

PHA Name : Ann Arbor Housing Commission

PHA Code : MI064

MTW Supplement for PHA Fiscal Year Beginning : (MM/DD/YYYY): 7/1/2023

PHA Program Type: Combined

MTW Cohort Number: Landlord Incentives

MTW Supplement Submission Type: Annual Submission

B. MTW Supplement Narrative.

The Ann Arbor Housing Commission is deeply committed to providing excellent housing opportunities to current and future residents of Washtenaw and Monroe Counties. Within our jurisdiction exists immensely diverse communities, ranging from the dense urban centers of Ann Arbor and Ypsilanti, to the more sparsely populated townships of Superior and Scio. Many of these neighborhoods are complimented by strong school systems, low poverty rates, and desirable housing, while other neighborhoods are challenged by limited public services and diminishing economic opportunity. As a Moving To Work agency, we hope to increase housing choice in some of our highest opportunity and more economically exclusive communities. It is our belief that the MTW program will aid in our efforts to increase housing stability for our most vulnerable community members and allow us to establish long-term relationships with private sector housing providers. As AAHC continues to take major steps towards developing new affordable housing, our MTW activities will serve as an additional tool to provide more desirable housing for those most in need.

Cost Effectiveness:

AAHC is eager to employ the funding and programmatic flexibility that MTW provides in order to more efficiently utilize its federally allocated funds. Our administrative processes, supportive services, and development projects will all benefit from MTW allowances and activities. The AAHC is actively partnering with local nonprofits, public agencies and local governments to increase the supply of affordable housing in the City of Ann Arbor, Washtenaw County, and Monroe County through financial tools, development of affordable housing on public property, project-based vouchers, zoning regulations and other public policy tools. AAHC plans to use MTW flexibilities to fund the programs and projects that it determines will be of the greatest benefit to our communities and incentivize potential partners to assist in our goal of increasing housing opportunity. Additionally, specific waivers such as those related to HQS inspections offers AAHC the opportunity to cut down on unnecessary staff time and rededicate itself to tasks that are of more immediate importance.

Self-Sufficiency:

AAHC partners with many local non-profits, mainstream service providers, and the private sector to build healthy residential communities and promote an atmosphere of pride and responsibility. The AAHC has contracts with 7 non-profit agencies to provide on-site support service to tenants who live in AAHC properties. The AAHC has a contract with SOS Community Services to provide eviction prevention services to all the AAHC's voucher tenants. A recent internal analysis of supportive services offered at AAHC properties indicated their tremendous effectiveness at preventing eviction and providing housing stability; outcomes among formerly homeless households were especially encouraging as compared to national trends. The AAHC has MOUs with many local agencies to assist homeless and disabled applicants complete the application process, search for housing, and successfully lease-up. The AAHC also works directly with the Michigan Works! agency to leverage employment and training opportunities for program participants. Additionally, AAHC works with private companies, local non-profits, and Habitat for Humanity to increase participation in the AAHC's Homeownership Program. The AAHC partners with the United Way to provide support services aimed at empowering families to build savings and financial capabilities as a pathway out of poverty. The AAHC also participates in HUD's Family Self Sufficiency Program. As an MTW agency, AAHC has the opportunity to divert funding to many of the aforementioned programs and partnerships. AAHC will continually analyze the effectiveness and financial state of these programs in order to determine how to best allocate funding to each of them.

Increasing Housing Choice:

According to the Martin Prosperity Institute's 2015 report "Segregated City, The Geography of Economic Segregation in America", Washtenaw County is the 8th most income segregated County in the United States. Low-Income residents in Washtenaw County have limited opportunities for mobility due to the high housing costs throughout the county, especially in high opportunity areas. The MTW designation can help the AAHC provide more numerous and more desirable choices through higher payment standards and landlord incentives to expand our pool of participating landlords. HUD has recognized a growing number of populations with specific needs that often go unmet by the existing housing infrastructure. AAHC's goal is to develop programs and housing stock targeted to the most underserved populations. In pursuit of this goal, we currently administer several special purpose voucher programs in addition to the Housing Choice Voucher and Project Based Voucher programs.

AAHC recognizes the significant and immediate need for additional affordable housing. A recent market analysis for the City of Ann Arbor shows a market demand for 1,300 units at 30% AMI, 700 units at 31% to 60% AMI and 300 units at 61% to 100% AMI just in the downtown area. AAHC is looking to increase the housing opportunities through partnerships, private/non-profit development, acquisition, and utilizing programs such as MTW. The Corporation for Supportive Housing (CSH) recently completed a needs analysis for Permanent Supportive Housing for all of Washtenaw County and determined that in the next 10 years an additional 1,581 PSH units for single adults and 407 PSH units for families are needed. The AAHC currently has a homeless preference for its waitlist and partners with the Continuum of Care and multiple non-profits to house homeless households in AAHC PBV units as well as with tenant-based vouchers. The AAHC and its community partners work hard to create programs and opportunities for homeless households to live in low-poverty, high opportunity neighborhoods.

C. The policies that the MTW agency is using or has used (currently implement, plan to implement in the submission year, plan to discontinue, previously discontinued).

1. Tenant Rent Policies	
a. Tiered Rent (PH)	Not Currently Implemented
c. Stepped Rent (PH)	Not Currently Implemented
d. Stepped Rent (HCV)	Not Currently Implemented
e. Minimum Rent (PH)	Not Currently Implemented
f. Minimum Rent (HCV)	Not Currently Implemented
g. Total Tenant Payment as a Percentage of Gross Income (PH)	Not Currently Implemented
h. Total Tenant Payment as a Percentage of Gross Income (HCV)	Not Currently Implemented
i. Alternative Utility Allowance (PH)	Not Currently Implemented
j. Alternative Utility Allowance (HCV)	Not Currently Implemented
k. Fixed Rents (PH)	Not Currently Implemented
l. Fixed Subsidy (HCV)	Not Currently Implemented
m. Utility Reimbursements (PH)	Not Currently Implemented
n. Utility Reimbursements (HCV)	Not Currently Implemented
o. Initial Rent Burden (HCV)	Not Currently Implemented
p. Imputed Income (PH)	Not Currently Implemented
q. Imputed Income (HCV)	Not Currently Implemented
r. Elimination of Deduction(s) (PH)	Not Currently Implemented
s. Elimination of Deduction(s) (HCV)	Not Currently Implemented
t. Standard Deductions (PH)	Not Currently Implemented
u. Standard Deductions (HCV)	Not Currently Implemented
v. Alternative Income Inclusions/Exclusions (PH)	Not Currently Implemented
w. Alternative Income Inclusions/Exclusions (HCV)	Not Currently Implemented
2. Payment Standards and Rent Reasonableness	
a. Payment Standards- Small Area Fair Market Rents (HCV)	Plan to Implement in the Submission Year
b. Payment Standards- Fair Market Rents (HCV)	Not Currently Implemented
c. Rent Reasonableness – Process (HCV)	Not Currently Implemented
d. Rent Reasonableness – Third-Party Requirement (HCV)	Not Currently Implemented
3. Reexaminations	
a. Alternative Reexamination Schedule for Households (PH)	Not Currently Implemented
b. Alternative Reexamination Schedule for Households (HCV)	Not Currently Implemented
c. Self-Certification of Assets (PH)	Not Currently Implemented
d. Self-Certification of Assets (HCV)	Not Currently Implemented
4. Landlord Leasing Incentives	
a. Vacancy Loss (HCV-Tenant-based Assistance)	Plan to Implement in the Submission Year
b. Damage Claims (HCV-Tenant-based Assistance)	Plan to Implement in the Submission Year
c. Other Landlord Incentives (HCV- Tenant-based Assistance)	Plan to Implement in the Submission Year
5. Housing Quality Standards (HQS)	
a. Pre-Qualifying Unit Inspections (HCV)	Not Currently Implemented
b. Reasonable Penalty Payments for Landlords (HCV)	Not Currently Implemented
c. Third-Party Requirement (HCV)	Not Currently Implemented
d. Alternative Inspection Schedule (HCV)	Plan to Implement in the Submission Year
6. Short-Term Assistance	
a. Short-Term Assistance (PH)	Not Currently Implemented
b. Short-Term Assistance (HCV)	Not Currently Implemented
7. Term-Limited Assistance	
a. Term-Limited Assistance (PH)	Not Currently Implemented
b. Term-Limited Assistance (HCV)	Not Currently Implemented
8. Increase Elderly Age (PH & HCV)	
Increase Elderly Age (PH & HCV)	Not Currently Implemented

9. Project-Based Voucher Program Flexibilities	
a. Increase PBV Program Cap (HCV)	Not Currently Implemented
b. Increase PBV Project Cap (HCV)	Not Currently Implemented
c. Elimination of PBV Selection Process for PHA-owned Projects Without Improvement, Development, or Replacement (HCV)	Not Currently Implemented
d. Alternative PBV Selection Process (HCV)	Not Currently Implemented
e. Alternative PBV Unit Types (Shared Housing and Manufactured Housing) (HCV)	Not Currently Implemented
f. Increase PBV HAP Contract Length (HCV)	Not Currently Implemented
g. Increase PBV Rent to Owner (HCV)	Not Currently Implemented
h. Limit Portability for PBV Units (HCV)	Not Currently Implemented
10. Family Self-Sufficiency Program with MTW Flexibility	
a.PH Waive Operating a Required FSS Program (PH)	Not Currently Implemented
a.HCV Waive Operating a Required FSS Program (HCV)	Not Currently Implemented
b.PH Alternative Structure for Establishing Program Coordinating Committee (PH)	Not Currently Implemented
b. HCV Alternative Structure for Establishing Program Coordinating Committee (HCV)	Not Currently Implemented
c.HCV Alternative Family Selection Procedures (HCV)	Not Currently Implemented
d.PH Modify or Eliminate the Contract of Participation (PH)	Not Currently Implemented
d.HCV Modify or Eliminate the Contract of Participation (HCV)	Not Currently Implemented
e.PH Policies for Addressing Increases in Family Income (PH)	Not Currently Implemented
e.HCV Policies for Addressing Increases in Family Income (HCV)	Not Currently Implemented
11. MTW Self-Sufficiency Program	
a.PH Alternative Family Selection Procedures (PH)	Not Currently Implemented
a.HCV Alternative Family Selection Procedures (HCV)	Not Currently Implemented
b.PH Policies for Addressing Increases in Family Income (PH)	Not Currently Implemented
b.HCV Policies for Addressing Increases in Family Income (HCV)	Not Currently Implemented
12. Work Requirement	
a. Work Requirement (PH)	Not Currently Implemented
b. Work Requirement (HCV)	Not Currently Implemented
13. Use of Public Housing as an Incentive for Economic Progress (PH)	
Use of Public Housing as an Incentive for Economic Progress (PH)	Not Currently Implemented
14. Moving on Policy	
a. Waive Initial HQS Inspection Requirement (HCV)	Not Currently Implemented
b.PH Allow Income Calculations from Partner Agencies (PH)	Not Currently Implemented
b.HCV Allow Income Calculations from Partner Agencies (HCV)	Not Currently Implemented
c.PH Aligning Tenant Rents and Utility Payments Between Partner Agencies (PH)	Not Currently Implemented
c.HCV Aligning Tenant Rents and Utility Payments Between Partner Agencies (HCV)	Not Currently Implemented
15. Acquisition without Prior HUD Approval (PH)	
Acquisition without Prior HUD Approval (PH)	Not Currently Implemented
16. Deconcentration of Poverty in Public Housing Policy (PH)	
Deconcentration of Poverty in Public Housing Policy (PH)	Not Currently Implemented
17. Local, Non-Traditional Activities	
a. Rental Subsidy Programs	Not Currently Implemented
b. Service Provision	Not Currently Implemented
c. Housing Development Programs	Not Currently Implemented

C. MTW Activities Plan that Ann Arbor Housing Commission Plans to Implement in the Submission Year or Is Currently Implementing

2.a. - Payment Standards- Small Area Fair Market Rents (HCV)
<p>Describe the MTW activity, the MTW agency's goal(s) for the MTW activity, and, if applicable, how the MTW activity contributes to a larger initiative</p> <p>AAHC will implement the use of payment standards set at 100% of the SAFMR for zip codes 48103, 48104, 48105, and 48109. It is our goal to increase the number of available unit in these specific areas. This initiative will housing choice for our program participants, increase the number of available units, and encourage deconcentration of poverty.</p>
<p>Which of the MTW statutory objectives does this MTW activity serve?</p> <p>Housing choice</p>
<p>Does the MTW activity under this waiver apply to all assisted households or only to a subset or subsets of assisted households?</p> <p>The MTW activity applies to all assisted households</p>
<p>Based on the Fiscal Year goals listed in the activity's previous Fiscal Year's narrative, provide a description about what has been accomplished or changed during the implementation.</p> <p>Not applicable this: this activity will be implemented in submission year.</p>
<p>Does this MTW activity require a hardship policy?</p> <p>Yes</p> <p>This document is attached.</p>
<p>Does the hardship policy apply to more than this MTW activity?</p> <p>Yes</p>
<p>Please list all of the applicable MTW activities. (Only upload hardship policy once when said policy applies to multiple MTW activities.)</p> <p>2.a. - Payment Standards- Small Area Fair Market Rents (HCV)</p>
<p>Has the MTW agency modified the hardship policy since the last submission of the MTW Supplement?</p>
<p>How many hardship requests have been received associated with this activity in the past year?</p> <p>No hardship were requested in the most recent fiscal year.</p>
<p>Does the MTW agency need a Safe Harbor Waiver to implement this MTW activity as described?</p> <p>No</p>
<p>Does the MTW activity require an impact analysis?</p> <p>Yes</p> <p>This document is attached.</p>
<p>Please list all of the applicable MTW activities. (Only upload impact analysis once when said impact analysis applies to multiple MTW activities.)</p> <p>2.a. - Payment Standards- Small Area Fair Market Rents (HCV); 2.b. - Payment Standards- Fair Market Rents (HCV)</p>
<p>Please explain the payment standards by ZIP code or "grouped" ZIP codes:</p>

4.a. - Vacancy Loss (HCV-Tenant-based Assistance)

Describe the MTW activity, the MTW agency's goal(s) for the MTW activity, and, if applicable, how the MTW activity contributes to a larger initiative

Activity:

For eligible participants of the Landlord Incentive Demonstration AAHC will offer vacancy loss payment to participating landlords for assisted units. Landlords will receive an additional payment equal to one-month contract rent for re-leasing a unit to a voucher holder after a previous voucher holder has vacated the unit. The unit must be previously occupied and re-leased by an HCV assisted family. Payments will be made to landlords when the next HAP contract is executed between the owner and the AAHC.

Goal:

The goal of this activity is to increase the number of participating owners, expanding housing opportunities for participants, and deconcentrating poverty.

Initiative:

AAHC will implement initiatives that seek to incentivize landlords to participate in the HCV program. This activity, combined with triennial inspections, HAP direct deposits, rapid initial HQS inspections, damage loss payments, and bonus payment are intended to increase and retain landlord participation.

Which of the MTW statutory objectives does this MTW activity serve?

Cost effectiveness; Housing choice

What are the cost implications of this MTW activity? Pick the best description of the cost implications based on what you know today.

Neutral (no cost implications); Increased expenditures

Does the MTW activity under this waiver apply to all assisted households or only to a subset or subsets of assisted households?

The MTW activity applies to all assisted households

Based on the Fiscal Year goals listed in the activity's previous Fiscal Year's narrative, provide a description about what has been accomplished or changed during the implementation.

Not applicable: this activity will be implemented in the submission year.

Does the MTW agency need a Safe Harbor Waiver to implement this MTW activity as described?

No

Does this policy apply to certain types of units or to all units all HCV units or only certain types of units (for example, accessible units, units in a low-poverty neighborhood, or units/landlords new to the HCV program)?

To all units

What is the maximum payment that can be made to a landlord under this policy?

The maximum payment will be up to one months rent.

How many payments were issued under this policy in the most recently completed PHA fiscal year?

0

What is the total dollar value of payments issued under this policy in the most recently completed PHA fiscal year?

\$0

4.b. - Damage Claims (HCV-Tenant-based Assistance)

Describe the MTW activity, the MTW agency's goal(s) for the MTW activity, and, if applicable, how the MTW activity contributes to a larger initiative

Activity:

Eligible households and their respective landlords will participate in the Landlord Incentive Demonstration. In addition to AAHC making additional payment to landlords that re-lease a unit to a voucher holder, AAHC will compensate current landlords for damage claims as an incentive for continued participation in the HCV program. To incentivize a landlord's continued participation in the HCV program, AAHC will provide compensation to landlords when the tenant leaves the unit damaged. Landlords will receive compensation for damage claimed not to exceed the lower of the cost of repairs or two months of contract rent. The household's security deposit must first be used to cover damages and the agency may provide up to two months of contract rent minus the security deposit to cover remaining repairs. Payments will be made to landlords when the next HAP contract is executed between the owner and the AAHC.

Goal:

The goal of this activity is to increase the number of participating owners, expand housing opportunities for participants, and retain landlords' participation in the HCV program.

Initiative:

AAHC will implement initiatives that seek to incentivize landlords to participate in the HCV program. This activity combined with triennial inspections, HAP direct deposits, rapid initial HQS inspections, and bonus payments are intended to increase and retain landlord participation.

Which of the MTW statutory objectives does this MTW activity serve?

Housing choice

What are the cost implications of this MTW activity? Pick the best description of the cost implications based on what you know today.

Increased expenditures

Does the MTW activity under this waiver apply to all assisted households or only to a subset or subsets of assisted households?

The MTW activity applies to all assisted households

Based on the Fiscal Year goals listed in the activity's previous Fiscal Year's narrative, provide a description about what has been accomplished or changed during the implementation.

This is the first fiscal year as an MTW agency. This activity will be implemented for the first time during the submission year.

Does the MTW agency need a Safe Harbor Waiver to implement this MTW activity as described?

No

Does this policy apply to certain types of units or to all units all HCV units or only certain types of units (for example, accessible units, units in a low-poverty neighborhood, or units/landlords new to the HCV program?)

To all units

What is the maximum payment that can be made to a landlord under this policy?

The maximum payment will not exceed the lower of the cost of repairs or two months of contract rent less the participants security deposit.

How many payments were issued under this policy in the most recently completed PHA fiscal year?

0

What is the total dollar value of payments issued under this policy in the most recently completed PHA fiscal year?

\$0

4.c. - Other Landlord Incentives (HCV- Tenant-based Assistance)

Describe the MTW activity, the MTW agency's goal(s) for the MTW activity, and, if applicable, how the MTW activity contributes to a larger initiative

Activity:

Eligible households will participate in the Landlord Incentive Demonstration. AAHC will make additional payment to landlords who re-lease units to participating families and compensate landlords for damage claims as an incentive for continued participation in the HCV program. AAHC will make payment to the landlord for security deposit, application fees, holding fees, and rental insurance on behalf of the assisted family, a signing bonus to landlord new to the AAHC, and loyalty bonus for current landlords who increased the number of units under HAP contract.

To incentivize a landlord's continued participation in the HCV program, AAHC will provide a signing/loyalty bonus equal to no more than one month of the contract rent to eligible landlords. Payments for security deposit and rental insurance must not exceed one month's rent, in total. Households may request assistance for application fees and holding fees for no more than five units for each voucher issued.

Goal:

The goal of this activity is to increase the number of participating owners, expand housing opportunities for participants, and retain landlord's participation in the HCV program.

Initiative:

AAHC will implement initiatives to incentivize landlords to participate in the HCV program. AAHC will implement initiatives that seek to incentivize landlords to participate in the HCV program. This activity combined with triennial inspections, HAP direct deposits, rapid initial HQS inspections, damage loss payments, and bonus payment are intended to increase and retain landlord participation.

Which of the MTW statutory objectives does this MTW activity serve?

Housing choice

What are the cost implications of this MTW activity? Pick the best description of the cost implications based on what you know today.

Increased expenditures

Does the MTW activity under this waiver apply to all assisted households or only to a subset or subsets of assisted households?

The MTW activity applies to all assisted households

Based on the Fiscal Year goals listed in the activity's previous Fiscal Year's narrative, provide a description about what has been accomplished or changed during the implementation.

This is the first fiscal year as an MTW agency. AAHC will implement this activity for the first time during the submission year.

Does the MTW agency need a Safe Harbor Waiver to implement this MTW activity as described?

No

Does this policy apply to certain types of units or to all units all HCV units or only certain types of units (for example, accessible units, units in a low-poverty neighborhood, or units/landlords new to the HCV program?)

To all units

What is the maximum payment that can be made to a landlord under this policy?

AAHC will provide a signing/loyalty bonus equal to no more than one month of the contract rent to eligible landlords. Payments for security deposit and rental insurance must not exceed one month's rent, in total. Households may request assistance for application fees and holding fees for no more than five units for each voucher issued.

How many payments were issued under this policy in the most recently completed PHA fiscal year?

0

What is the total dollar value of payments issued under this policy in the most recently completed PHA fiscal year?

\$0

5.d. - Alternative Inspection Schedule (HCV)

Describe the MTW activity, the MTW agency's goal(s) for the MTW activity, and, if applicable, how the MTW activity contributes to a larger initiative

Activity:

Through the combined MTW activities 4.a. Vacancy Loss Payment, 4.b. Damage Loss Payments, and 4.c. Other Landlord incentives AAHC will implement activities that encourage owner participation in the HCV program. AAHC will inspect assisted units of eligible households once every three years for landlords who are participating in the Landlord Incentive Demonstration. Eligible households and participating landlords may request interim (special/compliant) inspection at any time during the term of the HAP contract. AAHC will comply with HQS inspection standards as found at 24 CFR 982.401. AAHC will inspect assisted units at any time for health and safety, as well as accessibility purposes.

Goal:

The goal of this activity is to increase the number of participating owners, expand housing opportunities for participants, and retain landlord's participation in the HCV program.

Initiative:

AAHC will implement initiatives to incentivize landlords to participate in the HCV program. AAHC will implement initiatives that seek to incentivize landlords to participate in the HCV program. This activity combined with HAP direct deposits, rapid initial HQS inspections, damage loss payments, and bonus payment are intended to increase and retain landlord participation.

Which of the MTW statutory objectives does this MTW activity serve?

Housing choice

What are the cost implications of this MTW activity? Pick the best description of the cost implications based on what you know today.

Decreased expenditures

Does the MTW activity under this waiver apply to all assisted households or only to a subset or subsets of assisted households?

The MTW activity applies to all assisted households

Based on the Fiscal Year goals listed in the activity's previous Fiscal Year's narrative, provide a description about what has been accomplished or changed during the implementation.

This is the first fiscal year as an MTW agency. AAHC will implement this activity for the first time during the submission year.

Does the MTW agency need a Safe Harbor Waiver to implement this MTW activity as described?

No

D.	Safe Harbor Waivers.
D.1	<p>Will the MTW agency submit request for approval of a Safe Harbor Waiver this year?</p> <p>No Safe Harbor Waivers are being requested.</p>

E.	Agency-Specific Waiver(s).
E.1	<p>Agency-Specific Waiver(s) for HUD Approval:</p> <p>The MTW demonstration program is intended to foster innovation and HUD encourages MTW agencies, in consultation with their residents and stakeholders, to be creative in their approach to solving affordable housing issues facing their local communities. For this reason, flexibilities beyond those provided for in Appendix I may be needed. Agency-Specific Waivers may be requested if an MTW agency wishes to implement additional activities, or waive a statutory and/or regulatory requirement not included in Appendix I.</p> <p>In order to pursue an Agency-Specific Waiver, an MTW agency must include an Agency-Specific Waiver request, an impact analysis, and a hardship policy (as applicable), and respond to all of the mandatory core questions as applicable.</p> <p>For each Agency-Specific Waiver(s) request, please upload supporting documentation, that includes: a) a full description of the activity, including what the agency is proposing to waive (i.e., statute, regulation, and/or Operations Notice), b) how the initiative achieves one or more of the 3 MTW statutory objectives, c) a description of which population groups and household types that will be impacted by this activity, d) any cost implications associated with the activity, e) an implementation timeline for the initiative, f) an impact analysis, g) a description of the hardship policy for the initiative, and h) a copy of all comments received at the public hearing along with the MTW agency's description of how the comments were considered, as a required attachment to the MTW Supplement.</p> <p>Will the MTW agency submit a request for approval of an Agency-Specific Waiver this year?</p> <p>No Agency-Specific Waivers are being requested.</p>
E.2	<p>Agency-Specific Waiver(s) for which HUD Approval has been Received:</p> <p>Does the MTW agency have any approved Agency-Specific Waivers?</p> <p>MTW Agency does not have approved Agency-Specific Waivers</p>

F.	Public Housing Operating Subsidy Grant Reporting.
F.1	Total Public Housing Operating subsidy amount authorized, disbursed by 9/30, remaining, and deadline for disbursement, by Federal Fiscal Year for each year the PHA is designated an MTW agency.

Federal Fiscal Year (FFY)	Total Operating Subsidy Authorized Amount	How Much PHA Disbursed by the 9/30 Reporting Period	Remaining Not Yet Disbursed	Deadline
2023	\$3,153	\$0	\$3,153	2031-06-30
2024	\$0	\$0	\$0	2031-06-30
2025	\$0	\$0	\$0	2031-06-30
2026	\$0	\$0	\$0	2031-06-30
2027	\$0	\$0	\$0	2031-06-30

G.	MTW Statutory Requirements.	
G.1	75% Very Low Income – Local, Non-Traditional. HUD will verify compliance with the statutory requirement that at least 75% of the households assisted by the MTW agency are very low-income for MTW public housing units and MTW HCVs through HUD systems. The MTW PHA must provide data for the actual families housed upon admission during the PHA's most recently completed Fiscal Year for its Local, Non-Traditional program households.	
	Income Level	Number of Local, Non-Traditional Households Admitted in the Fiscal Year*
	80%-50% Area Median Income	1
	49%-30% Area Median Income	8
	Below 30% Area Median Income	112
	Total Local, Non-Traditional Households	121

*Local, non-traditional income data must be provided in the MTW Supplement form until such time that it can be submitted in IMS-PIC or other HUD system.

G.2	Establishing Reasonable Rent Policy.
Has the MTW agency established a rent reform policy to encourage employment and self-sufficiency? No	
Please describe the MTW agency's plans for its future rent reform activity and the implementation timeline. MTW agency did not established a rent reform policy to encourage employment and self-sufficiency AAHC will review the options available and select one of the MTW Activities.	

G.3	Substantially the Same (STS) – Local, Non-Traditional.
The total number of unit months that families were housed in a local, non-traditional rental subsidy for the prior full calendar year.	0 # of unit months
The total number of unit months that families were housed in a local, non-traditional housing development program for the prior full calendar year.	0 # of unit months

Number of units developed under the local, non-traditional housing development activity that were available for occupancy during the prior full calendar year:

PROPERTY NAME/ ADDRESS	0/1 BR	2 BR	3 BR	4 BR	5 BR	6+ BR	TOTAL UNITS	POPULATION TYPE*	if Population Type' is Other	# of Section 504 Accessible (Mobility)**	# of Section 504 Accessible (Hearing/ Vision)	Was this Property Made Available for Initial Occupancy during the Prior Full Calendar Year?	What was the Total Amount of MTW Funds Invested into the Property?
------------------------	--------	------	------	------	------	-------	-------------	------------------	------------------------------	--	---	---	--

G.4	Comparable Mix (by Family Size) – Local, Non-Traditional.
------------	--

To demonstrate compliance with the statutory requirement to continue serving a 'comparable mix" of families by family size to that which would have been served without MTW, the MTW agency will provide the number of families occupying local, non-traditional units by household size for the most recently completed Fiscal Year in the provided table.

Family Size:	Occupied Number of Local, Non-Traditional units by Household Size
1 Person	494
2 Person	228
3 Person	234
4 Person	248
5 Person	120
6+ Person	120
Totals	1,444

H.	Public Comment
	Attached you will find a copy of all of the comments received and a description of how the agency analyzed the comments, as well as any decisions made based on those comments.
	Please see attached for an additional public hearing held for Agency-Specific Waiver(s) and/or Safe Harbor Waiver(s)

I.	Evaluations.
	No known evaluations.

SAFMR AND FMR Payment Standard Impact Analysis

This analysis must consider the following factors, as applicable:

<p>MTW Activity: Reasonable Rent Policy (2.a.) Payment Standard – SAFMR and (2.b.) Payment Standard FMRs</p> <p>2.a. The agency is authorized to adopt and implement any reasonable policy to establish payment standards based up Small Area Fair Market Rents (SAFMR) and Fair Market Rents (FMR).</p> <p>2.a.i. Payment standard must be between 80% and 150% of the SAFMR.</p> <p>2.b.i. Payment standard must be between 80% and 120% of the FMR</p>
<p>Impact on the agency’s finances (e.g., how much will the activity cost, any change in the agency’s per family contribution);</p> <p>AAHC does not anticipate that the implementation of these waivers will have a significant impact on staff time. Initial calculations regarding HAP and payment standards for affected families may require a bit more time from our financial staff during the first stages of implementation, but we predict that these effects will be lessened as we continue to issue vouchers using SAFMR and newly adjusted payment standards over time.</p> <p>Average HAP contributions from AAHC will likely increase following the implementation of this waiver. The adoption of new payment standards according to SAFMR will allow for HCV families to move into more desirable, higher opportunity, and more expensive areas of our community.</p>
<p>Impact on affordability of housing costs for affected families (e.g., any change in how much affected families will pay towards their housing costs);</p> <p>AAHC does not anticipate an increase how much affected families will pay toward their housing cost.</p>
<p>Impact on the agency’s waitlist(s) (e.g., any change in the amount of time families are on the waitlist);</p> <p>Although it is hard to determine, we anticipate there will be no change in the amount of time families are on the waiting list. AAHC will monitor this activity closely to determine its impact.</p>
<p>Impact on the agency’s termination rate of families (e.g., any change in the rate at which families non-voluntarily lose assistance from the agency);</p> <p>Although it is hard to determine, we anticipate there will be no change in the number of families that are terminated. AAHC will monitor this activity closely to determine its impact.</p>
<p>Impact on the agency’s current occupancy level in public housing and utilization rate in the HCV program;</p> <p>AAHC anticipates that the implementation of these waivers will increase our HCV utilization rate, which is currently 89.5%. We expect to increase our number of HCV units following implementation, and therefore similarly expect our utilization rate to increase.</p>
<p>Impact on meeting the MTW statutory goals of cost effectiveness, self-sufficiency, and/or housing choice;</p> <p>Implementation of the activity is cost effective because it reduces administrative burden and improves efficiency. This activity supports the MTW statutory objective of increasing housing choice.</p>
<p>Impact on the agency’s ability to meet the MTW statutory requirements;</p>

This activity does not impact our ability to ensure that 75% of all new admissions are at or below 50% of the Area Median Income. AAHC will monitor new admissions and current participants to ensure continued assistance for substantially the same total number of eligible low-income households with MTW designation as without MTW designation.

In addition, AAHC will closely monitor assisted households to assure continual assistance to a comparable mix of household by family size. Lastly, this activity has no negative impact of the agency ability to ensure all housing assisted under the MTW demonstration meets Housing Quality Standards.

Impact on the rate of hardship requests and the number granted and denied as a result of this activity; and

AAHC does not anticipate an impact on the number of hardship requests, granted or denied. AAHC has established a hardship policy. We anticipate no more than 10% of assisted families will request a hardship. AAHC will grant all requests that meet the eligibility criteria and deny all others. Overall, AAHC does not anticipate the rate of hardships having a significant impact on the agency or participating families.

Across the other factors above, the impact on protected classes (and any associated disparate impact).

AAHC can ensure there will not be an impact on protected classes or any associated disparate impact. The agency will monitor the program to ensure that these programs do not adversely affect participation in, benefits of, or otherwise discriminate against persons on the basis of race, color, national origin, sex, religion, familial status, or disability or other protected bases. The agency's programs shall be operated in a manner that is consistent with the requirements of nondiscrimination and equal opportunity authorities, and will be accessible to persons with disabilities in accordance with the Fair Housing Act, section 504 of the Rehabilitation Act, Titles II and III of the Americans with Disabilities Act, as applicable, and the Architectural Barriers Act.

MTW CERTIFICATIONS OF COMPLIANCE**U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
OFFICE OF PUBLIC AND INDIAN HOUSING****Certifications of Compliance with Regulations:
Board Resolution to Accompany the MTW Supplement to the Annual PHA Plan**

Acting on behalf of the Board of Commissioners of the Moving to Work Public Housing Agency (MTW PHA) listed below, as its Chairperson or other authorized MTW PHA official if there is no Board of Commissioners, I approve the submission of the MTW Supplement to the Annual PHA Plan for the MTW PHA Fiscal Year beginning (07/01/2023 ___), hereinafter referred to as "the MTW Supplement", of which this document is a part and make the following certifications and agreements with the Department of Housing and Urban Development (HUD) in connection with the submission of the MTW Supplement and implementation thereof:

- (1) The PHA made the proposed MTW Supplement and all information relevant to the public hearing available for public inspection at least 45 days before the hearing, published a notice that a hearing would be held and conducted a hearing to discuss the MTW Supplement and invited public comment.
- (2) The MTW PHA took into consideration public and resident comments (including those of its Resident Advisory Board(s) or tenant associations, as applicable) before approval of the MTW Supplement by the Board of Commissioners or Board of Directors in order to incorporate any public comments into the annual MTW Supplement.
- (3) The MTW PHA certifies that the Board of Directors has reviewed and approved the budget for the Capital Fund Program grants contained in the Capital Fund Program Annual Statement/Performance and Evaluation Report, form HUD-50075.1 (or successor form as required by HUD).
- (4) The MTW PHA will carry out the MTW Supplement in conformity with Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d-2000d-4), the Fair Housing Act (42 U.S.C. 3601-19), section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), and title II of the Americans with Disabilities Act of 1990 (42 U.S.C. 12101 et seq.) all regulations implementing these authorities; and other applicable Federal, State, and local civil rights laws.
- (5) The MTW Supplement is consistent with the applicable comprehensive housing affordability strategy (or any plan incorporating such strategy) for the jurisdiction in which the PHA is located.
- (6) The MTW Supplement contains a certification by the appropriate state or local officials that the Plan is consistent with the applicable Consolidated Plan, which includes a certification that requires the preparation of an Analysis of Impediments to Fair Housing Choice, for the MTW PHA's jurisdiction and a description of the manner in which the MTW Supplement is consistent with the applicable Consolidated Plan.
- (7) The MTW PHA will affirmatively further fair housing, which means that it will: (i) take meaningful actions to further the goals identified by the Assessment of Fair Housing (AFH) conducted in accordance with the requirements of 24 CFR 5.150-5.180 and 903.15; (ii) take no action that is materially inconsistent with its obligation to affirmatively further fair housing; and (iii) address fair housing issues and contributing factors in its programs, in accordance with 24 CFR 903.7(o)(3) and 903.15(d). Note: Until the PHA is required to submit an AFH, and that AFH has been accepted by HUD, the PHA must follow the certification requirements of 24 CFR 903.7(o) in effect prior to August 17, 2015. Under these requirements, the PHA will be considered in compliance with the certification requirements of 24 CFR 903.7(o)(1)-(3) and 903.15(d) if it: (i) examines its programs or proposed programs; (ii) identifies any impediments to fair housing choice within those programs; (iii) addresses those impediments in a reasonable fashion in view of the resources available; (iv) works with local jurisdictions to implement any of the jurisdiction's initiatives to affirmatively further fair housing that require the PHA's involvement; and (v) maintains records reflecting these analyses and actions.
- (8) The MTW PHA will comply with the prohibitions against discrimination on the basis of age pursuant to the Age Discrimination Act of 1975 and HUD's implementing regulations at 24 C.F.R. Part 146.
- (9) In accordance with 24 CFR 5.105(a)(2), HUD's Equal Access Rule, the MTW PHA will not make a determination of eligibility for housing based on sexual orientation, gender identify, or marital status and will make no inquiries concerning the gender identification or sexual orientation of an applicant for or occupant of HUD-assisted housing.
- (10) The MTW PHA will comply with the Architectural Barriers Act of 1968 and 24 CFR Part 41, Policies and Procedures for the Enforcement of Standards and Requirements for Accessibility by the Physically Handicapped.
- (11) The MTW PHA will comply with the requirements of section 3 of the Housing and Urban Development Act of 1968, Employment Opportunities for Low- or Very-Low Income Persons, and with its implementing regulation at 24 CFR Part 135.
- (12) The MTW PHA will comply with requirements with regard to a drug free workplace required by 24 CFR Part 24, Subpart F.
- (13) The MTW PHA will comply with requirements with regard to compliance with restrictions on lobbying required by 24 CFR Part 87, together with disclosure forms if required by this Part, and with restrictions on payments to influence Federal Transactions, in accordance with the Byrd Amendment.
- (14) The MTW PHA will comply with acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 and implementing regulations at 49 CFR Part 24 as applicable.

- (15) The MTW PHA will take appropriate affirmative action to award contracts to minority and women's business enterprises under 24 CFR 5.105(a).
- (16) The MTW PHA will provide HUD or the responsible entity any documentation needed to carry out its review under the National Environmental Policy Act and other related authorities in accordance with 24 CFR Part 58. Regardless of who acts as the responsible entity, the MTW PHA will maintain documentation that verifies compliance with environmental requirements pursuant to 24 Part 58 and 24 CFR Part 50 and will make this documentation available to HUD upon its request.
- (17) With respect to public housing and applicable local, non-traditional development the MTW PHA will comply with Davis-Bacon or HUD determined wage rate requirements under section 12 of the United States Housing Act of 1937 and the Contract Work Hours and Safety Standards Act.
- (18) The MTW PHA will keep records in accordance with 2 CFR 200.333-200.337 and facilitate an effective audit to determine compliance with program requirements.
- (19) The MTW PHA will comply with the Lead-Based Paint Poisoning Prevention Act and 24 CFR Part 35.
- (20) The MTW PHA will comply with the policies, guidelines, and requirements of 2 CFR Part 200.
- (21) The MTW PHA must fulfill its responsibilities to comply with and ensure enforcement of housing quality standards as required in PIH Notice 2011-45, or successor notice, for any local, non-traditional program units. The MTW PHA must fulfill its responsibilities to comply with and ensure enforcement of Housing Quality Standards, as defined in 24 CFR Part 982, for any Housing Choice Voucher units under administration.
- (22) The MTW PHA will undertake only activities and programs covered by the Moving to Work Operations Notice in a manner consistent with its MTW Supplement and will utilize covered grant funds only for activities that are approvable under the Moving to Work Operations Notice and included in its MTW Supplement. MTW Waivers activities being implemented by the agency must fall within the safe harbors outlined in Appendix I of the Moving to Work Operations Notice and/or HUD approved Agency-Specific or Safe Harbor Waivers.
- (23) All attachments to the MTW Supplement have been and will continue to be available at all times and all locations that the MTW Supplement is available for public inspection. All required supporting documents have been made available for public inspection along with the MTW Supplement and additional requirements at the primary business office of the PHA and at all other times and locations identified by the MTW PHA in its MTW Supplement and will continue to be made available at least at the primary business office of the MTW PHA.

ANN ARBOR HOUSING COMMISSION

MI064

MTW PHA NAME

MTW PHA NUMBER/HA CODE

I hereby certify that all the information stated herein, as well as any information provided in the accompaniment herewith, is true and accurate. Warning: HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3802).

Dr. Lee Meadows

BOARD PRESIDENT

NAME OF AUTHORIZED OFFICIAL

TITLE

Lee J Meadows

3-22-2023

SIGNATURE

DATE

*** Must be signed by either the Chairperson or Secretary of the Board of the MTW PHA's legislative body. This certification cannot be signed by an employee unless authorized by the MTW PHA Board to do so. If this document is not signed by the Chairperson or Secretary, documentation such as the by-laws or authorizing board resolution must accompany this certification.**



U.S. Department of Housing and Urban Development

Detroit Field Office
Office of Public Housing
Patrick V. McNamara Federal Building
477 Michigan Avenue, Room 1710
Detroit, MI 48226-2592
Tel. (313) 226-7900 FAX (313) 226-6160

July 5, 2023

Jennifer Hall
Executive Director, Ann Arbor Housing Commission
2000 S. Industrial
Ann Arbor, MI 48104
jhall@a2gov.org

SUBJECT: Notice of Annual PHA Plan Submission for Fiscal Year Beginning 7/1/2023 for
Ann Arbor Housing Commission (MI064)

This letter is to inform you that the Ann Arbor Housing Commission's Annual PHA Plan and Moving to Work (MTW) Supplement for the Fiscal Year beginning July 1, 2023, is approved.

The Department's approval of this MTW Supplement to the PHA Plan is limited to approval of policies and actions authorized by the 1937 Act and flexibilities waiving provisions of the 1937 Act as outlined by the MTW Operations Notice. In providing assistance to families under programs covered by this MTW Supplement to the PHA Plan, your PHA must comply with the rules, standards, and policies established in the MTW Supplement to the PHA Plan as well as all applicable federal requirements other than those provisions of the 1937 Act waived by the MTW Operations Notice.

Documents relying upon the approved PHA Plan and MTW Supplement (i.e., Administrative Plan, Admission and Continued Occupancy Plan, etc.) should be updated to reflect those policies. Also, the approved PHA Plan and all required attachments and documents should be available for review and inspection at the PHA's principal office during normal business hours.

If you have any questions please contact Kawan Clemons, Portfolio Management Specialist, at (313) 234-7384 or via e-mail at kawan.clemons@hud.gov.

Sincerely,

X

A handwritten signature in cursive script, appearing to read "Douglas C. Gordon".

for Douglas C. Gordon, Director
Detroit HUD Field Office of Public Housing
Signed by: Office of Public and Indian Housing

CC: Joseph Russell, MTW Desk Officer, JOSEPH.R.RUSSELL@hud.gov

Moving to Work
Resident and Public Meeting
Held August 12, 2021

Ann Arbor Housing Commission (AAHC) held a Resident and Public meeting on August 12, 2021 to discuss the AAHC's desire to place an application for the HUD Moving to Work (MTW) Demonstration Program Cohort # 4: Landlord Incentive. Below is a summary of the discussion including public input.

Attendees: [REDACTED]

Discussion:

Townsend: Recommend that PHAs pay the cost of modifications, such as wheelchair ramps; to a unit for disabled individuals.

Townsend: Recommend that PHAs accept alternative inspections, such as city rental department inspections; in lieu of the HQS inspection?

Townsend: Recommend that PHAs become more knowledgeable with city rental inspection requirements.

Palmer: Recommend that AAHC increase the payment standard to provide families more assistance.

Palmer: Recommend reducing the amount of documentation landlords are required to complete to approve units.

Palmer: Mentioned that she would like to reside in Ann Arbor although, many landlords in Ann Arbor do not accept Housing Choice Voucher (Section 8). However, many landlords that accept Housing Choice Voucher have homes located in areas with increased crime. In addition, many of these homes need upgrades and repairs.

Townsend: Recommend the AAHC increase public education for tenants and landlords to eliminate the stigma of the program and the program participants.

Townsend: Mentioned that tenants are denied often because they do not have security deposits or deposits are delayed through third party payments such as support service agencies.

Moving to Work
Resident and Public Meeting
Held August 17, 2021

Ann Arbor Housing Commission (AAHC) held a Resident and Public meeting on August 17, 2021 to discuss the AAHC's desire to place an application for the HUD Moving to Work (MTW) Demonstration Program Cohort # 4: Landlord Incentive. Below is a summary of the discussion including public input.

Attendees: [REDACTED]
[REDACTED] 2.

Discussion:

Davis: Recommend AAHC develop a plan to encourage landlords to participate in program. In addition, the AAHC should hold informative meetings for landlords.

Davis: Mentions the paperwork is intimidating to landlords. Lastly, Davis mentioned that increasing the payment standard is a good idea.

Carroll: Recommend AAHC complete a credit check and rental history for participants. This will allow the participant an opportunity to address issues that may prevent them from being approved.

Carroll: Mentions landlords would benefit if the AAHC can assist with damages cost, vacancy payments, security deposits, and application fees.

Moving to Work

Public Hearing

Held August 18, 2021

Ann Arbor Housing Commission (AAHC) held a Public Hearing on August 18, 2021 to discuss the AAHC's desire to place an application for the HUD Moving to Work (MTW) Demonstration Program Cohort # 4: Landlord Incentive. Below is a summary of the discussion including public input.

Attendees: [REDACTED]

Discussion:

Jenkins: I'd like to know if landlords told HUD that delays in HQS inspections and inadequate amounts of housing subsidy are incentives for owners to participant in the housing choice voucher program?

- HUD has created a website dedicated to Landlords who participate in the Housing Choice Voucher program. It seems likely, that HUD has a forum that welcome input from landlords.

Sanders: Asked how well does Washtenaw county residents knows who controls the housing choice vouchers in Washtenaw?

- HUD regulation requires the PHA to define the jurisdiction/area they'll serve. The public can find out what PHA covers their desired area on HUD's website.

Sanders: Asked if residents know how to apply for the housing choice voucher?

- HUD required the PHA to post a notice informing the public how to apply for assistance; often you can find the information in the local news publication and PHA website.

Sanders: Asked when the waiting list opens; why doesn't the commission provide more notice and says that the notice are confusing.

- HUD requires the PHA to provide at minimum two-week notice prior to opening the waiting list. The notice must describe the program, preference if any, the bedroom size, the date and time the list will open and close, and instructions how to apply.

Lewis: Asked if the commission has a program that allows people to purchase homes?

- AAHC does administer the Housing Choice Voucher Homeownership Program.

Ann Arbor Housing Commission – Resident Advisory Board Meeting
Moving To Work Demonstration Program Discussion - November 9th, 2022

This annual, public, meeting of the Resident Advisory Board focused on AAHC’s participation in HUD’s Moving To Work (MTW) Demonstration Program as a member of Cohort #4— Landlord Incentives. Below is a summary of the discussion:

Attendees: [REDACTED]

Brand: AAHC staff can be reached for additional comments and questions at www.a2gov.org/housingcommission

The Ann Arbor Housing Commission (AAHC) is a Public Housing Authority, one of three in Washtenaw County including the Michigan State Housing Development Authority and the Ypsilanti Housing Commission. AAHC owns and operates 18 affordable housing properties across the City of Ann Arbor. AAHC also operates a Section 8 Voucher program, in which recipients may use their voucher to subsidize their rent in the private market.

Part of AAHC’s mission is to increase the number of affordable housing units available throughout the county. To help achieve this mission, AAHC applied for and was awarded the Moving To Work designation in 2022 by the Department of Housing and Urban Development (HUD). As part of AAHC’s participation in the MTW program, AAHC is required to complete a Moving To Work supplement in addition its Annual Agency Plan, much of the discussion today will revolve around the MTW program.

2022 Policy Updates, Amendments, and Announcements:

AAHC recently increased the amount of time Section 8 Voucher recipients have to secure housing from 60 days to 180 days. AAHC recently adjusted policy to allow voucher recipients to sign an initial lease of less than 1 year with their property management company. AAHC has revised policy to restrict residents from moving to a new unit with their voucher until after outstanding debts with their previous landlord have been resolved. AAHC recently amended policy to allow voucher recipients to rent units designated as a group home or a shared house. AAHC recently amended policy to restrict former Section 8 participants who voluntarily left the program from requesting an appeal hearing. AAHC recently amended its Violence Against Women Act policies to clarify who qualifies for an emergency transfer request under the act. Lastly, AAHC amended policies that govern its Family Self Sufficiency (FSS) Program to clarify the procedures for when a family underreports its income.

HUD recently rewrote the regulations that govern the FSS program. As a result of those changes, AAHC had to update its policies and software to support the administration of the program. AAHC submitted its policy changes for the program to HUD and those changes were approved in November 2022. Pending approval from AAHC’s board, those policy changes will be implemented via AAHC’s Annual Agency Plan submission.

AAHC also plans to amend policies governing its Homeownership Program pending approval from AAHC board. Policy changes clarify the agencies protections against predatory lending practices for its participants. Policy changes also clarify that participating families must spend 1% of total sales price in order to qualify for Housing Assistance Payments under the Homeownership program. Additionally, AAHC policy will no longer preclude participants from securing 0% down payment loans.

AAHC is currently in development processes at 10 sites surrounding the downtown Ann Arbor Area. Visit the housing commission website for more information about those projects.

AAHC will be posting a Request For Proposal for additional Project Based Vouchers within the jurisdiction. Local landlords are encouraged to respond.

AAHC was recently awarded 16 new Section 8 Housing Choice Vouchers by HUD. In recent years AAHC has been awarded additional vouchers under the Emergency Housing Voucher and Non-Elderly Disabled voucher programs.

While AAHC is thankful for all additional vouchers, recent increases in funding have been insufficient to keep pace with the rapid increases in rent in the private market. AAHC will be increasing its payment standards to 120% of the area Fair Market Rent pending board approval. This allows AAHC to provide greater amounts of subsidy to its families in an effort to keep pace with increases in rent across the area.

AAHC is a participant in Moving To Work Cohort #4— Landlord Incentives. Participation in this cohort provides AAHC the opportunity to adopt policies that incentivize landlord participation in the Section 8 Voucher program. AAHC plans to provide damage loss payments, signing bonuses, and vacancy loss payments to landlords that rent to Section 8 Voucher participants. AAHC also plans to assist participants with providing security deposits and paying application fees.

As an MTW activity, AAHC is considering a tiered rent system. The tiered rent program would group rents together based on income. Calculation: monthly income based on the bottom of a participant's income tier X 25% + \$50. Example: those with an annual income of \$10,000-14,999 would all pay \$258.33 per month in rent ($\$10,000/12 \times 25\% + \50), as opposed to the current rent calculation in which all participants pay 30% of their monthly income towards rent (plus any amount that exceeds the voucher payment standard). Participants would not experience an increase in rent if their income rises within their own tier. Example: if a participant's income increases from \$11,000 to \$13,000 per year, their rent contribution does not increase. If however, their income were to increase beyond \$14,999, their rent contribution would increase to that of the next income tier upon their next income certification. Participants experiencing a hardship as defined by AAHC policy would be allowed to request an interim reexamination of income if they experience a decrease in income below their current tier in order to reduce their rent contribution.

In addition to the the tiered rent policy, AAHC is considering a policy that would stipulate that income recertifications take place every 3 years rather than annually. This would allow participants to pocket increases in income for longer rather than having their rent raised more quickly upon recertification. Example: elderly families experience increases in Social Security income almost annually. The alternative schedule would allow these families to keep that increase rather than contributing it toward rent until their next recertification.

AAHC is also considering implementing alternative income exclusions and inclusions which would allow families to deduct income from additional sources in making rent determinations. AAHC is considering excluding income from adult children ages 18-24 in making rent determinations.

Attendee Comments:

Rivers: How long do you have to find housing once you receive your Section 8 Voucher?

Brand: 180 days

Rivers: Can Homeownership voucher assistance be used in Combination with Neighborhood Assistance Corporation of America (NACA) mortgage products?

Brand: Yes.

Haremza: What is the procedure when a person has a Section 8 Voucher and the individual gets married, how is their income adjusted? Will their rent change?

Brand: A lot of landlords require families to add additional people to the lease. It is the family's responsibility to accurately report their income to AAHC. There is a strong possibility that their rent will change.

Haremza: Is there any relationship between Ann Arbor Housing Commission and Avalon Housing?

Brand: Yes, Avalon are partners of AAHC. Suggest that Haremza call to further explain the relationship.

In person-attendee #1: Question about Platt Rd. property (Creekside Court): that property is not available to Section 8 participants, only AAHC participants?

Brand: The new AAHC developments plan to be mostly mixed. Example: with a 30 unit building, we might make 10 Project-Based Vouchers (subsidy is attached to the unit, does not follow the family), 10 available to the market, and 10 based on tax credit requirements. As long as the landlord accepts the voucher, and you are not "doubling up" on assistance (i.e. using a Section 8 Voucher in a Project-Based unit), you can live there.

For Creekside specifically, that property is Project-Based Vouchers only, so people with Section 8 vouchers can't apply there. You as a voucher holder would have to withdraw from Section 8 assistance to qualify.

In person attendee #1: When do you plan to implement the policies regarding security deposit assistance?

Brand: Possibly in this upcoming fiscal year, inquire with your caseworker to see if funding is currently available.

In person attendee #1: Inquired about a Habitat For Humanity program— Habitat required an income of at least \$70,000 to qualify for their Homeownership program, that doesn't seem like it would qualify as low-income.

Brand: You can always google Area Median Income (AMI) to determine what is low-income, in Washtenaw County, because incomes and cost of living are generally so high, that number makes sense as low-income. With the AAHC Homeownership Program, the voucher itself is counted as income towards your loan. This allows our participants to get approved for larger loans than what their income would typically dictate. The voucher doesn't help with down payment or closing costs, but it does provide monthly Housing Assistance Payments to assist with your mortgage principal, interest, taxes, and insurance.

Harris: How long do you have to be on the Section 8 program before you can qualify for the Homeownership program?

Brand: 1 year, and FSS participation is not required.

Haremza: Concerned about the amount of time in between income recertifications with the tiered rent policy. What if a participant loses a significant source of income?

Brand: AAHC would implement a hardship policy to mitigate any potential negative effects of the tiered rent system. The idea of tiered rents is to incentivize increases in income, but also to align AAHC policy more closely with practices in the private market— if you lose income while renting a private housing unit without voucher assistance, your rent isn't affected. Reiterates that this is the time to influence the hardship policy.

Haremza: A hardship policy sounds like it would address some concerns. For example, if your company moves because there aren't enough skilled workers in your area, that should count as a hardship.

Haremza: Likes the idea of excluding income from adult children.

Brand: Alternative inclusions/exclusions as proposed here obviously only apply to very specific households.

Haremza: Does the AAHC take into account cost-of-living expenses in the area? Increases in social security are typically negated by increases in cost-of-living.

Brand: AAHC does not. Still, though, the benefits of both the tiered rent and the alternative recertification schedule apply. It's more money in your pocket unless and until at your recertification you enter a higher income tier. Provides participants the opportunity to pay off debt, pay for school, save for a home, and increase assets.

Harris: Most places that do low-income housing make you recertify as soon as your income increases, for AAHC would the participant owe that money retroactively if they didn't report an increase in income immediately?

Brand: No, they wouldn't have to report their increase until their next schedule recertification

Harris: Does AAHC account for any other expenses in making rent determinations? Things like car repairs?

Brand: No. AAHC takes into account utilities, medical expenses, and childcare, but nothing else. Families currently receive a \$480 allowance per minor living in their home. It is possible that AAHC takes that amount and increases it to \$500+. Not the same idea as Harris' question, but the same effect.

In-person attendee #2: Net vs. gross income, is there a way for the Housing Commission to account for the difference in making rent determinations?

Brand: We can't necessarily distinguish between the two, but there are MTW activities that allow AAHC to change the income calculation process. Would need to do more research to give a complete description of what those activities would look like.

In-Person attendee #2: When AAHC takes policy into consideration, when do residents enter the conversation?

Brand: Residents are the #1 source of justification for these policy changes. Our residents share their challenges and suggestions every day. These meetings are also extremely important. AAHC board meetings are on the third Wednesday of the month every month and are open to the public. We have tenants and former tenants on the board as well.

ANN ARBOR HOUSING COMMISSION

MTW HARDSHIP POLICY – MULTIPLE ACTIVITIES

The PHA has a written policy for determining when a requirement or provision of a program regulation or MTW activity constitutes a financial or other hardship for the family. This hardship policy is applicable for MTW HCV households as well as non-MTW HCV households.

The policy applies to the follow MTW activities: SAFMR Payment Standard, and FMR Payment Standard. In addition, to the MTW activities the policy applies the non-MTW minimum rent waiver and repayment agreement policy, in accordance with HUD regulation.

PHA Policy

The PHA will review its hardship policy(s) with residents during its intake, and recertification processes. The resident must sign and submit consent forms for obtaining information requested by the PHA necessary to consider if a resident qualifies for a hardship exemption.

The PHA will determine if a resident qualifies for a hardship exemption under the following circumstances:

1. At the time of a potential termination of assistance that is due to an MTW activity
2. When a resident request a hardship exemption from a required MTW activity

The PHA will suspend the activity for the household, beginning the next month after the request, until the PHA has determined if the request is warranted. The PHA shall make determination of whether a financial or other hardship exists within thirty (30) days after the family's request.

Hardship Standard

The PHA will determine what constitutes a hardship. A family may request a hardship for the following circumstances. The family must experience a decrease in income because of changed circumstances, family emergency, divorce, or natural disaster:

1. Loss or reduction of employment
2. Loss of income due to death of the head, spouse, or co-head
3. Reduction in or loss of earnings or other benefit income
4. Awaiting approval for benefit income
5. Such other situations and factors as determined by the agency to be appropriate, such as eviction, termination of utilities, or wage garnishment, divorce, natural disaster, or family emergency.

Exemption Period

If it is determined a qualifying hardship does not exist, the MTW activity will resume. Any amounts owed to the PHA due to the suspension of the MTW activity will be collected through a reasonable repayment agreement.

When a family's request for a financial hardship exemption (other than alternative reexamination schedule) is granted, the PHA will remove the family from the MTW initiative for a period of 6 months. The hardship will be reassessed on **the earlier of** the next scheduled biennial recertification or within 6 months from the date the hardship was approved.

The hardship period ends when at an interim or annual reexamination, the family's calculated MTW TTP is greater than the TTP as calculated under the hardship exemption.

For a minimum rent hardship exemption based upon hardship-related expenses, the minimum rent exemption will continue to be recognized until the cumulative amount exempted is equal to the expense incurred.

If the family disagrees with the denial of a hardship request, the family is entitled to and may request an informal hearing.

Reasons of Denial

Hardship request may be denied for the following reasons:

1. Failure to provide verification for loss or reduction of benefit income
2. Failure to provide verification for eligibility of benefit income
3. Failure to provide verification of increased expenses
4. Family is not subject to eviction, utility shut off, or wage garnishment
5. Failure to submit verification for decrease or loss of employment
6. Failure to provide supporting documentation related to loss of income due to death by head, spouse, or co-head
7. Failure to provide supporting documentation related to divorce, natural disaster, or family emergency.

Grievance Procedure

A family may request for second level review of denied hardship requests. The family must submit a request in writing within 30 days the of the PHA written notice.

Reporting

The PHA will keep of all hardship requests received and the results of these requests and supply them at HUD's request. Requests related to the PHA's MTW status will be retained for the duration of PHAs participation in the MTW demonstration program and will be available for public review and inspection at the principal office location during normal business hours.

Ann Arbor Housing Commission – Resident Advisory Board Meeting
Moving To Work Demonstration Program Discussion - November 9th, 2022

This annual, public, meeting of the Resident Advisory Board focused on AAHC’s participation in HUD’s Moving To Work (MTW) Demonstration Program as a member of Cohort #4— Landlord Incentives. Below is a summary of the discussion:

Attendees: [REDACTED]

Brand: AAHC staff can be reached for additional comments and questions at www.a2gov.org/housingcommission

The Ann Arbor Housing Commission (AAHC) is a Public Housing Authority, one of three in Washtenaw County including the Michigan State Housing Development Authority and the Ypsilanti Housing Commission. AAHC owns and operates 18 affordable housing properties across the City of Ann Arbor. AAHC also operates a Section 8 Voucher program, in which recipients may use their voucher to subsidize their rent in the private market.

Part of AAHC’s mission is to increase the number of affordable housing units available throughout the county. To help achieve this mission, AAHC applied for and was awarded the Moving To Work designation in 2022 by the Department of Housing and Urban Development (HUD). As part of AAHC’s participation in the MTW program, AAHC is required to complete a Moving To Work supplement in addition its Annual Agency Plan, much of the discussion today will revolve around the MTW program.

2022 Policy Updates, Amendments, and Announcements:

AAHC recently increased the amount of time Section 8 Voucher recipients have to secure housing from 60 days to 180 days. AAHC recently adjusted policy to allow voucher recipients to sign an initial lease of less than 1 year with their property management company. AAHC has revised policy to restrict residents from moving to a new unit with their voucher until after outstanding debts with their previous landlord have been resolved. AAHC recently amended policy to allow voucher recipients to rent units designated as a group home or a shared house. AAHC recently amended policy to restrict former Section 8 participants who voluntarily left the program from requesting an appeal hearing. AAHC recently amended its Violence Against Women Act policies to clarify who qualifies for an emergency transfer request under the act. Lastly, AAHC amended policies that govern its Family Self Sufficiency (FSS) Program to clarify the procedures for when a family underreports its income.

HUD recently rewrote the regulations that govern the FSS program. As a result of those changes, AAHC had to update its policies and software to support the administration of the program. AAHC submitted its policy changes for the program to HUD and those changes were approved in November 2022. Pending approval from AAHC’s board, those policy changes will be implemented via AAHC’s Annual Agency Plan submission.

AAHC also plans to amend policies governing its Homeownership Program pending approval from AAHC board. Policy changes clarify the agencies protections against predatory lending practices for its participants. Policy changes also clarify that participating families must spend 1% of total sales price in order to qualify for Housing Assistance Payments under the Homeownership program. Additionally, AAHC policy will no longer preclude participants from securing 0% down payment loans.

AAHC is currently in development processes at 10 sites surrounding the downtown Ann Arbor Area. Visit the housing commission website for more information about those projects.

AAHC will be posting a Request For Proposal for additional Project Based Vouchers within the jurisdiction. Local landlords are encouraged to respond.

AAHC was recently awarded 16 new Section 8 Housing Choice Vouchers by HUD. In recent years AAHC has been awarded additional vouchers under the Emergency Housing Voucher and Non-Elderly Disabled voucher programs.

While AAHC is thankful for all additional vouchers, recent increases in funding have been insufficient to keep pace with the rapid increases in rent in the private market. AAHC will be increasing its payment standards to 120% of the area Fair Market Rent pending board approval. This allows AAHC to provide greater amounts of subsidy to its families in an effort to keep pace with increases in rent across the area.

AAHC is a participant in Moving To Work Cohort #4— Landlord Incentives. Participation in this cohort provides AAHC the opportunity to adopt policies that incentivize landlord participation in the Section 8 Voucher program. AAHC plans to provide damage loss payments, signing bonuses, and vacancy loss payments to landlords that rent to Section 8 Voucher participants. AAHC also plans to assist participants with providing security deposits and paying application fees.

As an MTW activity, AAHC is considering a tiered rent system. The tiered rent program would group rents together based on income. Calculation: monthly income based on the bottom of a participant's income tier X 25% + \$50. Example: those with an annual income of \$10,000-14,999 would all pay \$258.33 per month in rent ($\$10,000/12 \times 25\% + \50), as opposed to the current rent calculation in which all participants pay 30% of their monthly income towards rent (plus any amount that exceeds the voucher payment standard). Participants would not experience an increase in rent if their income rises within their own tier. Example: if a participant's income increases from \$11,000 to \$13,000 per year, their rent contribution does not increase. If however, their income were to increase beyond \$14,999, their rent contribution would increase to that of the next income tier upon their next income certification. Participants experiencing a hardship as defined by AAHC policy would be allowed to request an interim reexamination of income if they experience a decrease in income below their current tier in order to reduce their rent contribution.

In addition to the the tiered rent policy, AAHC is considering a policy that would stipulate that income recertifications take place every 3 years rather than annually. This would allow participants to pocket increases in income for longer rather than having their rent raised more quickly upon recertification. Example: elderly families experience increases in Social Security income almost annually. The alternative schedule would allow these families to keep that increase rather than contributing it toward rent until their next recertification.

AAHC is also considering implementing alternative income exclusions and inclusions which would allow families to deduct income from additional sources in making rent determinations. AAHC is considering excluding income from adult children ages 18-24 in making rent determinations.

Attendee Comments:

Rivers: How long do you have to find housing once you receive your Section 8 Voucher?

Brand: 180 days

Rivers: Can Homeownership voucher assistance be used in Combination with Neighborhood Assistance Corporation of America (NACA) mortgage products?

Brand: Yes.

Haremza: What is the procedure when a person has a Section 8 Voucher and the individual gets married, how is their income adjusted? Will their rent change?

Brand: A lot of landlords require families to add additional people to the lease. It is the family's responsibility to accurately report their income to AAHC. There is a strong possibility that their rent will change.

Haremza: Is there any relationship between Ann Arbor Housing Commission and Avalon Housing?

Brand: Yes, Avalon are partners of AAHC. Suggest that Haremza call to further explain the relationship.

In person-attendee #1: Question about Platt Rd. property (Creekside Court): that property is not available to Section 8 participants, only AAHC participants?

Brand: The new AAHC developments plan to be mostly mixed. Example: with a 30 unit building, we might make 10 Project-Based Vouchers (subsidy is attached to the unit, does not follow the family), 10 available to the market, and 10 based on tax credit requirements. As long as the landlord accepts the voucher, and you are not "doubling up" on assistance (i.e. using a Section 8 Voucher in a Project-Based unit), you can live there.

For Creekside specifically, that property is Project-Based Vouchers only, so people with Section 8 vouchers can't apply there. You as a voucher holder would have to withdraw from Section 8 assistance to qualify.

In person attendee #1: When do you plan to implement the policies regarding security deposit assistance?

Brand: Possibly in this upcoming fiscal year, inquire with your caseworker to see if funding is currently available.

In person attendee #1: Inquired about a Habitat For Humanity program— Habitat required an income of at least \$70,000 to qualify for their Homeownership program, that doesn't seem like it would qualify as low-income.

Brand: You can always google Area Median Income (AMI) to determine what is low-income, in Washtenaw County, because incomes and cost of living are generally so high, that number makes sense as low-income. With the AAHC Homeownership Program, the voucher itself is counted as income towards your loan. This allows our participants to get approved for larger loans than what their income would typically dictate. The voucher doesn't help with down payment or closing costs, but it does provide monthly Housing Assistance Payments to assist with your mortgage principal, interest, taxes, and insurance.

Harris: How long do you have to be on the Section 8 program before you can qualify for the Homeownership program?

Brand: 1 year, and FSS participation is not required.

Haremza: Concerned about the amount of time in between income recertifications with the tiered rent policy. What if a participant loses a significant source of income?

Brand: AAHC would implement a hardship policy to mitigate any potential negative effects of the tiered rent system. The idea of tiered rents is to incentivize increases in income, but also to align AAHC policy more closely with practices in the private market— if you lose income while renting a private housing unit without voucher assistance, your rent isn't affected. Reiterates that this is the time to influence the hardship policy.

Haremza: A hardship policy sounds like it would address some concerns. For example, if your company moves because there aren't enough skilled workers in your area, that should count as a hardship.

Haremza: Likes the idea of excluding income from adult children.

Brand: Alternative inclusions/exclusions as proposed here obviously only apply to very specific households.

Haremza: Does the AAHC take into account cost-of-living expenses in the area? Increases in social security are typically negated by increases in cost-of-living.

Brand: AAHC does not. Still, though, the benefits of both the tiered rent and the alternative recertification schedule apply. It's more money in your pocket unless and until at your recertification you enter a higher income tier. Provides participants the opportunity to pay off debt, pay for school, save for a home, and increase assets.

Harris: Most places that do low-income housing make you recertify as soon as your income increases, for AAHC would the participant owe that money retroactively if they didn't report an increase in income immediately?

Brand: No, they wouldn't have to report their increase until their next schedule recertification

Harris: Does AAHC account for any other expenses in making rent determinations? Things like car repairs?

Brand: No. AAHC takes into account utilities, medical expenses, and childcare, but nothing else. Families currently receive a \$480 allowance per minor living in their home. It is possible that AAHC takes that amount and increases it to \$500+. Not the same idea as Harris' question, but the same effect.

In-person attendee #2: Net vs. gross income, is there a way for the Housing Commission to account for the difference in making rent determinations?

Brand: We can't necessarily distinguish between the two, but there are MTW activities that allow AAHC to change the income calculation process. Would need to do more research to give a complete description of what those activities would look like.

In-Person attendee #2: When AAHC takes policy into consideration, when do residents enter the conversation?

Brand: Residents are the #1 source of justification for these policy changes. Our residents share their challenges and suggestions every day. These meetings are also extremely important. AAHC board meetings are on the third Wednesday of the month every month and are open to the public. We have tenants and former tenants on the board as well.

Agency Analysis of Resident Advisory Board Meeting on November 9th, 2022
Moving To Work Supplement Plan - Ann Arbor Housing Commission

On November 9th, 2022, the Ann Arbor Housing Commission (AAHC) held its annual Resident Advisory Board meeting to present its draft Moving To Work Supplement Plan to the board and general public. The meeting was held from 5pm-7pm and was conducted both in-person and virtually via Zoom. Fifteen (15) non-AAHC staff attended the meeting. The meeting was facilitated by AAHC Deputy Director Weneshia Brand (wrbrand@a2gov.org).

The Ann Arbor Housing Commission was pleased by the plan's reception and the attendees' willingness to contribute criticisms, questions, and suggestions. In general, attendees were supportive of AAHC's plan to use the MTW program to increase housing choice and self-sufficiency among tenants. In addition to the activities planned for the submission year, AAHC also discussed with attendees some MTW activities it may consider implementing in the future; including a tiered rent policy, alternative reexamination schedule, and a minimum rent policy.

Upon entering this meeting, AAHC was unsure of implementing rent-reform activities so quickly after receiving the MTW designation, worrying that it would give tenants too little turnaround time to adjust to policies that would directly impact their finances. The meeting of the Resident Advisory Board helped inform AAHC's decision to postpone the implementation of those activities— residents and community members raised important questions about the possible hardships tenants would experience upon implementation of those activities, re-affirming to AAHC that it should take more time to educate residents about the changes and develop a comprehensive Hardship Policy.

Despite some concerns about the rent reform initiatives planned for future submission years, attendees were receptive to the goals those activities are intended to achieve. In general, their comments revolved around the need to develop a strong Hardship Policy so as to mitigate any potentially negative or disparate effects on tenants. Some attendees also commented on the potential usefulness of alternative allowances and income exclusions in combination with the rent reform activities. AAHC will analyze the impacts these activities would have on its residents in the coming year.

Commentary on AAHC's plan to implement several landlord incentives, including damage loss payments, vacancy loss payments, and other incentives was minimal. One attendee asked about the availability of security deposit assistance. It is likely that discussion on landlord incentives was limited due to who attended the meeting. AAHC hosted an informal meeting with some of its Section 8 landlords in early 2022 regarding MTW activities in which attendees provided much positive feedback on the incentives.