



Memorandum

Date: January 13, 2017
To: Distribution List
Subject: **Division of Developmental Disabilities – Housing Assistance Policy**
Effective February 6, 2017

Individuals who are both Division of Developmental Disabilities (Division) and Medicaid eligible may apply for housing assistance through the Supportive Housing Connection (SHC). The SHC, a partnership between the NJ Housing and Mortgage Finance Agency (HMFA) and the NJ Department of Human Services (DHS), was created to administer DHS rental subsidies to individuals served by DHS. Individuals served by the Division can be evaluated to receive a rental subsidy in the form of an **SHC housing voucher**, based on funding availability, by contacting their support coordinator or Division case manager.

An SHC housing voucher provides rental assistance only. It does not provide funding for services and supports. The support coordinator or case manager can help an individual identify whether his/her budget can purchase sufficient services and supports in a desired unit before a request for housing assistance is made. To be considered for an SHC housing voucher an individual must have an assigned Support Coordinator.

1) Supportive Housing Connection (SHC)

The SHC administers rental subsidies for the Division. The SHC contacts the landlord, sets up the rental payment to the landlord, and arranges for a unit inspection to ensure that federal Department of Housing and Urban Development (HUD) Housing Quality Standards are met (for units not licensed by DHS). Units licensed by DHS will go through licensure through the Office of Licensing and be subject to the standards set forth in N.J.A.C. 10:44A.

The SHC housing assistance program is a **bridge program**, to be used until an individual can access a local, state, or federal housing assistance program, such as a Housing Choice Voucher (formerly known as Section 8). SHC housing vouchers are not an

entitlement, and distribution is based on available annual funding and criteria established by the Division.

2) SHC Guidelines for Rental Units where Maintenance is Included in Rent
(Generally, unlicensed settings)

To receive an SHC housing voucher, an individual/guardian must agree to monitor local, state, and federal housing assistance programs, such as the Housing Choice Voucher (formerly known as Section 8) waiting list. When housing assistance programs/waiting lists open to accept new applicants, the individual must apply. To be ready for when housing assistance programs/waiting lists open, the individual/guardian must monitor the NJ Department of Community Affairs (DCA) website, local housing authority websites, and local newspapers. When an individual is selected to receive housing assistance through another funding source, the individual must move from the SHC voucher to the other funding source. This enables the individual to continue to receive housing assistance and the Division to re-allocate the rental subsidy to another eligible individual.

No exceptions or accommodations to the SHC housing assistance guidelines will be made that could potentially be rejected by a local, state, or federal housing assistance program, such as the Housing Choice Voucher (formerly known as Section 8), or that are determined not to be in the best interest of the Division. In addition, if/when local, state, or federal housing assistance program guidelines are adjusted or changed, those guidelines will be reviewed and made applicable to existing SHC vouchers as necessary. Allocation of SHC housing vouchers is solely at the discretion of the Division.

3) SHC Guidelines for Rental Units where Maintenance is Not Included in Rent and Maintenance was Paid by the Division
(Generally, DHS licensed settings such as group homes)

As the Division shifts into the Medicaid Fee-For-Service system, vendors currently contracting with the Division will have their housing costs paid through the SHC in some circumstances. SHC guidelines for DHS licensed settings will be identical to those of unlicensed settings, with the following exceptions:

- a. Housing inspections for DHS licensed settings will be completed by the DHS Office of Licensing and adhere to the standards set forth in *N.J.A.C. 10:44A* –

Standards for Community Residences for Individuals with Developmental Disabilities. The SHC will not conduct inspections for DHS licensed settings.

- b. Single Room Occupancy (SRO) rates will be paid for these settings* in some cases. SRO is calculated at 75% of the 0-Bedroom rate for the county in which the home is located.
 - To determine the total monthly **unit rent**, multiply the SRO rate by the number of bedrooms in the unit occupied by individuals served by the Division, up to a maximum of five bedrooms. (A shared bedroom counts as one bedroom.)
 - To determine the monthly **individual rent**, divide the total rent by the total number of individuals living in the unit.
 - Each individual is provided an individual lease by the landlord.
 - Each individual contributes 30% of his/her gross annual income on a monthly basis (SSI benefit, employment wages, etc.) to the landlord, and the SHC pays the remainder of each individual's rent to the landlord.

In circumstances where the SRO reimbursement model is being utilized, security deposits are not permitted and the landlord is responsible for any maintenance costs (including but not limited to snow removal, grass cutting, etc.).

*In circumstances where a provider agency has an existing rental arrangement with a landlord where FMR is already being paid with maintenance costs included, traditional FMR standards will be used instead of SRO rate methodology. (Division-funded arrangements exceeding FMR that pre-date this Housing Assistance Policy will be reviewed on a case-by-case basis.)

4) Standards for Approval or Continuation of an SHC Housing Voucher

- a. An initial rental unit must be located and secured within 90 days of the individual receiving his/her Welcome Package from the SHC. Additional extensions (in 30-day increments, not to exceed three months) may be approved by the Division on a case-by-case basis if a good faith effort is being made to utilize the subsidy.
- b. The individual must not have previously been deemed ineligible to receive local, state, or federal housing assistance, such as the Housing Choice Voucher (formerly known as Section 8). An individual who previously received a voucher through another source and lost that voucher due to an

activity that made them ineligible to receive it again in the future is not eligible for an SHC voucher.

- c. SHC vouchers are only available to Division eligible individuals who reside in New Jersey, and may not be used outside of the State of New Jersey.
- d. The individual must maintain eligibility for Division services. This includes Medicaid eligibility and cooperation with all relevant monitoring requirements for the program that the individual is enrolled in (Supports Program or Community Care Waiver Program).
- e. The individual must notify his/her assigned worker, Support Coordinator, or Case Manager, as well as the SHC, when moving to a unit, renewing a lease, and/or when there is any change in individual or household income or in the number of individuals living in the unit. A change in the number of individuals living in the unit is considered to occur when a tenant has a guest stay for more than four consecutive weeks or a timeframe established by the landlord, whichever period is shorter. An increase in the number of individuals living in a residence may result in termination of the individual's SHC housing voucher.
- f. The individual must pay 30% of his/her gross annual income on a monthly basis directly to the landlord, as established during the application process. The individual must pay this portion of the rental cost in a timely fashion and must maintain all utilities (it is permissible to receive support from utility assistance programs). The remainder of the rental cost, up to Fair Market Rent (FMR) as established annually by HUD and DCA, is paid by the SHC directly to the landlord.
- g. The individual must apply for local, state, and federal housing assistance programs, such as the Housing Choice Voucher (formerly known as Section 8), when available. This is done by monitoring the DCA website, local housing authority websites, and local newspapers. Failure to apply for and accept housing assistance from an alternate local, state, or federal program will result in the loss of the SHC housing voucher. Upon approval of housing assistance through another program, the resident must comply with the approved living arrangement and tenant responsibility guidelines of the new coordinating program.
- h. The individual must continue to live in the residence and be in compliance with the lease for each lease term in order to remain eligible for the SHC housing voucher (a lease term is typically one year in duration). A minimum of 30 days written notice must be provided to the Division and to the SHC if the individual intends to move out of the unit at the end of a lease term.

- i. The SHC may continue to pay an individual's monthly voucher subsidy for up to six months when an individual is hospitalized, admitted for rehabilitation in a hospital setting or nursing home, admitted to a psychiatric setting, or admitted to a medical setting for health reasons. This timeframe can be shortened if the individual desires – for example, if a lease is due to expire.
- j. The SHC will not pay an individual's monthly subsidy in cases where an individual no longer resides in a unit and it is not due to hospitalization.
- k. Rental units in unlicensed settings supported by an SHC voucher must meet HUD Housing Quality Standards. The individual must allow SHC staff to inspect the unit prior to occupancy and re-inspect the unit up to 90 days before the end of each lease term to ensure HUD Housing Quality Standards continue to be met. (Thirty days' notice will be given for correction of issues; 24 hours' notice will be given for life-threatening issues.)
- l. The individual must not commit any serious or repeated violation(s) of the lease.
- m. The individual must not engage in drug-related criminal activity, violent or any other criminal activity.
- n. The individual must not receive housing assistance from another source while receiving SHC housing assistance.
- o. The individual must provide all required documentation, including proof of total household income, information regarding other individuals living in the unit, and a copy of his/her lease.
- p. The individual is assigned a housing voucher for a one-bedroom unit. If the individual wishes to live in a unit with other individuals served by the Division and/or a unit with more than one bedroom, a request must be made to and explicit permission received from the Division. Requests for a unit with more than one bedroom where only one individual will reside in the unit are generally not approved; however, if an individual actively uses multiple pieces of durable medical equipment that cannot effectively be stored in a one-bedroom unit, such as an oversized wheelchair, Hoyer lift, or shower trolley, the need for additional space will be taken into consideration.
- q. The individual must receive prior authorization from the Division before increasing the number of individuals living in a unit and/or before moving to a unit with more than one bedroom. The Gross Annual Income for a unit includes the annual income of each individual living in the unit, and requires proof of income of each individual living in the unit.
- r. The SHC will not provide housing assistance to any individual living in a unit with a monthly rent that exceeds Fair Market Rent (FMR), using guidelines

established annually by DCA. (Division-funded arrangements that pre-date this Housing Assistance Policy will be reviewed on a case-by-case basis.)

- s. The Division will not approve or administer any housing vouchers related to live-in aides. Any circumstances where an individual requests a live-in aide will be deferred to DCA. Standards for live-in aides will be those established by DCA and a determination will be made solely by DCA. If approved, DCA will administer the subsidy and all DCA's established program rules will apply. Any requests for live-in aide(s) denied by DCA will not be approved by the Division.
- t. Subsidized units may not be used for commercial activities. Units must remain residential in use as defined by HUD and IRS guidelines.
- u. SHC subsidies cannot be used to subsidize bedrooms or units utilized as staff offices. Units not subsidized through an SHC housing voucher are not impacted by this provision.
- v. With permission from the Division, the SHC may pay a one-time-only security deposit for an individual if there are no other means of obtaining a security deposit. If the individual relocates to a new unit with the SHC subsidy, returned security deposits will be applied toward security deposit at the new unit and the individual must pay the difference. If the security deposit is lost due to eviction, damage, etc. the individual must pay the entire security deposit at the new unit.
- w. The SHC subsidy does not reimburse or provide payment for:
 - Division of Mental Health and Addiction Services (DMHAS) Level A+, A, B, or C Programs, Boarding Homes, Residential Health Care Facilities, or Rooming Houses.
 - Any fees associated with having pets in a unit. (In cases where a pet is a service animal, the individual must provide information directly to the landlord.)
 - Home association fees.
- x. An SHC subsidy cannot be used when:
 - The unit owner is related to the individual, such as a parent, child, grandparent, grandchild, sister, brother. (Division-funded arrangements that pre-date this Housing Assistance Policy will be reviewed on a case-by-case basis.)
 - A unit is occupied by its owner or by any person with interest in the unit.
- y. When an individual requesting SHC housing assistance has a shared-living arrangement, the Division will review on a case-by-case basis. In a shared-living arrangement, the FMR is divided by the number of bedrooms in the unit so that each tenant is responsible for an equal share of the total unit rent. For

example: FMR is \$1200 per month for a two-bedroom unit where one individual receives an SHC subsidy and the other does not. Each of the individuals is responsible for \$1200/2 bedrooms, or \$600 per month. The individual with the SHC subsidy pays 30% of his/her gross annual income on a monthly basis directly to the landlord, while the SHC remits the remainder of that individual's rental share directly to the landlord. The other individual living in the unit (and not receiving an SHC subsidy) is responsible for his/her rental share.

- z. When an individual requesting SHC housing assistance and/or a person the individual wishes to live with is known to have a history of eviction for non-payment of rent, the SHC subsidy may be denied. The Division will review such circumstances on a case-by-case basis.

5) Grounds for Denial or Termination of SHC Housing Voucher

- a. The individual violates any obligation under the NJ DDD Rental Subsidy Agreement.
- b. The individual engages in criminal activity including drug related or violent activity.
- c. The individual commits fraud, bribery, or any other corrupt or criminal act in connection to the Division's Housing Assistance Program.
- d. The individual allows other individuals to live in the rental unit who have not been reported to the Division and/or have not received prior Division approval to live in the unit.
- e. The individual refuses to pay his/her portion of the rent; refuses to pay for damage to the unit; and/or refuses to pay other amounts owed to the landlord under the lease.
- f. The individual refuses to allow a home inspection and/or refuses to comply with HUD Housing Quality Standards or licensure through 10:44A, whichever is applicable.
- g. The individual refuses to provide required documents, such as a copy of the term lease, proof of his/her income, or proof of income of other individuals living in the unit.
- h. The individual is or becomes ineligible for Division services or Medicaid, or does not comply with Supports Program or Community Care Waiver Program monitoring requirements.

6) Family Owned Homes as Rental Properties and the SHC

SHC subsidies cannot be used to create arrangements where the owner of a unit is related to the individual, such as a parent, child, grandparent, grandchild, sister, brother. SHC subsidies also cannot be used in cases where the unit is owner-occupied or occupied by any person with interest in the unit. Utilization of a Limited Liability Corporation (LLC) or other construct by a singular family for the sole purpose of creating a rental arrangement for a related individual would not void this provision. Individuals/families interested in this type of arrangement must work with HUD, DCA, or another agency to achieve this outcome – not with the Division. Exceptions are only considered in limited circumstances where there is an existing Division-funded arrangement that pre-dates this Housing Assistance Policy.

7) Requests for Review

Denial of Voucher – New Applicants

If an individual's initial request for an SHC housing voucher is denied, the individual or his/her guardian will be notified in writing by the Division. The individual may request a review of the denial after all relevant information has been submitted to the Division's Housing Assistance Unit, including any follow up requests for information by that unit. The Division's Housing Subsidy Unit can be reached by calling 732.968.4222 and asking to speak with a Housing Subsidy Unit representative.

Requests for review will only be considered if information/evidence is provided showing that policy(s) around voucher denial were not appropriately followed. Reviews are not considered when the sole basis is an objection to current policy(s).

A request for review must be submitted in writing within twenty (20) days of the date of the denial letter. The request for review should include the name, address, phone number, and e-mail address (if applicable) of the individual/guardian and the factual basis/reasons for the request for review. Requests for review should be sent to:

NJ Division of Developmental Disabilities
Housing Subsidy Unit
275 Greenbrook Road
Green Brook, NJ 08812

Termination of Voucher – Existing Recipients

Warning of Termination Letter

If an individual fails to comply with program policies, he/she is at risk of subsidy termination. Individuals at risk of subsidy termination will be notified in writing by the SHC that they are at risk of subsidy termination. This Warning of Termination Letter will (a) provide details about what to do to come into compliance with program policies and avoid subsidy termination, and (b) identify a date by which the individual must come into compliance or subsidy will be terminated.

Termination Letter

If the individual/guardian fails to come into compliance with program policies by the date identified in the Warning of Termination Letter, notification of subsidy termination will be served. This Termination Letter will be sent by the SHC and provide a thirty (30) day notice of subsidy termination. The property landlord will also receive notice of subsidy termination using the same timeframe. Subsidies cannot be terminated by the SHC without authorization from the Division.

If an individual disagrees with the termination of subsidy, a request for review may be submitted. Requests for review will only be considered if information/evidence is provided showing that voucher termination policy(s) were not appropriately followed. Reviews are not considered when the sole basis is an objection to current policy(s).

A request for review must be submitted in writing within twenty (20) days of the date of the Termination Letter. The request for review should include the name, address, phone number, and e-mail address (if applicable) of the individual/guardian and the factual basis/reasons for the request for review. Requests for review should be sent to:

NJ Division of Developmental Disabilities
Housing Subsidy Unit
275 Greenbrook Road
Green Brook, NJ 08812

Requests for review will be examined within five business days of receipt and the requestor will be notified in writing of the outcome.

Please direct all inquiries regarding the Housing Assistance Policy to Jonathan Seifried:
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