



Rocky Mountain AHMA 43rd Annual Conference

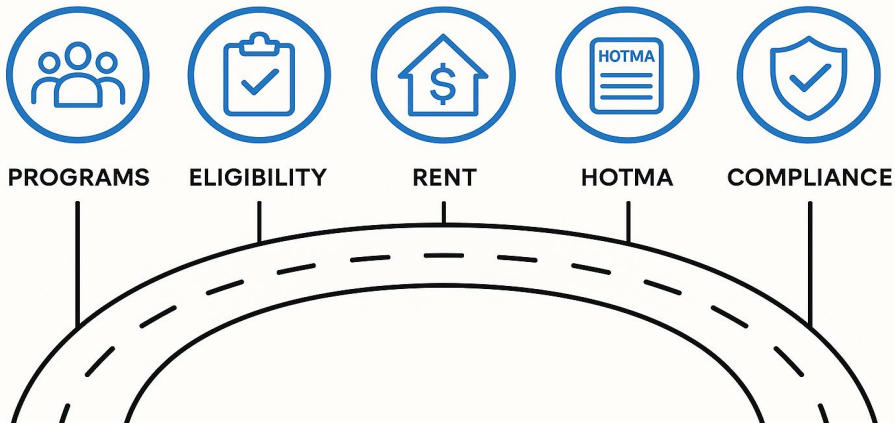
September 24-25, 2025

Basics of HUD Occupancy

Presented By: Jamila Burleson-Goshon

Learning Objectives

ROADMAP



By the end of this session, you will be able to:

- Describe HUD's multifamily program structure.
- Apply basic eligibility and rent determination rules.
- Identify required documentation for compliance.
- Explain how HOTMA will change HUD Occupancy.

HUD Program Overview



HUD Housing Assistance Overview



Diverse Programs

HUD offers various housing assistance programs for low-income households, seniors, and people with disabilities.



Application Process

Apply through local public housing agencies (PHAs) or designated authorities.



Eligibility Factors

Criteria include income limits, family size, and local housing market conditions.

HUD's Role in Affordable Housing



HUD = U.S. Department of Housing & Urban Development.



Provides rental subsidies through contracts with Owners/Agents.



Goal: Safe, decent, affordable housing for low-income households.



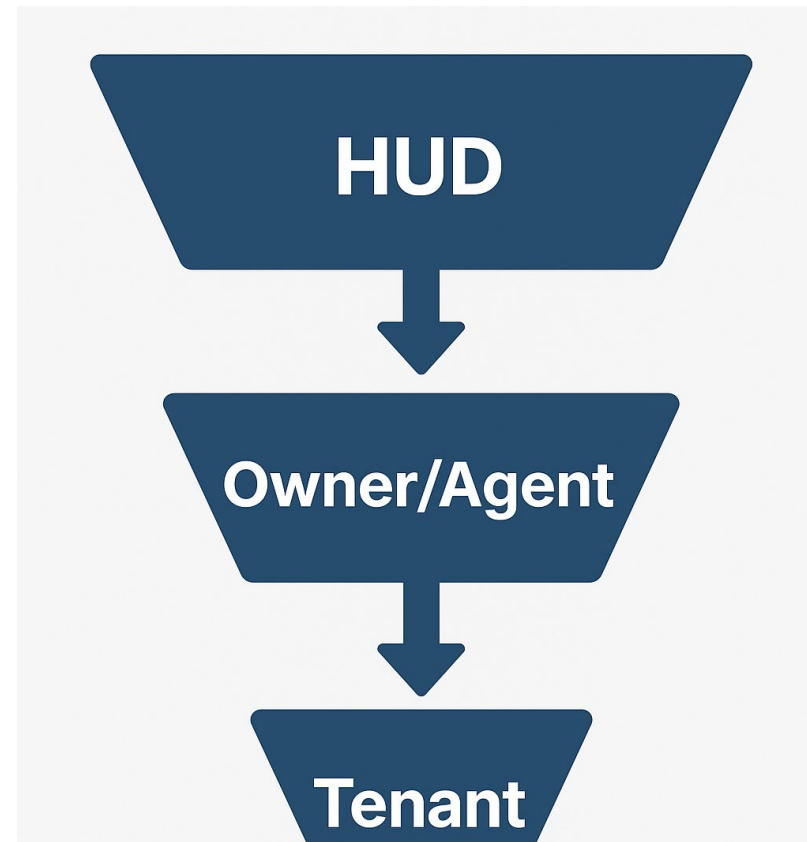
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Types of HUD Multifamily Programs

Program	Primary Purpose	Target Population	Type of Assistance	Notes
Section 8 Project-Based Rental Assistance (PBRA)	Provides rental subsidies tied to specific units in privately-owned properties	Low-income families, seniors, and persons with disabilities	HUD pays the difference between tenant rent (30% of income) and contract rent	Tenants must live in PBRA-designated units; not portable
Section 202 Supportive Housing for the Elderly	Develops and provides affordable housing with supportive services for seniors	Very low-income elderly households (62+)	Capital advances to nonprofits + rental assistance	Includes supportive services such as transportation, meals, and case management
Section 811 Supportive Housing for Persons with Disabilities	Provides affordable housing and support for persons with disabilities	Very low-income persons (18–62) with disabilities	Capital advances to nonprofits + rental assistance	Focused on independent living with access to supportive services
RAP / Rent Supplement (Legacy Programs)	Early HUD programs to provide rental subsidies	Low-income families and individuals (pre-1970s programs)	HUD paid landlords directly to cover part of rent	Phased out, but some legacy contracts still exist and have converted into PBRA or other forms

Flow of Subsidy



Owner/Agent Responsibilities

- Maintain complete tenant files.
- Ensure accurate rent and subsidy calculations.
- Follow HUD Handbook 4350.3 rules.
- Cooperate with reviews (MORs, audits).

COMPLIANCE AUDIT CHECKLIST
CompliCheck Enterprises

Name: _____ Date: _____ Gender: _____
Department: _____ Age: _____

1 - Strongly Agree 2 - Agree 3 - Neutral 4 - Needs Improvement

CompliCheck Enterprise Compliance Audit Checklist	1	2	3	4
Human Resources and Employment Practices:				
Review Employee Contracts and Ensure Compliance with Labor Laws.	☐	☐	☐	☐
Confirm proper documentation of hiring processes, evaluations, and promotions.	☐	☐	☐	☐
Verify adherence to workplace safety regulations and health standards.	☐	☐	☐	☐
Data Security and Privacy:				
Assess the protection of customer and employee data, including encryption and access controls.	☐	☐	☐	☐
Review privacy policies and procedures for compliance with data protection regulations.	☐	☐	☐	☐
Environmental and Sustainability Compliance:				
Review CompliCheck Enterprise's efforts to meet environmental regulations and promote sustainability.	☐	☐	☐	☐

Compliance Audit Checklist Template

When it comes to checklists, there are things you have to consider like what the checklist is about and what it is for. Worry no more by using this Compliance Audit Checklist Template

Includes 2 pages

Eligibility & Application Process

11/6/2019

9

Eligibility Chart - HUD

Homelessness and Supportive Housing Eligibility Chart

Eligibility by Component Type for New Projects	Eligibility by Component Type for Renewal Projects	Homelessness Category
PH-PSH PH-RRH Joint TH and PH-RRH TH SSO SSO-CE YHDP*	PH-PSH PH-RRH Joint TH and PH-RRH TH SSO SSO-CE YHDP*	(1) Category 1 – Literally Homeless Individual or family who lacks a fixed, regular, and adequate nighttime residence, meaning: (i) Has a primary nighttime residence that is a public or private place not meant for human habitation; (ii) Is living in a publicly or privately operated shelter designated to provide temporary living arrangements (including congregate shelters, transitional housing, and hotels and motels paid for by charitable organizations or by federal, state, or local government programs; <u>or</u> (iii) Is exiting an institution where (s)he has resided for 90 days or less <u>and</u> who resided in an emergency shelter or place not meant for human habitation immediately before entering that institution.
PH-RRH Joint TH and PH-RRH	PH-RRH Joint TH and PH-RRH	(2) Category 2 – Imminent Risk of Homelessness Individual or family who will imminently lose their primary nighttime residence, provided that: (i) Residence will be lost within 14 days of the date of application for homeless assistance; (ii) No subsequent residence has been identified; <u>and</u> (iii) The individual or family lacks the resources or support networks needed to obtain other permanent housing.

*Youth experiencing homelessness, including unaccompanied and pregnant youth, where no member of the household is older than 24.



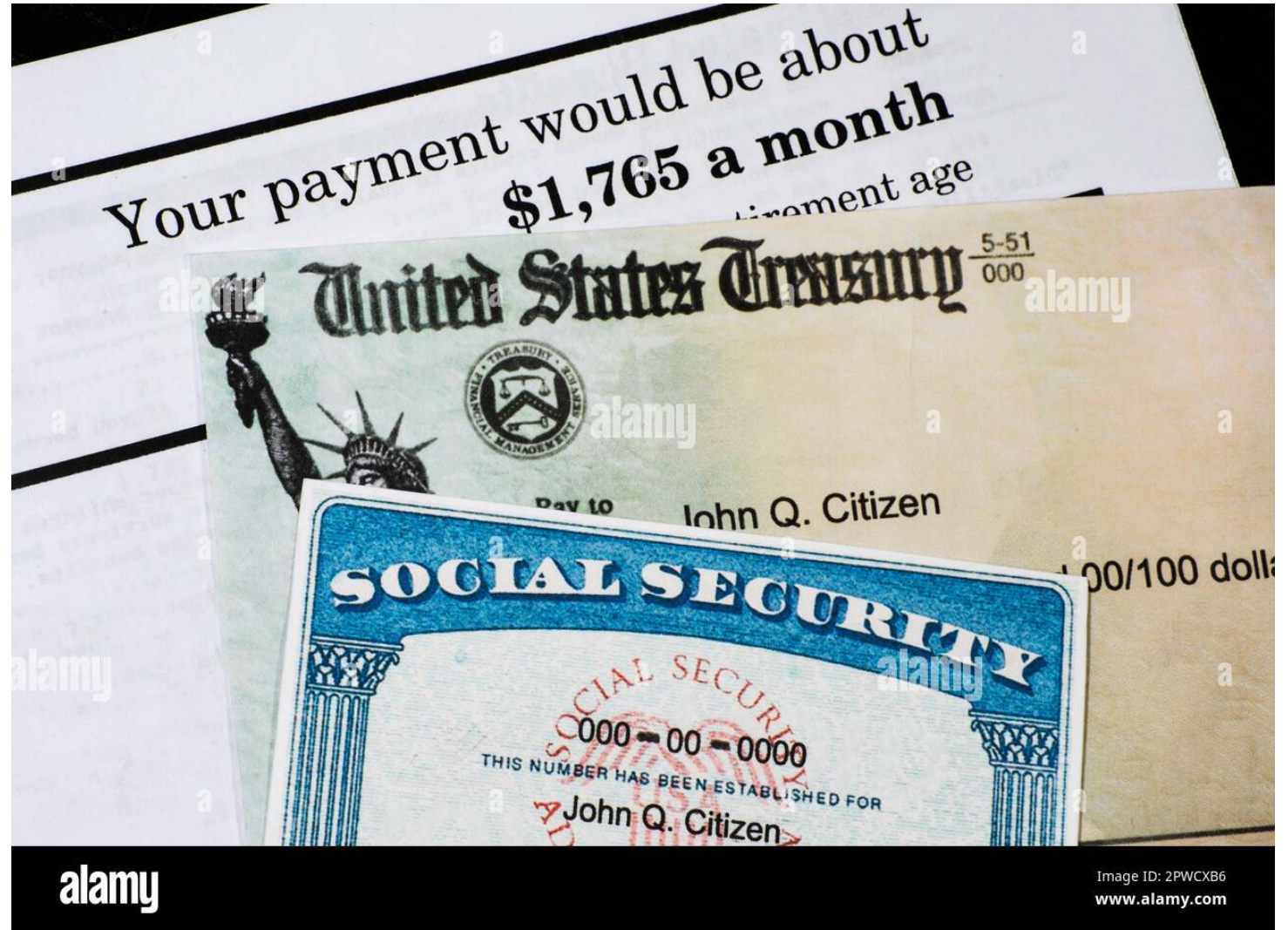
HUD Announces the Housing Voucher Program

Explore how HUD's Housing Choice Voucher program
and learn how PlanStreet's HMIS Case Management
Software supports housing agencies.



Eligibility Basics

- At least one household member must:
 - Be a U.S. citizen or eligible immigrant.
 - Provide a valid Social Security Number (or certify exemption).
- Household income $\leq$ HUD income limits (typically 50% or 80% AMI).





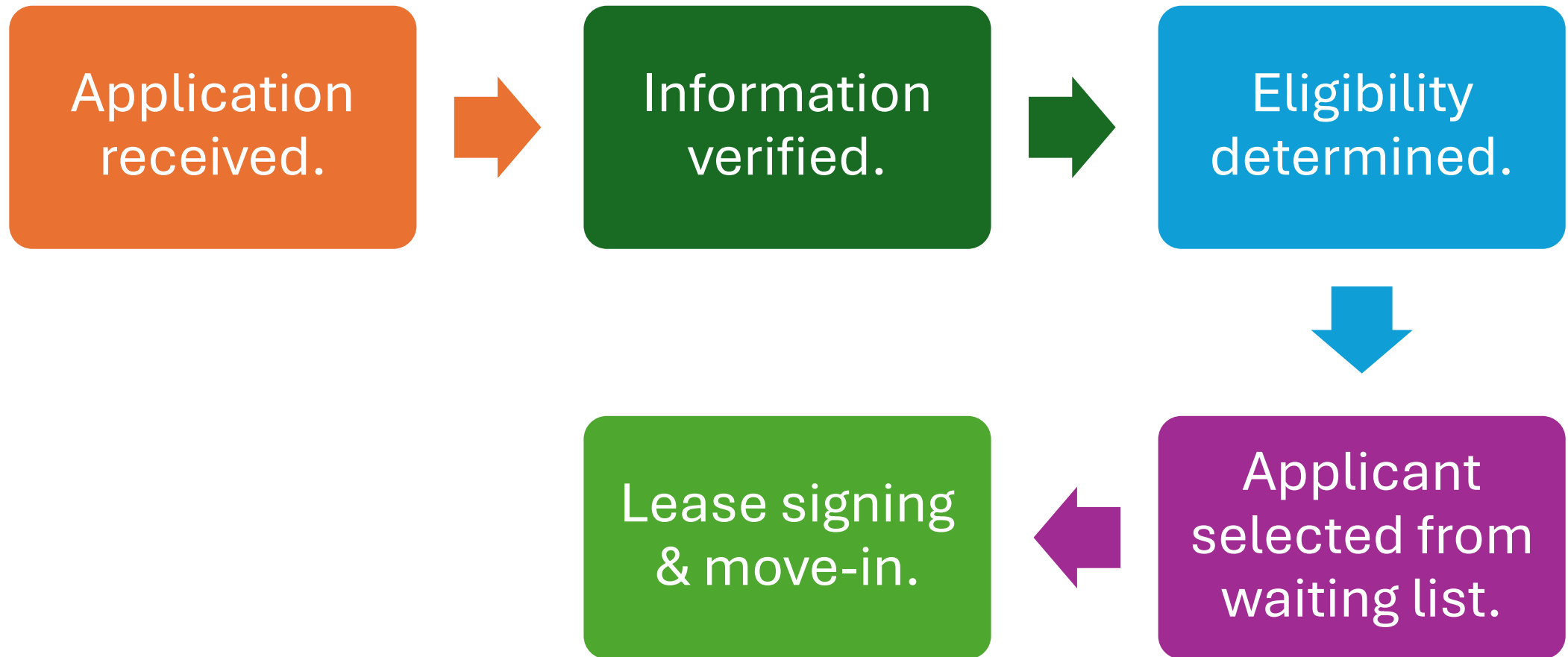
WAITING LIST

Preferences & Waiting List

- Federal preferences may apply (e.g., involuntary displacement).
- Owners/Agents may adopt local preferences (with HUD approval).
- Waiting lists must follow:
- Fair Housing laws.
- Affirmative Fair Housing Marketing Plan (AFHMP).



Application Flow





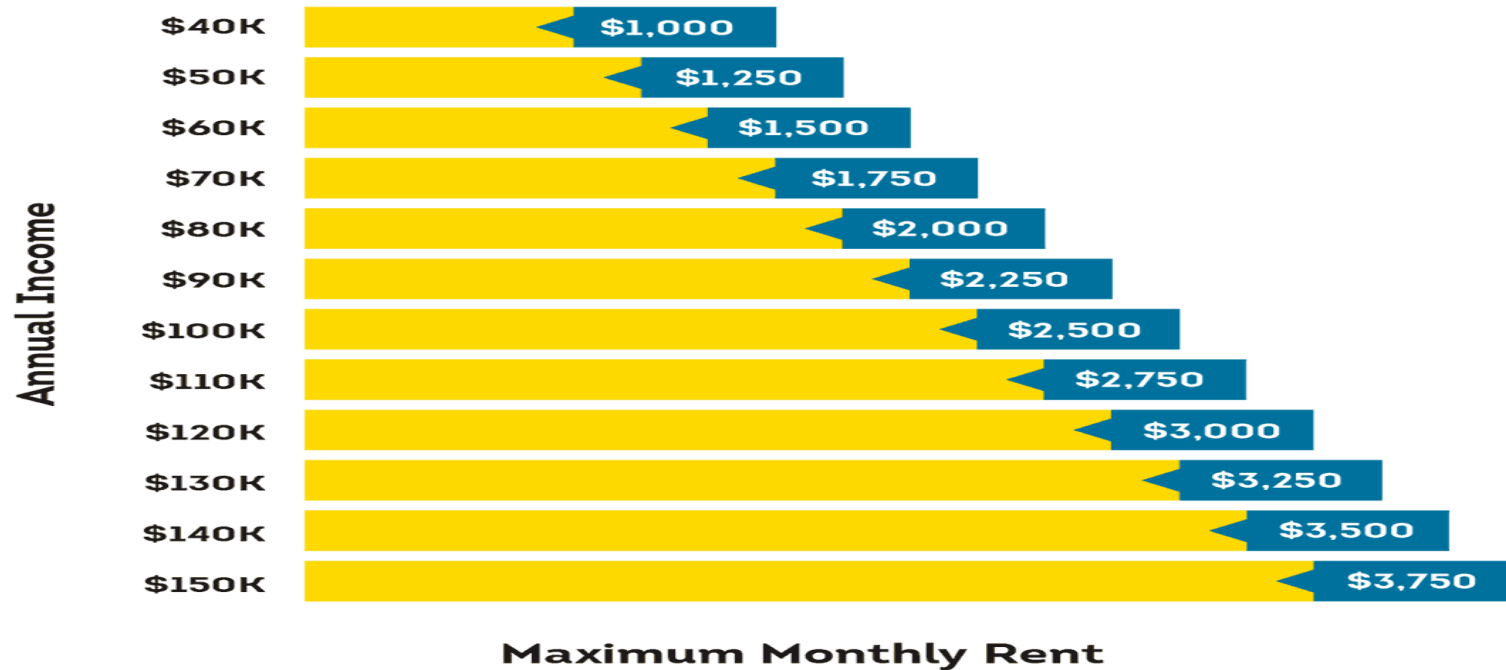
Mini Scenario

- *Applicant: Maria, single parent with 2 children*
- **Income: \$22,000/year.**
- **Student loan debt: \$8,000.**
- **No assets.**
- **U.S. citizen.**
- **Question: Is this household eligible for HUD PBRA?**

Income & Rent Determination

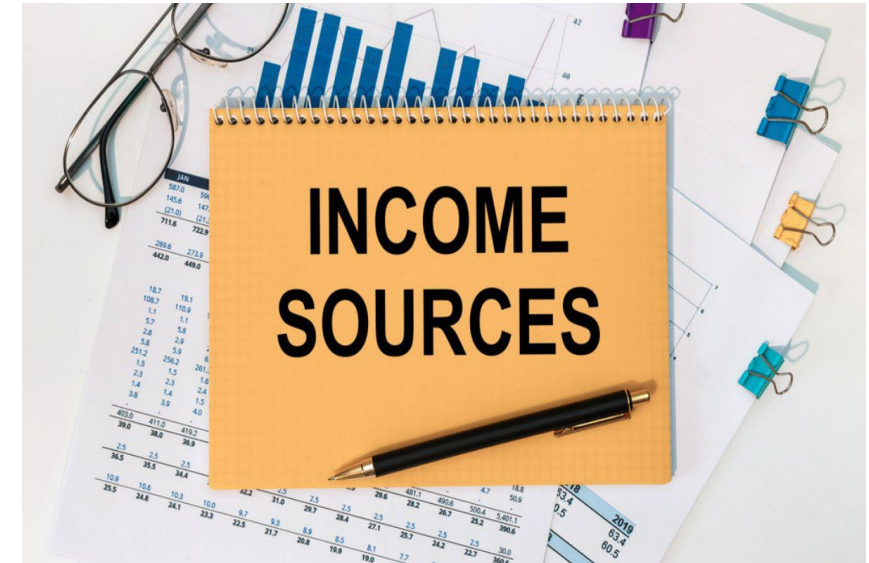
Rent-to-Income Calculations

Max rent calculation based on 30% benchmark



What Counts as Annual Income

- Wages, salaries, tips.
- Social Security, pensions, retirement.
- Unemployment, disability benefits.
- Regular contributions/gifts.



What is Not Counted

- Employment income of children under 18.
- Lump-sum additions (inheritance, insurance settlements).
- Foster care payments.
- SNAP, WIC, school lunch benefits.



Assets & Imputed Income

- Assets include: checking, savings, investments, property.
- Actual income from assets must be counted.
- If total assets > \$5,000 → use greater of:
 - Actual income, or
 - Imputed income at HUD passbook rate.



**What is
Imputed
Income?**



Adjusted Income: Deductions



- \$480 for each dependent.
- \$400 for elderly/disabled household.
- Unreimbursed medical expenses $>3\%$ of income.
- Childcare expenses if necessary for work/school.



Rent Calculation Basics

- Tenant Rent = **Total Tenant Payment (TTP)** = greater of:
 - 30% of adjusted monthly income, OR
 - 10% of gross monthly income, OR
 - Minimum rent set by HUD/Owner (if applicable).

Rent Calculation

Quick Link... | Prompt | Clear | Clear All | Save | Delete | Close

Rent Calculation for - TENANT, IMA R

Effective Date: 11/16/2010 | Auto Calculation

Main | TTP | Rent Calculation | Retro/Special Payments

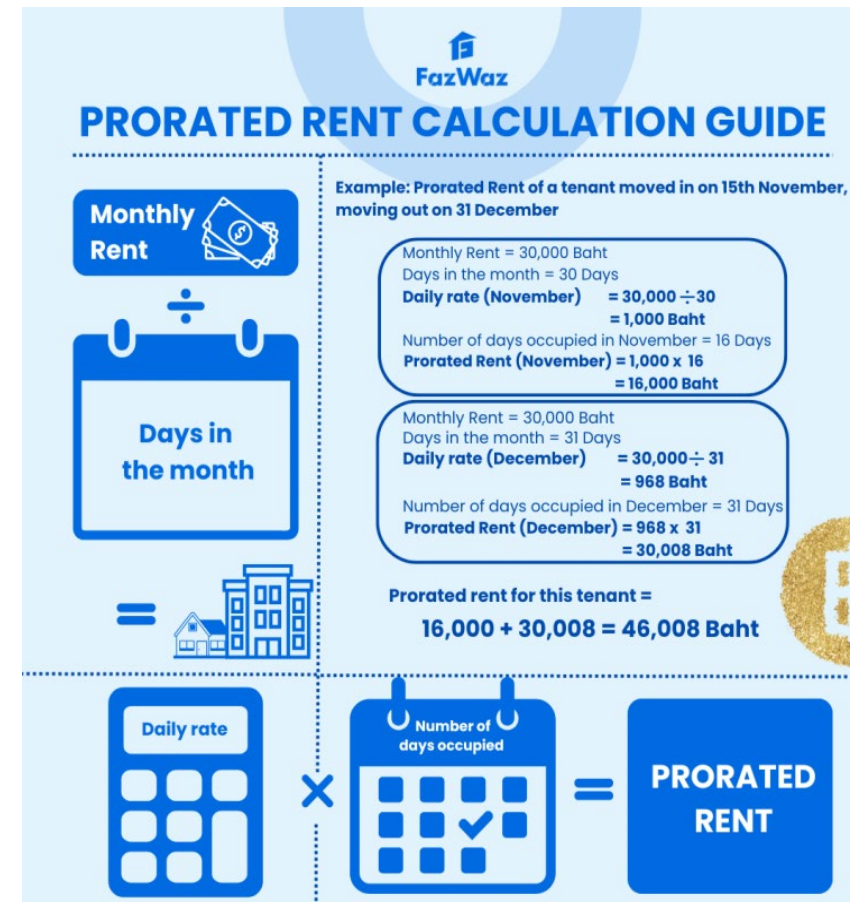
Total Tenant Payment Calculation

Monthly Max Rent:	-237.00	Percent:	40.000
Monthly Total Rent:	\$0.00	Percent:	30.000
Minimum Gross Rent:	\$120.00	Percent:	10.000
Welfare Rent:	0.00		
Minimum Rent:	\$50.00		
EV Minimum Rent:	0.00		
Total Tenant Payment:	\$120.00		

☐ Qualify for Minimum Rent Hardship Exemption

Example: Rent Calculation

- Household Income = \$24,000/year
Adjusted Income (after deductions) = \$21,000/year
 - Adjusted monthly = \$1,750 → 30% = \$525
 - Gross monthly = \$2,000 → 10% = \$200
 - Tenant Rent = \$525**



HOTMA Update

HOTMA

Housing Opportunities Through Modernization Act

ONE **“HOT”** TOPIC

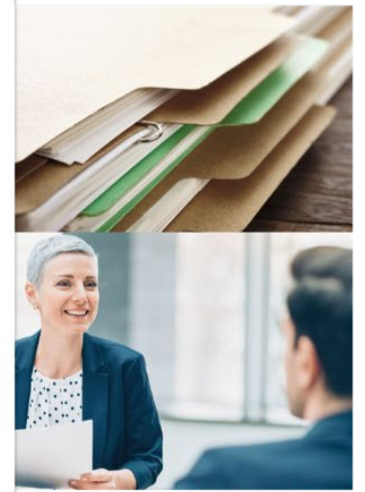
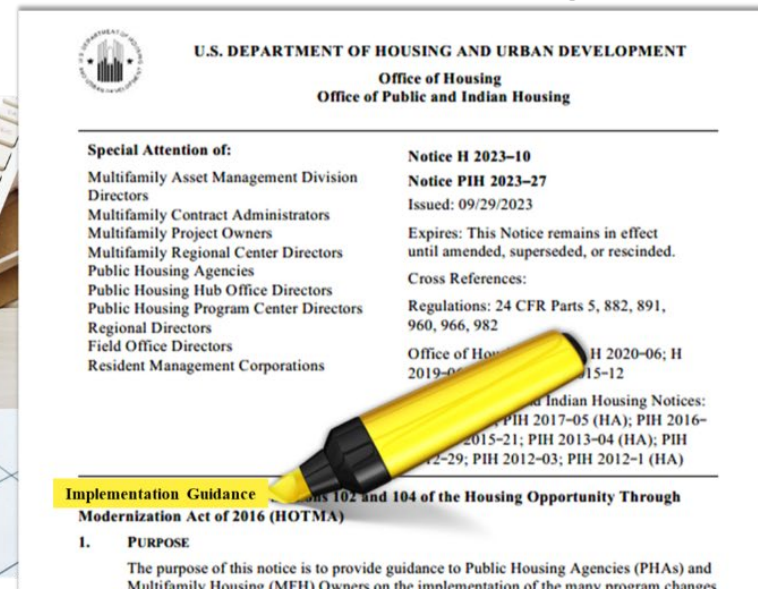
Final Rule

HOTMA Overview/Multifamily ONLY

- Housing Opportunity Through Modernization Act (HOTMA)
- Major updates: Sections 102 & 104
- Impacts income, assets, deductions, recerts
- **Mandatory compliance: January 1, 2026**
- Applies to HUD Multifamily Housing Programs

HOTMA Highlights

Important Notes from the HOTMA Implementation Notice



HOTMA Key Changes

Asset threshold: Imputed income only if assets > \$51,500 (2025)

(Adjusted annually for inflation)

Medical deduction threshold: From >3% → now >10% of income.

Elderly/Disabled deduction: \$400 → \$525.

Interim recerts: Mandatory if household income ↑10%+.

Student rule clarified.

Effective Date: Jan 1, 2026

Before vs. After HOTMA

Before HOTMA (Now)

Imputed income if assets > \$5,000

Medical deduction: >3% of income

Elderly/disabled deduction = \$400

Interim recert: optional/discretionary

After HOTMA (Jan 1, 2026)

Imputed income if assets > **\$51,500 (2025)**, inflation-adjusted

Medical deduction: >10% of income

Elderly/disabled deduction = \$525

Interim recert: mandatory if income
↑10%+

Compliance & Documentation



VAKIL SEARCH

File Documentation Requirements

- Tenant files must support:
 - Eligibility determinations
 - Income & asset verifications
 - Rent calculations (50059s)
- Documents must be current, complete, and signed.



MOR Hot Spots

- Common findings during Management & Occupancy Reviews (MORs):
 - EIV reports missing or not signed.
 - 50059s missing household/owner signatures.
 - Rent calcs inconsistent with supporting docs.
 - Verification forms expired or incomplete.



Best Practices for Compliance

- Use file checklists consistently.
- Standardize verification procedures.
- Document interim actions clearly.
- Perform regular internal audits.
- Train staff continuously.



EIV in Compliance

- EIV = Enterprise Income Verification system.
- Required uses:
 - Existing Tenant Search (before move-in).
 - Income reports (at recertification).
 - Identity verification.
- Must be printed, signed, and filed.

D. Verification of Income

i. Running the EIV Income Report

Run the Income Report in the following month:	January	For all households whose MI-50059 was transmitted to TRACS in:	November
	February		December
	March		January
	April		February
	May		March
	June		April
	July		May
	August		June
	September		July
	October		August
	November		September
	December		October

The EIV Income Report must be run **within** 90 days of the MI-50059 being transmitted to TRACS for all new admissions.



(HUD Notice H2011-21 ¶ VII.A.2.e)

Case Study: Apply the Rules

- **Household A**
- Elderly household, 2 members
- Income = \$20,000/year (Social Security + pension)
- Assets = \$45,000 (CDs and savings account)
- Medical expenses = \$2,500/year
- **Question:**
- What is the adjusted income **under current rules**?
- How will HOTMA (Jan 1, 2026) change the calculation?



Key Takeaways



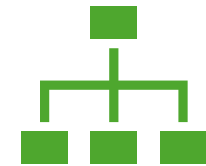
HUD Occupancy = eligibility
+ rent determination +
compliance.



Files must document
everything (“If it’s not
written, it didn’t happen”).



HOTMA changes begin **Jan 1, 2026** – prepare policies now.



Internal audits & training =
best defense for MORs.

Resources & Q&A



HUD Handbook 4350.3 REV-1



HOTMA Final Rule (2023)



HUD Multifamily Housing Notices & FAQs