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Executive Summary

FY 2006, (July 1, 2005 through June 30, 2006), marked the Louisville Metro Housing Authority's seventh year of participation in the Moving to Work (MTW) Demonstration Program.

In January 2003, the City of Louisville and Jefferson County merged governments to become the 16th largest city in the nation. On March 27, 2003 the Housing Authority of Louisville (HAL) and the Housing Authority of Jefferson County (HAJC) were also merged to form the Louisville Metro Housing Authority (LMHA). This historic event, coupled with the receipt of a \$20 million HOPE VI grant in March 2003 to redevelop Clarksdale I, and a second \$20 million HOPE VI grant in June 2004 for Clarksdale II, significantly changed the Agency's long- and short-term operations, and make its continued participation in the MTW program more critical than ever.

The planning process for Clarksdale I and II has sharpened the Agency's goals and objectives, and greatly influenced a redefined MTW program. The Agency is using the Clarksdale HOPE VI effort to focus on new development that expands housing choices for residents, furthers LMHA's deconcentration goals, and uses the full fungibility provided through the MTW Program to acquire real estate to include new scattered public housing units that is critical to its success.

This year's MTW Annual Report submission sets forth in detail the following progress on demonstration activities and initiatives that were undertaken during FY2006:

- **Adoption of new Admissions and Continuing Occupancy Policy (ACOP) and Housing Choice Voucher Administrative Plan**

One of the most important tasks LMHA performed during the past year was the codification of a new consolidated rent and Admissions and Continuing Occupancy Policy (ACOP) and a new Administrative Plan. Two groups of LMHA staff began combining and revising the former HAL and HAJC policies in early 2004 and both policies were adopted after extensive public comment including separate meetings with local advocacy groups in December, 2006.

- **Housing Development**

LMHA continues its revitalization and one-for-one unit replacement efforts related to its two HOPE VI grants for the replacement of Clarksdale Homes with Liberty Green, a mixed income, new-urbanist community. Possibly LMHA's best use of the MTW Demonstration has been the creative acquisition and development activities utilized for the Clarksdale revitalization. A variety of replacement housing types are under development including scattered-site single family homes built in concert with other non-PHA rental and homeownership development, lease-to-own public housing homeownership units, and ACC units purchased or leased in privately, developed, owned and managed mixed-income sites. The funding flexibility provided through MTW has been essential to many of these acquisitions.

- **Resident Programs**

LMHA continued and expanded resident programs emphasizing education, computer literacy, and other skills essential to obtaining employment and becoming economically self-sufficient. The Agency also continued to collaborate and partner with other social service agencies in the community in an effort to provide the highest quality services and programs to residents. Its award-winning Family Self Sufficiency (FSS) and Individual Development Account (IDA) programs continue to have strong participation.

The Louisville Metro Housing Authority has worked to analyze the outcomes from its participation in the MTW Demonstration Program within this report, and will continue to utilize the substantial benefits of the MTW program participation in future revisions of the Agency's plans, policies, and service provision. LMHA is strongly committed to the MTW program and desires to maximize its benefits to residents and to the Authority.

Quite simply, our goal is to change the face of public housing in Louisville. The decades old large public housing complexes present huge challenges for both the Authority and its residents. MTW continues to provide LMHA with the tools to explore new ways to create housing for low-income families. We greatly appreciate the opportunity to participate in the MTW program; we are actively pursuing a new initiative, which we anticipate will move through the planning stages in the current FY 2007 year and reach implementation in FY 2008. This initiative involves LMHA in collaboration with Project Women and the University of Louisville in a project to provide housing for low-income single parents as they pursue a college degree. Project Women is this area's only organization with a mission of assisting homeless single parents obtain a Baccalaureate Degree. LMHA will provide 28 project-based Section 8 vouchers for a facility near the University's main complex.

Moving To Work Program Overview

Program Goals

HUD's purpose in the Moving To Work (MTW) demonstration program is threefold:

- to provide flexibility to design and test various approaches for providing and administering housing assistance that reduces costs and achieves greater cost effectiveness in federal expenditures;
- to give incentives to families with children where the head of the household is working; is seeking work; or, is preparing for work by participating in job training, educational programs or programs to assist people to obtain employment and become economically self sufficient: and,
- to increase housing choices for low-income families.

LMHA's goals for the demonstration are as follows:

- Reposition and redevelop the conventional Public Housing stock;
- Use the Housing Choice Voucher program to implement stated Metro Government municipal goals;
- Increase housing choice through stronger rental communities and options, and expand homeownership opportunities;
- Develop programs and housing stock targeted to populations with special needs, especially those not adequately served elsewhere in the community;
- Continue to make administrative and other changes necessary to improve the merged Agency's operations; and
- Encourage program participant self-sufficiency.

These goals represent a refinement and redefinition of the Agency's objectives for the MTW demonstration program, based on the change in focus of the program required by the merger with the HAJC and the addition of a large-scale voucher program. They also represent the reorientation of the Agency's long-term goals and direction of mission, both of which have been redeveloped through the planning process for the Clarksdale HOPE VI Revitalization.

Reposition and redevelop the conventional Public Housing stock

The physical stock of family developments formerly owned and managed by the Housing Authority of Louisville needs to be completely redeveloped. These sites—large, dense, urban and often isolated—need major renovation or replacement. LMHA’s goal is to transform these communities in the coming years, replacing the current public housing developments with mixed income communities, while at the same time providing replacement units so that the overall number of families served will not decrease. In the elderly developments, modernization efforts will proceed with an eye towards appropriate and expanded service provision, such as supportive or assisted living.

Use the Housing Choice Voucher program to implement stated Metro Government municipal goals

Prior to merger, the Brookings Institute published a study entitled, “Beyond Merger: A Competitive Vision for the Regional City of Louisville.” This document continues to serve as the framework for the new Metro Government’s goals. As LMHA’s mission changes, so will its role in the community. The basic focus of the Agency is in line with the City’s competitive vision for itself: to fix the basics, build on assets, create quality neighborhoods; invest in working families and families striving to work; and influence Metro Louisville’s growth. It will look to reinforce downtown residential development, enhance natural and cultural amenities, strengthen neighborhoods, provide better and more comprehensive links to transportation support, increase resident/program participant use of the Earned Income Tax Credit (EITC) and leverage the EITC with Individual Development Accounts (IDAs), help working families build wealth through homeownership, lessen the concentration of poverty, and foster the availability of housing near workplaces.

Increase housing choice through stronger rental communities and options, and expanded homeownership opportunities

Homeownership is an important housing choice option for many residents/program participants, and is an appropriate program given the local market. HAJC had a very strong Housing Choice Voucher Homeownership program, and HAL instituted its own version of such a program (as referenced in the FY2002 MTW Plan). LMHA intends to continue to move these programs forward, as evidenced by the consolidation of policies and procedures within the general Housing Choice Voucher Administration Plan and recent revisions using MTW flexibilities, and the addition of a new homeownership specialist position. For the many other families for whom homeownership is not a viable option, LMHA will continue to look at its public housing communities to see what policy and program changes might strengthen those communities and make them better places to live.

Develop programs and housing stock targeted to populations with special needs not adequately served elsewhere in the community

LMHA is using a combination of available resources to develop targeted programs for people with specific and/or special needs. Some of these needs will be transitional; others are for programs that provide long-term support, particularly for the elderly and younger persons with disabilities. The objective of providing this type of housing is to meet needs not already met by other agencies, and/or to

partner with local organizations that have social services strengths and programs that need a housing support element. Successful collaborations with local social service agencies already exist, particularly with the delivery of services to residents who are part of our HOPE VI developments. Developing comprehensive programs in these areas will continue to require MTW regulatory relief.

Continue to make administrative and other changes necessary to improve the merged Agency's operations

Merger has been a complex endeavor that has necessitated the alignment of all major HA policies, including basic administrative documents such as the general updates and revisions to the Admissions and Continued Occupancy Policy and the Housing Choice Voucher Administration Plan. MTW provides an opportunity to do this in a way most appropriate to the local situation, outside the limitations of current federal regulation.

Encourage program participant self-sufficiency

The MTW agreement allows LMHA to reinvent the FSS program to make it appropriate to local program participant needs. The Demonstration also allows LMHA to rethink other policies – like the rent policy – to encourage families to work.

Programs Included

LMHA's MTW program covers the following programs:

- Public Housing (LMHA Owned and Managed & Privately Owned and Managed);
- Capital Fund Program; and
- Housing Choice Voucher Program.

The above programs, which include the units and vouchers that were formerly part of the Housing Authority of Jefferson County, are now collectively part of the MTW program. Under MTW, LMHA is granted regulatory flexibility to test new programs and policies, and to determine which of its units/vouchers are included in the demonstration. Any regulation for which a waiver has been requested and/or granted is stated in LMHA's MTW documents. In all cases where no waiver has been granted, LMHA adheres to HUD regulations.

Households Served

This section describes the planned versus actual number and characteristics of households served in the Louisville Metro Housing Authority's developments and Housing Choice Voucher Program as of June 30, 2006, the end of LMHA's fiscal year. Under MTW, as required by HUD, LMHA must continue to substantially serve the same number and mix of households as it would otherwise absent its participation in the Demonstration Program. Tables 3-1, 3-2, 3-3 and 3-4 indicate the planned versus actual number of households served by housing type and unit size, by family type, by income levels compared to median income levels for Louisville Metro, and by race and ethnicity. Table 3-5 is a historical summary of households served since the beginning of LMHA's participation in the MTW Demonstration. The Agency's public housing waiting list and referral list characteristics as of July 1st, 2005 and July 1st, 2006 immediately follow the information on households served.

Number and Characteristics of Households Served

As of June 30, 2006 LMHA served 12,315 households in the combined public housing and Housing Choice Voucher programs. This 238% increase since the close of FY2002 is a direct result of the merger of HAL and HAJC. Data from FY2003 onward reflects both HAJC and HAL vouchers and public housing units. Information prior to that time only pertains to HAL (Housing Authority of Louisville) households.

Overall there were 4,067 public housing households actually served at the FY2006 year-end, 403 less than the projected 4,470. This reduction is due to Clarksdale HOPE VI Revitalization efforts, both because Clarksdale units were not available after turnover to house new families, and because LMHA reserved a substantial number of vacant units at other sites, including scattered, as potential relocation options for Clarksdale households. Banking these units provided ample choices for Clarksdale residents which eased their transition and facilitated the overall relocation program.

The number of Housing Choice Voucher households served was also 628 below the forecasted total (8,248 actual versus 8,876 planned). The reasons for this variation are discussed in detail in the "Leasing Information" portion of the "Management Information for Leased Housing" section of this report, and include a change in the way program utilization is calculated, a decrease in funding allocations, and the reservation of program funds to supplement Clarksdale HOPE VI Revitalization efforts.

Table 3-1 indicates the distribution of households served by the bedroom size of their units. At the end of FY2006, 1.55% of LMHA households resided in efficiency units (down from 2.39% at the end of FY2005), 20.89% in one-bedroom units (down from 30.76%), 33.73% in two bedroom units (down slightly from 33.86%), 34.35% in three bedroom units (up from 27.84%), and 9.45% in four bedroom or larger units (up from 5.16%). For public housing households, one-bedroom units were the most common bedroom size (at 41.90%, down from 42.88%), with two bedroom households following second (at 29.58%, up from 27.94%). For Housing Choice Voucher households three bedroom units

were the most common bedroom size (at 41.20%, up from 30.91%), with two bedroom units in second place at 35.78% (down from 36.61%). During FY2005, two bedroom units were the most common bedroom size for Housing Choice Voucher households.

Table 3-2 indicates that 60.16% of LMHA households were characterized as family households (up from 58.60%), 10.00% were elderly households (down slightly from 10.17%), and 29.81% were classified as disabled households (down from 31.23%).

The data contained in Table 3-3 indicates that overall, 78.35% of the households served by LMHA had income levels below 30 percent of median (compared to 79.92% at the end of FY2005). The percentage of families in this income group was higher for families in the public housing program than in the Housing Choice Voucher program (82.99% for public housing households versus 76.07% for Housing Choice Voucher households). 3.45% of all households had income levels above 50 percent of median (up slightly from 3.34 %.)

As shown in Table 3-4, 76.78% of Housing Authority residents were African-American (compared to 76.61% at the end of FY2005), 21.90% were White (compared to 21.19%) and 1.29% other races (compared to 2.20%). Minority households accounted for 93.99% of family developments (compared to 94.62%), 86.39% of scattered sites (compared to 86.16%), 98.40% of mixed income developments (compared to 98.92%), 75.20% of elderly/disabled developments (compared to 87.61%) and 72.90% of the Housing Choice Voucher program (compared to 72.59%).

Table 3-5 depicts a historical summary of households served since the inception of the MTW program in FY1999. As noted earlier, the changes in households served since FY2002 are largely due to the addition of the former HAJC housing programs, and not necessarily from any significant changes in the number or mix of households served by the former HAL. The trend towards decreasing numbers of LMHA households with incomes below 30% of median continued, except for a slight increase in 2002. This has been attributed in part to a national trend of increased incomes for public housing and Housing Choice Voucher residents, reflective of increased educational and training programs and other initiatives related to welfare reform. The trend in the decrease of extremely low-income households is also a result of the deconcentration efforts LMHA has implemented in recent years.

Number and Characteristics of Households on Waiting List

Prior to merger, HAL maintained a central based waiting list for all of its owned and managed family and elderly sites. HAL also maintained a referral list of residents recommended for its public housing scattered site units and its Housing Choice Voucher program. Eligibility requirements for scattered sites included residency in a family or elderly public housing development for a one-year period and a recommendation by their site manager as an outstanding resident. Outstanding resident status is attained by having no late rent payments, passing annual inspections, and by adhering to all other LMHA leasing guidelines. The former HAJC maintained a combined central waitlist for its public housing units and its Housing Choice Voucher program.

Site based waiting lists were also maintained for the privately managed and/or owned public housing. All of these sites are mixed income developments.

LMHA is in the process of changing the above waitlist and referral list structure in conjunction with the latest ACOP and Administration Plan revisions underway. After these modifications are completed LMHA will maintain one centralized waiting list for its owned and managed public housing family and elderly sites including the former HAJC site KY1-40 Bishop Lane Plaza. The former HAJC scattered sites KY1-39 and KY1-41 will be added to the sites available through the referral system for public housing scattered site units. Eligibility requirements for scattered sites will remain the same, except that Clarksdale residents receive priority for scattered sites, and there will be a time limitation for **single family**, scattered site units that have been purchased as replacement for Clarksdale. LMHA will maintain a second waiting list for the Housing Choice Voucher program only. Separate site based waiting lists will continue to be maintained for the privately managed and/or owned public housing units in mixed income developments.

Tables 3-6, 3-7, and 3-8 show the number and characteristics of applicants on the central-based and the Park DuValle site-based waiting lists at July 1, 2005 and July 1, 2006. As of July 1, 2006, there were a total of 1,859 applicants on LMHA's central-based waiting list, down 520 or 21.86% from the beginning of the period.

1,020 or 54.87% of all applicants on LMHA's central-based waiting list needed one bedroom units (up slightly from 54.56% the previous year), 571 or 30.72% needed two bedroom units (down from 32.32%), 219 or 11.78% needed three bedroom units (compared to 11.18%), and 49 or 2.64% needed four bedroom units (compared to 1.93% the previous year).

1,508 or 81.12% of all applicants on LMHA's central based waiting list were African American (up from 80.03% last year), 321 or 17.27% were White (down from 18.66% last year) and 30 or 1.61% were other racial and ethnic minorities (compared to 1.30% last year).

Accurate income levels for applicants on LMHA's central-based waiting list could not be determined for FY2006 as the agency does not currently maintain this information.

The site-based waiting list for Park DuValle Phase I contains information on the unit sizes needed by applicants. Information on other applicant characteristics was not available. Of the total 1,086 applicants, 313 or 28.82% were eligible for one bedroom units, 463 or 42.63% for two bedroom units, 259 or 23.85% for three bedroom units, and 51 or 4.70% for four bedroom units.

The combined wait list for Park DuValle Phases II, III and IV includes a total of 282 applicants. This list has been closed since 2002. Of those remaining on the list as of July 1, 2006, 58.87% of households required one bedroom units, 26.60% two bedroom units, and 14.54% three bedroom units.

Wait list data is used in determining future housing stock needs, including the reconfiguration of existing units, projections for the number of bedrooms needed in newly acquired or built units, and bedroom size

distribution for future requests to HUD for Housing Choice Voucher vouchers. The Agency will begin conducting a complete purging of its waiting lists in the near future.

**Louisville Metro Housing Authority
Households Served by Housing Type and Unit Size
Planned vs. Actual FY2006**

TABLE 3-1 Planned Actual Planned Actual Planned Actual Planned Actual Planned Actual Planned Actual
FY 2006 6/30 6/30 6/30 6/30 6/30 6/30 6/30 6/30 6/30 6/30 6/30 6/30

PUBLIC HOUSING	0 Bed	0 Bed	1 Bed	1 Bed	2 Bed	2 Bed	3 Bed	3 Bed	4 Bed+	4 Bed+	Totals	Totals
Family Developments												
KY 1-1 Clarksdale	0	0	0	0	0	0	0	0	0	0	0	0
KY 1-2 Beecher Terrace	0	0	355	350	228	239	154	152	0	0	737	741
KY 1-3 Parkway Place	1	1	194	194	245	227	117	114	51	50	608	586
KY1-4 Sheppard Square	0	0	0	0	157	156	130	127	23	21	310	304
KY1-5 Iroquois Homes	0	0	152	146	319	325	94	90	39	38	604	599
Elderly/Disabled Developments												
KY1-10,11,12 Dosker Manor A,B,C	4	4	647	611	20	19	0	0	0	0	671	634
KY1-13 St. Catherine Court	70	26	82	71	0	0	1	1	0	0	153	98
KY1-14 Avenue Plaza	133	131	89	86	1	0	0	0	0	0	223	217
KY1-18 Lourdes Hall	8	8	52	54	0	0	0	0	0	0	60	62
KY1-40 Bishop Lane Plaza	0	0	86	90	0	0	0	0	0	0	86	90
Scattered Sites												
KY1-17 Scattered Sites I	0	0	0	0	23	22	20	20	6	6	49	48
KY1-19 Scattered Sites II	0	0	0	0	0	0	39	23	0	1	39	24
KY1-22 Scattered Sites III	0	0	0	0	1	1	47	32	0	0	48	33
KY1-24 Scattered Sites IV	0	0	0	0	0	0	45	42	0	0	45	42
KY1-34 Park DuValle/Clarksdale I Repl.	0	0	1	1	54	15	87	50	9	10	151	76
KY1-35 Section 5(h) C'dale I & I Repl.	0	0	0	0	6	5	13	10	0	0	19	15
KY1-38 St. Martin's & Other C'dale I Repl.	15	4	35	14	35	3	70	0	2	3	157	24
KY1-39 Scattered Sites	0	0	0	0	0	0	3	3	1	1	4	4
KY1-41 Scattered Sites V	0	0	19	18	36	32	24	24	1	1	80	75
KY1-44 Friary	0	0	0	0	0	0	20	17	4	2	24	19
Mixed Income Sites												
KY1-27 The Oaks of Park DuValle	0	0	5	5	24	24	23	23	6	6	58	58
KY1-30 The Villages of Park DuValle	0	0	8	8	39	39	42	42	3	3	92	92
KY1-31 Park DuValle III	0	0	45	45	23	23	10	10	0	0	78	78
KY1-32 Park DuValle IV	0	0	7	7	70	70	52	52	5	5	134	134
KY1-36 St. Francis (Clarksdale I Repl.)	3	3	4	4	3	3	0	0	0	0	10	10
KY1-45 Liberty Green (C'dale I On-Site)	1	0	6	0	18	0	5	3	0	1	30	4
TOTAL PUBLIC HOUSING UNITS	235	177	1787	1704	1302	1203	996	832	150	147	4470	4067

HCV PROGRAM	0 Bed	0 Bed	1 Bed	1 Bed	2 Bed	2 Bed	3 Bed	3 Bed	4 Bed+	4 Bed+	Totals	Totals
Housing Choice Vouchers	297	14	2217	868	3160	2951	2701	3398	501	1017	8876	8248
TOTAL HCV UNITS	297	14	2217	868	3160	2951	2701	3398	501	1017	8876	8248

TOTAL LMHA UNITS	532	191	4004	2572	4462	4154	3697	4230	651	1164	13346	12315
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**Louisville Metro Housing Authority
Households Served by Family Type
Planned vs. Actual FY2006**

TABLE 3-2 Planned Actual Planned Actual Planned Actual Planned Actual
FY 2006 6/30 6/30 6/30 6/30 6/30 6/30 6/30 6/30

PUBLIC HOUSING	Family		Elderly		Disabled		Totals	Totals
Family Developments								
KY1-1 Clarksdale	0	0	0	0	0	0	0	0
KY1-2 Beecher Terrace	449	505	104	108	184	128	737	741
KY1-3 Parkway Place	463	481	36	27	109	78	608	586
KY1-4 Sheppard Square	266	267	7	8	37	29	310	304
KY1-5 Iroquois Homes	465	506	33	16	106	77	604	599
Elderly/Disabled Developments								
KY1-10,11,12 Dosker Manor A,B,C	67	140	202	188	402	306	671	634
KY1-13 St. Catherine Court	0	2	131	84	22	12	153	98
KY1-14 Avenue Plaza	0	36	95	85	128	96	223	217
KY1-18 Lourdes Hall	0	4	41	36	19	22	60	62
KY1-40 Bishop Lane Plaza	0	11	29	26	57	53	86	90
Scattered Sites								
KY1-17 Scattered Sites I	20	23	12	11	17	14	49	48
KY1-19 Scattered Sites II	32	19	0	1	7	4	39	24
KY1-22 Scattered Sites III	32	22	5	3	11	8	48	33
KY1-24 Scattered Sites IV	34	34	2	2	9	6	45	42
KY1-34 Park DuValle/Clarksdale I Repl.	112	62	16	2	23	12	151	76*
KY1-35 Section 5(h) C'dale I & I Repl.	14	12	1	1	4	2	19	15
KY1-38 St. Martin's & Other C'dale I Repl.	124	16	12	3	21	5	157	24
KY1-39 Scattered Sites (Newburg S.F. Homes)	2	2	0	0	2	2	4	4
KY1-41 Scattered Sites V	32	36	14	14	34	25	80	75
KY1-44 Friary	21	14	1	1	2	4	24	19
Mixed Income Sites								
KY1-27 The Oaks of Park DuValle	52	45	1	9	5	4	58	58
KY1-30 The Villages of Park DuValle	75	53	4	15	13	24	92	92
KY1-31 Park DuValle III	13	11	59	35	6	32	78	78
KY1-32 Park DuValle IV	118	80	11	22	5	32	134	134
KY1-36 St. Francis (Clarksdale I Replacement)	5	5	3	1	2	4	10	10
KY1-45 Liberty Green (Clarksdale I On-Site)	28	4	1	0	1	0	30	4
TOTAL PUBLIC HOUSING UNITS	2424	2386	820	698	1226	979	4470	4067

HOUSING CHOICE VOUCHER PROGRAM	Family		Elderly		Disabled		Totals	Totals
Housing Choice Vouchers	5471	5023	567	533	2838	2692	8876	8248
TOTAL HCV UNITS	5471	5023	567	533	2838	2692	8876	8248

Louisville Metro Housing Authority MTW Annual Report, FY2006

TOTAL LMHA UNITS	7895	7409	1387	1231	4064	3671	13346	12315
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***NOTE: As of July reporting, this number is 144**

**Louisville Metro Housing Authority
Households Served by Income Levels Compared to Median
Planned vs. Actual FY2006**

TABLE 3-3

	Planned	Actual	Planned	Actual	Planned	Actual	Planned	Actual	Planned	Actual
FY 2006	6/30	6/30	6/30	6/30	6/30	6/30	6/30	6/30	6/30	6/30
PUBLIC HOUSING	<30%		30-50%		50-80%		>80%		Totals	Totals
Family Developments										
KY1-1 Clarksdale	0	0	0	0	0	0	0	0	0	0
KY1-2 Beecher Terrace	648	638	63	78	17	22	9	3	737	741
KY1-3 Parkway Place	566	527	36	51	6	7	0	1	608	586
KY1-4 Sheppard Square	264	254	40	42	6	8	0	0	310	304
KY1-5 Iroquois Homes	524	528	66	58	12	12	2	1	604	599
Elderly/Disabled Developments										
KY1-10,11,12 Dosker Manor A,B,C	609	570	49	48	13	15	0	1	671	634
KY1-13 St. Catherine Court	134	82	18	15	1	0	0	1	153	98
KY1-14 Avenue Plaza	194	187	24	25	4	5	1	0	223	217
KY1-18 Lourdes Hall	47	47	12	11	0	3	1	1	60	62
KY1-40 Bishop Lane Plaza	76	76	9	11	0	2	1	1	86	90
Scattered Sites										
KY1-17 Scattered Sites I	35	34	9	10	4	3	1	1	49	48
KY1-19 Scattered Sites II	22	13	13	10	3	1	1	0	39	24
KY1-22 Scattered Sites III	31	20	14	9	2	3	1	1	48	33
KY1-24 Scattered Sites IV	35	27	4	9	5	5	1	1	45	42
KY1-34 Park DuValle/Clarksdale I Repl.	92	42	33	23	22	9	4	2	151	76
KY1-35 Section 5(h) C'dale I & I Repl.	16	12	3	2	0	1	0	0	19	15
KY1-38 St. Martin's & Other C'dale I Repl.	144	14	8	5	4	3	1	2	157	24
KY1-39 Scattered Sites (Newburg S.F. Homes)	2	1	0	2	2	1	0	0	4	4
KY1-41 Scattered Sites V	55	56	14	13	8	4	3	2	80	75
KY1-44 Friary	19	12	5	4	0	3	0	0	24	19
Mixed Income Sites										
KY1-27 The Oaks of Park DuValle	14	21	31	20	13	14	0	3	58	58
KY1-30 The Villages of Park DuValle	74	68	18	10	0	14	0	0	92	92
KY1-31 Park DuValle III	21	46	30	29	27	3	0	0	78	78
KY1-32 Park DuValle IV	39	92	48	28	47	14	0	0	134	134
KY1-36 St. Francis (Clarksdale I Repl.)	7	8	3	0	0	2	0	0	10	10
KY1-45 Liberty Green (Clarksdale I On-Site)	25	4	5	0	0	0	0	0	30	4
TOTAL PUBLIC HOUSING UNITS	3693	3375	555	513	196	154	26	21	4470	4067
HCV PROGRAM	<30%		30-50%		50-80%		>80%		Totals	Totals
Housing Choice Vouchers	7005	6274	1670	1724	185	234	16	16	8876	8248
TOTAL HCV UNITS	7005	6274	1670	1724	185	234	16	16	8876	8248
TOTAL LMHA UNITS	10698	9649	2225	2237	381	388	42	37	13346	12315

FY2006 AREA MEDIAN INCOME (AMI) LIMITS BY HOUSEHOLD FOR LOUISVILLE AREA

FAMILY SIZE	1 PERSON	2 PERSON	3 PERSONS	4 PERSONS	5 PERSONS	6 PERSONS	7 PERSONS	8 PERSONS
30%	12,350	14,100	15,900	17,650	19,050	20,450	21,900	23,300
50%	20,600	23,550	26,500	29,450	31,800	34,150	36,500	38,850
80%	32,950	37,700	42,400	47,100	50,850	54,650	58,400	62,150

**Louisville Metro Housing Authority
Households Served by Race and Ethnicity
Planned vs. Actual FY2006**

TABLE 3-4 Planned Actual Planned Actual Planned Actual Planned Actual
FY 2006 6/30 6/30 6/30 6/30 6/30 6/30 6/30 6/30

PUBLIC HOUSING	African-American		White		Other		Totals	Totals
Family Developments								
KY1-1 Clarksdale	0	0	0	0	0	0	0	0
KY1-2 Beecher Terrace	717	722	19	18	1	1	737	741
KY1-3 Parkway Place	585	557	18	22	5	7	608	586
KY1-4 Sheppard Square	295	295	12	7	3	2	310	304
KY1-5 Iroquois Homes	514	508	86	87	4	4	604	599
Elderly/Disabled Developments								
KY1-10,11,12 Dosker Manor A,B,C	506	488	158	139	7	7	671	634
KY1-13 St. Catherine Court	98	70	55	27	0	1	153	98
KY1-14 Avenue Plaza	184	178	37	38	2	1	223	217
KY1-18 Lourdes Hall	37	33	22	28	1	1	60	62
KY1-40 Bishop Lane Plaza	39	47	46	41	1	2	86	90
Scattered Sites								
KY1-17 Scattered Sites I	45	44	4	4	0	0	49	48
KY1-19 Scattered Sites II	38	22	1	2	0	0	39	24
KY1-22 Scattered Sites III	45	31	3	2	0	0	48	33
KY1-24 Scattered Sites IV	45	42	0	0	0	0	45	42
KY1-34 Park DuValle/Clarksdale I Repl.	146	71	5	5	0	0	151	76
KY1-35 Section 5(h) C'dale I & I Repl.	19	15	0	0	0	0	19	15
KY1-38 St. Martin's & Other C'dale I Repl.	149	21	6	3	2	0	157	24
KY1-39 Scattered Sites (Newburg S.F. Homes)	4	4	0	0	0	0	4	4
KY1-41 Scattered Sites V	43	43	37	32	0	0	80	75
KY1-44 Friary	22	18	1	1	1	0	24	19
Mixed Income Sites								
KY1-27 The Oaks of Park DuValle	55	57	2	1	1	0	58	58
KY1-30 The Villages of Park DuValle	91	91	0	1	1	0	92	92
KY1-31 Park DuValle III	78	78	0	0	0	0	78	78
KY1-32 Park DuValle IV	132	132	1	2	1	0	134	134
KY1-36 St. Francis (Clarksdale I Replacement)	9	8	1	2	0	0	10	10
KY1-45 Liberty Green (Clarksdale I On-Site)	30	4	0	0	0	0	30	4
TOTAL PUBLIC HOUSING UNITS	3926	3575	514	462	30	26	4470	4067

HOUSING CHOICE VOUCHER PROGRAM	African-American		White		Other		Totals	Totals
Housing Choice Vouchers	6355	5880	2432	2235	89	133	8876	8248
TOTAL HCV UNITS	6355	5880	2432	2235	89	133	8876	8248

TOTAL LMHA UNITS	10281	9455	2946	2697	119	159	13346	12315
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**Housing Authority of Louisville
Historical Summary of Households Served**

TABLE 3-5	2006	2005	2004	2003	2002	2001	2000	1999
Percentage of LMHA Households with incomes <30% of Median	78%	80%	86%	86%	90%	88%	92%	93%
Percentage of LMHA Public Housing Households with incomes <30% of Median	83%	82%	85%	89%	91%	89%	94%	94%
Percentage of LMHA Housing Choice Voucher Households with incomes <30% of Median	76%	79%	87%	85%	86%	81%	82%	87%
Percentage of all households with income levels above 50% of Median	3%	3%	2%	1%	2%	2%	1%	1%
Percentage of African American Households	77%	77%	76%	75%	89%	89%	88%	87%
Percentage of White Households	22%	21%	23%	23%	10%	10%	11%	12%
Percentage of other Ethnic or Racial Minorities	1%	2%	1%	1%	1%	1%	<1%	1%
Percentage of Family Households	60%	59%	65%	64%	62%	62%	NA*	NA*
Percentage of Elderly Households	10%	10%	9%	10%	14%	14%	NA*	NA*
Percentage of Disabled Households	30%	31%	26%	26%	24%	25%	NA*	NA*

*Information from prior years was not available in this format.

**Louisville Metro Housing Authority
Wait List Data by Unit Size
Actual FY2006**

TABLE 3-6

FY 2006	7/1/05	7/1/06	7/1/05	7/1/06	7/1/05	7/1/06	7/1/05	7/1/06	7/1/05	7/1/06	7/1/05	7/1/06
PUBLIC HOUSING	0 Bed		1 Bed		2 Bed		3 Bed		4 Bed+		Totals	Totals
Central-Based Waiting List												
Family			1137	804	667	511	228	199	34	46	2066	1560
Elderly			33	42	12	7	4	2		1	49	52
Disabled			128	174	90	53	34	18	12	2	264	247
TOTAL CENTRAL-BASED WAITING LIST			1298	1020	769	571	266	219	46	49	2379	1859
Site-Based Waiting Lists*												
KY 1-27 Park DuValle I			118	313	320	463	141	259	22	59	601	1086
Family												
Elderly												
Disabled												
KY 1-30, KY 1-31, & KY 1-32 Park DuValle II, III, & IV**			210	166	105	75	420	41	90	0	825	282
Family											0	0
Elderly											0	0
Disabled											0	0
TOTAL SITE-BASED WAITING LISTS											1426	1368
TOTAL PUBLIC HOUSING WAITING LISTS											3805	3227
HOUSING CHOICE VOUCHER	0 Bed		1 Bed		2 Bed		3 Bed		4 Bed+		Totals	Totals
Housing Choice Vouchers	0	0	6586	5202	5685	3694	2119	1418	324	235	14714	10549
TOTAL HCV Program	0	0	6586	5202	5685	3694	2119	1418	324	235	14714	10549
TOTAL ALL PROGRAMS	0	0	7884	6222	6454	4265	2385	1637	370	284	18519	13776

*Site-based wait lists currently track households by desired unit size only. Additional demographic data is not available.

****The combined wait list for Park DuValle II, III, IV has been closed since 2002.**

**Louisville Metro Housing Authority
Wait List Data by Income Group
Actual FY2006**

TABLE 3-7

FY 2006	7/1/05	7/1/06	7/1/05	7/1/06	7/1/05	7/1/06	7/1/05	7/1/06	7/1/05	7/1/06
PUBLIC HOUSING										
	<30%	30-50%	50-80%	>80%	Totals	Totals				
Central-Based Waiting List										
Family	NA	NA	NA	NA	NA	NA	NA	NA	2066	1560
Elderly	NA	NA	NA	NA	NA	NA	NA	NA	49	52
Disabled	NA	NA	NA	NA	NA	NA	NA	NA	264	247
TOTAL CENTRAL-BASED WAITING LIST	NA	NA	NA	NA	NA	NA	NA	NA	2379	1859
Site-Based Waiting Lists*										
KY 1-27 Park DuValle I									601	1086
Family	NA	NA	NA	NA	NA	NA	NA	NA		
Elderly	NA	NA	NA	NA	NA	NA	NA	NA		
Disabled	NA	NA	NA	NA	NA	NA	NA	NA		
KY 1-30, KY 1-31, & KY 1-32 Park DuValle II, III, & IV**									825	282
Family	NA	NA	NA	NA	NA	NA	NA	NA		
Elderly	NA	NA	NA	NA	NA	NA	NA	NA		
Disabled	NA	NA	NA	NA	NA	NA	NA	NA		
TOTAL SITE-BASED WAITING LISTS									1426	1368
TOTAL PUBLIC HOUSING WAITING LISTS	NA	NA	NA	NA	NA	NA	NA	NA	3805	3227
HOUSING CHOICE VOUCHERS	<30%	30-50%	50-80%	>80%	Totals	Totals				
Housing Choice Vouchers	13243	9493	1463	1056	8	0	0	0	14714	10549
TOTAL HCV PROGRAM	13243	9493	1463	1056	8	0	0	0	14714	10549

*Site-based wait lists currently track households by desired unit size only. Additional demographic data is not available.

**The combined wait list for Park DuValle II, III, IV has been closed since 2002.

**Louisville Metro Housing Authority
Wait List Data by Race and Ethnicity
Actual FY2006**

TABLE 3-8

FY 2006	7/1/05	7/1/06	7/1/05	7/1/06	7/1/05	7/1/06	7/1/05	7/1/06
PUBLIC HOUSING	African-American		White		Other		Totals	Totals
Central-Based Waiting List								
Family	1716	1306	321	233	29	21	2066	1560
Elderly	32	31	17	15	0	6	49	52
Disabled	156	171	106	73	2	3	264	247
TOTAL CENTRAL-BASED WAITING LIST	1904	1508	444	321	31	30	2379	1859
Site-Based Waiting Lists*								
KY 1-27 Park DuValle I							601	1086
Family	NA	NA	NA	NA	NA	NA		
Elderly	NA	NA	NA	NA	NA	NA		
Disabled	NA	NA	NA	NA	NA	NA		
KY 1-30 , KY 1-31, & KY 1-32 Park DuValle II, III, & IV**							825	282
Family	NA	NA	NA	NA	NA	NA		
Elderly	NA	NA	NA	NA	NA	NA		
Disabled	NA	NA	NA	NA	NA	NA		
TOTAL SITE-BASED WAITING LISTS							1426	1368
TOTAL PUBLIC HOUSING WAITING LISTS							3805	3227
HOUSING CHOICE VOUCHERS	African-American		White		Other		Totals	Totals
Housing Choice Vouchers	8543	6034	5773	4286	398	229	14714	10549
TOTAL HCV PROGRAM	8543	6034	5773	4286	398	229	14714	10549
TOTAL ALL PROGRAMS							18519	13776

*Site-based wait lists currently track households by desired unit size only. Additional demographic data is not available.

**The combined wait list for Park DuValle II, III, IV has been closed since 2002.

Occupancy Policies

LMHA's occupancy and rent policies are key management tools in creating stable communities that will support families, households with special needs, and the elderly. Immediately after merger, the agency continued to operate under two sets of policies: those of the former HAL and of the former HAJC. One of the most important tasks that LMHA performed during FY 2006 was the adoption of new Admissions and Continuing Occupancy Policy (ACOP), which is the policy framework governing the Public Housing program, as well as a new Administrative Plan (Admin Plan), which is the policy framework governing the Housing Choice Voucher Plan.

Statement of Eligibility and Admission Policies

The former Housing Authority of Louisville administered its central based waiting list for HAL-owned and managed public housing sites per its Admissions and Continued Occupancy Policy (ACOP) and an Interim Rent Policy. The former Housing Authority of Jefferson County (HAJC) had its own set of policies. Both HAL and HAJC each had a number of waiting list preferences, categories of ineligibility for admission, categories of ineligibility for continued occupancy, and rent policy criteria. Immediately after merger, the Agency continued to operate under those separate policies. LMHA consolidated the rent and admissions and continuing occupancy policies (ACOP) during FY2004. A fully revised ACOP was adopted by the Board in December, 2005 after extensive general public comment and individual meetings with local housing advocacy groups.

Most of the changes made to the ACOP while under MTW and since merger have been allowable per existing HUD regulations. However, the latest revision includes two policy changes, which exercise the regulatory flexibility allowed by MTW. LMHA has instituted a five-year time limitation on residency in the new scattered site, single family public housing ACC rental units created off-site under the Clarksdale HOPE VI Revitalization program. Heads of household must be employed and work at least 30 hours per week to be eligible for these units. The work requirement may be temporarily waived for single heads of household enrolled as full-time students in an accredited post-secondary educational institution. The elderly and people with disabilities are exempt from the employment or school requirement and time limitations.

The ACOP has also been revised to provide LMHA with the option to reexamine/recertify elderly and disabled families once every two or three years, instead of annually. For all other families, LMHA will reexamine tenant income and characteristics and submit to HUD updated MTCS data annually, until such a time as any changes to the rent policy would corrupt the MTCS transmission.

A separate Admissions and Occupancy Policy is used for public housing units in the Park DuValle mixed-income housing development which maintains separate site-based waiting lists. No changes are anticipated for the Park DuValle ACOP during FY2007. The new HOPE VI units currently under development on the Clarksdale footprint (now called Liberty Green), will also be managed using a

separate ACOP and site-based waiting list. The Liberty Green ACOP will have public notice and hearing. A public hearing regarding the establishment of a Site-Based Waitlist for the development was held on April 4, 2006, in conjunction with the public hearing for the Agency's FY2007 MTW Annual Plan.

The major changes are:

Administrative Plan

- A 25% limitation on complexes with more than 100 units excluding elderly/disabled and project-based projects (requires Moving to Work participation). This can be public housing or Section 8 only units or a combination of the two.
- Requirement before moving that the family be in substantial compliance with the lease in order to move to a new unit with continued assistance
- Addition of a \$25 charge to Section 8 owners for re-inspections after the first re-inspection for annual and initial inspections fails. Adds \$25 charge to owners for failures on other types of inspections after the first inspection (requires Moving to Work participation)
- Option to re-examine elderly and disabled families once every two or three years rather than conducting annual reexaminations (requires Moving to Work participation)
- Procedural change to require that families provide advance notification in the event that they cannot keep an appointment
- Changes to the Homeownership program allowing signature of purchase and sale contracts in advance of the start of construction of a unit (as a Moving to Work agency, LMHA is able to waive the requirement that a unit must either be existing or under construction at the time a family enters into a contract of sale); utilizing a two-bedroom payment standard for all one bedroom eligible HCV HO households and maintaining the 110% FMR local payment standard and the 120% FMR in exception rent areas for the HO program during FY2006; additional requirement for a client to obtain a good faith estimate (in addition to the existing requirement to have made an application with a participating bank) in order to request the first extension to execute a proposed sales agreement

Admissions and Continuing Occupancy Policy

- Establishment of a five-year time limitation on residency in the new scattered site, single family public housing ACC rental units created off-site under the Clarksdale HOPE VI Revitalization Program, and requires heads of households to be employed at least 30 hours per week (requires Moving to Work participation.). This policy also established certain guidelines in regards to rent payment (no late payments in a twelve-month period) that have since been relaxed (to no more than three late payments in a twelve-month period) in order to better accommodate residents' qualifying for the scattered site program. Oftentimes the only impediment to eligibility are late payments that may have occurred because of reasonable extenuating circumstances.

- Option to re-examine elderly and disabled families once every two or three years rather than conducting annual reexaminations (requires Moving to Work participation)

A separate Admissions and Occupancy Policy continues to be used for public housing units in the Park DuValle mixed-income housing development which maintains site based waiting lists. (This document was included in the Appendix of the FY2002 MTW Annual Plan.)

In the FY 2006 Plan, reference was made to the MTW site visit and the possibility of changing the public housing rent structure for elderly and disabled families. In order to accommodate the Clarksdale (now Liberty Green) relocation and reoccupancy – which had a number of rent-related issues needing attention – LMHA decided to delay any such consideration.

Community Service Policy

The Quality Housing and Work Responsibility Act of 1998 (QHWRA) originally required that all housing authorities implement a Community Service (CS) policy for public housing residents. Elderly and disabled residents may be exempt from this requirement. The former HAL had first proposed a plan for the Resident Advisory Board's Self Sufficiency Mentoring program to fulfill the Community Service requirement. While HUD did not approve the Agency's proposed plan, it did temporarily suspend the Community Service requirement in general.

On February 21, 2003, a HUD/VA appropriations act was signed reinstating the Community Service and Self Sufficiency requirements. LMHA's adopted a local community service policy, notified residents of the requirement, and included this requirement in its revised ACOP. LMHA's Board of Commissioners approved adoption of the policy. (The resolution approving the Community Service requirement was included in the Appendix of the FY2005 MTW Annual Plan.) LMHA's policy requires that all non-exempt public housing residents 18 or older, contribute 8 hours per month of community service, or participate in 8 hours of training, counseling, classes or other activities that help an individual toward self-sufficiency and economic independence. LMHA staff reviews and determines compliance with the requirement at least 30 days before the expiration of a resident's lease term.

Rent Policy

The former HAL adopted an Interim Rent Policy that went into affect on January 1, 2002, in conformance with QWHRA. HAJC's rent policy was also in conformance with QWHRA. As described previously, LMHA's rent policy is now incorporated into its comprehensively revised ACOP and Admin Plan. Both merger and the HOPE VI planning process were crucial in defining the parameters of the revised policies.

Housing Choice Voucher Program

For the HCV program, the total tenant payment is equal to the highest of:

1. 10% of the family's monthly income;
2. 30% of the family's adjusted monthly income;
3. The Minimum rent;
4. Or, if the family is receiving payments for welfare assistance from a public agency and a part of those payments, adjusted in accordance with the family's actual housing costs, is specifically designated by such agency to meet the family's housing costs, the portion of those payments which is so designated. If the family's welfare assistance is ratably reduced from the standard of need by applying a percentage, the amount calculated under this provision is the amount resulting from one application of the percentage, plus any rent above the payment standard.

The Louisville Metro Housing Authority has set the minimum rent as \$0. A hardship provision exists in the Administrative Plan should LMHA revise this policy and establish a minimum rent above zero.

Public Housing Program

At admission and each year in preparation for their annual reexamination, each family is given the choice of having their rent determined under the income method or having their rent set at the flat rent amount.

Families who opt for the flat rent will be required to go through the income reexamination process every three years, rather than the annual review they would otherwise undergo. Their family composition must still be reviewed annually.

Families who opt for the flat rent may request to have a reexamination and return to the income based method at any time if income has decreased, circumstances have changed increasing their expenses for childcare, medical care, etc., or other circumstances create a hardship on the family such that the income method would be more financially feasible for the family.

Families have only one choice per year except for financial hardship cases. In order for families to make informed choices about their rent options, the Louisville Metro Housing Authority provides them with the following information whenever they have to make rent decisions:

1. The Louisville Metro Housing Authority's policies on switching types of rent in case of a financial hardship; and
2. The dollar amount of tenant rent for the family under each option. If the family chose a flat rent for the previous year, the Louisville Metro Housing Authority will provide the amount of income-based rent for the subsequent year only in the year the Louisville Metro Housing Authority conducts an income reexamination or if the family specifically requests it and submits updated income information.

The total tenant payment is equal to the highest of:

1. 10% of the family's monthly income;
2. 30% of the family's adjusted monthly income; or
3. If the family is receiving payments for welfare assistance from a public agency and a part of those payments, adjusted in accordance with the family's actual housing costs, is specifically designated by such agency to meet the family's housing costs, the portion of those payments which is so designated. If the family's welfare assistance is ratably reduced from the standard of need by applying a percentage, the amount calculated under this provision is the amount resulting from one application of the percentage; or
4. The minimum rent of \$0.

The Louisville Metro Housing Authority has set the minimum rent as \$0. A hardship provision exists in the Administrative Plan should LMHA revise this policy to an amount above zero.

Deconcentration

LMHA's efforts toward deconcentration of poverty and income diversification are woven throughout the Authority's development plans, management policies, and resident programs. An essential element of LMHA's deconcentration goals is to provide residents with a variety of housing choices. This is accomplished in the community through:

- a one-for-one unit replacement policy that is a stated and Board-approved policy of the Authority
- the construction and/or acquisition of smaller apartment complexes and single family homes scattered throughout the city;
- the purchase of mixed income sites (like St. Martin's) or a few units in market rate developments such as a number of those currently optioned for Clarksdale replacement units;
- the complete demolition and redevelopment of Clarksdale into a mixed income development as described in the Agency's HOPE VI Revitalization Plans which were awarded in March 2003 and June 2004;
- further density reduction at Iroquois Homes
- implementation of new approaches to mixed income development such as the "Lease-to-Own" homeownership units which will be built in conjunction with the Clarksdale HOPE VI revitalization;
- the expansion of Housing Choice Voucher opportunities including the Agency's very successful Housing Choice Voucher homeownership program; and,
- designated elderly-only units or buildings such as those in the mixed income Senior Building at Park DuValle Phase III and St. Catherine Court.

To further support LMHA's and HUD's goals of deconcentration and using the flexibility provided through the MTW Demonstration, the Authority has revised its Housing Choice Voucher Administration Plan to begin limiting new Housing Assistance Payments Contracts with Owners or Landlords to 25% of the units in complexes with more than 100 units assisted under either Section 8

or the public housing program. This restriction will not apply to developments that are designated as housing for the elderly or the disabled, or to developments that were built or rehabilitated under the Project-Based Voucher program (see Paragraph 6.9 of the revised Housing Choice Voucher Administrative Plan in the Appendix.).

Changes in the Housing Stock

As of June 30, 2006, the Louisville Metro Housing Authority had a total of 4,471 Annual Contributions Contract (ACC) units in its public housing stock, 4,076 of which are LMHA owned and managed, and 395 of which are privately owned and/or managed. The Agency also directed 8,876 potential Housing Choice Vouchers in its leased housing program. This brought LMHA's total number of available assisted units at the fiscal year's end to 13,374.

Changes in Housing Stock from End of FY1998 through FY2006

Table 5-1 shows the changes in inventory from the close of FY1998 (December 30, 1998) to the close of FY2006 (June 30, 2006). Table 5-1 also compares the numbers that were projected in LMHA's FY2006 MTW Annual Plan with its actual housing stock at the close of FY2006. This has been a period of significant change at LMHA, as the numbers first increased as the Park DuValle rental units were developed, and then decreased as Clarksdale was demolished.

In the projected vs. actual columns, the number of ACC conventional public housing units is 143 fewer than projected; we are slightly behind schedule on replacement units for the HOPE VI. This is in part due to changing policy over unit acquisition when lead-based paint is present, as well as a strong desire to deconcentrate where units are purchased. However, there are 114 ACC replacement units in the immediate pipeline, and this number should increase over FY 2007.

The change in the number of vouchers at the transition between 12/31/02 and 6/30/04 reflects the merger of the former Housing Authority of Louisville and the Housing Authority of Jefferson County. The program has grown slightly under Louisville Metro Housing Authority as replacement vouchers have been added. As is noted adjacent to Table 5-1, the MTW HCV program block grant is based on 9188 vouchers; however, LMHA annually determines the desired size of its actual HCV program. In the case of the FY 2006 plan, the universe of block grant vouchers was inadvertently listed; LMHA had budgeted for and targeted a program size of 8876. Actual utilization as of 6/30/06 stands at 8,248 units.

Clarksdale HOPE VI Revitalization

LMHA first submitted a HOPE VI Revitalization grant application for the severely distressed Clarksdale development in June of 2001. Unfortunately the Agency's first submission was not awarded. LMHA reapplied in November of 2002 and was fortunate enough to be awarded a \$20 million from HUD in March of 2003, allowing us to begin work on the western four block of the Clarksdale site. LMHA submitted a second HOPE VI Revitalization grant application for the remaining two blocks of the site in January of 2004, and received notice of a second \$20 million award from HUD in June of this year. Revitalization plans for Clarksdale include the replacement of all 713 existing public housing dwelling units in a wide variety of building types and locations, both on-and off-site. (The demolition of these

units was approved by HUD in conjunction with approval of the Revitalization Plan.) To accomplish this, LMHA has obtained over \$200 million in physical development leverage and joined with over 20 for-profit and non-profit developer partners to create 1800+ public housing, low-income tax credit and market rate rental and homeownership units.

The funding flexibility provided through MTW has been essential to our HOPE VI acquisition program. Housing Choice Voucher administration fee reserves were used towards the purchase of the Velvet Rose nightclub, which was located directly across from the Clarksdale site, and is now part of the HOPE VI revitalization effort. Housing Choice Voucher reserves also financed the first phase of construction on the actual Clarksdale footprint. LMHA had also used Section 5(h) funds generated from mortgages serviced by its affiliate, Louisville Housing Services for the purchase of 21 scattered site replacement units.

Both on- and off-site components of the HOPE VI are moving forward steadily. On-site, the first block and a half of units are either complete or under construction, and initial occupancy occurred just after the start of the FY 2007 fiscal year. We expect a Mixed Finance closing on the second rental phase in early fall, just as the first phase of homeownership units breaks ground. Off-site, the bulk of the scattered site tax credit replacement units are either complete or nearing completion and the direct acquisition component continues at a rapid pace.

Clarksdale Disposition and Homeownership Plans

On August 25, 2004, LMHA submitted a proposal to HUD's Special Application Center (SAC) for disposition activity planned in conjunction with the Clarksdale HOPE VI Revitalization. LMHA asked HUD to release the Declaration of Trust on the entire 29.10 acres of Clarksdale so the Agency could have the flexibility to convey pieces of the tract to various development entities in a timely manner. Approval of this proposal was obtained during FY 2005. All units are demolished. Additionally, the Authority developed the Homeownership Plan for the 12 lease-to-purchase units included in the Clarksdale revitalization.

Iroquois HOPE VI Demolition

LMHA submitted an application to the SAC in FY2002 for a second phase of demolition at Iroquois Homes. (The demolition of twelve buildings with 146 units was completed in the spring of 2003.) Our demolition request was approved in April 2003 just prior to the Agency's submittal of a HOPE VI Demolition grant application that same month. LMHA was awarded a \$540,000 grant from HUD to demolish an additional seventy-two units in six buildings. Demolition of these units is now complete, bringing the number of units at Iroquois to 632. No further demolition application was submitted in FY 2006; an application has been submitted for FY 2007 which calls for the demolition of the remaining buildings at the site over a 6-7 year period. As noted earlier, a one-for-one replacement policy has been adopted so units lost at Iroquois will be replaced.

**Louisville Metro Housing Authority
Changes in Housing Stock
(Annual Contribution Contract Units)**

TABLE 5-1	ACTUAL					PLANNED ACTUAL			
	12/31	12/31	12/31	12/31	12/31	6/30	6/30	6/30	6/30
	1998	1999	2000	2001	2002	2004	2005	2006	2006
PUBLIC HOUSING									
Family Developments									
KY 1-1 Clarksdale - Demo of Existing On-Site P.H. Units	724	724	724	714	714	713	308	0	0
KY 1-2 Beecher Terrace	766	763	763	760	760	760	760	760	760
KY 1-3 Parkway Place	636	635	635	634	634	634	634	634	633
KY 1-4 Sheppard Square	327	326	326	325	325	325	325	325	326
KY 1-5 Iroquois Homes	853	853	853	850	704	628	632	632	632
Elderly/Disabled Developments									
KY 1-10,11,12 Dosker Manor A,B, & C Buildings	675	681	681	679	679	679	679	679	684
KY 1-13 St. Catherine Court	172	169	169	169	159	159	159	159	159
KY 1-14 Avenue Plaza	224	224	224	224	225	225	225	225	225
KY 1-18 Lourdes Hall	62	62	62	62	62	62	62	62	62
KY 1-40 Bishop Lane Plaza						89	89	89	90
Scattered Sites									
KY 1-17 Scattered Sites I	50	50	50	50	50	50	50	50	50
KY 1-19 Scattered Sites II	40	36	36	36	40	40	40	40	40
KY 1-22 Scattered Sites III	50	47	47	48	48	48	48	48	49
KY 1-24 Scattered Sites IV	45	45	45	45	45	45	45	45	45
KY 1-34 Park DuValle/Clarksdale I Repl.	0	0	0	9	112	124	163	163	159
KY1-35 Section 5(h) C'dale I & I Repl.					4	21	22	22	21
KY 1-38 St. Martin's & Other C'dale I Repl.						0	29	165	29
KY1-39 Scattered Sites (Newburg S.F. Homes)						6	6	6	4
KY 1-41 Scattered Sites V						83	83	83	84
KY1-44 Friary								24	24
Privately Managed Sites									
KY 1-27 The Oaks of Park DuValle		59	59	59	59	59	59	59	59
KY 1-30 The Villages of Park DuValle				92	92	92	92	92	92
KY1-31 Park DuValle III					78	78	78	78	78
KY1-32 Park DuValle IV					43	134	134	134	134
KY1-36 St. Francis (Clarksdale I Replacement)						10	10	10	10
KY1-45 Liberty Green (Clarksdale I On-Site)								30	22
TOTAL PUBLIC HOUSING DWELLING UNITS	4624	4674	4674	4756	4833	5064	4732	4614	4471
HOUSING CHOICE VOUCHER PROGRAM									
Housing Choice Vouchers	684	684	760	982	1087	8684	8838	9188	8876
TOTAL HCV UNITS	684	684	760	982	1087	8684	8838	9188	8876
TOTAL HOUSING STOCK	5308	5358	5434	5738	5920	13748	13570	13802	13347

NOTE: The Housing Choice Voucher program block grant is based on 9188 vouchers; however, LMHA annually determines the desired size of its actual HCV program. In the case of the FY 2006 plan, the total universe of block grant vouchers was

inadvertently listed; LMHA had budgeted for and targeted a program size of 8876. Actual utilization as of 6/30/06 stands at 8,248 units.

Sources and Uses of Funds

The Sources and Uses of Funds and pertinent financial information are contained in two sections. The first, in this section, is a streamlined presentation of the agency’s fiscal year in a brief sources and uses format and a comparison of expected to actual reserve levels, with a brief discussion of each. The second section is included in the Appendices, and is a more comprehensive presentation, including management’s discussion and analysis of financial condition and results of operations as of June 30, 2006, the consolidated financial statements (including the balance sheet, statement of revenue and expenses, and analysis of retained earnings) for the Louisville Metro Housing Authority (LMHA). These financial statements are unaudited. The fiscal year 2006 financial audit is expected to be presented to LMHA's board of commissioners by December, 2006. The audited financial statements for the fiscal year ending June 30, 2005 are also included as an Appendix to this report.

Sources and Uses – By Program

Sources of Funding	Operations			Capital Budget			Housing Choice Voucher			Other Programs Budget		
	04-'05	05-'06	05-'06	04-'05	05-'06	05-'06	04-'05	05-'06	05-'06	04-'05	05-'06	05-'06
	Actual	Planned	Actual	Actual	Planned	Actual	Actual	Planned	Actual	Actual	Planned	Actual
Federal Subsidy Dwelling	\$17,487	\$16,265	\$17,636	\$10,324	\$10,097	\$12,727	\$56,627	\$53,203	\$53,634			
Rental Excess	\$5,574	\$5,311	\$5,597									
Utilities Non-dwelling	\$181	\$180	\$213									
Rental Interest	\$15	\$15	\$13							\$366	\$464	\$368
Income	\$175	\$192	\$485				\$179	\$117	\$518	\$15	\$6	\$20
Other Income	\$404	\$426	\$485				\$167			\$724	\$533	\$755
Transfers from Other Funds	\$2,044	\$3,670	\$1,770									
Total Sources	\$25,880	\$26,059	\$26,199	\$10,324	\$10,097	\$12,727	\$56,973	\$53,320	\$54,152	\$1,105	\$1,003	\$1,143
Uses of Funding												
Administration	\$6,546	\$6,196	\$6,181	\$3,123	\$676	\$2,798	\$3,524	\$4,195	\$3,578	\$299	\$270	\$379
Resident Services	\$610	\$779	\$392	\$131	\$100	\$104	\$539	\$557	\$648	\$17		\$39
Utilities	\$6,406	\$6,075	\$7,292								\$92	\$9
Maintenance	\$9,359	\$10,103	\$9,360	\$199		\$293	\$4		\$19	\$149	\$165	\$175
Protective Services	\$1,100	\$1,132	\$1,119				\$5	\$3				
General	\$1,188	\$1,139	\$1,006				\$28	\$11	\$29	\$86	\$75	\$84
Capital Expense				\$4,600	\$6,969	\$5,788						

Rental Assistance Payments	\$675	\$635	\$849				\$47,967	\$49,003	\$46,733			
Transfers to Other Funds				\$2,044	\$2,352	\$1,770						
Total Uses	\$25,884	\$26,059	\$26,199	\$10,097	\$10,097	\$10,753	\$52,067	\$53,769	\$51,007	\$551	\$602	\$686
Surplus (Deficit)	-\$4	\$0	\$0	\$227	\$0	\$1,974	\$4,906	-\$449	\$3,145	\$554	\$401	\$457

Sources and Uses – Consolidated

	Consolidated Budgets		
	04-'05	05-'06	05-'06
Sources of Funding	Actual	Planned	Actual
Federal Subsidy	\$84,438	\$79,565	\$83,997
Dwelling Rental	\$5,574	\$5,311	\$5,597
Excess Utilities	\$181	\$180	\$213
Non-dwelling Rental	\$381	\$479	\$381
Interest Income	\$369	\$315	\$1,023
Other Income	\$1,295	\$959	\$1,240
Transfers from Other Funds	\$2,044	\$3,670	\$1,770
Total Sources	\$94,282	\$90,479	\$94,221
Uses of Funding			
Administration	\$13,492	\$11,337	\$12,936
Mgmt Impvs			
Resident Services	\$1,297	\$1,436	\$1,183
Utilities	\$6,406	\$6,167	\$7,301
Maintenance	\$9,711	\$10,268	\$9,847
Protective Services	\$1,105	\$1,135	\$1,119
General	\$1,302	\$1,225	\$1,119
Capital Expense	\$4,600	\$6,969	\$5,788
Rental Assistance Payments	\$48,642	\$49,638	\$47,582
Transfers to Other Funds	\$2,044	\$2,352	\$1,770
Total Uses	\$88,599	\$90,527	\$88,645
Surplus (Deficit)	\$5,683	-\$48	\$5,576

Although the Moving to Work (MTW) Program allows funding fungibility among the Conventional, Capital, and Housing Choice Voucher Programs only, the financial statements included in the Appendix contain all LMHA managed programs. This provides a more comprehensive look at the authority's financial position, as well as presenting the financial statements in a format that is in keeping with that required by HUD's Real Estate Assessment Center (REAC). Overall, the agency's budget ended FY 2006 with a surplus rather than the expected deficit.

Public Housing Program Variance

The Conventional program had a number of areas where the planned and actual budget numbers diverged:

Rental Income - \$317,000 over budget

- ❖ Clarksdale units did not vacate as quickly as anticipated in the budget, resulting in increased rental income.
- ❖ Occupancy levels have exceeded budget projections.
- ❖ Average tenant rents have risen this year.

Other Income - \$351,000 over budget

- ❖ Interest Income has exceeded budget projections by \$293,000. This is due to rising rates and the purchase of longer term investments which have produced higher yields.
- ❖ Other misc. income is \$59,000 over budget. This is a result of a prior year billing for asset management fees at Park Duvall Phase IV. This was not included in the budget due to an oversight.

Operating Subsidy - \$1,371,000 over budget

- ❖ The amount of "transition funding" for demolished units at Clarksdale was increased significantly by HUD. This increase accounts for \$1,096,000 of the variance.
- ❖ HUD "over weighted" subsidy payments in the 1st half of 2006.

Interfund Transfers - \$1,900,000 under budget

- ❖ Transfers from other programs are made only when Operations are in a significant "deficit" situation. There has not been a need to transfer all the CGP funds originally budgeted. Additional subsidy from HUD has reduced the amount of transfers required.

Resident Services - \$350,000 under budget

- ❖ Salaries are \$133,000 under budget. A number of positions originally budgeted in Operations have been transferred to ROSS Grants as they are approved by HUD.
- ❖ The FSS case management contract is \$181,000 under budget. The HOPE VI program and Sec 8 program have absorbed most of the cost.
- ❖ Resident Council spending is under budget.

Utilities - \$1,217,000 over budget

- ❖ Increased utility consumption due to very hot summer months (2005), and vacating Clarksdale units slower than anticipated.
- ❖ Additionally, December weather was unseasonably cold.
- ❖ Natural gas rates have risen significantly (45% increase). LMHA has spent \$881,000 more during fiscal year 2006 vs. fiscal year 2005.

Maintenance - \$638,000 under budget

-
- ❖ Maintenance Labor is \$682,000 under budget (vacancy credits – these surpluses occur due to the time it takes to fill vacant positions).
 - ❖ Maintenance Materials are \$51,000 over budget.

Rental Assistance Payments - \$213,000 over budget

- ❖ Since the preparation of the budget, LMHA has begun paying subsidy to St. Francis Apts.
- ❖ Additionally, many of the new units that are being acquired are part of condo associations. These units are incurring monthly condo association fees.

Housing Choice Voucher Program Variance

The voucher program also had areas of significant difference:

Subsidy - \$3,417,000 over budget

- ❖ The budget was prepared from HUD information available at that time. Since the time of budget preparation, HUD has decided to “block grant” an additional 425 HOPE VI vouchers, which provided unanticipated funding for LMHA.
- ❖ Additional FSS funding has been allocated to LMHA.
- ❖ Other factors and adjustments have taken place that were unknown when the budget was prepared.

Other Income - \$429,000 over budget

- ❖ Interest Income has exceeded budget projections due to higher cash balances. HUD finally settled FYE 6/30/04 with LMHA. As a result, LMHA received approx. \$5.9 million.
- ❖ Additionally, interest rates have been rising. Longer term investments have improved yields as well.

Administrative - \$395,000 under budget

- ❖ Administrative Salaries are \$124,000 under budget (vacancy credits).
- ❖ A number of Administrative-Other categories are under budget (e.g. leased office space \$185,000; legal \$46,000; computer support \$31,000; etc.).

Tenant Services - \$185,000 over budget

- ❖ Salaries are \$34,000 under budget (vacancy credits).
- ❖ Contracts have exceeded budget by \$214,000 due to case management for greater number of family self-sufficiency (FSS) participants.

Rental Assistance Payments - \$526,000 over budget

- ❖ The average PUC (per unit cost) has increased. This is affected by numerous factors; e.g. tenants' incomes, unit size, increased utility rates which increase UAP payments, etc.

Capital Fund / Other Programs Variance

Sources of Funding

- ❖ The planned sources for both categories, because they are largely grants, reflect that fiscal year’s budget authority, versus the annual cash flow expected by program. The actual sources reflect the total amount of the drawdowns.

Uses of Funding

- ❖ The planned administrative funding drawdown from the Capital Fund line item was significantly underestimated, and was a miscalculation, as the prior year’s ratio of admin to capital expense was far higher than this year’s. The Capital Expense outlay was less than expected due to the delay in implementing one capital project due to legal action and the delay in HOPE VI expenditure of committed Capital Fund resources.
- ❖ The outlays in the Other Programs section are generally close to their expectations; admin has been slightly higher, but as noted above there has been a shift of tenant services to this category, including staff costs.

Fungibility and HOPE VI

MTW’s fungibility allows LMHA to establish priorities for funding outside the general guidelines that apply to other Housing Authorities. In this fiscal year, fungibility was used to provide low-interest construction loans or other bridge-type loans to the Clarksdale developer partners in order to expedite construction and meet the HOPE VI requirement for completion of the project. A \$1.9 million Section 8 reserve fund loan to assist with construction related costs prior to the Mixed Finance closing was retired in August, 2006. Although we had anticipated a loan to the Homeownership regime, this was not necessary this fiscal year. HCV reserves are also being used for the HOPE VI, from previous fiscal years: in Subphase I, \$424,000; for the acquisition of the Velvet Rose, \$566,000; for Phase II, the exact amount has yet to be determined.

Reserve Analysis

Program	Estimated Balance @ 6/30/05	Actual Balance @ 6/30/05	Est Inc. or (Dec) 6/30/2006	Actual Inc. or (Dec) 6/30/2006	Estimated Balance @ 6/30/06	Actual Balance @ 6/30/06
Public Housing	\$ 8,480	\$ 8,578	\$ -	\$ 35	\$ 8,480	\$ 8,613
Section 8 (All Programs)	\$ 8,667	\$ 11,012	\$ (449)	\$ 3,490	\$ 8,218	\$ 14,502
Total Operating Reserves	\$ 17,147	\$ 19,590	\$ (449)	\$ 3,525	\$ 16,698	\$ 23,115

The public housing program was budgeted for "break even" for FYE 6/30/06. For all practical purposes, that is what occurred with a small change of just \$35. This level of Operating Reserves was established by LMHA's Board of Commissioners many years ago.

The Board requested that operating reserve levels remain in the vicinity of 120 days of operating expenses. They are currently near that level. This practice was considered prudent to allow for delays in receipt of operating subsidy from HUD, shortfalls in operating subsidy, cash flow for emergency situations (fire, earthquake, etc.), and operating deficits.

The operating reserve level for the Section 8 Programs increased significantly for FYE 6/30/06. This occurred primarily due to 425 additional HOPE VI vouchers that were "block granted" and added to LMHA's inventory. LMHA's Board of Commissioners has blessed a high level of reserves to provide for the possibility of several potential problems. They include:

- ❖ one month of HAP payments to cover HUD delays in funding [\$3,950]
- ❖ 120 days of operations (administrative) [\$1,400]
- ❖ operating fund shortfalls in public housing program (1 year) [\$3,500]
- ❖ numerous other items related to the Clarksdale HOPE VI project and demolition [\$5,676]

Additionally, in fiscal year 2007 LMHA will attempt to use some of the Section 8 reserves to acquire new public housing units.

Capital Planning

The preservation and continued viability of its current rental housing inventory is core to the Louisville Metro Housing Authority's capital investment strategies. The Construction Administration Department continues to aggressively carry out the improvements outlined in the Agency's five-year capital plan so that our sites are in the best possible physical conditions despite their age.

While preservation is desirable for many sites, LMHA also recognizes the need to revitalize its severely distressed and obsolete developments. To this end, LMHA has embarked on a long-term plan to systematically demolish or substantially modify its obsolete public housing stock and replace it with affordable apartments and homes. Clarksdale and Iroquois Homes have been the focus of these efforts over the past three years.

Clarksdale HOPE VI Capital Funding

Capital Funds are a key component to the HOPE VI, and include monies for critical soft costs such as Architectural and Engineering firms, Planning Consultants, and Attorneys as well as for Demolition, Infrastructure, and Rehab (in the case of the St. Peter Claver Chapel). New contracts that were executed in FY 2006 included Phase III Demolition, Phase III Infrastructure, Sidewalks for Block C, Rental Phase I Permanent Financing, and a Task Order with the Community Builders, the on-site developers.

Iroquois Demolition

The former HAL submitted and received approval for the first phase of demolition of Iroquois Homes in FY2001. LMHA staff also submitted a successful application to the SAC in FY2002 for second and smaller phase of demolition at Iroquois that was approved by HUD in April 2003. FY2006 saw the completion of the demolition of seventy-two units in six buildings, in a contract totaling \$399,600.

Homeownership

LMHA has an extensive homeownership program as part of the Park DuValle HOPE VI project. At the end of June 2006, 305 of the 450 privately owned or for sale homes planned in the Park DuValle Revitalization area had been constructed.

Homeownership is also an important component of the HOPE VI Revitalization efforts for Clarksdale. Revitalization plans currently include over 200 homeownership and 4 lease-to-own units on-site, and 466 homeownership and 8 lease-to-own units off-site. The Authority has also continued its focus on expanding homeownership opportunities for public housing and Housing Choice Voucher families through the Housing Choice Voucher Homeownership Program (see Changes to the Housing Choice Voucher HO Program under the "Occupancy Policies" section of this report).

Capital Plans

As previously mentioned, a significant portion of LMHA's current and future capital funds have been earmarked for the Clarksdale Revitalization. While other sites such as Iroquois Homes, Sheppard Square, Parkway Place, and Avenue Plaza also need improvements or renovation, the Agency simply doesn't have the resources to fully address all those requirements. Therefore, LMHA has judiciously selected modernization and extraordinary maintenance projects that best preserve its existing housing stock.

The following "Capital & Clarksdale HOPE VI Projects" chart (Table 7-1) summarizes those projects by site, along with the amount expended or budgeted for the project, and its status or completion date. These projects were funded through a combination of Comprehensive Grant, Capital and HOPE VI Funds received in years 1999-2004. The appendix includes a depiction of the actual obligated and expended funds for each grant year as of June 30, 2004. All Comprehensive, Capital and Replacement Housing grant funds were 100% obligated. The Performance and Evaluation (P & E) Reports which delineate obligation and expenditures by each budget line item are also included in the appendix.

Capital Improvement contracts completed in FY2006 include the rehabilitation of tubs and toilets at Parkway, Replacement of Boilers (and related AE) at Sheppard Square, and a Card Key access system at Dosker Manor. Active contracts include piping replacement at Beecher Terrace, replacement of basement doors at Parkway Place (suspended pending a law-suit), and replacement of an emergency power transfer switch at Dosker Manor. A façade improvement project at Sheppard Square has been put on hold as Metro Louisville considers options in the Smoketown/Shelby Park neighborhood, where Sheppard is located.

The Five-Year Capital Plan and Capital Fund Annual Statements are included as Appendices to this document.

Management Information for Owned/Managed Units

This section of the Annual Report is intended to describe LMHA's targeted versus actual performance for both LMHA managed public housing inventory and privately managed public housing inventory. Figures are representative of performance by site, and averages of overall site performance. The former Housing Authority of Louisville was rated a high performer under PHMAP for FY98 with a score of 93, and retains this score throughout the Moving to Work demonstration.

Occupancy Levels

As shown in Table 8-1, the Louisville Metro Housing Authority had a 92% actual occupancy level for its LMHA-managed public housing developments at the end of FY2006. This was 4% less than the targeted 96%. This is due in part to the reservation of vacant units as potential relocation options for Clarksdale households through the end of the fiscal year. These units were held open to give relocating Clarksdale residents as large a diversity of bedroom sizes and development locations as possible. Overall, occupancy rates suffered in FY2006 as far fewer Clarksdale households chose to move to other public housing developments than originally expected. The majority of these families instead elected Housing Choice Vouchers. The occupancy rate at St. Catherine Court was particularly affected, as elderly Clarksdale residents unexpectedly elected Housing Choice Vouchers and low-rise, family developments with individual yards over the newly renovated high-rise building.

Following the completion of Clarksdale relocation, the Authority contacted the hundreds of families who were qualified and already on the waiting list; this took some months. After it became apparent that the housing status of a great number of these applicants had changed, the process was accelerated to begin to bring in new applicants and the homeless.

Special efforts were put in place in September 2005, including:

- The number of staff performing occupancy interviews and completing qualifications processing for housing applicants was tripled. Staff worked evenings and Saturdays to accommodate the process;
- Mass mailings were sent to make agencies and the public aware of available housing. Applicants were able to walk-in to apply for housing each day of the week without prior appointment;
- Special efforts and arrangements were made with the Coalition for the Homeless and other agencies to place homeless applicants.

Scattered site lease-up was particularly challenging given the tremendous utility rate increases put in place by the Louisville Gas & Electric Company (LG&E). The Housing Authority is developing plans to minimize the impact of high utility costs on residents, and every effort is being made to ensure that new units are insulated to the greatest extent possible.

Actual occupancy levels at the Agency's privately managed public housing were 100%, higher than the 97% projection. High occupancy levels are expected to continue these sites during the coming year due to the general desirability of this type of mixed-income housing.

Rent Collections

The Louisville Metro Housing Authority has a consistently strong record in rent collections. The average rent collection level for LMHA-managed properties has remained above 95% for the last five years. At the end of FY2006, the actual rent collection level was 96%, 1% above the projected level of 95%. The actual rent collection rate for LMHA's privately managed units was 100%, 2% above the 98% target (See Table 8-2.).

Work Orders

LMHA work orders are generated in several ways: in response to resident or staff reports of problems in units, buildings, or on grounds; in response to LMHA's periodic housekeeping inspections conducted in conjunction with extermination services four times per year; from deficiencies or problems discovered during annual inspections; or in cases of emergency. Work order response time has been a traditional measurement used by HUD to assess a public housing authority's maintenance performance.

During FY2006, LMHA responded to non-emergency work orders within an average of 2.0 business days and emergency work orders within 24 hours (See Table 8-3). This met the targeted response rate of less than five days. The improved level of performance over the last couple years can be attributed to the new work control management system that became operational in November of 2002.

Inspections

Annual Unit Inspections

The Louisville Metro Housing Authority inspected 100% of its conventional public housing inventory during FY2006 (See Table 8-4). Each site's housing service specialist and manager inspected every unit within their development to assess housekeeping standards and the need for routine maintenance repairs or major capital improvements. In addition, periodic housekeeping inspections were conducted in conjunction with extermination services four times during the year. Smoke detectors were also inspected at this time. LMHA plans to continue this level of performance during FY2006.

REAC Property Inspections and Resident Surveys

HUD's Real Estate Assessment Center (REAC) measures the performance of public housing agencies using the Public Housing Assessment System (PHAS). The PHAS evaluates the physical condition, financial health, management operations, and resident services of a public housing agency. During the course of the Moving to Work Demonstration however, HUD will evaluate LMHA on the basis of its Annual MTW Report, in lieu of the PHAS.

While LMHA is not subject to the PHAS during the MTW Demonstration, HUD continues to reserve the right to physically inspect LMHA's properties. These inspections assess overall site, public building, and unit conditions and do not supplant LMHA's annual in-house inspection processes. A summary of the PHAS physical inspection scores from 1998 through 2004 is shown in Table 8-5. During the most recent inspections (2005), the Authority received an annual score of 75.8%, a 5.2% decrease from the prior year's average score, 81.0%.

In response to this decrease, LMHA is redoubling its efforts to encourage all staff and residents to report health and safety issues. Central Office management has reinforced to all Property Managers the importance of doing a more thorough and detailed inspection of units and holding residents responsible for calling in work orders to address issues both inside and outside of their units. This reporting requirement will extend to all LMHA staff regardless of their level or work location. By performing more details annual inspections and ensuring issues are reported on a daily basis, the Agency believes it will be able to raise its inspection score above 80% in FY2007.

In addition, Iroquois Homes – which received a score of 60 – is slated for demolition over the next several years, beginning next year. An application was submitted to the Special Applications Center (SAC) in June. The age, physical condition and assorted environmental issues make the site no longer acceptable to LMHA for use as housing. Scores dropped at the other facilities largely due to the following reasons:

- Inoperable GFI plugs which are fixed immediately.
- Air conditioners in the only window in the bedroom. These units were removed to mitigate the deficiency.
- Missing switch plates, also remediated immediately.
- Fire extinguisher with expired tag which was corrected within 24 hours.
- Potholes (Park DuValle): the finish coat of asphalt has yet to be applied and will not be until all homeownership units on that block are constructed; prior to that, it is pointless to do so while there is high traffic volume of construction vehicles.

In addition to physical inspections, HUD's Real Estate Assessment Center mails a Resident Service and Satisfaction Survey to a sample of LMHA residents annually to assess their satisfaction level with the following five areas in their development: maintenance and repair, services, communication, safety, and development appearance. LMHA staff was unable to locate survey results more recent than those

included in the FY2005 Annual Report. Therefore, the results of this survey are not included with this report.

Security

The Louisville Metro Housing Authority's management policies reinforce the safety and security of residents. Strong lease enforcement forbids illegal drug use, violence and other unlawful activities. In addition, LMHA has a "one-strike and you're out" drug and criminal activity policy and, in cooperation with the city, tracks all arrests made on Agency property. All new modernization and maintenance projects utilize crime prevention through environmental design (CPTED) principles in an effort to keep developments as safe as possible.

LMHA provided a variety of security arrangements at its sites during FY2006 (See Table 8-6.) All elderly developments are equipped with card-access entry systems and security cameras. LMHA contracted with Commonwealth Security for security personnel at Dosker Manor, St. Catherine Court, Avenue Plaza, and Bishop Lane Plaza. Commonwealth also provided security services at the Villager, an off-site acquisition that will be adaptively reused as Clarksdale replacement housing.

LMHA also contracted with the Louisville Metro Police Department for "community" officers at each family development. The two Housing Authority Liaison Officers (HALO) assigned to these sites provided additional security beyond the regular police patrols. Aware of the critical link between resident involvement and community safety, HALO officers trained residents to be vigilant about strangers in the community and to readily report any suspicious behavior. All of these security services were funded with operating subsidies, as PHDEP funding was no longer available. LMHA will continue to use operating funds for the same level of services outlined above during FY2007.

**Louisville Metro Housing Authority
Occupancy Levels
Target vs. Actual FY2006**

TABLE 8-1

PUBLIC HOUSING	6/30/2006 TARGET	6/30/2006 ACTUAL
LMHA Managed Developments		
Family Developments		
KY 1-1 Clarksdale	Demolition complete.	Demolition complete.
KY 1-2 Beecher Terrace	97%	98%
KY 1-3 Parkway Place	96%	91%
KY 1-4 Sheppard Square	95%	94%
KY 1-5 Iroquois Homes	95%	94%
Elderly/Disabled Developments		
KY 1-10, 11, 12 Dosker Manor A, B, & C	96%	96%
KY 1-13 St. Catherine Ct.	96%	60%
KY1-14 Avenue Plaza	98%	94%
KY 1-18 Lourdes Hall	96%	99%
KY1-40 Bishop Lane Plaza	96%	99%
Scattered Sites		
KY 1-17 Scattered Sites I	98%	96%
KY 1-19 Scattered Sites II	98%	58%
KY 1-22 Scattered Sites III	98%	64%
KY 1-24 Scattered Sites IV	100%	93%
KY 1-34 Park DuValle / Clarksdale I Repl.	96%	86%
KY 1-35 Section 5(h) C'dale I & I Repl.	100%	91%
KY1-38 St. Martin's & Other C'dale I Repl.	95%	93%
KY1-39 Scattered Sites (Newburg SF Homes)	100%	100%
KY1-41 Scattered Sites V	95%	89%
KY1-44 Friary	100%	79%
OCCUPANCY LEVELS	96%	92%

Privately Managed Developments		
Mixed Income Sites		
KY 1-27 The Oaks of Park DuValle	99%	98%
KY 1-30 The Villages of Park DuValle	97%	100%
KY1-31 Park DuValle III	97%	100%
KY1-32 Park DuValle IV	97%	100%
KY1-36 St. Francis (Clarksdale I Repl.)	100%	100%
KY1-45 Liberty Green (C'dale I On-Site)*	100%	N/A
OCCUPANCY LEVELS	97%	100%

*Newly constructed Liberty Green units became available for lease in June 2006. 4 had been leased as of June 30.

**Louisville Metro Housing Authority
Rent Collection Levels
Target vs. Actual FY2006**

TABLE 8-2

PUBLIC HOUSING	6/30/2006 TARGET	6/30/2006 ACTUAL
LMHA Managed Developments		
Family Developments		
KY 1-1 Clarksdale	Demolition complete.	Demolition complete.
KY 1-2 Beecher Terrace	96%	96%
KY 1-3 Parkway Place	92%	96%
KY 1-4 Sheppard Square	94%	92%
KY 1-5 Iroquois Homes	91%	92%
Elderly/Disabled Developments		
KY 1-10, 11, 12 Dosker Manor A, B, & C	97%	97%
KY 1-13 St. Catherine Ct.	100%	99%
KY 1-14 Avenue Plaza	98%	99%
KY 1-18 Lourdes Hall	100%	98%
KY1-40 Bishop Lane Plaza	98%	98%
Scattered Sites		
KY 1-17 Scattered Sites I	98%	99%
KY 1-19 Scattered Sites II	98%	91%
KY 1-22 Scattered Sites III	98%	100%
KY 1-24 Scattered Sites IV	97%	98%
KY 1-34 Park DuValle/Clarksdale I Repl.	95%	98%
KY 1-35 Section 5(h) C'dale I & I Repl.	100%	95%
KY1-38 St. Martin's & Other C'dale I Repl.	98%	100%
KY1-39 Scattered Sites (Newburg SF Homes)*	100%	71%
KY1-41 Scattered Sites V	97%	96%
KY1-44 Friary	99%	100%
RENT COLLECTION LEVELS	95%	96%

Privately Managed Developments		
Mixed Income Sites		
KY 1-27 The Oaks of Park DuValle	100%	100%
KY 1-30 The Villages of Park DuValle	98%	100%
KY1-31 Park DuValle III	98%	100%
KY1-32 Park DuValle IV	98%	100%
KY1-36 St. Francis (Clarksdale I Replacement)	100%	100%
KY1-45 Liberty Green (Clarksdale I On-Site)**	98%	N/A
RENT COLLECTION LEVELS	98%	100%

*KY1-39 only contains four units. Thus, a single late-paying tenant can greatly affect the overall rent collection rate for this project code.

**Newly constructed units at Liberty Green became available for lease in June 2006. 4 units had been leased by June 30.

**Louisville Metro Housing Authority
Work Order Response
Target vs. Actual FY2006**

TABLE 8-3

	6/30/2006 TARGET		6/30/2006 ACTUAL	
	Emergency	Non-Emergency	Emergency	Non-Emergency
	% Completed Under 24 Hrs	Avg. Days to Complete	% Completed Under 24 Hrs	Avg. Days to Complete
PUBLIC HOUSING				
LMHA Managed Developments				
Family Developments				
KY 1-1 Clarksdale	N/A	N/A	N/A	N/A
KY 1-2 Beecher Terrace	100%	<5	100%	1.0
KY 1-3 Parkway Place	100%	<5	100%	1.1
KY 1-4 Sheppard Square	100%	<5	100%	1.7
KY 1-5 Iroquois Homes	100%	<5	100%	1.9
Elderly/Disabled Developments				
KY 1-10, 11, 12 Dosker Manor A, B, & C	100%	<5	100%	2.2
KY 1-13 St. Catherine Ct.	100%	<5	100%	4.9
KY 1-14 Avenue Plaza	100%	<5	100%	2.8
KY 1-18 Lourdes Hall	100%	<5	100%	1.5
KY1-40 Bishop Lane Plaza	100%	<5	100%	1.3
Scattered Sites				
KY 1-17 Scattered Sites I	100%	<5	100%	3.8
KY 1-19 Scattered Sites II	100%	<5	100%	3.4
KY 1-22 Scattered Sites III	100%	<5	100%	4.5
KY 1-24 Scattered Sites IV	100%	<5	100%	4.0
KY 1-34 Park DuValle/Clarksdale I Repl.	100%	<5	100%	4.0
KY1-35 Section 5(h) C'dale I & I Repl.	100%	<5	100%	3.1
KY 1-38 St. Martin's & Other C'dale I Repl.	100%	<5	100%	2.7
KY1-39 Scattered Sites (Newburg S.F. Homes)	100%	<5	100%	4.0
KY1-41 Scattered Sites	100%	<5	100%	4.5
KY1-44 Friary	100%	<5	100%	4.8
AVERAGE WORK ORDER RESPONSE	100%	<5	100%	2.0
Privately Managed Developments				
Mixed Income Sites				
KY 1-27 The Oaks of Park DuValle	100%	<2	100%	2.0
KY 1-30 The Villages of Park DuValle	100%	<2	100%	2.0
KY 1-31 Park DuValle III	100%	<2	100%	2.0
KY 1-32 Park DuValle IV	100%	<2	100%	2.0
KY1-36 St. Francis (Clarksdale I Replacement)	100%	<2	100%	2.0
KY1-45 Liberty Green (Clarksdale I On-Site)*	100%	<2	100%	N/A
AVERAGE WORK ORDER RESPONSE	100%	<2	100%	2.0

* Newly constructed Liberty Green units became available for lease in June 2006. 4 units had been leased by June 30.

**Louisville Metro Housing Authority
Inspections
Planned vs. Actual FY2006**

TABLE 8-4

	FY06 PLANNED	FY06 ACTUAL
PUBLIC HOUSING	% Inspected	% Inspected
LMHA Managed Developments		
Family Developments		
KY 1-1 Clarksdale	Demolition complete.	Demolition complete.
KY 1-2 Beecher Terrace	100%	100%
KY 1-3 Parkway Place	100%	100%
KY 1-4 Sheppard Square	100%	100%
KY 1-5 Iroquois Homes	100%	100%
Elderly/Disabled Developments		
KY 1-10, 11, 12 Dosker Manor A, B, & C	100%	100%
KY 1-13 St. Catherine Ct.	100%	100%
KY 1-14 Avenue Plaza	100%	100%
KY 1-18 Lourdes Hall	100%	100%
KY1-40 Bishop Lane Plaza	100%	100%
Scattered Sites		
KY 1-17 Scattered Sites I	100%	100%
KY 1-19 Scattered Sites II	100%	100%
KY 1-22 Scattered Sites III	100%	100%
KY 1-24 Scattered Sites IV	100%	100%
KY 1-34 Park DuValle/Clarksdale I Repl.	100%	100%
KY1-35 Section 5(h) C'dale I & I Repl.	NA	100%
KY1-38 St. Martin's & Other C'dale I Repl.	100%	100%
KY1-39 Scattered Sites (Newburg S.F. Homes)	100%	100%
KY1-41 Scattered Sites V	100%	100%
KY1-43 Steven Foster (Park DuValle Repl.)	100%	100%
KY1-44 Friary	100%	100%
AVERAGE INSPECTION RATE	100%	100%

Privately Managed Developments		
Mixed Income Sites		
KY 1-27 The Oaks of Park DuValle	100%	100%
KY 1-30 The Villages of Park DuValle	100%	100%
KY1-31 Park DuValle III	100%	100%
KY1-32 Park DuValle IV	100%	100%
KY1-36 St. Francis (Clarksdale I Replacement)	100%	100%
KY1-45 Liberty Green (Clarksdale I On-Site)	100%	100%
KY1-46 Village Manor	100%	100%
AVERAGE INSPECTION RATE	100%	100%

Public Housing Assessment System (PHAS) Inspection Scores
TABLE 8-5

Family Developments	INSPECTION SCORING						
	2005	2004	2002**	2001**	2000	1999	1998
KY 1-1 Clarksdale	N/A	69c*	95c*	95c*	68c*	37c*	54c
KY 1-2 Beecher Terrace	76c*	88c*	92c	92c	81c*	55b	65a
KY 1-3 Parkway Place	70c*	72*	75c*	75c*	58c*	50b	47b*
KY1-4 Sheppard Square	53*	62c*	88c	88c	66c*	54b*	68b*
KY1-5 Iroquois Homes	60c*	71c*	74c*	74c*	51c*	40c*	36b*
Elderly/Disabled Developments							
KY1-10 Dosker Manor A Building	73c	75b	58c	58c	87c	55b	68b*
KY1-11 Dosker Manor B Building	72c	82c	94b	94b	95b	62b	58c*
KY 1-12 Dosker Manor C Building	61c	81b*	85b	85b	92c	70b	57b
KY 1-13 St. Catherine Court	90b	94b	N/A	N/A	N/A	57c	60c
KY 1-14 Avenue Plaza	75b	81c	56c	56c	97b	68b	54b*
KY 1-18 Lourdes Hall	68c	88c*	99a	99a	60c	73b	60a
KY1-40 Bishop Lane Plaza	N/A	92b*	N/A	N/A	N/A	N/A	N/A
Scattered Sites							
KY 1-17 Scattered Sites I	80b	73c*	69c*	69c*	75b	46b*	78b
KY1-19 Scattered Sites II	46c	59c	84b*	84b*	81c	63b	75b
KY1-22 Scattered Sites III	80b	65c*	73c	73c	66c*	45b	80b
KY1-24 Scattered Sites IV	84b*	92c	87c*	87c*	93c*	72b	95b
KY1-34 Park DuValle/Clarksdale I Repl.	N/A	81c*	N/A	N/A	N/A	N/A	N/A
KY1-35 Section 5(h) C'dale I & I Repl.	N/A	74b	N/A	N/A	N/A	N/A	N/A
KY1-38 St. Martin's & Other C'dale I Repl.	80c	N/A	N/A	N/A	N/A	N/A	N/A
KY1-39 Scattered Sites (Newburg S.F. Homes)	N/A	88c	N/A	N/A	N/A	N/A	N/A
KY1-41 Scattered Sites V	N/A	92b*	N/A	N/A	N/A	N/A	N/A
Mixed Income Sites							
KY 1-27 The Oaks of Park DuValle	80c	98c	98b*	98b*	99b	88b	99a
KY 1-30 The Villages of Park DuValle	83b	95c	N/A	N/A	N/A	N/A	N/A
KY1-31 Park DuValle III	97b*	91a	N/A	N/A	N/A	N/A	N/A
KY1-32 Park DuValle IV	97c	N/A	N/A	N/A	N/A	N/A	N/A
KY1-36 St. Francis	91a	N/A	N/A	N/A	N/A	N/A	N/A
Average Score	75.80%	81.00%	81.80%	81.80%	77.94%	58.44%	65.88%

The letter "a" is given if no health and safety deficiencies were observed other than for smoke detectors.

The letter "b" is given if one or more non-life threatening H&S deficiencies, but no life threatening H&S deficiencies were observed other than for smoke detectors.

The letter "c" is given if there were one or more life threatening H&S deficiencies observed.

*Smoke Detector Violation

**If a Housing Authority achieves an average score above 80%, the previous year's scores are carried over into the following year, and the inspections are conducted every two years, instead of annually, by HUD's Real Estate Assessment Center (REAC).

**Louisville Metro Housing Authority
Security Personnel
FY2006**

TABLE 8-6

DEVELOPMENT	PROVIDER	HOURS OF SERVICE	FUNDING SOURCE	AMOUNT*
KY1-1 Clarksdale KY 1-2 Beecher Terrace KY 1-3 Parkway Place KY 1-4 Sheppard Square KY 1-5 Iroquois Homes	HALO Metro Police Officers and Alarm System Monitoring (A-Sonic Guard & ADT)	8 hr. shift	Operating Budget	\$253,200.00
KY 1-10,11,12 Dosker Manor	Commonwealth Security and Alarm System Monitoring (A-Sonic Guard)	8:00PM - 8:00AM	Operating Budget	\$444,900.00
KY 1-13 St. Catherine Court	Commonwealth Security and Alarm System Monitoring (ADT)	24 hrs.	Operating Budget	\$78,800.00
KY 1-14 Avenue Plaza	Commonwealth Security and Alarm System Monitoring (ADT)	24 hrs.	Operating Budget	\$79,200.00
KY 1-18 Lourdes Hall and Misc. Scattered Sites	Alarm System Monitoring (A-Sonic Guard & ADT)	24 hrs.	Operating Budget	\$1,400.00
KY 1-40 Bishop Lane Plaza	Commonwealth Security	4:30PM - 8:00AM weekdays; 24 hrs. weekends	Operating Budget	\$66,500.00
KY 1-42 Villager	Commonwealth Security	24 hr. security guards	Operating Budget	\$78,000.00
Wiggins Family Investment Center & Other Misc. Properties	Alarm System Monitoring (ADT & A-Sonic Guard)	24 hrs.	Operating Budget	\$3,800.00

Total Security: \$1,005,800.00

* Dollar figures represent budgeted amounts for FY2006. Actuals cannot be determined until audit has been completed.

Management Information for Leased Housing

This section of the Annual Report is intended to describe the Louisville Metro Housing Authority's actual performance in managing its Voucher Program during FY2006. In addition to the previous year's performance, it includes information regarding the amendment of LMHA's contract with HUD, the revision of LMHA's Housing Choice Voucher Administrative Plan, the Inspection process, and the Agency's very successful Housing Choice Voucher Homeownership Program.

Block Grant Funding

The Authority amended its contract with HUD during FY2005 to treat all of the Housing Choice Voucher vouchers absorbed from the Housing Authority of Jefferson County and the City of Louisville as Moving to Work vouchers. Now all LMHA vouchers are funded using the block grant methodology (versus the traditional voucher funding), providing a fiscal advantage to the Agency. This move and several other measures described within this section were taken to help remedy the recent payment standard and budgetary reductions executed by HUD.

Administrative Plan

After the two agencies merged in March of 2003, LMHA adopted the former Housing Authority of Jefferson County's "Administrative Plan for Rental Assistance Programs." Revisions were also made to this Administrative Plan to address specific Agency actions including a new "program-based" program at the Center for Women and Families, updates to the Family Self Sufficiency Program, and changes related to revised Housing Quality Standards (HQS) and the Property Maintenance Code.

In FY2005 the Agency revised and updated its entire Housing Choice Voucher Administrative Plan. Proposed changes, including several MTW initiatives, were made available for public comment and presented at a public hearing in conjunction with the FY2006 Moving to Work Annual Plan. These changes are summarized in the section on Occupancy Policies. The final document was approved and implemented during FY 2006.

In addition to the detailed changes, HUD has issued a number of cost controls that it is encouraging HAs to consider if they are experiencing budgetary shortfalls within their Housing Choice Voucher programs. Given the reduced HUD payment standards and other federal budgetary reductions, LMHA has included these cost controls as potential future options within its revised Housing Choice Voucher Administrative Plan. Additional discussion with residents and the general public will take place before any of those measures are adopted.

Leasing Information

The MTW Plan for FY2006 projected that at the end of the fiscal year that the LMHA would have 8876 Housing Choice Voucher units under lease. The actual number of units under lease at June 30, 2006 was 8248. The major reasons for the significant differences in the Plan number and the actual number under lease are discussed below. The breakdown of units projected to be under lease at June 30, 2006, and the actual number of units under lease at June 30, 2006, by bedroom size are as follows:

Bedrooms	Plan	Actual
Zero	297	14
One	2217	868
Two	3160	2951
Three	2701	3398
Four +	501	1017
Total	8876	8248

Utilization percentages were previously provided based on the ratio of units leased divided by the number of units in the Annual Contributions Contract. It is no longer practical for housing authorities to use ACC unit numbers for tracking utilization, and HUD now permits operations to be tracked based on fund utilization rather than unit ratios. As such, program utilization information for the Housing Choice Voucher program is now being provided to our Board of Commissioners based on percentage of funds used for the housing assistance program compared to funds allocated by HUD.

The reasons for this change are: 1) funding for the Section 8 program by HUD for calendar year 2006 was limited to 94.599 percent of the amount needed to fully fund all units allocated under the ACC. This alone would account for a reduction of 497 units on a pro rata basis. And, 2) the increasing costs of housing assistance affects the number of units that can be assisted by the agency. An additional factor affecting LMHA's leasing was our strategy to limit Voucher costs to 95 percent of the actual funding made available in order to use the remaining five percent to supplement revitalization efforts in the HOPE VI programs.

Consequently, the decrease in funding allocated, the actual average cost of assistance (\$482.18 per unit per month), and limiting the program to 95 percent of the actual funding allocated for the program make the dollar-based amounts more reflective of the number of units that we can support, and the ability of LMHA to lease units. For the Fiscal Year Ended June 30, 2006, the LMHA's total number of unit months under lease was 96,919 unit months, and the targeted number was 97,107 unit months which results in a fund utilization rate for the year of 99.81 percent.

Variations from other goals or proposed numbers in the MTW plan related to utilization will vary similarly. In addition, there appeared to be a significant shift to larger units in the past year. Part of this can be explained by the change in the occupancy standards in the Administrative Plan as the standards were made more liberal, e.g., a mother and child who previously would have been required to share a

single bedroom under the old standards are now eligible for a two-bedroom unit under the revised standards. Additionally, there were more than 1,000 new families placed on the program during the year and we have no control over the size of the families coming onto the program for the first time. The weighted average bedroom size in the plan was 2.13 bedrooms per family and the actual weighted average for the end of the year was 2.55 bedrooms per family.

There were also significant changes in the waiting list during the past year as efforts began in April 2005 to place new units under lease in order to reach/maintain our targeted utilization goal of approximately of 95 percent of our funding. As noted, since the effort began over 1,000 new families have leased units on the program. Through June 30, 2006, a total of 10,880 families from the waiting list were scheduled to attend New Family Orientation briefings as the first step in beginning the eligibility determination process. A total of 3,423 of the applicant families contacted by the LMHA attended the NFOs. Families failing to attend the New Family Orientations were removed from the waiting list. By comparison, the number on the waiting list on July 1, 2005, was 14,734 and the number at July 1, 2006 was 10,549.

Program-Based Housing Choice Voucher Program

LMHA has developed several programs with local organizations to provide both housing and supportive services (tying vouchers to specific interventions for example, rather than to a hard unit). During FY2004, and continuing today, the Authority implemented such a program with the Center for Women and Families (the Center) by entering into an agreement to provide vouchers for up to 17 households residing in their new long-term transitional housing program (a copy of the Agreement was included in LMHA FY2005 Annual Plan). Participants who successfully graduate from the Center's program within a three-year period will receive a portable voucher. This innovative results-based approach gave the Center the flexibility to lease to both Housing Choice Voucher vouchers holders and market rate renters while creating an incentive for participants to graduate in a timely manner. This approach also encourages a mixture of incomes without unnecessarily typing up vouchers.

Another "program based" approach that LMHA implemented during FY2004 was to set aside up to 50 vouchers in a partnership with the State Department of Mental Health/Mental Retardation to provide housing assistance as they implemented the Supreme Court's Olmstead decision to allow people to live in the community. Participants received a portable vouchers tied to direct services. MTW provided LMHA with the flexibility to develop opportunities like this for individuals with disabilities through accessible systems of cost-effective community-based services.

During FY2005, LMHA began discussing a potential co-venture agreement with two different service agencies for the Villager property, an off-site acquisition for the Clarksdale HOPE VI revitalization. Both organizations would likely request either project based vouchers or vouchers tied to services as part of their final memorandum of agreement. The site may also include ACC units, including single room occupancy (SRO) units, which would be the first of this unit type in LMHA's public housing inventory. "Flexible suite" unit configurations and shortened lengths of occupancy (6 to 9 months) are

also being evaluated for this site. Due to the challenges to both agencies, discussions around such a program have continued during FY 2006 but no definitive plan has developed.

Housing Choice Voucher Homeownership Program

The Authority has continued its focus on expanding homeownership opportunities for public housing and Housing Choice Voucher families. This award-winning program is more comprehensively discussed in the Resident Programs section.

Rent Reasonableness

Housing Choice Voucher administrative staff conducted rent reasonableness tests of all units during FY2006. Rents and rent increase requests were compared with the rents for similar apartments in the neighborhood to assure that charges are consistent with the local market norms. LMHA's Voucher program guidelines allowed rents for properties in targeted areas up to 120 percent of the current Fair Market Rents. This increased housing choices for Voucher program participants in non-impacted neighborhoods and helped achieve LMHA's deconcentration goals, in addition to providing incentives to landlords.

Inspection Strategy

Inspection practices and staff were transferred from LMHA to the Louisville Metro Inspections and Permits Department during the 4th quarter of FY2004. This was done to allow the municipality to serve multiple inspection functions at once while reducing cost to both LMHA and Metro Louisville by eliminating duplicative inspections. The Authority executed a contractual agreement with Louisville Metro to perform these services.

Louisville Metro inspectors performed four major inspections under the Voucher program including a pre-contract Housing Quality Standards (HQS) inspection, an annual HQS inspection, HQS quality control inspections, and inspections initiated from complaints. As in past years, 100 percent of pre-contract HQS inspections, HQS inspections, and inspections initiated from complaints were completed during the 2006 fiscal year. Per HUD guidelines, 5% of leased units received follow-up quality control inspections.

Louisville Metro inspectors worked diligently to educate landlords on their responsibilities to tenants and to assure that their properties meet Housing Quality Standards, however, as indicated by the above numbers, some units still failed inspections. Failed inspections fell into two categories: units that failed annual HQS inspections and units that failed pre-contract HQS inspections. If a unit failed the annual HQS Inspection, the landlord was expected to bring the unit into compliance. Units were re-inspected for compliance up to a maximum of three times. If the third re-inspection resulted in a failure, the unit was placed in abatement and removed from the program. Units that failed pre-contract HQS inspections were re-inspected only once. If the second inspection resulted in a failure, the unit was not

eligible for the program. As noted previously under the Administrative Plan portion of this section, LMHA has revised its Housing Choice Voucher policies to levy owners with \$25 fee for re-inspections after the first re-inspection for annual and initial inspections fails, and a \$25 fee for fails on other types of inspections after the first inspection.

Steps to Reduce HAP Costs

The President's FY2004, FY2005 and FY 2006 budgets attempt to contain escalating costs by placing new limitation on Housing Choice Voucher funding, and effectively reducing the amount of funding or the number of vouchers currently allocated to the nation's PHAs. The funding mechanism also has a negative impact on the block grant. In order to attempt to control Per Unit Costs (PUC), and the overall total HAP payments, LMHA has taken the following steps:

- Reduced its utilization rate;
- Eliminated the priority status of referrals from the area's homeless shelters, as these are often high cost households;
- Promoted homeownership opportunities, including the Agency's own Housing Choice Voucher Homeownership program;
- Encouraged people to work through aggressive Family Self-Sufficiency (FSS) and Individual Development Account (IDA) programs;
- Consolidated inspections with the city's Inspection Department; and
- Developed an automated software solution to assist in performing rent comparables versus outsourcing this task

**Louisville Metro Housing Authority
Housing Choice Voucher Utilization Rates FY2005**

TABLE 9-1

	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	TOTALS
MTW Vouchers	8,838	8,841	8,844	8,847	8,850	8,853	8,856	8,860	8,864	8,868	8,872	8,876	106,269
Totals	8,838	8,841	8,844	8,847	8,850	8,853	8,856	8,860	8,864	8,868	8,872	8,876	106,269
UNIT-BASED UTILIZATION													
Actual Units Leased	8,094	8,052	8,057	7,989	7,988	7,988	8,028	8,101	8,117	8,114	8,183	8,208	96,919
Units (Over /Under-Leased	744	789	787	858	862	865	828	759	747	754	689	668	9,350
Cum Unit Mo's (Over)/Under-Lsd	744	1,533	2,320	3,178	4,040	4,905	5,733	6,492	7,239	7,993	8,682	9,350	
Percentage Leased by Month	91.58%	91.08%	91.10%	90.30%	90.26%	90.23%	90.65%	91.43%	91.57%	91.50%	92.23%	92.47%	91.20%
Cumulative Percentage Leased	91.58%	91.33%	91.25%	91.01%	90.86%	90.76%	90.74%	90.83%	90.91%	90.97%	91.09%	91.20%	
VMS DATA													
Total HAP & UAP (\$)	3,766,040	3,838,316	3,765,082	3,876,190	3,845,587	3,888,622	3,939,429	3,866,861	3,987,561	3,949,489	4,001,062	4,008,438	46,732,677
PUC (\$)	465	477	467	485	481	487	491	477	491	487	489	488	482
PROGRAM EXPENSES/MTW INCOME													
Budgeted Monthly Fund Avail (\$)	4,471,763	4,473,281	4,474,799	4,476,317	4,477,835	4,479,352	4,480,870	4,482,894	4,484,918	4,486,942	4,488,966	4,490,990	53,768,926
Admin Expenses-Actual (\$)	312,684	352,337	323,552	443,167	380,413	310,700	312,781	388,279	363,953	265,118	367,366	453,979	4,274,329
Ttl Program Exp-Actual (\$)* <i>* Total of Admin Exp and HAP/UAP</i>	4,078,724	4,190,653	4,088,634	4,319,357	4,226,000	4,199,322	4,252,210	4,255,140	4,351,514	4,214,607	4,368,428	4,462,417	51,007,006
MTW Income/Deficit (\$)	393,039	282,628	386,165	156,960	251,835	280,030	228,660	227,754	133,404	272,335	120,538	28,573	2,761,920
Cumulative Amount (\$)	393,039	675,667	1,061,831	1,218,791	1,470,625	1,750,656	1,979,316	2,207,070	2,340,474	2,612,809	2,733,347	2,761,920	
DOLLAR-BASED UTILIZATION													
Actual Leased	8,094	8,052	8,057	7,989	7,988	7,988	8,028	8,101	8,117	8,114	8,183	8,208	96,919
Dollar-based Number of Units That Can Be Supported Using 95% of Available Funding	8,458	8,176	8,404	7,851	8,046	8,103	8,037	8,109	7,932	8,213	7,970	7,807	97,107
Fund Utilization Percentage	95.69%	98.49%	95.87%	101.75%	99.28%	98.58%	99.88%	99.91%	102.33%	98.80%	102.67%	105.14%	99.81%

Interest Income Not Reflected in Totals; Actual Block Grant Monies Received Are Reflected in Sources and Uses

Resident Programs

During FY2006, the Louisville Metro Housing Authority continued to offer residents a wide array of educational and job-training services designed to prepare individuals for success in school and the workplace, and to help them along an incremental path to self-sufficiency. The Agency also continued to collaborate and partner with other social service agencies in the community in an effort to provide the highest quality services and programs to residents.

LMHA spent approximately \$1,183,000 for resident services and programs in FY2006, not including HOPE VI CSS, through Operating subsidies, the HCV program and grants such as ROSS.

Family Self Sufficiency (FSS)

Through the Family Self Sufficiency program, LMHA residents and Housing Choice Voucher (HCV) participants received extensive supportive services through long-term case management to achieve program and personal goals, with an emphasis on employment. As an added incentive, the rent increases that would occur as family income rises were diverted into an escrow account to be used at the participant's discretion. Homeownership is a key goal of LMHA, with an emphasis on FSS participants. (See additional information on LMHA's Housing Choice Voucher Homeownership later in this section.) The minimum FSS program sizes were changed during FY2006. The minimum HCV program size was reduced to 478 participants, while the public housing program's minimum size is now 150. LMHA's FSS programs exceeded these minimum program sizes for FY2006, serving 514 HCV and 172 public housing participants.

CommonWealth Individual Development Account (IDA) Program

This program was designed to help low-income people save money to buy a house, attend post-secondary education, save for their child's education, invest in their own small business, repair or remodel their home, or own their own computer. Each participant has a dedicated savings account (called an IDA) where their savings is matched \$2 for every \$1 they save. Participants also complete Financial Skill Building workshops and meet with a Case Manager. During FY2006, 42 residents participated in the CommonWealth IDA program. Five residents completed the program, meeting their savings goals and purchasing assets.

Special Access Programs

The former Housing Authority of Jefferson County offered a variety of special access programs, each a partnership with another community agency or agencies and targeting a specific

population. LMHA has continued these programs, which combine an LMHA Housing Choice Voucher with case management services delivered by the partner agency or agencies. Because the combined voucher program was over-leased after merger and major relocation activities were underway at Clarksdale, the special access programs were only able to serve a small number of participants for a portion of FY2004 and FY2005. However, the majority of these programs are now able to serve at capacity.

HOPWA (Housing Opportunities for People with AIDS) Program

The HOPWA program provided voucher rental assistance and Case Management services through the House of Ruth. The program's mission is to combine rental assistance with Case Management services for people with HIV/AIDS to improve quality of life, ensure access to services, and ease access to other programs for which they may be eligible. Although program capacity is 60, only a small number of participants were served during FY2006 as the Louisville Metro Department of Housing and Community Development offered two additional direct access programs that also served this population. The Department of Housing's programs also combined subsidized rental assistance with long-term case management services. In general, applicants in need of long-term case management were referred to the Department of Housing's programs, while other applicants were referred to LMHA's program. Participants in the Department of Housing's programs were referred to LMHA's Housing Choice Voucher Program when the term of their subsidy had expired.

Debt Elimination & Financial Training Program (DEFT Program)

This program has been discontinued.

Mainstream Program

The Mainstream Program combines an LMHA Housing Choice Voucher and case management services delivered by the Center for Accessible Living to serve families or individuals whose head of household or spouse is disabled. The program aims to help disabled individuals lead more independent lives. Forty-one referrals were accepted during FY2006.

Family Unification Program (FUP)

The FUP Program combines an LMHA Housing Choice Voucher and case management services delivered by Child Protective Services to serve families for whom housing is an issue with regard to reunification of children with parents or the prevention of the removal of children from the household. The program's mission is to preserve and maintain the family unit. This program has been suspended and is currently under evaluation. No referrals were accepted during FY2006.

Homeless Families Assistance Program (HFAP):

The HFAP Program combines an LMHA Housing Choice Voucher and case management services delivered by day and overnight shelters, transitional housing facilities, the Neighborhood Place, Louisville Metro Human Services staff, and the Family and Children Counseling Center's Homeless Families Prevention Program staff to serve families and individuals who are homeless. The program helps stabilize homeless families and individuals, so they can continue to make positive changes in their lives. While this program is currently closed (No referrals were accepted during FY2006 as the program was at capacity.), LMHA anticipates it will re-open during FY2007.

Olmstead Program

The Olmstead Program is a partnership between LMHA and the State of Kentucky's Division of Mental Health. It combines an LMHA Housing Choice Voucher and case management services delivered by authorized agencies, including the Center for Accessible Living, Wellspring, and Central State Hospital, to serve families or individuals impacted by the Olmstead decision. Two referrals were accepted during FY2006, and an increase in utilization is expected in FY2007, as the program has recently added a new authorized agency, Seven Counties Services.

Center for Women and Families Villager Program

The intent of this program is to serve individuals and families affected by domestic violence, sexual assault or economic hardship. Participants in this program were selected by the Center for Women and Families (CWF) via their written criteria. If the CWF chose to refer a participant for the site-based Housing Choice Voucher component, that participant had to be Housing Choice Voucher-eligible as well. Participants received site-based Housing Choice Voucher rental assistance and intensive supportive services from the referring agency while living on CWF's campus, and were potentially eligible for a portable voucher upon completion of CWF's program. Nine referrals were accepted during FY2006.

LMHA intends to collaboratively redevelop a former motel, the "Villager" property, but this has yet to materialize. LMHA began discussions with the Center several years ago and was close to consummating an agreement, but the Executive Director left to take a position with another social services agency. A new Director was hired but had a relatively short tenure. The newest Director is amenable to resurrecting our discussions regarding a partnership to develop this site.

Single Room Occupancy (SRO) Program

Housing Choice Voucher-eligible single women or men who were homeless or in danger of becoming homeless could self-refer or be referred by other agencies and service providers directly to the SRO Program. Participants received site-based Housing Choice Voucher rental

assistance at the SRO and case management via SRO staff. Robert's Hall (which can serve 24 women) and the YMCA (which can serve 41 men) remained at program capacity during FY2006.

ROSS-Funded Programs

Public housing residents have benefited from a variety of programs and services over the past years made available through ROSS funds. Staff have applied for and received 4 ROSS grants to continue the many activities and services (ROSS Resident Service Delivery Model grant and 3 Neighborhood Network grants) including:

- CHOICE – teen intervention for middle school students at Meyzeek and Noe Middle Schools (currently funded in part through Clarksdale HOPE VI Revitalization CSS budget);
- Resource Centers and after school tutoring programs at the Beecher Terrace, Sheppard Square, Parkway Place, and Iroquois Homes family developments (ROSS Resident Services Delivery Model). 146 individuals were served during FY2006.
- GED programs (ROSS Resident Services Delivery Model);
- A 16-station computer lab at the Mabel Wiggins Family Investment Center plus satellite labs at Sheppard Square and Iroquois Homes (ROSS Neighborhood Network);
- Other youth and resident programs including Metro Parks, day camps and field trips (ROSS Resident Services Delivery Model); and
- Special “HALO” officers with the Louisville Metro Police Department at LMHA’s family sites, and security personnel at LMHA’s high-rise sites, and the Mabel Wiggins Family Investment Center (Operating Budget).

LMHA received notification in March 2003 of a \$19,000 Community Foundation Grant for start up costs equated with a pilot Youth Independent Development Account (IDA) program. The Center for Women and Families worked with LMHA to implement the area’s first such program. IDA programs offer matched savings accounts to encourage regular savings, financial skills building education to improve money management and a variety of eligible assets that can be purchased at the end of the program. LMHA’s innovative Youth IDA program provided a multi-generational approach to self-sufficiency. Participants were recruited from LMHA’s other youth programs as well as from the children of adult Commonwealth IDA Program participants including families relocating from Clarksdale due to the HOPE VI Revitalization. All participants were required to perform community service in exchange for participation in the Youth IDA program. This one-year grant provided start-up match money for the youth participating in the program.

Earned Income Tax Credit

In conjunction with the Metro Government’s Beyond Merger blueprint, LMHA continued its efforts to encourage and assist residents and program participants to take advantage of the

Earned Income Tax Credit. LMHA also continued to partner with the Louisville Asset Building Coalition to provide free tax preparation services, which not only provide an alternative to paid tax preparation services, but connections with other financial services.

Traditional and Realizing Academic Potential (RAP) Scholarship Programs

The former Housing Authority of Louisville (HAL) developed two scholarship programs to serve its residents that continued under LMHA. Begun in 1987, the traditional LMHA Scholarship program, which provides scholarships to college-bound high school seniors or adults wishing to return to school, has awarded \$1,059,890 in renewable scholarships to 320 students. During FY2006, 21 scholarships with a total value of \$31,500 over the life of the award were given to LMHA residents. (See Table 10-1 for a summary of the Authority's Traditional Scholarship Program.) These scholarships are funded by the Louisville Housing Assistance Corporation, an LMHA subsidiary.

The second of LMHA's Scholarship programs was called "RAP" (Realizing Academic Potential). Begun in 1996, RAP was designed to identify, target, support, and provide financial assistance to youth, beginning in the ninth grade year of high school. Each year, if the student maintained acceptable grades, LMHA contributed money to a college scholarship fund established for that student. The program had incentives and a mentoring component to keep students interested and motivated to learn and achieve their academic goals. (See Table 10-2 for a summary of the RAP scholarship awards.) The existing funding for this program has been completely obligated, and the program ended with the 2005 graduating class.

Computer Training and Neighborhood Networks

Since the early 1990's, research has shown that a "digital divide" exists between affluent and low-income persons. Additionally, disparity in computer skills between young and mature users has been noted. Much has been done to bring the technically disenfranchised into classrooms and to establish learning centers for instruction and training in their immediate communities. However, despite those efforts, recent studies report that the gap persists for low-income, minority and non-English speaking children and adults.

In the summer of 2001, the former HAL partnered with Jefferson Technical College (JTC) and the McConnell Training and Technology Center (MTTC) to apply for a \$250,000 grant through the Governor's Office of Technology (GOT) to fund an innovative program to address the ever-increasing technology gap between middle and low-income families, specifically for public housing residents.

The resultant program, eVillage-Louisville, connects public housing residents to the resources necessary to improve education and self-sufficiency opportunities by providing the training and technology necessary for residents to become computer literate, own their own computer, and

have access to the Internet. The program began in January 2002 and was open to all public housing residents and students living in Parkway, Clarksdale, Iroquois, Sheppard Square, Park DuValle and Beecher Terrace. Initially housed at the Wiggins Family Investment Center, eVillage offered two phases of training: basic computer instruction (Ready-Set-Go!) and more advanced computer repair classes (A+ training). After a brief seven months, the program was so successful it was replicated at the Sheppard Square public housing development. Louisville Homes Trust donated the equipment to set up this second computer lab.

The former HAL applied for and received a \$250,000 ROSS Neighborhood Network grant from HUD in 2002 to help expand the initial pilot and sustain the program for an additional three years. LMHA's Special Programs Department also submitted and was awarded a \$200,000 HOPE VI Neighborhood Network in September 2003 and a second \$220,101 grant in September 2004 to establish a Neighborhood Network (NN) at the former Clarksdale site (now Liberty Green). The grant included funding to establish a state-of-the art computer lab and training center in the new Active Living facility that will be constructed on the redeveloped site.

LMHA has partnered with Jefferson County Public Schools to continue its basic computer classes at the Neighborhood Network centers at the Family Investment Center and Sheppard Square. Two new labs opened for use in FY2006, Iroquois Homes and the Villages at Park DuValle. Residents now receive a refurbished computer upon completion of the program supplied through New Life, a business that trains persons with visual impairments to rebuild computers.

In addition to the basic nine-week course, LMHA has partners with the Jefferson County Public Schools Department of Workforce Development to offer the Work Readiness Program; the pilot class began in March 2006. Residents who have completed the first, basic Neighborhood Networks course and who have earned a GED or high school diploma are eligible to enroll in this program. Students meet three hours a day for four weeks. In addition to expanding their computer skills, students perform mock job interviews, create a resume, and meet with a number of representatives from area non-profit employment services agencies. During FY2006, 185 participants completed the basic nine-week course, while 13 completed the Work Readiness Program.

HOPE VI Grant Community Supportive Services

LMHA collaborated extensively with residents, community members, and service providers to develop a comprehensive community supportive service (CSS) component of its HOPE VI programs. The Authority and its partners have provided extensive CSS services through all of its HOPE VI programs (Clarksdale, Park DuValle, and Iroquois Homes), including case management, life skills training, employment and Section 3 opportunities, evaluation and tracking, and mobility counseling and assistance during relocation.

During the summer of 2005, LMHA staff and the Presbyterian Community Center held an event to support Clarksdale residents who had relocated to the Smoketown / Shelby Park area. Sheppard Square residents were also invited to this “Welcome to the Community” celebration. Meyzeek Middle School, Making Connections, Metro Parks, and other service providers were present to provide information on their programs and services. LMHA also used this event as an opportunity to recruit participants for its Family Self-Sufficiency Program.

The CSS / Special Programs Department recently purchased a new web-based computer system to enhance its HOPE VI case management and tracking abilities. All files and data for Clarksdale residents participating in the Family Self-Sufficiency have been transferred to the new system. During FY2006, staff expanded the use of this system to include participants from all other grant programs.

YouthBuild Program

LMHA staff continued to work extensively with YouthBuild to recruit LMHA young adults aged 18 to 24 for their training program that prepares participants for entrance into construction apprenticeships. Instructional training to prepare for high school diplomas, transportation passes with TARC, subsidized daycare, counseling, 900 hours of community service, stipends based on attendance, and a \$2,400 college scholarship upon completion are all components of this program. The Authority provided \$20,089 for stipend support for the 2004 and 2005/2006 classes of YouthBuild students.

LMHA also continued to provide apartments for YouthBuild participants as per the Memorandum of Understanding signed at the inception of the program. These units provided transitional housing for participants at a location convenient to their training center. As of the end of FY2006, YouthBuild enrolled students from both the Beecher Terrace and Iroquois housing developments, including former Clarksdale residents.

YouthBuild has constructed three housing units in conjunction with the off-site component of the Clarksdale Revitalization and is planning to construct several more. Participants also renovated the St. Peter Claver Chapel in Smoketown, which is now used as a computer center and meeting area by residents of Sheppard Square, Clarksdale relocates, and the surrounding community.

YouthBuild also offered community service projects that impacted the residents of Sheppard Square. Fall and spring sessions of health-related workshops were held at the Presbyterian Community Center during FY2006. Five public benches were built in the summer of 2005 and will soon be placed in a new community garden recently developed behind the St. Peter Claver Community Center as part of LMHA’s Active Living by Design grant described later in this section.

Elderly / Disabled Supportive Services

A limited program of case management, counseling, home care, and recreational services was provided for Dosker Manor residents during FY2006, funded through a \$300,000 ROSS grant awarded to ElderServe in 2006. Staff continued discussions with Dosker Manor residents, management and maintenance, and potential supportive service providers regarding the possibility of future supportive services.

Iroquois Hazelwood Health Coalition

LMHA's Special Programs staff joined the Iroquois Hazelwood Health Coalition in FY2004, and participation continues. LMHA staff was a major partner in submitting a \$300,000 Louisville Community Foundation grant that was awarded in September 2004. The funds are being used to improve access to health care and to address key health issues. Staff continues to work with the Coalition to establish and implement programs that target residents of Iroquois Homes.

Annie E. Casey Foundation's Making Connections

LMHA staff also serves on the Annie E. Casey Foundation's Making Connections Louisville Strategy Advisory Teams. The Teams met to formulate community identified and owned strategies for families in the four targeted neighborhoods of Phoenix Hill, California, Smoketown, and Shelby Park (Clarksdale, Dosker Manor, Sheppard Square and several of the Agency's scattered sites are located within those neighborhoods, and a number of Housing Choice Voucher holders live within those neighborhoods.)

Robert Wood Johnson Foundation's Active Living and Healthy Eating by Design

On behalf of Louisville Metro Government, LMHA applied for and received a \$200,000 Active Living by Design grant from the Robert Wood Johnson Foundation in November 2003 to make changes in the built environment and implement programs that encourage physical activity. The Agency has since been awarded two additional special-purpose grants from the Foundation, a \$50,000 Healthy Eating by Design grant in June 2005 to address the growing risk of overweight and obesity among low-income children and a separate \$50,000 grant to increase bicycling and pedestrian activity along Hancock Street. The initiative's most visible accomplishment has been the creation of a community and educational garden in the Smoketown Neighborhood adjacent to the St. Peter Claver Community Center.

Homeownership Supportive Services

LMHA has one of the strongest Housing Choice Voucher Homeownership programs in the country and can boast that 81 families have purchased homes using program, including three

families relocating from Clarksdale. Program participants are also form part of the post-purchase IDA program. Both Housing Choice Voucher households and public housing residents have received Housing Choice Voucher Homeownership vouchers.

The Authority applied for and was awarded a \$60,700 grant to expand the supportive services it provides through its Homeownership Program in December 2004, which will be used to fund a new Homeownership Specialist position. Current administrative tasks in the Housing Choice Voucher Homeownership Program will be bifurcated into real estate and counseling-related duties. The new Homeownership Specialist will be responsible for all aspects of the latter including pre-briefing, working with counseling agencies, and providing case management-related activities including post-purchase counseling and related IDA accounts. This staff member will also coordinate the Homeownership programs for LMHA's new Section 32 lease-purchase units at Liberty Green and the Section 5(h) units in Newburg.

LMHA will be able to continue to provide Homeownership Supportive Services through a \$400,000 ROSS grant the Agency received in FY2002. These funds are being used to:

- conduct orientations to promote financial skills training, credit counseling and homeownership;
- provide financial skills training through the Center for Women and Families;
- provide homeownership counseling through the Housing Partnership, Inc. to public housing residents with annual incomes of \$12,500 or who meet the income requirements of LMHA's Housing Choice Voucher Homeownership program;
- support families working toward homeownership, such as those residing in "lease-to-own" units, with services to overcome remaining barriers to homeownership including legal counsel for credit, divorce or custody issues; drop-in childcare vouchers; used vehicle assessment; work attire and equipment; and eyeglasses or dentures;
- offer a Youth Individual Development Account (IDA) program to up to 40 public housing teens ages 12-17. This program provides youth with valuable financial literacy education and helps them develop the habit of saving. Each dollar the youth deposits is matched with \$4 by LMHA. Participants may use their IDA funds to purchase an educational asset.

Resident Participation

LMHA's commitment to full resident involvement in the Agency's processes continued during FY2006. Two residents continued to serve on the Board of Commissioners, one as the Chair. Resident council presidents were encouraged to attend Board meetings and report on development activities or concerns.

Residents were an essential part of the HOPE VI Revitalization planning process at Clarksdale and continue to be an integral part of the project's implementation. The input gathered over more than four years of resident surveys and focus groups, involvement on task force

committees, and participation during design charettes, training sessions and public hearings proved invaluable in the development of a totally revitalized Clarkdale community. Iroquois residents were involved in the planning sessions and public meeting regarding the ongoing plans for demolition at their site.

**Louisville Metro Housing Authority
Traditional Scholarship Program Awards**

TABLE 10-1

	No. of Scholarships Awarded in Fiscal Year	Cumulative Number of Scholarships Awarded	Total Value of the Life of the Award	Cumulative Total Value of the Life of the Award
1987-95	59	59	\$268,540	\$268,540
1996	29	88	\$94,000	\$362,540
1997	24	112	\$65,600	\$428,140
1998	28	140	\$84,000	\$512,140
1999	25	165	\$73,000	\$585,140
2000	19	184	\$61,000	\$646,140
2001	27	211	\$107,750	\$753,890
2002	23	234	\$85,000	\$838,890
2003	34	268	\$143,000	\$981,890
2004	14	282	\$21,000	\$1,002,890
2005	17	299	\$25,500	\$1,028,390
2006	21	320	\$31,500	\$1,059,890

**Louisville Metro Housing Authority
Realizing Academic Potential (RAP) Awards***

TABLE 10-2

Class of	1999	2000	2001	2002	2003	2004	2005
No. of Scholarships awarded in fiscal year	22	22	13	11	14	18	9
Cumulative number of scholarships awarded	22	44	57	61	65	83	92
Total Value of the Awards to Date	\$82,000	\$75,000	\$39,500	\$16,500	\$7,000	\$34,000	\$8,500
Cumulative Total Value of the Awards to Date	\$82,000	\$157,000	\$196,500	\$213,000	\$220,000	\$254,000	\$262,500

*The RAP Scholarship Program ended in FY2005. No scholarships were awarded during FY2006.