



State Rental Assistance Program

# **STATE RENTAL ASSISTANCE PROGRAM (SRAP) PROGRAM MANUAL**

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## Table of Contents

I. Program Overview .....	5
2. Definitions .....	6
3. Referral Management .....	8
4. Program Eligibility .....	9
5. Household Composition.....	12
6. Income Determinations and Redeterminations .....	13
7. Live-in Aides .....	15
8. Subsidy Approval.....	16
9. SRAP Briefing for Households .....	19
10. Housing Search.....	21
11. Elective Moves and Transfers within SRAP .....	22
12. Unit Approval .....	23
13. Tenant Contribution/Rent Subsidy Determination.....	29
14. SRAP Payment Contract .....	31
15. Payments to Owners.....	35
16. Occupancy/Vacancies .....	36
17. Termination of Assistance.....	36
18. Appeals.....	38
19. Program Reserve.....	39
20. Data Collection & Reporting .....	40
21. Monitoring .....	40
APPENDIX I .....	42
APPENDIX 2 .....	56
APPENDIX 3 .....	57
APPENDIX 4 .....	60
APPENDIX 5 .....	64
1. Tenant-based vs. Project-based Assistance .....	64
2. Relocation Requirements.....	65
3. Owner Proposal Selection Procedures.....	65
4. Solicitation and Selection of SRAP-PBRA Proposals.....	65

5. PHA-owned Units .....	67
6. PHA Notice of Owner Selection .....	67
7. Housing Type.....	68
8. Prohibition of Assistance for Certain Units.....	68
9. Subsidized Housing .....	68
10. Cap on Number of PBRA Units in Each Project.....	69
11. Existing Housing Site and Neighborhood Standards.....	69
12. Housing Quality Standards.....	69
13. Housing Accessibility for Persons with Disabilities .....	70
14. Inspecting Units.....	70
15. Housing Assistance Payments Contract.....	70
16. Amendments to the SRAP Contract.....	72
17. SRAP Contract Year, Anniversary and Expiration Dates.....	72
18. Owner Responsibilities Under the SRAP-PBRA Contract .....	72
19. Additional SRAP Requirements.....	73
20. Selection of SRAP-PBRA Program Participants .....	74
21. Disapproval by Landlord .....	74
22. Acceptance of Offer .....	74
23. Owner Selection of Tenants.....	75
24. Reduction in SRAP Contracts Due to Vacancies.....	75
25. Tenant Screening .....	75
26. Occupancy.....	76
27. Moves.....	78
28. Exception to the Occupancy Cap .....	79
29. Determining Rent to Owner.....	79
30. Rent Limits.....	79
31. Certain Tax Credit Units .....	79
32. Use of FMRs, Exception Payment Standards, and Utility Allowances .....	80
33. Redetermination of Rent .....	81
34. Reasonable Rent .....	81
35. Effect of Other Subsidy and Rent Control.....	82
36. Rent Assistance Payments .....	83

37. Vacancy Payments ..... 83

38. Tenant Rent to Owner..... 83

39. Other Fees and Charges ..... 84

40. Termination of Assistance..... 84

41. Appeals..... 84

42. Program Reserve..... 84

43. Reporting Requirements ..... 85

44. Monitoring ..... 85

## I. Program Overview

The Department of Behavioral Health and Developmental Services (DBHDS) has created a State Rental Assistance Program (SRAP) to serve individuals with developmental disabilities in the Settlement Agreement population who want to live in their own housing. The aim of the State Rental Assistance Program is to provide adults with developmental disabilities who currently live in less integrated settings such as nursing facilities, intermediate care facilities, group homes and with their families of origin, a financial tool to support establishing their own households in more integrated housing settings consistent with their informed choices and needs, including their own homes and apartments. The program is designed to provide rental assistance to eligible families so they have the means to lease private market rental housing that meets their needs. Individuals will have the opportunity to choose where they live, with whom they live, and who supports them. Services and supports will be provided through sources separate from their housing, including Medicaid Waiver-funded home and community based services, natural supports, privately paid supports, and other community resources.

The following Public Housing Agencies and Community Services Board (“PHA”, “PHAs”, “CSB”, as applicable ) have each entered into a Memorandum of Agreement with DBHDS to administer the State Rental Assistance Program in their catchment areas:

- Chesapeake Redevelopment and Housing Authority – the City of Chesapeake
- Fairfax County Redevelopment and Housing Authority – Fairfax County, the City of Fairfax, the City of Falls Church, and the Towns of Clifton, Herndon and Vienna
- Norfolk Redevelopment and Housing Authority – the City of Norfolk
- The City of Virginia Beach, through the Department of Housing & Neighborhood Preservation – the City of Virginia Beach
- Bristol Redevelopment and Housing Authority- the Counties of Buchanan, Dickenson, Lee, Scott, Wise, Smyth, Wythe, Tazewell and Russell, the Cities of Norton and Bristol, and the Towns of Abingdon and Big Stone Gap
- Danville Redevelopment and Housing Authority-the Counties of Pittsylvania and Henry, and the Cities of Danville and Martinsville
- Richmond Redevelopment and Housing Authority- the City of Richmond and the area within a twenty-five mile radius of their offices located at 901 Chamberlayne Pkwy.,Richmond,VA, 23220
- Roanoke Redevelopment and Housing Authority- the Counties of Roanoke and Bedford, and the Cities of Bedford, Roanoke, Covington, and Salem
- Region Ten Community Service Board-the Counties of Albemarle, Fluvanna, Greene, Louisa and Nelson, and the City of Charlottesville
- Lynchburg Redevelopment and Housing Authority- City of Lynchburg
- Prince William Office of Housing and Community Development- Prince William County

## 2. Definitions

**Applicant.** The individual, who has been referred by a support coordinator, is screened by DBHDS, meets the program eligibility criteria, and is referred to the PHA to apply for SRAP.

**Community Services Board.** Organization that serves as the point of entry into publicly funded mental health, developmental, and substance abuse services for individuals with mental illness, developmental disability, substance use disorders, or co-occurring disorders.

**Contract unit.** The housing unit rented by the tenant with assistance under the program.

**Department of Behavioral Health & Developmental Services (DBHDS).** Virginia's state agency that develops policy and regulations; licenses services; and operates state facilities for people with mental illness, serious emotional disturbance, substance abuse disorders and developmental disabilities.

**Eligible Family.** The applicant and persons residing with the applicant who have been screened and approved by DBHDS, referred to the PHA to apply for SRAP, and determined by the PHA to meet all program criteria to be issued an SRAP Rental Certificate.

**Family.** The individual who is the primary applicant for SRAP and the persons residing with the applicant whom DBHDS has screened and approved as a family unit. To be considered a family unit, the following conditions must be met: (1) the applicant may not live with their parents, grandparents or guardians, and (2) if additional persons will reside with the applicant, the applicant must demonstrate a stable family relationship by providing evidence that the applicant and these persons lived together previously or certifying that each person's income and other resources will be available to meet the needs of the family.

**Home of the family of origin.** The home in which the eligible individual resides in addition to a parent(s), grand-parent(s) or legal guardian(s). In this setting the parent, grandparent or guardian must be deemed the head of household for lease or ownership purposes.

**Household.** The persons who may reside in the contract unit. The household consists of the individual(s) and any PHA-approved live-in aide (A live-in aide is a person who resides in the unit to provide necessary supportive services for a member of the family who is a person with disabilities).

**Housing Quality Standards (HQS).** The HUD minimum quality standards for housing assisted under the Section 8 tenant-based programs, which have been adopted by SRAP.

**Housing Choice Voucher Program.** A tenant-based rental assistance program funded by the U.S. Department of Housing & Urban Development and administered by local public housing agencies in accordance with federal regulations.

**HUD.** The U.S. Department of Housing & Urban Development.

**Lease.** The written agreement between the owner and the tenant for the lease of a contract unit to the tenant. The lease includes the tenancy addendum prescribed by DBHDS.

**Owner.** The individual or entity that owns a property, or the agent that has been granted legal authority to manage the affairs of the property on behalf of the individual or entity that owns the property.

**Parent/Guardian.** The natural or adoptive family of the applicant, or the court-appointed guardian of the applicant.

**Participant.** A family that is receiving a rent subsidy through SRAP.

**PHA.** Public Housing Agency.

**Premises.** The building or complex in which the contract unit is located, including common areas and grounds.

**Rent to owner.** The total monthly rent payable to the owner for the contract unit. The rent to owner is the sum of the portion of rent payable by the tenant plus the PHA SRAP payment to the owner.

**Section 8.** Section 8 of the United States Housing Act of 1937 (42 United States Code 1437f).

**SRAP Payment Contract.** The payment contract between the PHA and the owner. The PHA pays SRAP payments to the owner in accordance with the SRAP Payment Contract to defray the cost of leasing for the tenant.

**Payment Standard.** The payment standard is the maximum amount that the program will pay toward the cost of monthly rent and utilities.

**State Rental Assistance Program.** Program created by the Department of Behavioral Health and Developmental Services, in partnership with local Public Housing Authorities, to provide funds to help people in the Settlement Agreement Target Population afford safe and decent housing.

**SRAP Rental Certificate.** The certificate that outlines the terms and conditions of the rental subsidy to be provided to the eligible family and paid to the owner upon approval of a unit that meets the program's requirements.

**Subsidy Standards.** Standards established by DBHDS to determine the appropriate number of bedrooms and amount of subsidy for families of different sizes and compositions.

**Support Coordinator.** The professional responsible for assessing the individual's needs for support to live independently, developing a person-centered plan for independent living, linking the individual to supportive services and community resources, and monitoring the provision of these services and resources.

**Tenant.** The family who leases the unit from the owner. The tenant has been approved by the PHA to receive rent assistance which is paid by the PHA in the form of the SRAP payment to the owner.

### 3. Referral Management

Individuals that would like to access integrated, independent housing using the State Rental Assistance Program (SRAP) must be referred by their Support Coordinator. Support Coordinators must complete and submit the standard DBHDS Housing Resource Referral Form, which is entered into the DBHDS Coordinated Housing Access and Referral System (CHARS).

At this time, only individuals who currently reside in or have stated a preference to reside in the following areas shall be referred for SRAP:

- The Cities of Chesapeake, Fairfax, Falls Church, Norfolk and Virginia Beach
- The County of Fairfax
- The Towns of Clifton, Herndon and Vienna
- The Counties of Buchanan, Dickenson, Lee, Scott, Wise, Smyth, Wythe, Tazewell and Russell, the Cities of Norton and Bristol, and the Towns of Abingdon and Big Stone Gap
- The Counties of Pittsylvania and Henry, and the Cities of Danville and Martinsville
- The City of Richmond and the area within a twenty-five mile radius of their offices located at 901 Chamberlayne Pkwy., Richmond, VA, 23220
- The Counties of Roanoke and Bedford, and the Cities of Bedford, Roanoke, Covington, and Salem
- The Counties of Albemarle, Fluvanna, Greene, Louisa and Nelson, and the City of Charlottesville
- City of Lynchburg
- County of Prince William

Of these individuals, referrals shall be prioritized according to the following categories:

- Priority #1: Individuals who live in congregate settings, including skilled nursing facilities, intermediate care facilities, state training centers, and group homes
- Priority #2: Individuals who are either
  - a. Homeless, as evidenced by documentation from the support coordinator that the individual has slept in a shelter, on the street, or in a place not meant for human habitation for the last three consecutive nights, or
  - b. at risk of homelessness, as evidenced by a Writ of Possession for the individual's current residence; or
  - c. paying more than 50% of their own gross monthly income toward their own rental housing (based upon verification of income and current rent); or
  - d. experiencing an imminent threat to health and safety in their housing, as documented by Adult Protective Services.
- Priority #3: Individuals who, at the time of referral, live with their families of origin

PHAs that have entered into an MOA with DBHDS to administer State Rental Assistance are permitted to establish a local preference to serve individuals who currently reside in the PHA’s catchment area or who resided in the PHA’s catchment area prior to placement in a residential program outside the catchment area. PHAs that choose to implement this preference must submit a request to DBHDS in writing. Upon DBHDS approval of the preference, DBHDS will prioritize referrals for the PHA’s SRAP slots as follows:

- Priority 1 in PHA catchment area
- Priority 1 outside PHA catchment area
- Priority 2 in PHA catchment area
- Priority 2 outside PHA catchment area
- Priority 3 in PHA catchment area
- Priority 3 outside PHA catchment area

<b>Referral Management Activity</b>	<b>Responsible Party</b>
Enter referrals into CHARS	Program Coordinator
Track available SRAP slots	Program Coordinator
Approve requests for local preference.	DBHDS Program Manager
Prioritize referrals for available SRAP slots to PHAs. Apply local preference as necessary.	Program Coordinator
Screen referrals in priority order to verify they meet the program eligibility criteria 1-5 in Section 4 below. In addition, check whether the individual is registered as a violent sexual offender in Virginia Sex Offender Registry and conduct outreach to support coordinators to educate them about SRAP mandatory reasons for denial of assistance. Assess how the individual wants to proceed with the referral. Once verified, assign the next available SRAP slot for the appropriate geographic area in CHARS.	Program Coordinator

#### **4. Program Eligibility**

Individuals selected from CHARS to apply for SRAP must meet ALL of the eligibility requirements below:

1. Be age 18 or older, or be a legally emancipated minor
2. Have a developmental disability as defined in the Code of Virginia
3. Be in one of the following categories:
  - a. transitioning from a skilled nursing facility, an intermediate care facility, a state training center, a group home or other congregate setting and meet the level of functioning criteria for a Developmental Services waiver
  - b. receiving Building Independence (BI), Family and Individual Support (FIS) or Community Living (CL) Waiver services
  - c. determined eligible for and currently on a waitlist for the BI, FIS or CL Waiver

4. Meet the criteria for an eligible family:
  - a. The individual's SRAP household composition cannot include his/her parents, grandparents or guardians (e.g., SRAP is for individuals with developmental disabilities who are heads of their own households, not living with their parents, grandparents or guardians). The individual's SRAP household composition may include other relatives by birth, marriage or adoption.
  - b. The individual's SRAP household composition may include one additional person who is not related by birth, marriage or adoption. This unrelated person must certify that his/her income and other resources will be available to meet the needs of the family.
  - c. The individual's SRAP household composition may include multiple persons who are not related by birth, marriage or adoption. SRAP will not subsidize more than one household member who is not related by birth, marriage or adoption. In such cases, the PHA must prorate the assistance provided to a mixed family. The PHA will first determine assistance as if all family members were eligible and then prorate the assistance based upon the percentage of family members that **actually are eligible** (e.g., the individual plus one additional person). For example, if the PHA subsidy for a family is calculated at \$500 and two of four family members are ineligible, the PHA subsidy would be reduced to \$250.
  - d. The individual may request a live-in aide as a reasonable accommodation on the basis of disability. The live-in aide is not a family member, but is a household member.
5. Be currently receiving no other source of local, state or federal rent assistance, subsidy or supplement, whether tenant-based or project-based rent assistance.

DBHDS will screen referrals for SRAP to verify they meet program eligibility criteria 1 – 5 above and will then send verified referrals to the local PHA in priority order. When a local PHA receives a referral from DBHDS, the PHA will conduct its own eligibility review for SRAP.

The PHA will send the applicant a letter confirming DBHDS has referred the applicant to SRAP and an application package which must include the SRAP Application for Rental Assistance Benefits (see Forms in Appendix 2) and a release for a criminal background record request. The confirmation letter and application package may be sent by mail or email. The support coordinator, parent and guardian (if applicable) should receive a copy of the confirmation letter and application package by email, allowing a minimum of seven days notification for required action or appointments. If an emailed letter and package to the applicant bounces back or remains unanswered within forty-eight hours, the PHA must mail a hard copy of the package to the applicant, providing a minimum of seven days for reappointments or required actions. If the mailed package is returned by the post office with no forwarding address, the applicant will be denied. If the notice is returned with a forwarding address, the notice will be re-sent to the address indicated. Individuals must complete the application/eligibility process with the PHA within forty-five (45) days of the date DBHDS sent the initial referral to the PHA. If the application/eligibility process is not completed within 45 days of the above-referenced date, DBHDS will notify the support coordinator or private case manager and the individual will have ten days to complete the application/eligibility process, or else DBHDS will rescind the individual's referral and the support coordinator will need to submit a new referral for the individual.

The confirmation letter must state the deadline by which the completed application package is due to the PHA. The PHA has the option to offer one extension of the deadline. PHAs may choose to schedule initial interviews with applicants to review the application package prior to submission, provide an overview of SRAP and discuss any reasonable accommodations needed in SRAP. If initial interviews are offered, the confirmation letter should also indicate the interview date, time and location.

Applications received after the deadline or the approved extension expires will be denied, unless the applicant requests a reasonable accommodation that is approved by the PHA. PHAs may provide applicants who submit incomplete applications submitted by the deadline up to ten business days to correct their applications or submit additional documentation required. Applications that remain incomplete after the re-submission deadline has expired will be denied, and a new referral is required unless the applicant requests a reasonable accommodation that approved by the PHA.

Verified referrals sent by DBHDS to the PHA which do not include Live-in Aide requests will require an updated referral from the individual’s support coordinator if the applicant later requests a live- in aide during the PHA’s eligibility process. DBHDS will allow the applicant five (5) days to identify the individual.

Once DBHDS makes a verified referral to the PHA, any changes to the household composition prior to lease-up requires the support coordinator to submit an updated referral to DBHDS for approval. This requirement applies to any changes involving the addition, substitution or removal of a household member and/or a live-in aide.

The PHA will utilize the data in the application package to assess the applicant’s financial eligibility (see Section 5 below) and verify whether the applicant receives any other source of rent assistance. In addition, the PHA will evaluate SRAP applicants in accordance with the SRAP Guidance on Screening Criteria for Denying and Terminating Assistance (see Appendix 1).

<b>Program Eligibility Activity</b>	<b>Responsible Party</b>
Obtain individual’s Medicaid ID number from the Support Coordinator. Check the Waiver Management System to verify referral contains accurate information regarding individual’s age and diagnosis, categorical eligibility (e.g., receiving Medicaid DD Waiver services or on DD waiver waitlist) and eligible family member status.	Program Coordinator
Email the referral for SRAP slot to local PHA partner.	Program Coordinator
Acknowledge receipt of the SRAP referral from DBHDS. Notify applicant, parent or guardian (if applicable) and Support Coordinator in writing of the interview date for SRAP, and include application materials to be completed in advance and brought to the interview. PHAs shall require SRAP applicants to submit the same documentation of legal identity, social security numbers, age, familial relationship, citizenship/eligible immigration status, disability, income, assets and deductions as Housing Choice Voucher applicants.	PHA
Obtain completed application materials, including a criminal background check release.	PHA

Review and process the SRAP application in accordance with PHA Housing Choice Voucher program policies and procedures regarding income, citizenship/eligible immigration status, and social security number. Review and process the SRAP application in accordance with the SRAP Guidance on Screening Criteria for Denying and Terminating Assistance (see Appendix 1).	PHA
If applicant is determined ineligible for SRAP, issue a denial in accordance with PHA policies and procedures. Include the reason for denial and an explanation of appeals process.	PHA
If applicant is determined eligible, issue SRAP rental certificate and conduct rental assistance orientation to review payment standard, unit size, permitted housing types, housing search strategies, landlord paperwork (Request for Tenancy Approval, W-9, electronic deposit form), Housing Quality Standards inspections, when the voucher expires and extensions.	PHA

## 5. Household Composition

Household composition, including the number of persons in the household and their relationship, is established for the term of the SRAP assistance when referrals are screened and verified by DBHDS. Persons cannot be added to the household after lease-up unless they are related to the eligible individual by birth, marriage, or adoption, or as a reasonable accommodation for a live-in aide for the eligible individual.

Household members may be removed, but once removed, they may not be replaced. When household members leave the household, the PHA shall adjust the SRAP certificate size and subsidy to reflect the new, smaller household composition. The PHA shall perform an interim adjustment to the tenant contribution toward rent and the SRAP payment to the owner using the following procedure:

- complete the SRAP Interim Change form to document change in household composition and/or household income (see Appendix 2).
- provide notice of the change in tenant rent contribution to the family in accordance with PHA policies for the Housing Choice Voucher program.
- provide notice to the owner of the corresponding change in the SRAP payment to the owner in accordance with PHA policies for the Housing Choice Voucher program.
- complete the SRAP Notice of Rent Amount form to notify the family of the change in tenant rent contribution and the owner of the change in SRAP payment (see Appendix 2).

If, as a result of the decrease in household size, the gross rent now exceeds the adjusted SRAP payment standard, the family will have to pay this difference in addition to the tenant contribution (the “family’s share”). If a family chooses to remain in the unit and the PHA approves the tenancy, the PHA shall perform an interim adjustment to the tenant contribution toward rent and the SRAP Payment to the owner using the procedure above.

If the family is still within the first twelve months of initial occupancy, the PHA may disapprove the tenancy if the family's share would exceed 40 percent of the family's monthly adjusted income. If the PHA does not approve the tenancy, the PHA shall issue the family a new certificate to search for housing.

If, the family chooses to move as a result of the decrease in household size, the PHA shall permit the family to make an elective move due to change in household composition (in compliance with the requirements for elective moves). The PHA shall issue the family a new certificate to search for housing.

A household member may be substituted with a person who shares a similar relationship to the individual (e.g., a live-in aide may be replaced by another live-in aide, a roommate may be replaced by another roommate, a spouse may replace a spouse, etc.) Per the occupancy requirements, the family must promptly notify the PHA if any family member no longer resides in the unit. The family has 90 days from the date the PHA receives this notice of change in household composition to submit an application for a substitute family member who shares a similar relationship to the individual. Any person seeking to become a member of the household through either addition or substitution shall be screened following the standard SRAP eligibility review process. If the addition or substitution of a household member results in a change in household income necessitating an interim adjustment, the PHA shall perform an interim adjustment to the tenant contribution toward rent and the SRAP payment to the owner using the procedure above.

If the family fails to submit an application for a substitute family member within 90 days of the date the PHA receives notice of the change in household composition, then the PHA shall adjust the SRAP certificate size and subsidy to reflect the new, smaller household composition using the procedure above. This reduced certificate size and subsidy shall be in effect until a substitute family member is identified, screened and approved.

<b>Household Composition Activity</b>	<b>Responsible Party</b>
Establish household composition at screening and confirm composition on referral form sent to the PHA.	DBHDS
Document changes to household composition using the SRAP Interim Change form.	PHA
Perform interim adjustments to tenant contribution toward rent and SRAP payments to owner when households experience changes to household composition that meet the criteria above.	PHA
Notify families of changes to tenant rent contribution and owners of changes to SRAP payments using the SRAP Notice of Rent Amount form.	PHA

## **6. Income Determinations and Redeterminations**

At the time of application and throughout their participation in SRAP, families must have an adjusted annual income that is at or below fifty percent (50%) of the Area Median Income (AMI) for the HUD Fair

Market Rent Area in which the PHA is located. Local PHAs are responsible for verifying a family’s annual income and assets and applying appropriate exclusions and deductions to income to determine annual adjusted income. This process shall be performed in accordance with the PHA’s Housing Choice Voucher Program policies and procedures for income determinations, with the following exceptions.

Income redeterminations will be conducted once every three years, at least 120 days in advance of the anniversary date of the initial income determination, for families whose income sources are limited to one or a combination of the following: Supplemental Security Income (SSI), Social Security Disability Insurance (SSDI) or Social Security Disabled Adult Child (SSDAC) payments. Income redeterminations for families that receive earned income will be conducted once every year, at least 120 days in advance of the anniversary date.

Families must report in writing any changes in income, assets, expenses, and household composition to the PHA. Applicants must report the changes within 48 hours. Participants must report the changes within 10 calendar days. Phone messages will not be accepted. The family must report the change within the above specified time from the effective date of the change: for example, if any member of a Participant family finds a job, the family must inform the PHA of the change within 10 days of starting the job – NOT 10 days after receiving the first pay check. An Applicant family must report the change within 48 hours of starting the job.

If, between income redeterminations, a family experiences an increase in gross income of more than \$500.00 per month or a decrease in gross income of more than \$100.00 per month, the PHA shall perform an interim adjustment to the tenant contribution toward rent. Use the SRAP Interim Change form to document changes in income and household composition (see Appendix 2). The PHA shall provide notice of the change in tenant rent contribution to the family in accordance with PHA policies for the Housing Choice Voucher program. Likewise, the PHA shall provide notice to the owner of the corresponding change in the SRAP payment to the owner in accordance with PHA policies for the Housing Choice Voucher program. Use the SRAP Notice of Rent Amount form to notify the family of the change in tenant rent contribution and the owner of the change in SRAP payment (see Appendix 2). If the family requests an interim income recertification, the PHA shall honor this request.

Income Determination/Redetermination Activity	Responsible Party
Perform initial income determination in accordance with PHA Housing Choice Voucher Program policies and procedures.	PHA
Perform income redetermination every year or three years, depending on source of income, in accordance with PHA Housing Choice Voucher Program policies and procedures.	PHA
Perform interim adjustments to tenant contribution toward rent and SRAP payments to owner when households experience changes to gross income that meet the criteria above.	PHA

## 7. Live-in Aides

A live-in aide is a person who resides with one or more elderly persons, or near-elderly persons, or persons with disabilities, and who:

- is determined to be essential to the care and well-being of the persons;
- is not obligated for the support of the persons; and
- would not be living in the unit except to provide the necessary supportive services.

The PHA must approve a live-in aide, if needed as a reasonable accommodation, to make the program accessible to and usable by the individual with a disability. A live-in aide is a member of the household, not a member of the family, and the income of the aide is not considered when performing income determinations for eligibility or calculating tenant contribution toward rent. The live-in aide will be granted one bedroom; any child(ren) /dependent(s) of the live-in aide will not be granted an additional bedroom, be considered a household member, or be considered a remaining member of the tenant family. A child of a live-in aide will be required to share the bedroom of the live-in aide. The live-in aide may not bring other individuals to live in the dwelling unit who are not related by blood, marriage or adoption.

If a program applicant is currently leasing his or her own home in the community, no member of the applicant’s current household nor anyone who resided with the applicant within 12 months of being referred to DBHDS or within 12 months of applying to SRAP, can serve as a live-in aide under SRAP.

Exceptions may be made, at DBHDS’ sole and absolute discretion, for siblings who within the above referenced timeframes; lived in a home with the SRAP Applicant in a home of the family of origin.

**Relatives, excluding parents, grandparents and legal guardians, may be approved as live-in aides on a case by case basis by DBHDS** if they meet all of the criteria defining a live-in aide and can demonstrate that the relationship to the individual is an arm’s length transaction, e.g., the relative would not otherwise be living in the unit. However, a relative who serves as a live-in aide is not considered a family member and would not be considered a remaining member of a tenant family. PHAs shall follow their current policies and procedures regarding the submission, processing, approval, and denial of requests for live-in aides.

<b>Live-In Aide Activity</b>	<b><u>Responsible Party</u></b>
Review the referral to determine whether a live-in aide has been requested as a reasonable accommodation. Ask the SRAP participant, parent/guardian and Support Coordinator to complete a reasonable accommodation request per PHA policy and procedures.	PHA
Process the reasonable accommodation request for a live-in aide according to PHA policy and procedures.	PHA

## 8. Subsidy Approval

DBHDS establishes subsidy standards for the State Rental Assistance Program. The SRAP subsidy standards determine the appropriate number of bedrooms and amount of subsidy for families of different sizes and compositions. The family unit size is shown on the Certificate. Subsidy standards provide for a minimum commitment of subsidy while avoiding overcrowding.

### Determining Certificate Size

SRAP does not determine who in the family shares a bedroom or sleeping room, but there must be at least one person per bedroom on the certificate. Subsidy standards for determining Certificate size shall be applied in a manner consistent with Fair Housing guidelines. All standards relate to the number of bedrooms on the Certificate, not the family's actual living arrangements.

The unit size on the Certificate remains the same as long as the family composition remains the same, regardless of the actual unit size rented.

Generally, one bedroom will be assigned per adult age 18 or older, unless there is a spousal relationship. One bedroom will be assigned per **two** people within the following guidelines:

- Separate bedrooms may be allocated for children over the age of 12.
- Foster children may be included in determining unit size only if they will be in the unit for more than six months.
- Space may be provided for a child who is away at school but who lives with the family during school recesses.
- Space may not be provided for a family member, other than a spouse, who will be absent most of the time, such as a member who is away in the military.
- A single pregnant woman with no other family members must be treated as a two-person family.
- A single person family shall be allocated one bedroom.

### Certificate Size Guidelines

	Persons in Household	
	Minimum	Maximum
0 Bedroom	1	1
1 Bedroom	1	2
2 Bedroom	2	4
3 Bedroom	3	6
4 Bedroom	4	8
5 Bedroom	5	10
6 Bedroom	6	12

The maximum subsidy standard is based upon the payment standard in effect for a unit size that assumes one adult age eighteen or older per bedroom. The payment standards are established according to the Fair Market Rent (FMR) for each unit size published by the U.S. Department of Housing & Urban Development (HUD) each year.

### **Maximum Subsidy Standard**

The payment standard for rental housing in SRAP is “the maximum monthly assistance payment for a family assisted in SRAP (before deducting the total tenant payment by the family).” DBHDS determines the payment standard for all unit sizes. The range of possible payment standard amounts is based on HUD’s published fair market rent (FMR) schedule for the PHA’s FMR area. FMRs are based on the 40<sup>th</sup> percentile rents charged for standard rental housing in the FMR area. The SRAP payment standard for all unit sizes is 100% of the HUD FMR. There is one exception: one bedroom units in Virginia Beach have a payment standard of 110% of the HUD FMR and two bedrooms in Virginia Beach have a payment standard of 101% of the HUD FMR.

The PHA shall revise the SRAP payment standard at the beginning of July based upon the percentage of the FMR that DBHDS decides to adopt as its payment standard for that particular fiscal year.

### **Exceptions to the Subsidy Standard**

The PHA is permitted to make an exception to the SRAP maximum subsidy standards for family unit size if the PHA determines that the exception is justified by the age, sex, health, handicap, or relationship of family members or other personal circumstances, including, but not limited to, a need for a separate bedroom for reasons related to a family member’s disability, medical or health condition.

The PHA is permitted to grant an exception to the subsidy standard upon request as an accommodation for persons with disabilities. Circumstances may dictate making an exception for a larger unit size than subsidy standards permit because of a need such as:

- A verified medical or health reason requiring a specific location or unit configuration; or
- Elderly persons or persons with disabilities who may require a live-in aide. A separate bedroom will generally be approved for the live-in aide.

### **Subsidy Standard Exception Request**

The family may request a larger sized Certificate than indicated by SRAP’s subsidy standards. Such requests must be made in writing within five days of bedroom size determination. The request must explain the need or justification for a larger unit size. Documentation verifying the need or justification will be required, as appropriate.

The PHA shall not issue a larger Certificate due to additions of family members other than by birth, adoption, marriage or court-awarded custody. Requests based on health-related reasons must be verified by a medical professional.

### **Exceptions to the Payment Standard**

The PHA is permitted to grant an exception to the payment standard upon request as an accommodation for persons with disabilities. Circumstances may dictate making an exception for a higher payment standard because of a need such as:

- a verified medical or health reason requiring a specific location or unit configuration; or
- elderly persons or persons with disabilities who may require a barrier free, accessible unit.

The family may request a higher payment standard than indicated by SRAP's payment standard as a reasonable accommodation based on disability. The request must explain the need or justification for a higher payment standard. Documentation verifying the need or justification will be required, as appropriate. The PHA is permitted to make an exception based on disability and approve a payment standard that is up to a maximum of 120% of the Payment Standard for the area in which the PHA is located. If the PHA approves a family to receive reasonable accommodation to exceed the payment standard, the tenant contribution toward rent and utilities must be calculated at 40% of the family's adjusted monthly income.

Program applicants who seek to use their initial SRAP certificate to ***lease-in-place*** must demonstrate they have made a good faith effort upon receiving the certificate to search for housing and identify units within the payment standard. If, after conducting a thorough housing search, the family is unable to find housing that meets their disability needs within 90 days from the date the certificate was awarded, the family may request a higher payment standard as a reasonable accommodation. The request must explain the disability related need or justification for a higher payment standard. Documentation verifying the need or justification will be required, as appropriate.

A request for a reasonable accommodation to exceed the payment standard may be approved for a period of no more than 36 months after the date the SRAP Contract is executed for the unit in which the exception is approved. If, during this period, the gross rent for a previously approved exception to the payment standard rises above 120% of the current payment standard; the PHA shall adjust the subsidy calculation to remain at the 120% payment standard limit. Any difference in rent remaining shall be attributable to the family's share.

### **Shared Housing**

SRAP permits shared housing as an allowable housing type. This housing type may be beneficial to families in certain circumstances, such as a family of one that wants to share housing with a person who is not eligible for SRAP, or who wants to share housing with a relative whose income, if counted as part of the family, would render the family ineligible for SRAP.

The subsidy standard for a family in shared housing is the lower of the payment standard for the individual unit size or the prorata share of the payment standard for the shared housing unit size. The prorata share is calculated by dividing the number of bedrooms available for occupancy by the assisted family in the private space by the total number of bedrooms in the unit.

If a unit assisted under a shared housing arrangement in SRAP has other sources of rental assistance; at no time can the rental assistance payment for SRAP exceed the payment amount of the other rental assistance program(s). If the SRAP Payment Standard exceeds that of the other rental assistance program, then the rental assistance payment amount for SRAP shall be adjusted to reflect the lesser of the two payment standards.

The PHA shall issue an SRAP rental certificate to the eligible family that specifies the unit size for which the family qualifies and includes both the date of certificate issuance and date of expiration. The certificate shall include an SRAP Program Description for Landlords, a Request for Tenancy Approval Form and a Tenancy Addendum to the Lease (see Forms in Appendix 2).

Subsidy Approval Activity	Responsible Party
Discuss and confirm living arrangement with eligible family, parent/guardian and Support Coordinator (e.g., SRAP participant living alone in 1BR unit, SRAP participant living in shared housing, SRAP participant requesting a live-in aide). Determine unit size for subsidy approval based on living arrangement.	PHA
Calculate payment standard and inform the eligible family, parent/guardian and Support Coordinator. If the eligible family is pursuing shared housing, explain how the payment standard and subsidy is calculated and inform the individual, parent/guardian and Support Coordinator that the other housemates will not receive rental assistance and will pay the rent that the owner assesses them.	PHA
Issue an SRAP rental certificate package.	PHA

## 9. SRAP Briefing for Households

SRAP seeks to provide eligible families the rights and the responsibilities of participation in a rental assistance program. PHAs shall conduct a SRAP briefing for eligible families to ensure they fully understand how the program operates and the household’s obligations under the program. The briefing shall include an oral presentation and a briefing packet containing the SRAP documents and other information the family needs to know in order to lease a unit under the program. Once the family is fully informed of the program requirements, the PHA issues the family an SRAP certificate.

Briefing sessions will be limited to groups of five families. Reasonable accommodations to ensure effective communication for persons with disabilities must be provided.

The PHA shall invite the applicant family, the support coordinator, and the applicant family’s relatives and/or guardian to attend the briefing. The applicant family will be notified of their eligibility for assistance at the time they are invited to attend a briefing. The notice will identify the date, time and location of the scheduled briefing and who is required to attend.

If the notice is returned by the post office with no forwarding address, the applicant will be denied. If the notice is returned with a forwarding address, the notice will be re-sent to the address indicated.

Applicants who fail to attend a scheduled briefing will be denied assistance automatically, unless the household provides written verification as to the legitimate reason for the absence. The PHA will then

notify the household of the date and time of the second scheduled briefing. Applicants who fail to attend two scheduled briefings, without prior PHA approval, will be denied assistance and will be notified of the denial by mail. An individual denied for missing two scheduled briefings will be allowed to re-submit one additional referral in a rolling twelve month (12) period.

Each briefing must provide information on the following subjects:

- How the SRAP program works, including the steps in the process and contingencies (e.g., what step must end before the next step can begin);
- Household and owner responsibilities;
- Where the household can lease a unit (e.g., PHA boundaries), what types of units are permitted and the process for transferring the certificate to another PHA administering SRAP in a different jurisdiction;

Documents and information provided in the briefing packet must include the following:

- The term of the voucher, and the policies on any extensions or suspensions of the term. The packet must explain how the household can request an extension (see Handouts in Appendix 2).
- A description of the method used to calculate the housing assistance payment for a family, including how the PHA determines the payment standard for a family, how the PHA determines total tenant payment for a family and information on the payment standard and utility allowance schedule (see Handouts in Appendix 2).
- An explanation of how the PHA determines the maximum allowable rent for an assisted unit.
- Where the family may lease a unit, including what types of units are acceptable and the process for transferring the certificate to another PHA administering SRAP in a different jurisdiction (see Handouts in Appendix 2).
- A FAQ for landlords about the SRAP program (see Handouts in Appendix 2)
- The SRAP-required Tenancy Addendum, which must be included in the lease (see Forms in Appendix 2).
- The Request for Tenancy Approval form the family must use to request approval of tenancy, and a description of the procedure for requesting approval for a tenancy (see Forms in Appendix 2).
- The W-9 form for the owner to complete.
- A statement of the PHA policy on providing information about households to prospective owners.
- The SRAP subsidy standards including when and how exceptions are made (see Handouts in Appendix 2).
- The HUD brochure on how to select a unit.
- The HUD pamphlet on lead-based paint entitled *Protect Your Family from Lead in Your Home*.
- Information on federal, state and local equal opportunity laws and a copy of the housing discrimination complaint form.
- A list of landlords or other parties willing to lease to assisted households or help families find units, especially outside areas of poverty or minority concentration.
- Notice that if the family includes a person with disabilities, the family may request a list of available accessible units known to the PHA (see Handouts in Appendix 2).
- The Family Obligations under the program (see Forms in Appendix 2)
- A Disclosure of the grounds on which the PHA may terminate assistance for a participant family because of family action or failure to act, and other circumstances (see Forms in Appendix 2)
- PHA informal hearing procedures including when the PHA is required to offer a participant family the opportunity for an informal hearing, and how to request the hearing.

### Family Obligations

Obligations of the family are described on the SRAP Approval Certificate of Assistance and on the Obligations of the Family Form (both of these forms are available in Appendix 2). These obligations include responsibilities the family is required to fulfill, as well as prohibited actions. The PHA must inform families of these obligations during the oral briefing, and the same information must be included in the briefing packet. When the family's unit is approved and the SRAP Payment Contract is executed, the family must meet those obligations in order to continue participating in the program. Violation of any family obligation may result in termination of assistance, as described in Section 16.

### Time Frames for Reporting Changes Required By Family Obligations

Unless otherwise noted below, when family obligations require the family to respond to a request or notify the PHA of a change, notifying the PHA of the request or change within 10 business days is considered prompt notice. When a family is required to provide notice to the PHA, the notice must be in writing (mail, fax, or email).

<b>SRAP Briefing for Households Activity</b>	<b>Responsible Party</b>
Conduct SRAP briefings for applicant families in accordance with the requirements above. Issue SRAP certificate to eligible families upon completion of the briefing.	PHA

## 10. Housing Search

The eligible family will have an initial 90 day period from the date of award to use the rental assistance certificate to search for housing. Eligible families may access Flexible Funds through their Support Coordinator to hire housing locators (e.g., real estate agents, housing case managers with local affordable housing providers, etc.) on a fee-for-service basis. The DBHDS regional housing specialist will also provide technical assistance to Support Coordinators regarding potential sources of rental housing that will accept rental assistance.

Eligible families shall keep a log of the housing options they have contacted and the outcomes of their inquiries. Prior to the end of the 90 day period, they must submit a request for a 30 day extension or the certificate will expire. A total of two, 30 day extensions may be granted in cases where individuals demonstrate they made consistent efforts but experienced many challenges finding housing. After 150 days, if no housing has been found, the certificate will expire. The family may submit a request for an extension to DBHDS as a reasonable accommodation prior to certificate expiration. DBHDS reserves to deny extension requests and require individuals to re-submit a referral if the family cannot demonstrate reasonable efforts have been made to secure housing.

<b>Housing Search Activity</b>	<b>Responsible Party</b>
Refer eligible family and Support Coordinator to DBHDS Housing Specialist	PHA

Provide Support Coordinator technical assistance with housing searches and housing application processes, and help identify resources to cover upfront housing expenses such as housing location, security deposits, moving costs, furnishings, adaptive aids, moving costs and other one-time expenses.	DBHDS Housing Specialist
Assist eligible family with requesting rental assistance certificate extensions as needed.	Support Coordinator
Approve and/or deny extensions of rental assistance certificate in writing as appropriate.	PHA

## 11. Elective Moves and Transfers within SRAP

### Elective Moves

An SRAP participant family may elect to move to a new unit with continued SRAP assistance provided:

- a) The lease for the prior unit was terminated. This shall only include termination due to the following:
  - o The SRAP contract was terminated by the PHA due to owner’s breach; or
  - o By mutual agreement of the owner and the tenant.
- b) The tenant has given notice to terminate the lease in accordance with the terms of the lease agreement. If a family terminates the lease on notice to the owner, the family must give the PHA a copy of the notice within 5 business days of the submitting the notice to the owner.
- c) The family or a member of the family is or has been the victim of domestic violence, dating violence, or stalking, and the move is needed to protect the health and safety of the family or family member. This shall be documented by presenting a preliminary or final protective order.

Families will not be permitted to make more than one elective move during any 12-month period. The PHA may prohibit any elective move by a participating family during the family’s initial lease term. The PHA will consider exceptions to these policies in the following circumstances:

- a) when the family, or a member of the family, is or has been the victim of domestic violence, dating violence, or stalking, and the move is needed to protect the health or safety of the family or family member,
- b) when a change in family circumstances requires accommodation (e.g. change in household composition, new employment, school attendance in a different area),
- c) when a family member with a disability needs a reasonable accommodation.

Individuals who have an SRAP repayment agreement with a PHA are prohibited from making a transfer to another SRAP program until the repayment agreement is satisfied.

## **Transfers**

Eligible families who wish to seek housing in another jurisdiction may only transfer their rental certificate to a PHA that has an MOA with DBHDS to administer State Rental Assistance. In order to transfer a SRAP rental certificate, the eligible family must submit a transfer request in writing to the PHA that determined their eligibility for SRAP. The request must (1) explain the reason a transfer is required and (2) identify which PHA the family intends to transfer their certificate to. The PHA will forward this request to DBHDS for review. DBHDS will only consider transfer requests that meet one or more of the following criteria:

- The family has demonstrated a good faith effort to search for housing that will meet their needs but has been unable to find a unit within the initial term of the certificate. The family must submit documentation verifying search results.
- The family no longer has access to the supportive services needed to maintain housing in the jurisdiction where the SRAP certificate was issued, but is able to access these supportive services in another jurisdiction where SRAP can be used.
- **For families in Chesapeake, Norfolk or Virginia Beach area only:** The family has made an effort to find housing in the PHA jurisdiction where they were originally referred and has identified an available housing unit that will meet their needs in another Hampton Roads jurisdiction where SRAP can be used. The family must submit documentation verifying search results in the PHA jurisdiction where they were originally referred.

If the request does not meet at least one of these criteria, DBHDS will notify the family's support coordinator and the initiating PHA in writing of the reason for the denial.

If the request meets one or more criteria, DBHDS will contact the receiving PHA to confirm whether it has the budget capacity to accept another referral. If capacity is confirmed, DBHDS will approve the transfer and provide written notification to the family's support coordinator and the initiating PHA. The initiating PHA will send the family's eligibility determination paperwork to the receiving PHA. The receiving PHA will then issue a new SRAP certificate to the family based on its payment standard.

## **12. Unit Approval**

Once a potential unit is identified, the Support Coordinator will work with the eligible family to have the owner or landlord complete a Request for Tenancy Approval, W-9 Form and Tenancy Addendum to the Lease and submit it, along with a proposed lease, to the local PHA for review. The local PHA will verify that the unit is a permitted unit type and has a rent that meets program requirements. If the unit is not a permitted unit type or the rent does not meet program requirements, the PHA will inform the landlord, the eligible family and the Support Coordinator. If the unit meets these requirements, the PHA will arrange a housing inspection.

### **Permitted Unit Types**

The following types of units are permitted in SRAP:

- Legal dwelling units with a full kitchen and bathroom that are integrated into the community (e.g., surrounded by units that house people with and without disabilities in natural proportions). Units that are integrated into the community include:
  - In a multifamily apartment building or
  - A single family home (e.g., a 2BR house) or
  - A mobile or manufactured home or
  - In a single family home, if permitted as an accessory dwelling unit under the local zoning ordinance
- Units owned, but not occupied by, parents, grandparents, siblings, children and grandchildren of the eligible family. Approval of a reasonable accommodation is not required for this type of unit in SRAP.
- Shared housing: a single housing unit occupied by an individual and another resident or residents. The shared unit consists of both common space for use by the occupants of the unit and separate private space for each assisted family. An assisted family may share a unit with other persons assisted under SRAP or with other unassisted persons. The owner of a shared housing unit may reside in the unit. The resident owner may not be related by blood or marriage to the assisted family.

Other unit types may be considered if they: constitute a legal use and occupancy, require the assisted family (or the assisted family’s guardian) to be the co-signer or guarantor, do not permit the assisted family’s parents/grandparents/guardian to reside with the assisted family, and promote integration of people with disabilities (e.g., opportunities to live side by side and interact with people without disabilities).

### **Prohibited Unit Types**

PHAs/CSBs may not assist a unit under the SRAP if the unit is:

- a public housing or Indian housing unit;
- receiving project-based assistance under section 8 of the 1937 Act (42 U.S.C. 1437f);
- in a nursing home, board and care home, or facility providing continual psychiatric, medical, or nursing services;
- in a college or other school dormitory;
- on the grounds of a penal, reformatory, medical, mental, or similar public or private institution
- in a boarding house (e.g. facilities that provide meals and lodging on a daily or weekly basis for a fee);
- not approved by local building or zoning ordinance to be rented as part of another dwelling or property (e.g., sometimes referred to as an “accessory dwelling unit”, “in-law suite” or “carriage house”);
- a residential setting licensed by the Department of Behavioral Health and Developmental Services or the Virginia Department of Social Services (e.g., group home, residential treatment program, adult care residence, assisted living facility);
- a non-residential setting (e.g., homeless shelter, extended stay hotel, vacation timeshare)
- owned or leased by a PHA employee or commissioner;

- occupied by its owner or by a person with interest in the dwelling unit;
- leased with a DBHDS licensed service provider as co-signer or guarantor on the lease.

Licensed residential settings may not be readily distinguishable from shared housing settings. Here are some potential indicators:

- the Request for Tenancy Approval and/or the lease indicate that the owner or lessor is a DBHDS licensed provider of residential services;
- the property is a single dwelling (e.g., single family home, townhouse) with three or more bedrooms;
- there is a staff person who answers the door for the HQS inspection and coordinates access to the home;
- there is an on-site office space for staff at the home;
- there are evacuation plans posted in common areas (e.g., floor plans with egress routes);
- there are locked areas for client files and medication;

If a PHA encounters one or more of these indicators when evaluating a unit for approval, contact the DBHDS SRAP staff and provide the unit address. DBHDS will verify whether the unit is a group home licensed by DBHDS.

### **Disqualified Owners**

A PHA may not approve a tenancy without acceptable documentation of legal ownership (e.g., County Real Estate Assessment, deed of trust, proof of real estate taxes for most recent year).

PHAs must not approve an assisted tenancy if the PHA has been informed that the owner has been debarred, suspended, or subject to a limited denial of participation under 24 CFR part 24 or is listed on the Virginia Department of General Services Vendor Debarment List (see <https://eva.virginia.gov/pages/eva-i-buy-for-virginia.htm>). DBHDS may direct the PHA not to approve a tenancy request if a court or administrative agency has determined that the owner violated the Fair Housing Act or other federal equal opportunity requirements, or if such an action is pending. The PHA will inform the owner of any results as well as any DBHDS directives not to approve a tenancy.

PHAs must also apply the Housing Choice Voucher program conflict of interest provisions as they relate to owner participation in SRAP. These provisions may be found at 24 CFR 982.161 and in the Housing Choice Voucher Guidebook on pages 8 – 19.

### **Payment Standard**

The payment standard is the maximum amount that the program will pay toward the cost of monthly rent and utilities. DBHDS establishes its schedule of payment standard amounts by bedroom size. For more information, see Section 8, “Subsidy Approval.”

## **Unit Utility Allowance**

The PHA will calculate the monthly utility allowance for the unit using the data about utilities paid by the landlord and the tenant on the Request for Tenancy Approval and the PHA's standard utility allowances adjusted for specific unit types and sizes, not to exceed the DBHDS maximum utility allowances for specific unit sizes (see Appendix 3).

## **Unit Rent**

Gross rents for SRAP units (e.g., contract rent plus tenant paid utilities) may not exceed the lower of the DBHDS's established housing assistance payment standard for the approved unit size or rents charged for comparable, unassisted units in the same market area. Each local PHA shall determine unit rent reasonableness at initial occupancy and whenever owners request a rent adjustment using the same policies and procedures established for the PHA's Housing Choice Voucher Program.

The rents paid for families living in shared housing are subject to generally applicable standards for rent reasonableness. In determining reasonable rent for shared housing, the PHA should consider whether sanitary and food preparation areas are private or shared.

A contract rent is an "approved" rent if it meets the conditions above.

## **Lease Requirements**

The assisted dwelling lease must contain all of the required information as listed below:

- The names of the owner and the tenant:
- The unit rented (address, apartment number, and any other information needed to identify the contract unit)
- The term of the lease (initial term and any provisions for renewal)
- The amount of the monthly rent to owner
- A specification of what utilities and appliances are to be supplied by the owner, and what utilities and appliances are to be supplied by the individual

The initial term of the lease shall be at least 12 months. SRAP may approve an initial lease term of less than one year only where SRAP determines and can clearly document that such shorter term would improve housing opportunities for the tenant.

The family must not sublease the unit, assign the lease, or transfer the unit. Subleasing includes receiving payment to cover rent and utility costs by a person living in the unit who is not listed as a family member.

## **Housing Inspection**

SRAP seeks to ensure that all program participants reside in units that meet certain housing quality standards (HQS). HQS consists of the following thirteen (13) performance requirements:

- Sanitary Facilities;
- Food Preparation and Refuse Disposal;

- Space and Security;
- Thermal Environment;
- Illumination and Electricity;
- Structure and Materials;
- Interior Air Quality;
- Water Supply;
- Lead-based Paint;
- Access;
- Site and Neighborhood;
- Sanitary conditions; and
- Smoke Detectors.

SRAP has adopted the U.S. Department of Housing and Urban Development (HUD) Housing Quality Standards (HQS) health and safety regulations. All units receiving rental assistance must meet HQS standards. All inspections should be done with the landlord or management agent present. PHAs shall follow their current policies and procedures regarding HQS inspections, with the following modifications.

PHAs may request DBHDS approval to use other housing inspection protocols, but the housing inspection criteria must meet or exceed HUD's Housing Quality Standards.

### **Initial Inspections**

An inspection must be conducted by an HQS trained inspector or co-signed by an HQS certified inspector prior to a tenant moving into a unit. Assistance will not be provided for units that fail to meet the HQS, unless the owner corrects any deficiencies identified by the inspector within the timeframe provided by the PHA and the local PHA verifies that all deficiencies have been corrected.

The individual and owner must be notified of the inspection results. The unit must pass the HQS inspection before the execution of the lease and State Rental Assistance Payments (SRAP) contract and the initiation of payments. The lease and SRAP Payment Contract must be executed within thirty (30) days of the initial inspection.

SRAP encourages PHAs to develop strategies to address minor HQS deficiencies so they do not delay occupancy, as such delays can cause serious disturbances in the coordination of supportive services that must be timed to begin simultaneously with the family's move into the unit. Minor deficiencies that do not affect functional usage of the unit or pose no serious health and safety concerns (e.g., replacement of chipped switch plates or outlet covers, window screens) or easily corrected violations (e.g., replacement of batteries in smoke detectors) may not warrant a re-inspection. The PHA can obtain proof of remedial action and correction of minor deficiencies (i.e. work order, copies of receipts, photos). The PHA should exercise good judgment in determining whether or not a re-inspection is needed.

**Annual and Semi-Annual Inspections**

All subsidized units must have an annual inspection no more than twelve months after the initial inspection. If the unit passes this annual inspection, subsequent regular inspections may occur every two years, no more than 24 months after the anniversary of the annual inspection. If the unit does not pass the annual inspection, the unit should be placed on an annual inspection rotation until it passes two successive annual inspections. The unit’s inspection schedule may then be converted to a 24 month cycle.

PHAs have the discretion to inspect units more frequently than every 24 months if the PHA has evidence that the property as a whole suffers from deferred maintenance and/or other PHA-subsidized units at the property suffer from deferred maintenance or have failed inspections within the past 24 months.

The HQS short form 52580 can be utilized on the annual and semi-annual inspections. The short form should also be utilized for re-inspections resulting from referrals or requests made by persons including but not limited to: the tenant, landlord, case manager, support coordinator or other service and/or housing providers.

**Special Inspections**

If a request for a special inspection occurs (e.g., from the family, a parent/guardian, the Support Coordinator or a service provider) and the special inspection reveals a major violation, the PHA must perform a re-inspection of the unit to confirm the violation has been remedied. The unit should be placed on an annual inspection rotation until it passes two successive annual inspections.

Unit Approval Activity	Responsible Party
Complete Request for Tenancy Approval and W-9 Form.	Support Coordinator
Verify unit type is permissible. Notify the owner and the eligible family, the parent/guardian and the Support Coordinator if the unit type is prohibited.	PHA
Verify the owner is not disqualified. Notify the owner and the eligible family, the parent/guardian and the Support Coordinator if the owner is disqualified.	PHA
Determine utility allowance for the unit.	PHA
Perform rent reasonableness determination at initial occupancy and whenever owner requests a rent adjustment. Document the approved unit rent. Notify the owner and the eligible family, the parent/guardian and the Support Coordinator if the unit is not rent reasonable and provide information to document a rent amount that meets rent reasonableness requirements.	PHA
Review the lease to verify it meets the program requirements. Notify the owner and the eligible family, the parent/guardian and the Support Coordinator if the lease or Tenancy Addendum to the lease does not meet	PHA

program requirements and explain what deficiencies must be corrected.	
Coordinate scheduling the inspection with the landlord and/or management agent. Notify the Support Coordinator of the inspection date.	PHA
Conduct Housing Quality Standards Inspection prior to tenant move-in, no later than twelve months after the initial inspection, and, if the unit passes both of these inspections, every 24 months thereafter. If the unit does not pass one of these inspections or requires a special inspection, inspect the unit annually.	PHA
Inform the Support Coordinator of any delay or rescheduling of the inspection.	PHA
Inform the eligible family, the parent/guardian and the Support Coordinator of the inspection results. If the unit did not pass inspection, notify these parties of the items that failed, the deadline for repairs and when re-inspection will occur.	PHA
Inform the eligible family, the parent/guardian and the Support Coordinator of the date of the unit review and the subsidy review (see Section 12) have been completed, the unit is approved, and the individual or guardian may sign the lease.	PHA

### **13. Tenant Contribution/Rent Subsidy Determination**

The PHA will calculate the total tenant payment as thirty percent (30%) of the assisted family’s monthly adjusted gross income. There is no minimum rent in SRAP. The family is responsible for paying any utilities not covered by the landlord in the approved rent. If the utility allowance is less than the total tenant payment, deduct the monthly utility allowance set by the PHA for the unit size/type (not to exceed the DBHDS maximum) from the total tenant payment. The remainder is the tenant contribution toward rent. If the utility allowance exceeds the total tenant payment, then subtract the total tenant payment from the utility allowance. The tenant contribution will be zero, and the remaining utility allowance must be paid directly to the assisted family. If the unit is shared with a live-in aide, 100% of the utility allowance should be attributed to the assisted family. If the unit is being shared with other persons in a shared housing arrangement, then the utility allowance should be pro-rated. Calculate the pro-rata share by dividing the number of bedrooms available for occupancy by the assisted family in the private space by the total number of bedrooms in the unit. Multiply this percentage by the approved utility allowance for the unit.

The rent subsidy is the difference between the approved rent and the total tenant contribution toward rent. To determine the rent subsidy for an assisted family in shared housing, calculate the pro-rata share by dividing the number of bedrooms available for occupancy by the assisted family in the private space by the total number of bedrooms in the unit. Multiply this percentage by the approved rent for

the unit. Then subtract the tenant’s contribution from this pro-rata rent share. The rent paid to the owner for the assisted family must not exceed the pro-rata portion of the reasonable rent for the shared unit, or the rental subsidy paid on behalf of the other assisted individual(s) residing in the unit.

If a family chooses a unit with a gross rent (rent to owner plus an allowance for tenant-paid utilities) that exceeds the SRAP payment standard: (1) the family will pay more than the total tenant payment, and (2) at initial occupancy the PHA may not approve the tenancy if it would require the family’s share to exceed 40 percent of the family’s monthly adjusted income.

After initial occupancy, if a rent increase results in a family share of more than 40% of monthly adjusted income, it is permissible for the family to assume the difference. The family may also seek a reasonable accommodation of the payment standard if they have a disability-related justification.

<b>Tenant Contribution/Rent Subsidy Determination Activity</b>	<b>Responsible Party</b>
Obtain Request for Tenancy Approval (RTA) form from landlord. Review and verify all items have been completed.	PHA
Calculate family’s utility allowance using data from the RTA form and the PHA’s standard utility allowances. Pro-rate allowance in shared housing. Enter data into tenant worksheet.	PHA
Calculate total tenant payment and deduct monthly utility allowance to obtain tenant contribution toward rent. Enter data into tenant worksheet.	PHA
If the approved rent is at or below the payment standard, calculate the rent subsidy by subtracting the tenant contribution from the approved rent.	PHA
If the approved rent is above the payment standard, calculate the rent subsidy by subtracting the tenant contribution from the payment standard. Then subtract the payment standard from the approved rent, and add the difference to the tenant contribution. This is the family’s share. If the family’s share exceeds 40% of the individual’s adjusted monthly income at initial occupancy, notify the eligible family, the parent/guardian and the Support Coordinator that the voucher cannot be used in this housing.	PHA
If the landlord proposes to increase the rent at the end of the lease term, obtain a new Request for Tenancy Approval (RTA) form from the landlord at least 30 days before the lease expires and complete the steps above.	PHA

**Rent Reasonableness**

PHAs must ensure that rents charged by owners to SRAP program participants are reasonable. This determination involves two comparisons. First, the PHA must compare the rent for the SRAP unit to rents for similar unassisted units in the marketplace. Second, the PHA must compare the rent to rents

for similar units on the premises. Ensuring rent reasonableness is very important for effective program operations.

### **When Rent Reasonableness Determinations Are Required**

PHAs must determine rent reasonableness in the following instances:

- *Before entering into a SRAP Payment Contract.* A PHA must not execute a SRAP Payment Contract until it has documented that the charged rent is reasonable.
- *Before any increase in the rent to owner.* Before the PHA may approve any rent increase to the owner, the PHA must determine and document whether the proposed rent is reasonable compared to similar units in the marketplace and not higher than those paid by unassisted tenants on the premises.
- *If there is a five percent decrease in the published FMR (for the unit size rented by the family) in effect 60 days before the contract anniversary date as compared with the FMR in effect one year before the contract anniversary date.* This provision is designed to ensure that when the market goes down by a significant amount (i.e., a five percent or more reduction in the FMR) the PHA must reexamine rent reasonableness at the contract anniversary date, even if the owner does not propose a rent increase. When determining if this provision applies, the PHA must compare the FMR in effect 60 days prior to the upcoming SRAP Payment Contract anniversary date with the FMR in effect one year before the upcoming anniversary date.

In addition to the three instances cited above, the PHA may also determine rent reasonableness at any other time. At all times during the assisted tenancy, the rent to the owner may not exceed the most recently determined or redetermined reasonable rent amount.

### **Comparability**

In conducting rent reasonableness, the PHA must determine whether the rent to the owner is a reasonable rent in comparison to rent for other comparable unassisted units. In determining comparability, the PHA must consider:

- Location, quality, size, unit type, and age of the contract unit, and
- Amenities, housing services, maintenance, and utilities the owner must provide under the lease.

### **Rent Increases**

The owner may request an increase in the rent to owner 60 days prior to the anniversary date of the executed lease and SRAP Payment Contract. All rent increase requests must be submitted in writing to the tenant and the PHA a minimum of 60 days prior to the anniversary date of the executed lease and SRAP Payment Contract. The approval of the rent increase will be subject to rent reasonableness determinations and comparability.

## **14. SRAP Payment Contract**

The SRAP Payment Contract is an agreement between the PHA and the owner of a unit occupied by an assisted family. Under the SRAP Payment Contract, the PHA agrees to make rent assistance payments to the owner on behalf of a specific family occupying a specific unit and obliges the owner to comply

with all program requirements. Once DBHDS has approved the format of the SRAP payment contract, it cannot be modified without DBHDS's consent and approval. The SRAP Payment Contract cannot be assigned to a new owner without the prior written consent of the PHA.

The SRAP Payment Contract term and approved rent shall match the contract rent and lease term on the executed lease. The term of the SRAP Payment Contract begins on the first day of the term of the initial lease and ends on the last day of the term of the lease, including any lease extensions.

The SRAP Payment Contract and the rent assistance payments made under the SRAP Payment Contract terminate if:

- The owner or the assisted family terminates the lease;
- The lease expires;
- The PHA terminates the SRAP Payment Contract;
- The PHA terminates assistance for the family;
- The family moves from the assisted unit. In this situation, the owner is entitled to keep the rent assistance payment for the month when the family moves out of the unit.
- 180 calendar days have elapsed since the PHA made the last rent assistance payment to the owner;
- The family is absent from the unit for longer than the maximum period permitted by the PHA;
- The SRAP payment contract between the PHA and DBHDS expires;
- The PHA elects to terminate the SRAP Payment Contract because:
  - Available program funding is not sufficient to support continued assistance for family in the program;
  - The unit does not meet HQS size requirements due to change in household composition;
  - The unit does not meet HQS;
  - The individual with a disability no longer needs a live-in aide; or
  - The owner breaches the SRAP Payment Contract.

If the PHA terminates the SRAP Payment Contract, the PHA must give the owner and the family written notice. The notice must specify the reasons for the termination and the effective date of the termination. Once a SRAP Payment Contract is terminated, no further SRAP payments may be made under that contract.

PHAs must make a best effort to ensure that the SRAP Payment Contract is executed before the beginning of the lease term. Regardless, the SRAP Payment Contract must be executed no later than 60 calendar days from the beginning of the lease term.

PHAs may not pay any State Rental Assistance payment to the owner until the SRAP Payment Contract has been executed. If the SRAP Payment Contract is executed during the period of 60 calendar days from the beginning of the lease term, the PHA will pay housing assistance payments after execution of the SRAP Payment Contract (in accordance with the terms of the SRAP Payment Contract), to cover the portion of the lease term before execution of the SRAP Payment Contract (a maximum of 60 days).

Any SRAP Payment Contract executed after the 60 day period is void, and the PHA may not pay any rent assistance payment to the owner. The SRAP Payment Contract terminates if the lease terminates.

If the tenant and the owner agree to any changes in the lease, such changes must be in writing, and must immediately be given to the PHA. The lease, including any changes, must remain in accordance with the requirements of Section 11.

Whenever the owner and tenant sign a revised lease, the owner must enter into a new SRAP Payment Contract. The effective date of the lease must be the same as the effective date of the SRAP Payment Contract. Under certain circumstances, rent assistance in the unit shall not be continued unless the PHA has approved a new tenancy in accordance with program requirements and has executed a new SRAP Payment Contract with the owner. These circumstances include:

- Changes in lease requirements governing tenant or owner responsibilities for utilities or appliances
- Changes in lease provisions governing the term of the lease
- The family moves to a new unit, even if the unit is in the same building or complex

In these cases, if the SRAP rent assistance is to continue, the family must submit a new dwelling lease containing the altered terms. The new lease must then be approved in accordance with Section 11.

Where the owner is changing the amount of rent and there are no other changes to the lease terms, the owner must notify the PHA of any changes in the amount of the rent to tenant at least 60 days before any such changes go into effect. The PHA will agree to such an increase only if the amount of the rent to owner is considered reasonable according to the rent reasonableness standards discussed in Section 11. If the requested rent is not found reasonable, the owner must either reduce the requested rent increase, or give the family notice in accordance with the terms of the lease. An SRAP Payment Contract Notice of Rent Amount may be signed which extends the SRAP Payment Contract for another year and makes any adjustments needed to the rental assistance payment to the owner. The Notice of Rent Amount will go into effect on the first of the month following the 60 day period after the owner notifies the PHA of the rent change or on the date specified by the owner, whichever is later.

The PHA must notify the owner and the assisted family of any adjustments to the tenant contribution toward rent and/or the rent assistance payment to the owner at least 60 days before such changes becomes effective.

### **Contract Enforcement**

Any of the following actions by the owner constitutes a breach of the SRAP Payment Contract:

- If the owner violates any obligations under the SRAP Payment Contract including failure to maintain the unit in accordance with HQS

- If the owner has committed fraud, bribery or any other corrupt or criminal act in connection with any federal housing program
- If the owner has engaged in drug-related criminal activity
- If the owner has committed any violent criminal activity

If the PHA determines that a breach of the SRAP Payment Contract has occurred, it may exercise any of its rights and remedies under the SRAP Payment Contract. The PHA rights and remedies against the owner under the SRAP Payment Contract include recovery of any SRAP overpayment, suspension of rent assistance payments, abatement or reduction of the rent assistance payment, termination of the payment or termination the SRAP Payment Contract. The PHA may also obtain additional relief by judicial order or action.

The PHA must notify the owner of its determination and provide in writing the reasons for the determination. The notice may require the owner to take corrective action by an established deadline. The PHA must provide the owner with written notice of any reduction in rent assistance payments or the termination of the SRAP Payment Contract.

<b>SRAP Payment Contract Activity</b>	<b>Responsible Party</b>
Upon approval of the unit for the SRAP program and receipt of the executed lease, prepare the SRAP Payment Contract and send it to the owner for signature.	PHA
When a new lease is signed, review and approve lease in accordance with Section 11. Prepare a new SRAP Payment Contract and send it to the owner for signature.	PHA
When rent, rental assistance or tenant contribution amounts change, prepare an SRAP Payment Contract Notice of Rent Amount.	PHA
Enforce SRAP Payment Contract terms and provide proper notice of determinations and actions to owners and individuals.	PHA

### **CHANGE IN OWNERSHIP**

Owners wishing to change ownership must supply all information as requested by the PHA, and the owner must receive written consent of the PHA prior to assigning a SRAP Payment Contract to a new owner. The requirements related to owner approvals also apply to changes in ownership.

The new owner must agree to be bound by and comply with the SRAP Payment Contract. In addition, the agreement between the new owner and the former owner must be in a form the PHA accepts.

The new owner must give the PHA a copy of the executed agreement.

The PHA should require that the agreement between the new owner and former owner be in writing. Oftentimes the actual sales contract will specify whether or not the assisted tenancy is to be dissolved upon change of ownership. If the assisted tenancy continues, the PHA should require that the new owner submit to the PHA a copy of its W-9 Form for tax purposes.

## 15. Payments to Owners

PHAs will make rental assistance payments to owners in accordance with the SRAP Payment Contract (see Appendix 3). PHAs will disburse monthly payments (either in paper check or via electronic payment), process federal and state tax filings and withholdings, and keep a record of payments made and funds remaining. In addition, PHAs will notify owners and assisted families in writing of changes to monthly payments at least 30 days in advance.

Prior to initiating payment to an owner, the PHA must verify that the subsidy payment in the accounts payable system is the same as the subsidy payment identified in the SRAP Payment Contract.

The PHA is responsible for making SRAP payments promptly when due to the owner, in accordance with the terms of the SRAP Payment Contract. After the first two calendar months of the SRAP Payment Contract term, the SRAP Payment Contract provides for penalties if the PHA fails to make the SRAP payment on time.

Penalties for late SRAP payments can only be imposed if 1) the penalties are in accordance with generally accepted local rental market practices and law governing penalties for late payment by tenants; 2) it is the owner’s normal business practice to charge late payment penalties for both assisted and unassisted tenants; and 3) the owner charges the assisted family for late payment of the family’s share of the rent.

The PHA is not required to pay a late payment penalty if DBHDS determines that the payment is late for reasons beyond the PHA’s control. In addition, late payment penalties are not required if the PHA intentionally delays or denies payment as a remedy to an owner breach of the SRAP Payment Contract.

<b>Payment to Owners Activity</b>	<b>Responsible Party</b>
Develop budget projection for first year	DBHDS and PHA
Advance first semi-annual payment to PHA	DBHDS
Process W-9, ACH forms	PHA
Set up automatic payment to landlord. Verify contract rent amount on executed lease and SRAP Payment Contract are the same, and subsidy payment is same as indicated on SRAP Payment Contract.	PHA
Keep a ledger of subsidy payments to landlords for each participant and total funds remaining in the SRAP account	PHA
Process requests to start landlord payments, stop landlord payments and change landlord payments as needed	PHA

Process annual 1099-MISC forms for subsidy payments to landlords	PHA
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## 16. Occupancy/Vacancies

### Occupancy Requirements

- (1) The family must use the assisted unit for residency by the household. The unit must be the family's only residence.
- (2) The composition of the assisted family residing in the unit must be approved by the PHA. The family must promptly inform the PHA of the birth, adoption, or court-awarded custody of a child. The family must request PHA approval to add any other family member as an occupant of the unit. No other person [i.e., nobody but members of the assisted family] may reside in the unit (except for a foster child or live in aide).
- (3) SRAP considers any individual(s) who stays in the unit for fourteen (14) days or more per month to be a member of the household. Failure to report such individual(s) to the PHA may result in legal action, collection activity, and/or immediate termination from the program.
- (4) The family must promptly notify the PHA in writing if any family member no longer resides in the unit.
- (5) If the PHA has given approval, a foster child or a live-in aide may reside in the unit.
- (6) Members of the household may engage in legal profit-making activities in the unit, but only if such activities are incidental to primary use of the unit for residence by members of the household.
- (7) The family must not sublease or let the unit.
- (8) The family must not assign the lease or transfer the unit.
- (9) The family must not receive SRAP housing assistance while residing with a parent, grandparent or guardian.
- (10) The family must not receive SRAP housing assistance while residing in congregate settings or a licensed setting.

### Vacancy Requirements

Each PHA must establish a policy on how long the individual may be absent from the assisted unit. However, the assisted family may not be absent from the unit for a period of more than 180 consecutive calendar days or more than fifty percent of a cumulative 365 day period for any reason. Absence in this context means that the individual is not residing (e.g., sleeping) in the unit.

Occupancy/Vacancies Activity	Responsible Party
Apply the occupancy and vacancy policies as established.	PHA

## 17. Termination of Assistance

### Failure to Comply with Program Requirements

The criteria and guidelines for terminating assistance to SRAP participants are outlined in Appendix 1. This chart includes criteria for termination based upon certain actions or inactions of household members.

### **Financial Ineligibility**

PHAs must terminate assistance to SRAP participants if, at the time an income redetermination is performed, the family's gross adjusted annual income exceeds fifty percent (50%) of the Area Median Income for the HUD designated Fair Market Rent Area in which the PHA is located. The PHA shall provide 90 days written notice to the family and the owner that the SRAP rental assistance payment shall end because the family no longer meets the income eligibility requirements. If the family experiences a change in circumstances during the 90 days that results in a potential change to their eligibility, the family must notify the PHA of the change and request an interim reexamination before the expiration of the 90-day notice period.

PHAs must also terminate assistance to SRAP participants if the household is under contract and 180 days have elapsed since the PHA's last SRAP payment was made. Should a participating household receiving zero assistance experience a change in circumstances that would result in a SRAP payment to the owner, the household must notify the PHA of the change and request an interim reexamination before the expiration of the 180-day period.

### **Inadequate Living Space**

If the PHA determines the unit no longer provides adequate space in accordance with the PHA's requirements because of an unapproved increase in occupancy or change in household composition, then the PHA may terminate the household's participation in SRAP.

### **Death of a Single Member Household**

Upon the death of a single member household, participation in SRAP terminates automatically. For single member households with a live-in aide, participation in SRAP terminates 30 days after the death of the eligible household member.

### **Insufficient Program Funding**

If the PHA determines there is a shortage of funding, prior to terminating any SRAP Payment Contracts, the PHA will consult with DBHDS to determine if any other actions can be taken to reduce program costs.

If the PHA determines, with written approval from the Department of Behavioral Health and Developmental Services, that available SRAP funding is not sufficient to support continued assistance for households in the program, then the PHA may terminate SRAP Payment Contracts as a measure of last resort. The PHA will terminate the minimum number needed in order to reduce SRAP costs to a level within the PHA's annual budget authority. If the PHA must terminate SRAP Payment Contracts due to insufficient funding, the PHA will do so in accordance with the following criteria and instructions:

- The first tier of families to be terminated will be families receiving subsidy from SRAP of \$50 and less per month.
  - The PHA will sort families in this tier from the lowest subsidy to highest.
  - The PHA will then sort all families receiving the same amount of subsidy (from lowest to highest) by how long the family has been in the SRAP program (longest to shortest), and terminate families at the top of the list until it has enough funding to provide continued assistance to all other participants, or it must move on to the next group of families.
- The second tier of families to be terminated will be families on repayment agreements to repay money owed to the PHA. If the PHA must terminate families in this tier, all families in the tier

will be sorted by those that have been on the SRAP program the longest, similarly to the first tier of families. The PHA will only terminate families, starting from the top of this tier, until it determines that it has enough funding to provide continued assistance to all other participants. If further terminations are necessary after terminating all families in this tier, the PHA will move to the third tier of families.

- The third tier of families to be terminated will be families receiving subsidy from the PHA of \$51 and more per month.
  - The PHA will sort families in this tier from the lowest subsidy to highest.
  - The PHA will then sort all families receiving the same amount of subsidy (from lowest to highest) by how long the family has been in the SRAP program (longest to shortest), and terminate families at the top of the list until it has enough funding to provide continued assistance to all other participants.

PHAs shall provide written notification to both the family and the owner anytime assistance will be terminated, whether voluntarily or involuntarily. The notice shall state the date on which the termination will become effective. This date generally will be at least 30 calendar days following the date of the termination notice, but exceptions will be made whenever DBHDS requirements or the circumstances surrounding the termination require.

In addition to following the PHA’s Housing Choice Voucher program policies regarding termination of assistance, PHAs shall notify DBHDS when an individual’s state rental assistance is terminated.

<b>Termination of Assistance Activity</b>	<b>Responsible Party</b>
Apply policies and procedures for termination of SRAP assistance in accordance with PHA Housing Choice Voucher Program policies.	PHA
Notify DBHDS that the family’s state rental assistance has been terminated	PHA

## **18. Appeals**

Informal reviews are provided for program applicants who are negatively impacted by a program decision. An applicant is someone who has applied for admission to the program, but is not yet a participant in the program. Informal hearings are provided for certain SRAP determinations related to the individual circumstances of a participant. A participant is defined as an individual that has been admitted to the SRAP program and is currently assisted in the program.

Each PHA shall apply the policies and procedures it uses in its Housing Choice Voucher Program for informal reviews for applicants and informal hearings for participants to SRAP applicants and participants.

<b>Appeals Activity</b>	<b>Responsible Party</b>
Provide informal reviews to program applicants in accordance with Housing Choice Voucher program policies and procedures	PHA
Provide informal hearings to program participants in accordance with Housing Choice Voucher program policies and procedures	PHA

## 19. Program Reserve

DBHDS requires each local PHA participating in SRAP to capitalize a program reserve equivalent to its FY 2019 program budget. The program reserve shall be held in an interest bearing account that is specifically for the purpose of supporting the SRAP program when there is a budget shortfall or other unmet programmatic need. The PHA's accounting system must ensure program reserve funds are clearly tracked and that such funds can be distinguished from other federal, state or local sources.

PHAs shall earmark ten percent (10%) of their approved annual program budget each fiscal year as program reserve funds. This earmark shall occur for ten years or until the capitalization funding goal is met, whichever occurs sooner. Upon receipt of the initial draw-down of program funding each fiscal year, the program reserve funds shall be automatically placed in the program reserve account.

Funds in the program reserve shall remain in the program reserve (e.g., they shall be carried over from year to year). If the PHA has SRAP funds remaining at the end of the fiscal year, DBHDS and the PHA will decide whether to move the balance of funds into the program reserve or to use the balance of funds to offset the following year's SRAP funding allocation.

The PHA may access the program reserve if the overall cost of maintaining assistance for the targeted number of units in the PHA's program has increased to a level that is not supported within its budget authority. The PHA may request authorization from DBHDS to use up to 50 percent of the amount in its program reserve account.

A PHA that has accessed the program reserve account to support costs to maintain assistance beyond its budget authority must restore the amount of program reserves depleted by using less than its full annual budget authority in the subsequent year(s). The PHA must not accept referrals until it first uses attrition to reduce the number of families receiving SRAP to the number of units that will permit replenishing the program reserve account, and then to a number that can be supported under its annual budget authority.

This approach to the program reserve shall be reviewed by DBHDS and the PHAs periodically to ensure effective stewardship and use of program reserves.

<b>Program Reserve Activity</b>	<b>Responsible Party</b>
Establish a program reserve account and capitalize the reserve through the annual budget allocation	PHA

Submit requests to DBHDS to access program reserve	PHA
Monitor program reserve balance	DBHDS
Periodically review the approach to capitalization and use of program reserves	DBHDS & PHA

## 20. Data Collection & Reporting

Local PHAs shall provide to DBHDS:

- referral status reports, household data reports, and unit data reports in accordance with the requirements in Appendix 4. Include notification when an individual’s state rental assistance has been terminated and the reason for termination.
- actual and projected subsidy expenditure reports, program income and expenditure reports, and program reserve reports in accordance with the requirements in Appendix 4.

*All reports containing individually identifiable or health protected information must be submitted by email using secure encryption systems.*

Local PHAs shall also participate in the administration of bi-annual SRAP participant and owner satisfaction surveys. The SRAP participant satisfaction survey shall occur in “even” years and the owner satisfaction survey shall occur in “odd” years. PHAs shall make a survey developed by DBHDS (with input from PHAs) available to SRAP participants (and their guardians) and landlords in the first week of October. The survey shall be made available electronically (e.g., via Survey Monkey) and in paper form. Completed paper surveys shall be mailed directly to DBHDS. The deadline for submission is October 31<sup>st</sup>. PHAs shall encourage SRAP participants (and their guardians) and landlords to complete the survey, and shall conduct marketing and outreach activities to maximize response rates. DBHDS staff shall receive, tabulate and analyze the responses to the SRAP participant and landlord satisfaction surveys. DBHDS staff shall provide summaries of the satisfaction survey analyses to each PHA.

<b>Data Collection and Reporting Activity</b>	<b>Responsible Party</b>
Submit referral status, household data and unit data reports	PHA
Submit subsidy expenditure, program income and expenditure, and program reserve reports	PHA
Send out bi-annual surveys SRAP surveys to SRAP participants and landlords	PHA
Tabulate and analyze SRAP participant and landlord survey results, and provide summaries of results to PHAs.	DBHDS

## 21. Monitoring

Each PHA shall allow DBHDS the opportunity to monitor and review SRAP programmatic, financial and client records in a manner that is mutually agreeable to the parties.

Any such monitoring or review will be scheduled in advance on a date that is mutually agreed upon, and DBHDS staff shall send confirmation in writing.

The review may result in more than one visit depending on the outcome of the initial report. DBHDS reviews may include but may not be limited to the following areas:

1. Adherence to the policies and procedures set forth in this Manual, including but not limited to:
  - a. SRAP participant eligibility determinations
  - b. Income determinations/redeterminations
  - c. SRAP participant agreements
  - d. the unit approval process
  - e. tenant rent contributions and subsidy determinations/SRAP payments to landlords
  - f. SRAP Payment Contracts
  - g. reasonable accommodation decisions and appeals
  - h. program reserves
2. Progress toward program outcomes as indicated by the data from the referral status reports, household data reports, and unit data reports, subsidy expenditure reports, program income and expenditure reports, and the SRAP participant and landlord satisfaction surveys;
3. Maintenance of accurate, organized and accessible applicant and participant records.
4. Submission of accurate programmatic and financial reports in a timely manner

As part of the monitoring process, DBHDS may also request to conduct its own Housing Quality Standards inspections of assisted rental units to provide quality control on HQS inspections done by the PHA.

DBHDS shall also be allowed, at its expense, to conduct a financial audit.

A written report on the monitoring results shall be completed by DBHDS and provide to the PHA within 30 days of the review.

The PHA shall retain all books, records, and other documents relative to this agreement for five (5) years after this MOA terminates, or until audited by the Commonwealth of Virginia, whichever is sooner. DBHDS, its authorized agents, and/or state auditors shall have full access to and the right to examine and copy any of these materials during this period.

## APPENDIX I

### SRAP Guidance on Screening Criteria for Denying and Terminating Assistance

PHAs administering SRAP under a Memorandum of Agreement with DBHDS shall abide by the following criteria and guidelines for the denying assistance to SRAP applicants and terminating assistance to SRAP participants.

#### Definitions

**Assisted rental housing.** Rental housing that is subsidized by federal, state, local or private funds. Examples include the Housing Choice Voucher program, public housing, Section 8 project rental assistance, and HUD Continuum of Care permanent supportive housing.

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

**Drug-related criminal activity.** The illegal manufacture, sale, distribution or use of a drug, or the possession of a drug, or the possession of equipment or devices utilized in the preparation and/or use of a drug, with intent to manufacture, sell, distribute, or use the drug.

**Mitigating circumstances.** Facts relating to an applicant's or participant's record of unsuitable rental history or behavior which, when verified, would indicate both: (1) the reason for the unsuitable rental history and/or behavior; and (2) that the reason for the unsuitable rental history and behavior is no longer in effect or is under control, and the applicant's or participant's prospect for lease compliance is an acceptable one, justifying admission or continued participation. Examples may include evidence of successful rehabilitation, evidence of participation in and completion of treatment or other appropriate supportive services approved by the PHA, and/or evidence of the household member's successful and sustained modifications of previous disqualifying behavior.

**Reasonable accommodations.** Changes, exceptions, or adjustments to a rule, policy, practice, or service that ensure individuals with disabilities have equal access to a program or service.

#### Guidance

##### Criteria for Denying and Terminating Assistance

The chart below outlines the SRAP mandatory criteria for denying assistance to applicants and for terminating assistance to households currently participating in SRAP. The chart identifies the criteria that apply to households applying for SRAP, to households currently participating in SRAP, and to both. Please note these criteria also apply to live-in aides because they are considered household members. The chart also provides interpretive guidelines for the criteria and specifies the look back period for each criterion (see "Record Review" below).

Screening and Review Criteria  <i>Deny if:</i>	Criteria Applies to:		Interpretive Guidelines	Look Back Period
	Denial of Assistance to SRAP Applicants	Termination of Assistance to SRAP Participants		
A household member is subject to a lifetime registration requirement under a state sex offender registration program.	X	X	<p>The household member is permanently ineligible for SRAP assistance if he/she has committed a <b><i>violent sexual offense or murder that requires a duty to re-register for life</i></b> on the Virginia Sex Offender registry.</p> <p>Should a PHA discover that a member of an assisted household became subject to a lifetime registration requirement, the PHA must immediately terminate assistance for the household member.</p> <p>In this situation, the PHA must offer the household the opportunity to remove the ineligible household member from the household. If the household is unwilling to remove that individual from the household, the PHA must terminate assistance for the household.</p>	No look back period applies. Household is automatically and permanently ineligible.
A household member has ever been convicted of drug-related criminal activity for the production or manufacture of methamphetamine on the premises of federally	X	X	The household member is permanently ineligible for SRAP assistance if he/she has ever been convicted of drug-related criminal activity for the production or manufacture of methamphetamine on the premises of federally assisted housing.	No look back period applies. Household is automatically and permanently ineligible.

assisted housing.			<p>Should a PHA discover that a member of an assisted household has been convicted of drug-related criminal activity for the production or manufacture of methamphetamine on the premises of federally assisted housing, the PHA must immediately terminate assistance for the household member.</p> <p>In this situation, the PHA must offer the household the opportunity to remove the ineligible household member from the household. If the household is unwilling to remove that individual from the household, the PHA must terminate assistance for the household.</p>	
A household member is currently engaged in the use of illegal drugs.	X	X	“Currently engaged in” is defined as any use of illegal drugs/controlled substance during the previous twelve months.	<p>For applicants: Twelve (12) months from the SRAP application date.</p> <p>For participants: this is a rolling twelve month look-back period.</p>
A household member has been evicted from assisted rental housing in the last three (3) years for drug-related criminal activity.	X		SRAP permits, but does not require, a PHA to admit an otherwise eligible household member who was evicted from assisted housing within the past 3 years if the PHA is able to verify the household member has completed a PHA-approved drug rehabilitation program or the circumstances which led to eviction no longer exist (e.g., the household member involved in the criminal activity, such as a live-in aide, no longer lives in the household).	For applicants: thirty-six (36) months from the SRAP application date for the violation of laws prohibiting the production, sale, distribution, and/or use of certain controlled substances and the equipment or devices utilized in their preparation and/or use.

SRAP has reasonable cause to believe that a household member is currently engaged in the use of or has a pattern of use of illegal drugs, or is currently engaged in the abuse of or has a pattern of abuse of alcohol that threatens the health, safety or right to peaceful enjoyment of the premises by other residents.	X	X	<p>“Currently engaged in” is defined as any use of illegal drugs/controlled substance during the previous twelve months.</p> <p>The PHA will consider all credible evidence, including but not limited to, any record of convictions, arrests or evictions of household members related to the use of illegal drugs or the abuse of alcohol. A conviction will be given more weight than an arrest. The PHA will also consider evidence from treatment providers or community-based organizations providing services to the household member.</p> <p>A PHA may consider the use of a controlled substance or alcohol to be a pattern if there is more than one incident during the previous twelve months.</p>	<p>For applicants: twelve (12) months from the SRAP application date for the violation of laws prohibiting the production, sale, distribution, and/or use of certain controlled substances and the equipment or devices utilized in their preparation and/or use; and for offenses such as Driving Under the Influence/Driving While Intoxicated, drunkenness, liquor law violations, and disorderly conduct.</p> <p>For participants: this is a rolling twelve month look-back period.</p>
The household is unable to document citizenship or eligible immigration status.	X	X	The PHA shall utilize its Housing Choice Voucher program policies and procedures to deny or terminate assistance based on a household member’s failure to document citizenship or eligible immigration status.	No look back period applies.
The household fails to disclose and document social security numbers.	X	X	The PHA shall utilize its Housing Choice Voucher program policies and procedures to deny or terminate assistance based on a household member’s failure to disclose and/or document social security numbers.	No look back period applies
The participant (or his/her guardian or legal representative) fails to sign	X	X	PHAs must deny and/or terminate assistance if any household member fails to sign and submit the consent forms for	For applicants: No look back period applies.

and submit consent forms for obtaining information in accordance with SRAP requirements.			obtaining information relevant to the household's eligibility and level of assistance, or the household's regular or interim reexamination.	For participants: this is a rolling 12 month look back period.
The family is under contract and 180 days have elapsed since the PHA's last SRAP payment was made.		X	If a participating family receiving zero assistance experiences a change in circumstances that would result in a SRAP payment to the owner, the household must notify the PHA of the change and request an interim reexamination before the expiration of the 180-day period.	No look back period applies.
The family's gross adjusted annual income exceeds fifty percent (50%) of the Area Median Income for the HUD designated Fair Market Rent Area in which the PHA is located the time an income redetermination is performed.		X	The PHA shall provide 90 days written notice to the family and the owner that the SRAP rental assistance payment shall end because the family no longer meets the income eligibility requirements. If the family experiences a change in circumstances during the 90 days that results in a potential change to their eligibility, the family must notify the PHA of the change and request an interim reexamination before the expiration of the 90-day notice period.	
Death of the Sole Family Member		X	The PHA must immediately terminate program assistance for deceased single member households.	No look back period applies.
Family requests termination of assistance		X	The family should make a request to terminate assistance in writing and the eligible family member should sign the request. Before terminating the family's assistance, the PHA shall provide the household written notice in accordance with its Housing Choice Voucher program	No look back period applies.

			policies and procedures for termination notices. The PHA will also notify the landlord that the SRAP contact will be terminating and provide the effective date.	
<i>Drug-related criminal activity</i> , defined as 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.	X	X	<p>The PHA will consider all credible evidence, including but not limited to, any record of convictions, arrests or evictions of household members related to drug-related criminal activity.</p> <p>SRAP permits, but does not require, a PHA to admit an otherwise eligible household member who engaged in drug-related criminal activity if the PHA is able to verify the household member has completed a PHA-approved drug rehabilitation program or the circumstances which led to eviction no longer exist (e.g., the household member involved in the criminal activity, such as a live-in aide, no longer lives in the household).</p>	<p>For applicants: thirty-six (36) months from the SRAP application date for the violation of laws prohibiting the production, sale, distribution, and/or use of certain controlled substances and the equipment or devices utilized in their preparation and/or use.</p> <p>For participants: this is a rolling 12 month look back period.</p>
<i>Violent criminal activity</i> , defined as 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.	X	X	<p>The PHA will consider all credible evidence, including but not limited to, any record of convictions, arrests or evictions of household members for offenses involving 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. A conviction will be given more weight than an arrest. The PHA will also consider evidence from</p>	<p>For applicants: Sixty (60) months from the SRAP application date for acts of violent behavior such as simple assault; intimidation; destruction/damage/vandalism of property; the manufacture, sale, purchase transportation; possession, concealment or use of firearms, cutting instruments, explosives, incendiary devices or other deadly weapons; etc.</p>

			treatment providers or community-based organizations providing services to the household member.	<p>One hundred twenty (120) months from the SRAP application date for crimes of violent behavior such as murder, non-negligent manslaughter, forcible and non-forcible sex offenses, aggravated assault, arson, attempted arson, kidnapping, abduction, and hostage-taking.</p> <p>For participants: this is a rolling 12 month look back period.</p>
Criminal activity that may threaten the health, safety or right to peaceful enjoyment of the premises by other residents or persons residing in the immediate vicinity;	X	X	<p>“Immediate vicinity” is defined as within a three block radius.</p> <p>The PHA will consider all credible evidence, including but not limited to, any record of convictions, arrests or evictions of household members that would affect residents’ health, safety and peaceful enjoyment of the premises. A conviction will be given more weight than an arrest. The PHA will also consider evidence from treatment providers or community-based organizations providing services to the household member.</p>	<p>For applicants: Twelve (12) months from the SRAP application date for non-violent offenses such as disorderly conduct, drunkenness, peeping Tom, trespassing, and loitering.</p> <p>Twenty-four (24) months from the SRAP application date for non-violent offenses such as burglary; indecent exposure; prostitution; the manufacture, publishing, sale, purchase or possession of sexually explicit material; extortion or blackmail; or fraud.</p> <p>For participants: this is a rolling 12 month look back period.</p>
Criminal activity that may threaten the health or safety of property owners and	X	X	The PHA will consider all credible evidence, including but not limited to, any record of convictions, arrests or evictions	For applicants: Twelve (12) months from the SRAP application date for offenses such as disorderly

<p>management staff, and persons performing contract administration functions or other responsibilities on behalf of SRAP (including a state, local or private employee or a state, local or private contractor, subcontractor or agent).</p>			<p>of household members that would affect the health and safety of property owners and management staff and contractors for SRAP. A conviction will be given more weight than an arrest. The PHA will also consider evidence from treatment providers or community-based organizations providing services to the household member.</p>	<p>conduct, trespassing, loitering.</p> <p>Sixty (60) months from the SRAP application date for acts of violent behavior such as simple assault; intimidation; destruction/damage/vandalism of property; the manufacture, sale, purchase transportation; possession, concealment or use of firearms, cutting instruments, explosives, incendiary devices or other deadly weapons; etc.</p> <p>One hundred twenty (120) months from the SRAP application date for crimes of violent behavior such as murder, non-negligent manslaughter, forcible and non-forcible sex offenses, aggravated assault, arson, attempted arson, kidnapping, abduction, and hostage-taking.</p> <p>For participants: this is a rolling 12 month look back period.</p>
<p>Any household member has been evicted from federally-assisted housing in the last five years.</p>	<p>X</p>	<p>X</p>		<p>This is a rolling 60 month look back period.</p>
<p>The family has been evicted from assisted housing for serious or repeated violations of the lease</p>	<p>X</p>	<p>X</p>	<p>A family will be considered <i>evicted</i> if the family moves after a legal eviction order has been issued, whether or not physical enforcement of the order was necessary.</p>	<p>This is a rolling 12 month look back period.</p>

			<p>If a family moves after the owner has given the household an eviction notice for serious or repeated lease violations but before a legal eviction order has been issued, termination of assistance is not mandatory. In such cases the PHA will determine whether the household has committed serious or repeated violations of the lease based on available evidence and may terminate assistance or take alternative measures. In making its decision, the PHA will consider mitigating circumstances. Lacking evidence of serious and repeated lease violations, the PHA may, on a case-by-case basis, choose not to terminate assistance.</p> <p>Serious or repeated lease violations will include, but not be limited to, nonpayment of rent, disturbance of neighbors, destruction of property, or living or housekeeping habits that cause damage to the unit or premises and criminal activity. Generally, the criterion to be used will be whether or not the reason for the eviction was the fault of the tenant or guests.</p>	
The family does not provide information that the PHA or DBHDS determines is necessary in the administration of the program.	X	X		Look back period does not apply. Household is automatically ineligible.

The family does not provide complete and true information to the PHA.	X	X		This is a rolling 12 month look back period.
The family fails to comply with any family obligations under the program.	X	X		This is a rolling 12 month look back period.
Any PHA has ever terminated assistance under the program for any member of the family.	X	X		This is a rolling 12 month look back period.
Any family member has committed fraud, bribery or any other corrupt or criminal act in connection with any federal housing program.	X	X		This is a rolling 12 month look back period.
The family currently owes rent or other amounts to any PHA, unless the household repays the full amount of the debt.	X	X		Look back period does not apply.
The family has breached the terms of a repayment agreement entered into with the PHA.	X	X		This is a rolling 12 month look back period.
A household member has engaged in or threatened violent or abusive behavior toward PHA personnel	X	X	Abusive or violent behavior towards PHA personnel includes verbal as well as physical abuse or violence. Use of racial epithets, or other language, written or oral, that is customarily used to intimidate may be considered abusive or violent behavior.  Threatening refers to oral or written threats or physical gestures that	For applicants: twelve (12) months from the SRAP application date.  For participants: this is a rolling 12 month look back period.

			communicate intent to abuse or commit violence.	
If the eligible family refuses to permit DBHDS, the PHA or the support coordination agency that referred the family for SRAP to use and exchange among themselves information about the family's finances, employment, medical and disability expenses, benefits, housing needs, SRAP participation status and tenancy issues in the State Rental Assistance Program for the purpose of coordinating initial and continued eligibility for SRAP.	X	X	If eligible family revokes its release of information for DBHDS, the PHA or the support coordination agency, they shall be terminated from the program.	For applicants: twelve (12) months from the SRAP application date.  For participants: this is a rolling 12 month look back period.
If the eligible family member is absent from the unit for (a) more than 180 consecutive calendar days or (b) more than fifty percent of a cumulative 365 day period for any reason, the family's assistance will be terminated.		X	The family may be reinstated in the program if the eligible family member who is absent is able to return within one year, provided that the reason for the absence was health-related and can be documented in writing by a physician. SRAP assistance must be available for the family to be reinstated.	

## **Criminal Background Checks**

PHAs are permitted to utilize the same verification sources for criminal background checks as are used in the Housing Choice Voucher program. In order to obtain access to these records, PHAs must require every applicant household to submit a consent form signed by each adult household member.

## **Record Review**

*Look back period:* This SRAP Guidance uses the concept of a “look back” period to gauge how far back in time to consider evidence of a household member’s criminal history. The look back period helps establish a reasonable time period for screening criminal activities or adverse behaviors in assisted housing that the household member is currently engaged in or has engaged in prior to receiving SRAP assistance. Households are generally deemed ineligible to receive assistance if:

- the date of a household member’s most recent conviction or arrest falls within the look back period, or
- if, as of the date of the SRAP application, a household member is incarcerated or on probation for violent criminal activity (with the exception of drug and alcohol convictions).

Two mandatory denial criteria have no look back period: household members who are subject to a lifetime registration requirement under a state sex offender registration program and household members who have ever been convicted of drug-related criminal activity for the production or manufacture of methamphetamine on the premises of federally assisted housing. Household members who meet these denial criteria are automatically and permanently ineligible to receive assistance.

Applicants with active arrest warrants shall be given 45 days to resolve the active warrant. If there is no resolution within 45 days, the application will be closed. The household may be referred again once there is a resolution.

PHAs shall review the circumstances regarding open dispositions, unsupervised probation and probation violations for SRAP participants on a case by case basis.

*Evidence:* PHAs will use the concept of the preponderance of the evidence as the standard for making all admission and termination decisions. *Preponderance of the evidence* is defined as evidence which is of greater weight or more convincing than the evidence which is offered in opposition to it; that is, evidence which, as a whole, shows that the fact sought to be proved is more probable than not. Preponderance of the evidence may not be determined by the number of witnesses, but by the greater weight of all evidence.

*Consideration of Circumstances:* Except for lifetime sex offenders and persons who have been convicted of drug-related criminal activity for the production or manufacture of methamphetamine on the premises of federally assisted housing, PHAs shall consider all relevant circumstances prior to making a decision to deny assistance to applicants based on a household’s past history, including the following factors:

- The nature and seriousness of the offending action, especially with respect to how it would affect (or has affected) other residents
- The extent of participation or culpability of the household member, including the impact of the household member’s disability, and whether the household member is a victim of domestic violence, dating violence, or stalking
- The length of time since the violation occurred, the household member’s recent history and the likelihood of favorable conduct in the future
- In the case of drug or alcohol abuse, whether the culpable household member is participating in or has successfully completed a supervised drug or alcohol rehabilitation program or has otherwise been rehabilitated successfully (the applicant must submit evidence of the household member’s current participation in or

successful completion of a supervised drug or alcohol rehabilitation program, or other evidence of having been rehabilitated successfully).

- In the case of program abuse, whether or not a false certification was signed by the household

PHAs shall also permit applicants and participants to address and present evidence of mitigating circumstances that would impact the screening of criminal history and previous behavior in assisted housing. If the PHA receives unfavorable information about an applicant or participant, the PHA shall consider the time, nature and extent of the household member's conduct and to factors that might indicate a reasonable probability of favorable future conduct. Mitigating circumstances must be verifiable to be factored into the PHA's screening assessment.

If the mitigating circumstances the household member claims are related to a change in disability, medical condition or course of treatment, the PHA shall have the right to refer such information to persons who are qualified and knowledgeable to evaluate the evidence and to verify the mitigating circumstance. The PHA shall also have the right to request further information reasonably needed to verify the mitigating circumstance, even if such information is of a medically confidential nature. Such inquiries will be limited to the information necessary to verify the mitigating circumstances or, in the case of a person with disabilities, to verify a reasonable accommodation.

#### **Reasonable Accommodation**

**A PHA's decision to deny or terminate the assistance of a household that includes a person with disabilities is subject to consideration of reasonable accommodation.** When applicants with disabilities are denied assistance, the notice of denial must inform them of the PHA's informal review process and their right to request a hearing. In addition, the notice must inform applicants with disabilities of their right to request reasonable accommodations to participate in the informal hearing process.

When a participant household's assistance is terminated, the notice of termination must inform them of the PHA's informal hearing process and their right to request a hearing and reasonable accommodation.

When reviewing reasonable accommodation requests, the PHA must consider whether any mitigating circumstances can be verified to explain and overcome the problem that led to the PHA's decision to deny or terminate assistance. If a reasonable accommodation will allow the household to meet the requirements, the PHA must make the accommodation.

If a household indicates that the behavior of a household member with a disability is the reason for a proposed termination of assistance, the PHA will determine whether the behavior is related to the disability. If so, upon the household's request, the PHA will determine whether alternative measures are appropriate as a reasonable accommodation. The PHA will only consider accommodations that can reasonably be expected to address the behavior that is the basis of the proposed termination of assistance.

The PHA will use its Housing Choice Voucher program policies and procedures for processing reasonable accommodation requests.

**Forms of Denial of Assistance**

Under SRAP, the forms of denial of assistance PHAs shall use for applicants are limited to denying or withdrawing a rental certificate, not approving a request for tenancy or refusing to enter into an SRAP Payment Contract, and refusing to process a request for a transfer to another participating PHA.

PHAs may follow their Housing Choice Voucher program policies and procedures with regard to methods of termination and alternatives to termination of assistance.

**Notification of Denial of Assistance**

If the PHA determines the household is not eligible for the program for any reason, the household must be notified promptly. PHAs shall provide notification in accordance with the policies and procedures for their Housing Choice Voucher program.

**Alternatives to Termination of Assistance**

As a condition of continued assistance, PHAs may require a household agree to one of the following options:

- The PHA may require that any household member who participated in or was responsible for an offense no longer resides in the unit. The culpable household member has vacated the unit and will not be permitted to visit or stay as a guest. The household must present evidence of the former household member's current address upon PHA request.
- If a household owes amounts to the PHA, the PHA will require the household to repay the full amount within 60 days of receiving notice from the PHA or to enter into a repayment agreement within 30 days of receiving notice from the PHA of the amount owed. The PHA shall follow its Housing Choice Voucher program policies and procedures for repayment agreements.

## **APPENDIX 2**

### **List of SRAP Forms & Handouts\***

#### **FORMS**

- SRAP Application for Rental Assistance Benefits
- Approval Certificate of Assistance
- SRAP Payment Contract
- Tenancy Addendum to Lease
- Obligations of the Family
- Family Disclosures
- Request for Tenancy Approval
- Notice of Rent Amount
- Interim Change Form
- SRAP Administrative Fee Invoice Form
- SRAP Draw Down Request Form

#### **HANDOUTS**

- SRAP Landlord FAQ
- State Rental Assistance Subsidy Standards: How Your Unit Size Is Determined
- The SRAP Payment Standard: The Maximum Allowable Subsidy for the Unit Size on Your Certificate
- Permitted and Prohibited Unit Types in SRAP
- State Rental Assistance Program Certificate Extension and Suspension Policy
- How Your Rent Is Determined in the State Rental Assistance Program
- Notice of Your Right to Receive Information About Available Housing That Is Accessible to Persons with Disabilities
- Transferring SRAP Certificates to Other Public Housing Agencies Participating in SRAP

\* Copies of all forms and handouts may be found at the end of the SRAP Program Manual

**APPENDIX 3**  
**DBHDS Maximum Utility Allowances for Specific Unit Sizes**  
 (As of FY 2018)

Fairfax	
Utility Allowance 1 bed	\$ 137
Utility Allowance 2 bed	\$ 184
Utility Allowance 3 bed	\$ 256
Utility Allowance 4 bed	\$ 337

Norfolk	
Utility Allowance 1 bed	\$ 145
Utility Allowance 2 bed	\$ 194
Utility Allowance 3 bed	\$ 286
Utility Allowance 4 bed	\$ 309

Bristol	
Utility Allowance 1 bed	\$ 146
Utility Allowance 2 bed	\$ 190
Utility Allowance 3 bed	\$ 268
Utility Allowance 4 bed	\$ 323

Roanoke	
Utility Allowance 1 bed	\$ 146
Utility Allowance 2 bed	\$ 190
Utility Allowance 3 bed	\$ 268
Utility Allowance 4 bed	\$ 323

VA Beach	
Utility Allowance 1 bed	\$ 151
Utility Allowance 2 bed	\$ 183
Utility Allowance 3 bed	\$ 266
Utility Allowance 4 bed	\$ 296

Chesapeake	
Utility Allowance 1 bed	\$ 152
Utility Allowance 2 bed	\$ 201
Utility Allowance 3 bed	\$ 265
Utility Allowance 4 bed	\$ 350

Danville	
Utility Allowance 1 bed	\$ 146
Utility Allowance 2 bed	\$ 190
Utility Allowance 3 bed	\$ 268
Utility Allowance 4 bed	\$ 323

Region Ten CSB	
Utility Allowance 1 bed	\$ 146
Utility Allowance 2 bed	\$ 190
Utility Allowance 3 bed	\$ 268
Utility Allowance 4 bed	\$ 323

<b>Richmond</b>	
Utility Allowance 1 bed	\$ 151
Utility Allowance 2 bed	\$ 201
Utility Allowance 3 bed	\$ 265
Utility Allowance 4 bed	\$ 301

<b>Lynchburg</b>	
1 BR	\$ 635
2 BR	\$ 790
3 BR	\$ 1,070
4 BR	\$ 1,236
Utility Allowance 1 bed	\$ 146
Utility Allowance 2 bed	\$ 190
Utility Allowance 3 bed	\$ 268
Utility Allowance 4 bed	\$ 323

<b>Prince William Project-based</b>	
1 BR	\$ 1,099
2 BR	\$ 1,318
3 BR	\$ 1,523
4 BR	\$ 1,700
Utility Allowance 1 bed	\$ 146
Utility Allowance 2 bed	\$ 190
Utility Allowance 3 bed	\$ 268
Utility Allowance 4 bed	\$ 323

<b>Prince William Tenant-based</b>	
1 BR	\$ 1,710
2 BR	\$ 1,962
3 BR	\$ 2,574
4 BR	\$ 3,168
Utility Allowance 1 bed	\$ 137
Utility Allowance 2 bed	\$ 184
Utility Allowance 3 bed	\$ 256
Utility Allowance 4 bed	\$ 337

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Assumptions:

1. U.A.s are based on U.A. charts from each PHA for different unit types/sizes
2. Heating, cooling & cooking are electric. Electric, water and sewer are tenant paid. Trash is tenant paid in 3 & 4 BR units.
3. 1 BR utilities are based on each PHA's U.A. for a 1 BR in a multifamily property.
4. 2BR utilities are based on average of each PHA's U.A.s for 2BR in a multifamily property and 2 BR semi-detached unit.
5. 3BR utilities are based on average of each PHA's U.A.s for 3BR in a multifamily property and 3BR semi-detached unit.
6. 4BR utilities are based on each PHA's U.A. for 4BR detached unit.

## APPENDIX 4 REQUIRED PHA REPORTS FOR SRAP

Reports that are due monthly shall be submitted fifteen days after reporting month ends. Reports that are due quarterly shall be submitted fifteen days after the reporting quarter ends. The fourth quarter financial report is an exception: this report shall be submitted one month and fifteen days after the reporting quarter ends to allow for year-end reconciliation.

<i><b>Programmatic Reports</b></i>	<i><b>Frequency</b></i>	<i><b>Method</b></i>
<p><b>Referrals</b></p> <p>Provide a <b>Referral Status Raw Data Report</b> for the prior month showing referral status for all referred individuals in column format (e.g., columns for eligible individual identifier code and each status step. Include the date of completion of each status step). Referral status categories are:</p> <ul style="list-style-type: none"> <li>• SRAP interview scheduled</li> <li>• SRAP application received/under review</li> <li>• Need more info for SRAP app</li> <li>• SRAP certificate issued</li> <li>• Household searching for housing</li> <li>• Housing unit identified</li> <li>• Rent reasonableness verified</li> <li>• HQS inspection passed</li> <li>• SRAP contract executed</li> <li>• Lease executed</li> <li>• Unit occupied</li> <li>• Ineligible for SRAP (include reason for ineligibility)</li> <li>• Declined SRAP assistance (include reason for declination)</li> </ul>	<p>Monthly</p>	<p>Generate report from spreadsheet or database.</p>





<ul style="list-style-type: none"> <li>b. gross rent by unit size</li> <li>c. S-RAP subsidy by unit size</li> </ul> <p>3. the total number of PHA owned and/or operated units leased during the quarter with gross rents targeted to households with incomes at/below 50% of AMI</p>		
<b>Financial Reports</b>	<b>Frequency</b>	<b>Method</b>
<p><b>Actual Subsidy Expenditure Report:</b> details the SRAP contract subsidy payment and the actual subsidy payment made for the prior month for each occupied unit, including total actual subsidy expenditure for all occupied units. For any unit where the actual payment made differs from the contract, provide a written explanation (e.g., payment was pro-rated due to lease date, payment was withheld due to HQS non-compliance, etc.).</p>	Quarterly	Use Excel Report Format provided by DBHDS.
<p><b>Projected Subsidy Expenditure Report:</b> details the SRAP contract subsidy payment and the projected subsidy payment to be made each month for the full fiscal year for each unit, including total projected subsidy expenditure for the fiscal year for all occupied units.</p>	Quarterly	Use Excel Report Format provided by DBHDS.
<p><b>Program Income and Expenditure Report</b> shows:</p> <ul style="list-style-type: none"> <li>• Income and Expenses budgeted for the fiscal year, by line item. Line items are delineated in the contract budget.</li> <li>• Actual income and expenses for the quarter (in dollars and as a percentage of the budget)</li> <li>• Total income and expenses to date by line item and total (in dollars and as a percentage of the budget)</li> <li>• Remaining budget balance</li> </ul>	Quarterly	Use Excel Report Format provided by DBHDS.
<p><b>Program Reserve Report</b> shows:</p> <ul style="list-style-type: none"> <li>• Initial balance</li> <li>• Approved draws against the reserve (including date, purpose, amount)</li> <li>• Approved contributions to the reserve</li> <li>• Interest earned</li> <li>• Fees or other deductions to manage the account</li> <li>• Current balance</li> </ul>	Quarterly	Use Excel Report Format provided by DBHDS.

## APPENDIX 5

### ADMINISTERING SRAP PROJECT-BASED RENTAL ASSISTANCE

DBHDS has created a SRAP Project-based Rental Assistance Program and will enter into agreements to administer this program with PHAs that:

- (1) administer an SRAP tenant-based certificate program and/or
- (2) administer a capital subsidy to finance the development of new affordable housing units for the Settlement Agreement population for the purpose of funding rent assistance that is attached to specific units. SRAP Project-based Rental Assistance (PBRA) may be attached to existing housing or newly constructed or rehabilitated housing.

### 1. Tenant-based vs. Project-based Assistance

Many SRAP policies related to tenant-based assistance also apply to project-based assistance. Except as otherwise noted or unless specifically prohibited in this Appendix, the SRAP policies related to tenant-based assistance also apply to the project-based program and its participants.

The following SRAP tenant-based assistance policies DO NOT apply to SRAP project-based assistance:

- (1) Provisions on issuance or use of a SRAP certificate;
- (2) Provisions on permitted and prohibited unit types which a participant can lease with tenant-based assistance;
- (3) Provisions regarding the family unit size as determined for a family under the SRAP subsidy standard being used to determine the maximum rent subsidy for a family assisted in the SRAP program, and the family's ability to lease an otherwise acceptable dwelling unit with fewer bedrooms if the dwelling unit meets applicable HQS space requirements or more bedrooms if the dwelling unit follows applicable utility allowances.
- (4) Provisions for issuance of a new certificate if the [PHA](#) determines a unit does not meet the [HQS](#) space standards because of an increase in [family](#) size or a change in [family](#) composition and, if a unit is found, for termination of the [SRAP contract](#);
- (5) Provisions on SRAP transfers;
- (6) Provisions on rent reasonableness;
- (7) Provisions on maximum family share at initial occupancy;
- (8) Provisions on distribution of the SRAP payment (e.g., distribution of any utility reimbursement to family or utility companies on behalf of the family);

- (9) Provisions regarding calculation of the family share and payment of the family rent to owner;
- (10) Provisions for terminating the [SRAP contract](#) automatically 180 calendar days after the last SRAP payment to the [owner](#).
- (11) Provisions on the following special housing types: shared housing
- (12) Provisions authorizing approval of a higher payment standard as a reasonable accommodation for a particular family that includes a person with disabilities do not apply (since the payment standard amount does not affect availability of a PBV unit for occupancy by a family or the amount paid by the family)

## 2. Relocation Requirements

Projects that require relocation of existing owners or tenants shall not be eligible to receive SRAP-PBRA assistance.

## 3. Owner Proposal Selection Procedures

A PHA must use a competitive process to select SRAP-PBRA proposals. The PHA may:

1. solicit proposals using a competitive process in response to the PHA request. The PHA may not limit proposals to a single site or impose restrictions that explicitly or practically preclude owner submission of proposals for PBRA housing on different sites.
2. Select proposals that were previously selected based on a competition. This may include selection of a proposal for housing assisted under a federal, state or local government housing assistance program that was subject to a competition in accordance with the requirements of the applicable program, community development program, or supportive services program that requires competitive selection of proposals (e.g., HOME, and units for which competitively awarded LIHTCs have been provided), where the proposal has been selected in accordance with such program's competitive selection requirements within three years of the PBRA proposal selection date, and the earlier competitive selection proposal did not involve any consideration that the project would receive SRAP-PBRA assistance.

## 4. Solicitation and Selection of SRAP-PBRA Proposals

PHAs must provide broad public notice of the opportunity to offer PBRA proposals for consideration by the PHA. Public notice procedures may include publication of the public notice in a local newspaper of general circulation and other means designed and actually operated to provide broad public notice (e.g., posting the request, proposal submission and rating and ranking procedures on the PHA's website). The public notice of the PHA request for PBRA proposals must appear in the publication at least one day per

week for three consecutive weeks, must specify the number of units the PHA estimates it will be able to assist under the funding the PHA is making available, and must specify the submission deadline. Detailed application and selection information must be provided at the request of interested parties. The PHA will maintain documentation of responses to advertisements or competitive proposals received in response to the PHA notice.

In order for a proposal to be considered, the owner must submit the proposal to the PHA by the published deadline date, and the proposal must respond to all requirements as outlined in the request for proposals. Incomplete proposals will not be reviewed.

PHAs will rate and rank proposals for existing housing using the following criteria:

1. Proposals should be consistent with SRAP objectives (e.g. provide adults with developmental disabilities who currently live in less integrated settings such as nursing facilities, intermediate care facilities, group homes and with their families of origin, a financial tool to support establishing their own households in more integrated housing settings consistent with their informed choices and needs, including their own homes and apartments) and should meet at least one of the following SRAP priorities:
  - a. provide rents targeted to households at or below 50% of the area median income
  - b. preserve affordable rental housing for a minimum of 30 years
  - c. provide affordable rental housing located within 1/10<sup>th</sup> of a mile of public transportation
  - d. provide fully accessible rental housing in accordance with Uniform Federal Accessible Standards
  - e. provide housing where owners have memoranda of agreement in place with Medicaid Developmental Disability Waiver providers of supportive services who serve as a primary point of contact for tenants related to tenancy supports (e.g., assistance with applications/recertifications, housekeeping, reporting repairs, paying rent/utilities on time, lease compliance, managing relationships with neighbors, etc.).
2. General Criteria
  - a. Owner experience in the SRAP tenant-based certificate program and/or Housing Choice Voucher program and owner compliance with the owner's obligations under these programs;
  - b. Extent to which the project furthers the SRAP aim of providing people with developmental disabilities opportunities to live in integrated, independent housing (e.g., opportunities to live next to and interact with people without disabilities).
  - c. The extent to which the owner offers tenants an opportunity to designate an optional third party to receive all critical communication from the owner (e.g., notices of inspections, recertifications, lease renewals, changes to lease terms, late rent or other lease violations, eviction, emergency, etc.).
  - d. In the case of rehabilitated or newly constructed units, projects with less than 25 percent of the units assisted will be rated higher than projects with 25 percent or more of the units assisted. SRAP-PBRA may not be used in projects occupied solely by the

elderly and/or persons with disabilities. Projects with the lowest percent of assisted units will receive the highest score.

- e. The PHA may give a preference to Community Housing Development organizations (CHDO's), HOME, and Low-Income Housing Tax Credit (LIHTC) projects.

PHAs will accept proposals for SRAP-PBRA assistance from owners that were competitively selected under another federal, state or local housing assistance program, including projects that were competitively awarded Low-Income Housing Tax Credits on an ongoing basis. The PHA may periodically advertise it is accepting proposals in a local newspaper or on its website. In addition to, or in place of advertising, the PHA may also directly contact specific owners that have already been selected for Federal, state or local housing assistance based on a previously held competition, to inform them of available SRAP-PBRA assistance. Proposals will be due in the PHA office by close of business 30 calendar days from the date of the last publication. The PHA will evaluate each proposal on its merits using the following factors:

1. Extent to which the project furthers the SRAP aim of providing people with developmental disabilities in the Settlement Agreement population opportunities to live in integrated, independent housing (e.g., opportunities to live next to and interact with people without disabilities).
2. Extent to which the proposal complements the housing needs of people with developmental disabilities in the Settlement Agreement population in the jurisdiction(s) the PHA serves in terms of unit types (e.g., bedroom sizes), accessibility, and proximity to public transportation and services.

## **5. PHA-owned Units**

PHA-owned units may not be assisted with SRAP-PBRA assistance.

## **6. PHA Notice of Owner Selection**

The PHA must provide written notification to owner(s) who are selected to participate in the SRAP-PBRA program within ten (10) business days of making the selection. The PHA must also notify in writing all owners that submitted proposals that were not selected and advise such owners of the names of the owners that were selected. The PHA must also give prompt public notice for selection of SRAP-PBRA proposals on the PHA website. The announcement shall include the names of the owners selected for the SRAP-PBRA program.

The PHA shall make available to any interested party its rating and ranking sheets and documents that identify the PHA basis for selecting the proposals. These documents will be available for review by the public and other interested parties for one month after publication of the notice of owner selection. The PHA shall not available make sensitive owner information that is privileged, such as financial statements and similar information about the owner. Documents may be viewed at the PHA's office and the PHA may charge a usual and customary charge fee to reproduce allowable documents.

## 7. Housing Type

The PHA may attach SRAP-PBRA assistance for units in existing housing ONLY. A housing unit is considered an existing unit for the purposes of SRAP-PBRA if, at the time of notice of PHA selection, the units substantially comply with HQS.

## 8. Prohibition of Assistance for Certain Units

The PHA may not attach or pay SRAP-PBRA assistance to:

- units on the grounds of a penal reformatory, medical, mental or similar public or private institution
- nursing homes or facilities providing continuous psychiatric medical, nursing services, board and care or intermediate care
- units owned or controlled by an educational institution or its affiliate and are designated for occupancy by students
- manufactured homes
- transitional housing
- residential settings licensed by the Department of Behavioral Health & Developmental Services or the Department of Social Services (e.g., group home, residential treatment program, adult care residence, assisted living facility)
- a dwelling in which part of the residence prohibited from being rented as a separate unit by local zoning ordinance
- a non-residential setting (e.g., homeless shelter, extended stay hotel, vacation timeshare)
- units occupied by owners
- units occupied by SRAP-PBRA ineligible families

## 9. Subsidized Housing

A PHA may not attach or pay SRAP-PBRA assistance to units in any of the following types of subsidized housing:

- a public housing unit
- a unit subsidized with any other form of Section 8 assistance
- a unit subsidized with any governmental rent subsidy
- a unit subsidized with any governmental rent subsidy that covers all or any part of the operating costs of the housing
- a unit subsidized with Section 236 rent assistance payments (except that a PHA may attach assistance to a unit subsidized with Section 236 interest reduction payments)
- a Section 202 project for non-elderly with disabilities
- Section 811 project-based supportive housing for persons with disabilities
- Section 202 supportive housing for the elderly
- Section 101 rent supplement project

- A unit subsidized with any form of tenant-based rent assistance
- A unit with any other duplicative federal, state or local housing subsidy, as determined by DBHDS or the PHA
- shared housing

## **10. Cap on Number of PBRA Units in Each Project**

In general, the PHA may not select a proposal to provide SRAP-PBRA assistance for units in a project or enter into an agreement to enter into a SRAP contract to provide PBRA assistance for units in a project, if the total number of dwelling units in the project that will receive PBRA assistance during the term of the SRAP-PBRA contract is more than 25 percent of the number of dwelling units (assisted or unassisted) in the project.

Exceptions are allowed and PBRA units are not counted against the 25 percent per project cap if:

- The units are in a single-family building (one to four units)

## **11. Existing Housing Site and Neighborhood Standards**

The PHA may not enter into an agreement to enter into a SRAP-PBRA contract nor enter into a SRAP-PBRA contract for existing housing until it has determined that the site complies with required site and neighborhood standards. The site must:

- Be adequate in size, exposure, and contour to accommodate the number and type of units proposed;
- Have adequate utilities and streets available to service the site;
- Promote a greater choice of housing opportunities and avoid undue concentration of assisted persons in areas containing a high proportion of low-income persons;
- Be accessible to social, recreational, educational, commercial, and health facilities and services and other municipal facilities and services equivalent to those found in neighborhoods consisting largely of unassisted similar units; and
- Be located so that travel time and cost via public transportation or private automobile from the neighborhood to places of employment is not excessive.

## **12. Housing Quality Standards**

The housing quality standards (HQS) for the SRAP tenant-based program generally apply to the SRAP-PBRA program.

Certain Lead Safe Housing rules apply to SRAP-PBRA projects. SRAP-PBRA projects in properties constructed prior to January 1, 1978 which involve no renovations or repairs that disturb paint must provide the HUD and EPA Publication “Protect Your Family From Lead In Your Home” and a disclosure notice to tenants at the time of application so they can make an informed decision when choosing housing for their household. The landlord shall copy of the disclosure notice in the tenant’s file.

SRAP-PBRA projects in properties constructed prior to January 1, 1978 which undergo renovations or repairs that disturb paint must follow the Environmental Protection Agency's Renovation, Repair and Painting (RRP) Rule requirements for rental projects that involve rehabilitation (Toxic Substances Control Act [section 402(c)(3) of TSCA). For more information on the RRP Rule and how it applies to owners and managers of rental properties, see <https://www.epa.gov/lead/renovation-repair-and-painting-program-property-managers>.

### **13. Housing Accessibility for Persons with Disabilities**

The housing must comply with program accessibility requirements of section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794) and implementing regulations at 24 CFR part 8. The PHA must ensure that the percentage of accessible dwelling units complies with the requirements of section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), as implemented by HUD's regulations at 24 CFR 8, subpart C.

Housing first occupied after March 13, 1991, must comply with design and construction requirements of the Fair Housing Amendments Act of 1988 and implementing regulations at 24 CFR 100.205, as applicable. (24 CFR 983.102).

### **14. Inspecting Units**

Pre-selection Inspection: The PHA must examine the proposed site before the proposal selection date. Since the units to be assisted must already exist, the PHA must inspect all the units before the proposal selection date and determine whether the units substantially comply with HQS. To qualify as existing housing, units **must** substantially comply with HQS on the proposal selection date. However, the PHA may not execute the HAP contract until the units fully comply with HQS.

Pre-SRAP-PBRA Contract Inspection: The PHA must inspect each contract unit before the execution of the SRAP-PBRA contract. The PHA may not enter into a SRAP-PBRA contract covering a unit until the unit fully complies with HQS.

Turnover Inspection: Before providing assistance to a new family in a contract unit, the PHA must inspect the unit. The PHA may not provide assistance on behalf of the family until the unit fully complies with HQS.

Annual, Semi-Annual & Special Inspections: See guidance for unit receiving SRAP tenant-based assistance.

### **15. Housing Assistance Payments Contract**

The PHA must enter into a SRAP-PBRA contract with an owner for units that are receiving PBRA assistance. The purpose of the SRAP-PBRA contract is to provide housing assistance payments for eligible families. Housing assistance is paid for contract units leased and occupied by eligible families during the SRAP-PBRA contract term. The SRAP-PBRA contract must be in the form at the end of this Appendix, and must specify:

- The total number of contract units by number of bedrooms
- The project's name, street address, city or county, state and zip code, block and lot number (if known), and any other information necessary to clearly identify the site and the building
- The number of contract units in each building, the location and address of each contract unit, the area of each contract unit, and the number of bedrooms and bathrooms in each contract unit
- Services, maintenance, and equipment to be supplied by the owner and included in the rent to owner
- Utilities available to the contract units, including a specification of utility services to be paid by the owner (included in rent) and utility services to be paid by the tenant
- Features provided to comply with program accessibility requirements of Section 504 of the Rehabilitation Act of 1973 and implementing regulations at 24 CFR part 8
- The SRAP-PBRA contract term
- The number of units in any project that will exceed the 25 percent per project cap, which will be set-aside for occupancy by qualifying families, and
- The initial rent to owner for the first 12 months of the SRAP-PBRA contract term.

Execution of the SRAP-PBRA Contract: The PHA may not enter into a SRAP-PBRA contract until each contract unit has been inspected and the PHA has determined that the unit complies with HQS. The SRAP-PBRA contract must be executed after the PHA selects the owner proposal and within ten business days after the PHA inspects the housing units.

Term of SRAP-PBRA Contract: The initial term of all SRAP-PBRA contracts with the PHA shall be five years.

At any time before expiration of the SRAP-PBRA contract, the PHA may extend the term of the contract for an additional term of up to X years if the PHA determines an extension is appropriate to continue providing affordable housing for SRAP participants. Subsequent extensions are subject to the same limitations. All extensions must be on the form and subject to the conditions prescribed by DBHDS at the time of the extension.

Termination by PHA: The SRAP-PBRA contract must provide that the term of the PHA's contractual commitment is subject to the availability of sufficient appropriated funding as determined by DBHDS or by the PHA in accordance with DBHDS instructions. For these purposes, sufficient funding means the availability of appropriations, and of funding under the Memorandum of Agreement from such appropriations, to make full payment of SRAP-PBRA assistance payments to the owner for any contract year in accordance with the terms of the SRAP contract.

If it is determined that there may not be sufficient funding to continue SRAP-PBRA assistance payments for all contract units and for the full term of the SRAP contract, the PHA may terminate the SRAP-PBRA

contract by notice to the owner. The termination must be implemented in accordance with DBHDS instructions.

Termination by Owner: If in accordance with program requirements the amount of rent an owner for any contract unit is reduced below the amount of the rent to owner at the beginning of the SRAP-PBRA contract term, the owner may terminate the SRAP contract by giving notice to the PHA. In this case, families living in the contract units must be offered tenant-based assistance.

Remedies for HQS Violations: The PHA may not make any SRAP payment to the owner for a contract unit during any period in which the unit does not comply with HQS. If the PHA determines that a contract does not comply with HQS, the PHA may exercise any of its remedies under the SRAP contract, for any or all of the contract units. Available remedies include termination of SRAP payments, abatement or reduction of SRAP payments, reduction of contract units, and termination of the SRAP contract. See Section 14 of the SRAP Program Manual for policies to enforce owner compliance with HQS.

## **16. Amendments to the SRAP Contract**

Substitution of Contract Units: At the PHA's discretion and subject to all SRAP-PBRA requirements, the SRAP contract may be amended to substitute a different unit with the same number of bedrooms in the same building for a previously covered contract unit. Before any such substitution can take place, the PHA must inspect the proposed unit and determine the reasonable rent for the unit.

## **17. SRAP Contract Year, Anniversary and Expiration Dates**

The SRAP contract year is the period of 12 calendar months preceding each annual anniversary of the SRAP contract during the SRAP contract term. The initial contract year is calculated from the first day of the first calendar month of the SRAP contract term.

The annual anniversary of the SRAP contract is the first day of the first calendar month after the end of the preceding contract year.

There is a single annual anniversary and expiration date for all units under a particular SRAP contract, even in cases where contract units are placed under the SRAP contract in stages (on different dates) or units are added by amendment. The anniversary and expiration dates for all units coincide with the dates for the contract units that were originally placed under contract.

## **18. Owner Responsibilities Under the SRAP-PBRA Contract**

When owners execute the SRAP-PBRA contract, they certify that at such execution and at all times during the term of the SRAP-PBRA contract:

- All contract units are in good condition and the owner is maintaining the premises and contract units in accordance with HQS;
- The owner is providing all services, maintenance, equipment and utilities as agreed to under the SRAP contract and the leases;
- Each contract unit for which the owner is receiving SRAP is leased to an eligible family referred by the DBHDS, and the lease is in accordance with the SRAP contract and DBHDS requirements;
- To the best of the owner’s knowledge, the family resides in the contract unit for which the owner is receiving SRAP, and the unit is the family’s only residence;
- The owner (including a principal or other interested party) is not the spouse, parent, child, grandparent, grandchild, sister, or brother of any member of a family residing in a contract unit;
- The amount of the SRAP the owner is receiving is correct under the SRAP-PBRA contract;
- The rent for contract units does not exceed rents charged by the owner for comparable unassisted units;
- Except for SRAP and tenant rent, the owner has not received and will not receive any other payment or consideration for rental of the contract unit; and
- The family does not own or have any interest in the contract unit.

## 19. Additional SRAP Requirements

Housing Quality & Design Requirements: The owner is required to maintain and operate the contract units and premises in accordance with HQS, including performance of ordinary and extraordinary maintenance. The owner must provide all the services, maintenance, equipment, and utilities specified in the SRAP contract with the PHA and in the lease with each assisted family. In addition, maintenance, replacement and redecoration must be in accordance with the standard practice for the building as established by the owner.

The PHA may identify the need for any special features on a case-by-case basis depending on the intended occupancy of the PBRA project (e.g., units that meet Uniform Federal Accessibility Standards, units with specific bedroom sizes, etc.). The PHA will specify any special design standards or additional requirements in the invitation for PBRA proposals, the agreement to enter into the SRAP contract, and the SRAP contract.

Vacancy Payments: The SRAP contract may provide for vacancy payments to the owner for a PHA-determined period of vacancy extending from the beginning of the first calendar month after the move-out month for a period not exceeding two full months following the move-out month if the following criteria are met:

- The vacancy was not the owner’s fault;
- The owner gives the PHA prompt, written notice certifying the household has vacated the unit, providing the date the household moved out (to the best of the owner’s belief and knowledge); and

- The PHA and owner take action to minimize the likelihood and length of any vacancy (see Section 23 “Filling Vacancies”)
- The owner must submit a request for vacancy payment.

The amount of the vacancy payment will be determined by the PHA and cannot exceed the monthly rent to owner under the assisted lease, minus any portion of the rental payment received by the owner (including amounts available from the tenant’s security deposit).

## **20. Selection of SRAP-PBRA Program Participants**

The requirements related to referral management, determining program eligibility and selecting applicants for the SRAP tenant-based program are applicable to the SRAP-PBRA program. DBHDS shall accept referrals families for the SRAP-PBRA program from Support Coordinators using the standard DBHDS Housing Resource Referral Form. Upon notification from the PHA of a vacancy at an SRAP-PBRA unit, DBHDS shall utilize the same screening, prioritization and, if applicable, local preference criteria to select an individual from the Coordinated Housing Access and Referral System who household composition is appropriate for the unit size, based on the SRAP subsidy standards. DBHDS will refer the individual to apply for the vacancy and, if the individual applies, will assign this referral to this SRAP-PBRA unit in DBHDS’ master inventory of SRAP-PBRA units.

Applicants for PBRA assistance must meet the same eligibility requirements as applicants for the tenant-based certificate program. Applicants must qualify as a family as defined by SRAP, must meet any local preferences established in the PHA’s SRAP Memorandum of Agreement with DBHDS, have income at or below SRAP-specified income limits, and qualify on the basis of citizenship or the eligible immigration status of family members. In addition, an applicant family must provide social security information for family members and consent to the PHA’s collection and use of family information regarding income, expenses, and family composition. An applicant family must also meet SRAP requirements related to current or past criminal activity.

## **21. Disapproval by Landlord**

If a PBRA owner rejects a family for admission to the owner’s units, such rejection may not affect the family’s consideration for other DBHDS housing resources.

## **22. Acceptance of Offer**

**Family Briefing:** When a family accepts an offer for PBRA assistance, the PHA must give the family an oral briefing. The briefing must include information on how the program works and the responsibilities of the family and owner. In addition to the oral briefing, the PHA must provide a briefing packet that explains how the PHA determines the total tenant payment for a family, the family obligations under the program, and applicable fair housing information.

Persons with Disabilities: the PHA must assure effective communication with persons with disabilities in conducting the oral briefing and in providing the written information packet. This may include making alternative formats available. In addition, the PHA must have a mechanism for referring a family that includes a member with a mobility impairment to an appropriate accessible PBRA unit.

Persons with Limited English Proficiency: The PHA should take reasonable steps to assure meaningful access by persons with limited English proficiency in accordance with Title VI of the Civil Rights Act of 1964.

## **23. Owner Selection of Tenants**

The owner is responsible for developing written tenant selection procedures that are consistent with the purpose of improving housing opportunities for very-low income families and reasonably related to program eligibility and an applicant's ability to fulfill their obligations under the lease. An owner must promptly notify in writing any rejected applicant of the grounds for any rejection.

Leasing: During the term of the SRAP contract, the owner must lease contract units only to eligible families that are selected and referred by DBHDS and determined eligible for the program by the PHA. The contract unit leased to the family must be the appropriate size unit for the size of the family, based on the PHA's subsidy standards.

Filling Vacancies: The owner must notify the PHA in writing (mail, fax or e-mail) within five (5) business days of learning about any vacancy or expected vacancy in a contract unit. Upon receiving such notice, the PHA must notify DBHDS in writing (mail, fax or email) within two (2) business days. DBHDS will make every reasonable effort to send a verified referral to the PHA within five (5) business days of receiving such notice from the PHA.

## **24. Reduction in SRAP Contracts Due to Vacancies**

If any contract units have been vacant for 120 days, the PHA will give the owner notice that the SRAP contract will be amended to reduce the number of contract units by subtracting the number of contract units (according to the bedroom size) that have been vacant for this period. The PHA will provide the notice to the owner within ten (10) business days of the 120<sup>th</sup> day of the vacancy. The amendment to the SRAP contract will be effective the first (1<sup>st</sup>) day of the month following the date of the PHA's notice.

## **25. Tenant Screening**

The PHA shall screen applicant family members for current or past criminal activity. Admission to the program may be denied based on the tenant-based certificate eligibility criteria stated in the SRAP Program Manual.

The PHA shall inform owners of their responsibility to screen prospective tenants and shall provide owners with the required known name and address information at the time of the turnover HQS

inspection or before. The PHA will not provide any additional information to the owner, such as tenancy history, criminal history, etc.

The owner is responsible for screening and selection of the family to occupy the owner's unit. When screening families, the owner may consider a family's background with respect to the following factors:

- Payment of rent and utility bills;
- Caring for a unit and premises;
- Respecting the rights of other residents to the peaceful enjoyment of their housing;
- Drug-related criminal activity or other criminal activity that is a threat to the health, safety or property of others; and
- Compliance with other essential conditions of tenancy.

## 26. Occupancy

After a family has been referred by DBHDS, determined eligible by the PHA, and screened and selected by the owner, the family will sign the lease and occupancy of the unit will begin.

Lease: the tenant must have legal capacity to enter a lease under state and local law. *Legal capacity* means that the tenant is bound by the terms of the lease and may enforce the terms of the lease against the owner.

The tenant and the owner must enter into a written lease agreement that is signed by both parties. If an owner uses a standard lease form for rental units to unassisted tenants in the locality or premises, the same lease must be used for assisted tenants, except that the lease must include an SRAP Tenancy Addendum. The Tenancy Addendum must include, word-for-word, all provisions required by DBHDS.

If the owner does not use a standard lease form for rental to unassisted tenants, the owner may use another form of lease, such as a PHA model lease.

The PHA may review the owner's lease form to determine if the lease complies with state and local law. If the PHA determines that the lease does not comply with state or local law, the PHA may decline to approve the tenancy.

Lease Requirements: The lease for a PBRA unit must specify all of the following information:

- The names of the owner and the tenant;
- The unit rented (address, apartment number, if any, and any other information needed to identify the leased contract unit);
- The term of the lease (initial term and any provision for renewal);
- The amount of the tenant rent to owner, which is subject to change during the term of the lease in accordance with SRAP requirements;
- A specification of the services, maintenance, equipment and utilities that will be provided by the owner; and

Tenancy Addendum: The tenancy addendum in the lease must state:

- The program tenancy requirements;
- The composition of the household as approved by the PHA (the names of family members and any PHA-approved live-in aide);
- All provisions in the DBHDS-required tenancy addendum must be included in the lease. The terms of the tenancy addendum prevail over other provisions of the lease.

Initial Term and Lease Renewal: The initial lease term must be for at least one year. Upon expiration of the lease, an owner may renew the lease, refuse to renew the lease for “good cause,” or refuse to renew the lease without good cause. If the owner refuses to renew the lease without good cause, the PHA may, at its discretion, provide the family SRAP tenant-based assistance if available, and, at DBHDS’ discretion, may remove the unit from the SRAP-PBRA contract.

Changes in the Lease: If the tenant and owner agree to any change in the lease, the change must be in writing, and the owner must immediately give the PHA a copy of all changes.

The owner must notify the PHA in advance of any proposed change in the lease regarding the allocation of tenant and owner responsibilities for utilities. Such changes may only be made if approved by the PHA and in accordance with the terms of the lease relating to its amendment. The PHA must redetermine reasonable rent, in accordance with program requirements, based on any change in the allocation of the responsibility for utilities between the owner and the tenant. The redetermined reasonable rent will be used in calculation of the rent to owner from the effective date of the change.

Owner Termination of Tenancy: The owner of a PBRA unit may terminate tenancy for the same reasons an owner may in the SRAP tenant-based assistance program. In the PBRA program, terminating tenancy for “good cause” does not include doing so for a business or economic reason, or a desire to use the unit for personal or family use or other non-residential purpose.

The owner may specify in the lease a maximum period of tenant absence from the unit that is shorter than the maximum period permitted by PHA policy. According to program requirements, the family’s assistance must be terminated if they are absent from the unit for more than 180 consecutive days.

Security Deposits: The owner of a PBRA unit is prohibited from collecting security deposits in excess of amounts charged by the owner to unassisted tenants or in excess of current private market practices.

When the tenant moves out of a contract unit, the owner, subject to state and local law, may use the security deposit, including any interest on the deposit, in accordance with the lease, as reimbursement for any unpaid tenant rent, damages to the unit, or other amounts owed by the tenant under the lease.

The owner must give the tenant a written list of all items charged against the security deposit and the amount of each item. After deducting the amount used to reimburse the owner, the owner must promptly refund the full amount of the balance to the tenant.

If the security deposit does not cover the amount owed by the tenant under the lease, the owner may seek to collect the balance from the tenant. The PHA has no liability or responsibility for payment of any amount owed by the family to the owner.

## 27. Moves

Overcrowded, Under-Occupied and Accessible Units: The SRAP subsidy/occupancy standards determine the appropriate unit size for the family size and composition. Per the SRAP Program Rules, persons cannot be added to the household after lease-up unless they are related to the eligible individual by birth, marriage, or adoption, or as a reasonable accommodation for a live-in aide for the eligible individual. If the family size increases due to birth, marriage or adoption, the owner may permit the family to remain in the unit as long as they are not violating building code occupancy limits or city or county ordinances regarding use and occupancy. If the family size increase would trigger such a violation, the owner must inform the PHA. The PHA may then request an exception to the DBHDS housing resource referral prioritization protocol and obtain DBHDS approval to issue the next available SRAP tenant-based rent assistance resource in this jurisdiction to the family.

Also per the SRAP Program Rules, household members may be removed, but once removed, they may not be replaced. When household members leave the household, the family shall complete an Interim Change form within ten calendar days of the change in household composition. The PHA shall adjust the SRAP subsidy to reflect the new, smaller household composition. The PHA shall adjust the subsidy standard using the certificate size guidelines in the SRAP tenant-based assistance program. The family's share shall therefore include the total tenant payment PLUS the difference between the original subsidy standard and the adjusted subsidy standard. The PHA shall notify the family and the owner of the new SRAP subsidy using the Notice of Rent Amount within ten (10) calendar days of receiving the Interim Change form. The family must be given the option to remain at this new subsidy standard or to terminate their lease and participation in the program. The PHA shall give the family 30 days from the date of issuance of the Notice of Rent Amount to inform the PHA and the owner in writing of its decision to move or remain in the PBRA unit. If the family decides to remain in the PBRA unit, the new rent shall take effect the 1<sup>st</sup> of the month after the 30 day Notice of Rent Amount is fulfilled.

If the PHA determines a family is occupying a unit with accessibility features that the family does not require, the unit is needed by a family that does require the features, AND the PHA has SRAP tenant-based rent assistance available, the PHA must notify the family and the owner of the family's need to move within ten (10) business days of this determination. The PHA must offer the family the opportunity to receive SRAP tenant-based assistance and must terminate the SRAP payments for the accessible unit at expiration of the term of the family's certificate (including any extension granted by the PHA). If no SRAP tenant-based rent assistance is available, the PHA cannot require the family occupying the unit with accessibility features to relocate.

Family Right to Move: The family may terminate the lease at any time after the first year of occupancy. The family must give advance written notice to the owner in accordance with the lease and provide a copy of such notice to the PHA. If the family wishes to move with SRAP tenant-based assistance or

another DBHDS housing resource, the family must contact the PHA to request SRAP tenant-based assistance or another DBHDS housing resource at least 90 days prior to providing notice to terminate the lease. The PHA must notify DBHDS, and DBHDS will ask the family's support coordinator to initiate a DBHDS Housing Resource Referral for the family in CHARS. The family's referral will be considered in priority order based upon the SRAP prioritization categories.

If the family terminates the assisted lease before the end of the first year, the family relinquishes the opportunity for SRAP tenant-based assistance.

## **28. Exception to the Occupancy Cap**

The PHA may not pay SRAP PBRA assistance under a SRAP PBRA contract for more than 25 percent of the number of dwelling units in a project unless the units are in a single family building.

## **29. Determining Rent to Owner**

The amount of the initial rent to an owner of units receiving PBRA assistance is established at the beginning of the SRAP contract term. During the term of the SRAP contract, the rent to owner is redetermined at the owner's request in accordance with program requirements, and at such time that there is a five percent or greater decrease in the published FMR.

## **30. Rent Limits**

Except for certain tax credit units (discussed below), the rent to owner must not exceed the lowest of the following amounts:

- An amount determined by the PHA, not to exceed 110% of the applicable fair market rent (or any DBHDS approved exception to the payment standard) for the unit bedroom size minus any utility allowance;
- The reasonable rent; or
- The rent requested by the owner.

## **31. Certain Tax Credit Units**

For certain tax credit units, the rent limits are determined differently than for other PBRA units. These different limits apply to contract units that meet all of the following criteria:

- The contract unit receives a low-income housing tax credit under the Internal Revenue Code of 1986;
- The contract unit is not located in a qualified census tract;
- There are comparable tax credit units of the same bedroom size as the contract unit in the same building, and the comparable tax credit units do not have any form of rental assistance other than the tax credit; and

- The tax credit rent exceeds a PHA-determined amount (not to exceed 110 percent of the fair market rent or any approved exception to the payment standard);

For contract units that meet all of these criteria, the rent to owner must not exceed the lowest of:

- The tax credit rent minus any utility allowance;
- The reasonable rent; or
- The rent requested by the owner.

However, PHAs are permitted to use the higher Section 8 rent for a tax credit unit if the tax credit rent is less than the amount that would be permitted under Section 8. In these cases, Section 8 rent reasonableness requirements must continue to be met.

### *Definitions*

A *qualified census tract* is any census tract (or equivalent geographic area defined by the Bureau of the Census) in which at least 50 percent of households have an income of less than 60 percent of the Area Median Gross Income (AMGI), or where the poverty rate is at least 25 percent and where the census tract is designated as a qualified census tract by HUD.

*Tax credit rent* is the rent charged for comparable units of the same bedroom size in the building that also receive the low-income housing tax credit but do not have any additional rental assistance (e.g., SRAP tenant-based assistance).

## **32. Use of FMRs, Exception Payment Standards, and Utility Allowances**

When determining the initial rent to owner, the PHA must use the most recently published FMR in effect and the utility allowance schedule in effect at execution of the SRAP contract. When redetermining the rent to owner, the PHA must use the most recently published FMR and the utility allowance schedule in effect at the time of redetermination. Upon written request by the owner, the PHA shall consider using the FMR or utility allowances in effect during the 30-day period before the start date of the SRAP contract, or redetermination of rent. The owner must explain the need to use the previous FMRs or utility allowances and include documentation in support of the request. The PHA will review and make a decision based on the circumstances and merit of each request.

In addition to considering a written request from the owner, the PHA may decide to use the FMR or utility allowances in effect during the 30-day period before the start date of the SRAP contract, or redetermination of rent, if the PHA determines it is necessary due to budget constraints.

The PHA may not establish or apply different utility allowance amounts for the PBRA program. The same utility allowance schedule applies to both the tenant-based and project-based assistance programs.

### 33. Redetermination of Rent

The PHA must redetermine rent to owner upon the owner's request or when there is a five percent or greater decrease in the published FMR.

Rent Increase: An owner's request for a rent increase must be submitted to the PHA 60 days prior to the anniversary date of the SRAP contract, and must include the new rent amount the owner is proposing. The PHA may only make rent increases in accordance with the rent limits described previously. There are no provisions in the PBRA program for special adjustments (e.g., adjustments that reflect increases in the actual and necessary expenses of owning and maintaining units which have resulted from substantial general increases in real property taxes, utility rates, or similar costs).

The PHA may not approve and the owner may not receive any increase of rent to owner until and unless the owner has complied with requirements of the SRAP contract, including compliance with HQS. The owner may not receive any retroactive increase of rent for any period of noncompliance.

Rent Decrease: If there is a decrease in the rent to owner, as established in accordance with program requirements such as a change in the FMR or exception payment standard, or reasonable rent amount, the rent to owner must be decreased regardless of whether the owner requested a rent adjustment.

Notice of Rent Change: The PHA will provide the owner at least 30 days written notice of any change in the amount of rent to the owner. The PHA notice of rent adjustment constitutes an amendment of the rent to owner specified in the SRAP contract. The adjusted amount of rent to owner applies for the period of 12 calendar months from the annual anniversary of the SRAP contract.

### 34. Reasonable Rent

At the time the initial rent is established and all times during the term of the SRAP contract, the rent to owner for a contract unit may not exceed the reasonable rent for the unit as determined by the PHA.

When Rent Reasonable Determinations Are Required: The PHA must redetermine the reasonable rent for a unit receiving PBRA assistance whenever any of the following occur:

- There is a five percent or greater decrease in the published FMR in effect 60 days before the contract anniversary (for the unit sizes specified in the SRAP contract) as compared with the FMR that was in effect one year before the contract anniversary date;
- The PHA approves a change in the allocation of responsibility for utilities between the owner and the tenant;
- The SRAP contract is amended to substitute a different contract unit in the same building; or
- There is any other change that may substantially affect the reasonable rent.

How to Determine Reasonable Rent: The reasonable rent of a unit receiving PBRA assistance must be determined by comparison to rent for other comparable unassisted units. When making this determination, the PHA must consider factors that affect market rent. Such factors include the location,

quality, size, type and age of the unit, as well as the amenities, housing services maintenance, and utilities to be provided by the owner.

Comparability Analysis: For each unit, the comparability analysis must use at least three comparable units in the private unassisted market. This may include units in the premises or project that is receiving project-based assistance. The analysis must show how the reasonable rent was determined, including major differences between the contract units and comparable unassisted units, and must be retained by the PHA. The comparability analysis may be performed by PHA staff or by another qualified person or entity. Those who conduct these analyses or are involved in determining the housing assistance payment based on the analyses may not have any direct or indirect interest in the property.

Owner Certification of Reasonable Rent: By accepting each monthly housing assistance payment, the owner certifies that the rent to owner is not more than rent charged by the owner for other comparable unassisted units in the premises. At any time, the PHA may require the owner to submit information on rents charged by the owner for other units in the premises or elsewhere.

### **35. Effect of Other Subsidy and Rent Control**

In addition to the rent limits discussed above, other restrictions may limit the amount of rent to owner in a PBRA unit. In addition, certain types of subsidized housing are not even eligible to receive PBRA assistance.

Other Subsidy: At its discretion, a PHA may reduce the initial rent to owner because of other governmental subsidies, including grants and other subsidized financing.

For units receiving assistance under the HOME program, rents may not exceed rent limits as required by that program.

For units in any of the following types of federally subsidized projects, the rents to owner may not exceed the subsidized rent (basic rent) or tax credit rent as determined in accordance with requirements for the applicable federal program:

- An insured or non-insured Section 236 project;
- A formerly insured or non-insured Section 236 project that continues to receive Interest Reduction Payment following a decoupling action;
- A Section 221(d)(3) below market interest rate (BMIR) project;
- A Section 515 project of the Rural Housing Service;
- Any other type of federally subsidized project specified by HUD.

Rent Control: In addition to the rent limits set by the SRAP-PBRA program, the amount of rent to owner may also be subject to rent control or other limits under local, state or federal law.

### **36. Rent Assistance Payments**

During the term of the SRAP-PBRA contract, the PHA must make rent assistance payments to the owner in accordance with the terms of the SRAP contract. Payments must be made for each month that a contract unit complies with HQS and is leased to and occupied by an eligible family. The SRAP payment must be paid to the owner on or about the first day of the month for which payment is due, unless the owner and the PHA agree on a later date.

Except for discretionary vacancy payments, the PHA may not make any SRAP payment to the owner for any month after the month when the family moves out of the unit (even if household goods or property are left in the unit).

The amount of the SRAP payment by the PHA is the rent to owner minus the tenant rent (total tenant payment minus the utility allowance).

In order to receive SRAP payments, the owner must comply with all provisions of the SRAP contract. Unless the owner complies with all provisions of the SRAP contract, the owner does not have a right to receive SRAP payments.

### **37. Vacancy Payments**

If an assisted family moves out of the unit, the owner may keep the SRAP payment for the calendar month when the family moves out. However, if the PHA determines the owner is responsible for a vacancy the owner may not keep the payment. The PHA must notify the landlord of the amount of SRAP that the owner must repay. The PHA will require the owner to repay the amount owed in accordance with its repayment policy on Owner Debts to the PHA for the Housing Choice Voucher Program.

If the owner's SRAP contract calls for vacancy payments to be made and the owner wishes to receive vacancy payments, the owner must have properly notified the PHA of the vacancy in accordance with the policy in Section 23 regarding filling vacancies.

In order for a vacancy payment request to be considered, it must be made within 10 business days of the end of the period for which the owner is requesting the vacancy payment. The request must include the required owner certifications and the PHA may require the owner to provide documentation to support the request. If the owner does not provide the information requested by the PHA within 10 business days of the PHA's request, no vacancy payments will be made.

### **38. Tenant Rent to Owner**

The tenant rent is the portion of the rent to owner paid by the family. The amount of tenant rent is determined by the PHA in accordance with DBHDS requirements. Any changes in the amount of tenant rent will be effective on the date stated in the PHA notice to the family and owner.

The family is responsible for paying the tenant rent (total tenant payment minus the utility allowance). The amount of the tenant rent determined by the PHA is the maximum amount the owner may charge

the family for rental of a contract unit. The tenant rent covers all housing services, maintenance, equipment, and utilities to be provided by the owner. The owner may not demand or accept any rent payment from the tenant in excess of the tenant rent as determined by the PHA. The owner must immediately return any excess payment to the tenant.

Tenant and PHA Responsibilities: The family is not responsible for the portion of rent to owner that is covered by the SRAP payment and the owner may not terminate the tenancy of an assisted family for nonpayment by the PHA.

Likewise, the PHA is responsible only for making the SRAP payment to the owner in accordance with the SRAP contract. The PHA is not responsible for paying tenant rent, or any other claim by the owner, including damage to the unit. The PHA may not use SRAP payments or other program funds (including administrative fee reserves) to pay any part of the tenant rent or other claim by the owner.

Utility Reimbursements: If the amount of the utility allowance exceeds the total tenant payment, the PHA must pay the amount of such excess to the tenant as a reimbursement for tenant-paid utilities, and the tenant rent to the owner must be zero.

The PHA shall pay the utility reimbursement directly to the family for reimbursement for tenant-paid utilities in the form of a Utility Allowance Payment.

### **39. Other Fees and Charges**

The owner may not require the tenant to pay charges for meals or supportive services. Non-payment of such charges is not grounds for termination of tenancy.

The owner may not charge extra amounts for items customarily included in rent in the locality or provided at no additional cost to unsubsidized tenants in the premises.

### **40. Termination of Assistance**

The policies on termination of assistance for SRAP tenant-based assistance also apply to the project-based program and its participants.

### **41. Appeals**

The policies on appeals for SRAP tenant-based assistance also apply to the project-based program and its participants.

### **42. Program Reserve**

The policies on program reserves for SRAP tenant-based assistance also apply to the project-based program and its participants.

### **43. Reporting Requirements**

The PHA must complete the same reports within the same timeframes for SRAP-PBRA as for the SRAP tenant based program, including:

- referral status reports, household data reports, and unit data reports in accordance with the requirements in Appendix 4. Include notification when an individual's state rental assistance has been terminated and the reason for termination.
- actual and projected subsidy expenditure reports, program income and expenditure reports, and program reserve reports in accordance with the requirements in Appendix 4.

*All reports containing individually identifiable or health protected information must be submitted by email using secure encryption systems.*

### **44. Monitoring**

The policies on monitoring for SRAP tenant-based assistance also apply to the project-based program and its participants.