

FY 2022 Moving to Work Plan Executive Summary

LMHA proposes three new activities for Fiscal Year 2022 (July 1, 2021 – June 30, 2022), two of which were proposed as an amendment 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 in the FY 2022 proposal. LMHA also proposes to revise six existing MTW activities.

New activity:

- ***MTW Utility Allowance Activity:*** In FY 2022, LMHA plans to use MTW authority to implement changes to its utility allowance (UA) policies for Public Housing. Specifically, LMHA will eliminate the 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:

- The Emergency Waivers and Eviction Prevention activities were proposed in FY 2021 as an amendment to the LMHA's previously approved FY 2021 plan. As LMHA has not received a response from HUD regarding this amendment, these activities have been included in the proposed activity section of the FY 2022 Plan.
 - ***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 emergency 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.
 - ***Eviction Prevention:*** 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:

- ***Preservation of Low-Income Homeownership Units:*** In FY 2022, LMHA will provide forgivable loans of up to \$25,000 to assist low-income homeowners to complete 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.
- ***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.
- ***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.

- **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.
- **FSS Program Enhancements:** LMHA proposes to continue enhancing its FSS program in FY 2022 by adopting the following two new policies:
 - 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.
- **Special Referral 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, and Goodwill Industries providing an allocation of 10 vouchers to each organization.