Deconcentration of Poverty and Income Mixing

Covered Developments- 24 CFR 903.2 (b)
Developments subject to deconcentration are referred to as “covered developments” and include general occupancy public housing developments.

Royal View Manor is the only covered DMMHA development.

The following developments are not subject to deconcentration and income mixing requirements:
1. RHF, 5h, & Dispo (developments with fewer than 100 public housing units)
2. East View Manor, South View Manor, Oak Park, & Highland Park (Elderly designated development)

**see attached e-mail confirmation from DMMHA’s HUD representative supporting this assessment

Steps for Implementation- 24 CFR 903.2 (c) (1)
To implement statutory requirement to deconcentrate poverty and provide for income mixing in covered developments, DMMHA must comply with regulatory steps for implementation.

1. Determine the average income of all families residing in all DMMHA covered developments. 24 CFR 903.2 (c) (1) (i)

   Royal View Manor average income on 01/31/2020: $10,274.64

2. Determine the average income of all families residing in each covered development. 24 CFR 903.2 (c) (1) (ii)

   Royal View Manor average income on 1/31/2020: $10,274.64

3. Determine whether each covered developments fall within, above or below the Established Income Range (EIR). The EIR covers the range of 85% to 115% of the average family income determined in step 1. 24 CFR 903.2 (c) (1) (iii)

   EIR= $8,733.45 to $11,815.84

   The upper limit of the EIR must never be less than the income at which the family would be defined as an extremely low-income family (ELI). This ensures that developments with average incomes at or below 30% of the area median income can not be considered higher income developments.

   ELI for 1 person household 4/24/2019 = $18,400.00

   RVM’s EIR upper limit of $11,815.84 cannot be less than the ELI of $18,400.00 so EIR = $8,733.45 to $18,400.00

   **Royal View Manor’s average income of $10,274.64 falls within the EIR of $8,733.45 to $18,400.00**

4. PHA’s with covered developments having average incomes outside the EIR may explain or justify that the income profiles of these developments are consistent with its local goals and annual plan and the goals of deconcentration and income mixing. 24 CFR 903.2 (c) (1) (iv)

   DMMHA does not have covered developments with average incomes outside the EIR.
Deconcentration of Poverty and Income Mixing

5. Where the income profile for a covered development is not explained or justified in the annual plan submission, the PHA must include in its admission policy its specific policy to provide for deconcentration of poverty and income mixing. 24 CFR 903.2 (c) (1) (v)

DMMHA does not have covered developments with average incomes outside the EIR.

Determination of Deconcentration Compliance- 24 CFR 903.2 (c) (2)
HUD will consider the DMMHA to be in compliance with the deconcentration requirement if:

The income analysis shows that DMMHA has no general occupancy family developments to which the deconcentration requirements apply, that is, all covered developments are within the EIR.

DMMHA does not have covered developments with average incomes outside the EIR therefore DMMHA is in compliance with the deconcentration requirement and no additional deconcentration policy is required within DMMHA’s admission policy.