



# TACOMA HOUSING AUTHORITY

## RESOLUTION 2020-06-24 (2)

**Date:** June 24, 2020  
**To:** THA Board of Commissioners  
**From:** Michael Mirra  
Executive Director  
**Re:** Approval to Amend THA's 2020 MTW Plan

*This resolution would authorize Tacoma Housing Authority's (THA) Executive Director to submit to HUD an amendment to Tacoma Housing Authority's 2020 Moving to Work (MTW) Plan.*

### Background

THA's portfolio includes units with Low-Income Housing Tax Credits (LIHTC) combined with Section 8 Project-Based (PBV) assistance. THA's PBV/LIHTC units are subject to the requirements and restrictions under both programs. The proposed MTW amendment is to specifically address the student eligibility requirements under both programs which have different criteria for determining a student's eligibility for initial and ongoing assistance. This change would waive the HUD PBV requirements and restrictions. THA cannot change the LIHTC requirements and restrictions.

It was identified during an Arlington Youth Campus (AYC) planning session that the student rule imposed an unnecessary barrier for admission and future program participation. Ideally, AYC applicants or residents would not be denied or terminated for being a student, but THA does not have the flexibility to exempt them from the LIHTC student rule.

However, THA may request Housing and Urban Development (HUD) approval to waive HUD's student eligibility rules. Doing this would eliminate the additional barrier requiring students to meet two sets of eligibility criteria. The proposed MTW amendment also seeks HUD's approval to apply this waiver for all of THA's owned and managed PBV/LIHTC units to ensure property and program consistency.

Both HUD and LIHTC have implemented a set of criteria to limit a student's eligibility to live in the assisted housing. The primary purpose is to address incidents of children of wealthy parents receiving federal housing assistance. The following table provides a comparison of the student eligibility requirements for HUD and LIHTC programs.



	HUD	LIHTC
	If all three are true, student rule applies:	
Household Composition	Independent Students (applying for assistance on their own)	Any student(s) in household
Enrollment Status	Full and part-time	Full-time
Educational Institutions	Higher-ed (excluding graduate school and job training programs less than one year)	All educational institutions (excluding job training programs)
	If at least one is true, student rule <u>does not</u> apply:	
Household Composition	If student is a member of their parents' household	If student is a member of an otherwise eligible household
Age Exemptions	24 years and older (or emancipated minors)	No age exemptions
Family status Exemption	Students with a spouse or dependent(s) are exempt	Same as HUD
Veteran/Active Duty Exemption	Yes	No
Foster Care Exemption	Is involved, or was involved at any time since the age of 13	Involved at any time
Homeless/Unaccompanied Youth Exemption	Yes	No
Recipient of Benefits Exemption	No	Students are exempt if they are receiving benefits under Title IV of SSA (e.g. TANF)
	Other student eligibility requirements:	
Frequency of Verification	Student eligibility must be re-verified at annual recertifications.	Students must always meet eligibility requirements.
Ongoing Eligibility	If found ineligible but in good standing, the family may stay in the unit and pay market rent.	If found ineligible the household must vacate the LIHTC unit.
International Students	Ineligible, unless a member of an otherwise eligible household then rent is prorated.	Must be a member of an otherwise eligible household.
Other	If student does not meet any of the above, then they must income-qualify based on their and their parent's income.	No other provisions or exemptions.

The student eligibility requirements offer opportunities for students who are truly in need to be eligible



for assistance. At face value, having two sets of criteria should further ensure that only students in need would qualify for assistance. However, the LIHTC student eligibility requirements are more restrictive than HUD's and it is highly unlikely that a student would be eligible under LIHTC, but not HUD.

### **Recommendation**

Approve Resolution 2020-06-24 (2) authorizing the Executive Director to submit an amendment to the Housing Authority of the City of Tacoma's Fiscal Year 2020 Moving to Work Plan.





# TACOMA HOUSING AUTHORITY

## **RESOLUTION 2020-06-24 (2)** **(Approval to Amend THA's 2020 MTW Plan)**

A **RESOLUTION** of the Board of Commissioners of the Housing Authority of the City of Tacoma

**WHEREAS**, The MTW Plan is required by HUD; and

**WHEREAS**, The purpose of the MTW Plan is to establish local goals and objectives for the fiscal year; and

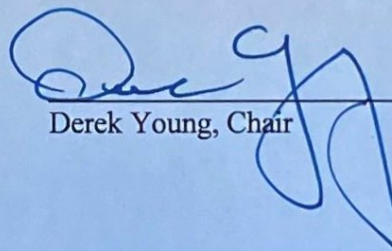
**WHEREAS**, THA seeks to remove unnecessary barriers for students applying for assistance within THA's portfolio; and

**WHEREAS**, Amendments to the MTW Plan must be approved by the THA Board of Commissioners; now, therefore, be it

*Resolved by the Board of Commissioners of the Housing Authority of the City of Tacoma, Washington as follows:*

THA's Executive Director is authorized to submit this amendment to THA's 2020 MTW Plan.

**Approved: June 24, 2020**

  
Derek Young, Chair