

RESOLUTION NO. _____
APPROVAL OF FY 2021 MOVING TO WORK ANNUAL PLAN
Item No. 5d

WHEREAS, the Louisville Metro Housing Authority (LMHA), as the Housing Authority of Louisville, executed a Moving to Work (MTW) Agreement on August 2, 1999 and an Amended and Restated Agreement on April 15, 2008, which provides LMHA with some authority to investigate and adopt new policies and to flexibly use HUD funding; and

WHEREAS, the Louisville Metro Housing Authority (LMHA), as the Housing Authority of Louisville, executed a Moving to Work (MTW) Agreement on August 2, 1999; an Amended and Restated Agreement on April 15, 2008, which provides LMHA with some authority to investigate and adopt new policies and to flexibly use HUD funding and extended participation in the MTW Program until June 30, 2018 and later extended to June 30, 2028; an Amendment to the Amended and Restated Agreement on March 17, 2020, which authorized citations to waive an independent entity inspection; and

WHEREAS, as a part of the Amended and Restated MTW Agreement, an MTW Annual Plan for Fiscal Year (FY) 2021 must be developed and submitted to HUD to formally enable LMHA to fully use the policy and budget flexibility provided to public housing agencies participating in the MTW Program; and

WHEREAS, a Board Resolution approving the proposed FY 2021 MTW Annual Plan and required Certifications must be included in the submission provided to HUD; and

WHEREAS, the proposed FY 2021 MTW Annual Plan was made available for public comment between March 5, 2020 and April 4, 2020 and a public hearing was held on March 19, 2020 to discuss the Proposed FY 2021 MTW Annual Plan.

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NOW, THEREFORE, BE IT RESOLVED BY THE LOUISVILLE METRO HOUSING AUTHORITY BOARD OF COMMISSIONERS that the FY 2021 MTW Annual Plan is approved, and that the Executive Director and Contracting Officer, Lisa Osanka, is hereby authorized to execute and submit the Plan to the U.S. Department of Housing and Urban Development.

RESOLUTION BACKGROUND STATEMENT
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I. STATEMENT OF FACTS:

Moving to Work (MTW) is a demonstration program legislated by Congress in 1996 that provides increased autonomy for selected Public Housing Agencies (PHAs) to meet specific local housing needs. The MTW Demonstration Program provides participating PHAs flexibility to test various housing approaches that achieve greater cost effectiveness, provide incentives to residents to obtain employment and become economically self-sufficient, and to increase housing choices for low-income families. MTW legislation allows participating PHAs to combine federal resources from the Operating Budget, Capital Fund, and the Housing Choice Voucher Tenant-Based Rental Assistance programs, and the flexibility to efficiently utilize these HUD funding sources.

In October 1997, the former Housing Authority of Louisville (HAL) was chosen as one of 24 MTW Demonstration awardees. HAL's MTW Agreement, which specified the regulatory relief afforded to the organization, was finalized and signed on August 2, 1999, and was originally for a five-year period. This agreement, which now covers the Louisville Metro Housing Authority (LMHA), was set to expire on June 30, 2005. LMHA was fortunate to receive a one-year extension followed by an additional three-year extension.

On December 20, 2007, HUD notified LMHA of its intent to amend and restate MTW agreements with participating PHAs. This new agreement was adopted by the Board on April 15, 2008 and extended participation in the MTW Program until June 30, 2018. This date was later extended to June 30, 2028.

MTW agencies are required to prepare and submit MTW Annual Plans in lieu of PHA Annual Plans, which are required of all other agencies. In compliance with this requirement, the LMHA Board of Commissioners is set to adopt the FY 2021 MTW Annual Plan on April 21, 2020 and the Plan will be submitted to HUD on April 22, 2020.

LMHA hired Edgemere Consulting Corporation (Edgemere) to assist in the development of MTW Plans and Reports and other related MTW activities. The FY 2021 MTW Annual Plan has been prepared and made available for public comment on March 5, 2020 through April 4, 2020. A public hearing to discuss the proposed Plan was held on March 19, 2020.

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I. STATEMENT OF FACTS (cont'd):

The FY 2021 MTW Annual Plan requests HUD approval of the following MTW activities:

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

This proposed new activity is intended to coordinate with and support LMHA's Choice Neighborhoods Transformation Plan for the Russell neighborhood which includes the Beecher Terrace public housing development. Consistent with the broader mixed income housing goal, this new activity provides financial assistance to Russell neighborhood homeowners which is a goal of LMHA and its Vision Russell partners. This will help ensure that long-term residents can remain in the neighborhood and take advantage of the numerous community improvements that are underway or planned over the next several years.

Through this MTW activity, LMHA will provide a local preference for a Housing Choice Voucher (HCV) to eligible, low-income households who meet the following criteria: currently own a home within the Vision Russell Transformation Plan target area identified in the CNI application that was purchased prior to June 28, 2016 (i.e. submission date for the Vision Russell CNI Implementation Grant proposal); are cost-burdened demonstrated when total homeownership costs exceed 30% of adjusted gross household income; intend to use the voucher for homeownership assistance at their existing Russell neighborhood home; and, the household does not include a person who was an adult member of a family that previously received HCV homeownership assistance from LMHA or another PHA. LMHA will waive 24 CFR 982.207(b)(ii) in order to apply a preference to the CNI-targeted Russell neighborhood.

As this limited preference applies to certain existing low-income homeowners, LMHA will waive:

- the first-time homebuyer eligibility requirement (24 CFR 982.627);
- the requirement to participate in homeownership counseling before commencement of homeownership assistance (24 CFR 982.630) and replaced with a requirement that the family participate in such counseling within one year of the start of homeownership assistance; and,
- the requirements for the family to hire an independent inspector and PHA approval of the contract of sale (24 CFR 982.631).

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I. STATEMENT OF FACTS (cont'd):

All units will be inspected by LMHA in advance of the commencement of assistance and must comply with Housing Quality Standards (HQS). Following the initial HQS inspection, LMHA will refer the household, where appropriate and needed, to local government and other available low or no-cost programs to address needed repairs and to support energy conservation objectives.

2. Rent Policies.

The Standard Medical Deduction will be increased to the new threshold equivalent to the current Medicare Part B premium which will be adjusted annually for inflation.

3. Development and Redevelopment Activities: H. Temple Spears.

LMHA is planning to convert 24 smaller units into 12 larger units to enhance marketability.

4. Activity #2020-4: FSS Program Enhancements.

LMHA proposes using MTW flexibility to enhance the existing Family Self-Sufficiency (FSS) Program by offering an FSS Contract of Participation (CoP) with modified terms for youth participating in the HUD Family Unification Program (FUP) Foster Care Alumni initiative. These youth will receive a voucher for a limited three-year period. The modified CoP would revise existing requirements in order to reflect the needs of this population as well as the parameters of the FUP program participation limits. The CoP would include the following terms and requirements:

- A shortened contract term of 3 years;
- Participants must be suitably employed, as stated in LMHA's FSS Action Plan, for at least 6 consecutive months;
- Participants must have received Temporary Assistance for Needy Families (TANF) assistance for at least 6 months (reduced from the normal 12-month requirement); and
- Participants must attend at least 3 professional skills workshops in addition to completing financial skills training.

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I. STATEMENT OF FACTS (cont'd):

5. Activity #2005-1: Special Referral MTW HCV Programs.

LMHA will partner with Catholic Charities of Louisville to provide up to 10 HCV vouchers for victims of human trafficking and individuals in the Migration and Refugee Services. LMHA will also partner with Joshua Community Connectors to provide up to 10 HCV vouchers for individuals at risk of homelessness in the Russell neighborhood.

6. Activity #2007-1: Streamlined Recertification Process.

LMHA will implement biennial recertifications for all HCV and PH households and eliminate the mini recertification process for HCV. Additionally, households whose only source of income is from SS, SSI and/or pension will be recertified once every three years as well as PH households on flat rent. Households who report zero income will be recertified annually.

7. Activity #2011-1: Housing Choice Voucher Child Care Deductions Policy.

LMHA will implement that, in order to qualify for the childcare deduction, a family must include a head of household, co-head, and/or spouse with a demonstrated work history (full or part-time) for the entire year.

8. Activity #2018-1: Beecher Terrace Choice Neighborhood Initiative Revitalization – Broader Use of Funds to Support the Development of Off-Site, Mixed-Income Replacement Housing.

Revise language to clarify definitions.

9. Activity #2018-2: HCV Owner Leasing Initiative.

LMHA proposes several initiatives to the existing activity to incentivizing owners of units eligible for HCV assistance:

- a. Modified Owner Incentive Fee allows an owner of a unit that has never been leased to another LMHA HCV participant a one-time \$500 payment upon execution of a HAP contract and an additional \$500 payment at the one-year anniversary of the HAP contract.

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I. STATEMENT OF FACTS (cont'd):

- b. Vacancy Loss and Damage Loss Payments will be available to owners whose tenants vacate units without LMHA authorization prior to the end of lease terms. The owner must re-rent a unit to another HCV family within 6 months of the date that the owner notifies LMHA of the move-out and will be paid for the length of time the unit is vacant. This activity also allows for damage loss payments to owners who agree to accept a reduced security deposit.
- c. Pre-Qualifying Unit Inspections allow unit owners to have up to 90 days to lease a unit after an inspection is conducted.
- d. Units in Exception Payment Standard Areas allows for biennial HQS inspections for all units located in approved exception payment standard areas or in units with a construction date of 1990 or later.

10. Activity #2019-1: Enhancements to Local Project-Based Voucher (PBV) Program.

This change in activity allows for replacement units to be located in HOPE VI or Choice Neighborhood sites and in census tracts that border HOPE VI or Choice Neighborhood census tracts. PBV proposals may be selected based on any one of the following three methods: previous competition, Request for Proposals, or selection of LMHA-owned properties without a competitive process or prior HUD approval.

11. Implementation of Rental Assistance Demonstration (RAD) Participation.

Of the remaining Beecher Terrace units not yet demolished, twenty-one (21) have been identified as either non-dwelling units or vacant and eligible for RAD under the transfer of assistance provisions. LMHA anticipates developing 21 new construction RAD units on the Beecher former public housing site.

The required Certifications of Compliance are provided as Attachment A to this resolution.

II. ALTERNATIVES:

- a. Approve the submission of the proposed FY 2021 Moving to Work Annual Plan.

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II. ALTERNATIVES (cont'd):

- b. Partially approve the submission of the proposed FY 2021 Moving to Work Annual Plan.
- c. Do not approve the submission of the proposed FY 2021 Moving to Work Annual Plan.

III. RECOMMENDATION:

Staff recommends Alternative "A".

IV. JUSTIFICATION:

LMHA, in consultation with residents and the community, has developed the proposed FY 2021 MTW Annual Plan. Approval of the FY 2021 MTW Annual Plan by Board Resolution is necessary to permit LMHA to update, maximize, and improve the MTW activities.

Submitted by: Heath Rico-Storey
Compliance Manager
April 21, 2020

Attachment A

Required Forms for Signature

OMB Control Number: 2577-0216
Expiration Date: 01/31/2021

CERTIFICATIONS OF COMPLIANCE

**U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
OFFICE OF PUBIC 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 Moving to Work Public Housing Agency (MTW PHA) listed below, as its Chairman or other authorized MTW PHA official if there is no Board of Commissioners, I approve the submission of the Annual Moving to Work Plan for the MTW PHA Plan Year beginning July 1, 2020, 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 MTW 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 MTW PHA conducted a public hearing to discuss the Plan and invited public comment.
- (2) The MTW 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 MTW 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 (or successor form as required by HUD).
- (4) The MTW 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 MTW PHA's jurisdiction and a description of the manner in which the Plan is consistent with the applicable Consolidated Plan.
- (7) The MTW PHA will affirmatively further fair housing by fulfilling the requirements at 24 CFR 903.7(o) and 24 CFR 903.15(d), which means that it will take meaningful actions to further the goals identified in the Assessment of Fair Housing (AFH) conducted in accordance with the requirements of 24 CFR 5.150 through 5.180, that it will take no action that is materially inconsistent with its obligation to affirmatively further fair housing, and that it will address fair housing issues and contributing factors in its programs, in accordance with 24 CFR 903.7(o)(3). Until such time as the MTW PHA is required to submit an AFH, and that AFH has been accepted by HUD, the MTW PHA will address impediments to fair housing choice identified in the Analysis of Impediments to fair housing choice associated with any applicable Consolidated or Annual Action Plan under 24 CFR Part 91.
- (8) The MTW PHA will comply with the prohibitions against discrimination on the basis of age pursuant to the Age Discrimination Act of 1975.
- (9) In accordance with 24 CFR 5.105(a)(2), HUD's Equal Access Rule, the MTW PHA will not make a determination of eligibility for housing based on sexual orientation, gender identify, or marital status and will make no inquiries concerning the gender identification or sexual orientation of an applicant for or occupant of HUD-assisted housing.
- (10) The MTW 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.
- (11) The MTW 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.
- (12) The MTW PHA will comply with requirements with regard to a drug free workplace required by 24 CFR Part 24, Subpart F.
- (13) The MTW 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.

- (14) The MTW 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.
- (15) The MTW PHA will take appropriate affirmative action to award contracts to minority and women's business enterprises under 24 CFR 5.105(a).
- (16) The MTW 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 MTW 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.
- (17) With respect to public housing and applicable local, non-traditional development the MTW 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.
- (18) The MTW PHA will keep records in accordance with 24 CFR 85.20 and facilitate an effective audit to determine compliance with program requirements.
- (19) The MTW PHA will comply with the Lead-Based Paint Poisoning Prevention Act and 24 CFR Part 35.
- (20) The MTW 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 200.
- (21) The MTW 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.
- (22) 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 MTW PHA in its Plan and will continue to be made available at least at the primary business office of the MTW PHA.

Louisville Metro Housing Authority	KY001
MTW PHA NAME	MTW PHA NUMBER/HA CODE
<i>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).</i>	
Manfred Reid	Chairman of the Board
NAME OF AUTHORIZED OFFICIAL	TITLE
SIGNATURE	DATE
* Must be signed by either the Chairman or Secretary of the Board of the MTW PHA's legislative body. This certification cannot be signed by an employee unless authorized by the MTW 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.	

**Certification of Payments
to Influence Federal Transactions**

U.S. Department of Housing
and Urban Development
Office of Public and Indian Housing

OMB Approval No. 2577-0157 (Exp. 03/31/2020)

Applicant Name

Louisville Metro Housing Authority

Program/Activity Receiving Federal Grant Funding

Moving to Work Program

The undersigned certifies, to the best of his or her knowledge and belief, that:

(1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

(2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, Disclosure Form to Report Lobbying, in accordance with its instructions.

(3) The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all sub recipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

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)

Name of Authorized Official

Manfred Reid

Title

Chairman of the Board

Signature

Date (mm/dd/yyyy)

Previous edition is obsolete

form HUD 50071 (01/14)
ref. Handbooks 7417.1, 7475.13, 7485.1, & 7485.3