



## Legislation Text

---

File #: 22-1753, Version: 1

---

### Resolution to Amend Chapter 9 of the Administrative Plan Regarding Initial Lease Term

Staff recommend amending Chapter 9 of the Administrative Plan to update Section 9-I-E: Term of Assisted Tenancy. HUD regulations permit a PHA to approve a shorter initial lease term if certain conditions are met: 1) A shorter term would improve housing opportunities for the tenant and 2) such shorter term is the prevailing market practice.

A shorter-term lease would improve housing opportunities for tenants of AAHC. Rental prices, strict income requirements, and background checks are already making it difficult for tenants to find units at this time. The marketplace is changing and many landlords, including McKinley, the largest private landlord in Washtenaw County, are allowing initial lease terms that are less than one year. This marketplace change will only add to the difficulty of tenants being able to locate a unit if the AAHC requires an initial one-year lease. AAHC staff believe that if we modify this regulation, it will increase opportunities for tenants.

### **Current AAHC Policy Related to Initial Lease Terms**

#### **Term of Assisted Tenancy**

The initial term of the assisted dwelling lease must be for at least one year [24 CFR 982.309]. The initial lease term is also stated in the HAP contract.

The HUD program regulations permit the PHA to approve a shorter initial lease term if certain conditions are met.

#### PHA Policy

*The PHA will not approve an initial lease term of less than one (1) year.*

### **Proposed Policy Change**

#### **Term of Assisted Tenancy**

The initial term of the assisted dwelling lease must be for at least one year [24 CFR 982.309] unless a shorter-term lease has been approved by the PHA. The initial lease term is also stated in the HAP contract.

The HUD program regulations permit the PHA to approve a shorter initial lease term if certain conditions are met: 1) A shorter term would improve housing opportunities for the tenant and 2) such shorter term is the prevailing market practice.

#### PHA Policy

*The PHA will approve an initial lease term of less than one (1) year.*

AAHC staff recommend that the AAHC Board adopt the proposed amendment to the Administrative Plan

Prepared by: Misty Hendershot, Voucher Program Manager

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 marketplace is changing and private landlords are allowing initial leases of less than 1 year, including the largest private landlord in Washtenaw County;

WHEREAS, The AAHC recommends that the board amend the Administrative Plan allow initial lease terms to be less than one year to increase the lease-up opportunities;

RESOLVED, The Ann Arbor Housing Commission Board approves an amendment to Chapter 9 of the Administrative Plan to allow initial lease terms of less than 1 year, effective November 1, 2022.