

Resources for People Considering Employment as a Certified Peer Worker: Public Benefits and the Transition to Employment Series

Topic: Understanding the US Department of Housing and Urban Development (HUD) Rental Assistance Programs

About this Series:

This series is prepared by the NYSDOH AIDS Institute to provide general information about the impact of earning income as a New York State Certified Peer Worker on a person's eligibility for different public benefits. Each individual's circumstances are different and a number of factors may impact a person's eligibility for public benefits, including their: health status; number of dependents; income to be earned; type of income; other resources or benefits received; and other factors. Individuals should consult with the appropriate benefits program representative, or other expert about their situation, prior to making decisions about accepting reimbursement for work as a Peer Worker.

The US Department of Housing and Urban Development (HUD) offers programs for affordable housing. The Housing Choice Voucher Program (Section 8), Public Housing, and Privately Owned Subsidized Housing will be discussed in this document.

Housing Choice Voucher Program (Section 8) – A person finds their own housing and uses the voucher to pay for all or part of the rent.

Public Housing – Housing is provided for low-income families, the elderly, and people with disabilities.

Privately owned subsidized housing - HUD helps apartment owners offer reduced rents to low-income tenants.

A Public Housing Agency (PHA) will assist you in determining your qualification for these programs, based on the eligibility and income requirements.

Housing Choice Voucher program (Section 8)

What is the Housing Choice Voucher program (Section 8)?

The Housing Choice Voucher program is a major program to assist very low-income families, the disabled, and the elderly, to afford decent, safe, and sanitary housing in the private market. Participants can find their own housing, including single-family homes, apartments, and townhouses, as housing assistance is provided on behalf of the family or individual. **The person participating is free to choose any housing that meets the requirements of the program. The housing is not limited to units located in subsidized housing projects.** Housing Choice Vouchers are administered locally by Public Housing Agencies (PHAs). Federal funds from HUD are given to PHAs to provide the voucher program.

What are the eligibility requirements of the Housing Choice Voucher program (Section 8)?

Eligibility for a housing voucher is based on the total annual gross income and family size, and is limited to US citizens and specified categories of non-citizens who have eligible immigration status. Eligibility is determined by the PHA. The anticipated income, minus any exclusions and deductions the family will receive during the next 12 months, is used to determine the family's rent.

What is Annual Income?

Gross Income – Income Exclusions = Annual Income

What is Adjusted Income?

Annual Income – Deductions = Adjusted Income

<u>Example</u> Area: <i>Broome County NY</i> Federal Year (FY) 2016 Median Federal Income (MFI): \$63,900			<u>Example</u> As of December 31, 2015, New York State's Minimum Wage is \$9.00 Per Hour		<u>Example</u> **There will be various area annual increases until New York State's Minimum Wage reaches \$15.00 Per Hour	
Household Size (Number of Persons)	30% of MFI Extremely Low *Gross Income	50% of MFI Very Low *Gross Income	Part Time Hours	Full Time Hours	Part Time Hours	Full Time Hours
1	\$13,450	\$22,400	Working 20 Hours	Working 40 Hours	Working 20 Hours	Working 40 Hours
2	\$16,020	\$25,600	\$9.00 Per Hour	\$9.00 Per Hour	\$15.00 Per Hour	\$15.00 Per Hour
3	\$20,160	\$28,800	\$9,360 *Gross Income Per Year	\$18,720 *Gross Income Per Year	\$15,600 *Gross Income Per Year	\$31,200 *Gross Income Per Year
4	\$24,300	\$31,950	<p><i>In this example, a Peer Worker earning the minimum wage for Part Time or Full Time hours may have income which does not exceed the 50% of the Median Federal Income, the Very Low Income levels, as well as the 30% of the Median Federal Income, the Extremely Low Income levels for their area, as necessary to be eligible for the Housing Choice Voucher program.</i></p>		<p><i>In this example, a Peer Worker earning the minimum wage for Part Time or Full Time hours may have income which does not exceed the 50% of the Median Federal Income, the Very Low Income levels, as well as the 30% of the Median Federal Income, the Extremely Low Income levels for their area, as necessary to be eligible for the Housing Choice Voucher program.</i></p> <p>**The law gradually raises the minimum wage to \$15 in New York City by the end of 2018, and in some prosperous suburbs by the end of 2021. The minimum wage may only rise to \$12.50 in the rest of the state by 2020, unless there are further increases tied to inflation and other economic indicators.</p>	
<p><i>In this example, a Peer Worker/family living in Broome County cannot have income that exceeds 50% of the Median Federal Income, the Very Low Income levels shown for that area, in order to be eligible for the Housing Choice Voucher program. Most who will receive a voucher will have income not exceeding 30% of the Median Federal Income, the Extremely Low Income levels shown for Broome County.</i></p> <p>*Gross Income = income before tax is paid</p>						

In general, the income of the Peer Worker/family may not exceed 50% of the median income for the county or metropolitan area in which the family chooses to live. However, most people receiving a voucher have income not exceeding 30% of their area’s median income. Median income levels vary by location.

To access the 2016 Income Limits by state and area, visit

https://www.huduser.gov/portal/datasets/il/il16/index_il2016.html

After clicking “Click Here for FY 2016 IL Documentation”, select your state, then choose your county for the income limits summary for that area.

You may also visit <https://www.huduser.gov/portal/datasets/il/il16/FY16-IL-ny.pdf> for the NYS Income Limits.

The PHA serving your community can also provide you with the income limits for your area and family size. To contact a PHA, click

http://portal.hud.gov/hudportal/HUD?src=/program_offices/public_indian_housing/pha/contacts

How is rent determined for the Housing Choice Voucher program (Section 8)?

When a person or family finds a unit they would like to occupy and reaches an agreement with the landlord over the lease terms, the PHA is required to inspect the dwelling and make sure that the rent requested is reasonable. The PHA determines a payment standard used to calculate the amount of housing assistance a family will receive, which is the amount usually needed to rent a moderately-priced dwelling unit in the local housing market. The payment standard does not limit or affect the amount of rent a landlord may charge or the family may pay. The family who receives a housing voucher can choose a unit with a rent that is below or above the payment standard. The family must pay 30% of its monthly adjusted gross income for rent and utilities, and if the rent of the unit is greater than the payment standard, the family is required to pay the additional amount. If a family moves to a new unit where the rent exceeds the payment standard, by law, the family may not pay more than 40% of its adjusted monthly income for rent. Most households pay 30% of their adjusted income for Housing Choice Voucher program.

<i>Example</i> A Peer Worker has \$20,988 Annual Adjusted Gross Income	If the Peer Worker lives in a unit with rent that is below the payment standard, they are required to pay 30% of their monthly adjusted gross income for rent and utilities	If the Peer Worker lives in a unit with rent that is above the payment standard, they are required to pay the additional amount. By law, they cannot pay more than 40% of their monthly adjusted gross income for rent and utilities.
Monthly Adjusted Gross Income	If Paying 30% of the Monthly Adjusted Gross Income for Rent and Utilities	If Paying No More than 40% of the Monthly Adjusted Gross Income for Rent and Utilities
\$1,749	\$52.47 Monthly	Up to \$69.96 Monthly

A Peer Worker with an annual adjusted gross income of \$20,988 would have a monthly adjusted gross income of \$1,749. If the Peer Worker lives in a unit with rent that is below the payment standard, they are required to pay 30% of their monthly adjusted gross income for rent and utilities, which would be \$52.47 each month. If the Peer Worker lives in a unit with rent that is above the payment standard, they are required to pay the additional amount. By law, they would not pay more than 40% of their monthly adjusted gross, which would be up to \$69.96 per month.

For Peer Workers and families receiving Housing Choice Vouchers/Section 8, the PHA must conduct a reexamination of family income and composition at least annually.

You may apply for the Housing Choice Voucher program by contacting a Public Housing Agency at <http://www.hud.gov/offices/pih/pha/contacts/index.cfm>

Public Housing

Public Housing was established to provide rental housing for eligible low-income families, the elderly, and persons with disabilities. It includes government-funded and government-constructed units ranging from single-family homes to multi-unit dwellings. If you live in Public Housing, the PHA owns your building and is your landlord. In a few cases, a private company may manage the building for the PHA or may be part of the ownership, but the building is still controlled by the PHA.

Who is eligible for Public Housing?

Public Housing is limited to low-income families and individuals, which can include Peer Workers. A PHA determines eligibility based on: annual gross income; whether you qualify as elderly, a person with a disability, or as a family; and U.S. citizenship or eligible immigration status. PHAs use income limits developed by HUD, which sets the lower income limits at 80%, and very low income limits at 50% of the median income for the county or metropolitan area you choose to live in. Income limits are different, depending on the area. You may be eligible at one PHA, then not eligible at a different PHA. The PHA serving your community can provide you with the income levels for your area and family size. You may also find the income limits by visiting <https://www.huduser.gov/portal/datasets/il.html>

How is rent determined for Public Housing?

Rent, which is referred to as the Total Tenant Payment (TTP) in Public Housing, would be based on your family's anticipated gross annual income minus deductions, if there are any. HUD regulations allow PHAs to exclude the following allowances from annual income: \$480 for each dependent; \$400 for any elderly family, or a person with a disability; and some medical deductions for families headed by an elderly person or a person with a disability. The PHA representative will determine if any of the allowable deductions should be subtracted from your annual income, based on your application. Annual income is the anticipated total income from all sources received from the family head and spouse, and each additional member of the family who is 18 years of age or older.

The formula used in determining the TTP is the highest of the following:

- 10% of monthly income;
- 30% of monthly adjusted income
- Temporary Assistance shelter payment, if that applies; or
- A \$25 minimum rent or higher amount (up to \$50) set by a PHA.

Example This is an example of what a Public Housing Rent Calculation could be for an individual employed as a Peer Worker.

Annual Income (Gross Income – Income Exclusions = Annual Income)	\$25,000.00
Adjusted Annual Income (Annual Income – Deductions = Adjusted Income)	\$19,700.00
Utility Allowance (*used for this example - other allowances may apply)	\$35.00
Income-based Rent	
1. Monthly Income (Annual Income/12)	\$2,083.33
2. 10% of Monthly Income (Line 1 X 0.10)	\$208.33
3. Monthly Adjusted Income (Adjusted Income/12)	\$1,641.67
4. 30% of Monthly Adjusted Income (Line 3 X 0.30)	\$492.50
5. Temporary Assistance shelter payment(if applicable)	NA
6. Minimum Rent	\$50.00
7. Ceiling Rent (if applicable)	NA
8. Total Tenant Payment (Highest of Lines 2, 4, 5, 6, or 7)	\$492.50
9. Utility Allowance (*there may be other allowances for different circumstances - this is for the purpose of this example)	\$35.00
10. Income-based Tenant Rent (Line 8 minus Line 9)	\$457.50

There is also the option of a less common flat rent (as opposed to the more common income-based rent) to residents of Public Housing. Flat rents are based on market rents and, therefore, the tenant rent does not vary with income.

For Public Housing families who pay an income-based rent, the PHA must conduct a reexamination of family income and composition at least annually and must make appropriate adjustments in the rent after consultation with the family and upon verification of the information. A family also has the ability to request an interim reexamination.

For Public Housing families who choose flat rents, the PHA must conduct a reexamination of family composition at least annually, and must conduct a reexamination of family income at least once every three years. A family may also request an interim reexamination.

In general, you may stay in Public Housing as long as you meet the terms of the lease. At your annual reexamination, if your household income is too high to obtain housing on the private market, the PHA may determine whether your family should stay in Public Housing, and you may be eligible for Privately Owned Subsidized Housing.

You may apply for Public Housing by contacting a Public Housing Agency at <http://www.hud.gov/offices/pih/pha/contacts/index.cfm>

Jobs Plus Program

The Jobs Plus Program for PHAs seeks to develop locally-based approaches to increase earnings and advance employment outcomes for residents of Public Housing. The program will fund initiatives to improve employment and earnings outcomes for Public Housing residents through supports, such as work readiness, employer linkages, job placement, technology skills, financial literacy, and educational advancement to ensure that Public Housing residents are connected to a program that is using evidence-based practices that work for job seekers and employers.

For information on the Jobs Plus Program, questions regarding specific program requirements should be directed to the e-mail address: JobsPlus@hud.gov
 Please note that HUD staff cannot assist applicants in preparing their applications.
 Persons with hearing or speech impairments may access this number via TTY by calling the toll-free Federal Relay Service at 1-800-877-8339.

Privately Owned Subsidized Housing

Many apartment owners/landlords receive funding from the government to lower the rents they charge low-income tenants. HUD sets the lower income limits at 80%, and very low income limits at 50% of the median income for the county or metropolitan area in which the recipient chooses to live. Income limits vary from area to area. You may find the income limits by visiting

<https://www.huduser.gov/portal/datasets/il.html>

If you live in Privately Owned Subsidized Housing, the PHA is not your landlord. Privately Owned Subsidized Housing is owned and operated by private owners who receive subsidies in exchange for renting to individuals/families with low and very low income. Owners may be individual landlords or for-profit or nonprofit corporations. Individuals/families look for the HUD’s low-rent apartments for Privately Owned Subsidized Housing. The PHA does not find the apartments for the individual/family. If you are employed as a Peer Worker and earning below HUD's income limits, you may qualify for the lower rents.

<u>Example</u>		
Area: <i>Bronx, NY</i>		
Federal Year (FY) 2016 Median Federal Income (MFI)		
Household Size (Number of Persons)	<u>50% of MFI</u> Very Low Income	<u>80% MFI</u> Low Income
1	\$31,750	\$50,750
2	\$36,250	\$58,000
3	\$40,800	\$65,250
4	\$45,300	\$72,500

A Peer Worker/family living in Bronx County, NY earning at or below these income limits may qualify for the lower rents of Privately Owned Subsidized Housing.

There is an online database of low-rent apartments for each state, which is maintained by HUD and updated daily. To search for HUD's low-rent apartments, visit <http://www.hud.gov/apps/section8/>

Reporting Changes in Income and Reexamination

PHAs must have a clear policy about when you must report an increase in income. This should be stated in your lease. If not, ask for a copy of the PHA's written policy, and be sure to understand it. People could possibly be evicted for not reporting an increase in income.

If you lose income during the lease period, the PHA must do a new rent calculation “within a reasonable time”, and the PHA written policy should state exactly what that time period is.

If you lose Temporary Assistance for Needy Families (TANF) income because of fraud or a work-related sanction, you do not get a rent decrease. However, you can still take advantage of the Earned Income Disregard if you go to work and qualify for the disallowance.

If you have opted to pay a “flat rent” and you run into a “financial hardship”, such as a lay off or a medical crisis, the PHA should let you switch to a lower percentage-of-income rental amount.

It is important to remember that a family may request an interim reexamination of family income or composition because of changes since the last determination, and the PHA must make the interim changes within a reasonable time after the family’s request.

Decreases in the family’s share of the rent are effective on the first day of the month following the change.

Increases are effective on the first day of the month after reasonable advance notice to the family. If rent increases as a result of the reexamination, the PHA must provide the family an opportunity to request an informal hearing.

Families Ineligible for Continued Assistance

Generally, if the annual reexamination results in assistance being terminated, the family may continue as a program participant for six months from the date of the reexamination effective date. During that period, the current contract remains in effect.

If the family circumstances change during the six month period, and the family again needs assistance, the PHA conducts an interim reexamination and may reinstate assistance. At the end of six months, if assistance has not been restored, the assistance will terminate. The PHA must provide the family and the owners at least 30 days advance notification of the proposed termination and an opportunity to request an informal hearing.

Example

A Peer Worker took a full time employment position while utilizing the Housing Choice Voucher program. The Peer Worker reported the income change to the PHA and requested an interim reexamination of family income. Upon reexamination, the increase in income caused the Housing Choice Voucher program to be terminated.

However, the Peer Worker has six months from the date of the reexamination effective date to continue as a Housing Choice Voucher program participant. This means the Peer Worker may try earning more income for six months before actually losing assistance in the Housing Choice Voucher program.

During the Peer Worker’s third month of employment, the Peer Worker switched to part time instead of full time hours, due to unforeseen circumstances.

The PHA conducted an interim reexamination of the individual’s lowered income and reinstated the individual’s assistance in the Housing Choice Voucher program, as it was within the six months from the date of the reexamination effective date when the individual was working full time hours.

If it had been after six months, and the Peer Worker was no longer a Housing Choice Voucher participant, the Peer Worker would need to reapply for the program.

For more information regarding reporting income changes, and reexaminations, contact a Public Housing Agency at <http://www.hud.gov/offices/pih/pha/contacts/index.cfm>

What are Some Additional Housing Incentives to Start or Return to Work?

There is a housing protection that extends the 30% rent cap to make sure that people in New York City who are living with HIV/AIDS and receiving rental assistance will pay no more than 30% of their income toward their rent, providing affordable and stable housing.

Earned Income Disregard

The Earned Income Disregard, sometimes called Earned Income Disallowance, or EID, is a program that allows tenants who have been out of work to accept a job without having their rent increase right away. It encourages self-sufficiency by rewarding residents who go to work to increase their earnings. For purposes of rent calculation, the disallowance functions as an income exclusion, meaning a portion of a qualified tenant's increased income is not counted in their rent calculation for a period of time. EID does not replace other income exclusions in rent calculation for tenants with disabilities.

The EID applies to anyone in your household who is age 18 or older. You may qualify for the disregard if:

- You were "previously unemployed" for at least 12 months before you went to work (if you were earning small amounts of money during that 12 months - up to 500 hours at state minimum wage - you can still qualify as "previously unemployed");
- Your household received Temporary Assistance during the last 6 months, and you began working or increased your earnings;
- Your income increased while you were participating in a self-sufficiency or job-training program (such as an English-as-second-language course, substance abuse rehabilitation, or a sheltered workshop, etc.); or
- You are disabled and went to work or started earning more money.

The EID excludes 100% of increased income from new earnings for 12 months when calculating rent. Then, the EID excludes 50% of increased income from new earnings for an additional 12 months.

The benefit is to limit rent increases from increases in income due to employment. However, if an individual's overall income does not increase due to employment, there is not an EID. If unearned income is replaced dollar for dollar with earned income, or the overall income does not exceed the prior baseline income there is not an EID. Once you start getting this disregard, you have a 4-year window period to use it up.

The rules for EID are different for tenants of Public Housing and tenants of other covered housing programs, such as the Housing Choice Voucher program. In Public Housing, any tenant may qualify for the EID benefit - those with and without disabilities - while in other covered programs, such as the Housing Choice Voucher program, the EID benefit is only for tenants with disabilities.

For more information regarding the Earned Income Disregard, visit

http://portal.hud.gov/hudportal/HUD?src=/program_offices/public_indian_housing/phr/about/ao_faq_eid

Disability Rent Increase Exemption (DRIE)

The Disability Rent Increase Exemption (DRIE), also known as the New York City Rent Freeze Program, is an exemption against future rent increases for eligible disabled persons living in rent-controlled, rent-stabilized, Mitchell-Lama and other eligible apartments in New York City. Landlords of DRIE tenants will receive tax credits to make up the difference between the frozen rent and what the DRIE tenants would be paying without the benefit.

For assistance with DRIE, including enrollment, renewals, appeals, transfers, and adjustments, tenants and landlords can contact the Department of Finance's DRIE Unit at <http://www.nyc.gov/contactfinance>, or visit the SCRIE and DRIE Walk-in Office at 66 John Street, 3rd floor, New York, NY, Monday – Friday. Several community-based organizations also provide assistance with DRIE enrollment.

Senior Citizen Rent Increase Exemption (SCRIE)

In New York City, seniors living in rent-stabilized or rent-controlled apartments, Mitchell-Lama, or limited dividend company buildings (such as Penn South or Amalgamated Houses), and apartments regulated by the loft board, are eligible to have their rent frozen through the Senior Citizen Rent Increase Exemption program (SCRIE) if: the head of household is 62 or older; the household income less than \$29,000; or the rent is 1/3 of income or an upcoming rent increase will bump the rent over that mark.

The program is administered by the New York City Department of Finance. To apply, visit http://www.nyc.gov/html/dof/html/property/property_tax_reduc_drie_sc_te.shtml You may download the application at http://www.nyc.gov/html/dof/html/pdf/scrie/scrie_appl.pdf You can also have the SCRIE application mailed to you by calling the city's central information number, 311, or going to your local senior center.

How do I find more information regarding HUD Rental Assistance Programs?

If you are interested in applying for affordable housing, or would like specific information about affordable housing programs, please contact your local Public Housing Agency. PHA contact information can be found by visiting

http://portal.hud.gov/hudportal/HUD?src=/program_offices/public_indian_housing/pha/contacts

You may contact your local HUD Field Office if you need help contacting the PHA. HUD Field Office contact information can be found by visiting

http://portal.hud.gov/hudportal/HUD?src=/program_offices/field_policy_mgt/localoffices

For information regarding other HUD opportunities for affordable housing, in addition to the Housing Choice Voucher (Section 8) program and HUD subsidized public and private housing, visit

http://portal.hud.gov/hudportal/HUD?src=/states/new_york/renting/assistanceprograms

To learn more about the New York State Certified Peer Worker Initiative, call the HIV Education and Training Programs at 518-474-3045 or visit <https://www.hivtrainingny.org/Home/PeerCertification>

Before making any decisions about changing your employment status, contact your local Social Security Office and speak to a Claims Specialist about your specific circumstances.