

STATE OF VERMONT
AGENCY OF HUMAN SERVICES

DCF

Department for Children and Families



FROM: Sean Brown, Deputy Commissioner
Economic Services Division

BULLETIN NO.: B15-18

DATE: May 4, 2015

SUBJECT: Vermont Rental Subsidy Program Procedures

CHANGES ADOPTED EFFECTIVE May 4, 2015

INSTRUCTIONS

- Maintain Manual - See instructions below.**
- Proposed Regulation - Retain bulletin and attachments until you receive Manual Maintenance Bulletin: _____**
- Information or Instructions - Retain until _____**

MANUAL REFERENCE(S):

P-2695

The purpose of this bulletin is to outline the initial and ongoing eligibility criteria for applicants and recipients of rental assistance through the Vermont Rental Subsidy Program, as established in the program's application and training materials.

Manual Maintenance

General Assistance Procedures

Remove

None

Insert

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P-2695 Vermont Rental Subsidy Program

The Vermont Rental Subsidy Program (VRS) is a housing assistance program within the General Assistance program to provide short-term rental assistance to Vermont households whose monthly income would otherwise be insufficient to afford the cost of renting in their communities. VRS is intended to provide rental assistance and case management services for up to 12 months while the household is actively working to increase their income or secure other forms of longer-term affordable housing. VRS is not an entitlement program and may be discontinued when the appropriation has been fully spent.

The following General Assistance rules shall apply to all VRS applicants and recipients:

- Rule 2601 – Application;
- Rule 2603 – Definitions;
- Rule 2604 – Citizenship and Residence;
- Rule 2605 – Applicant’s Responsibility;
- Rule 2640 – Income; and
- Rule 2646 – Excluded Income.

A. Application

Every VRS application must be fully completed and signed by the applicant, housing support worker, Reach Up case manager or Vocation Rehabilitation counselor (if applicable), and the Field Services Director, or his or her designee, for the housing review team. Incomplete or unsigned applications shall be denied.

The Department will cross check information provided in the VRS application with information previously reported to the Department for other programs. If the information does not match, the Department shall request verification of inconsistent information via email from the Field Services Director or their designee. The Department shall deny the application if the requested verification is not received within 30 days.

B. Initial Eligibility

To qualify for rental assistance through VRS, applicants must meet all of the following eligibility criteria:

1. Be currently homeless, as defined by the Agency of Human Services Housing Policy;
2. Have applied for all other available subsidized housing programs (e.g. family unification program, housing authority, etc.);
3. Cannot be receiving rental assistance through any other subsidized housing program;
4. For Reach Up or GA/EA recipients, must be in compliance with all applicable program requirements;
5. Be eligible for Section 8 rental assistance pursuant to HUD regulations;
6. Monthly expenses must not exceed monthly income, according to income and expenses for the 30 days prior to the date of application; and
7. Net monthly income (income minus expenses) cannot be less than 30% of total monthly income.

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C. Criteria for Prioritizing VRS Applications

The number of openings for the VRS program shall be determined according to the funds appropriated for the program for that fiscal year. If there are no openings in the program at the time the Department receives an application, the applicant shall be placed on the VRS waiting list. The applicant's position on the waiting list shall be determined according to the following point system:

| Category | Description | Points |
|---------------------------|----------------------------------|--------|
| Household Type | Reach Up/PSE Recipient | 20 |
| | SSI Recipient | 15 |
| | Below 125% of FPL | 10 |
| Household Size | 1-2 | 1 |
| | 3-4 | 2 |
| | 5 or more | 3 |
| Current Housing Situation | GA/EA temporary housing | 10 |
| | Emergency Shelter | 10 |
| | Meets AHS definition of homeless | 4 |
| Source of Income | Employment | 10 |
| | Reach Up and/or SSI | 5 |

Points shall be assigned only once within each category. The maximum number of points is 43. Applicants with the highest number of points shall receive priority for the next available VRS opening. If more than one applicant receives the same number of points, the applicant will be placed on the waiting list in the order of the time and date the application was received.

Applicants shall remain on the waiting list until an opening becomes available for the applicant or the applicant or housing review team requests that the applicant be removed from the list.

Applicants are required to report any change in circumstances within 15 days during their time on the waiting list and points shall be adjusted accordingly. Applicants must continue to meet the initial eligibility criteria listed in P-2695(B) to remain on the waiting list.

D. Tentative Approval

1. Applicants who meet the eligibility criteria listed in P-2695(B) shall be tentatively approved for VRS if there is an opening available. The tentative approval notice shall include the portion of rent the applicant will be responsible for each month, rental unit size, the maximum allowable rent plus utilities, and the district in which the rental unit must be located.

a. Client Portion Minimums

VRS clients are responsible for paying the greater of 30 percent of their gross monthly income or the portion minimum toward their rental costs. The portion minimum for rental units located in Chittenden County is \$232. The portion minimum for rental units located outside of Chittenden County is \$198.

b. Rental Unit Size

Rental unit size is determined based on household size. The following chart shows the rental unit size by the number of persons in the household:

| Rental Unit Size | Persons in Household |
|-------------------------|-----------------------------|
| 1 Bedroom | 1-2 |
| 2 Bedrooms | 2-4 |
| 3 Bedrooms | 3-6 |
| 4 Bedrooms | 4-8 |
| 5 Bedrooms | 6-10 |

The Department will assign one bedroom for each two persons within the household, except in the following circumstances:

- Persons of different generations and unrelated adults will be allocated a separate bedroom.
- Live-in aides will be allocated a separate bedroom.
- Children, in the Department's custody not currently living with the family, but likely to be reunified within 180 days will be included in the household for the purposes of determining rental unit size.

c. Maximum Allowable Rent

The following table shows the maximum allowable rent plus utilities a client may pay while receiving VRS rental assistance:

| Vermont Rental Subsidy Program - Maximum Allowable Rent including Utilities | | | | | |
|---|-------------------------------------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|
| This table is to be used by the Tenant and Housing Support Worker during the housing search. The figure indicated shows the maximum allowable rental costs (rent, heat, hot water and electricity) eligible under the Vermont Rental Subsidy Program. | | | | | |
| Effective Date: December 1, 2011 | | | | | |
| County / Area | Number of Bedrooms | | | | |
| | Efficiency (Including Utilities) | 1 BR (Including Utilities) | 2 BR (Including Utilities) | 3 BR (Including Utilities) | 4 BR (Including Utilities) |
| Burlington (City of Burlington, South Burlington, Essex, Colchester, Williston Town, City of Winooski, Shelburne Town and Charlotte) | \$862 | \$954 | \$1,197 | \$1,532 | \$1,718 |
| Chittenden (All other Chittenden County towns.) | \$776 | \$859 | \$1,077 | \$1,379 | \$1,547 |
| Addison | \$567 | \$738 | \$888 | \$1,121 | \$1,495 |
| Bennington | \$610 | \$764 | \$889 | \$1,158 | \$1,361 |
| Caledonia | \$575 | \$598 | \$750 | \$950 | \$983 |
| Essex | \$545 | \$611 | \$743 | \$947 | \$1,110 |
| Franklin | \$776 | \$859 | \$1,077 | \$1,379 | \$1,547 |
| Grand Isle | \$776 | \$859 | \$1,077 | \$1,379 | \$1,547 |
| Lamoille | \$611 | \$733 | \$854 | \$1,189 | \$1,499 |
| Orange | \$607 | \$686 | \$799 | \$1,112 | \$1,147 |
| Orleans | \$435 | \$599 | \$669 | \$845 | \$1,062 |
| Rutland | \$550 | \$720 | \$837 | \$1,107 | \$1,416 |
| Washington | \$615 | \$720 | \$901 | \$1,217 | \$1,362 |
| Windham | \$678 | \$706 | \$928 | \$1,122 | \$1,157 |
| Windsor | \$704 | \$789 | \$927 | \$1,262 | \$1,502 |

Utilities are defined here as heat, hot water and electricity. A table for estimating these costs and calculating total rental costs appears below.

Vermont Rental Subsidy Program - Utilities Worksheet

This table is to be used by the Tenant and the Housing Support Worker to estimate monthly costs for heat, hot water and electricity when these are not included as part of the monthly rent. Total monthly costs for rent plus these utilities may not exceed the figure given on the monthly payment standards chart.

Effective Date: December 1, 2011

| Utility | Number of Bedrooms | | | | |
|--------------------------|--------------------|-------|-------|-------|-----------|
| | Efficiency | 1 BR | 2 BR | 3 BR | 4 or 5 BR |
| Heat | | | | | |
| Not included in rent | \$96 | \$118 | \$141 | \$163 | \$185 |
| Hot Water | | | | | |
| Included in rent | \$0 | \$0 | \$0 | \$0 | \$0 |
| Not included in rent | \$35 | \$49 | \$62 | \$75 | \$88 |
| Other Electricity | | | | | |
| Included in rent | \$0 | \$0 | \$0 | \$0 | \$0 |
| Not Included in Rent | \$10 | \$25 | \$39 | \$53 | \$67 |

Rent + Heat + Hot Water + Electricity = Maximum Allowable Rental Costs

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d. Rental District

The Department will assign the location of the rental unit according to the district in which the applicant's housing review team is located. The assigned rental district may be changed if the applicant submits a new application signed by the housing review team located in the new district.

2. Applicants must locate a rental unit within 60 days from the date of tentative approval notice. The rental unit must meet the criteria for size and maximum allowable rent and must be located within the district indicated in the tentative approval notice. The Department shall deny the application if the applicant has not located a rental unit meeting these criteria within 60 days of the date of the tentative approval notice.

E. Final Approval

1. In order to obtain final approval for VRS rental assistance, an applicant must submit the following documentation to the Department within 15 days of notifying the Department that a rental unit has been located:
 - Housing inspection stating that the rental unit has passed inspection;
 - Executed lease agreement and completed VRS lease addendum; and
 - Shelter expense statement completed by landlord and signed by the tenant.

The Department shall deny the application if the above documentation is not accurately completed and received within 15 days of the Department receiving notification that a rental unit has been located.

2. The client's portion of the rent shall be prorated for the first month if the lease term does not begin on the first of the month according to the following procedure:
 - Determine the prorated rent by multiplying the cost per day by the number of days being prorated.
 - Determine the percentage of total monthly rent the client's portion represents.
 - The client's prorated portion is equal to the percentage above multiplied by the prorated rent.

F. Ongoing Eligibility

1. VRS rental assistance shall continue for 12 months unless the client:
 - Receives another housing subsidy or voucher (e.g. Section 8, Family Unification Voucher);
 - Becomes ineligible for Section 8 rental assistance pursuant to HUD regulations;
 - Is evicted (excluding no cause or sold property evictions pursuant to 9 V.S.A. § 4467);
 - Is not working with Vocational Rehabilitation to return to work or obtain SSI/SSDI;
 - Is not working with their housing support worker;
 - Is sanctioned under the Reach Up program for three or more months; or
 - Has not paid their portion of the rent for three or more months.

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2. VRS rental assistance may be extended in increments of up to three months. The client's housing support worker must submit a client review form for each extension requested. Client review's must be approved by the designated housing review team and received by the Department no later than the first day of the last approved payment month. The Department will consider the following factors in determining whether an extension is appropriate:
 - Client's housing and financial status (e.g. whether the client is a tenant in good standing, whether the client is in the process of securing a longer-term housing subsidy; whether the client has been working to increase income);
 - Where the client will live and whether they will continue case management if an extension is not granted;
 - Whether the client is included in the Vermont State Housing Authority's transitional preference group for VRS;
 - Housing support worker's rationale for supporting or opposing the extension; and
 - Likelihood that the client will achieve self-sustainability in the amount of time for which the extension is requested.

Granting or denying an extension is entirely within the discretion of the Department. During an extension, VRS rental assistance shall be terminated for any of the reasons listed in P-2695(F)(1).

G. Change of Circumstances

Applicants are required to report any change in circumstances within 15 days to the Department.

1. Income

When there is a change in household income, the client portion will be recalculated to reflect 30 percent of gross monthly household income or the portion minimum (see P-2695(D)(1)(a)).

2. Household Composition

If the head of household leaves the household for more than one calendar month, VRS rental assistance will be terminated. At the Department's discretion, VRS rental assistance may continue if there are extenuating circumstances.

3. Relocation

Clients may relocate once during the initial 12 months. The new residence must meet all of the requirements with respect to rental unit size and maximum allowable rent. The documentation listed in P-2695(E)(1) must be submitted within 15 days of notifying the Department that a new rental unit has been located. If the client would like to relocate to another district, the housing review team located in the new district must approve. The Department shall terminate rental assistance for clients who relocate more than once within the initial 12-months. The Department shall terminate rental assistance for clients who relocate during an extension period. At the Department's discretion, VRS rental assistance may continue if there are extenuating circumstances.

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H. Fair Hearings and Deputy Commissioner Review

1. Fair Hearings

An applicant or recipient may file a request for a fair hearing with the Human Services Board pursuant to 3 V.S.A. § 3091. If the individual is within the first 12 months of receiving rental assistance, assistance shall continue without change if the individual requests a hearing before the effective date of the reduction or termination of benefits and wishes to have assistance continue during the fair hearing process. Assistance shall not continue beyond 12 months. If assistance continues at the same level and the Human Services Board affirms the Department, then any overpayment received by the individual pending the fair hearing will be subject to recoupment.

2. Deputy Commissioner Review

Applicants or recipients may request that the Deputy Commissioner, or his or her designee, review the Department's decision to deny or terminate assistance. Requests for review must be submitted to the Department within 15 days of the date of the notice. The Deputy Commissioner's decision may be appealed to the Human Services Board pursuant to 3 V.S.A. § 3091 and subsection (1) above.