, LMHA will provide the homeowner with leasing incentives made available under Activity #2018-02: HCV Owner Leasing Incentives, including owner incentive fees, in order to mitigate potential financial barriers of leasing the rental unit. To expedite leasing, LMHA has also provided a limited admissions preference to eligible low-income families who lease the rental unit. The family will be subject to the screening and eligibility requirements set forth in the HCV Administrative Plan. LMHA may expand this pilot initiative in future fiscal years to include additional non-profit partners.

- ***De-Coupling of Rental and Homeownership Payment Standards:*** In recognition of variances between the rental and homeownership markets, LMHA may use different payment standard schedules for the homeownership option and the rental voucher program.
- ***Waived HQS Inspection:*** When a family joins the HCV Homeownership Program, their unit is typically inspected twice, once through a traditional HQS inspection and a second time by a professional inspector. LMHA has waived the traditional HQS inspection and instead relies on the inspection by a professional inspector to evidence that the unit meets HQS standards.

Under this protocol, the unit must be inspected by an independent professional inspector selected by and paid by the family. The independent inspection must cover major building systems and components, including foundation and structure, housing interior and exterior, and the roofing, plumbing, electrical, and heating systems. The independent inspector must be qualified to report on property conditions, including major building systems and components. LMHA does not require the

family to use an independent inspector selected by the Housing Authority. The independent inspector is never a Housing Authority employee or contractor, or other person under control of the Housing Authority. The independent inspector must be certified by the American Society of Home Inspectors.

The family is required to provide a copy of the inspection report to LMHA. The Housing Authority will not commence homeownership assistance for the family until it has reviewed the inspection report of the independent inspector. Even if the unit otherwise complies with HQS (and may qualify for assistance under the Housing Authority's tenant-based rental voucher program), the Housing Authority has discretion to disapprove the unit for assistance under the homeownership option because of information in the inspection report. LMHA will conduct an HQS inspection should the family request that one be conducted.

Impact

In FY 2023, 46 households purchased a home through the MTW Homeownership program. The average home sales price was \$178,624, with an average mortgage interest rate of 4.685% (Five homes were purchased through Habitat for Humanity; these loans had a 0% interest rate). Thirty-five (35) households received HOME down payment assistance through the Louisville Metro Government, receiving a total of \$1,023,735 in down payment assistance.

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

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

Actual Non-Significant Changes

As described above, during FY 2023, LMHA made changes to the income and employment requirements; began planning for the REBOUND pilot; de-coupled rental and homeownership payment standards; and waived initial HQS inspections.

Changes to Metrics

No changes have been made to the metrics identified in the FY 2023 Annual Plan.

Actual Significant Changes

There were no significant changes to this activity in FY 2023.

Challenges in Achieving Benchmarks and Possible Strategies

Due to challenging market conditions, some families took longer than expected to purchase a home, leading to income re-verifications for six households.

Metrics

<i>CE #2: Staff Time Savings</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Total time to complete the task in staff hours (decrease).	As of FY 2008: 6 hours (12 verifications x 0.5 hours)	0 hours	3 hours	No

* Six households were not able to execute and close their sales agreement within eight months, requiring LMHA staff to re-verify their income.

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	15	46	Yes

* Represents the number of households who purchased a home in FY 2023 using one or more of the flexibilities in this activity.

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	15	46	Yes

* Represents the number of households who purchased a home in FY 2023 using one or more of the flexibilities in this activity.

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.
- Amended in FY 2020.

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.
- Public Housing households on flat rent are also recertified once every three years.
- Some households in units that have alternate funding sources such as Low-Income Housing Tax Credits or Neighborhood Stabilization Program funding may continue to be recertified annually, when appropriate.
- LMHA has 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 households whose only source of income is from SS, SSI, and/or pension.

Impact

LMHA continues to conduct fewer recertifications than it did at baseline despite a significant increase in the number of households served.

Hardship

This activity poses no hardship on families, as households can continue to request interim recertification for any decrease in income or increase in allowable expenses.

Actual Non-Significant Changes

There were no non-significant changes to this activity in FY 2023.

Changes to Metrics

No changes have been made to the metrics identified in the FY 2023 Annual Plan.

Actual Significant Changes

There were no significant changes to this activity in FY 2023.

Challenges in Achieving Benchmarks and Possible Strategies

The size of the Public Housing Program has grown since the Benchmark for CE#2 was established. LMHA served 3,497 Public Housing families as of June 30, 2023. The fact that 1,594 recertifications were completed means that fewer than half of families received recertifications during the year, which more accurately reflects LMHA's biennial/triennial Public Housing recertification cycle.

LMHA has not yet implemented triennial recertifications of HCV households whose only source of income is from SS, SSI, and/or pension.

Metrics

<i>CE #2: Staff Time Savings</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Total time to complete the task in staff hours (decrease).	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: 5,007 hours Number of hours per recertification: 1 Total number of regular recertifications: PH: 1,153 HCV: 3,854	Total time to complete task: 8,195 hours Number of hours per recertification: 1 Total number of regular recertifications: PH: 1,594 HCV: 6,601	No

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 Voucher 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. Higher occupancy rates have improved operating revenues and maximized 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 2023, the occupancy rate was 96%.

Actual Non-Significant Changes

There were no non-significant changes to this activity in FY 2023.

Changes to Metrics

No changes have been made to the metrics identified in the FY 2023 Annual Plan.

Actual Significant Changes

There were no significant changes to this activity in FY 2023.

Challenges in Achieving Benchmarks and Possible Strategies

LMHA did not experience any challenges achieving the benchmarks for this activity.

Metrics

<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	134	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
- Acquisition of Mixed-Income Sites for PBV Development and/or Preservation
 - Approved FY 2020
 - Implemented FY 2020

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 2023.

Changes to Metrics

No changes have been made to the metrics identified in the FY 2023 Annual Plan.

Actual Significant Changes

There were no significant changes to this activity in FY 2023.

Challenges in Achieving Benchmarks and Possible Strategies

As there were no submittals under this activity in FY 2023, 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 2022.				
<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 2022.				
<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. 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.”

Impact

Three 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 2023.

Changes to Metrics

No changes have been made to the metrics identified in the FY 2023 Annual Plan.

Actual Significant Changes

There were no significant changes to this activity in FY 2023.

Challenges in Achieving Benchmarks and Possible Strategies

LMHA did not experience any challenges achieving benchmarks.

Metrics

<i>SS #6: Reducing Per Unit Subsidy Costs for Participating Households</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Average amount of Section 8 subsidy per household affected by this policy in dollars (decrease).	As of FY 2010: No HHs affected by policy	\$542	\$532	Yes
<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	\$709	Yes
<i>*FY 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 (Moved to Activity #2023-1, “Special Referral MTW Public Housing Program”)
 - 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 pays monthly rent equivalent to 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 (YBL)***

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 as long as they are active in the YBL program. Upon graduation, the household may elect to receive a preference for a Public Housing unit.

All participants residing in the subleased Public Housing units must meet basic Public Housing Program eligibility criteria (criminal history, age 18 or older, etc.). LMHA staff verifies that the YBL program participant is eligible for this MTW initiative.

Impact

In FY 2023, LMHA served four households through this activity: two through its sublease agreement with Kentucky Spinal Cord Injury Research Center and two through its sublease agreement with YouthBuild Louisville.

Hardship

Not applicable. Kentucky Spinal Cord Injury Research Center and YouthBuild Louisville cover the full cost of rent for households in this sub-lease program.

Actual Non-Significant Changes

There were no non-significant changes to this activity in FY 2023.

Changes to Metrics

No changes have been made to the metrics identified in the FY 2023 Annual Plan.

Actual Significant Changes

There were no significant changes to this activity in FY 2023.

Challenges in Achieving Benchmarks and Possible Strategies

LMHA experienced challenges in meeting the benchmark related to part-time employment; however, LMHA met the benchmark for employment when full and part-time employment are considered together.

LMHA had difficulty meeting several other benchmarks as the agency served one family less than anticipated through the YouthBuild Louisville partnership.

Metrics

<i>SS #3: Increase in Positive Outcomes in Employment Status</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Employed Full-Time	As of FY2014: 0	0	2	Yes
Employed Part-Time	As of FY2014: 0	3	1	No
Enrolled in an Educational Program	As of FY2014: 0	0	0	Yes
Enrolled in a Job Training Program*	As of FY2014: 0	3	2	No
Unemployed	As of FY2014: 0	2	3	No
<i>* All YouthBuild participants must participate in YBL's job training program.</i>				
<i>SS #5: Households Assisted by Services that Increase Self Sufficiency</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of households receiving services aimed to increase self-sufficiency (increase).	As of FY 2014: 0	5	4	No
<i>SS #8: Households Transitioned to Self Sufficiency*</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of households transitioned to self-sufficiency (increase).	As of FY 2014: 0	3	1	No

**Self-Sufficiency is defined as a participant exiting the program for any other reason than termination of subsidy/participation.*

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	5	5	Yes

** Some units sub-leased for the YouthBuild housed more than one household during the fiscal year.*

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	5	4	No

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. Amended FY 2023.

Description/Update of Activity

Under this MTW activity, LMHA originally placed 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 limited the landlord's requested rent to whichever was least: 102% of the previous contract rent for the same tenant or the (exception) payment standard.

In FY 2023, LMHA amended this activity to make the contract rent increase cap consistent with year-to-year changes in Fair Market Rents (FMRs). LMHA now limits the landlord's requested rent to the lower of: the average increase in FMRs or the applicable exception payment standard. LMHA has applied a rent increase floor of 2% in the event that the average change in payment standards is less than 2%. LMHA continues to conduct reasonable rent (RR) determinations on a random sample of the units where rent increases were requested. To calculate the average increase in FMRs, LMHA determines the average year-to-year percent change for one, two, three, and four bedroom units, which reflect the majority of units in the HCV program. Averages are then rounded down to the nearest whole number.

Under this activity, LMHA conducts 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.

This activity also applies to Project-Based Voucher developments.

As rents continue to escalate rapidly in the Louisville Metro area, LMHA is concerned that artificially capping contract rent increases may force existing residents to move if owners are unwilling to accept the capped rent increase. As a result, the Housing Authority plans to close out this activity in FY 2024, pending implementation of appropriate software.

Impact

LMHA conducted reasonable rent determinations on a sample of 233 units where a rent increase was requested. In FY 2023, 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

As described above, LMHA amended the contract rent increase cap calculation in FY 2023.

Changes to Metrics

No changes have been made to the metrics identified in the FY 2023 Annual Plan.

Actual Significant Changes

There were no significant changes to this activity in FY 2023.

Challenges in Achieving Benchmarks and Possible Strategies

LMHA did not meet the benchmarks for SS #6 as a result of the rising cost of rents in the Louisville Metro area, which in turn has increased the amount of subsidy that HCV families require. Fair Market Rents in LMHA’s jurisdiction increased by an average of 9% between FFY 2022 and FFY 2023.

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	\$582	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	\$258	No
<i>*Total tenant payment.</i>				
<i>**2019 was the first year that a baseline for this metric was established.</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 primarily, although not exclusively, 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 LMHADDC 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.

In FY 2023, LMHA continued to look for acquisition opportunities, including but not limited to, the purchase of additional tax credit properties. Such acquisitions would not fall within the 110-unit cap placed on the purchase of PBV units in furtherance of the CNI Transformation Plan.

Impact

To date, LMHA has used this flexibility to develop 205 tax credit units and acquire 27 PBV units at Newbridge Place.

In FY 2023, LMHA did not use the flexibility provided under this activity to acquire or develop additional units.

Actual Non-Significant Changes

There were no non-significant changes to this activity in FY 2023.

Changes to Metrics

No changes have been made to the metrics identified in the FY 2023 Annual Plan.

Actual Significant Changes

There were no significant changes to this activity in FY 2023.

Challenges in Achieving Benchmarks and Possible Strategies

LMHA did not experience any challenges in achieving benchmarks during FY 2023.

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).	As of 2017: 0	205	232	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).	As of FY 2017: 0	103	232	Yes

***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.
- Amended FY 2021

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.

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

Under this activity, LMHA uses its MTW flexibility to provide the following incentives:

- **Modified Owner Incentive Fee:** To encourage owner participation in the HCV Program and increase the inventory of one-bedroom units within the Louisville Metro area, owners receive an incentive for leasing 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.

In addition to the flexibilities described above, LMHA has received approval but has not yet implemented the following MTW flexibilities:

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

Impact

In FY 2023, 129 owners participating in the HCV program received the modified owner incentive for leasing a new unit to an HCV family. 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 loss available to HCV owners. Zero owners received a vacancy loss payment and zero owners received a damage loss payment in FY 2023.

LMHA has not yet implemented the inspections flexibilities approved under this activity.

Actual Non-Significant Changes

There were no non-significant changes to this activity in FY 2023.

Changes to Metrics

No changes have been made to the metrics identified in the FY 2023 Annual Plan.

Actual Significant Changes

There were no significant changes to this activity in FY 2023.

Challenges in Achieving Benchmarks and Possible Strategies

LMHA did not experience any challenges in achieving benchmarks during FY 2023.

Metrics

<i>HC #3: Decrease in Wait List Time</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Average applicant time on wait list in months (decrease).	As of FY 2017: 84 months	84 months	36 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	185	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 and developing the Iroquois Senior Living Community; 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 and units that have received conditional LIHTC approval, 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 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 affected 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.
- LMHA has the authority to provide damage loss payments to owners who agree to accept a reduced security deposit. The reduced security deposit will help mitigate the financial barriers families face at lease-up, reducing time for landlords to find a qualified HCV tenant. The reduced deposit must be equal to the lesser of one month of the tenant portion of the rent or \$200. At move out, LMHA will award a damage payment for tenant caused damages up to a maximum amount of one month’s contract rent, which is typically the normally required security deposit amount, minus any amount covered by the tenant security deposit.

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

Impact

During FY 2023, four sites with 154 units entered a HAP contract. LMHA realized cost savings on 153 initial inspections because the agency accepted the Certificate of Occupancy in place of conducting HQS inspections for new construction developments. One unit was an existing unit that required an HQS inspection.

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. LMHA has approved site-based waiting lists for Beecher Phases I-IV, Newbridge, Opportunity East, Donerail, Crossings at Mill Creek, and Lower Hunter’s Trace. The Eclipse in Russell is expected to open a site-based waiting list in FY 2024. Additionally, LMHA has also approved Donerail and Beecher Terrace for site-specific utility allowances.

Actual Non-Significant Changes

During FY 2023, LMHA implemented a non-significant change that allows LMHA to utilize the LIHTC program’s Tenant Income Certification to verify income and assets both for determining eligibility at admission and at recertification (both interim and regularly-scheduled) for a PBV property which has received conditional LIHTC approval.

To expedite proposal selection for existing units, LMHA may examine the proposed site and inspect all or a selection of not less than 5 or 25% of existing housing units before the proposal selection date, in which case inspected units must substantially comply with the Housing Authority’s criteria for decent, safe, and sanitary housing before the proposal selection date. LMHA will inspect all housing units before executing the HAP contract and will not enter into a HAP contract covering any unit that does not fully comply with the Housing Authority’s criteria for decent, safe, and sanitary housing.

Changes to Metrics

For metric CE#4, the Total Development Cost (TDC) for a 2-bedroom unit has been updated to the most recent value published by HUD.

Actual Significant Changes

There were no significant changes to this activity in FY 2023.

Challenges in Achieving Benchmarks and Possible Strategies

LMHA achieved all benchmarks.

Metrics

CE #1: Agency Cost Savings*				
Unit of Measurement	Baseline*	Benchmark	Outcome**	Benchmark Achieved?
Total cost of task in dollars (savings).	\$2,100 cost 2 developments @400 = \$800 preselection verification 27 units @ \$48.14/inspection = \$1,300	\$0 savings	\$0 savings	Yes
*Baseline represents cost of activity with independent entity requirement and total PBV contracts through FY 22. The benchmark reflects annual cost savings related to waiver of the independent entity requirement. ** No LMHA-owned PBV units were placed under HAP contract in FY 2023.				
CE #4: Increase in Resources Leveraged				
Unit of Measurement	Baseline	Benchmark*	Outcome*	Benchmark Achieved?
Amount of funds leveraged in dollars (increase).	As of FY 2017: \$0 (no PBV units)	\$79,517,088 (\$236,658 (TDC for a 2-BR walkup) x 336 units)	\$289,432,734 (\$236,658 (TDC for a 2-BR walkup) x 1,223 units)	Yes
* Represents the total number of all PBV units committed/leased/issued by the end of the fiscal year.				

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)	336 units	1,223 units	Yes
<i>* Represents the total number of all PBV units committed/leased/issued by the end of the fiscal year.</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	36 months	Yes
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)	1,012 households	1,223 households	Yes
<i>* Represents the total number of all PBV units committed/leased/issued by the end of the fiscal year</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 2019: 0 (no PBV units)	1,012 households	1,223 households	Yes
<i>* Represents the total number of all PBV units committed/leased/issued by the end of the fiscal year</i>				

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, Discontinued FY 2023 in Public Housing Program, Discontinued FY 2024 in HCV Program)
- Exclusion of Adoption Assistance Payments
(Approved and implemented FY 2020, Discontinued FY 2023 in Public Housing Program, Discontinued FY 2024 in HCV Program)
- Application of Payment Standards
(Approved FY 2020, implementation planned FY 2021)
- Exclusion of Guaranteed Income Payments
(Approved FY 2023, implementation planned FY 2023)

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.
- Modified Standard Medical Deduction
LMHA currently offers a standard medical deduction equivalent to the Medicare Part B premium established by the US Centers for Medicare and Medicaid Services to eligible disabled and elderly HCV, PBV and Public Housing families. LMHA uses the premium amount corresponding to the year in which the family's re-examination is scheduled to take place. The standard medical deduction is

flexible in that if the families' health care costs exceed this amount, 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, SSI, and/or pension. Under the re-proposed rent simplification activity, in addition to applicable HCV/Project Based Voucher (PBV) families, LMHA will extend this income disregard to elderly public housing families who have earned income and whose only other source of income is their Social Security, SSI, and/or pension.
- 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 (Discontinued FY 2023)
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 (Discontinued FY 2023)
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
Using its MTW flexibility, LMHA applies 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. Should LMHA move to triennial recertifications for elderly/disabled households, LMHA would apply the current payment standard for 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 continued to realize considerable time savings per recertification as a result of simplifying rent calculation and eliminating tasks such as verifying full-time student income and asset income for assets valued under \$50,000.

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.

In FY 2023, LMHA did not receive any hardship requests related to payment standards.

Actual Non-Significant Changes

During FY 2023, LMHA adopted a policy of excluding guaranteed income payments of up to \$6,000 annually received by LMHA families participating in the YALift! guaranteed income pilot, which is being administered by Louisville Metro Government, Metro United Way, Russell: A Place of Promise, and Mayors for Guaranteed Income. This applies to both the Public Housing and HCV programs. The program provides a monthly payment of \$500 over a 12-month period. The program seeks to increase economic stability among 18-24 year olds in high poverty neighborhoods. Program partners anticipate that providing such income support will allow the family to fully pursue their educational and career goals, objectives which align well with LMHA's goal to provide incentives to families to obtain employment and become economically self-sufficient.

In FY 2023, LMHA discontinued its policy of excluding all full-time student earned income for Public Housing residents. This policy was discontinued in early FY 2024 for HCV participants. LMHA now applies standard HUD policies regarding the income of full-time students, excluding all but \$480 of their earned income.

LMHA also discontinued its policy of excluding all adoption assistance payments. For Public Housing, this occurred in FY 2023. The HCV Program discontinued the policy in early FY 2024. LMHA now applies standard HUD policies regarding such income and excludes all but \$480 of adoption assistance payments.

Changes to Metrics

No changes have been made to the metrics identified in the FY 2023 Annual Plan.

Actual Significant Changes

There were no significant changes to this activity in FY 2023.

Challenges in Achieving Benchmarks and Possible Strategies

The size of the Public Housing Program has grown since the Benchmark for CE#2 was established. LMHA served 3,497 Public Housing families as of June 30, 2023. 1,594 recertifications were completed in this Program during FY 2023, meaning fewer than half of families received recertifications during the year, which more accurately reflects LMHA's biennial/triennial Public Housing recertification cycle.

In order to ensure that units are inspected annually and that HAP contracts are renewed, LMHA continues to record annual recertifications in its enterprise software system even in years when full annual recertifications are not conducted. LMHA is unable to determine at this time how many full annual recertifications were completed during FY 2023.

LMHA did not meet benchmarks related to subsidy in the HCV Program, as households continued to experience challenges to maintaining and/or securing employment and reducing their subsidy.

Metrics

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: 8,195 hours Number of hours per recertification: 1 Total number of regular recertifications: 8,195	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%	Not Tracked	N/A
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: 49 HCV: 459	Yes for PH. No for HCV.
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: 2,363 PH: 332 HCV: 2,031	Yes
<i>*Self-Sufficiency is defined as a non-elderly/non-disabled family 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 above 5% between Federal Fiscal Year (FFY) 2022 and FFY 2023, LMHA updated the existing flat rent schedules during LMHA's FY 2023.

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 a decrease in income or increase in allowable expenses.

Actual Non-Significant Changes

There were no non-significant changes to this activity in FY 2023.

Changes to Metrics

No changes have been made to the metrics identified in the FY 2023 Annual Plan.

Actual Significant Changes

There were no significant changes to this activity in FY 2023.

Challenges in Achieving Benchmarks and Possible Strategies

LMHA missed the benchmark for

Metrics

<i>CE #2: Staff Time Savings</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Total time to complete the task in staff hours (decrease).	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: 86 hours Time spent on each flat rent update: 1 hour Number of households on flat rent: 86	Total Time to Complete: 88 hours Time spent to complete a flat rent update: 1 hour Number of flat rent updates: 88	No
<i>CE #3: Decrease in Error Rate of Task Execution</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Average error rate in completing a task as a percentage (decrease).	Not currently tracked	5%	Not tracked	N/A

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 future fiscal years as time and resources permit. New forms will be rolled out as they are completed.

Impact

To date, LMHA implemented the local versions of the Project-Based Voucher Housing Assistance Payment (PBV HAP) contract, PBV Tenancy Addendum and Statement of Family Responsibility, and Authorization for the Release of Information for consistency with LMHA’s MTW rent and recertification policies. 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.

Actual Non-Significant Changes

There were no non-significant changes to this activity in FY 2023.

Changes to Metrics

No changes have been made to the metrics identified in the FY 2023 Annual Plan.

Actual Significant Changes

There were no significant changes to this activity in FY 2023.

Challenges in Achieving Benchmarks and Possible Strategies

LMHA entered more HAP contracts than anticipated in FY 2023.

Metrics

CE #2: Staff Time Savings				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Total time to complete the task in staff hours (decrease).	Total staff time required prior to implementation: 22 hours Contracts executed in FY 2019: 11 Time to prepare HAP contract prior to implementation: 2 hours	Total staff time required after implementation: 1 hours Expected contracts executed in FY 2022: 1 Time to prepare contract after implementation: 1 hour	Total staff time required after implementation : 4 hours Actual contracts executed in FY 2022: 4 Time to prepare contract after implementation : 4 hour	No
<p><i>*The baseline reflects the 11 conditional PBV contract commitments which were reflected in the FY 2020 MTW Report, in which PBV commitments were first reported by LMHA.</i></p> <p><i>**Benchmark reflects the number of new PBV contracts anticipated in FY 2023</i></p>				

Activity #2020-4: FSS Program Enhancements

Plan Year Approved, Implemented, Amended

- Approved and implemented in FY 2020.
- Amended in FY 2021, FY 2022, FY 2023.

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, is currently set at \$25,000 per household. Generally, incentive payments count toward the \$25,000 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 Degree (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 two 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 \$25,000 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.

In FY 2021, LMHA received approval for and implemented the following modifications to the local FSS program:

- HUD currently requires that the head of household be the signatory for any FSS 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% 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.
- 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 three years;
 - Participants must be suitably employed, as stated in LMHA's FSS Action Plan, for at least six 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 three professional skills workshops in addition to completing financial skills training.

In FY 2022, LMHA implemented the following modifications to its local FSS program:

- LMHA began using FSS escrow forfeitures to fund goal-specific incentive payments disbursed to families who achieve the established interim goals. LMHA will continue to comply with the regulatory requirements for monthly reporting of FSS escrow forfeitures on Form HUD-52681-B.
- LMHA developed policy changes related to the ITSP, which have been incorporated in the FSS Action Plan submitted to HUD on September 23, 2022. Specifically, LMHA includes the following in the ITSP:

- Definition and requirement for minimum suitable income, with exceptions for disabilities
 - Guidance on how income will be calculated for self-employed participants
 - Definition of “maintaining employment”
 - Definition and minimum requirement for participation in case management
 - Requirement to complete financial skills training
 - Requirement to establish checking and savings accounts
- LMHA has also eliminated the ITSP requirement to complete six additional workshops related to ITSP goals. In lieu of this requirement, LMHA now offers an incentive of \$50 escrow payment for each workshop completed (up to six workshops related to ITSP goals).

Finally, LMHA has developed and implemented local versions of the FSS CoP and ITSP to reflect the features of its local FSS Program.

Impact

During FY 2023, 273 families participated in the local FSS program and 45 families graduated from the program. In order to permit participants additional time to complete their ITSP goals, LMHA also granted extensions to 13 participants.

To encourage continued engagement and support ITSP goals, LMHA also awarded the incentives payments to participants who achieved the following goals:

- 62 participants earned incentive payments for attending three FSS meetings in the first four months of enrollment.
- 32 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.
- Seven participants received an incentive payment for establishing a bank account.

With the exception of educational goals, LMHA distributes half of the incentive payment amount at the time of goal completion and distributes the remaining half upon graduation.

LMHA operates its MTW FSS and Homeownership programs in close coordination in order to provide interested and qualified participants with the assistance to become homeowners upon graduation from FSS. Accordingly, nine graduates received incentive payments for purchasing a home within two years of completing the FSS program.

Actual Non-Significant Changes

During FY 2023, LMHA added an additional incentive payment to graduating families who have not experienced a significant increase in earnings during their participation in the FSS program but have met all program requirements and completed their CoP. Specifically, if a family has less than \$500 accrued in their escrow at the time of graduation, LMHA will provide an additional payment to supplement the family’s total escrow savings, so that the family receives at least \$500 upon graduation. For example, if a graduating family has \$250 in escrow, LMHA will provide an incentive payment of \$250 to the family at graduation. If the graduating family has accrued \$500 or more in escrow, LMHA will not supplement their escrow through this incentive payment.

Changes to Metrics

No changes have been made to the metrics identified in the FY 2023 Annual Plan.

Actual Significant Changes

There were no significant changes to this activity in FY 2023.

Challenges in Achieving Benchmarks and Possible Strategies

In May 2022, HUD published a Final Rule in the Federal Register updating key elements of the FSS Program. The new rule required housing authorities to amend their FSS Action Plans, which then had to be submitted to HUD for approval. Authorities were not allowed to add new participants to their FSS Programs until the updated Action Plan was approved. This resulted in an approximately five-month window during FY 2023 during which LMHA was not permitted to add new families to its FSS Program. This requirement significantly impacted LMHA's ability to reach activity benchmarks during the fiscal year.

LMHA also believes lingering effects from the COVID-19 pandemic negatively affected tenant participation in education and job training programs.

Metrics

SS #1: Increase in Household Income*				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Average earned income of households affected by this policy in dollars (increase).	PH: \$17,346 HCV: \$19,429	PH: \$17,693 HCV: \$19,818	PH: \$22,475 HCV: \$26,486	Yes
<i>*Average earned income is calculated for households with earned income.</i>				
SS #2: Increase in Household Savings*				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Average amount of savings/escrow of households affected by this policy (increase).	PH: \$2,452 HCV: \$2,873	PH: \$2,501 HCV: \$2,930	PH: \$3,998 HCV: \$1,968	Yes for PH. No for HCV.
<i>*Average amount of savings/escrow for households with savings/escrow.</i>				
SS #3: Increase in Positive Outcomes in Employment Status				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Employed full-time or part-time*	PH: No. Employed: 51 % Employed: 63% HCV: No. Employed: 87 % Employed: 67%	PH: No. Employed: 53 % Employed: 65% HCV: No. Employed: 89 %: Employed: 68%	PH: No. Employed: 24 % Employed: 73% HCV: No. Employed: 104 %: Employed: 56%	Yes for PH. No for HCV.

Unemployed *	PH: No. Unemployed: 30 % Unemployed: 37% HCV: No. Unemployed: 43 % Unemployed: 33%	PH: No. Unemployed:28 % Unemployed: 35% HCV: No. Unemployed: 41 % Unemployed: 32%	PH: No. Unemployed: 8 % Unemployed: 27% HCV: No. Unemployed: 81 % Unemployed: 44%	Yes for PH. No for HCV.
Enrolled in Education	PH: 4 HCV: 14	PH: 5 HCV: 15	PH: 0 HCV: 9	No
Enrolled in Job Training	PH: 1 HCV: 1	PH: 2 HCV: 2	PH: 0 HCV: 0	No
<i>* Includes only non-elderly and non-disabled families</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: 0 HCV: 6	PH: No.: 0 households % of households: 0% HCV: No.: 6 households % of households: 2%	PH: No.: 0 households % of households: 0% HCV: No.: 8 households % of households: 4 %	Yes for PH. No for HCV.
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	305	No
<i>*Includes all households who participated in FSS during the fiscal year, including graduates.</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	27 (PH and HCV)	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, Not Yet Implemented

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 may 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 2023.

Changes to Metrics

No changes have been made to the metrics identified in the FY 2023 Annual Plan.

Actual Significant Changes

There were no significant changes to this activity in FY 2023.

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

FY 2022: Amended to allow forgivable loans to cover cost of HQS-required repairs.

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 development 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; 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 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.

The low-income homeowners served under this activity are significantly cost-burdened. In addition to being at risk of foreclosure due to mortgage arrears, they may require financial assistance to complete home repairs needed to fully comply with HQS. To limit the risk of unsafe conditions and eventual foreclosure, LMHA has modified this activity to include forgivable loans up to \$25,000 to cover the cost of the repairs necessary to bring the home into compliance with HQS. The forgivable loans are in addition to providing homeownership assistance payments once the home passes HQS inspection and the family has entered into a contract with LMHA.

LMHA conducts intake screening, including inspecting the home to determine the actions needed to bring the home into compliance with HQS. To ensure that homeowners can remain in their residences, payment standards are set for the bedroom size of the residence. LMHA has signed an intergovernmental agreement with Louisville Metro Government (LMG) to conduct home repairs necessary to bring the unit into compliance with HQS. Subsequent to the intake inspection, LMG works with homeowners to complete an estimate of repair costs and schedule of repairs. LMG then enters into a forgivable loan agreement with the homeowner, including default and lien provisions. Funds are disbursed upon receipt of invoices from contractors/suppliers. The amount of the loan may be anywhere from \$250 up to a maximum of \$25,000. The loan term will be based on forgiveness of up to \$2,500 per year. For example, a \$2,500 loan would be forgiven one year after the assistance contract is signed. Loans of \$2,501 to \$5,000 will have \$2,500 forgiven in year one and the remaining balance forgiven in year two. Once the repairs are completed and the home passes HQS, LMHA will enter into an assistance contract with the homeowner and LMHA will commence providing traditional homeownership assistance payments for a term consistent with homeownership program guidelines. If repairs are not completed on a timely basis and/or if the homeowner does not comply with program requirements, LMHA will terminate assistance and enforce the provisions of the loan agreement.

Impact

In FY 2023, LMHA provided assistance to 15 low-income homeowners through this activity. Under the non-significant change to this activity in FY 2023, eight of these homeowners received forgivable loans from LMHA funds provided to LMG so that they could complete repair work required for their home to comply with HQS.

In addition, LMHA has also entered into an intergovernmental agreement with the LMG to provide MTW Block grant funds to Louisville Metro's Repair program. This partnership allows LMHA to send direct

referrals of applicants who require assistance in complying with HQS but have otherwise qualified for homeownership assistance under this activity. This partnership streamlines repairs and reduces delays in providing homeownership assistance by leveraging the Louisville Metro Repair program’s inspectors and pool of pre-qualified contractors to more efficiently identify deficiencies, estimate the cost of repairs, and connect the homeowner to the appropriate contractors. LMHA plans to provide approximately \$2.5 million in MTW Block grant funds to the Louisville Metro Government to support their Repair program and allow homeowners (who otherwise qualify under this activity) to access assistance through this program.

Actual Non-Significant Changes

There were no non-significant changes to this activity in FY 2023.

Changes to Metrics

No changes have been made to the metrics identified in the FY 2023 Annual Plan.

Actual Significant Changes

There were no significant changes to this activity in FY 2023.

Challenges in Achieving Benchmarks and Possible Strategies

While the program grew more slowly than expected, program size did increase from nine to 15 participants during FY 2023. In order to increase participation, the Housing Authority has begun a program in partnership with Louisville Metro Government to provide forgivable loans of up to \$25,000 to help homeowners make the repairs necessary so that their units can pass an HQS inspection.

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 of this activity: 21	15	No
<i>HC #4: Displacement Prevention</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of households at or below 80% AMI that would lose assistance or need to move (decrease).	Households losing assistance/moving prior to 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 provided 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 (During FY 2022, LMHA began re-examining public housing households whose only sources of income are Social Security, SSI, and/or a pension on a triennial basis). 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. **Verification of Income:** During periods of declared emergencies, LMHA will waive the requirements of the verification hierarchy but continue to use EIV.
6. **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.
7. **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.
8. **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.
9. **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.
10. **Delayed Public Housing Annual Self-Inspection:** LMHA will waive the requirement to complete annual self-inspections of Public Housing 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 Public Housing program.
11. **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.

- 12. 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.

- 13. 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.

- 14. 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.

- 15. 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

LMHA stopped using all emergency waivers effective May 11, 2023 when the COVID-related, national public health emergency expired. Should another emergency (COVID-related or otherwise) be declared by an applicable unit of government with jurisdiction over LMHA, the Housing Authority may reestablish any or all of its MTW emergency waivers.

Actual Non-Significant Changes

There were no non-significant changes to this activity in FY 2023.

Changes to Metrics

No changes have been made to the metrics identified in the FY 2023 Annual Plan.

Actual Significant Changes

There were no significant changes to this activity in FY 2023.

Challenges in Achieving Benchmarks and Possible Strategies

LMHA did not meet cost or time savings related to processing regular recertifications, as both programs were able to timely process these recertification and did not avail themselves of the delayed recertification waiver.

Metrics

<i>CE #2: Staff Time Savings</i>				
Unit of Measurement	Baseline*	Benchmark	Outcome**	Benchmark Achieved?
Total time to complete the task in staff hours (decrease).	6,399	3,200	8,195	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 #2022-1: MTW Utility Allowances

Plan Year Approved, Implemented, Amended

Approved and Implemented FY 2021.

Description/Update of Activity

LMHA continues to implement changes to its utility allowance policies for the Public Housing Program. Both residents and LMHA staff benefit from the modifications to this policy, as they reduce utility costs for tenants and staff's administrative burden of billing and collection for utilities.

Using its MTW authority, LMHA has eliminated the requirement to bill Public Housing families for utility consumption in excess of the established utility allowance. Prior to implementation of this change, LMHA was required to monitor individual check-meters and bill families whose consumption exceeded the allowance.

Impact

Eliminating the requirement to bill Public Housing families for utility consumption in excess of the established utility allowance has allowed LMHA to re-allocate limited resources to core property management functions

Actual Non-Significant Changes

There were no non-significant changes to this activity in FY 2023.

Changes to Metrics

No changes have been made to the metrics identified in the FY 2023 Annual Plan.

Actual Significant Changes

There were no significant changes to this activity in FY 2023.

Challenges in Achieving Benchmarks and Possible Strategies

LMHA did not experience any challenges in achieving benchmarks.

Metrics

<i>CE #2: Staff Time Savings</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Total time to complete the task in staff hours (decrease)*	Total time to complete task: 2,064 hours	Total time to complete task: 0 hours	Total time to complete task: 0 hours	Yes
	Number of hours to (complete task): 0.636	Number of hours to (complete task): 0	Number of hours to (complete task): 0	
	Total number of (tasks to complete): 3,244	Total number of (tasks to complete): 0	Total number of (tasks to complete): 0	

** Accounts for time savings realized by eliminating billing for excess utility consumption in Public Housing.*

Activity #2023-1: Special Referral MTW Public Housing Program

Plan Year Approved, Implemented, Amended

Approved and Implemented FY 2023.

Description/Update of Activity

LMHA has developed a Public Housing special referral program to encourage families to pursue their educational goals and increase their earnings over the long-term. Through this activity, LMHA provides housing to families eligible for the Public Housing Program, while the partnering organization provides supportive services. Taken together, the special referral program provides the needed stability and support for families on their path to self-sufficiency.

Families are referred by partner organizations, and applicants receive an admissions preference for the Public Housing Program. Families are screened and determined eligible according to requirements outlined in LMHA's ACOP. LMHA (or the property manager) verifies income and calculates rent for participating families according to standard HUD policies.

Accordingly, LMHA has partnered with the Family Scholar House to provide Public Housing to parents while they work to obtain a college degree. To be eligible for this special referral program, the head of household must have a high school diploma or GED and be willing to enroll in a degree-granting program at an accredited post-secondary institution or an apprenticeship program as a full-time student. Family Scholar House Public Housing units provide temporary housing to families actively participating in the Scholar House's programming. To receive housing assistance, the head of household must maintain full-time enrollment at a local college, university, or apprenticeship program. Additionally, the head of household must comply with Scholar House program requirements.

Eligibility for the Family Scholar House program is limited to families with children that include either one adult family member or an adult couple. Families interested in applying for a Family Scholar House unit contact the Family Scholar House directly (www.familyscholarhouse.org). Both applicants and current Public Housing residents may apply to this partnership housing and services program; please note however that Public Housing residents have access to the supportive services portion of Family Scholar House's program if they reside in Public Housing units outside of this partnership program. Applicants are selected from a site-based waiting list by the date and time of their application. In addition to LMHA's eligibility criteria, participating families are also subject to Family Scholar House policies, outlined in the Participation Agreement. Failure to comply with policies set forth in the Participation Agreement will result in termination from the program.

Housing assistance is provided during the term of the family's participation in Scholar House. 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 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 successful program completion. LMHA places graduating families on the waiting list based on their preference and the date and time of application, according to the waiting list and selection policies described in the Housing Choice Voucher Program Administrative Plan.

Impact

During FY 2023, eleven Scholar House families received housing through this special referral activity. Two households successfully graduated from Scholar House's program.

Actual Non-Significant Changes

There were no non-significant changes to this activity in FY 2023.

Changes to Metrics

No changes have been made to the metrics identified in the FY 2023 Annual Plan.

Actual Significant Changes

There were no significant changes to this activity in FY 2023.

Challenges in Achieving Benchmarks and Possible Strategies

LMHA did not experience any challenges in achieving benchmarks.

Metrics

<i>SS #3: Increase in Positive Outcomes in Employment Status</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Enrolled in an Educational Program	0	11 households	11 households	Yes
<i>SS #5: Households (HHs) Assisted by Services that Increase Self-Sufficiency</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
# of HHs receiving services aimed to increase self-sufficiency (increase).	0	11 households	11 households	Yes
<i>* All households assisted through this activity will receive supportive services from the Family Scholar House.</i>				
<i>SS #8: Households Transitioned to Self-Sufficiency*</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of households transitioned to self-sufficiency (increase).	0	3 households	2	No
<i>*Self-Sufficiency is defined as households who obtain their college degree and graduate from the Scholar House program.</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).	0	11	11	Yes

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 <i>(Activity #5-2007)</i>	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 <i>(Activity #9-2007)</i>	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 <i>(Activity #16-2009)</i>	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 <i>(Activity #21-2010)</i>	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 <i>(Activity #24-2010)</i>	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 <i>(Activity #33-2012)</i>	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 <i>(Activity #45-2016)</i>	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 <i>(Activity #2-1999)</i>	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.
Public Housing Sub-lease Agreement with Catholic Charities <i>(Activity #2010-1)</i>	FY 2010	FY 2021	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. After the HUD OGC investigated the use of public housing as emergency housing for victims of human trafficking, HUD found that it was not feasible under MTW to permit families who could not produce valid identification to live in public housing communities.
HCV Program – HUD/MDRC Rent Reform Demonstration <i>(Activity #2015-1)</i>	FY 2015	FY 2022	LMHA participated in a HUD-commissioned six-year study which evaluated an alternative HCV rent reform policy. The study set 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 study included a control group, which adhered to LMHA’s standard policies, and alternative rent group, which was subject to the following policies:

Activity	Plan Year	Close Out Year	Reason for Close Out
			<ul style="list-style-type: none"> • 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

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

Plan Year Approved and Implemented

Approved and implemented in FY 2021

Activity Description

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 provided 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 provided rental subsidies for rent arrearages consistent with PIH Notice 2011-45.

LMHA allocated \$2 million in MTW funds to the Louisville Metro Office of Housing’s (OH) Eviction Diversion Program for eligible low-income families who were financially impacted by the COVID-19 pandemic. Through a Memorandum of Understanding with LMHA, OH agreed to qualify families and administer emergency rental arrearage assistance. Specifically, the OH verified and retained documentation to validate family eligibility for the program and maintained accounting records to support applicable audit requirements.

Eligible low-income households in LMHA’s jurisdiction received rental arrearage assistance for a limited period. Owners were not permitted to charge late fees, penalties, or fines related to delinquent rent as a condition for receiving emergency rental assistance. Finally, owners had to agree to forgo evictions for assisted tenants for at least 90 days after assistance was provided.

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

Plan Year Closed Out

FY 2023

Reason Why Activity Was Closed Out

The activity is being closed out as all funding allocated to the program has been expended.

Final Outcomes and Lessons Learned

In all, this activity was able to forestall eviction for 411 families at the height of the COVID-19 pandemic. Cooperation between LMHA and Louisville Metro Government provided an innovative mechanism for assisting families during an unprecedented public health crisis.

Statutory Exceptions Outside of MTW That Would Have Provided Additional Benefit

None.

Summary Table of Outcomes for Each Year of the Activity

<i>HC #4: Displacement Prevention</i>				
Unit of Measurement	Baseline	FY 2021	FY 2022	FY 2023
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	168	243	0
<i>HC #5: Increase in Resident Mobility*</i>				
Unit of Measurement	Baseline	FY 2021	FY 2022	FY 2023
Number of households able to move to a better unit and/or neighborhood of opportunity as a result of the activity.	0	N/A	N/A	N/A
<i>*This metric is not applicable to this activity; however, HUD has required its use. This activity provides support for families to remain in their units and prevent eviction.</i>				
<i>HC #7: Households Assisted by Services that Increase Housing Choice</i>				
Unit of Measurement	Baseline	FY 2021	FY 2022	FY 2023
Number of households receiving services aimed to increase housing choice (increase).	0	168	243	0

V. Planned Application of MTW Funds

A. Financial Reporting

i. Available MTW Funds in the Plan Year

LMHA will submit all required FY 2023 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 2023 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 utilized Block Grant single fund flexibility during the Plan Year are summarized below:

- Approximately \$10,368,905 in surplus funds was transferred from the Housing Choice Voucher Program to the Public Housing Program. This transfer funded the operating fund subsidy shortfall in the Public Housing Program for calendar years 2022 and 2023 and was necessary to allow LMHA to continue 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 \$4,740,829 in surplus funds was transferred from the Housing Choice Voucher Program to the Central Office Cost Center (COCC). 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.
- LMHA utilized \$579,443 to acquire 148 units and retire related debt at Liberty Green Phase I, a tax-credit project that has reached the end of its tax-credit compliance period.
- The Housing Authority expended \$354,136 to supplement on-site development at Beecher Terrace associated with the CHOICE grant.

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.

B. Local Asset Management Plan

- i. Did the MTW PHA allocate costs within statute in the Plan Year?
- ii. Did the MTW PHA implement a local asset management plan (LAMP) in the Plan Year?
- iii. Did the MTW PHA provide a LAMP in the appendix?
- 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.

Yes
No
No
N/A

VI. Administrative

A. Reviews, Audits and Inspections

In FY 2023, LMHA addressed deficiencies identified during REAC inspections within the required timeframes.

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 2023, 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.

During FY 2023, LMHA actively worked with HUD to comply with the statutory requirement to assist substantially the same number of eligible low-income families, successfully completing a Corrective Action Plan during the Plan Year. LMHA achieved its substantially-the-same target by Fiscal Year End. However, the Authority has not yet received data from the MTW Office confirming that the agency fully met the substantially the same requirement when calculated as average households served by month during the Fiscal Year.

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 2023, the period from July 1, 2022 to June 30, 2023, 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 2023, LMHA continued implementation of a Corrective Action Plan, which sets forth strategies to reach full compliance with this requirement. LMHA met the conditions of its Corrective Action Plan in FY 2023. The Housing Authority may not reach full compliance with the substantially the same statutory requirement until FY 2024.

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



Date

09/29/23