

HOUSING AUTHORITY OF THE CITY OF LEXINGTON



609 East 3rd Street
Lexington, NE 68850

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June 5, 2009

ATTN: Mayor and City Council of Lexington, Nebraska

The following is a listing of the Payments In Lieu of Taxes (PILOT) for the Lexington Housing Authority Public Housing projects, Eastlawn Apartments and Scattered Sites.

Fiscal Year Ending 06-30-2000 - \$11,685.83
Fiscal Year Ending 06-30-2001 - \$14,541.80
Fiscal Year Ending 06-30-2002 - \$13,565.47
Fiscal Year Ending 06-30-2003 - \$16,471.67
Fiscal Year Ending 06-30-2004 - \$15,419.99
Fiscal Year Ending 06-30-2005 - \$12,283.17
Fiscal Year Ending 06-30-2005 - \$12,283.17
Fiscal Year Ending 06-30-2006 - \$13,157.27
Fiscal Year Ending 06-30-2007 - \$15,498.00
Fiscal Year Ending 06-30-2008 - \$ 18,137.42

The Lexington City Council has formally waived the PILOT for the past two years. Because the Lexington Housing Authority Fiscal Year ends on June 30th, I am always a year behind in knowing the actual amount of PILOT. In 2007 you waived an amount of \$13,157.27 which was actually the PILOT for FY 2006. At your City Council meeting on June 10, 2008 you waived an amount of \$15,498.00 which was actually the PILOT for FY 2007.

This year I am requesting that you waive the FY ending June 30, 2008 PILOT amount of \$18,137.42. I am also requesting that you give a waiver for the PILOT amount for this current Fiscal Year which is estimated to be around \$18,200. I am asking for this extra year to put my requests for waiver into the current year from now on in order to simplify by HUD accounting requirements. I will be happy to report to you an actual June 30, 2009 Payment In Lieu Of Taxes dollar amount after the end of this current fiscal year upon your request.

As a refresher, I want to explain to you that rent is charged strictly according to tenant income and in some cases our tenants are paying the Minimum Rent which is only \$50.00 a month. The Lexington Housing Authority is not allowed to raise rents to meet expenses as private landlords can do. It is becoming increasingly more difficult to pay staff wages and provide decent benefits and this waiver will allow more funds for this purpose.

As in the past I have listed, for your information, a few towns in Nebraska showing how they handle their local Housing Agency PILOT:

Cozad – PILOT has been waived for many years.

Gothenburg – PILOT is being paid, the Housing Authority has never asked for it to be waived.

Broken Bow – PILOT has been waived since 2005, the money is deposited into an escrow account for
Future street paving.

Minden – PILOT is waived annually upon request of the Housing Authority.

Shelton – PILOT has been waived for many years.

Kearney – PILOT is being paid.

Grand Island – PILOT is being paid.

York – PILOT has been waived for many years.

Fairmont – PILOT has been waived, the money is deposited in escrow for street paving.

I will be happy to provide other information upon your request.

Thank you for your consideration of this matter,

Diane K. Adams

Executive Director

Lexington Housing Authority