The Housing Authority of the City of Lincoln, Nebraska

MOVING TO WORK ANNUAL REPORT

Fiscal Year 2013-2014

Submitted: June 23, 2014

<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 t he end of the housing authority's 2018 Fiscal Year. The required elements of the report are detailed in HUD Form 50900 (OMB Control Number: 2577-0216 Expiration Date: 05/31/2016)

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I. Introduction

The Lincoln Housing Authority is one of a small number of housing authorities across the country participating in the U.S. Department of Housing and Urban Development (HUD) Moving to Work demonstration program. Originally authorized under the Omnibus Consolidated Rescissions and Appropriations Act of 1996, the MTW program offers public housing authorities the opportunity to design and test innovative, locally-designed housing and self-sufficiency strategies. The statutory goals of the MTW demonstration are:

- Reduce cost and achieve greater cost effectiveness in Federal expenditures
- Give incentives to families with children where the head of household is working, is seeking work, or is preparing for work by participating in job training, educational programs, or programs that assist people to obtain employment and become economically self-sufficient; and
- Increase housing choices for low-income families.

Lincoln Housing Authority and HUD entered into a five-year MTW Agreement in May, 1999. This agreement was amended several times to extend the demonstration program. In 2008, a new Amended and Restated MTW Agreement was signed. This new agreement extends the MTW demonstration at Lincoln Housing Authority until 2018.

From the beginning of the demonstration, 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. However, funding decisions at the federal level eliminated new voucher issuance during the period of February 2013 through December 2013.

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 additional

rental units, 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 city of Lincoln and the state of Nebraska have been fortunate to have maintained low unemployment rates over the past several years. This has been an important factor in the Moving to Work Demonstration. The Nebraska Department of Labor reports the statewide unemployment rate in March of 2014 was 3.8%. The national unemployment rate of the same period was 6.7%. The Lincoln Metropolitan Statistical Area (MSA) had an unemployment rate of 3.5% followed by a 2.9% rate in April 2014. The low unemployment rate is a positive sign for Lincoln and continued success of the housing authority's MTW initiatives.

Since beginning the Moving To Work program, Lincoln Housing Authority 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 has been needlessly complicated for participants, landlords, and implementing staff. The complexity of the system resulted in several areas where errors occurred with substantial frequency. Tenants have been confused about deductions allowed and disallowed and how their portion of rent is determined. Landlords have been frustrated by the amount of paperwork and complex rules and regulations that the landlord must follow to be paid. The complexity has limited 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.

PROGRESS REPORT ON GOALS AND OBJECTIVES

Goals and Objectives

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.

PROGRESS REPORT: Since the beginning of the MTW initiative, LHA has had a Minimum Earned Income (MEI) requirement which serves as an incentive to work. Two notable exemptions to this requirement are given for participants who are involved in education or approved self-sufficiency programs. We have MOUs with state government and local non-profits to provide self-sufficiency programs for purposes of this exemption. LHA rewards working families by not immediately increasing rent as participants go to work or advance in their work. Rather, that increase in rent is delayed until the household's next annual review. A positive indicator of the success of this objective is the employment rate in non-elderly and non-disabled households: 90% in public housing and 73% in housing choice vouchers. In addition, approximately 20% of our households end their participation in federal housing assistance each year.

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. Simplification also reduces the burden on tenants by requiring fewer meetings and fewer documents.

- 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.

PROGRESS REPORT: LHA has implemented several initiatives to simplify our programs to improve tenant satisfaction, reduce errors, and make more effective use of staff time. These initiatives have been effective and have allowed us to increase the number of vouchers, work with special programs such as VASH and Mainstream, and participate in the low-income tax credit program while concurrently reducing the total number of staff in the agency. Through our agency planning process, resident and landlord advisory boards, resident councils, participation in the Lincoln Human Services Federation and numerous other community groups, we are able to interact with key stakeholders and obtain both formal and informal feedback on housing authority operations.

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.

PROGRESS REPORT: Our housing choice voucher data shows clearly we have been able to increase the spatial dispersal of rental units including housing opportunities outside areas of low-income concentration. Through participation in the low income tax credit program and bond-financing, LHA has developed 342 units over the past 15 years in moderate and upper income growth neighborhoods. Through participation in special voucher programs, we have also increased our baseline vouchers from 2,604 to 2,741 during our participation in MTW. On the horizon, LHA is working to acquire a 10-acre parcel of land to be developed in 2015 which will provide new affordable housing opportunities in a moderate income neighborhood.

MTW INITIATIVES

For LHAs fiscal year 2013-2014, the housing authority continued to implement the following MTW initiatives. These are described and reported on in Section IV. Approved Activities:

Rent Reform Initiatives

-Interim Reexaminations
-Minimum Earned Income
-Rent Calculations at 27% with no deductions
-Rent Burden (Rent Choice) Capped at 50% (voucher only)
-Average Utility Allowances (voucher only)

Other Initiatives

-Income Eligibility
-Responsible 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
-RentWise Tenant Education
-Resident Services Program at Crossroads House

II. General Housing Authority Operating Information

A. HOUSING STOCK INFORMATION

New Housing Choice Vouchers that were Project-Based During the Fiscal Year

Property Name	Anticipated Number of New Vouchers to be Project-Based *	Actual Number of New Vouchers that were Project-Based	Description of Project
To Be Selected	0	0	LHA has an ongoing plan to accept applications to project-base 20 vouchers to serve persons with disabilities. The project will be selected through an other competitive process and will have a separate, site-based waiting list.
Crosroads House	15	25	LHA has been working on a three year transition to project-based vouchers at Crossroads House which has 58 units in total. Fiscal year 2014-2015 is the final year of the three year transition.

Anticipated Total Number of New Vouchers to be Project-Based *	Actual Total Number of New Vouchers that were Project-Based
15	25

Anticipated Total Number of Project-Based Vouchers Committed at the End of the Fiscal Year *	Anticipated Total Number of Project-Based Vouchers Leased Up or Issued to a Potential Tenant at the End of the Fiscal Year *
58	39

Actual Total Number of Project-Based Vouchers Committed at the End of the Fiscal Year	Actual Total Number of Project-Based Vouchers Leased Up or Issued to a Potential Tenant at the End of the Fiscal Year
58	49

* From the Plan

Other Changes to the Housing Stock that Occurred During the Fiscal Year

There were no changes in housing stock as described in the examples below.

Mahoney Manor is a 120-unit public housing high rise for elderly and near-elderly. Substantial planning was done during the year for modernization and rehabilitation of common areas of the building. Work is anticipated for FY 2014-2015. This will not have a direct effect on individual tenant apartments.

LHA is negotiating to acquire a 10 acre tract of land which will be used to develop up to 72 apartments. The development will not use federal MTW funds but an application for low income tax credits will be completed. Construction is anticipated to begin in 2015.

Examples of the types of other changes can include but are not limited to units that are held off-line due to the relocation of residents, units that are off-line due to substantial rehabilitation and potential plans for acquiring units.

General Description of Actual Capital Fund Expenditures During the Plan Year

All 2011 Capital Funds were expended prior to the start of the fiscal year although the grant was not closed out by HUD until August of 2013.

The Lincoln Housing Authority received $394,829.00 in 2012 Capital Fund dollars. All funds were obligated by the end of January, 2014, and all but $1,600 was expended by the end of the fiscal year. The funds were spent on a variety of small projects, all less than 20% of the total funds available. The largest projects were the replacement of retaining walls and concrete repair at various scattered-site houses ($84,530.00 and $61,826.00 respectively).

Other projects included the replacement of roofs, gutters and down spouts at nine scattered-site single-family houses including five Larson roofs, the remainder of which were completed with 2013 funds (see below), two foundation repair projects, the replacement of a deck at one unit and a second phase of concrete repair. New flooring in the hallways and common spaces, energy efficient lighting in common areas and a new trash compactor were installed at Mahoney Manor, a high-rise apartment building for seniors. The remainder of the funds were spent on the replacement of water taps at six F-39 scattered-site units.

The Lincoln Housing Authority received $382,289.00 in 2013 Capital Fund dollars. To date, two roofing projects (a portion of the Larson roofs - $83,068.65 and A-12 roofs - $52,180.00) at scattered-site single-family houses have been completed; the projects include the replacement of gutters and down spouts. A third roofing project (F-39 roofs - $20,165.50) is underway. The remainder of the funds were to be spent on the replacement of the make-up air unit at Mahoney Manor. That work was bid in December, but only one bid was received and the bid was considerably over budget. The work is to be re-bid at a later date, possibly with other proposed improvements to Mahoney Manor common spaces discussed under Section V: Description of Activities that use only MTW Single Fund Flexibility. The remainder of the funds will be used to replace air conditioners in the Hansen scattered-site single-family houses later in the year.

Overview of Other Housing Owned and/or Managed by the PHA at Fiscal Year End		
Housing Program *	**Total Units**	**Overview of the Program**
New 32 Section 8 New Construction	32	Scattered site Section 8 New Construction
Burke Plaza Section 8 New Construction	91	Section 8 New Construction for elderly or disabled
Arnold Heights Locally Funded	468	Affordable Market Rate Housing owned by Lincoln Housing Authority
Lynn Creek Locally Funded	16	Affordable Market Rate Housing--Income restricted (<80% of median income); owned by Lincoln Housing Authority
Northwood Terrace Locally Funded	78	Affordable Market Rate Housing--Income restricted (<80% of median income); owned by Lincoln Housing Authority
Heritage Square Locally Funded	47	Affordable Market Rate Housing--Income restricted (<80% of median income); owned by Lincoln Housing Authority
Wood Bridge Townhomes and Apartments Locally Funded	65	Affordable Market Rate Housing--income restricted (<100% of median income); owned by Lincoln Housing Authority
Wood Bridge Townhomes and Apartments Locally Funded	65	Below Market Rents--income restricted (<60% of median income); owned by Lincoln Housing Authority
Summer Hill Townhomes and Apartments Locally Funded	68	Affordable Market Rate Housing--income restricted (<100% of median income); owned by Lincoln Housing Authority
Summer Hill Townhomes and Apartments Locally Funded	68	Below Market Rents--income restricted (<60% of median income); owned by Lincoln Housing Authority
Prairie Crossing Apartments Locally Funded	33	Affordable Market Rents---Income restricted (<100% of median income); managed by Lincoln Housing Authority
Prairie Crossing Apartments Tax Credit Funded	43	Tax Credit Project---Income restricted (<60% of median income); managed by Lincoln Housing Authority
Total Other Housing Owned and/or Managed	1,074	

*** Select Housing Program from:** Tax-Credit, State Funded, Locally Funded, Market-Rate, Non-MTW HUD Funded, Managing Developments for other non-MTW Public Housing Authorities, or Other.

If Other, please describe: **Not Applicable**

B. MTW Report: Leasing Information

Actual Number of Households Served at the End of the Fiscal Year

Housing Program:	Number of Households Served*	
	Planned	Actual
Number of Units that were Occupied/Leased through Local Non-Traditional MTW Funded Property-Based Assistance Programs **	0	0
Number of Units that were Occupied/Leased through Local Non-Traditional MTW Funded Tenant-Based Assistance Programs **	0	0
Port-In Vouchers (not absorbed)	N/A	20.5
Total Projected and Actual Households Served	0	20.5

* Calculated by dividing the planned/actual number of unit months occupied/leased by 12.

** In instances when a Local, Non-Traditional program provides a certain subsidy level but does not specify a number of units/Households Served, the PHA should estimate the number of Households served.

Housing Program:	Unit Months Occupied/Leased****	
	Planned	Actual
Number of Units that were Occupied/Leased through Local Non-Traditional MTW Funded Property-Based Assistance Programs ***	0	0
Number of Units that were Occupied/Leased through Local Non-Traditional MTW Funded Tenant-Based Assistance Programs ***	0	0
Port-In Vouchers (not absorbed)	N/A	246
Total Projected and Annual Unit Months Occupied/Leased	0	246

N/A from above chart: An estimate of port-in vouchers was not requested in the previous plan.

*** In instances when a local, non-traditional program provides a certain subsidy level but does not specify a number of units/Households Served, the PHA should estimate the number of households served.

**** Unit Months Occupied/Leased is the total number of months the housing PHA has occupied/leased units, according to unit category during the year.

	Average Number of Households Served Per Month	Total Number of Households Served During the Year
Households Served through Local Non-Traditional Services Only	39	468

Reporting Compliance with Statutory MTW Requirements: 75% of Families Assisted are Very Low-Income

HUD will verify compliance with the statutory objective of "assuring that at least 75 percent of the families assisted by the Agency are very low-income families" is being achieved by examining public housing and Housing Choice Voucher family characteristics as submitted into the PIC or its successor system utilizing current resident data at the end of the agency's fiscal year. The PHA will provide information on local, non-traditional families provided with housing assistance at the end of the PHA fiscal year, not reported in PIC or its successor system, in the following format:

Fiscal Year:	2011	2012	2013	2014	2015	2016	2017	2018
Total Number of Local, Non-Traditional MTW Households Assisted	0	0	0	0	-	-	-	-
Number of Local, Non-Traditional MTW Households with Incomes Below 50% of Area Median Income	0	0	0	0	-	-	-	-
Percentage of Local, Non-Traditional MTW Households with Incomes Below 50% of Area Median Income	NA	NA	NA	NA	-	-	-	-

Reporting Compliance with Statutory MTW Requirements: Maintain Comparable Mix

In order to demonstrate that the statutory objective of "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" is being achieved, the PHA will provide information in the following formats:

Baseline for the Mix of Family Sizes Served

Family Size:	Occupied Number of Public Housing units by Household Size when PHA Entered MTW	Utilized Number of Section 8 Vouchers by Household Size when PHA Entered MTW	Non-MTW Adjustments to the Distribution of Household Sizes *	Baseline Number of Household Sizes to be Maintained	Baseline Percentages of Family Sizes to be Maintained
1 Person	122	964	0	1,086	37.1%
2 Person	32	651	0	683	23.4%
3 Person	64	469	0	533	18.2%
4 Person	51	286	0	337	11.5%
5 Person	26	130	0	156	5.3%
6+ Person	25	104	0	129	4.4%
Totals	320	2,604	0	2,924	100.0%

Explanation for Baseline Adjustments to the Distribution of Household Sizes Utilized	No adjustments

Mix of Family Sizes Served

	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person	Totals
Baseline Percentages of Household Sizes to be Maintained	**37.1%**	**23.4%**	**18.2%**	**11.5%**	**5.3%**	**4.4%**	**100.0%**
Number of Households Served by Family Size this Fiscal Year ***	**1,083**	**595**	**509**	**393**	**293**	**252**	**3,125**
Percentages of Households Served by Household Size this Fiscal	**34.66%**	**19.04%**	**16.29%**	**12.58%**	**9.38%**	**8.06%**	**100.01%**
Percentage Change	**-6.7%**	**-18.5%**	**-10.6%**	**9.2%**	**77.0%**	**82.7%**	**0.0%**
Local Percentage Change (Baseline Percent minus Current	**-2.5%**	**-4.32%**	**-1.94%**	**1.05%**	**4.08%**	**3.65%**	**0.05%**

Justification and Explanation for Family Size Variations of Over 5% from the Baseline Percentages	**The baseline numbers were calculated from a June 1999 MTCS report (precursor to PIC). We are uncertain of the accuracy of the MTCS numbers at that time, but it is the only data we have from that time period. LHA has not implemented any MTW activities that would affect the distribution of household sizes other than the combination of the voucher and certificate program into one voucher program at the beginning of the demonstration. All non-MTW agencies have since done this also. The change from certificates to vouchers would affect the mix of families offered from the waiting list, since the Certificate program had set numbers of Certificates by bedroom size, and selection from the waiting list was determined by the bedroom size of the Certificate available. The switch to an all Voucher program results in the next family on the waiting list getting assistance regardless of family size or bedroom size. Over time the voucher program will more accurately reflect the distribution of families applying and the mix of preferences used. It does appear that over the last 15 years we have migrated toward serving more larger families. This would be a reflection of the demographics of our waiting list and not based on anything LHA has done through MTW.** **The HUD-spreadsheet "percentage change" overstates the impact of the normal changes in tenant family mix over time. With the small number of households in each category, small changes in household numbers over time can look like large percentage changes. In this method of calculation the proposed 5% threshhold is meaningless. A more accurate measure of changes in the MIX of familes served is to look at the differences between the baseline and current percentages, as shown in the row labeled "Local Percentage Change". Under this corrected calculation, the 5% threshhold makes more sense and LHA is below that threshhold.**

* "Non-MTW adjustments to the distribution of family sizes" are defined as factors that are outside the control of the PHA. Acceptable "non-MTW adjustments" include, but are not limited to, demographic changes in the community's population. If the PHA includes non-MTW adjustments, HUD expects the explanations of the factors to be thorough and to include information substantiating the numbers used.

** The numbers in this row will be the same numbers in the chart above listed under the column "Baseline percentages of family sizes to be maintained."

*** The methodology used to obtain these figures will be the same methodology used to determine the "Occupied number of Public Housing units by family size when PHA entered MTW" and "Utilized number of Section 8 Vouchers by family size when PHA entered MTW" in the table immediately above.

**** The "Percentages of families served by family size this fiscal year" will reflect adjustments to the mix of families served that are directly due to decisions the PHA has made. HUD expects that in the course of the demonstration, PHAs will make decisions that may alter the number of families served.

Description of any Issues Related to Leasing of Public Housing, Housing Choice Vouchers or Local, Non-Traditional Units and Solutions at Fiscal Year End	
Housing Program	**Description of Leasing Issues and Solutions**
Public Housing	Lincoln Housing Authority has 320 public housing units. Sixty-seven units vacated which reflects normal tenant turnover. The turnover included 22 Mahoney Manor units and 45 scattered-site family units. The Mahoney Manor turnover is consistent with prior years. The family unit turnover increased this year after several years of lower turnover, but is within the historical norms. We continue to see increased demands for higher levels of amenities. This makes it more difficult to rent some public housing units including some 0-bedroom units at Mahoney Manor. We have experienced increased turnover at Mahoney Manor for the past several years and more difficulty re-leasing apartments, which has contributed to longer unit turnover times. Mahoney Manor is a high-rise 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 would prefer to have 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 modernizing. We continue to plan for major improvements to the common spaces in the building, including a new first floor community room, new maintenance work space, new expanded parking, and redesigning the office space and front entrance lobby. The current level of funding for the Capital Fund Program will not support major alterations, and we have allocated reserve funds for this purpose utilizing MTW flexibility. The family Public Housing units consist entirely of single-family and duplex, scattered site homes. They are in 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. There are occasional difficulties re-leasing some units based on location and applicant preferences, but we have no sustained vacancy issues.
Housing Choice Vouchers	Lincoln Housing Authority utilized 98.7% of the 2,916 authorized MTW vouchers in CY13 despite program funding issues caused by sequestration. At the time of sequestration the MTW voucher program was utilizing 100% of the MTW vouchers which put the program into a funding shortfall. LHA applied and received set-aside funding to assist with the funding shortfall. Unfortunately a stipulation was placed on the MTW voucher program that no new vouchers could be issued until January 1, 2014. As attritrion continued at approximately 45 vouchers a month with no option to lease vouchers, LHA's voucher utilization rate substantially declined to 89% by the end of FY14. Since January 2014 we have been aggressively issuing approximately 100 new vouchers a month. Unfortunately these voucher holders are searching in a "tight" rental market and leasing with new vouchers is slow. Even with attempts to reduce the paperwork burden by emailing and faxing and simplfying the Request for Tenancy Approval form, the landlords are not interested in participating with the voucher program with low vacancy rates. Fair Market Rents only slightly increased in October which was not reflective of the current rental market. Due to the funding reductions, LHA was unable to increase payment standards to be reflective of the market standards which is also playing a role in slow increase to voucher utilization. In addition, families are finding it difficult to secure a rental unit because they do not have funds for security deposits or have poor rental histories. Lincoln Housing Authority manages a homeless deposit assistance program funded by the City of Lincoln through their HOME funds to assist with this issue. The Authority continues to work in partnership with other human service agencies to promote tenant education through an established curriculum entitled "Nebraska RentWise." See MTW Initiative #7 RentWise Tenant Education.
VASH Vouchers	LHA's VASH voucher authorization level was 70 vouchers until July 1, 2013 when the authorization level was increased to 80 HUD-VASH vouchers. VASH voucher utilization is solely dependent on the Veterans Affairs (VA) for referrals to admit applicants to the voucher program. LHA facilitates voucher utilization by scheduling appointments within seven days of the VA's request and making new admissions a priority within our workloads. The dependency on the VA to submit adequate referrals to the VASH program attributed to only reaching a 83.8% leasing rate by the end of FY14. In March 2014, the VA assigned a VA Housing Specialist from Omaha to assist with improving the VASH voucher utilization rate. LHA management is meeting weekly with the VA to problem solve ways to increase VASH voucher utilization; as a result, utilization has been increased to close to 100%.
Mainstream Housing Opportunity Vouchers	Mainstream vouchers maintained an average FY14 voucher utilization rate of 96.7%. These vouchers have experienced similar hardships and issues as the MTW vouchers experienced this past fiscal year.

Number of Households Transitioned To Self-Sufficiency by Fiscal Year End		
Activity Name/#	**Number of Households Transitioned ***	**Agency Definition of Self Sufficiency**
Rent Reform #1, #2, #3	369	Households who voluntarily ended participation in rental assistance
HUD FSS Program (not MTW activity)	16	Regular FSS Program & Criteria
Households Duplicated Across Activities/Definitions	7	* The number provided here should match the outcome reported where metric SS #8 is used.
ANNUAL TOTAL NUMBER OF HOUSEHOLDS TRANSITIONED TO SELF SUFFICIENCY	378	

C. MTW Report: Wait List Information

Wait List Information at Fiscal Year End

Housing Program(s) *	Wait List Type **	Number of Households on Wait List	Wait List Open, Partially Open or Closed ***	Was the Wait List Opened During the Fiscal Year
Housing Choice Voucher	Community Wide	6,122	Open	Yes
Public Housing--Family	Community Wide	703	Open	Yes
Public Housing--Mahoney Manor	Site-Based	80	Open	Yes
Mainstream Housing Vouchers	Program Specific	702	Open	Yes
VASH Vouchers	Program Specific	0	Open	Yes
Crossroads House--PBV	Site-Based	58	Open	Yes

More can be added if needed.

* *Select Housing Program* : Federal MTW Public Housing Units; Federal MTW Housing Choice Voucher Program; Federal non-MTW Housing Choice Voucher Units; Tenant-Based Local, Non-Traditional MTW Housing Assistance Program; Project-Based Local, Non-Traditional MTW Housing Assistance Program; and Combined Tenant-Based and Project-Based Local, Non-Traditional MTW Housing Assistance Program.

** *Select Wait List Types:* Community-Wide, Site-Based, Merged (Combined Public Housing or Voucher Wait List), Program Specific (Limited by HUD or Local PHA Rules to Certain Categories of Households which are Described in the Rules for Program Participation), None (If the Program is a New Wait List, Not an Existing Wait List), or Other (Please Provide a Brief Description of this Wait List Type).

*** For Partially Open Wait Lists, provide a description of the populations for which the waiting list is open.

Not applicable

If Local, Non-Traditional Program, please describe:

Not Applicable

If Other Wait List Type, please describe:

Not Applicable

If there are any changes to the organizational structure of the wait list or policy changes regarding the wait list, provide a narrative detailing these changes.

No Changes

III. Proposed MTW Activities

All proposed activities that are granted approval by HUD are reported on in Section IV as Approved Activities.

IV. Approved MTW Activities: HUD approval previously granted

A: IMPLEMENTED ACTIVITIES

Rent Reform Initiatives		
Number	**Description**	**Statutory Objective**
Rent Reform 1	Interim Re-examinations	-Cost Effectiveness -Self-Sufficiency
Rent Reform 2	Minimum Earned Income	-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 & Rent Reasonableness Determinations	-Cost Effectiveness
Initiative 6	Project-Based Voucher Units	-Housing Choice -Cost Effectiveness
Initiative 7	RentWise Tenant Education	-Housing Choice -Cost Effectiveness
Initiative 8	Resident Services Program	-Housing Choice

On the following pages, the following abbreviations are used: CE = Cost Effectiveness; HC = Housing Choice; and SS = Self-Sufficiency.

In May, 2013, a revised HUD Form 50900 was approved for use by the Office of Management and Budget (OMB). HUD Form 50900 provides details on the required elements of the Annual MTW and Annual MTW Report. The new form requires the use of standard metrics, as applicable, in order to allow HUD to analyze and aggregate data across all PHA's with similar activities. On the following pages, we have identified the standard metric(s) applicable to each initiative.

Rent Reform 1

ACTIVITY: INTERIM RE-EXAMINATIONS

Programs Affected: 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

DESCRIPTION OF ACTIVITY

This initiative reduces the requirement for interim re-examinations:

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 plan (Rent Reform #2).

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 above polices 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. As family income increases, the family is 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 incorporated this part of Lincoln Housing Authority's MTW initiative on interim reexaminations.

IMPACT AND OUTCOME

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.

A local benchmark (see Additional Local Metrics below) 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 incentified to seek new employment because a rent decrease was not forthcoming. We use a point in time system for data collection for this local metric and our data shows that job changes or job losses in more than 50% of households did not result in a rent decrease. 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.

Hardship data is also shown below in Additional Local Metrics.

HUD STANDARD METRICS

For this initiative, LHA is using the following standard metrics from Form 50900:

CE #1 Agency Cost Savings				
HUD Instructions for this metric are shown in the following two rows.				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved**
Total cost of task in dollars (decrease)	Cost of task prior to implementation of the activity in (dollars).	Expected cost of the task after implementation of the activity (in dollars)	Actual cost of the task after implementation of the activity (in dollars)	Whether the outcome meets or exceeds the benchmark
Rent Reform #1 Interim Re-examinations				
This initiative reduces the number of required interim re-examinations for decreases in earned income. The baseline agency cost is calculated from the number of interim re-examinations (see CE #2) that were required for decreases in household income prior to the initiative. Through this initiative, the interim reviews are no longer required				
Unit of Measurement	**Baseline (November 2013)**	**Benchmark**	**Outcome**	**Benchmark Achieved**
Total cost of Interim re-examinations under this initiative (decrease).	Staff labor = 90 hours (See CE#2) X $27.14 per hour = **$2,443**	$0	Staff labor = 0 hours (See CE#2) X $27.14 per hour = $0	Yes

CE #2 Staff Time Savings				
HUD Instructions for this metric are shown in the following two rows.				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved**
Total time to complete the task in staff hours (decrease)	Total amount of staff time dedicated to the task prior to implementation of the activity (in hours).	Expected amount of total staff time dedicated to the task after implementation of the activity (in hours).	Actual amount of total staff time dedicated to the task after implementation of the activity (in hours).	Whether the outcome meets or exceeds the benchmark
Rent Reform #1 Interim Re-examinations				
This initiative reduces the number of required interim re-examinations for decreases in earned income. The baseline is a measure of the number of additional interim re-examinations that were performed without this Rent Reform #1 Initiative on Interim Re-examinations. This baseline level was 120 interim re-examinations per year at .75 hours per interim re-examination.				
Unit of Measurement	**Baseline (November 2013)**	**Benchmark**	**Outcome**	**Benchmark Achieved**
Number of interim re-examinations under this initiative	120 interim re-examinations .75 hours per interim re-examination = **90 hours**	0 hours	0 additional interim re-examinations @. 75 hour per interim re-examinations = 0 hours	Yes

CE #5 Increase in Agency Rental Revenue				
HUD Instructions for this metric are shown in the following two rows.				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved**
Rental revenue in dollars	Rental revenue prior to implementation of the activity (in dollars).	Expected rental revenue after implementation of the activity (in dollars)	Actual rental revenue after implementation of the activity (in dollars).	Whether the outcome meets or exceeds the benchmark
Rent Reform #1 Interim Re-examinations				
This change to the interim re-examination policy was not intended and will not have significant effect on rental revenue. However, we expect total revenue to go up moderately over time due to inflation				
Unit of Measurement	**Baseline (FY 2008)**	**Benchmark**	**Outcome**	**Benchmark Achieved**
Rental revenue in dollars	HCV: $7,331,316 PH: $ 997,006 TOTAL REVENUE: $8,328,322	HCV: $8,371,740 PH: $1,124,261 TOTAL REVENUE: $9,496,001	HCV: $ 8,216,418 PH: $1,134,843 TOTAL REVENUE: $9,351,261	Yes—outcome is within 1.5% of benchmark which is not a significant difference.

SS #1 Increase in Household Income				
HUD Instructions for this metric are shown in the following two rows.				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved**
Average earned income of households affected by this policy in dollars (increase)	Average earned income of households affected by this policy prior to implementation of the activity in (dollars)	Expected averaged earned income of households affected by this policy prior to implementation of the activity (in dollars).	Actual average earned income of households affected by this policy after implementation (in dollars)	Whether the outcome meets or exceeds the benchmark
Rent Reform #1 Interim Re-examinations				
The data for this initiative is the average earned income of households that have earned income. Households without earned income are not affected by this policy on interim re-examinations.				
Unit of Measurement	**Baseline (April 2014)**	**Benchmark**	**Outcome**	**Benchmark Achieved**
Average earned income of households with earned income.	PH $22,643 HCV $14,127	PH: $22,000 HCV: $14,000	PH $22,643 HCV $14,127	Yes

SS #3 Increase in Positive Outcomes in Employment Status

HUD Instructions for this metric are shown in the following three rows.

Report the Baseline, Benchmark and Outcome data for each type of employment status for those head(s) of households affected by the self-sufficiency activity.

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved
Report the following information separately for each category: (1) Employed Full-Time (2) Employed Part-Time (3) Enrolled in an Educational Program (4) Enrolled in a Job Training Program (5) Unemployed (6) Other	Head(s) of household in <<category name>> prior to implementation of the activity (number). This number may be zero.	Expected head(s) of households in <<category name>> after implementation of the activity (number)	Actual head(s) of households in <<category name>>after implementation of the activity (number).	Whether the outcome meets or exceeds the benchmark
	Percentage of total work-able households in <<category name>>prior to implementation of activity (percent). This number may be zero	Expected percentage of total work-able households in <<category name>>after implementation of the activity (percent).	Actual percentage of total work-able households in <<category name>>after implementation of the activity (percent).	Whether the outcome meets or exceeds the benchmark.

Rent Reform #1 Interim Re-examinations

For this metric, we are measuring two of the units from the standard units of measurement. Note that (6) Other is used with two definitions. The first "Other" Category is Work-Able Households employed full or part-time. This is a combination of (1) Employed Full-time and (2) Employed Part-time from the HUD instructions above. This was a necessary modification by LHA. Category (6) Other was also used to specifically show the outcome that this specific initiative has on the households affected by Rent Reform #1.

Unit of Measurement	Baseline April 2010	Benchmark	Outcome	Benchmark Achieved
(3) Number of work-able households enrolled in an Educational Program as measured by reported educational benefit income	PH 29 out of 168 HCV 137 out of 1473 Total 166 out of 1641	166 out of 1641	PH 21 out of 157 HCV 187 out of 1233 208 out of 1390	Benchmark exceeded---see comments below this table.
(3) Percent of work-able households enrolled in education program as measured by reported educational benefit income	PH 17% HCV 9% Total 10%	10%	PH 13% HCV 15% Total 15%	Benchmark exceeded---see comments below this table
(5) Unemployed-Number of Work-Able households	PH 34 out of 168 HCV 601 out of 1473 Total 635 out of 1641	656 out of 1641	PH 15 out of 157 HCV 337 out of 1233 352 out of 1390	Benchmark exceeded---see comments below this table
(5) Unemployed—Percent of Work-Able households	PH 20% HCV 41% Total 39%	40%	PH 10% HCV 27% Total 25%	Benchmark exceeded---see comments below this table
(6) Other: Number of Work-Able Households who are employed full or part-time	PH 134 out of 168 HCV 872 out of 1473 Total 1006 out of 1641	985 out of 1641	PH 142 out of 157 HCV 896 out of 1233 1038 out of 1390	Benchmark exceeded---see comments below this table
(6) Other: Percentage of Work-Able Households who are employed full or part-time	PH 80% HCV 59% Total 61%	60%	PH 90% HCV 73% Total 75%	Benchmark exceeded---see comments below this table

(6) Other: Number of households who transitioned from one job to another without a rent decrease during a period of unemployment of 90 days or less	0	120	384	Benchmark exceeded—measurement was changed from number of job losses to number of households with job losses. Our benchmark estimate was low and may need to change in future plan years.
(6) Other: Percentage of households who transitioned from one job to another without a rent decrease during a period of unemployment of 90 days or less	0%	50%	384/756 = 50.8%	Yes

Due to sequestration, we discontinued issuing vouchers in 2013 (February to December). New vouchers are primarily issued to households who are not working. The number of work-able households declined as families left the program and were not replaced. The percentage of families working increased as a function of an improving economy and the incentives of our MTW program. We anticipate the percentage will decrease as we issue new vouchers which go primarily to non-working households as a function of our preferences.

SS #4 Households Removed from Temporary Assistance for Needy Families (TANF)				
HUD Instructions for this metric are shown in the following two rows.				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved**
Number of households receiving TANF assistance (Decrease)	Households receiving TANF prior to implementation of the activity (number)	Expected number of households receiving TANF after implementation of the activity (number).	Actual households receiving TANF after implementation of the activity (number).	Whether the outcome meets or exceeds the benchmark
Rent Reform #1 Interim Re-examinations				
HUD has requested this standard metric to be included with this initiative. This initiative on Interim Reviews has no effect on a family's participation in, use of, or eligibility for Temporary Assistance for Needy Families (TANF. Families will not be removed from or added to TANF as a result of this initiative. LHA gives a voucher admission preference for TANF families. New admissions as well as changes in current households receiving TANF will cause the numbers to vary over time but this variance is attributed to factors other than this initiative.				
Unit of Measurement	**Baseline (April 2010)**	**Benchmark**	**Outcome**	**Benchmark Achieved**
Number of households receiving TANF Assistance (decrease)	PH: 25 HCV: 461 TOTAL = 486	PH: 25 HCV : 460 TOTAL = 485	PH: 15 HCV : 365 TOTAL = 380	Benchmark exceeded. We did not issue new vouchers from February thru December, 2013. Since we give a preference for TANF households, the number of TANF households was reduced.

SS #8 Households Transitioned to Self-Sufficiency				
HUD instructions for this metric are shown in the following two rows:				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved**
Number of households transitioned to self-sufficiency (increase). The PHA may create one or more definitions for "self-sufficiency" to use for this metric. Each time the PHA uses this metric, the "Outcome" number should also be provided in Section (II) Operating Information in the space provided.	Households transitioned to self-sufficiency (<<PHA definition of self-sufficiency>>) prior to implementation of the activity (number). This number may be zero.	Expected households transitioned to self sufficiency (<<PHA definition>>) after implementation of the activity (number).	Actual households transitioned to self sufficiency (<<PHA definition>>) after implementation of the activity (number).	Whether the outcome meets or exceeds the benchmark

Rent Reform #1 Interim Re-examinations				
PHA Definition of Self-Sufficiency: For this metric, LHA is defining self-sufficiency as families who voluntarily end participation in the voucher or public housing program.				
Unit of Measurement	**Baseline (FY 2013)**	**Benchmark**	**Outcome**	**Benchmark Achieved**
Number of households transitioned to self-sufficiency	HCV: 320 Households PH: 17 Households TOTAL: 337 Households	HCV: 320 Households PH: 17 Households TOTAL: 337 Households	HCV: 337 Households PH: 32 Households TOTAL: 369 Households	Yes

ADDITIONAL LOCAL METRICS

Local metrics are provided to give additional view of the impact of the initiative. In most, but not all cases, the local metric follows the format prescribed by HUD's Standard metrics .

The following table shows the number of job losses or job changes during the month of November. In 57.3% of the cases, no decrease in rent was required.

METRIC	BASELINE	BENCHMARK	OUTCOME
Reported job loss or job change in the month of November	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 11/1/2013
Total number of job losses or job changes	76		75
Number job losses or job changes requiring a rent decrease	15		32
Number of job losses or job changes which did not result in a rent decrease	61		43
Percent with no rent decrease	80%	50% or more	57.3%

Hardships: Of the 32 who required rent decreases, 15 received an immediate hardship rent reduction for good cause. Seventeen (17) received a rent reduction after a 90 day delay.

Rent Reform 2

ACTIVITY: MINIMUM EARNED INCOME

Program Affected: HCV & PH Programs

Year Identified: April 1, 1999

Effective Date: July 1, 1999

Statutory Objectives: Give incentives to obtain employment and become economically self-sufficient

DESCRIPTION OF ACTIVITY

This activity was revised in our 2014-2105 plan and we are reflecting this revision in this report since we are also implementing the standard metrics in this report. Previously, Rent Reform 2 was a package of initiatives related to how we calculate annual income and rent. These were combined together to not only encourage self-sufficiency but also achieve administrative efficiencies. In looking at the standard metrics, we determined that separating Minimum Earned Income, a self-sufficiency initiative, from the other initiatives (administrative efficiencies) was a more appropriate approach. The administrative efficiencies have been moved to Rent Reform 3. There is no change in the initiatives but only where they are listed and which standard metrics apply.

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. These exemptions serve as the hardship policy for the MEI requirement.

IMPACT AND OUTCOME

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 be 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 2013-2014, there were 403 households who had MEI with 26 in public housing and 377 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.

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 positive steps toward future employment. For this initiative, 61% of households end their MEI requirement through employment or participation in education or a self-sufficiency program. This outcome is a good indicator that the MEI requirement encourages people toward employment or toward education and training leading to employment.

HUD STANDARD METRICS

For this initiative, LHA is using the following standard metrics from Form 50900:

SS #1 Increase in Household Income				
HUD Instructions for this metric are shown in the following two rows.				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved**
Average earned income of households affected by this policy in dollars (increase)	Average earned income of households affected by this policy prior to implementation of the activity in (dollars)	Expected averaged earned income of households affected by this policy prior to implementation of the activity (in dollars).	Actual average earned income of households affected by this policy after implementation (in dollars)	Whether the outcome meets or exceeds the benchmark
Rent Reform #2 Minimum Earned Income				
The data for this initiative is the average earned income of households that have earned income.				
Unit of Measurement	**Baseline (April 2014)**	**Benchmark**	**Outcome**	**Benchmark Achieved**
Average earned income of households with earned income	PH : $22,643 HCV: $14,127	PH: $22,000 HCV: $14,000	PH : $22,643 HCV: $14,127	Yes

Further data on the positive effect of the MEI requirement is the total number of households with wages. The data in the table below clearly shows a high percentage of households with wages, another indication that our program emphasis on work expectations is successful.

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.

SS #3 Increase in Positive Outcomes in Employment Status

HUD Instructions for this metric are shown in the following three rows.

Report the Baseline, Benchmark and Outcome data for each type of employment status for those head(s) of households affected by the self-sufficiency activity.

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved
Report the following information separately for each category: (1) Employed Full-Time (2) Employed Part-Time (3) Enrolled in an Educational Program (4) Enrolled in a Job Training Program (5) Unemployed (6) Other	Head(s) of household in <<category name>> prior to implementation of the activity (number). This number may be zero.	Expected head(s) of households in <<category name>> after implementation of the activity (number)	Actual head(s) of households in <<category name>>after implementation of the activity (number).	Whether the outcome meets or exceeds the benchmark
	Percentage of total work-able households in <<category name>>prior to implementation of activity (percent). This number may be zero	Expected percentage of total work-able households in <<category name>>after implementation of the activity (percent).	Actual percentage of total work-able households in <<category name>>after implementation of the activity (percent).	Whether the outcome meets or exceeds the benchmark.

Rent Reform #2 Minimum Earned Income

For this metric, we are measuring the households who end the Minimum Earned Income (MEI) requirement because of education, job training (self-sufficiency) program, and employment. The denominator for the percentages is the number of households who ended MEI during the year.
We are using the following from the standard units of measurement:

Category 3 Education
Category 4 Job Training
Category 6 Other—Employed at more than Minimum Earned Income

Unit of Measurement	Baseline (1999—Pre-MTW)	Benchmark	Outcome	Benchmark Achieved
(3) Number of MEI Households Enrolled in an Educational Program	0	PH: 1 HCV: 14 TOTAL = 15 out of 500	PH: 0 HCV: 23 Total = 23 out of 251	Yes
(3) Percentage of MEI Households Enrolled in an Educational Program	0%	3%	9.2%	Yes
(3) Number of MEI Households Enrolled in a Job Training Program	0	PH: 1 HCV: 14 TOTAL = 15 out of 500	PH: 2 HCV: 25 Total = 27 out of 251	Yes
(3) Percentage of MEI Households Enrolled in a Job Training Program	0%	3%	10.8%	Yes
(6) Other: Number of MEI Households employed at more than Minimum Earned Income	0	PH: 5 HCV: 70 TOTAL = 75 out of 500	PH: 6 HCV: 97 Total = 103 out of 251	Yes
(6) Other: Percentage of MEI Households employed at more than Minimum Earned Income	0%	15%	41%	Yes

SS #3 Increase in Positive Outcomes in Employment Status				
HUD Instructions for this metric are shown in the following three rows.				
Report the Baseline, Benchmark and Outcome data for each type of employment status for those head(s) of households affected by the self-sufficiency activity.				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved**
Report the following information separately for each category: (1) Employed Full-Time (2) Employed Part-Time (3) Enrolled in an Educational Program (4) Enrolled in a Job Training Program (5) Unemployed (6) Other	Head(s) of household in <<category name>> prior to implementation of the activity (number). This number may be zero.	Expected head(s) of households in <<category name>> after implementation of the activity (number)	Actual head(s) of households in <<category name>>after implementation of the activity (number).	Whether the outcome meets or exceeds the benchmark
	Percentage of total work-able households in <<category name>>prior to implementation of activity (percent). This number may be zero	Expected percentage of total work-able households in <<category name>>after implementation of the activity (percent).	Actual percentage of total work-able households in <<category name>>after implementation of the activity (percent).	Whether the outcome meets or exceeds the benchmark.

Rent Reform #2 Minimum Earned Income				
For this metric, we are measuring three of the units from the standard units of measurement. Note that (6) Other category is a combination of Work-Able Households Employed Full or Part-time. This is a combination of (1) Employed Full-time and (2) Employed Part-time from the HUD instructions above. This was a necessary modification by LHA. See comments below following the table.				
Unit of Measurement	**Baseline April 2010**	**Benchmark**	**Outcome**	**Benchmark Achieved**
(3) Number of work-able households enrolled in an Educational Program as measured by reported educational benefit income	PH 29 out of 168 HCV 137 out of 1473 Total 166 out of 1641	166 out of 1641	PH 21 out of 157 HCV 187 out of 1233 208 out of 1390	Benchmark exceeded---see comments below this table.
(3) Percent of work-able households enrolled in education program as measured by reported educational benefit income	PH 17% HCV 9% Total 10%	10%	PH 13% HCV 15% Total 15%	Benchmark exceeded---see comments below this table
(5) Unemployed-Number of Work-Able households	PH 34 out of 168 HCV 601 out of 1473 Total 635 out of 1641	656 out of 1641	PH 15 out of 157 HCV 337 out of 1233 352 out of 1390	Benchmark exceeded---see comments below this table
(5) Unemployed—Percent of Work-Able households	PH 20% HCV 41% Total 39%	40%	PH 10% HCV 27% Total 25%	Benchmark exceeded---see comments below this table
(6) Other: Number of Work-Able Households who are employed full or part-time	PH 134 out of 168 HCV 872 out of 1473 Total 1006 out of 1641	985 out of 1641	PH 142 out of 157 HCV 896 out of 1233 1038 out of 1390	Benchmark exceeded---see comments below this table
(6) Other: Percentage of Work-Able Households who are employed full or part-time	PH 80% HCV 59% Total 61%	60%	PH 90% HCV 73% Total 75%	Benchmark exceeded---see comments below this table

Due to sequestration, we discontinued issuing vouchers in 2013 (February to December). New vouchers are primarily issued to households who are not working. The number of work-able households declined as families left the program and were not replaced. The percentage of families working increased as a function of an improving economy and the incentives of our

MTW program. We anticipate the percentage will decrease as we issue new vouchers which go primarily to non-working households as a determined by our preferences.

SS #4 Households Removed from Temporary Assistance for Needy Families (TANF)				
HUD Instructions for this metric are shown in the following two rows.				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved**
Number of households receiving TANF assistance (Decrease)	Households receiving TANF prior to implementation of the activity (number)	Expected number of households receiving TANF after implementation of the activity (number).	Actual households receiving TANF after implementation of the activity (number).	Whether the outcome meets or exceeds the benchmark
Rent Reform #2 Minimum Earned Income				
TANF households are not affected by the Minimum Earned Income (MEI) policy. As a result, the data is zero (0).				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved**
Number of MEI Households who receive TANF	0	0	0	Yes

SS #5 Households Assisted by Services that Increase Self-Sufficiency				
HUD Instructions for this metric are shown in the following two rows.				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved**
Number of households receiving services aimed to increase self-sufficiency (increase)	Households receiving self-sufficiency services prior to implementation of the activity (number)	Expected number of households receiving self-sufficiency services after implementation of the activity (number).	Actual households receiving self-sufficiency services after implementation of the activity (number).	Whether the outcome meets or exceeds the benchmark
Rent Reform #2 Minimum Earned Income				
Minimum Earned Income (MEI) households, by definition, are households who are work-able and not participating in self-sufficiency activities. Data will continue to be zero (0).				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved**
MEI Households who receive self-sufficiency services	0 Households	0 Households	0 Households	Yes

SS #6 Reducing per Unit Subsidy Costs for Participating Households				
HUD Instructions for this metric are shown in the following two rows.				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved**
Average amount of Section 8 and/or 9 subsidy per household affected by this policy in dollars (decrease)	Average subsidy per household affected by this policy prior to implementation of the activity (in dollars)	Expected average subsidy per household affected by this policy after implementation of the activity (in dollars)	Actual average subsidy per household affected by this policy after implementation of the activity (in dollars)	Whether the outcome meets or exceeds the benchmark
Rent Reform #2 Minimum Earned Income				
The baseline data for this initiative is the average Housing Assistance Payment (HAP) of households subject to the Minimum Earned Income (MEI) policy if the MEI policy were not implemented. The Outcome is the current average HAP of families subject to MEI.				
Unit of Measurement	**Baseline (November 2013)**	**Benchmark**	**Outcome**	**Benchmark Achieved**
Average amount of subsidy per MEI Households	$533	$433	$423	Benchmark achieved. HAP costs are lower due to MEI.

SS #7 Increase in Agency Rental Revenue				
HUD Instructions for this metric are shown in the following two rows.				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved**
PHA Rental Revenue in dollars (increase)	PHA rental revenue prior to implementation of the activity (in dollars)	Expected PHA rental revenue after implementation of the activity (in dollars)	Actual PHA rental revenue after implementation of the activity (in dollars)	Whether the outcome meets or exceeds the benchmark
Rent Reform #2 Minimum Earned Income				
Unit of Measurement	**Baseline (FY 2008)**	**Benchmark**	**Outcome**	**Benchmark Achieved**
Rental revenue in dollars	HCV: $7,331,316 PH: $ 997,006 TOTAL REVENUE: $8,328,322	HCV: $8,371,740 PH: $1,124,261 TOTAL REVENUE: $9,496,001	HCV: $ 8,216,418 PH: $1,134,843 TOTAL REVENUE: $9,351,261	Yes

SS #8 Households Transitioned to Self-Sufficiency				
HUD instructions for this metric are shown in the following two rows:				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved**
Number of households transitioned to self-sufficiency (increase). The PHA may create one or more definitions for "self-sufficiency" to use for this metric. Each time the PHA uses this metric, the "Outcome" number should also be provided in Section (II) Operating Information in the space provided.	Households transitioned to self-sufficiency (<<PHA definition of self-sufficiency>>) prior to implementation of the activity (number). This number may be zero.	Expected households transitioned to self sufficiency (<<PHA definition>>) after implementation of the activity (number).	Actual households transitioned to self sufficiency (<<PHA definition>>) after implementation of the activity (number).	Whether the outcome meets or exceeds the benchmark

Rent Reform #2 Minimum Earned Income				
PHA Definition of Self-Sufficiency: For this metric, LHA is defining self-sufficiency as families who voluntarily end participation in the voucher or public housing program.				
Unit of Measurement	**Baseline (FY 2013)**	**Benchmark**	**Outcome**	**Benchmark Achieved**
Number of households transitioned to self-sufficiency	HCV: 320 Households PH: 17 Households TOTAL: 337 Households	HCV: 320 Households PH: 17 Households TOTAL: 337 Households	HCV: 337 Households PH: 32 Households TOTAL: 369 Households	Yes

ADDITIONAL LOCAL METRICS

Local metrics are provided to give additional view of the impact of the initiative. In most, but not all cases, the local metric follows the format prescribed by HUD's Standard metrics .

As an additional metric, we looked at MEI households who terminated from either public housing or housing choice voucher programs. Our data below shows that 5 public housing MEI households and 59 Voucher MEI households terminated their assistance during the fiscal year. This was 7.5% of all public housing terminations and 11.2% of all voucher terminations.

MEI households made up 8.1% of public housing households and 14.1% of total voucher 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 (Revised)*	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, 2013 to March 31, 2014
Number\Percent of MEI households (year end)	HCV: 466 out of 2,918 16.0% PH: 28 out of 320 8.8%		HCV: 377 out of 2676 14.1% PH: 26 out of 320 8.1%
Number\Percent of MEI households terminating (FY14)	HCV: 90 MEI households out of 500 terminations 18.0% PH: 1 MEI household out of 54 terminations 2%		HCV: 59 MEI households out of 528 terminations 11.17% PH: 5 MEI households out of 67 terminations 7.5%
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 14.1% PH: Less than 8.1%	HCV: 11.2 % PH: 7.5%

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, 2013 to March 31, 2014. There were only 9 MEI households who were evicted for non-payment of rent out of 595 households who terminated during the year. This equals 1.5% of all terminations.

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, 2013 to March 31, 2014	
Criminal Activity	4	0	0	0
Deceased	0	0	0	0
Drug Activity	5	0	3	0
Vacate Owing	0	0	0	0
Fraud	5	0	4	0
Owner HQS Defect	0	0	0	0
Tenant HQS Defect	1	0	0	0
Other Program Violation	12	0	8	0
Moved out of town	1	0	1	3
Portable Absorbed by HA	1	0	0	0
Moved in with Relative/Friend	0	0	0	0
No Reply to Annual Re-exam	4	0	4	0
No longer Requires Assistance	15	0	9	1

Reason Unknown	0	1	0	0
Moved to Nursing Home	0	0	0	0
Vacate without Notice	21	0	12	0
Transfer to Other LHA Unit	0	0	0	0
Buying a House	2	0	0	0
Eviction—Non Payment of Rent	14	0	9	0
Eviction—Other Lease Violation	0	0	1	0
Voucher Expired	5	0	8	0
Moved to Other Assisted Housing	0	0	0	1
TOTAL MEI TERMINATIONS	**HCV: 90**	**PH: 1**	**HCV: 59**	**PH: 5**
TOTAL TERMINATIONS	**HCV: 500**	**PH: 54**	**HCV: 528**	**PH: 67**

*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.

Rent Reform 3

ACTIVITY: RENT CALCULATIONS

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

Year Identified for E: April 1, 1999
Effective Date for E: July 1, 1999

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

DESCRIPTION OF ACTIVITY

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A. Total Tenant Payment: Total Tenant Payment (TTP) is determined on 27% of gross income with no allowable deductions.

B. Minimum Rent: 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.

C. 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.

D. 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.

E: 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.

In implementing the above, a hardship policy was created for tenants who were adversely affected. Details for the hardship policies are found in the Admissions and Continued Occupancy Plan and Section 8 Administrative Plan found in the MTW Plan

The hardship policy applies to existing tenants or voucher participants as of specified implementation dates. At the next annual re-certification on or after the implementation date, if it is determined that calculating TTP based on 27% of monthly gross income with no deductions will increase the tenants TTP by more than $25, then LHA will limit the increase by utilizing the Hardship TTP.

To calculate the Hardship TTP, LHA calculates the Monthly Adjusted Income using the household's current Annual Income minus the amount of pre-existing deductions that were utilized at the last re-examination prior to the implementation date. The Hardship TTP is calculated based on 30% of this Monthly Adjusted Income, plus an additional $25 for each successive annual re-examination. If a tenant qualifies for the initial Hardship TTP, then LHA will calculate successive Hardship TTPs by adding an additional $25 at each annual re-examination until the Hardship TTP equals or exceeds the TTP calculated based on 27% of monthly gross income. Each year a tenant must self-certify that the previous deductions are reasonably the same or have increased. If the amount of deductions have decreased for a tenant (for example a family no longer pays day care), then a tenant will no longer qualify for the Hardship TTP. In no case shall the Hardship TTP be less than $50 or the Tenant Rent be less than the $25 minimum rent.

IMPACT AND OUTCOME

These revised methods of calculating housing assistance for households are much simpler and less prone to errors. Tenants, participants, landlords, and advocates have appreciated the greater simplicity and ease of understanding compared to traditional methods for calculating housing assistance. Our data shows staff continue to save a significant amount of processing time and improved rent calculation accuracy because of these initiatives. Our data collection process compares processing time for MTW participants versus non-MTW participants. As shown in this report, approximately 29% administrative time savings for new move-ins and 15% administrative time savings for annual re-examinations compared to non-MTW administrative time. The savings in administrative time over the years has allowed us to add more vouchers (Mainstream, VASH, and Tenant Protection Vouchers), do more auditing without adding staff, and conduct more effective client interviews while still saving time compared to non-MTW client interviews. We modified the Housing Specialist job expectations by increasing the

expected time for an eligibility interview from 20-30 minutes to 45-60 minutes. This allows the Housing Specialist to gather more accurate information and reduce fraud through effective interviewing.

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.

Several of the HUD standard metrics are included at HUD request but there is no direct relationship between these metrics and the initiatives. Any changes are most likely related to other factors. Further impact is illustrated and discussed under Additional Local Metrics.

HUD STANDARD METRICS

For this initiative, LHA is using the following standard metrics from Form 50900:

CE #1 Agency Cost Savings				
HUD Instructions for this metric are shown in the following two rows.				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved**
Total cost of task in dollars (decrease)	Cost of task prior to implementation of the activity in (dollars).	Expected cost of the task after implementation of the activity (in dollars)	Actual cost of the task after implementation of the activity (in dollars)	Whether the outcome meets or exceeds the benchmark
Rent Reform #3 Rent Calculations				
These costs are based on the time savings in CE#2 (below) times average staff cost per hour of $27.14.				

Unit of Measurement	Baseline (FY 2010)	Benchmark	Outcome	Benchmark Achieved
Total time for New Admissions	Total time: 3,858.2 hours	Time to complete the task: 3,301 hours	Total time: 1,442.4 hours	Yes—we reduced the time per new admission and the total time and thereby the cost for new admissions. The total time was significantly reduced by sequestration.
Total time for Annual Re-examinations	Total time: 4,126.2 hours	Time to complete the task: 3,087 hours	Total time: 3,626.4 hours	No---we reduced the amount of time per annual re-examination but by less than 20% on average. See local metrics.
Total time for New Admissions and Annual Re-examinations	Total Time: 7,984.4 hours	Total time: 6,388 hours	Total Time: 5,068.8 hours	Yes—the total time will vary based on the number of reviews and admissions per year
Total Costs for New Admissions and Annual Re-examinations	Total time @ $27.14 per hour = $216,697	Total time @ $27.14 per hour = $173,370	Total time @ $27.14 per hour = $137,567	Yes

CE #2 Staff Time Savings

HUD Instructions for this metric are shown in the following two rows.

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved
Total time to complete the task in staff hours (decrease)	Total amount of staff time dedicated to the task prior to implementation of the activity (in hours).	Expected amount of total staff time dedicated to the task after implementation of the activity (in hours).	Actual amount of total staff time dedicated to the task after implementation of the activity (in hours).	Whether the outcome meets or exceeds the benchmark

Rent Reform #3 Rent Calculations

This data reflects the time for completion of new admissions and annual re-examinations.

Unit of Measurement	Baseline (FY 2013)	Benchmark 20% time Savings	Outcome	Benchmark Achieved
Time to complete New Admissions	382 minutes per new admission 606 new admissions Total time: 231,492 minutes or 3,858.2 hours	Total time to complete the task: 3,087 hours	273.0 minutes per new admission 250 new voucher admissions 67 new admissions for PH 317 total admissions Total time: 86,541 minutes or 1,442.4 hours	Yes—we reduced the amount of time per new admission. The total time was significantly reduced by sequestration.
Time to complete Annual Re-examinations	117 minutes per re-exam 2,116 re-exams per year Total time: 247,572 minutes or 4,126.2 hours	Total time to complete the task: 3,301 hours	99.4 minutes per re-exam 2,189 re-exams per year Total time; 217,586.4 minutes or 3,626.4 hours	N0---we reduced the amount of time per annual re-examination but by less than 20% on average. See local metrics for "per employee" numbers.
Total time to complete New Admissions and Annual Re-examinations	Total time to complete task: 7,984.4 hours	Total time to complete task: 6,388 hours	Total time to complete task: 5,068.8 hours	Yes---the total hours will vary based on the number of reviews\admissions per year

CE #3 Decrease in Error Rate of Task Execution				
HUD Instructions for this metric are shown in the following two rows.				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved**
Average error rate in completing a task as a percentage (decrease)	Average error rate of task prior to implementation of the activity (percentage)	Expected average error rate of task after implementation of the activity (percentage)	Actual average error rate of task after implementation of the activity (percentage)).	Whether the outcome meets or exceeds the benchmark
Rent Reform #3 Rent Calculations				
For this metric, we are measuring the error rate on assets and deductions. Baseline is from FY 2010 non-MTW file audits.				
Unit of Measurement	**Baseline (FY 2010)**	**Benchmark**	**Outcome**	**Benchmark Achieved**
Average Error Rate for Assets and Deductions	10.7%	3.0% or less	Less than 1 percent (.7%) asset & deduction error rate MTW	Yes—for comparison, the asset and deduction error rate for non- MTW was 8.4%

SS #1 Increase in Household Income				
HUD Instructions for this metric are shown in the following two rows.				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved**
Average earned income of households affected by this policy in dollars (increase)	Average earned income of households affected by this policy prior to implementation of the activity in (dollars)	Expected averaged earned income of households affected by this policy prior to implementation of the activity (in dollars).	Actual average earned income of households affected by this policy after implementation (in dollars)	Whether the outcome meets or exceeds the benchmark
Rent Reform #3 Rent Calculations				
The data for this initiative is the average earned income of households with earned income.				
Unit of Measurement	**Baseline (April 2014)**	**Benchmark**	**Outcome**	**Benchmark Achieved**
	PH $22,643 HCV $14,127	$22,000 $14,000	PH $22,643 HCV $14,127	Yes

SS #3 Increase in Positive Outcomes in Employment Status

HUD Instructions for this metric are shown in the following three rows.

Report the Baseline, Benchmark and Outcome data for each type of employment status for those head(s) of households affected by the self-sufficiency activity.

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved
Report the following information separately for each category: (1) Employed Full-Time (2) Employed Part-Time (3) Enrolled in an Educational Program (4) Enrolled in a Job Training Program (5) Unemployed (6) Other	Head(s) of household in <<category name>> prior to implementation of the activity (number). This number may be zero.	Expected head(s) of households in <<category name>> after implementation of the activity (number)	Actual head(s) of households in <<category name>>after implementation of the activity (number).	Whether the outcome meets or exceeds the benchmark
	Percentage of total work-able households in <<category name>>prior to implementation of activity (percent). This number may be zero	Expected percentage of total work-able households in <<category name>>after implementation of the activity (percent).	Actual percentage of total work-able households in <<category name>>after implementation of the activity (percent).	Whether the outcome meets or exceeds the benchmark.

Rent Reform #3 Rent Calculations

For this metric, we are measuring three of the units from the standard units of measurement. Note that (6) Other category is a combination of Work-Able Households Employed Full or Part-time. This is a combination of (1) Employed Full-time and (2) Employed Part-time from the HUD instructions above. This was a necessary modification by LHA. See comments below following the table.

Unit of Measurement	Baseline April 2010	Benchmark	Outcome	Benchmark Achieved
(3) Number of work-able households enrolled in an Educational Program as measured by reported educational benefit income	PH 29 out of 168 HCV 137 out of 1473 Total 166 out of 1641	166 out of 1641	PH 21 out of 157 HCV 187 out of 1233 208 out of 1390	Benchmark exceeded---see comments below this table.
(3) Percent of work-able households enrolled in education program as measured by reported educational benefit income	PH 17% HCV 9% Total 10%	10%	PH 13% HCV 15% Total 15%	Benchmark exceeded---see comments below this table
(5) Unemployed-Number of Work-Able households	PH 34 out of 168 HCV 601 out of 1473 Total 635 out of 1641	656 out of 1641	PH 15 out of 157 HCV 337 out of 1233 352 out of 1390	Benchmark exceeded---see comments below this table
(5) Unemployed—Percent of Work-Able households	PH 20% HCV 41% Total 39%	40%	PH 10% HCV 27% Total 25%	Benchmark exceeded---see comments below this table
(6) Other: Number of Work-Able Households who are employed full or part-time	PH 134 out of 168 HCV 872 out of 1473 Total 1006 out of 1641	985 out of 1641	PH 142 out of 157 HCV 896 out of 1233 1038 out of 1390	Benchmark exceeded---see comments below this table
(6) Other: Percentage of Work-Able Households who are employed full or part-time	PH 80% HCV 59% Total 61%	60%	PH 90% HCV 73% Total 75%	Benchmark exceeded---see comments below this table

Due to sequestration, we discontinued issuing vouchers in 2013 (February to December). New

vouchers are primarily issued to households who are not working. The number of work-able households declined as families left the program and were not replaced. The percentage of families working increased as a function of an improving economy and the incentives of our MTW program. We anticipate the percentage will decrease as we issue new vouchers which go primarily to non-working households as a function of our preferences.

SS #4 Households Removed from Temporary Assistance for Needy Families (TANF)				
HUD Instructions for this metric are shown in the following two rows.				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved**
Number of households receiving TANF assistance (Decrease)	Households receiving TANF prior to implementation of the activity (number)	Expected number of households receiving TANF after implementation of the activity (number).	Actual households receiving TANF after implementation of the activity (number).	Whether the outcome meets or exceeds the benchmark
Rent Reform #3 Rent Calculations				
HUD has requested this standard metric to be included with this initiative. This initiative on Interim Reviews has no effect on a family's participation in, use of, or eligibility for Temporary Assistance for Needy Families (TANF. Families will not be removed from or added to TANF as a result of this initiative. LHA gives a voucher admission preference for TANF families. New admissions as well as changes in current households receiving TANF will cause the numbers to vary over time but this variance is attributed to factors other than this initiative.				
Unit of Measurement	**Baseline (April 2010)**	**Benchmark**	**Outcome**	**Benchmark Achieved**
Number of households receiving TANF Assistance (decrease)	PH: 25 HCV: 461 TOTAL = 486	PH: 25 HCV : 460 TOTAL = 485	PH: 15 HCV : 365 TOTAL = 380	Benchmark exceeded. We did not issue new vouchers from February thru December, 2013. Since we give a preference for TANF households, the number of TANF households was reduced.

SS #5 Households Assisted by Services that Increase Self-Sufficiency				
HUD Instructions for this metric are shown in the following two rows.				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved**
Number of households receiving services aimed to increase self-sufficiency (increase)	Households receiving self-sufficiency services prior to implementation of the activity (number)	Expected number of households receiving self-sufficiency services after implementation of the activity (number).	Actual households receiving self-sufficiency services after implementation of the activity (number).	Whether the outcome meets or exceeds the benchmark
Rent Reform #3 Rent Calculations				
For this measurement, we are counting the number of households participating in the Family Self-Sufficiency Program. This initiative was not designed to affect the number of households who receive self-sufficiency services.				
Unit of Measurement	**Baseline (FY 2008)**	**Benchmark**	**Outcome**	**Benchmark Achieved**

Households who receive self-sufficiency services through the FSS program	120	120	129	Yes

SS #6 Reducing per Unit Subsidy Costs for Participating Households

HUD Instructions for this metric are shown in the following two rows.

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved
Average amount of Section 8 and/or 9 subsidy per household affected by this policy in dollars (decrease)	Average subsidy per household affected by this policy prior to implementation of the activity (in dollars)	Expected average subsidy per household affected by this policy after implementation of the activity (in dollars)	Actual average subsidy per household affected by this policy after implementation of the activity (in dollars)	Whether the outcome meets or exceeds the benchmark

Rent Reform #3 Rent Calculations

This policy was designed to be revenue neutral.

Unit of Measurement	Baseline (FY 2008)	Benchmark	Outcome	Benchmark Achieved
Average amount of Section 8 subsidy per household affected by this policy	$341	$354	$367	No—increase in HAP after seven years is expected due to inflation. HAP costs are increasing unrelated to this initiative.

SS #7 Increase in Agency Rental Revenue

HUD Instructions for this metric are shown in the following two rows.

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved
PHA Rental Revenue in dollars (increase)	PHA rental revenue prior to implementation of the activity (in dollars)	Expected PHA rental revenue after implementation of the activity (in dollars)	Actual PHA rental revenue after implementation of the activity (in dollars)	Whether the outcome meets or exceeds the benchmark

Rent Reform #3 Rent Calculations

This policy was designed to be revenue neutral and will not have significant effect on rental revenue---expect total revenue to go up moderately over time due to inflation.

Unit of Measurement	Baseline (FY 2008)	Benchmark	Outcome	Benchmark Achieved
Rental revenue in dollars	HCV: $7,331,316 PH: $ 997,006 TOTAL REVENUE: $8,328,322	HCV: $8,371,740 PH: $1,124,261 TOTAL REVENUE: $9,496,001	HCV: $ 8,216,418 PH: $1,134,843 TOTAL REVENUE: $9,351,261	Yes.

SS #8 Households Transitioned to Self-Sufficiency				
HUD instructions for this metric are shown in the following two rows:				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved**
Number of households transitioned to self-sufficiency (increase). The PHA may create one or more definitions for "self-sufficiency" to use for this metric. Each time the PHA uses this metric, the "Outcome" number should also be provided in Section (II) Operating Information in the space provided.	Households transitioned to self-sufficiency (<<PHA definition of self-sufficiency>>) prior to implementation of the activity (number). This number may be zero.	Expected households transitioned to self sufficiency (<<PHA definition>>) after implementation of the activity (number).	Actual households transitioned to self sufficiency (<<PHA definition>>) after implementation of the activity (number).	Whether the outcome meets or exceeds the benchmark

Rent Reform #3 Rent Calculations				
PHA Definition of Self-Sufficiency: For this metric, LHA is defining self-sufficiency as families who voluntarily end participation in the voucher or public housing program.				
Unit of Measurement	**Baseline (FY 2013)**	**Benchmark**	**Outcome**	**Benchmark Achieved**
Number of households transitioned to self-sufficiency	HCV: 320 Households PH: 17 Households TOTAL: 337 Households	HCV: 320 Households PH: 17 Households TOTAL: 337 Households	HCV: 337 Households PH: 32 Households TOTAL: 369 Households	Yes

ADDITIONAL LOCAL METRICS

Local metrics are provided to give additional view of the impact of the initiative. In most, but not all cases, the local metric follows the format prescribed by HUD's Standard metrics .

A. Total Tenant Payment at @ 27%

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 included 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.

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 were two exceptions (Staff #3—new admissions and Staff #5) where there was no time savings. For Staff #5,this was an instance in which a small number (3) of cases with challenging families distorted the MTW data. See notes in the chart for Staff #3.

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, 2013 to March 31, 2014 Average Minutes for Activity and Percent of Time Saved under MTW

Staff #1 (Mel) **New Admissions–Elderly** MTW: Public Housing Non-MTW: Section 8 New Construction	MTW 330 Non MTW 449 Time Saved under MTW: 26.5%	20%	MTW 356 NonMTW 557 Time Saved Under MTW: 36.1%
Staff #2 (Sharon) **New Admissions–Family** MTW: Public Housing Non-MTW Section 8 New Construction	MTW 214 Non MTW 322 Time Saved under MTW: 33.5%	20%	MTW 267 NonMTW -- Time Saved Under MTW: -- NOTE: Caseload was reassigned so no comparison to non-MTW.
Staff #3 (Judy) **Annual Reexams** MTW: Housing Choice Vouchers Non-MTW: Mainstream Vouchers	MTW 79 Non MTW 100 Time Saved under MTW: 21.0%	20%	MTW 80 NonMTW 130 Time Saved under MTW: 38.5%

Staff #3 (Judy) **NewAdmissions** MTW: Housing Choice Vouchers Non-MTW: Mainstream Vouchers	Baseline 2011-2012 MTW 161 NonMTW 217 Time Saved under MTW: 25.8%	20%	MTW 246 NonMTW 216 Time Saved under MTW: 0 % Mainstream Vouchers is the non-MTW group and are simple rent calculations (1 person households on social security) comparing to more complex households (multiple persons, incomes, languages, etc.). In addition, Mainstream has a streamlined briefing process at move-in.
Staff #4 (Angie) **Annual Reexams** MTW: Housing Choice Voucher Non-MTW: Section 8 New Construction	MTW 43 Non MTW 65 Time Saved under MTW: 34.0%	20%	MTW 89 NonMTW 136 Time Saved under MTW: 34.6%
Staff #5 (Sara) **Annual Reexams** MTW: Housing Choice Voucher Non-MTW: Burke Plaza, Section 8 New Construction	Baseline 2011-2012 MTW 67 NonMTW 96 Time Saved under MTW: 30.2	20%	MTW 137 NonMTW 130 Time Saved under MTW: 0 %

Staff #6 (Randi) **New Admissions** MTW: Public Housing Non-MTW: Section 8 New Construction	Baseline 2011-2012 MTW 221 NonMTW 457 Time Saved under MTW: 51.6%	20%	MTW 215 NonMTW 226 Time Saved under MTW: 4.9%

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	3-2014
Public Housing	70	41	20	14	3	1
Housing Choice Voucher	162	88	32	19	8	6

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. The hardship provision was set to expire in 2014 but after reviewing the remaining hardship cases, we decided to continue the hardship policy without expiration.

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.

B. 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	Number of households 3/31/14
Public Housing	11	15	9	10
Housing Choice Voucher	237	175	187	113
Combined	248	190	196	123

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	Number of households 3/31/14
Public Housing	0	1	0	0
Housing Choice Voucher	21	41	64	46
Combined	21	42	64	46

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. Data shows the minimum rent of $25.00 does not create an undue hardship inasmuch as there were no rent-related evictions out of 123 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, 2013 to March 31, 2014 Number of Households
Minimum Rent Households terminated due to non-payment of rent	HCV: 0 PH: 0		HCV: 0 PH: 0
Total Number of Households terminated due to non-payment of rent	HCV: 21 PH: 1		HCV: 26 PH: 6

Termination Rate for Non Payment of Rent: MTW households at $25 Minimum Rent compared with All Other MTW households	**HCV:** Min Rent households: 0 out of 467 terminations = 0% Other MTW households 21 out of 467 terminations = 4.5% **Public Housing:** Min Rent households: 0 out of 62 terminations = 0% Other MTW households 1 Out of 62 terminations = 1.6%	Rate less than or equal to Other MTW	**HCV:** Min Rent households: 0 out of 528 terminations less than 0% Other MTW households 26 out of 528 terminations = 4.9% **Public Housing:** Min Rent households: 0 out of 67 terminations = 0% Other MTW households 6 Out of 67 terminations = 9%

C. Calculation of Asset Income

Part C 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	15	4.7%
Housing Choice Voucher	422	15.4%

MTW Households with Assets between $1 and $4,999:		
Public Housing	260	82.3%
Housing Choice Voucher	2,244	81.8%
MTW Households with Assets equal to or above $5,000:		
Public Housing	41	13%
Housing Choice Voucher	76	2.8%

E. Other

Student Income for dependents 22 years of age or older

For Part E 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
4 - Public Housing	2 - Public Housing
1 - Housing Choice Voucher	6 - Housing Choice Voucher

$ 26,884	Public Housing total earned income counted
$ 21,600	Housing Choice Voucher total earned income counted
$ 48,484	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 eight (8) dependent, full-time students, age 22 or older are participating in the MTW Public Housing or the Housing Choice Voucher program with earned income. The total earned income used in rent calculations for these households was $48,484. However, this MTW activity and data collection helps improve the public perception on providing housing subsidy to households with adult dependent students.

Rent Reform 4

ACTIVITY: RENT BURDEN (RENT CHOICE)

Program Affected: HCV Program
Year Identified: November, 2007
Effective Date: February 1, 2008
Statutory Objective: Increase housing choice for low income families

DESCRIPTION OF ACTIVITY

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.

IMPACT AND OUTCOME

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	2013-2014
144	166	183	244	107

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.

HUD STANDARD METRICS

For this initiative, LHA is using the following standard metrics from Form 50900:

HC #5 Increase in Resident Mobility				
HUD instructions for this metric are shown in the following two rows:				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved**
Number of households able to move to a better unit and/or neighborhood of opportunity as a result of the activity (increase)	Households able to move to a better unit and/or neighborhood of opportunity prior to implementation of the activity (number). This number may be zero.	Expected households able to move to a better unit and/or neighborhood of opportunity after implementation of the activity (number).	Actual households able to move to a better unit and/or neighborhood of opportunity after implementation of the activity (number).	Whether the outcome meets or exceeds the benchmark
Rent Reform #4 Rent Burden (Rent Choice)				
For this initiative, data shows the number of households who moved to a better unit or neighborhood while using the flexibility of this initiative.				
Unit of Measurement	**Baseline (1999 Pre-MTW)**	**Benchmark**	**Outcome**	**Benchmark Achieved**
Number of households able to move to a better unit/or neighborhood	0	150	107	Not Achieved- Due to 66% fewer new admissions last fiscal year because the sequestration impact

ADDITIONAL LOCAL METRICS

Local metrics are provided to give additional view of the impact of the initiative. In most, but not all cases, the local metric follows the format prescribed by HUD's Standard metrics .

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, 2013 to March 31, 2014
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- 34 Non-MTW- 13

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, 2013 to March 31, 2014
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: 29.9% Non-MTW: 58.80%

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, 2013 to March 31, 2014
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: 49.5% 53 households Non-MTW: 88% 15 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 tracks than non-MTW families (34 to 13), and were less likely to choose housing in areas of minority or lower income concentrations. Three of the 34 census tracts are designated by the Census as "upper" income, fifteen are "middle" income and ten are "moderate" income.

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, 37.4% of the MTW Rent Choice families moved into seven (7) 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.

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.

Rent Reform 5

ACTIVITY: AVERAGE UTILITY ALLOWANCES

Program Affected: HCV Program

Year Identified: April 1, 1999

Effective Date: July 1, 1999

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

DESCRIPTION OF ACTIVITY

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

Following is the chart representing target rents and utility allowances effective December 1, 2012. Fair Market Rents are effective October 3, 2013.

Bedroom Size	Fair Market Rent	Payment Standard	Payment Standard as a Percent of FMR	Target Rent	Utility Allowance
SRO	**$312**	$338	108.4%	$303	$35
0	**$416**	$451	108.4%	$405	$46
1	**$530**	$525	99%	$456	$69
2	**$700**	$693	99%	$585	$108
3	**$973**	$964	99%	$826	$138
4	**$1,215**	$1,203	99%	$1,020	$183
5	**$1,397**	$1,383	99%	$1,168	$215
6	**$1,580**	$1,564	99%	$1,322	$242
Lot Rent	**$280**	$277	99%		

IMPACT AND OUTCOME

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.

HUD STANDARD METRICS

For this initiative, LHA is using the following standard metrics from Form 50900:

CE #1 Agency Cost Savings

HUD instructions for this metric are shown in the following two rows:

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved
Total cost of task in dollars (decrease)	Cost of task prior to implementation of the activity in (dollars).	Expected cost of the task after implementation of the activity (in dollars)	Actual cost of the task after implementation of the activity (in dollars)	Whether the outcome meets or exceeds the benchmark

Rent Reform #5 Average Utility Allowances

This metric is the savings from not issuing utility reimbursement checks and staff time savings during client interviews and calculations.

Unit of Measurement	Baseline (FY 1999)	Benchmark	Outcome	Benchmark Achieved
Total cost of task.	$54,246 Cost of Utility Reimbursements 303.17 hours @ $27.14 per hour = $8,228 TOTAL COST = $62,474	$0 Cost of Utility Reimbursements 78.12 hours @ $27.14 per hour = $2,120 TOTAL COST = $2,120	$0 Cost of Utility Reimbursements 45.71 hours @ $27.14 per hour = $1,241 TOTAL COST = $1,241	Yes- lower than anticipated due to the drastic reduction of new admission appointments caused by funding cuts in CY 13

CE #2 Staff Time Savings

HUD instructions for this metric are shown in the following two rows:

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved
Total time to complete the task in staff hours (decrease)	Total amount of staff time dedicated to the task prior to implementation of the activity (in hours).	Expected amount of total staff time dedicated to the task after implementation of the activity (in hours).	Actual amount of total staff time dedicated to the task after implementation of the activity (in hours).	Whether the outcome meets or exceeds the benchmark

Rent Reform #5 Average Utility Allowances

This metric is the amount of time to explain and calculate standard utility allowances (baseline) and then compared to a benchmark using standard utility allowances which are much easier for staff to explain and calculate and for tenants to understand.

Unit of Measurement	Baseline (FY 2013)	Benchmark	Outcome	Benchmark Achieved
Total time to complete utility allowances in staff hours	HCV 558 new admissions @15 minutes explanation of utility allowance to new tenants and 4 minutes calculation = 10,602 minutes HCV 1,897 annual reviews @4 minutes calculation of utility allowances = 7,588 minutes Total minutes = 18,190 Total hours = 303.17	HCV 558 new admissions @ 4 minutes explanation of utility allowances to new tenants and 1 minute calculation = 2,790 minutes HCV 1,897 annual reviews @ 1 minute calculation = 1,897 minutes Total minutes = 4,687 Total hours = 78.12	HCV 183 new admissions @ 4 minutes explanation of utility allowances to new tenants and 1 minute calculation = 7,325 minutes HCV 2,011 annual reviews @ 1 minute calculation = 2,011 minutes Total minutes = 2,743 Total hours = 45.71	Yes- lower than anticipated due to the drastic reduction of new admission appointments caused by funding cuts in CY 13

CE #3 Decrease in Error Rate of Task Execution				
HUD instructions for this metric are shown in the following two rows:				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved**
Average error rate in completing a task as a percentage (decrease)	Average error rate of task prior to implementation of the activity (percentage)	Expected average error rate of task after implementation of the activity (percentage)	Actual average error rate of task after implementation of the activity (percentage)).	Whether the outcome meets or exceeds the benchmark
Rent Reform #5 Average Utility Allowances				
Error rates are determined from random file audits.				
Unit of Measurement	**Baseline (FY 2010)**	**Benchmark**	**Outcome**	**Benchmark Achieved**
Average error rate in completing a task as a percentage (decrease)	15%	3% or less	0%	Yes

CE #5 Increase in Agency Rental Revenue				
HUD instructions for this metric are shown in the following two rows:				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved**
Rental revenue in dollars	Rental revenue prior to implementation of the activity (in dollars).	Expected rental revenue after implementation of the activity (in dollars)	Actual rental revenue after implementation of the activity (in dollars).	Whether the outcome meets or exceeds the benchmark
Rent Reform #5 Average Utility Allowances				
Unit of Measurement	**Baseline (FY 2008)**	**Benchmark**	**Outcome**	**Benchmark Achieved**
Rental revenue in dollars	HCV: $7,331,316 PH: $ 997,006 TOTAL REVENUE: $8,328,322	HCV: $8,371,740 PH: $1,124,261 TOTAL REVENUE: $9,496,001	HCV: $ 8,216,418 PH: $1,134,843 TOTAL REVENUE: $9,351,261	Yes

ADDITIONAL LOCAL METRICS

For this activity, no additional local metrics are provided.

Other Initiatives 1

ACTIVITY: INCOME ELIGIBILITY

Programs Affected: 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

DESCRIPTION OF ACTIVITY

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.

IMPACT AND OUTCOME

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 2013-2014, both the voucher and public housing programs met the federal income targeting standards. In the Public Housing and Voucher Programs, there were 241 out of 250 new admissions (96.4%) were very low income or extremely low income. At the end of the fiscal year 96.5% of the housed families met the very low income or extremely low income requirement.

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.

HUD STANDARD METRICS

For this initiative, LHA is using the following standard metrics from Form 50900:

CE #1 Agency Cost Savings				
HUD instructions for this metric are shown in the following two rows:				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved**
Total cost of task in dollars (decrease)	Cost of task prior to implementation of the activity in (dollars).	Expected cost of the task after implementation of the activity (in dollars)	Actual cost of the task after implementation of the activity (in dollars)	Whether the outcome meets or exceeds the benchmark
Other Initiatives #1 Income Eligibility				
Baseline agency cost is calculated from the baseline hours in CE#2 Staff Time Savings multiplied by $27.14 per hour.				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved**
Total cost of task in dollars (decrease)	55 hours @ $27.14 $1,493	$0	$0	Yes, no time spent on income targeting

CE #2 Staff Time Savings				
HUD instructions for this metric are shown in the following two rows:				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved**
Total time to complete the task in staff hours (decrease)	Total amount of staff time dedicated to the task prior to implementation of the activity (in hours).	Expected amount of total staff time dedicated to the task after implementation of the activity (in hours).	Actual amount of total staff time dedicated to the task after implementation of the activity (in hours).	Whether the outcome meets or exceeds the benchmark
Other Initiatives #1 Income Eligibility				
Time savings is determined from the extra amount of time to follow income targeting rules when offering a unit.				
Unit of Measurement	**Baseline (FY 2014)**	**Benchmark**	**Outcome**	**Benchmark Achieved**

Total time to complete the task---unit offers for public housing, extra time spent when utilizing income targeting requirements	.82 hours times 67 public housing move-ins. 55 hours	0 hours	0 hours	Yes, no time spent on income targeting.

ADDITIONAL LOCAL METRICS

Local metrics are provided to give additional view of the impact of the initiative. In most, but not all cases, the local metric follows the format prescribed by HUD's Standard metrics .

Other Initiatives #1 Income Eligibility

This metric shows the percentage of household at 3 income levels at the time of admission. A benchmark is established only for extremely low income households.

Unit of Measurement	Baseline (FY 2014)	Benchmark	Outcome	Benchmark Achieved
Public Housing Income levels at time of admission				
Extremely Low Income	46.27%	40%	46.27%	Yes
Very Low Income	40.30%		40.30%	
Low Income	13.43%		13.43%	
Housing Choice Voucher Income levels at time of admission (excludes VASH participants)				
Extremely Low Income	86.9%	75%	86.89%	Yes
Very Low Income	13%		13.11%	
Low Income	0%		0.00%	

Initiative 2

ACTIVITY: RESPONSIBLE PORTABILITY

Program Affected: HCV Program
Year Identified: April 1, 1999
Effective Date: July 1, 1999
Statutory Objective: Reduce cost and achieve greater cost effectiveness in federal expenditures

DESCRIPTION OF ACTIVITY

Voucher participants will be allowed to port out upon request and only as a reasonable accommodation for employment, education, safety or medical/disability need.

IMPACT AND OUTCOME

The purpose of responsible portability in our MTW program is to reduce costs and prevent families from porting out with their voucher because of our MTW policies. It was anticipated that some families would choose to port out just to avoid the work requirements and other expectations of the MTW program. Portability was allowed for specific reasons as listed above. Due to budget cuts and the receipt of set-aside funds in 2013, voucher porting was restricted to only PHA's with payment standards equal to or lower than Lincoln's payment standards.

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.

HUD STANDARD METRICS

For this initiative, LHA is using the following standard metrics from Form 50900:

CE #1 Agency Cost Savings				
HUD instructions for this metric are shown in the following two rows:				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved**
Total cost of task in dollars (decrease)	Cost of task prior to implementation of the activity in (dollars).	Expected cost of the task after implementation of the activity (in dollars)	Actual cost of the task after implementation of the activity (in dollars)	Whether the outcome meets or exceeds the benchmark
Other Initiatives #2 Responsible Portability				

For this metric, we compare the average HAP cost for a port voucher with a local voucher. To determine the baseline, we used a national averaged number of ports to estimate the number of ports we would potentially have if we did not have responsible portability. 11% is the national portability rate and 3% is the national portability billed rate.				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome (time tracking and as reported in VMS)**	**Benchmark Achieved**
Total cost of task in dollars	1.422 hours (from CE#2) @ $27.14= $38,593 2,916 authorized vouchers at 3% billed portability rate = 88 billed port vouchers at $901.40 per voucher for 12 months = $951,878 TOTAL = $990,471	186 hours @ $27.14 = $5,048 20 billed port vouchers at $901.40 per voucher for 12 months = $216,336 TOTAL = $221,384	75.31 hours @ $27.14 = $2,044 246 UML billed port vouchers with total HAP paid in 12 months= $191,205 TOTAL = $193,249	Total cost was less than benchmark due to funding shortage from (April 2013-December2013), thus outgoing portability was restricted to payment standards equal or lower than LHA's payment standard.

CE #2 Staff Time Savings				
HUD instructions for this metric are shown in the following two rows:				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved**
Total time to complete the task in staff hours (decrease)	Total amount of staff time dedicated to the task prior to implementation of the activity (in hours).	Expected amount of total staff time dedicated to the task after implementation of the activity (in hours).	Actual amount of total staff time dedicated to the task after implementation of the activity (in hours).	Whether the outcome meets or exceeds the benchmark

Other Initiatives #2 Responsible Portability				
We conducted a study of the time for administering individual ports multiplied by the estimated number of potential ports if we did not have responsible portability. The PIC Mobility and Portability Report (7/31/13) shows 11% portability in the United States.				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved**
Time to complete the task in hours	1,422 hours based on 11% portability rate or 321 per year at 4.43 hours per voucher	186 hours based on 42 ports per year at 4.43 hours per voucher	75.31 hours for 17 port-outs in FY14 at 4.43 hours per voucher	Time spent was less than benchmark due to funding shortage from (April 2013-December2013), thus outgoing portability was restricted to payment standards equal or lower than LHA's payment standard.

This year we did a time study on the amount of administrative time it takes per portable voucher and found the amount of time at 4.43 hours per voucher. Future plans will reflect the results of this time study in the benchmark.

CE #5 Increase in Agency Rental Revenue				
HUD instructions for this metric are shown in the following two rows:				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved**
Rental revenue in dollars	Rental revenue prior to implementation of the activity (in dollars).	Expected rental revenue after implementation of the activity (in dollars)	Actual rental revenue after implementation of the activity (in dollars).	Whether the outcome meets or exceeds the benchmark
Other Initiatives #2 Responsible Portability				
Unit of Measurement	**Baseline (FY 2008)**	**Benchmark**	**Outcome**	**Benchmark Achieved**
Rental HCV revenue in dollars—PH Revenue is Not Applicable to this initiative	TOTAL HCV REVENUE: $7,331,316	TOTAL HCV REVENUE: $8,371,740	Total HCV Revenue: $ 8,216,418	Yes

ADDITIONAL LOCAL METRICS

Local metrics are provided to give additional view of the impact of the initiative. In most, but not all cases, the local metric follows the format prescribed by HUD's Standard metrics.

Our data below 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.

Other Initiatives #2 Responsible Portability				
The total number of requests will not always match the total number of completed port-outs in a given year. We don't count the port-out until the family is housed in a new community.				
Unit of Measurement	**Baseline (FY 2008)**	**Benchmark**	**Outcome**	**Benchmark Achieved**
Percentage of Requests Approved to Port with Voucher---Medical or Disability Requests	9 Approved out of 9 Requests 100%	100%	10 Approved out of 10 Requests 100%	Yes
Percentage of Requests Approved to Port with Voucher---Safety Requests	5 Approved out of 5 Requests 100%	100%	3 Approved out of 3 Requests 100%	Yes
Percentage of Requests Approved to Port with Voucher---Education Requests	1 Approved out of 1 Requests 100%	100%	0 Approved out of 0 Requests 100%	Yes
Percentage of Requests Approved to Port with Voucher---Employment Requests	5 Approved out of 5 Requests 100%	100%	14 Approved out of 14 Requests 100%	Yes
Percentage of Requests Approved to Port with Voucher---Other Requests	0 Approved out of 3 Requests 0%	0%	0 Approved out of 0 Requests 100%	Yes

Initiative 3

ACTIVITY: BIENNIAL RE-EXAMINATIONS

Programs Affected: 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

DESCRIPTION OF ACTIVITY

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, spouse, co-head 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.

IMPACT AND OUTCOME

Tenants and voucher participants affected by this policy appreciate the reduced burden associated with the review process. In addition, they could have increased income between biennial reexaminations without a corresponding increase in their rent payment. Households continue to be eligible for rent decreases by means of interim reexaminations if they experience decreased income.

The data in our local metrics shows that we have reduced by approximately half the number of elderly and disabled reviews conducted per year. The average number of reviews in the combined programs is 724.5 reviews per year compared to the baseline number of 1,349 reviews representing 624.5 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.

HUD STANDARD METRICS

For this initiative, LHA is using the following standard metrics from Form 50900:

CE #1 Agency Cost Savings				
HUD instructions for this metric are shown in the following two rows:				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved**
Total cost of task in dollars (decrease)	Cost of task prior to implementation of the activity in (dollars).	Expected cost of the task after implementation of the activity (in dollars)	Actual cost of the task after implementation of the activity (in dollars)	Whether the outcome meets or exceeds the benchmark
Other Initiatives #3 Biennial Re-examinations				
Unit of Measurement	**Baseline (8-1-07 to 7-31-08)**	**Benchmark**	**Outcome**	**Benchmark Achieved**
Total cost to complete re-examinations for Elderly or Disabled Households (decrease)	PH: 191.6 hours (see CE #2) @ $27.14 per hour = $5,200 HCV: 1,785.6 hours (see CE #2) @ $27.14 per hour = $48,461 TOTAL = $53,661	PH = 95.8 hours @ $27.14 per hour = $2,600 HCV = 892.8 hours @ $27.14 per hour = $24,231 TOTAL = $26,831	PH: 87.1 hours (see CE #2) @ $27.14 per hour = $2,364 HCV: 1,051 hours (see CE #2) @ $27.14 per hour = $28,524 TOTAL = $30,888	No—the benchmark is based on a 50% reduction in annual re-examinations. However, fluctuation is expected due to unit turnover and new admissions. The variance from the benchmark is 15% and considered normal variation based on looking at the history over time. Overall, there is a signification reduction (43%) from baseline.

CE #2 Staff Time Savings				
HUD instructions for this metric are shown in the following two rows:				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved**
Total time to complete the task in staff hours (decrease)	Total amount of staff time dedicated to the task prior to implementation of the activity (in hours).	Expected amount of total staff time dedicated to the task after implementation of the activity (in hours).	Actual amount of total staff time dedicated to the task after implementation of the activity (in hours).	Whether the outcome meets or exceeds the benchmark
Other Initiatives #3 Biennial Re-examinations				
Unit of Measurement	**Baseline (8-1-07 to 7-31-08)**	**Benchmark**	**Outcome**	**Benchmark Achieved**
Total time to complete re-examinations for Elderly or Disabled Households	PH: 121 Re-examinations for Elderly or Disabled Households @ 1.583 Hours per Re-Exam = 191.6 hours HCV: 1,128 Re-examinations for Elderly or Disabled Households @ 1.583 =1,785.6 hours TOTAL = 1,977.2 hours	PH = 95.8 hours HCV = 892.8 hours TOTAL = 988.6 hours	PH: 55 Re-examinations for Elderly or Disabled Households @ 1.583 Hours per Re-Exam = 87.1 hours HCV: 664 Re-examinations for Elderly or Disabled Households @1.583 = 1,051 hours TOTAL = 1,138.1 hours	No—the benchmark is based on a 50% reduction in annual re-examinations. However, fluctuation is expected due to unit turnover and new admissions. The variance from the benchmark is 15% and considered normal variation based on looking at the history over time. Overall, there is a signification reduction (43%) from baseline.

CE #5 Increase in Agency Rental Revenue				
HUD instructions for this metric are shown in the following two rows:				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved**
Rental revenue in dollars	Rental revenue prior to implementation of the activity (in dollars).	Expected rental revenue after implementation of the activity (in dollars)	Actual rental revenue after implementation of the activity (in dollars).	Whether the outcome meets or exceeds the benchmark
Other Initiatives #3 Biennial Re-examinations				
Unit of Measurement	**Baseline (FY 2008)**	**Benchmark**	**Outcome**	**Benchmark Achieved**
Rental revenue in dollars	HCV: $7,331,316 PH: $ 997,006 TOTAL REVENUE: $8,328,322	HCV: $8,371,740 PH: $1,124,261 TOTAL REVENUE: $9,496,001	HCV: $ 8,216,418 PH: $1,134,843 TOTAL REVENUE: $9,351,261	Yes

ADDITIONAL LOCAL METRICS

Local metrics are provided to give additional view of the impact of the initiative. In most, but not all cases, the local metric follows the format prescribed by HUD's Standard metrics

Baseline data in the table below 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 reduced the impact of the 27% MTW policy and created 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, 2012 to March 31, 2013		April 1, 2013 to March 31, 2014	
		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%	54	88.5%	32	52.5%
Disabled Households	60	30	50%	26	43.3%	23	38.3%
TOTAL	121	61	50.4%	80	66.1%	55	45.5%
		Average over 2 years:				**(80 + 55) / 2 = 67.5 reviews** **55.8%**	
Housing Choice Voucher							
Elderly Households	360	180	50%	178	49.4%	198	55.0%
Disabled Households	768	384	50%	472	61.5%	466	60.7%
TOTAL	1,228	564	45.9%	650	52.9%	664	54.1%
		Average over 2 years:				**(650 +664) / 2 = 657 Reviews** **53.5%**	

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

Initiative 4

ACTIVITY: HQS INSPECTIONS WAIVER

Program Affected: HCV Program
Year Identified: November, 2008
Effective Date: April 1, 2009
Statutory Objective: Reduce cost and achieve greater cost effectiveness in federal expenditures

DESCRIPTION OF ACTIVITY

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 (RFTA) form was modified to satisfactorily implement this inspection incentive initiative. LHA developed a local form, the Request for Inspections and Unit Information 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 C of this report .

IMPACT AND OUTCOME

This initiative is ongoing since April 1, 2009. Tracking the next inspection date and data collection on skipped inspections are both very time consuming. LHA is monitoring the impact of this policy through a variety of measurements such as; 1) number of annual voucher program inspections completed, 2) the percentage of annual HQS inspections passing at the first inspection and 3) the number of complaint inspections. Our biggest challenge is to ensure the proper implementation and monitoring of this policy. The reports and data-gathering are cumbersome and time consuming. It is complicated to create a monthly annual inspection schedule because inspections that pass first time must be identified by the inspection date and last passed inspection date then associated with annual eligibility review dates to determine the correct units to inspect. 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. However, to retain the quality of the units, we believe it is necessary to retain an annual inspection cycle for some properties.

Due to a staff change and pro-rated administrative fees, the inspections supervisor position is vacant with no plans to fill the position at this time. Vouchers were not issued during the period of February through December 2013, significantly reducing the new admissions inspections. This has allowed us to maintain the staff vacancy. LHA began issuing vouchers again in January, 2014 at which time it was determined that staffing levels were insufficient. In reviewing the administrative work needed for the inspections department, it was determined that hiring a part-time inspections clerk was the most cost effective way of meeting the needs of the inspections team. This position will be filled on July 14, 2014.

The inspection waiver 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 annual inspections performed by 36.7%. 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. With this initiative, we were able to increase 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 inspector's to test electrical outlets for "proper operating condition." The time savings also allowed our inspectors additional time to assist other local affordable housing projects with unit inspections.

We completed 262 more annual inspections in FY 2014 than FY2013. This was a 16% increase in annual inspections performed. Currently, we have more annual inspections every other year due to the implementation schedule. We expect this to even out over time.

HUD STANDARD METRICS

For this initiative, LHA is using the following standard metrics from Form 50900:

CE #1 Agency Cost Savings				
HUD instructions for this metric are shown in the following two rows:				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved**
Total cost of task in dollars (decrease)	Cost of task prior to implementation of the activity in (dollars).	Expected cost of the task after implementation of the activity (in dollars)	Actual cost of the task after implementation of the activity (in dollars)	Whether the outcome meets or exceeds the benchmark
Other Initiatives #4 HQS Inspections Waiver				
Agency cost is based on the number of inspection hours at a staff cost per hour of $28.88.				
Unit of Measurement	**Baseline (FY 2010)**	**Benchmark**	**Outcome**	**Benchmark Achieved**
Total cost of task	3,042 hours @ $28.88 per hour = $87,853	1,825 hours @ $28.88 per hour = $52,706	1,925 hours @ $28.88 per hour = $55,594	Yes

CE #2 Staff Time Savings				
HUD instructions for this metric are shown in the following two rows:				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved**
Total time to complete the task in staff hours (decrease)	Total amount of staff time dedicated to the task prior to implementation of the activity (in hours).	Expected amount of total staff time dedicated to the task after implementation of the activity (in hours).	Actual amount of total staff time dedicated to the task after implementation of the activity (in hours).	Whether the outcome meets or exceeds the benchmark
Other Initiatives #4 HQS Inspections Waiver				
Unit of Measurement	**Baseline (FY 2010)**	**Benchmark**	**Outcome**	**Benchmark Achieved**
Total time to complete inspections	3,042 annual inspections @ 1 hour per inspection 3,042 hours	1,825 annual inspections @ 1 hour per inspection 1,825 hours	1,925 annual inspections @ 1 hour per inspection 1,925 hours	Yes

ADDITIONAL LOCAL METRICS

Local metrics are provided to give additional view of the impact of the initiative. In most, but not all cases, the local metric follows the format prescribed by HUD's Standard metrics.

Other Initiatives #4 HQS Inspections Waiver				
For this initiative, we projected a 25% reduction in total inspections from baseline. This initiative has an incentive in the form of a waiver for the next annual inspection if the tenant has remained the same and the unit had 100% HQS compliance for the annual or initial "pick up" inspection. 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.				
Unit of Measurement	**Baseline (FY 2010)**	**Benchmark**	**Outcome**	**Benchmark Achieved**
Number of -Annual Inspections -Initial Inspections -Special Inspections TOTAL INSPECTIONS (decrease)	 3,042 825 44 3,911	25% reduction from Baseline 2,933	 1,925 577 19 2,521	Yes- The reduction was higher than 25% due to the suspension of new admissions while under sequestration and funding shortfall
Number of units that passed on first inspection	2,034	1,525	1,411	
Percentage of units that passed on first inspection	52%	52%	56%	Yes

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 56.8% in FY14. 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 35.5%.

The pass rate was 52% for FY2010 when units were annually inspected in comparison to 56.4% pass rate FY2014 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.

Inspection results on units with biennial inspections

April 2013- March 2014 Overall inspection pass rate at First Inspection	April 2013 - March 2014 Percent of skipped inspection passing at First Inspection	Number of annual skipped inspections	Number of annual skipped inspections that passed first time
56.4%	58.9%	677	399

Initiative 5

ACTIVITY: INSPECTIONS & RENT REASONABLENESS

Program Affected: HCV Program

Year Identified: November, 2010

Effective Date: April 1, 2011

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

DESCRIPTION OF ACTIVITY

LHA will perform all Inspections and Rent Reasonableness determinations on all tenant and project-based voucher units regardless of ownership of property management status including those that are owned or managed by LHA.

IMPACT AND OUTCOME

LHA performs inspections and rent reasonableness determinations on the property owned or managed by LHA. This initiative has eliminated the administrative work and cost of acquiring and maintaining a contract to perform inspections and rent reasonableness determinations. Cutting out the middle man, the contractor; improves administrative efficiencies, eliminates confusion for the voucher participant, and improves the response time for performing inspections. LHA properties are generally in better condition than the average rental units participating in the voucher program. Our most recent report showed 65.7% of LHA properties passed at first inspection compared to 60.3% for all voucher properties. For 2013-2014, cost savings by not hiring an outside contractor was estimated at $8,750.

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 resulted 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.

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.

HUD STANDARD METRICS

For this initiative, LHA is using the following standard metrics from Form 50900:

CE #1 Agency Cost Savings				
HUD instructions for this metric are shown in the following two rows:				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved**
Total cost of task in dollars (decrease)	Cost of task prior to implementation of the activity in (dollars).	Expected cost of the task after implementation of the activity (in dollars)	Actual cost of the task after implementation of the activity (in dollars)	Whether the outcome meets or exceeds the benchmark
Other Initiatives #5 Inspections and Rent Reasonableness				
Baseline cost is the contract cost calculated as a product of the number of inspections on LHA-owned or managed properties at $50 per inspection. LHA's cost to do the same inspections is based on 1 hour per inspection @28.88 per hour.				
Unit of Measurement	**Baseline (10-1-09 to 9-30-10)**	**Benchmark**	**Outcome FY14**	**Benchmark Achieved**
Total cost of task	256 inspections at $50 per inspection $12,800	256 inspections @1 hour @ $28.88 per hour $7,393	175 inspections @1 hour @ $28.88 per hour $5,054	Yes - Skipped inspections due to units passing the first time and fewer new admissions last year due to budget cuts can vary the number of inspections performed each year.

CE #2 Staff Time Savings				
HUD instructions for this metric are shown in the following two rows:				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved**
Total time to complete the task in staff hours (decrease)	Total amount of staff time dedicated to the task prior to implementation of the activity (in hours).	Expected amount of total staff time dedicated to the task after implementation of the activity (in hours).	Actual amount of total staff time dedicated to the task after implementation of the activity (in hours).	Whether the outcome meets or exceeds the benchmark
Other Initiatives #5 Inspections and Rent Reasonableness				
This metric is the number of staff hours to complete the inspections of LHA-owned or managed properties. The baseline shows 0 staff hours when inspections are done by contract inspectors on a fee basis per inspection. The benchmark is based on 256 inspections at 1 hour per inspection.				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved**

Total staff hours to complete the task.	0 staff hours for inspections with contract inspectors----fee per inspection	256 inspections @ 1 hour per inspection = 256 hours	175 inspections @ 1 hour per inspection = 175 hours	Yes - Skipped inspections due to units passing the first time and fewer new admissions last year due to budget cuts can vary the number of inspections performed each year

CE #3 Decrease in Error Rate of Task Execution				
HUD instructions for this metric are shown in the following two rows:				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved**
Average error rate in completing a task as a percentage (decrease)	Average error rate of task prior to implementation of the activity (percentage)	Expected average error rate of task after implementation of the activity (percentage)	Actual average error rate of task after implementation of the activity (percentage)).	Whether the outcome meets or exceeds the benchmark
Other Initiatives #5 Inspections and Rent Reasonableness				
Error rates for inspections are neither tracked nor applicable so there is no baseline or benchmark data. This outcome measure will be reported as 0%. The metric does not apply to inspections.				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved**
Average error rate in completing inspections	0%	0%	0%	Yes

ADDITIONAL LOCAL METRICS

Local metrics are provided to give additional view of the impact of the initiative. In most, but not all cases, the local metric follows the format prescribed by HUD's Standard metrics.

Other Initiatives #5 Inspections and Rent Reasonableness				
With this measurement, we are looking to see if LHA owned or managed properties maintain a higher first-time pass rate on inspections compared to non-owned or non-managed properties.				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved**
Owned or managed properties will maintain a higher first time pass rate compared to the pass rate of non-owned or non-managed properties	121 out of 186 owned or managed properties pass inspection on the first time 65%	52% (voucher first time pass rate)	115 out of 175 owned or managed properties pass inspection on the first time 65.7%	Yes

Initiative 6

ACTIVITY: PROJECT-BASED SECTION 8 UNITS

Program Affected: HCV Program

Project-based units LHA owned or managed properties:

Year Identified: 2010

Effective Date: Implemented July 1, 2012 to be completed by June 30, 2015

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
Reduce cost and achieve greater cost effectiveness in federal expenditures

DESCRIPTION OF ACTIVITY

Project-based units through other competitive process:
LHA plans to project-base an additional 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 wait list. In a cooperative effort with the local Veterans Administration, LHA recently submitted an application to obtain additional VASH Vouchers to be project-based.

Project-based units LHA owned or managed properties:
LHA will provide project-based Section 8 assistance to property owned or managed by LHA, without a competitive bid. 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 wait 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.

The Moving to Work waivers being used are: 1) to transition LHA owned or managed units into Section 8 project based assistance without a competitive bid, 2) allow the project-based sites to maintain a site-based waiting list, and 3) allow the 25% unit allocation per project cap be removed. This activity also allows zero HAP participants to occupy a unit indefinitely and the unit will remain designated as a project-based unit under contract. If the tenant's income decreases, we will reinstate HAP payments. A zero HAP tenant will be eligible to move with a voucher in accordance with Housing Choice Voucher regulations. LHA complies with Housing Quality Standards, subsidy layering requirements, and other federal requirements regarding

project-based assistance as set forth in Title 24 of the Code of Federal Regulations.

IMPACT AND OUTCOME

Project-based units through other competitive process:
LHA will continue to accept applications through an "other competitive process" to project base a maximum of 20 units for persons with disabilities. A previous application submitted on May 25, 2011 was not approved because it failed the environmental review. No applications were received in FY 2014.

Project-based units LHA owned or managed properties
LHA signed a contract effective July 1, 2012 to phase-in the project-based assistance at Crossroads House during a three-year period.. The phase-in period allows the opportunity to maintain 100% leasing without undue hardship on the voucher program budget and leasing requirements and prevents the displacement of any households over the 50% median income limit.

Crossroads House Apartments is elderly apartment complex with 58 one-bedroom units located in the heart of Lincoln's downtown, 1000 O Street, Lincoln, Nebraska. Since Crossroads House is a "tax credit" project, the definition of elderly is defined as 55 years or older so residents must meet that age requirement to be eligible. The income eligibility limit for Crossroads House was set at the voucher program limit of 50% of median income rather than the tax credit limit of 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, from the original executed HAP contract, is to prevent the displacement of 60% median income households who are currently residing in the Crossroads House apartments. The transition period also allows the opportunity to maintain 100% voucher leasing without undue hardship on the voucher program budget and allocation requirements. At the end of the fiscal year, 49 out of 58 units have transitioned to project-based units---see table under Additional Local Metrics.

HUD STANDARD METRICS

For this initiative, LHA is using the following standard metrics from Form 50900:

CE #1 Agency Cost Savings				
HUD instructions for this metric are shown in the following two rows:				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved**
Total cost of task in dollars (decrease)	Cost of task prior to implementation of the activity in (dollars).	Expected cost of the task after implementation of the activity (in dollars)	Actual cost of the task after implementation of the activity (in dollars)	Whether the outcome meets or exceeds the benchmark
Other Initiatives #6 Project-Based Section 8 Units				
The baseline cost for this initiative is the anticipated cost for issuing a Request for Proposals (FRP) including preparation, advertising, review, and selection.				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved**
Total cost of task	165 hours @ $50 per hour = $8,250	$0	$0	Yes

CE #2 Staff Time Savings				
HUD instructions for this metric are shown in the following two rows:				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved**
Total time to complete the task in staff hours (decrease)	Total amount of staff time dedicated to the task prior to implementation of the activity (in hours).	Expected amount of total staff time dedicated to the task after implementation of the activity (in hours).	Actual amount of total staff time dedicated to the task after implementation of the activity (in hours).	Whether the outcome meets or exceeds the benchmark
Other Initiatives #6 Project-Based Section 8 Units				
The baseline cost for this metric is the anticipated staff time for issuing a Request for Proposals (FRP) including preparation, application review, and selection.				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved**
Total anticipated time for issuing a Request for Proposals	RFP Development =75 staff hours Application Review = 30 hours times 3 applications = 90 hours Total staff hours = 165	RFP Development = 0 hours Application Review = 0 hours Total staff hours = 0	RFP Development = 0 hours Application Review = 0 hours Total staff hours = 0	Yes

HC #5 Increase in Resident Mobility				
HUD instructions for this metric are shown in the following two rows:				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved**
Number of households able to move to a better unit and/or neighborhood of opportunity as a result of the activity (increase)	Households able to move to a better unit and/or neighborhood of opportunity prior to implementation of the activity (number). This number may be zero.	Expected households able to move to a better unit and/or neighborhood of opportunity after implementation of the activity (number).	Actual households able to move to a better unit and/or neighborhood of opportunity after implementation of the activity (number).	Whether the outcome meets or exceeds the benchmark

Other Initiatives #6 Project-Based Section 8 Units				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved**
Number of Move-ins to Project-based units at Crossroads House	0	8	8	Yes

ADDITIONAL LOCAL METRICS

Local metrics are provided to give additional view of the impact of the initiative. In most, but not all cases, the local metric follows the format prescribed by HUD's Standard metrics

Other Initiatives #6 Project-Based Section 8 Units				
The plan is to accomplish the transition to 100% project-based units at Crossroads House over a 3 year period. The table below shows our plan (benchmark) and progress (outcome) toward that goal.				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved**
Project-Based Units at Crossroads House	0 units	March 31, 2012 0 units March 31, 2013 20 units March 31, 2014 39 units March 31, 2015 58 units	March 31, 2012 0 units March 31, 2013 24 units March 31, 2014 49 units March 31, 2015 Pending	March 31, 2012 NA March 31, 2013 Exceeded March 31, 2014 Exceeded March 31, 2015 Pending

Other Initiatives #6 Project-Based Section 8 Units				
This metric shows the impact from project-basing vouchers in an elderly designated complex to create and preserve affordable housing opportunities for elderly households.				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved**
Number of Elderly Households with Voucher Assistance	FY 2011 (point in time) 372 12.9% of total vouchers	390	424 15.6% of total vouchers	Yes-Exceeded
Number of Disabled Households with Voucher Assistance	FY 2011 (point in time) 964	984	1063	Yes-Exceeded

Initiative 7

ACTIVITY: RENTWISE TENANT EDUCATION

Year Identified: November, 2010

Effective Date: October 1, 2011

Statutory Objective: Increase housing choice for low income families

Reduce cost and achieve greater cost effectiveness in federal expenditures

DESCRIPTION OF ACTIVITY

Lincoln Housing Authority is using 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 to educate renters on responsibilities necessary to become successful tenants with stable housing. Lincoln Housing Authority formed 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.

Using certified trainers, RentWise teaches the knowledge and skills to be a successful renter and the issues that lead to problems for tenants. RentWise teaches participants how to secure and maintain safe and affordable rental housing. The six-module program is offered at no cost to participants and 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 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.

IMPACT AND OUTCOME

The RentWise program is expected to 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. The program also teaches renters the ability make educated decisions about finding and maintaining affordable and suitable housing.

This activity was implemented October 1, 2011. Each twelve hour series is scheduled over three days and each series is scheduled at least two times per month. The program allows for 60 registrants per session and sessions are currently scheduled several months in advance. The number of classes offered is sufficient to meet the registration requests. RentWise is a pre-housing activity and participants are determined as income-eligible for RentWise based on self-declaration of income.

The program has been very well received by tenants and landlords. Some landlords offer incentives to RentWise graduates such as waiver of application fee, reduced deposit, or special consideration in their application. LHA offers a secondary preference for the voucher program for RentWise graduates.

LHA has had increased requests for interpreters for the RentWise program. In order to more efficiently use interpreters and manage costs as well as reduce the distractions of having interpreters in a classroom setting, LHA has obtained local grants for specialized equipment to be used by interpreters and participants.

In the fiscal year ending March 31, 2014, 418 households completed the RentWise program and 395 of those households applied for housing assistance. 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 rental market, and their connections to the community. The RentWise program improves the knowledge base and thereby increases housing choice.

As a result of the sequester, LHA stopped issuing vouchers from February through December, 2013. Enrollments and completions of RentWise decreased since the incentive, voucher preference, could not be used until we issued vouchers again.

HUD STANDARD METRICS

For this initiative, LHA is using the following standard metrics from Form 50900:

CE #4 Increase in Resources Leveraged				
HUD instructions for this metric are shown in the following two rows:				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved**
Amount of funds leveraged in dollars (increase)	Amount leveraged prior to implementation of the activity (in dollars). This number may be zero.	Expected amount leveraged after implementation of the activity (in dollars).	Actual amount leveraged after implementation of the activity (in dollars).	Whether the outcome meets or exceeds the benchmark
Other Initiatives #7 RentWise Tenant Education				
Leveraged funds are calculated from in-kind contributions of meeting space at $240 per RentWise session and in-kind contributions of trainers from other human services agencies at $27.14 per hour and 12 hours per session times the number of sessions.				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved**
Amount of Funds Leveraged	$0	In kind meeting space at $240 per session and in kind trainers @ $27.14 per hour—12 hours per session and 24 sessions per year $13,584	In kind meeting space at $240 per session and in kind trainers @ $27.14 per hour—12 hours per session and 31 sessions per year $17,536	Yes-Exceeded

HC #7 Households Assisted by Services that Increase Housing Choice				
HUD instructions for this metric are shown in the following two rows:				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved**
Number of households receiving services aimed to increase housing choice (increase)	Households receiving this type of service prior to implementation of the activity (number). This number may be zero.	Expected number of households receiving these services after implementation of the activity (number)	Actual number of households receiving these services after implementation of the activity (number)	Whether the outcome meets or exceeds the benchmark
Other Initiatives #7 RentWise Tenant Education				
The data for this metric is the number of RentWise registrants who participate in one or more training sessions.				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved**
Number of Households participating in RentWise	0	500	468	No--The incentive of a HCV preference was removed when sequestration disallowed LHA to select from the waiting list during most of CY13 so the attendance rate to the RentWise classes declined.

ADDITIONAL LOCAL METRICS

Local metrics are provided to give additional view of the impact of the initiative. In most, but not all cases, the local metric follows the format prescribed by HUD's Standard metrics.

Other Initiatives #7 RentWise Tenant Education

Data for this initiative is number of households who register, attend, and complete RentWise. Also included is the number of graduates (those completing the program) who applied for housing assistance.

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved
Number of Households registering for RentWise	887	1,100	1367	Yes
Number of Registrants who attended RentWise	478	550	468	No
Number of Attendees who completed the RentWise program	426	468	418	No
Percentage of Attendees who completed the RentWise program	89%	85%	89%	Yes
Number of Graduates who applied for LHA housing assistance	331	374	395	Yes
Percentage of Graduates who applied for LHA housing assistance	78%	80%	94.5%	Yes

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Other Initiatives #7 RentWise Tenant Education

MTW funds are used in this initiative to fund certain costs of RentWise---language interpretation, postage, brochures and printing manuals. The benchmark is revised annually through the LHA budget.

Unit of Measurement	Baseline = Budget	Benchmark	Outcome	Benchmark Achieved
Cost of RentWise Program is within the Budget				
Interpretation	$8,200	$8,200	$8,442	No—See note below
Brochures	$400	$400	$400	Yes
Postage	$2,000	$2,000	$1,283	Yes
Training Manuals	$3,200	$3,200	$3,200	Yes
TOTAL COST of RENTWISE PROGRAM	$13,800	$13,800	$13,325	Yes—overall expenses were within budget but funds were transferred from postage to interpretation to meet the need

Initiative 8

ACTIVITY: RESIDENT SERVICES PROGRAM

Program Affected: HCV Program

Year Identified: November, 2010

Effective Date: October 1, 2011

Statutory Objectives: Increase housing choice for low income families

DESCRIPTION OF ACTIVITY

The resident services program provides outreach, case management, service coordination, and supportive services to tenants who are frail elderly or disabled and residing at Crossroads House apartments. Through an interlocal agreement, the program is operated by the Lincoln Area Agency on Aging (LAAA). 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.

The resident services 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.

A Professional Assessment Committee (PAC) reviews 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.

A service coordinator provides general case management and referral services to all potential participants in the program and provides referrals to the PAC of those individuals who appear eligible for the program. The service coordinator educates residents about the services available and application procedures, assists in applications, and monitors ongoing services.

The LAAA contracts with qualified providers to furnish participants with supportive services including personal care, transportation, and housekeeping services. These three services are 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. 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.

IMPACT AND OUTCOME

LHA continued this initiative in the past year through an interlocal agreement with Lincoln Area Agency on Aging. Outreach was provided to all residents with 39 residents receiving ongoing service coordination in the program. During the 12 month period, there were 68 tenants living at Crossroads House and 33 who were frail elderly or disabled. There were 16 individuals who were at high risk for a higher level of service but were able to continue in independent living with supportive services. Twenty-two individuals received one or more of the supportive services with MTW funding. This results in substantial savings of Medicaid dollars to remain in independent living versus assisted living or nursing home care.

Through service coordination, 14 residents also received 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.

Upon completion of the transition to 100% project-based vouchers, this initiative will be moved to Section V and described as part of our single fund flexibility

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.

HUD STANDARD METRICS

For this initiative, LHA is using the following standard metrics from Form 50900:

HC #7 Households Assisted by Services that Increase Housing Choice				
HUD instructions for this metric are shown in the following two rows:				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved**
Number of households receiving services aimed to increase housing choice (increase)	Households receiving this type of service prior to implementation of the activity (number). This number may be zero.	Expected number of households receiving these services after implementation of the activity (number)	Actual number of households receiving these services after implementation of the activity (number)	Whether the outcome meets or exceeds the benchmark
Other Initiatives #8 Resident Services Program				
The Lincoln Housing Authority has an interlocal agreement with the Lincoln Area Agency on Aging (LAAA) to provide frail or disabled tenants. By providing these services, LHA is able to increase housing choice for tenants and prospective tenants.				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved**
Number of households receiving services	0	35	39	Yes

ADDITIONAL LOCAL METRICS

Local metrics are provided to give additional view of the impact of the initiative. In most, but not all cases, the local metric follows the format prescribed by HUD's Standard metrics.

Other Initiatives #8 Resident Services Program				
Through the interlocal agreement, Lincoln Housing Authority established limits on the overall cost of the program. The limit is the benchmark which may be revised annually during contract renewal. The benchmark is revised annually.				
Unit of Measurement	**Contract Amount = Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved**
Cost of Resident Services Program	$41,884	Less than or equal to $41,884	$36,123	Yes

Other Initiatives #8 Resident Services Program				
Lincoln Area Agency on Aging provides a conservative estimate of the Medicaid cost if services were provided at the next level of care. 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 is individualized and adjusted to the length of time the individual would have been in a higher level of care as well as the residents' actual incomes which would be used to cover part of the cost in assisted living at the Medicaid rate.				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved**
Estimated Medicaid cost savings by avoiding the next higher level of care (assisted living)	$135,501	>$135,000	$243,541	Yes

B: NOT YET IMPLEMENTED

All approved activities have been implemented.

C: ON HOLD

All approved activities have been implemented.

D: CLOSED OUT

No approved activities have been closed out.

V. Sources and Uses of Funding

Annual MTW Report

V.3.Report.Sources and Uses of MTW Funds

A. MTW Report: Sources and Uses of MTW Funds

Actual Sources and Uses of MTW Funding for the Fiscal Year

PHAs shall submit their unaudited and audited information in the prescribed FDS format through the Financial Assessment System - PHA (FASPHA), or its successor system

Describe the Activities that Used Only MTW Single Fund Flexibility

As discussed in the 2013-14 MTW Annual Plan, LHA has designated $1 million (increased to $1.3 million in the 2014-15 Plan) of Housing Choice Voucher reserve funds under MTW single fund flexibility to make improvements to the common spaces of Mahoney Manor, a 120 unit high-rise apartment building for seniors. Built in 1973, the building's common spaces are obsolete, too small, not functional and do not meet current standards for physical accessibility. This project has been on the drawing board for several years, but was always delayed due to a lack of funding and the difficulty of addressing many competing objectives. A project design team was hired at the beginning of the fiscal year. Throughout the year, the design team and staff developed various design concepts. Resident input was obtained in February via two resident meetings; staff continue to solicit input from small groups of residents as design work is fine-tuned. Plans call for the construction of a new kitchen/community room addition, additional on-site parking, a re-configured main entrance, and the addition of a solarium. The existing kitchen/community room will be converted to other uses. The project will also include new furnishing and decor. Construction bid documents are currently being assembled. Tentative plans are to put the project out to bid in early summer. It is anticipated the project will take approximately one year to complete. At the end of the fiscal year, $17,573.05 has been spent on this project.

B. MTW Report: Local Asset Management Plan

Has the PHA allocated costs within statute during the plan year?	Yes		-
Has the PHA implemented a local asset management plan (LAMP)?	-	or	No

If the PHA is implementing a LAMP, it shall be described in an appendix every year beginning with the year it is proposed and approved. It shall explain the deviations from existing HUD requirements and should be updated if any changes are made to the LAMP.

Has the PHA provided a LAMP in the appendix?	-	or	No

In the body of the Report, PHAs should provide a narrative updating the progress of implementing and operating the Local Asset Management Plan during the fiscal year.

NOTE: The following section is not required pending further guidance from HUD.

C. MTW Report: Commitment of Unspent Funds

In the table below, provide planned commitments or obligations of unspent MTW funds at the end of the PHA's fiscal year.

Account	Planned Expenditure	Obligated Funds	Committed Funds
Type	Description	$ X	$ X
Type	Description	$ X	$ X
Type	Description	$ X	$ X
Type	Description	$ X	$ X
Type	Description	$ X	$ X
Type	Description	$ X	$ X
Type	Description	$ X	$ X
Type	Description	$ X	$ X
Total Obligated or Committed Funds:		0	0

As per the HUD webcast of April 2014 on the HUD Form 50900, this section is not required until subsequent guidance is available.

Note *: Written notice of a definition of MTW reserves will be forthcoming. Until HUD issues a methodology for defining reserves, including a definition of obligations and commitments, MTW agencies are not required to complete this section.*

VI. Administrative

A. General description of any HUD reviews, audits or physical inspection issues that require the agency to take action to address the issue;

HUD conducted a site visit in November, 2013. Much of the visit was discussion of the HUD Standard Metrics which are required in the FY 2015 MTW Annual Plan and the FY 2014 MTW Annual Report. On March 28, 2014, HUD provided detailed feedback on the FY 2015 MTW Annual Report. This feedback led to the addition of numerous additional standard metrics from what was submitted by LHA in the plan on January 13, 2014. At the end of the fiscal year, LHA was still working on revisions to the FY 2015 MTW Annual Plan. The standard metrics are incorporated in this FY 2014 MTW Annual Report.

B. Results of latest PHA-directed evaluations of the demonstration, as applicable; and

Not Applicable

C. Certification that the PHA 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

D. **LHA Request and HUD Approval Letters Regarding VASH under MTW**

Appendix B

E. **Request for Inspection and Unit Information Form**

Appendix C

APPENDIX A

Agency Certification for the Statutory Requirements

HOUSING AUTHORITY
OF THE
CITY OF LINCOLN, NEBRASKA

RESOLUTION NO. 847

CERTIFICATION OF COMPLIANCE WITH
HUD MOVING TO WORK STATUTORY REQUIREMENTS

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

WHEREAS, the Housing Authority of the City of Lincoln, Nebraska has entered into a written agreement with the U.S. Department of Housing and Urban Development outlining 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 8th day of May, 2014.

Orville Jones III, Chair

ATTEST:

Larry G. Potratz, Secretary

APPENDIX B

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

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

Executive Director
Larry G. Potratz

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.	

Telephone: (402) 434-5500 Fax: (402) 434-5502
(TDD) Telecommunication Device for Deaf: 1-800-545-1833 Ext. 875
Email: Info@L-Housing.com www.L-Housing.com

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

c. Seanna

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,

For Deborah Hernandez

Sandra B. Henriquez
Assistant Secretary

APPENDIX C

Request for Inspection
and
Unit Information
Form

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

Lincoln Housing Authority
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: _____

Lincoln Housing Authority

P.O. Box 5327 • 5700 R Street • Lincoln, NE 68505
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? **Unit information**

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

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	☐ Tenant	☐ Owner	☐ Natural gas	☐ Electric	☐ Other _____
Cooling	☐ Tenant	☐ Owner	☐ Natural gas	☐ Electric	☐ Other _____
Other Electric	☐ Tenant	☐ Owner	☐ Natural gas	☐ Electric	☐ Other _____
Cooking	☐ Tenant	☐ Owner	☐ Natural gas	☐ Electric	☐ Other _____
Water Heating	☐ Tenant	☐ Owner	☐ Natural gas	☐ Electric	☐ Other _____
Water/Sewer	☐ Tenant	☐ Owner			
Trash collection		☒ Owner: Lincoln Municipal Code			

Who will be responsible to provide the following appliances?

Check box	Who provides?		
Range/Stove	☐ Owner	☐ Tenant	What utility does it use? ☐ Gas ☐ Electric
Refrigerator	☐ Owner	☐ 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 _____