

U.S. Department of Housing and Urban Development

Community Planning and Development

Special Attention of:

**All HOPWA Formula Grantees
All HOPWA Competitive Grantees
All CPD Field Office Directors**

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Cross References

24 CFR Part 574 -- Housing Opportunities for
Persons With AIDS (HOPWA)

Subject: Standards for HOPWA Short-term Rent, Mortgage, and Utility (STRMU) Payments and
Connections to Permanent Housing

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Distribution: W-3-1,

I. Overview:

(a) Authority. Section 858 of the AIDS Housing Opportunity Act (“Act”), 42 U.S.C. 12907, authorizes the use of Housing Opportunities for Persons With AIDS (HOPWA) funds for short-term rent, mortgage, and utility payments (STRMU) to prevent the homelessness of the tenant or mortgagor of the dwelling. Regulations implementing STRMU are found at 24 CFR 574.300(b) and 574.330. This part of the HOPWA program is often referred to as "Short-term" or "Limited Housing Assistance" since clients are households who are facing the loss of their current housing arrangements through pending eviction, foreclosure, or the termination of utilities due to non-payment of these expenses. Clients can solicit help in paying some or all of these eligible expenses when they are in arrears in order to eliminate the threat of homelessness of the HOPWA client.

The objective of the HOPWA program is to address the housing needs of eligible persons associated with the challenges of living with HIV/AIDS. STRMU payments are for eligible individuals and their household family members who are already in housing and who are at risk of losing that housing. STRMU should **not** be used to assist a client with locating a housing unit or with other move-in support, as the household should already have a housing arrangement. Other sections of the Act provide for assistance with these other types of ~~housing needs, such as: (i) shelter for persons who are homeless in a short-term supported housing facility;~~ (ii) tenant-based or project-based rental assistance to secure permanent, affordable housing units for on-going support; (iii) residency in a community residence or other housing facilities which provide other forms of on-site support and care; and (iv) housing information services on other housing options, such as public or private housing assistance or homeownership opportunities and support (see the permanent housing placement discussion in section V(b)).

(b) Purpose. This Notice provides guidance in operating short-term rent, mortgage and utility payments (STRMU) projects under the Housing Opportunities for Persons With AIDS (HOPWA) program. STRMU payments are used to prevent homelessness of individuals and families by helping them remain in their own dwellings. This Notice updates and replaces CPD Notice 02-09, issued November 5, 2002, on this subject and related supportive services. Grantees must implement this Notice as soon as practicable. The target date should be the start of the next operating year under their Consolidated Plan schedule or competitive grant agreement, which occurs after this publication date. However, as a program-wide standard, grantees must implement this Notice no later than October 1, 2006.

The goal of STRMU assistance under the HOPWA program is to provide short-term interventions that help maintain stable living environments for households who are experiencing a financial crisis as a result of issues arising from their HIV/AIDS condition. STRMU assistance is a type of prevention that is intended to reduce the risks of homelessness, and, along with other HOPWA efforts, to improve access to health care and other needed support. As a reasonable HOPWA program goal, this Notice seeks to foster long-term solutions to housing problems for clients receiving this time-limited housing assistance. This can be done by the creation and use of individual housing service plans that include an assessment of current resources and establish long-term goals for recipient households along with access to other support, where needed. These goals should involve efforts to restore client self-sufficiency and future independence from the need for housing support. On-going assessments of the housing assistance and supportive services requested by participants, as required under 24 CFR 574.500, may be evidenced by the development of a housing service plan for every client of the agency approving the expenditure of STRMU payments. Stand alone STRMU payments are likely to create only a temporary solution for an unstable living arrangement unless connected to a long-term housing service plan for maintaining the household.

This Notice will assist grantees in determining the eligible payment period for STRMU benefits. Grantees and Project Sponsors must verify tenancy and the household’s short-term housing needs. Grantees are encouraged to coordinate related housing efforts to assess the on-going housing needs of these households, establish an individual housing service plan for each household, and provide access to other permanent housing options for HOPWA eligible persons and their families. In some situations, the household may be

helped to secure other forms of housing support, such as residency in a community residence or in another housing facility that provides on-site support or qualify for another public housing program. In other situations, the eligible person and his family may be able to transition out of public support in cases where the household is appropriately housed and capable of independent living with private resources. For some, the plan may establish that the household was assisted in addressing a temporary housing crisis, and that, with STRMU assistance, the matter was resolved to allow for continued self-sufficiency of the household.

(c) Generalized statement of eligible activities to prevent homelessness.

This chart is intended to clarify how STRMU payments and other HOPWA eligible housing activities can be used to help households achieve more stable housing arrangements. Rows 1-7 are eligible housing activities under HOPWA-funded programs. Short-term rent, mortgage and utility payments to prevent homelessness of eligible persons is listed in column A, and other related HOPWA eligible activities in columns B-E, as found at 24 CFR 574.300(b).

Eligible HOPWA Activity (right) and type of benefit (below)	A. Short-term Rent, Mortgage and Utility payments	B. Tenant-based Rental Assistance	C. Housing Information Services	D. Permanent Housing (PH) Placement as a Supportive Service	E. Housing Case Management as a Supportive Service
1. Rent payments (for households with a lease)	Yes, if within 21 week limit	Yes, if done with inspections for Housing Quality Standards and with resident rent payments	No	No	No
2. Mortgage payments (but not down-payment support for new units)	Yes, if within 21 week limit (for costs within the mortgage agreement)	No	No, but can be related support through information on homeownership programs	No	No
3. First month's rent and security deposits; credit checks	No	No	No	Yes, for reasonable costs to move persons to permanent housing, not to exceed 2 months of rent costs, including security deposits and fees for credit checks	No
4. Utility payments (gas, electric, water and sewer)	Yes, if within 21 week limit	Yes, if part of the rental payment	No	Yes, but only for one-time utility hookup and processing costs	No
5. Information and/or support to locate and apply for housing assistance	No	No	Yes, for costs for providing information and materials that inform clients of available housing	Yes, as support and help to complete PH applications, and eligibility screenings for tenancy or utilities for these units	Yes, such as counseling and help to develop a housing service plan to establish stable permanent housing
6. Move-in support, such as supplies, furnishings, incidental costs, and minor repairs of housing units	No	No	No	No, however programs may coordinate with leveraged resources and donations for these purposes	No
7. Other elements	No	No	No	Life skills and housing counseling on unit cleaning, maintenance and household budgeting	Help to access other benefits, such as health-care and other supportive services

NOTE: STRMU projects should consider how to access other housing, as needed, including permanent housing programs. STRMU costs are direct housing and utility costs and do not include personal items such as grooming, clothing, home and personal furnishings, supplies, care for pets, financial assistance, consumer credit payments, entertainment activities, vehicle maintenance and repairs, phone service, and other non-housing-related costs. See additional HOPWA standards at 24 CFR part 574.

II. Standards for STRMU Payments:

(a) Confidentiality of Client Information. The provision of HOPWA funding involves information on the HIV/AIDS status of individuals for the purpose of determining eligibility for program support. Such information is subject to confidentiality requirements, as mandated by Section 856 of the AIDS Housing

Opportunity Act. The implementing HOPWA regulation, as set forth at 574.440, states: “*The grantee shall agree, and shall ensure that each project sponsor agrees, to ensure the confidentiality of the name of any individual assisted under this part and any other information regarding individuals receiving assistance.*” Consistent with statutory and regulatory requirements, grantees and project sponsors must ensure that information is used for the limited purpose of establishing program eligibility. HIV/AIDS status, along with related client eligibility documentation, should only be accessible by qualified individuals who determine eligibility or provide support, or who oversee the provision of this federal assistance. Grantees must have written procedures and training efforts in place to maintain confidentiality. Precautions may include, but are not limited to, maintaining paper files in locked cabinets accessible only by designated individuals, and installing security software for electronic files. Grantees should conduct periodic monitoring of these procedures and undertake related training efforts. As in other areas involving sensitive or protected client information, questions should only be asked and recorded when a program or project has adequate data confidentiality protections in place. However, such actions shall not limit the collection of non-personal data necessary to demonstrate sound management of program resources, such as aggregated non-identifying information collected for program performance reports, or controlled access by an authorized governmental official to adequately conduct a program management monitoring or financial audit. Failure to comply with this section shall be considered a default of grant responsibilities, which, after notice, may give rise to suspension and/or loss of grant funds, as well as other potential actions or liability.

(b) Connection to Permanent Housing. As a short-term intervention tool, STRMU assistance is not intended to provide continuous or perpetual assistance. Other types of HOPWA assistance, such as rental assistance (see 574.300(b)(5)), residency in community residences or other housing facilities (see 574.300(b)(3), (4) and (8)), or assistance with access to other housing programs should be employed when client assessments indicate that little or no improvement of the "conditions" that caused this financial burden are likely during or after the 21-week benefit period. STRMU assistance is “needs-based” and intended to benefit clients who are temporarily unable to meet their monthly housing and utility expenses due to unexpected situations. STRMU assistance should be consistent with an assessment of the family’s housing or utility needs and connected to the establishment of a related individual housing service plan to address those on-going needs.

(c) Eligibility for STRMU—HIV and Low-income Status. To receive STRMU assistance, the client must be eligible for HOPWA assistance. Pursuant to 24 CFR 574.3, an eligible person means “a person with acquired immunodeficiency syndrome or related diseases who is a low income individual . . . and the person’s family.” The project sponsor must maintain documentation that the assisted person is HIV positive or has a diagnosis of AIDS, as determined by a health professional competent to make such a determination. Sufficient determinations include documentation resulting from appropriate HIV tests administered by a physician’s office, HIV counseling center or community health center. Documentation must also confirm that the eligible person and his family are low-income, as measured as 80 percent of area median income, and provide for periodic updating of income information, such as annual re-determinations (see: HUD income limit information for Fiscal Year 2006 income limits at <http://www.huduser.org/datasets/il/il06/index.html>).

(d) Eligibility for STRMU—Current Resident. In order to receive STRMU assistance, there must be evidence of client tenancy or ownership and residency. To receive rental payments, the eligible person or a member of the resident household must present evidence that he is a named tenant under a valid lease or that he is a legal resident of the premises. To receive a mortgage payment, the eligible person must demonstrate that he is the resident owner of mortgaged real property. For utility assistance, the eligible person must have an account in his name with a utility company **or** proof of responsibility to make utility payments, such as cancelled checks or receipts in their name from a utility company. Individuals who have prior criminal histories, poor credit or lack of rental history often do not have leases or utility accounts in their name; however, they are responsible for paying the housing expenses. Satisfactory evidence of tenancy includes the lease naming them as leaseholder or eligible household occupant, or a default/late payment notice that identifies the eligible person or a resident member of the family as a named tenant under the lease. Satisfactory evidence of ownership of encumbered property includes: (i) a deed accompanied by a mortgage or deed of trust; (ii) a mortgage or deed of trust default/late payment notice which identifies the eligible

person or a resident member of the family as the property owner/debtor; and (iii) a valid, current dated title insurance policy identifying the eligible person or a resident member of the family as property owner/debtor.

(e) Eligibility for STRMU—Risks of Homelessness. HOPWA is a "needs-based" program; therefore, clients must demonstrate the level of benefits needed through verifiable documentation. Federal assistance covers actual costs, which are not covered or reimbursed from other available resources when the household is unable to make payments for monthly housing costs. Program staff are responsible for verifying and documenting the client's inability to make required payments. The housing service provider should assess that the household's needs are (i) for actual costs, (ii) that other resources, such as household income, are not reasonably available to address the unmet housing need, (iii) that the STRMU payment will alleviate the payment delinquency so as to avoid the eviction and result in, at least, temporary stability for that household, and (iv) that the household's on-going housing needs were assessed or will be assessed in connection with the development of an individual housing service plan for the household. STRMU payments cannot be made to an eligible person and their family for the same period of time or housing costs if assistance is also being provided for those costs and period of time through HOPWA or another federal, state or local housing subsidy program.

Although STRMU assistance does not require the client to pay a portion of the rent or utility bill, STRMU payments must not be used to relieve the household responsibility for their rent, mortgage, or utility payments in the absence of inability to pay. If a client is capable of paying some of their required payments, program staff may negotiate an appropriate amount for the household's contribution to ensure these partial payments are made by the client, thereby limiting STRMU payments to the difference between the amounts due and the amount the client is able to pay. If clients know that they could save some weeks of assistance for future emergencies by paying at least a portion of the debt and having the assisted portion count as only a portion of the month, it fosters more incentive and accountability with that client. For example, program staff might determine through the assessment process that the client is able to pay \$100 of their \$400 rent (equal to $\frac{1}{4}$ of the total). For the purposes of tracking, the amount of weeks or period of assistance used would be only for the part of the monthly housing costs paid by STRMU, which in this case is $\frac{3}{4}$ of the month or three weeks of assistance (see section IV). In providing STRMU assistance, program staff must document that the client has no other means to cover the payment(s) during the 21-week period and that the grantee is making efforts to develop a permanent solution to this housing affordability problem. Included in this Notice is a table demonstrating how these payments can be tracked to help assure adherence to the 21-week payment limitation.

(f) Capped Payments. For STRMU assistance a grantee may authorize a project sponsor to establish a capped amount for the individual or family's housing or utility assistance payment for a given period of time. In establishing a capped amount, grantees must consider the area's Fair Market Rent, rent reasonableness or other measure of the area's housing market with a goal that the level of support is sufficient to avoid any continuing household housing crisis. Should a grantee apply caps or limitations on the amount of assistance, the use of these limits must be applied in a uniform, consistent and non-discriminatory manner. In the case that a household receives the maximum subsidy for that period, HUD will consider the assistance to have been attributable to the entire 21-week period allowed by the regulations. If the grantee allows a provider to establish a program limit or schedule of support available as STRMU payments, the use of the limit must be established as an expressed element of the grantee's annual action plan under the Consolidated Plan, or as a specific element in an approved competitive application. The use of this schedule must be assessed for its appropriateness in assistance provided to eligible persons and monitored for consistency by the grantee. The grantee should report its assessment to HUD as an expressed element of the grantee's annual report to ensure that the use of any schedule results in adequate and appropriate housing support of the households assisted. The assessment must cover the four items found in paragraph (e) on actual need.

(g) Suitable Housing Units. As STRMU is used to support households in their current housing, it is required that projects assess whether the housing is safe, decent and sanitary as part of their required on-going assessment of the housing assistance provided through this federal program. A housing quality standard inspection is not required initially for the use of these time-limited STRMU payments, if needed to prevent the homelessness of the household and the unit is safe and decent. However, it is strongly recommended that

continued occupancy of any HOPWA-supported housing be shown to meet HUD's habitability standards found at 24 CFR 574.310(b)(2), and that any observed deficiencies noted in an individual housing service plan are addressed appropriately, consistent at a minimum with state and local standards.

(h) Comment on IRS Reportable Income. Generally, short-term rent and rental assistance payments are reportable income for property owners and landlords and the provider of such assistance for HOPWA clients is responsible for reporting under IRS form 1099, if such assistance is greater than \$600 to any recipient property owner or landlord in the calendar tax year. See CPD Notice 89-17 (Feb. 27, 1989), which provides guidance on Form 1099 and HUD program recipients.

III. The Eligible STRMU Period—Standard Methods to Track:

(a) Limit of 21 Weeks. The statute and related regulations place limitations on the length of time clients may receive STRMU assistance. Beneficiaries should be prompted to make at least a partial payment for their housing costs. Assistance may not be provided for costs accruing over a period of more than 21 weeks in any 52-week period. Therefore, program staff are required to examine the periods of time covered by rental, mortgage and utility bills to assure that payments are not made in excess of amounts incurring over 21 weeks. Note that short-term support should be connected to helping households with more long-term needs with other forms of support. All STRMU costs may be equated to the actual calendar days of assistance provided; however, HOPWA allows other acceptable methods for equating and tracking the "benefits period" as most costs relate to monthly billing cycles for rent, mortgage or utility payments. Once a grantee selects the method it intends to use for calculating the maximum allowable period of benefits, the grantee must use that particular method for every project sponsor. The purpose of allowing these three methods is to help grantees establish clear procedures for tracking the application of this 21-week limit on such monthly costs. The four standard methods are as follows:

(1) CALENDAR DAYS OF ASSISTANCE. This method would be equal to the actual days for which housing and/or utility payments are made on behalf of the client household. The limit of 21 weeks is equated to 147 days of assistance in the year. Example #1: If a total utility bill was paid and the service period was April 17-May 16, 14 days would be attributed to April and 16 days to May. Example #2: If a portion of the utility bill was paid, the days would be counted based on the amount that was paid by STRMU (e.g. total bill for April 17-May 16 (30 days)) is \$148.00. Agency agrees to pay \$100. Divide \$148 by 30 days, which equals \$4.93 per day. The \$100 payment divided by \$4.93 per day equals 20.3 days (rounded to 20 days) assisted by STRMU.

(2) ROUNDING A MONTH TO FOUR WEEKS. This method rounds each month to four weeks, allowing for up to 21 weeks in the benefits period. Rental and mortgage costs generally cover a calendar month period consisting of slightly more than four full weeks. This method allows for 5 months and one week of assistance as the limit, regardless of the number of days in those months. Example: A rental period of June 1-June 30 is rounded down to 4 weeks. If payment was made for 75% of a month's rent it would be tracked as 3 weeks; 50% of a month's rent would be tracked as 2 weeks, and 25% of a month's rent would be tracked as 1 week.

Monthly utility service periods generally do not coincide with rent or mortgage periods, rather they likely span parts of 2 calendar months (e.g. May 7-June 6). When assisting **only** the utility costs, the monthly assistance period is rounded down to 4 weeks of STRMU support. Example: A utility period of May 7-June 6 is rounded down to 4 weeks. If payment was made for 75% of a utility bill it would be tracked as 3 weeks; 50% of a utility bill would be tracked as 2 weeks, and 25% of a utility bill would be tracked as 1 week.

If **both** a housing bill and utility bill are paid to address the household's STRMU need, but the dates of service do not coincide, the benefit period would be calculated as follows: Count this overall assistance as one month (4 weeks) if at least 14 days of the utility period coincide with the rent/mortgage period. In situations where less than 14 days coincide, the remaining portion of the utility period will be attributed to the next month for tracking purposes. Example #1: A rental period of May 1-31 is rounded down to 4 weeks. The utility period of May 7-June 6 results in 25 days coinciding with the rental period; therefore, a total of 4

weeks is counted in May for the payment of both rent and utilities. Example #2: If the utility bill had coincided with the May rental period for less than 14 days (e.g., May 20-June 19, equaling 12 days rounded up to 2 weeks in May), part of this assistance (19 days) would be attributed to June, as 3 additional weeks of assistance added to the 4 weeks attributed to May for rent assistance.

(3) COUNTING FULL AND PARTIAL WEEKS. This method tracks twenty-one weeks of assistance based on 52 weeks per year, divided by 12 months, rounded to 4.3 weeks per month. A full month's rent would be tracked as 4.3 weeks; 75% of a month's rent would be tracked at 3.2 weeks, 50% of a month's rent would be tracked as 2.2 weeks, and 25% of a month's rent would be tracked at 1.1 weeks of assistance.

(b) Methods for Calculating the Annual Eligible Period. The grantee must ensure that all project sponsors use the same method each year to determine the period for STRMU assistance. The period may be calculated by using any of the acceptable methods; however, the grantee must select one method and require project sponsors to consistently apply it for all of its clients. (i) The first method is to use a set standard annual period for all clients. This can be either the grantee's operating year under their HUD-approved Consolidated Plan, which is used for plan approval and for annual reporting to HUD or the calendar year, which begins January 1 and ends on December 31; or for a competitive grant, the operating year established under the grant agreement with HUD. (ii) The second method is for grantees to establish a separate period of eligibility for each client. This is based on the beginning service date in which a STRMU payment is made on behalf of the client (e.g., the monthly period in which the first housing and/or utility assistance payment is made, including any overdue bills, prior to the date the client made the request). The client's period of eligibility would end 52 weeks after the first STRMU benefit started accruing. At the end of the 52-week period, the next period of eligibility would begin.

IV. Performance Objectives:

(a) Performance Output and Outcome Goals. STRMU assistance is used to help stabilize clients who are already housed and to provide time to develop a permanent housing stabilization plan for long-term support. Continued reliance on short-term assistance for the same household does not represent a stable living situation although a temporary result shows a reduced risk of homelessness.

HUD tracks established performance goals for the use of STRMU assistance through annual grantee performance reports. At the beginning of each operating year, grantees must estimate the number of households expected to benefit from STRMU payments. Formula grantees must estimate these output goals in their Consolidated Plan annual action plan proposals (and related IDIS elements), while competitive grantees must establish housing output goals on the logic model form of their application to HUD. On February 9, 2006, regulations on this matter were updated in a final rule, entitled Consolidated Plan Revisions and Updates (71 FR 6950). The new rule provides, which is codified at 24 CFR 91.220(l)(3) provides that HOPWA EMSA grantees must establish one-year goals for the number of households to be provided housing through the use of STRMU payments. A similar provision applies to state grantees under 91.320(k)(4). Grantees are responsible for carrying out planned activities consistent with the HUD-approved grant agreement for their award. Pursuant to section 91.520, grantees are required to provide a report on the comparison of actual to planned outcomes under Section 91.520. Annual output goals are established in grant agreements as the required HOPWA program housing outputs for the expected use of funds to help provide short-term support to eligible persons. At the end of each operating year, the grantee will report to HUD on the total number of different households that benefited from STRMU payments by remaining stably or temporarily housed in their own dwelling. (Note: this is not the number of such payments, as eligible households may receive more than one payment during that year, based on assessed need and consistent with the time limitations).

HUD has established required program outcome measures to determine how assistance helps recipient households establish or maintain stable housing, reduce their risks of homelessness, and improve their access to healthcare and other support. These outcome measures will enable grantees and HUD to better assess the effectiveness of activities in addressing the housing needs of recipients and to increase the number of eligible persons in stable housing situations over time. By design, the intended purpose of short-term assistance is to address immediate housing needs and provide support to prevent or reduce the pressing risks of homelessness for recipients. Projects should not rely solely on short-term assistance. STRMU payments are intended to resolve a housing crisis to help recipients to become self-sufficient. Efforts must involve on-going assessment of housing needs that can be shown by use of an individual housing service plan for recipients, with a focus on how the household will have access to on-going permanent housing assistance.

This new outcome measure will identify HOPWA-assisted households that have been assisted in maintaining their current housing. The outcome goal of a short-term program is to reduce the risks of homelessness and improve access to health care and other support through other public and private resources. At the end of each year of assistance, HOPWA grantees are asked to consider the effects of their efforts and report to HUD under this general client outcome (see updated HOPWA reporting forms). These assessments will help the community, as well as HUD, in assessing past performance and directing future efforts to increase the percentage of clients in stable housing situations under the HOPWA outcome measure. Additionally, programs can utilize the information to consider alternatives or program enhancements if activities do not result in adequate and appropriate benefits for eligible persons. In their annual performance reports, grantees identify:

(b) Housing Outputs on Number of Households Assisted: Grantees must compare the estimated number of households to be supported with HOPWA housing assistance funds during this year (as approved in the grant agreement) and the actual number supported by project activities. For STRMU, the report covers the number of households who were assisted during the program year. *(Note: revised HOPWA annual performance reports have deleted the previous requirement to track the size of the unit being supported, categorized by the number of bedrooms per unit. Regardless of the number of months the program sponsor made payments for a household, the report will count only once each household that received assistance during the program year.)*

(c) Client Outcomes on Housing Stability and Reduced Risks of Homelessness: Grantees must provide current year outcomes on the housing status of their recipients. This annual result will be compared with a baseline of the grantee’s prior number of HOPWA-assisted households who were enabled to establish and/or better maintain stable housing and improve their access to healthcare and other support. Grantees will be asked to provide the housing status of their clients, such as clients continuing in a HOPWA housing program or leaving HOPWA housing assistance for other forms of housing support, at the end of each program year. In some cases, the household becomes self-sufficient, or qualifies for another housing program that helps them maintain a stable living arrangement. For others, additional short-term or transitional housing support will be required, and these households are reported under a temporary arrangement. However, some clients leave programs for compliance reasons, other failures, or unknown causes that evidence an unstable arrangement or result. To complete HUD reports on STRMU activities, grantees will be asked to use charts similar to those depicted below.

Examples for Reporting on HOPWA Housing Stability Outcomes – Status of Clients at the end of the grantee operating year.

- In column 1, provide the total number of eligible households that received STRMU housing assistance.
- In column 2, out of the total number of households receiving STRMU assistance this operating year, indicate what number of those households also received STRMU assistance in the prior operating year (covering 2 years of STRMU assistance), and what number of these households further received STRMU assistance in both of the prior two operating years (covering 3 years of STRMU assistance).
- In column 3, report the status of each household at the end of the operating year, regardless of the number of weeks of STRMU assistance accessed. If members of a household had different outcomes during the operating year, report only on the destination of the eligible person living with HIV/AIDS.

Short-term Housing Subsidy Assistance	1. Total Number of Households Receiving HOPWA STRMU Assistance	2. Of the Total number Households Receiving STRMU Assistance this operating year	3. Housing Stability Status of STRMU Assisted Households at the End of Operating Year	
Short-term Rent, Mortgage, and Utility Assistance		What number of those households received STRMU Assistance in the prior operating year: <input type="text"/>	1 (Emergency Shelter) =	
			2 (Temporary Housing) =	
			3 (Private Housing)* =	
			4 (Other HOPWA) =	
			5 (Other Subsidy) =	
			What number of those households received STRMU Assistance in the two (2) prior operating years (ago): <input type="text"/>	6 (Institution) =
				7 (Jail/Prison) =
				8 (Disconnected) =
				9 (Death) =

Background on HOPWA Housing Stability Codes

Unstable Emergency or Homeless status

1 = Emergency shelter or no housing destination due to habitation in places not intended for occupancy (e.g., a vehicle, an abandoned building, bus/train/subway station, or anywhere outside).

Short-term and Temporary Housing Arrangements

2 = Temporary housing and other short-term arrangements, such as moving in with family/friends, continued STRMU assistance, Ryan White subsidy, transitional housing for homeless, and temporary placement in institution (e.g., hospital, psychiatric hospital or other psychiatric facility, substance abuse treatment facility or detox center).*

** NOTE: STRMU is considered a temporary arrangement that reduces the risk of homelessness for a tenant or resident owner, and should be reported as category #2, if there is a reasonable expectation that additional STRMU support is needed or likely to continue into the next program year in order to assist the household in avoiding homelessness.*

Stable Permanent Housing/Ongoing Participation

3 = Private Housing in the private rental or homeownership market (without known subsidy other than STRMU, including permanent placement with families or other self-sufficient arrangements) with reasonable expectation that additional support is not needed.

4 = Other HOPWA-funded housing assistance that is not STRMU assistance (e.g. TBRA or facility-based assistance).

NOTE: For some households, STRMU may address the temporary housing need for a tenant or resident owner, and should be reported as category #3 if there is an assessment and reasonable expectation that additional STRMU support will NOT be needed or is unlikely to continue into the next program year and the household will likely maintain its private housing arrangement.

5 = Other subsidized housing assistance from non-HOPWA sources (e.g., Section 8, HOME, public housing).

6 = Institutional setting with greater support and continued residence expected (e.g., residential or long-term care facility, hospital).

Life Events

7 = Jail or prison.

8 = Disconnected or disappeared from project support, unknown destination or no assessments of housing needs were undertaken.

9 = Death (i.e., remained in housing until death). This life event is not factored into determining or assessing the housing stability outcome for beneficiaries.

Assessments for STRMU assistance:

Stable Housing is the sum of the number of households reported under categories 3, 4, 5, and 6 who received STRMU assistance for some portion of the permitted 21-week period and there is reasonable expectation that additional STRMU support is **not** needed in order to maintain private housing arrangements (as STRMU is a time-limited form of housing support).

Temporary Housing reported under category 2 should be used to reflect on-going short-term or temporary efforts that help prevent or reduce risks of homelessness. Include households that received STRMU assistance for some portion of the permitted 21-week period and who will most likely continue to receive this assistance in the next program year, based on a reasonable understanding or assessment of their housing arrangements.

Unstable Situations is the sum of the number of households reported under categories 1, 7, and 8 that accessed assistance for some portion of the permitted 21-week period during the program year, and the household is maintaining a temporary housing arrangement that is likely to rely on STRMU assistance into the next year.

Note: In some situations, a household may utilize STRMU only once or twice during the program year and remain stably housed for long periods of time. There are other households who access assistance more often and are not stably housed after 21 weeks, but remain in their unstable housing situations because of limited affordable housing options in their community. It will be important to note in the required on-going program assessment the number who return for STRMU assistance in the next program year. In such cases, the assessment for use of a STRMU-only approach to their needs may show that this type of support is temporary in avoiding homelessness and that the household requires a more appropriate level of permanent housing support. HUD is interested in reviewing the performance data to be collected in evaluating this aspect of program support to note if such temporary help with STRMU can stabilize households in an appropriate and cost effective manner. Additionally, grantee comments on this performance result and efforts conducted consistent with the individual housing service plan would also be useful to understanding the challenges facing this special needs population.

(d) Outcomes on Access to Health Care, Case Management Services and Employment Assistance and Training: As required for the on-going assessment of the housing assistance and supportive services provided to beneficiaries, grantees are asked to consider how beneficiaries of STRMU payments can improve their access to other support to establish a more stable housing situation, as needed. For example, eligible persons who need to relocate from inadequate housing could benefit from the use of housing information services, permanent housing placement services, or other supportive services by the project sponsor, to find and establish a new residency in an appropriate housing unit. Case management support in connection with housing information services and housing placement support can enable STRMU households to receive support to develop housing plans to better establish and maintain stable living arrangements by accessing other housing support along with healthcare and mainstream human services. Such efforts may be shown in changes in the household incomes, through access to other public benefits or employment. Other types of support interventions are also available.

To measure the effectiveness of this support, the grantee's annual report should indicate the number of households in the STRMU program who had an assessment of their connection to supportive services which demonstrated the following service involvements prior to entry into the program and/or newly established this connection to support during the program year: (i) has a housing plan for maintaining or establishing stable on-going residency; (ii) had contact with a case manager/benefit counselor at least once in the last three months (or consistent with the schedule specified in their individualized service plan); (iii) had contact with a primary health care provider at least once in the last three months (or consistent with the schedule specified in their individualized service plan); (iv) had medical insurance coverage or medical assistance; (v) obtained an income-producing job created by this project sponsor during the year; and (vi) obtained an income-producing job outside this agency during the year.

Example: Reporting access to services prior to and during HOPWA STRMU assistance. Please indicate the number of STRMU participants who had the following service, accessed prior to entry into the STRMU program and/or during the operating year:

Category of Services Accessed	Number of Households receiving HOPWA Housing Assistance		Number of jobs that included health benefits
	At Entry or Continuing from prior year	At Exit or Continuing in the program (into next year)	
i. Has a housing plan for maintaining or establishing stable on-going residency.			
ii. Had contact with a case manager/benefit counselor at least once in the last three months (or consistent with the schedule specified in their individualized service plan).			
iii. Had contact with a primary health care provider at least once in the last three months (or consistent with the schedule specified in their individualized service plan).			
iv. Had medical insurance coverage or medical assistance.			
v. Obtained an income-producing job created by this project sponsor during the year.			
vi. Obtained an income-producing job outside this agency during the year.			

Note: This chart is provided to illustrate the information to be reported on client outcomes from the use of STRMU payments and related program activities to support permanent housing placements for beneficiaries of HOPWA assistance. Please use the appropriate HOPWA report forms provided through the CAPER, APR, and IDIS reporting and not through these examples when providing annual information to HUD.

V. Connections to Permanent Housing:

STRMU support is limited to helping the household maintain a current residence on a temporary basis. Other forms of HOPWA support may be used to compliment the use of short-term assistance, such as housing case management, housing information counseling, permanent housing placement support, and the costs for on-going housing support through rental assistance programs, or residence in housing facilities.

(a) Individual Housing Service Plan. Along with client eligibility, the project sponsor must document the appropriateness of the STRMU payment in each client’s file. Grantees are required to conduct an ongoing assessment of the housing assistance and supportive services required by participants in the program at 24 CFR 574.500. Grantees can satisfy this requirement by directing their sponsors to develop individual housing service plans for all beneficiaries. HOPWA housing information services at 574.300(b)(1), or housing case management funds at 574.300(b)(7), may be used to help the client understand available housing resources and develop and follow their individual housing service plan with connections to other support. The plan should identify the household’s on-going housing stability needs and likely options for providing related assistance, including the use of other housing programs and mainstream health and human welfare programs. In providing STRMU assistance, the provider’s qualified staff should assess the client’s housing needs and related resources, along with the reasons or causes of the housing need. The plan should address budget and money management issues, if the cause for housing debt is related to the household’s poor money management practices, such as the use of credit cards or cash for non-essential items, or entertainment activities. The assessment should help determine how to best use short-term or transitional support in connecting the on-going permanent housing arrangements, including forms of supportive housing or more independent living arrangements reasonably associated with the assessment of the client’s needs. STRMU assistance must be provided in a manner that has a sufficient or clear beneficial effect on addressing the client’s assessed immediate or short-term housing needs and only be provided in connection with the client’s demonstrated compliance with the plan. Plans should establish the on-going housing stability goals for clients

in connection with their need to access medical treatment and supportive services associated with HIV/AIDS issues.

(b) Permanent Housing Placement Assistance. Permanent housing placement services at 574.300(b)(7) may be used to help eligible persons establish a new residence where on-going occupancy is expected to continue. It may be used to compliment other forms of HOPWA housing assistance. For example, it may be used to assist STRMU clients who have exceeded the 21-weeks of allowable assistance.

(i) Costs may include fees for housing services or activities designed to assist individuals or families in locating suitable housing, which at a minimum would be referral to housing that is decent, safe and sanitary, subject to requirements covering other assistance programs. These costs may include tenant counseling, assisting individuals and families to understand leases, secure utilities, make moving arrangements, pay for representative payee services for persons who use such services to better manage their own finances, and mediation services related to neighbor/landlord issues that may rise.

(ii) Costs may include placement costs such as application fees, related credit checks, and reasonable security deposits necessary to move persons into permanent housing, provided such deposits do not to exceed two months of rent, and such funds would be designated to be returned to the program.

(iii) However, some items are not eligible as HOPWA permanent housing placement costs, such as costs for housing supplies, smoke alarms, standard furnishings, minor repairs to the unit associated with the move-in, and other incidental costs for occupancy of the housing unit. *Note: while these items are not eligible as HOPWA costs for permanent housing placement assistance, grantees may make use of leveraged funds or donations to address the related needs for other move-in support for HOPWA beneficiaries.*

(c) Related Use of Rental Assistance. If it is determined that STRMU clients needs ongoing rental assistance beyond the 21-weeks or the program cap to address immediate housing needs, HOPWA project-based or tenant-based rental assistance, or other forms of tenant-based rental assistance such as HUD's Section 8 Voucher or HOME programs may be used. (However, many of the available housing programs are targeted to rental housing assistance and may not be available to homeowners or to pay for mortgages). These rental assistance programs may also address monthly housing costs, but do not allow for the use of security deposits such as first and last month's rent and utility deposits. Other categories of HOPWA funding may be used for this purpose (see permanent housing placement above). Rental assistance programs must conduct housing quality inspections to determine the suitability and habitability of the rental unit, and have requirements for resident rent. For example, a portion of rental costs paid from household income, which is set to limits such as 30 percent of adjusted gross monthly income. HOPWA regulations have additional standards for resident rent payments and housing quality inspections at 574.320.

(d) Related Use of Facilities. Clients who previously received STRMU assistance may also later in the year be placed in a housing facility in which the household benefits from residency through the use of project-based rental assistance or through the costs to operate those facilities. In addition to rental assistance for households who are homeless, the program may offer shelter or residency in community residences or other housing facilities for which the costs of facility development, leasing or operating cost for the housing facility is eligible under 574.300(b)(3), (4) and (8), along with related supportive services for residents under 574.300(b)(7). A facility could operate to address emergency, transitional and/or permanent housing needs of beneficiaries.

VI. Wavier of Time Limits for Short-term Rent, Mortgage and Utility Payments:

Waivers of the STRMU 21-week time limitations may be granted by HUD for a period of one year on an individual basis, subject to approval by the Assistant Secretary for Community Planning and Development (CPD) and the concurrence of the Office of General Counsel (OGC). Although other forms of HOPWA or other program assistance may be available to grantees or sponsors to address the on-going housing needs, in certain situations it will be necessary to obtain a waiver of the STRMU time limitation. Waiver requirements

are found in the regulations at 24 CFR 574.330(a)(2): *Waiver of time limitations*. HUD may waive, as it determines appropriate, time limitations based on the good faith effort of the grantee or project sponsor to provide permanent housing or housing in a living environment appropriate to the client's health or social needs. However, since grantees can make use of rental assistance under 24 CFR 574.300(b)(5) in lieu of continuing short-term assistance, a waiver of the short-term limit should only be requested in special circumstances and not for reasons of administrative convenience. HUD will require that the suitability for continued use of STRMU payments be shown in an individual housing service plan for the household to evidence good faith effort.

Waiver requests must address the client's housing quality standards. For clients receiving rental assistance in excess of 574.320(a), waiver requests must also address the maximum subsidy limit. Housing that does not meet the housing quality standards found at 574.310(b) is not, in CPD's determination, appropriate to any client's health or social needs. Similarly, CPD has determined that clients living in rental housing receiving STRMU assistance in excess of the maximum, monthly subsidy under 574.320(a) are not appropriately housed. The request should demonstrate that the household's on-going housing needs were assessed in connection with efforts to access other support, such as the development of an individual housing service plan for the household, and how support to access other forms of needed support were undertaken.

VII. Waiver Request Process:

(a) Field Office Actions. HUD's CPD Directors are *not* authorized to approve waivers but may recommend such actions. Field Offices must follow the standard procedures used when the waiver of a regulation provision is requested. To expedite waivers so that they may be obtained before payments for a 22nd week or sixth month of assistance are needed, the CPD Director should send a concurring or nonconcurring statement, together with the grantee's written request for a waiver of the regulation to the Assistant Secretary for Community Planning and Development. Given the short period of STRMU assistance, please also alert the Director, Office of HIV/AIDS Housing, at HUD Headquarters, as soon as practical, that this type of request is underway to provide support for preparing this time sensitive matter. Grantees should seek to process any needed waiver for the individual or family at least four weeks prior to the 21-week limit, as these actions require review actions by a number of HUD offices.

(b) Necessary Elements. The Office of HIV/AIDS Housing will provide support for the Assistant Secretary's consideration of the STRMU waiver request and will help process all requests with concurrence by OGC. In granting waiver requests, HUD will consider the appropriateness of the housing to the needs of the individual client, such that the current level of housing support will maintain the individual in an independent living situation in a reasonable manner. HUD will also consider the grantee's good faith effort to access and/or provide permanent housing. For example, housing case management efforts or housing information services to secure alternate housing solutions, housing counseling efforts, as well as placing the client on wait lists for mainstream permanent types of housing assistance, such as HOPWA rental assistance, Section 8 vouchers or various other affordable housing resources. Each client for whom a waiver is sought must attest that the conditions that caused the original financial burden and need continue to exist, and without this assistance the client would be at risk of homelessness. Prior to soliciting HUD's approval of a waiver, each property inspector or case manager shall document the client's capacity to live independently and that the level of benefits received is sufficient to satisfactorily sustain the client in their dwelling.

VIII. Field Office and Grantee Oversight:

(a) Oversight Actions. After HUD approves a waiver of the time limitation, the grantee and HUD staff should provide adequate grants management oversight, including on-site monitoring, to inspect a sampling of client files for the clients for whom waivers were issued. An effort should be made to determine if these clients have been moved to permanent housing or continue to receive assistance, and that the type of housing assistance is appropriate to their needs. Grantees must ensure that project sponsors maintain in each client file, adequate documentation for a HUD review. Waiver of the time limit for STRMU assistance may extend

a client's benefits for a defined period of time specified in the request, such as the remainder of the year, if it is determined and documented that no other appropriate housing options are available that would maintain an adequate and stable living arrangement during this period. Waivers would not be approved for indefinite or unrealistic periods.

Clients receiving STRMU assistance are eligible to receive supportive services, as provided by 574.310(a)(1). Supportive services may continue to be provided to eligible persons while they remain in their residences after the 21-week period for STRMU if such residence is appropriate to the housing needs of the eligible persons and the assistance is consistent with the housing service plan for the household. A mortgage, rent and utility program assisted under this part shall provide, when reasonable, supportive services specifically designed to maintain the individual in such residence.

(b) Continued Appropriate Housing. The grantee and/or project sponsor must evaluate each client's level of need and care to determine if it is appropriate to maintain the individual in an *independent living environment*, prior to requesting a waiver of the time limitations that would pertain to continuing assistance during the remainder of this grantee operating year (i.e. potentially extending its eligibility period to 52 weeks). An approved waiver would serve to extend each client's benefits for an increased period of time, but clients may not be able to regain independence in their current housing situations. A good faith effort to provide long-term housing solutions *must* be pursued for each client. Under certain circumstances, the client's *current* living environment may be the most appropriate for "his or her health and social needs," and is deemed more appropriate than relocating an already adequately housed client, if that housing is deemed to be safe, decent and sanitary as determined by a housing quality inspection. Persons in substandard living environments shall not be continued under this short-term program and must be referred to organizations that can provide the appropriate level of care and housing needed by this individual.

IX. Frequent Questions and Answers (FAQ) About STRMU Assistance:

(a) Is there a specific date by which STRMU guidance needs to be implemented?

Grantees must implement this Notice as soon as practicable. The target date should be the start of the next operating year under their Consolidated Plan schedule or competitive grant agreement, which occurs after this publication date. However, all grantees must implement this notice no later than October 1, 2006. A grantee that determines corrective action is needed to fully comply with the Notice should take all necessary steps to correct the matter as soon as practical and may seek HOPWA technical assistance, as needed. If contract amendments are deemed necessary, a reasonable action plan and timeline should be put in place by the grantee for amending its contracts and making the necessary changes, based on this HUD Notice.

(b) Can STRMU payments pay for telephone service?

NO, not as a housing cost reported as STRMU. However, in some situations, a grantee may determine that their HOPWA programs will allow for supportive services that include reasonable costs for basic phone services that are determined to be needed to assist the beneficiary in accessing services, such as maintaining consistent and accurate participation with medical treatment protocols, care or other essential supportive services. As an additional consideration for rural or small population areas, these supportive service cost may involve reasonable costs for long-distance services, if needed, for connecting clients to this available support.

(c) To document need, is a default notice or eviction action required, as these can add late fees to our costs?

This notice does not require documentation in the form of a default/late payment notice to demonstrate housing need. A late payment notice is only one of the methods that can be used to verify the debt; there may be a variety of other ways to verify amounts owed, including calling the utility company, landlord, or mortgage company directly prior to a late payment notice being issued, and thereby avoiding adding late fees as additional costs.

HOPWA is a "needs-based" program and clients must demonstrate a need for benefits through some form of verifiable documentation, noting such as "inability to make their monthly payment." A grantee can establish a reasonable basis to quantify and verify the need for a STRMU payment. This could involve a record of actual monthly bills for reoccurring cost, and evidence of the limited nature of household income along with limited available financial resources (i.e. balance on bank accounts). This could involve a case manager's assessment of "need" which includes a variety of elements such as current, previous and future month's financial situation/forecast, employment/benefits circumstances, and HIV/AIDS health-related conditions. A household budget review of these costs, and assessment of inability to meet such costs, could be done by a housing case manager as part of this documentation of this record. As STRMU payments are a form of time limited interventions, the solution may rest with a need to develop a individual housing service plan that provides a plan for the more long-term housing needs of these households.

This document was issued by HUD's Office of Community Planning and Development to provide for the management of HOPWA activities consistent with program requirements. Please address any questions to the State or Area CPD Offices in your community, or to the Office of HIV/AIDS Housing, at HUD Headquarters, at HOPWA@hud.gov.