

RESOLUTION NO. \_\_\_\_\_

**APPROVAL OF INTERGOVERNMENTAL AGREEMENT BETWEEN THE LOUISVILLE METRO HOUSING AUTHORITY AND THE OFFICE OF HOUSING AND COMMUNITY DEVELOPMENT FOR EVICTION DIVERSION PROGRAM**

**Item No. 5j**

WHEREAS, the Louisville Metro Office of Housing and Community Development (OHCD) currently provides an eviction diversion program providing for rental assistance payments previously funded through the Federal Coronavirus Aid, Relief, and Economic Security (CARES) Act of 2020 for residents at risk of eviction from the COVID-19 pandemic; and

WHEREAS, the Louisville Metro Housing Authority (LMHA) has the desire to supplement the continuation of the OHCD eviction diversion payments during the COVID-19 pandemic; and

WHEREAS, the OHCD will maintain existing eviction diversion payments for residents at or below 80% of the Area Median Income; and

WHEREAS, LMHA will create a Moving to Work activity for eviction diversion and obtain approval from HUD.

NOW, THEREFORE, BE IT RESOLVED BY THE LOUISVILLE METRO HOUSING AUTHORITY BOARD OF COMMISSIONERS that the Executive Director and Contracting Officer, Lisa Osanka, is hereby authorized to enter into an Intergovernmental Agreement with the Louisville Metro Office of Housing and Community Development to provide eviction diversion payments, beginning after pending HUD approval of the new Moving to Work activity, for an amount not to exceed \$2,000,000. The amount of the agreement will be a one-time occurrence, and the Intergovernmental Agreement will end June 30, 2021.

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BE IT FURTHER RESOLVED that the Executive Director is authorized to extend this Intergovernmental Agreement for an extended period of time, as agreed to by both parties and to negotiate all contractual documents with the OCHD on behalf of LMHA.

## RESOLUTION BACKGROUND STATEMENT

### APPROVAL OF INTERGOVERNMENTAL AGREEMENT BETWEEN THE LOUISVILLE METRO HOUSING AUTHORITY AND THE OFFICE OF HOUSING AND COMMUNITY DEVELOPMENT FOR EVICTION DIVERSION PROGRAM

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#### I. STATEMENT OF FACTS:

The Louisville Metro Housing Authority (LMHA) wishes to enter into an intergovernmental agreement with the Louisville Metro Office of Housing and Community Development (OHCD) to supplement the operations of OHCD eviction diversion payments funded through Federal CARES Acts funds. OHCD has significant staff providing payments to Jefferson County residents at risk of eviction during the COVID-19 pandemic. LMHA wishes to partner with OHCD to provide rental arrearages for residents that are considered low-income (at or below 80% AMI) and at risk of eviction.

OHCD previously implemented and administered eviction diversion payments funded through the Federal CARES Act. OHCD utilized such funds to provide rental assistance of approximately 4 months for 500 residents at risk from March to December 2020. Such funds expired on December 31, 2020 leaving residents at risk of evictions without a reliable safety net for rental assistance. During the later half of 2020, Congressional negotiations left the continuation of these funds uncertain. LMHA and OHCD began discussions on ways to continue the eviction diversion program with the understanding that any partnership will require the creation of a new Moving to Work activity and will require HUD approval.

While Federal CARES funds have been extended, the timeline of the distribution of funds remains tentative. LMHA wishes to continue with the potential partnership with OHCD to supplement the eviction diversion program by providing funding for rental arrearages to residents at risk of eviction and at or below 80% of the AMI. OHCD will conduct all eligibility and administrative duties as this office has efficiently created an eviction diversion program. OHCD personnel are employees of Louisville/Jefferson County Metro Government and therefore the execution of an intergovernmental agreement is necessary to detail the responsibilities of each person and the compensation for services performed.

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**II. ALTERNATIVES:**

- A. Contract with the Office of Housing and Community Development for eviction diversion services.
- B. Do not contract with the Office of Housing and Community Development for eviction diversion services.

**III. RECOMMENDATION:**

Staff recommends Alternative "A".

**IV. JUSTIFICATION:**

- The Eviction Diversion services that LMHA is procuring from OHCD are expected to continue being provided by OHCD throughout Jefferson County.
- The expansion of LMHA's in-house capacity would require hiring and training additional personnel, as well as purchasing additional equipment.
- The utilization of OHCD eviction diversion provides one seamless source of services for Jefferson County residents at risk of eviction. This is in keeping with the intent of merged government.
- The compensation for services is reasonable based on previous OHCD eviction diversion operating funds.

**V. BUDGET APPROVAL:**

Funding for this contract is provided from the MTW Block Grant Funds.

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Angela Larsson, Director of Finance

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Date

Submitted by: Heath Rico-Storey  
Compliance Manager  
January 19, 2021