

FY 2012 –FY 2013

Moving To Work Annual Report



Submitted
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I. INTRODUCTION

In November 2010, LHA submitted a formal application to the federal U.S. Department of Housing and Urban Development (HUD) seeking admittance to the Moving to Work (MTW) demonstration program. HUD announced LHA's selection for program admittance in March 2011, and the Authority formally entered the MTW program on November 10, 2011 with the execution of an MTW Agreement between HUD and LHA.

HUD approved the Authority's FY 2012 MTW Annual Plan on December 29, 2011. As LHA entered the MTW Program in the middle of its fiscal year and did not have the opportunity to implement many of its planned activities until late in the Plan year, the Authority requested and received HUD approval to extend the Plan's effective date through FY 2013 (June 30, 2013). In September of 2012 the Housing Authority submitted a shortened interim report (in lieu of a full MTW Annual Report) describing activity status as of the end of FY 2012 (June 30, 2012). This Annual Report details outcomes for the LHA's MTW activities as approved by HUD through the Housing Authority's final FY 2012 – FY 2013 Annual Plan submission.

Ongoing MTW Goals and Objectives

To ensure LHA's participation in the MTW demonstration program meets the specific needs of the Lexington-Fayette community, the agency has carefully crafted an additional list of local objectives, which are community-driven refinements of the program's federal objectives:

- Increase the number and quality of affordable housing choices throughout the Lexington-Fayette community;
- Increase the number of families moving toward self-sufficiency;
- Increase and strengthen the number of community partnerships benefitting residents with special needs, especially those not adequately served elsewhere in the community and those requiring a "service-enriched" housing environment; and
- Reduce the agency's administrative costs while limiting the administrative burdens placed on staff and residents.

MTW allows public housing authorities to design and test ways to achieve three statutory goals. The activities and policies designed by the Authority must further at least one of these goals:

- 1) To reduce costs and achieve greater cost effectiveness in federal expenditures;
- 2) To give 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; and
- 3) To increase housing choices for low-income families.

MTW agencies are also required to implement at least one rent reform initiative designed to encourage employment and self-sufficiency by participating families.

To further both the federal and local MTW objectives listed above, through submission of its FY2012-FY2013 MTW Annual Plan, the LHA sought and received HUD approval to implement eleven (11) MTW activities as summarized in the following table.

FY 2012 – FY 2013 MTW ACTIVITIES			
Activity#	Activity Description	Implemented During FY 2012 – FY 2013	Statutory Objective Furthered
1	Rent Reform Controlled Study: Increase Minimum Rent at Pimlico to \$150	Yes	(2) Promote self-sufficiency
2	Rent Reform Controlled Study: No Rent Reduction Requests for 6 Months After Initial Occupancy for Bluegrass HOPE VI Public Housing Residents	Yes	(1) Reduce costs; (2) Promote self-sufficiency
3	Triennial Recertification of Griffith Tower Households	Yes	(1) Reduce costs
4	Housing Choice Voucher Rent Reform Controlled Study: No Rent Reduction Requests for 6 Months After Initial Occupancy	Yes	(1) Reduce costs; (2) Promote self-sufficiency
5	Streamlined HQS Inspection Policy for HCV Units	No (Delayed until FY 2014; baseline data collected during FY 2013)	(1) Reduce costs
6	Biennial Housekeeping Inspections for Public Housing Residents	No (Activity dropped from FY 2014 Plan)	(1) Reduce costs
7	Public Housing Acquisition Without Prior HUD Approval	No (No public housing units acquired during Plan year)	(3) Increase housing choices

FY 2012 – FY 2013 MTW ACTIVITIES			
Activity#	Activity Description	Implemented During FY 2012 – FY 2013	Statutory Objective Furthered
8	Conversion of Pimlico and Appian Hills Public Housing Units to Project-Based Vouchers	Yes (Pimlico revitalization underway as of June 30, 2013)	(3) Increase housing choices
9	Development of Project-Based Voucher Units at 800 Edmond Street	No (Funding diverted to Pimlico revitalization)	(3) Increase housing choices
10	HCV Special Partner Programs	Yes	(3) Increase housing choices
11	Local, Non-Traditional Use of MTW Funds to Improve Connie Griffith-Ballard Towers	No (Activity was revised in the FY 2014 Annual Plan)	(3) Increase housing choices

Rebranding MTW

During FY 2012 - FY 2013 LHA staff saw a need for rebranding MTW locally and developed “Opening Doors...” as the tagline for introducing MTW activities to our residents and the community. “Opening Doors...” conveys exactly what we want for those we serve. Staff spent long hours discussing self-sufficiency and what it means to this agency and our clients. "Opening Doors" seemed appropriate because we want our clients to have the necessary tools to open doors to: education, employment, homeownership, financial security, or whatever their goal for self-sufficiency may be, recognizing that those goals may be different for each person we serve.

In addition, LHA staff saw the creation of a MTW mission statement and a local definition of self-sufficiency as priorities that go hand in hand with our new brand name. The LHA defines a self-sufficient family as one that has become a responsible tenant family through employment, education and community involvement. The mission statement reflects our goals for “Opening Doors...”

MTW Mission Statement

The Lexington Housing Authority will serve as a prudent financial steward of federal, state and local resources endeavoring to more effectively provide safe and desirable affordable housing, while furthering the self-sufficiency of families within Lexington-Fayette County.

II. GENERAL HOUSING AUTHORITY OPERATING INFORMATION

A. Housing Stock Information

1. Number of public housing units at the end of the FY 2012 – FY 2013

*1,303

*PIC reports 1,303 public housing units; however 20 units were moved to HUD Vacant Approved status at Pimlico Apartments during FY 2013.

2. Description of any significant capital expenditures by development

FY 2012 Capital Expenditures by Development/AMP				
Development Name	Unit Count	2012 Budget	2012 Actual	Description
KY004000001 Camelot, Allante	180	N/A	\$410,010	HVAC upgrade
KY004000002 Pine Valley	139	\$115,069	\$28,548	Site repairs; building interior / exterior repair / upgrade
KY004000003 Atiya Place, Catera Trace, Constitution, Wilson	102	\$214,761	\$175,381	Mechanical / electrical upgrade; hardscape & site repair; repair & seal parking lots / driveways; roof repair / replacement; site repairs; building interior / exterior repair
KY004000004 Connie Griffith	150	\$202,761	\$88,475	Replace heat pumps & distributors; replace apartment door locks
KY004000006 Georgetown	17	\$21,761	\$0	Exterior repair / upgrades
KY004000007 12 th Street	40	\$21,761	\$0	Exterior / interior repair / replacement / upgrades
KY004000008 Sugar Mill	46	\$81,761	\$0	Parking lot repair; exterior repair; security camera installation
KY004000009 Russell Cave	26	\$21,761	\$0	Exterior / interior repair / replacement / upgrade
KY004000012 Pimlico	32	\$215,761	\$0	HVAC upgrade / installation
Totals	732	\$895,396	\$702,414	

FY 2013 Capital Expenditures by Development / AMP				
Development Name	Unit Count	2013 Budget	2013 Actual	Description
KY004000001 Allante, Appian, Bainbridge, Camelot, Trent, 11 Scattered Houses	180	\$199,409	\$947	Repair and seal parking lots; site repairs; building interior/exterior repair; window/door replacement; roof replacement
KY004000002 Pine Valley	139	\$164,745	\$0	Interior and exterior repair/replacement and upgrade; lighting
KY004000003 Atiya Place, Catera Trace, Constitution, Wilson	102	\$164,409	\$9,923	Interior and exterior repair/replacement and upgrade; door and window repair/replacement site repair
KY004000004 Connie Griffith	183	\$185,409	\$192,294	Replace heat pumps and distributors; replace ceiling; upgrade security camera; replace interior floor covering; cooling tower replacement
KY004000006 Georgetown	17	\$9,409	\$0	Exterior/interior repair/upgrades
KY004000007 12 th Street	40	\$9,409	\$0	Exterior/interior repair/replacement and upgrades
KY004000008 Sugarmill	46	\$9,409	\$0	Exterior/interior repair/replacement and upgrades
KY004000009 Russell Cave	26	\$9,409	\$0	Exterior/interior repair/replacement and upgrades
KY004000010 The Shropshire	32	\$35,809	\$0	Hardscape and exterior repair/replacement and upgrade; parking lot repair
KY004000011 Shropshire East	24	\$7,979	\$0	Parking lot repair
Totals	789	\$795,396	\$203,164	

3. Description of new public housing units added during the year by development

The LHA added no new public housing units to its inventory during FY 2012 or FY 2013.

4. Number of public housing units removed from inventory during the year by development

No units were removed from inventory during the year by development.

5. Number of MTW HCV authorized at the end of the Plan year

Since its entrance into the MTW program, the LHA has had 2,405 authorized tenant-based vouchers; all are included in its MTW program.

6. Number of non-MTW HCV authorized at the end of the Plan year

As of June 30, 2013, the LHA had 225 HCV vouchers authorized through special purpose programs. These vouchers are not included in the agency's MTW program.

When it entered the MTW Demonstration, the LHA had 95 VASH vouchers, an additional 75 vouchers have since been awarded (25 in FY 2012 and 50 in FY 2013) bringing the total number of VASH vouchers to 170.

Non-MTW HCV Program	Vouchers Authorized As of June 30, 2013
Mainstream Program	25
Shelter Plus Care	30
Veterans Affairs Supportive Housing (VASH)	170
Total Non-MTW Vouchers	225

7. Number of HCV units project-based during the Plan year

LHA did not project-base any HCV units during FY 2012 – FY 2013.

The agency plans to convert and project-base 206 public housing units at its Pimlico site during FY 2014. All 206 of the newly project-based units will be included in the agency's MTW program.

8. Overview of other housing managed by the Agency

# of Units	Other Housing Managed by LHA
134	132 Section 8 Multifamily units plus 2 floating, market-rate units at Ballard Tower , a high-rise tower for low-income, elderly families (head of household must be 62 years of age). In total the site is comprised of 134 one-bedroom units and shares a common, connected first floor lobby with the LHA’s near-elderly/elderly public housing development, Connie Griffith Tower.
15	Sugar Mill – Fifteen 1, 2 and 3 bedroom units are restricted by tax credit requirements and are located among 46 additional public housing units that were constructed in 2005.
13	LHOCII - 13 single-family houses scattered throughout Lexington and are restricted by tax credit requirements
34	Faith Community Housing (FCH) – 34 single-family houses are restricted by tax credit requirements
196	TOTAL

B. Leasing Information – Actual

1. Total number of MTW PH Units leased in FY 2012 – FY 2013

As of June 30, 2013, the LHA’s public housing occupancy rate was 86%, with 1,119 of its 1,303 units leased. The lower occupancy rate reflects the fact that 149 or 80% of Pimlico units have been left unoccupied and/or vacated in anticipation of renovation at the site. If we exclude the 149 vacant Pimlico units from the calculation, LHA’s occupancy rate increases to 97%. (See Table II-B.1)

2. Total number of non-MTW PH units leased in FY 2012 – FY 2013

Not applicable. The LHA has no public housing units outside of its MTW program.

3. Total number of MTW HCV units leased in FY 2012 – FY 2013

As of June 30, 2013, the LHA’s tenant-based voucher lease rate was 101%, with 2,419 vouchers in use. Under MTW, the Housing Authority’s tenant-based voucher baseline is 2,405. (See Table II-B.1)

4. Total number of non-MTW HCV units leased in FY 2012 – FY 2013

As of June 30, 2013, the average lease rate for the LHA’s non-MTW HCV programs was 96% with 216 of 225 authorized non-MTW units leased. (See Table II-B.2)

5. Description of any issues related to leasing of public housing or Housing Choice Vouchers (HCV)

Initially, the LHA had some difficulty fully leasing the additional 75 VASH vouchers it was awarded in FY 2012 (25 vouchers) and FY 2013 (50 vouchers). This situation was helped greatly when the Lexington VA expanded their geographic area to include the Somerset, Kentucky voucher program in April 2013. Over the next few months, LHA’s VASH lease rate rose quickly from 72% to 95% by June 30, 2013.

<i>Table II-B.1 MTW Leasing Information</i>			
MTW Programs	As of June 30, 2013		
	Units Authorized	Units Leased	Occupancy Rate
Public Housing	1,303	1,119	86%
MTW Housing Choice Vouchers	2,405	2,419	101%
Total / Average	3,708	3,538	95%

<i>Table II-B.2 Non-MTW Leasing Information</i>			
Non-MTW HCV Programs	As of June 30, 2013		
	Units Authorized	Units Leased	Lease Rate
Mainstream	25	21	84%
Shelter + Care ¹	30	33	110%
VASH	170	162	95%
Total / Average	225	216	96%

¹ In the Shelter Plus Care program LHA's actual cost of rental assistance has been lower than the amount used to calculate the grant. This happens primarily because the grant is calculated using HUD-prescribed Fair Market Rents (FMRs), but most participants have some income and, therefore, contribute something toward their rent. Additionally, participants are sometimes able to locate units to lease for rents that are less than the FMRs. In such instances, LHA realizes savings equal to the difference between the FMRs utilized in calculating the grant and the actual amount of Housing Assistance Payments made on behalf of participants. Program regulations allow the use of grant savings to serve a greater number of participants, resulting in utilization rates in excess of 100%.

6. Number of project-based vouchers committed or in use at the end of FY 2012 – FY 2013

LHA currently has no project-based vouchers.

C. Waiting List Information

1. Number and characteristics of households on the waiting lists (all housing types) at the end of the plan year

(See tables II.C-1 and II.C-2 for waiting list composition as of June 30, 2013)

As of June 30, 2013						
Housing Program	1 Bed	2 Bed	3 Bed	4 Bed	5 Bed	Total
Public Housing (closed except for Connie Griffith Manor)	1,397	647	425	108	2	2,579
Housing Choice Voucher Program (closed)	96	146	99	27	3	371
Total Households on All Waiting Lists	1,493	793	524	135	5	2,950

As of June 30, 2013						
Housing Program	Extremely Low	Very Low	Low	Moderate	High	Total
Public Housing	1,916	16	5	0	642	2,579
Housing Choice Voucher Program	290	44	37	0	0	371
Total Households on All Waiting Lists	2,206	60	42	0	642	2,950

2. Description of waiting lists

Public Housing

The LHA maintains three public housing waiting lists, one for each of its 3 property management teams. The Housing Authority closed the waiting lists for Teams I and III on May 1, 2013. At that time, the Team II waiting list also closed to all applicants except those wishing to reside at Connie Griffith Tower, a near-elderly site. All waiting lists (except Connie Griffith Tower) were still closed as of June 30, 2013.

HCV Program

The HCV waiting list has been closed since October 2010.

III. NON-MTW RELATED HOUSING INFORMATION

A. Sources and Uses of Other HUD and Federal Funds

A list of planned versus actual sources of MTW-ineligible HUD and other federal funds during FY 2012 and FY 2013 follows. The uses of the funds are evident given the sources.

Non-MTW Federal Funding Sources				
	FY 2012		FY 2013	
	Planned	Actual	Planned	Actual
HUD-Mainstream Vouchers	\$146,320	\$171,384	\$137,253	\$149,349
HUD-Shelter Plus Care Vouchers	\$209,496	\$162,355	\$196,320	\$134,715
HUD-VASH Vouchers	\$105,585	\$157,549	\$105,585	\$641,451
Public Housing FSS Coordinator	\$54,000	\$54,000	\$54,000	\$54,000
HCV FSS Coordinator	\$50,028	\$50,028	\$50,028	\$50,028
Totals	\$565,429	\$595,316	\$543,186	\$1,029,543

B. Description of Non-MTW Activities

LHA offers a number of resident programs that fall outside of the scope of the MTW demonstration program. These programs encourage self-sufficiency and increase the housing choices available to families.

HCV and Public Housing Family Self-Sufficiency (FSS) Programs

LHA offers self-sufficiency activities for 50 HCV and 50 public housing families. Each participating family works with an FSS Coordinator to develop a personalized family self-sufficiency plan, which includes a list of family strengths and barriers to self-sufficiency; a list of goals for each family member (both children and adults) and for the family as a whole; and a list of tasks the family plans to undertake in order to reach these goals.

Service Coordinator for Elderly/Disabled Residents

The LHA employs a full-time Service Coordinator to coordinate supportive services for elderly and/or disabled public housing residents, helping them to remain independent and in their own homes. This person assesses service needs, helps determine eligibility for public services and links residents to supportive or medical services provided by public agencies or private practitioners within the community.

HCV Homeownership Program

This program is designed to provide homeownership opportunities for low and moderate-income families who ordinarily would not be able to afford to purchase their own home. Administered by REACH (a local non-profit affordable housing

development agency), the program requires potential homebuyers to be both income and mortgage eligible, with eligibility determined by the mortgage lender. LHA is proud to be currently assisting 31 families on this program with their mortgage payment.

Mainstream HCV Program

LHA maintains 25 HCV vouchers as part of HUD’s Mainstream Program. These vouchers enable families including a person with disabilities to lease affordable private housing of their choice. Mainstream program vouchers also assist persons with disabilities who often face difficulties in locating suitable and accessible housing on the private market.

Shelter Plus Care HCV Program

LHA maintains 30 HCV vouchers as part of HUD’s Shelter Plus Care Program. These vouchers provide long-term housing for homeless people with disabilities, primarily those with serious mental illness, chronic problems with alcohol and/or drugs, and AIDS or related diseases. The program targets individuals and families who are living in places not intended for human habitation (i.e., living on the street) or in emergency shelters.

Veterans Affairs Supportive Housing (VASH) HCV Program

LHA maintains 170 HCV vouchers as part of HUD’s VASH program, which combines HCV rental assistance for homeless veterans with case management and clinical services provided by Veterans Affairs.

Rental Assistance Demonstration (RAD)/Pimlico Rehabilitation

In December 2012, HUD notified the LHA that it had been accepted into the RAD program, giving the Housing Authority permission to convert all 206 units in the Pimlico public housing development to project-based vouchers. At the end of FY 2013, the LHA was in the midst of relocation of the site.

IV. LONG-TERM MTW GOALS (OPTIONAL)

Long-Term MTW Goals can be found in the FY 2012 – FY 2013 MTW Annual Plan

V. PROPOSED MTW ACTIVITIES

Describe any activities that were proposed in the Plan, approved by HUD, but not implemented, and discuss why these activities were not implemented.

A. Activity 5: Streamlined HQS Inspection Policy for HCV Units

This activity was not implemented during FY2012-FY2013 because HCV staff continued collecting baseline data and establishing the inspection protocol. LHA is working to develop a HCV 5-Star Inspection Policy Manual that will be distributed to staff and landlords prior to implementation of this activity during the second half of FY2014.

B. Activity 6: Biennial Housekeeping Inspections for Public Housing Units

This activity was not implemented during FY 2012-FY2013 because it was determined that tracking the housekeeping ratings would require software modifications that would be cost prohibitive. This activity has been dropped from the agency's FY 2014 Annual Plan.

C. Activity 7: Public Housing Acquisition Without Prior HUD Approval

This activity was not implemented because the LHA did not acquire any property for public housing use during FY2012-FY2013. Should the LHA decide to acquire such a property, the agency will implement this activity.

D. Activity 9: Development of Project-Based Voucher Units at 800 Edmond Street

This activity has been put on hold as all available capital resources are being re-allocated to Pimlico revitalization. However, LHA still plans to implement this activity once financial resources become available.

E. Activity 11: Local, Non-Traditional Use of MTW Funds: Griffith-Ballard Towers

This activity was proposed in the FY 2012 – FY 2013 Annual Plan. The LHA requested MTW flexibility to permit the use of MTW funds to make physical improvements at Ballard Place, a 134 unit high-rise, tax-credit property designated for persons 62 and older. The building shares a common entrance and lobby with Connie Griffith Manor, a 183-unit high-rise, public housing property for persons age 55 and older. The LHA did not implement this activity because staff saw a need to modify the activity to address the use of MTW funds for significant emergency capital repairs, should the property's reserve funds be either insufficient or unavailable to cover the full cost of these repairs. The activity title and description have been revised in the FY 2014 Annual Plan.

VI. ONGOING MTW ACITIVITES

ACTIVITY 1: RENT REFORM CONTROLLED STUDY: INCREASE MINIMUM RENT AT PIMLICO TO \$150

A. Plan Year Activity First Identified and Implemented

The LHA proposed this activity in the FY 2012 – FY 2013 MTW Annual Plan for Pimlico Apartments, the agency's largest, aging family public housing site. Minimum rent for Pimlico households was increased from \$50 to \$150 effective May 2012. During FY 2013, the LHA applied for and was accepted into HUD's Rental Assistance Demonstration (RAD). During FY 2014 the Pimlico site will be completely vacated and renovation will begin, effectively terminating this activity.

B. Impacts, Metrics, and Data Collection

The minimum rent for non-elderly / non-disabled (NE/ND) Pimlico families was raised from \$50 to \$150 effective May 1, 2012. The LHA hypothesized that the rent increase would encourage non-working families to find employment. At the time Baseline data was collected (FY 2011), fewer than one quarter of NE/ND households reported any earned income (35 of 152, or 23%), meaning an overwhelming 77% had no income from employment.

LHA's goal was to increase average gross monthly earned income at the site by approximately 50% (\$91 per month), from \$181 in FY 2011 to \$272 by the end of FY 2013. The Housing Authority far surpassed this goal, increasing average gross monthly earned income by 99% (\$180 per month), from \$181 to \$361. Over the same time period, the percentage of families reporting earned income more than doubled, increasing from 23% to 49% of households.

Staff received only one hardship request related to this activity; it was denied. The Housing Authority's hardship policy was designed to assist those who have experienced a recent reduction in income (or increase in expenses) due to factors beyond the household's control (an illness, layoff, seasonal reduction in work force, etc.). This individual was chronically unemployed.

Activity outcomes (including disparate impact analysis results) were reviewed with Lexington Fair Housing Council Executive Director Art Crosby. Mr. Crosby had no fair housing concerns, although he did note that given the relocation efforts taking place at Pimlico during FY 2013, it is difficult to separate activity impacts from relocation impacts.

ACTIVITY 1: RENT REFORM CONTROLLED STUDY: INCREASE MINIMUM RENT AT PIMLICO TO \$150

B. Impacts, Metrics, and Data Collection

Study Population						
	Control Group - Appian			Treatment Group - Pimlico		
	FY 2011	FY 2012	FY 2013	FY 2011	FY 2012	FY 2013 ²
Units	44	44	44	206	186 ¹	186
Occupied Units	40	40	42	185	170	149
Elderly / Disabled Households	4	2	2	33	29	21
Non-Elderly / Non-Disabled Households	36	38	40	152	141	128

Activity 1 – Increase Pimlico Minimum Rent from \$50 to \$150

¹ During FY 2012, 20 Pimlico units were moved to HUD Vacant Approved status due to significant distress, including cracking of exterior brick and settlement of portions of the floor slabs.

² In August 2013 the LHA finished relocating all Pimlico residents from the site in preparation for extensive renovation work. By the end of FY 2013 (June 30, 2013), only 57 families still lived at the site. The demographics of this remaining population were not statistically representative of the original Pimlico population. The Evaluation Team decided an earlier date (when more families were still living at the site) should be used to capture final activity metrics. Therefore, all FY 2013 data represented in the following metrics and disparate impact analysis tables is as of April 30, 2013. This date was chosen for several reasons: the speed of household relocation increased significantly after April 2013; the 149 families remaining as of this date sufficiently mirror the demographics of the original Pimlico population; and the date coincides with the one year anniversary of the activity's May 1, 2013 implementation. Figure VI-1 shows the number of families relocated from Pimlico each month from January - August, 2013.

Impact 1: Encouraging non-disabled / non-elderly adult household members to work							
Metric	Study Group	FY 2011 Baseline	FY 2012 Actual ¹	FY 2013 Actual ²	FY 2013 Benchmark	Variance FY 2013 Actual to Benchmark	Data Source
Number (Percent) of families paying at least \$150 per month in gross rent	Control:	17 (43%)	12 (32%)	17 (43%)	43%	0%	WinTen2
	Treatment:	31 (20%)	134 (95%)	128 (100%)	97%	3%	
Average (Median) amount of gross earned income reported by families per month ³	Control:	\$454 (\$0)	\$397 (\$0)	\$370 (\$0)	\$454	-19%	WinTen2
	Treatment:	\$181 (\$0)	\$236 (\$0)	\$361 (\$0)	\$272	33%	
Average (Median) total gross monthly income reported by families	Control:	\$1,358 (\$1,172)	\$1,356 (\$1,191)	\$1,265 (\$1,013)	\$1,358	-7%	WinTen2
	Treatment:	\$694 (\$592)	\$832 (\$658)	\$905 (\$788)	\$785	15%	
Average (Median) monthly gross rent payment of families	Control:	\$200 (\$94)	\$167 (\$120)	\$152 (\$113)	\$200	-24%	WinTen2
	Treatment:	\$105 (\$55)	\$169 (\$150)	\$177 (\$150)	\$150	18%	
Number (Percent) of families requesting hardship exemptions ⁴	Control:	N/A	N/A	N/A	N/A	N/A	MTW Coordinator Log
	Treatment:	N/A	1 (1%)	N/A	15 (10%)	-93%	
Number (Percent) of families granted hardship exemptions ⁴	Control:	N/A	N/A	N/A	N/A	N/A	MTW Coordinator Log
	Treatment:	N/A	0 (0%)	N/A	4 (3%)	-100%	
Number (Percent) of residents requesting transfer	Control:	3 (8%)	0 (0%)	1 (3%)	3 (8%)	-67%	Property Manager Log
	Treatment:	2 (1%)	3 (2%)	0 (0%)	5 (3%)	-100%	
Number (Percent) of residents who: a) transfer, b) move out of LHA housing, c) are evicted	Control:	A = 0 (0%)	A = 0 (0%)	A = 1 (3%)	A = 0 (0%)	N/A	Property Manager Log and WinTen2
		B = 10 (25%)	B = 10 (26%)	B = 7 (18%)	B = 10 (25%)	-30%	
		C = 2 (5%)	C = 2 (5%)	C = 0 (0%)	C = 2 (5%)	-100%	
	Treatment:	A = 0 (0%)	A = 3 (2%)	A = 0 (0%)	A = 2 (1%)	-100%	
		B = 35 (19%)	B = 37 (26%)	B = 19 (15%)	B = 37 (20%)	-49%	
		C = 8 (4%)	C = 10 (7%)	C = 21 (16%)	C = 8 (4%)	163%	

¹ Increased minimum rent effective May 1, 2012 (Activity implementation date)

² FY 2013 Actual data is as of April 30, 2013.

³ The majority of households at Pimlico and Appian (neither of which has self-sufficiency requirements) do not have earned income.

⁴ The window to request a hardship exemption in response to the minimum rent increase associated with this activity closed on March 1, 2012. No hardship requests were accepted from affected families after this date. The variances shown for these metrics compare number of hardship requests made / granted in FY 2012 to the only benchmark available (the benchmark for FY 2013). One hardship request was received; it was denied.

ACTIVITY 1: RENT REFORM CONTROLLED STUDY: INCREASE MINIMUM RENT AT PIMLICO TO \$150

B. Impacts, Metrics, and Data Collection

Impact 2: Assessing the costs of this activity for LHA							
Metric	Study Group	FY 2011 Baseline	FY 2012 Actual ¹	FY 2013 Actual ²	FY 2013 Benchmark	Variance FY 2013 Actual to Benchmark	Data Source
Total gross monthly rent revenue (rent revenue less utility allowance) from non-elderly / non-disabled households	Control:	\$6,896 (\$401)	\$4,816 (-\$590)	\$6,089 (\$705)	\$6,896 (\$401)	-12% (76%)	WinTen2
	Treatment:	\$15,958 (-\$4,449)	\$23,898 (\$8,925)	\$22,700 (\$9,741)	\$29,790 (\$18,281)	-24% (-47%)	
Number of initiative-related complaints reported to Management Team staff	Control:	N/A	N/A	N/A	N/A	N/A	Property Manager Log
	Treatment:	N/A	1	0	16	-100%	
Staff time spent handling complaints	Control:	N/A	N/A	N/A	N/A	N/A	Property Manager Log
	Treatment:	N/A	3 hours	None	5.5 hours	-100%	

¹ Increased minimum rent effective May 1, 2012

² FY 2013 Actual data is as of April 30, 2013.

Impact 3: Assessing the impact of this activity on residents							
Metric	Study Group	FY 2011 Baseline	FY 2012 Actual ¹	FY 2013 Actual	FY 2013 Benchmark	Variance FY 2013 Actual to Benchmark	Data Source
Resident satisfaction (Low; Medium; High)	Control:	N/A	N/A	N/A	Medium	N/A	Survey / Focus Group Results
	Treatment:	Medium ²	Low to Medium ³	Low to Medium ⁴	Low	Slightly higher	

¹ Increased minimum rent effective May 1, 2012

² A single, pre-implementation resident survey was conducted across both sites. Results are not separable by site.

³ Per focus group conducted by Kentucky State University Evaluator at the end of FY 2012.

⁴ Per site staff interviews. The Lead Evaluator for LHA's MTW Demonstration left the project shortly before the end of FY 2013, compromising the Housing Authority's ability to conduct resident surveys and/or focus groups at the end of the fiscal year. KSU assigned a new Lead Evaluator to the project in September 2013.

ACTIVITY 1: RENT REFORM CONTROLLED STUDY: INCREASE MINIMUM RENT AT PIMLICO TO \$150

Hinkol Square Input Analysis															
Hinkol Population	Habitat/Husdril			Average Household Income per Month			Average Gross Income per Month			Average Gross Rent			Average Unassisted Rent Burden		
	FY 2011	FY 2012	FY 2013	%Change (FY2011-FY2013)	FY 2011	FY 2012	FY 2013	%Change (FY2011-FY2013)	FY 2011	FY 2012	FY 2013	%Change (FY2011-FY2013)	FY2012 Benchmark	FY2012 Actual	FY2013 Actual
All Non-Rent/Non-Displaced Husdril	152	141	128	-18%	\$181	\$228	\$361	100%	\$304	\$330	\$372	69%	\$91	\$67	\$72
Center of Habitat/Husdril															
Female	133	124	114	-14%	\$196	\$230	\$372	99%	\$272	\$339	\$423	39%	\$92	\$68	\$74
Male	19	17	14	-29%	\$75	\$47	\$37	254%	\$57	\$21	\$64	39%	\$85	\$60	\$60
Race (Multiple selections permitted)															
Black	98	91	79	-19%	\$156	\$248	\$485	199%	\$330	\$329	\$348	48%	\$93	\$75	\$83
White	50	44	47	0%	\$240	\$317	\$236	-2%	\$297	\$311	\$386	11%	\$89	\$47	\$46
Other/Not Disclosed	3	4	0	-100%	\$67	\$0	\$0	-	\$49	\$42	\$0	-	\$00	\$02	\$0
Asian/Indian/Native/Alaskan	1	1	1	0%	\$0	\$0	\$0	0%	\$49	\$44	\$44	0%	\$00	\$00	\$00
Asian/Pacific Islander	-	1	1	-	\$324	\$1,222	\$0	-	\$0	\$0	\$0	-	\$00	\$00	\$00
Native Hawaiian/Other Pacific Islander	-	-	1	-	\$0	\$0	\$0	-	\$0	\$0	\$0	-	\$00	\$00	\$00
Ethnicity of Habitat/Husdril															
Non-Hispanic	151	139	124	-18%	\$182	\$241	\$373	109%	\$306	\$336	\$422	32%	\$91	\$67	\$73
Hispanic	1	2	4	300%	\$0	\$0	\$0	0%	\$59	\$74	\$39	-3%	\$00	\$00	\$00
Age of Habitat/Husdril															
18-31	90	76	77	-14%	\$154	\$312	\$389	139%	\$380	\$388	\$443	39%	\$92	\$73	\$79
32-46	40	41	36	-10%	\$232	\$357	\$412	58%	\$263	\$353	\$444	11%	\$88	\$52	\$66
47-61	22	24	15	-32%	\$174	\$226	\$245	41%	\$355	\$367	\$356	31%	\$88	\$64	\$53
All Rent/Displaced Husdril	33	29	21	-36%	\$0	\$0	\$0	-	\$28	\$34	\$73	9%	\$0	\$25	\$30

¹ All FY2013 data as of April 30, 2013. All but time 40 Husdrils remain at Hinkol, including 128 families affected by this activity and 12 completed by other activity. All other 128 Husdrils are in the process of major renovation work at this site.

ACTIVITY 1: RENT REFORM CONTROLLED STUDY: INCREASE MINIMUM RENT AT PIMLICO TO \$150

C. Benchmarks Not Achieved or Activity Determined Ineffective

The last remaining families were relocated from Pimlico in August 2013, effectively ending the minimum rent increase activity at this site.

Based on the success of this activity, in its FY 2014 Annual Plan, the Housing Authority proposed implementing a \$150 minimum rent for all public housing and HCV families excluding elderly, disabled, and special partner households.

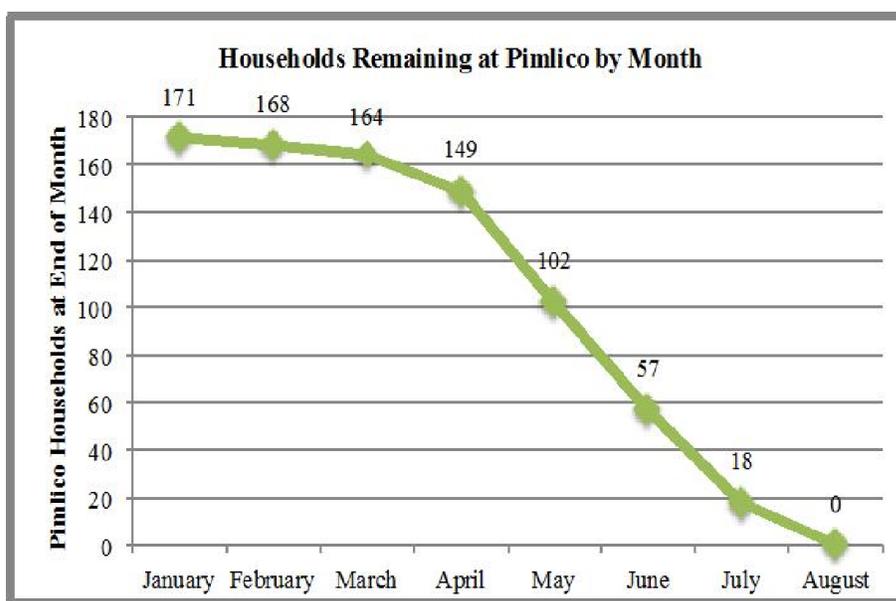
D. Revised Benchmarks or Metrics

As mentioned above, in August 2013 the LHA finished relocating all Pimlico residents from the site in preparation for extensive renovation work. By the end of FY 2013 (June 30, 2013) only 57 families still lived at the site. The demographics of this remaining population were not statistically representative of the original Pimlico population. The Evaluation Team decided an earlier date (when more families were still living at the site) should be used to capture final activity metrics.

The Team selected April 30, 2013 for FY 2013 Benchmark data collection for several reasons:

- The speed of household relocation increased significantly after April 2013 (see Figure VI-1);
- The 149 families remaining as of this date sufficiently mirrored the demographics of the original Pimlico population; and
- The date coincides with the one-year anniversary of the activity’s May 1, 2012 implementation date.

Figure VI-1



ACTIVITY 1: RENT REFORM CONTROLLED STUDY: INCREASE MINIMUM RENT AT PIMLICO TO \$150

E. Data Collection Methodology Change

The Lead Evaluator for LHA’s MTW Demonstration left the project shortly before the end of FY 2013, compromising the Housing Authority’s ability to conduct resident surveys and focus groups at the end of the fiscal year. As a result, interviews of site staff were used to approximate resident satisfaction with the activity. Kentucky State University assigned a new Lead Evaluator to the LHA’s MTW Demonstration in September 2013.

F. Change in Attachment C or D Authorization

There has been no change in Attachment C or D authorizations since this activity was proposed the Plan.

G. Authorizations Cited

This activity would not be possible without use of the MTW authorizations found in Attachment C, Section C.11. Rent Policies and Term Limits, which authorize the agency to determine family payment, including the total tenant payment, the minimum rent, utility reimbursements and tenant rent. The Agency is authorized to adopt and implement any reasonable policies for setting rents in public housing including but not limited to establishing definitions of income and adjusted income, or earned income disallowance that differ from those in current statutes or regulations. The Agency is authorized to adopt and implement term limits for its public housing assistance. Such policies must include provisions for addressing hardship cases. This authorization waives certain provisions of Section 3(a)(2), 3(a)(3)(A) and Section 6(1) of the 1937 Act and 24 C.F.R. 5.603, 5.611, 5.628, 5.630, 5.632, 5.634 and 960.255 and 966 Subpart A as necessary to implement the Agency's Annual MTW Plan.

Among other flexibilities, this authorization permits the LHA to determine the minimum rent and addresses the statutory objective to increase the number of families moving toward self-sufficiency. While traditional PHAs are not permitted to raise their minimum rent above \$50, the LHA has used this authorization to raise the minimum rent at Pimlico to \$150.

ACTIVITY 2: RENT REFORM CONTROLLED STUDY: NO RENT REDUCTION REQUESTS FOR 6 MONTHS AFTER INITIAL OCCUPANCY FOR BLUEGRASS HOPEVI PUBLIC HOUSING RESIDENTS

A. Plan Year Activity First Identified and Implemented

The LHA proposed the No Rent Reduction Requests for 6 Months After Initial Occupancy for Bluegrass HOPE VI Housing Residents activity in the FY 2012 – FY 2013 MTW Annual Plan. This activity was implemented on May 1, 2012. LHA restricted families at new construction HOPE VI self-sufficiency units from requesting a rent reduction for six months after their initial move-in date.

B. Impacts, Metrics, and Data Collection

Baseline data collected during FY 2011 indicate that at the time 88% of Bluegrass HOPE VI public housing residents were meeting the site's self-sufficiency requirement, which obliges the head, co-head, or spouse of a non-elderly/non-disabled (NE/ND) household to be working at least 20 hours per week (or in the case of a one-adult household, the head-of-household may be a full-time student).

LHA's primary goal was to increase to increase the number of families meeting the self-sufficiency requirement to 95% by FY 2013. As can be seen in the metrics tables included in this section, the implementation of this activity has made no discernable impact on the percentage of families meeting the self-sufficiency requirement, which remained 88% at the end of FY 2013. In fact, the percentage of families reporting no earned income increased from 25% to 30% during this time period.

Staff received two hardship requests related to this activity during FY 2012 and FY 2013; both were approved. One family experienced a loss of employment when their employer ceased operations, while a member of the second family was dealing with a serious illness.

Activity outcomes (including disparate impact analysis results) were reviewed with Lexington Fair Housing Council Executive Director Art Crosby. Mr. Crosby had no fair housing concerns. He agreed that activity metrics tracked by the LHA during FY 2012 and FY 2013 do not indicate that this activity effectively encouraged households to maintain the level of employment reported at move-in.

ACTIVITY 2: RENT REFORM CONTROLLED STUDY: NO RENT REDUCTION REQUESTS FOR 6 MONTHS AFTER INITIAL OCCUPANCY FOR BLUEGRASS HOPEVI PUBLIC HOUSING RESIDENTS

B. Impacts, Metrics, and Data Collection

Impact 1: Encouraging non-disabled / non-elderly adult household members to work							
Metric	Study Group	FY 2011 Baseline	FY 2012 Actual ¹	FY 2013 Actual	FY 2013 Benchmark	Variance FY 2013 Actual to Benchmark	Data Source
Number (Percent) of families meeting the self-sufficiency work / education requirement	Control:	47 (90%)	46 (96%)	46 (85%)	47 (90%)	-2%	Management Team Records
	Treatment:	171 (88%)	131 (70%)	156 (88%)	184 (95%)	-18%	
Average (Median) amount of gross earned income reported by families per year	Control:	\$7,566 (\$6,022)	\$9,808 (\$9,807)	\$10,183 (\$10,400)	\$7,566	35%	WinTen2
	Treatment:	\$11,381 (\$11,222)	\$11,661 (\$11,775)	\$11,276 (\$10,696)	\$11,950	-6%	
Number (Percent) of families reporting \$0 gross earned income per year	Control:	20 (38%)	14 (29%)	18 (33%)	20 (38%)	-11%	WinTen2
	Treatment:	49 (25%)	33 (18%)	54 (30%)	25 (13%)	116%	
Average (Median) amount reported by families who report any gross earned income per year	Control:	\$12,691 (\$10,730)	\$13,847 (\$11,938)	\$15,275 (\$14,765)	\$12,691	20%	WinTen2
	Treatment:	\$15,226 (\$14,040)	\$14,160 (\$13,898)	\$16,187 (\$15,059)	\$15,987	1%	
Average (Median) total gross income reported by families per year	Control:	\$11,241 (\$10,324)	\$14,928 (\$12,936)	\$14,988 (\$14,765)	\$11,241	33%	WinTen2
	Treatment:	\$15,263 (\$14,868)	\$16,321 (\$15,184)	\$15,820 (\$14,803)	\$15,832	0%	
Average (Median) monthly gross rent of families	Control:	\$210 (\$197)	\$229 (\$189)	\$257 (\$197)	\$210	22%	WinTen2
	Treatment:	\$300 (\$286)	\$316 (\$298)	\$309 (\$267)	\$315	-2%	
Number (Percent) of families requesting rent reductions (control group) or hardship exemptions (treatment group) within 6 months of move in	Control:	2 (67%)	0 (0%)	2 (17%)	2 (67%)	0%	Property Manager and MTW Coordinator Logs
	Treatment:	47 (44%)	1 (6%)	1 (2%)	15 (15%)	-93%	
Number (Percent) of families granted rent reductions (control group) or hardship exemptions (treatment group) within 6 months of move in	Control:	2 (67%)	0 (0%)	2 (17%)	2 (67%)	0%	WinTen2 and MTW Coordinator Log
	Treatment:	47 (44%)	1 (6%)	1 (2%)	10 (10%)	-90%	
¹ Activity implemented May 1, 2012							
Impact 2: Assessing the cost / savings of this activity for LHA							
Metric	Study Group	FY 2011 Baseline	FY 2012 Actual ¹	FY 2013 Actual	FY 2013 Benchmark	Variance FY 2013 Actual to Benchmark	Data Source
Total monthly gross rent revenue from non-elderly / non-disabled households	Control:	\$10,918	\$11,222	\$13,866	\$10,918	27%	WinTen2
	Treatment:	\$58,131	\$49,566	\$55,030	\$61,038	-10%	
Dollar value of staff time spent processing rent reduction requests (control group) or hardship exemptions (treatment group) within 6 months of move in	Control:	\$45	\$23	\$35	\$45	-23%	Payroll System, Staff Interviews
	Treatment:	\$1,050	\$11	\$17	\$535	-97%	
¹ Activity implemented May 1, 2012							

ACTIVITY 2: RENT REFORM CONTROLLED STUDY: NO RENT REDUCTION REQUESTS FOR 6 MONTHS AFTER INITIAL OCCUPANCY FOR BLUEGRASS HOPEVI PUBLIC HOUSING RESIDENTS

Bluegrass HOPEVI Public Housing Disparate Impact Analysis													
Bluegrass Population	Head of Household			Average Faced Income per Month			Average Total Income per Month			Average Gross Rent			
	FY 2011	FY 2012	FY 2013	FY 2011	FY 2012	FY 2013	FY 2011	FY 2012	FY 2013	FY 2011	FY 2012	FY 2013	%Change FY 2011 - FY 2013
All Non-Elderly/Non-Disabled Households	194	187	178	\$948	\$972	\$940	\$1,272	\$1,360	\$1,318	\$300	\$318	\$309	3%
Gender													
Female	168	163	156	\$890	\$915	\$934	\$1,244	\$1,348	\$1,334	\$287	\$308	\$308	7%
Male	26	24	22	\$1,329	\$1,168	\$978	\$1,484	\$1,444	\$1,209	\$379	\$388	\$317	-16%
Race ¹													
Black	166	163	157	\$947	\$971	\$951	\$1,236	\$1,335	\$1,332	\$308	\$323	\$312	3%
White	24	21	22	\$852	\$972	\$836	\$1,002	\$1,357	\$1,215	\$255	\$280	\$281	10%
Other	3	3	-	\$1,011	\$1,006	-	\$1,429	\$1,412	-	\$378	\$316	-	-
Native Hawaiian/Other Pacific Islander	1	0	1	\$3,213	-	\$1,082	\$3,238	-	\$1,082	\$621	-	\$325	-48%
American Indian/Native Alaskan	-	-	-	-	-	-	-	-	-	-	-	-	-
Asian/Pacific Islander	-	-	-	-	-	-	-	-	-	-	-	-	-
Ethnicity													
Non-Hispanic	193	186	177	\$980	\$964	\$930	\$1,273	\$1,352	\$1,311	\$300	\$316	\$306	2%
Hispanic	1	1	1	\$605	\$2,481	\$2,706	\$972	\$2,888	\$2,706	\$368	\$740	\$788	194%
All Elderly/Disabled Households	92	92	99	\$694	\$697	\$669	\$1,069	\$904	\$1,082	\$272	\$273	\$363	-3%

¹ Respondents permitted to select more than one race

ACTIVITY 2: RENT REFORM CONTROLLED STUDY: NO RENT REDUCTION REQUESTS FOR 6 MONTHS AFTER INITIAL OCCUPANCY FOR BLUEGRASS HOPEVI PUBLIC HOUSING RESIDENTS

C. Benchmarks Not Achieved or Activity Determined Ineffective

As stated above, the implementation of this activity has made no discernable impact on the percentage of Bluegrass HOPE VI public housing families meeting the self-sufficiency requirement. Staff reported that many families simply waited for the six-month restriction to expire, and then requested a rent reduction shortly thereafter.

Given its negligible impact, the LHA has decided to terminate this activity. Instead, through its FY 2014 Annual Plan, the Housing Authority has proposed an alternative approach to encourage resident employment across all 846 of its self-sufficiency units. Simply put, the new activity will permit the agency to assume that all families are meeting the self-sufficiency requirement they agreed to abide by when they signed their initial lease.

When calculating rent, the LHA will assume that every NE/ND family has an earned income that is (at a minimum) equal to that of an individual working 20 hours per week and earning the federal minimum wage. Actual earned income will be used when calculating the rent of families earning more than this amount. Hardship provisions have been included for families that experience either a loss in income or an increase in expenses due to circumstances beyond the household's control.

The new activity also proposes that the LHA be permitted to use a definition of "work" that restricts compliant work activities to those that are most likely to ensure families' incomes at least equal the minimum imputed earned income amount. Compliant work activities would include:

- Unsubsidized employment;
- Subsidized private sector employment;
- Subsidized public sector employment; and
- Paid on-the-job training.

D. Revised Benchmarks or Metrics

Benchmarks and/or metrics for this activity have not been revised since the activity was initially proposed.

E. Data Collection Methodology Change

The data collection methodology for this activity has not changed since the activity was initially proposed.

ACTIVITY 2: RENT REFORM CONTROLLED STUDY: NO RENT REDUCTION REQUESTS FOR 6 MONTHS AFTER INITIAL OCCUPANCY FOR BLUEGRASS HOPEVI PUBLIC HOUSING RESIDENTS

F. Change in Attachment C or D Authorization

There has been no change in Attachment C or D authorizations since this activity was proposed the Plan.

G. Authorizations Cited

This activity would not be possible without use of the MTW authorizations found in Attachment C, Section C.4. Initial, Annual and Interim Income Review Process. The Agency is authorized to restructure the initial, annual and interim review process in the public housing program in order to affect the frequency of the reviews and the methods and process used to establish the integrity of the income information provided. In addition, the Agency is expressly authorized to adopt a local system of income verification in lieu of the current HUD system. For example, the Agency may implement alternate time frames for validity of verification or adopt policies for verification of income and assets through sources other than those currently allowed under the 1937 Act. This authorization waives certain provisions of sections 3(a)(1) and 3(a)(2) of the 1937 Act and 24 C.F.R. 966.4 and 960.257, as necessary to implement the Agency's Annual MTW Plan.

Among other flexibilities, this authorization permits the LHA to “restructure the initial, annual and interim review process in the public housing program in order to affect the frequency of the reviews and the methods and process used to establish the integrity of the income information provided.”

While traditional PHAs are required to permit interim recertifications (and thus rent reductions) whenever a client experiences a decrease in income or increase in expenses, this MTW authorization has allowed the LHA to eliminate interim re-examinations resulting from either of these two causes during the first six months of a household’s tenancy. This activity was designed to promote family self-sufficiency in households where the head-of-household (or spouse) is already working or preparing to work by participating in an educational program. It also aimed to reduce costs and achieve greater cost effectiveness in federal expenditures. LHA hoped that this initiative would encourage families to firmly commit to their self-sufficiency goals before applying to live in one of these housing units, and help to create a community where self-sufficiency is a shared and mutually re-enforced goal among public housing residents.

ACTIVITY 3: TRIENNIAL RECERTIFICATION OF CONNIE GRIFFITH TOWERS HOUSEHOLDS

A. Plan Year Activity First Identified and Implemented

Activity 3 was proposed in the FY 2012 – FY 2013 Annual Plan, and the LHA implemented the activity January 1, 2012. For families residing at Connie Griffith Tower, a public housing high-rise designated for near-elderly and elderly residents (age 55 and over), recertification is now scheduled every three years instead of annually. As the vast majority of these households rely on fixed-income sources, there is little variation in household income on an annual basis.

B. Impacts, Metrics, and Data Collection

Connie Griffith Tower moved to triennial recertifications on January 1, 2012. The Housing Authority's original goal was to reduce the dollar value of staff time spent processing annual and interim recertifications by 60%, from \$8,717 in FY 2011 to \$3,531 in FY 2013. The LHA is happy to report that staff expense actually decreased by 72% (to \$2,419) during this time period.

Although this is a rent reform initiative, there is no hardship policy, as this activity does not increase the rent burden of residents. All households continue to be able to request an interim recertification at any time if they experience a loss of income, an increase in allowable medical expenses, or a change in household composition.

Activity outcomes (including disparate impact analysis results) were reviewed with Lexington Fair Housing Council Executive Director Art Crosby. Mr. Crosby saw no potential negative impacts from activity implementation through FY 2013, as average tenant rents have decreased during that time. He provided a helpful suggestion (which the LHA intends to follow) that the agency provide some outreach to Connie Griffith residents as they near their first triennial re-examination. Since these households have not had a rent increase in three years, the increase they receive at their triennial re-examination may be higher than those they have typically experienced in past years.

ACTIVITY 3: TRIENNIAL RECERTIFICATION OF CONNIE GRIFFITH TOWERS HOUSEHOLDS

B. Impacts, Metrics, and Data Collection

Metric	FY 2011 Baseline	FY 2012 Actual ¹	FY 2013 Actual	FY 2013 Benchmark	Variance FY 2013 Actual to Benchmark	Data Source
Total number of annual recertifications per year	181	47	41	61	-33%	WinTen2
Number (Percent) of families receiving interim recertifications	14 (8%)	14 (8%)	35 (10%)	18 (10%)	94%	WinTen2
Average total staff time per unit spent processing annual (interim) recertifications	2 hours (2 hours)	2 hours (1.5 hours)	2 hours (45 min)	2 hours (2 hours)	0% (-63%)	Management Specialist Interview
Dollar value of staff time spent processing annual + interim recertifications	\$8,717	\$2,570	\$2,419	\$3,531	-31%	Management Specialist Interview / Payroll System

¹ Only includes recertifications completed on or after activity implementation date (January 1, 2012)

Impact 2: Assessing the costs / benefits of this activity for residents						
Metric	FY 2011 Baseline	FY 2012 Actual ¹	FY 2013 Actual	FY 2013 Benchmark	Variance FY 2013 Actual to Benchmark	Data Source
Average (Median) gross annual earned income	\$1,490 (\$0)	\$1,536 (\$0)	\$1,690 (\$0)	\$1,490	13%	WinTen2
Average (Median) gross annual non-earned income reported by families	\$9,847 (\$9,144)	\$9,060 (\$8,413)	\$9,731 (\$9,324)	\$9,847	-1%	WinTen2
Average (Median) total gross annual income reported by families	\$11,337 (\$9,480)	\$10,596 (\$8,860)	\$11,467 (\$9,882)	\$11,337	1%	WinTen2
Resident satisfaction with change (Low; Medium; High)	N/A	Medium to High	Medium	Medium	As expected	Focus Group
Average (Median) monthly rent payment of families	\$223 (\$198)	\$224 (\$215)	\$218 (\$206)	\$223	-2%	WinTen2

¹ Activity implemented January 1, 2012

Impact 3: Assessing the costs / benefits of this activity for LHA						
Metric	FY 2011 Baseline	FY 2012 Actual ¹	FY 2013 Actual	FY 2013 Benchmark	Variance FY 2013 Actual to Benchmark	Data Source
Total monthly gross rent revenue	\$40,416	\$39,824	\$39,428	\$40,416	-2%	WinTen2
Estimated costs savings from fewer recertifications	N/A	\$6,146	\$6,297	\$5,364	17%	Management Specialist Interview / Payroll System
Employee satisfaction with change (Low; Medium; High)	N/A	Medium	High	Medium to High	Slightly higher than expected	Focus Group

¹ Activity implemented January 1, 2012

ACTIVITY 3: TRIENNIAL RECERTIFICATION OF CONNIE GRIFFITH TOWERS HOUSEHOLDS

Griffith Tower Disparate Impact Analysis																	
Griffith Tower Population	Heads of Household			Average Gross Earned Income per Month			Average Gross Income per Month			Average Gross Rent							
	FY 2011	FY 2012	FY 2013	% Change	FY 2011	FY 2012	FY 2013	% Change	FY 2011	FY 2012	FY 2013	% Change					
All Households	181	178	181	0%	\$124	\$128	\$141	14%	\$945	\$883	\$956	1%	\$223	\$224	\$218	-2%	
Gender																	
Male	93	95	98	5%	\$130	\$176	\$147	13%	\$994	\$908	\$1,011	2%	\$231	\$227	\$226	-2%	
Female	88	83	83	-6%	\$118	\$74	\$133	13%	\$892	\$854	\$891	0%	\$215	\$220	\$209	-3%	
Race (Multiple selections permitted)																	
Black	120	115	118	-2%	\$136	\$149	\$160	17%	\$943	\$877	\$953	1%	\$221	\$219	\$212	-4%	
White	59	62	63	7%	\$104	\$92	\$106	1%	\$954	\$895	\$959	0%	\$229	\$233	\$228	-1%	
Native Hawaiian / Other Pacific Islander	2	1	2	0%	\$0	\$0	\$314	-	\$736	\$776	\$1,184	61%	\$185	\$194	\$232	26%	
American Indian / Native Alaskan	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Asian/Pacific Islander	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Ethnicity																	
Non-Hispanic	179	177	180	1%	\$126	\$129	\$142	13%	\$945	\$884	\$957	1%	\$223	\$224	\$218	-2%	
Hispanic	2	1	1	-50%	\$0	\$0	\$0	0%	\$922	\$737	\$750	-19%	\$256	\$221	\$215	-16%	

ACTIVITY 3: TRIENNIAL RECERTIFICATION OF CONNIE GRIFFITH TOWERS HOUSEHOLDS

- C. Benchmarks Not Achieved or Activity Determined Ineffective**
The LHA has been so pleased with the outcome of this activity that, in its FY 2014 Annual Plan, the agency proposed the expansion of triennial recertifications to all of its elderly and/or disabled Housing Choice Voucher families with at least one fixed income source, (Social Security, SSDI, pension income, etc.).
- D. Revised Benchmarks or Metrics**
Benchmarks and/or metrics for this activity have not been revised since the activity was initially proposed.
- E. Data Collection Methodology Change**
The Lead Evaluator for LHA’s MTW Demonstration left the project shortly before the end of FY 2013, compromising the Housing Authority’s ability to conduct resident focus groups at the end of the fiscal year. As a result, interviews of site staff were used to approximate resident satisfaction with the activity.

Kentucky State University assigned a new Lead Evaluator to the LHA’s MTW Demonstration in September 2013.
- F. Change in Attachment C or D Authorization**
There has been no change in Attachment C or D authorizations since this activity was proposed the Plan.
- G. Authorizations Cited**
This activity would not be possible without use of the MTW authorizations found in Attachment C, Section C.4 Initial. Annual and Interim Income Review Process. The Agency is authorized to restructure the initial, annual and interim review process in the public housing program in order to affect the frequency of the reviews and the methods and process used to establish the integrity of the income information provided. In addition, the Agency is expressly authorized to adopt a local system of income verification in lieu of the current HUD system. For example, the Agency may implement alternate time frames for validity of verification or adopt policies for verification of income and assets through sources other than those currently allowed under the 1937 Act. This authorization waives certain provisions of sections 3(a)(1) and 3(a)(2) of the 1937 Act and 24 C.F.R. 966.4 and 960.257, as necessary to implement the Agency's Annual MTW Plan.

ACTIVITY 3: TRIENNIAL RECERTIFICATION OF CONNIE GRIFFITH TOWERS HOUSEHOLDS

Among other flexibilities, this authorization permits the LHA to “restructure the initial, annual and interim review process in the public housing program in order

to affect the frequency of the reviews and the methods and process used to establish the integrity of the income information provided.”

While traditional PHAs are required to conduct an annual re-examination of family income and composition in the case of families paying an income-based rent, this authorization has allowed the LHA to increase the amount of time between regularly-scheduled re-examinations from one year to three years for households residing at Connie Griffith Tower.

ACTIVITY 4: HOUSING CHOICE VOUCHER RENT REFORM CONTROLLED STUDY – NO RENT REDUCTION REQUESTS FOR 6 MONTHS AFTER INITIAL OCCUPANCY

A. Plan Year Activity First Identified and Implemented

As required by HUD, this rent reform initiative was implemented as a controlled study during FY 2012 – FY 2013. Beginning May 1, 2012, LHA prohibited treatment group families from requesting a rent reduction for six months after their initial move-in date.

B. Impacts, Metrics, and Data Collection

Over the time period used for activity Baseline data collection, 10% of residents moving into an HCV unit (whether as a new admission to the HCV Program or a family transferring to a new unit within the program) requested a rent reduction within 6 months of their effective move-in date. Through the implementation of this activity, the LHA hoped to encourage families to maintain their initial level of employment as of their effective move-in date, and thereby reduce the number of families requesting a rent reduction to 2% by the end of FY 2013.

Under this initiative, all families moving into a new HCV unit (except elderly, disabled, and special partner households) are prohibited from requesting a rent reduction for 6 months after their effective move-in date.

Staff received five hardship requests related to this activity during FY 2012 and FY 2013; four were approved. In the case of the single denial, the family member had been involuntarily terminated from their employment due to unapproved absenteeism. In order to qualify for a rent reform hardship exemption, the LHA’s policy states that any loss of income must be “due to circumstances beyond the family’s control.”

**ACTIVITY 4: HOUSING CHOICE VOUCHER RENT REFORM CONTROLLED STUDY –
NO RENT REDUCTION REQUESTS FOR 6 MONTHS AFTER INITIAL
OCCUPANCY**

B. Impacts, Metrics, and Data Collection

Activity outcomes (including disparate impact analysis results) were reviewed with Lexington Fair Housing Council Executive Director Art Crosby. Mr. Crosby had no fair housing concerns. He agreed that activity metrics tracked by the LHA during FY 2012 and FY 2013 do not indicate that this activity (thus far) has effectively encouraged households to maintain their initial level of employment.

ACTIVITY 4: HOUSING CHOICE VOUCHER RENT REFORM CONTROLLED STUDY – NO RENT REDUCTION REQUESTS FOR 6 MONTHS AFTER INITIAL OCCUPANCY

B. Impacts, Metrics, and Data Collection

Impact 1: Encouraging non-disabled / non-elderly adult household members to work						
Metric	Baseline ¹	Study Group	FY 2013 Actual	FY 2013 Benchmark ¹	Variance FY 2013 Benchmark to Actual	Data Source
Average gross earned income reported by families at initial occupancy	\$6,414	Control:	\$7,633	\$6,414	19%	WinTen2
		Treatment:	\$5,974	\$6,414	-7%	
Average gross monthly rent payment at initial occupancy	\$299	Control:	\$232	\$299	-22%	WinTen2
		Treatment:	\$232	\$299	-22%	
Average annual gross earned income reported by families at end of Period	\$8,633	Control:	\$8,314	\$8,633	-4%	WinTen2
		Treatment:	\$5,065	\$8,800	-42%	
Average total annual gross income reported by families at end of Period	\$16,929	Control:	\$15,244	\$16,929	-10%	WinTen2
		Treatment:	\$14,119	\$17,096	-17%	
Average gross monthly rent payment of families at end of Period	\$357	Control:	\$247	\$357	-31%	WinTen2
		Treatment:	\$203	\$361	-44%	
Number (Percent) of families requesting within 6 months of move in: a) rent reduction (control) or b) hardship exemption (treatment)	23 (10%)	Control:	3 (7%)	7 (10%)	-57%	Management Team Log and MTW Coordinator Log
		Treatment:	5 (18%) ²	1 (2%)	80%	

¹ In keeping with changes made to the FY 2014 Annual Plan, Baselines and FY 2013 Benchmarks have been updated to reflect all new admissions to the MTW HCV Program (excluding elderly, disabled, and special partner households) from February 1, 2012 thru January 31, 2013. Because historical data showing household characteristics at the time of admission could not be obtained for families that moved between MTW HCV units during the year (but were admitted to the HCV Program before February 1, 2012), these families have not been included in either the Baseline or FY 2013 Benchmark metrics.

² Four of 5 hardship requests were approved. One was denied; family member was involuntarily terminated from employment due to unapproved absenteeism. To qualify for hardship exemption, loss of income must be "due to circumstances beyond the family's control."

Impact 2: Assessing the cost / savings of the activity for LHA						
Metric	Baseline ¹	Study Group	FY 2013 Actual	FY 2013 Benchmark ¹	Variance FY 2013 Benchmark to Actual	Data Source
Average monthly Housing Assistance Payments (HAP)	\$449	Control:	\$531	\$449	18%	WinTen2
		Treatment:	\$554	\$445	24%	
Dollar value of staff time spent processing within 6 months of move in: a) rent reduction requests (control) or b) hardship exemptions (treatment)	\$1,358	Control:	\$67	\$670	-90%	Management Specialist Interviews and Payroll System
		Treatment:	\$112	\$134	-17%	

¹ In keeping with changes made to the FY 2014 Annual Plan, Baselines and FY 2013 Benchmarks have been updated to reflect all new admissions to the MTW HCV Program (excluding elderly, disabled, and special partner households) from February 1, 2012 thru January 31, 2013. Because historical data showing household characteristics at the time of admission could not be obtained for families that moved between MTW HCV units during the year (but were admitted to the HCV Program before February 1, 2012), these families have not been included in either the Baseline or FY 2013 Benchmark metrics.

Impact 3: Assessing resident and staff response to the activity						
Metric	Baseline	Study Group	FY 2013 Actual	FY 2013 Benchmark	Variance FY 2013 Benchmark to Actual	Data Source
Resident satisfaction with change (Low; Medium; High)	N/A	Control:	Medium	Medium	None	Focus Groups / Surveys
		Treatment:	Low to Medium	Low	Slightly higher than expected	
Employee satisfaction with change (Low; Medium; High)	N/A	N/A	Low to Medium	Medium	Slightly lower than expected	Focus Group Results

¹ Per site staff interviews. The Lead Evaluator for LHA's MTW Demonstration left the project shortly before the end of FY 2013, compromising the Housing Authority's ability to conduct resident surveys and/or focus groups at the end of the fiscal year. KSU assigned a new Lead Evaluator to the project in September 2013.

ACTIVITY 4: HOUSING CHOICE VOUCHER RENT REFORM CONTROLLED STUDY – NO RENT REDUCTION REQUESTS FOR 6 MONTHS AFTER INITIAL OCCUPANCY

C. Benchmarks Not Achieved or Activity Determined Ineffective

As can be seen in the metrics tables included in this section, the implementation of this activity has not yet reduced the percentage of families requesting a rent reduction within 6 months of their effective move-in date. In fact, the percentage of families making such a request rose from 10% to 18%.

Given the small sample sizes included in this rent reform controlled study (41 control group and 44 treatment group households in FY 2013), the LHA has decided to continue this activity for one more year thru FY 2014. However, if activity outcomes do not improve significantly over the next year, the agency will not include this initiative in its FY 2015 Annual Plan.

The FY 2014 Annual Plan also includes a new proposal to increase the minimum rent for these families (and all other HCV tenants) from \$50 to \$150. The Housing Authority is hopeful that this new activity will prove a more successful alternative for encouraging these households to maintain a consistent level of employment.

D. Revised Benchmarks or Metrics

When Baseline data for this activity was originally collected in FY 2011, staff had no way to recreate historic data showing household characteristics (including income and rent) at the time of the family's admission to the HCV Program. Staff could only retrieve current family characteristics from the Housing Authority's computer system as of the day they ran any given computer report.

The LHA only began tracking this type of historical data in February 2012. As a result, the Evaluation Team decided to go back and re-calculate all activity metrics using February 1, 2012 thru January 31, 2013 as the Baseline time period and capturing all new admissions to the MTW HCV Program (except elderly, disabled, and special partner households) during this year.

Unfortunately, historic data as of the date of the family's admission is still not available for households that entered the LHA's HCV Program before February 1, 2012. For this reason, these families have been excluded from all Baseline and Benchmark metrics.

ACTIVITY 4: HOUSING CHOICE VOUCHER RENT REFORM CONTROLLED STUDY – NO RENT REDUCTION REQUESTS FOR 6 MONTHS AFTER INITIAL OCCUPANCY

In addition, many of the metrics for this activity originally measured net monthly values for rent and income. In an effort to provide more consistency between the metrics of the LHA’s various MTW activities, when the Evaluation Team went back to calculate new Baseline metrics, all net monthly values for rent and income were replaced with gross annual values.

Finally, FY 2012 Actuals have been removed from the metrics tables found in this section. This was done for two reasons:

- The new Baseline data collection period now ends in FY 2013, so Baseline data is often more recent than FY 2012 Actuals.
- Many FY 2012 Actuals were calculated using net monthly values for rent and income, making comparisons with Baselines, FY 2013 Benchmarks, and FY 2013 Actuals (which were calculated using gross annual values for rent and income) very difficult.

FY 2012 Actuals can still be found in the LHA’s FY 2012 Interim Evaluation Report, where they can more easily compared against the original FY 2011 Baselines.

E. Data Collection Methodology Change

The data collection methodology for this activity has not changed since the activity was initially proposed.

F. Change in Attachment C or D Authorization

There has been no change in Attachment C or D authorizations since this activity was proposed the Plan.

G. Authorizations Cited

This activity would not be possible without use of the MTW authorizations found in Attachment C, Section D.1.c Authorizations Related to Section 8 Housing Choice Vouchers Only, Operational Policies and Procedures. The Agency is authorized to define, adopt and implement a reexamination program that differs from the reexamination program currently mandated in the 1937 Act and its implementing regulations. *This authorization waives certain provisions of Section 8(0)(5) of the 1937 Act and 24 C.F.R. 982.516 as necessary to implement the Agency's Annual MTW Plan.*

ACTIVITY 4: HOUSING CHOICE VOUCHER RENT REFORM CONTROLLED STUDY – NO RENT REDUCTION REQUESTS FOR 6 MONTHS AFTER INITIAL OCCUPANCY

While traditional PHAs are required to permit interim recertifications (and thus rent reductions) whenever a client experiences a decrease in income or increase in expenses, this MTW authorization has allowed the LHA to eliminate interim re-examinations resulting from either of these two causes during the first six months of a household's tenancy.

ACTIVITY 5: STREAMLINED HQS INSPECTION POLICY FOR HOUSING CHOICE VOUCHER UNITS

A. Plan Year Activity First Identified and Implemented

A streamlined HQS Inspection Policy for HCV Units was proposed in the FY 2012 – FY 2013 Plan. However, this activity was not implemented during FY2012-FY2013 because HCV staff continued collecting baseline data and establishing the inspection protocol. LHA is working to develop a HCV 5-Star Inspection Policy Manual that will be distributed to staff and landlords prior to implementation of this activity during the second half of FY2014.

B. Impacts, Metrics, and Data Collection

Implementation of the LHA's new star-rating system for HCV landlords, originally scheduled for FY 2013, has been postponed until the second half of FY 2014.

Once detailed planning for the execution of this project began in late FY 2012, it became clear that setting aside a year for inspectors to collect additional observational data from the field would be immensely beneficial in setting up a final algorithm to calculate landlord star ratings.

In October 2012, inspectors began combining their historical knowledge of past landlord performance with current inspection results to calculate a subjective star rating for each unit immediately following its inspection. When entering inspection results into the Housing Authority's computer system, the inspector also recorded their estimated rating, along with notes explaining their reasoning.

Comparing the inspectors' subjective ratings with the ratings mathematically-calculated using the Housing Authority's proposed algorithm allowed the LHA to more accurately gauge whether or not the new protocol would categorize landlords into rating categories that made sense given inspectors' historical knowledge of landlords and their current, on-the-ground observations.

ACTIVITY 5: STREAMLINED HQS INSPECTION POLICY FOR HOUSING CHOICE VOUCHER UNITS

B. Impacts, Metrics, and Data Collection

Impact: Reducing costs and achieving greater cost effectiveness in federal expenditures					
Metric	Original FY 2011 Baseline	Preliminary FY 2013 Baseline ¹	Original FY 2013 Benchmark	Preliminary FY 2014 Benchmark ¹	Data Source
# of landlords (units) in each star category rating	New metric	845 (2,477)	New metric	1-star: 28 (73)	WinTen2
				2-star: 450 (1,312)	
				3-star: 257 (753)	
				4-star: 102 (292)	
				5-star: 2 (47)	
# of HQS inspections conducted during fiscal year (Initial + Annual)	5,515	4,033	4,457	3,750	WinTen2
Estimated annual staff cost of all:					
A: HQS inspections	A: \$103,020	A: \$76,627	A: \$83,257	A: \$72,800	WinTen2/ Payroll System
B: Quality control inspections	New metric	B: \$1,900	New metric	B: \$1,800	
C: Drive-by inspections		C: N/A		C: \$5,000	
D: Complaint inspections		D: \$2,850		D: \$2,700	
Total (avg) inspection fees collected from landlords by star category:	New metric	N/A	New metric	1-star: \$1,750 2-star: \$10,500 3-star: \$2,250	WinTen2
Total fees collected by LHHA as a result of ² :					
A: Abatement	New metric	A: 82 B: 18 C: N/A	New metric	A: \$6,600	WinTen2
B: 2 nd consecutive missed appointment				B: \$1,350	
C: Missing or inoperable smoke detector				C: \$1,200	
¹ Preliminary Baselines and Benchmarks will be updated once the agency reaches the end of its new baseline data collection year (September 30, 2013).					
² Collection of these fees has not yet begun. Preliminary FY 2013 Baselines reflect the number of units that would have been charged the fee had it been in effect.					
Impact: Assessing the costs / benefits of this activity for residents					
Metric	Original FY 2011 Baseline	Preliminary FY 2013 Baseline ¹	Original FY 2013 Benchmark	Preliminary FY 2014 Benchmark ¹	Data Source
# (%) of units placed into abatement at least once during FY:	New metric	92	New metric	1-star: 6 (8%)	WinTen2
				2-star: 60 (5%)	
				3-star: 20 (3%)	
				4-star: 2 (1%)	
				5-star: 0 (0%)	
# (%) of units receiving complaint inspections	127 (9%)	152	127 (9%)	1-star: 10 (14%)	WinTen2
				2-star: 100 (8%)	
				3-star: 35 (5%)	
				4-star: 4 (1%)	
				5-star: 0 (0%)	
# (%) of units receiving quality control inspections:	New metric	112	New metric	3-star: 75 (10%)	WinTen2
				4-star: 15 (5%)	
				5-star: 1 (2%)	
# (%) of units passing HQS inspection on first try:	# (%) of units receiving following inspection results: Pass = 3,425 (62%) Fail = 1,024 (19%) Other = 1,066 (19%)	1,871 (77%)	# (%) of units receiving following inspection results: Pass = 2,768 (62%) Fail = 828 (19%) Other = 861 (19%)	1-star: 55 (75%)	WinTen2
				2-star: 1,025 (78%)	
				3-star: 640 (85%)	
				4-star: 260 (90%)	
# (%) of units receiving drive-by inspections:	New metric	N/A	New metric	3-star: 753 (100%)	WinTen2
				4-star: 292 (100%)	
				5-star: 47 (100%)	
¹ Preliminary Baselines and Benchmarks will be updated once the agency reaches the end of its new baseline data collection year (September 30, 2013).					

ACTIVITY 5: STREAMLINED HQS INSPECTION POLICY FOR HOUSING CHOICE VOUCHER UNITS

C. Benchmarks Not Achieved or Activity Determined Ineffective

As a result of this additional baseline collection work, the mathematical algorithm used to classify landlords into 1-, 2-, 3-, 4-, and 5-star ratings has been adjusted to more closely sync with inspectors' real-world experience. Perhaps the most significant change that has occurred is the LHA's decision to assign star ratings by site instead of by landlord.

Inspectors noted that unit quality could vary significantly across sites managed by a single landlord, especially in the case of management companies that manage two or more apartment complexes constructed in different years, last renovated in different years, or with different owners.

Assigning star ratings by site rather than by landlord proved statistically more reliable when establishing a risk-based protocol for determining HQS inspection frequency.

As the Housing Authority reaches the end of its new baseline data collection year (September 30, 2013), it is currently in the process of finalizing its star-rating protocol using this new site-based approach. A copy of this new protocol will be shared with HUD before this activity is implemented.

D. Revised Benchmarks or Metrics

Early on in the activity planning process, the LHA decided to focus its efforts solely on the development of a comprehensive star-rating system, and to forego initial plans to immediately begin inspecting a random sampling of 25% of units in cases where landlords had at least 10 units in the Housing Authority's HCV Program. As a result, the original metrics tracking the number of landlords with more than 10 units and the number of units eligible to be inspected using this random sampling method have been removed.

In preparation for the FY 2014 Annual Plan, the LHA created new preliminary baselines and benchmarks for this activity, reflecting the first 4 months of inspector-captured baseline data collection.

Activity baselines will be finalized once the agency finishes its current baseline data collection efforts on September 30, 2013. Benchmarks will also be updated at that time to reflect both the newly collected baseline data and the agency's final star-rating protocol.

ACTIVITY 5: STREAMLINED HQS INSPECTION POLICY FOR HOUSING CHOICE VOUCHER UNITS

The HQS inspections metrics tables included within this Report show both the baselines and benchmarks originally included in the FY 2012 – FY 2013 Annual Plan and the updated preliminary metrics included in the FY 2014 Annual Plan.

E. Data Collection Methodology Change

Although the Baseline data collection methodology has been expanded to capture inspector field observations following unit inspections, the methodology for the ongoing measurement of Benchmarks has not been affected. Ongoing data collection will continue to rely on unit information and inspection results stored in the agency's central computer database, currently managed by Tenmast.

F. Change in Attachment C or D Authorization

There has been no change in Attachment C or D authorizations since this activity was proposed the Plan.

G. Authorizations Cited

This activity would not be possible without use of the MTW authorizations found in Standards Attachment C, Section D.5 Ability to Certify Housing Quality. The Agency is authorized to certify that housing assisted under MTW will meet housing quality standards established or approved by HUD. The certification form will be approved or provided by HUD. This authorization waives certain provisions of Section 8(o)(8) of the 1937 Act and 24 C.F.R. 982, Subpart I as necessary to implement the Agency's Annual MTW Plan.

While traditional PHAs are required to conduct annual HQS inspections, this authorization will allow the LHA to vary inspection frequency based upon the past performance of landlords. Landlords who have an excellent inspection track record will have their units inspected less frequently than those with a less favorable track record. Inspection frequency will vary between six months and three years. For landlords whose units will receive inspections at intervals longer than annually, the landlord will self-certify annually that 100% of their units continue to meet HQS standards.

When implemented this activity will result in considerable cost- and time-savings, while improving the City's air quality by reducing the number of miles driven and address the statutory objective to help reduce costs and achieve greater cost effectiveness in federal expenditures.

ACTIVITY 6: BIENNIAL HOUSEKEEPING INSPECTIONS FOR PUBLIC HOUSING RESIDENTS

A. Plan Year Activity First Identified and Implemented

Biennial Housekeeping Inspections for Public Housing Units Receiving an “Excellent” Rating was proposed in the FY 2012 – FY 2013 Plan. However, this activity was not implemented in FY 2012-FY2013 because it was determined that tracking the housekeeping ratings would require software modifications that would be cost prohibitive. This activity has been removed from the agency’s FY 2014 Annual Plan.

B. Impacts, Metrics, and Data Collection

Impact 1: Reducing Costs and Achieving Greater Cost Effectiveness in Federal Expenditures				
Metric	FY 2011 Baseline	FY 2012 Actual	FY 2013 Benchmark	Data Source
Number of public housing units	1,303	0	1,303	WinTen2
Number of housekeeping inspections conducted	1,303	0	1,173	Staff Interviews
Dollar value of staff time spent conducting housekeeping inspections	\$18.68 per hour	0	\$18.68 per hour	Staff Interviews / Payroll System
Total cost of staff time spent conducting housekeeping inspections	\$18,255	0	\$16,437	Staff Interviews / Payroll System

Impact 2: Assessing the Costs / Benefits of This Activity for Residents				
Metric	FY 2011 Baseline	FY 2012 Actual	FY 2013 Benchmark	Data Source
Number (Percent) of households receiving an excellent rating	130 ¹ (10%)	0	195 (15%)	Staff Interviews
Number (Percent) of households requiring a second inspection to correct deficiencies	75 (6%)	0	65 (5%)	Staff Interviews

ACTIVITY 6: BIENNIAL HOUSEKEEPING INSPECTIONS FOR PUBLIC HOUSING RESIDENTS

B. Impacts, Metrics, and Data Collection

Impact 3: Assessing the Costs / Benefits of This Activity for LHA				
Metric	FY 2011 Baseline	FY 2012 Actual	FY 2013 Benchmark	Data Source
Average amount of time spent on a housekeeping inspection	45 mins	0	45mins	Staff Interviews
Employee satisfaction (Likert scale – 5=Low; 10=Medium; 15=High)	N/A	0	Medium (10)	Staff Interviews / Focus Group

C. Benchmarks Not Achieved or Activity Determined Ineffective
N/A

D. Revised Benchmarks or Metrics
Benchmarks and/or metrics for this activity have not been revised since the activity was initially proposed.

E. Data Collection Methodology Change
The data collection methodology for this activity has not changed since the activity was initially proposed.

F. Change in Attachment C or D Authorization
There has been no change in Attachment C or D authorizations since this activity was proposed the Plan

ACTIVITY 6: BIENNIAL HOUSEKEEPING INSPECTIONS FOR PUBLIC HOUSING RESIDENTS

G. Authorizations Cited

This activity would not be possible without use of the MTW authorizations found in Attachment C, Section C.9.a, Simplification of Property Management Practices. The Agency is authorized to simplify property management practices as follows: The Agency is authorized to deploy a risk management approach in establishing property and system inspection protocols and frequencies in lieu of the HUD requirements of annual inspections by Agencies, as long as these protocols assure that housing units assisted under the demonstration meet housing quality standards approved or established by the Secretary. This authorization waives certain provisions of Section 6 (f) of the 1937 Act and 24 C.F.R. 902-Subpart B as necessary to implement the Agency's Annual MTW Plan.

This authorization would allow the LHA to conduct housekeeping inspections biennially for its least risky households (those with an excellent track record), while all other households would continue to receive a housekeeping inspection annually.

This would have reduced administrative costs and reward residents for maintaining their units by conducting public housing housekeeping inspections biennially instead of annually for households that maintain an excellent rating for at least two years.

ACTIVITY 7: PUBLIC HOUSING ACQUISITION WITHOUT PRIOR HUD APPROVAL

A. Plan Year Activity First Identified and Implemented

Public Housing Acquisition Without Prior HUD Approval was proposed in the FY 2012 – FY 2013 Annual Plan. However, the activity was not implemented because the LHA did not acquire any property for public housing use during FY2012-FY2013. Should the LHA decide to acquire such a property, the agency will implement this activity.

B. Impacts, Metrics, and Data Collection

Impact: Increasing housing choices for low-income families				
Metric	FY 2011 Baseline	FY 2012 - FY 2013 Benchmark	FY 2013 Actual	Data Source
# of sites purchased in non-impacted areas	1	2	0	Acquisition records
# of additional public housing units available (or to be developed) in non-impacted areas as a result of site acquisitions	1	2	0	Acquisition records
Impact: Assessing the costs / benefits of this activity for LHA				
Metric	FY 2011 Baseline	FY 2012 - FY 2013 Benchmark	FY 2013 Actual	Data Source
Avg # of days from purchase agreement signing to closing	120	60	N/A	Acquisition records

ACTIVITY 7: PUBLIC HOUSING ACQUISITION WITHOUT PRIOR HUD APPROVAL

C. Benchmarks Not Achieved or Activity Determined Ineffective

N/A

D. Revised Benchmarks or Metrics

Benchmarks and/or metrics for this activity have not been revised since the activity was initially proposed.

E. Data Collection Methodology Change

The data collection methodology for this activity has not changed since the activity was initially proposed.

F. Change in Attachment C or D Authorization

There has been no change in Attachment C or D authorizations since this activity was proposed the Plan.

G. Authorizations Cited

This activity would not be possible without use of the MTW authorizations found in Attachment C, Section C.13. Authorizations Related to Public Housing Only - Site Acquisition. The Agency is authorized to acquire sites without prior HUD approval, provided that the agency certifies that HUD site selection requirements have been met. This authorization waives certain provisions of 24 C.F.R. 941.401 as necessary to implement the Agency's Annual MTW Plan.

This authorization permits the LHA to “acquire sites without prior HUD approval, provided that the agency certifies that HUD site selection requirements have been met.” While traditional PHAs must receive prior HUD approval before acquiring sites whose intended use is public housing, the self-certification process permitted under this flexibility will allow the LHA to complete the acquisition process much more quickly. This activity addresses the statutory objective to help increase housing choices for low-income families.

ACTIVITY 8: CONVERSION OF APPIAN HILLS AND PIMLICO PUBLIC HOUSING TO PROJECT-BASED VOUCHERS

A. Plan Year Activity First Identified and Implemented

Conversion of Appian Hills Public Housing to Project-Based Vouchers was proposed in the LHA’s FY 2012 – FY 2013 Annual Plan. In December 2012 the LHA was notified it had received approval to participate in HUD’s Rental Assistance Demonstration (RAD) for the 206-unit Pimlico public housing development. As the LHA will be using authorizations provided through RAD to convert Pimlico to project-based vouchers, the Housing Authority no longer requires the MTW authorizations approved for the site in the FY 2012 – FY 2013 MTW Annual Plan.

The Housing Authority still plans to use the MTW authorizations associated with this activity to convert Appian Hills to project-based vouchers. However, this conversion has been put on hold, so that available financial resources can be focused on the rehabilitation of Pimlico.

B. Impacts, Metrics, and Data Collection

Appian Hills

Impact: Increasing housing choices for low-income families				
Metric	FY 2011 Baseline	FY 2012 - FY 2013 Benchmark	FY 2013 Actual	Data Source
# of units revitalized	0	0	0	IMS/PIC
Impact: Assessing the costs / benefits of this activity for LHA				
Metric	FY 2011 Baseline	FY 2012 - FY 2013 Benchmark	FY 2013 Actual	Data Source
Leveraged funding	\$0	\$1.6 million	\$0	Duvernay + Brooks, LLC

Conversion of Appian Hills has been put on hold, so that available financial resources can be focused on the rehabilitation of Pimlico.

Pimlico

Impact: Increasing housing choices for low-income families				
Metric	FY 2011 Baseline	FY 2012 – FY 2013 Benchmark	FY 2013 Actual	Data Source
# of units revitalized	0	0	0	IMS/PIC
Impact: Assessing the costs / benefits of this activity for LHA				
Metric	FY 2011 Baseline	FY 2012 - 2013 Benchmark	FY 2013 Actual	Data Source
Leveraged funding	\$0	\$5.5 million	\$0	Duvernay + Brooks, LLC

The LHA has received HUD permission to convert Pimlico to Project-Based Vouchers in FY 2014 as part of the RAD Demonstration program.

ACTIVITY 8: CONVERSION OF APPIAN HILLS AND PIMLICO PUBLIC HOUSING TO PROJECT-BASED VOUCHERS

C. Benchmarks Not Achieved or Activity Determined Ineffective

N/A

D. Revised Benchmarks or Metrics

Benchmarks and/or metrics for this activity have not been revised since the activity was initially proposed.

E. Data Collection Methodology Change

The data collection methodology for this activity has not changed since the activity was initially proposed.

F. Change in Attachment C or D Authorization

There has been no change in Attachment C or D authorizations since this activity was proposed the Plan.

G. Authorizations Cited

This activity would not be possible without use of the MTW authorization “Establishment of an Agency MTW Section 8 Project-Based Program” found in Attachment C, Section D.7.a. The Agency is authorized to project-base Section 8 assistance at properties owned directly or indirectly by the Agency that are not public housing, subject to HUD's requirements regarding subsidy layering. If the Agency chooses to project-base Section 8 assistance at such properties, the Agency recognizes and accepts that such units would no longer be eligible for operating subsidy provided under Section 9(e) of the 1937 Housing Act or for future capital funds provided under section 9(d) for those units if it chooses to use this authorization. Project-based assistance for such owned units does not need to be competitively bid, nor are the owned units subject to any required assessments for voluntary conversion. This authorization waives certain provisions of Sections 8(0)(13)(B and D) of the 1937 Act and 24 C.F.R. 982.1, 982.102 and 24 C.F.R. Part 983 as necessary to implement the Agency's Annual MTW Plan.

This authorization permits the LHA to project-base Section 8 assistance at properties that are not public housing, subject to HUD’s requirements regarding subsidy layering and project-based assistance for such owned units does not need to be competitively bid. This activity addresses the statutory objective to increase housing choices for low-income families.

The LHA has received approval of its RAD application for Pimlico. Because conversion of Authority-owned public housing units to Project-Based Vouchers is permitted through the RAD demonstration program, it is unlikely that the agency will need to use the flexibility listed above at this site. Through its FY 2014

ACTIVITY 8: CONVERSION OF APPIAN HILLS AND PIMLICO PUBLIC HOUSING TO PROJECT-BASED VOUCHERS

Annual Plan the Authority has requested authority to make rent or occupancy policy adjustments that allow the Authority to treat future project-based voucher households in a manner more consistent with the way they were treated as public housing residents than project-based voucher rules would otherwise permit.

While the authorization listed above may not be necessary at Pimlico, the LHA is still considering the possibility of using this flexibility to project-base Section 8 assistance at Appian (following the disposition of the property to an affiliated entity) and to do so without the use of a competitive bid process.

ACTIVITY 9: DEVELOPMENT OF PROJECT-BASED VOUCHER UNITS AT 800 EDMOND STREET

A. Plan Year Activity First Identified and Implemented

This activity was proposed in the FY 2012 – FY 2013 Annual Plan. The activity has been put on hold as all available capital resources are being re-allocated to Pimlico revitalization. However, LHA still plans to implement this activity once financial resources become available.

B. Impacts, Metrics, and Data Collection

Impact: Increasing housing choices for low-income families				
Metric	FY 2011 Baseline	FY 2012 - FY 2013 Benchmark	FY 2013 Actual	Data Source
# of units built	0	5 - 8	0	IMS/PIC
Impact: Assessing the costs / benefits of this activity for LHA				
Metric	FY 2011 Baseline	FY 2012 - FY 2013 Benchmark	FY 2013 Actual	Data Source
Leveraged funding	\$0	\$133,500	\$0	Duvernay + Brooks, LLC

C. Benchmarks Not Achieved or Activity Determined Ineffective
N/A

D. Revised Benchmarks or Metrics
Benchmarks and/or metrics for this activity have not been revised since the activity was initially proposed.

**ACTIVITY 9: DEVELOPMENT OF PROJECT-BASED VOUCHER UNITS AT
800 EDMOND STREET**

E. Data Collection Methodology Change

The data collection methodology for this activity has not changed since the activity was initially proposed.

F. Change in Attachment C or D Authorization

There has been no change in Attachment C or D authorizations since this activity was proposed the Plan.

G. Authorizations Cited

This activity would not be possible without use of the MTW authorizations found in Attachment C, Section D.7.a, “Establishment of an Agency MTW Section 8 Project-Based Program.” The Agency is authorized to project-base Section 8 assistance at properties owned directly or indirectly by the Agency that are not public housing, subject to HUD's requirements regarding subsidy layering. If the Agency chooses to project-base Section 8 assistance at such properties, the agency recognizes and accepts that such units would no longer be eligible for operating subsidy provided under Section 9(e) of the 1937 Housing Act or for future capital funds provided under section 9(d) for those units if it chooses to use this authorization. Project-based assistance for such owned units does not need to be competitively bid, nor are the owned units subject to any required assessments for voluntary conversion. This authorization waives certain provisions of Sections 8(0)(13)(B and D) of the 1937 Act and 24 C.F.R. 982.1, 982.102 and 24 C.F.R. Part 983 as necessary to implement the Agency's Annual MTW Plan. This activity will help increase housing choices for low-income families.

This authorization permits the LHA to “project-base Section 8 assistance at properties owned directly or indirectly by the Agency that are not public housing, subject to HUD’s requirements regarding subsidy layering...Project-based assistance for such owned units does not need to be competitively bid...”

Thanks to the MTW authorization listed above, the LHA will be able to project-base Section 8 assistance at the site (as it is owned by the Agency and is not public housing) and to forego the use of a competitive bid process. This activity addresses the statutory objective to increase housing choices for low-income families.

ACTIVITY 10: HCV TENANT-BASED SPECIAL PARTNER PROGRAMS

A. Plan Year Activity First Identified and Implemented

Through the approval of its FY 2012 – FY 2013 MTW Annual Plan, the LHA received permission to require that HCV residents who participate in a special partner program relinquish their tenant-based voucher at the time they graduate from or otherwise leave the program. The activity was implemented immediately after Plan approval.

B. Impacts, Metrics, and Data Collection

Impact: Increasing housing choices for low-income families				
Metric	FY 2011 Baseline	FY 2013 Benchmark	FY 2013 Actual	Data Source
# of HCV Special Partners	11	11	11	MOU Documentation
# (%) of HCV vouchers allocated to special partners through Tenant-Based Voucher Program	437 (17%)	437 (17%)	437 (18%)	WinTen2
# of HCV households enrolling in special partner programs	197	197	161	WinTen2
# of families served through special partner programs	552	552	521	WinTen2
Number of families served through special partner program who:				
a) move to unsubsidized housing,	Not currently tracked ¹	Not currently tracked ¹	Not currently tracked ¹	Special Partner Monthly Reporting
b) apply for permanent another HCV voucher,				
c) move to public housing,				
d) move to another type of subsidized housing				

¹ The LHA is negotiating new MOU's with each of its special partners in preparation for the implementation of a Broader Use of MTW Funds activity proposed in the agency's FY 2014 Annual Plan. These new agreements will include a list of data elements that each special partner must report to the LHA on a regular basis, including what type of housing families relocate to when they leave special partner programming.

C. Benchmarks Not Achieved or Activity Determined Ineffective

N/A

D. Revised Benchmarks or Metrics

Benchmarks and/or metrics for this activity have not been revised since the activity was initially proposed.

E. Data Collection Methodology Change

The data collection methodology for this activity has not changed since the activity was initially proposed.

ACTIVITY 10: HCV TENANT-BASED SPECIAL PARTNER PROGRAMS

F. **Change in Attachment C or D Authorization**

Through the Lexington Housing Authority's (LHA) Housing Choice Voucher Program special partners are allowed to house program participants in HUD-defined special housing types as a reasonable accommodation for affected residents. Therefore, making necessary the addition of Attachment C Section D.1.f. authorizing the Agency to determine property eligibility criteria, including types of units currently prohibited by Section 8 regulations, as well as shared living facilities.

G. **Authorizations Cited**

This activity would not be possible without use of the following MTW authorizations:

Attachment C. Section D.1.b. The Agency is authorized to determine the length of the lease period, when vouchers expire and when vouchers will be reissued, which waives certain provisions of Section 8(o)(7)(a), 8(o)(13)(F) and 8(o)(13)(G) of the 1937 Act and 24 C.F.R. 982.303, 982.309 and 983 Subpart F.

Attachment C. Section D.2.b. The Agency is authorized to determine contract rents and increases and to determine the content of contract rental agreements that differ from the currently mandated program requirements in the 1937 Act and its implementing regulations, which waives certain provisions of Sections 8(o)(7) and 8(o)(13) of the 1937 Act and 24 C.F.R. 982.308, 982.451, and 983 Subpart E.

Attachment C Section D.1.f. The Agency is authorized to determine property eligibility criteria, including types of units currently prohibited by Section 8 regulations, as well as shared living facilities. If the agency chooses to use this authorization, it will need to provide a transition plan to both affected residents and HUD prior to the end of the demonstration. This authorization waives certain provisions of Section 8(p) of the 1937 Act and 24 C.F.R. 983.53-54 and 982 Subparts H and M.

This activity has helped increase housing choices for low-income families, and provided supportive services to increase family self-sufficiency.

The approval of this activity has permitted the LHA to provide an admissions preference to families eligible for and willing to participate in these special partner programs as a condition of continued assistance.

Activity #11: Local, Non-Traditional Use of MTW Funds to Improve Connie Griffith-Ballard Towers

A. Plan Year Activity First Identified and Implemented

This activity was proposed in the FY 2012 – FY 2013 Annual Plan. The LHA requested MTW flexibility to permit the use of MTW funds to make physical improvements at Ballard Place, a 134 unit high-rise, tax-credit property designated for persons 62 and older. The building shares a common entrance and lobby with Connie Griffith Manor, a 183-unit high-rise, public housing property for persons age 55 and older. The LHA did not implement this activity because staff saw a need to modify the activity to permit the use of MTW funds for significant emergency capital repairs, should the property’s reserve funds be either insufficient or unavailable to cover the full cost of these repairs. The activity’s title and description have been revised in the FY 2014 Annual Plan.

B. Impacts, Metrics, and Data Collection

Increasing housing choices for low-income families			
Metric	FY 2011 Baseline	FY 2013 Benchmark	Data Source
Number of units revitalized	0	134	Expense records
MTW Funds Utilized	\$0	\$335,000	Financial records and LHA Mod/Dev Office
REAC Inspection Scores	94b	97a	REAC Inspection Report
Assessing the benefits of this activity for residents			
Metric	FY 2011 Baseline	FY 2013 Benchmark	Data Source
Resident satisfaction with physical condition of housing unit (Low; Medium; High)	N/A	15	Resident survey
Resident satisfaction with physical condition of common spaces (Low; Medium; High)	N/A	15	Resident survey

C. Benchmarks Not Achieved or Activity Determined Ineffective

N/A

D. Revised Benchmarks or Metrics

Benchmarks and/or metrics for this activity have not been revised since the activity was initially proposed.

**Activity #11: Local, Non-Traditional Use of MTW Funds to Improve
Connie Griffith-Ballard Towers**

E. Data Collection Methodology Change

The data collection methodology for this activity has not changed since the activity was initially proposed.

F. Change in Attachment C or D Authorization

There has been no change in Attachment C or D authorizations since this activity was proposed the Plan.

G. Authorizations Cited

This activity would not be possible without the Second Amendment of the MTW Agreement between LHA and HUD, which permits the broader use of MTW funds to support local, non-traditional activities. The executed Amendment serves as the authorization for this activity.

This activity will increase housing choices for low-income families by providing high-quality units that are affordable to elderly households of limited means.

VII. SOURCES & USES OF FUNDING

A. Planned vs. Actual Sources

Consolidated Sources and Uses of MTW-Eligible Funds (Fiscal Year 2012 - Fiscal Year 2013)				
REVENUE (SOURCES OF MTW FUNDS)				
	FY 2012		FY 2013	
	Planned	Actual	Planned	Actual
Public housing rental income	\$1,372,069	\$1,469,671	\$1,452,105	\$1,593,526
Public housing subsidy	\$2,415,540	\$2,664,471	\$2,898,139	\$2,895,354
Public housing capital funding ¹	\$1,921,926	\$1,156,269	\$1,683,599	\$409,316
HCV subsidy and fees (Excluding Mainstream, Shelter Plus Care, VASH)	\$16,775,834	\$17,939,968	\$17,170,268	\$15,639,039
Investment / interest income	\$38,015	\$23,895	\$20,702	\$19,282
Non-rental income	\$1,706,488	\$1,976,423	\$1,988,936	\$1,914,093
Reserves	\$0		\$0	
Total MTW-Eligible Revenue	\$24,229,872	\$25,230,697	\$25,213,749	\$22,470,610
EXPENSE (USES OF MTW FUNDS)				
	FY 2012		FY 2013	
	Planned	Actual	Planned	Actual
HCV housing assistance payments ²	\$15,196,814	\$17,030,825	\$15,844,573	\$15,278,088
HCV administration (Excluding Mainstream, Shelter Plus Care, VASH)	\$1,363,997	\$1,270,024	\$1,347,016	\$1,344,525
Agency-managed housing operations	\$4,797,178	\$4,952,161	\$4,575,687	\$4,922,145
Privately-managed housing operations	\$0		\$0	
Utilities	\$1,083,626	\$997,099	\$1,000,640	\$944,357
Public housing rehabilitation activities ¹	\$972,425	\$549,840	\$386,578	
Development activities ¹	\$461,319	\$613,202	\$1,114,379	\$203,164
Resident services activities	\$0		\$0	
Protective services	\$50,000	\$81,137	\$182,642	\$180,885
Debt service repayment	\$0		\$0	
Total MTW-Eligible Expenses	\$23,925,359	\$25,494,288	\$24,451,515	\$22,873,164
Net Income / Loss	\$304,513	(\$263,591)³	\$762,234	(\$402,554)³

¹ Recognizing that the planned rehabilitation work at the agency's distressed Pimlico development would require a large amount of public housing capital funds, over the past few years the LHA has been conservative in drawing down and expending these funds, leading to the large variances seen in both the FY 2012 and FY 2013 Actuals.

² Two significant factors led to the additional expenditure of HCV Housing Assistance Payments in FY 2012:

* When the LHA opened its HCV waiting list for five days in October 2010 (it had been closed since August 2004), it received 1,343 pre-applications during this very brief window. Given this unexpectedly high demand for vouchers, the Housing Authority decided to use a portion of its HCV reserves to fund additional vouchers.

*The economic downturn led to reduced turnover in vouchers as families became less likely to leave the HCV Program for market-rate housing. Thanks to a reduction in per unit cost (PUC) due primarily to a change in utility allowances and a reduction in payment standards, during FY 2013 the LHA was able to gradually reduce its HAP expenditures to a more sustainable level while continuing to keep its leasing level at 101%.

³ Funded through the use of Reserves.

B. Planned Sources of State of Local Funds

LHA does not receive any State or local funds. We do maintain strong, mutually beneficial relationships with a variety of state and local partners, several of whom will have significant involvement in LHA's proposed FY 2012 – FY 2013 MTW activities. These partners include the Authority's MTW evaluation partner (Kentucky State University), its HCV special partners, and its educational achievement partners (Fayette County Public Schools and Parent Teacher Organization).

C. Planned Sources of Central Office Cost Center

Central Office Cost Center				
Planned vs Actual FY 2012 & FY 2013				
Account Description	FY 2012 Planned	FY 2012 Actual	FY 2013 Planned	FY 2013 Actual
REVENUE:				
Management Fee (Property)	788,811	818,626	883,751	804,775
Asset Management Fee	162,240	146,301	162,240	146,520
Bookkeeping Fee	338,130	323,606	338,130	317,072
Other Fees (BPLLC Mgmt Fees + LHOC fees)	559,221	660,651	559,221	622,635
Investment Income - Unrestricted	2,964	2,206	4,310	1,695
TOTAL REVENUE	1,851,366	1,951,390	1,947,652	1,892,697
EXPENSES:				
Administrative:				
Administrative Salaries + Tenant Services Salaries	831,121	829,347	828,385	879,014
Auditing Fees	2,430	2,025	2,430	1,796
Compensated Absences	19,823		10,487	9,796
Employee Benef Contr - Administrative + TS	290,858	325,098	298,609	337,489
Advertising & Marketing	3,116	2,797	4,196	2,496
Office Expenses	79,026	103,950	80,244	91,331
Legal Expense	51,808	120,859	85,616	268,587
Travel	11,224	30,866	29,915	39,445
Other	125,000	54,641	6,575	9,265
Utilities:				
Water	5,538	6,382	5,603	6,712
Electricity	29,976	28,670	31,415	39,057
Gas	4,452	3,024	5,444	2,859
Sewer	0		0	
Other Utilities Expense	1,656	1,089	782	1,307
Ordinary Maintenance & Operation:				
Ordinary Maintenance & Operation - Labor	0	121		1,158
Ordinary Maintenance & Operation - Materials & Other	7,480	5,469	3,947	13,880
Heating & Cooling	3,515	1,985	1,857	11,917
Snow Removal	4,343		3,619	900
Elevator Maintenance	1,789	1,803	1,578	1,934
Landscape and Grounds	1,434	1,342	900	1,500
Unit Turnaround	0		0	
Electrical	311	161	242	393
Plumbing	1,514	5,025	7,196	1,230
Extermination	1,217		1,200	
Routine	17,090	24,709	28,199	11,293
Miscellaneous	46,752	24,997	33,564	15,661
Insurance Premiums:	0			
Property Insurance	23,385	627	8,543	756
Liability Insurance	12,000	5,805	6,000	2,809
Workmen's Compensation	25,000	31,029	31,250	24,430
All Other Insurance	5,000		1,200	
Gen Adm Exp/FSS Coord/Contingency	3,796	18,782	18,003	62,400
TOTAL EXPENSES	1,610,652	1,630,603	1,536,999	1,839,415
SURPLUS/DEFICIT	240,714	320,787	410,653	53,282

D. Variations in Cost Allocation/Fee-For-Service Approach

Not applicable. LHA policies follow 1937 Act requirements.

E. Single-Fund Flexibility

LHA will use its single-fund flexibility in accordance with Attachment C of the “Amended and Restated Moving to Work Agreement.” LHA will exercise its authority to move funds and project cash flow among projects and programs as the Authority deems necessary to further its mission and cost objectives.

LHA’s anticipates it will use this flexibility primarily for the preservation of public housing, the acquisition and/or development of new units for low-income families, and in FY 2014, the implementation of the Resident Rewards Incentive Program for FSS households. Such use will be done in consultation with the agency’s Board of Directors. The following is an update on the incentive program.

In the FY 2012-2013 Plan, LHA staff proposed the Resident Rewards Incentive Program to be piloted at Pimlico and target parents and guardians who become more involved in their child(ren)’s education. The rewards incentive program will offer points to tenants who demonstrate efforts toward effecting positive changes in their households. Households can then redeem points using a menu of incentives offered at a variety of different points levels.

Since that time, staff realized that this initiative should be broadened beyond households with children. And, now that the Pimlico site is closed for renovation, LHA staff plans to promote and implement the rewards incentive program that will target residents of the LHA’s public housing and HCV Family Self-Sufficiency (FSS) households who are working toward specific goals (a maximum of 100 households).

LHA staff talked with an on-line rewards firm in the spring of 2013 to discuss options for developing a rewards program. From that meeting, staff received price estimates and now has a starting point, knowing the upfront costs that are necessary to get the program off the ground.

FSS coordinators polled their clients to determine the type of rewards they would be interested in receiving. We received the following suggestions:

- *Gift card to Kroger/Walmart/Target/Meijers (for purchases of food, clothing, house supplies, fuel, etc.)*
- *Tickets to a family event (Legends baseball game, Movie Showing, skating, bowling, local pool, etc.)*
- *Payment of a utility bill*
- *Savings Bond/Certificate of Deposit*

- *Auto gift card to a reputable auto repair business (oil change, tires, fluids, etc.)*
- *Furniture item from furniture retailer*

In determining setting goals for the program, staff is mindful of the agency's definition of a self-sufficient family "as one that has become a responsible tenant family through employment, education and community involvement." The following are goals to be considered in the program that include but are not limited to the following:

- Consistently paying rent on time
- Maintaining employment for an extended period
- Volunteering
- Maintaining a certain grade point average
- Graduation from college or vocational school
- Receiving a GED
- Perfect attendance at school
- Participation in organized extracurricular school activity

Once a year participants would have the opportunity to participate in a larger drawing for rewards such as a bike, television, savings bond, etc. In August 2013, LHA staff met with the principal of William Wells Brown Elementary School which is located in the same neighborhood as the LHA's newest HOPE VI units. The principal is interested in playing a role in the rewards incentive program in that neighborhood.

LHA staff will hold a MTW stakeholders meeting during FY 2014 and form a sub-committee meeting of stakeholders to establish the program procedures in order to proceed with implementation in the second half of 2014.

F. Reserve Balances

Lexington Housing Authority				
Reserves				
Planned vs Actual FY 12 & FY 13				
	Restricted	Restricted	Unrestricted	Unrestricted
	Net Assets	Net Assets	Net Assets	Net Assets
	511.1	511.1	512.1	512.1
	Planned FY 12	Actual FY 12	Planned FY 13	Actual FY 13
AMP 1	\$ 288,719.00	\$ 656,567.00	\$ 579,253.00	\$ 618,837.00
AMP 2	\$ 246,362.00	\$ 585,155.00	\$ 700,496.00	\$ 619,057.00
AMP 3	\$ 656,489.00	\$ 841,124.00	\$ 875,700.00	\$ 880,884.00
AMP 4	\$ 755,927.00	\$ 773,206.00	\$ 1,136,058.00	\$ 1,007,834.00
AMP 5	\$ 151,156.00	\$ 151,156.00	\$ -	\$ -
AMP 12	\$ 1,059,307.00	\$ 643,260.00	\$ 779,815.00	\$ 922,462.00
S8	\$ 3,114,616.00	\$ 2,562,779.00	\$ 2,589,916.00	\$ 1,603,813.00
COCC	\$ 1,291,310.00	\$ 1,371,383.00	\$ 1,483,961.00	\$ 1,126,590.00
	\$ 7,563,886.00	\$ 7,584,630.00	\$ 8,145,199.00	\$ 6,779,477.00

G. Planned vs. Actual Sources and Uses by AMP

Account Description	Planned vs Actual FYE 2012											
	AMP 1 180 Units		AMP 2 139 Units		AMP 3 102 Units		AMP 4 183 Units		AMP 12 206 Units		HCV	
	Planned	Actual	Planned	Actual	Planned	Actual	Planned	Actual	Planned	Actual	Planned	Actual
REVENUE:												
Net Tenant Rental Revenue	246,797	269,776	285,242	335,596	237,528	248,081	481,771	476,649	8,680	17,494		
Tenant Revenue - Other	23,761	29,992	25,774	19,938	17,996	28,391	31,538	29,168	12,982	14,586		
Total Tenant Revenue	270,558	299,768	311,016	355,534	255,524	276,472	513,310	505,817	21,661	32,080	0	0
HUD PHA Grants - Operating Subsidy	542,283	847,055	375,663	601,303	198,654	362,774	364,953	521,201	933,987	413,275		
HUD PHA Grants - All Other	0	0	0	0	0	0	0	0	0	0	16,775,834	17,939,968
Other Fees (BPLLC Mgmt Fees + LHOC fees)	0	0	0	0	0	0	0	0	0	0		
Investment Income - Unrestricted	6,421	3,670	4,934	2,819	3,622	2,069	6,965	3,708	7,304	4,175	5,804	5,248
Other Revenue - Non Dwelling Rent	0	0	0	0	0	0	0	0	0	0		
Other Revenue	0	0	0	0	0	0	960	0	570	0	2,616	27,238
Proceeds from disposition of assets held for sale	0	0	0	0	0	0	0	0	0	0		
TOTAL REVENUE	819,262	1,150,493	691,613	959,656	457,800	641,315	886,188	1,030,726	963,523	449,530	16,784,254	17,972,455
EXPENSES:												
Administrative:												
Administrative Salaries + Tenant Services Salaries	87,097	57,825	53,899	25,379	27,051	19,774	92,722	62,976	123,371	105,926	431,016	357,318
Auditing Fees	4,877	4,300	3,982	3,323	3,047	2,541	5394	4495	5,863	4,886	14,500	14,359
Management Fees to LHA											346,320	346,320
Management Fee (Property)	105,019	107,367	81,898	83,640	59,511	61,209	106,770	109,193	120,189	110,897	0	0
Bookkeeping Fee	16,200	15,830	12,510	12,332	9,180	9,025	16,470	16,099	18,540	16,353	216,450	216,450
Asset Management Fee	21,600	21,600	16,680	16,680	12,240	12,240	21,960	21,960	24,720	22,000		
Compensated Absences	1,757	1,087	1,087	1,087	546	2,823	1,870	1,624	2,489	0	0	5,465
Employee Benef Contr - Administrative + TS	30,481	31,084	18,862	12,646	9,467	8,767	32,449	31,830	43,175	49,160	150,839	169,500
Advertising & Marketing	272	1,228	214	400	1,942	1,059	618	742	313	727	5,778	2,819
Office Expenses	17,994	22,207	17,176	18,750	18,328	17,468	24,040	29,666	22,270	29,045	83,012	80,498
Legal Expense	755	22,162	422	1,129	166	248	426	2,249	3,679	2,157	158	403
Travel	390	1,404	361	627	542	389	200	304	438	3,644	1,943	11,513
Other	3,590	3,977	2,843	2,760	1,714	927	1,763	1,952	4,420	4,217	36,614	10,829
Total Operating-Administrative			0	0	0	0	0	0	0	0		
Utilities:												
Water	227,232	222,944	148,135	131,016	82,597	86,808	87,823	96,493	178,136	168,859		
Electricity	17,830	13,979	11,405	7,265	1,315	1,629	184,195	194,736	29,689	28,556		
Gas	8,364	3,026	5,999	1,825	1,963	2,312	27,692	22,286	13,844	12,181		
Sewer												
Other Utilities Expense	2,892	4,726	3,776	1,958	2,802	669	0	0	6,313	6,029		
Total Utilities												
Ordinary Maintenance & Operation:												
Ordinary Maintenance & Operation - Labor	148,120	128,339	100,922	105,766	62,319	57,119	109,037	125,329	128,762	127,408		
Ordinary Maintenance & Operation - Materials & Other	32,054	34,439	53,737	36,157	25,907	37,566	35,597	35,702	39,830	36,580	3,803	5,623
Ordinary Maintenance & Operation - Contract Costs												
Ordinary Maintenance & Operations Garbage & Trash Removal	476	441	277	377	992	970	3,406	3,583	0	0	0	0
Ordinary Maintenance & Operations Miscellaneous												
Heating & Cooling	21,792	20,015	6,022	15,039	320	1,613	23,106	24,533	9,384	12,244	0	0
Snow Removal	8,312		1,710	2,134	61		3,190		4,757		0	0
Elevator Maintenance							12,587	12,674				
Landscape and Grounds	12,270	37,067	12,961	16,607	5,906	5,176	3,038	4,590	9,888	16,586	0	0
Unit Turnaround	52,072	36,542	48,710	31,874	10,801	16,558	10,788	12,819	32,927	11,541	0	0
Electrical	4,852	8,269	1,771	3,855	0		1,402	5,428	4,320	4,194	0	0
Plumbing	7,139	8,864	15,126	20,730	1,661	2,343	36,000	10,870	16,471	6,513	0	0
Extermination	33,116	20,707	20,878	23,453	6,762	6,714	41,597	45,892	35,839	28,238	0	0
Routine	6,066		14,314		2,579		18,000	26,592	11,630	6,688	6,612	7,545
Miscellaneous	5,852	26,256	7,672	26,099	2,707	5,877	9,600	52,203	10,906	15,618	4,374	1,442
Employee Benefit Contributions - Ordinary Maintenance	51,836	63,021	35,319	41,777	21,809	25,012	38,159	55,843	45,061	52,365		
Total Maintenance			0	0	0	0	0	0	0	0		
Protective Services								81,137				
Insurance Premiums											15,807	
Property Insurance	34,449	31,327	27,357	24,365	21,417	17,752	35,144	32,023	39,749	36,207	4,747	12,631
Liability Insurance	1,212	2,775	1,136	2,890	1,280	1,869	1,400	1,721	1,655	3,176	17,528	4,393
Workmen's Compensation	13,189	9,325	12,367	7,589	13,933	6,615	15,228	11,590	17,986	10,672	26,375	21,963
All Other Insurance	1,299		1,100		1,371		1,500		1,772		2,599	
Total Insurance Premiums												
Gen Adm Exp/FSS Coord/Contingency		315	5,705		4,751		9,635			1,113	1,523	1,013
Compensated Absences												
Payments in Lieu of Taxes	13,228	3,829	22,300	21,628	24,884	17,154	19,960	19,328	(7,092)	(16,898)	0	0
Bad Debt - Tenant Rents	20,448	12,327	5,648	3,261	50	10,577	0	1,564	6,553	4,941		
Reserve for Replacement			0	0	0	0	0	0	0	0		
Housing Assistance Payments			0	0	0	0	0	0	0	0	15,196,814	17,030,825
Debt Service												
TOTAL EXPENSES	1,014,134	977,517	773,482	702,733	441,922	440,803	1,032,766	1,160,026	1,007,848	909,903	16,560,811	16,300,849
SURPLUS/DEFICIT BEFORE CAPITAL FUND	(194,871)	172,977	(81,869)	256,924	15,878	200,513	(146,578)	(129,299)	(44,325)	(460,372)	223,443	(328,394)
Capital Fund Allocation												
Inter-AMP Excess Cash Transfer In												
Inter-AMP Excess Cash Transfer Out												
Transfers from Program to AMP												
TOTAL SURPLUS/DEFICIT	0	0	0	0	0	0	0	0	0	0	0	0

Lexington-Fayette Urban County Housing Authority Moving To Work Annual Report FY 2012 – FY 2013

Account Description	Planned vs Actual FYE 2013											
	AMP 1 180 Units		AMP 2 139 Units		AMP 3 102 Units		AMP 4 183 Units		AMP 12 186 Units		HCV	
	Planned	Actual	Planned	Actual	Planned	Actual	Planned	Actual	Planned	Actual	Planned	Actual
REVENUE:												
Net Tenant Rental Revenue	267,630	290,655	329,625	302,408	243,233	272,355	475,401	457,799	11,388	145,570		
Tenant Revenue - Other	34,219	26,325	23,382	21,744	28,278	20,098	26,382	34,254	12,567	22,318		
Total Tenant Revenue	301,849	316,980	353,007	324,152	271,511	292,453	501,783	492,053	23,955	167,888	0	0
HUD PHA Grants - Operating Subsidy	703,965	661,661	488,261	448,358	284,857	279,553	400,771	448,296	1,020,285	1,132,704		
HUD PHA Grants - All Other	0	0	0	0	0	0	0	0	0	0	17,170,268	15,639,639
Management Fee (Property)	0	0	0	0	0	0	0	0	0	0		
Asset Management Fee	0	0	0	0	0	0	0	0	0	0		
Bookkeeping Fee	0	0	0	0	0	0	0	0	0	0		
Front Line Service Fee	0	0	0	0	0	0	0	0	0	0	0	0
Other Fees (BPLLC Mgmt Fees + LHOC fees)	0	0	0	0	0	0	0	0	0	0	43,776	
Investment Income - Unrestricted	2,971	3,564	1,848	2,738	1,689	2,010	2,760	3,602	3,108	4,056	4,016	1,617
Other Revenue - Non Dwelling Rent	0	0	0	0	0	0	0	0	0	0		
Other Revenue	369	0	0	100	0	0	300	0	483	0	666	22,991
Proceeds from disposition of assets held for sale	0	0	0	0	0	0	0	0	0	0		
TOTAL REVENUE	1,009,154	982,205	843,116	775,348	558,057	574,016	905,614	943,951	1,047,831	1,304,648	17,218,726	15,663,647
EXPENSES:												
Administrative:												
Administrative Salaries + Tenant Services Salaries	92,557	61,153	39,229	39,654	25,155	21,213	42,257	63,617	115,496	112,271	428,436	359,279
Auditing Fees	4,877	3,593	3,982	3,592	3,047	3,592	6743	3593	7,329	3,593	14,500	12,460
Management Fees to LHA											346,320	342,108
Management Fee (Property)	111,002	107,626	85,719	85,854	62,901	62,178	112,852	112,919	127,036	94,090	0	0
Bookkeeping Fee	16,200	15,338	12,510	12,234	9,180	8,857	16,470	16,087	18,540	13,447	216,450	213,818
Asset Management Fee	21,600	21,600	16,680	16,680	12,240	12,240	21,960	21,960	24,720	22,320		
Compensated Absences	990	7,710	420	1,176	269	301	452	1,517	1,237	(8,883)	0	0
Employee Benef Contr - Administrative + TS	33,322	24,074	14,123	14,640	9,056	9,000	15,213	25,081	41,737	45,139	154,245	160,351
Advertising & Marketing	2,230	154	856	147	1,517	736	300	1,147	313	3,320	4,229	6,113
Office Expenses	14,321	17,877	14,840	16,402	11,919	13,134	22,413	25,371	19,703	26,070	52,488	66,041
Legal Expense	2,118	5,070	860	1,109	440	139	551	2,323	1,424	5,830	605	1,896
Travel	2,106	1,242	724	1,554	116	1,647	197	2,174	5,018	1,999	16,485	13,857
Other	2,774	1,890	1,415	2,017	645	755	1,191	4,201	1,740	6,252	8,097	17,910
Total Operating-Administrative			0	0	0	0	0	0	0	0		
Utilities:												
Water	227,702	220,305	126,035	130,397	91,346	84,641	101,399	77,841	164,988	157,145		
Electricity	14,058	16,489	9,127	8,477	1,382	2,401	183,960	156,729	29,631	34,683		
Gas	2,570	3,293	2,011	1,043	3,275	866	20,484	19,880	11,888	15,642		
Sewer	0	0	0	0	0	0	0	0	0	0		
Other Utilities Expense	3,450	4,751	2,103	2,128	609	813	0	0	4,622	6,833		
Total Utilities												
Ordinary Maintenance & Operation:												
Ordinary Maintenance & Operation - Labor	139,774	95,757	100,832	106,198	60,839	54,938	95,099	133,611	128,217	109,376		
Ordinary Maintenance & Operation - Materials & Other	38,322	39,645	44,321	46,545	32,600	44,252	36,251	47,309	36,813	26,063	4,929	5,586
Ordinary Maintenance & Operation - Contract Costs												
Ordinary Maintenance & Operations Garbage & Trash Removal	428	791	218	372	1,332	1,210	3,227	4,493	0	0	0	0
Ordinary Maintenance & Operations Miscellaneous												
Heating & Cooling	13,841	23,338	13,862	10,990	1,533	9,068	21,104	64,741	13,749	12,257	0	0
Snow Removal	6,373	2,910	1,684	1,920	493		3,190	1,102	3,964	1,950	0	0
Elevator Maintenance								10,763	14,376	0	0	0
Landscape and Grounds	32,583	22,846	13,267	21,900	4,452	6,320	3,336	5,978	11,709	12,539	0	0
Unit Turnaround	39,500	38,730	37,547	32,736	21,951	14,140	14,867	19,429	10,761	23,224	0	0
Electrical	14,366	17,959	3,940	2,605	0	0	7,320	4,443	6,291	8,485	0	150
Plumbing	10,502	21,747	19,073	10,533	2,301	3,521	7,977	16,884	5,942	12,485	0	0
Extermination	19,955	32,439	21,593	16,298	7,926	8,695	39,902	36,821	30,533	26,806	0	0
Routine	6,467		8,155		3,663		18,017	17,850	6,444	5,752	10,460	6,027
Miscellaneous	5,986	11,397	11,619	20,244	2,033	14,799	48,342	36,659	12,203	10,152	1,068	105,742
Employee Benefit Contributions - Ordinary Maintenance	50,321	42,716	36,302	45,804	21,903	23,922	34,237	56,187	46,003	43,956		
Total Maintenance												
Protective Services								75,218		105,667		
Insurance Premiums												
Property Insurance	31,466	33,279	18,609	26,255	14,316	18,939	23,501	32,768	30,470	38,057		
Liability Insurance	3,398	276	1,856		1,437		7,277		8,594		2,501	15,647
Workmen's Compensation	9,292	7,342	7,398	5,975	6,408	5,209	11,220	9,126	10,331	8,403	22,214	17,245
All Other Insurance	1,750		151		2,124		1,200		1,200		21,203	
Total Insurance Premiums												
Gen Adm Exp/FSS Coord/Contingency	1,027		9,738		7,297		14,262		377			295
Compensated Absences											42,786	
Payments in Lieu of Taxes	6,312	5,402	5,993	17,982	14,820	18,860	5,876	23,040	308	(4,123)	0	0
Bad Debt - Tenant Rents	3,758	12,026	5,652	2,654	3,047	7,961	21,935	7,431	1,338	4,039		
Reserve for Replacement												
Housing Assistance Payments											15,844,573	15,278,088
Debt Service												
TOTAL EXPENSES	987,298	920,765	692,444	706,115	443,572	454,347	975,345	1,141,906	940,669	984,839	17,191,589	16,622,613
SURPLUS/DERICT BEFORE CAPITAL FUND	21,856	61,440	150,672	69,233	114,485	119,669	(69,731)	(197,955)	107,162	319,809	27,137	(958,966)
Capital Fund Allocation												
Inter-AMP Excess Cash Transfer In												
Inter-AMP Excess Cash Transfer Out												
Transfers from Program to AMP												
TOTAL SURPLUS/DERICT					0							

VIII. ADMINISTRATIVE

A. Correction of Observed Deficiencies Cited Thru Oversight and Monitoring Mechanisms

N/A

B. Agency-Directed Evaluations of the MTW Demonstration

LHA has sought the participation of an objective, third party evaluator, Kentucky State University (the state's only historically black college and an 1890 land-grant institution), to continually monitor and report on the effects of its MTW initiatives.

On November 23, 2010, Kentucky State University (KSU) confirmed its commitment to work with the LHA as program evaluator for LHA's Moving to Work (MTW) demonstration program (See Appendix A for KSU Evaluation Commitment Letter).

Beginning August 28, 2011 Amanda Sokan, MHA, PhD, Assistant Professor in the College of Professional Studies at KSU, began collaborating with the MTW team - Andrea Wilson (LHA MTW Coordinator), Sarah Howard (The Schiff Group Consultant), and LHA management. In June of 2013 Dr. Sokan left the employment of KSU and a new KSU lead evaluator was assigned in September 2013. Dr. Vernell Bennett, Assistant Vice President for Diversity and Inclusion and Associate Professor at KSU accepted the assignment as lead evaluator on the project. Due to this timing, Dr. Bennett was not able to significantly assist the LHA in the preparation of this report.

The Housing Authority was extremely concerned that rent reform activity outcomes still be examined by a qualified, objective third party to ensure that there were no unintended disparate impacts on protected classes. For this reason, activity outcomes were reviewed with Lexington Fair Housing Council Executive Director Art Crosby. Feedback from Mr. Crosby is included in the impact section associated with each rent reform activity.

C. Performance & Evaluation Reports for Capital Fund Activities Not Included in the MTW Block Grant

Annual Statement/Performance and Evaluation Report
Capital Fund Program, Capital Fund Program Replacement Housing Factor and
Capital Fund Financing Program

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
OMB No. 2577-0226
Expires 8/31/2011

Part I: Summary						
PHA Name: Lexington-Fayette Urban County Housing Authority		Grant Type and Number Capital Fund Program Grant No Replacement Housing Factor Grant No: KY36-R004-502-12 Date of CFFP:			FFY of Grant: 2012 FFY of Grant Approval:	
Type of Grant <input type="checkbox"/> Original Annual Statement <input type="checkbox"/> Reserve for Disasters/Emergencies <input type="checkbox"/> Revised Annual Statement (revision no:) <input checked="" type="checkbox"/> Performance and Evaluation Report for Period Ending: 06-30-2013 <input type="checkbox"/> Final Performance and Evaluation Report						
Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost ¹		
		Original	Revised ²	Obligated	Expended	
1	Total non-CFP Funds					
2	1406 Operations (may not exceed 20% of line 21) ³					
3	1408 Management Improvements					
4	1410 Administration (may not exceed 10% of line 21)					
5	1411 Audit					
6	1415 Liquidated Damages					
7	1430 Fees and Costs					
8	1440 Site Acquisition					
9	1450 Site Improvement					
10	1460 Dwelling Structures					
11	1465.1 Dwelling Equipment—Nonexpendable					
12	1470 Non-dwelling Structures					
13	1475 Non-dwelling Equipment					
14	1485 Demolition					
15	1492 Moving to Work Demonstration					
16	1495.1 Relocation Costs					
17	1499 Development Activities ⁴	352,873.00		0.00	0.00	

¹ To be completed for the Performance and Evaluation Report.
² To be completed for the Performance and Evaluation Report or a Revised Annual Statement.
³ PHAs with under 250 units in management may use 100% of CFP Grants for operations.
⁴ RHF funds shall be included here.

Annual Statement/Performance and Evaluation Report
Capital Fund Program, Capital Fund Program Replacement Housing Factor and
Capital Fund Financing Program

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
OMB No. 2577-0226
Expires 08/31/2011

Part I: Summary						
PHA Name: Lexington-Fayette Urban County Housing Authority		Grant Type and Number Capital Fund Program Grant No Replacement Housing Factor Grant No: KY36-R004-502-12 Date of CFFP:			FFY of Grant: 2012 FFY of Grant Approval:	
Type of Grant <input type="checkbox"/> Original Annual Statement <input type="checkbox"/> Reserve for Disasters/Emergencies <input type="checkbox"/> Revised Annual Statement (revision no:) <input checked="" type="checkbox"/> Performance and Evaluation Report for Period Ending: 6-30-2013 <input type="checkbox"/> Final Performance and Evaluation Report						
Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost ¹		
		Original	Revised ²	Obligated	Expended	
18a	1501 Collateralization or Debt Service paid by the PHA					
18ba	9000 Collateralization or Debt Service paid Via System of Direct Payment					
19	1502 Contingency (may not exceed 8% of line 20)	352,873.00		0.00	0.00	
20	Amount of Annual Grant: (sum of lines 2 - 19)					
21	Amount of line 20 Related to LBP Activities					
22	Amount of line 20 Related to Section 504 Activities					
23	Amount of line 20 Related to Security - Soft Costs					
24	Amount of line 20 Related to Security - Hard Costs					
25	Amount of line 20 Related to Energy Conservation Measures					
Signature of Executive Director		Date		Signature of Public Housing Director		
				Date		

¹ To be completed for the Performance and Evaluation Report.
² To be completed for the Performance and Evaluation Report or a Revised Annual Statement.
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Lexington-Fayette Urban County Housing Authority Moving To Work Annual Report FY 2012 – FY 2013

Annual Statement/Performance and Evaluation Report
 Capital Fund Program, Capital Fund Program Replacement Housing Factor and
 Capital Fund Financing Program

U.S. Department of Housing and Urban Development
 Office of Public and Indian Housing
 OMB No. 2577-0226
 Expires 8/31/2011

Part I: Summary					
PHA Name: Lexington-Fayette Urban County Housing Authority		Grant Type and Number Capital Fund Program Grant No Replacement Housing Factor Grant No: KY36-R004-502-11 Date of CFFP:		FFY of Grant: 2011 FFY of Grant Approval:	
Type of Grant <input type="checkbox"/> Original Annual Statement <input type="checkbox"/> Reserve for Disasters/Emergencies <input type="checkbox"/> Revised Annual Statement (revision no:) <input checked="" type="checkbox"/> Performance and Evaluation Report for Period Ending: 06-30-2013 <input type="checkbox"/> Final Performance and Evaluation Report					
Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost ¹	
		Original	Revised ²	Obligated	Expended
1	Total non-CFP Funds				
2	1406 Operations (may not exceed 20% of line 21) ³				
3	1408 Management Improvements				
4	1410 Administration (may not exceed 10% of line 21)				
5	1411 Audit				
6	1415 Liquidated Damages				
7	1430 Fees and Costs				
8	1440 Site Acquisition				
9	1450 Site Improvement				
10	1460 Dwelling Structures				
11	1465.1 Dwelling Equipment—Nonexpendable				
12	1470 Non-dwelling Structures				
13	1475 Non-dwelling Equipment				
14	1485 Demolition				
15	1492 Moving to Work Demonstration				
16	1495.1 Relocation Costs				
17	1499 Development Activities ⁴	191,515.00		0.00	0.00

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Annual Statement/Performance and Evaluation Report
 Capital Fund Program, Capital Fund Program Replacement Housing Factor and
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U.S. Department of Housing and Urban Development
 Office of Public and Indian Housing
 OMB No. 2577-0226
 Expires 08/31/2011

Part I: Summary					
PHA Name: Lexington-Fayette Urban County Housing Authority		Grant Type and Number Capital Fund Program Grant No Replacement Housing Factor Grant No: KY36-R004-502-11 Date of CFFP:		FFY of Grant: 2011 FFY of Grant Approval:	
Type of Grant <input type="checkbox"/> Original Annual Statement <input type="checkbox"/> Reserve for Disasters/Emergencies <input type="checkbox"/> Revised Annual Statement (revision no:) <input checked="" type="checkbox"/> Performance and Evaluation Report for Period Ending: 06-30-2013 <input type="checkbox"/> Final Performance and Evaluation Report					
Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost ¹	
		Original	Revised ²	Obligated	Expended
18a	1501 Collateralization or Debt Service paid by the PHA				
18ba	9000 Collateralization or Debt Service paid Via System of Direct Payment				
19	1502 Contingency (may not exceed 8% of line 20)	191,515.00		0.00	0.00
20	Amount of Annual Grant: (sum of lines 2 - 19)				
21	Amount of line 20 Related to LBP Activities				
22	Amount of line 20 Related to Section 504 Activities				
23	Amount of line 20 Related to Security - Soft Costs				
24	Amount of line 20 Related to Security - Hard Costs				
25	Amount of line 20 Related to Energy Conservation Measures				
Signature of Executive Director		Date		Signature of Public Housing Director	
				Date	

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Lexington-Fayette Urban County Housing Authority Moving To Work Annual Report FY 2012 – FY 2013

Annual Statement/Performance and Evaluation Report
 Capital Fund Program, Capital Fund Program Replacement Housing Factor and
 Capital Fund Financing Program

U.S. Department of Housing and Urban Development
 Office of Public and Indian Housing
 OMB No. 2577-0226
 Expires 8/31/2011

Part I: Summary						
PHA Name: Lexington-Fayette Urban County Housing Authority		Grant Type and Number Capital Fund Program Grant No Replacement Housing Factor Grant No: KY36-R004-502-10 Date of CFFP:			FFY of Grant: 2010 FFY of Grant Approval:	
Type of Grant <input type="checkbox"/> Original Annual Statement <input type="checkbox"/> Reserve for Disasters/Emergencies <input type="checkbox"/> Revised Annual Statement (revision no:) <input checked="" type="checkbox"/> Performance and Evaluation Report for Period Ending: 06-30-13 <input type="checkbox"/> Final Performance and Evaluation Report						
Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost ¹		
		Original	Revised ²	Obligated	Expended	
1	Total non-CFP Funds					
2	1406 Operations (may not exceed 20% of line 21) ³					
3	1408 Management Improvements					
4	1410 Administration (may not exceed 10% of line 21)					
5	1411 Audit					
6	1415 Liquidated Damages					
7	1430 Fees and Costs					
8	1440 Site Acquisition					
9	1450 Site Improvement					
10	1460 Dwelling Structures					
11	1465.1 Dwelling Equipment—Nonexpendable					
12	1470 Non-dwelling Structures					
13	1475 Non-dwelling Equipment					
14	1485 Demolition					
15	1492 Moving to Work Demonstration					
16	1495.1 Relocation Costs					
17	1499 Development Activities ⁴	594,807.00		594,807.00	321,736.44	

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Annual Statement/Performance and Evaluation Report
 Capital Fund Program, Capital Fund Program Replacement Housing Factor and
 Capital Fund Financing Program

U.S. Department of Housing and Urban Development
 Office of Public and Indian Housing
 OMB No. 2577-0226
 Expires 08/31/2011

Part I: Summary						
PHA Name: Lexington-Fayette Urban County Housing Authority		Grant Type and Number Capital Fund Program Grant No Replacement Housing Factor Grant No: KY36-R004-502-10 Date of CFFP:			FFY of Grant: 2010 FFY of Grant Approval:	
Type of Grant <input type="checkbox"/> Original Annual Statement <input type="checkbox"/> Reserve for Disasters/Emergencies <input type="checkbox"/> Revised Annual Statement (revision no:) <input checked="" type="checkbox"/> Performance and Evaluation Report for Period Ending: 06-30-13 <input type="checkbox"/> Final Performance and Evaluation Report						
Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost ¹		
		Original	Revised ²	Obligated	Expended	
18a	1501 Collateralization or Debt Service paid by the PHA					
18ba	9000 Collateralization or Debt Service paid Via System of Direct Payment					
19	1502 Contingency (may not exceed 8% of line 20)	594,807.00		594,807.00	321,736.44	
20	Amount of Annual Grant:: (sum of lines 2 - 19)					
21	Amount of line 20 Related to LBP Activities					
22	Amount of line 20 Related to Section 504 Activities					
23	Amount of line 20 Related to Security - Soft Costs					
24	Amount of line 20 Related to Security - Hard Costs					
25	Amount of line 20 Related to Energy Conservation Measures					
Signature of Executive Director		Date		Signature of Public Housing Director		
				Date		

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Lexington-Fayette Urban County Housing Authority Moving To Work Annual Report FY 2012 – FY 2013

Annual Statement/Performance and Evaluation Report
 Capital Fund Program, Capital Fund Program Replacement Housing Factor and
 Capital Fund Financing Program

U.S. Department of Housing and Urban Development
 Office of Public and Indian Housing
 OMB No. 2577-0226
 Expires 8/31/2011

Part I: Summary					
PHA Name: Lexington-Fayette Urban County Housing Authority		Grant Type and Number Capital Fund Program Grant No: KY36-P004-501-11 Replacement Housing Factor Grant No: Date of CFFP:			FFY of Grant: 07/2011 FFY of Grant Approval:
Type of Grant <input type="checkbox"/> Original Annual Statement <input type="checkbox"/> Reserve for Disasters/Emergencies <input type="checkbox"/> Revised Annual Statement (revision no:) <input checked="" type="checkbox"/> Performance and Evaluation Report for Period Ending: 06-30-2013 <input type="checkbox"/> Final Performance and Evaluation Report					
Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost ¹	
		Original	Revised ²	Obligated	Expended
1	Total non-CFP Funds				
2	1406 Operations (may not exceed 20% of line 21) ³	292,121.00	0.00	0.00	
3	1408 Management Improvements	207,030.00	0.00	207,030.00	207,030.00
4	1410 Administration (may not exceed 10% of line 21)	146,060.00	0.00	146,060.00	146,060.00
5	1411 Audit				
6	1415 Liquidated Damages				
7	1430 Fees and Costs				
8	1440 Site Acquisition				
9	1450 Site Improvement				
10	1460 Dwelling Structures	815,396.00	0.00	218,096.64	159,045.31
11	1465.1 Dwelling Equipment—Nonexpendable				
12	1470 Non-dwelling Structures				
13	1475 Non-dwelling Equipment				
14	1485 Demolition				
15	1492 Moving to Work Demonstration				
16	1495.1 Relocation Costs				
17	1499 Development Activities ⁴	0.00	0.00	0.00	0.00

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Annual Statement/Performance and Evaluation Report
 Capital Fund Program, Capital Fund Program Replacement Housing Factor and
 Capital Fund Financing Program

U.S. Department of Housing and Urban Development
 Office of Public and Indian Housing
 OMB No. 2577-0226
 Expires 08/31/2011

Part I: Summary					
PHA Name: Lexington-Fayette Urban County Housing Authority		Grant Type and Number Capital Fund Program Grant No: KY36-P004-501-11 Replacement Housing Factor Grant No: Date of CFFP:			FFY of Grant: 07/2011 FFY of Grant Approval:
Type of Grant <input type="checkbox"/> Original Annual Statement <input type="checkbox"/> Reserve for Disasters/Emergencies <input type="checkbox"/> Revised Annual Statement (revision no:) <input checked="" type="checkbox"/> Performance and Evaluation Report for Period Ending: 06-30-2013 <input type="checkbox"/> Final Performance and Evaluation Report					
Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost ¹	
		Original	Revised ²	Obligated	Expended
18a	1501 Collateralization or Debt Service paid by the PHA				
18ba	9000 Collateralization or Debt Service paid Via System of Direct Payment				
19	1502 Contingency (may not exceed 8% of line 20)				
20	Amount of Annual Grant: (sum of lines 2 - 19)	1,460,607.00	0.00	571,186.64	512,135.31
21	Amount of line 20 Related to LBP Activities				
22	Amount of line 20 Related to Section 504 Activities				
23	Amount of line 20 Related to Security - Soft Costs				
24	Amount of line 20 Related to Security - Hard Costs				
25	Amount of line 20 Related to Energy Conservation Measures				
Signature of Executive Director		Date		Signature of Public Housing Director	

¹ To be completed for the Performance and Evaluation Report.
² To be completed for the Performance and Evaluation Report or a Revised Annual Statement.
³ PHAs with under 250 units in management may use 100% of CFP Grants for operations.
⁴ RHF funds shall be included here.

Lexington-Fayette Urban County Housing Authority Moving To Work Annual Report FY 2012 – FY 2013

Annual Statement/Performance and Evaluation Report
 Capital Fund Program, Capital Fund Program Replacement Housing Factor and
 Capital Fund Financing Program

U.S. Department of Housing and Urban Development
 Office of Public and Indian Housing
 OMB No. 2577-0226
 Expires 8/31/2011

Part I: Summary						
PHA Name: Lexington-Fayette Urban County Housing Authority		Grant Type and Number Capital Fund Program Grant No: KY36-P004-501-10 Replacement Housing Factor Grant No: Date of CFFP:			FFY of Grant: 07/2010 FFY of Grant Approval:	
Type of Grant <input checked="" type="checkbox"/> Original Annual Statement <input type="checkbox"/> Reserve for Disasters/Emergencies <input type="checkbox"/> Performance and Evaluation Report for Period Ending: <input checked="" type="checkbox"/> Revised Annual Statement (revision no:) <input checked="" type="checkbox"/> Final Performance and Evaluation Report 02/28/2013						
Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost ¹		
		Original	Revised ²	Obligated	Expended	
1	Total non-CFP Funds					
2	1406 Operations (may not exceed 20% of line 21) ³	270,160.00	270,112.80	270,112.80	270,112.80	
3	1408 Management Improvements	36,000.00	180,000.00	180,000.00	180,000.00	
4	1410 Administration (may not exceed 10% of line 21)	135,056.00	135,056.00	135,056.00	135,056.00	
5	1411 Audit					
6	1415 Liquidated Damages					
7	1430 Fees and Costs					
8	1440 Site Acquisition					
9	1450 Site Improvement					
10	1460 Dwelling Structures	84,157.00	765,395.20	765,395.20	765,395.20	
11	1465.1 Dwelling Equipment—Nonexpendable					
12	1470 Non-dwelling Structures					
13	1475 Non-dwelling Equipment					
14	1485 Demolition					
15	1492 Moving to Work Demonstration					
16	1495.1 Relocation Costs					
17	1499 Development Activities ⁴	825,191.00	0.00	0.00	0.00	

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Annual Statement/Performance and Evaluation Report
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Part I: Summary						
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Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost ¹		
		Original	Revised ²	Obligated	Expended	
18a	1501 Collateralization or Debt Service paid by the PHA					
18ba	9000 Collateralization or Debt Service paid Via System of Direct Payment					
19	1502 Contingency (may not exceed 8% of line 20)					
20	Amount of Annual Grant:: (sum of lines 2 - 19)	1,350,564.00	1,350,564.00	1,350,564.00	1,350,564.00	
21	Amount of line 20 Related to LBP Activities					
22	Amount of line 20 Related to Section 504 Activities					
23	Amount of line 20 Related to Security - Soft Costs					
24	Amount of line 20 Related to Security - Hard Costs					
25	Amount of line 20 Related to Energy Conservation Measures					
Signature of Executive Director		Date		Signature of Public Housing Director		

¹ To be completed for the Performance and Evaluation Report.
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⁴ RHF funds shall be included here.

D. Agency Certification That MTW Statutory Requirements Have Been Met

**CERTIFICATION WITH STATUTORY REQUIREMENTS
MOVING TO WORK ANNUAL REPORT**

Acting on behalf of the Public Housing Agency (PHA) listed below, as its authorized PHA official, I approve the submission of the Annual Moving to Work Report for the PHA fiscal years July 1, 2011 through June 30, 2012 and July 1, 2012 through June 30, 2013.

The Agency has met the three statutory requirements of: 1) ensure that at least 75 percent of the families assisted by the Agency are very low-income families, as defined in section 3(b)(2) of the 1937 Act; 2) assist substantially the same total number of eligible low-income families under MTW, as would have been served absent the demonstration, and 3) maintain a comparable mix of families by family size, as would have been served or assisted had the amounts not been used under the demonstration.

Lexington-Fayette Urban County Housing Authority
PHA Name

KY004
PHA Number/HA Code

I hereby certify that all the information stated herein, as well as any information provided in the Report, is true and accurate.

Austin J. Simms
Name of Authorized Official

Executive Director
Title


Signature

September 30, 2013
Date