



## HOME TBRA 2021-2022 Guidelines Changes and Clarifications

July 2021

### General Changes

- Changed *contractor* to *subrecipient*.

### 1.2 Authorization

#### Clarification:

- The HOME program is implemented through the United States Department of Housing and Urban Development (HUD) and is subject to the requirements of Section 24, Part 92, of the Code of Federal Regulations ([24 CFR 92](#))

### 2.6 Affirmative Marketing and Outreach

#### Clarification:

- Subrecipients must work with their local [Coordinated Entry lead access](#) point to ensure households can gain access to the TBRA subrecipient.

### 3 Household Eligibility

#### Change:

- Subrecipients should not have additional household requirements. Examples include requiring birth certificates, identification cards, and proof of citizenship in order to receive services.

### 3.2 Income Eligibility

#### Change:

- [HOME income limits](#) required, not Section 8 general income limits.

#### Clarification:

- Subrecipients must use the Annual Income definition at 24.CFR 5.609 and ensure all income inclusions and exclusions are applied.



### 3.2.1 Income Eligibility

#### Clarification:

- Subrecipients must verify and document two months of income eligibility within 30 days of program enrollment through source documentation evidencing annual income. The household is considered enrolled when determined income eligible. Subrecipients are not required to re-examine the family's income at the time the TBRA assistance begins, unless more than 6 months has elapsed since income eligibility was confirmed.

#### Changes:

- Procedures must be in place ensuring income projections are consistent for all applicants. This procedure must reflect how annual adjusted gross income will be calculated for households with varying income types such as those listed below.
- A written self-declaration is only allowable if no source documentation can be obtained.
- To the extent that source documents are unobtainable, a written statement by the relevant third party (*e.g.*, employer, government benefits administrator) or the written certification by the grantee and subgrantees' intake staff of the oral verification by the relevant third party of the income the program participant received over the most recent period for which representative data is available; or
- To the extent that source documents and third party verification are unobtainable, the written certification by the program participant of the amount of income the program participant received for the most recent period representative of the income that the program participant is reasonably expected to receive over the 3-month period following the evaluation.

### 3.3 Eligibility Recertification

#### Clarification:

- If a subrecipient is informed the household's income has changed between annual reexaminations, subrecipients must conduct interim redeterminations of income. Only annual redeterminations are required.

### 4 Eligible Activities and Costs

#### Clarification:

- Refer to guidelines 2.8.7 Prohibitions and 4.6 Ineligible Activities.



## 4.2 Inspections and Income Determinations

### Clarification:

- The costs associated with determining income eligibility and conducting housing inspections may be charged under administrative costs if the unit fails inspection and the tenant does not move in. If the unit passes inspection and project costs are traced to a specific TBRA recipient, costs must be charged to the budget category Inspections and Income Determinations.

## 4.3 Rent Assistance

### Clarification:

- HUD requires that subrecipients have written procedures in place to ensure timely payments to landlords. This procedure must reflect how the subrecipient will ensure payments to landlords are on time and do not accrue late fees.

### 4.5.1 Use with Other Subsidies

#### Clarification:

- In such cases, TBRA may be provided as supplemental assistance to further reduce the household's rent payment to 30 percent of adjusted income provided the receipt of such supplemental assistance is permissible under the other subsidy program.

## 6.1, 6.1.1 Rent Reasonableness.

### Clarifications:

- It is permissible to go above the payment standard provided the rent is reasonable and the tenant covers the additional cost.
- A rental lease must not be approved if the rent reasonableness is not documented or if the rent is not considered reasonable.
- To make this determination, the subrecipient should consider (a) the location, quality, size, type, and age of the unit; and (b) any amenities, housing services, maintenance and utilities to be provided by the owner. Comparable rents can be checked by using a market study, by reviewing comparable units advertised for rent, or with a note from the property owner verifying the



comparability of charged rents to other units owned (for example, the landlord would document the rents paid in other units).

## 7.2 Utility Allowance Standard

### Clarifications:

- The utility allowance must be added to the base rent to determine if the payment standard is met and rent is reasonable.

#### Example 1

*Rent is \$800 and utility allowance is \$75= \$875*

*Max Subsidy/Payment Standard is \$850. Tenant must pay the overage of \$25.*

#### Example 2

*Rent is \$750 and utility allowance is \$50=\$800*

*Max Subsidy/Payment standard is \$900. Tenant contribution may be less than 30% of adjusted income.*

## 7.3 Calculating the Subsidy and Household Contribution

### Clarifications:

- The maximum subsidy must not exceed the difference between a payment standard established by the subrecipient and 30 percent of the household's monthly-adjusted income as defined in 24 CFR 5.611.
- The minimum payment may be established at a dollar figure (such as \$50) or at a percentage of income (such as 10 percent of monthly income).
- A rent subsidy and total tenant contribution calculation worksheet must be maintained in the client file. This must reflect how the subrecipient calculated the annual adjusted gross income, subsidy, and minimum tenant contribution. An example of this worksheet is located at [HUD Exchange's Income Calculator Page](#).



### **8.3 Lease and Lease Addendum**

#### Changes:

- A copy of HUD's VAWA Lease Addendum must also be included with the addendum if the date of the written agreement with the tenant was after December 16, 2016. .
- The subrecipient must assure that the landlord's lease does not include any of the HUD-prohibited lease provisions (24 CFR 92.253). The HUD Lease Addendum provides some protection against prohibited lease provisions, but a subrecipient must review every landlord's lease for compliance with TBRA program rules and HUD requirements, or require all landlord's to use an agency-generated lease.

### **9.1 Appendix A: Required Forms**

#### Clarifications:

- Lead Based Paint Assessment (section 6.3)
- Rent Subsidy and Total Tenant Payment Calculation Form (7.3)
- Annual HSQ inspection form (section 6.2)

#### Change:

- VAWA Lease Addendum (section 8.3)

### **9.2 Appendix B: Required Policies and Procedures**

#### Change:

- Income Projection Procedure (section 3.2.1)

### **9.5.1 The Rental Certificate Model: A Predictable Household Share and Limit on Contract Rent**

#### Clarification:

- The household pays the greatest of 30 percent of monthly-adjusted income or the minimum payment of 10 percent of monthly gross income.



*In this example, the subrecipient has chosen to have their minimum tenant rent contribution be 10 percent of their monthly gross income.*

### **9.5.2 The Rental Voucher Model: Fixed Contractor Share and a Flexible Household Share and Contract Rent**

#### Clarification:

#### Exhibit 2

- In this example, the Smith's pay more than 30 percent of their adjusted income for housing because they selected a unit that rents for more than the payment standard.
- *Rent* standard changed to *payment* standard.

#### Exhibit 2.1

- In this example, the Smith's pay less than 30 percent of their adjusted income for housing because they selected a unit that rents for less than the payment standard.