

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



**MOVING TO WORK
ANNUAL REPORT**

Fiscal Year 2024-2025

Submitted: June 26, 2025

**<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 extended the MTW program until the end of the housing authority’s 2018 Fiscal Year. The agreement was subsequently extended to the end of the housing authority’s 2028 Fiscal Year. The required elements of the report are detailed in HUD Form 50900 (OMB Control Number: 2577-0216 Expiration Date: (08/31/2027))

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B. OVERVIEW OF SHORT-TERM AND LONG-TERM MTW

GOALS AND OBJECTIVES

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 agreement extended the MTW demonstration at Lincoln Housing Authority until 2018. In April 2016, the agreement was extended to 2028, and in 2025 the agreement was extended again to 2038.

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

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. 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

(LIHTC) 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. During this fiscal year, LHA completed construction of Phase One (64 units) of Emerald View Apartments, a 128-unit affordable complex in a growth area on the edge of the city. The development is utilizing LIHTC and HOME funds for Phase One. We also applied for additional LIHTC financing for Phase 2, but did not get the award. We plan to submit again in 2025.

The city of Lincoln and the state of Nebraska have been fortunate to have maintained low unemployment rates for an extended number of 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 2025 was 2.9% and increased to 3.0% in April 2025. The national unemployment rate for April 2025 was 4.2%. The Lincoln Metropolitan Statistical Area (MSA) had an unemployment rate of 2.6% in March 2025 and raised to 2.7% in April 2025. The current low unemployment rate is a positive sign for Lincoln and on-going 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, which in turn limits housing choices for voucher holders.
- Continue to promote opportunities for tenant self-sufficiency either through education or meaningful work experience. The opportunity 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

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 and an expectation to work (Rent Reform Initiative Two). 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 when participants go to work or advance in their work. Rather, that increase in rent is delayed until the household's next annual or biennial review. A positive indicator of the success of this objective is the employment rate in work-able households: 92% in public housing and 87% in housing choice vouchers. A long-term trend that impacts this goal is that the overall share of elderly and disabled households is increasing, while the share of work-able households in the program is decreasing.

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, EHV and Mainstream, and participate in the low-income tax credit program without substantially increasing 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 (Cause Collective), the Continuum of Care and numerous other community groups, we are able to interact with key stakeholders and obtain both formal and informal feedback on housing authority operations. This includes the addition of an initiative for landlord incentives which has helped attract and retain landlord participation. The number of landlords participating in the voucher program increased initially from 747 in October 2014 then declined to 557 in March 2024 and has since increased to 641 as of March 2025. Although LHA continues to have new landlords accept HCV the number of landlords has continued to decrease, in part due to the consolidation of ownership and management of rental properties. Lincoln, like much of the country, has sustained a very tight rental market for multiple years, which makes voucher tenants less competitive. For this reason, we increased the incentive from \$150 to \$200 in 2020 and again from \$200 to \$400 (for those who pass on the first inspection) in 2023. The increase in the incentive payment has impacted the number of new landlords participating in the program.

During FY2022, we received an award for 100 new Emergency Housing Vouchers. Working with the Continuum of Care, we received HUD approval to apply MTW rules to these new vouchers, with the exception of Rent Reform Initiative 2 (Minimum Earned Income) and Other Initiative 2 (Responsible Portability). We built upon our MTW experience to design leasing incentives into EHV, including a more robust landlord incentive of \$500. LHA issued all Emergency Housing Vouchers by the September 30, 2023 deadline.

In addition to our MTW initiatives, Lincoln Housing Authority began the process to convert public housing units from the public housing model to a project-based voucher model to stabilize the funding while continuing to offer high quality assisted housing. Due to the good condition of LHA's public housing units, the plan is for a simple conversion of subsidy with minimal additional financing or rehabilitation. LHA intends to continue to own and operate the units as income-based rental housing, either directly or through a controlled affiliate. As of October 1, 2019, LHA completed the transition of Mahoney Manor to project-based vouchers through the Rental Assistance Demonstration (RAD) program. We are also preparing an application under

the Section 18 disposition requirements for scattered site public housing, although progress slowed these past three years due to the COVID-19 pandemic, staff turnover, other initiatives, and the need to conduct outreach to impacted families. LHA intends to project-base Tenant Protection Vouchers in most of the scattered site units. We are concerned that the RAD funding formula will result in contract rents that are significantly below market at conversion, and the RAD rules could result in rent increases for some tenants who currently pay higher ceiling rents. We intend to use MTW flexibility to enact a fair and reasonable rent policy for the RAD converted units and/or Section 18 disposition units. RAD conversion and/or Section 18 disposition will result in elimination of the Public Housing Capital Fund and Public Housing Operating Fund. LHA will operate the converted properties and establish capital improvement reserves from the rental income stream, which is how LHA operates all its other rental properties. The current Capital Fund 5-year plan will be used as a basis for future capital improvement planning.

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 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 Housing Tax Credit (LIHTC) program and bond-financing, LHA has developed 342 units over the past 20 years in middle- and upper-income growth neighborhoods and acquired 86 additional units of low-income housing. In August 2019, LHA completed the purchase of 13.6 acres of land for a new development and is in the process of developing 128 additional units in a LIHTC development on this site. The land is located in a newly developing, high opportunity area. We were awarded Low Income Housing Tax Credits in the 2022 funding cycle and have completed construction of Phase 1 – 64 units. We plan to build an additional 64 unit in Phase 2 once additional LIHTC funding is available. It is clear that the location of LIHTC properties outside areas of poverty concentration is critical to increasing housing opportunities and choices for voucher holders as these properties are required to accept vouchers unlike other private market developments. Through participation in special voucher programs, such as VASH, Mainstream, and EHV we have also increased our authorized vouchers during our participation in MTW, including the additional 127 Mainstream Vouchers in 2020 and 2021, and 100 new EHV in FY22. LHA continues to seek land for further

development of affordable housing, but limited availability and high land prices are a major barrier to development. LHA also participated in the development of the first City of Lincoln Affordable Housing Coordinated Action Plan and the establishment of a CDFI entity dedicated to affordable housing. In FY23 LHA assisted in the development of a statewide housing action plan for Nebraska. These initiatives represent new city and statewide efforts to develop more affordable housing and are beginning to show results as more intentionally affordable housing is being developed in Lincoln.

C. MTW INITIATIVES

For fiscal year 2024-2025, the housing authority continued to implement the following MTW initiatives. These are described and reported on in Section IV. Approved MTW Activities:

Rent Reform Initiatives

- Interim Reexaminations
- Minimum Earned Income
- Rent Calculations at 27% with no deductions
- Rent Choice Capped at 50% (voucher only)
- Average Utility Allowances (voucher only)
- Biennial Re-Examinations for elderly and disabled households

Other Initiatives

- Income Eligibility
- Responsible Portability (voucher only)
- 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
- Landlord Incentive HAP (voucher only)

II. General Operating Information

A. HOUSING STOCK INFORMATION

i. ACTUAL NEW PROJECT-BASED VOUCHERS

Property Name	NUMBER OF VOUCHERS NEWLY PROJECT-BASED		STATUS AT END OF PLAN YEAR	RAD?	DESCRIPTION OF PROJECT
	Planned*	Actual			
To be selected	20	0	NA	NA	LHA has an ongoing plan to accept applications to project-base 20 vouchers to serve persons with disabilities. The project will be selected through another competitive process and will have a separate, site-based waiting list.
Public Housing	200	0	Planning	No	Section 18 Disposition of AMP 2 and AMP 3, 200 units of scattered site family Public Housing
	220	0			

* Planned column matches Annual MTW Plan

Differences between the Planned and Actual Number of Vouchers Newly Project-Based:

As noted above, LHA has an ongoing plan to accept applications to project-base 20 vouchers to serve persons with disabilities. No applications were received in the past fiscal year. One previous application was not approved because the site did not meet environmental requirements. Mahoney Manor was completed through a RAD transaction. We are working towards submitting the application for the conversion of the scattered sites public housing units by the end of the CY.

ii. EXISTING PROJECT-BASED VOUCHERS

Property Name	NUMBER OF PROJECT-BASED VOUCHERS		STATUS AT END OF PLAN YEAR	RAD?	DESCRIPTION OF PROJECT
	Planned	Actual			
Victory Park	70	70	Leased	No	This project consists of 45 project-based VASH vouchers and 25 tenant-based VASH vouchers. These are all designated for Victory Apartments on the VA campus in Lincoln. Reporting on non-MTW vouchers is no longer required but is included here because LHA has been approved to implement select MTW initiatives with VASH vouchers.
Mahoney Manor	120	120	Leased	Yes	RAD Conversion Date October 1, 2019
Crossroads House	58	58	Leased	No	Fiscal Year 14-15 was the final transition year to project-based vouchers at Crossroads House which has 58 units in total. Currently, all eligible residents are under PBV assistance.
	248	248			

Differences between the Planned and Actual Existing Number of Vouchers Project-Based:

Not Applicable

iii. ACTUAL OTHER CHANGES TO MTW HOUSING STOCK IN THE PLAN YEAR

There were no other changes to our MTW housing stock.

iv. **GENERAL DESCRIPTION OF ALL ACTUAL CAPITAL EXPENDITURES DURING THE PLAN YEAR**

General Description of Actual Capital Fund Expenditures During the Plan Year (April 1, 2024 thru March 31, 2025)

Capital Fund Program Grant	AMP	Property Name(s)	Nature of Work	Amount	Miscellaneous Information as of March 31, 2025
NE26P002501-24	2				Obligation end date is 5/5/2026
\$645,945	2				Disbursement end date is 5/5/2028
				\$ -	
	3				
				\$ -	
	HA	Fees & Costs	Environmental Review	\$ 1,304.87	
	HA	Administration			
				\$ 1,304.87	
				\$ 1,304.87	Grant 57.7% obligated & 0.2% expended

Capital Fund Program Grant	AMP	Property Name(s)	Nature of Work	Amount	Miscellaneous Information as of March 31, 2025
NE26P002501-23	2	Pedersen (Scattered Sites)	Replace Siding	\$ 147,816.45	Obligation end date is 2/16/2025
\$676,390	2	Hansen (Scattered Sites)	Kitchen Remodel	\$ 127,212.77	Disbursement end date is 2/19/2027
	2				
	2				
				\$ 275,029.22	
	3	A-12 (Scattered Sites)	A/C Replacement	\$ 36,579.17	
	3			\$ 194,759.98	
				\$ 231,339.15	
	HA	Fees & Costs	Hansen Kitchen Remodel	\$ 50.89	
	HA	Administration			
				\$ 50.89	
				\$ 506,419.26	Grant 100% obligated & 78.8% expended

Capital Fund Program Grant	AMP	Property Name(s)	Nature of Work	Amount	Miscellaneous Information as of March 31, 2025
NE26P002501-22	2	Larson (Scattered Sites)	Basement Windows	\$ 18,250.00	Obligation end date was 5/11/2024
\$663,640	2	Pedersen (Scattered Sites)	Basement Windows	\$ 10,473.75	Disbursement end date is 5/11/2026
	2	Hall (Scattered Sites)	Basement Windows	\$ 29,230.00	
	2	Public Housing (Scattered Sites)	Stoop Replacement	\$ 39,270.00	
				\$ 97,223.75	
	3	F-39 (Scattered Sites)	Kitchen Cabinets	\$ 10,080.00	
				\$ 10,080.00	
	HA	Fees & Costs		\$ -	
	HA	Administration			
				\$ -	
				\$ 107,303.75	Grant 99.9% obligated & 96.2% expended

B. LEASING INFORMATION

i. ACTUAL NUMBER OF HOUSEHOLDS SERVED

NUMBER OF HOUSEHOLDS SERVED THROUGH:	NUMBER OF UNIT MONTHS OCCUPIED/LEASED*		NUMBER OF HOUSEHOLDS SERVED**	
	Planned	Actual	Planned	Actual
Public Housing Units Leased	2,352	2,371	196	198
Housing Choice Vouchers Utilized	34,800	35,282	2,900	2,940
Local, Non-Traditional: Tenant-Based	0	0	0	0
Local, Non-Traditional: Property-Based	0	0	0	0
Local , Non-Traditional: Home Ownership	0	0	0	0
Planned/Actual Totals	37,152	37,653	3,096	3,138

Instructions from HUD:

* "Planned Number of Unit Months Occupied/Leased" is the total number of months the MTW PHA planned to have leased/occupied in each category throughout the full Plan Year (as shown in the Annual MTW Plan).

***"Planned Number of Households Served" is calculated by dividing the "Planned Number of Unit Months Occupied/Leased" by the number of months in the Plan Year (as shown in the Annual MTW Plan).

**MTW report of MTW Households Served includes all households that received housing assistance, directly or indirectly, using any amount of MTW funds, including VASH, Mainstream Vouchers and Emergency Housing Vouchers.

Differences between the Planned and Actual Households Served:

We slightly exceeded the number of planned utilized HCV vouchers. This was due to a focused effort in issuing additional vouchers.

LOCAL, NON-TRADITIONAL CATEGORY	MTW ACTIVITY NAME/NUMBER	NUMBER OF UNIT MONTHS OCCUPIED/LEASED*		NUMBER OF HOUSEHOLDS SERVED*	
		Planned	Actual	Planned	Actual
Tenant-Based	NA	0	0	0	0
Property-Based	NA	0	0	0	0
Homeownership	NA	0	0	0	0
Planned/Actual Totals		0	0	0	0

* The sum of the figures provided match the totals provided for each Local, Non-Traditional category in the previous Table. Figures are given by individual activity. Multiple entries are made for each category if applicable.

HOUSEHOLDS RECEIVING LOCAL, NON-TRADITIONAL SERVICES ONLY	AVERAGE NUMBER OF HOUSEHOLDS PER MONTH	TOTAL NUMBER OF HOUSEHOLDS IN THE PLAN YEAR
RentWise Tenant Education	44	528
Crossroads House Resident Services	20	63
TOTAL	64	591

ii. **DISCUSSION OF ANY ACTUAL ISSUES/SOLUTIONS RELATED TO LEASING**

HOUSING PROGRAM	DESCRIPTION OF ACTUAL LEASING ISSUES AND SOLUTIONS
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MTW Public Housing

Lincoln Housing Authority has 200 public housing units. Thirty-one units vacated and 31 units were re-leased during the fiscal year; this reflects normal unit turnover. Other than typical unit turnover, all units were continuously occupied with no sustained vacancy issues.

The public housing units now 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. We continue to see increased demands for higher levels of amenities. There are occasional difficulties re-leasing some units based on location, amenities, and/or applicant preferences, but we have no sustained vacancy issues.

We are working towards submitting the application for the conversion of the scattered sites public housing units by the end of the CY. The income eligibility limit, which was approved through the FY 2021-2022 MTW Annual Plan, has been lowered to 50% of median income in anticipation of the conversion to Section 8. This will reduce the number of people who are eligible for the units; however, we currently have a sufficient number of applicants on the waiting list and do not anticipate this to be a significant leasing issue.

MTW Housing Choice Voucher

Throughout FY24-25, the Lincoln rental market for affordable housing remained tight with unit vacancy rates being extremely low. In response, LHA continues to work on increasing lease-up rates. LHA increased payment standards substantially in CY22 and again in CY24. In FY25 the average per unit HAP costs increased by over 15% from the beginning to the end of the fiscal year, reflecting substantially increasing rental costs.

LHA's Landlord Incentive initiative continues to attract new landlords to the program – see Initiative 9. The Landlord Incentive increased to \$400 in FY24 for those who passed inspection on the first initial inspection scheduled, for other the incentive continued at \$200. The agency's RentWise tenant education initiative is also designed to help with this issue by educating renters to be better tenants and to be better able to search for housing and market themselves as renters – see Initiative 7.

Rental application fees and the lack of tenant funds for security deposits continue to be a common leasing barrier for voucher holders. LHA manages a homeless security deposit assistance program funded by the City of Lincoln HOME funds. A total of \$16,385 of the current security deposit assistance funds from the current City of Lincoln contract term were used prior to the end of the LHA fiscal year.

Local, Non-Traditional

Not Applicable

C. WAITING LIST INFORMATION

i. ACTUAL WAITING LIST INFORMATION

Snapshot information on the actual status of MTW waiting lists at the end of the Plan Year.

WAITING LIST NAME	DESCRIPTION	NUMBER OF HOUSEHOLDS ON WAITING LIST	WAITING LIST OPEN, PARTIALLY OPEN OR CLOSED	WAS THE WAITING LIST OPENED DURING THE PLAN YEAR?
Housing Choice Voucher	Agency-Wide Families, Elderly and Disabled	3,629	Open	Yes*
Public Housing – Family	Agency-Wide-- Family Housing	539	Open	Yes*
Mahoney Manor – Project Based Voucher	Site-Based Elderly and Near Elderly	135	Open	Yes*
Crossroads House—Project-Based Vouchers	Site-Based—Age 55+	35	Open	Yes*

*Waiting lists were continuously open throughout the year.

Description of Duplication of Applicants Across Waiting Lists:

LHA maintained open waiting lists throughout the year. Applicants are encouraged to apply for all housing programs which will meet their needs and desires. In addition to the above, LHA also has waiting lists for non-MTW housing programs and applicants also apply for these housing programs as appropriate. These non-MTW housing programs include affordable and tax credit housing where vouchers can be used.

ii. ACTUAL CHANGES TO THE WAITING LIST IN THE PLAN YEAR

Description of any actual changes to the organizational structure or policies of the waiting list(s), including any opening or closing of a waiting list, during the Plan Year.

WAITING LIST NAME	DESCRIPTION OF ACTUAL CHANGES TO WAITING LIST
Housing Choice Voucher	No changes
Family Public Housing	No changes
Mahoney Manor – Project Based Vouchers	No changes
Crossroads House—Project-Based Vouchers	No changes

D. INFORMATION ON STATUTORY OBJECTIVES AND REQUIREMENTS

i. 75% OF FAMILIES ASSISTED ARE VERY LOW INCOME

HUD will verify compliance with the statutory requirement that at least 75% of the households assisted by the MTW PHA are very low income for MTW public housing units and MTW HCVs through HUD systems.

The following table is data for the actual families housed upon admission during the Plan Year reported in the “Local, Non-Traditional: Tenant-Based,” “Local, Non-Traditional: Property-Based,” and Local, Non-Traditional: Homeownership” categories. Lincoln Housing Authority had no MTW initiatives in these 3 categories. The data does not include households reported in the “Local, Non-Traditional Services Only” category.

INCOME LEVEL	NUMBER OF LOCAL, NON-TRADITIONAL HOUSEHOLDS ADMITTED IN THE PLAN YEAR
80% -50% Area Median Income	0
49% -30% Area Median Income	0
Below 30% Area Median Income	0
TOTAL LOCAL, NON-TRADITIONAL HOUSHOLDS ADMITTED	0

ii. MAINTAIN COMPARABLE MIX

HUD will verify compliance with the statutory requirement that MTW PHAs continue to serve a comparable mix of families by family size by first assessing a baseline mix of family sizes served by the MTW PHA prior to entry into the MTW demonstration (or the closest date with available data) and compare that to the current mix of family sizes served during the Plan Year.

BASELINE MIX OF FAMILY SIZES SERVED (upon entry to MTW)					
FAMILY SIZE	OCCUPIED PUBLIC HOUSING UNITS	UTILIZED HCVS	NON-MTW ADJUSTMENTS*	BASELINE MIX NUMBER	BASELINE MIX PERCENTAGE
1 Person	122	954	164	1,240	40.1%
2 Person	32	651	-162	521	16.9%
3 Person	64	469	-178	355	11.5%
4 Person	51	286	28	365	11.8%
5 Person	26	130	152	308	10.0%
6+ Person	25	104	172	301	9.7%
TOTAL	320	2,604	176	3,090	100.0%

* “Non-MTW Adjustments” are defined as factors that are outside the control of Lincoln Housing Authority. HUD’s example of an acceptable “Non-MTW Adjustment” would include demographic changes in the community’s overall population. If the MTW PHA includes “Non-MTW Adjustments,” a thorough justification, including information substantiating the numbers given, should be included below.

Justification for any “Non-MTW” Adjustments:

The Non-MTW adjustments shown in the above table were submitted May 22, 2017 in our Annual MTW Report. The report was accepted by HUD February 1, 2018.

The original Occupied Public Housing Units and Utilized HCVS (baseline numbers shown in columns 2 and 3 above) 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 affects the mix of families served from the waiting list, since the Certificate program had a set number 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

mix of families served in the Voucher program simply reflects the distribution of families who apply. The trend since converting to an all-Voucher program is that we have served an increasing number of larger families and one person households. This would be a reflection of the demographics of our waiting list and not based on anything LHA has done through MTW.

MIX OF FAMILY SIZES SERVED (in Plan Year)				
FAMILY SIZE	BASELINE MIX PERCENTAGE**	NUMBER OF HOUSEHOLDS SERVED IN PLAN YEAR ^	PERCENTAGE OF HOUSEHOLDS SERVED IN PLAN YEAR ^^	PERCENTAGE CHANGE FROM BASELINE YEAR TO CURRENT PLAN YEAR
1 Person	40.1%	1,576	50.13%	10.03%
2 Person	16.9%	483	15.36%	-1.54%
3 Person	11.5%	320	10.18%	-1.32%
4 Person	11.8%	270	8.59%	-3.21%
5 Person	10.0%	237	7.54%	-2.46%
6+ Person	9.7%	258	8.21%	-1.49%
TOTAL	100.0%	3,144	100.00%	0.00%

** The “Baseline Mix Percentage” figures given in the “Mix of Family Sizes Served (in Plan Year)” table matches those in the column of the same name in the “Baseline Mix of Family Sizes Served (upon entry to MTW)” table. The Baseline Mix Percentage was adjusted (see previous table) and accepted by HUD in a previous year.

^ The “Total” in the “Number of Households Served in Plan Year” column matches the “Actual Total” box in the “Actual Number of Households Served in the Plan Year” table in Section II.B.i of this Annual MTW Report.

^^ The percentages in this column are calculated by dividing the number in the prior column for each family size by the “Total” number of households served in the Plan Year. These percentages will reflect adjustment to the mix of families served that are due to the decisions of the MTW PHA. Justification of percentages in the current Plan Year that vary by more than 5% from the Baseline Year are provided below.

Justification for any Variances of more than 5% between the Plan Year and Baseline Year:

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 affects the mix of families offered from the waiting list, since the Certificate program had a set number 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 mix of families served in the Voucher program reflects the distribution of families who apply, reach the top of the list and

continue on the program. The trend since converting to an all-Voucher program is that we have served an increasing number of one-person households. This is a reflection of the demographics of our waiting list and not based on anything LHA has done through MTW. The one-person elderly and disabled households have continued to increase relative to other household sizes. Census data shows an on-going increase in the number of older adults in Lincoln indicating that an aging population is helping to fuel this change. The data reported in Other Initiative Six shows a substantial increase in elderly households compared to the baseline in 2011 – increasing from 12.9% of total vouchers to 34.1%. To the extent LHA has received additional voucher funding in recent years; it has been VASH, Mainstream Vouchers, RAD (Mahoney Manor) and EHV. These vouchers are more likely to serve one-person households, which may also contribute to the increase. Since we apply MTW principles to these programs, they are included in the household counts.

iii. NUMBER OF HOUSEHOLDS TRANSITIONED TO SELF-SUFFICIENCY IN THE PLAN YEAR

MTW ACTIVITY NAME/NUMBER	NUMBER OF HOUSEHOLDS TRANSITIONED TO SELF-SUFFICIENCY*	MTW PHA LOCAL DEFINITION OF SELF-SUFFICIENCY
Rent Reform #1, #2, #3	268	Households who voluntarily ended participation in rental assistance
HUD FSS Program (not MTW Activity)	17	Regular FSS Program and Completion Criteria
SUB TOTAL	285	
LESS: Households Duplicated Across MTW Activities	(7)	
TOTAL Households Transitioned to Self-Sufficiency	278	

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

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
Rent Reform 6	Biennial Re-Examinations	-Cost Effectiveness
Other Initiatives		
Initiative 1	Income Eligibility	-Cost Effectiveness
Initiative 2	Responsible Portability	-Cost Effectiveness
Initiative 3	Initiative 3 moved to Rent Reform 6 at HUD's request	
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
Initiative 9	Landlord Incentive HAP	-Housing Choice

Rent Reform 1

ACTIVITY: INTERIM RE-EXAMINATIONS

i. PLAN YEAR APPROVED, IMPLEMENTED, AMENDED

Programs Affected: HCV & PH Programs

Plan Year Proposed: April 1, 1999

Plan Year Approved: FY 2000

Plan Year Implemented: 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

ii. DESCRIPTION/IMPACT/UPDATE

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 or biennial 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 re-determine 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 re-employment period 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 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 to encourage people to find immediate re-employment. 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 policies together. When LHA initially began the MTW program, the policy on income increases was part of our MTW plan as a way to encourage and reward households for increasing income such as through new employment. 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.

The income increase rule applies to all Special Purpose Vouchers (SPV). The income decrease rule applies to all SPVs with the exception of VASH.

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 metric for this initiative uses a point-in-time system to measure the reported job changes achieving no rent decrease. This year’s data shows 33% of the households with job changes or job losses had no rent decrease related to the job change or loss. This is lower than previous years, however it remains indicative of the success of the MTW employment requirements incentivizing families who become unemployed to seek and obtain new employment. Lincoln’s very low unemployment rate at 2.6% (March 2025) also provides many opportunities for new employment.

Hardship data is also shown in Additional Local Metrics.

HUD STANDARD METRICS

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

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.				
Unit of Measurement	Baseline April 2010	Benchmark	Outcome	Benchmark Achieved
(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 1,006 out of 1641	985 out of 1641	PH 133 out of 144 HCV 828 out of 955 Total 961 out of 1,099	-
(6) Other: Percentage of Work-Able Households who are employed full or part-time	PH 80% HCV 59% Total 61%	60%	PH 92% HCV 87% Total 87%	Yes

A remarkable change impacting these metrics is that the number of work-able households has declined significantly since baseline as the number of elderly/disabled households has increased. However, the percentage of work-able households who are working has increased.

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: <u>17 Households</u> TOTAL: 337 Households	HCV: 280 Households PH: <u>17 Households</u> TOTAL: 297 Households	HCV: 255 Households PH: <u>13 Households</u> TOTAL: 268 Households	No –There were less due to the increasing percentage of elderly and disabled in the voucher program.

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 target month. In 33% of the cases, no decrease in rent was required.

METRIC	BASELINE	BENCHMARK	OUTCOME
Reported job loss or job change with an effective action date 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 11/1/2024

Total number of job losses or job changes	76		15
Number job losses or job changes requiring a rent decrease	15		10
Number of job losses or job changes which did not result in a rent decrease	61		5
Percent with no rent decrease	80%	50% or more	33%

Hardships: Of the 10 job losses that required rent decreases, six (6) received an immediate hardship rent reduction for good cause.

iii. ACTUAL NON-SIGNIFICANT CHANGES TO ACTIVITY

None

iv. ACTUAL CHANGES TO METRICS/DATA COLLECTION

None

v. ACTUAL SIGNIFICANT CHANGES TO ACTIVITY

None

vi. CHALLENGES IN ACHIEVING BENCHMARKS AND POSSIBLE STRATEGIES

None

Rent Reform 2

ACTIVITY: MINIMUM EARNED INCOME

i. PLAN YEAR APPROVED, IMPLEMENTED, AMENDED

Program Affected: HCV & PH Programs

Plan Year Proposed: April 1, 1999

Plan Year Approved: FY 2000

Plan Year Implemented: July 1, 1999

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

ii. DESCRIPTION/IMPACT/UPDATE

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 or state minimum wage, whichever is greater. The minimum amount of earned income for families with two or more eligible adult members will be based on an additional 15 hours per week of employment at minimum wage for each additional eligible adult. 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 hardship 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. This initiative applies to Mainstream voucher households but does not apply to VASH or EHV voucher households.

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 federal and state minimum wage of \$5.15 per hour. The following chart shows the changes in MEI over time. The federal minimum wage has not changed since 2009. However, due to a state voter initiative, the state minimum wage increased to \$12.00 in 2024 and will incrementally increase to \$15.00 by 2026. The MEI will continue to be adjusted in accordance with changes in the federal or state minimum wage.

Effective Date	Minimum Wage	MEI for 1 person	MEI for 2 persons (40 hours per week)
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
January 1, 2015	\$8.00	\$10,400	\$16,640
January 1, 2016	\$9.00	\$11,700	\$18,720
January 1, 2023	\$10.50	\$13,650	\$21,840
January 1, 2024	\$12.00	\$15,600	\$24,960
January 1, 2025	\$13.50	\$17,550	\$28,080

The maximum amount of MEI for a household with two eligible adults 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 hardship 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 2024-25, there were 30 households who had MEI in Public Housing and 312 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 on up depending on the number of adults with no exemptions and no earned income. The average MEI in FY25 was \$9,896, reflecting that most MEI households have some reported earned income.

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. During this fiscal year, 128 households ended their MEI requirement and 69% of those households ended their MEI requirement through employment or participation in education or a self-sufficiency program. An additional 30 households terminated voucher assistance because they no longer required assistance. This outcome is a good indicator that the MEI requirement encourages people toward employment or toward education and training leading to employment.

Further data on the positive effect of the MEI requirement is the total number of households with wages. The data in the tables for Rent Reform Initiative #1 clearly show a high percentage of households with wages, another indication that our program emphasis on work expectations is successful. Both programs were above benchmark. The unemployment rate in Lincoln is currently very low at 2.6% (March 2025), this is up 0.2 % from the March 2024 rate.

HUD STANDARD METRICS

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

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: 6 Total = 6 out of 128	
(3) Percentage of MEI Households Enrolled in an Educational Program	0%	3%	5%	Yes
(3) Number of MEI Households Enrolled in a Job Training Program	0	PH: 1 HCV: 14 TOTAL = 15 out of 500	PH: 1 HCV: 17 Total = 18 out of 128	
(3) Percentage of MEI Households Enrolled in a Job Training Program	0%	3%	14%	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: 9 HCV: 55 Total = 64 out of 128	
(6) Other: Percentage of MEI Households employed at more than Minimum Earned Income	0%	15%	50%	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
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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: <u>17 Households</u> TOTAL: 337 Households	HCV: 280 Households PH: <u>17 Households</u> TOTAL: 297 Households	HCV: 255 Households PH: <u>13 Households</u> TOTAL: 268 Households	No –There were less due to the increasing percentage of elderly and disabled in the voucher program.

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.

MEI should result in some HAP savings. A measure of HAP savings not dependent on rental costs is to compare average Total Tenant Payment (TTP) of MEI households (\$556) to the average TTP of the same households if MEI was not included (\$334), a difference of \$222 per household per month.

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 three public housing MEI households and 36 Voucher MEI households terminated their assistance during the fiscal year. This was 13.64% of all public housing terminations and 8.5% of all voucher terminations. MEI households made up 15.38% of public housing households and 10.58% 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, 2024 to March 31, 2025
Number\Percent of MEI households (year-end)	HCV: 466 out of 2,918 16.0% PH: 28 out of 320 8.8%		HCV: 312 out of 2,949 10.58% PH: 30 out of 195 15.38%
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: 36 MEI households out of 423 terminations 8.5% PH: 3 MEI households out of 22 terminations 13.64%
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 10.58% PH: Less than 15.38%	HCV: 8.5% PH: 13.64%

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, 2024, to March 31, 2025. There were zero MEI households who were evicted for non-payment of rent out of 423 HCV households who terminated during the year. In Public Housing, zero MEI household out of 22 total terminations were for non-payment of rent.

METRIC	HCV BASELINE	PH BASELINE	HCV OUTCOME	PH OUTCOME
PH and HCV: Number of terminated MEI households & Reason for Termination	April 1, 2010 to March 31, 2011 Baseline		April 1, 2024 to March 31, 2025	
Criminal Activity	4	0	2	0
Deceased	0	0	0	0
Drug Activity	5	0	1	0
Vacate Owing	0	0	0	0
Fraud	5	0	1	0
Owner HQS Defect	0	0	0	0

Tenant HQS Defect	1	0	0	0
Other Program Violation	12	0	1	0
Moved out of town	1	0	1	0
Portable Absorbed by HA	1	0	0	0
Moved in with Relative/Friend	0	0	1	0
No Reply to Annual Re-exam	4	0	10	0
No longer Requires Assistance	15	0	8	0
Reason Unknown	0	1	1	1
Moved to Nursing Home	0	0	0	0
Vacate without Notice	21	0	6	0
Transfer to Other LHA Unit	0	0	0	1
Buying a House	2	0	1	0
Eviction—Non Payment of Rent	14	0	0	0
Eviction—Other Lease Violation	0	0	0	0
Voucher Expired	5	0	2	0
Moved to Other Assisted Housing	0	0	1	1
TOTAL MEI TERMINATIONS	HCV: 90	PH: 1	HCV: 36	PH: 3
TOTAL TERMINATIONS	HCV: 500	PH: 54	HCV: 423	PH: 22

iii. ACTUAL NON-SIGNIFICANT CHANGES TO ACTIVITY

None

iv. ACTUAL CHANGES TO METRICS/DATA COLLECTION

None

v. ACTUAL SIGNIFICANT CHANGES TO ACTIVITY

None

vi. CHALLENGES IN ACHIEVING BENCHMARKS AND POSSIBLE STRATEGIES

None

Rent Reform 3

ACTIVITY: RENT CALCULATIONS

i. PLAN YEAR APPROVED, IMPLEMENTED, AMENDED

<u>Programs Affected:</u>	HCV & PH Programs
<u>For Items A - D:</u>	
<u>Plan Year Proposed:</u>	April 1, 2008
<u>Plan Year Approved:</u>	FY 2009
<u>Plan Year Implemented:</u>	April 1, 2008 (new admissions and transfers) July 1, 2008 (annual reexaminations)
<u>For Item E:</u>	
<u>Plan Year Proposed:</u>	April 1, 1999
<u>Plan Year Approved:</u>	FY 2000
<u>Plan Year Implemented:</u>	July 1, 1999
<u>Plan Year Amended:</u>	FY 2016

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

ii. DESCRIPTION/IMPACT/UPDATE

- 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. The minimum TTP is also \$25. The minimum rent is waived if the head of household is disabled and has a current Social Security application pending. The minimum TTP is not waived.
- C. Calculation of Asset Income: For households with total assets for which the face value is equal to or greater than \$50,000, 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 \$50,000 in face value, first acceptable verification level is self-certification of face value and income. The income will be excluded if total assets are less than or equal to \$50,000.

Special Needs Trusts are an excluded asset. In 2016, the Nebraska legislature passed the Achieving a Better Life Experience (ABLE) law which authorized ENABLE accounts to allow children and adults with qualifying disabilities in Nebraska to save money without jeopardizing their eligibility for government benefits. In our 2017-2018 Plan, we excluded these types of accounts as an asset as we do the special needs trusts.

Rental properties are considered personal assets and held as investments rather than business assets. Under MTW policy, asset income from rental properties held by applicants/tenants will be calculated using either 1) the actual annual generated income from the asset, or 2) the imputed asset income by using the face value of the property multiplied by 2%, whichever is greater.

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: Pay statements (pay stubs) covering at least 30 days.

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, public housing flat rents, imputed welfare income, and student earned income exclusions for adults 22 and older. Also, LHA will not implement regulatory provisions to include Special Needs Trusts as an asset or income even if the Special Needs Trust is making regular payments on the behalf of the beneficiary. Beginning with the plan year 2019-2020, LHA excluded income received for participation in grant-funded research on the impact that income has on the development of children in low-income families, if the income has also been excluded by the State of Nebraska for use in determining eligibility for Aid to Dependent Children. The exclusion shall not exceed \$4,000 per year for four years. The research income known as 4MyBaby gift qualifies under this exemption. Travel expenses for individuals leaving the state for more than 60 days in a 24 month period while assisted will be included as income.

For the FSS program, escrow will be calculated using 27% growth in monthly rent, this is the amount by which the current monthly rent exceeds the baseline monthly rent.

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 which were included 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.

This initiative applies to all SPVs, except the minimum rent does not apply to VASH participants.

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. In the years since we implemented this simplified rent formula, we have consistently shown savings in staff processing time compared to control groups using the traditional model. After 14 years of point-in-time measurement that consistently showed time savings we have discontinued the measurement.

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.

Several of the HUD standard metrics are included at HUD request but there is no direct relationship between some of 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:

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 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.				
Unit of Measurement	Baseline April 2010	Benchmark	Outcome	Benchmark Achieved
(6) Other: Number of Work-Able Households who are employed full or	PH 134 out of 168 HCV 872 out of 1473		PH 133 out of 144 HCV 828 out of 955	-

part-time	Total 1006 out of 1641	985 out of 1641	Total 961 out of 1,099	
(6) Other: Percentage of Work-Able Households who are employed full or part-time	PH 80% HCV 59% Total 61%		PH 92% HCV 87% Total 87%	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 #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	125	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.	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: <u>17 Households</u> TOTAL: 337 Households	HCV: 280 Households PH: <u>17 Households</u> TOTAL: 297 Households	HCV: 255 Households PH: <u>13 Households</u> TOTAL: 268 Households	No –There were less due to the increasing percentage of elderly and disabled in the voucher program.

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.

In the years since we implemented this simplified rent formula, we have consistently showed savings in staff processing time compared to control groups using the traditional model. After 14 years of point-in-time measurement that consistently showed time savings we have discontinued the measurement. Over the years we also found that variation in experience and skill levels of staff had a similar impact significant impact on time savings.

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	3-2015	3-2016	3-2017	3-2018	3-2019	3-2020	3-2021	3-2022	3-2023	3-2024	3-2025
Public Housing	70	41	20	14	3	1	0	0	0	0	0	0	0	0	0	0	0
Housing Choice Voucher	162	88	32	19	8	6	4	4	3	2	1	1	0	0	0	0	0

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 has steadily declined and zero households remain under the hardship policy. 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. As of this FY 2025 there are no longer any households subject to the hardship provision.

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.

	Number of Households														
Households Responsible for \$25 Minimum Rent	3/31/11	3/31/12	3/31/13	3/31/14	3/31/15	3/31/16	3/31/17	3/31/18	3/31/19	3/31/20	3/31/21	3/31/22	3/31/23	3/31/24	3/31/25
Public Housing	11	15	9	10	6	6	2	3	5	8	14	20	6	10	6
Housing Choice Voucher	237	175	187	113	137	117	106	76	45	72	115	66	50	77	83
Combined	248	190	196	123	143	123	108	79	50	80	129	86	56	87	89

For hardship purposes, households in which the head is disabled and has a current Social Security application pending are excluded from the requirement, as are all VASH participants. 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.

	Number of Households					Number of Households					Number of Households				
Households Excluded from \$25 Minimum Rent	3/31/11	3/31/12	3/31/13	3/31/14	3/31/15	3/31/16	3/31/17	3/31/18	3/31/19	3/31/20	3/31/21	3/31/22	3/31/23	3/31/24	3/31/25
Public Housing	0	1	0	0	0	0	0	1	1	2	2	1	0	2	1
Housing Choice Voucher	21	41	64	46	55	47	59	57	53	53	35	40	36	32	34
Combined	21	42	64	46	55	47	59	58	54	55	37	41	36	34	35

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 in as much as there were zero HCV and two PH rent-related evictions out of 89 households with minimum \$25 rent. This was higher than the typical year for public housing. Overall 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, 2024 to March 31, 2025 Number of Households
Minimum Rent Households terminated due to non-payment of rent	HCV: 0 PH: 0		HCV: 0 PH: 2
Total Number of Households terminated due to non-payment of rent	HCV: 21 PH: 1		HCV: 12 PH: 3

Termination Rate for Non Payment of Rent: MTW households at \$25 Minimum Rent compared with All Other MTW households	HCV: <u>Minimum Rent households:</u> 0 out of 467 terminations = 0% <u>Other MTW households</u> 21 out of 467 terminations = 4.5% Public Housing: <u>Min Rent households:</u> 0 out of 62 terminations = 0% <u>Other MTW households</u> 1 Out of 62 terminations = 1.6%	Rate less than or equal to Other MTW	HCV: <u>Minimum Rent households:</u> 0 out of 423 terminations = 0% <u>Other MTW households</u> 12 out of 423 terminations = 2.8% Public Housing: <u>Min Rent households:</u> 2 out of 22 terminations = 9.09 % <u>Other MTW households</u> 1 out of 22 terminations = 4.55%
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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	32	16.8%
Housing Choice Voucher	1,496	40.%
MTW Households with Assets between \$1 and \$49,999:		
Public Housing	155	81.2%
Housing Choice Voucher	2218	59.3%
MTW Households with Assets equal to or above \$50,000:		
Public Housing	4	2%
Housing Choice Voucher	28	.07%

iii. ACTUAL NON-SIGNIFICANT CHANGES TO ACTIVITY

None

iv. ACTUAL CHANGES TO METRICS/DATA COLLECTION

None

v. ACTUAL SIGNIFICANT CHANGES TO ACTIVITY

None

vi. CHALLENGES IN ACHIEVING BENCHMARKS AND POSSIBLE STRATEGIES

None

Rent Reform 4

ACTIVITY: RENT CHOICE

i. PLAN YEAR APPROVED, IMPLEMENTED, AMENDED

<u>Program Affected:</u>	HCV Program
<u>Plan Year Proposed:</u>	November 2007
<u>Plan Year Approved:</u>	FY 2008
<u>Plan Year Implemented:</u>	February 1, 2008
<u>Plan Year Amended:</u>	FY 2009

ii. DESCRIPTION/IMPACT/UPDATE

The maximum initial rent for a family shall not exceed 50% of their monthly gross income at the time of approving tenancy and executing a HAP contract. This initiative applies to all SPVs.

IMPACT AND OUTCOME

This initiative was revised in 2008 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 monthly gross income. Utility costs are 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 share of rent and utilities is greater than 40% of their monthly gross income and, at the same time, their maximum initial tenant rent is less than 50% of monthly gross income.

2009-2010	144
2010-2011	166
2011-2012	183
2012-2013	244
2013-2014	107
2014-2015	499
2015-2016	232
2016-2017	115
2017-2018	83
2018-2019	64
2019-2020	85
2020-2021	60
2021-2022	58
2022-2023	77
2023-2024	67
2024-2025	77

The revised policy establishing a cap on tenant rent being no more than 50% of the tenant's monthly income eased our concerns about program participants leasing unaffordable housing. The revised policy simply sets an absolute threshold while providing greater flexibility and housing choices to participants than the regular program rules.

HUD STANDARD METRICS

For this activity, no HUD standard metrics are provided.

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.

Census Tract Type	Number of Census Tracts with New Admission or Transfer Vouchers with Rent Choice	Number of New Admission or Transfer Vouchers with Rent Choice	Percent of New Admission or Transfer Vouchers with Rent Choice
Low Income	5	9	11.69%
Moderate Income	14	32	41.56%
Middle Income	10	22	28.57%
Upper Income	6	12	15.58%
Unknown	1	2	2.6%
	36	77	100%

The data shows that our MTW Rent Choice rule allows families greater housing choices relative to the standard voucher program rules. The MTW Rent Choice families were dispersed in a wide range of census tracts, which included 44% of families moved in to 16 middle- and upper-income tracts while 12% of the families moved into five different low-income census tract area.

It is clear that, by allowing families to choose a greater share of the rent burden, the MTW Rent Choice rule is important to making these properties available to more voucher families than would otherwise be possible. It is also clear that a critical variable for HCV families to move into “opportunity areas” is the availability of LIHTC properties in those areas.

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.

iii. ACTUAL NON-SIGNIFICANT CHANGES TO ACTIVITY

None

iv. ACTUAL CHANGES TO METRICS/DATA COLLECTION

None

v. ACTUAL SIGNIFICANT CHANGES TO ACTIVITY

None

vi. CHALLENGES IN ACHIEVING BENCHMARKS AND POSSIBLE STRATEGIES

None

Rent Reform 5

ACTIVITY: AVERAGE UTILITY ALLOWANCES

i. PLAN YEAR APPROVED, IMPLEMENTED, AMENDED

Program Affected: HCV Program

Plan Year Proposed: April 1, 1999

Plan Year Approved: FY 2000

Plan Year Implemented: July 1, 1999

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

ii. DESCRIPTION/IMPACT/UPDATE

LHA uses one standard utility allowance per bedroom size and will not issue utility reimbursement checks or payments. The utility allowances were established using the average utility cost per number of bedrooms per unit. The utility allowances are reviewed annually and adjusted if necessary based on rate changes.

The following chart shows the current Fair Market Rents (October 1, 2024) and the payment standards and target rents which are effective October 1, 2023 for new admissions and transfers, and January 1, 2024 for Annual Recertifications:

Bedroom Size	Fair Market Rent	Payment Standard	Payment Standard as a Percent of FMR	Target Rent	Utility Allowance
SRO	\$611	\$632	103.44%	\$632	\$0
0	\$815	\$842	103.31%	\$799	\$43
1	\$910	\$941	103.41%	\$849	\$92
2	\$1,125	\$1,173	104.27%	\$1,037	\$136
3	\$1,576	\$1,653	104.89%	\$1,449	\$204
4	\$1,685	\$1,801	106.88%	\$1,525	\$276
5	\$1,938	\$2,072	106.91%	\$1,740	\$332
6	\$2,191	\$2,324	106.07%	\$1,949	\$375

Tenant Protection Vouchers (TPVs) are meant to ensure there is no displacement of low-income residents as a result of various actions resulting in a loss of HUD subsidy assistance that is attached to a specific unit. HUD identifies and allocates Tenant Protection Vouchers as the special circumstances arise.

Enhanced Vouchers (EVs) are a form of TPV that, in certain circumstances, allows the gross rent to exceed the local voucher payment standard to allow existing families to remain in their units even if the owner increases the rents. Enhanced vouchers are generally issued to provide continued assistance for a family at the termination of project-based rental assistance program. If the family stays in the same project, the voucher payment standard covers the full market rent. Enhanced vouchers have several special requirements, but in all other respects are subject to rules of the tenant-based voucher program. Some of the differences include a special statutory minimum rent requirement and a special payment standard, applicable to a family receiving enhanced voucher assistance that elects to stay in the same unit. A hardship for the Moving to Work Utility Allowance was created for Enhanced Voucher households. Their existing utility allowance was “grand-fathered” as of March 1, 2017, for Enhanced Voucher households leasing in place. If the family moves, all normal voucher rules apply.

This initiative applies to all SPV’s.

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 non-MTW voucher programs. 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 continued to do outreach to individual human service agencies and has conducted numerous 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, 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. After 14 years of collecting data consistently showing a very low error rate in file audits, we have discontinued tracking utility allowance error rates.

HUD STANDARD METRICS

For this activity, no HUD standard metrics are provided.

ADDITIONAL LOCAL METRICS

For this activity, no additional local metrics are provided.

iii. ACTUAL NON-SIGNIFICANT CHANGES TO ACTIVITY
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None

iv. ACTUAL CHANGES TO METRICS/DATA COLLECTION
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None

v. ACTUAL SIGNIFICANT CHANGES TO ACTIVITY
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None

vi. CHALLENGES IN ACHIEVING BENCHMARKS AND POSSIBLE STRATEGIES

None

Rent Reform 6

ACTIVITY: BIENNIAL RE-EXAMINATIONS

i. PLAN YEAR APPROVED, IMPLEMENTED, AMENDED

Programs Affected: HCV and PH

Plan Year Proposed: November, 2008

Plan Year Approved: FY 2009 and FY 2010

Plan Year Implemented: FY2009 and FY 2010

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

ii. DESCRIPTION/IMPACT/UPDATE

LHA will conduct recertifications of elderly and disabled households every two years (biennially). Effective in FY2026, LHA expanded the policy to include all households, not just elderly and disabled. The information in this report applies to elderly and disabled households as the policy existed through FY25. This initiative applies to all SPVs.

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

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 significantly reduced the number of elderly and disabled reviews conducted per year. The two-year average number of reviews in the combined programs is 887 reviews per year compared to the baseline number of 1249 reviews representing 362 fewer reviews. However, the number of elderly and disabled households has increased substantially over time so the number of reviews relative to baseline also has been increasing and is no longer a useful comparison. The HCV program had 1,994 elderly and disabled households as of the end of FY25. We completed 866 biennial reviews during the year, representing 43.4% of the eligible population. The represents a substantial time and cost savings over completing reviews annually.

These time savings allowed us to expand our programs and serve more families without increasing staff. The time savings also 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 activity, no HUD standard metrics are provided.

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. Due to the RAD conversion of Mahoney Manor to Project-based Vouchers in October 2019, the Mahoney Manor biennial re-examinations effective through October 2019 were counted in Public Housing, and thereafter as Housing Choice Vouchers. All Mahoney Manor biennial re-examinations were included in the HCV count for Fiscal Year 2021 and forward, while a portion was counted in each program for FY2020. Due to this shift, the data shows a significant drop in the number of elderly and disabled biennial re-examinations in Public Housing.

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.

Due to the RAD conversion of Mahoney Manor to Project-based Vouchers in October 2019, the Mahoney Manor biennial re-examinations effective through October 2019 were counted in Public Housing, and thereafter as Housing Choice Vouchers. All Mahoney Manor biennial re-examinations were included in the HCV count beginning in Fiscal Year 2021. Due to this shift, the data shows an increase in the number of elderly and disabled biennial re-examinations in HCV, and a decrease in Public Housing. This is in addition to the ongoing trend of an increasing number of elderly and disabled households in the program.

In the following table, 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.

The total number of elderly and disabled households has increased dramatically since baseline,

which has caused the number of reviews to steadily increase relative to baseline. Comparing the number of reviews to baseline, as we have done each year in the chart below, has become a less and less meaningful number. As reported in the data for Other Initiative 6, the total number of elderly and disabled households in the HCV program at the end of FY25 was 1,994. We completed 866 biennial re-certifications during the year, approximately 43.4% of those eligible households, which is a significant time savings.

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, 2023 to March 31, 2024		April 1, 2024 to March 31, 2025	
		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%	8	13.1%	7	11.5%
Disabled Households	60	30	50%	26	43.3%	13	21.7%
TOTAL	121	61	50.4%	34	28.1%	20	16.5%
		Average over 2 years:				(34+20) / 2 = 27 reviews	
						22.3%	
Housing Choice Voucher							
Elderly Households	360	180	50%	418	116%	444	123.3 %
Disabled Households	768	384	50%	435	56.6%	422	55%
TOTAL	1,128	564	50.0%	853	75.6%	866	76.8%

		Average over 2 years:	$(853+866)/2=$ 860 reviews 76.2%
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iii. ACTUAL NON-SIGNIFICANT CHANGES TO ACTIVITY

None

iv. ACTUAL CHANGES TO METRICS/DATA COLLECTION

None

v. ACTUAL SIGNIFICANT CHANGES TO ACTIVITY

None

vi. CHALLENGES IN ACHIEVING BENCHMARKS AND POSSIBLE STRATEGIES

None

Other Initiatives 1

ACTIVITY: INCOME ELIGIBILITY

i. PLAN YEAR APPROVED, IMPLEMENTED, AMENDED

Programs Affected: HCV & PH Programs

Plan Year Proposed: April 1, 1999

Plan Year Approved: FY 2000

Plan Year Implemented: July 1, 1999

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

ii. DESCRIPTION/IMPACT/UPDATE

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: 50% of median income

Housing Choice Voucher: 50% of median income.

Income targeting will not be used. This initiative applies to all SPVs.

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.

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 the Public Housing and Voucher Programs, 100% of new admissions were very low income or extremely low income.

It is reasonable to expect that the voucher program will continue to meet federal targeting standards in most years, 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 and the number of disabled families vs. working families.

HUD STANDARD METRICS

For this activity, no HUD standard metrics are provided.

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 households 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 (FY 2025)	Benchmark Achieved
Public Housing Income levels at time of admission				
Extremely Low Income	46.27%	40%	58%	Yes
Very Low Income	40.30%		42%	
Low Income	13.43%		0%	
Housing Choice Voucher Income levels at time of admission (excludes VASH participants)				
Extremely Low Income	86.9%	75%	73%	No
Very Low Income	13%		27%	
Low Income	0%		0%	

The lower outcome for the Extremely Low Income may be related to the increased wait list selection and voucher issuances over the past year and the increased number of those selected with a RentWise preference versus a primary preference. In FY24 there were 116 with primary preferences and 258 with a RentWise preference selected off the waitlist compared to 116 and 483 in FY25.

iii. ACTUAL NON-SIGNIFICANT CHANGES TO ACTIVITY

None

iv. ACTUAL CHANGES TO METRICS/DATA COLLECTION

None

v. ACTUAL SIGNIFICANT CHANGES TO ACTIVITY

None

vi. CHALLENGES IN ACHIEVING BENCHMARKS AND POSSIBLE STRATEGIES

None

Initiative 2

ACTIVITY: RESPONSIBLE PORTABILITY

i. PLAN YEAR APPROVED, IMPLEMENTED, AMENDED

Program Affected: HCV Program

Plan Year Proposed: April 1, 1999

Plan Year Approved: FY 2000

Plan Year Implemented: July 1, 1999

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

ii. DESCRIPTION/IMPACT/UPDATE

Voucher participants will be allowed to port out upon request, after leased up for a year, if the receiving PHA will absorb the LHA Voucher. If the receiving agency does not absorb then participants will only be allowed to port upon request as a reasonable accommodation or for an employment, education, safety or medical need if the receiving PHA's Payment Standards do not exceed the LHA Payment Standards. This restriction is not applicable in cases of Emergency Transfer outlined in Section XXVIII of the Administrative Plan.

An employment exception will not be granted if the employment is for less income than is reported on the last certification action or it does not result in income above the MEI. An educational exception will not be granted unless it is full-time education for a program not available remotely.

Responsible Portability applies to all SPVs with the exception of VASH and EHV.

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.

Our policy represents a 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 PHA's to adopt policies that limit ports to verifiable, good cause reasons would improve efficiency in voucher program administration nationwide.

LHA has seen an increase in recent years of waiting list shopping – applicants from other parts of the country applying for a voucher in Lincoln to take back to their home state. Most of the increase in our portability is a result of this practice. Often applicants are working in their home state, come to Lincoln for a voucher and port back home under the employment exception, in some cases to the same job they had prior to moving.

In April 2019 LHA modified its Administrative Plan to not permit voucher participants to port-out to housing authorities whose Fair Market Rents exceed the LHA Fair Market Rents unless the receiving PHA will absorb the LHA voucher. This restriction is not applicable in cases of Emergency Transfer outlined in Section XXVIII of the Administrative Plan.

In the FY2023-24 Plan LHA updated its policy to allow participants to port without good cause if the receiving agency was absorbing. Otherwise, we applied the Responsible Portability good cause reasons. This year we did see an increase in the number of Ports as clients do not need to show good cause if the receiving agency is absorbing or has a payment standard equal to or lower than LHA.

HUD STANDARD METRICS

For this activity, no HUD standard metrics are provided.

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, fewer 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%	80%	0 Approved out of 0 Requests NA%	N/A as no requests
Percentage of Requests Approved to Port with Voucher---Safety Requests	5 Approved out of 5 Requests 100%	80%	0 Approved out of 1 Requests 0%	No – Unable to verify VAWA
Percentage of Requests Approved to Port with Voucher---Education Requests	1 Approved out of 1 Requests 100%	80%	0 Approved out of 0 Requests N/A	N/A as no requests
Percentage of Requests Approved to Port with Voucher---Employment Requests	5 Approved out of 5 Requests 100%	80%	0 Approved out of 0 Requests N/A%	N/A as no requests
Percentage of Requests Approved to Port with Voucher---Other Requests	0 Approved out of 3 Requests 0%	0%	50 Approved out of 50 Requests 100 %	All port requests are now approved if receiving PHA is absorbing.

iii. ACTUAL NON-SIGNIFICANT CHANGES TO ACTIVITY

None

iv. ACTUAL CHANGES TO METRICS/DATA COLLECTION

None

v. ACTUAL SIGNIFICANT CHANGES TO ACTIVITY

None

vi. CHALLENGES IN ACHIEVING BENCHMARKS AND POSSIBLE STRATEGIES

None

Initiative 4

ACTIVITY: HQS INSPECTIONS WAIVER

i. PLAN YEAR APPROVED, IMPLEMENTED, AMENDED

Program Affected: HCV Program

Plan Year Proposed: November, 2008

Plan Year Approved: FY 2009

Plan Year Implemented: April 1, 2009

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

ii. DESCRIPTION/IMPACT/UPDATE

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 make it easier for tenants and landlords to understand and to reflect a city ordinance change that required all landlords to provide all trash services. This local form was created with our Landlord Advisory Committee. The local form can be found in Appendix C.

The HQS inspection waiver applies to all SPVs.

IMPACT AND OUTCOME

This initiative is ongoing since April 1, 2009. 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 the 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.

The inspection waiver policy no longer needs a Moving to Work waiver as the HCV voucher program rules have changed in a final rule published on March 8, 2016 in the Federal Register number 5743-F-03. However, the use of the modified Request for Tenancy Approval form and the ability to coincide annual inspections with recertification dates does require a waiver.

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. It has proven to be an effective way to distinguish better maintained property and inspect those units less often.

HUD STANDARD METRICS

For this activity, no HUD standard metrics are provided.

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	3,042 825 44	25% reduction from Baseline 2,000 1,200 44	1,506 923 49	
TOTAL INSPECTIONS (decrease)	3,911	3,244 (667 decrease)	2478	Yes
Number of units that passed on first inspection	2,034	1,687	1,502	
Percentage of units that passed on first inspection	52%	52%	64%	Yes

The pass rate was 52% for FY2010 when units were annually inspected in comparison to 64% pass rate for FY2024-25 when a combination of units were inspected annually and biennially. In addition, we gathered data on the pass/fail rate for biennial unit inspections. There was an increase in the number of failed inspections this year as all no-show inspections are now counted as failed 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. Indeed, over the years the results showed that the units inspected biennially are typically much more likely to be in good condition and pass inspection, while the units inspected annually are much more likely to fail initial inspection. This system has proven to be an objective and reasonable way to target problem properties.

Inspection results comparing biennial inspections to annual inspections

	April 2024 - March 2025 Percent inspections passing at First Inspection	Number of annual/biennial inspections during fiscal year	Number of inspections that passed first time
Biennial (skipped) Inspections	53%	615	326
Annual Inspections (not previously skipped)	59%	891	525

iii. ACTUAL NON-SIGNIFICANT CHANGES TO ACTIVITY

None

iv. ACTUAL CHANGES TO METRICS/DATA COLLECTION

None

v. ACTUAL SIGNIFICANT CHANGES TO ACTIVITY

None

Vi. CHALLENGES IN ACHIEVING BENCHMARKS AND POSSIBLE STRATEGIES

None

Initiative 5

ACTIVITY: INSPECTIONS & RENT REASONABLENESS

i. PLAN YEAR APPROVED, IMPLEMENTED, AMENDED

Program Affected: HCV Program

Plan Year Proposed: November, 2010

Plan Year Approved: FY 2012

Plan Year Implemented: April 1, 2011

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

ii. DESCRIPTION/IMPACT/UPDATE

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.

The Inspections and Rent Reasonableness rules apply to all SPVs.

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 an additional step 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 71% of LHA properties passed at first inspection compared to 59% for all voucher properties. For 2024-2025, we achieved cost savings and efficiencies by not hiring an outside contractor.

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 activity, no HUD standard metrics are provided.

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
Owened 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%	53% (voucher first time pass rate)	116 out of 163 owned or managed properties pass inspection on the first time. 71%	Yes

iii. ACTUAL NON-SIGNIFICANT CHANGES TO ACTIVITY

None

iv. ACTUAL CHANGES TO METRICS/DATA COLLECTION

None

v. ACTUAL SIGNIFICANT CHANGES TO ACTIVITY

None

vi. CHALLENGES IN ACHIEVING BENCHMARKS AND POSSIBLE STRATEGIES

None

Initiative 6

ACTIVITY: PROJECT-BASED SECTION 8 UNITS

i. PLAN YEAR APPROVED, IMPLEMENTED, AMENDED

Program Affected: HCV Program

Project-based units through other competitive process:

Plan Year Proposed: FY 2010

Plan Year Implemented: Pending receipt of a viable application

Project-based units LHA owned or managed properties:

Plan Year Proposed: FY 2013

Plan Year Approved: FY 2013

Plan Year Implemented: FY 2013 to FY 2016

Statutory Objective: Increase housing choice for low income families

Reduce cost and achieve greater cost effectiveness in federal expenditures

ii. DESCRIPTION/IMPACT/UPDATE

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, 3) allow the 25% unit allocation per project cap be removed, 4) allow unit amendments to the project-based HAP contract beyond the three year limit in order to add units not initially included, 5) eliminate the requirement to furnish a copy of each inspection report to the HUD field office, 6) allow zero HAP participants to occupy a unit indefinitely and the unit will remain designated as a project-based unit under contract, 7) implement the utility allowances in accordance with Rent Reform #5, 8) allow LHA to perform the functions of rent reasonableness determinations, HQS inspections, and enter into agreements to the terms of the HAP contract without the need for an independent entity for LHA-owned units, and 9) Adjust some rent requirements for public housing conversions to project-based vouchers.

For tenants with zero HAP, 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.

Project-based units through 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 was awarded additional VASH Vouchers to be project-based. This project, Victory Park Apartments, was developed and ready for occupancy on December 1, 2017. The HAP contract was signed December 1, 2017. There was a conversion of 25 tenant-based HUD-VASH vouchers to project-based vouchers for this project.

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 increase, 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.

Public Housing conversion to PBV properties

LHA will operate Public Housing converted PBV developments in accordance with the HUD requirements, the MTW Agreement, and LHA's MTW Plan, including the provision that LHA will conduct inspections and determine rent reasonableness for these vouchers.

LHA will calculate rent in the following way for tenants whose Total Tenant Payment (TTP) equals or exceeds the Gross Rent for the unit (Zero HAP tenants) in RAD developments.

Mahoney Manor. Both existing tenants (pre-RAD conversion) and new tenants (post-RAD conversion) will pay rent based on their TTP up to the Gross Rent for the unit. Zero HAP tenants will continue to pay the Gross Rent for the unit indefinitely until their income decreases or the Gross Rent increases to a point where they qualify for HAP again. A tenant's portion of rent will not increase above the RAD PBV Gross Rent for the unit.

Rent Phase-in/Hardship Policy: We have developed the following phase-in of potential rent increases for households whose TTP exceeded the 2018 public housing ceiling rents at the time of conversion. At the first scheduled annual or biennial recertification following conversion, existing tenants at time of conversion will pay no more than the 2018 ceiling rent plus \$25.00. At the second scheduled annual or biennial recertification following conversion, existing tenants at time of conversion will pay no more than the 2018 ceiling rent plus \$50.00. At the third

scheduled annual or biennial recertification following conversion, existing tenants at time of conversion will pay up to the gross rent at the time of the recertification. This applies to all conversions from public housing to PBV.

Recertification Cycles: Upon conversion from public housing to project-based vouchers, the family's last public housing annual or interim income recertification will serve as the initial certification for the voucher program. The family will remain on the same annual or biennial review cycle and schedule. This applies to all conversions from public housing to PBV.

Utility Allowances. LHA will continue to calculate unit-based utility allowances for converted Public Housing units rather than use the single Voucher utility allowance under Rent Reform Initiative #5. This will minimize disruption in the rent calculation for in-place public housing residents converting to vouchers.

IMPACT AND OUTCOME

Project-based units through other competitive process:

LHA accepted a HUD-VASH project based voucher application for a new 70 unit development for homeless veterans on the Lincoln VA campus. The "other competitive process" was the VA's selection process for an enhanced use lease agreement. LHA executed the Housing Assistance Payment Contract (HAP) for this project on December 1, 2017. All 70 units were ready for occupancy on December 1, 2017 and leasing started the same day. This development is part of the broader redevelopment of the VA campus.

As of July 17, 2015, the HUD Voucher Office has already authorized LHA to use 15 different MTW alternative requirements when administering HUD-VASH vouchers. LHA received additional approval on July 6, 2017 for additional flexibility to allow the HUD-VASH project-based voucher site maintain their site-based waiting list and allow the standard MTW utility allowance be used when calculating the tenant's rent portion.

The FY25 Plan stated LHA may project-base an additional 24 vouchers to serve the chronically homeless. Instead of project-basing, we created a tenant-based preference for chronically homeless referred through the local continuum of care.

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 allowed the opportunity to maintain 100% leasing without undue hardship on the voucher program budget and leasing requirements and prevented the displacement of any households over the 50% median income

limit. The phase-in period has been completed.

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, prevented the displacement of 60% median income households who were currently residing in the Crossroads House apartments. The transition period also allowed 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, 58 units are project-based units.

Public Housing Conversion to PBV Properties

LHA completed the Rental Assistance Demonstration (RAD) program conversion of Mahoney Manor to project-based vouchers as of October 1, 2019. Ownership of the property was transferred to a controlled affiliate non-profit, Lincoln Public Housing, Inc. HUD awarded new voucher funding for all 120 units beginning January 1, 2020. The RAD vouchers remain under the Moving To Work Program.

LHA continues planning for the conversion of the remaining 200 scattered site public housing units, by the end of the year and intends to submit a Section 18 disposition application to HUD. Like Mahoney Manor, ownership of the properties would be transferred to Lincoln Public Housing, Inc and most units will have project-based vouchers. All units will remain available as quality affordable housing in Lincoln. Due to the extraordinary circumstances surrounding Covid19, LHA did not conduct outreach to existing public housing tenants during FY21, but restarted it in FY22 and continued FY23 and FY24. In addition, staff turnover and focus on other initiatives caused delays this year. Therefore, the conversion planning was delayed and the application was not initiated in FY25.

HUD STANDARD METRICS

For this activity, no HUD standard metrics are provided.

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				
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	1004 34.1% of total vouchers	Yes
Number of Disabled Households with Voucher Assistance	FY 2011 (point in time) 964 33.4% of total vouchers	984	990 33.6% of total vouchers	Yes

This chart was created to track the changes in elderly and disabled households when vouchers were project-based at a senior apartment complex, Crossroads House, in 2012. The chart shows the dramatic growth in the number of elderly households in the voucher program in recent years, reflecting the rise of the aging population in the community. These demographic changes are also reflected in the increase in one person households shown in the Mix of Family Sizes Served chart in Section II of this report.

iii. ACTUAL NON-SIGNIFICANT CHANGES TO ACTIVITY

None

iv. ACTUAL CHANGES TO METRICS/DATA COLLECTION

None

v. ACTUAL SIGNIFICANT CHANGES TO ACTIVITY

None

vi. CHALLENGES IN ACHIEVING BENCHMARKS AND POSSIBLE STRATEGIES

None

Initiative 7

ACTIVITY: RENTWISE TENANT EDUCATION

i. PLAN YEAR APPROVED, IMPLEMENTED, AMENDED

Program Affected: HCV Program

Plan Year Proposed: November, 2010

Plan Year Approved: FY 2012

Plan Year Implemented: October 1, 2011

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

ii. DESCRIPTION/IMPACT/UPDATE

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 collaborative 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 the RentWise curriculum, certified trainers teach the knowledge and skills to be a successful renter and the issues that lead to problems for tenants. The RentWise curriculum 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 their credit history and/or rental history. The program also teaches renters the ability to make educated decisions about finding and maintaining affordable and suitable housing.

This activity was implemented on 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. 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.

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.

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.

An analysis conducted in 2020 by the City of Lincoln's Urban Development Department of the city's eviction records and LHA's Rentwise and HCV data showed a correlation between graduation from RentWise and a reduction in the likelihood of being evicted. The city's four-year eviction rate average for all renters was 2.3%. For individuals who had graduated from RentWise it was 1.0%. For individuals who were both RentWise graduates and a Housing Choice Voucher holder, the four-year average was 0.7%.

HUD STANDARD METRICS

For this activity, no HUD standard metrics are provided.

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.		
	Registered in RentWise Database	RentWise Graduates
Partial Year (8-2008 to 3-2009)	130	65
FY 2010	988	390
FY 2011	1,272	555
FY 2012	1,393	580
FY 2013	1,178	594
FY 2014	857	423
FY 2015	1,337	675
FY 2016	1,383	758
FY 2017	1,496	691
FY 2018	1,160	707
FY 2019	827	553
FY 2020	1065	376
FY 2021	0	0
FY2022	399	180
FY2023	912	280
FY2024	545	166
FY2025	528	150
Totals FY 2010 to 2025	15,340	7,078
Average FY 2010 to 2025	959	442
RentWise Graduates as a percent of Registrations		46%

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	\$9,500	\$2,269	Yes
Brochures	\$400	\$500	\$0	Yes
Postage	\$2,000	\$2,100	\$783	Yes
Training Manuals	\$3,200	\$3,200	\$3,010	Yes
TOTAL COST of RENTWISE PROGRAM	\$13,800	\$15,300	\$6,062	Yes

iii. ACTUAL NON-SIGNIFICANT CHANGES TO ACTIVITY

None

iv. ACTUAL CHANGES TO METRICS/DATA COLLECTION

None

v. ACTUAL SIGNIFICANT CHANGES TO ACTIVITY

None

vi. CHALLENGES IN ACHIEVING BENCHMARKS AND POSSIBLE STRATEGIES

None

Initiative 8

ACTIVITY: RESIDENT SERVICES PROGRAM

i. PLAN YEAR APPROVED, IMPLEMENTED, AMENDED

<u>Program Affected:</u>	HCV Program
<u>Plan Year Proposed:</u>	November 2010
<u>Plan Year Approved:</u>	FY 2012
<u>Plan Year Implemented:</u>	October 1, 2011
<u>Statutory Objectives:</u>	Increase housing choice for low-income families

ii. DESCRIPTION/IMPACT/UPDATE

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. Individual supportive services under the contract are limited by an amount established annually.

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 service coordinator also coordinates the delivery of third party purchased supportive services for residents who are ineligible for the program supportive services in order to establish a continuum of care and assures access to necessary supportive services.

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.

In May of 2023, the senior center moved to a new location. LAAA provides daily shuttle service to the senior center, which assists with 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.

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 50 residents receiving ongoing service coordination in the program. During the 12-month period, there were 63 tenants living at Crossroads House and 37 who were frail, elderly or disabled. There were 20 individuals who were at high risk for a higher level of service but were able to continue in independent living with supportive services. Forty-nine (49) residents received case managements services and twelve (12) 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, 49 residents also received assistance with services not funded under this program. The service coordinator spends considerable time explaining services and benefits to residents and families and 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 that require a plan with supportive services for when they return home.

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 activity, no HUD standard metrics are provided.

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	\$ 38,032	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	\$251,415	Yes

iii. ACTUAL NON-SIGNIFICANT CHANGES TO ACTIVITY

None

iv. ACTUAL CHANGES TO METRICS/DATA COLLECTION

None

v. ACTUAL SIGNIFICANT CHANGES TO ACTIVITY

None

vi. CHALLENGES IN ACHIEVING BENCHMARKS AND POSSIBLE STRATEGIES

None

Initiative 9

ACTIVITY: LANDLORD INCENTIVE HAP

i. PLAN YEAR APPROVED, IMPLEMENTED, AMENDED

Program Affected: HCV Program
Plan Year Proposed: FY 2015
Plan Year Approved: FY 2015
Plan Year Implemented: April 1, 2015
Statutory Objective: Increase housing choice for low income families

ii. DESCRIPTION/IMPACT/UPDATE

As an incentive for landlords to participate in the MTW tenant-based voucher program, Lincoln Housing Authority will provide the landlord a one-time additional Housing Assistance Payment (HAP) of \$400 for units that pass on the first inspection and \$200 for units that pass after the first inspection to be paid upon the execution of the HAP contract for the new unit and tenant. This HAP payment will be included with all other HAP reported in VMS. The landlord is not eligible for an additional HAP payment if the contract is executed for a transfer in units with the same landlord, or if the contract is executed due to a lease renewal or change. The following properties are also excluded from the additional landlord incentive payment: 1) properties managed or owned by Lincoln Housing Authority, or 2) properties receiving Low Income Housing Tax Credits.

This initiative came from discussions with our Landlord Advisory Committee who identified some of the following burden factors to participating in the voucher program: 1) the HAP contract creates additional paperwork and time, 2) inspection requirements result in repairs to units not otherwise required for a market-rate tenant, 3) landlords take time out of their business schedule to meet with inspectors for HQS inspections, 4) landlords must wait for their first rental payment until after inspections and contracts are approved rather than on the day the lease is signed, and 5) landlords lose rental revenue while waiting for units to pass inspections. This initiative creates an incentive that recognizes these barriers and compensates the landlords accordingly.

With the approval of the FY24 MTW Plan, the Landlord Incentive was increased to \$400 of units that pass on the first inspection and \$200 for units that pass after the first inspection has continued at \$200.

This Landlord incentive rule applies to all SPV, except that Mainstream and Emergency Housing Vouchers provide a \$500 incentive payment as long as additional funding is available.

IMPACT AND OUTCOME

A goal of this initiative was to maintain or increase the number of landlords participating in the voucher program. Given the tight rental market in Lincoln, landlord participation has been decreasing which has made it more difficult for voucher holders to obtain affordable housing. Additional goals were to increase the success rate for vouchers issued and shorten the time it takes to lease a voucher. Prior to the implementation of the Landlord HAP Incentive, 60% of the vouchers issued were leased. Current data shows the success rate for the current fiscal year, with months of no unresolved vouchers of around 72%. Since the implementation of the landlord incentive, the voucher success rate is currently higher by 12%. The improvements with the voucher leasing success rate are quite impressive considering the Lincoln rental market continues to be a very tight rental market. If this incentive had not been implemented, it is quite possible the success rates would have decreased because many landlords use stricter selection criteria when the rental market experiences low vacancy rates.

Another goal was to improve landlord participation in the voucher program. Lincoln continues to experience a tight rental market and it is difficult to retain current landlords and recruit new landlords. The goal to maintain or increase the number of landlords participating in the voucher program initially was achieved increasing the number of landlords actively participating in the voucher program at the time of implementation. Then, in recent years we have seen an overall decline in the number of active landlords, however the period from March 2024 to March 2025 marked a reversal, with the number rising from 557 to 642.

Fifty-one (51) new or renewed landlords were added to the program from April 2024 to March 2025 and received the landlord incentive. Another 4 landlords who received the landlord incentive reinstated their participation with the program after an absence of participation for over a year. Altogether, 404 landlords received the incentive for a total of 485 units.

HUD STANDARD METRICS

For this activity, no HUD standard metrics are provided.

iii. ACTUAL NON-SIGNIFICANT CHANGES TO ACTIVITY

None

iv. ACTUAL CHANGES TO METRICS/DATA COLLECTION

None

v. ACTUAL SIGNIFICANT CHANGES TO ACTIVITY

None

vi. CHALLENGES IN ACHIEVING BENCHMARKS AND POSSIBLE STRATEGIES

None

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 MTW Funds

A. Financial Reporting

i. Available MTW Funds in the Plan Year

The unaudited information will be submitted in the prescribed Financial Data Schedule (FDS) format through the Financial Assessment System. The audited information is due within 9 months of the end of the fiscal year and will be submitted accordingly.

ii. Expenditures of MTW Funds in the Plan Year

The unaudited information will be submitted in the prescribed Financial Data Schedule (FDS) format through the Financial Assessment System. The audited information is due within 9 months of the end of the fiscal year and will be submitted accordingly.

iii. Describe Application of MTW Funding Flexibility

Activities using the broader uses of funds authority are reported in Section IV: Approved MTW Activities. These include:

Initiative 7 RentWise Tenant Education

Initiative 8 Resident Services Program

B. LOCAL ASSET MANAGEMENT PLAN

i. Did the MTW PHA allocate costs within statute in the Plan Year?

YES

ii. Did the MTW PHA implement a local asset management plan in the Plan Year?

NO

iii. Did the MTW PHA provide a LAMP in the appendix?

NO

iv. If the MTW PHA has provided a LAMP in the appendix, please provide a brief update on implementation of the LAMP. Please provide any actual changes (which must be detailed in an approved Annual MTW Plan/Plan amendment) or state that the MTW PHA did not make any changes in the Plan Year.

NOT APPLICABLE

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;

There were no HUD reviews, audits or physical inspection issues that required agency action during the fiscal year.

B. Evaluation results

None---Not Applicable

C. MTW Energy Performance Contract (EPC) Flexibility Data

Not Applicable

D. Request for Inspection and Unit Information Form

Appendix A

APPENDIX A

Request for Inspection and Unit Information Form

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



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: Inspectiondesk@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: _____



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
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What are you proposing to charge for rent?

Unit information

Rent Amount?	Date unit available for inspection?	<input type="text"/> # of bedrooms	<input type="text"/> Year constructed
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Unit Type: Check one

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

Who will be responsible to pay for the following utilities?

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

Check box

Who pays?

Fuel type?

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

Who will be responsible to provide the following appliances?

Check box

Who provides?

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

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

- ☐ Dishwasher
 ☐ Disposal
 ☐ Washer
 ☐ Dryer
 ☐ Microwave
 ☐ Garage

Are you related to any household member who will be residing in the unit?

- ☐ Yes ☐ No

If yes, how are you related? _____

Is this unit federally subsidized by another program?

- ☐ Yes ☐ No

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

- ☐ Home
 ☐ Section 202
 ☐ Section 221(d)(3)(BMIR)
 ☐ Tax Credit
 ☐ Section 236 (Insured and noninsured)
 ☐ Section 515 Rural Development
 ☐ Other _____

Indicate the number of units in the building or apartment complex

(If 5 or more units, please complete the following comparison.)

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

Address and unit number	Rent amount	Date lease/rent started



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

Tenant and Owner Representative: By signing this form, you certify the information given to Lincoln Housing Authority is accurate and complete to the best of your knowledge and belief. Your signatures indicate the unit is ready to be inspected by LHA. The Head of Household's signature confirms he/she has examined the unit and the unit's current condition is acceptable "as is." *Tenant: If you are requiring repairs or changes to this unit, please have them completed by the owner before submitting this form to LHA to schedule the inspection.*

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 _____