



CoC Housing Requirements *Session #2*

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HOWARD BURCHMAN &

LAUREN PARETI

HOUSING INNOVATIONS



Introductions

Introduce yourself in the chat box:

- Name
- Agency
- Title
- How long have you been involved in CoC programs?

Agenda

Session #1

- *Project Entry Requirements*
- *Unit Search & Approval Requirements*
- *Leasing Requirements*
- *VAWA Requirements*

Session #2 - TODAY

- Income Determination & Rent Calculation
- Re-Determination
- Project Exit Requirements
- DMHAS Specific Requirements



Income Verification & Subsidy Calculation

HIGHLIGHTS: FOR A COMPLETE LIST SEE OPERATIONS GUIDES



Income Review and Documentation - Overview

Must examine income
at admission and
annually at a minimum
(PSH/TH); every 90 days
RRH

Must include **all**
household members

Must **adjust subsidy**
when changes are
reported by participant

Participants must
provide income
information as a
condition of
participation

Income determination and rent calculation

- Required at least annually - use approved worksheet.
- PSH participants must report income changes of more than \$40/month when change is expected to be ongoing within 10 days of the change.
- Rent recalculation required for income decreases (all projects) and increases (PSH)
- Must notify PSH participants 30 days in advance of any rent increase. Increase takes effect on first day of the month following the 30-day notice.



Rent Calculation Tools

[PSH Rent Calculation Tool](#)

[RRH Rent Calculation Tool](#)

[YHDP Rent Calculation Tool](#)



What is considered income?

All income to all family members

- Employment (wages, salary, overtime, tips, commissions, bonuses) for people over 18
- Social security, pensions, disability
- Unemployment, workers compensation, severance
- Welfare assistance
- Alimony and child support
- Regular gifts
- Net income from business/profession



Verification of Zero Income

- At each initial certification and re-certification require each adult household member reporting zero income to complete a certification.
- Permanent Supportive Housing: No Income Certification
- Rapid Rehousing: Zero Income Affidavit

Income documentation

- Must provide income documentation as a condition of participation.
- Provide assistance, as necessary, including reasonable accommodations (see [Policies and Administrative Requirements webinar](#)).
- Documentation must be obtained for all participants regardless of disability or other barriers.
- Amounts documented must match rent calculation tool
- Retain documentation of income and supporting documentation for deductions in participant files.





Excluded from income:

- Employment income for children under 18* (Benefit income is counted)
- Temporary, non-recurring or sporadic income/gifts
- Payments for care of foster children
- Lump sum additions to assets (inheritance, insurance, lottery)
- Medical expense reimbursement
- Income of live-in aide
- Student financial aid

* Note: The earned income of a full-time student 18 years old or older who is a dependent is excluded to the extent that it exceeds \$480.

Income Calculations – Deductions

Only Allowable Income Deductions

- Elderly/Disabled Household: **\$400/year/household**
- Dependents: **\$480 per dependent/year**
- For elderly/disabled households: Non-reimbursed **Medical expenses and disability assistance** in excess of 3% of gross income
- **Reasonable costs of childcare** to promote work or education

These deductions are not applied in RRH.

Assets

Up to \$5,000

- Does not impact tenant rent

Greater than \$5,000

- Income from assets based on passbook savings rate .6%
 - $(0.006 * \text{Amount of asset})$
- Ex.: Savings account of \$50,000 would generate **income** of \$300/year

Do I use gross or net income?



- Gross income = total income prior to any deductions
- Net income = take home pay after all deductions
- Always use net income for business income
- Use gross employment income in these project types:
 - PSH
 - TH
 - To calculate the 65% cap on the tenant contribution in YHDP RRH
- Use net income for RRH that is not YHDP



Zoom Poll

Providing documentation of income is optional for participants in a Housing First project.

Joe babysits for his niece one day/week and gets paid cash. This income is countable when calculating rent.

Ron and Jeremy are both disabled and consider each other family. They live in PSH & each receive the disability deduction (\$800/year total) when calculating their household rent.

Utility Allowances & Reimbursements


When a participant is responsible for paying utilities:

Costs must be incorporated into the occupancy charges or rent charged to participant.

- If they exceed the participant's required rent payment, the participant must be reimbursed for the excess costs – direct payment to the utility company preferred with participant permission
- Calculate participant's rent contribution:
 1. Determine reasonable utility costs based on PHA's utility allowance
 2. If participant is responsible for utilities, subtract utility allowance from tenant rent contribution, if the end result is a negative number, that is the amount to reimburse the participant

[RRH Utility Allowances and Reimbursements Webinar](#)

Rapid Rehousing – Tenant Rent



RRH must follow CoC's written standards. CoCs have broad discretion as to what RRH participants will be required to pay.



CT BOS RRH Rent Payment Standards

Does not apply to YHDP – See [RRH Operations Guide](#) for YHDP Rent Payment Standards

- **Month 1:** Security, 1st Month's Rent, & any applicable utility allowance covered at 100%.
- **Months 2-6:** Tenants pay 30% of net income towards rent and any applicable utility allowance; RRH rental assistance covers remaining rent and utility allowance
- **Months 7 to program exit:** Tenants pay 60% of net income towards rent any applicable utility allowance; RRH rental assistance covers remaining rent and utility allowance
- If tenant has been approved for PSH or other housing voucher (EHV, Mainstream, HCV, RAP) and is pending transition, tenant's portion will be calculated at 30% of net income until transitioned to permanent subsidy.

Financial assistance ends when:

- Participant has reached 12 months of assistance (extensions possible up to 24-month maximum allowable term; extensions should be rare).
- Household net income is equal to or greater than 60% of gross rent; gross rent = rent + utility allowance (does not apply to YHDP)



PSH— Participant Rent

Program Participant Contributions Are Required

- Rent must be charged and may not exceed the highest of:
 - 30 percent of the family's monthly adjusted income;
 - 10 percent of the family's monthly income; or
 - The portion of the family's welfare assistance, if any, that is designated for housing costs.
- No minimum rents permitted

Notification of Rent Obligation

Housing Provider is responsible for helping participants to understand the calculation

- DMHAS PSH: Approval and Payment Letter
- RRH: 17 – Payment Letter; 17A – Sample Financial Assistance Letter to YHDP RRH Participant





Initial Payment & Security Deposit

- Pay least amount necessary to secure unit.
- Up to 2 months' rent or 1 month for participants 62 or older
- Can also pay first and for PSH last month's rent at or following lease execution.
- DMHAS typically pays 1-month security and first month's rent only.

Annual Recertification Notification - PSH

PSH Housing Provider sends to participant 90 days before recertification date. Include:



- Forms to be completed and returned
- Addressed, postage paid envelope
- Time and date of HQS inspection
- Contact information to confirm or reschedule the HQS
- Copy case manager and property manager, if applicable.
- Maintain copy in chart

Recertification



PSH/Transitional Housing

- Required at least **Annually**
- Also required for gross monthly income **increase or decrease** of \$40 or more.
- May also be helpful when a smaller decrease would yield a rent reduction that would be meaningful to the participant.

RRH

- Required at least every **90 days**
- Also required for monthly net income **decrease** of \$40 or more.
- May also be helpful when a smaller decrease would yield a rent reduction that would be meaningful to the participant.
- Required at each 90 Day Review:
 - ✓ 25A – *RRH Rent/Utility Calculation Tool*
 - ✓ 25B – *CTBOS YHDP RRH Rental/Utility Calc Tool*
 - ✓ Update *housing stabilization plan*
 - ✓ *Recertification form*
- Required for RRH rental assistance beyond 12 months:
21 – RRH Exception Form – **REVISED** – DOC.

Annual Recertification Requirements



- Housing Quality Standards Inspection
- Rent Reasonableness Determination
- Environmental Review for new units (add new unit to list, obtain maps if in a coastal county)
- Income Determination/Documentation & Rent Calculation
- Lease and HAP (PSH) Contract Execution
- HMIS Annual Assessment (impacts APR & Renewal Evaluation)
- Payment Processing & Other Required Forms (see Operations Guides)

Examples of impermissible fees

Recipients and sub-recipients may not charge participants any fee other than rent or occupancy charges. May not charge:

- Program fees
- Air conditioning fees
- Lost key fees
- Legal fees
- Security deposits
- Damage fees
- Mandatory savings



Zoom Poll

What determines the utility allowance amount I should enter into the rent calculation tool?



- A) The current month's amount shown on a participant's utility bill*
- B) The amount shown on the DOH or PHA utility allowance schedule*
- C) The amount of arrears shown on the participant's utility bill*

How often must HQS and Rent Reasonableness Determinations be completed?

Housing Stabilization Services

- Owners are responsible for lease enforcement.
- Service/Housing Providers are responsible for helping participants to understand and comply with lease, including:
 - Educate participants regarding lease terms
 - Assist to avoid/correct violations and reduce eviction risk
 - Coordinate with owner to encourage proactive lease enforcement
 - Meet with participants in their apartments (PSH: required at least once in first 30 days of tenancy and every 6 months thereafter)
 - PSH: Health and Safety Checklist at least annually approximately 6 months following HQS (Service Provider requirement)



Preventing Unsuccessful Exits

- Leverage all available resources –includes service provider, CAN, mainstream resources, etc..
- Notify CAN at earliest possible point – CAN will convene a case conference.
- Make every effort to help participants to retain assistance and remain stably housed.
- When violations are serious enough and all avenues to correct have been exhausted and termination of assistance may be allowable and warranted.
- Participants have the right to appeal - following procedures & documenting issues and interventions will reduce likelihood of reversal on appeal.





Eviction

- Owner may evict only through court action.
- Regular communication with owners is key to assess and respond to eviction risks.
- Negotiations to avoid formal eviction are strongly encouraged.

Retention of Assistance and Re-housing

- Eviction/unit loss does not result automatically in termination from the CoC project.
- Maintain enrollment and re-house whenever possible.
- If not possible, participant can re-enroll at a later date - eligibility and prioritization criteria apply.





Warning Letter - PSH

Prior to commencing termination notify participant in writing:

- Specific reason
- Instructions to contact Provider immediately to discuss steps to remedy
- Send by mail
- Copy case manager
- Maintain in chart

Re-set Discussions - RRH

Prior to discontinuation of financial assistance:

- Engage participant in a re-set discussion to review the structure of the RRH program, expectations around monthly case management, housing stability plan and next steps
- Send a letter to the participant documenting the discussion and next steps





Farewell
and
Good Luck

Project Exit Requirements

HIGHLIGHTS: FOR A
COMPLETE LIST SEE
OPERATIONS GUIDES

Termination of Assistance Requirements



- Requirements apply regardless of whether termination is **voluntary or involuntary** (only exception is when participant is deceased)

Written notice of termination:

- Reasons for terminating - provide a written copy of rules
- Notify participant of opportunity to appeal decision
- Right to receive written notification of final decision
- Advise of VAWA rights - Include [VAWA Notification of Occupancy Rights](#) and [Incident Self-Certification](#) form with termination notice
- Send the notification to the last known address, if current address is unknown.

Termination of Assistance - PSH

All PSH

Currently applies to all DMHAS CoC Rental Assistance Projects:

[DMHAS CoC Rental Assistance Operating Guide](#)

Pending Adoption for all CT BOS PSH

[Proposed 2023 CT BOS PSH Operations Guide](#)

DMHAS PSH

[Warning Letter Generic Sample – DOC](#)

[Termination from HEARTH Housing Form 9 24 12 – DOC](#)

[Termination Letter with Formal OOC Hearing Request – DOC](#)

[Termination Letter with Informal Hearing Request\(2\) – DOC](#)

Stop Payment via a [Change order](#)



Termination of Assistance - RRH

RRH

- [CT DOH Statewide RRH Operations Guide](#)
- [Form 23A](#) – Allowable Reasons to Terminate
- [Form 23](#) – Sample Termination Letter
- [Form 23B](#) – Sample Successful Discharge Letter
 - [Stop Payment Letter](#) to landlord, copied to participant and fiduciary - Always required.
 - Document exit inspection (if participant is vacating the unit)



Security Deposit Refunds



- Document condition of the unit at move-in (e.g., photos in the chart)
- Document exit inspection to assess any damage caused by the Participant
- Property Owner may, subject to applicable State and local laws, use the security deposit as reimbursement for unpaid tenant rent or damages in accordance with lease
- Property Owner must promptly refund the full amount of the balance with interest – request in writing and include name/address to send the refund
 - DMHAS Projects: Owner must return balance to DMHAS
 - RRH Projects: Owner must return balance to Participant
- For more information see the [CT Judicial Branch page on rental security deposits.](#)

Vacancies and Retention of Assistance

- Assistance may continue:
 - ✓ A maximum of 30 days from the end of the month in which the unit was vacated, unless unit is occupied by another eligible person.
 - ✓ When a participant is staying in an institution for 90 days or less.
- If the qualifying household member has died or been institutionalized for more than 90 days, assistance may continue for remaining household members until lease expiration.





Property Damage – Rental Assistance

- May use CoC RA funds in an amount not to exceed 1 month's rent to pay for unit damages caused by participant
- Limited to one-time cost per participant
- Only allowable at the time of exit from a housing unit



Zoom Poll

1. Select the accurate statements below:

- It's the landlord's job to enforce the lease.
- It's CoC project staff's job to help participants to comply with their lease.
- Eviction/unit loss results automatically in termination from the CoC project in scattered site housing.

2. In which of these scenarios is a written termination notice required (select all that apply):

- When terminating case management services for someone that does not get a housing subsidy
- When exiting someone who has been hospitalized for more than 90 days.
- When exiting someone who abandoned their unit.
- When exiting someone who moved on to a Section 8 unit.

Reminder: RRH Projects

FORMS:

[CT BOS Website Resources Page](#)

CHECKLISTS:

[1 – CT RRH File Checklist](#)

[19 – Rapid Rehousing Fund Request Checklist](#)



For a Complete List of RRH Requirements see Operations Guide, DOH Forms & Documentation Checklists



Additional PSH Requirements

HIGHLIGHTS: FOR A COMPLETE LIST SEE OPERATIONS GUIDE

DMHAS Forms:

[CT BOS Website Resources](#)
[Page](#)

DMHAS Checklist:

[Required Documents Checklist](#)



REMINDER: For a Complete List of Requirements see Operations Guide, DMHAS Forms & Documentation Checklists

New Admissions – Additional DMHAS Requirements

- New Admission Form
- Approval Letter
- Rental Assistance Housing Certificate
 - Initially 60 days from the date the certificate is issued to locate a unit
 - Housing Provider, may issue an extension for up to 60 additional days.
 - Additional extensions require approval of the DMHAS Housing Homeless Services Unit.
- DMHAS Release of Information
- Federal Privacy Act Notice
- HMIS Release of Information; HMIS Spanish ROI



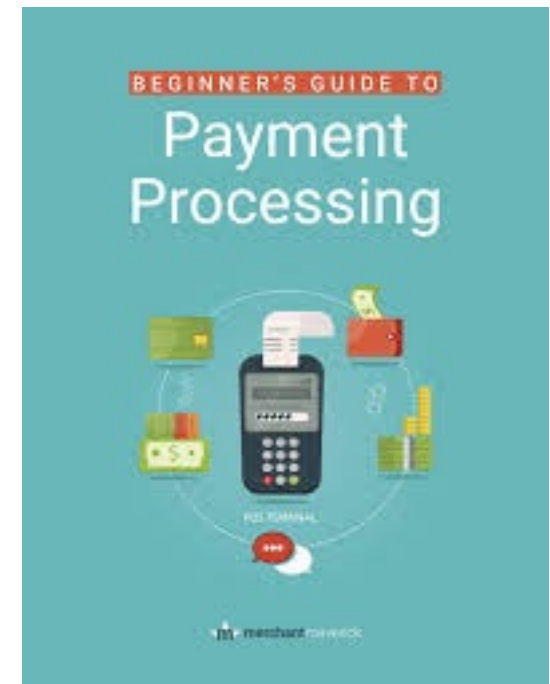
Lease and HAP Execution – Additional DMHAS Requirements

- DMHAS standard lease is required
- Request for Lease Approval
- Owner Assurances
- HAP Contract Amendment
- Occupancy Continuation Form
- Recertification Payment Letter



Processing Payments – CORE-CT

- Federal W9 and State of CT Agency [Vendor Form](#) (SP-26NB) required for all owners.
- Additional forms are necessary in some circumstances
- All forms must be legible
- To avoid delays carefully follow instructions in the Operating Guide



New: Submission of Vendor Forms to Comptroller

- W-9 and agency vendor (SP-26) form are now submitted to CT Comptroller not DMHAS (email to osc.apdvf@ct.gov)
 - *Subject Line: New Supplier Request*
 - *Email Body: Attached please find a W9 & SP-26 for a new DMHAS supplier for entry into CORE. Please contact me if there are any questions or delays.*



Change Orders & Other changes

- Change order required if HAP must be changed, to obtain a payment after HAP has expired, or to stop payment
- Must include effective date of change, original information ("From") and changed information ("To")
- Other changes require a written request to HHSU.
- Name, tax classification, FEIN changes also require a new W9 and SP-26NB
- Building sales require a change order to stop payment and a new W9 and SP-26NB





What items from today's training will you follow up on?

PUT IN CHAT OR UNMUTE TO SHARE



Final Questions & Suggestion?

THANK YOU FOR PARTICIPATING

CT BOS Team (Housing Innovations)



CT BOS CoC

ctboscoc@gmail.com

Suzanne Wagner

swagner@housinginnovations.us

Howard Burchman

hburchman@housinginnovations.us

Andrea White

awhite@housinginnovations.us

Lauren Pareti

lpareti@housinginnovations.us

Shannon Quinn-Sheeran

shannon@housinginnovations.us

Myles Wensek

mylesw@housinginnovations.us

Liz Isaacs

lisaacs@housinginnovations.us