



## **HOME Tenant Based Rental Assistance Program Policies & Procedures**

July 2016

### **Introduction**

### **Purpose and Use**

The attached program guidelines have been developed to facilitate the efficient and effective operation of the Tenant Based Rental Assistance Program (HOME TBRA) for Spartanburg Housing Authority (SHA). The TBRA program will be administered by the SHA Housing Choice Voucher Program. Funding for this TBRA is provided under Title II of the National Affordable Housing Act (1990) through the HOME Investment Partnership Program (HOME) under regulations and policies established by the SHA in conjunction with the United States Department of Housing and Urban Development (HUD). The TBRA program will target veterans. The member must be receiving services from the Veteran Administration, Upstate Warrior Solution and other approved providers to connect with ongoing support services.

### **Primary Objective**

The primary objective of the Tenant Based Rental Assistance (HOME) program is to assist the participants to secure decent, safe and sanitary housing in the private rental market in unincorporated Spartanburg County. This program allows individuals/families to choose a neighborhood in which they prefer to live and helps to upgrade and maintain the quality of neighborhoods, as subsidized units must meet minimal program requirements.

### **Secondary Objective**

The secondary objective of the TBRA program is to empower individuals and families to achieve the goal of self-sufficiency, to break the cycle of homelessness, and to be part of a traditional neighborhood and community. Self-sufficiency is defined as the ability of an individual or family to be self-supporting through income derived from employment or steady income while maintaining safe and decent housing. In order to qualify for TBRA, a participating head of household will sign an agreement that he/she will diligently pursue opportunities designed to maximize the participants' income or, when feasible, will pursue employment that will allow the participant to acquire market housing. The terms of the agreement will be mutually designed and agreed upon by the participant and SHA. The terms of the agreement will include but are not limited to: a specified time period with defined milestones, the type of educating/training to be acquired, responsibilities of various parties including outside resources to be utilized, and a statement of understanding of consequences if a "diligent effort" to meet the terms of the agreement are not met.

While economic independence and self-sufficiency is the stated goal and objective of the program, SHA understands that alterations to the agreement may be required during the agreement's term and that a "diligent effort" may be made without achieving the goal of economic independence. Whenever possible, community resources such as social service agencies, educational facilities, day care providers and public transportation will be utilized. Progress will be monitored by SHA not less than once a year concurrent with re-certification of the applicant but as staffing and program resources allow may choose to monitor the agreement more frequently.

## **Type of Program**

SHA will use the HOME TBRA program for assist up to 12 and no more than 15 low income veterans. The program will provide TBRA assistance to veterans for housing in unincorporated areas of Spartanburg County.

## **Income Limits**

HOME TBRA is limited to households who are income eligible. 90 % of HOME TBRA funds will be used to assist families who are at or below 50% of the area median income for Spartanburg County at the time of move in. The area median income is adjusted for household size as defined by the federal Housing Choice Voucher (HCV) income guidelines.

If at annual recertification the household income is above 50% but below 80% of area median income, the household may continue to receive assistance. If the household's income exceeds 80% of area median income at annual recertification, the household will no longer be eligible for HOME TBRA assistance.

If a tenant or tenant family is on the wait list for more than three months, income eligibility will be re-verified prior to receiving the TBRA rental assistance to determine that they still meet the income eligibility for the program.

## **Administrative Expenses**

No more than 10% of SHA's HOME funds will be used to pay for program administration.

## **Eligible Units**

Tenants who receive assistance from SHA's HOME TBRA can choose from any housing unit as long as that unit is:

1. Located in the target area of Agency.
2. Meets Section 8 Housing Quality Standards (HQS) or Habitability Standards and local housing codes.
3. Rents for a reasonable amount, compared to unassisted units as defined by Agency and/or funding source.
4. Privately or publicly owned but do not receive project based rental subsidies. TBRA cannot be used in public housing or Section 8 New Construction of Substantial rehabilitation projects.
5. Cooperative units are not eligible units.

## **Eligible Households**

HOME TBRA is limited to participants in Agency's programs who are income eligible. If the tenant/tenant family is on the waiting list for more than three months, income eligibility will be re-determined.

Income Criteria – Applicant's incomes can not exceed HUD guidelines for low to moderate income (80% or less of the Median Family Income).

Residency Requirement - There is no residency requirement in Agency's TBRA.

Self-Sufficiency Agreement - TBRA assistance will be limited to those applicants who are willing to participate in the Upstate Warrior Solution or other approved provider's self-sufficiency program.

### **Subsidy Limits**

**Maximum Subsidy:** The maximum monthly subsidy that Agency's HOME TBRA program may pay to assist any given household is the difference between 30% of the household's adjusted monthly income and the HUD-established Payment Standard.

**Minimum Subsidy:** Each assisted tenant must pay a minimum of 10% of monthly gross income toward rent and utility costs.

### **Payment Standards**

The payment standard for SHA's HOME TBRA program will be based on SHA's Housing Choice Voucher Fair Market Rent Standards.

### **Security Deposits**

HOME TBRA funds can not be used for security deposits for eligible applicants.

### **Contract Limitations/Period of Eligibility**

Applicants will be briefed that the HOME TBRA subsidy contracts cannot exceed two years. Although there is a possibility that the coupon could be extended, this is dependent on the availability of HOME funds and no guarantee of funding exists.

Once an applicant receives a HOME TBRA coupon, assistance will continue, subject to funding availability and tenant eligibility. Coupon holders will not be required to re-enter the Section 8 waiting list, but will maintain their preferences and status at the point of entry into the HOME program.

### **Waiting List**

Applicants will be referred by the Department of Veteran Affairs, Upstate Warriors and approved providers only. Status is determined by date and time of application. Preferences will be given based on Vulnerability Index- Service Prioritization Decision Assistance Tool (VI-SPDAT) scores submitted by approved partners.

### **Re-certification**

The income of tenants receiving HOME TBRA will be recertified at least annually. Interim re-certifications will be considered on an individual basis when there is a change in household income or household composition. Interim re-certifications will not be required.

### **Occupancy Standards**

SHA's occupancy standards will be based on SHA's Housing Choice Voucher standards.

### **Waiting List Administration**

#### **Applications**

The applicant must complete an Application, Application Addendum and provide the required documentation in order to be screened for eligibility in SHA's HOME TBRA. A referral must be received for applications must be received from Department of Veteran Affairs, Upstate Warriors and approved partners. Completed applications are accepted from approved partners and will be reviewed and time stamped upon receipt. Reasonable accommodations will be made for applicants who need assistance in completing the application.

## **Eligibility Requirements**

To qualify for assistance an applicant must meet the following requirements:

1. Be income eligible at the time of acceptance of assistance. Applicants must be at or below 50% Median Family Income (MFI) for Spartanburg County.
2. Must be referred by one of approved partners.
3. Must sign and agree to participate in a self-sufficiency program.
4. Must not owe money to a Public Housing Authority (PHA) or to any other housing assistance program.

Applicants will be briefed that their subsidy contracts cannot exceed 24 months.

All applicants who do not complete the application process within the defined period will be removed from the waiting list. Applicants will be briefed that they can re-apply with a new date and time of application.

## **Local Preferences**

The head of household or co-head must be a veteran and must be referred by approved partners.

## **Verification**

Written certification from the approved partners will be required for verification purposes of the Local Preference.

## **Subsidy Calculations**

Agency will use the Payment Standard based on the published Section 8 Fair Market Rent (FMR) when the FMR is a true reflection of the reasonable rent for the target area. Otherwise, Agency will document the reasonable rent for Agency's target area, with TDHCA (or other funding source) approval.

1. Maximum Subsidy Calculation - the maximum subsidy amount is calculated as the difference between 30% of the household adjusted monthly income and the Payment Standard. The tenant is responsible for the difference between SHA's HOME TBRA share and the rent to the owner. The tenant's rent will vary according to the unit selected and their income.
2. Minimum Subsidy Calculation - The minimum subsidy calculation is used if the maximum subsidy calculation would result in a household paying less than the 10% of the gross household income for rent. In this case the household would pay 10% of gross income to rent and SHA's HOME TBRA subsidy would be reduced.

## **Utility Cost**

The established utility allowance of SHA Housing Choice Voucher Program will be utilized to establish the maximum rent the owner may charge. The allowance will be based on the unit size approved by the family regardless of the unit size selected.

## **Impact Of Unit Size On The Subsidy**

SHA will calculate the maximum subsidy based on the approved bedroom size authorized for a tenant

regardless of the unit size of the selected unit.

## **Application Process**

### **Marketing**

SHA will post information concerning the availability and the nature of housing assistance for low income veteran and provide information to contact approved partners for application referrals.

### **Eligibility and Income Calculations**

SHA will use the definitions of income established in the Housing Choice Voucher Program. Income will be verified using the same standards.

### **Coupon Issuance**

When HOME TBRA is available, SHA will select the next applicant who has been on the waiting list according to date and time of the application.

### **Coupon Issuance And Time Period For Use**

Once an eligible program applicant is selected to receive assistance, SHA will issue a HOME TBRA coupon so that participant can search for an appropriate unit.

The recipient of the coupon will have thirty days in which to locate an acceptable unit, but may request an extension of up to thirty days. Once a unit has been located, the participant will be required to submit a signed Request for Tenancy Approval (RTA) form. If the participant fails to submit a RTA, the coupon will expire and the participant must reapply.

### **Program Briefing**

Upon establishing eligibility of assistance, a staff member will brief program coupon recipients of their rights and responsibilities. The briefing will be conducted individually or in group sessions in order to ensure participant understanding. The briefing will include:

1. Responsibilities of SHA staff.
2. Responsibilities of the tenant.
3. Responsibilities of the landlord.
4. Duration of assistance.
5. Termination of assistance.
6. Payment standards, eligible units, HQS Standards, lead-based paint hazards and fair housing issues.
7. Formal and informal reviews and hearings.
8. Occupancy standards.
9. Total tenant payment and rent calculations.

Materials to be distributed at the briefing include:

1. TBRA Coupon and program form which describes the recipients, landlords and administrators responsibilities.
2. Request for Tenancy Approval (to be submitted by the tenant to request unit approval).
3. Lease Addendum, which notifies the landlord of the rental subsidy.
4. Current utility allowances.
5. Fair housing pamphlet.
6. Lead-based paint brochure (HUD 1993-351-568).

### **Approving Units and Rents**

Units identified by the program participant must be acceptable under the TBRA HOME guidelines. The following guidelines apply:

1. **Rent Reasonableness**: SHA will insure that the subsidized rent and unsubsidized rents charged for comparable units are similar.
2. **Housing Conditions**: HQS will be applied to all units assisted with HOME TBRA funds.
3. **Size Requirement**: SHA will use the HCV Occupancy Standards in determining unit size for each household.
4. **Lease Approval**: The lease must comply with the requirements in 24 CFR 92.253 (Tenant and Participants Protection).

SHA staff will schedule initial inspections with landlords upon receiving and approving a completed and signed RTA from the participant and landlord. Landlords will be told of the inspection findings in writing. If they are not willing to make the unit ready for move-in, the participant will be given a new RTA form.

Once a unit meets HQS, the landlord must provide a copy of the proposed lease to SHA. SHA will review the lease and approve it before it is signed.

### **Execution of the TBRA Coupon Contract, Lease and Lease Addendum**

Once SHA has verified the unit is acceptable and the lease has been approved, SHA will execute the HOME TBRA Coupon Contract with the owner, and authorize the tenant and the landlord to execute the lease and lease addendum.

### **Rent Increases**

Landlord may request a rent increase at the anniversary date of their lease. Landlords must submit a request for a rent increase in writing as part of the annual re-certification process. Landlords should submit a requesting for rent increase 60 days prior to the lease renewal date. SHA will have to determine that the new proposed rent is reasonable in comparison to rents charged for comparable, unassisted units.

### **On-Going Agency Program Responsibilities**

On-going Agency Program responsibilities are:

1. Monitor eligibility of participating households.
2. Monitor HQS standards. Units will be inspected at least once a year.

3. Owners will receive prompt and accurate payments.
4. SHA will review rents annually.
5. Agency will review payment standards annually.
6. Tenants will be re-certified annually. Notices to re-certify tenants will be sent ninety days in advance. Interim re-certifications will be reviewed on an individual basis, but will not be required.
7. SHA will maintain a waiting list. If the waiting list becomes one years long, the waiting list may be closed.

### **Lease Enforcement and Termination of A Tenancy**

SHA is not a party to the tenant/landlord lease and will not be obligated to enforce or intervene in a tenant/landlord dispute. SHA is not a party to the eviction process. If the household is legally evicted for cause, SHA will terminate assistance to the participant.

### **Termination of Assistance**

Assistance may be terminated if:

1. The participant no longer qualifies, based on income eligibility, for assistance at annual re-certification.
2. The household assistance contract expires.
3. SHA determines that the TBRA has been obtained fraudulently.
4. The household has been evicted for cause.
5. The household does not make a "diligent effort" or drops out of the required self-sufficiency program including but not limited to failure to keep appointment or attend required meeting, or make progress on the self-sufficiency goals.
6. The unit fails to meet HQS due to discontinuation of utility service.
7. Failure to report a change in household composition or allowing a person(s) to reside in the rental unit for an extended period of time that violate the terms of the lease or Family Obligations
11. Drug related or criminal activity at the TBRA rental unit that has due cause to terminate assistance.