



Arizona Department of Housing 2016 Information Bulletin

REGARDING PROGRAMS: Low Income Housing Tax Credit, HOME, State Housing Trust Fund and Neighborhood Stabilization Programs Compliance

REGARDING FUNDING SOURCES: HOME

INFORMATION BULLETIN No. 47-16

ISSUED: November 28, 2016

RE: Minimum Wage Income Calculation Guidance

On November 8, 2016 Arizona voters passed Proposition 206. This proposition will raise the minimum wage in Arizona to \$12 per hour by 2020. The first increase will be effective 01/01/2017 to \$10 per hour. The Arizona Department of Housing (“ADOH”) Section 8/Compliance division would like to provide the following guidance for all of its Low Income Housing Tax Credit, HOME, State Housing Trust Fund and Neighborhood Stabilization Programs: For all new move-ins and recertifications you will calculate income using current rate until December 31, 2016 and then use new minimum wage amount for 2017 and the remainder of the certification.

As an example: If an applicant applying to move in on December 1st currently has a full-time job making the current 2016 minimum wage of \$8.05 per hour, income would be calculated using the current minimum wage for the remainder of 2016 (4.4 weeks x \$8.05 x 40 hours per week) and the remaining weeks in 2017 would be at the new rate effective 1/1/17 (47.6 weeks x \$10 x 40 hours per week). This is only an example, if hours vary or are lower, clarification from employer will be needed on hours. This guidance applies only to the programs listed above. ADOH recommends you seek approval from administrators of other funding sources that your project may be layered with on the usage of this calculation method. As always, the owner/managing agent is responsible for performing due diligence when qualifying and verifying potential residents for low income housing.

If you have any questions, please contact Juan Bello, Senior Compliance Officer at (602) 771-1074 or by e-mail at juan.bello@azhousing.gov.

