

Exhibit 2-2

Meet Income Eligibility Requirements

At the time of admission, a family must meet HUD's Income Limit for their family size. The family's gross annual income and number of family members (including unborn children if expecting, or children in the process of adoption) determine whether the family meets the limit. See Chapter 3 to determine a family's gross annual income. See Exhibit 2-1 for the definition of family.

2-2.1 INCOME LIMIT CATEGORIES

Annually, HUD publishes revised income limits in the *Federal Register*. They are located on the Internet at <http://www.huduser.org/portal/datasets/il.html>. Listed below are the income limit categories that determine Housing Choice Voucher program eligibility. See Exhibit 1-4 for federal poverty levels.

2-2.1.A Extremely Low Income Limit

This definition was changed in HUD's 2014 Appropriations Act¹. These are set at 30 percent of the area median income or the federal poverty level, whichever is higher.

2-2.1.B Very Low Income Limit

These are set at 50 percent of the area median income. Family income of applicants and newly admitted participants must equal or fall below this income limit.

2-2.1.C Low Income Limit

These are set at 80 percent of the area median income. The low income limit is used for families whose income is above the Very Low-Income limit, but who are only considered to be eligible for assistance in the following instances:

1. Continuously assisted under the Public Housing or Voucher programs. See Chapter 2 for the continuously assisted definition.
2. A low-income family that meets additional eligibility criteria specified in AHFC's Administrative Plan (there are no provisions for these families at this time).
3. Non-purchasing households in the HOPE 1, HOPE 2, or other HUD-assisted multifamily home ownership programs covered under 24 CFR 284.173.
4. Displaced as a result of the prepayment of a mortgage or voluntary termination of a mortgage insurance contract.

¹ Title II of Division L of Public Law 113-76, 128 Stat. 5, approved January 17, 2014. Published in the Federal Register on June 25, 2014.

2-2.2 INCOME TARGETING

Income targeting (24 CFR 982.201) ensures that, during the calendar year, at least 75 percent of newly admitted families fall within the extremely low-income limit. If extremely low admissions to AHFC's voucher program exceed 75 percent, such excesses may be credited toward the public housing extremely low income admissions requirement during the same fiscal year (24 CFR 960.203). See the regulation for limitations.

Under the Moving to Work Agreement, Section II.D, AHFC is required to ensure that at least 75 percent of the families assisted are very low-income families. New admissions do not include continuously-assisted families, families that move their voucher from one AHFC community to another, or ports into Alaska from other housing authorities.

As part of the monthly process, Central Office monitors admissions to ensure the target number of extremely low-income families is met. This information is found in the "Move-ins Based on Median Income" report. Central Office reviews income targeting percentages mid-year to ensure compliance with the federal requirement. If it is clear that AHFC will not meet the income-targeting requirement by the end of the year under review, AHFC may:

1. Suspend the current selection procedures.
2. Calculate the number of applicants needed to comply.
3. Reassign the waiting list to rank it by income and date/time of application.
4. Offer assistance to the number of applicants needed to fulfill the requirements.
5. Issue the voucher for 120 days.
6. Resume the current selection procedures when the income target is met.
7. With HUD approval, AHFC may also seek a waiver to admit a lower percentage of extremely low-income families.

Forms

None

Administrative Desk Manual

None