

Auburn Housing Authority
MTW Hardship Policy
Proposed Revisions to RESFYE2023-021

The financial hardship exemptions apply only to families impacted by AHA's MTW activities, either at the implementation of the MTW policies, or due to subsequent circumstances as described within the policy. The hardship policy applies when a requirement or provision of certain MTW activities constitutes a financial or other hardship for an AHA household. AHA chooses to implement a single hardship policy for all applicable waivers; however, the agency may choose to implement additional hardship policies in the future if additional waivers are implemented that do not align with this policy.

MTW Activities

1. Tenant Rent Policies and Minimum Rent

Minimum rent will increase from \$50.00 to \$100.00. If the minimum rent and/or paying 30% of the household's monthly-adjusted income creates a hardship, households may pay reduced rent for the period specified according to the policies and guidelines established for Hardship Types determined by AHA.

2. Payment Standards

For Tenant Based Vouchers, RAD Project Based Vouchers, and traditional Project Based Vouchers, AHA is raising the payment standard to 120% of the published Fair Market Rent (FMR) or the Small Area FMR's where exception payment standards have been established. In areas where the SAFMR is greater than the FMR, AHA is grouping areas according to the SAFMR and higher economic opportunity areas and increasing Payment Standards to 120% of SAFMR. Where payment standards cause a hardship for the household, AHA will apply its Reasonable Accommodation Policy.

3. Biennial Certification and Triennial Recertifications and Interims

The new recertification schedule will be once every two or three years. Biennial recertification will be completed for non-elderly and non-disabled households. Triennial recertification will be completed for elderly and disabled families and fixed income families. If an elderly and/or disabled household meets the following three criteria, it will be enrolled in triennial reexaminations: 1) the head of household, co-head, and/or spouse is elderly or disabled, 2) the only current income in the household is fixed income (e.g., social security, pension), and 3) there are no minors in the household. If a household is enrolled in triennial reexaminations and no longer meets these criteria, they will be enrolled in a biennial reexamination schedule.

AHA will limit households to one interim recertification per year at the household's request if the gross household income has decreased by 10% or more. Required interim recertifications (i.e., for changes in household composition or otherwise required by the agency) will not count against the limit.

AHA will conduct an interim reexamination of family income when it becomes aware that the family's adjusted income has changed by an amount that it estimates will result in an increase of ten percent or more in annual adjusted income or such other amount established by HUD through notice, except AHA may not consider any increase in the earned income of the family when estimating or calculating whether the family's adjusted income has increased, unless the family has previously received an interim reduction at their request because of any changes in income since the last examination during the certification period; and AHA may choose not to conduct an interim reexamination in the last three months of a certification period. Households reporting zero income will have an interim certification when new income begins or after three (3) months of zero income, an interim will be completed to determine the current income level.

For triennial reexaminations, annual household income will be determined as current and as anticipated once every three years. At their annual lease anniversary, AHA will apply the applicable Cost-of-Living Adjustments for fixed-income households.

If a household believes they have another circumstance that qualifies as a financial hardship, they may request a hardship.

For households experiencing a hardship beyond these parameters, AHA will consider classifying it as a long-term hardship according to the established policies and guidelines.

Hardship Limitation

Each household is eligible for only one (1) term of relief for each rent reform initiative. If the household qualifies for more than one relief at any given recertification (annual or interim), the reliefs will be calculated concurrently.

Definition of Hardship Types

The Auburn Housing Authority (AHA) will determine what constitutes financial hardship. A family may request a hardship for the following circumstances.

A Hardship exists when:

1. The family has experienced a decrease in income due to death of the head, spouse, or co-head.
2. The family has experienced a decrease in income because of changed circumstances, including loss or reduction of employment or reduction in or loss of earnings or other assistance.
3. The family has experienced an increase in expenses, because of changed circumstances, for medical costs, childcare, transportation, education, or similar items.
4. The family would be evicted because of the imposition of MTW activities.
5. Such other situations and factors as determined by the agency to be appropriate based on a case-by-case basis.

No Hardship exists when:

1. The AHA determines there is no qualifying hardship.
2. MTW activities will be reinstated, including requiring back payment of minimum rent and other costs or fees to the AHA for the time of suspension.

Temporary Hardship exists when:

AHA determines that there is a qualifying hardship and the hardship is expected to last 90 days or less.

AHA Temporary Hardship Procedure: The MTW activity will not be imposed for a period of 90 days from the date of the family's requests. At the end of the 90-day period, the MTW activity will be imposed retroactively to the time of suspension. AHA will offer a reasonable repayment agreement for any minimum rent back payment and any other costs and fees paid by AHA on the family's behalf during the suspension.

Long Term Hardship exists when:

1. AHA determines there is a qualifying hardship and the hardship is expected to last more than 90 days.
2. The family will be exempt from the MTW activity until the hardship no longer exists.

The AHA Hardship Policy allows AHA the flexibility to address unique, unforeseeable circumstances that may occur and to protect families in crisis. To be considered for a hardship extension, the household must apply for all benefits for which it may be eligible. Family's completing a Zero Income Questionnaire must report income changes when the income begins.

Until income is restored to the household, households must continue to meet the definitions of hardship types provided above and meet all the following criteria:

1. Remain in compliance with all program requirements.
2. Not owe AHA any money or be current with a repayment agreement.
3. Continued lack of income has not been created through the fault of the household.
4. Have applied for financial resources it may be eligible for but has been unsuccessful in securing.
5. Request the hardship waiver within the deadline set by AHA. Households have a minimum of 10 business days from the date of their "Notice of Rent Change" letter to request an Informal Hearing.
6. Have not received hardship relief for the same MTW activity previously.

Requesting a Hardship Exception

The family must complete a Request for Hardship Exemption Form and submit to the HCV Department. Forms received in the office will be date and time stamped upon receiving. Forms are available on the AHA website or upon request at Auburn Housing Authority, 931 Booker Street, Auburn, AL 36832.

If a family requests a hardship exemption, AHA will suspend the MTW activity beginning the month following the family's hardship request. The suspension will continue until AHA can determine whether hardship exists and whether the hardship is of a temporary or long-term nature. During suspension, the family will not be required to participate in relevant MTW activities and support will be adjusted accordingly.

Determination of Hardship

No hardship will be granted if a family selected a unit over the payment standard and/or over the 50% Initial Rent Burden as it is the household's choice, unless extenuating circumstances merit the hardship

exception. AHA may see an increase in the number of hardship requests and denials as households may request a hardship due to rent burden and AHA may deny the request due to the household renting over the payment standard.

Determination will be made within 30 calendar days. This means the AHA will conduct a reexamination and recalculate the family's portion of rent based on current circumstances until the determination of the hardship is determined.

If the AHA requests information from the family and it is not received within the 30 days after the original request was made, the AHA may deny the requests and require the family to repay the additional assistance paid during the suspension of the MTW activity period.

If AHA determines there is a minimal or no financial hardship, AHA will reinstate the family's previously calculated rent share and require the family to repay the additional assistance paid during the suspension of the MTW activity period. AHA will offer a reasonable repayment agreement.

If the hardship request does meet the hardship requirements, AHA will continue to provide an exemption from the MTW activity at a reasonable level and duration in accordance with its MTW policies.

Appeals

The family may request a second level review of the denied hardship by submitting a written appeal to the HCV Department. The appeal should contain any information the family would like to be considered during the appeal review including why the family believes the incorrect determination was made. A different staff member than the one making the original denial determination will review the appeal and make determination. The appeal will be reviewed and responded to within 14 days of the receipt of the second level appeal.

If the second review results in the same decision as the original request, the family may request an Informal Hearing according to the AHA's Information Hearing Procedures.

Notification of Residents

AHA will review its hardship policies with families at intake and reexamination processing. In addition, AHA will consider whether a family qualifies for a hardship exemption at the time of potential termination of assistance that is due to an MTW activity.

Record Keeping

AHA will maintain all records of hardship requests, determinations, and appeals for the duration of its MTW participation.

Records will be maintained in the SACS Database at Tenant Services and Counseling Sessions. Copies of all relevant forms shall be attached to the Counseling Session Attachment Tab. Records will be available for public review and inspection at the AHA Administrative Office and supplied to HUD if requested.

If you have any questions or require a reasonable accommodation in order to fully utilize Auburn Housing Authority's programs and services, please call (334) 821-2622, extension 221.