



HHSC Memorandum Neighborhood Resources Department- Memo No. NR26-05

Date: February 11, 2025

To: Housing and Human Services Commission

Thru: Riann Balch, Neighborhood Resources Director

From: Larissa Gorski, Affordable Housing Manager

Subject: Public Hearing for the City of Chandler Housing and Redevelopment Division's 2026 Annual Plan for the Public Housing and Housing Choice Voucher Programs and Capital Fund for The Fiscal Year Beginning July 1, 2026, 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 PHA is required to submit the Annual Plan to the U.S. Department of Housing and Urban Development (HUD) by April 16, 2026, 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: The Housing and Redevelopment Division is currently in the process of developing the 2026 Annual Plan for the Public Housing, Housing Choice Voucher and Capital Fund programs. The process allows for community input from program participants, residents, and the public. The City is currently in a public comment period from January 16, 2026, to March 2, 2026, for the 2026 Annual Plan. Housing and Redevelopment Division staff led two Resident Advisory Board (RAB) meetings on December 10, 2025, and January 28, 2026 to provide an overview of policy changes reflected in the 2026 Plan

The draft 2026 Annual Plans can be found on our website at [chandleraz.gov/affordable housing](http://chandleraz.gov/affordable_housing). A hard copy can be accessed at the Housing Office located at 235 S. Arizona Ave in Chandler.

Housing Choice Voucher Administrative Plan and Public Housing Admissions and Continued Occupancy Policy (ACOP) A summary of updates is outlined below:

Housing Opportunity Through Modernization Act of 2016 (HOTMA)

On July 29, 2016, the HOTMA Act of 2016 was signed into law. The Final Rule for HOTMA regulations took effect on January 1, 2024, marking the beginning of the implementation process. HOTMA made numerous changes to statutes governing HUD programs, including sections of the United States Housing Act of 1937. The Final Rule included broad changes to income reviews, public housing income limits and asset limits, all affecting the calculation of a recipient's income. Certain provisions of the Final Rule are currently delayed pending HUD system changes.

Statement of Housing Needs

The PHA's statement of addressing housing needs has been updated. Chandler continues to experience a growing demand for affordable housing driven by rising housing costs, limited housing supply, and increasing service needs among low-and moderate-income households, seniors, and families. These factors contribute to the need for a comprehensive and sustainable approach to preserving existing affordable housing while expanding new housing opportunities.

The City of Chandler Housing and Redevelopment Division addresses housing needs through a combination of public housing preservation, redevelopment, and HUD repositioning strategies, including RAD, Section 18, rehabilitation, and new construction. These strategies focus on improving housing quality, increasing livability, and ensuring long-term financial sustainability.

Rent Determination

The PHA has implemented definitions currently required under HOTMA. When the delayed provisions are enacted by HUD, the PHA will implement the remaining provisions relating to calculating income, assets and conducting annual and interim reexaminations. As of this writing the full HOTMA implementation date has not been announced by HUD.

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 2026 will be established for both programs effective July 1, 2026

Capital Fund Program:

The Public Housing Capital Plan continues to focus on preserving and modernizing existing public housing assets through targeted improvements funded by HUD Capital Funds.

During the upcoming fiscal year, planned modernization activities include but are not limited to:

- Painting scattered-site home exteriors to protect building exteriors and improve overall appearance.
- Replacing HVAC system at scattered-site units to increase energy efficiency, improve indoor air quality, and enhance resident comfort.
- Replacing the roof at a family development to address the aging infrastructure, prevent water intrusion, and extend the useful life of the buildings.

These improvements support long-term sustainability of the public housing portfolio while improving the safety, functionality, and quality of life for residents.

Financial Implications: The Department of Housing and Urban Development funds the costs associated with the Public Housing, Housing Choice Voucher and Capital Fund Programs.