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Tenant-Based Rental Assistance (TBRA) Program

Client File Requirements

August 5, 2025

Agenda

- Client File Checklist
- Review Example Templates
- Mock TBRA Client Walkthrough

Client File Checklist – Intake and Assessment

TBRA Application

- Must be structured to include questions that determine a household's eligibility in combination with specific needs.
- Applications can be submitted in-person or electronically.
- Applicants must be selected from a waiting list in the order established by the tenant selection policy.

Initial Income Determination

- Income limits are established by household size and revised annually by HUD.
- Income must be verified by a third-party organization not affiliated with the Grantee before assistance can be provided.
- Gross and adjusted annual incomes are calculated using HUD's definitions of income and allowances:
  - Income Limit at Admission: The household's gross annual income must be at or below sixty percent (60%) of the county median income (income up to 80% of the CMI may be eligible with DEHCR approval).
  - Income Limit after Admission: Assistance must be terminated if the client's gross annual income exceeds eighty percent (80%) of the CMI. The client must receive thirty (30) days' written notice of the termination.

Initial Income Determination

Third-Party Documentation

- A household's annual income must be determined by examining at least two (2) months of source documentation evidencing annual income (e.g. wage statement, interest statement, unemployment compensation statement) for the family in accordance with 24 CFR § 92.203(b)(2).
  - Must include income from all adults in the household, except for live-in aides, foster children, and foster adults.
  - A copy of the source verification documents must be collected and retained in their file.
- Grantees must utilize 24 CFR § 5.609 to verify annual income for all program clients.

Initial Income Determination

Zero-Income Affidavit

- If the household does not have an income source at the time of enrollment, a zero-income affidavit must be signed that attests that the information is true and accurate.
- Not required to reexamine a household's income at the time that assistance is provided unless more than six (6) months has elapsed.

Statement of Homelessness or At-Risk of Homelessness

- Required to collect information on whether a potential applicant is experiencing homelessness or at-risk of homelessness.

TBRA Briefing Notification

- Required to deliver a TBRA briefing to all newly enrolled program clients.
  - Ensures that clients understand their responsibilities and have sufficient guidance to make an informed choice on housing.
- Should be delivered in person to each client and documentation of the briefing meeting must be placed in each client's file.

TBRA Briefing Notification

- At a minimum, the TBRA Briefing must involve the following topics:
  - Roles and responsibilities of the client, landlord, and Grantee
  - Limitations on how much rent a landlord may charge, including how utility allowances is incorporated into the TBRA subsidy
  - Rent calculations, including how the Grantee and client shares will be calculated
  - Security deposit policy, including how much will be charged, who pays, and who receives any refund (the client)
  - Housing coupon issuance and extension policy
  - Guidance on selecting a unit, including NSPIRE requirements and procedures for submitting the request for unit approval form

Rental Assistance Coupon

- Must be issued during the TBRA briefing
  - Authorizes the client to start searching for housing.
- The initial coupon period must be for a minimum of 60 days with the opportunity for up to two 30-day extensions, or one 60-day extension.
  - The coupon cannot extend past 120 days.

Unit Size and Occupancy Standards

- Must comply with NSPIRE requirements and specify how the number of bedrooms required by the client's household will be determined as it relates the actual unit size and the calculation of the TBRA subsidy amount.
- The unit size may be modified by Grantees on a case-by-case basis to accommodate specific household compositions and circumstances.

Unit Size	Minimum # of Persons in Household	Maximum # of Persons in Household
0-bedrooms	1	1
1-bedrooms	1	2
2-bedrooms	2	4
3-bedrooms	3	6
4-bedrooms	4	8
5-bedrooms	5	10

Unit Size and Occupancy Standards

- Generally, households require one bedroom per each of the following configurations:
  - Each pair of married or coupled adults, regardless of sex or gender;
  - Each unmarried/uncoupled adult;
  - Each pair of children of the same sex.
- Unborn children may be considered for purpose of assigning the bedroom size on housing coupon.
- A live-in care attendant who is not a member of the family is not required to share a bedroom with another household member.
- Individual medical problems sometimes require either a separate bedroom for household members who would otherwise be required to share a bedroom or an extra bedroom to store medical equipment.
- In most instances, a bedroom is not provided for a family member who will be absent most of the time.

Unit Size and Occupancy Standards

- Fair housing rules permit clients to select smaller units that do not create seriously overcrowded conditions.
  - Clients may also select larger units at their own expense.
- When calculating a client's subsidy, grantees must adhere the following guidance:
  - If a client selects a unit ***smaller*** than their rental coupon, the payment standard and utility allowance is based on the actual unit size.
  - If a client selects a unit ***larger*** than their rental coupon, the payment standard is based on the rental coupon, while the utility allowance is based on the actual unit size.
- A client is not rewarded with larger subsidies for selecting larger units or penalized for selecting smaller ones.

Client Program Agreement

- Must enter into a written agreement with the client that states the terms and conditions of assistance.
- The written agreement must include:
  - Unit size used to calculate the rental assistance payment
  - Monthly rental assistance payment
  - Monthly tenant contribution
  - Recipient of the payments
  - Requirements of the self-sufficiency program, if applicable.

Client File Checklist – Leasing

Request for Unit Approval

- When the client has located a unit and the landlord has agreed to participate, they must submit the completed form.
  - Provides essential information about the property such as bedroom size, utility combination, proposed rent, ownership information, etc.
  - The submission initiates the review of the landlord's lease, rent negotiations, and the unit's NSPIRE inspection.

Rent Payment Standard

- The maximum monthly assistance that can be paid towards a client's gross rent (rent and utility costs).
- The payment standard is based on WHEDA's Section 8 payment standards, which takes effect on January 1st each year.
- Units may not exceed the payment standard unless the client can pay the difference (cannot exceed 40% of their adjusted monthly income).

Rent Reasonableness

- Must disapprove a lease if the rent is not reasonable, based on the rents of comparable unassisted rental units.
- Units must adhere to rent reasonableness along with adhering to the rent payment standards.

Comparable Unit Documentation

- Must provide documentation showing information from each comparable unit listed on the rent reasonableness form.
  - To conserve resources, Grantees can include a print-out only of the first page of the online listing.

Rent Subsidy Calculation

- Three factors affect the amount of the Grantee's subsidy payment and the household's required share of the rent:
  - The family's income – the lower the family's income, the higher the Grantee's subsidy payment.
  - The rent payment standard that the Grantee adheres to for each bedroom size.
  - The cost of housing and utility costs for the unit the family selects.
- Subsidy also depends upon the TBRA model selected by the Grantee.

Rental Subsidy Calculation

Tenant Contribution to Rent

- Requires a minimum monthly payment by a tenant toward the gross rent even if 30% of the adjusted income would be less than the established minimum tenant contribution.
- A tenant must contribute some amount toward their gross rent and cannot pay $0.
  - For the TBRA program, the minimum tenant contribution will be $1.

Rental Subsidy Calculation

HUD Certificate Model

- This model assumes a fixed tenant payment.
- The tenant's share of housing costs is calculated by a formula.
  - Grantee then pays the difference between the tenant's share and the approved rent for the unit.
- The formula under the HUD certificate model requires a tenant to pay the greater of:
  - 30% of monthly adjusted income; or
  - 10% of monthly gross income

Rental Subsidy Calculation

HUD Certificate Model Example

- The Cleavers were issued a two-bedroom rental assistance coupon. Their annual (gross) and adjusted incomes are $22,500 and $18,300, respectively. They find an apartment that rents for $725 (including utilities).
- The Cleavers must pay the **greater** of:

  $457.50 30% of adjusted monthly income ($18,300 /12 x 0.30)

  OR

  $187.50 10% of annual (gross) monthly income ($22,500/ 12x 0.10)

- The Grantee must pay the difference between the tenants' share and the approved rent.

Approved rent	$725.00
Tenant payment	- $457.50
Grantee's share of the rent	$267.50

Rental Subsidy Calculation

HUD Rental Voucher Model

- This model assumes a fixed Grantee payment.
  - Client pays the difference between the TBRA subsidy and the approved rent for the unit.
- The Grantee generally pays the difference between its payment (rent) standard and thirty percent (30%) of the client's adjusted monthly income. However, a minimum tenant payment is required.

Rental Subsidy Calculation

HUD Rental Voucher Model Example

- The Cleavers have been issued a two-bedroom rental assistance coupon. Their gross and adjusted incomes are $22,500 and $18,300, respectively. Their monthly gross and adjusted incomes are $457.50 and $187.50 respectively. They find an apartment that rents for $800 (including utilities). The payment standard is $775.
- The maximum TBRA subsidy is:

	$775.00	Rent Standard
-	$457.50	30% of adjusted monthly income
	$317.50	Maximum TBRA Subsidy

- The Cleavers' share of the rent is:

	$800.00	Approved rent
-	$317.50	Maximum TBRA subsidy
	$482.50	The Cleavers' payment

Rental Subsidy Calculation

HUD Rental Voucher Model Example

- In this example, the Cleavers will pay more than 30% of their adjusted income for housing because they selected a unit that rents for more than the payment (rent) standard. If the Cleavers had found a less expensive unit, the requirement that the beneficiary must pay at least 10% of monthly gross income might apply.

	$500.00	Approved rent
-	$317.50	Maximum TBRA subsidy
	$182.50	Calculated tenant share

- However, the Cleavers must pay at least 10% of gross monthly income.

  ($22,500 / 12 x 0.10 = $187.50).

- Therefore, the Grantee's subsidy payment is reduced by $5 in this example.

Utility Allowance Schedule

- Used to estimate the average cost of utilities for typical types of housing and for various utilities.
- A household's contribution is intended to cover both rent and utility costs.
  - If all utilities are included in the rent, the household's entire contribution goes to the landlord.
- Most tenants are responsible for payment of at least some utility costs and in some instances, may receive a utility reimbursement.

NSPIRE Inspection

- Units must be inspected to confirm that they meet NSPIRE Standards at initial move-in.
  - If a unit initially fails, the landlord may be given a reasonable amount of time to correct the deficiencies, or the client may elect to look for a different unit.
- A lease cannot be signed until the unit passes the NSPIRE inspection.
  - An exception may be made for corrections to exterior paint during the winter in climates where the weather makes this impossible.
- All units must adhere to carbon monoxide and smoke detector requirements as stated in 24 CFR § 92.251.

Lease and Program Duration

- Executed between the landlord and the client, but the Grantee must review the lease to ensure that they do not include any prohibited provisions.
  - Should not be signed until the lease has been reviewed and the unit has passed the NSPIRE inspection.
- All TBRA-subsidized units must have a written lease with the lease addendum attached.

Lease Duration

- The lease term must be for at least one year, unless the landlord/property manager and the client agree to a shorter period of time.
- If the program participant has agreed to a different lease term, that agreement should be noted in the file; it cannot be for a period less than 30 days.

Lease and Program Duration

Maximum Program Duration

- Clients cannot receive more than 24 months of total assistance; however, contracts can be renewed subject to the availability of HOME TBRA funds.
- If Grantees have a valid reason to extend a client's assistance beyond the 24-month threshold, they will need to complete the following items:
  - Recertify the client's income and rental subsidy
  - Explain why the client needs to retain their assistance beyond 24 months
  - Document how they are helping the client become self-sufficient and reducing their need for assistance

Lease Addendum and Prohibited Provisions

- Executed between the landlord and the client but the Grantee must ensure each lease does not include any prohibited provisions.
  - Accomplished through the requirement of the lease addendum, which eliminates the need for in-depth legal review of the lease.
- The following lease provisions are prohibited beyond the scope of the lease addendum and must be removed from any TBRA-subsidized lease:
  - Agreement by the client to be sued or to admit guilt, or a judgment in favor of the landlord in a lawsuit brought in connection with the lease.
  - Agreement by the client that the landlord may institute a lawsuit without notice to the client.
  - Agreement by the client to waive a trial by jury.
  - Agreement by the client to waive the client's right to appeal or otherwise challenge a court decision.
  - Agreement by the client to pay attorney fees or other legal costs, even if the client wins in court.

VAWA Lease Addendum

- The Violence Against Women Act (VAWA) prohibits denial or termination of assistance or eviction solely because a person is a victim of domestic violence, dating violence, sexual assault, or stalking.
- Information in this form must be included in every lease and lease renewal for TBRA-subsidized housing. The required elements include:
  - Language that protects individuals from being denied access to housing and/or evicted from their housing on the basis of or as a direct result of being a survivor.
  - Construction of lease terms and terms of assistance.
  - Limitation of VAWA protections.
  - Confidentiality requirements.
- If this information is provided in the original lease agreement, a separate lease addendum is not required.

Rental Assistance Contract

- Executed between the Grantee and the landlord to ensure compliance with relevant HOME TBRA regulations and other federal requirements.
  - Should not be signed until the lease has been reviewed for prohibited provisions and the unit has passed a NSPIRE inspection.
- Must begin on the first day of the term of the lease or the beginning of the first month in which assistance is provided.

Rental Assistance Contract

Amendment or Renewal

- May only be amended through the consent of all parties involved. A rental assistance contract may be amended if:
  - The lease term or amount charged under the lease are the only terms of the contract being changed.
  - To extend its term up to 24 months from the original date of execution.
  - When a tenant changes units within the same building or development if the parties to the lease, the family size, and the number of bedrooms in the housing remain the same.
- Subject to the availability of HOME funds, a rental assistance contract may be renewed after the expiration of its initial term.
- In all other instances, the Grantee must enter into a new rental assistance contract with the landlord.

Rental Assistance Contract

Rent Increases

- Landlords must give the Grantee at least 60 days' written notice of their intent to increase the rent for the unit.
  - Allows the Grantee 30 days' time to review the requested rent increase (determine that the proposed rent is reasonable in comparison to rents charged for other comparable, unassisted units) and still enable the landlord to the give the client 30 days' written notice.

Other Documentation

Termination Policy

- Grantees must establish and follow a formal process that recognizes individual rights and meets all statutory requirements.
  - May terminate assistance if a client violates the rules of the program; termination is only allowed the most severe cases.
- The termination procedure must include:
  - Thirty (30) days' written notice to the program participant with a clear statement of the reasons for termination.
  - Review of the decision to terminate with an opportunity for the program participant to present written or oral objections to a neutral third party.
  - Prompt written notice to the program participant of the final decision.
- A program client who has been terminated from the TBRA program may receive further assistance at a later date.

Termination Policy

Termination of Tenant by the Landlord

- Landlords may evict clients following applicable state and local laws, meaning they may only evict clients in the event of:
  - Serious or repeated lease violations.
  - Legal violations in connection with the unit or its premises.
  - Criminal activity.
  - Other causes specified by state or local law.
- Grantees must develop written policies outlining how a termination of tenancy will impact clients. At a minimum, these policies must specify:
  - Under what circumstances a client will be removed from the program because of an eviction.
  - The length of time a client must locate a new unit before their subsidy expires.
- These polices must be included within the lease and/or in the program agreement between the Grantee and the program participant.

Grievance Policy

- Grantees are required to have a grievance policy that outlines their processes and procedures that a program participant can follow to file a formal complaint regarding a dispute or issue that they have experienced in a constructive and fair manner.

VAWA Notifications

- Grantees are responsible for ensuring the following information is provided at the applicable times:

Notice of Occupancy Rights Under VAWA (HUD-5380 form)

- When an individual or family is denied rental assistance.
- When a program participant begins receiving rental assistance.
- When a program participant is notified of termination of rental assistance.
- When a program participant receives notification of eviction.

Domestic Violence, Dating Violence, Sexual Assault, or Stalking, and Alternate Documentation (HUD-5382 form)

- Information included in this certification form must be provided to program participants when they are notified of termination of rental assistance and/or notified of eviction. The date(s) it was provided should be documented in the client file.

Releases of Information Forms

- Must have policies and procedures in place that allow clients to decide what information can be shared between various organizations.
  - A release of information form must be created and utilized for the TBRA program.
- Based on the Grantee's discretion, they may elect their clients to sign a HMIS release of information form or post a HMIS consumer notice.
  - If utilizing the HMIS release of information form, then it is required to be used with all clients, not just clients enrolled in the TBRA program.
  - If utilizing the HMIS consumer notice option, it must be posted in any place that client information is collected.

Lead-Based Paint Disclosure

- Clients must be notified of the hazards of lead-based paint and of the symptoms and treatment of lead-based paint poisoning.
- All appropriate parties must complete a lead-based paint disclosure form, if the unit was built prior to 1978.
  - Must be collected and retained in their client file.

Case Notes

- Grantees must make a best effort to provide supportive services to TBRA clients either directly or through another agency.
  - Supportive services include but are not limited to case management, mental health services, transportation assistance, and life skills training.
- Clients may be encouraged but ***cannot*** be required to participate in supportive services; as such, they cannot be terminated from a TBRA program due to non-participation in supportive services.
- Grantees are required to have written records of their interactions with clients; they must be collected and retained in their client file.

Annual Recertification

Annual Income Recertification

- Income must be recertified annually to continue a client's participation in the TBRA program.
  - The process should begin 90-120 days in advance of the client's one-year anniversary date to ensure that the process is completed on time and that adequate notice is given to both the landlord and the client of changes in the household's eligibility and/or share of the rent.
- When a TBRA client's income increases above 80% of the CMI, the client is no longer allowed to continue receiving assistance.
  - Grantees must provide the client and landlord reasonable notice before assistance is terminated.

Annual Income Recertification

Third-Party Documentation

- A household's annual income must be recertified by examining at least two (2) months of source documentation evidencing annual income (e.g. wage statement, interest statement, unemployment compensation statement) for the family in accordance with 24 CFR § 92.203(b)(2).
  - Must include income from all adults in the household, except for live-in aides, foster children, and foster adults.
  - A copy of the source verification documents must be collected and retained in their file.
- Grantees must utilize 24 CFR § 5.609 to verify annual income for all program clients.

Annual Income Recertification

Zero-Income Affidavit

- If the household does not have income source at the time of enrollment, a zero-income affidavit must be signed that attests that the information is true and accurate.

NSPIRE Reinspection

- Units must be annually reinspected to confirm that they still meet NSPIRE requirements.
  - If a unit initially fails, the landlord may be given a reasonable amount of time to correct the deficiencies, or the client may elect to look for a different unit.
- A lease renewal cannot be signed until the unit passes the NSPIRE reinspection.
  - An exception may be made for corrections to exterior paint during the winter in climates where the weather makes this impossible.
- All units must adhere to carbon monoxide and smoke detector requirements as stated in 24 CFR § 92.251.

Household Size and Composition

- Grantees must annually reevaluate each client's household size and composition to determine if circumstances have changed for the household.
  - If there are substantial changes, the Grantee must determine if the change is significant enough to warrant the household searching for a more suitable living unit.

Contract Renewal Explanation

- Clients cannot receive more than 24 months of total assistance; however, contracts can be renewed subject to the availability of HOME TBRA funds.
- If a Grantee has a reason to extend a client's assistance beyond the 24-month threshold, they will need to complete the following items:
  - Recertify the client's income and rental subsidy
  - Explain why the client needs to retain their assistance beyond 24 months
  - Document how they are helping the client become self-sufficient and reducing their need for assistance

QUESTIONS?