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January 22, 2019

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 09/30/2018

Dear Ms. Wordelman:

The Housing Authority of the City of Lee's Summit Missouri is requesting a waiver of Payment in Lieu of Taxes for its fiscal year ended September 30, 2018. 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; Lea Haven and Duncan Estates. These are necessary physical improvements designed to maintain our low-income public housing properties and help to ensure its long-term viability. Lea Haven was constructed in 60's and Duncan Estates in the 90's. Currently, we are contracting for bathroom improvements at our Duncan Estates property and replacing appliances that have reached their useful life limits.

The Housing Authority maintains a conservative approach to budgeting and the expenditure of limited federal resources. Besides federal subsidies, the only revenue source is tenant rental income which is calculated at 30% of their adjusted income. Primarily, we serve the elderly and handicapped whose incomes are mostly Social Security. We have used PILOT funds to improve and maintain our properties to provide the senior citizens we serve with decent, safe and affordable housing. It is our goal to provide a housing resource that the City and people of Lee's Summit are proud to have in their community.

Thank you in advance for your consideration. If I can provide any further information, please feel free to contact me.

Sincerely,

Darrin J. Taylor, 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 9/30/2018

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
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Part I - Computation of Shelter Rent Charged.

1. Tenant Rental Revenue (FDS Line 703)	\$452,705.00
2. Tenant Revenue Other (FDS Line 704)	_____
3. Total Rental Charged (Lines 1 & 2)	\$452,705.00
4. Utilities Expense (FDS Line 931 - 939)	\$95,114.51
5. Shelter Rent Charged (Line 3 minus Line 4)	\$357,590.49

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)**	\$35,759.05
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.)	\$33,874.16

* 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 prorate 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:	Approved By: 
Name: Lindsey & Company, Inc.	Name: Darrin Taylor
Title: Fee Accountant	Title: Executive Director
Date: 11/08/2018	Date: 1/4/19