

## **..Title**

Resolution to Approve Amendment to the Housing Choice Voucher Payment Standards to 120% of Fair Market Rents for Ann Arbor

## **..Memorandum**

HUD provides the primary source of PHA policy through federal regulations, HUD Notices and Handbooks. Compliance with federal regulations, current HUD Notices and HUD Handbooks is mandatory.

In the January 6 edition of the Federal Register, HUD published proposed streamlining rules to provide regulatory relief to Public Housing Authorities. One of the proposed rules is to enable PHA's to adopt payment standards up to 120% of Fair Market Rents, without getting prior approval from HUD. Currently, PHA's can increase payment standards to 110% of FMR without prior HUD approval.

HUD is taking comments right now through March 9, 2015 followed by Notices of implementation. The AAHC Board discussed the current economic disparity between the city of Ann Arbor and the urban areas on the east side of the County as presented by Washtenaw County's Affordable Housing Needs Assessment.

The AAHC currently has a 110% payment standard just for the City of Ann Arbor in order to encourage opportunities for low-income households to live in the city. The board supports moving the payment standard to 120% of the FMR if and when HUD approves this change in policy.

## **..Staff**

Prepared and approved by Jennifer Hall, Executive Director

## **..Body**

WHEREAS, HUD has proposed new rule to allow Housing Authorities to adopt payment standards up to 120% of FMR without prior approval from HUD;

WHEREAS, the AAHC supports increasing the payment standard for the City of Ann Arbor to decrease the concentration of poverty in other parts of the County;

RESOLVED, that the Ann Arbor Housing Commission Board approves the increase of the payment standard to 120% of Fair Market Rent if HUD approves this proposed rule, to take effect as soon as possible after the proposed rule is enacted.