

*The Housing Authority of the
City of Lincoln, Nebraska*



**MOVING TO WORK
ANNUAL REPORT**

For

Fiscal Year 2009-2010

**Original Submission: June 30, 2010
Revised Submission: September 14, 2010**

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This Moving to Work (MTW) Annual Report is prepared in accordance with the “Amended and Restated Moving to Work Agreement” between the Department of Housing and Urban Development and Lincoln Housing Authority. This agreement was signed by both parties in April, 2008 and extends the MTW program until the end of the housing authority’s 2018 Fiscal Year. The required elements of the Annual MTW Report are detailed in HUD Form 50900 published July 24, 2008 (OMB Control Number: 2577-0216 Expiration Date: 8/31/2011).

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I. Overview

The Lincoln Housing Authority has been a Moving To Work agency since the inception of the demonstration program. From the beginning, we have approached MTW reforms with the idea that some persons may always need to receive a basic level of housing assistance - due to age, disability, low wages or other reasons - and that the varying needs of those persons would be best served by maintaining a simplified income-based rent structure. We also understand that for a great many people, housing assistance can and should be a temporary step to greater self-sufficiency. By encouraging work and individual responsibility, we have achieved a high percentage of working families and a strong voucher turnover rate without implementing arbitrary time limits or unaffordable rent structures. In conjunction with an open waiting list and a strong preference system, this has allowed us to continue to issue new vouchers to many of the neediest persons in Lincoln, Nebraska.

Lincoln Housing Authority has been acutely aware of the need to expand the supply of affordable housing in our community. However, we have not wanted to do so at the risk of decreasing the number of deep subsidy units available through the Housing Choice Voucher and Public Housing Programs. For that reason, we have continued to utilize the Voucher and Public Housing funds for their intended purpose and have not utilized them for additional development. Since the inception of MTW, however, we have been able to leverage non-HUD sources to add 416 additional rental units in five apartment complexes - mostly through Low Income Housing Tax Credit financing. While these units do not receive deep subsidies, they have expanded the supply of affordable housing available to moderate income families and broadened the neighborhoods available to voucher holders.

The Lincoln Housing Authority has a distinct number of goals and specific objectives that are integral to our success as a Moving To Work housing authority. These goals have been integral to our MTW program since the beginning and will continue to be a focal point for the duration of our MTW agreement.

GOAL I

Increase the number of Section 8 Housing Choice Voucher and Public Housing participants working or making progress towards educational goals, work experience, and self-sufficiency.

GOAL I OBJECTIVES:

- Provide incentives for able-bodied participants to work or seek self-sufficiency through job training or education. Also provide disincentives to able-bodied participants who choose not to work, seek job training, or further education.

- Form community and state partnerships to provide needed programs and services that encourage participation in recognized self-sufficiency programs.

GOAL II

Reduce administrative costs and achieve greater cost effectiveness in federal housing assistance expenditures while ensuring the continued integrity of the program.

GOAL II OBJECTIVES:

- Simplify the operation of the Section 8 Housing Choice Voucher program and the Public Housing program with the purpose of reducing calculation errors, staff review time, and program administrative costs.
- Work with landlords, housing participants, and human service organizations to identify areas of needed change in the operation of the Section 8 Housing Choice Voucher program and the Public Housing program.

GOAL III

Expand the spatial dispersal of assisted rental units and increase housing choices for voucher holders.

GOAL III OBJECTIVES:

- Provide incentives to seek housing opportunities outside areas of low-income concentration.
- Create affordable housing opportunities in growth areas of the community.

NEW AND ONGOING MTW INITIATIVES

For fiscal year 2009-2010, the housing authority implemented two new MTW initiatives:

- Change from annual reexaminations to biennial reexaminations for elderly and disabled households.
- Implement a housing choice voucher inspection waiver for properties where the annual or initial inspections are without deficiencies.

The housing authority continued to implement the following initiatives:

- Rent Reform Initiatives
 - Interim Reexaminations
 - Minimum Rent and 27% TTP
 - Calculation of Annual Income
 - Rent Burden Capped at 50% (voucher only)
 - Average Utility Allowances (voucher only)

- Other Initiatives
 - Income Eligibility
 - Preferences
 - Restricted Portability (voucher only)

II. General Housing Authority Operating Information

A. HOUSING STOCK INFORMATION

Number of Public Housing Units At the End of the Year

Lincoln Housing Authority currently has 320 public housing units. There were no changes in the number of public housing units over the past year.

PROJECT	OCCUPIED UNITS	DESCRIPTION
AMP 1		
MAHONEY MANOR	120	Elderly/Near Elderly
AMP 2		
HALL	23	Scattered Site Family
HANSEN	48	Scattered Site Family
LARSON	24	Scattered Site Family
PEDERSON	24	Scattered Site Family
P30	30	Scattered Site Family
AMP 3		
F39	39	Scattered Site Family
A12	12	Scattered Site Family
TOTAL UNITS	320	Public Housing

Description of any significant capital expenditures by development (greater than 30% of the agency's total budgeted capital expenditures during the fiscal year):

During the fiscal year, Mahoney Manor was retrofitted with a complete fire sprinkler system for common areas and residential apartments (120). The contract amount was \$329,500 which represented 48.8% of the award from the American Recovery and Reinvestment Act 2009. The total award was \$674,919.

During the fiscal year, a 2009 Capital Fund Program contract was signed for \$416,000 for complete remodel of existing residential bathrooms to include new shower, toilet, sink, and floor tile in 80 of the 120 apartments. This represents 79.3% of the 2009 Capital Fund Program grant of \$524,476. The work will be completed in FY 2010-2011.

The Annual Statement/Performance and Evaluation Report for the period ending December 31, 2009 is included in Appendix A for the following grants:

- NE26P002501-09
- NE26S002501-09
- NE26P002501-08

Description of any new public housing units added during the year by development:

None

Description of any public housing units removed from the inventory during the year by development specifying the justification for the removal:

None

Number of Housing Choice Vouchers At the End of the Year

MTW Vouchers	AUTHORIZED UNITS ON MARCH 31, 2010	DESCRIPTION
Housing Choice Vouchers	2,864	MTW
Non-MTW Vouchers		
Mainstream Housing Opportunities Program	20	Non-MTW
Veterans Affairs Supportive Housing (VASH)	35	Non-MTW
TOTAL VOUCHER UNITS	2,919	MTW & Non-MTW

Number of HCV units project-based during the Plan year, including description of each separate project:

There were no project-based vouchers during the 2009-2010 Plan year.

Overview of Other Housing Owned or Managed

TABLE OF OTHER HOUSING OWNED OR MANAGED

Project	Location	Units	Type
Arnold Heights	Northwest Lincoln and Scattered Locations	467	Affordable Market Rates; Owned by Lincoln Housing Authority.
Lynn Creek	9 th Street and Garber Avenue	16	Affordable Market Rates–Income restricted (<80% of median income); Owned by Lincoln Housing Authority
Northwood Terrace	23 rd and Y Streets	77	Affordable Market Rents–Income restricted (<80% of median income); Owned by Lincoln Housing Authority
Heritage Square	23 rd and W Streets	47	Affordable Market Rents–Income restricted (<80% of median income); Owned by Lincoln Housing Authority
Wood Bridge (LHA)	22 nd Street and Pine Lake Road	17	Affordable Market Rents–Income restricted (<100% of median income); Owned by Lincoln Housing Authority
		17	Below Market Rents–Income restricted (<60% of median); Owned by Lincoln Housing Authority
		----- 34	----- Total Units
Wood Bridge (Limited Partnership)	22 nd Street and Pine Lake Road	48	Tax Credit Project---Income restricted (<60% of median); Managed by Lincoln Housing Authority
		48	Affordable Market Rents–no income restrictions; Managed by Lincoln Housing Authority
		----- 96	----- Total Units
Summer Hill Townhomes	56 th Street and Union Hill Road	20	Tax Credit Project---Income restricted (<60% of median); Managed by Lincoln Housing Authority
		20	Affordable Market Rents—Income restricted (<100% of median income); Managed by Lincoln Housing Authority
		----- 40	----- Total Units
Summer Hill Apartments	56 th Street and Union Hill Road	48	Affordable Market Rents–Income restricted (<100% of median income); Owned by Lincoln Housing Authority
		48	Below Market Rents—Income Restricted (<60% of median); Owned by Lincoln Housing Authority
		----- 96	----- Total Units
Crossroads House	1000 “O” Street	58	Tax Credit Project acquired by Lincoln Housing Authority February, 2010---Income restricted (<60% of median).

Burke Plaza	6721 L Street	91	Section 8 New Construction; Owned by Lincoln Housing Authority
New 32	Scattered Sites	32	Section 8 New Construction; Owned by Lincoln Housing Authority
Prairie Crossing	35 th Street and Yankee Hill Road	33	Affordable Market Rents–Income restricted (<100% of median income); Managed by Lincoln Housing Authority
		43	Tax Credit Project Rents (<60% of median); Managed by Lincoln Housing Authority
		----- 76	----- Total Units
TOTAL		1,120	Units Owned and/or Managed

Mod. Rehab.	Scattered Sites	10	Moderate Rehabilitation Program
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NARRATIVE DESCRIPTION OF OTHER HOUSING UNITS

Arnold Heights (467 dwelling units)

The Arnold Heights Subdivision is located in northwest Lincoln and consists of two, three, and four-bedroom duplexes and single-family homes built in the late 1950's. The units were acquired by the housing authority from the federal government in 1970 as a purchase of former air-base housing. Lincoln Housing Authority's ownership represents approximately 47% of the housing in the subdivision. The balance is a mix of owner-occupied and privately-owned rental housing. The remaining units are leased as affordable housing and consist of spacious two, three and four bedroom duplexes and single-family houses.

This project also includes 11 units in scattered locations in other parts of the city.

Lynn Creek (16 units)

Lynn Creek Apartments are located in the Belmont area at North 9th Street and Garber Avenue. Built in 1994/1995, all units are two bedroom apartments located in one of two brick buildings. Detached garages are available for rent. The Authority purchased Lynn Creek from an estate in 2000.

Northwood Terrace Apartments (77 units)

Located at 23rd and "Y" Streets, Northwood Terrace offers one, two and three bedroom apartments. A coin-operated laundry facility and playground are on site. Built in 1969, the Authority purchased the project from five insurance companies in 1973.

In 1999, LHA converted an apartment and a no-longer-used community space at Northwood Terrace to an early child care facility operated by a non-profit agency. This facility was closed

in 2007 due to loss of funding, but the housing authority will consider proposals for future use of the building.

Heritage Square Apartments (47 units)

Located at 23rd and “W” Streets, Heritage Square offers studio, one, two and three bedroom apartments located in one of two secured access buildings with a laundry facility and playground on site. Built in 1972-73, the project was acquired from the U.S. Department of Housing and Urban Development after the previous owners defaulted on the mortgage in 1975.

Wood Bridge Apartments and Townhomes (130 units)

Wood Bridge is located in south Lincoln at South 22nd Street and Pine Lake Road. Built in 1998, the project consists of two bedroom apartments and three bedroom townhouses with full basements and attached garages. The Authority-owned portion of the Wood Bridge project consists of 16 two bedroom apartments and 18 townhouses. The remaining 96 units are owned by a Nebraska limited partnership, Wood Bridge Limited Partnership. The Authority manages all 130 units. The project is a mixed-income development. Half of all units are market rate; the other half are tax credit (reduced rent) units. Detached garages are available for an extra monthly fee.

The Wood Bridge development also includes a clubhouse/leasing office, a laundry/maintenance facility and playground equipment.

Summer Hill Apartments and Townhomes (136 units)

Summer Hill is located in south Lincoln at South 56th Street and Union Hill Road. Built in 2004, Summer Hill consists of 40 three bedroom townhouses with full basements and attached garages. The townhomes are owned by Summer Hill Limited Partnership and managed by Lincoln Housing Authority. Summer Hill also consists of 96 two bedroom apartments owned and managed by Lincoln Housing Authority. The project is a mixed-income development.

The Summer Hill development also includes a clubhouse/leasing office, a laundry/maintenance facility and playground equipment.

Crossroads House (58 units)

Located in downtown Lincoln at 1000 “O” Street, Crossroads House is a seven-story building in downtown Lincoln. Housing is provided for seniors age 55 and older. The units are all one bedroom apartments and have been operated as Tax Credit Units. Beginning February 2010, Lincoln Housing Authority assumed full ownership of Crossroads House.

Crossroads House is staffed with a half-time resident services specialist who works with residents to provide a variety of educational, social, recreational and support services. Residents who are frail or disabled are eligible for additional support services through a program contract between LHA and the Lincoln Area Agency on Aging which has its main offices across the street from Crossroads House. Also across the street is the Downtown Senior Center which offers a variety of programs including a senior dining program.

Burke Plaza (91 units)

Located at 6721 "L" Street, Burke Plaza is a seven-story brick building which provides housing for seniors and persons with disabilities. It was built in 1978 and is part of the Section 8 New Construction Program. All units are one bedroom. This project continues to receive funding under the Section 8 New Construction program from HUD; contracts are renewed on an annual basis.

Burke Plaza is staffed with a full time resident services specialist who works with residents to provide a variety of educational, social, recreational and support services. The residents are also served by the Congregate Housing Services Program (CHSP) through a grant from HUD to the Lincoln Area Agency on Aging. The building is also staffed by a full time maintenance repair worker.

New 32 Units (32 units)

Constructed in 1980 under the Section 8 New Construction Program, these units consist of four single family homes and 28 duplexes. The total project consists of 16 two bedroom units and 16 three bedroom units. This project continues to receive funding under the Section 8 New Construction program from HUD; contracts are renewed on an annual basis.

Prairie Crossing Apartments and Townhomes (76 units)

Prairie Crossing is located in south Lincoln at South 33rd Street and Yankee Hill Road. Prairie Crossing is owned by Prairie Crossing Limited Partnership and is managed by Lincoln Housing Authority. Completed in December, 2008, Prairie Crossing is a mixed income development with 20 three-bedroom town homes with attached garage and full basement and 56 apartments (12 one-bedroom and 44 two-bedroom). Eighteen detached garages are available at additional cost. Prairie Crossing features a playground and basketball court. The clubhouse/leasing office has a fitness room, great room, kitchenette and outdoor patio with grill.

Other Properties Owned or Managed

Main Office

Lincoln Housing Authority's central office is located at 5700 R Street, Lincoln, Nebraska. This facility houses the administrative offices as well as offices for project-based and tenant-based housing programs, tenant services, human resources, business and finance, planning and development, and computer and network systems.

LHA Maintenance Facility

The housing authority's primary maintenance facility is located at 4721 N.W. 48th Street. This location houses the maintenance inventory, vehicles, equipment, and staff. The maintenance facility was remodeled and modernized in 2008.

Carol M. Yoakum Family Resource Center

LHA built the Carol M. Yoakum Family Resource Center in Arnold Heights in 1995. The roughly 6,600 square foot facility houses a child care facility (operated by a separate non-profit agency), health clinics, a computer center, food and nutrition programs, adult basic education

program, police sub-station and meeting room space available for family support and educational programs. Through staff at the center, LHA also serves as the lead agency for a community learning center program in the nearby elementary (K thru 6) school.

Lincoln Army Air Field Regimental Chapel

Adjacent to the Yoakum Family Resource Center is the Lincoln Army Air Field Regimental Chapel. LHA makes the chapel available for use by the general public.

Crossroads House (commercial)

Lincoln Housing Authority owns commercial office space located on the first floor of Crossroads House, 1000 “O” Street. This was, at one time, an office location for the housing authority but staff were moved to the R Street location to reduce operating expenses. Part of the space is currently rented to a non-profit agency. The housing authority also owns a two-level parking garage at this location. Monthly parking spaces are rented to the residents of Crossroads House and the general public.

B. LEASE UP INFORMATION

Total Units Leased in the Plan Year

MTW PH units	320	
Non-MTW PH units	0	
MTW HCV units	2,814	33,772 / 12 = 2,814
Non-MTW HCV units	45	541 / 12 = 45

Description of issues related to leasing of PH or HCV’s:

Public Housing:

Fifty-eight Public Housing units were re-leased during the fiscal year. This is down slightly from previous years. Of these units, 30 were in Mahoney Manor, an elderly development. This is a higher than usual turnover for that development. The high turnover in Mahoney Manor led to some greater difficulty filling the vacant units and a higher average unit turn around time. On the other hand, the family units had lower turnover than in past years - possibly due to the general economic conditions and a tightening of mortgage lending standards.

Housing Choice Voucher:

In the spring 2009, LHA determined there was insufficient funding to maintain 100% lease-up of the 2,864 authorized vouchers. New admissions to the HCV program were discontinued due to HUD’s shortfall in HAP funding. In August 2009, LHA submitted a special request for funding

to avoid terminating 130 households from participating in the MTW HCV program.

The funding shortfall had four major contributing factors:

- 1) HUD used an incorrect average HAP per unit cost for the 2009 funding calculation;
- 2) LHA's average voucher leasing rate for the calendar year 2008 was higher than the average leasing rate HUD used (October -December 2007) to establish the allocation;
- 3) HUD decreased our HAP funding compared to the previous year despite an increase in federal appropriations, and
- 4) The Annual Adjustment Factor of 3% was not sufficient to keep up with the actual HAP increases during the current recession and due to increased utility costs.

In a typical year, our agency would have admitted over 700 new participants to the HCV program, but this fiscal year, only 298 new participants were admitted to the program due to the funding shortfall. Decreasing attrition in vouchers along with increased per unit HAP expenditures created by rising utility allowances and decreasing income contributed to the funding shortfall. From December 2008 until January 31, 2010, there was a thirteen (13%) percent increase in the average utility allowance cost and a two (2%) percent increase in contract rent. Since February 2010, utilities costs have declined or held steady. HUD granted our agency \$450,000 in extraordinary Administrative fees in August 2009 enabling our agency to use the funds for housing assistance payments. This allowed LHA to start reissuing vouchers to achieve 100% of our authorized voucher allocation.

The special funding in August 2009 allowed LHA to re-start issuing vouchers so we could utilize 100% of the authorized voucher level. Prior to the funding shortfall, LHA had taken drastic measures to control costs such as restricted occupancy/subsidy standards to two adults/two children per bedroom, restricting portability, and maintaining lower payment standards. In addition, LHA has applied for several special program vouchers such as Family Unification Program (FUP), Non-elderly disabled (NED) and Enhanced vouchers to increase our voucher authorization levels for the community to have more access to housing assistance. Our housing computer software upgrade, completed in Fall 2009, has provided us with more precise and timely data to determine the current attrition and lease-up rates and has improved our ability to forecast and react to significant changes in our voucher leasing attrition rates. The best way to avoid this situation in the coming years is for the federal government to provide full funding to the voucher program in a predictable and consistent way.

Lincoln's Fair Market Rent (FMR) level increased only 1%. As a result, our agency was forced to maintain the current payment standards thus decreasing from 100% of the FMR to 99% of the FMR. This change did not significantly affect leasing.

Property owner foreclosures remained steady, but it has not had a significant impact on leasing vouchers.

It is difficult to judge the other leasing issues such as a lack of security deposits or poor rental histories due to the limited leasing activity this fiscal year. We were able to continue to manage a homeless deposit assistance program funded by the City of Lincoln through their HOME funds.

The Authority is continuing to work in partnership with other human service agencies to promote tenant training through an established curriculum entitled “RentWise.” Local foundation grant funds were secured to partially support the RentWise program.

The lease up rate was low for VASH vouchers because of the VA’s referral and selection process and the high voucher turnover rate. On several occasions, LHA contacted and encouraged the VA to utilize 100% of the allocated VASH voucher without success. LHA offers the VA a dedicated Housing Specialist who prioritizes VASH new admissions as their highest priority and schedules admission appointments within a few days of the request. The VA controls who is referred for admissions; unfortunately the referrals are not sufficient to maintain 100% utilization. The local VA has had turnover of several VASH case managers in the past year, and maintains a different formula in calculating 100% case management utilization versus HUD’s formula for voucher utilization. During this past fiscal year, LHA admitted 26 new veterans to the VASH program but 12 veterans ended their program participation. The major reason the veterans end their VASH program participation is due to their failure to maintain the required case management services.

Number of project-based vouchers committed or in use at the end of the Plan year, describe project where any new vouchers are placed (include only vouchers where Agency has issued a letter of commitment in the Plan year):

None

C. WAITING LIST INFORMATION

Number and characteristics of households on the waiting lists (all housing types) at the end of the Plan year:

Waiting List Data March 31, 2010

INCOME	Public Housing	Housing Choice Voucher
Extremely Low Income	702	3,296
Very Low Income	98	889
Low Income	30	0
Total	830	4,185

FAMILY TYPE	Public Housing	Housing Choice Voucher
Families	735	2,556
Elderly Families	29	347
Families with Disabilities	31	512
Single, Non-Disabled	0	770
Total	795	4,185

RACE	Public Housing	Housing Choice Voucher
White	600	3,116
Black/African American	147	722
American Indian/Alaskan Native	23	114
Asian	18	95
Native Hawaiian/Pacific Islander	8	13
Multi-Racial	34	125

Total	830	4,185
ETHNICITY	Public Housing	Housing Choice Voucher
Hispanic/Latino	91	298
Non-Hispanic/Non-Latino	739	3887
Total	830	4185

INCOME LEVEL BY BEDROOM SIZE

0 Bedroom	Public Housing	Housing Choice Voucher
Extremely Low Income	0	354
Very Low Income	1	67
Low Income	0	0
1 Bedroom	Public Housing	Housing Choice Voucher
Extremely Low Income	29	939
Very Low Income	5	206
Low Income	2	0
2 Bedroom	Public Housing	Housing Choice Voucher
Extremely Low Income	452	1,498
Very Low Income	58	457
Low Income	17	0
3 Bedroom	Public Housing	Housing Choice Voucher
Extremely Low Income	127	429
Very Low Income	19	142
Low Income	7	0

4 Bedroom	Public Housing	Housing Choice Voucher
Extremely Low Income	64	67
Very Low Income	14	17
Low Income	3	0
5 Bedroom	Public Housing	Housing Choice Voucher
Extremely Low Income	30	9
Very Low Income	1	0
Low Income	1	0
6 Bedroom	Public Housing	Housing Choice Voucher
Extremely Low Income	0	0
Very Low Income	0	0
Low Income	0	0
TOTAL FOR ALL BEDROOM SIZES	Public Housing	Housing Choice Vouchers
	830	4,185

Description of waiting lists (site-based, community-wide, HCV, merged) and any changes that were made in the past year:

The length of the HCV waiting list significantly increased due to the reduction in HUD voucher funding as described in the leasing section of this report. The waiting list grew from 2,998 households on the waiting list in April 2009 to 4,185 households remaining on the waiting list in March 2010.

In January 2009, a weighted preference system was implemented with the additional preference for applicants who complete a 12 hour tenant education course called Nebraska RentWise. An applicant with a RentWise preference is higher on the waiting list than anyone without any preferences. However, the RentWise weighted preference is lower than our other preferences. However, someone with a RentWise preference and one of the other preferences will find it faster to reach the top of the waiting list. Due to the reduced number of vouchers issued last year, the first RentWise preferences were not selected from the waiting list until September 2009. This fiscal year, 325 applicants received a RentWise preference and were selected from the waiting list. RentWise preferences represented 39% of the 833 waiting list selections.

III. Non-MTW Related Housing Authority Information (Optional)

A. List planned versus actual sources and uses of other HUD or other Federal Funds (excluding Hope VI):

B: Description of non-MTW activities implemented by the Agency.

The above section is optional and Lincoln Housing Authority chose not to submit the information in this annual report.

IV. Long-term MTW Plan (Optional)

The Lincoln Housing Authority has participated in the HUD Moving To Work Demonstration program since 1999. Lincoln's Moving To Work program has concentrated its efforts in the following long-term operational vision for the MTW program.

- Retain program flexibility to meet the many changes encountered in program funding, local housing market conditions, and the needs of the families and individuals participating in Lincoln's Moving To Work program.
- Continue to seek ways to simplify and streamline the Section 8 Housing Choice Voucher program and Public Housing programs while protecting the integrity of the program and accepting accountability for administrative requirements. The Section 8 Housing Choice Voucher program is needlessly complicated for participants, landlords, and implementing staff. The complexity of the system results in several areas where errors occur with substantial frequency. Tenants are confused about deductions allowed and disallowed and how their portion of rent is determined. Landlords are frustrated by the amount of paperwork and complex rules and regulations that the landlord must follow to be paid. The complexity is limiting needed landlord participation. Lack of housing choices results when landlords refuse to participate.
- Continue to promote opportunities for tenant self-sufficiency either through education or meaningful work experience. The need for lower-income participants to complete their education and expand their work experiences will provide a solid base for continued success in their personal and family development.
- Continue the various community partnerships required to enhance participant opportunities in expanding family support services such as social services, education, transportation, and health care programs.

V. Proposed MTW Activities: HUD approval requested

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

All proposed and approved activities were implemented as planned. As per instructions, all proposed activities that were approved and implemented for the Plan year are reported in Section VI as "Ongoing MTW Activities".

VI. Ongoing MTW Activities: HUD approval previously granted

INTRODUCTION

This MTW Annual Report is Lincoln Housing Authority's first report under the 2008 Amended and Restated Moving to Work Agreement. The requirements for detailed data collection and analysis have been a challenge to management and staff on many levels. With both new initiatives as well as activities that have been in place for years, establishing baselines and benchmarks has proven to be difficult. Even when fairly well-defined data collection methods were identified and implemented, transferring the data collection concept to a user friendly, consistent, reliable practice of data collection was a challenge. An Access database was used by staff to enter data on several MTW initiatives, but design flaws in the database, version control issues, and consistency of staff in entering data were all factors in the overall data collection process. Another complicating factor was a major upgrade in our housing software. Lincoln Housing Authority uses Tenmast Software and upgraded from WinTen to WinTen II during the fall of 2009. Setup and data conversion issues commanded much of management staff's attention during this period of time. Staff also gave substantial time to participation in training for the new software. Standard reports that we relied on in WinTen were no longer available in WinTen II and had to be recreated through a custom report writer. While no data was lost, retrieving and organizing the data was a great challenge in the past year.

On the other hand, the process of reviewing data for this annual report was a useful review of our data collection and led to some changes. Throughout the report on ongoing activities, there are references to data collection issues. Despite the difficulties mentioned above, we believe we have a measure of good data that tells successful outcomes to the various MTW initiatives. Our report also reflects our plans and efforts to improve the data that measures these outcomes. We continue to believe that many of our MTW initiatives have powerful potential for change toward the overall goals of MTW. Minimum Earned Income (MEI), for example, is a dramatic change from the norm. But, it is also difficult to measure its impact in promoting employment and self-sufficiency. In the early years of MTW, HUD and their consultants had the major responsibility for program evaluation with the intention to use data from HUD form-50058. Under the amended and restated MTW Agreement, the burden of measurement has shifted from HUD to the housing authority, and we continue to work on better ways to measure our program outcomes.

RENT REFORM INITIATIVES

A. ACTIVITY: INTERIM RE-EXAMINATIONS

Interim Reexaminations (HCV & PH Programs)

Year Identified: April 1, 1999

Effective Date: July 1, 1999

The housing authority has continued the following policy for interim re-examinations. It should be noted that the policy on income increases does not require an MTW waiver but we believe the section on income decreases, specifically the 90 day period for a rent adjustment, does require MTW flexibility. This interim policy affects households who have reduced or terminated employment. It delays rent decreases for 90 days after the decrease in income occurred or after all verifications are received. HUD regulation at 24 CFR 982.516(b)(2) and (3) states “The PHA must make the interim determination within a reasonable time after the family request. Interim examinations must be conducted in accordance with policies in the PHA administrative plan”. However, the Housing Choice Voucher guidebook on page 12-10 defines “reasonable time” as the first day of the month following the date of the reported change.

We chose to list the policies together. When LHA initially began the MTW program, the policy on income increases was part of our MTW plan as a way to encourage and reward households for increasing income such as through new employment.

Income increase: If the family’s income increases without a change in family composition, then LHA will wait until the annual re-examination to re-determine any possible rent increase. Families who report zero income will be required to report income changes at their quarterly certification and rents will be changed accordingly.

Income decrease: LHA will not lower rent for payments due to a temporary loss of income of one month (30 days) or less duration. If a family member has reduced or terminated employment income, LHA will make the rent decrease 90 days after the decrease in income occurred or after all verifications are received to redetermine eligibility, whichever is the latest.

B. BENCHMARKS, METRICS, AND IMPACT

LHA proposed and implemented this policy at the onset of its MTW program as an employment incentive to families. As families increased their income, they were not subject to an immediate re-examination of income and assets and the corresponding rent increase. The Quality Housing and Work Responsibility Act (QHWRA) of 1998 adopted this same initiative. Since the policies regarding income increases are not part of our MTW waivers, we are not collecting any data on this part of the activity.

The housing authority has continued to implement the policies on rent reduction due to decreased income. These policies encourage families to retain employment as well as to make it a priority to seek new employment when job losses occur.

The benchmark for this initiative was to achieve 50% of the households with a job change achieving no rent decrease. This would represent an effective policy inasmuch as it will show people retaining their employment or being incentivized to seek new employment because a rent decrease was not forthcoming.

C. CHALLENGES AND NEW STRATEGIES

Challenges

The data collection for the 90 day delay in reduction of rent was flawed; thus we are unable to provide data to respond to this activity. It appears staff only collected data on households who had rent reductions after the 90 day time period was served. Data was not collected on households who had a job change and did not request a rent adjustment. During this fiscal year, staff informally reported a higher occurrence of layoffs or reduction in hours worked for households which was not reflected in the data we collected. Data collection became a burden for staff, and it was difficult for them to remember the extra steps for the various household circumstances, especially in the frequent situations where households waited until their next annual re-examination to report job losses. We believe this initiative has encouraged families to seek new employment without contacting the housing authority for a rent adjustment or to report job losses.

Strategies

As suggested by the HUD consultants in late November, LHA is modifying the data collections for this policy to be centered around a point in time. We plan to randomly select a month to collect data on the 90 day rule policy and report how it affected families during the selection month. Using a point in time system will be easier for staff to remember, it can be advertised amongst staff during the 30 day time period, and management can monitor the data collection progress throughout the month.

D. NEW INDICATORS OF ACTIVITIES STATUS AND IMPACT

Not applicable

E. DATA COLLECTION METHODOLOGY AND REVISIONS

Revisions to Data Collection

Rather than using a data collection process throughout the entire fiscal year, we plan to utilize a point in time data collection system. We plan to randomly select a month to collect data on the 90 day rule policy and report how it affected families during the selection month. Management will send out reminders to staff during the selection month and monitor the data collection progress throughout the month.

F. CHANGES IN AUTHORIZATION FROM ATTACHMENT C OR D

Not applicable

G. PROVISION OF THE ACT OR REGULATION THAT IS WAIVED

Public Housing:

This MTW activity is authorized in Attachment C, Section C.11. Rent Polices and Term Limits. Under this section, the housing authority is authorized to determine family payment, including the total tenant payment, the minimum rent, utility reimbursements and tenant rent. The housing authority is also authorized to adopt and implement any reasonable polices for setting rents in public housing. This authorization waives certain provisions of Section 3(a)(2), 3(a)(3)(A) and Section 6(l) of the a1937 Act and 24 C.F.R. 5.603, 5.611, 5.628, 5.630, 6.632, 5.634 and 960.255 and 966 Subpart A.

Housing Choice Vouchers:

This MTW activity is authorized in Attachment C, Section D.2. Rent Policies and Term Limits. Under this section, the housing authority is authorized to adopt and implement any reasonable policies to calculate the tenant portion of the rent that differ from the currently mandated requirements. This authorization waives certain provisions of Section 8(o)(1), 8(o)(3), 8(o)(10) and 8(o)(13)(H)-(I) of the 1937 Act and 24 C.F.R. 982.508, 982.503 and 982.518.

A. ACTIVITY: CALCULATION OF ANNUAL INCOME

This activity is really a package of initiatives (A. - D.) related to how we calculate annual income and rent. These combine together to not only encourage self-sufficiency but also achieve administrative efficiencies.

Calculation of Annual Income (HCV & PH Programs)

Year Identified: April 1, 1999
Effective Date for A and D: July 1, 1999

Year Identified: November, 2007
Effective Date for B and C: April 1, 2008 (new admissions and transfers)
July 1, 2008 (annual re-examinations)

A. Minimum Earned Income

LHA will include a minimum amount of earned income when calculating Annual Income whether or not a family is working. The minimum amount of earned income for families with one eligible adult will be based on 25 hours per week of employment at the federal minimum wage. The minimum amount of earned income for families with two or more eligible adult members will be based on 40 hours per week of employment at minimum wage. LHA will count the higher of the Minimum Earned Income (MEI) or the actual earned income for the household. The minimum earned income will be added to any unearned income the family receives. Eligible adults are persons 18 years of age or older who do not qualify for an exemption from the MEI. All adults in the household must be exempt in order for the household to be exempt from the minimum earned income requirements. LHA has eight categories of exemptions such as illness, elderly or disabled, students, caretakers, and participants in approved self-sufficiency programs.

B. Calculation of Asset Income

For households with total assets for which the face value is equal to or greater than \$5,000, asset income will be based on the HUD passbook rate multiplied by the face value. Verification requirements are modified to allow as first level of acceptable verification the household provided documents such as quarterly or end of year statements.

For assets under \$5,000 in face value, first acceptable verification level is self-certification of face value and income. The income will be excluded if total assets are under \$5,000.

C. Verifications

LHA will utilize Enterprise Income Verification (EIV) as the first level of acceptable verification. In lieu of third party verifications, tenant provided documents would be second level of acceptable verifications for the following situations:

Earned Income: three months pay statements (pay stubs)

Social Security Income: the last Social Security Statement issued to the household by

the Social Security Administration.

D. Other

LHA will not implement regulatory provisions related to Earned Income Disregard income exclusions, imputed welfare income, and student earned income exclusions for adults 22 and older.

B. BENCHMARKS, METRICS, AND IMPACT

A. Minimum Earned Income

LHA views the Minimum Earned Income (MEI) as one of the flagship initiatives of our MTW program. MEI promotes and encourages employment by implementing a work requirement. The requirement lays out the basic expectation that an otherwise able adult should work at least 25 hours per week at minimum wage. The beauty of MEI is that it allows the family the flexibility of figuring out how to meet the rent generated by MEI, rather than a strict requirement to work a certain number of hours at a job. In that sense, MEI acts similar to a minimum rent. It is not strictly a minimum rent, because families can have other sources of income besides employment or MEI that get factored into the rent calculation with MEI, or can be exempt from MEI. In addition, because the rent calculation is based on an expected level of earned income, each income review with a family involves a conversation about work and the expectation to work. This was a major change in focus from our previous communication with tenants - from just calculating the numbers to discussing work as a basic expectation.

Since implementing the MEI policy in 1999, it has gradually changed due to increases in minimum wage. The original MEI was based on a minimum wage of \$5.15 per hour. The following chart shows the changes in MEI over time.

Effective Date	Minimum Wage	MEI for 1 person	MEI for 2 persons
July 1, 1999 (start of MTW)	\$5.15	\$6,698	\$10,712
July 24, 2007	\$5.85	\$7,605	\$12,168
July 24, 2008	\$6.55	\$8,515	\$13,624
July 24, 2009	\$7.25	\$9,425	\$15,080

The maximum amount of the MEI for a household is shown above. Actual MEI is reduced by the amount of earned income for the household. Where the chart shows 1 or 2 persons, it is referring to the number of adults who are “eligible to work” or “work-able” meaning they do not have one of the exemptions from MEI. If there is a household with 2 adults but one is exempt,

then the column labeled “MEI for 1 person” is used.

Data for the MEI initiative shows that at the end of the fiscal year, there were 545 households who had MEI with 31 in public housing and 514 in the housing choice voucher program. Note, however, that the amount of income added to each of these MEI households may be anywhere from \$1.00 to the maximum \$15,080 for a household with two adults and no exemptions and no earned income. The Total Tenant Payment for a household with two adults at the maximum MEI would be \$339.00.

Exemptions for Hardship

Within this initiative, LHA offers an extensive list of exemptions to prevent hardship. The exemptions are the hardship policy and are described below and in our policies; the vast majority of households are exempt from the MEI policy. When a household requests relief under this initiative, they are directed to the array of exemptions that are available. For those households who have been on MEI and are no longer, the following data shows important outcomes during the period of April 1, 2009 to March 31, 2010. Note that 27% of the households ended their MEI requirement by entering employment while 32% entered a self-sufficiency program or education program.

Housing Choice Voucher and Public Housing	
Reason MEI Ended April 1, 2009 to March 31, 2010	Percent of Households
Elderly-Disabled—person has become disabled or is age 62	6%
Caretaker—person is a caretaker of an ill or incapacitated family member	0%
Education—person is a full-time student	14%
Employed—person has entered employment	27%
Medical—person has temporary illness or injury preventing employment	4%
Pregnancy—person is pregnant (3 rd trimester through 6 weeks following end of pregnancy)	0%
Self-sufficiency—person is a participant in an approved self-sufficiency program	18%
AmeriCorps, Vista, Job Corps—person is participating in one of these programs	0%
Moved—the family member subject to MEI has moved out of household	2%
Terminated----the family has terminated their public housing lease or voucher participation	29%

Our data also shows that 0 public housing MEI households and 35 voucher MEI households terminated their assistance during the fiscal year, as compared with 472 total voucher terminations; that is 7.4% of all voucher terminations. MEI households made up 18% of total voucher households at the end of the fiscal year. This data shows there is not a disproportionate number of terminations because of MEI compared to other voucher households. In fact, MEI households made up fewer terminations as percentage of households. For MEI households who terminated their public housing lease or ended voucher participation, the following table shows the reasons for termination during the period of April 1, 2009 to March 31, 2010.

Termination Reason	Number of Households
Criminal Activity	0
Deceased	0
Drug Activity	7
Vacate Owing	0
Fraud	1
Owner HQS Defect	1
Tenant HQS Defect	3
LHA/Other Program Violation	1
Moved out of town	0
Portable Absorbed by HA	0
Moved in with Relative/Friend	0
No Reply to Annual Re-exam	1
No longer Requires Assistance	4
Reason Unknown	0
Moved to Nursing Home	0
Vacate without Notice	11
Transfer to Other LHA Unit	0
Buying a House	0
Eviction—Non Payment of Rent	4
Eviction—Other Lease Violation	0

Voucher Expired	2
Moved to Other Assisted Housing	0
TOTAL MEI TERMINATIONS	35

Further data on the positive effect of the MEI requirement is the total number of households with wages. The data clearly shows a high percentage of households with wages, an indication that our program emphasis on work expectations is successful. It would be interesting for HUD to compare our percentage of households with wages to other similarly sized PHAs in comparable cities.

Average monthly data for the period of April 1, 2009 to March 31, 2010 showed high percentages of non-elderly or non-disabled households with income from wages.:

HOUSEHOLD EMPLOYMENT INFORMATION (Average Monthly Data)	Total Households	Elderly or disabled Households	Non-Elderly or Non-Disabled Households	Non-Elderly or Non-Disabled with Income from Wages	Percent of Non-Elderly/Non-Disabled Households with Wages
Public Housing	316	148	168	134	80%
Housing Choice Voucher	2,843	1,357	1,486	891	60%

B. Calculation of Asset Income

Part B of this activity is concerned with calculation of asset income. Our data is based on a snapshot taken at the end of the fiscal year.

MTW Households with Zero Assets declared :		
	Households	Units/Vouchers
Public Housing	100	32.0%
Housing Choice Voucher	1,100	39.2%
MTW Households with Assets between \$1 and \$4,999:		
Public Housing	174	54.0%
Housing Choice Voucher	1,628	58.0%
MTW Households with Assets equal to or above \$5,000:		

Public Housing	46	14.0%
Housing Choice Voucher	77	2.8%

During this fiscal year, it has been estimated that Lincoln Housing Authority saved the following minimum administrative costs by modifying the asset verification policy under the Moving to Work Agreement:

Administrative Cost Savings of MTW Asset Initiative		
	Number of Individual Assets	Cost Savings @ \$7.50 per verification
Public Housing	499	\$3,743
Housing Choice Voucher	3,147	\$23,603

Note: Cost savings is based on only one third party verification request per asset and includes staff time, postage and supplies. Past experience and current experience with Non-MTW programs indicate that often more than one attempt to verify assets is required to successfully obtain third-party asset verifications. As such, these are only minimum cost savings estimates based on one attempt and actual costs savings are greater.

Improved Program Accuracy

In January 2004 at a Public Housing Rental Integrity Summit, asset values and asset income verifications were reported to be problem areas in rent calculations as identified by HUD's Office of Policy Development and Research (PD &R). During this past fiscal year, our non-MTW Section 8 New Construction program received notice of "finding" on an asset income calculation error after an audit was conducted by a third party Contract Administrator. Lincoln Housing Authority spent a significant amount of staff time attempting to resolve the difference in asset income as perceived by the auditor and LHA. The auditor required LHA to burden the tenant with obtaining six months of bank statements. The end result of resolving the discrepancy was a significant amount of administrative time used and the tenant was stressed and inconvenienced over an asset discrepancy that had absolutely no impact on the final tenant rent calculation.

Based on this fiscal year's internal audits, our *simplified* MTW asset verification and calculation policy appears to have improved our accuracy on asset determinations, asset income policy application and rental calculations by 3.2%. It is also a significant factor in our administrative time savings reported elsewhere.

Asset Accuracy in Program Eligibility Determinations			
	Number of Internal Audits	Number of Files with No Asset Errors	Compliance with Asset Program Rules
MTW: Public Housing and Housing Choice Vouchers	679	676	99.6%
NON- MTW: Section 8 New Construction and Non-MTW Housing Choice Vouchers	112	108	96.4%

The following chart shows the estimated impact of this initiative in March of 2008. Since we no longer gather verifications on “actual” asset income, we are unable to compare actual asset income to imputed asset income. This fiscal year, the interest rates were at an all time low and most investments experienced reduced annual income. It is probable that the actual income for current household assets is much lower than determined in March 2008, which means the cost of this initiative was lower than anticipated.

Public Housing	March 2008	April 2009	April 2010
Number of Assets Below \$5,000	473	443	413
Number of Assets equal to or above \$5,000	111	90	86
Total Value of assets under \$5,000	\$414,972	\$331,482	\$293,184
Total Value of assets over \$5,000	\$2,601,712	\$2,251,716	\$2,198,123
Income @ 2%	\$52,034	\$45,034	\$43,962
Actual income from assets	\$82,850	Not Available	Not Available
Rent Subsidy increase Cost of Initiative	\$30,816 @ 30% = \$9,244.80		

Housing Choice Voucher	March 2008	April 2009	April 2010
Number of Assets Below \$5,000	3,137	2,856	3,031
Number of Assets equal to or above \$5,000	113	109	116
Total Value of assets under \$5,000	\$1,324,389	\$1,047,108	\$1,144,055
Total Value of assets over \$5,000	\$2,263,794	\$2,274,475	\$2,315,492
Income @ 2%	\$45,275	\$45,490	\$43,962
Actual income from assets	\$75,691	Not Available	Not Available
Rent Subsidy increase Cost of Initiative	\$30,416 @ 30% = \$9,124.80		

C. Verifications

Part C of this activity is concerned with documents to verify earned income and Social Security income. It allows for tenant-provided documents in lieu of direct written third party verifications. No data was tracked on these two specific issues. However, these issues have an impact on indirect staff time and overall postage costs, both of which are reported elsewhere in this MTW Annual Report.

D. Other

Student Income for dependents 22 years of age or older

For Part D of this activity, we collected data on the number of students age 22 and older whose income under the non-MTW policy would have been excluded from the rent calculation. The following table shows the number of students age 22 and older whose income was counted.

Number of students age 22 and older whose Income was included	Number of households with dependents who are age 22 or older and students
1- Public Housing	1- Public Housing
3- Housing Choice Voucher	16- Housing Choice Voucher

\$ 5,954 - Public Housing total earned income counted

\$43,761 - Housing Choice Voucher total earned income counted

\$49,715 Total Earned Income used in rent calculations for PH and HCV

This activity was chosen because of a public perception that earned income of all dependent adults should be used to offset housing subsidy costs. This MTW activity has an insignificant impact on rent subsidy since a total of only seventeen (17) dependent students age 22 or older are participating in the MTW Public Housing or the Housing Choice Voucher program and only four of these students have earned income. The total earned income used in rent calculations for these four households was \$49,715. However, this MTW activity and data collection helps improve the public perception on providing housing subsidy to households with adult dependent students.

C. CHALLENGES AND NEW STRATEGIES

A. Minimum Earned Income

New Strategy for MEI policy

Effective February 1, 2010, the MEI exemption for elderly-disabled persons was revised from age 60 to age 62 to implement a policy that is consistent with HUD's definition of elderly rather than being consistent with Nebraska Health and Human Service's Welfare-to-Work exemptions.

Challenges for MEI Data Collection:

The data from the table showing the reasons MEI ended was collected in a separate database. As discussed elsewhere in this report, the data collected in this database was not consistent and reliable. Although we believe the data to be incomplete, we reported it to show overall trends. We have not determined an alternative collection method.

B. Calculation of Asset Income

Challenges: Calculation and verification of Asset Income

Since we no longer gather verifications on "actual" asset income, we are unable to compare actual asset income to imputed asset income. We will discontinue monitoring this data.

D. NEW INDICATORS OF ACTIVITIES STATUS AND IMPACT

Not applicable

E. DATA COLLECTION METHODOLOGY AND REVISIONS

B. Calculation of Asset Income

Challenges: Calculation and verification of Asset Income

Sine we no longer gather verifications on "actual" asset income, we are unable to compare actual asset income to imputed asset income. We will discontinue monitoring this data.

D. Other

Student Income for dependents 22 years of age or older

We determined gathering information on dependent students with earned income through the 50058 system was more accurate and minimized the administrative burden for extracting the data, rather than using our customized Access software program that required additional data entry.

F. CHANGES IN AUTHORIZATION FROM ATTACHMENT C OR D

Not applicable.

G. PROVISION OF THE ACT OR REGULATION THAT IS WAIVED

Public Housing:

This MTW activity is authorized in Attachment C, Section C.11. Rent Policies and Term Limits. Under this section, the housing authority is authorized to adopt and implement any reasonable policies for setting rents in public housing including establishing the definitions of income and adjusted income. This authorization waives certain provisions of Section 3(a)(2), 3(a)(3)(A) and Section 6(l) of the 1937 Act and 24 C.F.R. 5.603, 5.611, 5.628, 5.630, 6.632, 5.634 and 960.255 and 966 Subpart A.

Housing Choice Vouchers:

This MTW activity is authorized in Attachment C, Section D.2. Rent Policies and Term Limits. Under this section, the housing authority is authorized to adopt and implement any reasonable policies to calculate the tenant portion of the rent that differ from the currently mandated requirements. This authorization waives certain provisions of Section 8(o)(1), 8(o)(3), 8(o)(10) and 8(o)(13)(H)-(I) of the 1937 Act and 24 C.F.R. 982.508, 982.503 and 982.518.

A. ACTIVITY: RENT CALCULATIONS

Minimum Rent and 27% TTP (HCV & PH Programs)

Year Identified: November, 2007

Effective Date: April 1, 2008 (new admissions and transfers)
July 1, 2008 (annual reexaminations)

1. Total Tenant Payment (TTP) is determined on 27% of gross income with no allowable deductions.
2. All subsidized households are responsible to pay the owner a minimum of \$25.00 for tenant rent. The higher of the TTP minus the utility allowance or \$25.00 is used to determine the tenant rent to the owner. This requirement is waived if the head of household is disabled and has a current Social Security application pending.

B. BENCHMARKS, METRICS, AND IMPACT

This initiative provides a much simpler method of calculating housing assistance for households served by LHA. The result is a savings in staff time and reduced calculation errors while also having a rent calculation system that is easier for tenants to understand. Using 27% of gross income for the TTP was based on continuing to serve the same number of households as are currently being served. The minimum rent (\$25.00) is intended to create a minimum level of tenant financial responsibility and obligation to the landlord.

Savings in staff time is measured primarily through comparison of a control group (regular HUD rent calculations) and an MTW group. The control group is made up of tenants in two Section 8 New Construction Projects and a Veterans Affairs Supportive Housing (VASH) and Mainstream vouchers compared to a random sample each month of MTW participants in public housing and housing choice voucher programs. Staff time is tracked by the number of direct and indirect contacts and the amount of time for each contact. Direct contact involves a face to face client contact; indirect is client specific activities outside of face to face contact.

Annual Re-Examinations and New Admissions

The table below shows the aggregate results of tracking administrative time for new admissions and annual re-examinations. The table compares administrative time in MTW and non-MTW programs. The tables below show significant administrative time savings from this initiative. However, we did uncover some variables that impact the time savings results. For example, when comparing annual reviews for Burke Plaza (Section 8 New Construction) with Mahoney Manor (Public Housing), we expected Mahoney Manor to have fewer average minutes when, in fact, Burke Plaza had fewer minutes. These deviations from expectations were a concern, but we found that variation in experience and skill levels of staff had a significant impact.

Project	Average Administrative Time for a Move In (in minutes)	Average Administrative Time for an Annual Review (in minutes)
NON-MTW GROUPS		
VASH Vouchers	88	100
Section 8 New Construction (family)	322	55
Burke Plaza (elderly/disabled)	449	65
MTW GROUPS		
Public Housing (family)	214	50
Mahoney Manor Public Housing (elderly-near elderly)	330	71
Housing Choice Voucher	147	79

Drilling down further in our data, we isolated the data for individual staff persons who had both MTW and non-MTW caseloads. By comparing MTW and non-MTW work of an individual staff person, we were able to achieve a more accurate measurement of the impact. When analyzing data in this way, we could identify approximately 30% time savings in program administration for the Public Housing and Housing Choice Voucher programs using the 27% gross income TTP policy authorized under the MTW agreement. The following table illustrates this analysis for four housing specialists who had both MTW and non-MTW caseloads.

Comparison of MTW and Non-MTW Administrative Time	Average Minutes for Activity		Percent of Time Saved under MTW
	MTW Program	Non-MTW Program	
Staff #1 <u>New Admissions–Elderly</u> Public housing vs. Section 8 New Construction	330	449	33.0%
Staff #2 <u>New Admissions–Family</u> Public Housing vs. Section 8 New Construction	214	322	33.5%
Staff #3 <u>Annual Reexams</u> Housing Choice vs. VASH-Mainstream Vouchers	79	100	21.0%
Elderly Public Housing vs. VASH-Mainstream Vouchers	71	100	29.0%
Staff #4 <u>Annual Reexams</u> Housing Choice Vouchers vs. Section 8 New Construction	43	65	34.0%

A proxy measure of efficiency for this initiative is the amount of postage per year. By using a simplified approach to rent calculations, we were able to see reduced postage costs in MTW programs even with an increase in postage rates:

Postage Costs	2008-2009	2009-2010
MTW PROJECTS		
Housing Choice Vouchers	\$28,062	\$25,619
Public Housing	\$2,904	\$3,015
AMP 1	\$973	\$779
AMP 2	\$1,398	\$1758
AMP 3	\$533	\$479
TOTAL FOR MTW PROJECTS	\$33,870	\$31,650
NON-MTW PROJECTS		
Burke Plaza	\$1,038	\$1,154
VASH* and Mainstream	\$16	\$523
New 32	421	\$433
TOTAL FOR NON-MTW PROJECTS	\$1,475	\$2,110
TOTAL FOR ALL PROJECTS	\$35,345	\$33,760

*VASH was a new program

Hardship Households

In implementing the rent calculation based on 27% of gross income, the housing authority implemented a hardship provision which stated that a household’s maximum increase in total tenant payment would not exceed \$25.00 per annual reexamination as a result of this policy. However, rent increases due to increased income do apply. Following is the number of households for whom this hardship provision applied.

Project	4-09	5-09	6-09	7-09	8-09	9-09	10-09	11-09	12-09	1-10	2-10	3-10
Public Housing	70	65	63	58	52	50	50	47	47	44	42	41
Housing Choice Voucher	162	151	137	130	118	115	110	110	103	96	90	88

A minimal number of households were adversely impacted from the TTP policy change that eliminated program deductions and implemented a lower standard percentage on gross income to determine the TTP. The data collected above indicates that the number of households under the

hardship provision for the 27% TTP policy is under a steady decline and fewer households remain under the hardship policy than anticipated (12.8% of the public housing tenants remain under the hardship provision and 3% of the housing choice voucher participants remain under the hardship provision). We anticipate the number of households with the hardship provision will continue to decline throughout the next fiscal year. Elderly and disabled households will benefit more from the hardship policy, and the numbers will decline more slowly over time because of biennial reviews.

In addition to monitoring the number of households utilizing the hardship policy provision, we monitored the number of households who were under this provision that ended program participation. There were no participants or tenants under the hardship provision whose program participation ended due to non-payment of rent. The Housing Choice Voucher program ended program participation to only one participant with the hardship provision which was not associated to the policy as it was an elderly household member who died.

IMPACT OF \$25.00 Minimum Rent

The impact of the \$25.00 minimum rent is determined from data in our housing software. Monthly data showing households with a \$25.00 rent are the households affected by this requirement.

Households Responsible for \$25 Minimum Rent	Average per month
Public Housing	25
Housing Choice Voucher	230
Combined	255

For hardship purposes, households in which the head is disabled and has a current Social Security application pending are excluded from the requirement. Following is the data to show the number of households excluded from this requirement and whose rent was less than the \$25.00 minimum rent.

Households Excluded from \$25 Minimum Rent	Average per month
Public Housing	1
Housing Choice Voucher	30
Combined	31

LHA monitored the impact of the \$25.00 minimum rent by looking at the reasons participants ended their participation in the Housing Choice Voucher program or moved out of a Public Housing unit. LHA found none of the households in either programs ended participation or moved out due to non-payment of tenant rent. The overall number of households required to pay minimum rent of \$25 remains the same with very little change.

In public housing in March 2009, a baseline list of 28 households were identified as paying the \$25 minimum rent and approximately a year later, 23 households were identified as \$25 minimum rent households, but only eight (8) households were the same households from the previous year. Based on our March 2009 baseline, 70% of those households required to pay the \$25 minimum rent changed. As of May 2010, twenty (20) of the baseline households no longer pay minimum \$25 rent because 85% increased their income within the past year and 15% moved out of the public housing units. It appears the minimum rent policy may promote self-sufficiency based on these statistics.

C. CHALLENGES AND NEW STRATEGIES

Challenges for TTP calculation on 27% gross income.

In reviewing our data for this activity, we identified several variables that were not anticipated and affected our time study results such as staff performance variations, the size of the control group (non-MTW households), the type of household in the control group and accuracy issues in tracking.

We found it to be more accurate if we can compare the same activity with the same staff person rather than comparing the same activity to a different staff person. Staff performance can play a major role in the amount of time spent on administering a program, and our strategy is to compare the same staff person's administrative time on MTW versus non-MTW work.

For example, in a few situations, we are comparing a control group with high performing staff to a MTW group who were average performers for a variety of reasons. Sometimes the programs for the control group and MTW group were not similar enough to be used in a time study comparison. Comparing a VASH Housing Choice Voucher New Admission (control group- non-MTW) to an MTW Housing Choice Voucher new admission could not be considered a valid comparison because of variances in household size and extra case management supports. The VASH household is usually a single-person household with a Veterans Affairs case manager who administers the waiting list and gathers all the required information for the household prior to the new admissions interview.

D. NEW INDICATORS OF ACTIVITIES STATUS AND IMPACT

1. Improved Accuracy - TTP based on 27% gross income

The public perception is that the 27% gross income TTP is a simple rent calculation and is easy to understand. The Nebraska Department of Health and Human Services Department has a contract with Region V Systems to implement a housing assistance program that mimics the Housing Choice Voucher program. Region V Systems chose to use LHA's Moving to Work rules, specifically, the 27% TTP rule for rent calculations because of the simplistic approach.

In addition to the time savings, LHA determined the simplicity in applying the 27% gross income TTP policy resulted in improving our rent calculation accuracy. During this fiscal year, 112 Non-MTW files were audited for program accuracy and eight had deduction errors found in the case files. Eight deduction errors is an unusually small number of deduction errors, but it should be noted that in the VASH and Mainstream population, there are very few medical deductions because their medical expenses are covered by the VA or Medicaid. Of 679 MTW files audited, there were no deduction errors.

In January 2004 at a Public Housing Rental Integrity Summit, deductions were reported to be a problem area in rent calculations as identified by HUD's Office of Policy Development and Research (PD &R). Based on this fiscal year audits, our *simplified* MTW 27% gross income TTP calculation policy appears to have improved our rent calculation accuracy by at least 7%.

The time savings with implementing the 27% TTP calculation has allowed LHA to utilize more staff time to audit rent calculation and ensure policy is applied fairly and consistently by staff.

E. DATA COLLECTION METHODOLOGY AND REVISIONS

1. TTP based on 27% gross income

During the first nine (9) months of this fiscal year, we attempted to collect information from a time study based on randomly selected households. We found this process to be cumbersome and unmanageable for data collections. In November 2009, our MTW contract manager suggested a change in our data collection strategy to occur based on a specific point in time. As advised, we restructured our data collections for the Public Housing and Housing Choice Voucher programs and used April 2010 annual re-certification dates for our time study along with January 2010 interviews for HCV new admissions. Because our non-MTW housing programs are significantly smaller in proportion to our MTW programs, we continued time studies throughout the entire year for the non-MTW housing programs (i.e. VASH, Mainstream, Burke Plaza and N32). Unfortunately, the change in data collections process allowed for minimal New Admission MTW HCV data to be available for this report as most applicants interviewed in January 2010 were not yet admitted to the HCV program. In order to evaluate and collect sufficient data, we will implement our time study and evaluate the data earlier in the fiscal year to allow us time to determine if a second time study is necessary.

F. CHANGES IN AUTHORIZATION FROM ATTACHMENT C OR D

Not applicable.

G. PROVISION OF THE ACT OR REGULATION THAT IS WAIVED

Public Housing:

This MTW activity is authorized in Attachment C, Section C.11. Rent Policies and Term Limits. Under this section, the housing authority is authorized to adopt and implement any reasonable policies for setting rents in public housing including establishing the definitions of income and adjusted income. This authorization waives certain provisions of Section 3(a)(2), 3(a)(3)(A) and Section 6(l) of the 1937 Act and 24 C.F.R. 5.603, 5.611, 5.628, 5.630, 6.632, 5.634 and 960.255 and 966 Subpart A.

Housing Choice Vouchers:

This MTW activity is authorized in Attachment C, Section D.2. Rent Policies and Term Limits. Under this section, the housing authority is authorized to adopt and implement any reasonable policies to calculate the tenant portion of the rent that differ from the currently mandated requirements. This authorization waives certain provisions of Section 8(o)(1), 8(o)(3), 8(o)(10) and 8(o)(13)(H)-(I) of the 1937 Act and 24 C.F.R. 982.508, 982.503 and 982.518.

A. ACTIVITY: RENT BURDEN

Rent Burden (HCV Program)

Year Identified: November, 2007

Effective Date: February 1, 2008

The maximum initial rent for a family shall not exceed 50% of their monthly adjusted income at the time of approving tenancy and executing a HAP contract.

B. BENCHMARKS, METRICS, AND IMPACT

This initiative has been revised from LHA's original MTW plan in which we did not have any cap on the amount of tenant payment for rent and utilities. LHA's original plan was strongly endorsed by residents during our original MTW planning process. Over the years, we collected experience and anecdotal information through which we determined that a number of households were overextending themselves on housing costs to the point of being unable to pay rent and thereby losing their housing. This revised initiative put a cap on the initial rent burden at no more than 50% of adjusted income. Utility costs were not included in the 50%.

The table below shows number of households at new admission or transfer whose initial tenant rent portion is greater than 40% of their monthly adjusted income and, at the same time, their maximum initial tenant rent portion is less than 50% of monthly income.

4-09	5-09	6-09	7-09	8-09	9-09	10-09	11-09	12-00	1-10	2-10	3-10	Total
12	6	5	10	6	10	12	21	16	13	16	17	144

The revised policy establishing a cap on tenant rent being no more than 50% of the tenant's monthly income eliminated affordable housing disagreements between the program participant and LHA administration.

C. CHALLENGES AND NEW STRATEGIES

The MTW 50058 Adhoc Report in HUD's PIC system does not gather census tract information from the MTW 50058 so an MTW Adhoc report cannot be created to obtain census tract information for 2,864 MTW vouchers. Obtaining census tract information on the assisted vouchers is labor intensive and an administrative burden. LHA is working with their housing software vendor to improve a census tract report on assisted units under MTW to be less work intensive and to identify the census tracts for new admissions and transfers that fall between the 40% rule and the MTW 50% rent cap. Once the report is created, we hope to evaluate the spatial dispersal of our housing choice vouchers and the potential impact of this initiative.

D. NEW INDICATORS OF ACTIVITIES STATUS AND IMPACT

For 2009 and 2010, census tract information showed that MTW Housing Choice Vouchers are located throughout the city with no more than 10% of the MTW voucher participants residing in a single census tract area. MTW Housing Choice Voucher participants are residing in 61 out of 64

census tracts. For 2009 and 2010, non-MTW Housing Choice Vouchers have 36 percent (36%) of their voucher participants living in one particular census tract (17). Census tract 17 is considered a high rental, poverty and crime area. The 2009 and 2010 non-MTW Housing Choice Voucher participants are residing in only 19 different census tracts.

Another measurement of participant satisfaction with the 50% Rule is described by this anecdote about a Housing Choice Voucher program participant and her choices. This chose to port into Lincoln from a nearby town. She was informed about the MTW program policies and given a choice to use a Mainstream voucher (non-MTW) or a voucher under MTW. At first she had major concerns about following the 27% TTP calculation because she had over 26 medical providers and numerous service animal expenses she was requesting LHA to verify in order to qualify for these deductions from her income. After explaining all the program rules for non-MTW and MTW, she chose to participate under the MTW policies because she could choose to rent a unit above 40% of her tenant share. Even if LHA had verified all of her medical expenses, based on her self declaration, she would have only lowered her portion of rent by \$25 per month. In the end, *housing choice* was the most important element to the voucher program rules and that choice and flexibility was provided under the MTW policy.

Hardship

This MTW initiative offers participating households more housing options within the city of Lincoln, Nebraska compared with non-MTW vouchers. Households are able to make a choice of housing in accordance with their individual financial circumstances. Voucher participant have “a choice” to exceed the federal rent burned limit of 40% of their adjusted income. As such, the initiative does not impose a hardship but allows households to make a choice. As noted above, this initiative was modified from the original plan.

E. DATA COLLECTION METHODOLOGY AND REVISIONS

During the 2010 -2011 reporting period, LHA will collect data on the census tracts for MTW voucher families who are new admissions or transfers and who choose to incur rent and utility burdens that exceed 40% of their adjusted income. We will attempt to collect this information to determine if these families are expanding their housing opportunities when incurring the higher rent burdens.

F. CHANGES IN AUTHORIZATION FROM ATTACHMENT C OR D

Not applicable.

G. PROVISION OF THE ACT OR REGULATION THAT IS WAIVED

Housing Choice Vouchers:

This MTW activity is authorized in Attachment C, Section D.2. Rent Policies and Term Limits. Under this section, the housing authority is authorized to adopt and implement any reasonable policies to calculate the tenant portion of the rent that differ from the currently mandated requirements. This authorization waives certain provisions of Section 8(o)(1), 8(o)(3), 8(o)(10) and 8(o)(13)(H)-(I) of the 1937 Act and 24 C.F.R. 982.508, 982.503 and 982.518.

A. ACTIVITY: AVERAGE UTILITY ALLOWANCES

Average Utility Allowances (HCV Program)

Year Identified: April 1, 1999

Effective Date: July 1, 1999

LHA uses one standard utility allowance per bedroom size and will not issue utility reimbursement checks or payments. The utility allowances are calculated annually using the current average utility cost per number of bedrooms per unit.

Following is the chart representing target rents and utility allowances.

Bedroom Size	Fair Market Rent	Payment Standard	Payment Standard as a Percent of FMR	Target Rent	Utility Allowance
SRO	\$342	\$338	99%	\$306	\$32
0	\$456	\$451	99%	\$409	\$42
1	\$512	\$506	99%	\$441	\$65
2	\$652	\$644	99%	\$538	\$106
3	\$915	\$904	99%	\$758	\$146
4	\$1,108	\$1,095	99%	\$904	\$191
5	\$1,274	\$1,259	99%	\$1,037	\$222
6	\$1,440	\$1,423	99%	\$1,173	\$250
Lot Rent	\$261	\$258	99%		

B. BENCHMARKS, METRICS, AND IMPACT

This activity has made the voucher program much easier to understand for landlords, tenants, human service agency workers, and the general public. No specific measures were designed to measure that aspect of the activity although anecdotal data over the years has proven this to be true. A key part of that anecdotal data comes from human service workers who assist their clients with vouchers. They frequently comment how much easier the MTW voucher program is to understand versus the VASH voucher program.

In March and April, 2010, LHA hosted four workshops for community human service workers. The 3 ½ hour workshops provided detailed information on the LHA programs and how tenant payments were determined. The more simplified approach to utilities was overwhelmingly supported by human service workers who attended the workshops and who provide advocacy and service coordination for their clients receiving housing assistance.

The concept of the Target Rent has been an extraordinary step forward in our voucher program. Tenants know to search for units at or below the Target Rent amount. They know that if they go above the Target Rent they will pay the difference. It is simple to understand and very customer friendly. It also provides an incentive for the tenant to seek energy efficient units. It provides an easy benchmark for tenants, human service workers and landlords to judge if a unit will be affordable for a voucher tenant.

In the traditional HUD program, as currently implemented by LHA using VASH Vouchers, a tenant does not know exactly what rent amount they might pay, if a unit is above or below the payment standard, or if a unit will be over the 40% rent burden rule until they turn in a Request for Lease Approval form to LHA. They are asked to search for a unit with a complicated utility worksheet, and, for most clients, an incomplete understanding of how all the calculations fit together. It is frustrating for the tenants, human service workers, and landlords.

This activity has significantly reduced utility allowance errors each month. National statistics in the past have shown utility allowance errors to be in the top 5 of RIM errors. Data for the LHA voucher program shows the following:

	MTW	Non-MTW
Files Audited	679	80
Utility Allowance Errors	0	12
Percent with Utility Allowance Errors	0%	15%

C. CHALLENGES AND NEW STRATEGIES

The small control group can affect data collection. Changes in the staff assigned to the VASH or Mainstream Vouchers can affect error rates as much as the program rules. However, it is clear that the standard utility allowance and Target Rent concept is simpler and much less prone to errors.

D. NEW INDICATORS OF ACTIVITIES STATUS AND IMPACT

LHA anticipates no hardship through this initiative and, to date, there have been no requests for relief. The average utility allowance has been a part of our MTW plan from the beginning and rates have been adjusted annually. The initiative poses not added burden on participants.

The Nebraska Department of Health and Human Services Department has a contract with Region V Systems to implement a housing assistance program that mimics the Housing Choice Voucher program. Region V Systems chose to use LHA’s MTW rules, specifically, the utility allowance policy because of the simplistic approach and the ability to assist the voucher holder in their housing search by determining “target rents”. The simplicity in providing a target rent through a standard utility allowance by unit bedroom size allows the tenant to independently search for a unit and

allows the tenant the *self sufficiency of making housing choices* that meets their families' needs.

Under the non-MTW voucher program, at least 8% of the participant housing unit selections were denied because the tenant selected a unit where their portion of rent plus utilities was identified at audit to be over 40% of their adjusted monthly income. Under our MTW utility allowance policy, LHA is able to give the program participant a set target rent amount. The participant is then more self-sufficient in finding a unit within the affordable housing range without needing agency help with determining if the unit will be approved under the 40% adjusted income rule.

E. DATA COLLECTION METHODOLOGY AND REVISIONS

Not applicable.

F. CHANGES IN AUTHORIZATION FROM ATTACHMENT C OR D

Not applicable.

G. PROVISION OF THE ACT OR REGULATION THAT IS WAIVED

Public Housing:

This MTW activity is authorized in Attachment C, Section C.11. Rent Policies and Term Limits. Under this section, the housing authority is authorized to determine family payment, including the total tenant payment, the minimum rent, utility reimbursements and tenant rent. The housing authority is authorized to adopt and implement any reasonable policies for setting rents in public housing including establishing the definitions of income and adjusted income. This authorization waives certain provisions of Section 3(a)(2), 3(a)(3)(A) and Section 6(l) of the 1937 Act and 24 C.F.R. 5.603, 5.611, 5.628, 5.630, 6.632, 5.634 and 960.255 and 966 Subpart A.

Housing Choice Vouchers:

This MTW activity is authorized in Attachment C, Section D.2. Rent Policies and Term Limits. Under this section, the housing authority is authorized to adopt and implement any reasonable policy to establish payment standards, rents or subsidy levels for tenant-based assistance. The housing authority is also authorized to adopt and implement any reasonable policies to calculate the tenant portion of the rent that differ from the currently mandated requirements. This authorization waives certain provisions of Section 8(o)(1), 8(o)(3), 8(o)(10) and 8(o)(13)(H)-(I) of the 1937 Act and 24 C.F.R. 982.508, 982.503 and 982.518.

OTHER INITIATIVES

A. ACTIVITY: INCOME ELIGIBILITY

Income Eligibility (HCV & PH Programs)

Year Identified: April 1, 1999

Effective Date: July 1, 1999

All applicants for HUD subsidized units must provide adequate evidence that the household's anticipated annual income for the ensuing twelve month period does not exceed the following income limits based on area median income adjusted for family size:

Public Housing: 80% of median income

Housing Choice Voucher: 50% of median income.

Income targeting will not be used.

B. BENCHMARKS, METRICS, AND IMPACT

Lincoln Housing Authority is using its MTW authority to waive income targeting standards. Rather than use national income targeting standards, LHA has designed its preference system to fit local needs and local program goals. The preferences LHA selected in public housing, i.e. working preference, tend to pull average income for new admissions to a higher level than might otherwise occur. Elderly and disabled households also qualify for a "working" preference which can mitigate that affect. On the other hand, the preferences used in the housing choice voucher program tend to bring the overall average income for new admissions to a lower level.

LHA does not measure income targeting on an on-going basis, nor do we alter the order of the waiting list to meet income targeting goals. We did review the admissions for the fiscal year for this report. As it happens, in the 2010 fiscal year, both the voucher and public housing programs met the federal income targeting standards. In the Public Housing Program, 50% of new admissions were Extremely Low Income. In the Voucher Program, 86.93% of new admissions were Extremely Low-Income.

It is reasonable to expect that the Voucher program will continue to meet federal targeting standards, given the nature of the preference system. The Public Housing program is smaller and could be prone to yearly changes in income levels due to small variations in the number of vacancies in elderly units vs. family units or the number of disabled families vs. working families.

C. CHALLENGES AND NEW STRATEGIES

Not applicable

D. NEW INDICATORS OF ACTIVITIES STATUS AND IMPACT

Not applicable

E. DATA COLLECTION METHODOLOGY AND REVISIONS

Not applicable

F. CHANGES IN AUTHORIZATION FROM ATTACHMENT C OR D

Not applicable

G. PROVISION OF THE ACT OR REGULATION THAT IS WAIVED

Public Housing:

This MTW activity is authorized in Attachment C, Section C.2. Local Preferences and Admission and Continued Occupancy Policies and Procedures. Under this section, the housing authority is authorized to develop and adopt local preferences and admission policies and procedures for admission into the public housing program in lieu of HUD statutes, regulations or other requirements based on the 1937 Act so long as the families assisted qualify as low income, and that the total mix of families assisted meets the requirements of part I.C of the Amended and Restated MTW Agreement. This authorization waives certain provisions of Section 3 of the 1937 Act and 24 C.F.R. 960.206 as necessary to implement the Agency's Annual MTW Plan.

Housing Choice Voucher:

This MTW activity is authorized in Attachment C, Section D.3.a and D.4. Under these sections, the housing authority is authorized to determine income qualifications for participation in the rental assistance program that differ from the currently mandated program requirements in the 1937 Act and its implementing regulations, as long as the requirements that i) at least 75 percent of those assisted under the demonstration are "very low-income" as defined in section 3(b)(s) of the 1937 Act, ii) substantially the same number of low-income persons are assisted under the demonstration as would be without the MTW authorizations contained herein, and iii) a comparable mix of families are assisted under the Agreement as would have otherwise in Section I.C. of the MTW Agreement are met. Further, the Agency is authorized to determine waiting list procedures, tenant selection procedures and criteria and preferences, including authorizing vouchers for relocation of witnesses and victims of crime that differ from the currently mandated program requirements in the 1937 Act and its implementing regulations. This authorization waives certain provisions of Sections 16(b) and 9(o)(4) of the 1937 Act and 24 C.F.R. 5.609, 5.611, 5.628, and 982.201 as necessary to implement the Agency's Annual MTW Plan. The authorization also waives certain provisions of Sections 8(o)(6), 8(o)(13)(J) and 8(o)(16) of the 1937 Act and 24 C.F.R. 982 Subpart E, 982.305 and 983 Subpart F as necessary to implement the Agency's Annual MTW Plan.

A. ACTIVITY: PREFERENCES

Preferences (HCV & PH Programs)

In the 2009-2010 Annual MTW Plan, LHA described its preferences for public housing and housing choice vouchers. These preferences were part of the housing authority's original MTW plan in 1999. The use of these preferences no longer requires an MTW waiver. However, they are part of the housing authority's overall MTW plan as they give preference for working families (public housing) or participants in approved self-sufficiency programs (voucher program). Beginning in 2009, the housing authority added an additional secondary preference for tenants who completed RentWise, a tenant education curriculum developed by Universities of Minnesota and Wisconsin. This secondary preference is greater than no preference but less than one of the other preferences listed below. However, any one of the preferences plus the RentWise preference would be above a preference without RentWise.

LHA gives a higher priority for selection to applicants who are currently eligible for one or more preferences. A family qualifying for one preference is given the same priority as a family qualifying for two preferences.

Housing Choice Voucher Preferences:

- Homeless
- Displaced by Disaster
- Displaced by Domestic Violence
- Certain Military Households
- Participants in Employment First or other Approved Self-Sufficiency Program
- Nebraska RentWise (secondary preference)

Public Housing Preferences:

- Homeless
- Displaced by Disaster
- Displaced by Domestic Violence
- Working Family (includes elderly or disabled except at Mahoney Manor)

At the MTW site visit in November, 2009 and follow-up email on November 19, 2009, it was determined that this activity does not require MTW authority and should be removed from this section of the report in the future.

A. ACTIVITY: RESTRICTED PORTABILITY

Restricted Portability (HCV Program)

Year Identified: April 1, 1999

Effective Date: July 1, 1999

Voucher participants will not be allowed to port out unless the family requests and is granted an exception as a reasonable accommodation for employment, education, safety or medical/disability need.

B. BENCHMARKS, METRICS, AND IMPACT

The purpose of restricted portability in our MTW program was to prevent families from porting out with their voucher because of our MTW policies. It was anticipated that some families would choose to port out just to avoid the work requirements and other expectations of the MTW program. Portability was allowed for specific reasons as listed above.

Our data shows the number of formal requests to port out and the number approved. Families are given information about our restricted portability policy, and it is recognized that once people are aware of the policy, few formal requests are made. In the prior 2008-2009 fiscal year, there were 11 requests to port and 100% were approved. The reasons for porting were: medical (1), safety (2), education (0), and employment (8).

April 1, 2009 to March 31, 2010		REASONS FOR APPROVING PARTICIPANT TO PORT WITH VOUCHER			
Total Requests to Port	31	Medical or Disability	Safety	Education	Employment
Requests Approved	28	9	5	1	13
Percent Approved	89%				

Three requests were denied for a non-MTW-related reason. Requests were made at a time when we did not have sufficient funding to utilize 100% of the voucher allocation. At that time, we were not selecting from the waiting list.

An interesting portability issue has occurred with housing authorities in Nebraska. They are seeing people come to their housing authority to get a voucher, lease for one year, and then port out as soon as their first year's lease is completed. Their sole reason to come to Nebraska seems to be to get a voucher and port after one year. We believe our policy provides appropriate opportunities to port while also preserving the integrity of our MTW program.

C. CHALLENGES AND NEW STRATEGIES

We did have a fair housing complaint about portability in the fall of 2008. That case was resolved and no changes in policy were made.

D. NEW INDICATORS OF ACTIVITIES STATUS AND IMPACT

Not applicable

E. DATA COLLECTION METHODOLOGY AND REVISIONS

Not applicable

F. CHANGES IN AUTHORIZATION FROM ATTACHMENT C OR D

Not applicable

G. PROVISION OF THE ACT OR REGULATION THAT IS WAIVED

Housing Choice Vouchers:

This MTW activity is authorized in Attachment C, Section D.1.g. Under this section, the housing authority is authorized to establish its own portability policies with other MTW and non-MTW housing authorities. This authorization waives certain provisions of Section 8 of the 1937 Act and 24 C.F.R. 982 Subpart H as necessary to implement the housing authority's Annual MTW Plan.

A. ACTIVITY: BIENNIAL RE-EXAMINATIONS

Biennial Re-examinations (HCV and PH)

Year Identified: November, 2008

Effective Date:

Public Housing:

Effective March 15, 2009 for new move-ins

Effective July 1, 2009 for current tenants

Housing Choice Voucher

Effective April 1, 2009 for new admissions

Effective July 1, 2009 for some current program participants (see transition plan)

LHA will conduct a reexamination of an elderly or disabled household at least every two years. An elderly or disabled household is any family where the head or spouse (or sole member) is at least 62 years of age or a person with a disability.

All households will continue to have interim reexaminations according to administrative policy.

All other household compositions will continue with an annual reexamination.

B. BENCHMARKS, METRICS, AND IMPACT

Using PIC data, the housing authority established a baseline level of Annual Reexaminations for a 12 month period ending July 31, 2008. Baseline data shows the following:

Public Housing Annual Reexaminations	Count	Percentage
Elderly Households	61	21.9%
Disabled Households	60	21.5%
Family Households	159	56.6%
Total	279	100.0%

Housing Choice Voucher Annual Reexaminations	Count	Percentage
Elderly Households	360	15%
Disabled Households	768	31%
Family Households	1,323	54%
Total	2,451	100.0%

The HCV baseline data was corrected from our annual plan after an error was discovered with elderly households who were also disabled being counted in both the elderly and disabled sections.

Data for this initiative was collected by fiscal year from the PIC system. The benchmark for annual reexaminations was based on a 50% reduction from the baseline for elderly and disabled households.

This initiative affected public housing and voucher households where the head, spouse, or sole member is a person with a disability and also includes two or more persons with disabilities living together or one person with a live-in aide.

Public Housing

For any elderly or disabled family whose annual re-examinations were scheduled to be conducted from July 1, 2009 to June 1, 2010, LHA delayed the annual re-examination to the following year and will conduct it every two years thereafter. Interim re-examinations continue to be done in accordance with policy, and elderly and disabled families are not exempt from reporting changes in household composition or other changes.

For any elderly or disabled tenants who were new move-ins on March 15, 2009 or after, LHA now schedules the next re-examination on the first of the same month two years after the move-in month.

Housing Choice Voucher

Beginning April 1, 2009, LHA is conducting re-examinations every two years for elderly and disabled households.

For households issued vouchers prior to April 1, 2009, LHA established a transition policy for biennial re-examinations. This transition policy was effective for current elderly or disabled households with annual re-examinations effective July 1, 2009 to June 1, 2010. In order to manage workloads while transitioning to a biennial schedule, LHA assigned the next schedule review for each elderly and disabled household based on the last digit of the head of household's Social Security number. In effect, this was a random selection process. Elderly and disabled households will have the next re-examination as follows.

For households in which the head had a Social Security number ending in 1, 3, 5, 7, or 9, the next re-examination was conducted in July 2009 through June 2010 according to the month the re-examination is due. See exception for hardship households below.

For households in which the head had a Social Security number ending in 0, 2, 4, 6, or 8, the next re-examination will be conducted in July 2010 through June 2011 according to the month the re-examination is due.

Any elderly or disabled households designated as "hardship" households under the 27% MTW policy with a re-examination date of July 1, 2009 through June 1, 2010 will have their annual re-examination immediately by-passed for one year and completed the following year and every two years thereafter. This assignment further reduces the impact of the 27% MTW policy and creates an additional benefit for those in the hardship group.

For the period of April 1, 2009 to March 31, 2010, we have the following data for annual reexaminations:

Public Housing Annual Reexaminations	Baseline 8/1/2007 to 7/31/2008 *	Benchmark for 2009-2010	Benchmark as a Percent of Baseline	Actual Number of Annual Reexaminations	Actual Number of Annual Reviews as a Percent of Baseline	Actual FY 2008-2009
Elderly Households	61*	31	50%	23	38%	
Disabled Households	60*	30	50%	16	27%	
Family Households	159*	159	100%	144	91%	
Total	279*	220	79%	183	66%	322

Housing Choice Voucher Annual Reexaminations	Baseline 8/1/2007 to 7/31/2008 *	Benchmark for 2009-2010	Benchmark as a Percent of Baseline	Actual Number of Annual Reexaminations	Actual Number of Annual Reviews as a Percent of Baseline	Actual FY 2008-2009
Elderly Households	360*	180	50%	244	68%	
Disabled Households	768*	384	50%	590	77%	
Family Households	1323*	1,323	100%	1130	85%	
Total	2,451*	1,887	77%	1964	80%	2,695

*Baseline data was taken from PIC system whereas subsequent data was taken from actual monthly counts. Baseline data is, in fact, under-reported because PIC data showed only the last action in PIC.

Administrative Savings and Cost Effectiveness

When establishing our 2009-2010 baseline, we did not account for the fact we conducted April, May and June 2009 annual reviews prior to the implementation of the biennial policy. The data indicates we completed 731 fewer Housing Choice Voucher re-exams in 2009-2010 than in fiscal year 2008-2009 and 139 fewer Public Housing re-exams. The administration time savings by conducting 27% fewer Housing Choice Voucher re-exams and 43% fewer Public Housing re-exams in 2009-2010 has allowed staff to manage large caseloads of over 500 families per worker, especially during a “special” work intensive year as we experienced a major housing software upgrade and data conversion. Just recently one of our Housing Specialists relocated to a non-MTW Colorado housing authority and reported she is now managing a Housing Choice Voucher program caseload of 250 families which is half the size of the caseload she managed under MTW in Lincoln.

The table below indicates an annual review under MTW Housing Choice Voucher program takes approximately 79 minutes per household to complete. With 731 fewer Housing Choice Voucher re-exams at approximately 79 minutes per review, LHA saved 962.35 hours or 80 hours per month.

The table below indicates the average (Mahoney Manor and Family)public housing household takes 60 minutes per household to complete a annual review. With 139 fewer Public Housing annuals reviews, LHA saved 139 hours or almost 12 hours per month in time savings. The cost-effectiveness of our MTW policies has allowed us to improve on the quality of our program administration by transferring our resources towards case file auditing and expanding our face to face interviews with tenants and participants to ensure quality customer service and reduction in program fraud.

We were also able to serve more families by administering additional specialized voucher programs such as Mainstream vouchers, Enhanced vouchers and Veterans Affairs Supportive Housing vouchers without additional staff. The cost savings has allowed us to serve more families by facilitating and offering our applicants, in addition to our program participants, a 12 hour tenant educational series called Nebraska RentWise. The cost saving has also allowed our staff more quality interviewing time with our participants.

Project	Average Administrative Time for a Move In (in minutes)	Average Administrative Time for an Annual Review (in minutes)
CONTROL GROUPS		
VASH Vouchers	88	100
Section 8 New Construction (family)	322	55
Burke Plaza (elderly/disabled)	449	65
MTW GROUPS		
Public Housing (family)	214	50
Mahoney Manor Public Housing (elderly-near elderly)	330	71
Housing Choice Voucher	147	79

An additional impact that is being monitored is the impact on public housing rent revenues. Approximately 37 % of public housing households are elderly or disabled and moving to biennial reexaminations could reduce rent revenues which would normally rise as these households receive annual cost of living adjustments to their social security or supplemental security incomes.

C. CHALLENGES AND NEW STRATEGIES

The data indicates that some annual re-examinations were completed for disabled households. This action was correct because some households were not considered disabled until after the re-examination was completed.

D. NEW INDICATORS OF ACTIVITIES STATUS AND IMPACT

LHA anticipates no hardship through this initiative and, to date, there have been no requests for relief. Public housing tenants and voucher participants benefit because they could have increased income between biennial reexaminations without a corresponding increase in their rent payment. This initiative produces no additional burden or hardship to households than they would otherwise experience under an annual review system. They continue to be eligible for rent decreases by means of interim reexaminations if they experience decreased income.

E. DATA COLLECTION METHODOLOGY AND REVISIONS

Not applicable

F. CHANGES IN AUTHORIZATION FROM ATTACHMENT C OR D

Not applicable

G. PROVISION OF THE ACT OR REGULATION THAT IS WAIVED

Public Housing:

This MTW activity is authorized in Attachment C, Section C.2. Initial, Annual and Interim Income Review Process. Under this section, the housing authority is authorized to restructure the initial, annual and interim review process in the public housing program in order to affect the frequency of the reviews and the methods and process used to establish the integrity of the income information provided. This authorization waives certain provisions of Section 3 (a)(1) and 3(a)(2) of the 1937 Act and 24 C.F.R. 966.4 and 960.257, as necessary to implement the Agency's Annual MTW Plan.

Housing Choice Vouchers:

This MTW activity is authorized in Attachment D.1.c Operational Policies and Procedures. Under this section, the housing authority is authorized to define, adopt, and implement a reexamination program that differs from the reexamination program currently mandated in the 1937 Act and its implementing regulations. This authorization waives certain provisions of Section 8(o)(5) of the 1937 Act and 24 C.F.R. 982.516 as necessary to implement the Agency's Annual MTW Plan.

A. ACTIVITY: HQS INSPECTIONS WAIVER

HQS Inspections Waiver (HCV Program)

Year Identified: November, 2008

Effective Date: April 1, 2009

To encourage participating landlords and tenants to maintain their units in compliance with Housing Quality Standards (HQS), the required annual inspection will be waived for one year if the annual inspection meets 100% HQS upon first inspection at initial or annual inspection. All units will be inspected at least every other year. This initiative will also allow inspections to coincide with the next annual reexamination date rather than HUD's interpretation that inspections be conducted within 365 days of the previous inspection. HUD's interpretation resulted with a schedule of reinspections every 10 months to ensure compliance with the interpretation of "every 365 days." Special inspections will continue to occur as determined by LHA.

B. BENCHMARKS, METRICS, AND IMPACT

The baselines for this initiative were the number of annual inspections during a 12 month period and the success rate percentage on 1st inspection. The number of annual inspections was expected to be reduced while the success rate percentage at first inspection was expected to go up.

BASELINE DATA	Fiscal Year 2007-2008	Fiscal Year 2008-2009	Fiscal Year 2009-2010
Annual Inspections	2,767	3,096	3042
Initial Inspections	1,432	1,309	825
Special Inspections	11	34	44
Total Inspections	4,210	4,439	3911
Passed at First Inspection	65%	60%	52%
Failed at First Inspection	35%	40%	48%
Total Inspections	100%	100%	100%

The benchmark for this initiative was to decrease the number of annual inspections by 40%. We anticipated that special inspections may go up significantly as we may have more calls from tenants about defects to be reported to landlords. Special inspections can be done to verify correction of those defects. Overall, we anticipated the total number of inspections to be reduced by 25% from the baseline level.

This initiative was implemented April 1, 2009. Beginning with that date, for any annual or initial "pick up" inspection in which the unit meets 100% HQS compliance at the first inspection, the annual HQS inspection of this unit with the same tenant may be waived for one year. If at any time the unit requires a special inspection, this special inspection incentive is revoked and the unit must have an annual inspection completed by the tenant's next annual re-examination date.

Administrative Cost Savings, Efficiency and Quality of Housing Unit

The impact of this policy will not be fully reflected until FY 2010-2011. The first annual inspections that were skipped because the unit passed the first time will start in April 2010. At the end of the next fiscal year, we will begin to determine the impact of skipping annual inspections and determine if the time savings will allow our community to improve the affordable housing stock in two ways: 1) by allowing more time to be scheduled during annual inspections so the inspectors can spend more time educating tenants and landlords; or 2) by allowing additional time to assist other local affordable housing projects with unit inspections.

Next fiscal year, we will begin to receive some data to indicate if this policy has a negative impact on the quality of the units participating in the voucher program by analyzing the number of complaint (a.k.a. special) inspections compared to the previous year when annual inspections were not skipped. It will be two years before we will be able to analyze the impact of the inspection policy and the quality of the units over the two year period. We will compare the pass/fail rate from this fiscal year (2009-2010) where the units were annually inspected to pass/fail rate for fiscal year (2011-2012).

C. CHALLENGES AND NEW STRATEGIES

Staff changes can affect the pass and fail inspection rates. This past fiscal year, new staff were added to the inspection's department which had an impact on lowering the pass/fail rate. Staffing changes were not previously considered as a factor. The time savings from skipped annual inspections will allow us to increase staff time spent on conducting annual inspections.

D. NEW INDICATORS OF ACTIVITIES STATUS AND IMPACT

Improved Program Satisfaction

Both the LHA Landlord Advisory Committee and other participating landlords have expressed sincere appreciation for rewarding landlords who maintain their property at a high level. The new policy has been so successful that the City of Lincoln, with support of an organization, the Lincoln Policy Network, are proposing a new city ordinance to change Lincoln's apartment inspection policy to mirror LHA's policy.

E. DATA COLLECTION METHODOLOGY AND REVISIONS

Not applicable

F. CHANGES IN AUTHORIZATION FROM ATTACHMENT C OR D

Not applicable

G. PROVISION OF THE ACT OR REGULATION THAT IS WAIVED

Housing Choice Vouchers

This MTW activity is authorized in Attachment C, Section D.5. Ability to Certify Housing Quality Standards. Under this section, the housing authority is authorized to certify that housing assisted under MTW will meet housing quality standards established or approved by HUD. The certification form will be approved or provided by HUD. This authorization waives certain provisions of Section 8(o)(8) of the 1937 Act and 24 C.F.R. 982, Subpart I as necessary to implement the Agency's Annual MTW Plan.

VII. Sources and Uses of Funding

A. List planned versus actual sources (operating, capital, and HCV) and uses of MTW Funds. Provide a narrative description of any major changes from the approved plan:

Note: See Appendix A for Capital Fund Program and ARRA Report

Financial Resources: Sources and Uses of Funds April 1, 2009 to March 31, 2010						
A. Planned versus Actual Sources and Uses of MTW Funds						
Sources of MTW Funds	2009-2010 Plan	2009-2010 Budget	2009-2010 Actual	Difference	Explanation	Uses of Funds
Public Housing Operating Subsidy	\$515,000	\$565,780	\$547,298	(\$18,482)	N/A	Public Housing Operations
Public Housing Capital Grant	\$533,000	\$533,195	\$314,592	(\$218,603)	The Grant Award was \$533,135, however the amount booked as income coincides with the work completed and funds received in the year.	Public Housing Capital Improvements
Section 8 Housing Assistance	\$12,101,302	\$12,101,300	\$12,026,881	(\$74,419)	NA	Section 8 Housing Assistance Payments
Section 8 Administrative Fees	\$1,532,682	\$1,541,360	\$1,597,649	\$56,289	NA	Section 8 Administrative Costs
Section 8 Extraordinary Fees	0	0	\$450,000	\$450,000	Received extraordinary fees	Used for Housing Assistance Payments
Public Housing Rental Income	\$1,040,000	\$1,048,400	\$1,028,928	(\$19,472)	NA	Public Housing Operations
Interest Income	\$105,000	\$75,000	\$65,556	(\$9,444)	Interest rates were lower than anticipated	Public Housing/HCV Operational Costs

Other Income	\$92,310	\$93,250	\$173,130	\$79,880	Charges for tenant damages & income from tenant fraud were more than anticipated; tenant forfeited escrow accounts	Public Housing/HCV Operational Costs
TOTAL MTW INCOME	\$15,919,294	\$15,958,285	\$16,204,034	\$245,749		

B. Planned versus Actual Sources and Uses of State, Local, & Non-MTW Funds						
Sources of Non-MTW Funds	2009-2010 Plan	2009-2010 Budget	2009-2010 Actual	Difference	Explanation	Uses of Funds
Section 8 Non-MTW	\$645,600	\$761,200	\$772,644	\$11,444	NA	Housing Assistance Payments–Section 8 (Non-MTW) operational costs
Housing Choice Voucher FSS Grant	\$59,160	\$59,751	\$59,899	\$148	NA	Housing Choice Voucher FSS Coordinator
Public Housing ARRA Funds	\$0	\$0	\$529,785	\$529,785	ARRA Funding was not anticipated	Public Housing Capital Improvements
Public Housing ROSS Grant	\$50,000	\$58,879	\$51,837	(\$7,042)	HUD granted less than expected.	Public Housing FSS Coordinator
Home Funds	\$25,000	\$25,000	\$18,463	(\$6,537)	Fewer requests for security deposit assistance	Security Deposit Assistance
Rental Income	\$4,719,400	\$4,641,190	\$4,834,993	\$193,803	NA	Operational Costs
Interest Income	\$447,700	\$434,400	\$453,664	\$19,264	NA	Operational Costs
Other Income	\$137,100	\$130,220	\$240,218	\$109,998	Gain on sale of non-HUD property	Operational Costs

Other Grants	\$34,000	\$24,000	\$47,518	\$23,518	Additional Grants obtained by Lincoln Housing Charities	Client Services
Management Fees - Reimbursements	\$670,800	\$692,250	\$774,451	\$82,201	More direct costs reimbursed by tax credit projects managed by LHA	Reimbursement of Direct Expenses
TOTAL NON-MTW INCOME	\$6,788,760	\$6,826,890	\$7,783,472	\$956,582		

C. Planned versus Actual Sources & Uses -- Central Office Cost Center (COCC)						
COCC Activity	2009-2010 Plan	2009-2010 Budget	2009-2010 Actual	Difference	Explanation	Uses of Funds
Management Fee	\$969,200	\$1,009,410	\$1,042,630	\$33,220	NA	Central Office Operational Costs
Bookkeeping Fee	\$360,500	\$356,440	\$362,920	\$6,480	NA	Central Office Operational Costs
Asset Management Fee	\$132,800	\$130,200	\$130,780	\$580	NA	Central Office Operational Costs
Grant Management - Capital Improvement Fee	\$193,600	\$147,930	\$191,743	\$43,813	Additional grant management fees earned due to ARRA grants	Central Office Operational Costs
Fee For Service	\$1,864,700	\$1,814,830	\$1,876,287	\$61,457	NA	Central Office Operational Costs
Direct Reimbursement	\$70,600	\$84,200	\$68,170	(\$16,030)	Fewer than anticipated	Central Office Operational Costs
Interest Income	\$0	\$2,500	\$7,466	\$4,966	COCC had more investments to earn interest	Central Office Operational Costs
Total	\$3,591,400	\$3,545,510	\$3,679,996	\$134,486		
GRAND TOTAL - ALL	\$26,299,954	\$26,330,685	\$27,667,502	\$1,336,817		

D. If using a cost allocation or fee-for-service approach that differs the 1937 Act requirements, describe the actual deviations that were made during the Plan year:

No Deviations

Lincoln Housing Authority's cost allocation approaches comply with the 1937 Housing Act requirements.

E. List or describe planned versus actual use of single-fund flexibility:

Lincoln Housing Authority retains full authority to move MTW funds and project cash flow among projects, without limitation, under its asset management program. To date, LHA has not utilized this funding flexibility.

F. Optional - List planned versus actual reserve balances at the end of the plan year.

Optional—not provided in this report

G. Optional - In plan appendix, provide planned versus actual sources and uses by AMP.

Optional—not provided in this report

The Lincoln Housing Authority (LHA) has adopted cost accounting and financial reporting methods that comply with OMB Circular A-87, OMB Circular A-133, and generally accepted accounting principles (GAAP). LHA's budgeting, accounting and financial management comply with the requirements of HUD's property-based/asset management requirements. LHA does retain full authority to move MTW funds and project cash flow among projects, without limitation, under its asset management program.

LHA utilizes four methods for allocating costs to projects.

Direct Costs: Expenditures are matched as closely as possible to the various projects. Direct expenses, expenses that are clearly associated with a given project, are charged directly to that project.

Fee Approach: LHA assesses fees to the various projects for the purpose of operating a central office cost center. Each project pays management fees, bookkeeping fees, asset management fees, and grant management fees (as they pertain to each project) into the central office cost center. LHA utilizes the HUD published fee schedule.

Fee for Service Approach: The LHA maintains a central maintenance facility as many of its properties are scattered houses and duplexes located throughout the city. A work order is prepared for each job charging an hourly fee for actual time spent on the job. Material costs are also recovered on the job work order.

Indirect Cost Allocation: LHA allocates inspection and intake costs each month. Inspection and intake expenses are accumulated each month and allocated to the projects based on the projected number and type of inspections (for inspection costs) and the projected number of units leased (for intake costs).

VIII. Administrative

A. Description of progress on the correction or elimination of observed deficiencies cited in monitoring visits, physical inspections, or other oversight and monitoring mechanisms, if applicable

During an MTW site visit in November 2009, we had extensive discussions on our MTW data collection. No specific deficiencies were cited, but we found it to be a useful discussion. Frankly, we were trying to collect too much data with too many separate systems of data collection. We continue to work on better methods of data collection on our MTW initiatives and are moving more towards collecting data on smaller samples or data during points in time so that staff will be more accurate and reliable in their data collection and produce more useful information to analyze our initiatives.

B. Results of latest Agency-directed evaluations of the demonstration as applicable

Not applicable

C. Performance and Evaluation Report for Capital Fund Activities not included in the MTW Block Grant

The Annual Statement/Performance and Evaluation Report for the period ending December 31, 2009 is included in Appendix A for the following grants:

NE26P002501-09

NE26S002501-09

NE26P002501-08

D. Certification that the Agency has met the three statutory requirements of: 1) assuring that at least 75 percent of the families assisted by the Agency are very low-income families; 2) continuing to assist substantially the same total number of eligible low-income families as would have been served had the amounts not been combined; and 3) maintaining a comparable mix of families (by family size) are served, as would have been provided had the amounts not been used under the demonstration.

Appendix B

APPENDIX A

Annual Statement/Performance and Evaluation Report
for the period ending
December 31, 2009

for the following grants:

NE26P002501-09

NE26S002501-09

NE26P002501-08

Part I: Summary		Grant Type and Number Capital Fund Program Grant No: Replacement Housing Factor Grant No: Date of CFFP:	FFY of Grant: 2009 FFY of Grant Approval: 2009		
PHA Name: Housing Authority of the City of Lincoln		NE26P002501-09			
Type of Grant					
<input type="checkbox"/> Original Annual Statement and Evaluation Report for Period Ending: 12/31/09 <input type="checkbox"/> Reserve for Disasters/Emergencies <input type="checkbox"/> Performance and Evaluation Report for Period Ending: 12/31/09		<input type="checkbox"/> Revised Annual Statement (revision no:) <input type="checkbox"/> Final Performance and Evaluation Report			
Line	Summary by Development Account	Original	Total Estimated Cost Revised ¹	Obligated	Total Actual Cost ¹ Expended
1	Total non-CFP Funds				
2	1406 Operations (may not exceed 20% of line 21) ³				
3	1408 Management Improvements				
4	1410 Administration (may not exceed 10% of line 21)	53,319	52,447	52,447	137.83
5	1411 Audit				
6	1415 Liquidated Damages				
7	1430 Fees and Costs	50,000	35,000	31,500	6,807.96
8	1440 Site Acquisition				
9	1450 Site Improvement				
10	1460 Dwelling Structures				
11	1465.1 Dwelling Equipment—Nonexpendable	403,000	415,000	62,743	0
12	1470 Non-dwelling Structures				
13	1475 Non-dwelling Equipment				
14	1485 Demolition				
15	1492 Moving to Work Demonstration				
16	1495.1 Relocation Costs				
17	1499 Development Activities ⁴				

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

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

U.S. Department of Housing and Urban Development
 Office of Public and Indian Housing
 OMB No. 2577-0226
 Expires 4/30/2011

Part I: Summary		FFY of Grant: 2009	
PHA Name: LHA		FFY of Grant Approval: 2009	
Grant Type and Number Capital Fund Program Grant No: NE26P002501-09		Revised Annual Statement (revision no:)	
Replacement Housing Factor Grant No: Date of CFFP:		Final Performance and Evaluation Report	
Type of Grant <input type="checkbox"/> Original Annual Statement <input checked="" type="checkbox"/> Performance and Evaluation Report for Period Ending: 12/31/09		Total Actual Cost ¹	
Summary by Development Account		Original	Revised ²
18a	1501 Collateralization or Debt Service paid by the PHA		
18ba	9000 Collateralization or Debt Service paid Via System of Direct Payment		
19	1502 Contingency (may not exceed 8% of line 20)	26,876	18,217
20	Amount of Annual Grant:: (sum of lines 2 - 19)	533,195	524,476
21	Amount of line 20 Related to LBP Activities		
22	Amount of line 20 Related to Section 504 Activities		
23	Amount of line 20 Related to Security - Soft Costs		
24	Amount of line 20 Related to Security - Hard Costs		
25	Amount of line 20 Related to Energy Conservation Measures		
Signature of Executive Director <i>Darryl B. [Signature]</i>		Signature of Public Housing Director	
Date 2-8-200		Date	
		38,000	0
		0	6,945.79

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

Part II: Supporting Pages		Grant Type and Number		Federal FFY of Grant:									
PHA Name:		Capital Fund Program Grant No:		2009									
Housing Authority of the City of Lincoln		NE26P002501-09											
Development Number Name/PHA-Wide Activities		Development Account No.		Total Estimated Cost		Total Actual Cost		Status of Work					
General Description of Major Work Categories				Quantity		Original		Revised ¹		Funds Obligated ²		Funds Expended ²	
HA/Wide	Administration	1410				53,319	52,447	52,447	52,447	137.83			on going
HA/Wide	Fees and Costs	1430				50,000	35,000	35,000	31,500	6,807.96			on going
002 MMA	Remodel Bathrooms	1460		50		225,000	234,744	234,744	0	0			on going
003 Hall	Replace Concrete	1460				6,000	12,043	12,043	12,043.80	0			on going
	Replace Retaining Walls	1460				12,000	12,000	12,000	0	0			on going
004 Han	Replace Concrete	1460				6,000	1,185	1,185	1,185.40	0			on going
005 Lar	Install HC Access	1460				38,000	3,256	3,256	3,256	0			on going
	Replace Concrete	1460				6,000	11,590	11,590	11,590.90	0			on going
006 Ped	Replace Concrete	1460				0	2,063	2,063	2,063.40	0			on going
009 P-30	Replace Concrete	1460				6,000	15,428	15,428	15,428.60	0			on going
	Install Retaining Walls	1460				20,000	5,513	5,513	0	0			on going
011 A-12	Replace Concrete	1460				6,000	0	0	0	0			
	Replace Decks	1460				22,000	22,000	22,000	0	0			
012 F-39	Replace Concrete	1460				6,000	17,174	17,174	17,174.90	0			on going
	Repair Foundations	1460				50,000	81,815	81,815	0	0			
HA/Wide	Contingency	1460				26,876	18,217	18,217	0	0			

¹ To be completed for the Performance and Evaluation Report or a Revised Annual Statement.

² To be completed for the Performance and Evaluation Report.

Part I: Summary

PHA Name: Housing Authority of the City of Lincoln
 Grant Type and Number: Capital Fund Program Grant No: NE26S002501-09
 Replacement Housing Factor Grant No: _____
 Date of CFFP: _____

FFY of Grant: 2009
 FFY of Grant Approval: _____

Line	Type of Grant	Original	Total Estimated Cost		Total Actual Cost ¹
			Revised ²	Obligated	
1	Total non-CFP Funds				
2	1406 Operations (may not exceed 20% of line 21) ³				
3	1408 Management Improvements				
4	1410 Administration (may not exceed 10% of line 21)	0	67,491	41,062	728.44
5	1411 Audit				
6	1415 Liquidated Damages				
7	1430 Fees and Costs	16,175	20,255	20,255	20,036.60
8	1440 Site Acquisition				
9	1450 Site Improvement				
10	1460 Dwelling Structures	657,000	586,920	552,780	410,621.14
11	1465.1 Dwelling Equipment---Nonexpendable				
12	1470 Non-dwelling Structures				
13	1475 Non-dwelling Equipment				
14	1485 Demolition				
15	1492 Moving to Work Demonstration				
16	1495.1 Relocation Costs				
17	1499 Development Activities ⁴				

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

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

U.S. Department of Housing and Urban Development
 Office of Public and Indian Housing
 OMB No. 2577-0226
 Expires 4/30/2011

Part I: Summary		FFY of Grant: 2009	
PHA Name: Lincoln Housing Authority	Grant Type and Number Capital Fund Program Grant No: NE26S002501-09 Replacement Housing Factor Grant No: _____ Date of CFFP: _____	FFY of Grant Approval: 2009	
<input type="checkbox"/> Original Annual Statement <input checked="" type="checkbox"/> Performance and Evaluation Report for Period Ending: 12/31/09		<input type="checkbox"/> Revised Annual Statement (revision no:) <input type="checkbox"/> Final Performance and Evaluation Report	
Summary by Development Account		Total Estimated Cost	Total Actual Cost ¹
Line		Original	Revised ² Obligated Expended
18a	1501 Collateralization or Debt Service paid by the PHA		
18ba	9000 Collateralization or Debt Service paid Via System of Direct Payment		
19	1502 Contingency (may not exceed 8% of line 20)	1,724	0
20	Amount of Annual Grant: (sum of lines 2 - 19)	674,919	614,097.00
21	Amount of line 20 Related to LBP Activities		431,386.18
22	Amount of line 20 Related to Section 504 Activities		
23	Amount of line 20 Related to Security - Soft Costs		
24	Amount of line 20 Related to Security - Hard Costs		
25	Amount of line 20 Related to Energy Conservation Measures	45,000	17,035
Signature of Executive Director		Signature of Public Housing Director	
<i>[Signature]</i>		<i>[Signature]</i>	
Date		Date	
2-8-2010			

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

Part I: Summary		Grant Type and Number Capital Fund Program Grant No: NE26P002501-08		FFY of Grant: FFY of Grant Approval: 08	
PHA Name: City of Lincoln		Replacement Housing Factor Grant No: Date of CFFP:			
Type of Grant	<input type="checkbox"/> Original Annual Statement <input checked="" type="checkbox"/> Performance and Evaluation Report for Period Ending: 12/31/09	<input type="checkbox"/> Reserve for Disasters/Emergencies <input type="checkbox"/> Revised Annual Statement (revision no:) <input type="checkbox"/> Final Performance and Evaluation Report			
Line	Summary by Development Account	Total Estimated Cost	Obligated	Total Actual Cost ¹	Expended
		Original	Revised ²		
1	Total non-CFF Funds				
2	1406 Operations (may not exceed 20% of line 21) ³				
3	1408 Management Improvements				
4	1410 Administration (may not exceed 10% of line 21)	49,493	53,319	53,319	53,319
5	1411 Audit				
6	1415 Liquidated Damages				
7	1430 Fees and Costs	30,000	73,850	73,850	72,872.63
8	1440 Site Acquisition				
9	1450 Site Improvement				
10	1460 Dwelling Structures				
11	1465.1 Dwelling Equipment—Nonexpendable	365,600	393,380	352,186.12	344,986.12
12	1470 Non-dwelling Structures				
13	1475 Non-dwelling Equipment				
14	1485 Demolition				
15	1492 Moving to Work Demonstration				
16	1495.1 Relocation Costs				
17	1499 Development Activities ⁴				

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

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

U.S. Department of Housing and Urban Development
 Office of Public and Indian Housing
 OMB No. 2577-0226
 Expires 4/30/2011

Part I: Summary		FFY of Grant: 08	
PHA Name: LHA	Grant Type and Number Capital Fund Program Grant No: NE26P002501-08 Replacement Housing Factor Grant No: Date of CFFP:	FFY of Grant Approval:	
Type of Grant	<input type="checkbox"/> Original Annual Statement <input checked="" type="checkbox"/> Performance and Evaluation Report for Period Ending: 12/31/09 <input type="checkbox"/> Reserve for Disasters/Emergencies <input type="checkbox"/> Revised Annual Statement (revision no:) <input type="checkbox"/> Final Performance and Evaluation Report		
Line	Summary by Development Account	Total Estimated Cost	Total Actual Cost ¹
		Original	Revised ² Obligated Expended
18a	1501 Collateralization of Debt Service paid by the PHA		
18ba	9000 Collateralization or Debt Service paid Via System of Direct Payment		
19	1502 Contingency (may not exceed 8% of line 20)	29,844	12,646
20	Amount of Annual Grant: (sum of lines 2 - 19)	474,937	533,195
21	Amount of line 20 Related to LBP Activities		0
22	Amount of line 20 Related to Section 504 Activities		
23	Amount of line 20 Related to Security - Soft Costs		
24	Amount of line 20 Related to Security - Hard Costs		
25	Amount of line 20 Related to Energy Conservation Measures	245,000	127,796.58
Signature of Executive Director		Signature of Public Housing Director	
<i>Darryl A. [Signature]</i>		<i>[Signature]</i>	
Date		Date	
2-8-2010			

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

Part II: Supporting Pages		Grant Type and Number		Federal FFY of Grant:			
PHA Name:		Capital Fund Program Grant No: NE26P002501-08		08			
Housing Authority of the City of Lincoln		CFFP (Yes/No):		Replacement Housing Factor Grant No:			
Development Number Name/PHA-Wide Activities	General Description of Major Work Categories	Development Account No.	Quantity	Total Estimated Cost	Total Actual Cost	Status of Work	
				Original	Revised ¹	Funds Obligated ²	Funds Expended ²
HA/Wide	Administrarion	1410		49,493	53,319	53,319	53,319
HA/Wide	Architectural & Engin. Fees	1430		30,000	52,250	52,250	52,222.62
HA/Wide	Capital Needs Assessment	1430		20,000	20,650	20,650	20,650
002 MMA	Replace Main Boilers	1460	2	175,000	91,110	93,001.87	93,001.87
	Replace Air Handler	1460	1	70,000	0	0	0
	Replace Comm. Room Roof	1460	1	0	20,514	20,514	20,514
003 Hall	Replace Storm Doors	1460	26	0	8,784	8,784.77	8,784.77
004 Han	Replace Interior Doors	1460	915	98,600	120,730	160,645.54	160,645.54
	Replace Storm Doors	1460	4	0	1,795	1,795.21	1,795.21
005 Lar	Replace HC Ramps (Concrete)	1460	6	10,000	36,030	36,030	36,030
	Install Roll-in Showers HC	1460	1	12,000	7,200	7,200	0
	Replace Storm Doors	1460	30	0	7,042	7,042.21	7,042.21
006 Ped	Replace Storm Doors	1460	10	0	2,650	2,650.19	2,650.19
009 P-30	Replace Storm Doors	1460	7	0	1,612	1,611.99	1,611.99
011 A-12	Replace Storm Doors	1460	1	0	295	294.54	294.54
013 F-39	Replace Storm Doors	1460	50	0	12,615	12,615.80	12,615.80
HA/Wide	Contingency	1502		29,844	12,646	0	0

¹ To be completed for the Performance and Evaluation Report or a Revised Annual Statement.

² To be completed for the Performance and Evaluation Report.

APPENDIX B

Agency Certification for the Statutory Requirements

HOUSING AUTHORITY
OF THE
CITY OF LINCOLN, NEBRASKA

RESOLUTION NO. 778

CERTIFICATION OF COMPLIANCE WITH
HUD MOVING TO WORK STATUTORY REQUIREMENTS

WHEREAS, the Housing Authority of the City of Lincoln, Nebraska was selected by the U. S. Department of Housing and Urban Development to participate in the Moving To Work Demonstration program; and

WHEREAS, the Housing Authority of the City of Lincoln, Nebraska has entered into a written agreement with the U. S. Department of Housing and Urban Development outlining our participation requirements and approved MTW initiatives; and

WHEREAS, the written agreement with HUD requires that the Housing Authority of the City of Lincoln meet the following MTW statutory requirements:

- 1) assuring that at least 75 percent of the families assisted are very low-income families;
- 2) continuing to assist substantially the same total number of eligible low-income families as would have been served had the amounts not been combined; and
- 3) maintaining a comparable mix of families (by family size) are served, as would have been provided had the amounts not been used under the demonstration; and

WHEREAS, the Housing Authority of the City of Lincoln must certify to HUD that LHA has met the statutory requirements;

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of the Housing Authority of the City of Lincoln that LHA has met all statutory requirements outlined in the written Moving To Work agreement with HUD; and

BE IT FURTHER RESOLVED that the Executive Director is hereby authorized to execute any and all documents submitting this approved certification resolution to HUD.

Dated this 13th day of May, 2010.



Orville Jones III, Chair

ATTEST:


Larry G. Potratz, Secretary