HOPWA

Housing Opportunities for Persons with AIDS

Program Manual

December 2019
The State of New Mexico HOPWA grant is a formula grant program based on a renewable funding source pursuant to the number of AIDS/HIV diagnoses as reported to the CDC (Center for Disease Control) by the State of New Mexico. There are two (2) HOPWA formula grants: (1) Balance of State and (2) City of Albuquerque. The HOPWA grant allocation is based on the prior year’s AIDS/HIV diagnoses in the state.

MFA has been administering the HOPWA program, a HUD formula entitlement program, statewide since 1997. Beginning in fiscal year 2011, the City of Albuquerque had enough HIV/AIDS cases that the city qualified for their own HOPWA entitlement grant from HUD. Because the City of Albuquerque was unable to administer this grant due to a hiring freeze and lack of administrative funds available under this program; MFA and the City of Albuquerque signed a Memorandum of Understanding (MOU) for MFA to administer the city’s HOPWA. Beginning in fiscal year 2011, HUD allocated the City of Albuquerque’s HOPWA formula entitlement funds directly to MFA.

The HOPWA grant year is based on the state fiscal year, July 1 to June 30.
## CONTENTS

Introduction ............................................................................................................................................................................ 2  
Section 1. Purpose and Use of the Manual............................................................................................................................. 4  
Section 2. Program Rules ................................................................................................................................................... 4  
Section 3. Program Definitions ........................................................................................................................................... 5  
Section 4. Program Purpose, Administration, and Overview ................................................................................................. 8  
Section 5. Administrative Agency and Project Sponsor Roles and Responsibilities ............................................................... 8  
Section 6. Confidentiality ........................................................................................................................................................ 9  
Section 7. Ensuring Access to the Program............................................................................................................................. 9  
Section 8. Fair Housing, Nondiscrimination, and Equal Opportunity .......................................................................................... 10  
Section 9. Violence Against Women Act Requirements ....................................................................................................... 11  
Section 10. Housing Quality Standards/Lead-Based Paint..................................................................................................... 11  
Section 11. Linkage with the Housing Voucher Program and Other Affordable Housing Programs ........................................ 13  
Section 12. Program Forms ................................................................................................................................................... 14  
Section 13. Program Eligibility .............................................................................................................................................. 14  
Section 14. Program Activities .............................................................................................................................................. 16  
  Housing Assistance and Supportive Services .................................................................................................................... 16  
    Tenant-Based Rental Assistance (TBRA) Services .............................................................................................................. 19  
    Short-Term Rent, Mortgage, and Utility (STRMU) Services ............................................................................................ 22  
    Permanent Housing Placement (PHP) Services .............................................................................................................. 25  
    Supportive Services ....................................................................................................................................................... 26  
Section 15. Other Supporting Documentation ..................................................................................................................... 26  
Section 16. Termination ........................................................................................................................................................ 26  
Section 17. Grace Periods for Surviving or Remaining Household Members ........................................................................ 27  
Section 18. Program Reporting and Invoice Requirements .................................................................................................. 27  
Section 19. HUD Datasets ..................................................................................................................................................... 28  
Section 20. Program Technical Assistance and Trainings ..................................................................................................... 28  
Section 21. Supportive Services ........................................................................................................................................... 28  
Section 22. Program Monitoring ........................................................................................................................................... 28  
Section 23. Program Award Closeout ................................................................................................................................... 29
Section 1. Purpose and Use of the Manual
This manual contains a basic overview of the Housing Opportunities for Persons with AIDS (HOPWA) Program and its eligible activities and requirements. It is not intended to replace existing guidance produced by the U.S. Department of Housing and Urban Development (HUD). Additional program information can be found on the HUD Exchange HOPWA Page.

Section 2. Program Rules
The HOPWA rules in 24 Code of Federal Regulations (CFR) 574 provide general standards for eligible activities such as determining program eligibility, housing quality standards, and standards regarding household rent payments. Project Sponsors must also comply with other state and federal policies, including, but not limited to:

2 CFR 200 et seq. – Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards
2 CFR 2429 et seq. – Requirements for Drug-Free Workplace (Financial Assistance)
24 CFR 1 et seq. – Nondiscrimination in Federally Assisted Programs of the Department of Housing and Urban Development—Effectuation of Title VI of The Civil Rights Act of 1964
24 CFR 3 et seq. – Nondiscrimination on the Basis of Sex in Education Programs or Activities Receiving Federal Financial Assistance
24 CFR 5 – General HUD Program Requirements; Waivers
   Subpart A – Generally Applicable Definitions and Requirements; Waivers
   Subpart C – Pet Ownership for the Elderly or Persons with Disabilities
   Subpart F – Section 8 and Public Housing, and Other HUD Assisted Housing Serving Persons with Disabilities: Family Income and Family Payment; Occupancy Requirements for Section 8 Project-Based Assistance
      5.609 Annual income.
      5.611 Adjusted income.
      5.617 Self-sufficiency incentives for persons with disabilities—Disallowance of increase in annual income.
24 CFR 6 et seq. – Nondiscrimination in Programs and Activities Receiving Assistance Under Title I of The Housing and Community Development Act of 1974
24 CFR 8 et seq. – Nondiscrimination Based on Handicap in Federally Assisted Programs and Activities of the Department of Housing and Urban Development
24 CFR 35 et seq. – Lead-Based Paint Poisoning Prevention in Certain Residential Structures
24 CFR 85 et seq. – Administrative Requirements for Grants and Cooperative Agreements to State, Local and Federally Recognized Indian Tribal Governments
24 CFR 87 et seq. – New Restrictions on Lobbying
24 CFR 91 et seq. – Consolidated Submissions for Community Planning and Development Programs
24 CFR 100 et seq. – Discriminatory Conduct Under the Fair Housing Act
24 CFR 107 et seq. – Nondiscrimination and Equal Opportunity in Housing Under Executive Order 11063
24 CFR 135 et seq. – Economic Opportunities for Low- and Very Low-Income Persons
24 CFR 146 et seq. – Nondiscrimination on the Basis of Age in HUD Programs or Activities Receiving Federal Financial Assistance

24 CFR Part 574 governs only the HOPWA program.

<table>
<thead>
<tr>
<th>574.3</th>
<th>Definitions</th>
</tr>
</thead>
<tbody>
<tr>
<td>574.100</td>
<td>Eligible applicants</td>
</tr>
<tr>
<td>574.110</td>
<td>Overview of formula allocations</td>
</tr>
<tr>
<td>574.120</td>
<td>Responsibility of applicant to serve EMSA</td>
</tr>
<tr>
<td>574.130</td>
<td>Formula allocations</td>
</tr>
</tbody>
</table>

Sections 100 - 130
Sections 130 - 300
Section 3. Program Definitions

- **Acquired Immunodeficiency Syndrome (AIDS)**
  A medical diagnosis requiring a positive HIV test and a CD4+ cell count below 200 cells per microliter OR CD4+ cells account for fewer than 14 percent of all lymphocytes OR a diagnosis of one or more of the AIDS-defining illnesses.
• **Administrative Costs**
  Costs for general management, oversight, coordination, evaluation, and reporting are considered administrative costs. By statute, grantee administrative costs are limited to 3 percent of total grant award, to be expended over the life of the grant. Project sponsor administrative costs are limited to 7 percent of the portion of the grant amount they receive.

  **Project sponsor must include timesheet/activity tracking reports for time dedicated to the HOPWA activities if it is charged to the 7 percent admin.** [2 CFR 574.300(b)(10)(ii)] [2 CFR 200.302] [2 CFR 200.303]

• **Beneficiary(ies)**
  All members of a household who received HOPWA assistance during the program year including the one eligible individual who qualified the household for HOPWA assistance as well as any other members of the household (living with or without HIV) who benefitted from the assistance.

• **Chronically Homeless Person**
  Per 24 CFR 578.3, (1) An individual who: (i) Is homeless and lives in a place not meant for human habitation, a safe haven, or in an emergency shelter; and (ii) Has been homeless and living or residing in a place not meant for human habitation, a safe haven, or in an emergency shelter continuously for at least one year or on at least four separate occasions in the last 3 years; and (iii) Can be diagnosed with one or more of the following conditions: substance use disorder, serious mental illness, developmental disability (as defined in section 102 of the Developmental Disabilities Assistance Bill of Rights Act of 2000 (42 USC 15002)), post-traumatic stress disorder, cognitive impairments resulting from brain injury, or chronic physical illness or disability; (2) An individual who has been residing in an institutional care facility, including a jail, substance abuse or mental health treatment facility, hospital, or other similar facility, for fewer than 90 days and met all of the criteria in paragraph (1) of this definition, before entering that facility; or (3) A family with an adult head of household (or if there is no adult in the family, a minor head of household) who meets all of the criteria in paragraph 1 of this definition, including a family whose composition has fluctuated while the head of household has been homeless.

• **Disabling Condition**
  A disabling condition would include: substance use disorder, serious mental illness, developmental disability, chronic physical illness. In addition, a disabling condition may limit an individual’s ability to work or perform one or more activities of daily living. In HUD-funded programs, an HIV diagnosis is considered a disabling condition.

• **Eligible Individual**
  The one low-income person living with HIV (PLWH) qualifies for HOPWA assistance. This person may be considered “Head of Household.” Where there is more than one PLWH (People Living with HIV) in the household, the additional PLWH(s), would be considered a beneficiary(s).

• **Family**
  Per 24 CFR 574.3, the program defines family as it is defined in 24 CFR 5.403. Family, as defined in 24 CFR 5.403 includes, but is not limited to, the following, regardless of actual or perceived sexual orientation, gender identity, or marital status:
  - A single person, who may be an elderly person, displaced person, disabled person, near-elderly person, or any other single person; or
  - A group of persons residing together, and such group includes, but is not limited to:
    - A family with or without children (a child who is temporarily away from the home because of placement in foster care is considered a member of the family);
    - An elderly family;
    - A near-elderly family;
    - A disabled family;
    - A displaced family; and
    - The remaining member of a tenant family.

• **Gross Rent**
  The sum of combined rent and utilities costs. For rental assistance services, the gross rent of the proposed unit, including appropriate utility allowances) must be at or below the reasonable rent.

• **HIV Service Delivery Area**
  A geographic service area set by MFA for the purpose of allocating federal and state HIV care services funds.
• **Household**
  This is a single person or a group of persons residing together. See “Family.” Any group of people that present together for assistance and identify themselves as a household – regardless of relationship, age, disability, or other factors – are considered to be a household and must be served together as such. The term is used for collecting data on changes in eligibility, changes in access to services, and outcomes on achieving housing stability. Live-In Aides (see “Live-In Aide”) and non-beneficiaries (e.g., a shared housing arrangement with a roommate) who resided in the unit are not included in the household.

• **Human Immunodeficiency Virus (HIV)**
  A virus that infects the body and destroys portions of the immune system and is documented by a positive serologic test.

• **Live-In Aide**
  A person who resides with the HOPWA Eligible Individual and who meets the following criteria: (1) is essential to the care and welfare of the person; (2) is not obligated for the support of the person; and (3) would not be living in the unit except to provide the necessary supportive services. Live-In Aides are not considered household members.

• **Outcome**
  The degree to which the HOPWA assisted household has been enabled to establish or maintain a stable living environment in housing that is safe, decent, and sanitary and to reduce the risks of homelessness, and improve access to HIV treatment and other health care and support.

• **Permanent Housing Placement (PHP) Services**
  A supportive housing assistance service that helps establish the household in the housing unit, including but not limited to reasonable costs for security deposits not to exceed two months of rent costs.

• **Project Sponsor (PS)**
  Any nonprofit organization or governmental housing agency that receives funds under a contract with the grantee to provide eligible housing and other support services or administrative services as defined in 24 CFR 574.300. Project Sponsors are required to provide performance data on households served and funds expended. Funding flows to a Project Sponsor as follows:

  ![Funding Flow Diagram]

  HUD → MFA → PS

• **Rental Assistance**
  A housing assistance service that subsidizes the rent of a household, including assistance for shared housing arrangements. The subsidy amount is determined, in part, based on household income and rental costs associated with the household’s lease. HOPWA rental assistance is tenant based. All rental assistance services are subject to the following components:
  o Housing Quality Standards Certification;
  o Rent Standard and Rent Reasonableness Certification; and
  o Rental Assistance Calculation.

• **Roommate**
  A roommate relationship (i.e., a shared housing arrangement) is established for the purposes of sharing rent and utility bills in return for receiving a share of the space available. Roommates are not considered household members as they are households unto themselves. The household must identify whether an individual is a household member or a roommate at the time of application and at any subsequent renewals.

• **Short-Term Rent, Mortgage, and Utility (STRMU) Services**
  Time-limited housing assistance designed to prevent homelessness and increase housing stability. Project Sponsors may provide assistance for up to 21 weeks in any 52-week period (January 1 to December 31). The amount of assistance varies per household depending on funds available, need, and program guidelines.

• **Supportive Services**
  Supportive Services include, but are not limited to, health, mental health, assessment, substance use treatment and counseling, day care, personal assistance, nutritional services, intensive care when required, and assistance in gaining access to local, state, and federal government benefits and services.
• **Tenant-Based Rental Assistance (TBRA) Services**
  This is a rental assistance service similar to the Housing Voucher program that helps low-income households access affordable housing (see “Rental Assistance”).

• **Transgender**
  Transgender is defined as a person who identifies with, or presents as, a gender that is different from the gender assigned to them at birth.

• **Veteran**
  A veteran is someone who has served on active duty in the Armed Forces of the United States. This does not include inactive military reserves or the National Guard unless the person was called to active duty.

**Section 4. Program Purpose, Administration, and Overview**

1. **Program Purpose**
   The goals of MFA’s HOPWA Program are to assist low-income PLWH and their households establish or maintain affordable and stable housing, reduce their risk of homelessness, and improve their access to health care and supportive services.

2. **Program Administration**
   MFA administers the program, which is funded by annual formula grants from HUD. The MFA HOPWA Program serves all counties in New Mexico. MFA selects project sponsors through a competitive Request for Proposals (RFP).

3. **Authorized Activities**
   MFA authorizes the following program activities (see Section 14 “Program Activities”):
   A. Tenant-Based Rental Assistance (TBRA)
   B. Short-Term Rent, Mortgage, and Utility (STRMU)
   C. Permanent Housing Placement (PHP)

**Section 5. Administrative Agency and Project Sponsor Roles and Responsibilities**

1. **Project Sponsor Roles and Responsibilities**
   A. Project Sponsors must comply with all federal and state regulations, policies, standards, and guidelines as specified in the subcontract and this manual.
   B. Project Sponsors must manage program funds in compliance with HUD regulations and charge costs to the appropriate contract. Throughout the program year, Project Sponsors should monitor expenditures to assure funds are available and not depleted prematurely. For example, service allocations could be divided monthly (1/12). In this way, Project Sponsors could determine the balance of available funds based on over- or under-spending in a given month and adjust current spending accordingly.
   C. Project Sponsors must maintain financial records for all expenditures, this would include payment requests and source documentation, procurement files, payroll records and payroll tax returns and financial statements (audit files).
   D. **Project Sponsors must maintain all files relating to the HOPWA program for a minimum of four years (retention period).** [24 CFR 574.530] Grantees must maintain the following:
      i. Current and accurate data on the race and ethnicity of program participants
      ii. Documentation related to the formula grantees Assessment of Fair Housing [24 CFR 5.168]
      iii. Data on emergency transfers requested under 24 CFR 5.2005(e) pertaining to victims of domestic violence, dating violence, sexual assault or stalking, including data on outcomes of such requests.
   E. Project Sponsors must ensure administrative costs do not exceed seven percent of their total program allocation. Project sponsor must include timesheets or activity reports to back up the administrative costs billed in each monthly invoice.
   F. Project Sponsors must implement the program efficiently, effectively, and properly in their service areas.
G. Project Sponsors must safeguard against conflicts of interest. In addition to the conflict of interest requirements in 2 CFR 200.317 (for recipients and sub-recipients that are States) and 2 CFR 200.318 through 200.326 (for recipients and sub-recipients that are not states), no person who is an employee, agent, consultant, officer, or elected or appointed official of the Project Sponsor and who exercises or has exercised any functions or responsibilities with respect to assisted activities, or who is in a position to participate in a decision making process or gain inside information with regard to such activities, may obtain a financial interest or benefit from the activity, or have an interest in any contract, subcontract, or agreement with respect thereto, or the proceeds thereunder, either for themselves or for those with whom they have family or business ties, during their tenure or for one year thereafter. Project Sponsors should have policies in place that identify and handle real or potential conflicts of interest on the part of board members, staff persons, and other representatives of the organization, such as volunteers. HUD requires such a policy, which are often part of an organization’s “code of conduct” for board, staff, and volunteers. It is advisable to have a copy signed by all members listed above on an annual basis.

H. Project Sponsors cannot acquire, rehabilitate, convert, lease, repair, dispose of, demolish, or construct property for a project under 574, or commit or expend HUD or local funds for such eligible activities under 574, until the responsible entity (as defined in 58.2) has completed the environmental review procedures required by 58 and the Request for Release of Funds (RROF) and Certification have been approved. HUD will not release grant funds if MFA commits grant funds (i.e., incurs any costs or expenditures to be paid or reimbursed with such funds) before a Project Sponsor submits and HUD approves its RROF (where such submission is required). Project Sponsors must supply all available, relevant information necessary for the responsible entity to perform for each property any environmental review required by 574.510. Project Sponsors must also carry out mitigating measures required by the responsible entity or select alternate eligible property.

Section 6. Confidentiality

1. **Ensure Confidentiality**
   Per 24 CFR 574.440, Project Sponsors must ensure the confidentiality of all records by developing a comprehensive program policy for confidentiality. Project Sponsors must ensure the physical security of client information files as well as electronic data. Client files should be in a locked secure cabinet at all times. Computers should only be accessed with a secure password.

2. **Consent to Release and/or Obtain Confidential Information**
   Prior to exchanging information with any other agency or entity, Project Sponsors must first secure a release of information from the client. There may be exceptions to client disclosure as required by law.

Section 7. Ensuring Access to the Program

1. **Application Office Location**
   Project Sponsors should have an easily accessible location(s) where households can apply for assistance.

2. **Providing Information About Housing Assistance**
   All applicants should be informed of housing assistance services during intake and existing clients should be informed during routine medical, psychosocial, or other appointments (if applicable). Project Sponsors should assess the housing needs of all clients. When a household requests housing assistance, the housing case manager should inform them of the program. At minimum, the information should include:
   - HOPWA housing assistance available;
   - The application process;
   - Documentation needed to determine program eligibility and qualifications for specific program services;
   - Current waitlist and priority populations, if applicable.
3. **Methods of Taking Applications**

Project Sponsors can schedule appointments specifically for program applications. Applications can be completed during intake or routine appointments. To accommodate the needs of various households and assure proper use of staff resources, the Project Sponsor should offer the following options of taking applications:

   A. **Regular Office Interviews**

      The majority of interested households should be able to apply for the program during a Project Sponsor’s regular business hours.

   B. **Special Office Interviews**

      If an interested household is unable to apply for the program during regular business hours, it is recommended that the Project Sponsor should attempt to arrange an off-hour interview.

   C. **Home Visit Interviews**

      If, for whatever reason, an interested household is unable to interview at a Project Sponsor’s application office, then the Project Sponsor should attempt to arrange an interview at the household’s current residence or other agreed location.

4. **Waitlists**

   Project Sponsors should establish a waitlist for HOPWA-eligible households and maintain a waitlist management tool (even if there are currently no waitlisted households). Project Sponsors must categorize waitlisted households by the service category they need (i.e., TBRA; STRMU and PHP), and include the dates households are added and removed.

### Section 8. Fair Housing, Nondiscrimination, and Equal Opportunity

1. **Fair Housing Act**

   The Fair Housing Act protects people from discrimination when they are renting, buying, or securing financing for any housing. The prohibitions specifically cover discrimination because of race, color, religion, sex, age, national origin, familial status, or disability. It is unlawful to discriminate in any aspect of selling or renting housing or to deny a dwelling to a buyer or renter because of the disability of that individual, an individual associated with the buyer or renter, or an individual who intends to live in the residence. For more information about the Fair Housing Act, visit HUD’s Office of Fair Housing and Equal Opportunity website. For fair housing outreach and marketing tools, visit HUD’s Fair Housing Marketing website.

2. **Affirmatively Furthering Fair Housing**

   Affirmatively Furthering Fair Housing (AFFH) is a legal requirement that federal grantees further the purposes of the Fair Housing Act. MFA supports Project Sponsors in their efforts to take meaningful actions that overcome historic patterns of segregation, promote fair housing choice, and foster inclusive communities that are free from discrimination. As provided in the final rule, AFFH means "taking meaningful actions, in addition to combating discrimination, that overcome patterns of segregation and foster inclusive communities free from barriers that restrict access to opportunity based on protected characteristics. Specifically, affirmatively furthering fair housing means taking meaningful actions that, taken together, address significant disparities in housing needs and in access to opportunity, replacing segregated living patterns with truly integrated and balanced living patterns, transforming racially and ethnically concentrated areas of poverty into areas of opportunity, and fostering and maintaining compliance with civil rights and fair housing laws."

3. **Americans with Disabilities Act**

   Per 24 CFR 574.603(a)(1), MFA and Project Sponsors must comply with the applicable provisions of the Americans with Disabilities Act (42 USC 12101-12213).

4. **Affirmative Outreach**

   Per 24 CFR 574.603(b), Project Sponsors must develop local program policies to ensure that all persons who qualify for the assistance, regardless of their race, color, religion, sex, age, national origin, familial status, or
disability, know of the availability of the HOPWA program, including facilities and services accessible to persons with a disability, and maintain evidence of implementation of the procedures.

5. **Reasonable Accommodations**

One type of disability discrimination prohibited by the Fair Housing Act is the refusal to make reasonable accommodations in rules, policies, practices, or services when such accommodations may be necessary to afford a person with a disability the equal opportunity to use and enjoy a dwelling. The Act requires owners of housing facilities to make reasonable exceptions in their policies and operations to afford people with disabilities equal housing opportunities. For example, an owner with a "no pets" policy may be required to grant an exception to this rule and allow a household member who is blind to keep a guide dog in the residence. The Act also requires owners to allow tenants with disabilities to make reasonable access-related modifications to their private living space, as well as to common use spaces.

### Section 9. Violence Against Women Act Requirements

The Violence Against Women Act (VAWA) provides protections and remedies for program applicants and beneficiaries who are survivors of domestic violence, dating violence, sexual assault, or stalking. Despite the name of this law, VAWA protections and remedies are available regardless of sex, gender identity, or sexual orientation. Per 24 CFR 5, Subpart L, VAWA applies to all HUD programs, including HOPWA. Specifically, an applicant or beneficiary of the MFA HOPWA Program may not be denied admission to, denied assistance under, terminated from participation in, or evicted from the unit on the basis or as a direct result of the fact that the applicant or beneficiary is or has been a survivor of domestic violence, dating violence, sexual assault, or stalking, if the applicant or beneficiary otherwise qualifies for admission, assistance, participation, or occupancy.

### Section 10. Housing Quality Standards/Lead-Based Paint

Per 24 CFR 574.310(b), 574.635, 35, and CPD-94-05, assisted units, including shared housing arrangements, must be safe, sanitary, and compliant with all applicable state and local housing codes, licensing requirements, and any other requirements in the jurisdiction in which the housing is located regarding the condition of the structure and the operation of the housing. Assisted units must also meet all Habitability Standards, Lead-Based Paint Requirements, and Fire Safety Requirements. TBRA units must be inspected. STRMU units do not require inspections, but units should be inspected when STRMU assistance is continued for more than 100 days. If a Project Sponsor assesses that a STRMU assisted household is residing in substandard housing, the housing plan should address any unit deficiencies or include a goal of moving the household to a unit that meets all Housing Quality Standards.

**Project Sponsors must complete a Housing Quality Standards inspection form before assisting a unit and at annual eligibility recertification. The recertification date should be entered into the Outlook calendar one year from the initial rental assistance.** Also, the form must be completed if household residency has changed. Inspections can be performed without specialized training. The standards and requirements should be interpreted in the best judgment of the housing case manager.

1. **Habitability Standards**

   The standards, as described in 24 CFR 574.310(b), include:
   
   A. **Structure and materials.** The structures must be structurally sound so as not to pose any threat to the health and safety of the occupants and so as to protect the residents from hazards.
   
   B. **Access.** The housing must be accessible and capable of being utilized without unauthorized use of other private properties. Structures must provide alternate means of egress in case of fire.
   
   C. **Space and security.** Each resident must be afforded adequate space and security for themselves and their belongings. An acceptable place to sleep must be provided for each resident.
   
   D. **Interior air quality.** Every room or space must be provided with natural or mechanical ventilation. Structures must be free of pollutants in the air at levels that threaten the health of residents.
   
   E. **Water supply.** The water supply must be free from contamination at levels that threaten the health of individuals.
F. **Thermal environment.** The housing must have adequate heating and/or cooling facilities in proper operating condition.

G. **Illumination and electricity.** The housing must have adequate natural or artificial illumination to permit normal indoor activities and to support the health and safety of residents. Sufficient electrical sources must be provided to permit use of essential electrical appliances while assuring safety from fire.

H. **Food preparation and refuse disposal.** All food preparation areas must contain suitable space and equipment to store, prepare, and serve food in a sanitary manner.

I. **Sanitary condition.** The housing and any equipment must be maintained in sanitary condition.

2. **Lead-Based Paint Requirements**

   The regulations for Lead-Based Paint, as described in the Lead-Based Poisoning Prevention Act of 1973 and its applicable regulations found at 24 CFR 35, Subpart M, require certain responses to potential lead-based hazards. If the structure was built or rehabilitated prior to 1978, and a child under the age of six or a pregnant woman will reside in the property, and the property has a defective paint surface inside or outside the structure, the property cannot be approved until the defective surface is repaired by at least scraping and painting the surface with two coats of non-lead based paint. Defective paint surface means: Applicable surface on which paint is cracking, scaling, chipping, peeling or loose. Project Sponsors should notify the property owner of the need for paint stabilization. Specific guidelines for paint stabilization are described in 24 CFR 35.1330(b). If a child under age six residing in the HOPWA-assisted property has an Elevated Blood Level, paint surfaces must be tested for lead-based paint. If lead is found present, the surface must be abated in accordance with 24 CFR 35.

   Project Sponsors must use the following criteria to determine if a property can be approved or is deficient:

   A. The structure was built or rehabilitated before 1978 (age of unit may be verified through tax records), then the Project Sponsor must provide a “Protect Your Family from Lead in Your Home” pamphlet to the household. If the structure was built or rehabilitated before 1978 and a child under the age of six or a pregnant woman will reside in the property, then the Project Sponsor must visually assess the unit. Assessments must be completed prior to the signing of the lease and before any HOPWA assistance is provided. Visual assessments are unnecessary for zero-bedroom units or if a unit meets other exemptions in 24 CFR 35.115(a).

   Lead Based Paint requirements apply to STRMU if assistance has been provided for 100 consecutive days, if the house was built before 1978 and household has members who are pregnant or are children under the age of six.

   Project Sponsor should have staff members who are knowledgeable about HUD’s Lead-Based Paint regulations and have successfully completed the “HUD Certified Visual Assessment Exam” which can be found at:

   [http://www.hud.gov/offices/lead/training/visualassessment/h00101.htm](http://www.hud.gov/offices/lead/training/visualassessment/h00101.htm)

   Units must be consistently and accurately assessed for the applicability of the Lead Safe Housing Rule EPA’s “Renovation, Repair and Painting (RRP) Rule (40 CFR 745, subparts E and Q).

   Units covered by the Lead Safe Housing Rule must have a visual assessment for deteriorated paint [24 CFR 35.1215(a)].

   Workers must use lead-safe and RRP work practices on projects that exceed the de minimis level. These workers should be certified and supervised in lead abatement or RRP [24 CFR 35.1215(b)] [24 CFR 35.1330(a)(4)] [24 CFR 35.1350(d)]
Project Sponsors should ensure families are provided with the Lead Hazard Information and EPA Renovate Right pamphlet before any work is performed by a certified lead-based paint renovation firm (that uses lead safe work practices) [24 CFR 35.1210(b)] [24 CFR 35.1330(a)].

Units must be inspected by lead-based paint inspector or risk assessor, independent of the firm that conducted the work and projects larger than the de minimis level [24 CFR 35.1215(b)].

The Notice of Lead Hazard Reduction must be provided to assisted households within 15 days after the work has been completed [24 CFR 35.1215 (c)] [24 CFR 35.1210(a)]

Units occupied by one or more children under the age of six should have ongoing lead-based paint inspections and maintenance in the unit and the common areas [24 CFR 35.1220]

Project Sponsors must take appropriate action when a child under the age of six with an environmental intervention blood lead level (20 ug/dL, or two readings of 15 ug/dL3 or more months apart) is identified, including proper evaluation (risk assessment with 15 days of notice by health department or other medical health care provider), reduction of hazards (within 30 days or owner’s receipt of risk assessment) and an environmental investigation of the unit [24 CFR 35.1225].

Project Sponsors must share housing data with the local health department on a quarterly basis in an attempt to match assisted units with lead poisoned children [24 CFR 35.1225(f)].

Project Sponsors should ensure that applicants are not being denied assistance or services based on familial status or disability and that pre-1978 home with families with children of age six and less are being inspected and treated for lead hazards [24 CFR 100.50 (b)(2)] [24 CFR 35.1215]

Project Sponsors should ensure client files should contain documentation that visual assessments were conducted of the unit for deteriorated paint at the initial and periodic inspections [24 CFR 35.1215(a)].

When affected units have been worked on to correct the lead-based paint hazard, client files should have a clearance report stating all paint was stabilized and the work areas passed inspection before the unit is occupied [24 CFR 35.1215(b)].

3. Fire Safety Requirements

The requirements for Fire Safety, as described in the Fire Administration Authorization Act of 1992, require smoke detector installation. Smoke detectors must be installed in accordance with National Fire Protection Association Standard 74, or more stringent local policies as applicable. Existing units must contain a single or multiple-station smoke detector; outside each sleeping area; on each level; battery operated or hard wired; clearly audible or interconnected. Accommodations must be made for individuals with sensory impairments. Owners are responsible for providing and maintaining smoke detectors for renters. Project Sponsors may use local fire programs or hardware store donations to provide smoke detectors for mortgagers.

Section 11. Linkage with the Housing Voucher Program and Other Affordable Housing Programs

1. Collaboration with the Section 8 and Other Affordable Housing Programs

Project Sponsors must establish linkages and collaborative relationships with the local Public Housing Authority and other affordable housing programs. The local Public Housing Authority and other affordable housing programs can be a vital resource for the long-term housing needs of HOPWA-assisted households.
Section 12. Program Forms

MFA’s HOPWA Program uses standardized program and service forms to assist Project Sponsors with program enrollment and service delivery. MFA Project Sponsors are required to use the MFA HOPWA Program forms unless otherwise noted. Project Sponsors must use the most recent version. Old forms should be discarded as they are considered obsolete. Project Sponsors must maintain any forms used in the household’s file and housing case managers must complete forms accurately. As of this publication, MFA HOPWA Program forms include:

A. Absent from Unit Policy
B. Accepted Forms of Income Verification
C. Client Budget Worksheet
D. Client file Contents Checklist
E. Client Housing Plan (full)
F. Client Housing Plan (short)
G. Disallowance Increase Income
H. HOPWA HQS Habitability Standards
I. HQS Inspection Form 52580
J. HOPWA Inventory Policy
K. HOPWA Income Eligibility Worksheet
L. Housing Application Assessment
M. Information Release Form
N. Rent Reasonable Checklist
O. Sample Domestic Partnership Declaration
P. Sample STRMU Tracking Sheet
Q. Sample TBRA Tracking Sheet
R. Shared Housing Rent Calculation
S. Statement HIV Verification
T. Zero Income Affidavit

These forms have been emailed to the current three HOPWA project sponsors as of July 2019.

Client files should contain all client information, including names, addresses and HMIS numbers.

Section 13. Program Eligibility

1. Program Eligibility Criteria

Project Sponsors are responsible for determining the eligibility of households that apply for the program. In shared housing arrangements where two or more unrelated households live together, Project Sponsors should assess the eligibility of only the applicant household, not the eligibility of the other households. Households must meet the following criteria to be eligible for the MFA HOPWA Program:

A. At least one household member must be living with HIV (24 CFR 574.3);
B. Household annual gross income cannot exceed 80 percent of area median income per the household’s county of residence (24 CFR 574.3); and
C. The household must reside in the Project Sponsor’s service area.

2. Program Eligibility Confirmation and Documentation Requirements

Before applicant households are enrolled in the program, Project Sponsors must confirm their eligibility by obtaining complete and acceptable eligibility documentation. Eligibility documentation must be maintained in the household’s file. Project Sponsors must notify households of their program eligibility (eligible or ineligible) in writing. Eligibility for participation in the program shall be confirmed by obtaining:

A. Proof of HIV positive for at least one household member

There are a number of different ways to document that a person is living with HIV. Proof of HIV may be found in laboratory test results or other forms of documentation that bear the client’s name.
Client records from a client’s previous service provider may be used for the purpose of confirming the client’s program eligibility if those records contain a medical diagnosis of HIV.

B. **Proof of gross income for all household members 18 years of age and older**

   Per 24 CFR 5.609, income includes, but is not limited to:
   
i. Gross wages, salaries, overtime pay, commissions, fees, tips, bonuses, and other compensation for personal services
   
ii. Net income from operation of a business or from rental or real personal property
   
iii. Interest, dividends and other net income of any kind for real personal property
   
iv. Full amount of periodic payments received from Social Security, annuities, insurance policies, retirement funds, pensions, disability or death benefits and other similar types of periodic receipts except as provided in line 14 of Annual Income Exclusions
   
v. Payments in lieu of earnings, such as unemployment and disability compensation, worker’s compensation and severance pay except as lump sum additions to family assets, such as inheritances, insurance payment (including payments under health and accident insurance and workers compensation), capital gains and settlement for person or property losses.
   
vi. Temporary Assistance for Needy Families (TANF), including amounts designated for shelter and utilities
   
vii. Alimony, child support payments, and regular contributions from organizations or from persons not residing in the dwelling
   
viii. All regular pay, special pay and allowances of a member of the Armed Forces except as provided in line 7 of Annual Income Exclusions.

Project Sponsors must use the Household Income Eligibility Worksheet to document and annualize household gross income and determine household income eligibility for the program. The Household Income Eligibility Worksheet must be completed before initial eligibility certifications and annual eligibility recertification’s. Also, the form must be completed if household eligibility factors have changed. **Project Sponsor should document the calculation used to determine the total income of the participant to ensure a secondary review can easily determine how the amounts were calculated.**

If any household member 18 years of age and older reports that they have zero income or have attempted but cannot obtain third party proof of income, the project sponsor should refer to the HOPWA Accepted Forms Income Verification guide (in the HOPWA toolkit) or complete the Zero Income Affidavit (in the HOPWA toolkit).

C. **Proof of current residency for all household members 18 years of age and older**

   *(The household must reside in the Project Sponsor’s service area. Documentation must be current as of the eligibility certification or recertification date.)*

   i. Documentation evidencing tenancy includes a lease naming the household member as the leaseholder or occupant. Documentation must include an address in the Project Sponsor’s service area.
   
   ii. Documentation evidencing ownership of encumbered property includes a deed accompanied by a mortgage or a deed of trust; a mortgage or deed of trust default/late payment notice which identifies the eligible person or a resident member of the household as the property owner/debtor; or, a valid, currently-dated title insurance policy identifying the eligible person or a resident member of the household as the property owner/debtor. Documentation must include an address in the Project Sponsor’s service area.
   
   iii. Documentation evidencing a utility account in a household member’s name with a utility vendor. Documentation must include an address in the Project Sponsor’s service area.
3. Annual and Interim Program Eligibility Recertification

A. Annual Eligibility Recertification

After an initial eligibility certification, household program eligibility must be recertified annually (every 12 months) at minimum so that housing assistance and supportive services may continue. A reminder should be entered into the Outlook calendar one year from the initial rental assistance. For annual eligibility recertification, households must provide proof of gross income and current residency per the Program Eligibility Confirmation and Documentation Requirements above. Also, all program enrollment and applicable service forms must be completed again.

B. Interim Eligibility Recertification

Household program eligibility must be recertified if household eligibility factors have changed during an annual eligibility period. A change in household income, residency, or composition may affect other program eligibility criteria and rental assistance components.

i. Change in Household Income. The HOPWA Program defines a change in income as $200.00 or more per month to align with HUD’s Occupancy Requirements of Subsidized Multifamily Housing Programs, https://www.hud.gov/program_offices/administration/hudclips/handbooks/hsgh/4350.3 Nonetheless, households may request an interim recertification for a change in income of any amount at any time during an annual eligibility period. If household annual gross income exceeds 80 percent of AMI, the household is no longer eligible for the program.

ii. Change in Household Residency. Document any change in residency in the client file. If the household is outside of the Project Sponsor’s service area, program services will end immediately and the household may seek services from the HOPWA provider in their new service area.

iii. Change in Household Composition. Eligibility documents for all new household members 18 years of age and older must be documented in the client file. If the household does not include a household member living with HIV, the household is no longer eligible for the program unless the household qualifies for the Project Sponsor’s grace period.

Section 14. Program Activities

Housing Assistance and Supportive Services

To qualify for MFA HOPWA Program housing assistance and supportive services:
• The household must first meet program eligibility requirements (see Section 13: Program Eligibility);
• The household must express understanding of program goals, program eligibility, service requirements, and rights and responsibilities. It is recommended the client complete and sign the Client House Plan (in the HOPWA toolkit);
• The household must provide demographic and household/family composition information for all household members in the Housing Application and Assessment (in the HOPWA toolkit);
• The assisted unit must meet all Housing Quality Standards (see Section 10. Housing Quality Standards); and
• A Project Sponsor must obtain the owner’s IRS Form W-9 before a payment is issued for rent under TBRA, STRMU, or PHP.

1. **To receive TBRA services**
   A. The gross rent of the proposed unit must be at or below the lower of the rent standard or the reasonable rent;
   B. At least one household member must be named on the current lease or utility bill; and
   C. Unit must pass the HQS inspection and Lead-Based Paint requirements.

2. **To receive STRMU services**
   A. The household must already be housed;
   B. The household must provide proof of a recent short-term emergency event that jeopardizes housing stability;
   C. At least one household member must be named on the current lease, mortgage, or utility bill; and
   D. The household can receive only 21 weeks of assistance in a 52-week period (January 1 to December 31).

3. **To receive PHP services**
   A. The household must be homeless or in the process of relocating;
   B. The household must locate housing; and
   C. At least one household member must be named on lease/rental agreement for initial move-in costs.
<table>
<thead>
<tr>
<th>TBRA</th>
<th>STRMU</th>
<th>PHP</th>
</tr>
</thead>
<tbody>
<tr>
<td>Household needs housing first (Obtain current lease)</td>
<td>Household needs housing first (Obtain current lease/mortgage)</td>
<td>Household must be homeless or relocating</td>
</tr>
<tr>
<td>Obtain documentation of what you are paying for and who you are paying</td>
<td>Household presents documentation of recent emergency situation</td>
<td>Household locates housing</td>
</tr>
<tr>
<td>Housing Quality Standards Certification</td>
<td>Obtain documentation of what you are paying for and who you are paying</td>
<td>Obtain documentation of what you are paying for and who you are paying (Form L for units)</td>
</tr>
<tr>
<td>Rent Standard &amp; Rent Reasonableness Certification</td>
<td>Service starts</td>
<td>Service starts</td>
</tr>
<tr>
<td>Rental assistance calculation</td>
<td>Pays rent, mortgage, and utility debts and dues (late fees, too)</td>
<td>Housing Quality Standards Certification</td>
</tr>
<tr>
<td>Service starts</td>
<td>21 weeks in 52 week period (calendar year)</td>
<td>Service starts</td>
</tr>
<tr>
<td>Pays subsidy for current rent (sometimes utilities)</td>
<td>Interim recertification (if necessary)</td>
<td>Pays application/administrative fees, security/utility deposits, and first month’s rent/utilities</td>
</tr>
<tr>
<td>Annual recertification</td>
<td>Emergency situation resolved/cap reached</td>
<td>Security deposits are capped at two months of proposed rent.</td>
</tr>
<tr>
<td>Client should apply for Housing Voucher/other affordable housing</td>
<td>Service ends/service outcome recorded</td>
<td>Deposits must return to the Project Sponsor</td>
</tr>
<tr>
<td>Service ends/service outcome recorded</td>
<td></td>
<td>Service ends/no outcome data collected at this time</td>
</tr>
</tbody>
</table>
Tenant-Based Rental Assistance (TBRA) Services

1. **Purpose**
   TBRA is a rental subsidy used to help households obtain or maintain permanent housing, including assistance for shared housing arrangements in the private rental housing market until they are able to enroll in the Housing Voucher Program or other affordable housing programs. Under TBRA, the household selects a housing unit of their choice. If the household moves out of the unit, payments to the owner will end and the household can move with continued assistance to another unit. TBRA is portable and moves with the household.

   Project Sponsor must maintain the TBRA Tracking Spreadsheet to ensure effective tracking of client eligibility and the amount of rental assistance provided through annual income re-certifications and resident rent payment determinations. [24 CFR 574.310] [24 CFR 574.320] [24 CFR 574.500(b)(2)].

2. **Eligible Costs**
   TBRA pays current rental costs. In shared housing arrangements where two or more unrelated households live together and divide rental costs, Project Sponsors must prorate rental assistance for the portion of the unit occupied by the enrolled household. Per 24 CFR 574.320(b), the rent charged must relate to the size of the private space for that household in comparison to other private space in the shared unit, excluding common space. An assisted household may be assigned a pro rata portion based on the ratio derived by dividing the number of bedrooms in their private space by the number of bedrooms in the unit. Participation in shared housing arrangements is voluntary.

3. **Ineligible Costs**
   TBRA cannot pay rental or utility debts, late or reconnect fees, or mortgages. Per 24 CFR 574.320(a)(1), TBRA cannot pay costs that exceed the “maximum subsidy” which is the monthly amount that could be paid to both the owner and to the utility vendor. TBRA cannot pay initial move-in costs (e.g., application and administrative fees, security and utility deposits, etc.). However, initial move-in costs can be paid using PHP services.

4. **Housing Status**
   Households must present evidence of tenancy in the private, unassisted housing market. TBRA is designed to alleviate the rent burden of low-income households. As such, TBRA may not be used to assist mortgagers, homeless households, or households moving into a new housing arrangement.

   A. **Rent**
   To receive TBRA services, households must have a legal right to reside in the private unassisted unit and prove responsibility for paying the rent. Satisfactory evidence of tenancy includes a lease naming the eligible individual as the leaseholder or occupant. As a general matter, if the eligible individual is not named on a valid lease either as a tenant or an occupant, the individual has no legal right to reside in the unit and is therefore unqualified for TBRA services.

   B. **Utilities**
   In the event a household receiving TBRA services qualifies for a utility reimbursement, the difference must be paid to the utility vendor. Failure to provide a reimbursement of this amount would violate the requirement of 24 CFR 574.310(d). To receive a utility reimbursement, a household member must have an account in their name with a utility company. Individuals who have prior criminal histories, poor credit or lack of rental history may not have utility accounts in their name; however, they may be responsible for paying these housing expenses. Such households must demonstrate proof of responsibility to make such payments by documenting a history of making payments and should not be excluded from receiving TBRA utility reimbursements based on the utility account not being in their name. For example, if a household’s utility account is in someone else’s name, a Project Sponsor could
request a copy of the account holder’s photo identification and a signed statement from the account holder confirming that the household is responsible for the utility payments.

5. **Occupancy Standards**
   The intent of TBRA Occupancy Standards is to provide:
   
   A. The smallest number of bedrooms needed by a household without overcrowding and
   
   B. Guidelines for selecting a rent standard (see 7. Rent Standard and Rent Reasonableness below).

   To be counted as a bedroom, the room must meet all Housing Quality Standards (see Section 10. Housing Quality Standards) and provide a private area where household members may sleep. If the only method to enter one area is to pass through another room, then the space may be counted as a living/sleeping area but will not be counted as a bedroom. The living room may be counted as a living/sleeping area, but not a bedroom. Kitchens and bathrooms may not be counted as living/sleeping areas or bedrooms. Project Sponsors must determine the appropriate number of bedrooms needed by a household based on household composition. The following requirements apply when determining the appropriate unit size:
   
   A. Size must provide the smallest number of bedrooms needed for all members without overcrowding.
   
   B. Size must be consistent with space requirements under the Housing Quality Standards (HQS).
   
   C. Size must be applied consistently for all households of like size and composition.
   
   D. A child who is temporarily away from the home because of placement in foster care is considered a member of the household in determining the size.
   
   E. A pregnant woman must be treated as two people in determining the size and small children (less than 2 years of age) may share a one-bedroom with a single parent.
   
   F. Any live-in aide must be counted in determining the size.
   
   G. Two elderly or disabled household members may be given separate bedrooms.

   When determining the unit size that a household qualifies for, Project Sponsors may grant exceptions to the standards if the exception is justified by the age, sex, health, disability, or relationship of household members or other personal circumstances. Exceptions must be documented by Project Sponsors in the household’s file.

6. **Rent Standard and Rent Reasonableness**
   Per 24 CFR 574.320(a), the gross rent of TBRA-assisted units cannot exceed the rent standard. The MFA HOPWA Program uses Fair Market Rent (FMR) for the unit size per the household’s county of residence as the rent standard. Alternatively, Project Sponsors may use a HUD-approved community-wide exception rent standard if one is locally available. Project Sponsors may request current copies of exception rent standard tables from local Housing Authorities. When choosing a rent standard, Project Sponsors must refer to the Occupancy Standards (see 5. Occupancy Standards above) to determine the number of bedrooms a household qualifies for, and then select the corresponding rent standard. A household may occupy a unit that is smaller or larger than specified by the Occupancy Standards, but in such instances, Project Sponsors must use the rent standard for the lower of either the number of bedrooms allowed by the Occupancy Standards or the actual number of bedrooms in the proposed unit. For example, if a household qualifies for a one-bedroom unit, but occupies a two-bedroom unit, the Project Sponsor must use the rent standard for a one-bedroom unit. Similarly, if a household qualifies for a two-bedroom unit, but occupies a one-bedroom unit, the Project Sponsor must use the rent standard for a one-bedroom unit. An important point about the rent standard is that it includes both rent and utilities, or the “gross rent.” Utilities include electricity, fuel (e.g., natural gas, oil), water, sewer, and trash removal. Telephone, internet, and cable are not included. When determining whether a proposed unit is within the rent standard, Project Sponsors need to know the amount of several costs, including:

   - Rent being requested by the owner;
   - Basic utilities included in the rent to the owner; and
   - Basic utilities to be paid separately in addition to the rent paid to the owner.
The gross rent must also be reasonable in relation to rents for comparable unassisted units in the private market and must not be in excess of rents charged by the owner for comparable unassisted units. Project Sponsors should account for unit location, size, type, age, amenities, and utilities provided by the owners.

- **Size.** Proposed units should be compared to units with similar bedrooms, bathrooms, and square feet.
- **Type.** Proposed units should be compared to similar unit types (e.g., house, duplex, apartment, etc.).
- **Amenities.** Proposed units should be compared to units with similar amenities (appliances, patios, etc.).
- **Location.** Proposed units should be compared to units in the same areas.

Proposed units must be compared with two similar units. The gross rent of the proposed unit must be at or below the lower of the rent standard or the reasonable rent. **To ensure compliance with this requirement, Project Sponsors must complete separate rent reasonableness forms for each proposed unit before TBRA services start and annual eligibility recertifications.** Recertification dates should be entered into the Outlook calendar one year from the first date of rental assistance. Also, the form must be completed if household residency or rent has changed. If the gross rent of the proposed unit exceeds the lower of the rent standard or the reasonable rent, then TBRA services may not be provided. However, on a unit by unit basis, the Project Sponsor may increase the rent standard by up to 10 percent for up to 20 percent of the units that receive rental assistance (i.e., Project Sponsors may use 110 percent of the rent standard for 2 out of 10 of the combined households that receive TBRA or TSH services in a given program year).

### 7. Calculating Monthly Household and Project Sponsor Rent Payments

TBRA pays the difference between the contractual rent to the owner and the household’s calculated rent payment. Project Sponsors make rental assistance payments directly to property owners and, in rare circumstances, to utility vendors. Per 24 CFR 574.310(d), households receiving TBRA services must pay as rent, including utilities, an amount which is the higher of: (1) 30 percent of the household’s monthly adjusted income (adjustment factors include the age of the individual, medical expenses, size of household and child care expenses and are described in detail in 24 CFR 5.611); (2) 10 percent of the household’s monthly gross income; or (3) if the household is receiving payments for welfare assistance from a public agency and a part of the payments, adjusted in accordance with the household’s actual housing costs, is specifically designated by the agency to meet the household’s housing costs, the portion of the payment that is designated for housing costs. To accurately calculate the household’s monthly rent payment to the owner and the Project Sponsor’s monthly rental assistance payment to the owner, Project Sponsors must complete the Rental Assistance Worksheet before TBRA services start and annual eligibility recertifications. Also, the form must be completed if household eligibility factors or rent have changed. The Project Sponsor’s monthly payments to the owner and to the utility vendor depend on the contractual rent to the owner and any utility allowances the household qualifies for (see 8. Utility Allowances and Reimbursements below). Per 24 CFR 574.320(a)(1), the “Maximum Subsidy” is the monthly amount of TBRA funds that could be paid to both an owner and a utility vendor.

### 8. Utility Allowances and Reimbursements

Households receiving TBRA services must receive a utility allowance if they pay a separate utility vendor in addition to rent and utilities paid to the owner. Households only receive an allowance for utility costs that are not paid by another source. Allowances are prorated in shared housing arrangements. Project Sponsors may request current copies of HUD-approved utility schedules from local Housing Authorities. Project Sponsors must use the allowance for the actual number of bedrooms the household will occupy, not the number of bedrooms the household qualifies for per the Occupancy Standards. In the event a household’s allowance exceeds the household rent payment, the household’s adjusted rent payment is $0.00 and the difference is paid to the utility vendor in the form of a utility reimbursement. Failure to provide a reimbursement of this amount would violate 24 CFR 574.310(d). Per 24 CFR 982.514, Project Sponsors must notify the household of the amount paid to the utility vendor and maintain a record of the notification in the household’s file.
9. **TBRA Outcome Measures**
   To measure the effectiveness of TBRA services, Project Sponsors should record household destination outcomes on a tracking spreadsheet. This information should be entered if the household will be disenrolled from the program or continue to the next annual eligibility period.

**Short-Term Rent, Mortgage, and Utility (STRMU) Services**

1. **Purpose**
   Per 24 CFR 574.330, STRMU provides short-term, stabilizing interventions to households experiencing a financial crisis as a result of their HIV health condition or a change in their economic circumstances. STRMU is designed to prevent households from becoming homeless by helping them remain in their own dwellings, and when utilized together with other efforts, including access to health care services, case management, benefits counseling, and employment or vocational services, works to stabilize assisted households.

   HUD and MFA seek to foster long-term solutions to housing instability for households receiving time-limited housing assistance. Stand-alone STRMU payments are likely to create only a temporary solution for an unstable living arrangement unless connected to a long-term housing stabilization plan. Project Sponsors are encouraged to coordinate related housing efforts to assess the on-going housing needs of these households and provide access to other permanent housing options for HOPWA-eligible persons and their households as appropriate.

   Individual housing and services plans include an assessment of the household’s current resources and establishment of longer-term goals for the assisted household. When appropriate, these goals should involve efforts to restore self-sufficiency, develop job skills necessary for gainful employment, access public benefits, and/or enhance educational attainment, vocational rehabilitation, or life skills needed for future independence from housing support. Individual housing and services plans also serve as documentation that grantees and project sponsors have met the requirement for on-going assessments of housing assistance and supportive services, as required under 24 CFR 574.500.

   Project Sponsor must maintain the STRMU Tracking Spreadsheet to ensure effective tracking of client assistance and time limits. (21 weeks [147 days] with in a 52-week period using the calendar year January 1 to December 31)

2. **Eligible Costs**
   STRMU pays rental, mortgage, and utility debt. STRMU can pay late fees and other penalties if, in the event of nonpayment, the household would be at risk of eviction or loss of housing. Unlike TBRA services, the amount of assistance provided is not limited to the lower of the rent standard or reasonable rent for the unit and households are not required to pay a portion of their income toward the rent or mortgage payment. However, if they are able, households should pay a portion of their housing costs as any portion paid by the household does not count against the 21-week STRMU benefit ceiling.

3. **Ineligible Costs**
   STRMU cannot be provided to households receiving rental assistance for the same period of time from HOPWA or another federal, state, or local housing assistance program. For example, STRMU cannot pay the portion of rent that a household is responsible for if they are enrolled in a Housing Voucher Program or receiving another type of rental assistance.

   STRMU is established in statute to prevent a household from becoming homeless and, therefore, can only be used to prevent eviction from or the loss of a housing unit that is occupied by qualified persons. Accordingly, STRMU can only be used to assist someone currently in housing as an intervention to prevent homelessness. STRMU assistance cannot be provided to a household that is homeless. STRMU may not be provided to assist
households in moving into a new housing arrangement. STRMU may not be used for moving assistance, security and utility deposits, or first month's rent.

In addition, STRMU mortgage assistance may not be used for the following activities: Support for an open line of credit or loan that was secured by the house; taxes and insurance paid separately after the first or second mortgage is paid in full; assistance for payment towards personal loans or credit debts secured against the unit; assistance for a second mortgage when the first mortgage payments are not current; or down-payment assistance to support purchase of new unit.

Furthermore, the costs of household supplies; furnishings; automobile/transportation repairs; and telephone, internet, and cable services are not eligible under STRMU.

4. Establishing Additional Service Restrictions
Project Sponsors may establish additional service restrictions for STRMU. HUD permits the use of local preference as a means of prioritizing benefits to those who are neediest. "Local Preferences" must be approved through HUD's Office of Fair Housing and Equal Opportunity (FHEO) to ensure that such practices do not discriminate or inadvertently exclude any persons either by design or omission.

5. Housing Status
Households must present evidence of residing in housing where they are either a tenant or mortgagor. STRMU is designed to help renters and homeowners remain in their current residence. As such, STRMU may not be provided to assist homeless households or households moving into new housing arrangements.

A. Rent
To receive STRMU rental assistance, households must have a legal right to reside in the private unassisted unit and prove responsibility for paying the rent. Satisfactory evidence of tenancy includes a lease naming the eligible individual as the leaseholder or occupant. As a general matter, if the eligible individual is not named on a valid lease either as a tenant or an occupant, the individual has no legal right to reside in the unit and is therefore unqualified for STRMU rental assistance. The following documents can also be used, but they are not preferred forms of documentation:

- Documentation that the individual has been responsible for rental payments (e.g., rental receipts, a cancelled check, or a copy of a money order from the tenant to the owner would satisfy this condition).
- A late payment notice or any other written communication from the owner to the tenant that provides evidence of tenancy would also be satisfactory.
- If not named on the lease, any written documentation from the owner that the individual is a legal resident of the property.

B. Mortgage
To receive STRMU mortgage assistance, households must demonstrate that they are the resident owner of mortgaged real property. Satisfactory evidence of ownership of encumbered property includes: A deed accompanied by a mortgage or a deed of trust; a mortgage or deed of trust default/late payment notice which identifies the eligible individual or other household member as the property owner/debtor; or, a valid, currently-dated title insurance policy identifying the eligible individual or other household member as the property owner/debtor. Project Sponsors should complete a careful assessment and an individual housing and services plan to determine that a household is able to maintain payments on mortgages after the period of assistance ends.

STRMU mortgage assistance may include costs for property taxes, insurance, and condo fees in some situations. Most homeowners are required to pay property taxes, mortgage insurance premiums, and/or fire and hazard insurance premiums as part of their monthly mortgage payment. For STRMU, to the extent that taxes, insurance, condominium fees, or other building operation costs are included in the
monthly mortgage payment either by federal regulation or the terms of the mortgage, these expenses may be included in STRMU mortgage assistance payments. STRMU mortgage assistance for taxes, insurance, or condo fees that are not included on the monthly mortgage statement may not be paid. STRMU mortgage assistance may include costs related to second mortgages. As a general matter, a second mortgage represents a lien on real property. Defaults on mortgages (e.g., nonpayment of loan(s), lapsed insurance, unpaid property taxes, among others) may lead homeowners to foreclosure and eviction. STRMU provides short-term mortgage payments regardless of priority (i.e. the first or second mortgages) to eliminate the threat of homelessness for an adequately housed eligible person.

C. Utilities
To receive STRMU utility assistance, a household must present evidence of residing in the private unassisted unit legally and a household member must have an account in their name with a utility company. Individuals who have prior criminal histories, poor credit, or lack of rental history may not have utility accounts in their name; however, they may be responsible for paying these housing expenses. Such households must demonstrate proof of responsibility to make such payments by documenting a history of making payments and should not be excluded from receiving STRMU utility assistance based on the utility account not being in their name. For example, if a household’s utility account is in someone else’s name, a Project Sponsor could request a copy of the account holder’s photo identification and a signed statement from the account holder confirming that the household is responsible for utility payments.

6. Evidence of Need
STRMU is needs-based and intended to benefit HOPWA-eligible households that are experiencing a financial crisis arising from their HIV health condition or a change in economic circumstances. To qualify for STRMU, households must provide proof of a recent short-term emergency situation that jeopardizes housing stability. Additionally, households must demonstrate that they do not have the resources to meet their rent, mortgage, or utility costs and that they would be at risk of homelessness in the absence of STRMU. When a household is unable to make payments for monthly housing costs, STRMU may be used for costs that cannot be paid or reimbursed by other available resources. Project Sponsors must assess that the household’s needs are for actual costs, that other resources such as household income are not reasonably available to pay the housing costs, and that STRMU will alleviate the payment delinquency so as to avoid homelessness and result in, at least, temporary stability for that household. Project Sponsors should also ensure that the household’s on-going housing needs are assessed in connection with the development of an individual housing and services plan for the household.

Project Sponsors should establish a reasonable basis to quantify and verify the need for STRMU services. Also, Project Sponsors should be able to describe the unforeseen emergency and explain how it prevents or will prevent the household from paying housing costs. A household budget review of these costs and assessment of inability to meet such costs should be completed by a housing case manager and documented in the household’s file. Examples include, but are not limited to:

A. A record of actual monthly bills for recurring costs, and evidence of the limited nature of household income along with limited available financial resources (i.e., balance on bank accounts).

B. A housing case manager’s assessment of “need” which includes a variety of elements such as current, previous, and future month’s financial situation, employment and benefits status, and HIV health-related conditions.

Documentation in the form of a default/late payment notice is not required to demonstrate housing need. A late payment notice is only one of the methods that can be used to evidence a household’s need for STRMU. Other ways to verify need and amounts owed include documentation of utility, mortgage or rent payments due and/or calls to the utility company, owner, or mortgage company prior to a late payment notice being issued, which could potentially help avoid added late fees as additional costs.
7. **STRMU Caps**
   The Time Cap is defined as a specific number of days not to exceed 21 weeks (147 days) in a 52-week period (January 1 to December 31).

8. **STRMU Method**
   Set a fixed 52-week period for all households, MFA will use the calendar year.
   - The calendar year (January 1 to December 31)

9. **Amount of Assistance**
   Although STRMU does not require the household to pay a portion of their housing costs, assistance must not be used to relieve the household’s responsibility to make housing payments in the absence of inability to pay. If a household is capable of paying some of their rent, mortgage, and/or utility costs, Project Sponsors may negotiate an appropriate household contribution amount. Such determinations limit STRMU assistance to the difference between the amounts due and the amount the household can pay. Project Sponsors should document any payments or contributions made by a household towards their rent, mortgage, and/or utility costs. This ensures that the full amount due is paid and avoids partial payments that may lead to evictions or utility cut-offs.

10. **STRMU Outcome Measures**
    To measure the effectiveness of STRMU services, Project Sponsors should record household status outcomes on a tracking spreadsheet. This information should be entered if the household will be disenrolled from the program or continue to the next annual eligibility period.

**Permanent Housing Placement (PHP) Services**

1. **Purpose**
   Per 24 CFR 574.300(b)(7), PHP services may be used to help households establish permanent residence in which continued occupancy is expected. Project Sponsors that wish to provide PHP should consider their:
   - A. Current program funds;
   - B. Need for move-in assistance within their service area; and
   - C. Capacity to maintain accounting records for returned security and utility deposits (“program income”).

2. **Eligible Costs**
   PHP pays both service and housing assistance costs.
   - **Service Costs**
     Eligible PHP service costs include activities that assist households locate housing that meets all Housing Quality Standards (see Section 10. Housing Quality Standards). PHP service costs may also include the following: Providing tenant counseling; assisting households to understand leases, secure utilities, and make moving arrangements; and providing mediation services related to tenant and/or owner issues that may arise during the leasing-up process.
   - **Housing Assistance Costs**
     Eligible PHP housing assistance costs include: Application fees; related credit, rental history, and background checks; utility hookup fees and deposits; first month’s rent; and reasonable security deposits necessary to move persons into permanent housing. Security deposits must not exceed two months of rent. Security and utility deposits must be returned to the Project Sponsor when the assisted household leaves a unit. Project Sponsors must maintain a record of all deposits and make a good faith effort to recover program funds upon the household’s departure from a unit.
3. **Ineligible Costs**
The following costs are not eligible under PHP: Costs for housing supplies, smoke detectors (owners are responsible for providing and maintaining smoke detectors for renters), standard furnishings, minor repairs to the unit associated with the move-in, and other incidental costs for occupancy of the housing unit.

4. **Housing Status**
PHP can assist households find and move into affordable, permanent housing arrangements if long-term housing stability is not expected in their current arrangements. Similarly, if households are not living in a place meant for human habitation, PHP can assist households establish permanent residence in which continued occupancy is expected. Owners/representatives are unlikely to execute a lease agreement with the household if initial move-in costs have not been paid in advance. Every effort should be made to do the HQS inspection and provide the initial move-in costs to ensure the Owners/representative execute a lease agreement with the household.

5. **Security and Utility Deposit Tracking**
Security and utility deposits must be returned to the Project Sponsor. Project Sponsors must develop a system of tracking all deposits made and returned. Also, Project Sponsors should make a good faith effort to recover program funds upon a household’s departure from a unit.

6. **Additional Requirements**
Before providing PHP services, Project Sponsors must:
   A. Complete a HOPWA Application/Intake form.
   B. Perform the HQS inspection ensuring the unit passes and is eligible for HOPWA assistance.
   C. Maintain a tracking system for all PHP services/payments

7. **PHP Outcome Measures**
PHP services do not have outcome measures at this time.

**Supportive Services**

1. **Purpose**
Per 24 CFR 574.300, supportive services include, but are not limited to, health, mental health, assessment, substance use treatment and counseling, day care, personal assistance, nutritional services, intensive care when required, and assistance in gaining access to local, State, and Federal government benefits and services, except that health services may only be provided to individuals with acquired immunodeficiency syndrome or related diseases and not to other household members living with these individuals. The MFA HOPWA Program currently does not include Supportive Service funds in the current contract (agreement). Supportive Services may be funded through the New Mexico Department of Health.

**Section 15. Other Supporting Documentation**
Project Sponsors must document what they are paying for, who they are paying, and maintain a record of all payments made in the household’s file. To accomplish this, Project Sponsors must obtain copies of leases, mortgages, utility bills, and/or ledgers for which housing assistance is provided. Project Sponsors must obtain new leases as old ones expire. The documentation must be current, predate service dates, and correspond with related service forms and check request vouchers. For example, check request vouchers must be present in the household’s file and the requested amounts must correspond with the values on TBRA, STRMU and PHP forms.

**Section 16. Termination**
When an assisted household is terminated from the program Project Sponsors must document the reason for termination. Potential reasons for termination include:
- Completed program
- Needs could not be met
- Disagreement with rules/persons
- Left for housing opportunity before completing program
- Death
- Other
Section 17. Grace Periods for Surviving or Remaining Household Members

With respect to surviving or remaining household members living in the assisted unit at the time of the eligible individual’s death, incarceration, lease bifurcation, enrollment in substance use treatment, or entry to hospice/long-term health care, Project Sponsors must provide surviving and remaining household members a reasonable grace period to establish eligibility for the HOPWA Program, establish eligibility for another housing program, or find alternative housing. This grace period cannot exceed one year.

Per 24 CFR 574.310(e), Project Sponsors must:

- Notify the survivor and remaining household members of the duration of the grace period;
- Provide housing assistance and supportive services to the survivor and remaining household members;
- Offer survivors and remaining household members information on other available housing programs;

1. **TBRA Services**

   The minimum grace period for households receiving TBRA services must be one month of assistance from the end of the month in which the eligible individual died, was incarcerated, enrolled in substance use treatment, or entered hospice/long-term health care. The maximum grace period cannot exceed 12 months.

2. **STRMU Services**

   The minimum grace period for households receiving STRMU services must be one month of assistance from the end of the month in which the eligible individual died, was incarcerated, enrolled in substance use treatment, or entered hospice/long-term health care. The maximum grace period may not exceed 21 weeks within a 52-week period (January 1 to December 31).

Section 18. Program Reporting and Invoice Requirements

1. **Monthly Invoices, General Ledger Reports and backup (invoices)**

   Project Sponsors must submit a monthly invoice with general ledgers, backup documents, TBRA and STRMU tracking spreadsheets and the SF10 report. In addition, they must complete the client information reports that are included with the invoice. Invoices are due by the 10th of each month and are uploaded to MFA’s secure file transfer.

   All reports are designed to meet the requirements of HUD’s Integrated Disbursement and Information System (IDIS) and to supply HUD with necessary information in accordance with the Consolidated Annual Performance and Evaluation Report (CAPER).

   Project sponsors must enter client data into the Homeless Management Information System (HMIS). Clients must be entered into the HMIS data base before any HOPWA assistance is provided. Monthly reports will be checked for accuracy and completeness.
Section 19. HUD Datasets

Project Sponsors must use current HUD Datasets to assess Area Median Income and Fair Market Rent.

1. **Area Median Income**
   To be eligible for the MFA HOPWA Program, household annual gross income cannot exceed 80 percent of Area Median Income per the household’s county of residence. Collect proof of gross income for all household members 18 years of age and older (documentation must be complete and cover the 30 days preceding the eligibility certification or recertification date). The household annual gross income is from all sources anticipated to be received in the 12-month period following the determination date. Therefore, income must be ANNUALIZED, e.g. payment amount multiplied by number of payment periods per year for all income sources.

2. **Fair Market Rent**
   The gross rent of TBRA assisted units cannot exceed the rent standard. The MFA HOPWA Program uses Fair Market Rent (FMR) for the unit size per the household’s county of residence as the rent standard.

Section 20. Program Technical Assistance and Trainings

Project Sponsors who have program questions or need program technical assistance may access HUD HOPWA at [https://www.hudexchange.info/programs/hopwa/](https://www.hudexchange.info/programs/hopwa/)

Section 21. Supportive Services

Supportive Service information may be accessed by contacting Laine Snow at the New Mexico Department of Health:

Laine M. Show  
(505) 476-3628  
1190 St. Francis Drive, Room S1207  
Santa Fe, NM  87505  
LaineM.Snow@state.nm.us

Section 22. Program Monitoring

HOPWA contracts are monitored annually by MFA, using the monitoring tool common to Community Development programs. The level of monitoring review is determined by the annual risk assessments. Low risk agencies may only require a desk financial review while a medium or high-risk agency may require a full, on-site monitoring review.

MFA has updated the HOPWA program specific monitoring tool and the HOPWA client file checklist. These updates will ensure the client files are closely monitored for income calculation, rent calculation, unit eligibility and HQS inspections. Annual re-certifications will be reviewed for all TBRA clients. Time limits will be reviewed for all STRMU clients.

Notice of a monitoring visit must be given 30 days in advance; standard MFA practice is to provide 45 days’ notice. The monitoring visit usually consists of a review of agency and fiscal policies and procedures, a review of personnel files, a review of client files, and, if applicable, conducting of inspections to verify that assisted units are meeting basic standards for safe, decent and sanitary housing.

Project Sponsors will be monitored for fiscal/financial policies and procedures, HOPWA program policies and procedures and expenditure bench marks. Because HOPWA funds are used for salaries, employee files may be reviewed as well.

Client files will be reviewed for intake/application, medical proof of eligibility in addition to the following documentation:
• TBRA assistance: Income calculations, Rent and utility calculation, Unit eligibility determinations, Recertification’s, Rent Reasonableness determinations, HQS standards and inspections, Lease/rental agreements and IRS W9.
• STRMU assistance: Documentation of need, Time limit policies, Housing plan and IRS W9.
• Permanent Housing Placement: Income calculations, Rent and utility calculations, Unit eligibility determinations, HQS standards and inspection, Lease/rental agreement, utility documentation and IRS W9.

Following the monitoring process, an exit interview is held with agency staff, outlining any concerns that arose during the monitor, and answering any questions they may have.

After the monitor, a report letter is sent to the agency within 30 days. In reporting to an agency on the monitor, the following terms are used:

Finding – this refers to a direct violation of a federal regulation or contact requirement. A finding requires correction, specified along with the finding in the monitoring letter. Proof of correction of a finding must be sent to MFA within 30 days of the monitoring letter. Certain findings may result in an agency having to repay MFA, if funds were not used for an eligible expense.

Concern – this refers to an issue which is not at present a violation of a regulation or contract requirement, but which will become one if not corrected. A concern also requires correction specified by MFA, which will be looked for at the next monitoring visit.

Comment – this refers to an operational issue which has come to the attention of the monitor. A comment is a suggestion to improve operations, and does not require correction.

HUD may also monitor MFA and sub-grantees on compliance with HOPWA Regulations. In the case HUD monitors MFA, they will likely conduct a site visit at a sub-grantee office. MFA will notify the sub-grantee as soon as MFA is notified of HUD’s monitoring dates.

**Section 23. Program Award Closeout**

Per 24 CFR 574.605 and 24 CFR 200.331, MFA will ensure that every award is clearly identified to the project sponsor as a sub-ward.

Per 1 CFR 200.343 MFA shall close-out the HOPWA award at the end of the program year (July 1 to June 30) when it determines that all applicable administrative action and all required work has been completed. All financial, performance and other reports as required by the terms and condition of the agreement must be submitted to MFA no later than 30 days after the award closes (July 31). MFA will promptly process the final invoice for reimbursement to the service provider.

Upon close of the program year, MFA will prepare a completion form for each activity (TBRA, STRMU, PHP and Admin). The completion will include original activity balance, expenditures for the program and ending balance if funds were not 100% expended. This will be submitted to close out the IDIS activity.