



Legislation Text

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Resolution to Approve the FY22 Exception to the Payment Standard for the Ann Arbor Housing Commission (AAHC) Veterans Affairs Supportive Housing (VASH) Voucher Programs

On September 27, 2021, the Department of Housing and Urban Development (HUD) published revisions to the Veterans Affairs Supportive Housing (VASH) program in the Federal Register. To assist VASH participants in finding affordable housing, especially in competitive markets, HUD is waiving 24 CFR 982.503(a)(3) to allow a Public Housing Authority (PHA) to establish a HUD-VASH exception to the payment standard.

The payment standard under 24 CFR 982.503(a)(3) requires the PHA to annually set the payment standard between 90% and 110% of the Fair Market Rent (FMR) in the jurisdictions the PHA serves.

HUD annually publishes the FMR which is calculated at approximately the 40th percentile of all rental units in a particular jurisdiction, not including new construction in the past 2 years and not including subsidized housing.

In accordance to the Federal Register Vol. 86, No. 184 effective on September 27, 2021, (affecting 24 CFR parts 982 and 983), HUD is allowing PHA's to establish a separate payment standard up to 120% of the FMR for the VASH program.

The FMR, in general terms, is the amount needed to rent a moderately-priced dwelling unit in the local housing market and the payment standard is used to calculate the maximum amount of rental subsidy housing assistance payment a family will receive from HUD for a moderately-priced dwelling unit.

The Commission's jurisdiction includes two counties, Washtenaw and Monroe. Staff recommend that the Board establish the payment standard for the VASH program for Washtenaw and Monroe County at 120% of the FMR (which is the maximum allowed by HUD) due to the expensive housing market. This would result in a higher potential rent subsidy for all participants of the VASH program and assist VASH participants in finding affordable housing.

VASH vouchers for Washtenaw						
Year	Efficiency	One-Bedroom	Two-Bedroom	Three-Bedroom	Four-Bedroom	Five-Bedroom
HUD Proposed FMR	\$ 1,047	\$ 1,048	1,262	\$ 1,560	\$ 1,816	\$ 2,088
2022 Proposed	\$ 1,256	\$ 1,257	\$ 1,514	\$ 1,872	\$ 2,179	\$ 2,506
2022 PS as a % FMR	120%	120%	120%	120%	120%	120%

VASH Voucher for Monroe County						
Year	Efficiency	One-Bedroom	Two-Bedroom	Three-Bedroom	Four-Bedroom	Five-Bedroom
HUD Proposed FMR	\$ 631	\$ 723	\$ 941	\$ 1,237	\$ 1,503	\$ 728
2022 Proposed	\$ 757	\$ 868	\$ 1,129	\$ 1,484	\$ 1,803	\$ 2,074
2022 PS as a % of FMR	120%	120%	120%	120%	120%	120%

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Approved by: Jennifer Hall, Executive Director

WHEREAS, the Department of Housing & Urban Development (HUD) annually establishes and publishes Fair Market Rents (FMRs) by jurisdiction; and

WHEREAS, HUD has published its FY22 FMRs; and

WHEREAS, HUD requires the payment standards to be adopted by the AAHC within 90 days of HUD published FMRs; and

WHEREAS, HUD regulations require the payment standard to be set at 90% to 110% of the FMR; and

WHEREAS, Federal Register Vol. 86, No. 184 effective on September 27, 2021, and 24 CFR (affecting parts 982 and 983), HUD is allowing PHA's to establish a separate payment standard up to 120% of the FMR for the VASH program; and

RESOLVED, that the Ann Arbor Housing Commission Board approves a payment standard of 120% of FMR for Washtenaw County and Monroe County as shown in the chart above, to take effect December 21, 2021 for all applicable certifications in accordance with the Ann Arbor Housing Commission's VASH Housing Choice Voucher and Project Based Voucher programs.