



Commissioners

Emmet Pierson, Jr.	Chair
Barbara Henson	Vice Chair
Kathryn Kelsey	Member
Tameka Bryant	Member
Dr. Syrtiller M. Kabat	Member
Phyliss Edson	City Liaison
Erik A. Berg	Executive Director

February 18, 2020

Ms. Bette Wordelman, Director
City of Lee's Summit Finance Department
220 SE Green Street
Lee's Summit, MO 64063

Subject: Waiver of PILOT FYE 09/30/2019

Dear Ms. Wordelman,

The Housing Authority of the City of Lee's Summit Missouri (LSHA) hereby requests a waiver of Payment in Lieu of Taxes for its fiscal year ended September 30, 2019. The PILOT funds in the amount of \$33,874.16 will be used for capital improvements projects that the Housing Authority plans to undertake this year. The Housing Authority continues to make capital improvements to our properties, Lee Haven and Duncan Estates. These are necessary physical improvements designed to maintain our low-income public housing properties and help to ensure their long-term viability. Lee Haven was constructed in 1967, and Duncan Estates in 1996. LSHA is completing the contracting process for Phase II of the Bathroom Improvements project at Duncan Estates in the summer of 2020, a project that will totally renovate the bathrooms of thirty-four (34) units. In addition LSHA is working with our architect to prepare exterior renovations to the units of Duncan Estates, a project anticipated for the summer of 2021.

The Housing Authority maintains a conservative approach to budgeting and expenditure of limited federal, state and local resources. The only revenue source LSHA receives besides federal subsidies is tenant rental income, calculated at 30% of their adjusted household income. We serve primarily the elderly (age 65+) and physically and/or mentally disabled, client bases whose incomes consist mainly of Social Security benefits. In past years we have used PILOT funds to improve and maintain our properties, providing the tenants we serve with decent, safe and affordable housing – a precious resource in Lee's Summit with limited availability. Our goal is to continue to be a housing resource and proud member of the Lee's Summit community.

Thank you for your consideration. Please contact me with any questions or for further information.

Sincerely,

Erik A. Berg, PHM
Executive Director

Enc.: Computation of Payments in Lieu of Taxes

Computation of Payments in Lieu of Taxes

U.S. Department of Housing and Urban Development Office of Public and Indian Housing

For Fiscal Year Ended 9/30/2019

OMB Approval No. 2577-0026 (Exp. 10/31/2009)

Public reporting burden for the collection of information is estimated to average .4 hours. This includes the time for collecting, reviewing, and reporting the data. The information will be used for HUD to ascertain compliance with requirements of Section 6(D) of the U.S. Housing Act, which provides for PHA exemptions from real and personal property taxes, and inclusion in the formula data used to determine public housing operating subsidies. Response to this request for information is required in order to receive the benefits to be derived. This agency may not collect this information, and you are not required to complete this form unless it displays a currently valid OMB control number.

Name of Local Agency: Lee's Summit Housing	Location: 111 South Grand	Contract Number: FW0812	Project Number: MO16P030001
Part I - Computation of Shelter Rent Charged.			
1. Tenant Rental Revenue (FDS Line 703)		<u>\$467,374.00</u>	
2. Tenant Revenue Other (FDS Line 704)			
3. Total Rental Charged (Lines 1 & 2)			<u>\$467,374.00</u>
4. Utilities Expense (FDS Line 931 - 939)			<u>\$85,227.48</u>
5. Shelter Rent Charged (Line 3 minus Line 4)			<u>\$382,146.52</u>
Part II - Computation of Shelter Rent Collected. To be completed only if Cooperation Agreement provides for payment of PILOT on basis of Shelter Rent Collected.)			
1. Shelter Rent Charged (Line 5 of Part I, above)			
2. Add: Accounts Receivable - Tenants (FDS Lines 126, 126.1, & 126.2) at beginning of fiscal year			
3. Less: Tenant Bad Debt Expense (FDS Line 964)			
4. Less: Accounts Receivable - Tenants (FDS Lines 126, 126.1, & 126.2) at end of fiscal year			
5. Shelter Rent Collected (Line 1 plus Line 2 minus Lines 3 & 4)			
Part III - Computation of Approximate Full Real Property Taxes.			
(1) Taxing Districts	(2) Assessable Value	(3) Tax Rate	(4) Approximate Full Real Property Taxes
County	\$4,342,841.00	0.007800	\$33,874.16
Total			\$33,874.16
Part IV - Computation of Approximate Full Real Property Taxes. (To be completed if Cooperation Agreement limits PILOT to an amount by which real property taxes exceed 20% of annual contribution.)			
1. Approximate full real property taxes			
2. Accruing annual contribution for all projects under the contract			
3. Prorate share of accruing annual contribution*			
4. 20% of accruing annual contribution (20% of Line 3)			
5. Approximate full real property taxes Less 20% of accruing annual contribution (Line 1 minus Line 4, if Line 4 exceeds Line 1, enter zero)			
Part V - Computation of Approximate Full Real Property Taxes.			
1. 10% of shelter rent (10% of Line 5 of Part I or 10% of Line 5 of Part II, whichever is applicable)**			<u>\$38,214.65</u>
2. Payments in Lieu of Taxes (If Part IV is not applicable, enter the amount shown on Line 1, above, or the total in Part III, whichever is the lower. If Part IV is applicable, enter the amount shown on Line 1, above, or the amount shown on Line 5 of Part IV, whichever is lower.)			<u>\$33,874.16</u>
* Same as Line 2 if the statement includes all projects under the Annual Contributions Contract. If this statement does not include all projects under the Annual Contributions Contract, enter prorata share based upon the development cost of each project.			
** If the percentage specified in the Cooperation Agreement or the Annual Contributions Contract with HUD is lower, such lower percentage shall be used.			
Warning: HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties (18 U.S.C. 1001, 1010, 1012; 31 u.s.c 3729, 3802).			
Prepared By: <i>Lindsey & Company</i>	Approved By: <i>Erik Berg</i>		
Name: Lindsey & Company, Inc.	Name: Erik Berg		
Title: Fee Accountant	Date: 12/10/2019	Title: Executive Director	Date: 2/14/2020