



Legislation Text

File #: 15-0110, **Version:** 1

Resolution to Approve Amendment to the Housing Choice Voucher Administrative Plan regarding Hardship Exemptions for Homeless Households

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 addition, HUD requires all PHAs to adopt an Administrative Plan for the Voucher Program. The purpose of the memorandum is to request board approval for changes to the Administrative Plan for Chapter 6 Part III.B regarding Hardship Exemptions.

HUD requires tenants to pay a minimum of 30% of their adjusted income on rent or 10% of their gross income. HUD allows housing authorities to adopt a minimum rent of up to \$50 even if it exceeds 30% of a household's adjusted income in order to encourage families to seek a source of income. The AAHC has adopted a minimum rent amount of \$50/month for all voucher tenants. HUD allows the AAHC to adopt both temporary and long-term hardship exemptions to this \$50/mo minimum rent for financial hardships such as loss of employment, loss of benefits, the death of a family member and imminent eviction for non-payment of rent.

As a part of the RAD conversion process, the AAHC has greatly increased the number of project-based voucher units set aside for homeless and chronically homeless households who typically have no income and many life challenges to overcome before they are able to generate a source of income. Consequently, staff are recommending that the Board adopt a revision to the Administrative Plan to allow a long-term hardship exemption to households who are homeless upon admission to the program. These households would resume paying rent if their income as increased at their next income certification or their hardship condition has been reversed.

Prepared and approved by Jennifer Hall, Executive Director

WHEREAS, HUD allows Housing Authorities to adopt minimum rent policies and hardship exemptions to those rent policies;

WHEREAS, the AAHC has adopted a minimum rent policy of \$50/month and the AAHC allows for hardship exemptions in cases of loss of employment, loss of benefits, the death of a family member and imminent eviction for non-payment of rent;

WHEREAS, the AAHC will be renting to over 60 homeless and chronically homeless households in the next two years, who typically have zero income and many life challenges to overcome before

they are able to secure a source of income;

WHEREAS, the AAHC Administrative Plan Chapter 6 Part III.B (5) currently states that the AAHC has not established any additional hardship exemption policies, the recommended language for an additional hardship exemption policy is:

“The family is homeless at the time they are approved for a voucher”

RESOLVED, that the Ann Arbor Housing Commission Board approve the Housing Choice Voucher Administrative Plan amendment to Chapter 6 Part III.B (5) regarding hardship exemptions to enable households who are homeless at the time of approval to the program, to receive a hardship exemption from the minimum \$50/rent policy, to take effect on Feb 1, 2015.