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To: CDBG, HOME, HOPWA, NSP 1 & NSP-3 Awardees & Staff

From: Lolita S. Collins, Grants Services Manager, OATS

Date: June 29, 2020

SUBJECT: Federal Policy Update- FY 2020 Income Limits for CDBG, HOME, HOPWA, and NSP

The U.S. Department of Housing and Urban Development (HUD) has announced that the  [2020 Community Planning and Development (CPD) Income Limits](https://gcc01.safelinks.protection.outlook.com/?url=https%3A%2F%2Fhudexchange.us5.list-manage.com%2Ftrack%2Fclick%3Fu%3D87d7c8afc03ba69ee70d865b9%26id%3D6bb51ee1d9%26e%3Dff807d1c3b&data=02%7C01%7Clscollins%40atlantaga.gov%7C0a68db2cdfd34d12231408d6cf22c84a%7C031a550af1f34b629c643ef02c7798a5%7C0%7C0%7C636924145643318503&sdata=i1s%2F0LEjgGTC44LhIpGSmeDiuWJzyCv%2Fv3MiJ7A58ao%3D&reserved=0). The-income limits are used in connection with Community Development Block Grant (CDBG), CDBG Disaster Recovery Assistance (CDBG-DR), HOME Investment Partnerships Program (HOME), Housing Opportunities for Persons With AIDS (HOPWA, Section 108 Loan Guarantee Program and Neighborhood Stabilization Program (NSP)- all rounds.

**Requirement:** The program mandates that all beneficiaries of CDBG, HOME, HOPWA and NSP assistance qualify as low income that do not exceed 80% and for NSP only, moderate income and/or middle income with annual incomes *120% of the median income for* the City of Atlanta MSA (adjusted for family size).

**Effective Date:** The effective date is by **July 1, 2020** and remain in effect until HUD issues new limits. Please note that the income calculator has not yet been updated with the FY 2020 income limits. Users should be aware that the FY 2019 income limits in place will continue to be used until the calculator is updated on July 1, 2020. A separate listserv will be sent once the calculator has been updated.

**Actions to be taken:**

All program recipients are required to sell or rent their federal funded units or assist households that meet the federal program’s income limits in effect at the time of service. Documentation certifying income eligibility is required to be maintained for all properties to ensure compliance. *All Developers, Non-Profits, Project Sponsors and Sub-recipients are required to update all of their program participants or marketing material to reflect the new income limits.*

HOME Program Only: Family sizes in excess of 8 persons are calculated by adding 8% of the four-person income limit for each additional family member. That is, a 9-person limit should be 140% of the 4-person limit, the 10-person limit should be 148%. In addition, the HOME income limit values for large households (9-12 persons) must be rounded to the nearest $50. Therefore, all values from 1 to 24 are rounded down to 0, and all values from 25 to 49 are rounded up to 50.

**ESG :** HUD released the FY 2020 ESG Income Limits, effective April 1, 2020. These are 30% Income Limits, calculated with high and low housing cost adjustments, state non-metropolitan minimum but without the increases for poverty guidelines in the Section 8 Extremely Low Family Incomes. When working with ESG program income limits, please be aware of the following key points:

* Extremely Low Income vs. Area Median Income Limits. The “Extremely Low Income (ELI) families" limits do NOT apply to the ESG or Continuum of Care (CoC) programs. ESG does not use the ELI measure to establish income limits but instead uses the 30% of Area Median Income (AMI) income limits. Please use the 30% of AMI tables. If ESG recipients/subrecipients were to use the ELI standard, some applicants for ESG assistance might be falsely determined to be eligible for homelessness prevention assistance, when actually their incomes were over 30% of AMI.   
  Under the ESG program, income eligibility is based on the HUD income limits in effect at the time of income verification. Income eligibility is not based on HUD income limits that correspond with the grant year under which the ESG funds were awarded.
* Homelessness Prevention Income Requirements. The ESG Program interim rule limits eligibility for homelessness prevention assistance to individuals and families with incomes below 30% of AMI at intake and incomes that do not exceed 30% of AMI at re-evaluation, which must take place not less than once every 3 months.

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| --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | **Household Size** | | | | | | | |
| Atlanta MSA  **$82,700**  **Area Median Income** | **1**  **Person** | **2**  **Persons** | **3**  **Persons** | **4**  **Persons** | **5**  **Persons** | **6**  **Persons** | **7**  **Persons** | **8 persons** |
| **30% AMI (Extremely low)** | 17,400 | 19,850 | 22,350 | 24,800 | 26,800 | 28,800 | 30,800 | 32,750 |
| **50% AMI (Very Low)** | 28,950 | 33,100 | 37,250 | 41,350 | 44,700 | 48,000 | 51,300 | 54,600 |
| **60% AMI (Lower)** | 34, 740 | 39,720 | 44,700 | 49,620 | 53,640 | 57,600 | 61, 560 | 65,520 |
| **80% AMI (Low)** | 46,350 | 52,950 | 59.550 | 66,150 | 71,450 | 76,750 | 82,050 | 87,350 |
| **120% (Moderate) NSP only** | 69,450 | 79,400 | 89,300 | 99,250 | 107,200 | 115,100 | 123,050 | 131,000 |  |  |  |  |  |  |

***NOTE: HUD also has published the HUD 2020 limits specifically for the Public Housing, Section 8 project-based, Section 8 Housing Choice Voucher, Section 202 housing for the elderly, and Section 811 housing for persons with disabilities programs. Please visit*** [***https://www.huduser.gov/portal/datasets/il.html***](https://www.huduser.gov/portal/datasets/il.html) ***for a copy of these limits. These HUD published limits are different than those in the chart above.***

**Resources**

CDBG: https://www.hudexchange.info/resource/5334/cdbg-income-limits/

ESG: https://www.hudexchange.info/resource/5079/esg-income-limits/

HOME: https://www.hudexchange.info/programs/home/home-income-limits/

HOPWA: https://www.hudexchange.info/resource/5332/hopwa-income-limits/

NSP: <https://www.hudexchange.info/resource/3680/nsp-income-limits/>

All programs: https://www.hudexchange.info/news/hud-publishes-income-and-rent-limits/

Cc:

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