

# City of Ann Arbor

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## **Legislation Text**

File #: 22-0938, Version: 1

..Title

Resolution to Amend Chapter 10 of the Administrative Plan Regarding Moving with Continued Assistance

Staff recommend amending Chapter 10 of the Administrative Plan to update Section 10-I-B: Restrictions on Moves. Under HUD regulations, a tenant with a tenant-based vouchers may request to move to another city or state that is not in the AAHC's jurisdiction, and continue to receive assistance with their voucher. HUD calls this move a "port". The AAHC must coordinate with the other Public Housing Authority (PHA) to enable a tenant to port to another PHA. A tenant can also port to the AAHC from another PHA.

HUD also has a regulation that an applicant (i.e. someone off the waitlist) cannot receive assistance until they have paid off debts to HUD and/or debts to a PHA. The reason a tenant may owe a debt to HUD and/or a PHA is due to tenants not reporting income. The tenant's portion of the rent is calculated based on 30% of their gross adjusted income, so if a tenant has income that they do not report to the AAHC, then the tenant's portion of rent will be calculated too low and HUD's rent subsidy will be too high. When the PHA discovers the unreported income, the PHA must calculate how much rental assistance HUD overpaid due to the tenant underpaying and the tenant must sign a repayment agreement to pay back the overpayment of rental assistance to the landlord that should have been paid by the tenant. If the tenant does not make payments on the repayment agreement, then their voucher can be terminated.

If a tenant ports to another PHA while they are under a repayment agreement with the AAHC, the AAHC does not have a way to enforce the repayment agreement with the tenant because the AAHC is no longer the voucher administrator. Currently, tenants are allowed to port if they are under a repayment agreement with the AAHC. Likewise, a tenant could port to the AAHC who owes money to the PHA they are porting from. Staff recommend amending the Administrative Plan to deny a tenant permission to port to another housing authority when the tenant is on a repayment agreement with the AAHC and to deny a tenant permission to port to the AAHC if they owe money to the porting PHA. Once the tenant pays off the Repayment Agreement, they will be allowed to port out or port in.

Finally, HUD also requires a tenant to be in good standing with their landlord or their voucher will be terminated. A tenant who moves out of a unit owing rent, fees or damages to their landlord, must also pay off that debt or sign a repayment agreement with that landlord or their voucher will be terminated and they will not have a voucher to assist with rent with their new landlord.

## **Current PHA Policy related to Restrictions on Moves**

#### 10-I-B

**Denial of Moves** 

HUD regulations permit the PHA to deny a family permission to move under the following conditions:

Grounds for Denial or Termination of Assistance

#### File #: 22-0938, Version: 1

The PHA may deny a family permission to move if it has grounds for denying or terminating the family's assistance [24 CFR 982.354(e)(2)].

### **PHA Policy**

If the PHA has grounds for denying or terminating a family's assistance, the PHA will act on those grounds in accordance with the regulations and policies set forth in Chapters 3 and 12, respectively. In general, it will not deny a family permission to move for this reason; however, it retains the discretion to do so under special circumstances.

### **Proposed Policy Change**

#### 10-I-B

The policy will be changed to:

**PHA Policy** 

If the PHA has grounds for denying or terminating a family's assistance, the PHA will act on those grounds in accordance with the regulations and policies set forth in Chapters 3 (Eligibility) and 12 (Terminations), respectively.

The PHA will deny a portability move if the PHA has grounds for denying or terminating a family's assistance, for any of the following program violations:

- If any member of the family has committed fraud, bribery, or any other corrupt or criminal act in connection with any Federal housing program (see also § 982.553(a)(1) <a href="https://www.ecfr.gov/current/title-24/section-982.553">https://www.ecfr.gov/current/title-24/section-982.553</a>);
- If the family currently owes rent or other amounts to the PHA or to another PHA in connection with Section 8 or public housing assistance under the 1937 Act.
- If the family has not reimbursed any PHA for amounts paid to an owner under a HAP contract for rent, damages to the unit, or other amounts owed by the family under the lease.
- If the family breaches an agreement with the PHA to pay amounts owed to a PHA, or amounts paid to an owner by a PHA.

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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 AAHC recommends that the board amend the Administrative Plan to deny a family the ability to port their voucher to another PHA or to the AAHC if the family owes money to HUD, the AAHC, another PHA, or their landlord; 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 May 18, 2022.