

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



**MOVING TO WORK
ANNUAL REPORT**

For

Fiscal Year 2012-2013

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**<THIS PAGE IS RESERVED FOR INSERTION OF
HUD'S LETTER OF ACCEPTANCE FOR THE MTW REPORT>**

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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).

Cover Photo: www.Urban-Photos.com

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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.

The city of Lincoln and the state of Nebraska have maintained low unemployment rates over the past several years. The Nebraska Department of Labor reports the statewide unemployment rate in March 2013 was 3.8 % compared to 4.0% in March 2012 and 4.5% in March 2011. At 3.8%, Nebraska's unemployment rate continued to be the second lowest in the United States, trailing only North Dakota's 3.3% for March 2013. The national unemployment rate for the same period was 7.6%. The Lincoln Metropolitan Statistical Area (MSA) had an unemployment rate of 3.5% compared to 3.7 % in March 2012 and 4.3% in March, 2011. The Lincoln area labor force had 178, 830 non-farm jobs in March 2013 which is over 4,000 more jobs from a year ago. The low unemployment rate is a positive sign for Lincoln and continued success of the housing authority's MTW initiatives.

Lincoln Housing Authority continues to be 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 use the Voucher and Public Housing funds for their intended purpose and have not used 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 the Low Income Housing Tax Credit Program. While these units do not receive deep subsidies, they have expanded the supply of affordable housing available to low and moderate income families and broadened the choice of available units to voucher holders.

The Lincoln Housing Authority has a number of goals and specific objectives that are integral to our success as a Moving To Work housing authority. Many of 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 work-able participants to work or seek self-sufficiency through job training or education. Also provide disincentives to work-able 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. This also reduces the burden on tenants by requiring fewer meetings and fewer documents to provide for their housing assistance.
- 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 LHAs fiscal year 2012-2013, the housing authority continued to implement the following prior 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
 - Restricted Portability (voucher only)
 - Biennial reexaminations for elderly and disabled households.
 - Housing choice voucher inspection waiver for properties where the annual or initial inspections are without deficiencies.
 - Inspections and rent reasonableness regardless of ownership or management status
 - Project-based Section 8 Units
 - Nebraska RentWise Education Program
 - Resident Services Program

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):

Capital Fund Program Grant Year 2011

LHA received \$445,404.00 in 2011 Capital Fund dollars. \$124,701.55 of 2011 funds were used to finish up Phase II of the Hansen Siding project, which was started with \$11,693.43 of CFP 2010 funds. The total final contract amount was \$136,394.98.

The major expenditure of CFP 2011 funds was for the Mahoney Manor Mechanical Piping Project, which encompassed the replacement of pipes which circulate water for the high-rise apartment building's heating and air conditioning system in the ceiling on the first floor. The final contract was for \$162,918.00.

Other 2011 Capital Fund monies were expended on small projects, (the painting of hallways and the partial payment of the installation of new floor coverings in some common areas at Mahoney Manor and public housing concrete repairs at scattered sites), each of which were less than 30% of LHA's budgeted capital expenditures for the fiscal year.

The foundation repair and roof replacement projects originally scheduled to be funded with CFP 2011 funds were paid for with CFP 2012 funds (see below). The installation of a new trash compactor at Mahoney Manor, which was also scheduled to be done with CFP 2011 funds, was delayed due to a lack of funding, but is scheduled to be completed with CFP 2012 monies.

The CFP 2011 work program originally also included preliminary design work including architectural fees, for the reconfiguration of the first floor common spaces at Mahoney Manor. Extensive work was performed on this project, but the study was temporarily tabled due to the unlikely availability of sufficient Capital Fund dollars to finance future construction work. However, a new financing plan was included in our 2013-2014 MTW Annual Plan and planning for this project has started up again this spring.

The final Performance and Evaluation Report for 2011 Capital Fund Program Grant Year is included in Appendix B.

Capital Fund Program Grant Year 2012

LHA received \$394,829.00 in 2012 Capital Fund dollars, a significant reduction in funding. All 2012 Capital Fund dollars are scheduled to be expended on small projects only, each of which are expected to be less than 30% of LHA's budgeted capital expenditures for the fiscal year.

Projects already completed include the switch to more energy efficient light bulbs and ballasts in Mahoney Manor common spaces, concrete repair at scattered site public housing units, the replacement of roofs at A-12 and F-39 units, the repair of a foundation and water taps at the F-39 units. The remaining cost of the Mahoney Manor floor covering project was also funded with CFP 2012 monies.

Currently underway is the installation of new retaining walls at scattered site public housing units. At this point in time, approximately \$112,080 in CFP 2012 monies remains unobligated. Those funds are scheduled to be used to install a new trash compactor at Mahoney Manor, the construction of a new deck at a F-39 unit and the replacement of roofs on Larson scattered site units. The updating of the security system at Mahoney Manor has been tabled until the design of the remodel and reconfiguration of the building's common spaces is resolved.

Revised Annual Statement # 2 and Performance and Evaluation Report for 2012 Capital Fund Program Grant Year (dated October 19, 2012) is included in Appendix B.

Capital Fund Program Five Year Action Plan

The Five Year Action Plan is included in Appendix B.

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, 2013	DESCRIPTION
Housing Choice Vouchers	2,916	MTW
Non-MTW Vouchers	AUTHORIZED UNITS ON MARCH 31, 2013	DESCRIPTION
Mainstream Housing Opportunities Program	20	Non-MTW
Veterans Affairs Supportive Housing (VASH)*	70	Non-MTW
TOTAL VOUCHER UNITS	3,139	MTW & Non-MTW
Non-MTW Project-Based Rental Assistance (PBRA)	AUTHORIZED UNITS ON MARCH 31, 2013	DESCRIPTION
Burke Plaza**	89	Non-MTW Section 8 New Construction
New 32	32	Non -MTW Section 8 New Construction
Moderate Rehabilitation	10	Non-MTW
TOTAL PBRA UNITS	131	

*Note: VASH vouchers are not funded as part of the MTW single fund flexibility. Approval was

given on September 21, 2011 to apply certain MTW initiatives to the VASH program. The MTW initiatives were implemented effective December 1, 2011 for VASH vouchers. As of March 31, 2013, all VASH vouchers are administered under the approved MTW initiatives. See Appendix C for LHA’s request and HUD’s approval regarding VASH Vouchers under MTW. **There are 91 units at Burke Plaza of which 89 are Project-based rental assistance.

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

As described in our plan, the housing authority signed and implemented a project-based voucher contract with Crossroads House Apartments on July 1, 2012. Twenty-four tenant-based vouchers were converted to project-based vouchers during the 2012-2013 Plan year. We plan to have all 58 units converted to project-based vouchers within the next two years.

LHA did not receive any new applications proposing to utilize project- base vouchers . LHA will continue to accept applications through an “other competitive process” to project-base a maximum of 20 additional vouchers.

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	468	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	78	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	22 nd Street and Pine Lake Road	65	Tax Credit and Below Market Rents----Income restricted (<60% of median); Owned by Lincoln Housing Authority
		65	Affordable Market Rents– Income restricted (<100% of median income); Owned by Lincoln Housing Authority
		----- 130	----- 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 with Project Based Vouchers---- Income restricted (<50% of median). Owned by Lincoln Housing Authority
Burke Plaza	6721 L Street	91	Section 8 New Construction –Income Restricted (<80% of median income). Owned by Lincoln Housing Authority
New 32	Scattered Sites	32	Section 8 New Construction –Income Restricted (<80% of median income). 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		1,132	Other Units Owned and/or Managed

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

Arnold Heights (468 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. This project also includes 9 units in scattered locations in other parts of the city. Four

of these units have been occupied by a transitional housing program for women and children who are victims of domestic violence. The program vacated a duplex (two units) on March 31, 2012. LHA completed some needed structural improvements and is selling the duplex.

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 (78 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 Early Head Start funding. The housing authority was unable to find another child care provider for the space. In 2012-2013, LHA converted part of this space into a community laundry facility and a one bedroom apartment.

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 96 two bedroom apartments and 34 three bedroom townhouses with full basements and attached garages. The project was originally built under two ownership entities with different financing. On February 1, 2013, the Housing Authority gained full control of the project, acquiring the 96 units developed using the low income housing tax credit program and owned by a Nebraska limited partnership. Wood Bridge is now solely owned by the Lincoln Housing Authority.

The project will continue to be operated as a low-income tax credit project due to the deed restrictions which will remain in place for another 30 years. 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. All apartments are all one bedroom and are operated as low income housing tax credits units. All units are now being converted to project-based vouchers over a three year period.

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. Participation is optional, not mandatory. 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, senior and young family programs, 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. The community learning center provides students with academic enrichment opportunities along with activities designed to complement students' regular academic programs. The community learning center also offers a family literacy program and other activities and programs to strengthen and support families and the neighborhood.

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. The commercial office space is currently vacant and available for lease. 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

MTW Public Housing units	320	
MTW Housing Choice Voucher units	2,880	34,560 / 12 = 2,880
MTW Project Based Units	24	

Non-MTW

Non-MTW Housing Choice Voucher units–VASH*	62	743/12 =62
Non-MTW Housing Choice Voucher units-Mainstream	19	227/12 = 19
Non MTW Section 8 New Construction-elderly**	89	
Non-MTW Section 8 New Construction-family	32	
Non-MTW Moderate Rehabilitation	10	
Non-MTW Public Housing units	0	

*On September 21, 2011, HUD granted approval for LHA to operate HUD Veterans Affairs Supportive Housing (VASH) program in accordance with the MTW standard agreement and apply some of the MTW initiatives. The funding for the VASH program is not eligible for fungibility and must continue to be accounted for separately in the Voucher Management System. LHA was authorized 60 VASH voucher units until an additional 10 vouchers were awarded on April 1, 2012. Starting April 1, 2012 LHA's official VASH voucher authorization is 70.

**There are 91 units at Burke Plaza of which 89 are Project-Based Rental Assistance.

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

Public Housing:

Forty-nine Public Housing units vacated during the fiscal year, which includes 6 transfers to other Public Housing units at LHA. Of these units, 18 were in Mahoney Manor, an elderly development. This is the second year in a row of lower turnover at this development, and hopefully represents a return to more "normal" turnover of around 15% of units per year. The high turnover in Mahoney Manor over the previous few years has led to some greater difficulty filling the vacant units and a higher average unit turn around time. We have been through a multi-year period of capital improvement projects at Mahoney Manor, improving the units but also creating some disruption from the construction. We are hopeful that the ongoing improvements will continue to lead to a slowdown in the turnover in the elderly units while

increasing demand.

Mahoney Manor is a highrise building constructed in 1972, and has some market obsolescence associated with its design. In particular, 63 of the 120 apartments are efficiencies. Many prospective tenants consider the efficiency units too small, and are uncomfortable not having separate bedroom and living areas. The solid, reinforced concrete walls makes combining units unrealistic. For these reasons re-leasing these apartments will continue to be a challenge. In addition the first floor community space, office space and lobby space is insufficient for current and desired uses, and is in need of significant modernization. We continued our study of possible improvements, and included a financing plan in our 2013-2014 MTW Annual Plan. We have since hired an architectural firm to design changes to the building.

Turnover in the family units has remained fairly low. It is reasonable to expect higher family unit turnover after several years of lower turnover, especially if the economy continues to improve. However we also expect continued tightening of the Lincoln rental market and corresponding increases in general rental costs, which could continue to dampen turnover in family Public Housing.

The family Public Housing units consist entirely of single-family and duplex, scattered site homes. They are in generally very good condition and blend-in well with the neighborhoods in which they are located. We anticipate that they will continue to be desirable rental units for families.

Housing Choice Voucher:

During FY 2013, LHA utilized on the average 98.8% of the authorized MTW voucher level and maintained HAP expenses to be within the maximum budget authority. -

In April 2012, LHA submitted a proposed leasing schedule for VASH Vouchers to the HUD Field Office and Regional Veteran's Affairs. The HUD Field Office conducted monthly phone conference calls to assist LHA with motivating the Veteran's Affairs office to provide adequate referrals to achieve 100% VASH leasing. The VASH vouchers had an average of 88.6% utilization rate during FY 2013. By December 2012, 98.6% VASH utilization was achieved and continued until April 2013 in which 100% leasing was achieved.

Mainstream voucher leasing was at 95% for the year and is at 105% as of April 1, 2013.

During FY 2013, our agency admitted 543 new participants to the MTW HCV program which is similar in comparison to last year's new admissions numbers. During FY 2013, the MTW voucher attrition remained the same at 18.3%. The HAP cost per unit remain relatively the same during FY 2013. Our utility allowances remained the same since February 2012. In October 2012, Fair Market Rents increased between 3.7% to 9%. The rental market in Lincoln tightened with vacancy rates below five percent. It became difficult for voucher holders to utilize their vouchers due to the payment standards being so low in comparison to the rental markets. LHA increased the payment standards to 100% of the Fair Market Rent in December 2012. Due to the federal budget cuts, LHA discontinued issuing vouchers effective February 26, 2013. Property owner foreclosures remained steady, but it has not had a significant impact on leasing

vouchers.

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):

On July 1, 2012, a project-based contract was established for Crossroads House Apartments. A total of 58 units are to be placed under the project-based voucher contract by June 2015. We chose to incrementally implement the units to project-based vouchers during their next biennial re-exam as a courtesy to the tenant and as an administrative efficiency. As of March 31, 2013, there were 24 project-based vouchers at Crossroads House Apartments.

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, 2013

INCOME	Public Housing	Housing Choice Voucher
Extremely Low Income	625	4,802
Very Low Income	131	1,295
Low Income	29	0
Total	785	6,097

FAMILY TYPE	Public Housing	Housing Choice Voucher
Families	630	3,735
Elderly Families	40	518
Families with Disabilities	49	677
Single, Non-Disabled	66	1,167
Total	785	6,097

RACE	Public Housing	Housing Choice Voucher
White	573	4,429
Black/African American	134	1,115
American Indian/Alaskan Native	18	139
Asian	19	153
Native Hawaiian/Pacific Islander	7	43
Multi-Racial	34	218

Total	785	6,097
ETHNICITY	Public Housing	Housing Choice Voucher
Hispanic/Latino	73	486
Non-Hispanic/Non-Latino	712	5,611
Total	785	6,097

INCOME LEVEL BY BEDROOM SIZE

0 Bedroom	Public Housing	Housing Choice Voucher
Extremely Low Income	0	558
Very Low Income	0	119
Low Income	0	0
1 Bedroom	Public Housing	Housing Choice Voucher
Extremely Low Income	47	1,312
Very Low Income	23	292
Low Income	4	0
2 Bedroom	Public Housing	Housing Choice Voucher
Extremely Low Income	499	2,123
Very Low Income	76	653
Low Income	18	0
3 Bedroom	Public Housing	Housing Choice Voucher
Extremely Low Income	56	685
Very Low Income	20	199
Low Income	7	0

4 Bedroom	Public Housing	Housing Choice Voucher
Extremely Low Income	16	108
Very Low Income	11	30
Low Income	0	0
5 Bedroom	Public Housing	Housing Choice Voucher
Extremely Low Income	7	15
Very Low Income	2	2
Low Income	0	0
6 Bedroom	Public Housing	Housing Choice Voucher
Extremely Low Income	NA	1
Very Low Income	NA	0
Low Income	NA	0
TOTAL FOR ALL BEDROOM SIZES	Public Housing 785	Housing Choice Vouchers 6,097

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

Housing Choice Voucher

The Housing Choice Voucher waiting list continues to grow as the demand for housing assistance increases. The voucher waiting list experienced a 11.3% increase to 6,097 households, in comparison to a 4.2 % increase in FY 2012.

After changing the preference in January 2009 to a weighted preference system and adding a preference for applicants who completed a 12 hour tenant education course called Nebraska RentWise, the dynamics the HCV waiting list continues to change. The HCV applicants and participants are better educated renters because of the Nebraska RentWise preference. In Fiscal Year 2013, fifty percent (50%) of the applicants selected from the HCV waiting list have successfully graduated from the Nebraska RentWise program. Since June 2010, the HCV waiting list has had almost 100 applicants each month who qualify for a preference. Thus “non-preference” applicants are not being selected from the waiting list. LHA is no longer able to provide non-preference applicants with an estimated wait time. On February 1, 2011, a preference policy change was implemented limiting a former voucher participant from utilizing a LHA preference more than once in a five-year period after ending their HCV program participation. This policy change was established to decrease the recidivism of preference usage. The policy change limiting preferences has been widely accepted and LHA has not received much feedback.

Public Housing

LHA maintains two waiting lists for Public Housing, one for Mahoney Manor, an elderly development, and one for our scattered-site family units. The lists are separated by bedroom size. We did not make any significant changes in the operation of our Public Housing waiting lists or preferences this year. All LHA waiting lists are always open. The number of applicants on the Public Housing lists has held fairly steady.

Generally, only applicants with preferences are getting housed in family units. The most prevalent preference is the working preference. Families who work at least 25 hours per week or are disabled qualify for the working preference. The wait for applicants with preferences is 2 to 4 months for a three bedroom unit, and 6 months for a 2 bedroom unit.

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:

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 fourth annual report under the 2008 Amended and Restated Moving to Work Agreement.

Contents of this Section:

Rent Reform Initiatives		
Number	Description	Statutory Objective
Rent Reform 1	Interim Re-examinations	-Cost Effectiveness -Self-Sufficiency
Rent Reform 2	Calculation of Annual Income	-Cost Effectiveness -Self-Sufficiency
Rent Reform 3	Rent Calculations	-Cost Effectiveness
Rent Reform 4	Rent Burden (Rent Choice)	-Housing Choice
Rent Reform 5	Average Utility Allowances	-Cost Effectiveness
Other Initiatives		
Initiative 1	Income Eligibility	-Cost Effectiveness
Initiative 2	Responsible Portability	-Cost Effectiveness
Initiative 3	Biennial Re-Examinations	-Cost Effectiveness
Initiative 4	HQS Inspections Waiver	-Cost Effectiveness
Initiative 5	Inspections and Rent Reasonableness Determinations	-Cost Effectiveness
Initiative 6	Project-Based Voucher Units	-Housing Choice
Initiative 7	Nebraska RentWise Tenant Education	-Housing Choice
Initiative 8	Resident Services Program	-Housing Choice -Cost Effectiveness

RENT REFORM INITIATIVES

Rent Reform 1

A. ACTIVITY: INTERIM RE-EXAMINATIONS

Interim Reexaminations (HCV & PH Programs)

Year Identified: April 1, 1999

Effective Date: July 1, 1999

Statutory Objectives:

- Reduce cost and achieve greater cost effectiveness in federal expenditures
- Give incentives to obtain employment and become economically self-sufficient

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. Families who terminate their employment for good cause will be eligible for an immediate interim review and rent decrease, if applicable. Good cause will include lay-off, reduction in force, accident, injury, or illness which precludes work. In consideration of hardship, families will be exempt from this 90 day delay if they meet one of the exemptions for the Minimum Earned Income (MEI) requirement shown later in this report.

Lincoln Housing Authority has continued the above policy for interim re-examinations. It should be noted that the policy on income increases does not require an MTW waiver. The section on income decreases, specifically the 90 day period for a rent adjustment, likely requires 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.

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. 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.

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.

We use a point in time system for data collection. Using a point in time system has proven easier for staff to remember and for management to monitor the data collection progress. For this plan year, we used the month of November 2012.

METRIC	BASELINE	BENCHMARK	OUTCOME
Reported job loss or job change	Annual and Interim Reviews Effective 11/1/2010	Percentage of the job changes which did not result in a rent decrease	Annual and Interim Reviews Effective 11/1/2012
Total number of job losses or job changes	76		24
Number job losses or job changes requiring a rent decrease	15		3
Number of job losses or job changes which did not result in a rent decrease	61		21
Percent with no rent decrease	80%	50% or more	88%

Hardships: Of the 3 who required rent decreases, 1 received an immediate hardship rent reduction for good cause. Two received a rent reduction after a 90 day delay.

We see fewer rent decreases following a job loss or job change because families who become unemployed are encouraged to seek and obtain new employment. As shown above, 88% did not have a rent reduction indicating they obtained new employment or other sources of income.

C. CHALLENGES AND NEW STRATEGIES

Not applicable

D. NEW INDICATORS OF ACTIVITIES STATUS AND IMPACT

Not applicable

E. DATA COLLECTION METHODOLOGY AND REVISIONS

We plan to continue HUD's suggestion to randomly select a point in time to collect data. Families who become unemployed are encouraged to seek and obtain new employment. No rent reduction indicates they obtained new employment.

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 also authorized to adopt and implement any reasonable policies 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 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.

Rent Reform 2

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)

Statutory Objectives:

- Reduce cost and achieve greater cost effectiveness in federal expenditures
- Give incentives to obtain employment and become economically self-sufficient

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 a 2% 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 a work-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 MEI that are included in 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 with no changes since July 24, 2009. The federal minimum wage has not changed since that time. The MEI will continue to adjusted in accordance with changes in the federal minimum wage.

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 FY 2012-2013, there were 516 households who had MEI with 30 in public housing and 486 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 either are working or are exempt from the MEI policy. At the end of the fiscal year, 149 public housing households and 1,633 housing choice voucher households had one or more exemptions from MEI and thus benefitted from this hardship 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. Note that in the past fiscal year, 38% of the households ended their MEI requirement by entering employment while 20% entered a self-sufficiency program or education program.

MEI is shown to promote and encourage employment through the outcomes for households ending the MEI requirement. Along with employment, we also see education or participation in a self-sufficiency program as a positive steps toward future employment. One benchmark for this initiative is the percentage of households who end their MEI requirement through employment or participation in education or a self-sufficiency program. In this regard, we have combined these into one benchmark of 50% as shown in the table below. This outcome is a good indicator that the MEI requirement encourages people toward employment or toward education and training leading to employment.

METRIC	BASELINE	BENCHMARK	OUTCOME
Outcomes for Households Ending the MEI Requirement	April 1, 2009 to March 31, 2010	Percentage of households ending MEI who enter employment, education, or a self-sufficiency program	April 1, 2012 to March 31, 2013
EMPLOYMENT, EDUCATION AND SELF-SUFFICIENCY OUTCOMES			
*Employment—person has entered employment	27%		38%
*Self-sufficiency—person is a participant in an approved self-sufficiency program	18%		12%
Education—person is a full-time student	14%		8%
*TOTAL OF THE OUTCOMES ABOVE	59%	50% or more	57%
OTHER OUTCOMES			
Elderly-Disabled—person has become disabled or is age 62	6%		4%
Caretaker—person is a caretaker of an ill or incapacitated family member	0%		1%
Medical—person has temporary illness or injury preventing employment or pregnancy	4%		5%
Moved—the family member subject to MEI has moved out of household	2%		1%
Terminated----the family has terminated their public housing lease or voucher participation	29%		31%
TOTAL OF THE SIX OUTCOMES ABOVE	41%		50% or less

Our data in the table below shows that 4 public housing MEI households and 98 Voucher MEI households terminated their assistance during the fiscal year. This was 8.2% of all public housing terminations and 17.6% of all voucher terminations.

MEI households made up 16.1% of total voucher households and 9.4% of public housing households at the end of the fiscal year. This data shows there is not a disproportionate number of households with MEI who terminate assistance compared to other households who terminate assistance.

METRIC	BASELINE (Revise)*	BENCHMARK	OUTCOME
Comparison of MEI households terminated from public housing and housing choice vouchers in proportion to non-MEI households	April 1, 2010 to March 31, 2011	MEI households will have an equal or lower percentage of terminations relative to the proportion of MEI households to total households	April 1, 2012 to March 31, 2013
Number\Percent of MEI households (year end)	HCV: 466 out of 2,918 16.0% PH: 28 out of 320 8.8%		HCV: 486 out of 3,023 16.1% PH: 30 out of 320 9.4%
Number\Percent of MEI households terminating (year end)	HCV: 90 MEI households out of 500 terminations 18.0% PH: 1 MEI household out of 54 terminations 2%		HCV: 98 MEI households out of 557 terminations 17.6% PH: 4 MEI households out of 49 terminations 8.2%
MEI households terminate at a lower rate than their overall percentage of public housing units or vouchers	HCV: 18.0% PH: 2%	HCV: Less than 16.1% PH: Less than 9.4%	HCV: 17.6 % PH: 8.2%

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, 2012 to March 31, 2013:

METRIC	REVISED* BASELINE HCV	REVISED* BASELINE PH	OUTCOME HCV	OUTCOME PH
Public Housing and Housing Choice Vouchers: Number of terminated MEI households and Reason for Termination	April 1, 2010 to March 31, 2011 Revised Baseline*		April 1, 2012 to March 31, 2013	
Criminal Activity	4	0	0	0
Deceased	0	0	1	0
Drug Activity	5	0	3	0
Vacate Owing	0	0	0	0
Fraud	5	0	5	0
Owner HQS Defect	0	0	0	0
Tenant HQS Defect	1	0	3	0
Other Program Violation	12	0	15	0
Moved out of town	1	0	1	0
Portable Absorbed by HA	1	0	1	0
Moved in with Relative/Friend	0	0	0	0
No Reply to Annual Re-exam	4	0	9	0
No longer Requires Assistance	15	0	20	1
Reason Unknown	0	1	0	0
Moved to Nursing Home	0	0	0	0
Vacate without Notice	21	0	13	0
Transfer to Other LHA Unit	0	0	0	0

Buying a House	2	0	1	0
Eviction—Non Payment of Rent	14	0	14	1
Eviction—Other Lease Violation	0	0	3	1
Voucher Expired	5	0	9	0
Moved to Other Assisted Housing	0	0	0	1
TOTAL MEI TERMINATIONS	90	1	98	4
TOTAL TERMINATIONS	500	54	557	49

*Note: In the report for 2010-2011, we noted improved data collection which showed a higher number of MEI terminations. After further consideration, we determined the data for 2010-2011 was more appropriate to use as the baseline level for comparison in future years.

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, another indication that our program emphasis on work expectations is successful.

METRIC	BASELINE	BENCHMARK	OUTCOME
Household Employment Information (Average Monthly Data)	April 1, 2009 to March 31, 2010	Percentage of non-elderly or non-disabled households with income from wages	April 1, 2012 to March 31, 2013
Public Housing	134 out of 168 households 80%	80% or greater	133 out of 157 households 85%
Housing Choice Voucher	891 out of 1,486 households 60%	60% or greater	973 out of 1,519 households 64%

Both programs were above benchmark. Unemployment rate in Lincoln has remained low and the overall economy has continued to improve. Our MTW employment requirements are effective in this environment.

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	11	3.5%
Housing Choice Voucher	194	6.7%

MTW Households with Assets between \$1 and \$4,999:		
Public Housing	263	83.5%
Housing Choice Voucher	2,635	90.5%
MTW Households with Assets equal to or above \$5,000:		
Public Housing	41	13%
Housing Choice Voucher	83	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:

METRIC	BASELINE	BENCHMARK	OUTCOME
Administrative Cost Savings from MTW Asset Initiative	April 1, 2009 to March 31, 2010 Number of Individual Assets @ \$7.50 per verification	Annual Cost Savings	April 1, 2012 to March 31, 2013 Number of Individual Assets @ \$7.50 per verification
Public Housing	499 @ \$7.50 each \$3,743	>\$3,700	740 @ \$7.50 each \$5,550
Housing Choice Voucher	3,147 @ \$7.50 each \$23,603	>\$23,600	4,778 @ \$7.50 each \$35,835

Note: Cost savings are based on only one third party verification request per asset and includes staff time, postage and supplies. Cost savings have not been adjusted for inflation. Past experience and current experience with non-MTW programs shows 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. Actual costs savings are most likely to be substantially 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). In the past, 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 continues to demonstrate a high degree of accuracy. It is also a significant factor in our administrative time savings reported elsewhere in this report. Due to time savings in our MTW process, we were able to increase staff training and accuracy for the unnecessarily complicated non-MTW programs which then led to a high degree of accuracy this past year. As a result, the historical difference (benchmark) was not achieved although the desired accuracy was achieved.

METRIC	BASELINE	BENCHMARK	OUTCOME
Asset Accuracy in Program Eligibility Determinations	Internal Audits April 1, 2009 to March 31, 2010	Percentage Compliance with Asset Program Rules	Internal Audits April 1, 2012 to March 31, 2013
MTW Public Housing and Housing Choice Vouchers	3 errors out of 679 audits 99.6% compliance		1 error out of 838 audits 99.9% compliance
Non MTW Section 8 New Construction and Non-MTW Vouchers	4 errors out of 112 audits		1 error out of 119 audits
	96.4% compliance with asset program rules		99.2% compliance with asset program rules

Outcome Comparison	3.2% better compliance with asset program rules by MTW compared to non-MTW	3% or better compliance with asset program rules by MTW compared to non-MTW	.7% better compliance with asset program rules by MTW compared to non-MTW
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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. With interest rates remaining extremely low and investment income remaining sluggish, it is probable that the actual income for current household assets is much lower than determined in March 2008. The asset imputed rate was reduced to zero percent by the HUD Regional office. This means cost of this initiative is much lower than anticipated. The following charts are presented for informational purposes.

Public Housing	March 2008	April 2011	April 2012	April 2013
Number of Assets Below \$5,000	473	588	270	263
Number of Assets equal to or above \$5,000	111	79	50	41
Total Value of assets under \$5,000	\$414,972	\$366,530	\$165,344	\$184,585
Total Value of assets over \$5,000	\$2,601,712	\$2,066,904	\$2,912,889	\$2,625,408
Income @ 2%	\$52,034	\$41,338	\$58,258*	\$52,508*
Actual income from assets	\$82,850	Not Available	Not Available	Not Available
Rent Subsidy increase Cost of Initiative	\$30,816 @ 30% = \$9,244.80			

*The asset imputed rate was reduced to zero percent for non-MTW programs.. This means cost of this initiative is much lower than anticipated.

Housing Choice Voucher	March 2008	April 2011	April 2012	April 2013
Number of Assets Below \$5,000	3,137	3,357	2,141	2,635
Number of Assets equal to or above \$5,000	113	112	70	83

Total Value of assets under \$5,000	\$1,324,389	\$1,230,438	\$914,059	\$1,103,871
Total Value of assets over \$5,000	\$2,263,794	\$2,325,018	\$1,767,785	\$2,037,793
Income @ 2%	\$45,275	\$46,500	\$35,356*	\$40,756*
Actual income from assets	\$75,691	Not Available	Not Available	Not Available
Rent Subsidy increase Cost of Initiative	\$30,416 @ 30% = \$9,124.80			

*The asset imputed rate was reduced to zero percent for non-MTW programs. This means cost of this initiative is much lower than anticipated.

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. HUD has since redefined third party verifications to incorporate some of this initiative.

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 dependent full-time students age 22 and older whose Income was included	Number of households with dependents who are age 22 or older and full-time students
2 - Public Housing	4 - Public Housing
1- Housing Choice Voucher	15 - Housing Choice Voucher

\$ 9,656 Public Housing total earned income counted

\$ 7,963 Housing Choice Voucher total earned income counted

\$ 17, 619 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 continues to have an insignificant impact on rent subsidy since a total of only three (3) dependent, full-time students,

age 22 or older is participating in the MTW Public Housing or the Housing Choice Voucher program with earned income. The total earned income used in rent calculations for this one household was \$17,619. 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

Challenges for MEI Data Collection:

We have continued to emphasize data collection for this initiative to improve accuracy of data on reasons for leaving MEI. MEI data collection is “work intensive” and maintained in a separate database. We continue to work on methods to prompt staff on MEI data collection among the hundreds of other steps they also perform with an annual review, interim review or termination. Our housing software vendor will begin offering a major upgrade which may provide capacity to add fields for tracking select MTW data.

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 have discontinued monitoring this data.

For 2012-2013, our control group size is reduced because VASH is now participating in MTW activities as reported elsewhere in this report

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.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.

Rent Reform 3

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)

Statutory Objective:

Reduce cost and achieve greater cost effectiveness in federal expenditures

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, reduced calculation errors, and a rent calculation system that is easier for tenants to understand. The decision to use 27% of gross income for the TTP was based on our goal to continue to serve the same number of households. 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 (Burke Plaza and New 32) and one special voucher program (Mainstream vouchers). VASH had been a control group and has now been include in most MTW initiatives. The control groups are compared to a random sample 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 tables below show 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. Over the years, there continues to be administrative time savings from this initiative. However, there are some variables that impact the time savings results. For example, when we

first compared the baseline 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. To illustrate this, we provide charts for programs comparisons as well as individual staff comparisons.

Move-In Average Administrative Time (in minutes)	April 1, 2009 to March 31, 2010	April 1, 2012 to March 31, 2013
NON-MTW GROUPS		
VASH Vouchers	88* *includes Mainstream	Now under MTW VASH
Mainstream Vouchers	included above with VASH	314* *Mainstream only
Section 8 New Construction (family)	322	239
Burke Plaza (elderly/disabled)	449	594
Non MTW: Unweighted Average	286	382
MTW GROUPS		
Public Housing (family)	214	243
Mahoney Manor Public Housing (elderly/disabled)	330	382
Housing Choice Voucher	147	256
VASH under MTW		180
MTW: Unweighted Average	230	265
Administrative time saved through MTW initiatives	20%	31%

Annual Re-Examination Average Administrative Time (in minutes)	April 1, 2009 to March 31, 2010	April 1, 2012 to March 31, 2013
NON-MTW GROUPS		
VASH Vouchers	100* *includes Mainstream	Now under MTW VASH
Mainstream Vouchers	included above with VASH	107
Section 8 New Construction (family)	55	144
Burke Plaza (elderly/disabled)	65	101
Non MTW: Unweighted Average	73	117
MTW GROUPS		
Public Housing (family)	50	100
Mahoney Manor Public Housing (elderly/disabled)	71	92
Housing Choice Voucher (including VASH)	79	94
MTW: Unweighted Average	67	95
Administrative time saved through MTW initiatives	8%	19%

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 see significant time savings in program administration for the Public Housing and Housing Choice Voucher programs using our MTW rent structure. The following table illustrates this analysis for housing specialists who had both MTW and non-MTW caseloads. There is one exception where there was no time savings. This was an instance in which a small number (3) of cases with challenging families distorted the MTW data.

METRIC	BASELINE	BENCHMARK	OUTCOME
Comparison of MTW and Non-MTW Administrative Time	April 1, 2009 to March 31, 2010 Average Minutes for Activity and Percent of Time Saved under MTW	Average Percent of Administrative Time Saved under MTW	April 1, 2012 to March 31, 2013 Average Minutes for Activity and Percent of Time Saved under MTW
<u>Staff #1 (Mel)</u> <u>New Admissions–Elderly</u> MTW: Public Housing Non-MTW: Section 8 New Construction	MTW 330 Non MTW 449 Time Saved under MTW: 26.5%	20%	MTW 332 NonMTW 594 Time Saved Under MTW: 44.1%
<u>Staff #2 (Sharon)</u> <u>New Admissions–Family</u> MTW: Public Housing Non-MTW Section 8 New Construction	MTW 214 Non MTW 322 Time Saved under MTW: 33.5%	20%	MTW 238 NonMTW -- Time Saved Under MTW: -- NOTE: Caseload was reassigned so no comparison to non-MTW.
<u>Staff #3 (Judy)</u> <u>Annual Reexams</u> MTW: Housing Choice Vouchers Non-MTW: Mainstream Vouchers	MTW 79 Non MTW 100 Time Saved under MTW: 21.0%	20%	MTW 79 NonMTW 107 Time Saved under MTW: 26.1%
<u>Staff #3 (Judy)</u> <u>New Admissions</u> MTW: Housing Choice Vouchers Non-MTW: Mainstream Vouchers	<u>Baseline was during 2011-2012</u> MTW 161 nonMTW 217 Time Saved under MTW: 25.8%	20%	MTW 211 NonMTW 314 Time Saved under MTW: 32.8%

<p><u>Staff #4 (Maddy)</u> <u>Annual Reexams</u> MTW: Housing Choice Voucher Non-MTW: VASH Vouchers</p>	<p><u>Baseline was during 2010-2011</u> MTW 93 NonMTW 142</p> <p>Time Saved under MTW: 34.5%</p>	<p>20%</p>	<p>NOTE: Caseload was reassigned so no comparison to non-MTW and VASH is now under MTW.</p>
<p><u>Staff #4 (Maddy)</u> <u>New Admissions</u> MTW: Housing Choice Voucher Non-MTW: VASH Vouchers</p>	<p><u>Baseline was during 2011-2012</u> MTW 181 non-MTW 200</p> <p>Time Saved under MTW: 9.5%</p>	<p>20%</p>	<p>NOTE: Caseload was reassigned so no comparison to non-MTW; also, VASH is now under MTW.</p>
<p><u>Staff #5 (Angie)</u> <u>Annual Reexams</u> MTW: Housing Choice Voucher Non-MTW: Section 8 New Construction</p>	<p>MTW 43 Non MTW 65</p> <p>Time Saved under MTW: 34.0%</p>	<p>20%</p>	<p>MTW 122 NonMTW 144</p> <p>Time Saved under MTW: 15 %</p>
<p><u>Staff #6 (Ericka)</u> <u>Annual Reexams</u> MTW: Housing Choice Voucher Non-MTW: Burke Plaza, Section 8 New Construction</p>	<p><u>Baseline was during 2010-2011</u> MTW 36 NonMTW 64</p> <p>Time Saved under MTW: 43.8%</p>	<p>20%</p>	<p>NOTE: No longer employed at LHA —caseload was reassigned.</p>
<p><u>Staff #7 (Jan)</u> <u>Annual Reexams</u> MTW: Housing Choice Voucher Non-MTW: VASH Vouchers</p>	<p><u>Baseline was during 2010-2011</u> MTW 73 NonMTW 94</p> <p>Time Saved under MTW: 22.3%</p>	<p>20%</p>	<p>NOTE: Caseload was reassigned so no comparison to non-MTW</p>

Staff #8 (Sara) <u>Annual Reexams</u> MTW: Housing Choice Voucher Non-MTW: Burke Plaza, Section 8 New Construction	New staff – Baseline done during 2011-2012 MTW 67 NonMTW 96 Time Saved under MTW: 30.2	20%	MTW 70 NonMTW 101 Time Saved under MTW: 30.7%
Staff #8 (Randi) <u>New Admissions</u> MTW: Public Housing Non-MTW: Section 8 New Construction	New staff - Baseline done during 2011-2012 MTW 221 NonMTW 457 Time Saved under MTW: 51.6%	20%	MTW 250 NonMTW 239 Time Saved under MTW: 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 continue to see reduced postage costs in MTW programs even with an increase in postage rates:

Postage Costs***	2008-2009	2009-2010	2010-2011**	2011-2012	2012-2013
MTW PROJECTS					
Housing Choice Vouchers	\$28,062	\$25,619	\$24,107	\$27,888	\$24,158
Public Housing	\$2,904	\$3,015	\$3,836	\$3,777	\$3,699
AMP 1	\$973	\$779	\$1,413	\$1,131	\$1,189
AMP 2	\$1,398	\$1,758	\$2,147	\$1,987	\$1,888
AMP 3	\$533	\$479	\$ 547	\$659	\$622
TOTAL FOR MTW PROJECTS	\$33,870	\$31,650	\$32,056	\$31,665	\$27,857
NON-MTW PROJECTS					
Burke Plaza	\$1,038	\$1,154	\$861	\$1,072	\$1,064
VASH* and Mainstream	\$16	\$523	\$229	\$284	\$105

New 32	421	\$433	\$477	\$407	\$388
TOTAL FOR NON-MTW PROJECTS	\$1,475	\$2,110	\$1,567	\$1,763	\$1,557

*VASH was a new program starting in FY 2009.

**2010-2011 included a mailing to all households seeking applicants for appointment as the resident representative to the LHA Board of Commissioners.

***there was a postage rate in January 2012 and in January 2013; for example \$.01 for 1 ounce first class each year

METRIC	BASELINE	BENCHMARK	OUTCOME
Postage costs by project as a proxy measure to simplified rent calculation initiatives	April 1, 2008 to March 31, 2009	MTW Projects: Same or Reduced postage compared to Baseline Non-MTW Projects: Same or increased Postage	April 1, 2012 to March 31, 2013
MTW Projects	\$33,870	\$33,870 or less	\$27,857
Non-MTW Projects	\$1,475	\$1,475 or more	\$1,557

Beginning in 2012-2013, we have increased the use of electronic mail and faxing for contracts and other documents.

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	4-2009	3-2010	3-2011	3-2012	3-2013
Public Housing	70	41	20	14	3
Housing Choice Voucher	162	88	32	19	8

A minimal number of households were adversely impacted from the MTW rent policy changes 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 policy is under a steady decline and fewer households remain under the

hardship policy than anticipated (1% of the public housing tenants and .26% 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.

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 public housing tenants or voucher participants under the hardship provision who were terminated for non-payment of rent.

IMPACT OF \$25.00 Minimum Rent

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

Households Responsible for \$25 Minimum Rent	Number of households 3/31/2011	Number of households 3/31/2012	Number of households 3/31/2013
Public Housing	11	15	9
Housing Choice Voucher	237	175	187
Combined	248	190	196

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	Number of households 3/31/2011	Number of households 3/31/2012	Number of households 3/31/2013
Public Housing	0	1	0
Housing Choice Voucher	21	41	64
Combined	21	42	64

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. In the HCV program, LHA found only one household with minimum rent of \$25 and whose program participation ended due to an eviction for non-payment of tenant rent. In public housing, no

household with minimum rent of \$25 ended due to an eviction for non-payment of tenant rent. Adding the VASH vouchers to the MTW voucher program is part of the reason for the increase over baseline in Housing Choice Voucher minimum rent exclusions. All VASH participants are automatically exempted from the minimum \$25 rent policy.

This data shows the minimum rent of \$25.00 does not create an undue hardship inasmuch as there was only one rent-related eviction out of 196 households with minimum \$25 rent. Households with minimum rent are evicted less frequently for non-payment of rent compared to all other households.

METRIC	BASELINE	BENCHMARK	OUTCOME
Households Terminated due to non-payment of rent	April 1, 2009 to March 31, 2010 Number of Households	Termination Rate for non-payment of rent will be same or less for Minimum rent households compared to Other MTW households	April 1, 2012 to March 31, 2013 Number of Households
Minimum Rent Households terminated due to non-payment of rent	HCV: 0 PH: 0		HCV: 1 PH: 0
Total Number of Households terminated due to non-payment of rent	HCV: 21 PH: 1		HCV: 42 PH: 3
Termination Rate for Non Payment of Rent: MTW households at \$25 Minimum Rent compared with All Other MTW households	<u>HCV:</u> <u>Min Rent households:</u> 0 out of 467 terminations = 0% <u>Other MTW households</u> 21 out of 467 terminations = 4.5% <u>Public Housing:</u> <u>Min Rent households:</u> 0 out of 62 terminations = 0% <u>Other MTW households</u> 1 Out of 62 terminations = 1.6%	Rate less than or equal to Other MTW	<u>HCV:</u> <u>Min Rent households:</u> 1 out of 557 terminations less than 1% <u>Other MTW households</u> 42 out of 557 terminations = 7.5% <u>Public Housing:</u> <u>Min Rent households:</u> 0 out of 49 terminations = 0% <u>Other MTW households</u> 3 Out of 49 terminations = 6.1%

C. CHALLENGES AND NEW STRATEGIES

Challenges for TTP calculation on 27% gross income.

In reviewing our data for this activity for this fiscal year, we noticed the administrative time reported increased for most of the staff. Better interviewing, possibly better time tracking and staff changes most likely played a role in the increased administrative time. Staff completed an interview training in August 2011 to improve their skills with gathering information to determine eligibility. The Housing Specialist job expectations were modified by increasing the expected time of an eligibility interview from 20 -30 minutes to 45-60 minutes. We continue to find that it is more accurate to 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.

In the voucher program, VASH vouchers continue to receive the benefits of the MTW program. In September 2011, Moving to Work policies were approved to be implemented within the VASH program, so the VASH program is no longer be a valid control group. The only remaining programs to use as voucher control groups are the 20 Mainstream vouchers and 121 Section 8 New Construction units.

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 fair and simple 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, 119 Non-MTW files were audited for program accuracy and four had deduction errors found in the case files. Four deduction errors is an unusually small number of deduction errors, but it should be noted that in the Mainstream population, there are very few medical deductions because their medical expenses are covered by Medicaid. Of 651 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).

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

In November 2009, our HUD liaisons 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. The time study data collection process seems to be the most accurate and least time consuming method.

2. VASH program eliminated as a control group

Moving to Work policies were approved to be implemented within the VASH program in September 2011, thus the VASH program is no longer used as control group. The Mainstream voucher program and Section 8 New Construction will continue to be used as control groups.

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.

Rent Reform 4

A. ACTIVITY: RENT BURDEN (RENT CHOICE)

Rent Burden (HCV Program)

Year Identified: November, 2007

Effective Date: February 1, 2008

Statutory Objective:

Increase housing choice for low income families

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 was 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 initiative, revised in 2008, put a cap on the initial tenant rent portion at no more than 50% of adjusted income. Utility costs were not included in the 50%. The regular voucher program limits the tenant rent plus utilities to no more than 40% of adjusted income.

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.

2009 to 2010	2010 to 2011	2011 to 2012	2012-2013
144	166	183	244

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 housing specialists. Rather than discussing and encouraging participants to consider what they could afford, the revised policy simply set an absolute threshold, while providing greater flexibility and housing choices to participants than the regular program rules.

During the 2010 -2011 reporting period, LHA began collecting data on the census tracts for MTW voucher families who were new admissions or transfers and who chose to incur rent burdens that exceed 40% of their adjusted income. Because we put the "choice" back into the housing choice

voucher program, we refer to these households as “MTW Rent Choice” families for the sake of simplicity. We collected this information to determine if these families are choosing to expand their housing opportunities when incurring the higher rent burdens. We compared this data to new admissions and transfers of non-MTW vouchers (Mainstream), who were unable to exceed the rent burden limits of the regular voucher program.

METRIC	BASELINE	BENCHMARK	OUTCOME
	April 1, 2010 to March 31, 2011	Distribution of MTW Rent Choice (over 40%) Households among census tracts compared to Non-MTW	April 1, 2012 to March 31, 2013
Total Number of census tracts MTW Rent Choice (over 40%) households reside in compared to Non-MTW households	MTW- 36 Non-MTW- 8	MTW is greater than Non-MTW	MTW- 44 Non-MTW- 6

METRIC	BASELINE	BENCHMARK	OUTCOME
	April 1, 2010 to March 31, 2011	MTW Rent Choice (over 40%) households residing in census tracts with a minority population of 25% or greater compared to Non-MTW households	April 1, 2012 to March 31, 2013
Percentage of MTW Rent Choice (over 40%) households residing in census tract with a minority population of 25% or greater compared to non-MTW households	MTW: 21.7% Non-MTW:60%	MTW percentage is less than Non-MTW percentage	MTW: 31.2% Non-MTW: 57.1%

METRIC	BASELINE	BENCHMARK	OUTCOME
	April 1, 2010 to March 31, 2011	MTW Rent Choice (over 40%) Households residing in low or moderate income census tracts* compared to Non-MTW households	April 1, 2012 to March 31, 2013
Percentage of MTW Rent Choice (over 40%) households residing in low or moderate income census tracts* compared to non-MTW households	MTW: 46.4% 77 households Non-MTW: 80% 16 households	MTW percentage is less than Non-MTW percentage	MTW: 54.9% 134 households Non-MTW: 85% 6 households

*Census tracts where the median family income of the census tract is less than 80% of the area median family income.

The data clearly shows that our MTW Rent Burden rule allows families greater housing choices relative to the standard voucher program rules. The MTW Rent Choice families were much more likely to be dispersed in a wide range of census tracts than non-MTW families (44 to 6), and were less likely to choose housing in areas of minority or lower income concentrations.

Again this year, the data showed that the MTW policy allowed families access to certain Low Income Housing Tax Credit (LIHTC) properties. Several census tracts stand out as having higher percentages of MTW Rent Choice families and zero non-MTW families relocating there. In fact 36.9% of the MTW Rent Choice families moved into 11 census tracts, each of which we recognize as having a large LIHTC property. These LIHTC properties, although designed for low-income persons, have rent structures that significantly exceed the Fair Market Rents and Payment Standards for the voucher program. It is clear that, by allowing families to choose a greater share of the rent burden, the MTW Rent Burden rule is important to making these properties available to more voucher families than would otherwise be possible. Four of the census tracts are designated by the Census as “upper” income, five are “middle” income and two are “moderate” income.

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 participants have a choice to exceed the federal rent burden limit of 40% of their adjusted income. 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.

C. CHALLENGES AND NEW STRATEGIES

Obtaining and analyzing census tract information continues to be an administrative burden. It would improve the process if the MTW 50058 Adhoc Report in HUD's PIC system would gather census tract information from the MTW 50058 so an MTW Adhoc report could be created to obtain census tract information. We hope that future changes in our housing software will make this easier. Since we are limiting this analysis to new admissions and transfer moves, we have been able to accomplish the tracking by looking up each file individually. In addition, the census bureau regularly alters boundaries and numbers of census tracts. This is particularly true in newer development areas of the city.

D. NEW INDICATORS OF ACTIVITIES STATUS AND IMPACT

Not Applicable

E. DATA COLLECTION METHODOLOGY AND REVISIONS

As noted above, we implemented new data collection during the 2010 -2011 reporting period, which serves as the baseline for this initiative.

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.

Rent Reform 5

A. ACTIVITY: AVERAGE UTILITY ALLOWANCES

Average Utility Allowances (HCV Program)

Year Identified: April 1, 1999

Effective Date: July 1, 1999

Statutory Objective:

Reduce cost and achieve greater cost effectiveness in federal expenditures

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 for target rents and utility allowances effective February 1, 2012.

Bedroom Size	Fair Market Rent	Payment Standard	Payment Standard as a Percent of FMR	Target Rent	Utility Allowance
SRO	\$350	\$338	96.84%	\$303	\$35
0	\$466	\$451	96.8%	\$405	\$46
1	\$523	\$506	96.8%	\$437	\$69
2	\$665	\$644	96.8%	\$536	\$108
3	\$933	\$904	96.9%	\$766	\$138
4	\$1,131	\$1,095	96.9%	\$912	\$183
5	\$1,301	\$1,259	96.8%	\$1,044	\$215
6	\$1,470	\$1,423	96.8%	\$1,181	\$242
Lot Rent	\$266	\$258	96.9%		

Following is the chart for target rents and utility allowances effective December 1, 2012.

Bedroom Size	Fair Market Rent	Payment Standard	Payment Standard as a Percent of FMR	Target Rent	Utility Allowance
SRO	\$309	\$338	109%	\$303	\$35
0	\$412	\$451	109%	\$405	\$46
1	\$525	\$525	100%	\$456	\$69
2	\$693	\$693	100%	\$585	\$108
3	\$964	\$964	100%	\$826	\$138
4	\$1,203	\$1,203	100%	\$1,020	\$183
5	\$1,383	\$1383	100%	\$1,168	\$215
6	\$1,564	\$1,564	100%	\$1,322	\$242
Lot Rent	\$277	\$277	100%		

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. Human service workers whose clients have vouchers have commented that the MTW voucher program is much easier to understand versus the VASH voucher program. This is one of the reasons the VA agreed to convert VASH to MTW rules. In the past, LHA hosted 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. LHA has also reached out to individual human service agencies and conducted programs to educate human services staff about LHA's programs.

The concept of the Target Rent is fundamental to the success of 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 in rent without additional subsidy. It is simple to understand and very customer friendly. It also provides an incentive for the tenant to seek energy efficient units or units with utilities paid by landlords. 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 implemented by LHA using VASH (until 10-2011) and

Mainstream 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 Tenancy 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 this year shows only one error in MTW out of over 800 audits. Non-MTW data shows zero errors out of 25 audits.

METRIC	BASELINE	BENCHMARK	OUTCOME
Percent of audited files with utility allowance errors	April 1, 2009 to March 31, 2010 (Baseline was Post-Implementation)	Utility Allowance Errors for MTW and Non-MTW Audits	April 1, 2012 to March 31, 2013
MTW Audits	0% Utility Allowance Errors	<1% Utility Allowance Errors	.1% Utility Allowance Errors
Non-MTW Audits	15% Utility Allowance Errors	<15% Utility Allowance Errors	0% Utility Allowance Errors

C. CHALLENGES AND NEW STRATEGIES

The small control group can affect data collection. Since VASH was converted to MTW rules, the only remaining control group is 20 Mainstream vouchers. These vouchers are typically single person households in one bedroom units and there are very few transfers or new admissions which is when errors typically occur. There is only one staff person assigned to these and, as we anticipated, we have no errors this year and anticipate very few errors going forward. 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 no 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 tenants greater self sufficiency to make housing choices that meet their families’ needs.

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

Initiative 1

A. ACTIVITY: INCOME ELIGIBILITY

Income Eligibility (HCV & PH Programs)

Year Identified: April 1, 1999

Effective Date: July 1, 1999

Statutory Objective:

Reduce cost and achieve greater cost effectiveness in federal expenditures

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. In FY 2012-2013, both the voucher and public housing programs met the federal income targeting standards. In the Public Housing Program, 40.8% of new admissions were Extremely Low Income. In the Voucher Program, 84.9% of new admissions were Extremely Low-Income. Both of these percentages were lower than the previous year.

METRIC	BASELINE	BENCHMARK	OUTCOME
Income Levels at Admissions	April 1, 2009 to March 31, 2010	<u>NOT APPLICABLE:</u> Income targeting is not applicable but normal targets are shown for information purposes.	April 1, 2012 to March 31, 2013
Public Housing			
Extremely Low Income	50.0%	40%	40.8%
Very Low Income	36.8%		44.9%
Low Income	13.2%		14.3 %
Housing Choice Voucher* *does not include VASH conversion			
Extremely Low Income	86.9%	75%	84.9%
Very Low Income	13.0%		15.1 %
Low Income	0%		0.0 %

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.

Initiative 2

A. ACTIVITY: RESPONSIBLE PORTABILITY

Responsible Portability (HCV Program)

Year Identified: April 1, 1999

Effective Date: July 1, 1999

Statutory Objective:

Reduce cost and achieve greater cost effectiveness in federal expenditures

Voucher participants are allowed to port out for employment, education, safety or medical/disability need.

B. BENCHMARKS, METRICS, AND IMPACT

The purpose of responsible portability in our MTW program is to allow families to make reasonable choices prior to relocating with their voucher and prevent families from porting out 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.

Our data shows the number of formal requests to port out and the number approved. Families are given information about our responsible portability policy, and it is recognized that once people are aware of the policy, few formal requests are made.

METRIC	BASELINE	BENCHMARK	OUTCOME
Percentage of Requests Approved to Port with Voucher	April 1, 2009 to March 31, 2010	Approve 100% of Ports for Verified Medical, Disability, Safety, Education or Employment	April 1, 2012 to March 31, 2013
Percentage of Medical or Disability Requests Approved	9 out of 9 = 100%	100%	9 out of 9= 100%
Percentage of Safety Requests Approved	5 out of 5 = 100%	100%	9 out of 9 = 100%
Percentage of Education Requests Approved	1 out of 1 = 100%	100%	0 out of 0 = 100%

Percentage of Employment Requests Approved	5 out of 5 = 100%	100%	24 out of 24 = 100%
Percentage of Other Requests Approved*	0 out of 3 = 0%	0%	0 out of 3 =0%
* In all three denials, the voucher participant was unable to provide verification of their good cause claim to port-out of Lincoln; 2 requests were denied for the same voucher holder who requested to go to California to take care of his brother's affairs while he serves time in prison for shooting someone, and 1 request was denied as the voucher participant had not fulfilled the first years lease which is not a MTW policy.			

Our policy represents a highly successful implementation of a responsible policy that could be adapted on nationwide basis. Portability represents a difficult and time consuming administrative issue in the voucher program across the country. Allowing HA's to adopt policies that limit ports to verifiable, good cause reasons would improve efficiency in voucher program administration nationwide.

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

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.

Initiative 3

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)

Statutory Objective:

Reduce cost and achieve greater cost effectiveness in federal expenditures

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

Baseline data for this initiative came from the PIC system. The benchmark for annual reexaminations was based on a 50% reduction from the baseline for elderly and disabled households.

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 during the transition to a biennial schedule, LHA randomly assigned households to one of two groups based on the last digit of the head’s social security number. During implementation, group one had their next reexamination in one year and group two in two years and continuing every two years thereafter for both groups. Any elderly or disabled households designated as “hardship” households under the 27% MTW policy were immediately placed in group two. This biennial initiative further reduces the impact of the 27% MTW policy and creates an additional benefit for the hardship group.

METRIC	BASELINE*	BENCHMARK		OUTCOME		OUTCOME	
Annual Re-Examinations in a 12 month period	August 1, 2007 to July 31, 2008	50% reduction for elderly and disabled households		April 1, 2011 to March 31, 2012		April 1, 2012 to March 31, 2013	
		----- Number of Reviews & Percent of Baseline		----- Number of Reviews & Percent of Baseline		----- Number of Reviews & Percent of Baseline	
Public Housing							
Elderly Households	61	31	50%	32	52.5%	54	88.5%
Disabled Households	60	30	50%	18	30.0%	26	43.3%
TOTAL	121	61	50.4%	50	41.3%	80	66.1%
		Average over 2 years:				130 / 2 = 65 reviews 53.7%	
Housing Choice Voucher							
Elderly Households	360	180	50%	164	45.6%	178	49.4%
Disabled Households	768	384	50%	432	56.3%	472	61.5%
TOTAL	1,228	564	45.9%	596	48.5%	650	52.9%
		Average over 2 years:				1,246 / 2 = 623 Reviews 50.7%	

*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.

The data above shows that we have reduced by approximately half the number of elderly and

disabled reviews conducted per year. A more meaningful number is the average number of reviews in the combined programs is 688 per year compared to the baseline number of 1,349 representing 661 fewer reviews.

This time savings has allowed us to reduce staff by one housing specialist and replace that person with an auditor in the second year of the initiative. It should also be noted that the MTW data collection requires a significant amount extra work time, somewhat reducing the benefit of the time savings. 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 time 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 time savings has also allowed our staff more quality interviewing time with our participants.

C. CHALLENGES AND NEW STRATEGIES

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

Data collections on the number of completed annual re-examinations identified by elderly, disabled and family is challenging. LHA has several options for collecting this data; 1) tracking by the worker, 2) using the housing software 50058 reports, or 3) using PIC 50058 MTW Adhoc reports. We have attempted to track the data from all three options and found they each have imperfections. The biggest issue with using the housing software 50058 reports or the PIC report is capturing the annual re-exam completion before another action is completed on the 50058. If another action such as interim or inspection is entered on the 50058 after the annual re-exam is completed, the annual re-exam completion will not be counted in any MTW Adhoc PIC report or housing software 50058 report. Since annual re-exams are completed between 30 to 90 days ahead of the due date it is hard to predict the best time to capture the annual review completion data. For example, Jane Doe's August 2011 annual re-exam is completed on June 1, 2011 but an interim is also completed on June 1, 2011 effective July 1, 2011. If we run a report for August 2011 annual re-exams on June 1st or later, the August re-exam will not show as completed in the Housing Software report. If we run the August re-exam report on May 31st, it will show Jane Doe's August 2011 re-exam as completed but we will miss other August 2011 re-exams still being completed in the month of June. The PIC MTW Adhoc report also has its flaws. The PIC MTW Adhoc report does not provide the 50058's line 1c as a selection criteria for reports thus we can not identify what program, Housing Choice Voucher or Public Housing, the re-exams were completed in. Also, we can not always identify whether the household is an elderly household because the MTW Adhoc report only allows us to gather birth dates for the head of household, and not the co-head.

We will continue to use the housing 50058 software as our data collection source. The report is run 30 days prior to the effective date to obtain the most accurate data on the number of annual re-exams completed. The complexity of tracking and reporting data often reduces the amount of time savings accomplished through skipping annual re-examinations

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.

Initiative 4

A. ACTIVITY: HQS INSPECTIONS WAIVER

HQS Inspections Waiver (HCV Program)

Year Identified: November, 2008

Effective Date: April 1, 2009

Statutory Objective:

Reduce cost and achieve greater cost effectiveness in federal expenditures

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 re-inspections every 10 months to ensure compliance with the interpretation of "every 365 days." Special inspections will continue to occur as determined by LHA. HUD's Request for Tenancy Approval form was modified to satisfactorily implement this inspection incentive initiative.

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 decrease while the success rate percentage at first inspection was expected to increase. 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, the inspection incentive is revoked and the unit must have an annual inspection completed by the tenant's next annual re-examination date.

HISTORICAL DATA ON INSPECTIONS	Fiscal Year 2007-2008	Fiscal Year 2008-2009	BASELINE Fiscal Year 2009-2010	Fiscal Year 2012-2013
Annual Inspections	2,767	3,096	3,042	1,633
Initial Inspections	1,432	1,309	825	880
Special Inspections	11	34	44	35
Total Inspections	4,210	4,439	3,911	2,548
Passed at First Inspection	65%	60%	52%	47%
Failed at First Inspection	35%	40%	48%	53%

Total Inspections	100%	100%	100%	100%
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METRIC	BASELINE	BENCHMARK	OUTCOME
Number of Inspections by Type and Percentage Passing at First Inspection	April 1, 2009 to March 31, 2010	Reduction in total number of inspections	April 1, 2012 to March 31, 2013
Annual Inspections	3,042	40% Reduction from Baseline	1,633 53.7% Reduction
Initial Inspections	825		880
Special Inspections	44		35
Total Inspections	3,911	25% Reduction from Baseline	2,548 34.9% Reduction
		Maintain or Increase Passing Rate at First Inspection	
Pass at First Inspection	52%	52% or greater	47%*
Failed at First Inspection	48%	48% or less	53%
Total Inspections	100%		100%

The benchmark for this initiative was to decrease the number of annual inspections by 40%. During FY13, annual inspections reduced by 53.7%

* See Challenges and New Strategies for an explanation of why the benchmark was not achieved.

Previously, we anticipated special inspections would go up significantly as we thought we would have more tenant complaints about the landlord not fixing defects. The result was the opposite; special inspections decreased from baseline by 20.5% in FY13. Overall, we anticipated the total number of inspections would reduce by 25% of the baseline level. We exceeded the benchmark by reducing the number of overall inspections performed by 34.9%.

Administrative Cost Savings, Efficiency and Quality of Housing Unit

The inspection incentive policy continues to have positive impact on the voucher program by providing administrative cost savings to LHA, and improving our community's housing stock.

This inspection policy allowed LHA to reduce the number of performed inspections by 34.9%. LHA used this time savings to increase the average time spent on performing an annual inspection by 33%. The increased inspection time allowed inspectors an opportunity to properly educate both the tenant and landlord on maintaining quality units, and allowed for more thorough HQS inspections to be performed. We increased the average annual inspection time from 15 minutes to 20 minutes per unit. Part of the increased time was to implement HUD Notice 2010-10, which required our inspectors to test electrical outlets for “proper operating condition.” The time savings allowed our inspectors additional time to assist other local affordable housing projects with unit inspections.

The pass rate was 52% for FY2010 when units were annually inspected in comparison to 47% pass rate FY2013 when a combination of units were inspected annually and biennially. In addition we gathered data on the pass/fail rate for biennial unit inspections. The chart below indicates that skipping annual inspections does not have a significant impact on the quality of the unit or increase the failure rate at first inspection. See the discussion on Challenges and New Strategies for explanation what could cause the pass rate to decline from FY2010.

Inspection results on units with biennial inspections

April 2012 - March 2013 Overall inspection pass rate at First Inspection	April 2012 - March 2013 Percent of skipped inspection passing at First Inspection	Number of annual skipped inspections	Number of annual skipped inspections that passed first time
47%	48%	334	161

C. CHALLENGES AND NEW STRATEGIES

The challenge in using pass/fail rates as a policy success indicator is there are other outlying factors that can affect a pass/fail rate, such as policy changes and staffing. For example in FY2011, LHA made two major policy changes; 1) testing for proper working electrical outlets, and 2) enhancing the egress window requirements. These two policy changes could be the cause of the decline in the inspection pass rate over the two past years. When more units fail inspection due to a policy change it reduces the perception of maintaining quality units within HQS standards and reduces the administrative cost savings as fewer units are eligible to have their inspection skipped.

Due to the cycle of skipped inspections, we completed 482 fewer annual inspections in FY2013. We anticipate an increase in annual inspections in FY2014 because we will be inspecting the units skipped in FY2013.

The final challenge is to ensure the proper implementation and monitoring of this policy. The reports and data gathering is cumbersome and time consuming. If the policy was to complete biennial inspections for “all” units regardless of the results of the inspection, it would be much simpler to implement and audit.

Request for Unit Information and Inspection form

LHA developed a local form, the Request for Unit Inspection and Inspection form which is used in lieu of HUD’s RFTA form HUD 52517 , to reflect a city ordinance change that required all landlords to provide all trash services. In addition, LHA also changed this local form after the Landlord Advisory Committee requested a statement be added to the form to indicate when assistance will start. The local form can be found in Appendix D of this report.

D. NEW INDICATORS OF ACTIVITIES STATUS AND IMPACT

Improved Program Satisfaction

Both the LHA Landlord Advisory Committee and other participating landlords continue to express sincere appreciation for rewarding landlords who maintain their property at a high level.

The Landlord Advisory Committee often compliments our Inspection Department on their excellent customer service by scheduling inspections within 5 to 7 business days of the request, improving the consistency in inspection results performed by all inspectors and availability to answer questions. These improvements were made possible through the administrative cost-savings of skipping inspections.

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.

Initiative 5

ACTIVITY: Inspections and Rent Reasonable Determinations

Inspections and Rent Reasonable Determinations (HCV)

Year Identified: November, 2010

Effective Date: April 1, 2011

Statutory Objective: Reduce cost and achieve greater cost effectiveness in federal expenditures

A. DESCRIPTION

This was a new initiative in our 2011-2012 plan year. LHA is performing all Inspections and Rent Reasonableness determinations regardless of ownership or property management status. LHA performs these actions on all tenant and project-based voucher units that are owned or managed by LHA.

B. BENCHMARKS, METRICS, AND IMPACT

Objective: Reduce cost and achieve greater cost effectiveness in Federal expenditures.

Impact: LHA has always inspected LHA-owned or managed properties under Public Housing, Tax Credit and Section 8 New Construction programs. The inspection audits including REAC inspections result in high scores and no significant findings

We did not expect any adverse impacts by implementing this activity. LHA maintains an internal check and balance system to ensure the quality and safety within their managed or owned property. This check and balance has been created through a segregation of duties. LHA has established seven departments and managers for each department. Specifically the Tenant-Based Department is responsible for the voucher program compliance while the Project-Based Department is responsible for maintaining and leasing LHA units. The segregation of duties allows the Tenant-Based department the ability to enforce HQS and rent reasonableness policies at the same level and effectiveness as working with a private landlord.

We expected the voucher participants would benefit with quicker response time in correcting any identified unit deficiencies because the internal communication would be faster than working with an outside contractor.

Eliminating the requirement to contract for these services also eliminated the administrative time in creating, advertising and monitoring outside contractors. In the past, LHA had been unable to find any expert in the community to perform these services or to perform them in a timely manner.

METRIC	BASELINE	BENCHMARK	OUTCOME
Contract Costs for Inspections (includes recheck inspections)	October 1, 2009 to September 30, 2010	Contract cost for Inspections/rent determinations	April 1, 2012 to March 31, 2013
Decrease in contract cost for HQS	256 inspections in FY2010 @ \$50 per contract cost for inspections/rent reasonableness \$12,800 in potential savings	\$0 on contracted inspections	221 inspections in FY 2013 @ \$50 per contract cost for inspections/rent reasonableness \$0 on contracted inspections \$11,100 in actual savings
First-time Pass Rate at LHA-owned Properties compared to all voucher-assisted properties	April 1, 2009 to March 31, 2010	LHA-owned Properties First-time Pass Rate	April 1, 2012 to March 31, 2013
Maintain a higher first time pass rate at LHA-owned properties compared to all voucher-assisted properties	121 out of 186 LHA-owned or managed properties pass inspection on the first time in FY 2010* 65% first time pass rate of LHA properties; 52% first time pass rate for all voucher properties	Maintain a pass rate better than the pass rate for all voucher properties	116 out of 167 LHA-owned or managed properties passed inspection on the first time in FY 2013 69.5% first time pass rate of LHA properties 47% first time pass rate for all voucher properties

*baseline revised from the plan—see explanation below

C. CHALLENGES AND NEW STRATEGIES

In reviewing the data gathered for the baseline, it was determined the Inspections software gathers every inspection performed including the inspection rechecks when determining the number of pass or fail inspections. This data is good for counting the number of actual inspections performed on LHA-owned or managed property. This data is not accurate when gathering the number of units that pass at first inspection without requiring a recheck since it includes rechecks. The housing software 50058 module is the best source for gathering the number of units that pass at first inspections. The challenge with using the 50058 data is that it is only good as point-in-time data. If the household terminates from the program or moves during the fiscal year, the unit will not be reflected in the inspection pass/fail report at first inspection. After reviewing the accuracy of the baseline data for inspections, the baseline first-time pass rate and number of units was modified removing all the recheck inspections. Beginning FY2013, we gather information in the following manner to report the most accurate information.

1. Use the Inspection software to determine the number of inspections performed on LHA owned/managed properties.
2. Use the 50058 software to determine the first time pass numbers and rate on a monthly basis. Manually track the number of LHA owned/managed units in this report.

D. NEW INDICATORS OF ACTIVITIES STATUS AND IMPACT

Not applicable

E. DATA COLLECTION METHODOLOGY AND REVISIONS

See Section C above.

F. CHANGES IN AUTHORIZATION FROM ATTACHMENT C OR D

Not applicable

G. PROVISION OF THE ACT OR REGULATION THAT IS WAIVED

This MTW activity is authorized in Attachment C, Section D.1.f Operational Policies and Procedures; Section D.2.c Rent Policies and Term Limits; and Section D.5 Ability to Certify Housing Quality Standards. Under Section D.1.f, the housing authority is authorized to determine property eligibility criteria. Under Section D.2.c, the housing authority is authorized to develop a local process that differs from the currently mandated program requirements in the 1937 Act and its implementing regulations. Under Section D.5, the housing authority is authorized to certify that housing assisted under MTW will meet housing quality standards established or provide by HUD. These authorizations waive certain provisions of Section 8(p), Section 8(o)(10) and Section 8(o)(8) of the 1937 Act and 24 C.F.R. 982.507, 24 C.F.R. Subpart H, and 24 C.F.R. Subpart I.

Initiative 6

ACTIVITY: Project-Based Voucher Units

Project-Based Voucher Units (HCV Program)

Project-based units LHA owned or managed properties:

Year Identified: 2010

Effective Date: Originally scheduled to be implemented in 2011-2012 plan year.
Now scheduled for 2012-2015 plan years

Project-based units through other competitive process:

Year Identified: 2010

Effective Date: Pending receipt of a viable application

Statutory Objective: Increase housing choice for low income families

A. DESCRIPTION

This was a new initiative in our 2011-2012 plan year.

Project-based units through other competitive process:

LHA's plan is to project-base 20 vouchers to serve the disabled through an other competitive process. Under MTW, LHA will allow the selected project-based site to maintain a separate site-based waiting list.

Project-based units LHA owned or managed properties:

LHA's plan is to provide project-based voucher assistance to property owned or managed by LHA. Site selection for LHA owned or managed property will be based on the need to maintain and preserve affordable housing. Each site may create a separate waiting list for applicants interested in renting project-based units. LHA will eliminate the restriction on the percentage of units leased in a building or project.

Crossroads House Apartments is an elderly apartment complex with one-bedroom units located in the heart of Lincoln's downtown, 1000 O Street, Lincoln, Nebraska. There is a significant need for affordable elderly housing in this area. Most of the housing in this area is geared towards either the University of Nebraska students or upper income households residing in recently developed condominiums. In the 2010-2011 MTW Plan, we identified that there were 45 Crossroads House units leased to Section 8 Housing Choice Voucher participants among the 58 total units. Crossroads House was selected for project-based assistance because of the ongoing community need to preserve existing affordable housing for the elderly population in this area.

Since Crossroads House is a “tax credit” project, the definition of elderly is defined as 55 years or older so several residents may not meet HUD’s definition of elderly at 62 years of age, and the tax credit income eligibility limit is higher than the voucher program at 60% median income. LHA chose a three-year transition period to complete 100% project-based allocation at the Crossroads House. The three-year transition period began with the original executed HAP contract. The purpose of the transition period is to prevent the displacement of the 60% median income households who are currently residing in the Crossroads House apartments. The transition period allows the opportunity to maintain 100% voucher leasing without undue hardship on the voucher program budget and allocation requirements. It is our intent to project-base all 58 units based on eligibility of current tenants.

The Moving to Work waivers are being used: 1) to transition LHA owned or managed units into project-based voucher assistance without a competitive bid, 2) allow the project-based sites to maintain a site-based waiting list, and 3) allow the removal of the 25% unit allocation cap per project. LHA complies with Housing Quality Standards, subsidy layering requirements, and other federal requirements regarding project-based assistance as set forth in Title 24 fo the Code of Federal Regulations.

B. BENCHMARKS, METRICS, AND IMPACT

Objective: Increase affordable housing opportunities for the elderly through the use of project-based vouchers.

Impact:

As of November 1, 2010, 12.9% of the total utilized vouchers were assigned to elderly households; project-basing vouchers in an elderly designated complex would increase affordable housing opportunities for elderly households.

LHA’s plan was to create and preserve affordable housing opportunities for elderly households under the Housing Choice Voucher program.

Number of elderly residing at Crossroads House	April 1, 2012	March 31, 2013
	58 elderly and near-elderly households	58 elderly and near-elderly households
Number of income-restricted units (tax credit)	58 units	58 units
Number of project-based voucher units leased	0	24 units

In 2011-2012, we planned to show that an increased number of project-based units and services to an increased number of elderly and disabled households assisted under the Housing Choice Voucher program. Our benchmark below has been updated to show the three year transition plan.

Metric	Baseline	Benchmark	Outcome
Number project-based voucher units leased	FY 2011 Project-based voucher units leased = 0 units	Cumulative number of project-based voucher units FY 13 20 units FY 14 39 units FY 15 58 units	Cumulative number of project-based voucher units achieved FY 13 24 units FY 14 FY 15
Number of elderly households with voucher assistance	FY 2011 Number of elderly households with voucher assistance = 372 households (point in time)	Number of elderly households with voucher assistance 390 households	Number of elderly households with voucher assistance at FY 2013 year end = 419 households
Number of disabled households with voucher assistance	FY 2011 Number of disabled households with voucher assistance = 964 households (point in time)	Number of disabled households with voucher assistance 984 households	Number of disabled households with voucher assistance at FY 2013 year end = 1,081 households

C. CHALLENGES AND NEW STRATEGIES

Project-based voucher units through other competitive process:

LHA will continue to accept applications through an “other competitive process” to project-base a maximum of 20 additional voucher units.

D. NEW INDICATORS OF ACTIVITIES STATUS AND IMPACT

As stated above, the benchmark has been updated to reflect our three-year transition plan.

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

This MTW activity is authorized in Attachment C, Section D.7.a Establishment of an Agency MTW Section 8 Project-Based Program. Under this section, the housing authority is authorized to project-base Section 8 assistance at properties owned directly or indirectly by the agency that are not public housing, subject to HUD's requirements regarding subsidy layering. Project-based assistance for such owned units does not need to be competitively bid, nor are the owned units subject to any required assessments for voluntary conversion. The agency is also authorized to adopt alternate standards for determining the location of existing housing to receive subsidy provided the requirements in Attachment C, Section D.7.c.i, ii, iii, and iv and Section D.7.d. are met. These authorizations waive certain provisions of Section 8(o)(13)(B and D) of the 1937 Act and 24 C.F.R. 982.1, 982.102 and 24 C.F.R. Part 983 as necessary to implement the Agency's Annual MTW Plan.

Initiative 7

ACTIVITY: Nebraska RentWise Tenant Education Program

Nebraska RentWise Tenant Education Program (HCV)

Year Identified: November, 2010

Effective Date: October 1, 2011

Statutory Objective: Increase housing choice for low income families

A. DESCRIPTION

Under the broader use of funds authority, Lincoln Housing Authority proposed to use combined MTW funds to support Nebraska RentWise, a tenant education program.

This activity serves only households under 80% AMI and is related to the MTW objective of increasing housing choices for low-income families by providing training and education.

RentWise is a structured curriculum developed by the University of Minnesota and adapted by the University of Nebraska Extension Service. It is a program to educate renters on responsibilities necessary to become successful tenants with stable housing. Lincoln Housing Authority was instrumental in forming a collaborate group, the Lincoln RentWise Network consisting of representatives from an array of human service agencies in the Lincoln community. Network members identified the need for the program because of the common knowledge that many low income families had great difficulty obtaining rental housing because of past problems. Those problems include rental or credit history, lack of experience (first time renters), stigmas associated with rental assistance programs, or other issues that cause potential landlords to see them as high-risk tenants.

The objective of the Lincoln RentWise Network, led by Lincoln Housing Authority, is to use certified trainers to offer the Nebraska RentWise program at no cost to individuals who want to become better tenants. Nebraska RentWise teaches the knowledge and skills to be a successful renter and the issues that lead to problems for tenants. Nebraska RentWise teaches participants how to secure and maintain safe and affordable rental housing. The six-module program covers topics such as how to take care of and maintain the rental unit; how to improve communication and reduce conflict between tenants and landlords; how to improve the rental experience, manage money, and information on legal rights and responsibilities. The titles to each of the modules are:

1. Managing Your Money
2. Communicating with Landlords and Neighbors
3. Finding a Place to Call Home
4. Getting Through the Rental Process

5. Taking Care of a Home
6. When You Move Out

Each module covers a broad range of topics to help participants become successful renters. The 12 hour curriculum uses lectures, workbooks, worksheets, demonstrations, and question & answer formats.

The Lincoln RentWise Network offers the six module educational series at least twice per month during both day and evening hours at a central location with city bus service. Lincoln Housing Authority provides coordination for registration, materials, interpreters, scheduling, tracking, and issuing certificates of completion.

B. BENCHMARKS, METRICS, AND IMPACT

The tenant education program, Nebraska RentWise, will assist low-income tenants in becoming more successful renters or housing assistance program participants. Their success as a renter will expand their housing opportunities as they improve upon their credit history and/or rental history. Several Lincoln landlords view the Nebraska RentWise education program as so valuable that they reward Nebraska RentWise graduates with incentives such as reduced rent or deposit, or give them special consideration on their rental application. Nebraska RentWise graduates benefit from these incentives. The incentive may provide a renter more opportunities to rent units that they once were unable to afford or where the landlord might have denied their application had they not completed the Nebraska RentWise program. This tenant education allows renters the ability make educated decisions about finding and maintaining affordable and suitable housing. The proactive nature of this tenant education program results in some Nebraska RentWise graduates becoming successful without needing housing assistance.

Metric	Baseline FY 10 (April 2009 through March 2010)	Benchmark	Outcome FY 13 (April 2012 through March 2013)
Number of Registrants for NE Rentwise	887	1,100	1,693
Number of Registrants who Attended NE Rentwise	478	550	669 39.5 % (669/1693) Percentage of attendance from those who register in FY 13

Number\Percentage of those who attended that Graduated from NE RentWise	426 Graduated 89% Graduation rate	468 85% graduation rate	566 Graduated 85% graduation rate
Number\Percentage of NE Rentwise Graduates who applied for housing	331 applied for housing 78% graduates applied for housing assistance	374 80%	409 72%

Studies in the field of housing and the use of vouchers show that one of the biggest impediments to increasing housing choice, decreasing concentrated poverty and expanding housing opportunities is the knowledge base of the tenant, their understanding of the market place and their connections to the community. Every graduate of Nebraska Rentwise improves the knowledge base of low-income renters; thereby increasing housing choice.

LHA expended \$6,879.80 for this initiative for the period of April 1, 2012 to March 31, 2013.

C. CHALLENGES AND NEW STRATEGIES

In the previous fiscal year (FY 2012) a third RentWise training session on the third week of every other month. This additional training session is taught by volunteers from Centerpointe staff at their facility. Centerpointe serves a specialized population who have a dual diagnosis of mental illness and substance abuse. This special population attending the third week sessions continued in the FY 2013 plan year to contribute to the minor decline from the baseline in the RentWise graduation success rate. There tends to be a lot of instability surrounding their diagnosis, thus it is difficult for them to complete the program.

The number of Nebraska RentWise registrants in FY13 exceeded our benchmark by 53.9%. We added more registrants to the classes due to the “no show” rate increasing.. We believe the “no-show” rate increased due to the increased time span between when a person registers and actually attends class, which is approximately 4 to 6 months. Adding additional classes has been discussed, but we are unable to staff or fund additional RentWise sessions at this time.

The demand for providing language interpreters has exceeded expectations. Grant funding enabled us to purchase equipment that allows an interpreter to speak into a device that is transmitted to a participant headset so up to twelve participants can receive translation service per translator. The Lincoln RentWise Network trained and certified an Arabic-speaking interpreter who teaches RentWise twice a year to consolidate costs and improve the learning atmosphere for the RentWise participants. The average cost of an interpreter to complete the six module series is \$450.

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

This MTW activity is authorized in Attachment D which authorizes the agency to combine public housing operating and capital funds under Section 9 of the US Housing Act of 1937 and voucher program funds provided under Section 8 of the US Housing Act of 1937 to provide housing assistance for low-income families and services to facilitate the transition to work on such terms and conditions as the agency may propose and the Secretary may approve.

Initiative 8

ACTIVITY: Resident Services Program

Resident Services Program (HCV Program)

Year Identified: November, 2010

Effective Date: October 1, 2011

Statutory Objectives:

- Reduce cost and achieve greater cost effectiveness in federal expenditures
- Increase housing choice for low income families

A. DESCRIPTION

Under the broader use of funds authority, Lincoln Housing Authority is using combined MTW funds to support a resident services program at Crossroads House Apartments. Through an interlocal agreement, the resident services program is operated by the Lincoln Area Agency on Aging (LAAA) to provide outreach, case management, service coordination, and supportive services to tenants who are frail elderly or disabled.

This activity serves only households under 80% AMI and is related to the MTW objective of increasing housing choices for low-income families by providing a supportive services program which will allow residents to remain independent and prevent premature or unnecessary placement in assisted living facilities or nursing homes. Avoiding these higher levels of care will also prevent or delay federal expenditures for these type of placements. Crossroads House Apartments is an elderly apartment complex with 58 one-bedroom units located in the heart of Lincoln's downtown, 1000 O Street, Lincoln, Nebraska. There is a need for case management and supportive services to allow elderly and disabled residents to remain independent and prevent premature or unnecessary institutionalization.

This program is modeled after HUD's Congregate Housing Services Program which LAAA (grantee) currently offers at LHA's Burke Plaza (91 units) and Mahoney Manor (120 units). All residents are eligible for outreach, case management and service coordination. Residents who are frail with 3 or more deficits in Activities of Daily Living (ADLs) or who are disabled are eligible for supportive services which include personal care, housekeeping, and transportation subsidy. Participation in services by residents is not mandatory and is at the option of the resident. Individual supportive services under the contract are limited by an amount established annually. For fiscal year 2012-2013, the cost of services per individual was established not to exceed \$2,000 per resident and the total cost of the program under the contract with LAAA was established not to exceed \$41,860.

The LAAA is responsible to maintain a Professional Assessment Committee (PAC) which consists of at least three individuals who review an assessment of each potential participant in

supportive services to ensure each participant is an elderly person deficient in at least three ADLs or is a disabled individual. The LAAA also provides the staffing of a service coordinator who is trained in aging process, elder services, disability services, program eligibility, drug and alcohol abuse by the elderly, mental health issues, and any other areas of concern.

The service coordinator does the following:

- a) Provides general case management and referral services to all potential participants in the program and provide referral to the PAC of those individuals who appear eligible for the program.
- b) Establishes professional relationships with relevant agencies and service providers in the community and develops a directory of providers for use by staff and program participants.
- c) Refers proposed participants to service providers in the community. Serves as staff to the Professional Assessment Committee and completes all paperwork necessary for the assessment, referral, case monitoring, and reassessment processes; implements the case plan developed by the PAC and agreed to by the program participant. Maintains necessary case files on each program participant, and provides files to PAC members upon request, in connection with PAC duties.
- d) Monitors the ongoing provision of services from community agencies and keeps the PAC and agencies informed of the progress of the participant.
- e) Educates program participants on such issues as application procedures, service availability, and program participant options and responsibilities.
- f) Assists in building informal support networks with neighbors, friends, and family.
- g) Performs a formal assessment of each potential elderly program participant's deficiencies in performing the Activities of Daily Living (ADL).
- h) Performs a regular assessment and updating of the supportive services plan of all participants
- i) Provides information and referral services, short-term casework, and care management resources for residents who are not eligible for supportive services. Coordinates the delivery of third party purchased supportive services for residents who are ineligible for the program supportive services in order to establish a continuum of care and assures access to necessary supportive services
- j) Performs other duties for case management and outreach as appropriate to the needs of the residents.

The LAAA contracts with qualified providers to furnish participants with supportive services including personal care, transportation, and housekeeping services. These three services will be provided and funded as part of the program.

MTW funds are used to provide reimbursement to LAAA under the interlocal agreement. Personnel costs for the service coordinator are reimbursed at 100% for .35 FTE to serve Crossroads House. Supportive services are reimbursed at 75% with the remaining 25% billed to the participant receiving services. As noted earlier, there is an annual limitation on individual supportive services to the program with an initial cap set at \$2,000 and adjusted annually as needed.

The resident services program is enhanced by the location of the downtown senior center located

directly across the street from Crossroads House. This location affords easy access to the programs operated by the LAAA at the senior center which include education, recreation, social activities, health activities, and nutritional programs including a daily noon meal. This location also affords easy access to the service coordinator office and program administration, also located at the senior center site.

B. BENCHMARKS, METRICS, AND IMPACT

This was a new activity in the 2011-2012 MTW Annual Plan. This activity was specifically tied to an MTW contract amendment for a broader use of federal funds. The contract amendment was approved by HUD on September 23, 2011.

During the twelve month period ending March 31, 2013, there were 65 individuals residing at Crossroads House. There were 37 individuals who were frail elderly or disabled. Outreach was provided to all residents with 37 receiving ongoing case management. Twenty-eight (28) individuals received one or more of the supportive services with funding.

Through service coordination, residents also receive assistance with services not funded under this program. The service coordinator spends much time explaining services and benefits to residents and families, communicating and problem solving with service agencies, physicians, and other health care providers and building managers. New problem situations arise regularly and they are addressed quickly. The service coordinator works with residents who are hospitalized or have temporary nursing home stays to plan for return home with supportive services.

The services increase housing choice by providing the choice to continue to live in an independent apartment and age in place. Typically, when individuals become more frail or disabled, they require a higher level of care and individuals often have little or no choice but to move to whatever assisted living or nursing home is available. With in-home support services, individuals are able to choose to continue to live independently. Low income applicants are attracted to this type of housing because it gives them the choice to continue to live independently because an array of services will be available as their needs change.

The services are cost effective by helping maintain individuals in their home and prevent unnecessary higher levels of care at substantial additional cost. Generally, the cost of higher levels of care is paid with Medicaid funds as the Crossroads House tenants do not have income, assets or insurance to cover the cost.

The Lincoln Area Agency on Aging provides an annual estimate of savings on federal expenditures that are achieved through this program. The cost savings are not direct savings on HUD expenditures but Medicaid savings. A preliminary or baseline estimate by LAAA placed the additional cost at \$135,501 per year if the residents were served in assisted living. Estimates for nursing home care would certainly be higher but the Area Agency on Aging stated that there are too many variables in nursing home care to provide a reliable estimate.

Metric	Baseline	Benchmark	Outcome
Frail elderly or disabled individuals receive supportive services to maintain independence and choice	June 2010	Percentage of resident who are frail-elderly or disabled Percentage of eligible residents requesting services and who receive services	April 1, 2012 to March 31, 2013
	23 out of 58 residents (40%) are frail-elderly or disabled 40% of tenants are eligible for services	40% of tenant population is frail-elderly 100% of eligible persons requesting services will receive services	37 out of 65 residents (57%) are frail-elderly or disabled 57% of tenants are eligible for services 100% of eligible persons who requested services also received services

Cost of Resident Services Program	Baseline Projected Cost for FY 2010	Maintain cost of program at less than	Cost of Services April 1, 2012 to March 31, 2013
	\$37,000	\$41,000	\$37,718 Service Coordinator cost = \$26,961 for .35 FTE Supportive Services cost = \$9,577

Number of residents at High Risk of Assisted Living or Nursing Home Placement – Greater Housing Choice Opportunity	Baseline November 2010	Maintain High Risk Residents in Independent Living with Support Services	Actual Number of High Risk Residents who were maintained in Independent Living April 1, 2012 to March 31, 2013
	9 Residents	9 Residents	18 Residents
Estimated cost savings by avoiding the next higher level of care (assisted living)	Baseline Estimated Medicaid Savings for FY 2010	Achieve an estimated Medicaid Savings Amount of not less than	Estimated Medicaid Savings for High Risk Residents if Maintained in Independent Living
	\$135,501	>\$135,000	\$193,305

The estimated Medicaid cost savings is 143% of the baseline. The estimates are prepared by LAAA and they take a very conservative approach to the estimate. For example, the estimate is based on Medicaid Waiver Assisted Living costs although some individuals may not be suitable or able to find assisted living and would be forced to a skilled nursing care facility at substantial additional cost. The estimate for 8 residents is individualized and does not reflect a full year of service for each of 18 residents but is adjusted based on the resident’s actual income which is used to cover part of the cost and estimated time in assisted living at the Medicaid rate.

C. CHALLENGES AND NEW STRATEGIES

Because of our long partnership with the LAAA in implementing the Congregate Housing Services Program (CHSP) at two other buildings, this program is able to run in a quite similar manner. The experience of LAAA and cooperative relationship with LHA allowed for easy implementation of this initiative.

D. NEW INDICATORS OF ACTIVITIES STATUS AND IMPACT

No changes are planned.

E. DATA COLLECTION METHODOLOGY AND REVISIONS

Data is collected through the Professional Assessment Committee and case files. The Lincoln Area Agency on Aging provides data for the annual report including an estimated savings in Medicaid costs based on a case by case analysis of services received in the program, Medicaid waiver services, and the risk of entry into assisted living or nursing home if the program services were not available.

F. CHANGES IN AUTHORIZATION FROM ATTACHMENT C OR D

Not applicable

G. PROVISION OF THE ACT OR REGULATION THAT IS WAIVED

This MTW activity is authorized in Attachment D which authorizes the agency to combine public housing operating and capital funds under Section 9 of the US Housing Act of 1937 and voucher program funds provided under Section 8 of the US Housing Act of 1937 to provide housing assistance for low-income families and services to facilitate the transition to work on such terms and conditions as the agency may propose and the Secretary may approve.

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 B for Capital Fund Program

Financial Resources: Sources and Uses of Funds April 1, 2011 to March 31, 2012						
A. Planned versus Actual Sources and Uses of MTW Funds						
Sources of MTW Funds	2012-2013 Plan	2012-2013 Budget	2012-2013 Actual	Difference (Actual -Budget)	Explanation	Uses of Funds
Public Housing Operating Subsidy	\$440,000	\$248,390	\$332,184	\$83,794	Operating Subsidy Formula	Public Housing Operations
Public Housing Capital Grant	\$445,404	\$445,400	\$394,557	(\$50,843)	Capital Funds received/expended during fiscal year	Public Housing Capital Improvements
Section 8 Housing Assistance	\$12,854,000	\$12,933,850	\$12,862,090	(\$71,760)	Actual Housing Assistance Funding Proration was slightly less than budgeted.	Section 8 Housing Assistance Payments
Section 8 Administrative Fees	\$1,307,820	\$1,444,725	\$1,509,385	\$64,660	Actual funding proration higher than estimated budget of 75%	Section 8 Administrative Costs
Public Housing Rental Income	\$1,090,000	\$1,127,340	\$1,095,493	(\$31,847)	Rental income is based on tenant income and occupancy rates	Public Housing Operations
Interest Income	\$21,250	\$18,530	\$14,540	(\$3,990)	Interest rates and investment amount lower than budgeted	Public Housing/HCV Operational Costs

Tenants	\$50,100	\$54,930	\$208,856	\$153,926	Charges for tenant damages, fraud and incoming portable vouchers were more than anticipated;	Operational costs
Other Income	\$32,150	\$34,500	\$60,405	\$25,905	Forfeited tenant escrow accounts more than estimated	Public Housing/HCV Operational Costs
TOTAL MTW INCOME	\$16,240,724	\$16,307,665	\$16,477,510	\$169,845		

B. Planned versus Actual Sources and Uses of State, Local, & Non-MTW Funds						
Sources of Non-MTW Funds	2012-2013 Plan	2012-2013 Budget	2012-2013 Actual	Difference	Explanation	Uses of Funds
Section 8 Non-MTW	\$805,500	\$818,530	\$731,721	(\$86,809)	NRA offset of \$159,671	Housing Assistance Payments–Section 8 (Non-MTW) operational costs: BPL, N32, VASH; MOD, MVP
Housing Choice Voucher FSS Grant	\$60,950	\$60,950	\$57,970	(\$2,980)	NA	Housing Choice Voucher FSS Coordinator
Section 8 Administrative Fees	\$32,680	\$50,725	\$52,931	\$2,206	Based on total unit months under lease	MOD, MVP, VASH
Public Housing ARRA Funds	\$0				N/A	
Public Housing ROSS Grant	\$123,865	\$125,856	\$122,551	(\$3,305)	Actual grant draw-down less than budget for Elderly Service Coordinator	Public Housing FSS Coordinator and Elderly Service Coordinator
Home Funds	\$25,000	\$25,000	\$30,668	\$5,668	Based on Requests for security deposit assistance	Security Deposit Assistance

Rental Income	\$5,088,750	\$5,293,040	\$5,430,386	\$137,346	Slight rent increase and low vacancy	Operational Costs
Interest Income	\$250,000	\$193,550	\$187,883	(\$5,667)	Received less interest on notes with tax credit project than anticipated; very low investment rates	Operational Costs
Tenants	\$109,100	\$116,740	\$100,395	(\$16,345)	Fewer damages than estimated	Operational Costs
Other Income	\$36,550	\$29,280	\$96,373	\$67,093	Other income higher than budget; income from LHC for security cameras at Crossroads House and Burke Plaza	Operational Costs
Other Grants	\$24,000	\$36,000	\$34,001	(\$1,999)	Grants obtained by Lincoln Housing Charities less than anticipated	Client Services
Direct Reimbursements	\$450,650	\$417,530	\$582,000	\$164,470	More direct costs reimbursed by tax credit projects managed by LHA	Reimbursement of Direct Expenses
TOTAL NON-MTW INCOME	\$7,007,045	\$7,167,201	\$7,426,879	\$259,678		

C. Planned versus Actual Sources & Uses -- Central Office Cost Center (COCC)						
COCC Activity	2012-2013 Plan	2012-2013 Budget	2012-2013 Actual	Difference	Explanation	Uses of Funds
Management Fee	\$1,178,880	\$1,170,730	\$1,248,765	\$78,035	Increase in HUD published fee amount	Central Office Operational Costs
Bookkeeping Fee	\$376,240	\$382,330	\$381,140	(\$1,190)	NA	Central Office Operational Costs
Asset Management Fee	\$130,780	\$139,800	\$139,080	(\$720)	NA	Central Office Operational Costs

Capital Improvement Fee	\$113,790	\$131,220	\$127,582	(\$3,638)	N/A	Central Office Operational Costs
Fee For Service	\$2,239,400	\$2,283,260	\$2,143,300	(\$139,960)	Fewer fees from services than estimated	Central Office Operational Costs
Other Income		\$1,500	\$3,478	\$1,978	Other income more than estimated	Central Office Operational Costs
Interest Income		\$,1970	\$2,446	\$476	More funds invested than anticipated	Central Office Operational Costs
Total	\$4,039,090	\$4,110,810	\$4,045,791	(\$65,019)		
GRAND TOTAL - ALL	\$27,286,859	\$27,585,676	\$27,950,180	\$364,504		

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.

In September, 2011, HUD approved a Second Amendment to the Amended and Restated Moving to Work Agreement. The amendment gave LHA authority for use of funds beyond those uses specified in Sections 8 and 9 of the 1937 Act. LHA proposed and HUD approved two activities (Other Initiatives 7 and 8) in which LHA is able to conduct services programs for low-income households through use of the block grant.

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

A program review and update was conducted by conference call on November 27, 2012. No deficiencies were identified in this review or at any other time during the fiscal year.

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 following reports are included in Appendix B for the following grants:

NE26P002501-11	Final Performance and Evaluation Report
NE26P002501-12	Performance and Evaluation Report Revised Annual Statement Revision #2
NE002	Capital Fund Program–Five Year Action Plan

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 A

APPENDIX A

Agency Certification for the Statutory Requirements

HOUSING AUTHORITY
OF THE
CITY OF LINCOLN, NEBRASKA

RESOLUTION NO. 830

CERTIFICATION OF COMPLIANCE WITH
HUD MOVING TO WORK STATUTORY REQUIREMENTS

WHEREAS, the Housing Authority of the City of Lincoln, Nebraska (LHA) was selected by the U.S. Department of Housing and Urban Development (HUD) to participate in the Moving To Work (MTW) 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 its 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 9th day of May, 2013.



Orville Jones III, Chair

ATTEST:



Larry G. Potratz, Secretary

APPENDIX B

Annual Statement/Performance and Evaluation Report

for the following grants:

NE26P002501-11

NE26P002501-12

Capital Fund Program—Five Year Action Plan

Final Performance and Evaluation Report

NE26P002501-11

Part I: Summary		Grant Type and Number		FFY of Grant: 2011	
PHA Name: Housing Authority of the City of Lincoln, Nebraska		Capital Fund Program Grant No: NEZ6P002501-11		FFY of Grant Approval:	
Date of CFFP:		Replacement Housing Factor Grant No:			
Type of Grant	Summary by Development Account	Original	Revised ²	Obligated	Total Actual Cost ¹
<input type="checkbox"/> Original Annual Statement	<input type="checkbox"/> Reserve for Disasters/Emergencies				
<input type="checkbox"/> Performance and Evaluation Report for Period Ending:	<input checked="" type="checkbox"/> Final Performance and Evaluation Report				
Line					
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)	52,021	44,540	44,540	44,540
5	1411 Audit				
6	1415 Liquidated Damages				
7	1430 Fees and Costs	40,000	28,223.36	28,223.36	28,223.36
8	1440 Site Acquisition				
9	1450 Site Improvement				
10	1460 Dwelling Structures	403,000	372,640.64	372,640.64	372,640.64
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 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: 2011	
PHA Name: Housing Authority of the City of Lincoln, Nebraska	Grant Type and Number Capital Fund Program Grant No: NE26F002501-11 Replacement Housing Factor Grant No: Date of CFFP:	FFY of Grant Approval:	
<input type="checkbox"/> Original Annual Statement <input type="checkbox"/> Reserve for Disasters/Emergencies <input type="checkbox"/> Performance and Evaluation Report for Period Ending: <input type="checkbox"/> Revised Annual Statement (revision no:) <input checked="" type="checkbox"/> Summary by Development Account <input checked="" type="checkbox"/> Final Performance and Evaluation Report			
Line	Summary by Development Account	Total Estimated Cost	Total Actual Cost ¹
		Original	Revised ² 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)	25,189	
20	Amount of Annual Grant: (sum of lines 2 - 19)	520,210	445,404
21	Amount of line 20 Related to LBP Activities		445,404.00
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>[Signature]</i>		Signature of Public Housing Director	
Date: 4/29/2013		Date	

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: 2011				
PHA Name: Housing Authority of the City of Lincoln, Nebraska		Capital Fund Program Grant No: NE26P002501-11 CFPP (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	Administration	1410		52,021	44,540	44,540	44,540	
HA/Wide	Fees and Costs	1430		28,000	22,383.36	22,383.36	22,383.36	Complete
002 MMA	Fees and Costs Design Work	1430		12,000	5,840	5,840	5,840	Complete
	Paint Halls	1460		13,000	15,337.44	15,337.44	15,337.44	Complete
	Replace Common Area Floor Coverings	1460		27,000	3,087.54	3,087.54	3,087.54	Complete
	Replace Building Compactor	1460		20,000	0	0	0	Move to CFP 2012
	Replace Mechanical Pipes-First Floor	1460		90,000	162,918	162,918	162,918.00	Complete
003 HALL	Replace Retaining Walls	1460	23	12,000	0			Complete
	Replace Concrete	1460	9	18,000	5,467.50	5,467.50	5,467.50	Complete
004 HAN	Replace Concrete	1460	28	12,000	19,610	19,610	19,610	Complete
	Replace Siding	1460	17	0	124,701.55	124,701.55	124,701.55	Complete
005 LAR	Replace Concrete	1460	10	8,000	7,797.48	7,797.48	7,797.48	Complete
006 PED	Replace Concrete	1460	4	9,000	990	990	990	Complete
009 P-30	Replace Retaining Walls	1460	8	20,000	0	0	0	Move to CFP 2012
	Replace Concrete	1460	7	0	1,595	1,595	1,595	Complete
011 A-12	Replace Concrete	1460	8	12,000	10,160	10,160	10,160	Complete
013 F-39	Repair Foundations	1460	1	50,000	15,176.13	15,176.13	15,176.13	Complete
	Replace Concrete	1460	22	28,000	0			Complete
	Replace Roofs	1460	1	84,000	5,800	5,800	5,800	Complete

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.

**Performance and Evaluation Report
Revised Annual Statement
Revision #2**

NE26P002501-12

2012 MTH

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 8/31/2011

Part I: Summary		Grant Type and Number		FFY of Grant: 2012	
PHA Name: Housing Authority of the City of Lincoln, Nebraska		Capital Fund Program Grant No: NE26P002501-12		FFY of Grant Approval:	
Type of Grant		Replacement Housing Factor Grant No:			
<input type="checkbox"/> Original Annual Statement <input checked="" type="checkbox"/> Performance and Evaluation Report for Period Ending: 9/30/2012		<input type="checkbox"/> Reserve for Disasters/Emergencies <input type="checkbox"/> Performance and Evaluation Report for Period Ending: 9/30/2012		<input checked="" type="checkbox"/> Revised Annual Statement (revision no: 2) <input type="checkbox"/> Final Performance and Evaluation Report	
Line	Summary by Development Account	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)	39,482	39,482	100.72	
5	1411 Audit				
6	1415 Liquidated Damages				
7	1430 Fees and Costs				
8	1440 Site Acquisition	32,000	28,000	10,634.01	
9	1450 Site Improvement				
10	1460 Dwelling Structures	352,864	84,545	14,075	
11	1465.i 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				
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)	10,000	0	0	
20	Amount of Annual Grant: (sum of lines 2 - 19)	\$394,829.00	\$152,027.00	\$24,809.73	
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	30,000	0	0	
Signature of Executive Director		Signature of Public Housing Director		Date	
<i>[Signature]</i>		<i>[Signature]</i>		11/9/12	

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 8/31/2011

Part II: Supporting Pages		Federal FFY of Grant:						
PHA Name: Housing Authority of the City of Lincoln, Nebraska		Grant Type and Number Capital Fund Program Grant No: NE26P002501-12 CFPP (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	Administration	1410		44,540	39,482	39,482	100.72	On Going
HA/WIDE	Fees and Costs	1430		38,000	32,000	28,000	10,634.01	On Going
002 MMA	Replace Hall Lights	1460		30,000	35,000	0		On Going
	Update Security System	1460		20,000	0			Removed
	Repair Concrete	1460		3,864	0	0		Removed
	Piping Common Areas	1460		0	0	0		Moved to FY 2011
	Replace Carpet Hallways	1460		0	29,000	0		
	<i>Common Areas</i> Replace Building Compactor	1460			17,000			
003 HALL	Replace Retaining Walls	1460	13	12,000	26,000	0		
	Repair Concrete	1460		9,000	6,873	6,873		
004 HANSEN	Repair Retaining Walls	1460	2	5,000	4,000			On Going
	Repair Concrete	1460		10,000	6,907.50	6,907.50		On Going
005 LARSON	Repair Concrete	1460		4,000	3,423.75	3,423.75		On Going
	Retaining Walls	1460	3		7,000			
	Replace Roofs	1460	12		52,000			
006 PED	Replace Retaining Walls	1460	5	11,000	10,000	0		
	Repair Concrete	1460		7,000	2,281.75	2,281.75		On Going
009 P-30	Replace Retaining Walls	1460	4	20,000	8,000			
	Repair Concrete	1460		7,000	6,843	6,843		On Going

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

Capital Fund Program

Five Year Action Plan

Capital Fund Program—Five-Year Action Plan

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

PHA Name/Number	H.A. of Lincoln (NE002)	Locality (City/County & State)	Lincoln, Nebraska	Original 5-Year Plan	Revision No:
Development Number and Name	Work Statement for Year 1 FFY 2013	Work Statement for Year 2 FFY 2014	Work Statement for Year 3 FFY 2015	Work Statement for Year 4 FFY 2016	Work Statement for Year 5 FFY 2017
A.		327,343	326,343	292,343	326,343
B.	Physical Improvements Subtotal				
C.	Management Improvements				
D.	PHA-Wide Non-dwelling Structures and Equipment				
E.	Administration	39,486	39,486	39,486	39,486
F.	Other	28,000	29,000	63,000	29,000
G.	Operations				
H.	Demolition				
I.	Development				
J.	Capital Fund Financing -- Debt Service				
K.	Total CFP Funds				
L.	Total Non-CFP Funds				
M.	Grand Total	394,829	394,829	394,829	394,829

Capital Fund Program—Five-Year Action Plan

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
OMB No. 2577-0226
Expires 4/30/20011

Part I: Summary (Continuation)

PHA Name/Number H.A. of Lincoln (NE002) Development Number and Name	Locality (City/county & State) Lincoln, Lancaster Co., Nebraska	Original 5-Year Plan					Revision No: Work Statement for Year 5 FFY 2017
		Work Statement for Year 1 FFY 2013	Work Statement for Year 2 FFY 2014	Work Statement for Year 3 FFY 2015	Work Statement for Year 4 FFY 2016	Work Statement for Year 5 FFY 2017	
HAWIDE Administration		39,486	39,486	39,486	39,486	39,486	39,486
HAWIDE Fees & Costs		28,000	29,000	29,000	63,000	29,000	29,000
002 MMA		161,000	14,000	115,000	8,100	5,000	5,000
003 HALL			57,200	8,100	32,800	48,000	48,000
004 HANSEN		32,000	88,464	32,800	20,400	60,000	60,000
005 LAR			55,600	20,400	56,400	46,000	46,000
006 PED		129,000	9,600	46,500	20,000	20,000	20,000
009 P-30			72,000	4,800	4,200	60,000	60,000
011 A-12			4,800	4,000	4,000	85,000	85,000
013F-39			16,500	8,179	4,943	2,343	2,343
HAWIDE Contingency		5,343	8,179	4,943			
TOTAL		394,829	394,829	394,829	394,829	394,829	394,829

Capital Fund Program—Five-Year Action Plan

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

Work Statement for Year 1 FFY 2013	Work Statement for Year 4 FFY 2016		Work Statement for Year 5 FFY 2017			
	Development Number/Name General Description of Major Work Categories	Quantity	Estimated Cost	Development Number/Name General Description of Major Work Categories	Quantity	Estimated Cost
	HAWIDE Administration		39,486	HAWIDE Administration		39,486
	HAWIDE Fees		29,000	HAWIDE Fees		29,000
	HAWIDE Capital Needs Assessment		34,000	002 MMA Concrete		5,000
	002 MMA Elevator		40,000	003 HALL Furnaces	24	48,000
	002 MMA Community Room Remodel		70,000	004 HAN Roofs	10	60,000
	002 MMA Section 504 Common Areas		5,000	005 LAR Furnaces	23	46,000
	003 HALL Blinds		6,900	006 PED Furnaces	10	20,000
	003 HALL CO2 Monitors		1,200	009 P-30 Furnaces	30	60,000
	004 HAN Blinds		14,400	013 F-39 Furnaces	15	30,000
	004 HAN CO2 Monitors		2,400	013 F-39 Water Tabs	10	50,000
	004 HAN Furnaces	8	16,000	013 F-39 Exhaust Fans		5,000
	005 LAR Blinds		7,200	HAWIDE Contingency		2,343
	005 LAR Section 504 Compliance		12,000			
	005 LAR CO2 Monitors		1,200			
	006 PED CO2 Monitors		1,200			
	006 PED Interior Doors		48,000			
	006 PED Blinds		7,200			
	009 P-30 Roofs	16	32,000			
	009 P-30 Blinds		9,000			
	009 P-30 CO2 Monitors		1,500			
	Subtotal of Estimated Cost		\$	Subtotal of Estimated Cost		\$ 394,829

Continued on Next Page

APPENDIX C

LHA Request and HUD Approval Letters

Regarding

VASH under MTW

Commissioners:
 Orville Jones, III, Chair
 Dallas McGee, Vice Chair
 Jan Gauger
 Georgia Glass
 Joy Ward



Executive Director
 Larry G. Potratz

P.O. Box 5327 • 5700 R Street • Lincoln, Nebraska 68505

September 8, 2011

Milan Ozdinec, Deputy Assistant Secretary
 U.S. Department of Housing and Urban Development
 Office of Public Housing and Voucher programs
 451 7th Street, SW
 Washington, DC 20410

SUBJECT: MTW flexibility for VASH participants

Dear Mr. Ozdinec:

The Housing Authority of Lincoln, Nebraska is proposing to operate the HUD Veterans Affairs Supportive Housing (VASH) program in accordance with our approved Moving to Work (MTW) standard agreement. Based on the success of our MTW policies, we would like to expand them to VASH participants.

The following table is a summary of LHA's MTW initiatives for the voucher program, along with our assessment as to whether or not the veteran would benefit from the MTW policy and if the policy has a conflict with VASH program policies.

MTW Initiative	VASH appropriate	In conflict with VASH policies
1. Coincide inspection due dates with annual re-exam dates. Biennial inspections for units that pass HQS at first inspection visit.	Veterans and VA case managers would benefit through the reduction in administrative work. It is easier to case manage when the inspections and annual re-examination dates coincide. Veterans and their landlords should be rewarded for maintaining their units to meet HQS standards.	
2. Biennial re-examinations for elderly and disabled	Veterans and VA case managers would benefit by the reduced administrative work and redundancy of meeting with PHA worker. Most VASH households are disabled thus this policy would reduce the veteran's PHA office visits to one in a two year period.	

3.	Asset Income and verifications- self-certification for assets under \$5,000 and assets over \$5,000 calculated at 2% of the face value	Veteran would benefit from the reduced verification standards as eligibility decisions could be completed faster.	
4.	Verifications- Accepting the last issued Social Security statement rather than requiring statement to be issued within 60 days.	Veteran would benefit from the reduced verification standards as eligibility decisions could be completed faster.	
5.	Earned Income Disregard, imputed welfare income and student earned income exclusions.	Veteran households tend to not be impacted by these policies.	
6.	Standard utility allowance designated by bedroom size only. No utility reimbursements issued.	Veterans and VA case managers would benefit from the policy simplification by understanding how to locate more affordable units. Tenant rent portions would reduce for some veterans, specifically for those who reside in units where utilities are included in the rent.	
7.	TTP calculated at 27% of gross income	Veteran would benefit as this would reduce the TTP of all current veteran households.	
8.	Maximum initial rent can not exceed 50% of monthly adjusted income.	Veterans would benefit through more housing choice opportunities.	
9.	90 day delay in interims for reducing employment income without good cause.		Exempt VASH participant from the policy as they are working in a self sufficiency program with the VA case manager.
10.	Income targeting will not be used in new admissions.		Not applicable- VA referrals controls the new admissions selection.
11.	Restricted Portability		Not applicable- VASH has it's own set of portability restrictions.

12.	Minimum Rent of \$25		Exempt- Veteran would be eligible for the hardship clause.
13.	Minimum Earned Income- work requirement of 25 hours per week @ minimum wage for adults who do not qualify for exemption.		Exempt VASH participant from the policy as they are working in self sufficiency program with VA case manager.

As noted in the table above, most of the initiatives would not conflict with the regulations or the intentions of the VASH program. Rather, these MTW initiatives would actually make the program administration more efficient for our agency and the Veteran's Affairs (VA) plus benefit the veteran served by the Lincoln Housing Authority (LHA). LHA has reviewed the above policy changes with the VA case manager and Program Coordinator who also support the proposed policy changes.

LHA is also requesting to submit all HUD-VASH participant 50058 records via the MTW-50058 to ensure all 50058 records are accepted and recorded properly in the PIH information Center (PIC) system.

We want to assure your office that LHA would at all times follow any and all applicable rules that are specific to the VASH program such as administering the program in accordance with HUD-VASH operating requirements, maintaining separate tracking of all HUD-VASH funds, using special program codes in the PIC system and continuing to report HUD-VASH separately from MTW vouchers. If you have any questions about this proposal please feel free to contact Seanna Collins, Tenant Based Housing Manager at (402) 434-5505 or seanna@l-housing.com.

Thank you for considering our request. We look forward to hearing back from you so we may start implementing these activities for our veterans as soon as possible.

Sincerely,


 Larry G. Potratz
 Executive Director

.cc Emily Cadik, MTW HUD Coordinator
 Michael Dennis, HUD Headquarters
 Laure Rawson, HUD Headquarters
 Phyllis Smelkinson, HUD Headquarters



U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
WASHINGTON, DC 20410-5000

ASSISTANT SECRETARY FOR
PUBLIC AND INDIAN HOUSING

September 21, 2011

Mr. Larry G. Potratz
Executive Director
Lincoln Housing Authority
P. O. Box 5327
5700 R Street
Lincoln, NE 68505

Dear Mr. Potratz:

On September 8, 2011, you submitted a request on behalf of the Lincoln Housing Authority (LHA) to establish alternative requirements to Section i. of the *Implementation of the HUD-VA Supportive Housing Program (Operating Requirements)* published in the Federal Register on May 6, 2008. This request included all Moving to Work (MTW) provisions that apply to the voucher program.

Section i. of the Operating Requirements states that HUD-Veterans Affairs Supportive Housing (HUD-VASH) vouchers must be administered in accordance with the Operating Requirements and are not eligible for fungibility under MTW agreements. Also, HUD-VASH vouchers must be reported on separately from vouchers under the agency's MTW Agreement.

Specifically, LHA requested to operate its 60 HUD-VASH vouchers in accordance with all applicable provisions of its MTW Agreement. LHA believes that administering all HUD-VASH vouchers in accordance with its MTW Agreement would simplify administration of the program and benefit the veterans.

In reviewing LHA's request, the standard applied is a straightforward one: HUD-VASH assistance must always be administered in accordance with the Operating Requirements, the statutory provisions governing this assistance (in particular, the requirements contained in the applicable Appropriations Act), and any other HUD-VASH voucher requirements (i.e., any supplemental requirements that are established in addition to those stated in the Operating Requirements). If a MTW Agreement provision is inconsistent with the HUD-VASH requirements, the latter requirements prevail with respect to administration of these vouchers.

LHA completed an assessment of 13 MTW initiatives that would be applied to the HUD-VASH voucher program. The Department agrees with LHA's assessment that the initiative would either benefit the veteran or not be applied. Therefore, it has been concluded that LHA's MTW initiatives do not conflict with the HUD-VASH voucher requirements (particularly those involving eligibility, admission and continued assistance for HUD-VASH veterans). Given this determination, and the fact that it should have no adverse impact on HUD-VASH families since hardship exemptions are provided, LHA may administer HUD-VASH vouchers under the MTW voucher provisions.

The approval to allow LHA to administer its HUD-VASH vouchers in accordance with its MTW Agreement does not extend to HUD-VASH program funding. HUD-VASH voucher funding is not eligible for fungibility and the funds must be accounted for separately in the Voucher Management System (VMS).

Please note that in accordance with Sections II.i. and III of the Operating Requirements, MTW agencies are required to use the regular form HUD-50058 for HUD-VASH families when reporting into the Public and Indian Housing Information Center (PIC), not the form HUD-50058 MTW. At your request, since LHA will be operating its HUD-VASH program in accordance with its MTW Agreement, LHA may report these families on the form HUD-50058 MTW since the rent calculations would be rejected on the regular form HUD-50058.

Your HUD-VASH program will be monitored through PIC reporting, VMS and information provided by the Department of Veterans Affairs. HUD reserves the right to withdraw or modify this approval at any time if, in HUD's determination, the MTW alternative requirements are having a negative impact on the veterans receiving assistance under the HUD-VASH program.

Should you wish to discuss this matter further, please contact Phyllis Smelkinson, Housing Program Specialist, Housing Voucher Management and Operations Division, at (202) 402-4138.

Sincerely,

Sr Sandra B. Henriquez
Sandra B. Henriquez
Assistant Secretary

APPENDIX D

Request for Inspection and Unit Information Form for the Statutory Requirements

**Request for Inspections and Unit Information
Moving to Work Housing Choice Voucher Program**



P.O. Box 5327 • 5700 R Street • Lincoln, NE 68505
Phone: (402) 434-5500 • Fax: (402) 434-5502

Owner:

Thank you for your interest in working with Lincoln Housing Authority to provide affordable housing.

Please complete and return the attached form with your potential tenant.

The form may be mailed, hand delivered, emailed, or faxed.

Return the form to:
Lincoln Housing Authority (LHA)
5700 R Street
Lincoln, NE 68505

Fax: (402) 434-5502
Email form to: JanetL@l-housing.com

An inspection of your unit will be scheduled once we receive the completed form. At the time of the appointment our inspector will determine if the unit meets minimum Housing Quality Standards (HQS) and the proposed rent is acceptable within the current market conditions.

If you have any questions about this form, the inspection or the process to participate as an owner with the Moving to Work Housing Choice Voucher program, please feel free to contact the Inspections Department at (402) 434-5522.

Owner Information Only

Lease Information

After the unit passes inspection and before LHA can approve the Housing Assistance Payment (HAP) contract with the owner, the owner must provide LHA a copy of the signed lease with the tenant.

The following items are required to be disclosed in the lease.

1. **Owner/Landlord** name and **Tenant(s)** name
2. **Contract Rent** (as approved by the inspector).
3. **Address** of the unit including any apartment number.
4. **The term of the lease** must match the HAP contract. The term must be for a 12 month period but not more than 12 months. Example lease starts on 01-15-12, then it must end 12-31-12.
5. **Renewal terms.** Will the lease continue month-to-month or year-to-year?
6. **Utilities.** State what utilities the owner will provide and what utilities the tenant will provide.
7. **Appliances.** State what appliances are provided by the owner such as stove, refrigerator, dishwasher, washer and dryer and etc.
8. **Signatures** by both the tenant and owner/property manager.

The HUD tenancy addendum will be attached to your lease once LHA approves the Housing Assistance Payment contract with you.

Payment Information

After the unit passes inspection, LHA will mail or email the owner a Housing Assistance Payment (HAP) contract. The owner will return the signed contract with their signed lease for LHA's approval. Once LHA approves the contract and lease, the payment will be issued to the owner via direct deposit. All Housing Assistance payments made to the owner is reported to the Internal Revenue Service (IRS) as indicated on the W-9 on file with LHA.

Please note: The owner (including a principal or other interested party) cannot be the parent, child, grandparent, grandchild, sister or brother of any member of the family unless LHA has determined (and has notified the owner and the family of such determination) that approving the lease of the unit, notwithstanding such a relationship, would provide reasonable accommodation for a family member who is a person with disabilities.

Inspection Incentive

Typically, LHA is required to inspect each assisted unit on a yearly basis. The incentive is if your unit passes inspection at the first inspection and does not require additional items to be rechecked at a later date, then LHA will skip the following year's required annual inspection.

Office Use Only

Inspection Date: _____
 Time: _____
 Inspector: _____
 Tenant name: _____



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 Phone: (402) 434-5500 • Fax: (402) 434-5502

The entire form must be completed and returned.

Unit Information

Address of Unit to be rented

Street Address _____ Apartment # _____ Zip Code _____

What are you proposing to charge for rent?

Rent Amount? _____ Date unit available for inspection? _____ # of bedrooms _____ Year constructed _____

Unit information

Unit Type: Check one

- Apartment
- Duplex
- House
- Town House/Row House
- Mobile Home
- Tri-plex

Who will be responsible to pay for the following utilities?

The tenant can be responsible any utilities provided to the unit as long as the utility is metered separately from other tenants and common areas.

Check box	Who pays?	Fuel type?
Heating	<input type="checkbox"/> Tenant <input type="checkbox"/> Owner	<input type="checkbox"/> Natural gas <input type="checkbox"/> Electric <input type="checkbox"/> Other _____
Cooling	<input type="checkbox"/> Tenant <input type="checkbox"/> Owner	<input type="checkbox"/> Natural gas <input type="checkbox"/> Electric <input type="checkbox"/> Other _____
Other Electric	<input type="checkbox"/> Tenant <input type="checkbox"/> Owner	<input type="checkbox"/> Natural gas <input type="checkbox"/> Electric <input type="checkbox"/> Other _____
Cooking	<input type="checkbox"/> Tenant <input type="checkbox"/> Owner	<input type="checkbox"/> Natural gas <input type="checkbox"/> Electric <input type="checkbox"/> Other _____
Water Heating	<input type="checkbox"/> Tenant <input type="checkbox"/> Owner	<input type="checkbox"/> Natural gas <input type="checkbox"/> Electric <input type="checkbox"/> Other _____
Water/Sewer	<input type="checkbox"/> Tenant <input type="checkbox"/> Owner	<input type="checkbox"/> Natural gas <input type="checkbox"/> Electric <input type="checkbox"/> Other _____
Trash collection	<input checked="" type="checkbox"/> Owner: Lincoln Municipal Code	

Who will be responsible to provide the following appliances?

Check box	Who provides?	What utility does it use?
Range/Stove	<input type="checkbox"/> Owner <input type="checkbox"/> Tenant	<input type="checkbox"/> Gas <input type="checkbox"/> Electric
Refrigerator	<input type="checkbox"/> Owner <input type="checkbox"/> Tenant	

Please check the box, if the owner will provide the following

Dishwasher Disposal Washer Dryer Microwave Garage

Are you related to any household member who will be residing in the unit? Yes No

If yes, how are you related? _____

Is this unit federally subsidized by another program? Yes No

If yes, check the box that indicates the type of subsidy.

Home Section 202 Section 221(d)(3)(BMIR) Tax Credit

Section 236 (Insured and noninsured) Section 515 Rural Development Other _____

Indicate the number of units in the building or apartment complex _____
 (If 5 or more units, please complete the following comparison.)

Provide three (3) comparisons of contract rent for any "unassisted" units that are similar to the unit listed above, i.e. same bedroom size, and located within the same premise. Start with comparable units with lowest rent first.

Address and unit number	Rent amount	Date lease/rent started



Please note that LHA has not screened the family's behavior or suitability for tenancy. Screening is the owner's own responsibility.

Tenant and Owner Representative: By signing this form, you certify the information given to Lincoln Housing Authority is accurate and complete to the best of your knowledge and belief.

Print or Type Name of Owner/Owner Representative		Print or Type Name of Household Head	
Signature		Signature (Household Head)	
Business Address (street, city, state and zip)		Present Address of Family (street, apartment no., city, state, & zip)	
Telephone	Date (mm/dd/yyyy)	Telephone Number	Date (mm/dd/yyyy)
Owner or property manager Email address			

Check box if you do not want to receive contract and other documents through email

Attention Owner/Manager- Check Proceeds will be reported to the IRS as indicated on the W-9 on file with LHA. Please complete the following as it appears on the W-9 on file with Lincoln Housing Authority.

Owner Name:
Owner Social Security Number or Federal ID number:

ESTIMATE ONLY!

If Rent is equal to or exceeds \$ _____ (target rent) then the Maximum Payment from LHA will be \$ _____.

Final payment determination is made after contracts are approved by LHA.

Move-In Date & Assistance Start Date

The **owner** and **tenant** decide when the tenant can move into the unit; LHA recommends the tenant waits to move into the unit until after the unit has passed inspection.

Housing Assistance cannot start prior to _____, the date the unit passes inspection or the date the tenant moves into the unit, whichever occurs last.

Tenant Information

Tenant/Applicant name _____ #SSN _____

____ Voucher BR Size ____ Family Size Minors under 6 years old: Yes No

Next Annual Re-exam to be completed by _____

Housing Representative _____ Payment Standard _____ Target rent _____

Disclosure of Information on Lead-Based Paint and Lead-Based Paint Hazards - Lead Warning Statement

Housing built before 1978 may contain lead-based paint. Lead from paint chips and dust can pose health hazards if not taken care of properly. Lead exposure is especially harmful to young children and pregnant women. Before renting pre-1978 housing landlords must disclose the presence of known lead-based paint and lead-based paint hazards in the dwelling. Lessees must also receive a Federally approved pamphlet on lead poisoning prevention.

Owner please complete with tenant or provide a copy of your lead-based paint disclosure statement.

Non-applicable - Unit was built after 1978 (If you checked box, skip to Certification of Accuracy Section)

Lessor's (Owner) Disclosure (Owner initial where applicable)

Initial _____ (a) Presence of lead-based paint or lead-based paint hazards (check one below):

Known lead-based paint and/or lead-based paint hazards are present in the housing (explain).

Lessor has no knowledge of lead-based paint and/or lead-based paint hazards in the housing.

Initial _____ (b) Records and reports available to the lessor (check one below):

Lessor has provided the lessee with all available records and reports pertaining to lead-based paint and/or lead-based paint hazards in the housing (list documents below).

Lessor has no reports or records pertaining to lead-based paint and/or lead-based paint hazards in the housing.

Lessee's (Tenant) Acknowledgment (Tenant initial where applicable)

Initial _____ (c) Lessee has received copies of all information listed above.

Initial _____ (d) Lessee has received the pamphlet Protect Your Family from Lead in Your Home.

Agent's Acknowledgment (Agent initial if applicable)

Initial _____ (e) Agent has informed the lessor of the lessor's obligations under 42 U.S.C. 4852(d) and is aware of his/her responsibility to ensure compliance.

Certification of Accuracy

The following parties have reviewed the information above and certify, to the best of their knowledge, that the information provided by the signatory is true and accurate.

Lessor (Owner) _____ Date _____

Lessee (Tenant) _____ Date _____