HHSC Memorandum Neighborhood Resources Department- Memo No. HD25-01

Date: February 5, 2025

To: Housing and Human Services Commission

Thru: Leah Powell, Neighborhood Resources Director
Amy Jacobson, Housing and Redevelopment Senior Manager

From: Larissa Gorski, Affordable Housing Manager

Subject: Public Hearing for The Submission of The City of Chandler Housing and Redevelopment 2025-2030 Five-Year Plan for Public Housing and Housing Choice Voucher Programs, 2025 Annual Plan and Capital Fund for The Fiscal Year Beginning July 1, 2025, and Certifying Compliance with The Related Regulations.

Background: The City of Chandler Housing and Redevelopment Division (the Public Housing Agency/PHA) administers 303 units of Low Rent Public Housing and 495 Housing Choice Vouchers (formerly known as Section 8).

The Public Housing Agency (PHA) is required to submit the PHA Annual Plan to the U.S. Department of Housing and Urban Development (HUD) by April 17, 2025, for its housing programs. The Annual Plan is a comprehensive guide to PHA policies, programs, operations, and strategies for meeting local housing needs and goals. Each year, staff reviews policies and revises supporting documents, as needed.

Discussion: This year we will be submitting the 2025-2030 Five-Year Plan, 2025 Annual Plan and Capital Fund. The process allows for community input from program participants, residents, and the public in general. The City is currently in a public comment period from January 15, 2025, to March 1, 2025, for the City of Chandler Housing and Redevelopment Division's 2025 Annual Housing Plan. We have had one Resident Advisory Board (RAB) meeting on December 11, 2024, and another one scheduled for January 28, 2025.

The draft 2025-2030 Five-Year Plan, 2025 Annual Plan and Capital Fund can be found on our website at chandleraz.gov/affordable housing and available as a hard copy at the Housing Office located at 235 S. Arizona Ave in Chandler. A summary of updates is outlined below:

Housing Choice Voucher Administrative Plan and Public Housing Admissions and Continued Occupancy Policy (ACOP)

Unit Inspections

Maintaining properties to the standard of safe, sanitary, and in good repair by complying with the National Standards for the Physical Inspection of Real Estate; Inspection Standards (NSPIRE).

Housing Opportunity Through Modernization Act of 2016 (HOTMA)

On July 29, 2016, the HOTMA Act of 2016 was signed into law. HOTMA made numerous changes to statues governing HUD programs, including sections of the United States Housing Act of 1937, Title 1 of HOTMA contains 14 different sections that impact the public housing and Section 8 programs. The final Rule implementing broad changes to income and assets in Sections 102 and 104 of HOTMA, and for PHAs that administer the public housing program over-income provisions in Section 103, was officially published in the Federal Register on February 14, 2023. On September 29, 2023, HUD issued notice PIH 2023-27, which provided guidance to PHAs on the implementation of the program changes described in the Final Rule.

Eligibility - Restriction on Assistance based on Assets [24 CFR 5.618]

The applicant family must meet net asset and property ownership restriction requirements. There are two circumstances under which a family is ineligible for the program based on asset ownership. First, assistance may not be provided to any family if the family's net assets exceed $100,000. Second, the family has real property that is suitable for occupancy by the family as a residence.

Prohibition Against Denial of Assistance to Victims of Domestic Violence, Dating Violence, Sexual Assault, Stalking, and Human Trafficking

The Violence against Women Act (VAWA) and the HUD regulations at 24 CFR §5.2005(b) prohibit PHAs from denying admission to an otherwise qualified applicant on the basis or as a direct result of the fact that the applicant is or has been a victim of domestic violence, dating violence, sexual assault, or stalking. Although the VAWA 2022 statute does not specifically include human trafficking in the list of victims protected under VAWA, in 2022 HUD began including human trafficking as part of the list of victims protected under VAWA (as seen in Notices PIH 2022-06, PIH 2022-22, and PIH 2022-24). In the absence of a final rule implementing VAWA 2022 and to mirror HUD's recent usage, this policy includes human trafficking in addition to domestic violence, dating violence, sexual assault, and stalking anywhere such a list appears.

Reasonable Accommodations

For continued approval, the family must submit a new written request subject to PHA verification every year or every other year during the annual reexamination process. *If the knowledgeable professional indicates on PHA verification that it is a lifetime impairment and a reasonable accommodation is essential for the care and well-being of the elderly, near elderly, or disabled family member, no further written request needs to be submitted.*

Earned Income Disallowance [24 CFR 960.255; Streamlining Final Rule (SFR) Federal Register 3/8/16; Notice PIH 2023-27]

HOTMA removed the statutory authority for the Earned Income Disallowance (EID). The EID is available only to families that are eligible for and participating on the program as of December 31, 2023, or before; no new families may be added on or after January 1, 2024. If a family is receiving the EID prior to or on the effective date of December 31, 2023, they are entitled to the full amount of the benefit for a full 24-month period. The policies below are applicable only to such families. No family will still be receiving the EID after December 31, 2025. The EID will sunset on January 1, 2026, and the PHA policies below will no longer be applicable as of that date or when the last qualifying family exhausts their exclusion period, whichever is sooner.

***Family Consent to Release of Information (Form HUD-9886)* [24 CFR 5.230(b)(1), (b)(2), (c)(4), and (c)(5); Notice PIH 2023-27]**

All adult applicants and tenants must sign form HUD-9886, Authorization for Release of Information. All adult family members (and the head and spouse/cohead regardless of age) are required to sign the Form HUD-9886 at admission. Participants, prior to January 1, 2024, signed and submitted Form HUD-9886 at each annual reexamination. HOTMA eliminated this requirement and instead required that the Form HUD-9886 be signed only once. On or after January 1, 2024 (regardless of the PHA's HOTMA compliance date), current program participants must sign and submit a new Form HUD-9886 at their next interim or annual reexamination. This form will only be signed once.

Utility Allowances

The utility allowance is the amount that a housing authority determines necessary to cover the resident's reasonable utility costs. The utility allowance schedules are reviewed annually for both housing programs and are recommended for adjustment when a cumulative change of 10% or more occurs. Prior to beginning this update, a consultant was hired to do a comparison of the existing utility rates and charges and Housing's current utility rate schedules in the Housing Choice Voucher and Public Housing Programs. A revised utility allowance for 2024 will be established for both programs effective July 1, 2024.

<u>Housing Choice Voucher Administrative Plan</u>

Special Programs – Veterans Affairs Supportive Housing (VASH)

Using Income Limits for Eligibility [24 CFR §982.201]
Income limits are used for eligibility only at admission. Income eligibility is determined by comparing the annual income of an applicant to the applicable income limit for their family size. In order to be income eligible, an applicant family must be at or below 80% AMI.

Checking and Savings Accounts
For regular checking accounts and savings accounts, *cash value* has the same meaning as *market value*. If a checking account does not bear interest, the anticipated income from the account is zero. In determining the value of a checking account, the PHA will use the average monthly balance for the last two current months.

<u>Public Housing Admissions and Continued Occupancy Policy (ACOP)</u>

<u>Flat Rent:</u> Flat rent has been assessed and aligned with current market rates.

Maintenance Policy
Key Information and Charges (Section 5.0)
Increases in maintenance charges including keys and fees has gone up 20%.

<u>Financial Implications:</u> HUD funds the costs associated with the Public Housing and Housing Choice Voucher Programs.

<u>Proposed Motion:</u> None at this time.