

City of Ann Arbor

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Resolution to Amend the Administrative Plan Regarding FSS Completion, New Additions to Households and Irregular Child Support Payments and the ACOP Regarding Income Limits

The Ann Arbor Housing Commission's Housing Choice Voucher Administrative Plan details its policies and procedures for the management of its Housing Choice Voucher (HCV) Program. The AAHC periodically revises the Plan to reflect changes in HUD policies and changes in AAHC policies.

The AAHC is proposing 3 changes to the Administrative Plan.

The first is to clarify that a family in the Family Self Sufficiency (FSS) program may graduate from the FSS program and as long as the maintain eligibility in the program then they can stay in the voucher program and do not have to move out.

The proposed additional language is:

<u>Upon completion of the FSS contract, participants who are residents of PHA-Owned</u> <u>units may continue to reside in the PHA-owned unit if the resident continues to meet all</u> <u>other program requirements.</u>

<u>The AAHC board amended the proposal to limit the income of families at AAHC-owned</u> <u>units to 80% AMI. This amendment affects the ACOP for public housing units and the</u> <u>Management Plans of other properties owned by the AAHC. However, HUD specifically</u> <u>prohibits income limits for tenants who were living in public housing units at the time</u> <u>that they converted under the RAD program, so these tenants will not be affected by</u> <u>this policy.</u> The second is in response to HUD PIH Notice 2016-05 HA. HUD no longer requires the AAHC to conduct an interim income examination whenever a resident is added to a household. The AAHC must still conduct other eligibility screenings such as criminal background checks etc. but the income will not be added until the next annual income certification.

The proposed additional language is:

<u>The PHA will not conduct interim reexamination to add a new family member, live-in aide,</u> <u>foster child, or foster adult; including new members under the age of 6. A full reexamination</u> <u>of income and household composition will be conducted at the families annual</u> <u>reexamination</u>.

<u>At annual reexamination</u>, the families must request PHA approval to add a new family member, live-in aide, foster child, or foster adult. This includes any person not on the lease who is expected to stay in the unit for more than 30 consecutive days or 90 cumulative days within a 12-month period and therefore no longer qualifies as a "guest." Requests must be made in writing and approved by the PHA prior to the individual moving into the unit.

The PHA will not approve the addition of a new family or household member unless the individual meets the PHA's eligibility criteria (see Chapter 3) and documentation requirements (see Chapter 7, Part II).

The third policy change is to clarify how to calculate irregular child care payments. The proposed additional language is:

The PHA will count court-awarded amounts for alimony and child support unless the PHA verifies that: (1) the payments are not being made, and (2) the family has made reasonable efforts to collect amounts due, including filing with courts or agencies [Friend of Court] responsible for enforcing payments [HCV GB, pp. 5-23 and 5-47].

<u>The PHA will use the last 12 months disbursement total to project annual income. (not to exceed court awarded amounts).</u>

If there was a significant change in disbursement during the 12 months reported, the PHA must determine if a different calculation should be used. If the PHA uses a calculation other than the last 12 months disbursement total, an explanation must be notated in the applicant/participant file.

For example, when a lump sum is included in the payment history, the PHA must contact the applicant/participant to determine if the lump sum is annually reoccurring or if it occurs irregularly.

- If it is annually reoccurring, the lump sum counts as income. An example of an annual reoccurring lump sum would be an annual payment of child support as a result of a tax return garnishment or a lawsuit which replaces monthly disbursements by paying the amount annually. A payment that is determined to be irregular would not be included income, but may be counted as income from assets.
- If it is not annually reoccurring, the lump sum is not counted as income. An example of nonreoccurring lump sum would be one-time payment of child support as a result of a tax return garnishment or lawsuit to catch up on pastdue child support, in addition to monthly disbursements.

If there is a significant change in the amount of child support received in the last twelve months, the PHA will use a calculation other than the last 12 months disbursement total.

For example if the child support payment changed in month 5 of the 12-month report, the PHA will determine an annual amount based on the last 7 months of payments. This ruling does not apply to reoccurring lump sum payments.

Staff recommend adoption of this language to clarify the policies for residents.

Prepared and Approved by Jennifer Hall, Executive Director

WHEREAS, The Ann Arbor Housing Commission's Housing Choice Voucher Administrative Plan details its policies and procedures for the management of its Housing Choice Voucher (HCV) Program; and

WHEREAS, the policy language regarding FSS graduation, adding interim family members and irregular child-support payments needs to be clarified;

RESOLVED, that the Board of the Ann Arbor Housing Commission approve these revisions as described in the memorandum above, to the ACOP and Administrative Plan to take effect on September 1, 2017.