

**WRITTEN STANDARDS &
ADMINISTRATIVE PLAN**



FOR THE

**HUD Continuum of Care Rapid Re-Housing Grants
Suburban Metro Area Continuum of Care (SMAC)**

**Prepared by Suburban Metro Area Continuum of Care
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CHAPTER I

INTRODUCTION AND DEFINITIONS

The Suburban Metro Area Continuum of Care (SMAC) has adopted the following administrative standards for the operation and prioritization of U.S. Department of Housing and Urban Development Continuum of Care (HUD CoC) Rapid Re-Housing funding in accordance with Federal Regulations 24 CFR 578.7 (a)(9). These standards serve as the administrative guidelines and procedures to be used by SMAC in implementing Rapid Re-Housing programs funded with CoC dollars to ensure consistent treatment of applicants/participants and compliance with funding requirements.

SMAC projects are awarded CoC Rapid Re-Housing funds from the Department of Housing and Urban Development (HUD) on an annual basis as part of the Continuum of Care Notice of Funding Availability (NOFA).

CoC Rapid Re-Housing funds are designed to provide sheltered and unsheltered homeless persons short-term (up to 3 months) or medium-term (for 3 to 24 months) tenant-based rental assistance, as set forth in § 578.51(c), as necessary to help a homeless individual or family, with or without disabilities, move as quickly as possible into permanent housing and achieve stability in that housing.

DEFINITIONS

Rapid Re-Housing activities are designed to move homeless persons, with or without disabilities quickly to permanent housing through housing relocation and stabilization services and short- and/or medium-term rental assistance.

Homeless is categorized as:

Literally Homeless	1) An individual or family who lacks a fixed, regular, and adequate nighttime residence, meaning: (i) An individual or family with a primary nighttime residence that is a public or private place not designed for or ordinarily used as a regular sleeping accommodation for human beings, including a car, park, abandoned building, bus or train station, airport, or camping ground; (ii) An individual or family living in a supervised publicly or privately operated shelter designated to provide temporary living arrangements (including congregate shelters, transitional housing, and hotels and motels paid for by charitable organizations or by federal, state, or local government programs for low-income individuals); or (iii) An individual who is exiting an institution where he or she resided for 90 days or less and who resided in an emergency shelter or place not meant for human habitation immediately before entering that institution;
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Fleeing/Attempting to flee Domestic Violence	<p>(4) Any individual or family who:</p> <ul style="list-style-type: none"> (i) Is fleeing, or is attempting to flee, domestic violence, dating violence, sexual assault, stalking, or other dangerous or life-threatening conditions that relate to violence against the individual or a family member, including a child, that has either taken place within the individual's or family's primary nighttime residence or has made the individual or family afraid to return to their primary nighttime residence; (ii) Has no other residence; and (iii) Lacks the resources or support networks, e.g., family, friends, faith-based or other social networks, to obtain other permanent housing.
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Adjusted income means that monthly income is adjusted based on the number of people in the family, age of family members, medical expenses and child care expenses. (578.77)

Annual (gross) Income means the gross amount, monetary or not which go to or on behalf of the individual or family household that is anticipated to be received during the coming 12-month period. Annual income also includes amounts derived from assets.

Household means the family and approved live-in aide.

Dependent. A member of the family (except foster children and foster adults) other than the family head or spouse, who is under 18 years of age, or is a person with a disability, or is a full-time student.

Guest means a person temporarily staying in the unit with the consent of a tenant or other member of the household who has express or implied authority to so consent on behalf of the tenant.

Covered person means a tenant, any member of the tenant's household, a guest or another person under the tenant's control.

Other person under the tenant's control, for the purposes of the definition of *covered person* means that the person, although not staying as a guest (as defined in this section) in the unit, is, or was at the time of the activity in question, on the premises (as *premises* is defined in this section) because of an invitation from the tenant or other member of the household who has express or implied authority to so consent on behalf of the tenant. Absent evidence to the contrary, a person temporarily and infrequently on the premises solely for legitimate commercial purposes is not *under the tenant's control*.

Premises means the building or complex or development in which the public or assisted housing dwelling unit is located, including common areas and grounds.

Fair Market Rents (FMRs) are gross rent estimates for an area and serve as the rent ceiling for rental assistance funded with CoC RRH dollars. SMAC is part of the Minneapolis-St. Paul-Bloomington MSA statistical area. The FMRs are re-calculated each year by HUD using American

Community Survey (ACS) data as well as regional or local data. They include the shelter rent plus the cost of all tenant-paid utilities, except telephones, cable or satellite television service, and internet service. *MSA* means a metropolitan statistical area.

Utility allowance. If the cost of utilities (except telephone) and other housing services for an assisted unit is not included in the tenant rent but is the responsibility of the family occupying the unit, an amount equal to the estimate made or approved by a PHA or HUD of the monthly cost of a reasonable consumption of such utilities and other services for the unit by an energy-conservative household of modest circumstances consistent with the requirements of a safe, sanitary, and healthful living environment.

Public Housing Agency (PHA) means any State, county, municipality, or other governmental entity or public body, or agency or instrumentality of these entities that is authorized to engage or assist in the development or operation of low-income housing under the 1937 Act.

Rent Reasonableness is the process to determine if the rent being requested for the unit or room is reasonable to rates being charged for non-assisted market rate units. If a rent is determined to be higher than the market, it may be the unit is charging more given the status of the tenant's participation in an assistance program.

Unit Inspection is the processing to determine if the unit or room selected by the household meets the minimum housing standards established for the CoC RRH program.

Housing Subsidy Contract is the contract agreement between RRH agency and the owner/property management of a rental unit which sets forth the terms under which the rental assistance is provided.

Emergency Shelter means any facility where the primary purpose is to provide a temporary shelter for the homeless in general or for specific populations of the homeless and which does not require occupants to sign leases or occupancy agreements.

Department means the Department of Housing and Urban Development.

HUD means the same as *Department*.

Drug means a controlled substance as defined in section 102 of the Controlled Substances Act (21 U.S.C. 802).

Drug-related criminal activity means the illegal manufacture, sale, distribution, or use of a drug, or the possession of a drug with intent to manufacture, sell, distribute or use the drug.

Violent criminal activity means any criminal activity that has as one of its elements the use, attempted use, or threatened use of physical force substantial enough to cause, or be reasonably likely to cause, serious bodily injury or property damage.

Fair Housing Act means title VIII of the Civil Rights Act of 1968, as amended by the Fair Housing Amendments Act of 1988 (42 U.S.C. 3601 *et seq.*).

Federally assisted housing means housing assisted under any of the following programs:

(1) Public housing;

(2) Housing receiving project-based or tenant-based assistance under Section 8 of the U.S. Housing Act of 1937 (42 U.S.C. 1437f);

(3) Housing that is assisted under section 202 of the Housing Act of 1959, as amended by section 801 of the National Affordable Housing Act (12 U.S.C. 1701q);

(4) Housing that is assisted under section 202 of the Housing Act of 1959, as such section existed before the enactment of the National Affordable Housing Act;

(5) Housing that is assisted under section 811 of the National Affordable Housing Act (42 U.S.C. 8013);

(6) Housing financed by a loan or mortgage insured under section 221(d)(3) of the National Housing Act (12 U.S.C. 1715/(d)(3)) that bears interest at a rate determined under the proviso of section 221(d)(5) of such Act (12 U.S.C. 1715/(d)(5));

(7) Housing insured, assisted, or held by HUD or by a State or local agency under section 236 of the National Housing Act (12 U.S.C. 1715z-1); or

(8) Housing assisted by the Rural Development Administration under section 514 or section 515 of the Housing Act of 1949 (42 U.S.C. 1483, 1484).

Public housing means housing assisted under the 1937 Act, other than under Section 8. “Public housing” includes dwelling units in a mixed finance project that are assisted by a PHA with capital or operating assistance.

Continuum of Care (CoC) means a regional or local planning body that coordinates housing and services funding for homeless families and individuals. The Suburban Metro Area Continuum of Care (SMAC) is composed of five counties that surround the Minneapolis/St. Paul area. They included: Anoka, Carver, Dakota, Scott, and Washington Counties.

CHAPTER II

RAPID RE-HOUSING ASSISTANCE

CoC funds may be used to provide short- and/or medium-term rental assistance necessary to help a homeless individual or family move into permanent housing and achieve stability in that housing. Rental Assistance cannot be provided to a participant receiving rental assistance or living in a housing unit receiving rental assistance through other federal, state or local sources.

Eligible rental assistance costs as outlined in 578.51

- Short-to-Medium term rental assistance (up to 24 months)
- Security Deposits/Last Month's Rent not to exceed 2 months of rent

Eligible support services costs as outlined 578.53 – may be provided for no longer than 6 months after rental assistance stops.

- Assessing service needs
- Moving costs
- Case management
- Child care
- Education services
- Employment assistance and job training
- Food
- Housing search and counseling services
 - Application fees
 - HUD funding may be used to pay for an eligible participant's rental application fee. It is limited to three (3) application fees or up to \$150, whichever is less in a 12 month period.
- Legal services
- Life skills training
- Mental health services
- Outpatient health services
- Outreach services
- Substance abuse treatment services
- Transportation
- Utility deposits

Eligible HMIS costs are outlined in 578.57

Eligible Project Administrative costs are outlined in 578.59

SECTION I

PRIORITIZATION

The resources available to address the needs of homeless households are limited. SMAC Rapid Re-Housing programs participate in Coordinated Entry to determine and prioritize which individuals and families receive assistance. Please refer to SMAC Coordinated Entry Policy.

Priority will be given to those households with ties to SMAC.

SECTION II

EVALUATION OF ELIGIBILITY

The following eligibility criteria must be met in order for an individual or family to be provided services with CoC assistance under Rapid Re-housing:

1. Definition of Homeless

For the purposes of program eligibility, a household must meet the definition of literally homeless or attempting to flee domestic violence where the individual or family also meets the criteria for literally homeless as defined by Chapter I of this plan.

2. Tie to SMAC

An assessment will be given to an individual or family who has a local tie to SMAC. They may be homeless in, presently reside in a shelter or be precariously housed in SMAC, prior to crisis have resided in SMAC, work in SMAC or go to school in SMAC.

A. PROCEDURE TO DETERMINE ELIGIBILITY

Before providing assistance to a household with CoC RRH funds, SMAC RRH applicants will complete an initial intake evaluation which will include:

Verification of Homeless status eligibility

Verification of tie to SMAC

Assessment of Need – per Coordinated Entry

The individual or family household must provide all requested verification documents and sign any release related to verifying the households' eligibility, including all items necessary for reporting in HMIS.

1) Verification of Homeless status eligibility

Documentation will need to be supplied or collected based upon the following hierarchy and order of priority.

1st – Third party documentation

2nd – Observation by the intake worker

3rd – Self-declaration from the individual or family seeking assistance

Acceptable evidence of third party documentation includes:

- Records contained in an HMIS database; or
- Comparable database used by victim service or legal service providers;
- Written observations by an outreach worker of the conditions where the individual or family was living;
- A referral from a publicly or privately operated shelter;

- Discharge paperwork or written/oral referral from a social worker, case manager, or other appropriate official of an institution stating the beginning and end dates of the time residing in the institution.
 - All oral statements must be recorded by the intake worker

Observation by the intake worker:

- If the intake worker can access HMIS or a comparable database (which retains an auditable history of all entries including the person who entered the data, the date of entry, and any changes made) to establish their homeless status.

Self-declaration from the individual household or family will include:

- completion of the self-declaration form **and**
- Written record on the intake worker’s attempts to obtain third-party verification.

2) Verification of tie to SMAC

Entered Coordinated Entry system as an eligible SMAC household **AND**

Verification of a household’s tie to SMAC will most likely be documented through their verification of homeless status and/or verification of income. **OR**

The household must provide evidence that they currently reside in a shelter or are precariously housed in SMAC. **OR**

The household may currently work in SMAC and are able to provide proof of their employment. **OR**

The household (including their children) may currently attend a school institution in SMAC and are able to provide proof of their enrollment.

3) Assessment of Need

An initial evaluation of need must be conducted prior to providing assistance to determine the amount and types of assistance the individual or family needs to gain or regain stability in permanent housing. The intake worker must document their assessment and detail their decision for determining need. (578.103(a)(7)(i)). This assessment will be conducted through Coordinated Entry and the Vulnerability Index – Service Prioritization and Decision Assistance Tool (VI-SPDAT).

Certification or other written documentation that the household lacks the resources and support networks to obtain permanent housing must also be included as part of the assessment.

Re-evaluation. 24 CFR § 578.37 (a)(1)(ii)(E) re-evaluation for rapid re-housing assistance states: (E) Must re-evaluate, not less than once annually, that the program participant lacks sufficient resources and support networks necessary to retain housing without CoC assistance and the types and amount of assistance that the program participant needs to retain housing.

For the purposes of the SMAC CoC RRH program, households' needs and income will be re-evaluated every six (6) months.

B. DENIAL OF ASSISTANCE

SMAC may deny applicant CoC RRH assistance if:

- The applicant does not meet the current definition of homelessness as defined by HUD either for homeless prevention or rapid re-housing.
- The applicant is unable to sufficiently document their homeless status.
- The applicant does not have a tie to SMAC.
- An alternative program better suits their current needs.
- The applicant is unable to locate suitable housing after searching for 6 months.

Ineligibility does not bar the individual or family household from being referred at a later date.

An applicant will be given the opportunity to request an informal review in accordance with the procedures in Chapter VII.

SECTION III

VERIFICATION OF ANNUAL INCOME

Annual income is used to determine program eligibility and the level of assistance the household will receive.

To determine the annual income of an individual or family household, CoC regulation requires the use of calculating income standards under 24 CFR 5.609. The annual income definition found at 24 CFR Part 5 is used by a variety of federal programs including Housing Choice Voucher (Section 8), Public Housing, and the Low-Income Housing Tax Credit Program.

A. DEFINITION OF ANNUAL INCOME

The Part 5 definition of *annual (gross) income* is the gross amount, monetary or not, which go to or on behalf of the individual or family household that is anticipated to be received during the coming 12-month period. Annual income also includes amounts derived from assets.

Gross Amount is before any deductions have been taken.

Anticipated to be received is a projection forward of future earnings or benefits over 12 months to determine a household's expected ability to pay.

B. TYPES OF INCOME TO COUNT

There are some "inclusions" on types of income to be counted and "exclusions" on types of income that are not considered. See Appendix A for details.

C. HOUSEHOLD MEMBERS INCOME TO COUNT

All adult household members living in the household (including those that may be temporarily absent) must have their income counted towards the annual income of the household.

Additionally, dependent members (child 17 or under; Full-time student over 18) for which benefits are provided are also included in annual income. See Appendix B for details.

D. TREATMENT OF ASSETS

There is no asset limitation for participation in any CoC funded activity. Income from assets (interest and dividends) is however included as part of annual income under the Part 5 definition.

In general terms, an asset is a cash or non-cash item that can be converted to cash. Household assets in excess of \$5,000, annual income shall include the greater of the actual income derived from all net family assets or a percentage of the value of such assets based on the current passbook savings rate, as determined by HUD. See Appendix C for details.

SECTION IV.....DETERMINATION OF PARTICIPANT SHARE.....

CoC funds may be used to pay housing owners/property management and service providers. Below details how a participant would either share in the cost or what financial assistance is available.

A. LENGTH OF RENTAL ASSISTANCE

SMAC will allow a household to access CoC funding for up to 24 months with no limit on the period of assistance, so long as the household remains eligible for assistance based on the criteria in Section I. The amount of the assistance will be re-evaluated every six (6) months.

B. COMPUTATION OF PARTICIPANT SHARE OR PORTION

Verification of income will serve as the basis for determining the household's contribution towards rental assistance.

A household's future income must be projected over the next 12 months based upon the household's current circumstances. SMAC will assume the household's current circumstances will continue for the next 12 month unless there is verifiable evidence it will be different (as determined during the 6 month re-evaluation process).

Household income includes all sources of income (for all members in the household) and it also includes assets (for all members in the household). See Appendix B for further details related to annual income.

Income documentation will need to be supplied or collected based upon the following hierarchy and order of priority (578.103 (a)(6)).

1st – Source documents

2nd – Third party verification

3rd – Self-certification from the household

Source documents include (but are not limited to):

- Pay stubs or wage statements
- Bank statements
- Social Security award notice
- Child support payment record
- General Assistance or TANF letter

Third party verification would be collected directly from the employer, social security administration, public assistance agency or financial institution. To conduct third party verifications, the household must sign a release form that authorizes the third party to release the required information.

Self-declaration from the individual household or family should only be used if source documents cannot be supplied and attempts to collect third party verification are unsuccessful. Acceptable self-declaration may include:

- Completion of a self-declaration form or a signed written statement from the head of household **and** household member if the income/asset pertains directly to that member. If the member is under age 18, they will not be required to sign.
- Written record on the intake worker's attempts to obtain third-party verification.

Households will be required to contribute a minimum of \$50 or 30% of their Adjusted Income, whichever is greater, towards their rent. This is considered to be the participant's share or portion of the rent.

If a household cannot pay a minimum of \$50 toward their rent, the participant may submit a request for an exception to this payment to the RRH provider. The request should include the length of the request (no longer than 3 months), the reason for the request and the anticipated resolution. The provider will respond within 10 business days as to whether the request was granted. Staff will seek input from SMAC as needed. All exceptions, whether granted or denied, will be brought to the workgroup for discussion and consideration for changes to program standards.

All income, assets and expenses will be verified. The computation will follow the regulation under 24 CFR 5.609 as detailed in Section III. A household's annual income will be re-evaluated every six (6) months.

A household is not required to report changes in income until their next semi-annual re-evaluation. If a household does report a decrease in income, an adjustment to the tenant share will be conducted to be effective the month following the report of the change.

CHAPTER III

ELIGIBLE COSTS – RENTAL ASSISTANCE

A. RENTAL ASSISTANCE

As detailed in Chapter II above

B. SECURITY DEPOSIT

Security deposit assistance is available through the CoC program to CoC eligible recipients. Assistance will be limited to once (1) every 12 months and cannot exceed 2 months of rent (578.51 (a)(2)).

C. LAST MONTH RENT

Payment for last month's rent is available to CoC eligible recipients (578.53(a)(2)) but it cannot exceed one (1) month's rent and is included in the total rental assistance cap of 24 months.

A last month's rent payment cannot be provided or combined with any other federal program. Assistance will be limited to once (1) in every 12 months.

D. VACANCY PAYMENT

Payment of rent for 30 days after the end of the month when vacancy occurred.

E. RENT DURING TREATMENT OR MEDICAL CARE

Rent can be paid for up to 90 days on behalf of a participant that must leave the unit for treatment, medical care, etc.

F. DAMAGES

Payment can be made for up to one month's rent amount for damages to the unit. Limited to one time per client

G. COSTS OF ADMINISTERING RENTAL ASSISTANCE

The following costs are eligible under and may be charged to the Rental Assistance budget:

- Processing rental payments to landlords;
- Examining participant income and family composition;
- Providing housing information and assistance;
- Inspecting units for compliance with housing quality standards

- Receiving new participants into the program

H. SERVICE COSTS

Service costs are also eligible for funding under CoC RRH, only for those grant recipients that include supportive services in their budgets. Supportive Services listed under 578.53 are allowable.

CHAPTER IV UNIT SELECTION

A. UNIT SELECTION

Once the CoC recipient has been approved and determined to be eligible for rental assistance, the household must select a unit that:

1. Meets rent reasonableness standards.
2. Is located within SMAC
3. Includes a legally binding lease that will be entered into by the participant and owner
4. Meets Housing Quality Standards (HQS)

If the household is unable to secure a unit after six (6) months, the household must be re-evaluated for income and need. After an additional six (6) months, if the household has still not found suitable housing, the household will be deemed ineligible.

B. RENT REASONABLENESS

The standard HUD has adopted and must be enforced under CoC is the total rent charged for a unit must be reasonable in relation to the rents being charged during the same period for comparable units in the private, unassisted market and must not be in excess of rents being charged during the same period for comparable non-luxury unassisted units.

The rent reasonableness of the unit can be evaluated in SMAC by one of the following approved methods:

1. Use of Rentometer; <https://www.rentometer.com/>
2. Evaluation of three unit rents in the area

C. UNIT INSPECTION

The unit will need to be inspected using Housing Quality Standards (HQS) prior to rental assistance commencing. Thereafter the unit must be inspected annually to ensure that the unit continues to meet HQS. (578.75(b)).

D. SUITABLE DWELLING SIZE

The dwelling unit must have at least one bedroom or living/sleeping space for each two persons. Children of opposite sex, other than very young children, may not be required to occupy the same bedroom or sleeping area. (578.75(c)).

E. CONTRACT EXECUTION

A housing assistance payment (HAP) contract will be executed with the owner/manager of the property in which the CoC RRH rental assistance recipient will reside in the selected unit. The contract will outline the rent for the term of the lease, the term of the contract (matching the lease), the address or room number of the assisted unit, the portion of rent the tenant will be responsible to pay and the assisted amount paid with CoC funds.

The contract should be executed prior to beginning of assistance. The CoC RRH portion of the rent assistance for participants receiving CoC Rental Assistance terminates automatically and no further rental assistance payment can be made if:

1. The participant moved out of the assisted unit;
2. The lease was terminated or not renewed by either party;
3. The participant becomes ineligible to receive CoC rental assistance.

CHAPTER V

CASE MANAGEMENT

Any CoC RRH rental assistance recipient should meet with their case manager at a minimum of once (1) per month. More frequent appointments can be made as seen fit for the individual household.

The purpose of case management is to:

1. Help the participant receive appropriate supportive services.
2. Help the participant obtain other federal, state, and local assistance.
3. Help the participant to develop a plan and set goals to retain permanent housing once the assistance expires.
4. Oversee the progress of goal attainment to sustain permanent housing after assistance has expired.

CHAPTER VI

TERMINATION OF ASSISTANCE

The following process will occur should a participant receiving rental assistance or housing relocation and stabilization services have their assistance terminated: (578.91)

- 1) Provide the program participant with access to a written copy of the program rules and the termination process before the participant begins to receive assistance.
- 2) A written notice to the program participant containing a clear statement of the reasons for termination.
- 3) A review of the decision, in which the participant is given the opportunity to present written or oral objections before a person other than the person who approved the termination decision.
- 4) Prompt written notice of the final decision to the program participant after a grievance has been made.

Termination does not bar the participant household from receiving CoC RRH assistance at a later date for the same family or individual, as long as the household has not exceeded a total of 24 months of rental assistance.

A. MAXIMUM LIMIT ON ASSISTANCE

The maximum limit on rental assistance will be 24 months.

B. TERMINATION AS A RESULT OF ABSENCE FROM A UNIT FOR MORE THAN 90 DAYS

While receiving a subsidy under CoC RRH Rental Assistance Program if the participant is absent from their assisted unit for more than 90 consecutive days, the participant's rental assistance may be subject to termination.

C. TERMINATION DUE TO DUPLICATE SUBSIDIES

While receiving a subsidy under CoC RRH Rental Assistance Program, participants may not participate in any other federal, state or local assisted housing programs (see definition below). The participant must use the assisted unit as their sole residence and may not receive any duplicate housing subsidies for their unit or another housing unit. Acceptance of an on-going stipend from an outside party in order to pay the minimum rent required for the program is not considered a duplicate subsidy.

Federally assisted housing means housing assisted under any of the following programs:

(1) Public housing;

(2) Housing receiving project-based or tenant-based assistance under Section 8 of the U.S. Housing Act of 1937 (42 U.S.C. 1437f);

(3) Housing that is assisted under section 202 of the Housing Act of 1959, as amended by section 801 of the National Affordable Housing Act (12 U.S.C. 1701q);

(4) Housing that is assisted under section 202 of the Housing Act of 1959, as such section existed before the enactment of the National Affordable Housing Act;

(5) Housing that is assisted under section 811 of the National Affordable Housing Act (42 U.S.C. 8013);

(6) Housing financed by a loan or mortgage insured under section 221(d)(3) of the National Housing Act (12 U.S.C. 1715/(d)(3)) that bears interest at a rate determined under the proviso of section 221(d)(5) of such Act (12 U.S.C. 1715/(d)(5));

(7) Housing insured, assisted, or held by HUD or by a State or local agency under section 236 of the National Housing Act (12 U.S.C. 1715z-1); or

(8) Housing assisted by the Rural Development Administration under section 514 or section 515 of the Housing Act of 1949 (42 U.S.C. 1483, 1484).

CHAPTER VII VIOLENCE AGAINST WOMEN ACT 2013

VAWA 2013 continues to bar eviction and termination due to a tenant's status as a survivor, and requires landlords to maintain survivor-tenant confidentiality. It also continues to prohibit a tenant who is a survivor of domestic violence from being denied assistance, tenancy, or occupancy rights based solely on criminal activity related to an act of domestic violence committed against them. It continues to allow a lease bifurcation so a tenant or lawful occupant who engages in criminal acts of physical violence against affiliated individuals or others may be evicted or removed without evicting or removing or otherwise penalizing a victim who is a tenant or lawful occupant. If victim cannot establish eligibility, the landlord must give a reasonable amount of time to find new housing or establish eligibility under another covered housing program.

CHAPTER VIII GRIEVANCE PROCEDURES

A. INFORMAL REVIEWS FOR APPLICANTS

1. The CoC RRH recipient will provide applicants with the opportunity for an informal review of decisions denying:
 - a. Participation in the program

2. Informal reviews are not required for established policies and procedures such as:
 - a. The unit does not pass inspection or;
 - b. The unit is deemed not rent reasonable.

3. Denial notice will describe:
 - a. The reasons for the decision
 - b. The household's right to informal review
 - c. The procedures and time frames for obtaining a review

B. INFORMAL HEARING FOR PARTICIPANTS

1. The CoC RRH recipient will give the program participant an opportunity for an informal hearing to consider whether decisions relating to the individual circumstances of the participant are in accordance with law and recipient rules in the following cases:
 - a. A determination of the computation of the amount of housing assistance payment to the participant.
 - b. A decision to deny or terminate assistance on behalf of the participant.

Written notice of these determinations by the recipient will state that if the participant does not agree with the decision, they may request an informal hearing on the decision within fourteen (14) calendar days of the date of mailing.

2. Informal hearings are not required for established policies and procedures such as:
 - a. Maximum term of 24-month subsidy is reached
3. The guidelines for the informal hearing include:
 - a. Any person or persons designated by the CoC RRH recipient, other than the person who made or approved the decision under review or a subordinate of that person, will conduct the hearing.
 - b. At his or her own expense, a lawyer or other representative may represent the participant.
 - c. The CoC RRH recipient and the participant will have the opportunity to present evidence and question any witnesses.
 - d. The person who conducts the hearing shall issue a written decision, stating briefly the reasons for the decision, within fourteen (14) calendar days of the hearing. The participant promptly receives a copy of the hearing decision.

CHAPTER IX

HMIS §576.103

Under this component, CoC funds may be used for CoC RRH recipients and subrecipients' participation in the HMIS collection and analyses of data on individuals and families who are homeless and at-risk of homelessness.

Eligible costs under CoC include:

- Contributing data to the HMIS designated by the CoC
- Costs for managing the HMIS system
- Cost to establish and operate a comparable database for victim services or legal service providers

CHAPTER X

OTHER FEDERAL REQUIREMENTS

A. NONDISCRIMINATION AND EQUAL OPPORTUNITY REQUIREMENTS

Federal law prohibits housing discrimination based on race, color, national origin, religion, sex, familial status, or disability. Eligibility for CoC RRH assistance will be based upon the criteria noted in the various chapters and made available without regard to race, color, national origin, religion, to actual or perceived sexual orientation, gender identity, familial or marital status, or disability.

B. PROHIBITION OF INQUIRIES ON SEXUAL ORIENTATION OR GENDER IDENTITY

For the purpose of determining eligibility for CoC RRH assistance or otherwise making such housing available, SMAC prohibits inquiries regarding sexual orientation or gender identity. It does not prohibit any individual from voluntarily self-identifying sexual orientation or gender identity.

Prohibition on inquiries does not prohibit lawful inquiries of an applicant or occupant's sex where the housing provided or to be provided to the individual is temporary, emergency shelter that involves the sharing of sleeping areas or bathrooms, or inquiries made for the purpose of determining the number of bedrooms to which a household may be entitled.

C. DEBARRED, SUSPENDED, OR INELIGIBLE CONTRACTORS AND PARTICIPANTS

The prohibitions at 2 CFR part 2424 on the use of debarred, suspended, or ineligible contractors and participants.

CHAPTER XI

REPORTING AND RECORD KEEPING

As indicated in other sections, documentation must be collected and maintained in a participant file for compliance with CoC RRH regulations. Records of payment and program participant records must be maintained for a minimum five (5) years after all funds from the fiscal year of CoC RRH funds were expended.

The CoC RRH recipient will collect the following information* for each participant file (dependent upon assistance being provided).

*See Documentation Check List

CHAPTER XII

STANDARDS FOR PROGRAM EVALUATION

SMAC has selected the following evaluation standards for CoC RRH recipients:

- 80% maintain housing stability
- 60% maintain or increase total income
- 40% maintain or increase earned income

See 'Performance Standards' in the overall SMAC written standards

APPENDICES

APPENDIX A – Types of Income to Count

1) Part 5 Inclusions

This table presents the Part 5 income inclusions to be counted to determine annual income:

General Category	
1. Income from wages, salaries, tips, etc.	The full amount, before any payroll deductions, of wages and salaries, overtime pay, commissions, fees, tips and bonuses, and other compensation for personal services.
2. Business Income	The net income from the operation of a business or profession. Expenditures for business expansion or amortization of capital indebtedness shall not be used as deductions in determining net income. An allowance for depreciation of assets used in a business or profession may be deducted, based on straight-line depreciation, as provided in Internal Revenue Service regulations. Any withdrawal of cash or assets from the operation of a business or profession will be included in income, except to the extent the withdrawal is reimbursement of cash or assets invested in the operation by the family.
3. Interest & Dividend Income	Interest, dividends, and other net income of any kind from real or personal property. Expenditures for amortization of capital indebtedness shall not be used as deductions in determining net income. An allowance for depreciation is permitted only as authorized in number 2 (above). Any withdrawal of cash or assets from an investment will be included in income, except to the extent the withdrawal is reimbursement of cash or assets invested by the family. Where the family has net family assets in excess of \$5,000, annual income shall include the greater of the actual income derived from all net family assets or a percentage of the value of such assets based on the current passbook savings rate, as determined by HUD.

4. Retirement & Insurance Income	The full amount of periodic amounts received from Social Security, annuities, insurance policies, retirement funds, pensions, disability or death benefits, and other similar types of periodic receipts, including a lump-sum amount or prospective monthly amounts for the delayed start of a periodic payment (except for certain exclusions, listed in Income Exclusions, number 14).
5. Unemployment & Disability Income	Payments in lieu of earnings, such as unemployment and disability compensation, worker's compensation and severance pay (except for certain exclusions, listed in Income Exclusions, number 3).
6. Welfare Assistance	<p>Welfare Assistance. Welfare assistance payments made under the Temporary Assistance for Needy Families (TANF) or in Minnesota (MFIP, GA, & MSA) program are included in annual income:</p> <ul style="list-style-type: none"> • Qualify as assistance under the TANF program definition at 45 CFR 260.31; and • Are otherwise excluded from the calculation of annual income per 24 CFR 5.609(c). <p>If the welfare assistance payment includes an amount specifically designated for shelter and utilities that is subject to adjustment by the welfare assistance agency in accordance with the actual cost of shelter and utilities, the amount of welfare assistance income to be included as income shall consist of:</p> <ul style="list-style-type: none"> • the amount of the allowance or grant exclusive of the amount specifically designated for shelter or utilities; plus: • the maximum amount that the welfare assistance agency could in fact allow the family for shelter and utilities. If the family welfare assistance is reduced from the standard of need by applying a percentage, the amount calculated under 24 CFR 5.609 shall be the amount resulting from one application of the percentage.
7. Alimony, Child Support, & Gift Income	Periodic and determinable allowances, such as alimony and child support payments, and regular contributions or gifts received from organizations or from persons not residing in the dwelling.
8. Armed Forces Income	All regular pay, special pay, and allowances of a member of the Armed Forces (except as provided in number 8 of Income Exclusions).

2) Part 5 Exclusions

This table presents the Part 5 income exclusions not to be counted to determine annual income:

General Category	
1. Income of Children	Income from employment of children (including foster children) under the age of 18 years.
2. Foster Care Payments	Payments received for the care of foster children or foster adults (usually persons with disabilities, unrelated to the tenant family, who are unable to live alone).
3. Inheritance and Insurance Income	Lump-sum additions to family assets, such as inheritances, insurance payments (including payments under health and accident insurance and worker's compensation), capital gains, and settlement for personal or property losses (except for certain exclusions, listed in Income Inclusions, number 5).
4. Medical Expense Reimbursements	Amounts received by the family that are specifically for, or in reimbursement of, the cost of medical expenses for any family member.
5. Income of Live-in Aides	Income of a live-in aide (as defined in 24 CFR 5.403).
6. Income from a Disabled Member	Certain increase in income of a disabled member of qualified families residing in HOME-assisted housing or receiving HOME tenant-based rental assistance (24 CFR 5.671 (a)).
7. Student Financial Aid	The full amount of student financial assistance paid directly to the student or to the educational institution.
8. "Hostile Fire" Pay	The special pay to a family member serving in the Armed Forces who is exposed to hostile fire.
9. Self-Sufficiency Program Income	<ol style="list-style-type: none"> Amounts received under training programs funded by HUD. Amounts received by a person with a disability that are disregarded for a limited time for purposes of Supplemental Security Income eligibility and benefits because they are set aside for use under a Plan to Attain Self-Sufficiency (PASS). Amounts received by a participant in other publicly assisted programs that are specifically for, or in reimbursement of, out-of-pocket expenses incurred (special equipment, clothing, transportation, childcare, etc.) and which are made solely to allow participation in a specific program. Amounts received under a resident service stipend. A resident service stipend is a modest amount (not to exceed \$200 per month) received by a resident for performing a service for the

	<p>PHA or owner, on a part-time basis, that enhances the quality of life in the development. Such services may include, but are not limited to, fire patrol, hall monitoring, lawn maintenance, resident initiatives coordination, and serving as member of the PHA's governing board. No resident may receive more than one such stipend during the same period of time.</p> <p>e. Incremental earnings and benefits resulting to any family member from participation in qualifying state or local employment training programs (including training not affiliated with a local government) and training of a family member as resident management staff. Amounts excluded by this provision must be received under employment training programs with clearly defined goals and objectives, and are excluded only for the period during which the family member participates in the employment-training program.</p>
10. Gifts	Temporary, nonrecurring, or sporadic income (including gifts).
11. Reparation Payments	Reparation payments paid by a foreign government pursuant to claims filed under the laws of that government by persons who were persecuted during the Nazi era.
12. Income from Full-time Students	Earnings in excess of \$480 for each full-time student 18 years old or older (excluding the head of household or spouse).
13. Adoption Assistance Payments	Adoption assistance payments in excess of \$480 per adopted child.
14. Social Security & SSI Income	Deferred periodic amounts from supplemental security income and social security benefits that are received in a lump sum amount or in prospective monthly amounts.
15. Property Tax Refunds	Amounts received by the family in the form of refunds or rebates under state or local law for property taxes paid on the dwelling unit.
16. Home Care Assistance	Amounts paid by a state agency to a family with a member who has a developmental disability and is living at home to offset the cost of services and equipment needed to keep this developmentally disabled family member at home.
17. Other Federal Exclusions	<p>Amounts specifically excluded by any other Federal statute from consideration as income for purposes of determining eligibility or benefits under a category of assistance programs that includes assistance under any program to which the exclusions set forth in 24 CFR 5.609(c) apply. A notice will be published in the Federal Register and distributed to housing owners identifying the benefits that qualify for this exclusion. Updates will be published and distributed when necessary. The following is a list of income sources that qualify for that exclusion:</p> <ul style="list-style-type: none"> ▶ The value of the allotment provided to an eligible household under the Food Stamp Act of 1977; ▶ Payments to volunteers under the Domestic Volunteer Service Act of 1973 (employment through AmeriCorps, VISTA, Retired Senior Volunteer Program, Foster Grandparents Program, youthful offender incarceration alternatives, senior companions); ▶ Payments received under the Alaskan Native Claims Settlement Act; ▶ Income derived from the disposition of funds to the Grand River Band of Ottawa Indians; ▶ Income derived from certain submarginal land of the United States that is held in trust for certain Indian tribes; ▶ Payments or allowances made under the Department of Health and Human Services' Low-Income Home Energy Assistance Program. ▶ Payments received under the Maine Indian Claims Settlement Act of 1980 (25 U.S.C. 1721); ▶ The first \$2,000 of per capita shares received from judgment funds awarded by the Indian Claims Commission or the U.S. Claims Court and the interests of individual Indians in trust or restricted lands, including the first \$2,000 per year of income received by individual Indians from funds derived from interests held in such trust or restricted lands; ▶ Amounts of scholarships funded under Title IV of the Higher Education Act of 1965, including awards under the Federal work-study program or under the Bureau of Indian Affairs student assistance programs; ▶ Payments received from programs funded under Title V of the Older Americans Act of 1985 (Green Thumb, Senior Aides, Older American Community Service Employment Program); ▶ Payments received on or after January 1, 1989, from the Agent Orange Settlement Fund or any other fund established pursuant to the settlement in the <u>In Re Agent Orange</u> product liability litigation, M.D.L. No. 381 (E.D.N.Y.);

	<ul style="list-style-type: none"> ▶ Earned income tax credit refund payments received on or after January 1, 1991, including advanced earned income credit payments; ▶ The value of any child care provided or arranged (or any amount received as payment for such care or reimbursement for costs incurred for such care) under the Child Care and Development Block Grant Act of 1990; ▶ Payments received under programs funded in whole or in part under the Job Training Partnership Act (employment and training programs for Native Americans and migrant and seasonal farm workers, Job Corps, veterans employment programs, state job training programs and career intern programs, AmeriCorps). ▶ Payments by the Indians Claims Commission to the Confederated Tribes and Bands of Yakima Indian Nation or the Apache Tribe of Mescalero Reservation; ▶ Allowances, earnings, and payments to AmeriCorps participants under the National and Community Services Act of 1990; ▶ Any allowance paid under the provisions of 38 U.S.C. 1805 to a child suffering from spina bifida who is the child of a Vietnam veteran; ▶ Any amount of crime victim compensation (under the Victims of Crime Act) received through crime victim assistance (or payment or reimbursement of the cost of such assistance) as determined under the Victims of Crime Act because of the commission of a crime against the applicant under the Victims of Crime Act; and ▶ Allowances, earnings, and payments to individuals participating in programs under the Workforce Investment Act of 1998.
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APPENDIX B – Household Member Income to Count

This chart summarizes whose income to count under Part 5:		
Persons Counted in Household Size for the Purposes of Eligibility Calculation	Employment Income	Other Income (Including income from Assets)
• Head of Household	Yes	Yes
• Spouse	Yes	Yes
• Co-Head of Household	Yes	Yes
• Other Adult	Yes	Yes
• Dependents		
○ Child 17 or under	No	Yes
○ Full-time Student 18 and over	See Note	Yes
Nonmembers Not counted		
• Foster Adult	No	No
• Foster Child 18 or under	No	No
• Live-in Aide	No	No
<p>NOTE: Only count the first \$480 of earned income of a full-time student (enrolled for 12 or more units) older than 18 who is a dependent. Full time student status must be verified and documented in the file.</p>		

- **Minors.** Earned income of minors is not counted. However, unearned income attributable to a minor (e.g., child support, welfare payments and other benefits paid on behalf of a minor) is included.
- **Foster Children and Adults.** These persons are not included in the household member count. Also, since the foster children/adults are not counted as household members, the income received to care for these individuals is not included in the household income.
- **Live-In Aides.** If a household includes a paid live-in aide (whether paid by the household or a social service program), the income of the live-in aide, regardless of the source, is not counted. Except under unusual circumstances, a related person does not qualify as a live-in aide.
- **Persons with Disabilities.** During the annual recertification of a household's income, Grantees are required to exclude from annual income certain increases in the income of a disabled member of qualified families residing in HOME-assisted housing or receiving HOME tenant-based rental assistance. This will be discussed in detail in Chapter Four.
- **Temporarily Absent Household Members.** The income of temporarily absent household members is counted in the Part 5 definition of annual income – regardless of the amount the absent member contributes to the household. For example, a construction worker employed at a temporary job on the other side of the state earns \$600 per week. He keeps \$200 per week for expenses and sends \$400 per week home to his family. The entire amount (\$600 per week) is counted in the family's income.
- **Adult Students Living Away from Home.** If the adult student is counted as a member of the household in determining the household size (to compare to the HUD income limits), the first \$480 of the student's income must be counted in the household's income. Note, however, that the \$480 limit does not apply to a student who is the head of household or spouse (their full income must be counted). To count the adult student as a household member, the adult student would need to be verified as a dependent, usually on the parent's tax return. Additionally, student status must be verified with documentation in the file.
- **Permanently Absent Household Members.** If a household member is permanently absent from the household (e.g., a spouse who is in a nursing home), the head of household has the choice of either counting that person as a member of the household, and including income attributable to that person as household income, or specifying that the person is no longer a member of the household.
* If the household member is specified as being no longer a member, that member is not allowed to live in the assisted unit if short or medium term rental assistance is being provided.

1) Part 5 Inclusions

This table presents the Part 5 asset inclusions to be counted to determine annual income:

Inclusions

1. Cash held in savings accounts, checking accounts, safe deposit boxes, homes, etc. For savings accounts, use the current balance. For checking accounts, use the average 6-month balance. Assets held in foreign countries are considered assets.
2. Cash value of revocable trusts available to the applicant.
3. Equity in rental property or other capital investments. Equity is the estimated current market value of the asset less the unpaid balance on all loans secured by the asset and all reasonable costs (e.g., broker fees) that would be incurred in selling the asset. Under HOME, equity in the family's primary residence is not considered in the calculation of assets for owner-occupied rehabilitation projects.
4. Cash value of stocks, bonds, Treasury bills, certificates of deposit and money market accounts.
5. Individual retirement, 401(K), and Keogh accounts (even though withdrawal would result in a penalty).
6. Retirement and pension funds.
7. Cash value of life insurance policies available to the individual before death (e.g., surrender value of a whole life or universal life policy).
8. Personal property held as an investment such as gems, jewelry, coin collections, antique cars, etc.
9. Lump sum or one-time receipts, such as inheritances, capital gains, lottery winnings, victim's restitution, insurance settlements and other amounts not intended as periodic payments.
10. Mortgages or deeds of trust held by an applicant.

2) Part 5 Exclusions

This table presents the Part 5 asset inclusions not to be counted to determine annual income:

Exclusions

- 1) Necessary personal property, except as noted in number 8 of Inclusions, such as clothing, furniture, cars and vehicles specially equipped for persons with disabilities.
- 1) Interest in Indian trust lands.
- 1) Assets not effectively owned by the applicant. That is, when assets are held in an individual's name, but the assets and any income they earn accrue to the benefit of someone else who is not a member of the household and that other person is responsible for income taxes incurred on income generated by the asset.
- 1) Equity in cooperatives in which the family lives.
- 1) Assets not accessible to and that provide no income for the applicant.

1) Term life insurance policies (i.e., where there is no cash value).

Assets that are Part of an Active Business. "Business" does not include rental of properties that are held as an investment and not a main occupation.