



ANN ARBOR HOUSING COMMISSION

Draft

**July 1, 2026 – June 30, 2027
One Year Annual Plan
And
MTW Supplement Plan**

Definitions and Acronyms

Administrative Plan: The policies and procedures that the Housing Commission has adopted, based on HUD and local regulations, that govern voucher programs.

CAN: Community Action Network. A nonprofit service provider located at the Northside Community Center. The AAHC contracts with CAN to directly serve public housing residents at Hikone and Green Baxter Courts. CAN also received a ROSS grant to serve all public housing residents become self-sufficient.

CSTS: Community Support and Treatment Services. Formerly Community Mental Health. The AAHC contracts with CSTS to provide services to residents primarily at Miller and Baker.

FMR: Fair Market Rent. HUD determines the Fair Market Rent by doing a rental market study and uses the 40th percentile of rental rates by unit size from the previous 2 years (not including new units and subsidized units).

FSS: Family Self Sufficiency program. A HUD program that encourages communities to develop local strategies to help voucher families obtain employment that will lead to economic independence and self-sufficiency.

FUP: Family Unification Program. A program under which Housing Choice Vouchers (HCVs) are provided to two different populations: 1. Families for whom the lack of adequate housing is a primary factor and 2. Youths who have attained at least 18 years and not more than 24 years of age and who have left foster care or will leave foster care within 90 days.

FYI: Foster Youth Initiative. A program which Housing Choice Voucher (HCV) assistance available to Public Housing Agencies (PHAs) in partnership with Public Child Welfare Agencies (PCWAs) to provide housing assistance on behalf of: Youth at least 18 years and not more than 24 years of age (have not reached their 25th birthday) who left foster care or will leave foster care within 90 days.

HAP: Housing Assistance Payment. A HAP contract is executed between the AAHC and a private landlord that has signed a lease with a Section 8 tenant so that the AAHC can pay the landlord a rent subsidy.

HCV: Housing Choice Vouchers. Formerly known as Section 8 vouchers. These vouchers are tenant-based vouchers unless they are specially designated as project-based vouchers. Tenant vouchers are attached to the tenant and provide a rent subsidy at whatever qualified unit a tenant moves to. Project based vouchers are attached to the unit so that any qualified tenant who lives in that unit, receives a rent subsidy.

HQS: Housing Quality Standard. A unit must be inspected to make sure that it meets the HQS standard before a unit is approved for a tenant with a Voucher.

MS5: Is a special purpose voucher program. Mainstream vouchers assist non-elderly persons with disabilities.

MTW: Moving to Work is a demonstration program for public housing authorities (PHAs) that provides them the opportunity to design and test innovative, locally designed strategies that use Federal dollars more efficiently, help residents find employment and become self-sufficient, and increase housing choices for low-income families.

NED: Non-Elderly Disabled. Housing Choice Vouchers (HCVs) awarded under different special purpose voucher program types to serve Category 1 vouchers non-elderly persons or families with disabilities to access affordable housing on the private market.

PEACE: Peace Neighborhood Center. A nonprofit service provider located on North Maple Road. The AAHC contracts with Peace to directly serve public housing residents at Maple Meadows and North Maple Estates.

PIC: HUD's inventory management system that the AAHC must report to HUD the inventory, condition, and occupancy of the public housing units.

PHA: Public Housing Authority. i.e Ann Arbor Housing Commission

PHAS: Public Housing Assessment System. HUD uses 10 indicators (such as occupancy rate, and accounts receivable from tenants) to monitor and rate Public Housing Authorities across the nation for their public housing properties.

PNA: Physical Needs Assessment. Conducted by an outside contractor to provide a guide to the AAHC on the physical condition of the buildings, the life expectancy of building features such as the roof or boiler, as well as the replacement cost.

ROSS-SC: Resident Opportunity and Self Sufficiency Service Coordinators. This three-year HUD grant will support the AAHC's tenants to earn skills, find employment and become self-sufficient.

SEMAP: Section Eight Management Assessment Program. HUD uses 15 indicators (such as HQS inspections, occupancy rate, and rent reasonableness) to monitor and rate Public Housing Authorities across the nation for their voucher programs (previously Section 8).

VASH: Veterans Affairs Supportive Housing. The special purpose voucher program combines HUD's Housing Choice Voucher (HCV) rental assistance for homeless Veterans with case management and clinical services provided by the Department of Veterans Affairs (VA).

City of Ann Arbor Housing Commission			
TOTALS			
Location	Yr Built	# of Units	Addresses
Baker Commons (RAD PBV)	1980	64	106 Packard
Broadway Terrace (PBV)	1956	20	1504 - 1506 Broadway
Garden Circle (Turnkey)	1971	1	2072 Garden Circle
Green Baxter Court (RAD PBV)	1970	23	1701 - 1747 Green Road
Hikone (RAD PBV)	1970	29	2702 - 2760 Hikone
Hillside Manor (PBV)	1996	6	1020 - 1042 Pennsylvania
Creekside (RAD PBV)	2021	32	3421 - 3429 Platt
Mallett's Creek (PBV)	1996	6	2670 -2680 South Main St
Maple Meadows (RAD PBV)	1970	29	800 - 890 South Maple
Miller Manor (RAD PBV)	1971	106	727 Miller
North Maple Estates (RAD PBV)	2016	42	657 - 741 North Maple
North Maple Duplexes (PBV)	1998	4	743 - 749 North Maple
Oakwood (PBV)	1969	3	3565 - 3685 Oakwood
South Seventh (PBV)	1969	8	221 - 253 S. Seventh
Upper Platt (Colonial Square)	1964	5	3681 -3689 Platt
West Washington (PBV)	1969	2	805 - 807 W. Washington
White/State/Henry (RAD PBV)	2021	32	1510 White, 1527 State, & 705 Henry
Lurie Terrace (Senior Housing)	1964	136	600 W. Huron
Siller Terrace	1962	16	1474-1484 Liberty, 1540-1582 Siller, & 528 Virginia
Summation		564	

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Plan Attachment

Section B.1 Element Proposed Changes

Statement of Housing Needs and Strategy for Addressing Housing Needs.

- A. **Housing Choice Voucher Waiting List.** The AAHC currently has the following preferences: persons with a disability, resident or works in Washtenaw or Monroe County, and a limited preference for homeless households. AAHC last opened its HCV waiting list on August 3, 2020; we received over 3,300 applications. AAHC has established a separate waiting list for the Mainstream Voucher program. We accepted applications from May to July 2025 of households qualified for households with a disabled adult between the ages 18-61. The waiting list was marketed to HCV waiting list applicants only. Below are the waiting list demographics as of 11/19/25:

HCV Waiting List

White	684
Black	2658
Asian	26
American Indian	17
Pacific Islander	3
Multiple Race	295
No Identification	0
Hispanic	143
Non-Hispanic	3540
Female	2975
Male	708
Elderly (Age 62 and older)	436
Disabled	625
Homeless	1401

Mainstream Voucher

White	225
Black	514
Asian	13
American Indian	7
Pacific Islander	0
Multiple Race	66
No Identification	0
Hispanic	38
Non-Hispanic	787
Female	558
Male	267
Elderly (Age 62 and older)	10
Disabled	815
Homeless	226

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- B. **Project Based Voucher Waiting List:** The AAHC currently has the following preferences: persons with a disability, resident or works in Washtenaw or Monroe County, seniors and a limited preference for homeless households. AAHC manages some site-based waiting lists and a combined waiting list for its PBV program and RAD PBV program. In October 2024, AAHC opened the PBV/RAD PBV waitlist for four (4) and five (5) bedroom units. In October 2024, the AAHC opened the site-based Charring Square Waiting List in Monroe County for one (1) and three (3) bedroom units. AAHC has an open waiting list for senior housing developments, Lurie Terrace and Courthouse Square. Below are the waiting list demographics as of 11/19/25:

PBV Waiting List

	Charring	Lurie	Courthouse	RAD PBV
White	145	262	301	349
Black	643	189	285	1425
Asian	5	14	14	14
American Indian	6	4	6	9
Pacific Islander	1	0	0	2
Multiple Race	82	23	33	169
No Identification	0	0	0	1
Hispanic	33	17	23	70
Non-Hispanic	849	475	616	1899
Female	698	285	377	1648
Male	184	207	262	321
Elderly (Age 62 and older)	39	479	411	144
Disabled	161	8	159	311
Homeless	516	150	228	758

Administrative Plan Policies

Chapter 6. OVERVIEW OF RENT AND SUBSIDY CALCULATIONS: Minimum Rent

AAHC administers the Housing Choice Voucher (HCV) program in accordance with HUD regulation and MTW Operation Notice. The agency may set a minimum rent that is higher than allowed under current statute and regulation not to exceed \$130 per month. AAHC will set the following minimum rent at \$130. Minimum rent will be \$50 for elderly and disabled families. Minimum rent will be \$0 for homeless applicants who have zero-income.

Chapter 11 – Annual Reexaminations

AAHC administers the Housing Choice Voucher (HCV) program in accordance with HUD regulation and MTW Operation Notice. The PHA must conduct a reexamination of family income and composition at least every three years. The agency must allow at least one interim adjustment per year at the request of the household, if the household's gross income has decreased 10% or more. AAHC will perform a reexamination of family income and composition biennially or every other year after initial admission to the program.

Chapter 15 – Special Housing Types

AAHC administers Homeownership special housing type voucher assistance. AAHC has amended its policy to ensure that participants in the HCV Homeownership program who are not exempt due to age or disability maintain the financial stability and earned income necessary to support the long-term sustainability of homeownership. This requirement aligns with the program's goal of fostering self-sufficiency.

This requirement applies to all households receiving HCV homeownership assistance where the head of household, spouse, or sole member is **not** elderly (age 62 or older) or disabled. Non-elderly, non-disabled participants must maintain full-time employment, defined as not less than an average of 30 hours per week. One or more adult members who own the home must collectively meet this requirement. Self-employment can be counted toward this requirement. The family must also continue to meet the minimum income requirements for the program as established by HUD and the PHA.

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Financial Resources:

2026 Planned Financial Sources and Uses		
<i>Federal Sources</i>	<i>Planned (Est.)</i>	<i>Planned Uses</i>
Moving to Work Housing Choice Voucher Housing Assistance Payments (HAP) & Admin Fees	\$20,125,900	HCV and PBV HAP & Admin Expenses
EHV/VASH/FUP Housing Choice Voucher Housing Assistance Payments (HAP)	\$2,900,000	EHV/VASH/FUP HAP
EHV/VASH/FUP Admin Fees	\$300,000	EHV/VSH/FUP Admin Expenses
Mainstream Voucher Program Housing Assistance Payments (HAP)	\$2,750,000	HAP Expenses
Mainstream Voucher Admin Fees	\$290,000	Administrative Expenses
Family Self-Sufficiency	\$244,000	Family Self-Sufficiency Program
Other (Fraud Recovery)	\$118,000	Voucher Programs and Central Office
Capital Funds and Operating Funds for Turnkey III	\$7,800	Garden Circle (MI064000100)
Other Federal Grants	\$1,000,000	Affordable Housing Development
<i>NON-FEDERAL SOURCES (LIST BELOW)</i>		
City of Ann Arbor General Fund	\$160,000	Voucher Administration, Central Office
Affordable Housing Millage	\$6,907,000	Affordable Housing Development, Tenant Serv ices, and Administrative Expenses
Mental Health Millage Rebate	\$1,128,000	Tenant Services and Administrative Expenses
Other Revenue	\$4,593,478	Tenant Services and Administrative Expenses & Affordable Housing Development
<i>Total Resources</i>	<i>\$40,524,178</i>	

Section Annual Plan B.2 New Activities and Five-Year Plan Goals and Objectives

Rental Assistance Demonstration (RAD) Project-Based Vouchers: AAHC has requested a waiver from HUD to accept otherwise eligible Zero Housing Assistance Payment (HAP) families as new admission. HUD requires project-based voucher (PBV) families generate a housing assistance payment during initial leasing. The regulations states that families moving into PBV units must have HAP assistance at the point of move-in. The regulation excluded in-place families for the RAD PBV program. However, PHAs have the option to extend this exclusion in circumstances where low RAD PBV rents may prohibit a significant number of otherwise eligible families on the waiting list from being admitted to the project because they do not require subsidy, and which could consequently create an undue concentration of poverty at the project compared to non-RAD PBV projects. By implementing this regulation AAHC will increase housing opportunities to families and disrupt concentrated poverty at its sites. Upon HUD approval, AAHC will admit otherwise eligible families and to allow the units those families occupy to remain under the HAP contract even if AAHC has not paid HAP for the family in 180 days.

Moving to Work: AAHC was designated as a Moving-To-Work (MTW) agency in January 2022. MTW is a demonstration program for Public Housing Authorities (PHAs) to design strategies to help residents find or increase employment, become financially self-sufficient and increase housing opportunities for low-income households. The MTW program allows the AAHC more flexibility with how voucher program funds are administered. AAHC was selected for the MTW Landlord Incentives Cohort. AAHC will use the exemption allowed under MTW to establish strategies to increase and continue landlord participation on the HCV program and increase the successful lease-up and long-term housing stability of voucher participants. The MTW program objectives are to reduce costs, give households incentives to achieve economic self-sufficiency, and to increase housing choice. The intent is to serve the same number of low-income families as without MTW funding flexibility. The AAHC will continue to serve a mixture of family sizes. The AAHC will ensure that 75% of the families assisted will have incomes at or below 30% of area median income. All assisted units will continue to meet housing quality standards (HQS), or NSPIRE, once implemented by HUD. Finally, the AAHC has establish a reasonable rent policy that will encourage self-sufficiency for participating families.

Garden Circle Turnkey III Section 18 Repositioning: The AAHC owns a single-family home on Garden Circle, Ann Arbor MI, that was acquired through HUD's Turnkey III lease to ownership program under the Public Housing program. The Turnkey III program no longer exists and the families that have lived in this home have not been able to purchase the property., including the current resident. The AAHC will dispose of the property through the Section 18 Demo/Dispo repositioning process. as a small PHA. The property will be sold for \$1 to the Ann Arbor Housing Development Corporation, a Michigan non-profit created by the AAHC. Under the Section 18 process, the existing resident must be re-screened for eligibility under the Voucher Program to qualify for a tenant protection voucher. The AAHC offered the current resident the option to continue living at Garden with a project-based voucher or move with a tenant-based voucher, if qualified. A Section 18 application was submitted to the SAC in June 2024 and the property will be sold to the AAHDC as soon as HUD approves the transaction.

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Staff held several meetings with the resident between March 2023 and November 2023. If there are any public housing funds in the fund balance after deducting the reasonable and necessary costs of disposition, the fund balance will be returned to HUD.

Faircloth to RAD: the AAHC has 3 additional units under the Faircloth regulations that can be developed under the RAD conversion process. However, the AAHC will close out its public housing program after Garden is sold.

New Development: The Ann Arbor City Council passes a resolution to support an analysis of city-owned properties to determine if they are financially feasible to develop as affordable housing. The analysis was completed by the AAHC, and 10 properties were identified as good locations for affordable housing development. Each site is unique and will have a separate plan for its development. Properties were analyzed based on zoning, regulatory restrictions, environmental conditions, and eligibility for HUD and LIHTC funding. The AAHC spent 2 years on community engagement to understand the priorities of the community and to start discussing site concepts. The properties are in various stages of development and will be owned by separate legal entities. The City of Ann Arbor passed an affordable housing millage for 1 mil for 20 years, which will raise about \$7 million annually. It is anticipated that the millage will support the development (new construction, acquisition, and renovation) of approximately 1500 new affordable housing units for households up to 60% of the Area Median Income (AMI). The millage also allows for up to 20% of the funds to be used for tenant supportive services. The millage is a key component of the development strategy for the 10 city-owned properties to provide gap financing and tenants service funding.

Section B.3. Annual and Five-Year Plan Progress Report

Please see the 4 goals from FY20 – FY24 Plan with a progress report for each goal

- 1) Complete Redevelopment of all public housing units to Project Based Vouchers through the Rental Assistance Demonstration (RAD) project. Close-out Public Housing Program.

The AAHC was approved by HUD to redevelop all its public housing to project-based vouchers under the RAD program. Phases 1, 2, 3, 4, & 5 are completed. HUD has approved the conversion for Garden Circle the single-family Turnkey III home property. We are currently working with HUD to convert the property to the Project-Based Voucher program.

- 2) Preservation of RAD-converted properties

Through the RAD conversion program, AAHC demolished and built new housing at 3 former public housing properties. A total of 58 new apartments were added through the RAD conversion process. Phase 1, Miller Manor, was redeveloped with three (3) additional apartments. Phase 3 at N. Maple added 23 apartments. Phase 4 at Lower Platt (now known as Creekside Court) added 28 apartments and White/State/Henry (now known as State Crossing) added 4 apartments.

Continue to reinvest in existing RAD-converted properties to preserve this affordable housing.

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3) Project-Based Voucher:

Increase the number of Project-Based Vouchers in the City of Ann Arbor and other communities in Washtenaw County that have a strong economic base and public transportation. AAHC projects that approximately 200 vouchers will be converted to project-based vouchers by FY29.

- a. Statement of need Consistent to PHA Plan: AAHC will project-base up to 30% of the AAHC's budget authority to de-concentrate poverty and expand housing and economic opportunities for very low-income, homeless, and special needs households in the City of Ann Arbor and other high opportunity areas in Washtenaw County. The AAHC prioritizes PBV on Permanent Supportive Housing units. These activities are consistent with the AAHC's 5-year and Annual Plan as well as AAHC's mission.

4) Increase supportive housing for senior and residents with complex needs spanning from homelessness, mental illness, substance use disorders, and/or other physical/mental disabilities.

- a. Invest in senior housing through development and/or redevelopment
- b. Increase support services for tenants in affordable housing and voucher program
- c. Through community partnerships
- d. Additional funding sources
- e. Continue to work with partners and provide support to eligible families

Continuum of Care (CoC)

The AAHC is a board member of the Continuum of Care and will continue to partner with other CoC agencies to provide housing and services to homeless households. The AAHC currently has a partnership with Avalon Housing and Ozone House to provide housing and services to chronically homeless individuals and families through the HUD Continuum of Care program. A minimum of 59 of these households will be housed at AAHC properties and Avalon and Ozone House provide on-site services. These funds have enabled Avalon to provide 24/7 services at Miller Manor.

Support Service HCV Eviction Prevention

The AAHC is partnering with SOS to provide eviction prevention and voucher program termination prevention for AAHC voucher program participants. The coordinated support service allows assist families to lease up in Ann Arbor and resolve landlord/tenant issues such as securing funds to avoid eviction and/or assistance with securing funds for outstanding utility bills and were able to retain their housing. AAHC will continue contracting services with SOS to provide voucher families assistance in maintaining their assistance.

Support Service On-site PBV

The AAHC contracts with Avalon Housing, Peace Neighborhood Center, Community Action Network, Ozone House, and Huron Valley PACE to provide on-site services for tenants at properties owned and managed by the AAHC and its affiliated legal entities.

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Additional Voucher Support Services

The AAHC is partnering with Avalon Housing and Michigan Ability Partners to assist AAHC voucher waitlist applicants lease up successfully and to provide ongoing support services.

Also, AAHC administers the Rising Hope program. Rising Hope assist housing choice voucher participants who have been impacted by the criminal justice system. Participants receive supportive services aimed to help families maintain their housing assistance. AAHC partners with several agencies to ensure family's needs are met.

Family Unification Program (FUP)

The AAHC is partnering with the Michigan Department of Health and Human Services (MDHHS), Washtenaw County Continuum of Care (CoC), and Ozone House to provide housing assistance to 32 families for the HCV Family Unification Program. AAHC continues to provide housing to eligible families.

The Family Unification Program (FUP) is a program under which Housing Choice Vouchers (HCVs) are provided to two different populations: Families for whom the lack of adequate housing is a primary factor in: the imminent placement of the family's child or children in out-of-home care, or the delay in the discharge of the child or children to the family from out-of-home care. In addition, Eligible youths who have attained at least 18 years and not more than 24 years of age and who have left foster care, or will leave foster care within 90 days, and is homeless or is at risk of becoming homeless at age 16 or older.

In addition to rental assistance, supportive services must be provided by the MDHHS to FUP youths for the entire 18 months in which the youth participate in the program; examples of the skills targeted by these services include money management skills, job preparation, educational counseling, and proper nutrition and meal preparation.

Non-Elderly Disabled Mainstream Voucher (NED)

The AAHC is partnering with 11 agencies to administer the NED Voucher program, all of whom serve persons with disabilities as a cornerstone of their non-profit mission or public agency purpose. AAHC administers 251 Mainstream vouchers.

NED HCVs enables non-elderly disabled families to lease affordable private housing of their choice. NED vouchers also assist persons with disabilities who often face difficulties in locating suitable and accessible housing on the private market. The target population for the NED program are any household that includes one or more non-elderly person with disabilities.

In addition, eligible families included non-elderly persons with disabilities who are transitioning out of institutional or other segregated settings, at serious risk of institutionalization, currently experiencing homelessness, or those at risk of experiencing homelessness.

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Emergency Housing Vouchers

AAHC received an award for the Emergency Housing Vouchers (EHV) effective July 1, 2021. The Emergency Housing Voucher (EHV) program is available through the American Rescue Plan Act (ARPA). Through EHV, AAHC assist individuals and families who are homeless, at-risk of homelessness, fleeing, or attempting to flee, domestic violence, dating violence, sexual assault, stalking, or human trafficking, or were recently homeless or have a high risk of housing instability.

Although, AAHC currently administers 26 EHV to eligible families. The EHV program is ending gradually as federal funds, provided through the American Rescue Plan, are used up. funding is estimated to deplete by late 2026. AAHC is working to transition EHV families into the traditional HCV program.

Foster Youth Initiative (FYI) Vouchers

AAHC received an award of 6 Foster Youth Initiative Vouchers (FYI) effective October 16, 2024. FYI provides housing choice vouchers (HCVs) for youth aged 18-24 exiting foster care. HUD makes FYI vouchers available to PHAs as needed, with specific funding notices released periodically for new or expanded participation. Youth can often extend the term of their housing assistance by enrolling in Family Self-Sufficiency (FSS) program or similar initiatives, making the support last longer.

In addition to rental assistance, supportive services must be provided by the MDHHS to FUP youths for the entire 18 months in which the youth participate in the program; examples of the skills targeted by these services include money management skills, job preparation, educational counseling, and proper nutrition and meal preparation.

Additional Vouchers

AAHC applied for 6 addition FUP vouchers in October 2024, however the application to HUD was not approved. On January 6, 2025, AAHC was awarded 41 vouchers for the administer for eligible VASH families.

HUD HCV Administrative Fee Support

Due to a competitive rental market around the country, it's increasingly becoming necessary to help families lease units. As a result, HUD revisited its current guidance on the eligible uses of administrative fees allowing PHA's to expanding such activities to cover costs that encourage housing stability for participants. To ensure success, AAHC administers funds directly to our partners that provide services to participating families that fit their specific needs.

Administrative activities also include housing search assistance activities such as pre-move counseling, helping a family identify and visit potentially available units during their housing search, helping a family find a unit that meets the household's disability-related needs, providing transportation and directions, and assisting with the completion of rental applications. These activities also include post-lease up activities often related to housing search assistance efforts, such as post-move counseling and landlord/tenant mediation. These activities cover HCV owner recruitment and outreach activities, including the costs associated with materials or webpages specifically geared to owners, as well as landlord liaison staff and associated expenses.

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City of Ann Arbor General Fund Support

The City of Ann Arbor provides annual funding for resident supportive services through a variety of programs contracted to local non-profit service providers.

Section Annual Plan C.1 and Five-Year Plan C.2: Resident Advisory Board Comments

The Resident Advisory Board (RAB): *December 3, 2025 at 5:00 pm*

This meeting will focused on the AAHC's Annual Plan and Agency Five Year Plan. Other topics included: MTW Supplement Plan; Biennial Annual Recertifications, Minimum Rent Increase, and Elimination of Utility Reimbursement Payments, Alternative, and Modified Tenant Total Payment, Elimination of deductions,

ATTENDEES:

DISCUSSION: