



Legislation Text

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Resolution to Approve the FY22 Payment Standard for the Ann Arbor Housing Commission Emergency Housing Voucher Program

The Department of Housing and Urban Development (HUD) annually sets Fair Market Rents (FMRs), for determining eligibility of rental costs in Section 8 programs, including Housing Choice Vouchers (HCV), Project Based Vouchers (PBV) and Emergency Housing Vouchers (EHV). FMRs are gross rent estimates representing rent and utility costs in private sector rental housing, pegged at approximately the 40th percentile, not including new construction in the past 2 years and not including subsidized housing.

In accordance to HUD regulation the Ann Arbor Housing Commission's (AAHC) established a separate payment standard for the Emergency Housing Voucher (EHV) program. HUD allows the Ann Arbor Housing Commission's (AAHC) to establish a separate payment standard of 120% of the FMR for the EHV program.

The FMR, in general terms, is the amount needed to rent a moderately-priced dwelling unit in the local housing market and the payment standard is used to calculate the maximum amount of rental subsidy housing assistance a family will receive from HUD for a moderately-priced dwelling unit.

The Commission's jurisdiction includes two counties, Washtenaw and Monroe. As a result of the increase in HUD's FY22 FMR's; staff propose to increase the FY22 Payment Standard for both counties which would enable the AAHC to stay in compliance with HUD regulations. The result is that the FY22 Payment Standards will for the EHV program will be set at 120% of the FY22 FMR.

Staff recommend that the Board set the payment standard for Washtenaw and Monroe County at 120% of the FMR (which is the maximum allowed by HUD) for EHV program only, due to the difficult housing market. This would result in an increase in subsidy for all EHV participants.

Emergency Housing Voucher for Washtenaw						
Year	Efficiency	One-Bedroom	Two-Bedroom	Three-Bedroom	Four-Bedroom	Five-Bedroom
HUD Proposed	\$ 1,047	\$ 1,048	\$ 1,262	\$ 1,560	\$ 1,816	\$ 2,088
2022 Proposed	\$ 1,256	\$ 1,258	\$ 1,514	\$ 1,872	\$ 2,179	\$ 2,506
2022 PS as a % of FMR	120%	120%	120%	120%	120%	120%

Emergency Housing Voucher for Monroe County						
Year	Efficiency	One-Bedroom	Two-Bedroom	Three-Bedroom	Four-Bedroom	Five-Bedroom
HUD Proposed	\$ 631	\$ 723	\$ 941	\$ 1,237	\$ 1,503	\$ 1,728
2022 Proposed	\$ 757	\$ 868	\$ 1,129	\$ 1,484	\$ 1,804	\$ 2,074
2022 PS as a % of FMR	120%	120%	120%	120%	120%	120%

Note: AAHC removed Wayne County from the HCV service area. The EMV program is new to AAHC therefore new participant are not allowed to reside in Wayne County.

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WHEREAS, the Department of Housing & Urban Development (HUD) annually establishes and publishes Fair Market Rents (FMRs) by locale; and

WHEREAS, HUD has published its FY22 FMRs; and

WHEREAS, HUD requires the revised payment standards to be adopted by the AAHC within 90 days of HUD published FMRs; and

WHEREAS, HUD allows the Ann Arbor Housing Commission's (AAHC) to establish a separate payment standard for the Emergency Housing Voucher program; and

WHEREAS, HUD allows the Ann Arbor Housing Commission's (AAHC) to establish a separate payment standard of 120% of the FMR for the Emergency Housing Voucher program; and

NOW THEREFORE BE IT RESOLVED, that the Ann Arbor Housing Commission Board approves a payment standard of 120% of FMR for Washtenaw County and Monroe County as shown in the chart above, to take effect December 1, 2021 for all applicable certifications in accordance with the Ann Arbor Housing Commission's Emergency Housing Voucher program.