

# PHA Name : Ann Arbor Housing Commission

**PHA Code :** MI064

**MTW Supplement for PHA Fiscal Year Beginning :** (MM/DD/YYYY): 7/1/2023

**PHA Program Type:** Combined

**MTW Cohort Number:** Landlord Incentives

**MTW Supplement Submission Type:** Annual Submission

## **B. MTW Supplement Narrative.**

The Ann Arbor Housing Commission is deeply committed to providing excellent housing opportunities to current and future residents of Washtenaw and Monroe Counties. Within our jurisdiction exists immensely diverse communities, ranging from the dense urban centers of Ann Arbor and Ypsilanti, to the more sparsely populated townships of Superior and Scio. Many of these neighborhoods are complimented by strong school systems, low poverty rates, and desirable housing, while other neighborhoods are challenged by limited public services and diminishing economic opportunity.

As a Moving To Work agency, we hope to increase housing choice in some of our highest opportunity and more economically exclusive communities. It is our belief that the MTW program will aid in our efforts to increase housing stability for our most vulnerable community members and allow us to establish long-term relationships with private sector housing providers. As AAHC continues to take major steps towards developing new affordable housing, our MTW activities will serve as an additional tool to provide more desirable housing for those most in need.

### **Cost Effectiveness:**

AAHC is eager to employ the funding and programmatic flexibility that MTW provides in order to more efficiently utilize its federally allocated funds. Our administrative processes, supportive services, and development projects will all benefit from MTW allowances and activities. The AAHC is actively partnering with local nonprofits, public agencies and local governments to increase the supply of affordable housing in the City of Ann Arbor, Washtenaw County, and Monroe County through financial tools, development of affordable housing on public property, project-based vouchers, zoning regulations and other public policy tools. AAHC plans to use MTW flexibilities to fund the programs and projects that it determines will be of the greatest benefit to our communities and incentivize potential partners to assist in our goal of increasing housing opportunity. Additionally, specific waivers such as those related to HQS inspections offers AAHC the opportunity to cut down on unnecessary staff time and rededicate itself to tasks that are of more immediate importance.

### **Self-Sufficiency:**

AAHC partners with many local non-profits, mainstream service providers, and the private sector to build healthy residential communities and promote an atmosphere of pride and responsibility. The AAHC has contracts with 7 non-profit agencies to provide on-site support service to tenants who live in AAHC properties. The AAHC has a contract with SOS Community Services to provide eviction prevention services to all the AAHC's voucher tenants. A recent internal analysis of supportive services offered at AAHC properties indicated their tremendous effectiveness at preventing eviction and providing housing stability; outcomes among formerly homeless households were especially encouraging as compared to national trends. The AAHC has MOUs with many local agencies to assist homeless and disabled applicants complete the application process, search for housing, and successfully lease-up. The AAHC also works directly with the Michigan Works! agency to leverage employment and training opportunities for program participants. Additionally, AAHC works with private companies, local non-profits, and Habitat for Humanity to increase participation in the AAHC's Homeownership Program. The AAHC partners with the United Way to provide support services aimed at empowering families to build savings and financial capabilities as a pathway out of poverty. The AAHC also participates in HUD's Family Self Sufficiency Program. As an MTW agency, AAHC has the opportunity to divert funding to many of the aforementioned programs and partnerships. AAHC will continually analyze the effectiveness and financial state of these programs in order to determine how to best allocate funding to each of them.

### **Increasing Housing Choice:**

According to the Martin Prosperity Institute's 2015 report "Segregated City, The Geography of Economic Segregation in America", Washtenaw County is the 8th most income segregated County in the United States. Low-Income residents in Washtenaw County have limited opportunities for mobility due to the high housing costs throughout the county, especially in high opportunity areas. The MTW designation can help the AAHC provide more numerous and more desirable choices through higher payment standards and landlord incentives to expand our pool of participating landlords. HUD has recognized a growing number of populations with specific needs that often go unmet by the existing housing infrastructure. AAHC's goal is to develop programs and housing stock targeted to the most underserved populations. In pursuit of this goal, we currently administer several special purpose voucher programs in addition to the Housing Choice Voucher and Project Based Voucher programs.

AAHC recognizes the significant and immediate need for additional affordable housing. A recent market analysis for the City of Ann Arbor shows a market demand for 1,300 units at 30% AMI, 700 units at 31% to 60% AMI and 300 units at 61% to 100% AMI just in the downtown area. AAHC is looking to increase the housing opportunities through partnerships, private/non-profit development, acquisition, and utilizing programs such as MTW. The Corporation for Supportive Housing (CSH) recently completed a needs analysis for Permanent Supportive Housing for all of Washtenaw County and determined that in the next 10 years an additional 1,581 PSH units for single adults and 407 PSH units for families are needed. The AAHC currently has a homeless preference for its waitlist and partners with the Continuum of Care and multiple non-profits to house homeless households in AAHC PBV units as well as with tenant-based vouchers. The AAHC and its community partners work hard to create programs and opportunities for homeless households to live in low-poverty, high opportunity neighborhoods.

**C. The policies that the MTW agency is using or has used (currently implement, plan to implement in the submission year, plan to discontinue, previously discontinued).**

<b>1. Tenant Rent Policies</b>	
<b>2. Payment Standards and Rent Reasonableness</b>	
<b>3. Reexaminations</b>	
<b>4. Landlord Leasing Incentives</b>	
a. Vacancy Loss (HCV-Tenant-based Assistance)	Plan to Implement in the Submission Year
b. Damage Claims (HCV-Tenant-based Assistance)	Plan to Implement in the Submission Year
c. Other Landlord Incentives (HCV- Tenant-based Assistance)	Plan to Implement in the Submission Year
<b>5. Housing Quality Standards (HQS)</b>	
d. Alternative Inspection Schedule (HCV)	Plan to Implement in the Submission Year
<b>6. Short-Term Assistance</b>	
<b>7. Term-Limited Assistance</b>	
<b>8. Increase Elderly Age (PH &amp; HCV)</b>	
<b>9. Project-Based Voucher Program Flexibilities</b>	
<b>10. Family Self-Sufficiency Program with MTW Flexibility</b>	
<b>11. MTW Self-Sufficiency Program</b>	
<b>12. Work Requirement</b>	
<b>13. Use of Public Housing as an Incentive for Economic Progress (PH)</b>	
<b>14. Moving on Policy</b>	
<b>15. Acquisition without Prior HUD Approval (PH)</b>	
<b>16. Deconcentration of Poverty in Public Housing Policy (PH)</b>	
<b>17. Local, Non-Traditional Activities</b>	

**C. MTW Activities Plan that Ann Arbor Housing Commission Plans to Implement in the Submission Year or Is Currently Implementing**

<b>4.a. - Vacancy Loss (HCV-Tenant-based Assistance)</b>
<p><b>Activity:</b>          For eligible participants of the Landlord Incentive Demonstration AAHC will offer vacancy loss payment to participating landlords for assisted units. Landlords will receive an additional payment equal to one-month contract rent for re-leasing a unit to a voucher holder after a previous voucher holder has vacated the unit. The unit must be previously occupied and re-leased by an HCV assisted family. Payments will be made to landlords when the next HAP contract is executed between the owner and the AAHC.</p> <p><b>Goal:</b>          The goal of this activity is to increase the number of participating owners, expanding housing opportunities for participants, and deconcentrating poverty.</p> <p><b>Initiative:</b>          AAHC will implement initiatives that seek to incentivize landlords to participate in the HCV program. This activity, combined with triennial inspections, HAP direct deposits, rapid initial HQS inspections, damage loss payments, and bonus payment are intended to increase and retain landlord participation.</p>
<b>This MTW activity serves the following statutory objectives:</b>
Housing choice
<b>This MTW activity has the following cost implications:</b>
Increased expenditures
<b>An MTW activity may apply to new admissions only, to currently assisted households only, or to both new admissions and currently assisted households.</b>

The MTW activity applies to all assisted households

**Based on the Fiscal Year goals listed in the activity's previous Fiscal Year's narrative, provide a description about what has been accomplished or changed during the implementation.**

This is the first fiscal year as an MTW agency. This activity will be implemented for the first time during the submission year.

**No hardship were requested in the most recent fiscal year.**

**In the prior year, under this activity, Ann Arbor Housing Commission MTW agency**

Received 0 hardship requests

Approved hardship requests

Denied hardship requests

There is\are hardship requests pending.

**This policy applies to**

To all units

**The types of units policy applies to:**

**Maximum payment to the landlord is**

\$Payments are not to exceed 1 month of contract rent on the unit..

**0 payments were issued under this policy y in the most recently completed PHA fiscal year.**

**\$0 issued under this policy in the most recently completed PHA fiscal year.**

#### **4.b. - Damage Claims (HCV-Tenant-based Assistance)**

Activity:

Eligible households and their respective landlords will participate in the Landlord Incentive Demonstration. In addition to AAHC making additional payment to landlords that re-lease a unit to a voucher holder, AAHC will compensate current landlords for damage claims as an incentive for continued participation in the HCV program.

To incentivize a landlord's continued participation in the HCV program, AAHC will provide compensation to landlords when the tenant leaves the unit damaged. Landlords will receive compensation for damage claimed not to exceed the lower of the cost of repairs or two months of contract rent. The household's security deposit must first be used to cover damages and the agency may provide up to two months of contract rent minus the security deposit to cover remaining repairs. Payments will be made to landlords when the next HAP contract is executed between the owner and the AAHC.

Goal:

The goal of this activity is to increase the number of participating owners, expand housing opportunities for participants, and retain landlords' participation in the HCV program.

Initiative:

AAHC will implement initiatives that seek to incentivize landlords to participate in the HCV program. This activity combined with triennial inspections, HAP direct deposits, rapid initial HQS inspections, and bonus payments are intended to increase and retain landlord participation.

**This MTW activity serves the following statutory objectives:**

Housing choice

**This MTW activity has the following cost implications:**

Increased expenditures

**An MTW activity may apply to new admissions only, to currently assisted households only, or to both new admissions and currently assisted households.**

The MTW activity applies to all assisted households

**Based on the Fiscal Year goals listed in the activity's previous Fiscal Year's narrative, provide a description about what has been accomplished or changed during the implementation.**

This is the first fiscal year as an MTW agency. This activity will be implemented for the first time during the submission year.

**No hardship were requested in the most recent fiscal year.**

**In the prior year, under this activity, Ann Arbor Housing Commission MTW agency**

Received 0 hardship requests

Approved hardship requests

Denied hardship requests

There is\are hardship requests pending.

**This policy applies to**

To all units

**The types of units policy applies to:**

**Maximum payment to the landlord is**

\$Damage loss payments will not exceed the lower of:

The cost of repairs

Two months of contract rent

(Landlords must first use the household security deposit to cover any damages).

**0 payments were issued under this policy y in the most recently completed PHA fiscal year.**

**\$0 issued under this policy in the most recently completed PHA fiscal year.**

**4.c. - Other Landlord Incentives (HCV- Tenant-based Assistance)**

**Activity:**

Eligible households will participate in the Landlord Incentive Demonstration. AAHC will make additional payment to landlords who re-lease units to participating families and compensate landlords for damage claims as an incentive for continued participation in the HCV program. AAHC will make payment to the landlord for security deposit, application fees, holding fees, and rental insurance on behalf of the assisted family, a signing bonus to landlord new to the AAHC, and loyalty bonus for current landlord who increased the number of units under HAP contract.

To incentivize a landlord's continued participation in the HCV program, AAHC will provide a signing/loyalty bonus equal to no more than one month of the contract rent to eligible landlords. Payments for security deposit and rental insurance must not exceed one month's rent, in total. Households may request assistance for application fees and holding fees for no more than five units for each voucher issued.

**Goal:**

The goal of this activity is to increase the number of participating owners, expand housing opportunities for participants,

and retain landlord's participation in the HCV program.

**Initiative:**

AAHC will implement initiatives to incentivize landlords to participate in the HCV program. AAHC will implement initiatives that seek to incentivize landlords to participate in the HCV program. This activity combined with triennial inspections, HAP direct deposits, rapid initial HQS inspections, damage loss payments, and bonus payment are intended to increase and retain landlord participation.

**This MTW activity serves the following statutory objectives:**

Housing choice

**This MTW activity has the following cost implications:**

Increased expenditures

**An MTW activity may apply to new admissions only, to currently assisted households only, or to both new admissions and currently assisted households.**

The MTW activity applies to all assisted households

**Based on the Fiscal Year goals listed in the activity's previous Fiscal Year's narrative, provide a description about what has been accomplished or changed during the implementation.**

This is the first fiscal year as an MTW agency. AAHC will implement this activity for the first time during the submission year.

**No hardship were requested in the most recent fiscal year.**

**In the prior year, under this activity, Ann Arbor Housing Commission MTW agency**

Received 0 hardship requests

Approved hardship requests

Denied hardship requests

There is\are hardship requests pending.

**This policy applies to To all units (Display selected and additional Pop up is complex logic.)**

**The types of units policy applies to:**

**Maximum payment to the landlord is**

\$Payments under this activity are not to exceed 1 month of contract rent on the applicable unit. Payments for security deposits and rental insurance must not exceed 1 month of contract rent, in total..

**0 payments were issued under this policy y in the most recently completed PHA fiscal year.**

\$0 issued under this policy in the most recently completed PHA fiscal year.

**5.d. - Alternative Inspection Schedule (HCV)**

**Activity:**

Through the combined MTW activities 4.a. Vacancy Loss Payment, 4.b. Damage Loss Payments, and 4.c. Other Landlord incentives AAHC will implement activities that encourage owner participation in the HCV program. AAHC will inspect assisted units of eligible households once every three years for landlords who are participating in the Landlord Incentive Demonstration. Eligible households and participating landlords may request interim (special/compliant) inspection at any time during the term of the HAP contract. AAHC will comply with HQS inspection standards as found at

24 CFR 982.401. AAHC will inspect assisted units at any time for health and safety, as well as accessibility purposes.

**Goal:**

The goal of this activity is to increase the number of participating owners, expand housing opportunities for participants, and retain landlord's participation in the HCV program.

**Initiative:**

AAHC will implement initiatives to incentivize landlords to participate in the HCV program. AAHC will implement initiatives that seek to incentivize landlords to participate in the HCV program. This activity combined with HAP direct deposits, rapid initial HQS inspections, damage loss payments, and bonus payment are intended to increase and retain landlord participation.

**This MTW activity serves the following statutory objectives:**

Housing choice

**This MTW activity has the following cost implications:**

Decreased expenditures

**An MTW activity may apply to new admissions only, to currently assisted households only, or to both new admissions and currently assisted households.**

The MTW activity applies to all assisted households

**Based on the Fiscal Year goals listed in the activity's previous Fiscal Year's narrative, provide a description about what has been accomplished or changed during the implementation.**

This is the first fiscal year as an MTW agency. AAHC will implement this activity for the first time during the submission year.

**No hardship were requested in the most recent fiscal year.**

**In the prior year, under this activity, Ann Arbor Housing Commission MTW agency**

Received 0 hardship requests

Approved hardship requests

Denied hardship requests

There is\are hardship requests pending.

<b>D.</b>	<b>Safe Harbor Waivers.</b>
<b>D.1</b>	<b>Safe Harbor Waivers seeking HUD Approval:</b> No Safe Harbor Waivers are being requested.

<b>E.</b>	<b>Agency-Specific Waiver(s).</b>
<b>E.1</b>	<b>Agency-Specific Waiver(s) for HUD Approval:</b>  The MTW demonstration program is intended to foster innovation and HUD encourages MTW agencies, in consultation with their residents and stakeholders, to be creative in their approach to solving affordable housing issues facing their local communities. For this reason, Agency-Specific Waivers may be requested.  No Agency-Specific Waivers are being requested.
<b>E.2</b>	<b>Agency-Specific Waiver(s) for which HUD Approval has been Received:</b> MTW Agency does not have approved Agency-Specific Waivers

<b>F.</b>	<b>Public Housing Operating Subsidy Grant Reporting.</b>
<b>F.1</b>	Total Public Housing Operating subsidy amount authorized, disbursed by 9/30, remaining, and deadline for disbursement, by Federal Fiscal Year for each year the PHA is designated an MTW agency.

<b>Federal Fiscal Year (FFY)</b>	<b>Total Operating Subsidy Authorized Amount</b>	<b>How Much PHA Disbursed by the 9/30 Reporting Period</b>	<b>Remaining Not Yet Disbursed</b>	<b>Deadline</b>
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<b>G.</b>	<b>MTW Statutory Requirements.</b>	
<b>G.1</b>	<b>75% Very Low Income – Local, Non-Traditional.</b> HUD will verify compliance with the statutory requirement that at least 75% of the households assisted by the MTW agency are very low-income for MTW public housing units and MTW HCVs through HUD systems. The MTW PHA must provide data for the actual families housed upon admission during the PHA's most recently completed Fiscal Year for its Local, Non-Traditional program households.	
	<b>Income Level</b>	<b>Number of Local, Non-Traditional Households Admitted in the Fiscal Year*</b>
	80%-50% Area Median Income	1
	49%-30% Area Median Income	8
	Below 30% Area Median Income	112
	<b>Total Local, Non-Traditional Households</b>	<b>121</b>

\*Local, non-traditional income data must be provided in the MTW Supplement form until such time that it can be submitted in IMS-PIC or other HUD system.

<b>G.2</b>	<b>Establishing Reasonable Rent Policy.</b>
MTW agency did not established a rent reform policy to encourage employment and self-sufficiency AAHC will review the options available and select one of the MTW Activities.	

<b>G.3</b>	<b>Substantially the Same (STS) – Local, Non-Traditional.</b>
The total number of unit months that families were housed in a local, non-traditional rental subsidy for the prior full calendar year.	0 # of unit months
The total number of unit months that families were housed in a local, non-traditional housing development program for the prior full calendar year.	0 # of unit months

**Number of units developed under the local, non-traditional housing development activity that were available for occupancy during the prior full calendar year:**

PROPERTY NAME/ ADDRESS	0/1 BR	2 BR	3 BR	4 BR	5 BR	6+ BR	TOTAL UNITS	POPULATION TYPE*	if 'Population Type' is Other	# of Section 504 Accessible (Mobility)**	# of Section 504 Accessible (Hearing/ Vision)	Was this Property Made Available for Initial Occupancy during the Prior Full Calendar Year?	What was the Total Amount of MTW Funds Invested into the Property?
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<b>G.4</b>	<b>Comparable Mix (by Family Size) – Local, Non-Traditional.</b>
To demonstrate compliance with the statutory requirement to continue serving a 'comparable mix" of families by family size to that which would have been served without MTW, the MTW agency will provide the number of families occupying local, non-traditional units by household size for the most recently completed Fiscal Year in the provided table.	

<b>Family Size:</b>	<b>Occupied Number of Local, Non-Traditional units by Household Size</b>
1 Person	494
2 Person	228
3 Person	234
4 Person	248
5 Person	120
6+ Person	120
<b>Totals</b>	<b>1,444</b>

<b>H.</b>	<b>Public Comment</b>
	Attached you will find a copy of all of the comments received and a description of how the agency analyzed the comments, as well as any decisions made based on those comments.

<b>I.</b>	<b>Evaluations.</b>
	No known evaluations.