



Lexington Housing Authority Moving To Work Annual Plan



Lexington Housing Authority

Plan Due April 17, 2014
(extension granted until 6/15/2014)

Table of Contents

INTRODUCTION.....	1
Short-Term Goals & Objectives	6
Long Term Goals & Objectives	10
GENERAL OPERATING INFORMATION	11
PROPOSED MTW ACTIVITIES: HUD APPROVAL REQUESTED	16
Activity 14) Rent Reform: Elimination of Earned Income Disallowance	16
Activity 15) Limit HCV Landlord Rent Increases to the least of 2%, HUD Fair Market Rent (FMR), or the Comparable Rent	22
Activity 16) HUD/MDRC Rent Reform Demonstration for HCV Households	26
APPROVED MTW ACTIVITIES.....	76
Activity 1: Increase Minimum Rent to \$150 Across All Housing Programs.....	76
Activity 3) Triennial Recertification of Connie Griffith Towers and HCV Elderly/ Disabled Households.....	83
Activity 10) HCV Tenant-Based Special Partners Programs	88
Activity 12) Local, Non-Traditional Use of MTW Funds for Special Partners.....	95
Activity 13) Local Self-Sufficiency Admissions and Occupancy Requirements	103
NOT YET IMPLEMENTED ACTIVITIES.....	111
Activity 5) Streamlined HQS Inspection Policy for Housing Choice Voucher	111
Activity 7) Public Housing Acquisition Without Prior HUD Approval	112
Activity 8) Conversion of Appian Hills Public Housing to Project-Based Vouchers	113
Activity 9) Development of Project-Based Voucher Units at 800 Edmond Street	114
Activity 11) Local, Non-Traditional Use of MTW Funds: Emergency Reserves for Connie Griffith-Ballard Towers	115
ACTIVITIES ON HOLD.....	116
CLOSED OUT ACTIVITIES.....	116
SOURCES & USES OF FUNDS	118
ADMINISTRATIVE	121
Board Resolution	122
Certifications of Compliance	123
Public Review Process.....	125
Description of PHA-Directed Evaluation	128
Annual Statement/Performance and Evaluation Report (HUD 50075.1)	129

I. Introduction

I. Introduction

The Lexington-Fayette Urban County Housing Authority (LHA), formerly known as the Lexington Municipal Housing Commission, was established in 1934 to provide safe and desirable affordable housing to low and moderate-income individuals and families while partnering with community agencies to promote increased self-sufficiency and a higher quality of life for its residents. The agency provides housing assistance to nearly 4,000 low-income households in Lexington-Fayette County through the public housing and Housing Choice Voucher (HCV) programs.

The Authority is governed by a Board of Commissioners, a group of dedicated citizens and local officials appointed in accordance with state housing law, who establish and monitor agency policies and are responsible for preserving and expanding the Authority's resources and ensuring the Authority's ongoing success.

MTW Program Background

The MTW program, authorized by Congress and signed into Law as part of the Omnibus Consolidated Rescissions and Appropriations Act of 1996, offers public housing authorities the opportunity to design and test innovative locally designed housing and self-sufficiency strategies for low-income families. The program allows exemptions from existing low-income public housing and tenant-based HCV rules and permits public housing authorities to combine operating, capital, and tenant-based assistance funds into a single funding source.

MTW is a demonstration program that allows public housing authorities to design and test ways to achieve three statutory goals. The activities and policies designed by the Authority must further at least one of these goals:

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

LHA's Participation in MTW

The LHA enters its fourth year as an MTW agency with the submission of this FY2015 MTW Annual Plan. In November 2010, LHA submitted a formal application to the federal U.S. Department of Housing and Urban Development (HUD) seeking admittance to the Moving to Work (MTW) demonstration program. HUD announced LHA's selection for program admittance in March 2011, and the Housing Authority formally entered the MTW program on November 10, 2011 with the execution of an MTW Agreement between HUD and LHA.

I. Introduction

HUD approved Version 3 of the Authority's FY 2012 MTW Annual Plan on December 29, 2011. As LHA entered the MTW Program in the middle of its fiscal year and did not have the opportunity to implement many of its planned activities until late in the Plan year, with the submission of Plan Version 6 the Authority received HUD's approval to extend the Plan's effective date through FY2013 (June 30, 2013). The LHA submitted the FY2014 MTW Annual Plan April 16, 2013 and was approved October 7, 2013.

Under the MTW program - prior to the beginning of each fiscal year - housing authorities create and adopt an MTW Annual Plan that describes new and ongoing activities that utilize the authority granted to them through the program. At the end of each fiscal year, the housing authority then prepares an MTW Annual Report to share the status and outcomes of these activities.

The mission of the Lexington-Fayette Urban County Housing Authority (LHA) Moving To Work (MTW) Program is to:

The mission of the Lexington-Fayette Urban County Housing Authority (LHA) Moving To Work (MTW) Program is to serve as a prudent financial steward of federal, state and local resources, endeavoring to more effectively provide safe and desirable affordable housing, while furthering the self-sufficiency of families within Lexington-Fayette County.

Through the submission of its FY 2012 – FY 2013 Annual Plan, the LHA sought and received HUD approval to implement eleven new MTW activities (Activities 1-11 in the table below). The agency received approval to implement Activities 12 and 13 during FY 2014. Through the submission of this FY 2015 Plan, the Authority seeks approval of two new activities (Activities 14 and 15) in addition to the HUD PD&R/MDRC HCV Rent Reform Study (Activity 16), and provides a status update on previously approved MTW activities.

I. Introduction

PREVIOUSLY APPROVED ACTIVITIES			
ACTIVITY DESCRIPTION	PLAN YEAR PROPOSED	STATUS	STATUTORY OBJECTIVE
Activity 1 Management Team I Rent Reform Controlled Study – Increase Minimum Rent at Pimlico to \$150	Introduced FY2012-13	August 2013 discontinued Pimlico vacated	Increase family self- sufficiency
Activity 1 Minimum Rent Increase to \$150 Across All Housing Programs	FY2014 Significantly Modified	Implemented April 1, 2014	
Activity 2 Management Team III Rent Reform Controlled Study – No Rent Reduction Requests for 6 Months After Initial Occupancy for Bluegrass HOPE VI Public Housing Residents	Introduced FY2012-FY2013	Closed Out FY2014 and replaced with Activity 13	Reduce costs and achieve greater cost effectiveness in federal expenditures
Activity 3 Management Team IV Rent Reform – Triennial Recertification of Griffith Tower Households	Introduced FY2012-FY2013	Ongoing	Reduce costs and achieve greater cost effectiveness in federal expenditures
Activity 3 Triennial Recertification of Connie Griffith Towers and HCV Elderly/Disabled Households	Significantly Modified FY2014		
Activity 4 HCV Rent Reform Controlled Study: No Rent Reduction Requests for 6 Months After Initial Occupancy	Introduced FY2012-FY2013	Closed Out FY2015	Increase family self- sufficiency and reduce costs and achieve greater cost effectiveness in federal expenditures
Activity 5 Streamlined HQS Inspection Policy for HCV Units	Introduced FY2012-13	Not Implemented	Reduce costs and achieve greater cost effectiveness in federal expenditures
	FY2014 Significantly Modified	Implementati on FY2015 w/ Emphasys Elite Software	
Activity 6 Biennial Housekeeping Inspection Policy for Public Housing Residents	Introduced FY2012-FY2013	Closed out; Never implemented	Reduce costs and achieve greater cost effectiveness in federal expenditures
Activity 7 Public Housing Acquisition Without Prior HUD Approval	Introduced FY2012- FY2013	Not Implemented	Increase housing choices for low-income

I. Introduction

			families
NEW ACTIVITIES			
ACTIVITY DESCRIPTION	PLAN YEAR PROPOSED	STATUS	STATUTORY OBJECTIVE
Activity 8 Conversion of Pimlico and Appian Hills Public Housing Units to Project-Based Vouchers	Introduced FY2012-FY2013	Not Implemented	Increase housing choices for low-income families
Activity 8 Conversion of Appian Hills Public Housing to Project-Based Vouchers	FY2014 Significantly Modified	Modified in FY2014 - Pimlico Converted to PBV w/ RAD	
Activity 9 Development of Project-Based Voucher Units at 800 Edmond Street	Introduced FY2012- FY2013	Not Implemented Resources used for RAD revitalization of Pimlico	Increase housing choices for low-income families
Activity 10 HCV (Tenant-Based) Special Partners Programs	Introduced FY2012- FY2013	Ongoing	Increase housing choices for low-income families
	Significantly Modified FY2014		
Activity 11 Local, Non-Traditional Use of MTW Funds to Improve Connie Griffith-Ballard Towers	Introduced FY2012- FY2013	Not Implemented until/unless necessary for emergency capital repairs	Increase housing choices for low-income families
Activity 11 Local, Non-Traditional Use of MTW Funds: Emergency Reserves for Connie Griffith-Ballard Towers	FY2014 Significantly Modified		
Activity 12 Local, Non-Traditional Use of MTW Funds for HCV Special Partners With Designated Units	Introduced FY2014	Ongoing Implemented FY2014	Increase housing choices for low-income families, and increase the number of families moving toward self-sufficiency
Activity 13 Local Self-Sufficiency Admissions and Occupancy Requirements	Introduced FY2014	Ongoing Implemented April 1, 2014	Increase the number of families moving toward self-sufficiency

I. Introduction

NEW ACTIVITIES			
ACTIVITY DESCRIPTION	PLAN YEAR PROPOSED	STATUS	STATUTORY OBJECTIVE
Activity 14 Elimination of Earned Income Disallowance	Introduced FY2015	Staff seeks to eliminate EID calculation due to the administrative burden of tracking employment status for 48 cumulative months.	Reduce costs and achieve greater cost effectiveness in federal expenditures
Activity 15 Limit HCV Landlord Rent Increases to the Lesser of 2%, the HUD Fair Market Rent (FMR) or Comparable Rent	Introduced FY2015	Staff proposes this activity because upon lease renewal many landlords request a rent increase beyond 40% of the tenant's income.	Reduce costs and achieve greater cost effectiveness in federal expenditures
Activity 16 HUD/MDRC HCV Rent Reform Demonstration	Introduced FY2015	HUD Rent Reform Demonstration for HCV Program	Increase the number of families moving toward self-sufficiency

I. Introduction

Goals & Objectives

The short-term and long-term goals presented in this section were developed to address the three main goals of the MTW Demonstration Program.

REDUCE COSTS
INCREASE SELF-SUFFICIENCY
INCREASE HOUSING CHOICES

Short-Term Goals & Objectives

Addressing Human and Social Service Needs

The LHA, like other housing agencies across the country, is faced with the task of doing more with less with an ever-growing list of important client needs that go beyond providing housing. In recent months, concerns for the wellbeing of elderly residents at the Housing Authority's 183-unit Connie Griffith Manor and 134-unit Ballard Towers have been at the forefront. The Housing Authority is challenged with finding the dollars to address the human/social service needs of this vulnerable population. LHA staff is frequently called upon to deal with resident issues that involve complicated subjects like mental health, substance abuse and illegal activity at Ballard-Griffith Towers that is home to the 62 and over population.

In April 2014 LHA staff met with LHA commissioners to discuss the needs of clients and the best way to address them. From that meeting, LHA staff was charged to investigate the feasibility of hiring a case manager to assist elderly residents living at Ballard-Griffith Towers (BG Towers), two elderly-designated high rise apartment buildings. In addition, staff plans to facilitate a meeting(s) with University of Kentucky (UK) faculty to discuss how the two can partner to place students at the site to assist residents through an undergraduate level internship program or practicum for graduate students.

The 317 residents living at BG Towers are currently served by a staff of: housing manager, two housing specialists and a service coordinator (limited to the Ballard building because of grant restrictions). Those four positions cannot adequately address the demands of this vulnerable population that is faced with issues such as: the need for transportation; help with housekeeping; and assistance in filling out paper work such as money orders or checks to pay bills.

Although BG Towers may have the most immediate need for case management services, all of the LHA's public housing sites have a need for these types of services for residents. During FY2015, LHA staff will consider available options to address the needs of our elderly population concentrated at BG Towers through MTW authority for single-fund fungibility.

I. Introduction

HUD PD&R HCV Rent Reform Study

Providing additional affordable housing stock – while critical – isn't the only way to help low-income families increase their housing choices. The LHA's participation in a rent reform study commissioned by HUD's Policy Development & Research (PD&R) Office and MDRC (HUD-contracted research firm) for Housing Choice Voucher participants is a method not only to increase housing choice but, just as importantly, to encourage and increase family self-sufficiency. The LHA is one of five MTW agencies taking part in the study that includes– Columbus, GA; Louisville, KY; San Antonio, TX; and Washington, DC. The controlled study will test:

- A change in the percent of income that voucher holders pay for their share, from 30 % of adjusted income to a maximum of 28% of gross income (eliminating deductions and allowances),
- A minimum total tenant payment (TTP) and/or minimum tenant rent paid directly to the landlord, ranging from \$50 to \$150 per month
- A triennial rather than an annual income recertification period,
- A simplified policy for utilities, and
- Hardship policies to protect tenants with exceptional circumstance from harm.

Researchers anticipate that the study will begin in September of 2014.

Centre Meadows RAD Transaction Closed/Construction Underway

Pimlico Apartments was a 206-unit public housing general housing site owned by the LHA, operating in the red, and literally falling apart due to aging systems and structural deterioration. The LHA applied for HUDs ¹Rental Assistance Demonstration (RAD) in 2012 to secure financing to rehab the site. The agency received notice of their acceptance into the RAD Program on December 18, 2013. On March 4, 2014 the financial transaction closed and construction on the site began. Through the conversion process, the Housing Authority chose to rename the site Centre Meadows and the site upon occupancy will be funded through Section 8 Project-Based Voucher (PBV) assistance. PHAs with units that undergo mod/rehab under RAD authority are required to convert the property to long-term Section 8 rental assistance contracts.

¹RAD provides the opportunity to test the conversion of public housing and other HUD-assisted properties to long-term, project-based Section 8 rental assistance to achieve certain goals, including the preservation and improvement of these properties through enabling access by public housing authorities and owners to private debt and equity to address immediate and long-term capital needs.

I. Introduction

The LHA began renovation of Pimlico Apartments through RAD in March 2014. LHA staff reports a 22-month construction schedule with an anticipated completion date of March 2016.

The agency is evaluating its past development strategies and synthesizing new approaches. LHA is eager to develop alternative strategies besides competitive grant applications that don't leave the Authority possibly waiting for years for its turn at highly competitive and extremely limited funds.

HCV Streamlined Unit Inspection

LHA will focus its efforts with MTW authority to streamlining the inspection process and deregulate certain inspection requirements used in the Housing Choice Voucher Program through the implementation of Activity 5 during FY2015. HUD regulations currently mandate that housing authorities inspect every HCV unit at least annually to ensure it meets Housing Quality Standards (HQS); the Housing Authority believes it can achieve this outcome more cost-effectively by implementing a 5-Star Rating System for HCV property owners.

LHA staff is aware that HUD will soon require housing authorities to conduct biennial (once every two years) inspections of HCV units, while permitting agencies to implement "alternate inspection methods," which would allow inspections conducted pursuant to a federal, state, or local housing program. However, the LHA still plans to move ahead with its proposed *5-Star Rating System* as the agency believes this local system will better incentivize landlords to maintain decent, safe, and sanitary housing, while providing a key additional benefit to potential tenants, a simple way to see how well the prospective landlord has maintained the physical condition of their units in the past.

Details of the LHA's streamlined inspection program and *5-Star Rating System* are described in detail in the FY 2014 MTW Annual Plan and summarized below.

The HCV Landlord 5-Star Rating System

The LHA has developed a risk-based inspection process that evaluates owners on multiple factors including:

- Past HQS inspection scores
- Number and outcome of complaint and emergency inspections requested in the past
- Number of past abatements

These factors have been used to assign a star rating from one through five stars to each landlord. This rating is used to determine the frequency of future inspections. The new inspection process will create a streamlined, cost-effective approach that aggressively enforces HQS at the most at-risk/problematic properties, while reducing inspection frequency at high-quality properties.

I. Introduction

This activity was initially introduced in the FY2012-FY2013 MTW Annual Plan and significantly modified in the FY 2014 MTW Annual Plan, but was delayed due to software issues that made it difficult to adequately rate and track landlords. The LHA will have a new software program on-line by the start of FY2015, which will facilitate the implementation of this activity during the upcoming fiscal year.

Resident Incentive Program (Single-Fund Flexibility Only)

One of the most promising and exciting initiatives included in LHA's long-term plan for its MTW program is an initiative that rewards positive behavior among LHA households. Proposed at the start of the LHA's participation in the MTW demonstration, this long-term initiative has not yet been implemented; however, preliminary steps have been taken to refine the program for implementation.

Although LHA staff has many positive examples of families who are moving successfully toward self-sufficiency, we can also cite many examples of families who are struggling to become self-sufficient. Initially, the rewards incentive program will target parents and guardians who become more involved in their child(ren)'s education and households making successful strides toward self-sufficiency.

After further evaluation, the agency will roll out a pilot program during FY2015 to households who have children enrolled at William Wells Brown Elementary School (WWBES). The LHA has partnered with WWBES (located in the center of our newest HOPE VI development) to offer incentives to students (grades K – 5) who live at the HOPE VI site. Housing Authority analysis of the household make-up at the HOPE VI development indicates that 108 children between the ages of 5 – 10 live at the site, many of whom are students at WWBES.

LHA staff discussed plans for the rewards incentive program at the MTW Stakeholders meeting and the WWB Advisory Board meetings held in February and March of 2014. The WWBES principal serves on the stakeholders committee and three LHA staff members (the executive director, MTW Coordinator and HOPE VI site housing manager) serve on the William Wells Brown Advisory Board. Staff is confident that partnering with the WWBE is the catalyst that will move the initiative forward.

As a way of garnering community interest in this program, staff is working with stakeholders, WWBES Advisory Board, KSU (LHA's MTW evaluator) and tenant households to develop a name for the rewards incentive program. Some suggested names that create catchy acronyms include: Residents Excelling and Accomplishing Community Hope (REACH), Housing Opportunities Promoting Education (HOPE), Resident Opportunities for Self-Sufficiency (ROSS), Tenant Incentive Program (TIP), Making Opportunities Matter (MOM), and Creating Hope Incentives Program (CHIP).

I. Introduction

New Software Program Promises Efficiency & Increased Productivity

After the installation of a new software program, Emphasis Elite, the Housing Authority plans to offer on-line the pre-application for housing during FY2015; the on-line pre-application will offer clients a convenient option to apply for housing from any location with on-line access. This will be the first time the agency has offered on-going on-line pre-application for its public housing and HCV programs. When the HCV wait list opens in FY2015, the pre-application process will be exclusively on-line with exceptions for applicants who require a reasonable accommodation.

Long Term Goals & Objectives

Improving Communication Internally and Externally (No MTW Flexibilities Required)

Regular and clear communication is a key component to furthering the demonstration's main goals of reducing costs, increasing self-sufficiency and increasing housing options in the Lexington community. LHA staff is committed to encouraging communication with residents, colleagues and the community as a whole by conducting quarterly stakeholders meetings, resident meetings and special meetings to address current housing issues. In addition, staff is involved with groups outside the agency that affect the community that include: the William Wells Brown Advisory Panel, Bluegrass Alliance (a partnership of economic development professionals), the local YMCA Board, and the Central Kentucky Homeless Housing Commission, among others.

Internally, LHA's leadership has reintroduced the Employee Forum that consists of representatives from each area of the agency's operation to include: at least one non-supervisory employee from each management office, the central office, a HCV inspector and a member of the maintenance department. The Forum is scheduled to meet quarterly with the executive director to discuss employee issues and offer suggestions on improving job performance and ways to improve services to our clients.

Resident Incentive Program (Single-Fund Flexibility Only)

It is important for the LHA to recognize the resident incentive program, mentioned in the short-term goals, as a long-term initiative. LHA staff has plans to grow the program to be available to all public housing and HCV households as we develop partnerships and gain financial support. Staff expects that rewarding positive behavior will bring about desired results, such as:

- Being Responsible Tenants
- Being Good Neighbors
- Gaining Tools to become Homeowners
- Involvement in the community
- Positive Influence on Children
- Active Participant in the education their children
- Encourage their children to excel in education
- Continuing their Education
- Secure and Maintain Steady Employment

II. General Operating Information

II. General Operating Information

Form 50900: Elements for the Annual MTW Plan and Annual MTW Report

Attachment B

(II) General Housing Authority Operating Information

Annual MTW Plan

II.1.Plan.HousingStock

A. MTW Plan: Housing Stock Information

Planned New Public Housing Units to be Added During the Fiscal Year

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

* Select Population Type from: Elderly, Disabled, General, Elderly/Disabled, Other
 If Other, please describe: Description of "other" population type served

Planned Public Housing Units to be Removed During the Fiscal Year

PIC Dev. # / AMP and PIC Dev. Name	Number of Units to be Removed	Explanation for Removal
PIC Dev. # /AMP PIC Dev. Name	0	N/A
PIC Dev. # /AMP PIC Dev. Name	0	N/A
PIC Dev. # /AMP PIC Dev. Name	0	N/A
Total Number of Units to be Removed		0

II. General Operating Information

New Housing Choice Vouchers to be Project-Based During the Fiscal Year			
Property Name	Anticipated Number of New Vouchers to be Project-Based *	Description of Project	
N/A	0	N/A	
Anticipated Total New Vouchers to be Project-Based	0	Anticipated Total Number of Project-Based Vouchers Committed at the End of the Fiscal Year	0
		Anticipated Total Number of Project-Based Vouchers Leased Up or Issued to a Potential Tenant at the End of the Fiscal Year	0
*New refers to tenant-based vouchers that are being project-based for the first time. The count should only include agreements in which a HAP agreement will be in place by the end of the year.			
Other Changes to the Housing Stock Anticipated During the Fiscal Year			
N/A			
N/A			
N/A			
Examples of the types of other changes can include but are not limited to units that are held off-line due to the relocation of residents, units that are off-line due to substantial rehabilitation and potential plans for acquiring units.			

II. General Operating Information

General Description of All Planned Capital Fund Expenditures During the Plan Year	
1408-Mgmt. Improve. - PHA-Wide Software upgrades	\$103,000
1410-Administration - PHA-Wide Capital Fund Fee	\$124,945
KY004000001-Bainbdge-PineVly-Const: Site improvements; building exterior improvements.	\$211,278
KY004000002-Unnamed: Building exterior improvements.	\$173,910
KY004000003-Unnamed: Bathroom & kitchen improvements; building exterior improvements; site improvements.	\$171,135
KY004000004-CG: Window repair	\$121,669
KY004000006-HO-Georgetown: Exterior & Interior Improvements	\$10,530
KY004000007-HO-12th St.: Building exterior improvements; site improvements	\$12,047
KY004000008-Sugar Mill: Bldg. exterior & interior improvements	\$12,442
KY004000009-RC: Building exterior improvements; site improvements	\$11,123
KY004000010-BG Apartments: Site improvements	\$37,918
KY004000011-BG II Site Improvements	\$9567

II. General Operating Information

II.2.Plan.Leasing		
B. MTW Plan: Leasing Information		
Planned Number of Households Served at the End of the Fiscal Year		
MTW Households to be Served Through:	Planned Number of Households to be Served*	Planned Number of Unit Months Occupied/Leased***
Federal MTW Public Housing Units to be Leased	1064	12769
Federal MTW Voucher (HCV) Units to be Utilized	1975	24564
Number of Units to be Occupied/Leased through Local, Non-Traditional, MTW Funded, Property-Based Assistance Programs **	358	4296
Number of Units to be Occupied/Leased through Local, Non-Traditional, MTW Funded, Tenant-Based Assistance Programs **	72	864
Total Households Projected to be Served	3469	42493
<p>* Calculated by dividing the planned number of unit months occupied/leased by 12.</p> <p>** In instances when a local, non-traditional program provides a certain subsidy level but does not specify a number of units/households to be served, the PHA should estimate the number of households to be served.</p> <p>***Unit Months Occupied/Leased is the total number of months the PHA has leased/occupied units, according to unit category during the fiscal year.</p>		
Reporting Compliance with Statutory MTW Requirements		
<p>If the PHA has been out of compliance with any of the required statutory MTW requirements listed in Section II(C) of the Standard MTW Agreement, the PHA will provide a narrative discussion and a plan as to how it will return to compliance. If the PHA is currently in compliance, no discussion or reporting is necessary.</p>		
N/A		
Description of any Anticipated Issues Related to Leasing of Public Housing, Housing Choice Vouchers and/or Local, Non-Traditional Units and Possible Solutions		
Housing Program	Description of Anticipated Leasing Issues and Possible Solutions	
N/A	N/A	
N/A	N/A	
N/A	N/A	

II. General Operating Information

C. MTW Plan: Wait List Information

Wait List Information Projected for the Beginning of the Fiscal Year				
Housing Program(s) *	Wait List Type**	Number of Households on Wait List	Wait List Open, Partially Open or Closed***	Are There Plans to Open the Wait List During the Fiscal Year
Federal MTW Public Housing Units	Community-Wide	2292	Partially Open	Wait list will remain partially open
Federal MTW Housing Choice Voucher Program	Community-Wide	280	Partially Open	Wait list will remain partially open
Non-Traditional MTW Housing Assistance Program	Program Specific	89	Open	Wait list will remain open
Rows for additional waiting lists may be added, if needed.				
* Select Housing Program : Federal MTW Public Housing Units; Federal MTW Housing Choice Voucher Program; Federal non-MTW Housing Choice Voucher Units; Tenant-Based Local, Non-Traditional MTW Housing Assistance Program; Project-Based Local, Non-Traditional MTW Housing Assistance Program; and Combined Tenant-Based and Project-Based Local, Non-Traditional MTW Housing Assistance Program.				
** Select Wait List Types : Community-Wide, Site-Based, Merged (Combined Public Housing or Voucher Wait List), Program Specific (Limited by HUD or Local PHA Rules to Certain Categories of Households which are Described in the Rules for Program Participation), None (If the Program is a New Wait List, Not an Existing Wait List), or Other (Please Provide a Brief Description of this Wait List Type).				
*** For Partially Open Wait Lists, provide a description of the populations for which the waiting list is open.				
Federal MTW Public Housing Units: Elderly population served at the Connie Griffith Manor site ONLY				
Federal MTW Housing Choice Voucher Program: Tenant-based HCV special partner programs (Domestic Violence Bluegrass Mental Health and Volunteers of America)				
Housing Program and Description of the populations for which the wait list is open				
If Local, Non-Traditional Housing Program, please describe:				
1) Canaan House - Individuals who have been diagnosed with a mental illness; 2) Urban League of Lexington-Fayette County - Elderly Individuals; 3) New Beginnings - Individuals who have been diagnosed with a mental illness; 4) OASIS Rental Assistance Housing Program - Families in need of financial literacy, credit management, and homeownership resources				
5) Chrysalis House - Parents with children: who have recently been released from jail, or are homeless, and who are substance abuse treatment program graduates; 6) One Parent Scholar House - Single parents who are full-time students in a post-secondary educational institution				
7) HOPE Center - Persons who have a substance abuse problem and are in need of voluntary or court-mandated treatment; 8)Serenity House Place - Parents with children: who have recently been released from jail, are homeless and who are substance abuse treatment program graduates				
If Other Wait List Type, please describe:				
N/A				
N/A				
N/A				
If there are any changes to the organizational structure of the wait list or policy changes regarding the wait list, provide a narrative detailing these changes.				
N/A				

III. Proposed Activities – HUD Approval Requested

III. Proposed MTW Activities: HUD approval requested

Activity 14) Rent Reform: Elimination of Earned Income Disallowance

A. Description of Rent Reform Activity

LHA staff proposes to eliminate the Earned Income Disallowance (EID) calculation for public housing and HCV households. Currently, federal regulations mandate the exclusion of earnings for public housing households in the following cases:

- The household income increases as a result of employment of a family member who was previously unemployed for one or more years.
- Families whose income increases during the participation of a family member in any economic self-sufficiency or other job training program.
- Families who are or were, within 6 months, assisted under a State TANF or Welfare-to-Work program.

In the Housing Choice Voucher Program, the EID calculation only applies to disabled family members in the following cases (This activity does not apply to treatment group participants in the HCV Rent Reform Study.):

- Families whose income increases as a result of employment of a disabled family member who was previously unemployed (defined as working less than 10 hours a week at the established minimum wage) for one or more years.
- Families whose income increases during the participation of a disabled family member in any economic self-sufficiency or other job training program.
- Persons with disabilities who are or were, within 6 months, assisted under a State TANF or Welfare-to-Work program for at least \$500.

An individual family member is eligible for the EID for a maximum of 24 consecutive months with an overall lifetime limit of 48-months. During the first 12 months 100% of earned income is excluded, while 50% of earned income is excluded during the second 12 months.

Staff reports that the EID calculation is only available to a very small population because of the very specific requirements for the disallowance. Monitoring the family members who receive the EID calculation from hire date through 48 cumulative months is difficult to track because households don't always report when employment status starts and stops. In addition, many who do receive the benefit quit their jobs at the end of the two year

III. Proposed Activities – HUD Approval Requested

exclusion to avoid an increase in the household rent. For those reasons and the administrative burden, the LHA proposes to eliminate the EID calculation.

B. Achieving Statutory Objectives

This activity will reduce costs and achieve greater cost effectiveness in federal expenditures. The burden of having to track cumulative months of employment for a very small segment of LHA households will be eliminated with implementation of this activity. In addition, rent revenue will increase with the elimination of EID.

C. Anticipated Impact on the Stated Objective

Elimination of the EID will:

- reduce staff time spent monitoring employment status
- reduce staff time required to calculate a family's rent portion; and
- reduce the likelihood of errors in calculating household rent

D. Anticipated Schedules for Achieving the Stated Objectives(s)

Upon approval of this activity affected public housing households will be given a 30-day written notice that their rent will change based on the elimination of the EID. HCV families will be notified at least 60-day in advance of their scheduled annual recertification or upon interim recertification.

E., F. G. H., and I. (reported in metrics tables on pages 20-22)

J. Authorizations Detailed in Attachment C or D of the Standard MTW Agreement **Public Housing Only - Rent Policies and Term Limits**

Item C.11. waives certain provisions of Section 3(a)(2), 3(a)(3)(A) and Section 6(1) of the 1937 Act and 24 C.F.R. 5.603, 5.611, 5.628, 5.630, 5.632, 5.634 and 960.255 and 966 Subpart A as necessary to implement the Agency's Annual MTW Plan.

Section 8 Housing Choice Vouchers Only – Rent Policies and Term Limits

Item D. 2 Authorizations Related to waives certain provisions of Sections 8(0)(1), 8(0)(2), 8(0)(3), 8(0)(10) and 8(0)(13)(H)-(I) of the 1937 Act and 24 C.F.R. 982.508, 982.503 and 982.518, as necessary to implement the Agency's Annual MTW Plan.

III. Proposed Activities – HUD Approval Requested

K. **Need for Attachment C or D Authorization(s)**

Due to current HUD regulations, the LHA would not be permitted to eliminate the EID for eligible public housing and HCV families without the authorizations cited above. Among other flexibilities, this authorization permits the LHA to “determine family payment, including the total tenant payment, the minimum rent, utility reimbursements and tenant rent.” As well as to “to adopt and implement any reasonable policies for setting rents in public housing including but not limited to establishing definitions of income and adjusted income, or earned income disallowance that differ from those in current statutes or regulations.”

L. **Additional Information for Rent Reform Activities**

- **Impact Analysis**

See page 22

- **Hardship Case Criteria**

No hardship relief will be offered to families affected by this activity.

- **Annual Reevaluation of Rent Reform Activity**

In evaluating this rent reform activity each year, in addition to updating the impact analysis to ensure that there are no unintended disparate impacts on protected classes, LHA staff and the MTW Evaluation Team weigh the number of tenant complaints and evictions to the increased rent revenue to determine if it is feasible to continue the activity.

- **Transition Period**

Upon approval of this activity affected public housing households will be given a 30-day written notice that their rent will change based on the elimination of the EID. HCV families will be notified at least 60 days in advance of their scheduled annual recertification or upon interim recertification.

III. Proposed Activities – HUD Approval Requested

HUD Standard Metrics

Rent Reform - Earned Income Disregard (EID) Elimination

CE #1: Agency Cost Savings				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Total cost of task in dollars (decrease).	Total cost of task prior to implementation of the activity	Expected cost of task after implementation of the activity	Actual cost of task after implementation of the activity (in dollars).	Whether the outcome meets or exceeds the benchmark.
	\$452	\$0	TBD	TBD
	23 households received EID at an average cost of \$19.64 per household annually as of June 30, 2013	Expected 0 households will receive EID at an average cost of \$19.64 per household annually as of June 30, 2015	Actual households receiving EID multiplied by average cost to calculate/track annually as of June 30, 2015	Explanation to be provided
Data Source: WinTen2, Emphasys; staff interviews; staff logs; PHA financial records				

CE #2: Staff Time Savings				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Total time to complete the task in staff hours (decrease).	Total amount of staff time dedicated to the task prior to implementation of the activity	Expected amount of total staff time dedicated to the task after implementation of the activity	Actual amount of total staff time dedicated to the task after implementation of the activity (in hours).	Whether the outcome meets or exceeds the benchmark.
	23 hours	0 hours	TBD	TBD
	23 households receiving EID x 1 hour average staff time required to track/calculate EID annually as of June 30, 2013	Expected 0 households receiving EID x average staff time required to track/calculate EID annually as of June 30, 2015	Actual households receiving EID x average staff time required to track/calculate EID annually as of June 30, 2013	Explanation to be provided
Data Source: WinTen2, Emphasys; staff interviews; staff logs; PHA financial records				

III. Proposed Activities – HUD Approval Requested

CE#3: Decrease in Error Rate of Task Execution				
Unit of Measure	Baseline	Benchmark	Outcome	Benchmark Achieved
Average error rate in completing a task as a percentage (decrease).	Average error rate of task prior to implementation of the activity (percentage).	Expected average error rate of task after implementation of the activity (percentage).	Actual cost of task after implementation of the activity (in dollars).	Whether the outcome meets or exceeds the benchmark.
	0 (currently not tracked)	0	TBD	TBD
	Average error rate of tracking employment status of EID households prior to implementation of the activity (percentage).	Average error rate of tracking employment of EID households after implementation of the activity (percentage).	Actual cost of tracking employment of EID households after implementation of the activity (in dollars).	Explanation to be provided
Data Source: WinTen2, Emphasys; staff interviews; staff logs; PHA financial records				

CE #5: Increase in Agency Rental Revenue				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Rental revenue in dollars (increase).	Rental revenue prior to implementation of the activity	Expected rental revenue after implementation of the activity	Actual rental revenue after implementation of the activity (in dollars).	Whether the outcome meets or exceeds the benchmark.
	\$68,544 (\$35,964)	\$104,508 (\$96,474)	TBD	TBD
	Sum total gross (net) annual rental revenue from 23 households receiving EID as of June 30, 2013	Expected sum total gross (net) annual rental revenue from 23 rental households no longer receiving EID as of June 30, 2015	Actual sum total gross (net) annual rental revenue from 23 rental households no longer receiving EID as of June 30, 2015	Explanation to be provided

III. Proposed Activities – HUD Approval Requested

Activity 14: Elimination of EID Disparate Impact Analysis					
Households	FY2014 Baselines				FY2015 Benchmark
	Heads of Household	Average Gross Total Annual Income	Average Gross Annual Earned Income	Average Gross Rent Payment	Average Increased Rent Burden
All Impacted Households	23	\$18,387	\$11,680	\$248	\$219
Gender of Head of Household					
Female	21	\$18,624	\$12,402	\$234	\$235
Male	2	\$15,901	\$4,102	\$400	\$55
Race of Head of Household (Multiple selections permitted)					
Black	16			\$226	\$224
White	5			\$298	\$201
American Indian / Native Alaskan	1			\$417	\$370
Asian / Pacific Islander	1			\$189	\$77
Native Hawaiian / Other Pacific Islander	-	-	-	-	-
Ethnicity of Head of Household					
Non-Hispanic	22	\$17,749	\$10,867	\$241	\$212
Hispanic	1	\$32,426	\$29,570	\$417	\$370
Age of Head of Household					
18 – 31	7	\$20,412	\$15,873	\$210	\$236
32 – 46	7	\$21,781	\$14,938	\$243	\$322
47 – 61	5	\$14,398	\$6,894	\$332	\$135
62+	4	\$13,889	\$4,623	\$220	\$115

III. Proposed Activities – HUD Approval Requested

15) Limit HCV Landlord Rent Increases to the least of 2%, HUD Fair Market Rent (FMR), or the comparable rent

A. Description of Rent Reform Activity

LHA staff proposes to limit annual contract rent increases for participating landlords to the least of a 1) 2% increase in current contract rent, 2) HUD's FMR or 3) the comparable rent. HCV staff has noticed that landlords are willing to lower the rent to comply with the 40% cap of a participant's monthly adjusted income at initial move in but at subsequent renewals will request a rent increase at a percentage which places a financial hardship on the family. In some cases, families are faced with the dilemma of possible eviction from the unit or have to uproot the family to move to a less expensive unit.

B. Achieving Statutory Objectives

This activity will reduce cost and achieve greater cost effectiveness in federal expenditures by reducing the time HCV staff spends processing moves, which includes an interim examination and inspection of a new unit.

C. Anticipated Impact on the Stated Objective

This activity will limit the number of families that need to move because their rent becomes unaffordable, thereby reducing the administrative cost burden associated with processing moves.

D. Anticipated Schedules for Achieving the Stated Objectives(s)

Sixty (60) day written notice will be given to landlords once activity is approved.

E., F. G. H., and I. (reported in metrics tables on pages 24-26)

J. Authorizations(s) in Attachment C or D of the MTW Standard Agreement

Attachment C, Section D. Authorizations Related to Section 8 Housing Choice Vouchers Only,

Item 2. b. Rent Policies and Term Limits – The Agency is authorized to determine contract rents and increases and to determine the content of contract rental agreements that differ from the currently mandated program requirements in the 1937 Act and its implementing regulations. This authorization waives certain provisions of Sections 8(0)(7) and 8(0)(13) of the 1937 Act and 24 C.F.R. 982.308, 982.451 and 983 Subpart E as necessary to implement the Agency's Annual MTW Plan;

K. Need/Justification for MTW Flexibility

Currently, when a landlord requests a contract rent increase, LHA staff conducts a rent reasonableness analysis (as described in Sections 11.2 and 11.3 of the agency's HCV Program Administrative Plan) to decide whether or not the request should be approved. As long as the

III. Proposed Activities – HUD Approval Requested

landlord’s requested contract rent is “reasonable” when compared to rents charged for comparable unassisted units in the same or comparable neighborhoods, the LHA will approve the request.

The Attachment C authorizations cited above will permit the LHA to limit the contract rent to an amount below what is “reasonable” according to the rent reasonableness analysis if the amount of the requested increase exceeds 2% of the current rent or would cause the rent to exceed HUD Fair Market Rent.

Among other flexibilities, this authorization permits the LHA to determine contract rents and increases and to determine the content of contract rental agreements that differ from the currently mandated program requirements in that differ from those in current statutes or regulations.

HUD Standard Metrics

CE #1: Agency Cost Savings				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Total cost of task in dollars (decrease).	Total cost of task prior to implementation of the activity	Expected cost of task after implementation of the activity	Actual cost of task after implementation of the activity (in dollars).	Whether the outcome meets or exceeds the benchmark.
	\$18,720	\$13,104	TBD	TBD
	260 families moved with continued assistance at an average of \$72 to process each move during FY2014	Expected 182 families will move with continued assistance at an average cost of \$72 to process each move during FY2015	Actual families moving with continued assistance multiplied by average cost to process each move during FY2015	Explanation to be provided
Data Source: WinTen2, Emphasys, staff interviews, staff logs, PHA financial records				

III. Proposed Activities – HUD Approval Requested

CE #2: Staff Time Savings				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Total time to complete the task in staff hours (decrease).	Total amount of staff time dedicated to the task prior to implementation of the activity	Expected amount of total staff time dedicated to the task after implementation of the activity	Actual amount of total staff time dedicated to the task after implementation of the activity (in hours).	Whether the outcome meets or exceeds the benchmark.
	650 hours	455 hours	TBD	TBD
	260 families moved with continued assistance multiplied by an average 2.5 hours of staff time required to process each move during FY2014	182 Expected families will move with continued assistance multiplied by the average 2.5 hours of staff time required to process each move during FY2015	Actual families moving with continued assistance multiplied by average hours of staff time required to process each move during FY2015	Explanation to be provided
Data Source: WinTen2, Emphasys, staff interviews, staff logs, PHA financial records				

III. Proposed Activities – HUD Approval Requested

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.	Households losing assistance/moving prior to implementation of the activity (number).	Expected households losing assistance/moving after implementation of the activity (number).	Actual households losing assistance/moving after implementation of the activity (number).	Whether the outcome meets or exceeds the benchmark.
	0 Unavailable	0	TBD	TBD
	HCV households losing assistance/moving prior to implementation of the activity (number). Currently Not Tracked	Expected HCV households losing assistance/moving after implementation of the activity (number).	Actual HCV households losing assistance/moving after implementation of the activity (number).	Explanation to be provided

III. Proposed Activities – HUD Approval Requested

Activity 16) HUD/MDRC Rent Reform Demonstration for HCV Households

Introduction

Lexington Housing Authority (LHA) has been selected to participate in a study commissioned by the U.S. Department of Housing and Urban Development (HUD) to evaluate a Housing Choice Voucher (HCV) alternative rent reform policy (the “Study”). MDRC, a nonprofit and nonpartisan education and social policy research organization, is conducting the Study on behalf of HUD. The Study sets forth alternative rent calculation and recertification strategies that will be implemented at several public housing authorities across the country in order to fully test the policies nationally.

The goals of this alternative rent policy are to:

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

Participants in the Study Group (approximately 700 vouchers) and the Control Group (also approximately 700 vouchers) will be randomly selected from the eligible voucher programs by a computer generated program. The Study Group vouchers will be managed using the proposed policies. The Control Group vouchers will be managed using the existing policies. Eligible participants for both the Study and Control Groups will include only those with vouchers that are administered under the Moving To Work (MTW) Program and not currently utilizing a biennial certification. Non-MTW Vouchers (i.e., Veterans Assisted Special Housing, Moderate Rehabilitation, and Shelter Plus Care), Special Partner programs (i.e., Bluegrass Domestic Violence, Bluegrass Regional Mental Health - Mental Retardation Board, Inc., and Volunteers of America), Enhanced Vouchers, and HUD Project Based Vouchers are excluded from the Study. Additionally, the Study is focused on work-able populations and will not include Elderly Households; Disabled Households; households currently using the Childcare Expense Deduction for purposes of determining the adjusted annual income and households headed by people older than 56 years of age (who will become seniors during the course of the long-term study). Households currently participating in Family Self-sufficiency and Homeownership programs will not be included in the Study. Households that contain a mix of eligible and non-eligible household members would not be included in the Study.

III. Proposed Activities – HUD Approval Requested

I. Description of Rent Reform Components

The Study is designed to test an alternative strategy to standard HUD operating rules for the HCV program. The proposed alternative rent policies will include the following five key features:

- 1) Simplify income determination and rent calculation of the household's Total Tenant Payment (TTP) and subsidy amount by:
 - a) Eliminating deductions and allowances,
 - b) Changing the percent of income from 30% of adjusted income to a maximum of 28% of gross income,
 - c) Ignoring income from assets when the total asset value is less than \$25,000, and
 - d) Using retrospective income, i.e., 12-month "look-back" period and, in some cases, current/anticipated income in estimating a household's TTP and subsidy.
 - e) Capping the maximum initial rent burden at 40% of current gross monthly income.
- 2) Conduct triennial income recertification rather than annual recertification with provisions for interim recertification and hardship remedies if income decreases.
- 3) Streamline interim certifications to eliminate income review for most household composition changes and moves to new units.
- 4) Require the TTP is the greater of 28% gross annual income (see #1 above) or the minimum rent of \$150. A portion of the TTP will be paid directly to the landlord.
- 5) Simplify the policy for determining utility allowances.

Additionally, the Study will offer appropriate hardship protections to prevent any Study Group participant from being unduly impacted as discussed in section L of this activity.

III. Proposed Activities – HUD Approval Requested

A. Description of Rent Reform Activity

1) **Simplified Income Determination and Rent Calculation**

Under the current HUD regulations, the total tenant payment (TTP) is a calculation derived from the voucher household's 30% adjusted monthly income (gross income less HUD prescribed deductions and allowances). LHA follows a process of interviewing the household to identify all sources of income and assets, then proceeds to verify the information and perform the final calculation. The process is complex and cumbersome, which increases the risk of errors. According to HUD's Occupancy Handbook, Chapter 5 "Determining Income and Calculating Rent," the most frequent errors found across PHA's are: Voucher holders failing to fully disclose income information; errors in identifying required income exclusions; and incorrect calculations of deductions often resulting from failure to obtain third-party verification. The complexity makes the HCV program less transparent and understandable by the public, landlords, and voucher holders.

a. Eliminating Deductions and Allowances

LHA proposes a new method of calculation, which eliminates the calculation of deductions and allowances in the determination of annual income.

b. Percent Annual Gross Income

The TTP rent calculation will be determined by establishing gross annual income and then determining the greater of 28% of the gross annual income or the minimum rent of \$150.

c. Ignoring Assets Valued Less than \$25,000

LHA will eliminate the verification and calculation of income earned from household assets with a total value less than \$25,000. Households would not be required to document assets worth less than that amount. This will reduce administrative costs and simplify the program for greater transparency and program compliance.

d. Review of Retrospective Income

To establish annual gross income for the three year certification period, LHA will review the total household income without deductions for the twelve-month period prior to recertification, i.e., the "Retrospective Gross Income." A household's TTP will depend on its *Retrospective Gross Income* during a 12-month "look back" period.

At the certification, if a household's current/anticipated annual gross income is less than its retrospective income by more than 10%, a "temporary" TTP based on current income alone will be set for six-month grace period. After that grace

III. Proposed Activities – HUD Approval Requested

period, the TTP will automatically be switched to the TTP amount based on the previously determined average retrospective gross income. No interim recertification interview would be required to reset this TTP.

e. The Initial Maximum Rent Burden

HUD places a rent maximum for households moving into a new unit under the housing choice voucher subsidy. This maximum rent burden is determined to be 40% of the household's adjusted annual income. However, under the Study LHA will no longer be adjusting household income using deductions and allowances. The Study Group's initial rent burden will be the greater of 40 percent of gross current monthly income or the \$150 minimum rent for the family share when the family first receives voucher assistance in a particular unit. (This maximum rent burden requirement is not applicable at reexamination if the family stays in place.)

2) Triennial Certifications

LHA currently performs re-certification of HCV households on an annual basis. The annual certification will review program eligibility, household composition, income and other household circumstances. Additional re-examinations ("interim certifications") may be required for changes in the household situation such as: composition, income, and change in unit.

LHA proposes performing re-certification of the Study Group every third year (triennial). The triennial certification will review program eligibility, household composition, current income and income over the past twelve months ("retrospective gross income"), unit information and shall set the Total Tenant Portion (TTP) and the household share of the rent. The TTP for the Study Group will remain in effect during the three year certification period, with some exceptions related to decreases in income and changes in household. LHA will create a local form to supplement the HUD form 9886 to provide tenant consent for LHA to collect information relevant to the triennial recertification period.

Under the alternative rent policy, a household's TTP will generally be calculated using its reported (and verified) *retrospective gross income* during a 12-month "look-back" period. (In this calculation, gross income will exclude any prior income from sources that have expired for the household during that period, such as TANF or Unemployment Insurance benefits, since the household can no longer count on them. It will include imputed welfare income – i.e., any sanctioned portion of a household's TANF grant). Income from household members removed from the voucher will also be excluded from the review of retrospective income.

III. Proposed Activities – HUD Approval Requested

If the household has an increase in income between certifications, the household's TTP will not be re-determined and increased to reflect the higher income. However, if the household has a decrease in income, the household may request and LHA may provide an interim re-certification or other remedies under the hardship process (see Section V). The interim re-certification will be conducted when a household has a reduction of income of more than 10% from the retrospective income.

- a) LHA interim certification will re-calculate the household Total Tenant Payment (TTP) based on a new retrospective income review to determine the greater of 28% retrospective gross income or the minimum rent of \$150. This new TTP will remain in effect until the sooner of the next triennial certification; or a tenant requested interim certification. The tenant may only request one interim certification per year. The year period during which only one interim is permitted begins on the effective date of the triennial recertification and ends 12 months later.
 - b) At the triennial certification at the beginning of the three-year period (and at subsequent triennials) if a household's current/anticipated gross income is less than its retrospective income by more than 10%, the current income alone will be used to create a "temporary" TTP for a six-month grace period. After that grace period, the TTP will automatically be switched to the TTP amount based on the previously determined retrospective gross income. No interim recertification interview would be required to reset this TTP.
 - c) The Study Group will be allowed one request per year for an interim certification to reset their TTP. The year period during which only one interim is permitted begins on the effective date of the triennial recertification and ends 12 month later. The TTP will only be reset if a household's new retrospective gross income (at the time of the request) is more than 10% lower than its most recent retrospective gross income used to set the TTP. If the limit on interim certification presents a hardship, the household will need to apply for a Hardship Exemption (See Section V).
- 3) **Streamline Interim Certifications**
LHA will institute a streamlined interim certification process for the Study Group to report change of circumstance that does not require adjustment in subsidy. For these events, LHA will not request income information. These events include:
- a) Changes to household composition. The Study Group must report both additions and removal of members to the household to LHA to determine program eligibility and other HUD required reporting (e.g. deceased tenant

III. Proposed Activities – HUD Approval Requested

reporting). However, unless the addition of an adult member changes the voucher bedroom size appropriate for the household composition to prevent overcrowding or over-housing, LHA will not request income information for the new household member until the next scheduled triennial certification.

If the loss of a household member results in a reduction of more than 10% of the most recent retrospective income, the household will be allowed to reset their TTP.

In the event that the new or removed member requires a change to the voucher bedroom size, LHA will review the retrospective income of the newly added or removed household members, apply a new utility allowance, and will reset the household TTP. A reduction in subsidy for new voucher bedroom size will be upon the sooner of either the next triennial recertification or move to a new unit.

Changes to household composition will not be counted towards the limit of one requested interim certification per year.

- b) Change of unit. Households seeking to move to a new unit will submit a request for move pursuant to current procedures. For households that move to more expensive units during three-year period, LHA will absorb the higher contract rent costs up to the lesser of the gross rent or the payment standard, which is consistent with traditional rent rules. However, unless the request for move is due to a change in household composition, LHA will not request income information or reset the household TTP until the sooner of the next scheduled triennial certification or tenant requested interim certification to reset TTP. LHA will apply new utility allowance schedule, if any, to the household at the new lease effective date.
- c) Changes in Utility Allowances. When utility schedules are updated to reflect rate changes, utility allowances, and utility allowance payments (UAPs) will be adjusted only when HAP subsidies or TTPs are recalculated for other reasons. More specifically, updated utility schedules will be applied when households:
- Change their contract rent,
 - Recertify and the TTP is recalculated during interim or triennial,
 - Move to new units, or
 - Change their household composition requiring a change in voucher size.

III. Proposed Activities – HUD Approval Requested

4) **Minimum Rent to Owner**

Currently, HUD does not require minimum rents paid by the voucher holder to the landlord. LHA is proposing that the Study Group will be required to make a minimum payment of at least \$150 direct to the HCV landlord in addition to LHA's portion of rent (Housing Assistance Payment "HAP"). The Study Group Tenant Rent to Owner will be equal to the TTP (plus any amount over the payment standard) less the Utility Allowance. In the event that the TTP less Utility Allowance is less than the minimum rent of \$150, the Study Group will pay the Minimum Rent to Owner and LHA will reimburse the Study Group household the remainder of the Utility Allowance. The total amount of rent will equal the contract rent established in the lease. This policy mirrors the market system of tenants paying owners directly and creates a closer relationship and sense of responsibility for both the leaseholder HCV household and the property owner. However, in the event that the Minimum Rent to Owner causes the TTP to exceed 40% of the household current/anticipated gross income, the household may request a Hardship Exemption as detailed in Section V.

5) **Simplified Utility Allowance Schedule**

Currently, LHA annually reviews and periodically re-establishes a Utility Allowance Schedule which represents the reasonable expectation of costs for utilities as part of the tenant's lease.

The utility allowance is based on utility surveys and analysis of the type of structure, bedroom size, appliances provided by tenant, and type of appliances (gas/electric). The simplified schedule is based on the analysis of data collected from LHA's existing HCV portfolio including the most common structure and utility types. This new utility allowance schedule will be implemented upon the triennial certification or change of unit.

LHA proposes a simplified schedule to reduce administrative costs and reduce errors associated with the traditional method of applying Utility Allowance Schedule. The simplified utility allowance schedule is also anticipated to benefit property owners who will have a more accurate understanding of the total gross rent to be applied to their properties and to the Study Group who will be able to use this new schedule to clarify gross rent in their selection of housing units.

This schedule will be applied to the lesser of: the actual size of the unit or the size of the voucher rather than the larger of the actual unit size or the voucher size. LHA will continue to use current market consumption data to determine when adjustments to the simplified schedule are needed (upon change of more than 10% in rates).

III. Proposed Activities – HUD Approval Requested

Proposed Utility Allowance

Utility Allowances		# of Bedrooms					
		0	1	2	3	4	5
Base rate for all unit types		\$32	\$44	\$59	\$70	\$90	\$126
Potential Add-ons	Water and Sewer	\$49	\$59	\$69	\$79	\$95	\$104
	Gas Heat	\$36	\$48	\$59	\$70	\$87	\$99
	Electric Heat	\$32	\$41	\$50	\$59	\$73	\$82
	Tenant supplied range	\$5	\$5	\$5	\$5	\$5	\$5
	Tenant supplied stove	\$4	\$4	\$4	\$4	\$4	\$5

B. Achieving Statutory Objectives

- 1) MTW Objective: To reduce administrative cost and achieve greater costs effectiveness in Federal expenditures.
 - a) Simplified Tenant Rent Calculation
This activity will provide LHA with immediate savings of staff hours from the calculation of deductions, allowances, and income from household assets with a total value less than \$25,000. Households would not be required to document assets worth less than that amount. This activity will also provide LHA with saving in staff hours from detecting and correcting errors calculating the adjusted annual income.
 - b) Triennial Certification Schedule and Streamline Interim Certification
These re-certification schedules will provide LHA with immediate savings of staff hours and agency resources associated with the recertification processes.
 - c) Minimum Rent/TTP
This activity sets the minimum rent to \$150 which is above HUD's current optional minimum rent of \$50. This minimum rent will reduce some HAP subsidy and save federal funds.
 - d) Simplified Utility Allowance
This activity will provide LHA with cost savings from staff hours spent on detecting and correcting errors made when applying the utility schedule based on voucher size, household structure, appliances, and other factors.

III. Proposed Activities – HUD Approval Requested

2) MTW Objective: To assist families achieve greater self-sufficiency by allowing families to keep this income to increase savings and attain greater self-sufficiency.a) Simplified Tenant Rent Calculation

The elimination of income from household assets with a total value less than \$25,000 will enable the Study Group to use this income as a means to attain greater self-sufficiency rather than increasing their portion of the rent.

b) Triennial Certification Schedule

This activity will enable the Study Group to keep increases in income between the certification periods that would otherwise be “lost” through higher TTPs. As a result, it is expected to increase the Study Group’s employment rates and earnings and help them attain greater self-sufficiency.

C. Anticipated Impact on the Stated Objectives

1. Simplified Rent Calculation

This activity will provide LHA with immediate savings of staff hours through an easier calculation in regular certification meetings and interim recertification meetings and save staff from having to detect and correct errors in calculating adjusted income. Also this will increase transparency of how the tenant’s share of shelter costs is computed.

2. Triennial Certification

This activity will provide LHA with immediate savings of staff hours and save tenants time as well through having fewer recertification meetings and income verifications. Also for tenants this will act as a powerful incentive to increase employment and earnings; tenants will be able to increase earnings between regular certifications without increases in their TTP and without having to report these increased earnings to LHA.

3. Streamline Interim Certification

This activity will provide LHA with savings in staff hours through eliminating income verification in some instances that would require it now. Also the streamlined certifications help to maintain the employment and earnings incentive offered in the 3-year recertification schedule.

4. Minimum Rent to Owner

This activity will increase self-sufficiency of tenants by establishing a traditional tenant-landlord relationship in which all tenants will be required to pay some portion of the rent directly to the landlord. This also may help with housing quality by establishing a traditional relationship where the tenant and landlord are interacting more and make the tenant feel more able to ask for repairs on the unit.

III. Proposed Activities – HUD Approval Requested

5. Simplified Utility Allowance

This activity will provide LHA with cost savings from staff hours spent calculating utility allowances for each household and save time from detecting and correcting errors made when using a more complex utility schedule. This will also increase the transparency of the utility allowance calculation, enabling a better understanding of how their total subsidy is calculated.

D. Anticipated Schedules for Achieving the Stated Objectives

Once the MTW Activity is approved, participants will be identified for enrollment in the Study Group and the Control Group. The enrollment process for the Study Group and Control Group will begin approximately in September of 2014 and end no later than August 2015. The Triennial recertification process for the groups will begin in September 2017 and end no later than 2019. Further information on the enrollment process is provided in Section VII – Transition Process.

1) Simplified Rent Calculation

The Study Group will be enrolled during their regularly scheduled certification meeting and presented with the simplified approach to rent calculation. This policy is intended to create simplicity and greater understanding of how the tenant portion of rent is determined which should impact upon the tenants at their initial certification.

The Agency will receive immediate benefits of staff time savings by not performing verification processes for the standard deductions and allowances which will no longer be applied to the Study Group.

2) Triennial Certification

The Study Group will have the initial baseline triennial certification performed at the initial enrollment meeting. The Study Group will not participate in a recertification until three years after this initial certification, unless they request an Interim Certification or a Hardship remedy.

Administrative cost savings to LHA will be achieved in the second year of the Study at which time LHA will conduct the annual recertification for the Control Group and will bypass the Study Group.

3) Streamline Interim Certification

This activity limits the ability of the Study Group to request interim certifications to reset the household TTP to no more than once per year and only when the reduced retrospective household income more than 10% than the retrospective income used to determine the TTP. The Study Group may request interim certifications to report changes in household composition throughout the three year Study period. These

III. Proposed Activities – HUD Approval Requested

recertifications will be streamlined and will exclude reexamination of household income or redetermination of household TTP.

The streamlined certification activity is anticipated to result in a cost savings to LHA within the first year of implementation because there will be a reduced number of interim certifications for changes in household income and streamlined processes to handle changes in household composition and request to move certifications.

4) **Minimum Rent to Owner**

The requirement for the voucher holder to pay a minimum rent to owner will begin with the effective date of the initial Study enrollment certification. This first triennial certification will determine the greater of the Total Tenant Payment of 28% of the household retrospective gross income or the newly established minimum rent (as described above).

However, the final benefit of this activity may not be assessed until the second triennial certification to determine whether the Study Group was able to achieve higher earnings and thereby reduce the amount of subsidy.

5) **Simplified Utility Allowance**

The Simplified Utility Allowance will begin at the time of enrollment in the Study. The Study Group will have the new utility allowance applied at the time of their initial triennial certification and thereafter at each triennial certification or certification for a move to a new unit. This activity is intended to create simplicity and greater understanding by the household of the utility allowance. It will benefit both the tenant and prospective landlord by establishing the allowed rate prior to selecting a unit. The Agency will receive immediate benefits of staff time savings by not creating and having to correct errors discovered in the application of the utility allowances.

III. Proposed Activities – HUD Approval Requested

II. Activity Metrics

E. HUD Standard Metrics

The information in the table non-shaded cells represents information intended for guidance; while the information in shaded cells represents LHA specific information. For purpose of this section, year one represents the first fiscal year where activities are implemented. ¹

CE #1: Agency Cost Savings				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Total cost of task in dollars (decrease).	Total cost of task prior to implementation of the activity	Expected cost of task after implementation of the activity	Actual cost of task after implementation of the activity (in dollars).	Whether the outcome meets or exceeds the benchmark.
Cost per Annual Certification	YEAR 1: \$18,879 YEAR 2: \$18,879 YEAR 3: \$18,879 TOTAL: \$56,637	YEAR 3: \$18,879 YEAR 3: \$0 YEAR 3: \$0 SAVINGS: \$37,758	YEAR 1: TBD YEAR 2: TBD YEAR 3: TBD TOTAL: TBD	YEAR 1: TBD YEAR 2: TBD YEAR 3: TBD TOTAL: TBD
	<ul style="list-style-type: none"> • Cost per Annual Certification - \$26.97 • 700 - Study Group Participants • Hard cost (mail and reproduction costs) - .72 • Staff Cost per hour - \$26.25 • 1 hour - Average time spent per annual certification 	<ul style="list-style-type: none"> • Cost per annual recertification after implementation of activity - \$26.97 • 700 - Study Group Participants 	Actual cost of Annual Certification	Explanation to be provided

¹ LHA recently implemented a new information technology system to allow for greater flexibility to implement, track and report MTW Activities and provide other information data management benefits to the Agency. During this transition, LHA experienced many difficulties converting its data from the legacy system to the new system. While every responsible action is being taken to correct this situation, updating the baseline metrics to exclude the estimated 32 households eligible for the Study currently with a childcare deduction is very difficult and will require significant resources. Additionally, per the updated Impact Analysis performed by MDRC's team in Section IV below, this population had a minimal impact to the data analysis. LHA will provide updated data in the subsequent form 50900 MTW Report.

III. Proposed Activities – HUD Approval Requested

CE #1: Agency Cost Savings				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Total cost of task in dollars (decrease).	Total cost of task prior to implementation of the activity	Expected cost of task after implementation of the activity	Actual cost of task after implementation of the activity (in dollars).	Whether the outcome meets or exceeds the benchmark.
Cost per Interim Certification	YEAR 1: \$15,624.70 YEAR 2: \$15,624.70 YEAR 3: \$15,624.70 TOTAL: \$46,874.10	YEAR 1: \$11,488.75 YEART 2: \$0 YEAR 3: \$0 TOTAL: \$11,488.75	TBD	TBD
	<ul style="list-style-type: none"> • Cost per Interim Certification = \$13.13 • 1.7 average number of interims per household per year • <i>times 700</i> Study Group participants <p>Cost per Interim Certification - \$13.13 is equal to:</p> <ul style="list-style-type: none"> • <i>Average time to perform an interim - .50 hours</i> • <i>times the average cost per staff hour - \$26.25 per hour</i> 	<ul style="list-style-type: none"> • Cost per Interim Certification - \$13.13 • 1.25 average number of interims per household per year 700 Study Group participants <p>Cost per Interim Certification - \$13.13 is equal to:</p> <ul style="list-style-type: none"> • Average time to perform an interim - .50 hours • <i>times the average cost per staff hour - \$26.25 per hour</i> 	Actual cost of Interim Certification	Explanation to be provided

III. Proposed Activities – HUD Approval Requested

CE #1: Agency Cost Savings				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Total cost of task in dollars (decrease).	Total cost of task prior to implementation of the activity	Expected cost of task after implementation of the activity	Actual cost of task after implementation of the activity (in dollars).	Whether the outcome meets or exceeds the benchmark.
Cost per Streamlined Interim Certification	YEAR 1: \$6,433.70 YEAR 2: \$6,433.70 YEAR 3: \$6,433.70 TOTAL: \$19,301.10	YEAR 1: \$3,214.40 YEAR 2: \$3,214.40 YEAR 3: \$3,214.40 SAVINGS: \$9,643.20	TBD	TBD
	<ul style="list-style-type: none"> • Cost per Interim - \$13.13 • average number of interims per household per year .7/500 per year • 700 the number of Study Group participants <p>Cost per Interim is equal to:</p> <ul style="list-style-type: none"> • Average time to perform an interim - .50 hours • <i>times</i> the average cost per staff hour - \$26.25 	<ul style="list-style-type: none"> • Cost per Streamlined Interim - \$6.56 • average number of interims per household per year .7/500 per year • 700 the number of Study Group participants • Cost per Streamlined Interim is equal to: \$6.56 • Average time to perform an interim - .25 • <i>times</i> average cost per staff hour - \$26.25 	Actual cost of Streamlined Interim Certification	Explanation to be provided

III. Proposed Activities – HUD Approval Requested

CE #1: Agency Cost Savings				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Total cost of task in dollars (decrease).	Total cost of task prior to implementation of the activity	Expected cost of task after implementation of the activity	Actual cost of task after implementation of the activity (in dollars).	Whether the outcome meets or exceeds the benchmark.
Cost of Rent Calculation	YEAR 1: \$13,781 YEAR 2: \$13,781 YEAR 3 \$13,781 TOTAL: \$41,343	YEAR 1: \$9,187.50 YEAR 2: \$0 YEAR 3: \$0 TOTAL:\$9,187.50 SAVINGS: \$32,155.50	YEAR 1: TBD YEAR 2: YEAR 3: TOTAL:	YEAR 1: TBD YEAR 2: YEAR 3: TOTAL:
	Baseline is equal to: <ul style="list-style-type: none"> • Current time to perform rent calculation .75 hours • <i>times</i> the average cost per staff hour \$26.25 • <i>times</i> the number of Study Groups 700 = <p style="text-align: center;">\$13,781.25</p> Cost of Rent Calculation is equal to: <ul style="list-style-type: none"> • Average time for documenting, recording, calculating, verifying and quality control for all income sources .50 • <i>plus</i> the “Cost to Determine Adjusted Income - .25 hours 	Benchmark is equal to: <ul style="list-style-type: none"> • Current time to perform rent calculation .50 hours • <i>times</i> the average cost per staff hour \$26.25 • <i>times</i> the number of Study Groups 700 = <p style="text-align: center;">\$9,187.50</p> Cost of Rent Calculation is equal to: <ul style="list-style-type: none"> • Average time for documenting, recording, calculating, verifying and quality control for all income sources .50 • <i>plus</i> the “Cost to Determine Adjusted Income - 0 hours • 	Actual cost of Rent Calculation	Explanation to be provided

III. Proposed Activities – HUD Approval Requested

CE #1: Agency Cost Savings				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Total time to complete the task in staff hours (decrease).	Total cost of task prior to implementation of the activity.	Expected cost of task after implementation of the activity.	Actual cost of the task after implementation of the activity (in dollars).	Whether the outcome meets or exceeds the benchmark.
Cost to Determine Income from Assets	YEAR 1: \$4.59 YEAR 2: \$4.59 YEAR 2: \$4.59 TOTAL: \$13.77	YEAR 1: \$0 YEAR 2: \$0 YEAR 2: \$0 TOTAL: \$13.77	YEAR 1: TBD YEAR 2: YEAR 2: TOTAL:	YEAR 1: TBD YEAR 2: YEAR 2: TOTAL:
	Cost to determine income from assets equals: <ul style="list-style-type: none"> • Average time to verify asset, calculate income, perform quality control - .25 hours • times the cost per staff hour - \$26.25 • Times the percent of households with income from assets valued at \$5,000 - 0.001% • <i>times</i> the number of study participants – 700 	Cost to determine income from assets equals: <ul style="list-style-type: none"> • Average time to verify asset, calculate income, perform quality control - .25 hours • times the cost per staff hour - \$26.25 • Times the percent of households with income from assets valued at \$25,000 - 0% • <i>times</i> the number of study participants – 700 	Actual cost to determine income from assets	Explanation to be provided

III. Proposed Activities – HUD Approval Requested

CE #1: Agency Cost Savings				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Total cost of task in dollars (decrease).	Total cost of task prior to implementation of the activity	Expected cost of task after implementation of the activity	Actual cost of task after implementation of the activity (in dollars).	Whether the outcome meets or exceeds the benchmark.
Cost to Determine Utility Allowance	YEAR 1: \$4,593.75 YEAR 2: \$4,593.75 YEAR 3: \$4,593.75 TOTAL: \$13,781.25	YEAR 1: \$4,593.75 YEAR 2: \$0 YEAR 3: \$0 TOTAL: \$4,593.75 SAVINGS: \$9,187.50	YEAR 1: TBD YEAR 2 YEAR 3 TOTAL	YEAR 1: TBD YEAR 2 YEAR 3 TOTAL
	Cost per utility allowance equals: <ul style="list-style-type: none"> • Time to Determine Utility Allowance - .25 • Times the average cost per staff hour - \$26.25 • <i>times</i> the number of study participants 700 Time to Determine Utility Allowance is equal to: Time to verify voucher size, unit bedroom size, inspection determination of bedroom size and verify the correct utility allowance is applied - .25	Cost per utility allowance equals: <ul style="list-style-type: none"> • Time to Determine Utility Allowance - .25 • Times the average cost per staff hour - \$26.25 • <i>times</i> the number of study participants 700 Time to Determine Utility Allowance is equal to: Time to verify voucher size, unit bedroom size, inspection determination of bedroom size and verify the correct utility allowance is applied - .25		

III. Proposed Activities – HUD Approval Requested

CE #2: Staff Time Savings				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Total time to complete the task in staff hours (decrease).	Total amount of staff time dedicated to the task prior to implementation of the activity (in hours).	Expected amount of total staff time dedicated to the task after implementation of the activity (in hours).	Actual amount of staff time dedicated to the task after implementation of the activity (in hours).	Whether the outcome meets or exceeds the benchmark.
Time to Determine Utility Allowance	YEAR 1: 175 YEAR 2: 175 YEAR 3: 175 TOTAL: 525	YEAR 1: 175 YEAR 2: 0 YEAR 3: 0 TOTAL: 175 SAVINGS: 350	YEAR 1: TBD YEAR 2: YEAR 3: TOTAL:	YEAR 1: TBD YEAR 2: YEAR 3: TOTAL:
	Baseline is equal to: <ul style="list-style-type: none"> • Time to Determine Utility Allowance - .25 • <i>times</i> the number of Study Group 700 Time to Determine Utility Allowance is equal to: Time to verify voucher size, unit bedroom size, inspection determination of bedroom size and verify the correct utility allowance is applied - .25	Benchmark is equal to: <ul style="list-style-type: none"> • Time to Determine Utility Allowance - .25 • <i>times</i> the number of Study Group 700 Time to Determine Utility Allowance is equal to: Time to verify voucher size, unit bedroom size, inspection determination of bedroom size and verify the correct utility allowance is applied - .25	Actual Time to Determine Utility Allowance	Explanation to be provided

III. Proposed Activities – HUD Approval Requested

<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 amount of staff time dedicated to the task prior to implementation of the activity (in hours).	Expected amount of total staff time dedicated to the task after implementation of the activity (in hours).	Actual amount of staff time dedicated to the task after implementation of the activity (in hours).	Whether the outcome meets or exceeds the benchmark.
Time To Complete Annual Certification	YEAR 1: 700 YEAR 2: 700 YEAR 2: 700 TOTAL: 2,100	YEAR 1: 700 YEAR 2: 0 YEAR 3: 0 SAVINGS: 1,400	YEAR 1: TBD YEAR 2: 0 YEAR 3: 0 TOTAL:	YEAR 1: TBD YEAR 2: 0 YEAR 3: 0 TOTAL:
	Time to Complete Annual Certification – 1 hour <ul style="list-style-type: none"> <i>times</i> the number of the Study Group – 700 Time to Complete Annual Certification is equal to: <ul style="list-style-type: none"> Average time spent to schedule, interview and verify - .75 hours <i>plus</i> the average time spent to conduct quality control of the annual certification - .25 hours 	Time to Complete Annual Certification – 1 hour <ul style="list-style-type: none"> <i>times</i> the number of the Study Group – 700 Time to Complete Annual Certification is equal to: <ul style="list-style-type: none"> Average time spent to schedule, interview and verify - .75 hours <i>plus</i> the average time spent to conduct quality control of the annual certification - .25 hours 	Actual time to complete Determine Tenant Rent	Explanation to be provided

III. Proposed Activities – HUD Approval Requested

<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 amount of staff time dedicated to the task prior to implementation of the activity (in hours).	Expected amount of total staff time dedicated to the task after implementation of the activity (in hours).	Actual amount of staff time dedicated to the task after implementation of the activity (in hours).	Whether the outcome meets or exceeds the benchmark.
Time To Determine Tenant Rent	<p>YEAR 1: 525 YEAR 2: 525 YEAR 3: 525 TOTAL: 1,575</p> <p>The Baseline is equal to:</p> <ul style="list-style-type: none"> • Time to Determine Tenant Rent .75 <i>times</i> the number of Study Group – 700 = 525 hours <p>Time to Determine Tenant Rent is equal to:</p> <ul style="list-style-type: none"> • Average time for documenting, recording, calculating, verifying and quality control for all income sources .50 hours • <i>plus</i> Time to Determine Adjusted Income .25 hours = .75 hours 	<p>YEAR 1: 350 YEAR 2: 0 YEAR 3: 0 SAVINGS: 1,225</p> <p>Benchmark is equal to:</p> <ul style="list-style-type: none"> • Time to Determine Tenant Rent .50 <i>times</i> the number of Study Group – 700 = 350 hours <p>New Time to Determine Tenant Rent is equal to:</p> <ul style="list-style-type: none"> • Average time for documenting, recording, calculating, verifying and quality control for all income sources .50 hours • <i>plus</i> Time to Determine Adjusted Income 0 hours = .50 hours 	TBD	TBD
			Actual time to complete Determine Tenant Rent	Explanation to be provided

III. Proposed Activities – HUD Approval Requested

CE #2: Staff Time Savings				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Total time to complete the task in staff hours (decrease).	Total amount of staff time dedicated to the task prior to implementation of the activity (in hours).	Expected amount of total staff time dedicated to the task after implementation of the activity (in hours).	Actual amount of staff time dedicated to the task after implementation of the activity (in hours).	Whether the outcome meets or exceeds the benchmark.
Time to Determine Income from Assets	YEAR 1: 0.175 hours YEAR 2: 0.175 YEAR 3: 0.175 TOTAL: 0.5 hours	YEAR 1: 0 YEAR 2: 0 YEAR 3: 0 TOTAL: 0 SAVINGS: 0.5 hours	YEAR 1: 0 YEAR 2: YEAR 3: TOTAL:	YEAR 1: TBD YEAR 1: YEAR 3: TOTAL:
	Baseline is equal to: <ul style="list-style-type: none"> • Time to Determine Income from Assets over \$5,000 - .25 hours • times percent of households with income from assets over \$5,000 = .001% • <i>times</i> the number of Study Group 700 	Benchmark is equal to: <ul style="list-style-type: none"> • Time to Determine Income from Assets over \$25,000 - .25 hours • times percent of households with income from assets over \$25,000 = 0% • <i>times</i> the number of Study Group 700 	Actual Time to Determine Income from Assets	Explanation to be provided

III. Proposed Activities – HUD Approval Requested

<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).	Average error rate of task prior to implementation of the activity (percentage).	Expected average error rate of task after implementation of the activity (percentage).	Actual average error rate of task after implementation of the activity (percentage).	Whether the outcome meets or exceeds the benchmark.
Average Error Rate in Determining TTP	0 (UNAVAILABLE)	TBD	TBD	TBD
	Baseline is equal to: Average error rate In Determining the TTP is (currently not tracked)	Benchmark is equal to: percent Average error rate In Determining the TTP	Actual average error rate in determining TTP	Explanation to be provided
Average Error Rate in Determining Utility Allowance	0 (UNAVAILABLE)	TBD	TBD	TBD
	Baseline is equal to: Not Currently Tracked	Benchmark is equal to: % Average error rate In Determining the Utility Allowance	Actual average error rate in determining Utility Allowance	Explanation to be provided

III. Proposed Activities – HUD Approval Requested

<i>SS #1: Increase in Household Income</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Average earned income of households affected by this policy in dollars (increase).	Average earned income of households affected by this policy prior to implementation of the activity (in dollars).	Expected average earned income of households affected by this policy prior to implementation of the activity (in dollars).	Actual average earned income of households affected by this policy prior to implementation (in dollars).	Whether the outcome meets or exceeds the benchmark.
Average Earned Income of Non-Elderly Non-disabled Households	\$16,140	\$16,463	TBD	TBD
	Baseline is equal to: Average Earned Income of Non-elderly Non-disabled Households of Study Group	Benchmark is equal to: Annual increase of 2% in the Average Earned Income of Non-Elderly Non-disabled Households of Study Group	Average Earned Income of Non-Elderly Non-disabled Households of Study Group	Explanation to be provided

III. Proposed Activities – HUD Approval Requested

<i>SS #3: Increase in Positive Outcomes in Employment Status</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Report the following information separately for each category: (1) Employed Full- Time (2)Employed Part- Time (3)Enrolled in an Educational Program (4)Enrolled in Job Training Program (5)Unemployed (6)Other	Head(s) of households in categories identified below prior to implementation of the activity. This number may be zero.	Expected head(s) of households in the categories identified below after implementation of the activity.	Actual head(s) of work-able households in categories identified below after implementation the activity.	Whether the outcome meets or exceeds the benchmark.
(1) Employed Full- Time	41%/287	43%/301	TBD	TBD
(2) Employed Part-Time	10%/70	12%/84	TBD	TBD
(3) Enrolled in an Educational Program	8%/56	10%/30	TBD	TBD
(4) Enrolled in Job Training Program	0%/0 (not tracked)	0%/0	TBD	TBD
(5) Unemployed	55%/385	53%/371	TBD	TBD
(6) Other	0%/0	0%/0	TBD	TBD
Employment Status for: (1) Employed Full- Time (2)Employed Part- Time (3)Enrolled in an Educational Program (4)Enrolled in Job Training Program (5)Unemployed (6) Other	Actual head(s) of work-able households in categories identified prior to implementation of the activity.	Expected head(s) of households in the categories identified below after implementation of the activity	Actual head(s) of work-able households in categories identified after implementation of the activity.	Explanation to be provided

III. Proposed Activities – HUD Approval Requested

<i>SS #4: Households Removed from Temporary Assistance for Needy Families (TANF)</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of households receiving TANF assistance (decrease)	Households receiving TANF prior to implementation of the activity	Expected number of households receiving TANF after implementation of the activity	Actual households receiving TANF after implementation of the activity	Whether the outcome meets or exceeds the benchmark
	6% (42)	2% (14)	TBD	TBD
Number of households receiving TANF assistance (decrease)	Baseline is equal to: <ul style="list-style-type: none"> Percentage of Households Receiving TANF Benefits of total population times the number of Study Group - 700 	Benchmark is equal to: <ul style="list-style-type: none"> A reduction of Households Receiving TANF Benefits <i>times</i> the number of Study Group - 700 	Actual households receiving TANF benefits	Explanation to be provided

<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)	Households receiving TANF prior to implementation of the activity	Expected number of households receiving TANF after implementation of the activity	Actual number of households receiving self-sufficiency services after implementation of Activity 16	Whether the outcome meets or exceeds the benchmark
	9% (63)	9% (63)	TBD	TBD
Households Receiving Self-sufficiency Services	Baseline is equal to: <ul style="list-style-type: none"> Actual percentage of households receiving self-sufficiency Services currently <i>times</i> the number of Study Group- 700 	Benchmark is equal to: <ul style="list-style-type: none"> The expected number of households receiving self-sufficiency services <i>times</i> the number of Study Group - 700 	Actual households receiving self-sufficiency services	Explanation to be provided

III. Proposed Activities – HUD Approval Requested

<i>SS #6: Reducing Per Unit Subsidy Costs for Participating Households</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Average amount of Section 8 and/or 9 subsidy per household affected by this policy in dollars (decrease)	Average subsidy per household affected by this policy prior to implementation the activity (in dollars)	Expected average subsidy per household affected by this policy after implementation of the activity (in dollars)	Actual average subsidy per household affected by this policy after implementation of the activity (in dollars)	Whether the outcome meets or exceeds the benchmark
	\$6,549	\$6,371	TBD	TBD
Average HCV Subsidy for Non-elderly Non-disabled Households	Baseline is equal to: Average HCV Subsidy for Non-Elderly Non-disabled Households prior to implementation of the activity (in dollars)	Benchmark is equal to: the average HCV Subsidy for Non-elderly Non-disabled after implementation of the activity (in dollars)	Actual average HCV Subsidy for Non-elderly Non-disabled Households	Explanation to be provided

<i>SS #7: Increase in Agency Rental Revenue</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
PHA rental revenue in dollars (increase).	PHA rental revenue prior to implementation of the activity (in dollars).	Expected PHA rental revenue after implementation of the activity (in dollars).	Actual PHA rental revenue after implementation of the activity (in dollars)	Whether the outcome meets or exceeds the benchmark
	\$204,400	\$216,300	TBD	TBD
Total HCV Tenant Share for Non-elderly Non-disabled Households	Baseline is equal to: (292*700=) Total HCV Tenant Share for Non-elderly Non-disabled Households	Benchmark is equal to: (309*700=) Total HCV Tenant Share for Non-elderly Non-disabled Households	Actual PHA rental revenue after implementation of the activity	Explanation to be provided

III. Proposed Activities – HUD Approval Requested

SS #8: Households Transitioned to Self-sufficiency				
Self-sufficiency: Self-sufficiency: to be gainfully employed and a graduate of an institution of higher education or obtain a GED and increase income to a level of zero assistance.				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of households transitioned to self-sufficiency (increase).	Households transitioned to self-sufficiency (as defined above) prior to implementation of the activity (number). This number may be zero.	Expected households transitioned to self-sufficiency (as defined above) after implementation of the activity	Actual households transitioned to self-sufficiency after implementation of the activity (number).	Whether the outcome meets or exceeds the benchmark
	2% (14)	2.3% (16)	TBD	TBD
Non-elderly Non-disabled Households Transitioned/ Graduated to Self-sufficiency per Year.	Baseline is equal to: <ul style="list-style-type: none"> • Non-elderly Non-disabled Households Transitioned/ Graduated to Self-sufficiency per Year • <i>times</i> the number of Study Group 700 	Benchmark is equal to: <ul style="list-style-type: none"> • Non-elderly Non-disabled Households Transitioned/ Graduated to Self-sufficiency per year • <i>times</i> the number of Study Group 700times the number of Study Group 700 	Actual PHA rental revenue after implementation of the activity	Explanation to be provided

III. Proposed Activities – HUD Approval Requested

<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 as a result of the activity (increase).	Households able to move to a better unit and/or neighborhood of opportunity prior to implementation of the activity (number). This number may be zero.	Expected households able to move to a better unit and/or neighborhood of opportunity after implementation of the activity (number).	Actual increase in households able to move to a better unit and/or neighborhood of opportunity after implementation of the activity (number).	Whether the outcome meets or exceeds the benchmark
	0	0	TBD	TBD
Number of households able to move to a better unit and/or neighborhood of opportunity as a result of the activity (increase).	The baseline for this activity is zero because the population selected for the rent reform activities has not been selected at this time.	The benchmark for this activity is zero , the same as the baseline, because the rent reform activities are not designed to move families into neighborhoods of opportunity as an intended impact	Actual increase in households able to move to a better unit and/or neighborhood of opportunity after implementation of the activity	Explanation to be provided

III. Proposed Activities – HUD Approval Requested

I. Source of Data

LHA will use several sources to obtain the data necessary to evaluate this program.

- 1) Emphasys Elite is LHA system of record. Information related to household income, assets, household composition, unit information will be collected from this system.
- 2) The E.I.V. system, pay stubs, and, for self-employed individuals, tax returns will be used to verify household income.
- 3) LHA Human Resources personnel data will be used to determine the average hourly cost per job title.
- 4) LHA will also use a Time Study to record average time spent on certifications and quality control activities to compare the Study policies to the traditional program rules.
 - a) The time spent on certifications will include tracking on the average amount of time spent on the scheduling, verification of income, verification of assets with total value over \$25,000, calculations of deductions and allowances, calculations of utility allowance, calculations of TTP, and Interviews with households (as applicable).
 - b) The time spent on quality control will include corrective actions.
- 5) LHA will perform Quality Control comparison of study and non-study to determine reduced error rates using data obtained from Section 8 QC Database.
- 6) Additional systems will be developed for tracking data and hardship requests – HCV staff created spreadsheets in Excel.

III. Proposed Activities – HUD Approval Requested

III. Need/Justification for MTW Flexibility

Cite the authorization(s) detailed in Attachment C or D of the Standard MTW Agreement that gives LHA the flexibility to conduct the activity: LHA Amended and Restated Moving To Work Agreement dated June 25, 2009, Attachment C, provides the authority to conduct rent reform activities. Specifically, Section D Authorizations for HCV only provides the following:

A. Operational Policies and Procedures

Item D. 1 (c) provides LHA flexibility to define Operational Policies and Procedures. LHA may define, adopt and implement a reexamination program that differs from the reexamination program currently mandated in the 1937 Act. This provision waives certain provisions of Section 8(o)(5) of the 1937 Act and 24 CFR 982.516.

This flexibility is necessary to establish a triennial certification and revised interim certification schedule as part of the rent reform activity. Local forms will be created in order to adapt the 9886 to reflect a 36-month term between certifications.

B. Rent Policies

Item D. 2 (a) Rent Policies and Term limits. LHA is authorized to adopt and implement any reasonable policy to establish payment standards, rents or subsidy levels for tenant based assistance. The Agency is authorized to adopt and implement any reasonable policies to calculate the tenant portion of the rent that differ from the currently mandated program...waives Section 8(o)(1), 8(o)(2), 8(o)(3), 8(o)(10) and 8(o)(13)(H) – (I) of the 1937 Act and 24 C.F.R. 982.508; 982.503 and 982.518.

This authorization is necessary for the provision to set minimum rent, elimination of deductions and allowances, using a percent of gross income to calculate TTP, setting the maximum initial rent burden to 40% of gross income and a simplified utility schedule as components of the rent reform activity.

C. Eligibility of Participants

Item D. 3 (b) Eligibility of Participants. LHA is authorized to adopt and implement any reasonable policy for verifying household income and composition and for determining resident eligibility that differ from the current mandated program requirements. This provision waives provisions 24 CRR 982.516 and 982 Subpart E.

This authorization is necessary for the provisions to simplify rent calculation by eliminating income from household assets valued less than \$25,000; eliminating deductions and allowances and to use household gross income to set the TTP.

III. Proposed Activities – HUD Approval Requested

IV. Impact Analysis

A. Description of HCV Rent Reform Activity

A description of the HCV rent reform activity was provided in **Section I - Description of Rent Reform Components**.

B. Tracking and Documenting the Implementation

Information on tracking and documenting the implementation of the HCV rent reform activity is found in **Section E.-H. Activity Metrics pages 38-54**. Additionally, MDRC will obtain information throughout the lifespan of this study for use in a comprehensive assessment of the effectiveness of the rent reform activity.

On an annual basis, LHA will report the results on the implementation in the annual report. MDRC will issue an interim report on the implementation. At the conclusion of the report, HUD and/or MDRC will report the outcomes of the Study in a comprehensive report.

C. Identifying the Intended and Possible Unintended Impacts

Due to the nature of the project, the financial impacts are addressed comprehensively to reflect the totality of HCV rent reform activity.

1) Impact on HAP Expenditures under Alternative and Current Rent Policies

Models developed by MDRC estimate the impact on HAP expenditures over 4 years, with and without a modest employment impact.

Understanding the Table's Format

Table 1 presents the results of this HAP analysis for LHA. The table shows:

- Estimated HAP payments for each year during the three-year recertification period, and then in Year 4.
- The dollar amount difference and the percent difference in comparing the current rent policy with the new rent policy.

The data in the table includes the following information:

- “Year 1” represents when the new rent policy would begin with an initial income assessment
- “Year 4” represents the year after the next triennial recertification
- For Year 4 and the cumulative years 1-4 two estimates are included:
 - one that assumes that the rent policy has no impact on tenant earnings, and
 - a second that assumes that the policy has a modest impact on tenant earnings.

III. Proposed Activities – HUD Approval Requested

These estimates are based on a sample of all working-age/ non-disabled LHA voucher holders that were not already receiving a child care deduction in year 1, but the number of households have been prorated in order to illustrate a representative subsample of those likely to be in the study.

Background on Change

The alternative rent policy is intended to be roughly *cost-neutral* from the perspective of housing agencies and HUD. This means that the combination of HAP and administrative expenditures should remain about the same as the total expenditures for assisting the same number of voucher holders under the traditional rent policy. Ideally, those expenditures would fall, creating an opportunity to provide housing assistance to more families for the same amount of money.

Interpreting the Potential Impacts

Potential Impact 1: The results show that estimated HAP expenditures are slightly lower under the new policy relative to the current policy in Years 1 (0.1 percent), but they are somewhat higher in years 2 and 3 (by 4.6 percent, and 4.7 percent, respectively). This is largely because voucher holders who would increase their earnings under the current policy and normally have their housing subsidies reduced would not have their subsidies reduced during this period under the alternative policy's TTP freeze.

Potential Impact 2: However, in Year 4, even assuming that the alternative rent policy did *not* have an impact on tenants' employment and earnings, estimated HAP expenditures are nearly the same under the new policy.

This reflects the fact that, on average, TTPs recalculated in Year 4 would be based on higher average earnings, because of normal increases in work and earnings over time (i.e., increases that would have occurred even in the absence of the new policy). It is at the point of the triennial recertification that housing agencies begin to recoup the foregone HAP reductions in the prior years when TTPs were held constant.

Potential Impact 3: HAP expenditures will fall even more in Year 4 (by \$107,122) if the new policy *does* have a modest positive impact on household earnings. This impact would push up the income base for setting new TTPs to a higher level than what it would reach under current rules. A higher income base means that households will pay a larger share of their rent and utilities, thus requiring a lower subsidy.

Potential Impact 4: The *cumulative* HAP expenditures for Years 1-4 show that in the absence of an employment impact, those expenditures may be higher under the new rent policy compared with the current policy by 2.4 percent. However, if the alternative policy has a modest employment impact of the assumed size, LHA is projected to incur a slight cumulative increase in HAP expenditures (1.7 percent).

III. Proposed Activities – HUD Approval Requested

Table 1
Estimates of HAP Expenditures Under Alternative and Current Rent Policies
for Working-Age/Non-Disabled Households (\$)

				(no employment impact)	(modest employment impact)	(no employment impact)	(modest employment impact)
	Year 1	Year 2	Year 3	Year 4	Year 4	Total, Years 1-4	Total, Years 1-4
New rent policy	4,575,586	4,723,434	4,825,703	4,584,042	4,465,851	18,708,765	18,590,574
Current rent policy	4,580,068	4,516,097	4,608,433	4,572,972	4,572,972	18,277,571	18,277,571
Difference	(\$4,483)	+\$207,337	+\$217,270	+\$11,070	(\$107,122)	+\$431,194	+\$313,003
Percent change	(0.1%)	+4.6%	+4.7%	+0.2%	(2.3%)	+2.4%	+1.7%

2) **Existing deductions and allowances**

Table 2 presents the existing number of households in LHA receiving deductions and allowances, the percentage of households receiving specific deductions and allowances, and the average dollar amount of those deductions and allowances per household. Note that this table shows existing conditions rather than the potential impact.

Background on Change

Under the new policy, deductions and allowances are no longer permitted, making *gross* income the base for determining a household's TTP. Relying on gross income in calculating tenants' eligibility and TTP will simplify the rent-setting process and make it more transparent for both housing agencies and tenants. Child care allowances, in particular, can be burdensome to administer accurately. Under the traditional rent rules, child care allowances are based on *anticipated* unreimbursed child care expenses for the next year (or until the next recertification). Actual costs can be difficult to anticipate, however, particularly for parents who move in and out of jobs, whose child care providers change, whose child care needs change (e.g., if their work shifts change, whose children make a transition to a free pre-school program, or who become eligible for an external child care subsidy during the course of the year. It is not clear how reliably these types of changes are reported to housing agencies between recertification meetings, some of which might result in TTP increases, or decreases. It would be considerably more difficult to estimate *anticipated* child care expenditures under the new rent policy for the entire three-year period until the next

III. Proposed Activities – HUD Approval Requested

triennial recertification. This would likely raise expectations for housing agencies, as stewards of public monies, to monitor whether actual child care expenditures during that much longer time period actually conformed to the levels anticipated, and to revise tenants' TTPs when they did not. Building a new compliance system to monitor child care expenditures would work against the larger rent reform goal of reducing administrative burdens, and it would create more reporting requirements for tenants.

Interpreting the Potential Impacts

Potential Impact 1: Currently 77.7 percent of households in LHA receive at least one deduction. Eliminating deductions and allowances may affect the housing subsidies of some households more than others. For example, those with large families and high deductions for child care costs would likely find that, at their current income levels, their subsidies would be reduced. It should also be noted, however, that only a small percentage of households currently make use of the existing child care allowance – about 10 percent of working-age/non-disabled households in LHA. In part, these low rates reflect the fact that many tenants who might benefit from the deductions are not employed. The average annual amount of that deduction among those who use is about \$2,898 in LHA. For the purposes of the Rent Reform Demonstration, all households with a *current* child care deduction will be excluded from the research sample and can continue to receive any qualifying child care deduction.

The new rent policy offers some compensation for this elimination of child care allowances for those who would otherwise qualify for one under current rules. It does this, first, by reducing the percent of income in calculating TTP to 28 percent, and, second, and more importantly, by not raising the TTPs of households that increase their incomes during the period until the next triennial recertification. This will leave families that increase their earnings with more resources to help cover child care costs.

III. Proposed Activities – HUD Approval Requested

Table 2
Deductions And Allowances
Among Current Working-Age/ Non-Disabled Voucher Holders

Total number of households	1,927
Income Allowances & Deductions	
Any deductions (%)	77.7
Type of deduction (%)	
Medical/disability	0.0
Elderly/Disability	0.0
Dependent care	77.7
Childcare	10.3
Average annual deduction amount among those receiving deduction (\$)	
Medical/disability	0
Elderly/Disability	0
Dependent care	1,083
Childcare	2,898
Total average deduction amount among those receiving a deduction (\$)	1,468
Utility Allowance	
Has utility allowance (%)	79.8
Total monthly average utility allowance if receiving an allowance (\$)	192
Other	
Receiving utility allowance reimbursement (%)	36.4
Average amount of utility allowance reimbursement (\$)	88

3) **Impact on Family Share for households with selected characteristics**

Models developed by MDRC estimate the percentage of households that will likely pay a higher “family share” of shelter costs under the alternative rent policy. Assuming no employment impact, the estimated percentages of households with selected characteristics likely to pay a higher family share in year 4 in LHA is shown below in Table 3.

III. Proposed Activities – HUD Approval Requested

Background on Change

The alternative rent policy is likely to *reduce* the family share for some households and *increase* it for others. Table 3 shows that certain types of families may be more likely than other families to have a higher family share.

Understanding the Table's Format

Table 3 indicates:

- How prevalent certain types of households are among the total number households (700), and
- How prevalent those same types of households are among all the voucher holders who would likely experience an increase in family share under the new policy (181).

These estimates are based on a sample of all working-age/ non-disabled LHA voucher holders that were not already receiving a child care deduction in year 1, but the number of households have been prorated in order to illustrate a representative subsample of those likely to be in the study.

Interpreting the Potential Impacts

Potential Impact 1: Overall, larger families would likely be disproportionately affected by the new rent policy, at least in terms of the likeliness of paying a higher family share of shelter costs. For example:

- The first column shows that households with three or more children represent 24.6 percent of all working-age/ non-disabled households in LHA (or 172 households out of 700, as indicated in the second column).
- Of all voucher holders who are likely to pay a higher family share (181 households), households with three or more children represent a larger proportion (52.4 percent, as shown in the third column, or 95 households, as shown in the fourth column).

Potential Impact 2: Just under half of the households that are likely to have an increase in family share are households that have no earned income.

- About 400 households (or 57.1 percent out of a sample of 700 households) have no earned income.
- Of the 181 households that are likely to have an increase in family share, 81, or 44.6 percent, of those, are households without earned income.

However, it is important to remember shelter costs represent only part of the picture of households' economic circumstances, and that overall *net income* might improve even for larger families if they increase their earnings over the course of the prior three years.

III. Proposed Activities – HUD Approval Requested

Table 3
**Representativeness of Households with Selected Characteristics Among Working-Age/
 Non-Disabled Households Likely to Pay a Higher Family Share in Year 4 Under
 Alternative vs. Current Rent Policies
 (Assuming No Employment Impact)**

Characteristic	(%) Percent of Households	(#) Number of Households	(%) Percent with Higher Family Share under New Policy	(#) Number with Higher Family Share under New Policy
Number of Children				
No Children	26.8	188	1.1	2
Any number of Children	73.2	512	98.9	179
1 Child	25.9	182	16.1	29
2 Children	22.7	159	30.4	55
3 or more Children	24.6	172	52.4	95
Has a child under age 5	29.9	209	42.9	78
No earned income	57.1	400	44.6	81
No income	14.2	99	1.7	3
Sample Size	700	700	181	181

4) **Impact on Family Share for households, by Dollar Amount**

Models developed by MDRC estimate the changes in monthly family share over 4 years, with and without a modest employment impact. Shown below are these estimates for LHA.

Understanding the Table's Format

Table 4 presents the results of the impact on Family Share for LHA. The table shows:

- The difference in family share under the new policy compared with current policy using three main categories (Lower under new policy, No change, Higher under new policy)
- The estimated Percent (%) of all households impacted under each main category and the estimated percent of all households impacted based on the dollar amount of the impact.

III. Proposed Activities – HUD Approval Requested

- Estimated number (#) of households impacted for each of the three main categories

The data in the table includes the following information:

- “Year 1” represents when the new rent policy would begin with an initial income assessment
- “Year 4” represents the year after the next triennial recertification.
- For Year 4 and the cumulative years 1-4, two estimates are included:
 - One that assumes that the rent policy has no impact on tenant earnings, and
 - A second that assumes that the policy has a modest impact on tenant earnings.

These estimates are based on a sample of all working-age/ non-disabled LHA voucher holders that were not already receiving a child care deduction in year 1, but the number of households have been prorated in order to illustrate a representative subsample of those likely to be in the study.

Interpreting the Potential Impacts

Potential Impact 1: Although the alternative rent policy will *reduce* the family share for some households, it will *increase* it for others. During the three-year period when the new policy’s delayed recertification period is in effect, up to 37.2 percent of households (*depending on the year*) may have a *lower* family share than they would otherwise have under current rules, while up to 32 percent of households (*depending on the year*) may have a *higher* family share.

Potential Impact 2: In Year 4, given no employment impact and without considering any *hardship-related reductions* in TTP (which were difficult to build into the statistical models), it appears that in about 22 percent of the cases where households would likely pay a higher family share under the new rules, they would only pay up to \$50 per month more. Less than 1 percent (0.2%) would pay more than \$200 more per month than they would under current rules. The higher family share under the new policy would come from the policy’s minimum rent, the absence of deductions, and limits on interim recertifications in the face of income declines. *However, as noted, this analysis does not apply any hardship remedies, so the increases in TTP are likely to be overstated to some extent.*

Potential Impact 3: If the new policy has a modest positive effect on earnings, more tenants than under current rules will experience an increase in their family share for Year 4, after their three-year income recertification. If the new policy has a modest employment impact, the analysis suggests that family share may increase by \$50 or less per month for 22.8 percent of households and by more than \$200 per month for less than 1 percent (0.2%) of households.

III. Proposed Activities – HUD Approval Requested

Table 4
Change in Monthly Family Share (FS) Under Alternative vs. Current Rent Policies
for Working-Age/Non-Disabled Households

Difference in FS under new vs. Current policy	Year 1	Year 2	Year 3	(no employment impact)	(modest employment impact)
				Year 4	Year 4
Lower under new policy (#)	154	260	243	189	174
Lower under new policy (%)	22.0	37.2	34.7	27.0	24.8
\$10 or less	8.8	10.3	5.4	8.0	6.6
\$10.01 - \$20.00	6.7	4.7	5.0	8.2	7.5
\$20.01 - \$30.00	4.4	2.7	3.5	5.0	4.9
\$30.01 - \$40.00	2.1	2.4	2.6	3.3	3.3
\$40.01 - \$50.00	0.0	0.8	1.3	0.3	0.3
\$50 or less	22.0	20.8	17.9	24.8	22.6
\$50.01 - \$75.00	0.0	2.6	1.9	0.1	0.1
\$75.01 - \$100.00	0.0	2.3	1.5	0.2	0.2
\$100.01 - \$125.00	0.0	1.9	2.2	0.3	0.3
\$125.01 - \$150.00	0.0	1.2	1.1	0.1	0.1
\$150.01 - \$175.00	0.0	1.0	1.3	0.2	0.2
\$175.01 - \$200.00	0.0	1.3	1.5	0.4	0.4
More than \$200	0.0	6.1	7.4	1.0	1.0
No Change (#)	382	280	233	330	256
No Change (%)	54.6	40.0	33.3	47.2	36.5
Higher under new policy (#)	164	160	224	181	271
Higher under new policy (%)	23.4	22.9	32.0	25.8	38.7
\$10 or less	8.7	4.8	4.0	6.7	6.2
\$10.01 - \$20.00	6.7	4.3	5.2	6.6	5.9
\$20.01 - \$30.00	4.5	4.1	5.0	4.0	4.7
\$30.01 - \$40.00	2.6	1.9	6.0	3.0	3.1
\$40.01 - \$50.00	0.6	1.3	3.8	1.5	2.9
\$50 or less	23.2	16.3	23.9	21.8	22.8
\$50.01 - \$75.00	0.2	2.9	3.7	1.6	3.1
\$75.01 - \$100.00	0.0	2.0	1.9	0.9	3.1
\$100.01 - \$125.00	0.0	1.0	1.1	0.5	5.1
\$125.01 - \$150.00	0.0	0.3	1.0	0.4	3.7
\$150.01 - \$175.00	0.0	0.1	0.1	0.2	0.5
\$175.01 - \$200.00	0.0	0.1	0.0	0.1	0.2
More than \$200	0.0	0.2	0.2	0.2	0.2
Sample Size	700	700	700	700	700

III. Proposed Activities – HUD Approval Requested

5) Impact on Net income

The MDRC team completed a net income analysis for two different types of households which vary importantly in terms of their potential need for child care subsidies:

- *Table 5a and Table 5b are examples of “Shana’s” household*, where Shana is a single parent with two teenage children and no child care expenses.
- *Table 6a and Table 6b are examples of “Maria’s” household*, where Maria is a single parent with an infant who may need child care to work.

Background on Assumptions

For each household, the analysis estimated net monthly income under current rent rules and net income under new rent rules, making different assumptions about how much the parent worked (zero, 15, or 35 hours per week) and her hourly wage (\$8 or, in some cases, \$16).

Tables 5a and 6a illustrate net income for Shana and Maria under the new and current rent policies when *there is a change in employment status*.

Tables 5b and 6b illustrate net income for Shana and Maria under the new and current rent policies when *their employment status remains unchanged*.

Interpreting the Potential Impacts

Potential Impact 1: The analysis of the net income effects illustrates that when a household *changes its work status and earnings* – e.g., when tenants who are not working go to work, or those who are working part-time get full-time jobs, or when working tenants attain wage increases – net household income will improve more under the new rent policy than under current rent rules. This is achieved primarily by holding TTP constant in the face of earnings gains during the three-year period before the next triennial recertification.

Table 5a helps to illustrate how the new policy benefits tenants who do change their work status. The table shows how “Shana’s” net monthly income would change under current rent rules as her work status changes. For example, if her initial status was not working, then her net income would be \$538 under both the new and current rent rules. If she were then to go to work full-time (35 hours per week) at a low wage rate (\$8 per hour, which is just above the Federal minimum wage), her net monthly income would increase to \$1,497 under current rent rules, but by \$190 *more* per month (or 13 % more) under the new rent rules to \$1,687. Thus, Shana would benefit substantially from the new policy if she were initially not working and took a full-time job, even at a low wage. It would increase her net income by 214% under the new policy, compared

III. Proposed Activities – HUD Approval Requested

with 178% under current rules. On an annual basis, this increase would mean a gain in income of \$2,280 under the new policy.

The advantage under the new rules is created by holding her TTP constant. Shana's TTP would rise under current rules as she progressed to full-time work, whereas it would remain the same under the new rules. In effect, the implicit marginal "tax" on any increased earnings due to the normal income-based housing subsidy rules would drop to zero percent under the new rules during this period.

The columns on the right side of the Table 5a provide further details on what would happen after the triennial recertification. At that time under the new rent policy, Shana's TTP would be reset to a higher rate, and, as a result, her monthly net income would drop relative to what it had been in the prior period. It would again become comparable to what it would be under current rent rules. However, because her TTP would be held constant for another three years, her net income would grow *more* under the new rent rules relative to current rules if she could increase her wage rate. For example, if she could double her wage rate to \$16 per hour job, her net income would grow by 37 percent under the new rent rules compared with only 13 percent under existing rules. Put differently, the same wage increase would boost her net monthly income by \$364 (or 21%) more per month (or \$4,368 per year) under the new rules than it would under current rules. The improvement would be less under existing rules because her TTP would increase per month.

Potential Impact 2: The advantages of the new rules will be smaller for tenants who, in order to go to work or to work more need external child care subsidies but cannot get them. The absence of child care allowances under the new rules will offset some of the benefit of holding TTP constant in the face of earnings gains for some families unless other child care arrangements can be found. Of course, many families who need but cannot get external child care subsidies have difficulty working even under current rent rules because the existing child care allowances are only an income deduction and do not fully cover child care costs. Thus, some families may not work under either rent policy because, if they have to pay for child care out of pocket, it may not "pay" to work.

Table 6a provides estimates of how net income would change for "Maria" as she changed her work status under the new and existing rent rules. However, in Maria's case, it is important to take into consideration her likelihood of receiving child care subsidies from an external funding source. The analysis shows that if Maria, who has a young child, does not need to pay for child care (e.g., because she is able to arrange for family or friends to care for her child at no cost), the new rent rules would provide a clear advantage for going to work full-time, as they do for Shana.

III. Proposed Activities – HUD Approval Requested

The new rules would also make it more advantageous, compared with current rules, for Maria to move from not working to working full-time, even if she needed to pay for child care out of her own pocket without any subsidies. However, this advantage would be less than it would be if Maria had no child care costs.

After the triennial recertification, parents without a child care subsidy who are working (and paying for child care out of pocket) may fair less well under the new rent rules compared with the existing rent rules once their TTPs are adjusted to reflect their increased earnings. For example, as Table 6a shows, Maria would have a lower net monthly income under the new rules after the triennial recertification *if she needed but receives no external child care subsidy*. However, under these circumstances, Maria might very well choose not to work, *even under the current rent rules*, if she had to pay for most of her child care out of pocket.

At the same time, after that next recertification, Maria would benefit more under the new rent rules if she increased her earnings during the new three-year period (because of the new cap on her TTP). The advantage over current rules would be even larger once her child required less paid child care after entering preschool or elementary school.

Potential Impact 3: Tenants who do not work at all may pay a somewhat higher TTP and have somewhat lower net income under the new rules if they become subject to the minimum rent and do not qualify for a hardship remedy. In addition, working tenants who do not increase their hours of work or wage levels (e.g., they remain working part-time or full-time at a constant wage) will experience little, if any, gain – or loss – in net income under the new rules relative to current rules. This is because their TTPs will remain constant over time, even under current rules. Tables 5b and 6b illustrate this pattern by comparing net income for Shana and Maria under the new and current rent policies when their employment status *remains unchanged*. These tables indicate that, at least in these hypothetical examples, the largest reduction in net income when work status does not change is about \$12 per month.

III. Proposed Activities – HUD Approval Requested

Exhibits illustrating the impact on “Shana’s” household

Table 5a

Changes In Estimated Household Monthly Net Income As "Shana" Increases Her Work Effort, Under Alternative and Current Rent Policies

Shana is a single mother with 2 children (Ages 13 and 15)	Year 1 through Year 3				3-Year Recertification Interview: New TTP Set	Year 4 through Year 6			
	Not Working	Working FT at \$8/hour	Difference	Percent Change		Working FT at \$8/hour	Working FT at \$16/hour	Difference	Percent Change
<i>Initial Status</i>					<i>Initial Status</i>				
Net Income									
New Rules	\$538	\$1,687	+\$1,149	+214%		\$1,497	\$2,058	+\$561	+37%
Current rules	\$538	\$1,497	+\$959	+178%		\$1,497	\$1,694	+\$197	+13%
Difference (New minus Current) (%)	0%	+13%				0%	+21%		

Table 5b

Estimated Net Household Monthly Net Income for “Shana,” Assuming No Change in Work Status, Under Alternative and Current Rent Policies, by Work Status

Shana is a single mother with 2 children (Ages 13 and 15)	Not Working	Working PT at \$8/hour	Working FT at \$8/hour
New Rules	\$538	\$949	\$1,497
Current Rules	\$538	\$961	\$1,497
Difference			
New minus Current	\$0	(\$12)	\$0

III. Proposed Activities – HUD Approval Requested

Exhibits illustrating the impact on “Maria’s” household

Table 6a

Changes in Estimated Household Monthly Net Income As "Maria" Increases Her Work Effort, Under Alternative and Current Rent Policies, by Receipt of External Child Care Subsidy

Maria is a single mother with a 1-year old child	Year 1 through Year 3				3-Year Recertification Interview: New TTP Set	Year 4 through Year 6			
	Not Working	Working FT at \$8/hour	Difference	Percent Change		Working FT at \$8/hour	Working FT at \$16/hour	Difference	Percent Change
Initial Status					Initial Status				
Does not need child care subsidy									
New Rules	\$419	\$1,389	+\$970	+232%		\$1,199	\$1,819	+\$619	+52%
Current rules	\$419	\$1,188	+\$769	+183%		\$1,188	\$1,455	+\$267	+22%
Difference (New minus Current) (%)	0%	+17%				+1%	+25%		
Needs child care subsidy but does not receive it									
New Rules	\$419	\$970	+\$551	+132%		\$780	\$1,428	+\$648	+83%
Current rules	\$419	\$910	+\$491	+117%		\$910	\$1,194	+\$284	+31%
Difference (New minus Current) (%)	0%	+7%				(14%)	+20%		

III. Proposed Activities – HUD Approval Requested

Table 6b**Estimated Household Monthly Net Income for "Maria," Assuming No Change in Work Status, Under Alternative and Current Rent Policies, by Work Status**

Maria is a single mother with a 1-year old child but does not currently have child care costs and does not use a child care deduction	Not Working	Working PT at \$8/hour	Working FT at \$8/hour
New Rules	\$419	\$838	\$1,200
Current Rules	\$419	\$839	\$1,188
Difference			
New minus Current	\$0	(\$1)	\$12

D. Measuring the Impacts

Information on tracking and documenting the implementation of the HCV rent reform activity is found in **Section II - Activity Metrics** and **Section VI - Annual Reevaluation of Rent Reform Activity**.

Additionally, at the conclusion of the study MDRC will report the outcomes of the Study in a comprehensive report.

III. Proposed Activities – HUD Approval Requested

V. Hardship Policy

LHA is participating in the Study in order to further the national discussion regarding the future of the Housing Choice Voucher Program. The alternative rent strategies are not intended to create an undue burden on the Study Participants. LHA has established the following Hardship Policy for Study participants. Households participating in the Study as part of the Control Group will be subject to the current LHA policies.

A. Hardship Waiver Request Process

The process for requesting a waiver will be as follows:

- 1) A household must initiate a request for a hardship waiver, by completing and submitting a written hardship request to Housing Assistant Specialist.
- 2) The household must supply information and documentation that supports a hardship claim with their written request. For example, a household must provide proof of the following: loss of eligibility for a federal state, or local assistance program; loss of employment or reduction in work hours; or the incapacitation or death of an income-earning household member and amount of lost income.
- 3) If a household claims zero income as part of its hardship request, it must provide a detailed accounting of funds used to cover basic costs of living (food, personal/family care necessities, etc.). This information must be provided every 90 days.
- 4) To request hardship based on the risk of eviction for non-payment of rent or utilities, a household must provide a copy of written 7-day notice from the landlord of non-payment of rent and the landlord's intent to terminate the household's tenancy, or a notice from a utilities company warning of a utilities shut-off. Tenant must promptly deliver the 7-day notice from the Landlord well in advance of a scheduled court date for eviction proceedings.

III. Proposed Activities – HUD Approval Requested

B. Hardship Waiver Criteria

LHA may determine a financial hardship exists when the household cannot pay the minimum rent or has an excessive rent burden. Households will be considered for a hardship waiver, as discussed below, if:

- 1) The hardship cannot be remedied by the one interim recertification permitted each year (which cannot reduce a household's TTP below the minimum level).
- 2) The household is at an income level or experiences a loss of income and/or a TTP increase such that its total monthly TTP exceeds 40% of its current monthly gross income and is greater than the \$150 minimum rent. The gross income will include imputed income in the same manner as current calculations.
- 3) The household faces risk of eviction for non-payment of rent – including utility shut-offs for non-payment of utility bills that could lead to eviction.
- 4) Other circumstances as determined by the housing agency.

C. Hardship Review Process

- 1) The administrative review of the household circumstances will be conducted by LHA according to current review processes.
- 2) For hardship claims related to imminent risk of eviction, LHA will conduct an expedited hearing process.
- 3) Where a hardship request is denied, the household may request an independent review or hearing of its case through the housing agency's normal grievance procedures.
- 4) LHA will complete all information regarding the request for Hardship and the outcome in the system of record for tracking Hardship requests.

D. Hardship Remedies

- 1) The Hardship remedies may include any of the following:
 - a) Allowing an additional interim recertification beyond the normal one-per-year option. This could lower household's TTP (but only as low as the \$150 minimum TTP) until the next triennial recertification.

III. Proposed Activities – HUD Approval Requested

- b) Setting the household's TTP at the minimum level for up to 180 days.
 - c) Setting the household's TTP at 28 percent of current income (but no lower than the \$150 minimum rent), for up to 180 days.
 - d) Offering a "transfer voucher" to support a move to a more affordable unit (including a unit with lower utility expenses).
 - e) A specific time frame for the temporary TTP or minimum rent may be established for longer than 180 days based on specific circumstances. However, the time frame will never go pass the triennial recertification date.
 - f) Any combination of the above remedies.
- 2) During the period when the TTP is reduced, the housing agency will increase its payment to the landlord to cover the portion of the rent previously paid by the tenant directly to the landlord, and it will notify the landlord of the change and the time period of the increased payments.
 - 3) In addition to the remedy or remedies offered, the household may be referred to federal, state or local assistance programs to apply for assistance, or to obtain verification that they are ineligible to receive benefits.
 - 4) The Hardship remedies are subject to the following limitations:
 - a) The tenant portion of the rent payments will not be suspended prior to a hardship designation.
 - b) Remedies will not affect any rent attributable to a gross rent that exceeds the applicable payment standard.
 - c) Opting out of the alternative rent policy is not a remedy option.

E. End of Hardship Waiver Period

- 1) If the hardship continues, the household may submit a request for an extension of the hardship remedy. However, the time frame will never go past the triennial recertification date.
- 2) At the end of the hardship waiver period, the household's regular TTP will be reinstated.

III. Proposed Activities – HUD Approval Requested

VI. Annual Reevaluation of Rent Reform Activity

LHA will review the rent reform activities annually and will report its findings to HUD in the yearly MTW Report. Because certain activities will be conducted on a triennial basis, not all information may be presented each year. However, LHA will report on the following:

- Hardship requests and determinations
- Interim certifications for loss of income
- Program departures
- HAP Expenditure

VII. Transition Period

A. Selection of Participants

Study Participants will be randomly selected from the eligible vouchers through a computer generated random selection program. Eligible vouchers will specifically exclude the following:

- 1) Vouchers not currently administered under the Moving to Work Program:
 - a) Veterans Affairs Special Housing
 - b) Moderate Rehabilitation
 - c) Shelter Plus Care
 - d) Bluegrass Domestic Violence (Special Partner Programs)
 - e) Bluegrass Regional Mental Health - Mental Retardation Board, Inc. (Special Partner Programs)
 - f) Volunteers of America (Special Partner Programs)
- 2) Enhanced Vouchers
- 3) HUD Project-Based Vouchers
- 4) Block Grant Special Partner Programs
- 5) Vouchers administered under portability
- 6) Elderly households: Head of Household, co-head, spouse or single member households 62 years or older pursuant to the Administrative Plan
- 7) Households headed by people older than 56 years of age (who will become seniors during the course of the long-term study).
- 8) Disabled households: Head of Household, co-head, spouse or single member households with disability as defined in the Administrative Plan
- 9) Households currently using the childcare expense deduction to determine the adjusted annual income
- 10) Households currently participating in the Family Self-sufficiency Program
- 11) Households participating in the Homeownership Program
- 12) Households that contain a mix of eligible and non-eligible household members would not be included in the Study

III. Proposed Activities – HUD Approval Requested

B. Enrollment of Participants

1) Prior to Certification Meeting

Selected Study Participants will receive special information with their recertification package to introduce them to the rent reform policies and to answer household questions. LHA will conduct the triennial certification at the time otherwise scheduled for the household annual certification.

2) During Certification Meeting

At the initial triennial certification, the household will have the changes in rent reform policies explained to them. They will be provided with a gift card as a nominal thank you for providing filling out a base information form.

Changes in the household share, TTP, utility schedule allowance will be provided to the household with no less than 30 days' notice.

3) Mitigation of impact at initial triennial certification

A "grace period" of six months will be provided to mitigate the impact of the transition for the following case:

At the triennial certification at the beginning of the three-year period (and at subsequent triennials), if a household's current/anticipated income is less than its retrospective income by more than 10%, the current income alone will be used to create a "temporary" TTP for a six-month grace period.

After that grace period, the TTP will automatically be switched to the TTP amount based on the previously determined average prior income. No interim recertification interview would be required to reset this TTP.

IV. Implemented & Ongoing Activities: HUD Approval Previously Granted

IV. Approved MTW Activities: HUD approval previously granted

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

1. Plan Year Activity Approved and Implemented

Proposed FY 2012 – FY 2013 for Pimlico Apartments

Implemented May 1, 2012

Activity Expanded FY2014 to all Public Housing Units and HCV Units

Implemented April 1, 2014

2. Description of Activity and Status Update

The minimum rent increase was first implemented at the LHA's general public housing site, Pimlico Apartments in 2012. The revenue generated from the increase at the site was approximately \$17,000 per month. The activity was terminated at the Pimlico site because the Housing Authority applied for and was accepted into the HUD Rental Assistance Demonstration (RAD) to revitalize the 206-unit site. The Pimlico site was completely vacant by August 2013 and renovation at the site began in March 2014. The LHA increased the minimum rent to \$150 across all housing programs (Section 8 & 9) excluding elderly and/or disabled households and households participating in HCV special partner programs during FY 2014. The initiative promotes self-sufficiency by encouraging heads-of-household to work, while raising much-needed revenue.

3. Non-Significant Changes or Modifications During FY2015

The LHA does not anticipate any non-significant changes or modifications during the FY2015 Plan year.

4. Changes or Modifications Metrics, Baselines or Benchmarks During FY2015

Benchmarks and/or metrics for this activity have been updated with HUD-required standard metrics for the FY2015 MTW Annual Plan in the tables on pages 78-81.

5. Attachment C or D Authorization(s) Changes

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

6. Significant Change or Modifications to the Activity Since Approval

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

IV. Implemented & Ongoing Activities: HUD Approval Previously Granted

Type of Activity: Rent Reform - Increase Minimum Rent for Work-able Households				
CE #5: Increase in Agency Rental Revenue				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Rental revenue in dollars (increase).	Rental revenue prior to implementation of the activity (in dollars).	Expected rental revenue after implementation of the activity (in dollars).	Actual rental revenue after implementation of the activity (in dollars).	Whether the outcome meets or exceeds the benchmark.
	PUBLIC HOUSING:			
	\$2,576,196 (\$1,612,512)	\$2,888,208 (\$2,017,152)	TBD	TBD
	Sum total annual gross (net) rental revenue from 759 non-disabled/non-elderly households as of June 30, 2013	Expected sum total annual gross (net) rental revenue from 699 non-disabled/non-elderly households as of June 30, 2015	Actual sum total annual gross (net) rental revenue from non-disabled/non-elderly households as of June 30, 2015	Explanation to be provided
	HCV PROGRAM:			
	\$6,423,672 (\$3,457,392)	\$6,661,080 (\$3,928,428)	TBD	TBD
	Sum total annual gross (net) rental revenue from 1,540 non-disabled/non-elderly/non-special partner households as of June 30, 2013	Expected sum total annual gross (net) rental revenue from 1,458 non-disabled/non-elderly/non-special partner households as of June 30, 2015	Actual sum total annual gross (net) rental revenue from non-disabled/non-elderly/non-special partner households as of June 30, 2015.	Explanation to be provided
	Agency-Wide:			
\$8,999,868 (\$5,069,904)	\$9,549,288 (\$5,945,580)	TBD	TBD	
Sum total annual gross (net) rental revenue from 2,299 non-public housing & HCV households as of June 30, 2013	Expected sum total annual gross (net) rental revenue from 2,157 public housing & HCV households as of June 30, 2015	Actual sum total annual gross (net) rental revenue from public housing & HCV households as of June 30, 2015.	Explanation to be provided	
Data Source: Emphasys				

IV. Implemented & Ongoing Activities: HUD Approval Previously Granted

Type of Activity: Rent Reform - Increase Minimum Rent for Work-able Households				
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).	Average earned income of households affected by this policy prior to implementation of the activity (in dollars).	Expected average earned income of households affected by this policy prior to implementation of the activity (in dollars).	Actual average earned income of households affected by this policy prior to implementation (in dollars).	Whether the outcome meets or exceeds the benchmark.
	PUBLIC HOUSING:			
	\$11,487	\$12,857	TBD	TBD
	Average gross annual earned income from 759 non-disabled/non-elderly households as of June 30, 2013	Expected average gross annual earned income from 699 non-disabled/non-elderly households as of June 30, 2015	Actual average gross annual earned income from non-disabled/non-elderly households as of June 30, 2015	Explanation to be provided
	HCV PROGRAM:			
	\$8,316	\$8,535	TBD	TBD
	Average gross annual earned income from 1,540 non-disabled/non-elderly/non-special partner households as of June 30, 2013	Expected average gross annual earned income from 1,458 non-disabled/non-elderly/non-special partner households as of June 30, 2015	Actual average gross annual earned income from non-disabled/non-elderly/non-special partner households as of June 30, 2015.	Explanation to be provided
	Agency-Wide:			
	\$9,363	\$9,936	TBD	TBD
Average gross annual earned income from 2,299 public housing & HCV households as of June 30, 2013	Expected average gross annual earned income from 2,157 public housing & HCV households as of June 30, 2015	Actual average gross annual earned income from public housing & HCV households as of June 30, 2015.	Explanation to be provided	

Data Source: Emphasys

IV. Implemented & Ongoing Activities: HUD Approval Previously Granted

Type of Activity: Rent Reform - Increase Minimum Rent for Work-able Households				
SS #3: Increase in Positive Outcomes in Employment Status				
Report the Baseline, Benchmark and Outcome data for each type of employment status for those head(s) of households affected by the self-sufficiency activity.				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Category 5: Unemployed Heads of Household				
Report the following information separately for each category: (5) Unemployed and (6) Other, where Other is defined as heads of households that report earned income.	Number (Percent) of heads of household that are unemployed (prior to implementation of the activity).	Expected number (percent) of heads of household that are unemployed after implementation of the activity.	Actual number (percent) of heads of household that are unemployed after implementation of the activity.	Whether the outcome meets or exceeds the benchmark.
	PUBLIC HOUSING:			
	255 (34%)	206 (29%)	TBD	TBD
	Non-disabled/non-elderly households where head/co-head has no earned income as of June 30, 2013	Expected non-disabled/non-elderly households where head/co-head has no earned income as of June 30, 2015	Actual non-disabled/non-elderly households where head/co-head has no earned income as of June 30, 2015	Explanation to be provided
	HCV PROGRAM:			
	734 (48%)	669 (46%)	TBD	TBD
	Non-disabled/non-elderly/non-special partner households where head/co-head has no earned income as of June 30, 2013	Expected non-disabled/non-elderly/non-special partner households where head/co-head has no earned income as of June 30, 2015	Actual non-disabled/non-elderly/non-special partner households where head/co-head has no earned income as of June 30, 2015.	Explanation to be provided
	Agency-Wide:			
989 (43%)	875 (41%)	TBD	TBD	
Public housing & HCV households where head/co-head has no earned income as of June 30, 2013	Expected public housing & HCV households where head/co-head has no earned income as of June 30, 2015	Actual public housing & HCV households where head/co-head has no earned income as of June 30, 2015.	Explanation to be provided	
Data Source: Emphasys				

IV. Implemented & Ongoing Activities: HUD Approval Previously Granted

Type of Activity: Rent Reform - Increase Minimum Rent for Work-able Households				
SS #3: Increase in Positive Outcomes in Employment Status				
Report the Baseline, Benchmark and Outcome data for each type of employment status for those head(s) of households affected by the self-sufficiency activity.				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Category 6: Other (Heads of Household Reporting Earned Income)				
Report the following information separately for each category: (5) Unemployed and (6) Other, where Other is defined as heads of households that report earned income.	Number (Percent) of heads of household that report earned income (prior to implementation of the activity).	Expected number (percent) of heads of household that are unemployed after implementation of the activity.	Actual number (percent) of heads of household that report earned income after implementation of the activity.	Whether the outcome meets or exceeds the benchmark.
	PUBLIC HOUSING:			
	504 (66%)	493 (71%)	TBD	TBD
	Non-disabled/non-elderly households where head/co-head has earned income as of June 30, 2013	Expected number (percent) of heads of household that report earned income after implementation of the activity	Actual non-disabled/non-elderly households where head/co-head has earned income as of June 30, 2015	Explanation to be provided
	HCV PROGRAM:			
	806 (52%)	789 (54%)	TBD	TBD
	Non-disabled/non-elderly/non-special partner households where head/co-head has earned income as of June 30, 2013	Expected non-disabled/non-elderly/non-special partner households where head/co-head has no earned income as of June 30, 2015	Actual non-disabled/non-elderly/non-special partner households where head/co-head has earned income as of June 30, 2015.	Explanation to be provided
	Agency-Wide:			
1,310 (57%)	1,282 (59%)	TBD	TBD	
Public housing & HCV households where head/co-head has earned income as of June 30, 2013	Expected public housing & HCV households where head/co-head has earned income as of June 30, 2015	Actual public housing & HCV households where head/co-head has earned income as of June 30, 2015.	Explanation to be provided	
Data Source: Emphasys				

IV. Implemented & Ongoing Activities: HUD Approval Previously Granted

Type of Activity: Rent Reform - Increase Minimum Rent for Work-able Households				
SS #4: Households Removed from Temporary Assistance for Needy Families (TANF)				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of households receiving TANF assistance (decrease).	Households receiving TANF prior to implementation of the activity (number)	Expected number of households receiving TANF after implementation of the activity (number).	Actual number (percent) of heads of household that report earned income after implementation of the activity.	Whether the outcome meets or exceeds the benchmark.
	PUBLIC HOUSING:			
	42	32	TBD	TBD
	Non-disabled/non-elderly households receiving TANF as of June 30, 2013	Expected non-disabled/non-elderly households receiving TANF as of June 30, 2015	Actual non-disabled/non-elderly households receiving TANF as of June 30, 2015	Explanation to be provided
	HCV PROGRAM:			
	86	91	TBD	TBD
	Non-disabled/non-elderly/non-special partner households receiving TANF as of June 30, 2013	Expected non-disabled/non-elderly/non-special partner households receiving TANF as of June 30, 2015	Actual non-disabled/non-elderly/non-special partner households receiving TANF as of June 30, 2015	Explanation to be provided
	AGENCY-WIDE:			
	128	123	TBD	TBD
Public housing & HCV households receiving TANF as of June 30, 2013	Expected public housing & HCV households receiving TANF as of June 30, 2015	Expected public housing & HCV households receiving TANF as of June 30, 2015	Explanation to be provided	

Data Source: Emphasys

IV. Implemented & Ongoing Activities: HUD Approval Previously Granted

SS #8: Households Transitioned to Self-Sufficiency					
For this activity, self-sufficiency is defined as any household that has earned income of at least \$15,080 ¹ per year and has paid their rent on-time for the past 12 months.					
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?	
Number of households transitioned to self-sufficiency (increase). The PHA may create one or more definitions for "self-sufficiency" to use for this metric. Each time the PHA uses this metric, the "Outcome" number should also be provided in Section (II) Operating Information in the space provided.	Households transitioned to self-sufficiency prior to implementation of the activity (number).	Expected households transitioned to self-sufficiency after implementation of the activity (number).	Actual households transitioned to self-sufficiency after implementation of the activity (number).	Whether the outcome meets or exceeds the benchmark.	
	PUBLIC HOUSING:				
	50	56	TBD	TBD	
	Non-disabled/non-elderly households meeting definition of self-sufficiency as of June 30, 2013	Expected non-disabled/non-elderly households transitioned to self-sufficiency as of June 30, 2015	Actual non-disabled/non-elderly households transitioned to self-sufficiency as of June 30, 2015		Explanation to be provided
	HCV PROGRAM:				
	399	408	TBD	TBD	
	Non-disabled/non-elderly/non-special partner households meeting definition of self-sufficiency as of June 30, 2013	Expected non-disabled/non-elderly/non-special partner households transitioned to self-sufficiency as of June 30, 2015	Actual non-disabled/non-elderly/non-special partner transitioned to self-sufficiency as of June 30, 2015		Explanation to be provided
	Agency-Wide:				
449	464	TBD	TBD		
Public housing & HCV households meeting definition of self-sufficiency as of June 30, 2013	Expected public housing & HCV households transitioned to self-sufficiency as of June 30, 2015	Actual public housing & HCV households transitioned to self-sufficiency as of June 30, 2015		Explanation to be provided	
Data Source: Emphasys					
¹ \$15,080 = Federal minimum wage (\$7.25/hour) x 40-hour work week x 52 weeks of work per year					

IV. Implemented & Ongoing Activities: HUD Approval Previously Granted

Activity 3) Triennial Recertification of Connie Griffith Towers and HCV Elderly/Disabled Households

1. Plan Year Activity Approved and Implemented

Activity Proposed, Approved, and Implemented – FY2012-FY2013 Plan
For Connie Griffith Manor households

Activity Expansion Approved and Implemented – FY2014 Plan
Expanded to include HCV elderly and disabled households on a fixed income

2. Description of Activity and Status Update

This activity is ongoing. The Housing Authority implemented this activity for all 183 units at Connie Griffith Towers, an elderly high rise, during FY 2012 – FY 2013. Through this activity the LHA is recertifying households at Connie Griffith once every three years instead of annually. Between triennial recertifications, whenever the federal government adjusts benefits paid through fixed-income programs like Social Security and SSI, the LHA reserves the right to adjust resident household incomes and rent payments accordingly.

The success of that initiative prompted staff to request authority to expand the activity to HCV elderly and disabled families on a fixed income. As the vast majority of elderly and disabled households in the HCV programs rely on fixed-income sources, there is little variation in household income on an annual basis. In reference to this activity, households on a fixed income are defined as any household with any amount of income from a fixed income source like Social Security, SSDI, or pension income.

Additionally, the LHA created a "local version" of HUD-Form 9886 that would be signed by the tenant at the triennial recertification. Households who experience a significant loss of income, an increase in allowable medical expenses, or a change in family composition may request an interim recertification at any time. Households whose income increases \$200 or more per month must request an interim recertification.

3. Non-Significant Changes or Modifications During FY2015

The LHA does not anticipate any non-significant changes or modifications during the FY2015 Plan year.

4. Changes or Modifications to the Metrics, Baselines or Benchmarks During FY2015

Benchmarks and/or metrics for this activity have been updated with HUD-required standard metrics for the FY2015 MTW Annual Plan in the tables on pages 86-88.

IV. Implemented & Ongoing Activities: HUD Approval Previously Granted

5. Attachment C or D Authorization(s) Changes

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

6. Significant Changes or Modifications to the Activity Since Approval

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

IV. Implemented & Ongoing Activities: HUD Approval Previously Granted

Type of Activity: Rent Reform – Activity #3/Alternative Recertification Schedule for Elderly/Disabled Households				
CE #1: Agency Cost Savings				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Total cost of task in dollars (decrease).	Total cost of task prior to implementation of the activity	Expected cost of task after implementation of the activity	Actual cost of task after implementation of the activity (in dollars).	Whether the outcome meets or exceeds the benchmark.
	Public Housing: \$8,091	Public Housing: \$2,754	Public Housing: TBD	Public Housing: TBD
	181 recertifications at Connie Griffith at an average cost of \$44.70 each during FY 2011	Expected 57 recertifications at Connie Griffith at an average cost of \$48.31 each during FY 2015	Actual number of recertifications at Connie Griffith multiplied by average cost of each during FY 2015.	Explanation to be provided
	HCV Program: \$30,800	HCV Program: \$10,435	HCV Program: TBD	HCV Program: TBD
	700 recertifications for elderly and/or disabled households with at least one fixed income source at an average cost of \$44.00 each during FY 2013	Expected 216 recertifications for elderly and/or disabled households with at least one fixed income source at an average cost of \$48.31 each during FY 2015	Actual number of recertifications for elderly and/or disabled households with at least one fixed income source multiplied by average cost of each during FY 2015.	Explanation to be provided
	Agency-Wide: \$38,891	Agency-Wide: \$13,189	Agency-Wide: TBD	Agency-Wide: TBD
	881 public housing and HCV recertifications at an average cost of \$44.14 each before implementation of the activity	Expected 273 public housing and HCV recertifications at an average cost of \$48.31 each during FY2015	Actual number of public housing and HCV recertifications multiplied by average cost of each during FY 2015.	Explanation to be provided
Data Source: WinTen2, Emphasys; staff interviews; staff logs; PHA financial records				

IV. Implemented & Ongoing Activities: HUD Approval Previously Granted

Type of Activity: Rent Reform – Activity #3/Alternative Recertification Schedule for Elderly/Disabled Households				
CE #2: Staff Time Savings				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Total time to complete the task in staff hours (decrease).	Total amount of staff time dedicated to the task prior to implementation of the activity	Expected amount of total staff time dedicated to the task after implementation of the activity	Actual amount of total staff time dedicated to the task after implementation of the activity (in hours).	Whether the outcome meets or exceeds the benchmark.
	Public Housing: 362 hours	Public Housing: 114 hours	Public Housing: TBD	Public Housing: TBD
	181 recertifications at Connie Griffith at an average staff time of 2 hours each during FY 2011	Expected 57 recertifications at Connie Griffith at an average staff time of 2 hours each during FY 2015	Actual number of recertifications at Connie Griffith multiplied by average staff time of 2 hours each during FY 2015.	Explanation to be provided
	HCV Program: 1,400 hours	HCV Program: 432 hours	HCV Program: TBD	HCV Program: TBD
	700 recertifications for elderly and/or disabled households with at least one fixed income source at an average staff time of 2 hours each during FY 2013	Expected 216 recertifications for elderly and/or disabled households with at least one fixed income source at an average staff time of 2 hours each during FY 2015	Actual number of recertifications for elderly and/or disabled households with at least one fixed income source multiplied by average staff time of 2 hours each during FY 2015.	Explanation to be provided
	Agency-Wide: 1,762	Agency-Wide: 546 hours	Agency-Wide: TBD	Agency-Wide: TBD
	881 public housing and HCV recertifications at an average staff time of 2 hours each before implementation of the activity	Expected 273 public housing and HCV recertifications at an average staff time of 2 hours each during FY2015	Actual number of public housing and HCV recertifications multiplied by average staff time of 2 hours each during FY 2015.	Explanation to be provided
Data Source: WinTen2, Emphasys; staff interviews; staff logs; PHA financial records				

IV. Implemented & Ongoing Activities: HUD Approval Previously Granted

<i>CE #5: Increase in Agency Rental Revenue</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Rental revenue in dollars (increase).	Rental revenue prior to implementation of the activity (in dollars).	Expected rental revenue after implementation of the activity (in dollars).	Actual rental revenue after implementation of the activity (in dollars).	Whether the outcome meets or exceeds the benchmark.
	Connie Griffith Households – \$40,416	Connie Griffith Households - \$41,220	Connie Griffith Households - TBD	Explanation to be provided
	HCV elderly/disabled households - \$195,345	HCV elderly/disabled households - \$199,250	HCV elderly/disabled households - TBD	
	Rental revenue prior to implementation of triennial recertifications at Connie Griffith households and HCV elderly/disabled households (in dollars).	Expected rental revenue after implementation of triennial recertifications at Connie Griffith households and HCV elderly/disabled households (in dollars).	Actual rental revenue after implementation of triennial recertifications at Connie Griffith households and HCV elderly/disabled households (in dollars).	
Data Source: WinTen2, Emphasys; staff interviews; staff logs; PHA financial records				

IV. Implemented & Ongoing Activities: HUD Approval Previously Granted

Activity 10) HCV Tenant-Based Special Partners Programs**1. Plan Year Activity Approved and Implemented**

Activity Proposed, Approved, and Implemented in FY 2012 – FY 2013

2. Description of Activity and Status Update

LHA partners with three social service agencies in the Lexington area to provide stable, tenant-based voucher housing to low-income families while they receive services provided by the partner agency. (LHA partners with an additional eight social service agencies that provide designated, fixed housing to low-income families; these partners are addressed in Activity 12 of this Plan.) These “special partner programs” serve some of Lexington’s most vulnerable low-income populations, those who need wraparound services in order to stabilize their family situation and begin working to increase self-sufficiency. Targeted populations include the mentally ill, the homeless, those recovering from alcohol or drug addiction, and parents who have recently been released from jail.

Through the approval of its FY 2012 – FY 2013 MTW Annual Plan, the LHA received permission to require that participants relinquish their tenant-based voucher at the time they graduate from or otherwise leave the program offered by the special partner, so another family may benefit from the housing and programming offered by the special partner.

The approval of this activity has permitted the LHA to provide an admissions preference to families eligible for and willing to participate in these special partner programs as a condition of continued assistance.

While LHA hopes the majority of these families will subsequently seek unsubsidized housing in the private market, these households will also be eligible to apply for public housing or another HCV voucher (including Family Self-Sufficiency vouchers) through the Authority’s normal application procedures.

3. Non-Significant Changes or Modifications During FY2015

The LHA does not anticipate any non-significant changes or modifications during the FY2015 Plan year.

4. Changes or Modifications to the Metrics, Baselines or Benchmarks During FY2015

Benchmarks and/or metrics for this activity have been updated with HUD-required standard metrics for the FY2015 MTW Annual Plan on page 91.

IV. Implemented & Ongoing Activities: HUD Approval Previously Granted

5. Attachment C or D Authorization(s) Changes

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

6. Significant Changes or Modifications to the Activity Since Approval

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

IV. Implemented & Ongoing Activities: HUD Approval Previously Granted

CE #4: Increase in Resources Leveraged				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Amount leveraged prior to implementation of the activity (in dollars). This number may be zero.	Amount leveraged prior to implementation of the activity (in dollars). This number may be zero.	Expected amount leveraged after implementation of the activity (in dollars).	Actual amount leveraged after implementation of the activity (in dollars).	Whether the outcome meets or exceeds the benchmark.
	0 UNAVAILABLE	0 TBD	TBD	TBD
	Amount leveraged prior to implementation of Activity #10.			
Data Source: WinTen2, Emphasys, staff interviews, staff logs, PHA financial records				

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).	Average earned income of households affected by this policy prior to implementation of the activity (in dollars).	Expected average earned income of households affected by this policy prior to implementation of the activity (in dollars).	Actual average earned income of households affected by this policy prior to implementation (in dollars).	Whether the outcome meets or exceeds the benchmark.
	0 Unavailable (baseline data unavailable and/or not currently tracked)	0 Unavailable (baseline data unavailable and/or not currently tracked)	TBD	TBD
Average Earned Income of households affected by Activity #10.	Households affected by Activity #10 prior to implementation.	Households affected by Activity #10 after to implementation.	Actual households affected by Activity #10.	Explanation to be provided.

IV. Implemented & Ongoing Activities: HUD Approval Previously Granted

SS #3: Increase in Positive Outcomes in Employment Status				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Report the following information separately for each category:	Number (Percent) of heads of household that are unemployed (prior to implementation of the activity).	Expected number (percent) of heads of household that are unemployed after implementation of the activity.	Actual number (percent) of heads of household that are unemployed after implementation of the activity.	Whether the outcome meets or exceeds the benchmark.
Employment Status for (1) Employed FT: (2) Employed PT: (3) Enrolled in Education Prgrm: (4) Enrolled in JTP: (5) Unemployed: (6) Other:	0 Unavailable (baseline data unavailable and/or not currently tracked)	0 Unavailable (baseline data unavailable and/or not currently tracked)	TBD	TBD
	Percent of heads of household that are unemployed (prior to implementation of the Activity #10).	Expected percent of heads of household that are unemployed after implementation of the Activity #10.	Actual percent of heads of household unemployed after implementation of the Activity 10.	Explanation to be provided.
Data Source: Emphasys				

SS4: Households Removed from Temporary Assistance for Needy Families (TANF)				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of households affected by Activity #10 receiving TANF assistance (decrease).	Households receiving TANF prior to implementation of the activity (number)	Expected number of households receiving TANF after implementation of the activity (number).	Actual households receiving TANF after implementation of the activity (number).	Whether the outcome meets or exceeds the benchmark.
	0 Unavailable (baseline data unavailable and/or not currently tracked)	0 Unavailable (baseline data unavailable and/or not currently tracked)	TBD	TBD
	# of households receiving TANF prior to implementation of the Activity #10.	Expected number of households receiving TANF after implementation of the Activity #10.	Actual households receiving TANF after implementation of the Activity #10.	Explanation to be provided.

IV. Implemented & Ongoing Activities: HUD Approval Previously Granted

SS8: Households Transitioned to Self-Sufficiency				
For this activity, self-sufficiency is defined as any household that has earned income of at least ¹ \$15,080 per year.				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of households transitioned to self-sufficiency (increase).	Households transitioned to self-sufficiency prior to implementation of the activity (number). This number may be zero.	Expected households transitioned to self-after implementation of the activity (number).	Actual households transitioned to self-after implementation of the activity (number).	Whether the outcome meets or exceeds the benchmark.
	0 Unavailable (baseline data unavailable and/or not currently tracked)	0 Unavailable (baseline data unavailable and/or not currently tracked)	<i>TBD</i>	<i>TBD</i>
	Households transitioned to self-prior to implementation of Activity #10.	Expected households transitioned to self-after implementation of Activity #10.	Actual households transitioned to self-after implementation of Activity #10.	Explanation to be provided
¹ \$15,080 = Federal minimum wage (\$7.25/hour) x 40-hour work week x 52 weeks of work per year				
Data Source: Special Partner reporting.				

IV. Implemented & Ongoing Activities: HUD Approval Previously Granted

Type of Activity: Admissions Policy - Direct Referrals				
HC #3: Decrease in Wait List Time				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Average applicant time on wait list in months (decrease).	Average applicant time on wait list prior to implementation of the activity (in months).	Expected average applicant time on wait list after implementation of the activity (in months).	Actual average applicant time on wait list after implementation of the activity (in months).	Whether the outcome meets or exceeds the benchmark.
	60 months	6 months	TBD	TBD
	Average number of months an applicant for one of 3 special partner programs spent on LHA's HCV Program wait list during FY 2011	Expected average number of months an applicant for one of 3 special partner programs will spend on LHA's HCV Program wait list during FY 2015	Actual average number of months an applicant for one of 3 special partner programs will spend on LHA's HCV Program wait list during FY 2015	Explanation to be provided
Data Source: WinTen2; Emphasys				

IV. Implemented & Ongoing Activities: HUD Approval Previously Granted

<i>HC #5: Increase in Resident Mobility</i>				
				Achieved?
Number of households at or below 80% AMI that would lose	Households able to move to a better unit and/or	Expected to move to a	Actual increase in move to a better unit	Whether the exceeds the
move (decrease). Units reach victims of domestic violence, dating violence, & stalking; persons with severe mental illness or substance abuse diagnoses who have completed treatment & are involved in recovery services; & homeless families	opportunity prior to implementation of the activity (number). This number may be zero. 0	neighborhood of opportunity after implementation of the activity (number). 0	of opportunity after implementation of the activity (number). TBD	TBD
	Households able to move to a better unit and/or neighborhood of opportunity prior to implementation of the activity (number).	Expected households able to move to a better unit and/or neighborhood of opportunity after implementation of the activity (number).	Actual increase in households able to move to a better unit and/or neighborhood of opportunity after implementation of the activity (number).	Explanation to be provided

IV. Implemented & Ongoing Activities: HUD Approval Previously Granted

Activity 12) Local, Non-Traditional Use of MTW Funds for Special Partners**1. Plan Year Activity Approved and Implemented**

Activity Proposed, Approved, and Implemented in FY 2014

2. Description of Activity and Status Update

This activity is ongoing. HCV staff met with representatives of the eight (8) special partner programs prior to implementation and signed Memoranda of Understanding (MOUs) in December 2013, and the activity was implemented in January 2014.

The Authority currently provides monthly rental subsidy of \$123,296 to eight (8) special partners who have agreed to house and provide wraparound social services to a minimum of 355 families with special needs. These agencies serve individuals with mental illness and/or substance abuse issues; individuals recently released from prison or jail; families in need of financial literacy, credit management, and homeownership resources; single parents enrolled full-time in higher education; and homeless individuals and families. In addition, with MTW authority the eight (8) special partner agencies are permitted to:

With Housing Authority approval, special partner organizations are permitted to require that participants reside in designated service-enriched housing units in order to receive rental subsidy; and

With Housing Authority approval, special partner organizations are permitted to house program participants in HUD-defined special housing types. Within these special housing type units, partner organizations will also be permitted to request Housing Authority approval to house up to two unrelated adults in a zero- or one-bedroom unit.

3. Explanation of any Non-Significant Changes or Modifications Since

The LHA does not anticipate any non-significant changes or modifications during the FY2015 Plan year.

4. Changes or Modifications to the Metrics, Baselines or Benchmarks During FY2015

Benchmarks and/or metrics for this activity have been updated with HUD-required standard metrics for the FY2015 MTW Annual Plan on pages 94-100.

5. Attachment C or D Changes

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

6. Significant Changes or Modifications to the Activity Since Approval

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

IV. Implemented & Ongoing Activities: HUD Approval Previously Granted

CE #4: Increase in Resources Leveraged				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Amount leveraged prior to implementation of the activity (in dollars). This number may be zero.	Amount leveraged prior to implementation of the activity (in dollars). This number may be zero.	Expected amount leveraged after implementation of the activity (in dollars).	Actual amount leveraged after implementation of the activity (in dollars).	Whether the outcome meets or exceeds the benchmark.
Amount leveraged prior to implementation Activity #12.	0 Unavailable (baseline data unavailable and/or not currently tracked)	0 Unavailable (baseline data unavailable and/or not currently tracked)	TBD	TBD
	Average earned income of households affected by Activity #12 prior to implementation.	Average earned income of households affected by Activity #12 after implementation.	Actual average earned income of households affected by Activity #12.	Explanation to be provided.
Data Source: WinTen2, Emphasys, staff interviews, staff logs, PHA financial records				

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).	Average earned income of households affected by this policy prior to implementation of the activity (in dollars).	Expected average earned income of households affected by this policy prior to implementation of the activity (in dollars).	Actual average earned income of households affected by this policy prior to implementation (in dollars).	Whether the outcome meets or exceeds the benchmark.
Average Earned Income of households affected by Activity #12.	0 Unavailable (baseline data unavailable and/or not currently tracked)	0 Unavailable (baseline data unavailable and/or not currently tracked)	TBD	TBD
	Households affected by Activity #12 prior to implementation.	Households affected by Activity #12 after to implementation.	Actual households affected by Activity #12.	Explanation to be provided.

IV. Implemented & Ongoing Activities: HUD Approval Previously Granted

SS #3: Increase in Positive Outcomes in Employment Status				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Report the following information separately for each category:	Number (Percent) of heads of household that are unemployed (prior to implementation of the activity).	Expected number (percent) of heads of household that are unemployed after implementation of the activity.	Actual number (percent) of heads of household that are unemployed after implementation of the activity.	Whether the outcome meets or exceeds the benchmark.
Employment Status for (1) Employed FT: (2)Employed PT: (3)Enrolled in Education Prgm: (4)Enrolled in JTP: (5)Unemployed: (6)Other:	0 Unavailable (baseline data unavailable and/or not currently tracked)	0 Unavailable (baseline data unavailable and/or not currently tracked)	TBD	TBD
	This information is not currently tracked for these categories.			Explanation to be provided.
Data Source: Emphasys				

SS4: Households Removed from Temporary Assistance for Needy Families (TANF)				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of households receiving TANF assistance (decrease).	Households receiving TANF prior to implementation of the activity (number)	Expected number of households receiving TANF after implementation of the activity (number).	Actual households receiving TANF after implementation of the activity (number).	Whether the outcome meets or exceeds the benchmark.
	0 Unavailable (baseline data unavailable and/or not currently tracked)	0 Unavailable (baseline data unavailable and/or not currently tracked)	TBD	TBD
				Explanation to be provided.

IV. Implemented & Ongoing Activities: HUD Approval Previously Granted

Type of Activity: Other - Local Non-Traditional Program (Rental Subsidy)				
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).	Households receiving self-sufficiency services prior to implementation of the activity (number).	Expected number of households receiving self-sufficiency services after implementation of the activity (number).	Actual number of households receiving self-sufficiency services after implementation of the activity (number).	Whether the outcome meets or exceeds the benchmark.
	358	358	TBD	TBD
	Number of households receiving services through one of 8 special partner programs during FY 2013	Expected number of households receiving services through one of 8 special partner programs during FY 2015	Actual number of households receiving services through one of 8 special partner programs during FY 2015	Explanation to be provided
Data Source: WinTen2; Emphasys				
SS #6: Reducing Per Unit Subsidy Costs for Participating Households				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Average amount of Section 8 and/or 9 subsidy per household affected by this policy in dollars (decrease).	Average subsidy per household affected by this policy prior to implementation of the activity (in dollars).	Expected average subsidy per household affected by this policy after implementation of the activity (in dollars).	Actual average subsidy per household affected by this policy after implementation of the activity (in dollars).	Whether the outcome meets or exceeds the benchmark.
	\$344.40	\$344.40	TBD	TBD
	Sum total annual subsidy for 355 households in one of 8 special partner programs during FY 2013	Expected sum total annual subsidy for 360 households in one of 8 special partner programs during FY 2015	Actual sum total annual subsidy for households in one of 8 special partner programs during FY 2015	Explanation to be provided
Data Source: WinTen2; Emphasys; PHA financial records				

IV. Implemented & Ongoing Activities: HUD Approval Previously Granted

SS7: Increase in Agency Rental Revenue				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
PHA rental revenue in dollars (increase).	PHA rental revenue prior to implementation of the activity (in dollars).	Expected PHA rental revenue after implementation of the activity (in dollars).	Actual PHA rental revenue after implementation of the activity (in dollars).	Whether the outcome meets or exceeds the benchmark.
	0 Unavailable (baseline data unavailable and/or not currently tracked)	0 Unavailable (baseline data unavailable and/or not currently tracked)	<i>TBD</i>	<i>TBD</i>
	Rental revenue prior to implementation of Activity #12.	Expected rental revenue after implementation of Activity #12.	Actual rental revenue after implementation of Activity #12.	Explanation to be provided
Data Source: Emphasys				

SS8: Households Transitioned to Self-Sufficiency				
For this activity, self-sufficiency is defined as any household that has earned income of at least ¹ \$15,080 per year.				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of households transitioned to self-sufficiency (increase).	Households transitioned to self-sufficiency prior to implementation of the activity (number). This number may be zero.	Expected households transitioned to self-after implementation of the activity (number).	Actual households transitioned to self-after implementation of the activity (number).	Whether the outcome meets or exceeds the benchmark.
	0 Unavailable (baseline data unavailable and/or not currently tracked)	0 Unavailable (baseline data unavailable and/or not currently tracked)	<i>TBD</i>	<i>TBD</i>
	Households transitioned to self-prior to implementation of Activity #12.	Expected households transitioned to self-after implementation of Activity #12.	Actual households transitioned to self-after implementation of Activity #12.	Explanation to be provided
¹ \$15,080 = Federal minimum wage (\$7.25/hour) x 40-hour work week x 52 weeks of work per year				
Data Source: Special Partner reporting.				

IV. Implemented & Ongoing Activities: HUD Approval Previously Granted

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 as a result of the activity (increase).	Households able to move to a better unit and/or neighborhood of opportunity prior to implementation of the activity (number). This number may be zero.	Expected households able to move to a better unit and/or neighborhood of opportunity after implementation of the activity (number).	Actual increase in households able to move to a better unit and/or neighborhood of opportunity after implementation of the activity (number).	Whether the outcome meets or exceeds the benchmark.
Number of households able to move to a better unit and/or neighborhood of opportunity as a result of the activity.	0 Unavailable (baseline data unavailable and/or not currently tracked)	0 Unavailable (baseline data unavailable and/or not currently tracked)	TBD	TBD
	Number of households able to move to a better unit and/or neighborhood prior to implementation of as a result of Activity #12.	Expected number of households able to move to a better unit and/or neighborhood as a result of Activity #12.	Actual number of households able to move to a better unit and/or neighborhood as a result of the Activity #12.	Explanation to be provided.
Data Source: Special Partner reporting.				

IV. Implemented & Ongoing Activities: HUD Approval Previously Granted

HC #6: Increase in Homeownership Opportunities				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of households that purchased a home as a result of the activity (increase).	Number of households that purchased a home prior to implementation of the activity (number). This number may be zero.	Expected number of households that purchased a home after implementation of the activity (number).	Actual number of households that purchased a home after implementation of the activity (number).	Whether the outcome meets or exceeds the benchmark.
Number of households that purchased a home as a result of Activity #12.	0 Unavailable (baseline data unavailable and/or not currently tracked)	0 Unavailable (baseline data unavailable and/or not currently tracked)	TBD	TBD
	Number of households that purchased a home prior to implementation of Activity #12.	Expected number of households that purchased a home after implementation of Activity #12.	Actual number of households that purchased a home after implementation of Activity #12.	Explanation to be provided.
Data Source: Special Partner reporting.				

IV. Implemented & Ongoing Activities: HUD Approval Previously Granted

HC #7: Households Assisted by Services that Increase Housing Choice				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of households receiving services aimed to increase housing choice (increase).	Households receiving this type of service prior to implementation of the activity (number). This number may be zero.	Expected number of households receiving these services after implementation of the activity (number).	Actual number of households receiving these services after implementation of the activity (number).	Whether the outcome meets or exceeds the benchmark.
Number of households affected by Activity #12 receiving services aimed to increase housing choice.	0 Unavailable (baseline data unavailable and/or not currently tracked)	0	TBD	TBD
	Number of households receiving services aimed to increase housing choice prior to implementation of Activity #12.	Expected number of households receiving services aimed to increase housing choice after implementation of Activity #12.	Actual number of households receiving services aimed to increase housing choice after implementation of Activity #12.	Explanation to be provided.
Data Source: Special Partner reporting.				

IV. Implemented & Ongoing Activities: HUD Approval Previously Granted

Activity 13) Local Self-Sufficiency Admissions and Occupancy Requirements**1. Plan Year Activity Approved and Implemented**

Activity Proposed, Approved, and Implemented in FY 2014

2. Description of Activity and Status Update

This activity was implemented April 1, 2014 and is ongoing. The LHA gave affected households 90-day notice of the changes. LHA created this activity program with the aim of eliminating loopholes that a small but significant number of residents use to avoid work requirements at its public housing self-sufficiency units. Through this activity, the LHA has the authority to:

- a) Impose a minimum earned income calculation for families residing at self-sufficiency units regardless of employment status – Minimum earned income for households members subject to the LHA’s self-sufficiency work requirement will be calculated based on the following: Self-Sufficiency I units - 52 weeks x 37.5 hours x federal minimum wage; and, Self-Sufficiency II units - 52 weeks x 20 hours x federal minimum wage. The amount of assumed annual income will be modified when the federal minimum wage is updated. This requirement is a condition of admissions and continued occupancy for all families who accept self-sufficiency units. Families whose head/co-head is a full-time student are exempted. The total amount of expected earned income will be used to calculate annual income in the case of adult household members expected to earn more than the imputed minimum earned income. LHA phased in this activity to current tenants living at Self-Sufficiency I units to reduce the financial burden. During the first year all self-sufficiency households were subject to the minimum earned income based on 20 hours per week, after that time Self-Sufficiency I households were subject to a minimum earned income based on 37.5 hours per week as there is a work requirement of 37.5 hours per week for these households.
- b) Modify the Definition of Work Activity used to determine whether or not a family is compliant with the self-sufficiency requirements. In order to ensure that the employment activities sought by residents will enable them to earn at least the minimum imputed earned income, the LHA received permission to create a local definition of "work activity," which limits compliant work activities to paid activities that are most likely to ensure families' incomes at least equal the minimum imputed earned income amount. The majority of the LHA’s public housing units have a work requirement based on Self-Sufficiency Level I or Self-Sufficiency Level II requirements. Instead of using the requirements found at 42 USC 607(d), the LHA now defines “work activity” as follows:
 - a) Unsubsidized employment;

IV. Implemented & Ongoing Activities: HUD Approval Previously Granted

- b) Subsidized private sector employment;
- c) Subsidized public sector employment;
- d) Paid on-the-job training.

Authorization to Expand Current Self-Sufficiency Requirements to the Revitalized Pimlico Units

In addition, the LHA received approval to require Self-Sufficiency Level II Admissions and Continued Occupancy Rules at Pimlico Apartments post-revitalization. Pimlico is a 206-unit public housing site, currently undergoing revitalization through the Rental Assistance Demonstration (RAD) Program.

As of April 16, 2013, 149 of 165 Pimlico households accepted a Housing Choice Voucher and waived their right to return to Pimlico following renovation. The remaining families relocated from Pimlico public housing development prior to revitalization are exempt from these requirements for one year following re-occupancy. LHA expects that any Pimlico household that wish to return will not be able to do so until FY 2016 when renovation is anticipated to be complete. All households including full-time students - but excluding elderly/disabled families - are subject to the \$150 minimum rent.

3. Non-Significant Changes or Modifications During FY2015

The LHA does not anticipate any non-significant changes or modifications during the FY2015 Plan year.

4. Changes or Modifications to the Metrics, Baselines or Benchmarks During FY2015

Benchmarks and/or metrics for this activity have been updated with HUD-required standard metrics for the FY2015 MTW Annual Plan on pages 104-108.

5. Attachment C or D Authorization(s) Changes

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

6. Significant Changes or Modifications to the Activity Since Approval

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

IV. Implemented & Ongoing Activities: HUD Approval Previously Granted

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).	Average earned income of households affected by this policy prior to implementation of the activity (in dollars).	Expected average earned income of households affected by this policy prior to implementation of the activity (in dollars).	Actual average earned income of households affected by this policy prior to implementation (in dollars).	Whether the outcome meets or exceeds the benchmark.
	Self-Sufficiency I/II: \$12,800	Self-Sufficiency I/II: \$13,704	Self-Sufficiency I/II: TBD	Self-Sufficiency I/II: TBD
	Average gross annual earned income from 648 non-disabled/ non-elderly households as of June 30, 2013	Expected average gross annual earned income from 639 non-disabled/ non-elderly households as of June 30, 2015	Actual average gross annual earned income from non-disabled/non-elderly households as of June 30, 2015	Explanation to be provided
	Pimlico/Centre Meadows: \$2,172	Pimlico/Centre Meadows: N/A	Pimlico/Centre Meadows: N/A	Pimlico/Centre Meadows: N/A
	Average gross annual earned income from 152 non-disabled/non-elderly households as of June 30, 2011	Centre Meadows will remain vacant for renovations during FY 2015.	Centre Meadows will remain vacant for renovations during FY 2015.	Centre Meadows will remain vacant for renovations during FY 2015.
Data Source: Emphasys				

IV. Implemented & Ongoing Activities: HUD Approval Previously Granted

SS #3: Increase in Positive Outcomes in Employment Status				
Report the Baseline, Benchmark and Outcome data for each type of employment status for those head(s) of households affected by the self-sufficiency activity.				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Report the following information separately for each category:	Head(s) of households in SSI, SSII and Pimlico/Centre Meadows sites prior to implementation of the activity (number). This number may be zero.	Expected head(s) of households in SSI, SSII and Pimlico/Centre Meadows sites after implementation of the activity (number).	Actual head(s) of households in SSI, SSII and Pimlico/Centre Meadows sites after implementation of the activity (number).	Whether the outcome meets or exceeds the benchmark.
	Self-Sufficiency I/II & Centre Meadows:	Self-Sufficiency I/II & Centre Meadows:	Self-Sufficiency I/II & Centre Meadows:	Self-Sufficiency I/II & Centre Meadows:
Employment Status for (1) Employed FT: (2) Employed PT: (3) Enrolled in Education Prgrm: (4) Enrolled in JTP: (5) Unemployed: (6) Other:	0 Unavailable (baseline data unavailable and/or not currently tracked)	0 Unavailable (baseline data unavailable and/or not currently tracked)	TBD	TBD
This information is currently not tracked for these categories.				Explanation to be provided.
Data Source: Emphasys				

IV. Implemented & Ongoing Activities: HUD Approval Previously Granted

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).	Households receiving TANF prior to implementation of the activity (number)	Expected number of households receiving TANF after implementation of the activity (number).	Actual households receiving TANF after implementation of the activity (number).	Whether the outcome meets or exceeds the benchmark.
	Self-Sufficiency I/II: 26	Self-Sufficiency I/II: 30	Self-Sufficiency I/II: TBD	Self-Sufficiency I/II: TBD
	Non-disabled/non-elderly households receiving TANF as of June 30, 2013	Expected non-disabled/non-elderly households receiving TANF as of June 30, 2015	Actual non-disabled/non-elderly households receiving TANF as of June 30, 2013	Explanation to be provided
	Pimlico/Centre Meadows: Unknown	Pimlico/Centre Meadows: N/A	Pimlico/Centre Meadows: N/A	Pimlico/Centre Meadows: N/A
	Non-disabled/non-elderly households receiving TANF as of June 30, 2011	Centre Meadows will remain vacant for renovations during FY 2015.	Centre Meadows will remain vacant for renovations during FY 2015.	Centre Meadows will remain vacant for renovations during FY 2015.
Data Source: Emphasys				

IV. Implemented & Ongoing Activities: HUD Approval Previously Granted

SS #6: Reducing Per Unit Subsidy Costs for Participating Households				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Average amount of Section 8 and/or 9 subsidy per household affected by this policy in dollars (decrease).	Average subsidy per household affected by this policy prior to implementation of the activity (in dollars).	Expected average subsidy per household affected by this policy after implementation of the activity (in dollars).	Actual average subsidy per household affected by this policy after implementation of the activity (in dollars).	Whether the outcome meets or exceeds the benchmark.
	SSI/SSII Households			
	0 Unavailable (baseline data unavailable and/or not currently tracked)	TBD Unavailable (baseline data unavailable and/or not currently tracked)	TBD	TBD
Pimlico/Centre Meadows Households				
Average amount of Section 8 and/or 9 subsidy per household affected by the local self-sufficiency admissions and occupancy requirements in dollars (decrease).	0 Unavailable (baseline data unavailable and/or not currently tracked)	TBD Unavailable (baseline data unavailable and/or not currently tracked)	TBD	TBD
	Average subsidy per household affected by the local self-sufficiency admissions and occupancy requirements prior to implementation of the activity.	Expected average subsidy per household affected by the local self-sufficiency admissions and occupancy requirements after implementation of the activity.	Actual average subsidy per household affected by the local self-sufficiency admissions and occupancy requirements after implementation of the activity.	Explanation to be provided
Data Source: Emphasys				

IV. Implemented & Ongoing Activities: HUD Approval Previously Granted

SS #7: Increase in Agency Rental Revenue				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
PHA rental revenue in dollars (increase).	PHA rental revenue prior to implementation of the activity (in dollars).	Expected PHA rental revenue after implementation of the activity (in dollars).	Actual PHA rental revenue after implementation of the activity (in dollars).	Whether the outcome meets or exceeds the benchmark.
	SSI/SSII/Pimlico/Centre Meadows	SSI/SSII/Pimlico/Centre Meadows	SSI/SSII/Pimlico/Centre Meadows	SSI/SSII/Pimlico/Centre Meadows
	0 Unavailable (baseline data unavailable and/or not currently tracked; Centre Meadows not yet occupied while under renovation)	0 Unavailable (baseline data unavailable and/or not currently tracked; Centre Meadows not yet occupied while under renovation)	TBD	TBD
	PHA rental revenue prior to implementation of Activity #13 (in dollars).	Expected PHA rental revenue after implementation of Activity #13 y (in dollars).	Actual PHA rental revenue after implementation of Activity #13 (in dollars).	Explanation to be provided

IV. Implemented & Ongoing Activities: HUD Approval Previously Granted

Type of Activity: Rent Reform – Alternate Policy on the Inclusion / Exclusion of Income to Calculate Rent				
SS #8: Households Transitioned to Self Sufficiency				
For this activity, self-sufficiency is defined as any household that has earned income of at least \$15,080 ¹ per year and has paid their rent on-time for the past 12 months				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of households transitioned to self-sufficiency (increase). The PHA may create one or more definitions for "self-sufficiency" to use for this metric. Each time the PHA uses this metric, the "Outcome" number should also be provided in Section (II) Operating Information in the space provided.	Households transitioned to self-sufficiency prior to implementation of the activity (number).	Expected households transitioned to self-sufficiency after implementation of the activity (number).	Actual households transitioned to self-sufficiency after implementation of the activity (number).	Whether the outcome meets or exceeds the benchmark.
	Self-Sufficiency I/II: 48	Self-Sufficiency I/II: 58	Self-Sufficiency I/II: TBD	Self-Sufficiency I/II: TBD
	Non-disabled/non-elderly households meeting definition of self-sufficiency as of June 30, 2013	Expected non-disabled/non-elderly households transitioned to self-sufficiency as of June 30, 2015	Actual non-disabled/non-elderly households transitioned to self-sufficiency as of June 30, 2013	Explanation to be provided
	Pimlico/Centre Meadows: Unknown	Pimlico/Centre Meadows: N/A	Pimlico/Centre Meadows: N/A	Pimlico/Centre Meadows: N/A
	Non-disabled/non-elderly households meeting definition of self-sufficiency as of June 30, 2011	Centre Meadows will remain vacant for renovations during FY 2015.	Centre Meadows will remain vacant for renovations during FY 2015.	Centre Meadows will remain vacant for renovations during FY 2015.
Data Source: WinTen2; Emphasys				
¹ \$15,080 = Federal minimum wage (\$7.25/hour) x 40-hour work week x 52 weeks of work per year				

IV. Implemented & Ongoing Activities: HUD Approval Previously Granted

B. NOT YET IMPLEMENTED ACTIVITIES

Activity 5) Streamlined HQS Inspection Policy for Housing Choice Voucher

1. Description and Plan Year Activity Approved

Proposed and Approved FY2012 – FY2013 Plan

Significantly Modified FY2014 Plan

Until June 25, 2014, HUD regulations mandated that housing authorities inspect every HCV unit at least annually to ensure they meet Housing Quality Standards (HQS). Section 220 of the 2014 Appropriations Act now allows housing authorities to comply with the requirement to inspect assisted housing units in the HCV program by inspecting such units not less than biennially, rather than annually. While LHA intends to uphold HUD's high standards of decent, safe, and sanitary housing maintained in good repair for all HCV households, the Authority believes it can achieve this outcome more cost-effectively through a new *Star Rating System* for HCV property owners.

LHA spent Year 1 of its participation in the MTW Demonstration crafting this new inspection process, aiming to create a streamlined, cost-effective approach that aggressively enforces HQS at the most at-risk/problematic properties, while reducing inspection frequency at high-quality properties.

The new protocol evaluates owners on multiple factors including:

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

These factors will be used to assign a *Star Rating* from one ★ through five ★ ★ ★ ★ ★ stars to each landlord. These ratings will then be used to determine the quantity and frequency of future inspections.

2. Activity Update

The LHA did not implement this activity during FY2014 as LHA's software provider at the time did not support tracking a rating for the landlord; however, the LHA expects the activity to begin in FY2015 when new software is running that will accommodate the on-line availability of the landlord star rating list. At present, staff has no automated way to generate the star ratings list for landlords.

LHA will have a new software program on-line in June 2014; HCV tenant and landlord files will be maintained with a new software program that will offer integrated

IV. Implemented & Ongoing Activities: HUD Approval Previously Granted

solutions for tracking the necessary data for this activity. The new program will support establishing and tracking landlord.

Now that HUD regulation allows inspections biennially rather than annually, the LHA must modify the frequency of inspections for the star rating system. An update on the changes to the rating system will be provided in the annual report.

3. Timeline for Implementation

We anticipate implementation 30 days after new software is on line in June 2014. Landlords will be sent notification and informational brochure 30 days prior to implementation.

4. Non-Significant Changes or Modifications to the Activity Since Approval

The LHA does not anticipate any non-significant changes or modifications to this activity during FY2015.

Activity 7) Public Housing Acquisition Without Prior HUD Approval

1. Description and Plan Year Activity Approved

Activity Proposed and Approved - FY 2012-2013 Plan

Relief from HUD approvals prior to the acquisition of property will enhance LHA's ability to respond quickly to unique market conditions, making the Authority more competitive with other purchasers in the tight real estate markets typical of low poverty areas of the city. For example, sellers are not always willing to provide the agency with an option of long enough duration to cover the typical amount of time LHA requires to obtain HUD approval for site acquisition.

This relief will apply only to the acquisition of public housing units or vacant land purchased for the development of public housing units in non-impacted areas of the city.

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

The LHA did not acquire any public housing properties during FY 2012, FY 2013 or FY 2014, so it was not necessary to implement this activity.

IV. Implemented & Ongoing Activities: HUD Approval Previously Granted

2. Activity Update

The LHA will implement this activity during FY 2015 should the Authority decide to acquire public housing units or land for the development of public housing.

3. Timeline for Implementation

The LHA will develop a timeline for this activity during FY 2015 should the Authority decide to acquire public housing units or land for the development of public housing.

4. Non-Significant Changes or Modifications to the Activity Since Approval

The LHA does not anticipate any non-significant changes or modifications to this activity during FY2015.

Activity 8) Conversion of Appian Hills Public Housing to Project-Based Vouchers

1. Description and Plan Year Activity Approved

Activity Proposed and Approved - FY 2012-2013 Plan

Activity Significantly Modified in FY2014

While Appian Hills received \$500,000 in ARRA-funded energy improvements (cool roofing materials, new doors, and high-efficiency furnaces and water heaters), this 1970's turnkey development still needs extensive capital improvements – including façade improvements, new windows, insulation in the exterior walls, and soundproofing between units. As part of this renovation, LHA will explore various ways to reconfigure the site's 27 four-bedroom homes.

LHA continues to work diligently to secure adequate funding to revitalize the Appian Hills public housing development. This site may be rehabilitated in its entirety or in phases, as determined by the Authority. Once a plan for revitalization is agreed upon that includes the substitution of project-based vouchers for public housing subsidies, LHA will submit an appropriate application for disposition of the affected portion(s) of the site as well as a request for tenant protection vouchers for residents of affected units. As all available financial resources are being funneled to Pimlico/Centre Meadows, the rehab of Appian Hills has been put on hold, however staff will continue look for funding sources.

2. Activity Update

Should HUD issue a NOFA during FY 2015 that would aid in the redevelopment of Appian Hills, LHA may apply for these funds.

3. Timeline for Implementation

The LHA does not know when funding resources will be available for implementation of this activity. The LHA will actively seek funding opportunities during FY2015.

IV. Implemented & Ongoing Activities: HUD Approval Previously Granted

4. Explanation of any Non-Significant Changes or Modifications Since Approval

The LHA does not anticipate any non-significant changes or modifications to this activity during FY2015.

Activity 9) Development of Project-Based Voucher Units at 800 Edmond Street

1. Description and Plan Year Activity Approved

Activity Proposed and Approved – LHA's FY2012-FY2013

LHA plans to develop between five and eight projected-based 3-bedroom townhomes on a vacant lot owned by the agency on Edmond Street. The property is adjacent to an existing 3-unit public housing site and close to the Authority's Pine Valley Management Office.

LHA is considering several options to finance the new construction at 800 Edmond Street. The Authority may allocate dollars from its program income fund, which in turn was funded through property sales and the collection of development fees associated with the implementation of its previous HOPE VI grants for Charlotte Court and Bluegrass-Aspendale. Alternatively, LHA may seek outside funds from a non-federal source.

The flexibilities provided through this MTW activity will be used to project-base the units at Edmond Street without a competitive process and to exceed the per-building cap typically placed on project-based voucher developments. Current project-based voucher rules limit percentage of project-based units to 25% of the units in the development. The LHA plans to project-base 100% of the units at this site. The activity has been put on hold so that available financial resources could be focused on the rehabilitation of Pimlico/Centre Meadows.

2. Activity Update

The LHA still plans to implement this activity once financial resources become available.

3. Timeline for Implementation

The LHA will develop a timeline for this activity during FY 2015 should the Authority decide to develop the Edmond Street property.

IV. Implemented & Ongoing Activities: HUD Approval Previously Granted

4. Explanation of any Non-Significant Changes or Modifications Since Approval

The LHA does not anticipate any non-significant changes or modifications to this activity during FY2015.

Activity 11) Local, Non-Traditional Use of MTW Funds: Emergency Reserves for Connie Griffith-Ballard Towers

1. Description and Plan Year Activity Approved

Activity Proposed in FY2012-2013 Plan

Approved with FY2012 – FY2013 Plan Approval

Revised in FY2014 Plan

Revision Approved with FY2014 Plan Approval

Through its FY 2014 MTW Annual Plan, the LHA requested to retain the flexibility to use MTW funds should Ballard Tower (which is attached to an LMHA-owned public housing site, Connie Griffith Manor; serves low-income, elderly households; and is managed, but not owned, by the LHA) require significant emergency capital repairs. MTW funds would only be used if the tax credit investor can demonstrate to the Authority's satisfaction that it does not have the financial resources to complete the repairs itself. Despite the number/extent of unforeseen capital emergencies that might arise, the LHA will provide Ballard Place no more than \$300,000 in emergency funds in total.

When this activity was proposed the LHA did not have a confirmed funding source for sorely needed capital improvements at Ballard. After the activity was approved, the site's tax credit investors informed the LHA that they would indeed have sufficient funds to complete the needed work. Having spent a significant portion of their reserves to fund these improvements the Housing Authority was concerned about their ability to cover any additional emergency capital repairs, which prompted creation of this activity.

2. Activity Update

This activity has not yet been implemented, but will be implemented if there is an emergency capital expense necessitating the use of these funds at Ballard Place. LHA is pursuing several options to provide much-needed supportive services to residents of both Connie Griffith Manor and Ballard Place, including onsite case management and health services. To this end, in FY 2013 the LHA applied for and received funds to support a service coordinator position at Ballard. The Authority will continue to examine possible avenues to utilize MTW funding flexibility to enhance the provision of services to residents of both towers.

IV. Implemented & Ongoing Activities: HUD Approval Previously Granted

3. **Timeline for Implementation**

The LHA will develop a timeline for this activity during FY 2015 should the Authority encounter an emergency that would result in a financial hardship for the property which would necessitate the used of the MTW emergency reserves.

4. **Explanation of any Non-Significant Changes or Modifications Since Approval**

The LHA does not anticipate any non-significant changes or modifications to this activity during FY2015.

C. ACTIVITIES ON HOLD

N/A

D. CLOSED OUT ACTIVITIES

Activity 2) Rent Reform Controlled Study: No Rent Reduction Requests for 6 Months After Initial Occupancy for Bluegrass HOPEVI Public Housing Residents

1. **Plan Year The Activity First Approved and Implemented**

Activity Proposed, Approved and Implemented – FY 2012 – FY 2013

2. **Explanation**

This activity restricted families at LHA's new construction Bluegrass HOPE VI self-sufficiency units from requesting a rent reduction for six months after their initial move-in date. The implementation of this activity made no discernable impact on the percentage of Bluegrass HOPE VI public housing families meeting the self-sufficiency requirement. Staff reported that many families simply waited for the six-month restriction to expire and then requested a rent reduction shortly thereafter.

3. **Year the Activity Closed Out**

FY 2013

IV. Implemented & Ongoing Activities: HUD Approval Previously Granted

Activity 4) Housing Choice Voucher Rent Reform Controlled Study – No Rent Reduction Requests for 6 Months After Initial Occupancy**1. Plan Year The Activity First Approved and Implemented**

Activity Approved and Implemented – FY 2012 – FY 2013

2. Explanation

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

The FY 2014 Annual Plan included a new activity, which proposed to increase the minimum rent for these families (and all other HCV tenants) from \$50 to \$150. The Housing Authority anticipates this activity will prove a more successful alternative for encouraging these households to maintain a consistent level of employment.

In addition, the LHA has agreed to participate in a rent reform study commissioned by HUD's Office of Policy Development & Research that targets eligible work-able non-elderly/non-disabled HCV households.

3. Year the Activity Closed Out

FY 2014

Activity 6) Biennial Housekeeping Inspections for Public Housing Residents**1. Plan Year In Which The Activity First Approved And Implemented**

Activity Approved – FY 2012 – FY 2013

Not Implemented

3. Explanation

Through this activity the LHA intended to reduce administrative costs and reward residents for maintaining their units by conducting public housing housekeeping inspections biennially instead of annually for households that maintain an excellent rating for at least two years. Staff determined that costly software modifications would be necessary to track housekeeping ratings, making implementation of this activity cost prohibitive.

4. Year the Activity Closed Out

FY 2013

VI. Administrative

V. Sources & Uses of Funds

Annual MTW Plan		
V.1.Plan.Sources and Uses of MTW Funds		
A. MTW Plan: Sources and Uses of MTW Funds		
Estimated Sources of MTW Funding for the Fiscal Year		
PHAs shall provide the estimated sources and amounts of MTW funding by FDS line item.		
Sources		
FDS Line Item	FDS Line Item Name	Dollar Amount
70500 (70300+70400)	Total Tenant Revenue	3363245
70600	HUD PHA Operating Grants	21826765
70610	Capital Grants	300000
70700 (70710+70720+70730+70740+70750)	Total Fee Revenue	1510426
71100+72000	Interest Income	14000
71600	Gain or Loss on Sale of Capital Assets	0
71200+71300+71310+71400+71500	Other Income	324156
70000	Total Revenue	27338592

NOTE:

Per the LHA Chief Financial Officer - Depreciation as a "Use" of funds is a paper transaction systematically downward adjusting the value of our assets based on usage. The operational budget includes all those items that either has revenue coming in or expenses going out which are backed by cash transactions. As a result it appears that we have exceeded our sources of MTW funds available.

VI. Administrative

Estimated Uses of MTW Funding for the Fiscal Year		
PHAs shall provide the estimated uses and amounts of MTW spending by FDS line item.		
Uses		
FDS Line Item	FDS Line Item Name	Dollar Amount
91000 (91100+91200+91400+91500+91600+91700+91800+91900)	Total Operating - Administrative	4050633
91300+91310+92000	Management Fee Expense	1510426
91810	Allocated Overhead	0
92500 (92100+92200+92300+92400)	Total Tenant Services	0
93000 (93100+93600+93200+93300+93400+93800)	Total Utilities	1580887
93500+93700	Labor	0
94000 (94100+94200+94300+94500)	Total Ordinary Maintenance	2712002
95000 (95100+95200+95300+95500)	Total Protective Services	361736
96100 (96110+96120+96130+96140)	Total insurance Premiums	552305
96000 (96200+96210+96300+96400+96500+96600+96800)	Total Other General Expenses	122920
96700 (96710+96720+96730)	Total Interest Expense and Amortization Cost	0
97100+97200	Total Extraordinary Maintenance	0
97300+97350	Housing Assistance Payments + HAP Portability-In	16447683
97400	Depreciation Expense	2004693
97500+97600+97700+97800	All Other Expenses	0
90000	Total Expenses	29343285

NOTE:

Per the LHA Chief Financial Officer - Depreciation as a "Use" of funds is a paper transaction systematically downward adjusting the value of our assets based on usage. The operational budget includes all those items that either has revenue coming in or expenses going out which are backed by cash transactions. As a result it appears that we have exceeded our sources of MTW funds available.

VI. Administrative

Describe the Activities that Will Use Only MTW Single Fund Flexibility	
<p>Included in the LHA's long-term plans, a rewards incentive program to reward positive behavior among LHA households will be piloted during FY2015 at the LHA's HOPE VI development. The LHA has partnered with William Wells Brown Elementary School (WWBES) to offer incentives to students (grades K – 5) who live at the HOPE VI site. 108 children between the ages of 5 – 10 live at the site. The LHA will purchase incentive prizes to be given to rewards recipients.</p>	
V.2.Plan.Local Asset Management Plan	
B. MTW Plan: Local Asset Management Plan	
Is the PHA allocating costs within statute?	<input checked="" type="checkbox"/> Yes or <input type="checkbox"/>
Is the PHA implementing a local asset management plan (LAMP)?	<input type="checkbox"/> or <input checked="" type="checkbox"/> No
<p>If the PHA is implementing a LAMP, it shall be described in an appendix every year beginning with the year it is proposed and approved. The narrative shall explain the deviations from existing HUD requirements and should be updated if any changes are made to the LAMP.</p>	
Has the PHA provided a LAMP in the appendix?	<input type="checkbox"/> or <input checked="" type="checkbox"/> No
<p>N/A</p>	

VI. Administrative**VI. ADMINISTRATIVE**

- A. Resolution signed by the Board of Commissioners, or other authorized PHA official if there is no Board of Commissioners, adopting the Annual MTW Plan Certification of Compliance (provided at the end of this Attachment B);
- B. The beginning and end dates of when the Annual MTW Plan was made available for public review, the dates, locations of public hearings and total number of attendees for the draft Annual MTW Plan, (to ensure PHAs have met the requirements for public participation, HUD reserves the right to request additional information to verify PHAs have complied with all requirements as set forth in the Standard MTW Agreement);
- C. Description of any planned or ongoing PHA-directed evaluations of the demonstration for the overall MTW program or any specific MTW activities, if applicable; and
- D. The Annual Statement/Performance and Evaluation Report (HUD 50075.1) or subsequent form required by HUD for MTW and non-MTW Capital Fund grants for each grant that has unexpended amounts, including estimates for the Plan Year and all three parts of the report;

VI. Administrative

A. BOARD RESOLUTION & CERTIFICATIONS OF COMPLIANCE**RESOLUTION APPROVING THE LHA'S FY2015
MOVING TO WORK ANNUAL PLAN**

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

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

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

WHEREAS, the LHA's amended FY 2012 – FY 2013 MTW Annual Plan was approved by HUD on June 29, 2012, thereby making the effective date of the Plan December 29, 2011 through June 20, 2013; and

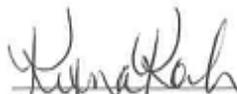
WHEREAS, the LHA's FY 2014 MTW Annual Plan was approved by HUD on October 7, 2013, effective through June 30, 2014; and

WHEREAS, LHA has proposed three new activities in the FY 2015 MTW Annual Plan, two of which are rent reform initiatives – the Elimination of Earned Income Disallowance and the HUD-Commissioned Housing Choice Voucher (HCV) Rent Reform Study, the latter details alternative rent calculation and recertification strategies to be implemented for the LHA HCV Program, identified as MTW Activity 16; and

WHEREAS, a Board Resolution approving the proposed FY 2015 MTW Annual Plan and required Certifications must be included in the submission provided to HUD; and

WHEREAS, LHA staff has distributed the Annual Plan to the Board of Commissioners, has allowed thirty days from May, 5, 2014 through June 4, 2014 for the public to comment on the Plan, and has conducted a Public Hearing on May 20, 2014 to discuss the proposed Annual Plan before its submission to HUD,

NOW, THEREFORE, BE IT RESOLVED BY THE LEXINGTON-FAYETTE URBAN COUNTY HOUSING AUTHORITY BOARD OF COMMISSIONERS that the FY 2015 MTW Annual Plan is approved, and that the Executive Director, Austin Simms, is hereby authorized to submit this Annual Plan and the required Certifications to the U.S. Department of Housing and Urban Development.


Kyna Koch
Chairperson, Board of Commissioners

Date: June 5, 2014

VI. Administrative

Certifications of Compliance**Annual Moving to Work Plan
U.S. Department of Housing and Urban Development
Certifications of Compliance
Office of Public and Indian Housing****Certifications of Compliance with Regulations:
Board Resolution to Accompany the Annual Moving to Work Plan***

Acting on behalf of the Board of Commissioners of the Public Housing Agency (PHA) listed below, as its Chairman or other authorized PHA official if there is no Board of Commissioners, I approve the submission of the Annual Moving to Work Plan for the PHA fiscal year beginning June 1, 2014, hereinafter referred to as "the Plan", of which this document is a part and make the following certifications and agreements with the Department of Housing and Urban Development (HUD) in connection with the submission of the Plan and implementation thereof:

1. The PHA published a notice that a hearing would be held, that the Plan and all information relevant to the public hearing was available for public inspection for at least 30 days, that there were no less than 15 days between the public hearing and the approval of the Plan by the Board of Commissioners, and that the PHA conducted a public hearing to discuss the Plan and invited public comment.
2. The PHA took into consideration public and resident comments (including those of its Resident Advisory Board or Boards) before approval of the Plan by the Board of Commissioners or Board of Directors in order to incorporate any public comments into the Annual MTW Plan.
3. The PHA certifies that the Board of Directors has reviewed and approved the budget for the Capital Fund Program grants contained in the Capital Fund Program Annual Statement/Performance and Evaluation Report, form HUD-50075.1.
4. The PHA will carry out the Plan in conformity with Title VI of the Civil Rights Act of 1964, the Fair Housing Act, section 504 of the Rehabilitation Act of 1973, and title II of the Americans with Disabilities Act of 1990.
5. The Plan is consistent with the applicable comprehensive housing affordability strategy (or any plan incorporating such strategy) for the jurisdiction in which the PHA is located.
6. The Plan contains a certification by the appropriate State or local officials that the Plan is consistent with the applicable Consolidated Plan, which includes a certification that requires the preparation of an Analysis of Impediments to Fair Housing Choice, for the PHA's jurisdiction and a description of the manner in which the PHA Plan is consistent with the applicable Consolidated Plan.
7. The PHA will affirmatively further fair housing by examining its programs or proposed programs, identify any impediments to fair housing choice within those programs, address those impediments in a reasonable fashion in view of the resources available and work with local jurisdictions to implement any of the jurisdiction's initiatives to affirmatively further fair housing that require the PHA's involvement and maintain records reflecting these analyses and actions.
8. The PHA will comply with the prohibitions against discrimination on the basis of age pursuant to the Age Discrimination Act of 1975.
9. The PHA will comply with the Architectural Barriers Act of 1968 and 24 CFR Part 41, Policies and Procedures for the Enforcement of Standards and Requirements for Accessibility by the Physically Handicapped.
10. The PHA will comply with the requirements of section 3 of the Housing and Urban Development Act of 1968, Employment Opportunities for Low-or Very-Low Income Persons, and with its implementing regulation at 24 CFR Part 135.
11. The PHA will comply with requirements with regard to a drug free workplace required by 24 CFR Part 24, Subpart F.
12. The PHA will comply with requirements with regard to compliance with restrictions on lobbying required by 24 CFR Part 87, together with disclosure forms if required by this Part, and with restrictions on payments to influence Federal Transactions, in accordance with the Byrd Amendment and implementing regulations at 49 CFR Part 24.
13. The PHA will comply with acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 and implementing regulations at 49 CFR Part 24 as applicable.

VI. Administrative

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

Lexington-Fayette Urban County Housing Authority

PHA Name

KY004

PHA Number/HA Code

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

Austin J. Simms

Name of Authorized Official

Secretary

Title



Signature

June 5, 2014

Date

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

VI. Administrative

B. PUBLIC REVIEW PROCESS

The FY2015 MTW Annual Plan was made available for public review **May 5 – June 4, 2014**.

The public hearing was held on Tuesday, May 20, 2014 at the LHA Central Office located at 300 West New Circle Road, Lexington, KY. Twelve (12) LHA staff attended/no attendees from the public.

Public notice of the public hearing/public comment was advertised in the legal classifieds of the **Lexington Herald-Leader**. The following is a copy of the ad that ran Sunday, May 4, 2014.

Lexington Herald-Leader Sunday, May 4, 2014

Legals & Public Notices

Lexington-Fayette Urban County Housing Authority (LHA) Public Hearing Regarding: 1) FY 2015 Moving to Work (MTW) Annual Plan; 2) HUD Rent Reform Study; 3) Public Housing Admissions and Continued Occupancy Policy (ACOP); and 4) Housing Choice Voucher (Section 8) Administrative Plan

There will be a public hearing on Tuesday, May 20, 2014 at 5:30 PM at LHA's Central Office, located at 300 W. New Circle Rd, Lexington, Kentucky, 40505. Accommodations for disabled or non-English speaking persons will be made available upon advance request. The subject of the meeting will be LHA's FY 2015 MTW Annual Plan; LHA's participation in a HUD-commissioned Rent Reform Study for the Housing Choice Voucher (HCV) Program that sets forth alternative rent calculation and recertification process; and, proposed modifications to its Public Housing ACOP; and proposed modifications to its Housing Choice Voucher (Section 8) Administrative Plan.

LHA welcomes public comment regarding these changes from May 5 – June 4, 2014. Complete copies of the affected documents

(and a summary of proposed changes to each) have been posted on the LHA website (www.lexha.org), are available for public viewing at LHA's Central Office, or can be mailed upon request. Written comments should be addressed to Andrea Wilson at LHA's Central Office or emailed to wilsona@lexha.org. For additional information, call (859) 281-5063. Persons with hearing or speech impairments can receive assistance contacting the LHA by dialing 7-1-1 to reach the Kentucky Telephone Relay Service.

0001028878-01

VI. Administrative

ANNOUNCEMENT & PUBLIC HEARING SIGN-IN SHEET



PUBLIC HEARING

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

TUESDAY, MAY 20, 2014

5:30 PM

LHA CENTRAL OFFICE
300 W. NEW CIRCLE RD

SUBJECTS TO BE DISCUSSED:

- 1) FY 2015 MOVING TO WORK (MTW) ANNUAL PLAN & HUD HOUSING CHOICE VOUCHER (HCV) RENT REFORM STUDY
- 2) PUBLIC HOUSING ADMISSIONS & CONTINUED OCCUPANCY POLICY
- 3) HOUSING CHOICE VOUCHER (SECTION 8) ADMINISTRATIVE PLAN

Lexington-Fayette Urban County Housing Authority (LHA) Announces a Public Hearing Regarding: 1) FY 2015 Moving to Work (MTW) Annual Plan; 2) HUD Rent Reform Study; 3) Public Housing Admissions and Continued Occupancy Policy (ACOP); and 4) Housing Choice Voucher (Section 8) Administrative Plan

There will be a public hearing on May 20, 2014 at 5:30 PM at LHA's Central Office, located at 300 W. New Circle Rd, Lexington, Kentucky, 40505. The subject of the meeting will be LHA's FY 2015 MTW Annual Plan and HCV Rent Reform Study; proposed modifications to its Public Housing ACOP; and proposed modifications to its Housing Choice Voucher (Section 8) Administrative Plan.

LHA welcomes public comment regarding these changes from May 5 – June 4, 2014. Complete copies of the affected documents (and a summary of proposed changes to each) have been posted on the LHA website (www.lexha.org), are available for public viewing at LHA's Central Office, or can be mailed upon request. Written comments should be addressed to Andrea Wilson at LHA's Central Office or emailed to wilsona@lexha.org. For additional information, call (859) 281-5063.

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

VI. Administrative

ANNOUNCEMENT & PUBLIC HEARING SIGN-IN SHEET

Lexington Housing Authority Public Hearing Sign-in Sheet Tuesday, May 20, 2014

<u>Name</u>	<u>Contact Info. (phone#, email, address, etc.)</u>
<u>Dana Mason</u>	<u>LHA masond@lexha.org</u>
<u>Rodney Perkins</u>	<u>LHA</u>
<u>Greg [unclear]</u>	<u>LHA</u>
<u>Tom Smith</u>	<u>LHA</u>
<u>[unclear]</u>	<u>LHA</u>
<u>Michèle Lee</u>	<u>LHA</u>
<u>Joseph Christy</u>	<u>LHA</u>
<u>Aldrea Pleasant</u>	<u>LHA</u>
<u>Susan Cooper</u>	<u>LHA</u>
<u>Carolyn Fish</u>	<u>LHA</u>
<u>BARRY HOUDES</u>	<u>LHA</u>
<u>Andrew Wilson</u>	<u>LHA</u>

VI. Administrative

C. Description of ongoing PHA-directed evaluations.

Demonstration Evaluation

Upon entry into the MTW demonstration program the LHA sought the participation of an objective, third party evaluator, Kentucky State University (KSU) (the state's only historically black college and an 1890 land-grant institution), to monitor and report on the effects of its MTW initiatives. KSU and LHA have formally contracted for evaluation of the MTW program on an annual basis.

For each MTW initiative implemented by the Authority, the evaluation team assists in determining appropriate baselines, benchmarks, and metrics to assess outcomes affecting residents, LHA, and HUD statutory objectives. KSU works with the agency to collect all relevant data, which the evaluation team then analyzes, so they can regularly report on progress against baselines and benchmarks, recommending initiative modifications where appropriate.

At the end of each Plan year, KSU helps LHA determine which MTW activities should be continued or expanded, which should be modified, and which should be dropped. At the completion of the MTW demonstration, KSU will create a final report summarizing the outcomes of all the agency's MTW initiatives - including their impact at the local and national level - and describing how successful activities could serve as replicable program models.

Dr. Vernell Bennett will serve as lead evaluator during FY2015. Dr. Bennett is currently serving as Assistant Vice President for Diversity and Inclusion and Associate Professor at Kentucky State University (KSU). Her service to the university and community is extensive; she has served as a faculty member, administrator, volunteer, advisor, committee chairperson, and committee member.

Dr. Bennett has extensive experience as a manager of special needs housing. She has also served in professional and voluntary roles as a mentor to underprivileged youth. Dr. Bennett received her Bachelor of Music degree from Fisk University, her Master of Arts degree from Eastern Michigan University, and her Doctorate of Education degree in Instruction and Administration from the University of Kentucky.

VI. Administrative

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

VI. Administrative

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

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

Part I: Summary		FFY of Grant: 07/2010 FFY of Grant Approval:			
PHA Name: Lexington-Fayette Urban County Housing Authority	Grant Type and Number Capital Fund Program Grant No: Replacement Housing Factor Grant No: KY36-R004-502-10 Date of CFFP:				
Type of Grant <input type="checkbox"/> Original Annual Statement <input type="checkbox"/> Reserve for Disasters/Emergencies <input type="checkbox"/> Revised Annual Statement (revision no:) <input checked="" type="checkbox"/> Performance and Evaluation Report for Period Ending: 03/31/14 <input checked="" type="checkbox"/> Final Performance and Evaluation Report					
Line	Summary by Development Account	Total Estimated Cost		Obligated	Total Actual Cost ¹
		Original	Revised ²		Expended
1	Total non-CFP Funds				
2	1406 Operations (may not exceed 20% of line 21) ³				
3	1408 Management Improvements				
4	1410 Administration (may not exceed 10% of line 21)				
5	1411 Audit				
6	1415 Liquidated Damages				
7	1430 Fees and Costs				
8	1440 Site Acquisition				
9	1450 Site Improvement				
10	1460 Dwelling Structures				
11	1465.1 Dwelling Equipment—Nonexpendable				
12	1470 Non-dwelling Structures				
13	1475 Non-dwelling Equipment				
14	1485 Demolition				
15	1492 Moving to Work Demonstration				
16	1495.1 Relocation Costs				
17	1499 Development Activities ⁴	594,807.00		594,807.00	594,807.00

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

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

U.S. Department of Housing and Urban Development
 Office of Public and Indian Housing
 OMB No. 2577-0226
 Expires 08/31/2011

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PHA Name: Lexington-Fayette Urban County Housing Authority	Grant Type and Number Capital Fund Program Grant No: Replacement Housing Factor Grant No: KY36-R004-502-10 Date of CFFP:				
Type of Grant <input type="checkbox"/> Original Annual Statement <input type="checkbox"/> Reserve for Disasters/Emergencies <input type="checkbox"/> Revised Annual Statement (revision no:) <input checked="" type="checkbox"/> Performance and Evaluation Report for Period Ending: 03/31/14 <input checked="" type="checkbox"/> Final Performance and Evaluation Report					
Line	Summary by Development Account	Total Estimated Cost		Obligated	Total Actual Cost ¹
		Original	Revised ²		Expended
18a	1501 Collateralization or Debt Service paid by the PHA				
18ba	9000 Collateralization or Debt Service paid Via System of Direct Payment				
19	1502 Contingency (may not exceed 8% of line 20)				
20	Amount of Annual Grants: (sum of lines 2 - 19)	594,807.00		594,507.00	594,807.00
21	Amount of line 20 Related to LBP Activities				
22	Amount of line 20 Related to Section 504 Activities				
23	Amount of line 20 Related to Security - Soft Costs				
24	Amount of line 20 Related to Security - Hard Costs				
25	Amount of line 20 Related to Energy Conservation Measures				
Signature of Executive Director		Date	Signature of Public Housing Director		Date

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VI. Administrative

Annual Statement/Performance and Evaluation Report
 Capital Fund Program, Capital Fund Program Replacement Housing Factor and
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U.S. Department of Housing and Urban Development
 Office of Public and Indian Housing
 OMB No. 2577-0226
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Type of Grant <input type="checkbox"/> Original Annual Statement <input type="checkbox"/> Reserve for Disasters/Emergencies <input type="checkbox"/> Revised Annual Statement (revision no:) <input checked="" type="checkbox"/> Performance and Evaluation Report for Period Ending: 03-31-2014 <input type="checkbox"/> Final Performance and Evaluation Report					
Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost ¹	
		Original	Revised ²	Obligated	Expended
1	Total non-CFP Funds				
2	1406 Operations (may not exceed 20% of line 21) ³				
3	1408 Management Improvements				
4	1410 Administration (may not exceed 10% of line 21)				
5	1411 Audit				
6	1415 Liquidated Damages				
7	1430 Fees and Costs				
8	1440 Site Acquisition				
9	1450 Site Improvement				
10	1460 Dwelling Structures				
11	1465.1 Dwelling Equipment—Nonexpendable				
12	1470 Non-dwelling Structures				
13	1475 Non-dwelling Equipment				
14	1485 Demolition				
15	1492 Moving to Work Demonstration				
16	1495.1 Relocation Costs				
17	1499 Development Activities ⁴	191,515.00		191,515.00	191,515.00

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19	1502 Contingency (may not exceed 8% of line 20)	191,515.00		191,515.00	191,515.00
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16	1495.1 Relocation Costs				
17	1499 Development Activities ⁴	269,804.00		269,804.00	269,804.00

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Type of Grant <input type="checkbox"/> Original Annual Statement <input type="checkbox"/> Reserve for Disasters/Emergencies <input type="checkbox"/> Revised Annual Statement (revision no:) <input checked="" type="checkbox"/> Performance and Evaluation Report for Period Ending: 03/31/2014 <input type="checkbox"/> Final Performance and Evaluation Report					
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4	1410 Administration (may not exceed 10% of line 21)				
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13	1475 Non-dwelling Equipment				
14	1485 Demolition				
15	1492 Moving to Work Demonstration				
16	1495.1 Relocation Costs				
17	1499 Development Activities ⁴	269,804.00		269,804.00	269,804.00

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Annual Statement/Performance and Evaluation Report
 Capital Fund Program, Capital Fund Program Replacement Housing Factor and
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U.S. Department of Housing and Urban Development
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Type of Grant <input type="checkbox"/> Original Annual Statement <input type="checkbox"/> Reserve for Disasters/Emergencies <input type="checkbox"/> Revised Annual Statement (revision no:) <input checked="" type="checkbox"/> Performance and Evaluation Report for Period Ending: 03/31/14 <input type="checkbox"/> Final Performance and Evaluation Report					
Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost ¹	
		Original	Revised ²	Obligated	Expended
18a	1501 Collateralization or Debt Service paid by the PHA				
18ba	9000 Collateralization or Debt Service paid Via System of Direct Payment				
19	1502 Contingency (may not exceed 8% of line 20)	269,804.00		269,804.00	269,804.00
20	Amount of Annual Grant: (sum of lines 2 - 19)				
21	Amount of line 20 Related to LBP Activities				
22	Amount of line 20 Related to Section 504 Activities				
23	Amount of line 20 Related to Security - Soft Costs				
24	Amount of line 20 Related to Security - Hard Costs				
25	Amount of line 20 Related to Energy Conservation Measures				
Signature of Executive Director		Date		Signature of Public Housing Director	
				Date	

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VI. Administrative

Annual Statement/Performance and Evaluation Report Capital Fund Program and Capital Fund Program Replacement Housing Factor (CFP/CFPRHF) Part 1: Summary				
PHA Name: Lexington-Fayette Urban County Housing Authority		Grant Type and Number: Capital Fund Program Grant No: KY36-P004-501-13 Replacement Housing Factor Grant No:		Federal FY of Grant: 07/2013
<input type="checkbox"/> Original Annual Statement <input type="checkbox"/> Reserve for Disasters/Emergencies <input type="checkbox"/> Revised Annual Statement (revision no:)				
X	Performance and Evaluation Report for Period Ending:	Final Performance and Evaluation Report		
Line No.	Summary by Development Account	Total Estimated Costs		Total Actual Cost
		Original	Revised	Obligated Expended
1	Total non-CFP Funds			
2	1406 Operations	0.00	50.00	50.00 50.00
3	1406 Management Improvements	249,891.00	50.00	50.00 50.00
4	1410 Administration	124,946.00	50.00	5124,946.00 50.00
5	1411 Audit			
6	1415 Liquidated Damages			
7	1430 Fees and Costs			
8	1440 Site Acquisition			
9	1450 Site Improvement			
10	1460 Dwelling Structures	0.00	50.00	50.00 50.00
11	1465.1 Dwelling Equipment -- Nonexpendable			
12	1470 Nondwelling Structures			
13	1475 Nondwelling Equipment			
14	1485 Demolition			
15	1490 Replacement Reserves			
16	1492 Moving to Work Demonstration			
17	1495.1 Relocation Costs			
18	1499 Development Activities			
	Reserved Budget	874,618.00		
19	Amount of Annual Grant (sum of lines 2-19)	1,249,455.00	50.00	124,946.00 50.00
20	Amount of line ? Related to LBP Activities			
21	Amount of line ? Related to Section 504 Compliance			
22	Amount of line ? Related to Security - Soft Costs			
23	Amount of line ? Related to Security - Hard Costs			
24	Amount of line ? Related to Energy Conservation Measures			
25	Collateralization Expenses or Debt Service			

Capital Fund Program Tables Page 1

Annual Statement/Performance and Evaluation Report Capital Fund Program and Capital Fund Program Replacement Housing Factor (CFP/CFPRHF) Part II: Supporting Pages								
PHA Name: Lexington-Fayette Urban County Housing Authority		Grant Type and Number: Capital Fund Program Grant No: KY36-P004-501-13 Replacement Housing Factor Grant No:			Federal FY of Grant: 07/2013			
					3/31/2014			
Development Number Name/HA-Wide Activities	General Description of Major Work Categories	Dev. Acct. No.	Quantity	Total Estimated Cost		Total Actual Cost		Status of Work
					Revised	Obligated	Expended	
1. LHA Wide	Operations	1406		0.00	0.00	6.00	0.00	
					0.00			
2. Management Improv	Management Improvements	1408		249,891.00	0.00	0.00	0.00	
				249,891.00	0.00			
4. LHA Wide	Administrative	1410		124,946.00	0.00	0.00	0.00	
				124,946.00	0.00			
10. PHA-Wide	Dwelling Structures	1460		0.00	0.00	0.00	0.00	
					0.00	0.00	0.00	
100	Reserved Budget			874,618.00	0.00	0.00	0.00	

Capital Fund Program Tables Page 2

VI. Administrative

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

U.S. Department of Housing and Urban Development
 Office of Public and Indian Housing
 OMB No. 2577-0226
Expires 08/31/2011

Part I: Summary		FFY of Grant: 2014			
PHA Name: Lexington-Fayette Urban County Housing Authority	Grant Type and Number Capital Fund Program Grant No: KY36P00450114 Replacement Housing Factor Grant No: Date of CFFP:	FFY of Grant Approval:			
Type of Grant <input checked="" type="checkbox"/> Original Annual Statement <input type="checkbox"/> Reserve for Disasters/Emergencies <input type="checkbox"/> Revised Annual Statement (revision no:) <input type="checkbox"/> Performance and Evaluation Report for Period Ending: <input type="checkbox"/> Final Performance and Evaluation Report					
Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost ⁴	
		Original	Revised ¹	Obligated	Expended
18a	1501 Collateralization or Debt Service paid by the PHA				
18ba	9000 Collateralization or Debt Service paid Via System of Direct Payment				
19	1502 Contingency (may not exceed 8% of line 20)				
20	Amount of Annual Grant: (sum of lines 2 - 19)	1,358,477			
21	Amount of line 20 Related to LBP Activities				
22	Amount of line 20 Related to Section 504 Activities				
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Signature of Executive Director		Date	Signature of Public Housing Director		Date

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Expires 08/31/2011

Part II: Supporting Pages								
PHA Name: Lexington-Fayette Urban County Housing Authority			Grant Type and Number Capital Fund Program Grant No: KY36P00450114 CFFP (Yes/No): Replacement Housing Factor Grant No:			Federal FFY of Grant: 2014		
Development Number Name/PHA-Wide Activities	General Description of Major Work Categories	Development Account No.	Quantity	Total Estimated Cost		Total Actual Cost		Status of Work
				Original	Revised ¹	Funds Obligated ²	Funds Expended ²	
PHA-Wide	Management Improvements	1408						
	Software Upgrade			135,847				
	Total Management Improvements			135,847				
PHA-Wide	Administration	1410						
	CF Program Fee			135,847				
	Total Administration	1410		135,847				
PHA-Wide	Fees and Costs	1430						
	A & E Fees			30,000				
	Total Fees and Costs	1430		30,000				

VI. Administrative

KY004000001								
Allante Brook	Tree trimming	1450	32 units	6757				
	Sub-Total			6757				
Appian Hills	Fence removal & replacement	1450	44 units	24,000				
	Retaining wall & landscape replacement	1450	44 units	60,000				
	Sub-Total			84,000				
Circle at Bainbridge	Tree trimming	1450	48 units	6758				
	Sub-Total			6758				
Camelot	Tree trimming	1450	36 units	6758				
	Sub-Total			6758				
Scattered Single-Family Housing	Roof & gutter replacement	1460	5 units	30,800				
	Siding & soffit replacement	1460	2 units	4320				
	Door & window replacement	1460	6 units	24,960				
	Sub-Total			60,080				
	Total Project KY004000001			164,353				

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

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

U.S. Department of Housing and Urban Development
 Office of Public and Indian Housing
 OMB No. 2577-0226
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Part II: Supporting Pages								
PHA Name: Lexington-Fayette Urban County Housing Authority		Grant Type and Number Capital Fund Program Grant No: KY36P00450114 CFPP (Yes/ No): Replacement Housing Factor Grant No:			Federal FFY of Grant: 2014			
Development Number Name/PHA-Wide Activities	General Description of Major Work Categories	Development Account No.	Quantity	Total Estimated Cost		Total Actual Cost		Status of Work
				Original	Revised ¹	Funds Obligated ²	Funds Expended ²	
KY004000002								
Heartsbrook	Replace storm doors	1460	34 units	39,440				
	Vinyl wrap exterior doors	1460	34 units	12,240				

VI. Administrative

	Sub-Total			51,680				
Rogers Road	Back porch railing repair/replacement	1460	10 units	16,600				
	Sub-Total			16,600				
Rosemary	Replace storm doors	1460	26 units	30,160				
	Vinyl wrap exterior doors	1460	26 units	9360				
	Sub-Total			39,520				
	Total Project KY004000002			107,800				
KY004000004								
Connie Griffith	Window repair	1460	183 units	114,500				
	Sub-Total			114,500				
	Total Project KY004000004			114,500				
KY004000007								
12 th Street	Door replacement: bldg. exterior & apartment entrance	1460	40 units	50,400				
	Fence repair & replacement	1450	40 units	10,000				
	Sub-Total			60,400				
	Total Project KY004000007			60,400				
KY004000009								
Russell Cave	Roof & gutter repair over doors	1460	26 units	43,160				
	Trim trees	1450	26 units	15,000				
	Fence repair/replacement	1450	26 units	10,000				
	Sub-Total			68,160				
	Total Project KY004000009			68,160				
KY004000003								
Atiya Place	Bathroom-cabinet & vanity top replacement	1460	18 units	5380				
	Kitchen-cabinet & counter top replacement	1460	18 units	5380				
	Roof & gutter replacement	1460	18 units	72,880				
	Dead trees removal	1450	18 units	2000				

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