

AAHC DRAFT FISCAL YEAR 2023 ANNUAL PLAN

Annual Plan Attachment

Section B.1 Annual Plan Element Proposed Changes FY23

Statement of Housing Needs and Strategy for Addressing Housing Needs.

- A. **Housing Choice Voucher Waiting List.** The AAHC currently has the following preferences: persons with a disability, resident or works in Washtenaw or Monroe County, seniors and homeless. AAHC opened the HCV Waiting List for one month, on August 3, 2020; we received over 3,300 applications. At that time, about 50% of the AAHC’s voucher tenants reported as non-elderly disabled households. Below are the demographics as reported by the applicants:

HCV Waiting List

White	742
Black	2269
Asian	28
American Indian	20
Pacific Islander	2
Multiple Race	219
No Identification	0
Hispanic	144
Non-Hispanic	3199
Female	2612
Male	731
Average Annual Income	\$11,427
Average Household Size	2
Near Elderly (Age 55-60)	499
Elderly (Age 62 and older)	225
Disabled	2268
Homeless	1332

- B. **Project Based Voucher Waiting List:** The AAHC currently has the following preferences: persons with a disability, resident or works in Washtenaw or Monroe County, seniors and homeless. AAHC opened the RAD PBV Waiting List for one month, on August 3, 2020. AAHC advertised the opening for one (1) through five (5) bedroom units; and received over 2,200 applications. At that time about 43% of the applicants self-reported as homeless and 35% reported annual income of less than \$10,000. Below are the demographics as reported by the applicants:

RAD PBV Waiting List

White	566
Black	1463
Asian	19
American Indian	12
Pacific Islander	2
Multiple Race	153
No Identification	0
Hispanic	91

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Non-Hispanic	2175
Female	1715
Male	551
Average Household Size	2 Persons
Near Elderly (Age 55-61)	342
Elderly (Age 62 and older)	181
Disabled	1496
Homeless	979
Reported Income between \$1 – \$9,999	35%
Reported Income between \$10,000 – \$19,999	26%

During FY22, the following Administrative policies were adopted by the AAHC Board

Administrative Plan Policies

5-BRIEFING AND VOUCHER ISSUANCE

When HCV participant are issued a voucher the regulation states that the voucher must be utilized before it expires. HUD requires the initial voucher term to be at least 60 days. HUD allows the PHA to establish a policy to determine the length of the voucher term. The previous AAHC policy stated that the voucher term would be 60 days (not including any extensions). AAHC amended the policy to allow a minimum of 180 days voucher term with a maximum of 240 days as a reasonable accommodation for persons with disabilities or in extenuating circumstances.

9-GENERAL LEASING POLICY: TERM OF ASSISTED TENANCY

HUD requires the AAHC to establish a general leasing policy that states the term of the tenant lease. The regulation permits the PHA to allow a lease term less than 12 months under certain conditions. AAHC amended the policy to allow families to enter a lease with a landlord shorter than 12 months to improve housing opportunities for the tenant because leases with shorter than 12-month lease terms have become a regular practice in the market.

10-MOVES WITH CONTINUED ASSISTANCE

When an HCV applicant or participant requests to move outside of the AAHC’s jurisdiction, that family may be denied the request to move for several reasons, such as owing a debt to the AAHC. The AAHC policy previously allowed the family to move under the establishment of a repayment agreement. AAHC amended the policy to require the family to resolve all debts owed to the AAHC prior to moving outside the AAHC’s jurisdiction.

15-INTRODUCTION: SPECIAL HOUSING TYPES

Previously, the policy restricted voucher participants to reside in units qualifying as special housing types as a reasonable accommodation only. The AAHC amended the policy to allow all

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households to live in any special housing types and a reasonable accommodation will not be necessary.

15-INTRODUCTION: SPECIAL HOUSING TYPES; HOMEOWNERSHIP

Previously, the policy stated that participants interested in homeownership must have a down payment of at least 3% of the sales price, with at least 1% coming from the participants personal funds. This policy was waived for participants who purchased a home with Habitat for Humanity. The policy was changed to require down payment of at least 1% of the sale price of the home. And, this policy would be waived for any participant who purchase a home using a mortgage product designated for low-income first time home buyers.

16-PROGRAM ADMINISTRATION: INFORMAL REVIEWS AND HEARINGS

AAHC added language to the administrative plan to make it clear that applicants and participants who voluntarily withdraw from the housing choice voucher program are not entitled to an informal review or informal hearing. However, applicants and participants would continue to have the right to an informal review and informal hearing when the AAHC initiates the denial of assistance or termination, as required under federal regulations.

16-PROGRAM ADMINISTRATION: EMERGENCY TRANSFER

AAHC amended its Emergency Transfer policy to clearly define the eligibility requirements for families requesting to transfer, to create a distinction between VAWA related transfers and non-VAWA related transfers, and to establish procedures for participants requesting to transfer.

19-FAMILY SELF-SUFFICIENCY PROGRAM: PROGRAM OPERATIONS

The AAHC amended its policy that describes the handling of balances owed to the AAHC or private property owner and the treatment of unreported income as it is related to FSS Escrow monthly disbursements. The policy clearly states that if a family has unreported income, once that unreported income is recorded, it will not result in an increase in their FSS escrow amount. In addition, the policy clearly states that any amounts owed to the AAHC or private property owner will be deducted from the FSS escrow balance prior to distributing the escrow to the family when they graduate from the FSS program.

In addition, in June 2022 HUD made several changes to the program regulation which required housing authorities who administered the program to revise their FSS Action Plan. The AAHC revised the FSS Action Plan to capture all the changes made by HUD. The action plan was then submitted to HUD for approval. HUD has approved the AAHC FSS Action Plan changes effective November 4, 2022.

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Financial Resources:

2023 Planned Financial Sources and Uses		
Federal Sources:	Planned (Est.)	Planned Uses
Moving to Work Housing Choice Voucher Housing Assistance Payments (HAP) & Admin Fees	\$18,000,000	HCV and PBV HAP & Admin Expenses
EHP/VASH/FUP Housing Choice Voucher Housing Assistance Payments (HAP)	\$2,000,000	EHV/FUP/VASH HAP
EHP/VASH/FUP Admin Fees	\$175,000	EHV/FUP/VASH Admin Expenses
Mainstream Voucher Program Housing Assistance Payments (HAP)	\$2,000,000	HAP Expenses
Mainstream Voucher Admin Fees	\$175,000	Administrative Expenses
Family Self Sufficiency	\$180,000	Family Self Sufficiency program
Other (Fraud Recovery)	\$76,000	Voucher Programs and Central Office
Capital Funds & Operating Funds for Turnkey III	\$4,000	Garden Circle (MI064000100)
Non-federal sources (list below)		
City of Ann Arbor General Fund	\$160,000	Voucher Administration, Central Office,
Affordable Housing Millage	\$6,500,000	Affordable Housing Development, Tenant Services, and Administrative Expenses
Mental Health Millage Rebate	\$1,100,000	Tenant Services and Administrative Expenses
Ann Arbor Downtown Development Authority	\$600,000	Development of City-Owned Properties in DDA District
Other Revenue	\$900,000	Property Management Fees
Total resources	\$33,870,000	

Section B.2 and C.1 New Activities

Moving to Work: AAHC was designated as a Moving-To-Work (MTW) agency in January 2022. MTW is a demonstration program for Public Housing Authorities (PHAs) to design strategies to help residents find or increase employment, become financially self-sufficient and increase housing opportunities for low-income households. The MTW program allows the AAHC more flexibility with how voucher program funds are administered. AAHC was selected in MTW Cohort #4 Landlord Incentives. AAHC will use the exemption allowed under MTW to establish strategies to increase and continue landlord participation on the HCV program and increase the successful lease-up and long-term housing stability of voucher participants. The MTW program objectives are to reduce costs, give households incentives to achieve economic self-sufficiency, and to increase housing choice. The intent is to serve the same number of low-income families as without MTW funding flexibility. The AAHC will continue to serve a mixture of family sizes. The AAHC will ensure that 75% of the families assisted will have incomes at or below 50% of area median income. All assisted units will continue to meet housing quality standards (HQS). Finally, the AAHC will establish a reasonable rent policy that will encourage self-sufficiency for participating families.

Garden Circle Turnkey III: The AAHC owns a single-family home on Garden Circle, Ann Arbor MI, that was acquired through HUD's Turnkey III lease to ownership program. The Turnkey III program no longer exists and the families that have lived in this home have not been able to purchase the property. The AAHC will dispose of the property through the Voluntary Conversion for Small PHA's process. The property will be retained by the AAHC by ground leasing the property for \$1 to a wholly owned subsidiary of the AAHC, Colonial Oaks, LLC. Colonial Oaks currently includes 50 former public housing units that were converted to project-based vouchers under the RAD program.

The existing tenant may continue to live at the property with a tenant protection voucher or move with a tenant-based voucher.

If there are any proceeds from the disposition of the property, after deducting the reasonable and necessary costs of disposition, the proceeds will be spent on renovations of existing low-income properties under a PBV HAP contract in the Colonial Oaks portfolio, including: 2072 Garden Circle, 1504 – 1506 Broadway, 3681 – 3689 Platt, 2670 - 2680 S. Main, 1020 - 1042 Pennsylvania, 221 – 253 S. Seventh, 3565 – 3585 Oakwood, and 805 – 807 W. Washington. .

Faircloth to RAD: the AAHC has 3 additional units under the Faircloth regulations that can be developed under the RAD conversion process. The AAHC is exploring the process and best locations to develop 3 additional subsidized housing units at properties it currently owns or is currently developing.

The Ann Arbor City Council passes a resolution to support an analysis of city-owned properties to determine if they are financially feasible to develop as affordable housing. The analysis was completed by the AAHC and 10 properties were identified as good locations for affordable housing development. Each site is unique and will have a separate plan for its development. Properties were analyzed based on zoning, regulatory restrictions, environmental conditions, and eligibility for HUD and LIHTC funding. The AAHC spent 2 years on community engagement to understand the priorities of the community and to start discussing site concepts. Four properties

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are in the zoning and site plan development stage, two properties are in the pre-development due diligence phase, and four properties are in the queue until staff have the capacity to complete pre-development due diligence.

The City of Ann Arbor passed an affordable housing millage for 1 mil for 20 years, which will raise about \$6.5 million annually. It is anticipated that the millage will support the development (new construction, acquisition, and renovation) of approximately 1500 new affordable housing units for households up to 60% of the Area Median Income (AMI). The millage also allows for up to 20% of the funds to be used for tenant supportive services. The millage is a key component of the development strategy for the 10 city-owned properties to provide gap financing and tenants service funding.

Section B.5 Progress Report

Please see the 4 goals from FY20 – FY24 Plan with a progress report for each goal

- 1) Complete Redevelopment of all public housing units to Project Based Vouchers through the Rental Assistance Demonstration (RAD) project

The AAHC was approved by HUD to redevelop all of its public housing to project-based vouchers under the RAD program. Phase 1, 2, 3, 4, & 5 are completed. The single-family Turnkey III home on Garden Circle is the only property that has not converted yet.

- 2) Develop new affordable housing:
 - a. At existing public housing sites
 - b. New properties

a. Through the RAD conversion program, AAHC demolished and built new housing at 3 former public housing properties. A total of 58 new apartments were added through the RAD conversion process. Phase 1, Miller Manor, was redeveloped with three (3) additional apartments. Phase 3 at N. Maple added 23 apartments. Phase 4 at Lower Platt (now known as Creekside Court) added 28 apartments and White/State/Henry (now known as State Crossing) added 4 apartments.

b. The AAHC has acquired Lurie Terrace, a 136-unit senior apartment in Ann Arbor. The AAHC will be income-restricted as well as restricted to households who are 62 years or older. Forty percent of the units will be restricted to households at 60% AMI or less and 60% will be restricted to households at 80% AMI or less. Any existing over-income tenants will be grand fathered in, but all new tenants must meet the income-restrictions.

The following city-owned properties are in the development stage:

- 121 E. Catherine: proposed 66-unit project with 50% of the units reserved for supportive housing and 50% reserved for low-income households in the creative sector. All units would be affordable to households up to 60% AMI.
- 350 S. 5th: Approved zoning and supplemental regulations that require a minimum of 40% (approximately 145) affordable units affordable for households up to 60% AMI in a 2-tower building.

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- 415 W. Washington: proposed residential building with about 125 units, 15% of which would be affordable to households up to 60% AMI or a cash contribution to the Affordable Housing fund in lieu of including units on site.
- 2000 S. Industrial: proposed mixed-use site including residential and City uses such as offices, storage, and fleet services
- 1510 E. Stadium: conducting due diligence
- 721 N Main: conducting due diligence

3) Project-Based Voucher:

Increase the number of Project-Based Vouchers in the City of Ann Arbor and other communities in Washtenaw County that have a strong economic base and public transportation. AAHC projects that we will convert about 200 vouchers to project-based vouchers by FY24.

In addition, 23 VASH vouchers for chronically homeless veterans were project-based through a partnership with the VA.

- a. Addition of PBV Units: The AAHC issued Project-Based Voucher RFP on September 9, 2020 for up to 150 vouchers in the City of Ann Arbor. The AAHC received applications for 162 project-based vouchers. The AAHC has entered into agreement for 79 vouchers within Ann Arbor for the following projects: 33 vouchers at 100 S. 4th Ave 48104, 30 vouchers at 600 W. Huron 48104, 10 vouchers at 2270 Platt Road 48108, and 6 vouchers at 100-106 and 112-114 Glendale 48103.
- b. Statement of need Consistent to PHA Plan: AAHC will project-base up to 20% of the AAHC's budget authority in order to de-concentrate poverty and expand housing and economic opportunities for very low-income, homeless and special needs households in the City of Ann Arbor and other high opportunity areas in Washtenaw County. The AAHC prioritizes PBV on Permanent Supportive Housing units. These activities are consistent with the AAHC's 5-year and Annual Plan as well as AAHC's mission.
 - i. The AAHC was approved by HUD on December 27, 2022 to project base up to 125 additional vouchers. An RFP will be issued in 2023.

- 4) Increase supportive housing for residents with complex needs spanning from homelessness, mental illness, substance use disorders, and/or other physical/mental disabilities.
 - a. Increase support services for tenants in affordable housing and voucher program
 - b. Through community partnerships
 - c. Additional funding sources
 - d. Continue to work with partners and provide support to eligible families

Continuum of Care (CoC)

The AAHC partnered with Avalon Housing and Ozone House to provide housing and services to chronically homeless individuals and families through the HUD Continuum of Care program. A minimum of 59 of these households will be housed at AAHC properties and Avalon and Ozone House will be providing on-site services. These funds have

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enabled Avalon to provide 24/7 services at Miller Manor. In FY21 all of the CoC grants have been transferred to Avalon Housing to administer.

Support Service HCV Eviction Prevention

The AAHC is partnering with SOS to hire a case manager to help AAHC voucher tenants maintain their vouchers.

The coordinated support service allows assist families to lease up in Ann Arbor and resolve landlord/tenant issues such as securing funds to avoid eviction and/or assistance with securing funds for outstanding utility bills and were able to retain their housing. AAHC will continue contracting services with SOS to provide voucher families assistance in maintaining their assistance.

Support Service On-site PBV

The AAHC partnered with Avalon Housing & Peace Neighborhood Center & Community Action Network to provide on-site services for tenants at West Arbor, Miller Manor, Maple Meadows, Hikone, Green-Baxter, and Baker Commons.

The AAHC is partnering with Avalon and CAN to provide on-site services at the new State Crossing and Creekside Court Community Centers, respectively.

The AAHC is partnering with Huron Valley PACE to provide on-site services at the newly acquired senior housing property, Lurie Terrace.

Additional Voucher Support Services

The AAHC is partnering with Avalon Housing and Michigan Ability Partners to assist AAHC voucher waitlist applicants lease up successfully and to provide ongoing support services.

Family Unification Program (FUP)

The AAHC has partnered with the Michigan Department of Health and Human Services (MDHHS), Washtenaw County Continuum of Care (CoC), and Ozone House to provide housing assistance to 32 families for the HCV Family Unification Program. AAHC continues to provide housing to eligible families.

The Family Unification Program (FUP) is a program under which Housing Choice Vouchers (HCVs) are provided to two different populations: Families for whom the lack of adequate housing is a primary factor in: the imminent placement of the family's child or children in out-of-home care, or the delay in the discharge of the child or children to the family from out-of-home care. In addition, Eligible youths who have attained at least 18 years and not more than 24 years of age and who have left foster care, or will leave foster care within 90 days, and is homeless or is at risk of becoming homeless at age 16 or older.

In addition to rental assistance, supportive services must be provided by the MDHHS to FUP youths for the entire 18 months in which the youth participates in the program;

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examples of the skills targeted by these services include money management skills, job preparation, educational counseling, and proper nutrition and meal preparation.

Non-Elderly Disabled Mainstream Voucher (NED)

The AAHC has partnered with 11 agencies to administer the NED Voucher program, all of whom serve persons with disabilities as a cornerstone of their non-profit mission or public agency purpose. HUD awarded AAHC 45 voucher for the NED program in 2018; 90 vouchers in 2019; and 41 vouchers in 2020. AAHC continues to provide housing to eligible families.

NED HCVs enable non-elderly disabled families to lease affordable private housing of their choice. NED vouchers also assist persons with disabilities who often face difficulties in locating suitable and accessible housing on the private market. The target population for the NED program are any household that includes one or more non-elderly person with disabilities.

In addition, eligible families included non-elderly persons with disabilities who are transitioning out of institutional or other segregated settings, at serious risk of institutionalization, currently experiencing homelessness, or those at risk of experiencing homelessness.

Emergency Housing Vouchers

AAHC received an award of 29 Emergency Housing Vouchers (EHV) effective July 1, 2021. The Emergency Housing Voucher (EHV) program is available through the American Rescue Plan Act (ARPA). Through EHV, AAHC assist individuals and families who are homeless, at-risk of homelessness, fleeing, or attempting to flee, domestic violence, dating violence, sexual assault, stalking, or human trafficking, or were recently homeless or have a high risk of housing instability.

AAHC works with the CoC and its other homeless services/victim services referral partners in determining which activities it will undertake in support of EHV participants. Activities such as housing search assistance, assistance with security deposit, utility deposit, rental application, holding fees, and other related uses are intended to prevent and respond to housing instability.

Additional Vouchers

In October 2022, AAHC received 16 new voucher increments from HUD. Due to a competitive rental market around the country it's increasingly becoming necessary to help families lease units. As a result, HUD revisited its current guidance on the eligible uses of administrative fees allowing PHA's to expanding such activities to cover costs that encourage housing stability for participants. To ensure success, AAHC administers funds directly to our partners that provide services to participating families that fit their specific needs.

Administrative activities also include housing search assistance activities such as pre-move counseling, helping a family identify and visit potentially available units during their housing search, helping a family find a unit that meets the household's disability-

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related needs, providing transportation and directions, and assisting with the completion of rental applications. These activities also include post-lease up activities often related to housing search assistance efforts, such as post-move counseling and landlord/tenant mediation. These activities cover HCV owner recruitment and outreach activities, including the costs associated with materials or webpages specifically geared to owners, as well as landlord liaison staff and associated expenses.

City of Ann Arbor General Fund Support

The City of Ann Arbor allocated \$525,000 in FY20; \$535,000 in FY21; \$546,000 in FY22 and over \$1.1 million in FY23 for tenant mental health and other supportive services for AAHC tenants and Voucher program participants. These funds are partially funding the programs listed above.

Section D.2 Resident Advisory Board

The Resident Advisory Board (RAB) held on November 9, 2022

This annual public, meeting of the Resident Advisory Board focused on the AAHC's Annual Plan and HUD's Moving To Work (MTW) Demonstration Program as a member of Cohort #4— Landlord Incentives.

ATTENDEES: Weneshia Brand (AAHC), Bryce Allmacher (AAHC), Beth Yaroch (AAHC), Terrence Williams, Melanie, Leo, Hugh Goodman, Nicole Harris, Ambrose Rivers, Sarah Teare. Timothy Haremza, John Stacy, Morgan Borchardt, Dory Boston, Mary Doyle, Kimmeka Pipkins, and Jason Pope.

DISCUSSION:

Brand: AAHC staff can be reached for additional comments and questions at www.a2gov.org/housingcommission

Landlord Incentives

AAHC is a participant in Moving To Work Cohort #4— Landlord Incentives. Participation in this cohort provides AAHC the opportunity to adopt policies that incentivize landlord participation in the Section 8 Voucher program. AAHC plans to provide damage loss payments, signing bonuses, and vacancy loss payments to landlords that rent to Section 8 Voucher participants. AAHC also plans to assist participants with providing security deposits and paying application fees.

The Ann Arbor Housing Commission also discussed the following MTW policies under consideration for future adoption, with the Resident Advisory Board:

Reasonable Rent Activity: Tiered Rent

As an MTW activity, AAHC is considering a tiered rent system. The tiered rent program would group rents together based on income. Calculation: monthly income based on the bottom of a participant's income tier X 25% + \$50. Example: those with an annual income of \$10,000-14,999 would all pay \$258.33 per month in rent ($\$10,000/12 \times 25\% + \50), as opposed to the current rent calculation in which all participants pay 30% of their monthly income towards rent (plus any amount that exceeds the voucher payment standard). Participants will not experience an increase in rent if their income rises within their own tier. Example: if a participant's income increases from \$11,000 to \$13,000 per year, their rent contribution does not increase. If,

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however, their income were to increase beyond \$14,999, their rent contribution would increase to that of the next income tier upon their next income certification. Participants experiencing a hardship as defined by AAHC policy would be allowed to request an interim reexamination of income if they experience a decrease in income below their current tier in order to reduce their rent contribution.

Alternative Reexamination Schedule

In addition to the tiered rent policy, AAHC is considering a policy that would stipulate that income recertifications take place every 3 years rather than annually. This would allow participants to pocket increases in income for longer rather than having their rent raised more quickly upon recertification. Example: elderly families experience increases in Social Security income almost annually. The alternative schedule would allow these families to keep that increase rather than contributing it toward rent until their next recertification.

Alternative Income Inclusions and Exclusions

AAHC is also considering implementing alternative income exclusions and inclusions which would allow families to deduct income from additional sources in making rent determinations. AAHC is considering excluding income from adult children ages 18-24 in making rent determinations.

Resident Advisory Board Discussion:

Rivers: How long do you have to find housing once you receive your Section 8 Voucher?

Brand: 180 days

Rivers: Can Homeownership voucher assistance be used in Combination with Neighborhood Assistance Corporation of America (NACA) mortgage products?

Brand: Yes.

Haremza: What is the procedure when a person has a Section 8 Voucher and the individual gets married, how is their income adjusted? Will their rent change?

Brand: A lot of landlords require families to add additional people to the lease. It is the family's responsibility to accurately report their income to AAHC. There is a strong possibility that the tenants portion of the rent will change if the spouse has income.

Haremza: Is there any relationship between Ann Arbor Housing Commission and Avalon Housing?

Brand: Yes, Avalon are one of many non-profit partners the AAHC has contracts with.

Pipkins: Question about Platt Rd. property (Creekside Court): is that property available to Section 8 participants, or only AAHC participants?

Brand: For Creekside specifically, that property is Project-Based Vouchers only, so people with tenant-based Section 8 vouchers can't apply there. However, if you applied to the PBV waitlist and were offered a unit, you would need to withdraw from the tenant-based voucher program to move into Creekside.

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The new AAHC developments plan to be mostly a mixture of incomes. For example, a 30-unit building might have 10 units that are Project-Based Vouchers (subsidy is attached to the unit, but the family is eligible for a tenant-based voucher after 1 year), 10 units that are market-rate, and 10 units that are below-market rate based on tax credit rent requirements. If you have a tenant-based voucher, you can use it as long as you are not “doubling up” on assistance (i.e. using a Section 8 Voucher in a Project-Based unit).

Pipkins: When do you plan to implement the policies regarding security deposit assistance?

Brand: Possibly in this upcoming fiscal year, inquire with your caseworker to see if funding is currently available.

Pipkins: Inquired about a Habitat for Humanity program— Habitat required an income of at least \$70,000 to qualify for their Homeownership program, that doesn't seem like it would qualify as low-income.

Brand: You can always google Area Median Income (AMI) to determine what is low-income, in Washtenaw County, because incomes are so high in Washtenaw County [\$117,800 is the Area Median Income], that number makes sense as low-income. With the AAHC Homeownership Program, the voucher itself is counted as income towards your loan. This allows our participants to get approved for larger loans than what their income would typically dictate. The voucher doesn't help with down payment or closing costs, but it does provide monthly Housing Assistance Payments to assist with your mortgage principal, interest, taxes, and insurance.

Harris: How long do you have to be on the Section 8 program before you can qualify for the Homeownership program?

Brand: 1 year, and Family Self Sufficiency participation is not required.

Haremza: Concerned about the amount of time in between income recertifications with the tiered rent policy. What if a participant loses a significant source of income?

Brand: The AAHC would implement a hardship policy to mitigate any potential negative effects of the tiered rent system. The idea of tiered rents is to incentivize increases in income. Reiterates that this is the time to influence the hardship policy.

Haremza: A hardship policy sounds like it would address some concerns. For example, if your company moves because there aren't enough skilled workers in your area, that should count as a hardship.

Haremza: Likes the idea of excluding income from adult children.

Brand: Alternative inclusions/exclusions as proposed here only apply to very specific households.

Haremza: Does the AAHC take into account cost-of-living expenses in the area? Increases in social security are typically negated by increases in cost-of-living.

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Brand: AAHC does not. However, the benefits of both the tiered rent and the alternative recertification schedule apply. It's more money in your pocket unless and until at your recertification you enter a higher income tier. Provides participants the opportunity to pay off debt, pay for school, save for a home, and increase assets.

Harris: Most places that do low-income housing make you recertify as soon as your income increases, for AAHC would the participant owe that money retroactively if they didn't report an increase in income immediately?

Brand: No, they wouldn't have to report their increase until their next schedule recertification

Harris: Does AAHC account for any other expenses in making rent determinations? Things like car repairs?

Brand: No. AAHC takes into account utilities, medical expenses, and dependent care, as required by HUD. Families currently receive a \$480 allowance for each minor living in their home. It is possible that AAHC could increase that amount to \$500+ as a policy. It is not the same idea as Harris' question, but it could have the same effect.

Pipkins: Net vs. gross income, is there a way for the Housing Commission to account for the difference in making rent determinations?

Brand: Would need to do more research.

Pipkins: When AAHC takes policy into consideration, when do residents enter the conversation?

Brand: Residents are the #1 source of justification for these policy changes. Our residents share their challenges and make suggestions with AAHC staff every day. These Resident Advisory Board meetings are also extremely important to receive resident ideas and feedback about policy recommendations. In addition, residents can attend AAHC board meetings, which are on the third Wednesday of the month every month and are open to the public. We have a tenant and a former tenant on the board as well.

OTHER RESIDENT INPUT: *None*

CHALLENGED ELEMENTS TO PLAN: *None*