

# PUBLIC HOUSING AGENCY OF THE CITY OF SAINT PAUL

REPORT TO COMMISSIONERS

FROM JON M. GUTZMANN  
EXECUTIVE DIRECTOR

**REGARDING** Time Limits for Over-Income Households      **DATE** January 27, 2016  
In Public Housing; Triennial Recertifications;  
Admission and Occupancy Policies

Staff recommends approval of Resolution No. 16-01/27-01 to amend the Public Housing Admission and Occupancy Policies to formally adopt a time limit for an “over-income” family or an individual to remain in public housing, effective April 1, 2016. The Board gave preliminary approval to this policy on October 28, 2015 without setting an effective date, to allow time for discussion and comments. As suggested by Commissioners, staff has added proposed language to clarify the “hardship” exception. The recommended policy language is shown below and on the attachments, with deleted text ~~interlined~~ and new wording double-underlined. Staff also recommends adopting a policy for both Public Housing and the Housing Choice Voucher Program to allow triennial recertifications (at least once every three years) for elderly and disabled families with 90% of their income coming from fixed sources. Congress approved this option and other non-controversial housing law changes as the part of the Surface Transportation Act (Fixing America’s Surface Transportation; “FAST”) that passed on December 3, 2015.

## **Over-Income Families: Annual Reexaminations; Time Limits**

1. A family may not remain in public housing if their annual income as verified at two consecutive annual reexaminations exceeds the income limit for admission to public housing (HUD’s “Low Income” limit for the Twin Cities metropolitan area; approximately 80% of the Area Median Income).
2. If the family’s annual income exceeds the Low Income limit at the second annual reexamination, the PHA will extend the lease for not more than 90 days, at the family’s request, and there will be no further lease renewals, except as stated below.
3. Exemptions: The following families are exempt from the time limit stated above:

- a. Families in which one or more members are receiving the Earned Income Disregard (EID) on the effective date of the second annual recertification;
  - b. Families in which one or more members are participating in the Family Self-Sufficiency (FSS) program on the effective date of the second annual recertification;
  - c. A family whose head or spouse is a veteran or a member of the active armed services; and
  - d. A family whose only income is from Social Security.
4. Hardship exceptions: The PHA may extend or waive the time limit stated in this policy if enforcing it would impose an extreme hardship on one or more family members, for reasons such as the following:
- a. A change in household composition or a drop in income due to factors outside of the resident's control (such as place of employment going out of business);
  - b. Disability;
  - c. Serious illness or death of a household member.
5. Local Preference for Returning Families: A family or individual will receive preference on the public housing waiting list, if they reapply after having to move out of public housing due to being over-income for two consecutive annual reexaminations. To be eligible for re-admission, the family will have to meet the same economic and non-economic eligibility requirements as other applicants.
6. Annual Reexaminations for Families on Flat Rent: An annual reexamination will be required for families who have chosen to pay the flat rent, to identify any flat rent payer whose annual income crosses the Low Income threshold.

If approved, these policies would become revisions to the Public Housing Admission & Occupancy Policies (AOP; Parts 2 and 6) and noted in the next Agency Plan.

Staff sent a notice about the over-income policy (copy attached) to all households with their rent statements at the end of November, asking for comments to be submitted by the end of December. No written comments were received. Staff discussed the issue in meetings with the Resident Advisory Board (RAB), the Hi-Rise Presidents Council and the City-Wide Residents Council, and also explained it at the November 24, 2015 public hearing on the Agency Plan.

As stated in previous Board reports, the recommended policy would affect very few current residents. As of December 31, 2015, only 29 households had annual incomes above the Low Income limit and were not on Earned Income Disregard (EID) or Family Self-Sufficiency (FSS) (18 family and 11 hi-rise).

Triennial Recertifications. Staff is also recommending that the PHA adopt a policy revision for both Public Housing and the Housing Choice Voucher/Section 8 program allowing triennial (at least once every three years) recertifications of eligibility, income and rent amounts, for elderly and disabled families with 90% of their income coming from fixed sources. As stated above, Congress approved this option in legislation that passed on December 3, 2015. Staff believes that such a policy would reduce the inconvenience to elderly and disabled public housing residents and Section 8 participants who have to undergo such recertifications, and reduce the administrative burden on staff who conduct the recertifications, without significantly reducing the accuracy of income and rent determinations. HUD may issue guidance on this issue later but staff recommends changing the policy now, to begin considering the implementation process.

JMG/FAH/MW

Attachment: Income Limits  
Resolution No. 16-01/27-1  
Notice to Residents  
Public Housing AOP Part 6 Excerpts  
Public Housing AOP Part 2 Excerpts  
Section 8 AOP Part 6 Excerpt

## 2015 INCOME LIMITS

Household Size	TWIN CITIES AREA MEDIAN INCOME (AMI)	LOW INCOME (~80% OF MEDIAN)	Very Low (50%) Income	Extremely Low (30%) Income
1	\$60,700	\$46,100	\$30,350	\$18,200
2	\$69,300	\$52,650	\$34,650	\$20,800
3	\$78,000	\$59,250	\$39,000	\$23,400
4	\$86,600	<b>\$65,800</b>	<b>\$43,300</b>	<b>\$26,000</b>
5	\$93,600	\$71,100	\$46,800	\$28,410
6	\$100,500	\$76,350	\$50,250	\$32,570
7	\$107,400	\$81,600	\$53,700	\$36,730
8	\$114,400	\$86,900	\$57,200	\$40,890
9	\$123,552	\$93,852	\$61,776	\$44,161
10	\$133,436	\$101,360	\$66,718	\$47,694
11	\$144,111	\$109,469	\$72,056	\$51,510
12	\$155,640	\$118,226	\$77,820	\$55,630

**PUBLIC HOUSING AGENCY OF THE CITY OF SAINT PAUL  
RESOLUTION NO. 16-01/27-01**

**ADMISSIONS & OCCUPANCY POLICIES FOR PUBLIC HOUSING AND FOR THE  
HOUSING CHOICE VOUCHER/SECTION 8 PROGRAMS;  
LIMITING LENGTH OF STAY FOR OVER-INCOME FAMILIES IN  
PUBLIC HOUSING; TRIENNIAL RECERTIFICATIONS  
FOR ELDERLY AND DISABLED FAMILIES ON FIXED INCOMES IN  
PUBLIC HOUSING AND SECTION 8;  
AMENDMENTS TO AGENCY PLAN**

WHEREAS, the Public Housing Agency of the City of Saint Paul (PHA) has in effect Admission and Occupancy Policies for the Public Housing Program and Admission and Occupancy Policies for the Housing Choice Voucher/Section 8 Programs, both dated February 23, 2000 as amended; and

WHEREAS, as required by federal statute and regulations of the U.S. Department of Housing & Urban Development (HUD), the policies include provisions on initial and ongoing eligibility, including annual recertifications of eligibility and income, which has been a requirement; and

WHEREAS, HUD has encouraged local housing agencies to adopt policies limiting the length of stay in public housing for families whose incomes exceed the statutory limits for admission to public housing, which are HUD's "Low Income" limits set at approximately 80% of Area Median Income; and

WHEREAS, the Board finds that such a policy would further the PHA's mission by making more units available to families on the waiting list who have lower incomes and greater need for housing assistance; without imposing a hardship on the few "over-income" families who would be required to move out of public housing; and

WHEREAS, as the part of the Transportation Act ("Fixing America's Surface Transportation"/ "FAST"; P.L. 114-87) that passed on December 3, 2015 Congress granted housing agencies the option to conduct triennial recertifications (at least once every three years), instead of annual, for elderly and disabled families with 90% of their income coming from fixed sources; and

WHEREAS, staff believes that adopting such a policy would reduce the inconvenience to elderly and disabled public housing residents and Section 8 participants who have to undergo such recertifications, and reduce administrative burden on staff who must conduct the recertifications, without significantly reducing the accuracy of income and rent determinations; and

WHEREAS, staff has now recommended adopting a policy allowing such triennial recertifications; and

WHEREAS, the over-income policy change has been discussed with the Resident Advisory Board, the City Wide Resident Council and the Hi-Rise Presidents Council and the required notices have been provided to all residents; and

WHEREAS, the Board of Commissioners finds that the proposed revisions are necessary and appropriate to the administration of the Public Housing and Section 8 programs;

NOW THEREFORE BE IT RESOLVED by the Board of Commissioner of the PHA that the Admission and Occupancy Policies for the Public Housing Program and the Admission and Occupancy Policies for the Housing Choice Voucher/Section 8 Programs, both dated February 23, 2000 as amended, be further amended as follows:

1. The attached revisions to the policies on continued eligibility and recertifications are hereby approved, effective April 1, 2016; and
2. The PHA Agency Plan is hereby amended accordingly.