



Legislation Details (With Text)

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Title: Resolution to Amend the Administrative Plan Regarding Chapter 19 Family Self-Sufficiency

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Attachments: 1. FSS Contract - HUD Form 52650.PDF

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10/16/2019	1	Housing Commission	Approved by the Commission	Pass

Resolution to Amend the Administrative Plan Regarding Chapter 19 Family Self-Sufficiency

AAHC staff recommend that the AAHC Board adopt an amendment to Chapter 19 of the Administrative Plan related to the Family Self-Sufficiency (FSS) program in order to modify the definition of suitable employment and contract completion.

The current definition of suitable employment is full-time employment at the minimum wage. The current federal minimum wage is \$7.25/hour or \$15,080/year. The current Michigan minimum wage is \$9.25/hour or \$19,240/year. This is insufficient income to be economically independent. AAHC staff are proposing that the new definition of sufficient employment match HUD's definition for graduating from the FSS program. HUD's definition includes a requirement that 30% of the families monthly adjusted income is equal or greater than the fair market rent amount for the unit size for which the family qualifies. HUD is essentially stating that when your income increases to an amount that you no longer need a rent subsidy, then your income is high enough to graduate.

Chapter 19. Family Self-Sufficiency

PART III: PROGRAM OPERATION

19-III. C. CONTRACT OF PARTICIPATION [24 CFR 984.303]

Current PHA Policy related to Employment Obligation

Head of family's obligation. The head of the FSS family shall be required under the contract of participation to seek and maintain suitable employment during the term of the contract and any extension thereof.

Although other members of the FSS family may seek and maintain employment during the term of the contract, only the head of the FSS family is required to seek and maintain suitable employment.

- Seek employment. The obligation to seek employment means that the head of the FSS family has applied

for employment, attended job interviews, and has otherwise followed through on employment opportunities.

- Determination of suitable employment. A determination of suitable employment shall be made by the PHA based on the skills, education, and job training of the individual that has been designated the head of the FSS family and based on the available job opportunities within the jurisdiction served by the PHA.

PHA Policy

Suitable employment is defined as annual earned income equal to or exceeding minimum wage times 2080 hours. This level of income must be obtained and maintained for at least the last 3 months prior to graduation. Appropriate verification will always be required. This limit may be waived for disabled participants whose doctor completes the programs disability form that verifies the participant is working at full capacity.

Proposed PHA Policy Related to Employment Obligation

PHA Policy

Suitable employment is defined as when 30% of the family's monthly-adjusted earned income equals or exceeds the published HUD Fair Market Rent (FMR) for the family unit size for which the family qualifies.

This level of income must be obtained prior to graduation. Appropriate verification will always be required. This limit may be waived for disabled participants whose doctor completes the programs disability form that verifies the participant is working at full capacity.

The current policy that defines when a participant has met the requirements to complete the contract is confusing. The AAHC is recommending that the definition be simplified as described below to distinguish between meeting the requirements to complete the contract at the time the contract ends and meeting the requirements to complete the contract early, prior to the expiration of the contract.

Current PHA Policy related to Completion of the Contract

The contract of participation will be considered completed and the family's participation in the FSS program concluded on this basis even though the contract term, including any extension thereof, has not expired, and the family members who have individual training and services plans have not completed all the activities set forth in their plans.

PHA Policy

A participant and the Case Manager must request that the participant be graduated from the FSS Program, when they believe any of the four following set of conditions are met:

- Completion of All Goals
 - a) This includes all mandatory program goals, as noted in the ITSP as well as personal goals established by the participant
 - b) Participants meets suitably employed income level
 - c) If eligible, FSS graduates may continue to receive a housing subsidy.

- Completed maximum months allowed at Zero (\$0) HAP
 - a) Participant has been FIP-free (as defined for this Program's purpose) for 12 months or 6 months at \$0 HAP, whichever comes first
 - b) Participant meets suitably employed income level
 - c) Participant has met definition of maintaining employment or employed during 6 months at \$0 HAP, whichever comes first
- d) Participant has met all other mandatory goals
- 30% of the family's monthly adjusted income equals or is greater than the Fair Market Rent/Payment Standard amount for the unit size for which the family qualifies
 - a) Participant is currently FIP-free (as defined for this Program's purpose)
 - b) The participant meets suitably employed income level
 - c) The participant has met all other requirements
- 30% of the family's monthly adjusted income equals or is greater than the lower- income limit for that family size
 - a) Participant is currently FIP-free (as defined for this Program's purpose)
 - b) The participant meets suitably employed income level
 - c) The participant has met all other requirements

Participants who meet all graduation requirements may graduate early.

Upon completion of the FSS contract, participants who are residents of PHA-Owned units may continue to reside in the PHA-owned unit if the resident continues to meet all other program requirements.

Proposed PHA Policy related to Completion of the Contract

The contract of participation will be considered completed and the family's participation in the FSS program concluded on this basis even though the contract term, including any extension thereof, has not expired, and the family members who have individual training and services plans have not completed all the activities set forth in their plans.

PHA Policy

Each family that is selected to participate in an FSS program must enter into a contract of participation with the PHA. The contract of participation shall be signed by the head of the FSS family. The contract of participation, which incorporates the individual training and services plan(s), shall include the rights and responsibilities of the FSS family and of the PHA, the services to be provided to, and the activities to be completed by, the head of the FSS family and each adult member of the family who elects to participate in the program.

- A. On the expiration date of the contract term, including any extension thereof; the FSS family's contract of participation is consider complete if;
 - 1. The family has fulfilled all their interim goals; and
 - 2. 30 percent of the monthly adjusted income of the FSS family equals or exceeds the published

- existing HUD fair market rent for the size of the unit for which the FSS family qualifies; and
3. The family is independent of welfare (cash) assistance for at least 12 consecutive months before the contract expires.

- B. Before the expiration of the contract term, including any extension thereof; the FSS family contract of participation is consider complete if;
 1. 30 percent of the monthly adjusted income of the FSS family equals or exceeds the published existing HUD fair market rent for the size of the unit for which the FSS family qualifies based on the PHA's occupancy standards.
 2. The family's participation in the FSS program concluded on this basis even though the contract term, including any extension thereof, has not expired, and the family members who have individual training and services plans have not completed all the activities set forth in their plans.

Participants who meet graduation requirements may graduate early. Tenant-based voucher participants must complete a withdrawal form when requesting to graduate early.

Upon completion of the FSS contract, participants who are residents of PHA-Owned units may continue to reside in the PHA-owned unit if the resident continues to meet all other program requirements.

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Approved by: Jennifer Hall, Executive Director

WHEREAS, The Ann Arbor Housing Commission's Housing Choice Voucher Administrative Plan details its policies and procedures for the management of its Housing Choice Voucher (HCV) Program; and

WHEREAS, The goal of the Family Self Sufficiency Program is economic independence for FSS participants; and

WHEREAS, the current policy related to the definition of suitable income is insufficient for economic independence; and

WHEREAS, the current policy related to completion of the FSS contract is confusing; and

RESOLVED, that the Board of the Ann Arbor Housing Commission approve the revisions to the Administrative Plan as described in the memorandum above to take effect on November 1, 2019.