

RESOLUTION NO. _____

**APPROVAL OF AMENDMENT TO FY 2022 MOVING TO WORK ANNUAL PLAN
(APPROVAL OF VERSION 4)**

Item No. 5g

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 the authority to investigate and adopt new policies and to flexibly use HUD funding; and

WHEREAS, as required by the Amended and Restated MTW Agreement with HUD, the Fiscal Year 2022 MTW Annual Plan (Version 1) was adopted by the LMHA Board of Commissioners on April 20, 2021 and submitted to HUD on April 22, 2021; and

WHEREAS, HUD provided comments on the FY 2022 MTW Annual Plan (Version 1) and LMHA submitted a revised FY 2022 MTW Annual Plan (Version 2) to HUD on July 21, 2021, which was approved by HUD on July 23, 2021; and

WHEREAS, LMHA found it necessary to amend its FY 2022 MTW Annual Plan (Version 2) and LMHA submitted a revised FY 2022 MTW Annual Plan (Version 3) to HUD on September 24, 2021, which was approved by HUD on November 10, 2021; and

WHEREAS, LMHA now finds it necessary to amend the FY 2022 MTW Annual Plan (Version 3) and submit a new FY 2022 MTW Annual Plan (Version 4); and

WHEREAS, the full text of the proposed revisions is given as an attachment to this resolution; and

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WHEREAS, a Board Resolution approving the FY 2022 MTW Annual Plan (Version 4) and required Certifications of Compliance must be included in the submission provided to HUD; and

WHEREAS, the FY 2022 MTW Annual Plan (Version 4) was made available for public comment from November 19, 2021 through December 20, 2021, and a public hearing was held on November 30, 2021.

NOW, THEREFORE, BE IT RESOLVED BY THE LOUISVILLE METRO HOUSING AUTHORITY BOARD OF COMMISSIONERS that the FY 2022 MTW Annual Plan (Version 4) 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.

BE IT FURTHER RESOLVED that Board Chairman, Manfred Reid, is hereby authorized to sign the required Certifications of Compliance.

RESOLUTION BACKGROUND STATEMENT

APPROVAL OF AMENDMENT TO FY 2022 MOVING TO WORK ANNUAL PLAN (APPROVAL OF VERSION 4)

Item No. 5g

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 (HCV) 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 as of 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. On April 14, 2016, Congress extended the MTW demonstration to 2028. A second Amended and Restated Agreement was modified and approved on March 17, 2020.

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 adopted the FY 2022 MTW Annual Plan (Version 1) on April 20, 2021 and the Plan was submitted to HUD on April 22, 2021.

HUD subsequently provided comments on the submitted FY 2022 MTW Annual Plan (Version 1). In response to these comments, LMHA made changes to the FY 2022 MTW Annual Plan and resubmitted a revised FY 2022 MTW Annual Plan (Version 2) to HUD on July 21, 2021. These revisions were approved by HUD on July 23, 2021.

RESOLUTION BACKGROUND STATEMENT

APPROVAL OF AMENDMENT TO FY 2022 MOVING TO WORK ANNUAL PLAN (APPROVAL OF VERSION 4)

Item No. 5g

I. STATEMENT OF FACTS (cont'd):

LMHA found it necessary to amend its FY 2022 MTW Annual Plan (Version 2) and LMHA submitted a revised FY 2022 MTW Annual Plan (Version 3) to HUD on September 24, 2021, which was approved by HUD on November 10, 2021.

LMHA now finds it necessary to amend the FY 2022 MTW Annual Plan (Version 3) and submit a new FY 2022 MTW Annual Plan (Version 4) in order to make the following changes:

1. Add the transfer of \$32,250 in additional operating subsidy to the Sheppard PCC.
2. Add a new MTW activity, "Russell Youth and Family Services," that will provide \$3.5 million in funding for the renovation and expansion of the historic Baxter Community Center, which is located at the heart of Beecher Terrace and the Housing Authority's Choice Neighborhoods Initiative. Including this funding, LMHA's entire financial contribution to this project will be \$11.6 million. Once complete, the center will offer a range of supportive services to both Beecher Terrace and other low-income families from the surrounding Russell neighborhood.
3. Update the MTW activity that provides a \$7,500 earned income disregard for elderly families. Previously, only elderly families whose only source of income (besides earned income) was their Social Security entitlement were eligible for the disregard. Going forward, families whose only other source of income is from Social Security, SSI, and/or a pension will be eligible for the disregard.

The required Certifications of Compliance are provided as Attachment A to this resolution. A red-lined copy of the relevant amended Annual Plan text is provided as Attachment B.

The full text of the FY 2022 MTW Annual Plan (Version 4) was made available for public comment from November 19, 2021 through December 20, 2021. A public hearing to discuss the proposed Plan was held on November 30, 2021.

RESOLUTION BACKGROUND STATEMENT

APPROVAL OF AMENDMENT TO FY 2022 MOVING TO WORK ANNUAL PLAN (APPROVAL OF VERSION 4)

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II. ALTERNATIVES:

- A. Approve the submission of the proposed FY 2022 Moving to Work Annual Plan (Version 4).
- B. Do not approve the submission of the proposed FY 2022 Moving to Work Annual Plan (Version 4).

III. RECOMMENDATION:

Staff recommends Alternative "A."

IV. JUSTIFICATION:

LMHA, in consultation with residents and the community, has developed the proposed FY 2022 MTW Annual Plan (Version 4). Approval of the FY 2022 MTW Annual Plan (Version 4) by Board Resolution is necessary to permit LMHA to take advantage of the flexibilities afforded through the MTW Program to increase housing options available to residents. All proposed revisions are subject to HUD approval.

Submitted by: Sarah Galloway
Special Assistant to the Executive Director
December 21, 2021

Attachment A

CERTIFICATIONS OF COMPLIANCE

***U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
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 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 _____

MTW PHA NAME

KY001 _____

MTW 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).

Manfred Reid _____

NAME OF AUTHORIZED OFFICIAL

Chair of the Board _____

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.**

Attachment B

i. General Description of Planned Capital Expenditures During the Plan Year

LMHA’s capital planning and development strategies are designed to support, rehabilitate, and modernize existing LMHA sites. Utilization of MTW Block Grant funding and programmatic flexibility remains a critical element in LMHA’s modernization and development efforts. LMHA maintains updated physical needs assessments, including estimated replacement and/or repair costs for all LMHA developments.

Table 7 provides information on LMHA’s planned capital and development expenditures for FY 2022 including projects funded from MTW Block Grant and other sources. The information on Table 7 is preliminary and subject to change based on actual funding and other factors. Actual obligations and expenditures may vary based on factors such as construction schedules, timing of HUD and local approvals, availability of leveraged funding and new and emerging repair needs. Note also that capital projects often are implemented over multiple years.

Table 7: Planned Capital Expenditures During the Plan Year

(...)

Project Type	Site Name	Project Description	Total Estimated Budget
		Eviction Prevention Program	
		Resident Stipends	
Capital Improvements	Will E Seay Plaza	Automatic Door Closers (required by Fire Marshal)	\$ 329,000
		Kitchen Cabinets – 54 units	
Capital Improvements	Park DuValle	Mixed Finance Capital Contributions – Phase III	\$ 146,294
		Mixed Finance Capital Contributions – Phase IV	
<u>Capital Improvements</u>	<u>Sheppard PCC</u>	<u>Additional Operating Subsidy</u>	<u>\$ 32,250</u>
Capital Services	Contracts	Environmental Consultant – Remediation Monitoring	
		Annual Asbestos and Lead Removal Contract	
		Annual A/E Contract	\$ 688,000
		Agency Wide Computer Software Replacement/ Annual Contract	
		Annual Microsoft Software	
Capital Services	Administrative Costs	Construction Administration – Direct Salaries	
		Construction Administration 10% transfer	\$ 1,200,000
		General Fund for Operations	
Total			<u>\$10,987,0131,019,263</u>

- Earned Income Disregard for Elderly Families

LMHA provides a \$7,500 earned income disregard to elderly families whose only other source of income is their Social Security, ~~SSI, entitlement and/or pension~~. Under the re-proposed rent simplification activity, in addition to applicable HCV/Project Based Voucher (PBV) families, LMHA will extend this income disregard to elderly public housing families who have earned income and whose only other source of income is their Social Security, ~~SSI, entitlement and/or pension~~.

Activity #2022-2: Russell Youth and Family Services

Activity Description

As part of the comprehensive Choice Neighborhood Transformation Plan for Beecher Terrace and the Russell neighborhood, LMHA plans to utilize MTW Block Grant funding flexibility to support the preservation and rehabilitation of the Baxter Community Center at Beecher Terrace. Built in 1940, the historic Baxter Community Center sits adjacent to Baxter Square Park in the heart of the newly redeveloped Beecher Terrace community. Together with the new housing at Beecher Terrace and the amenities and economic development opportunities planned for the adjacent 5.74-acre site that LMHA purchased in 2018 to expand the Beecher Terrace footprint, these revitalization initiatives are creating a new gateway into the Russell neighborhood. Through this activity, LMHA will also provide funding to the Louisville Metro Parks Department to support the on-going operation of the community center when it reopens, which will provide recreational and after-school programs to low-income families at Beecher Terrace and the broader Russell neighborhood. In addition to Beecher Terrace replacement units, many families assisted through LMHA's tenant-based HCV program and its newly launched project-based voucher (PBV) program also reside in the Russell neighborhood.

The total estimated budget for renovations to the Baxter Community Center is \$11.6 million, of which LMHA plans to provide \$9.4 million in MTW Block Grant funds. Based on the anticipated use of the community center, LMHA attributes approximately \$5.9 million of the MTW Block Grant funds to the use of the center by households who are original Beecher Terrace residents and/or participants in LMHA's PBV or HCV programs. The remaining \$3.5 million in MTW Block Grant funds are attributed to use of the facility by other low-income families in the Russell neighborhood, including the residents of Low-Income Housing Tax Credit (LIHTC) apartments at Beecher Terrace. CNI grant and program income funds will be utilized to fund the balance of renovation costs projected in the budget. The actual renovation costs may vary and will be included in the MTW Report.

The community center will offer a range of supportive services to both Beecher Terrace and other low-income families from the surrounding Russell neighborhood. The newly renovated and expanded community center plans include a gymnasium, playground, teaching kitchen, resource center, media room and classrooms/multi-purpose rooms to support recreational and educational programming, including those linked to economic development and employment opportunities. In addition to renovations, LMHA also plans to support the on-going operating costs of the facility by providing limited financial assistance to the Louisville Metro Parks Department to leverage additional programming funds.

Data from the 2015-2019 American Community Survey indicate that residents of Beecher Terrace and the surrounding Russell neighborhood are predominantly low-income, with 81% of households at or below the low-income threshold. Cumulatively, LMHA estimates that over 2,000 low-income families in the Russell neighborhood reside in affordable housing and/or receive rental assistance, including 1,416 families currently participating in LMHA's HCV program and 651 low-income families residing in units assisted through the LIHTC program.

This activity will fulfill the statutory requirement of providing 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. LMHA will comply with the parameters set forth in PIH Notice 2011-45 in providing services to eligible low-income families.

Statutory Objective

This initiative will support the MTW Statutory objective of providing 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.

Implementation

LMHA anticipates that the Baxter Community Center will re-open and begin providing services to low-income families in the Russell neighborhood by December 2023. LMHA will develop an agreement with the Louisville Metro Parks Department to provide supplemental funding for on-going operating costs.

Metrics

LMHA will utilize data collected from the Louisville Metro Parks Department to analyze the number of households impacted by this activity.

<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).	0	651		
<i>*Services and programming provided at the Baxter Community Center will be made available to Beecher Terrace families and low-income families in the surrounding Russell neighborhood.</i>				

Cost Implications

Through this local, non-traditional activity, LMHA plans to contribute approximately \$3.5 million in MTW Block Grant funds toward the rehabilitation of the community center and \$23,000 towards on-going operations of the center. Actual costs may vary and will be reported in the MTW Report.

Need/Justification for MTW Flexibility

LMHA is seeking flexibility under Attachment D, Broader Use of Funds, of the MTW Agreement in order to provide funding for the rehabilitation of the Baxter Community Center as well as recreational and educational services to eligible low-income households in the Russell neighborhood that are not otherwise permitted under the Housing Choice Voucher and public housing programs established in Sections 8 and 9 of the US Housing Act of 1937. This activity will be conducted in accordance with all applicable parameters of PIH 2011-45.

Rent Reform Activities

This is not a rent reform activity.