

# HOPWA Frequently Asked Questions - FAQs

### National HOPWA Institute - 2017 Tampa, FL



## The HOPWA Institute:

### "Housing's Role in Ending the HIV Epidemic"

## HOPWA FAQs

The goal of this presentation is to review four common topic areas and provide you with a better understanding regarding how each of the topics pertain to administering HOPWA.

•Earned Income Disregard

•Citizenship Status & Provision of HOPWA Assistance

•TBRA & STRMU – LIHTC and/or HOME Funded Units

•Permanent Housing Placement – HOPWA TBRA & Other Housing Assistance

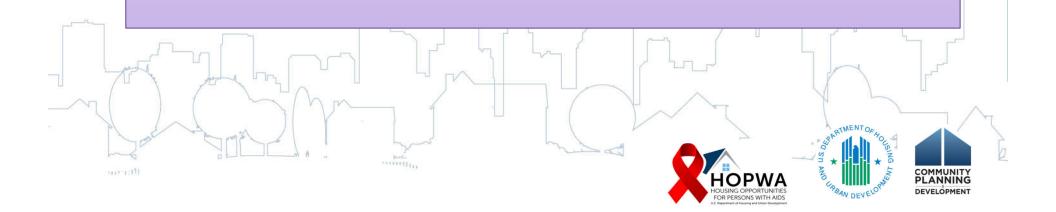




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## Earned Income Disregard

Does Earned Income Disregard apply to the HOPWA program, and have there been any changes to EID regulations?



## Earned Income Disregard

Earned Income Disregard (EID) does apply to the HOPWA program (TBRA). HUD published updated EID regulations effective May 9, 2016 reducing the EID period from 48-months to 24-months.



#### *For example:*

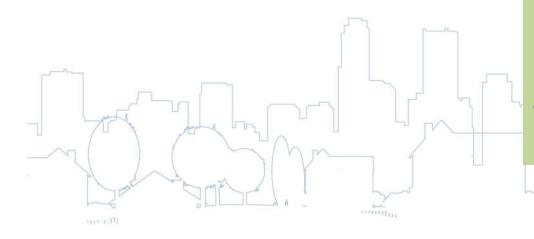
Households newly qualifying for EID with an effective date of May 9, 2016 and later were used during that time period thus eliminating previous qualifying income tracking are provided with a *one-time* 24month period in which earned income may be disregarded.

This means that at the end of the 24-months, EID ends regardless of how many months' requirements associated with the previous EID regulations.

> COMMUNITY PLANNING

### Earned Income Disregard

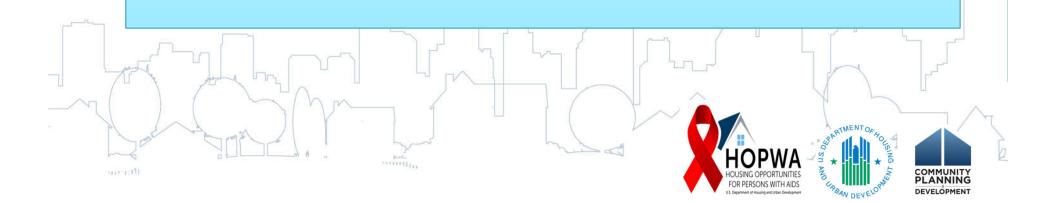
Please note that if households qualified for EID prior to May 9, 2016, *previous* EID regulations still apply.



This means that that until May 9, 2020, **HOPWA** Programs may have households who qualified under the new or prior EID regulations – potentially even in the same household.

## Citizenship Status

Can HOPWA funds be used to serve an undocumented citizen?



## **Citizenship Status**

The HOPWA regulations are silent regarding service to undocumented persons; however, HOPWA is bound to The Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA) found at: <u>http://https://www.gpo.gov/fdsys/pkg/BILLS-104hr3734enr/pdf/BILLS-104hr3734enr.pdf.</u>

Section 104 of the PRWORA Act imposes restrictions on eligibility for receipt of public benefits. Essentially, the law prohibits the provision of federal benefits to undocumented citizens by governmental or quasi-governmental agencies, such as PHAs (Section 8, etc.) and other governmental agencies. However, there is an exception to the law for charitable, religious, and private organizations necessary for protection of life or safety. Private, non-profit organizations, which make up the majority of HOPWA project sponsors, are included in this exception.

Grantees and project sponsors that are charitable, religious or private organizations are <u>not</u> <u>required</u> to, but may, verify an applicant's citizenship or immigration status before providing assistance. If a nonprofit elects to verify citizenship or immigration status, they must follow the procedures required by the Act and should consult with their legal counsel on how to comply.

### Citizenship Status

category.

If the HOPWA housing and services in question are being provided through a non-profit project sponsor organization, there is no regulatory prohibition against admitting and serving undocumented persons. Given this information, grantees may make a policy decision about serving undocumented households within these parameters. Many HOPWA programs do serve undocumented people, but some decide to restrict program eligibility to citizens. Either way, the policy should be consistent across the EMSA. And, if the grantee decides to serve undocumented people, they still cannot do so through a project sponsor that is a PHA or governmental agency - only through non-profit sponsors.

In summary, in cases where any HOPWA housing assistance is administered through a governmental agency, they may only serve prorated assistance to household members with documented citizenship status. Note that non-profit grantees and project sponsors would <u>not be</u> bound by this requirement unless the HOPWA grantee or project sponsor has made the decision not to serve undocumented applicants of any



### Utilizing TBRA & STRMU in LIHTC and HOME funded units

Can TBRA and/or STRMU be used in a property that identifies as a Low Income Housing Tax Credit (LIHTC) and/or HOME units?

HOPWA TBRA and/or STRMU may be used in conjunction with LIHTC and HOME units in some circumstances but not in others, based on the level of the subsidy attached to the unit.

#### Utilizing TBRA & STRMU in LIHTC and HOME funded units

Generally speaking, the practice among many HOPWA grantees has been to only utilize TBRA and/or STRMU in LIHTC units that have the higher, closer to market rate rents serving households in the 60% to 80% (or lower) range, as long as the client is otherwise HOPWA eligible.

In the case of HOME-funded units, the decision point for deciding whether HOPWA TBRA and/or STRMU may be used in conjunction with these units is whether the client rent portion charged to the household is based on 30% of the household's adjusted income. If this is the case, the unit is already subsidized in the same manner as HOPWA TBRA (or Section 8, etc.) and use of TBRA and/or STRMU in this case would be considered a subsidy over lap.





#### Utilizing TBRA & STRMU in LIHTC and HOME funded units

In summary, when units are already subsidized to some degree, the use of HOPWA TBRA and/or STRMU may add an additional subsidy.

Since a goal of HOPWA is to expand affordable housing, not double-up on subsidies, grantees must determine how deep the existing subsidy is and set a policy on what the cut-off will be, i.e., allowing the use of TBRA and/or STRMU for units that are only slightly or moderately subsidized versus those that are deeply subsidized as to be considered "affordable" under HUD's terms.

HUD allows grantees to set a reasonable policy, which must be applied equally to all applicants.



# Permanent Housing Placement (PHP) – HOPWA TBRA and Other Housing Assistance

Can PHP be used to assist with first month rent for a household who is moving into an apartment with a Housing Choice Voucher, HOPWA TBRA or another form of housing assistance and/or subsidized housing (such as, public housing units)?

PHP cannot be used for payment of first month's rent in conjunction with any other form of housing assistance and/or subsidized housing that already provides a payment for first month's rent, nor can PHP be used to pay the tenant's portion of first month rent.

## Question Time....

