

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

**APPROVAL OF FY 2022 MOVING TO WORK ANNUAL PLAN**

**Item No. 5f**

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 which extended participation in the MTW Program until June 30, 2018 and subsequently extended participation until June 30, 2028; and 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) 2022 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 2022 MTW Annual Plan and required Certifications must be included in the submission provided to HUD; and

WHEREAS, the proposed FY 2022 MTW Annual Plan was made available for public comment between March 11, 2021 and April 10, 2021 and a public hearing was held on March 24, 2021 to discuss the Proposed FY 2022 MTW Annual Plan.

NOW, THEREFORE, BE IT RESOLVED BY THE LOUISVILLE METRO HOUSING AUTHORITY BOARD OF COMMISSIONERS that the FY 2022 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**  
**APPROVAL OF FY 2022 MOVING TO WORK ANNUAL PLAN**

**Item No. 5f**

**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 drafted 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 2022 MTW Annual Plan on April 20, 2021 and the Plan will be submitted to HUD by April 23, 2021.

LMHA hired Edgemere Consulting Corporation (Edgemere) to assist in the development of MTW Plans and Reports and other related MTW activities. The FY 2022 MTW Annual Plan has been prepared and made available for public comment on March 11, 2021 through April 10, 2021. A public hearing to discuss the proposed Plan was held on March 24, 2021.

LMHA proposes three new activities for FY 2022, two of which were proposed as amendments to the FY 2021 Plan. LMHA is awaiting HUD approval of the amendments as of the writing of this plan and therefore includes these activities

**RESOLUTION BACKGROUND STATEMENT**  
**APPROVAL OF FY 2022 MOVING TO WORK ANNUAL PLAN**

**Item No. 5f**

**I. STATEMENT OF FACTS (cont'd):**

in the FY 2022 Plan. LMHA also proposes to revise six existing MTW activities. The FY 2022 MTW Annual Plan requests HUD approval of the following MTW activities:

New Activity

Activity 2022-1: MTW Utility Allowance: In FY 2022, LMHA proposes to implement changes to its utility allowance (UA) policies for Public Housing. LMHA will eliminate excess utility charges for Public Housing residents. There are a number of positive outcomes which are anticipated upon implementation of the MTW UA activity such as reducing utility costs for PH residents and reducing LMHA administrative burdens around UA billing and collection.

Proposed activities in FY 2021 Amendment:

Activity 2021-2: Emergency Waivers: The Coronavirus Aid, Relief and Economic Security (CARES) Act provided HUD with broad authority to waive or establish alternative requirements for numerous statutory and regulatory requirements. LMHA proposes to establish waivers in response to emergencies, as declared by the applicable unit of government with jurisdiction over LMHA, including the authority to determine when to place and lift the waivers. These waivers correspond closely with waivers provided through HUD PIH Notice 2020-33.

Activity 2021-3: Eviction Prevention – COVID-19 Relief: As part of the Louisville Metro Office of Housing and Community Development (OHCD) Eviction Diversion Program, LMHA will allocate approximately \$2 million in MTW funds for eligible low-income families who are financially impacted by the COVID-19 pandemic to pay for rent arrearages.

Revisions to existing activities:

Activity 2021-1: Preservation of Low-Income Homeownership Units: In FY 2022, LMHA proposes to provide forgivable loans of up to \$25,000 to assist low-income homeowners for the completion of repairs needed to bring their homes into compliance with Housing Quality Standards. Thereafter, LMHA will provide traditional homeownership assistance to assist homeowners in maintaining the affordability of their homes.

Activity 2020-4: Family Self-Sufficiency (FSS) Program Enhancements: LMHA proposes to continue enhancing its FSS program in FY 2022 by adopting the following two new policies:

**RESOLUTION BACKGROUND STATEMENT**  
**APPROVAL OF FY 2022 MOVING TO WORK ANNUAL PLAN**

**Item No. 5f**

**I. STATEMENT OF FACTS (cont'd):**

- Use of FSS escrow forfeitures to fund goal-specific incentive payments disbursed to families who achieve the established interim goals.
- Increase the cap on the amount of escrow to \$25,000 per household.

Activity 2019-1: Enhancements to Local Project-Based Voucher (PBV) Program: LMHA will inspect contract units at tenant turnover and in concert with PBV HQS regulatory requirements. LMHA will also provide damage loss payments to owners who agree to accept a reduced security deposit. The reduced security deposit will help mitigate the financial barriers families face at lease-up, reducing time for landlords to find a qualified HCV tenant. The reduced deposit must be equal to the lesser of one month of the tenant portion of the rent or \$200.

Activity 2015-1: HUD/MDRC Rent Reform Demonstration: This study is scheduled to end in FY 2022, and LMHA will begin transitioning study participants to standard MTW rent policies beginning July 2021 and completing the transition in January 2022.

Activity 2011-1: Housing Choice Voucher Child Care Deductions: When determining income eligibility, families will qualify for the deduction of child-care expenses if the head, co-head and/or spouse is employed at the time of eligibility screening. Families will no longer be required to demonstrate a year of work history.

Activity 2005-1: Special Referral MTW Housing Choice Voucher Programs: LMHA will now partner with Louisville Metro Police Department, Boys' and Girls' Haven, Kentuckiana Builds/Kentuckiana Works, Kentucky Youth Career Center/Kentuckiana Works, St. John Center, Zora's Cradle, Goodwill Industries and Office of Safe and Healthy Neighborhoods providing an allocation of 10 vouchers to each organization. In response to public comments, LMHA is adding the Office of Safe and Healthy Neighborhoods as a partner with an allocation of 10 vouchers.

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

**RESOLUTION BACKGROUND STATEMENT**  
**APPROVAL OF FY 2022 MOVING TO WORK ANNUAL PLAN**

**Item No. 5f**

**II. ALTERNATIVES:**

- A. Approve the submission of the proposed FY 2022 Moving to Work Annual Plan.
- B. Partially approve the submission of the proposed FY 2022 Moving to Work Annual Plan.
- C. Do not approve the submission of the proposed FY 2022 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 2022 MTW Annual Plan. Approval of the FY 2022 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 20, 2021