**MARIE HERB:** Housing subsidy program with the focus on communities that may be seeing a decrease in funding. Hi, one second. Hi, sorry about that. OK. So we're going to start things off with some introductions and a review of some logistics, and then do an overview of some ideas on HOPWA modernization in the context of these decreases. We'll then identify the different types of HOPWA assistance we'll be focusing on for today's discussion.

Since the HOPWA program does allow for many types of assistance, we want to be clear about the focus of today's discussion. And then we want to hear from you, if there's other future conversations you'd like to have about other types of HOPWA assistance. Next, we'll talk about strategies for moving forward, program changes that you may be considering, and lastly, some key things to think about that you may need to do to transition households off of your HOPWA housing subsidy program.

Today, you're joined by me, Marie Herb, and Liz Stewart from TAC. TAC is one of three firms that are providing technical assistance to grantees that have been significantly impacted by HOPWA modernization. We're also partnering with the Cloudburst group and with Collaborative Solutions on our technical assistance.

As I said, this webinar is targeted to grantees experiencing a decrease in their HOPWA allocation, as a result of modernization, who currently administer housing subsidy programs. The target audience for this webinar includes HOPWA grantees and project sponsors that may be considering reducing their HOPWA subsidy assistance. Many grantees and project sponsors are facing future decreases, some quite dramatic, and others less so. Also joining us today are HUD staff and TA providers.

We intentionally kept this webinar aimed at the smaller subgroups so that we can really hear from you directly and have discussion, as needed. So, again, I'm hoping that you'll all stay till the end and really participate in the discussion. Oh, and we're also supported by Rachel Banderob from TAC. She will keep us moving along nicely. And Rachel, thank you. And if you could launch the first poll, that would be great.

**RACHEL:** OK I am launching it right now.

**MARIE HERB:** OK. The first poll is just asking, who are you? So do you work for a grantee? Do you work for a sponsor agency? Are you HUD staff? Or do you work or do you fall into another category?

And if you can all just select one, that would be great. And then Rachel will let me know when she's closing the poll. And we'll see who's on today's webinar.

**RACHEL:** OK, looks like we've have almost everyone.

**MARIE HERB:** Great. Will you be sharing the results, Rachel?

**RACHEL:** I just did. Are you not seeing it?

**MARIE HERB:** No. Do you want to read off the results?

**RACHEL:** Sure. It's I work for a, 58% said grantee. No one said sponsor agency. 17% said HUD staff. 25% said other.

**MARIE HERB:** Great, thank you. And I'm just going to jump into one other poll, just to, again, get a sense of who's on today's call. So if you could launch poll number two, that would be great. And in this poll if you could just answer the question, my level of HOPWA expertise is?

One, I am a HOPWA expert. Two, I have some HOPWA knowledge and am comfortable working with the program. And three, I am a HOPWA novice. I'm kind of new to HOPWA. So we'll take a minute to answer that. Rachel, you'll let us know when you're sharing?

**RACHEL:** Yep, I just posted out some. We have 43% consider themselves a HOPWA expert. 36% said some HOPWA knowledge and I'm comfortable working with the program. 21% felt they were a HOPWA novice.

**MARIE HERB:** OK, so we are really kind of represented across the board. So, hopefully, we'll be able to provide some information for people who fall into all three categories. And then we'll just keep the novice idea in mind when it's your turn to share or talk. If you're an expert, just remember that we have some beginners on the line as well.

OK. So before we get started, I'm just going to go over some logistics. Again, if you did not already put your pin number in, if you could put your pin number in, that would be great. This webinar is live. But all the lines are going to be muted until the question and answer period.

We are going to record it, though. And that will be available on the HUD Exchange sometime in the future. During the presentation, at any time, you could submit questions in the question box. And we'll make every effort to answer those, either during the presentation or at the end. And, again, at the end, we're really hoping to have some time to open up and maybe unmute all the lines for your discussion.

If you have any technical issues, you can also put that in the question or check box. And Rachel will be looking for those, as well, in case there's anything. OK. I think we are almost ready to start.

This slide is just showing the next webinars that are scheduled in the HOPWA modernization series. Again, they're pretty much every other week, except we skip for Thanksgiving and Christmas holidays. But that's the schedule.

If you are interested in participating in any of these, you've all been assigned a TA provider. And I think you all know who they are. If not, just put that in the chat or in question box as well. And we'll make sure they reach out to you. But you can let your TA provider know if you want to make sure that you're invited to any of these. And then you'll get that invitation for the future.

OK. Before we jump into the main part of this presentation, we want to remind everyone that there are some key goals of HOPWA modernization that we hope will frame any discussion around specific funding decisions. When the legislation passed enacting HOPWA modernization, HUD identified these three goals or values to drive decision-making throughout the process. These values are that no person should become homeless as a result of HOPWA modernization, that all funds should be used to meet the needs of eligible households, with no funds recaptured from grants. And the third is that grantees should ensure that their projects designs meet the changing needs of the modern HIV epidemic, with the goal of positive health outcomes and reduced viral loads for HOPWA-assisted households.

And while each of these goals are relevant for grantees seeing decreases in funding, perhaps the most pressing for today's discussion is the first, that households don't become homeless as a result of HOPWA mod. Making programmatic reductions is a difficult process. While it may not be achievable, keeping everyone housed, either in place or transitioning to other permanent housing, should remain at the center of planning and decision-making.

Our learning objectives for today are pretty much what you see on this slide, to inform grantee decision-making around funding and program changes, to identify factors in making funding and cost projections, and to explore strategies to manage reductions in housing subsidy programs.

There is no way to spin it. Getting less funding is tough. It means that you'll have to make hard decisions. You may have to make a decision that results in providing housing and services to less households, or providing a different set of services. Or you may decide to change the funding levels of current sponsors or even change which sponsors you work with.

As we continue this discussion today, we hope we can provide some insights into how to make the best of these realities. Facing budget cuts can be a time to create new relationships with providers in your community. These may be providers you've never worked with before. It can also create an opportunity to evaluate what's working and what isn't, with the goal of increasing the effectiveness of your HOPWA dollars.

So now, we're going to spend a few minutes just reviewing the types of housing subsidy assistance that we're going to focus on today to make sure that we're all on the same page. As you know, HOPWA housing subsidy assistance includes a number of different activities and housing types that can look really different in the way that services are delivered and in the way the programs are set up. Not everything that we will talk about during this webinar today will apply to all [AUDIO OUT].

Today's focus will be on tenant-based rental assistance and master leasing of scattered site and blocks of units. Again, at the end, we want to hear from you if you would like a similar webinar for other activities that you are currently administering.

So Tenant-Based Rental Assistance, or TBRA, is probably the most familiar, as it mirrors the HUD Housing Choice Voucher Program. In TBRA programs, tenants, who are your HOPWA clients, have a lease with a private property owner. And the tenant pays a portion of their rent to the owner. And that portion of their rent is based on the rent calculation that we're not going to go over at all today. And then the HOPWA program funds the difference between that total rent and what the tenant paid.

In facility-based rental assistance, this type of housing is also known as master leasing, where the HOPWA provider holds a lease with a property owner for a group of units. These units could be scattered site, again, throughout many buildings in the neighborhood, or at one single site. The HOPWA provider pays rent to the owner. And then the tenant holds a sublease with the HOPWA provider and pays a portion of their rent to that HOPWA provider.

So those are the two differences. Those are what we're going to really talk about today. And we're just going to do one more poll. Rachel, if you could launch the third one.

**RACHEL:** It is not edited.

**MARIE HERB:** Great, in this poll we're asking, do you currently operate a TBRA program, a tenant-based rental assistance program? Do you master lease units or do you do both?

**RACHEL:** We got some more responses coming in. I'll keep it open for another couple of seconds for anyone who hasn't voted yet. OK. And we found that 44% said a TBRA program. No one said master lease units. And 56% of you said you operate both.

**MARIE HERB:** Great. Perfect. OK. So that's what we're going to talk about today. So now, let's really start talking about the steps you can take as you plan for these upcoming changes with your reduced formula. We're going to look at four strategies. These steps include developing financial projections, targeting resources, building partnerships, and communicating with your stakeholders. I'm going to talk about the first, the financial projections, and then hand the phone over the Liz to talk about the next three.

A helpful step in dealing with budget cuts is developing financial projections. What we mean by this is a budgeting exercise that helps you identify actual dollar values of the money you expect to come in, which is your funding, and the money you expect to spend, which are your costs. This funding and costs are specific to your housing subsidy assistance program, be it TBRA or the facility-based or master lease program.

We really want you to focus in on that budget line item. You may be doing other things as well with your HOPWA grants. But for this kind of discussion and to really kind of see what you can do with your TBRA or master lease, and you want to really zero in on that budget line item. The goal of developing financial projections is to help you determine how many households you can support in your housing subsidy program going forward.

Please keep in mind that financial projections are estimates, estimates based on past experience and future best guesses. Financial projections are imperfect. But they can be very helpful for planning.

Once you've made some estimates on how much funding you will have, you can start thinking about the cost and what type of changes you might expect to see in the coming year. Looking at cost data from recent years can be very helpful in determining the rate of cost increases, or, if you're lucky, any decreases. On this slide, we have a list of costs, specific to administering a housing subsidy program that you might want to think about.

Let's see. So the first is the FMR, or Fair Market Rent, and rent comps. You want to think about, have these increased in recent years? The FMRs come out every October 1. And you can go back and look at past FMRs. And then the newest ones would have just started a few days ago.

And rent comps is really looking at what the housing market is in your community and seeing what are the comparable rents, the comparable unit, units with similar features. And have those rents stayed flat? Have they increased? Or have they decreased? It's really taking a pulse of the housing market.

With staff and program costs, you want to think about, at what rate have staffing costs increased in recent years? Are there any plans or expected program cost increases?

One of the big unknowns, but something to really try to get a handle on because it could be such a large part of a program's budget would be the health insurance your agency may provide or your sponsor agencies may provide to their staff. Are you seeing that you are seeing a lot of new staff? Or do you have to think of strategies and potential costs to make sure that you maintain and retain your existing experienced staff?

The attrition patterns of current households is really important. So you are currently running a TBRA or a master leasing, or for many of you, both. How many units turn over every year? How much of the budget does that represent for you?

So are you seeing that 10% of your TBRA units turn over, that people move onto other housing, leave the community, for some reason aren't continuing to use the TBRA? You want to get a handle on that because [AUDIO OUT] with that, you get a sense of if you stopped issuing new vouchers in a TBRA program, how much would your spending decrease? Would it be enough to account for the budget decrease you're projecting? Or would it be half of the budget decrease you're projecting? But that would be one of the first places to look, as a way to address your possible budget decreases.

Another one is the income and family size of current households. A change in either of these can really increase or decrease your costs. So taking a look at past patterns, perhaps you started your program serving individuals. But over the past few years, you are seeing that you're serving more families and that those larger units are going to cost more money.

Or maybe it's the opposite, that you started serving families. And now, you're serving households which need fewer bedrooms, and, therefore, cost less. But that's a really big item that you're going to want to get a handle on in looking at trends.

And then the last is the future lease renewals. And this probably relates most to those who are doing master leasing. What are the financial risks posed by future lease renewals? If you are leasing 10 units with one property owner, that means that you're really beholden to that owner to extend. How is your relationship with that landlord? Do you need to start shopping around to see if there's other landlords that you could enter into agreements with, should the relationship with this one fail?

You want to just think about, can you enter into a even longer lease with that property owner to give them the surety in knowing that they have a tenant for the long-term? And you have the surety of knowing that the rents won't go up. So those are possibilities.

About two weeks ago, Jonathan and Steve from Cloudburst did a webinar, where they showcased a really great budgeting tool. And if you weren't part of that webinar, I strongly encourage you to look at it once it gets up on the HUD Exchange. It's not there yet. But it will be shortly. And really look at the budget impact tool that they showcased.

Your TA provider can also make that tool available to you and work with you to use it. That tool can really help you think about not only the focus of the housing subsidies that we're talking about today, but, also, the other elements of your HOPWA program.

So at this point, I'm going to pause. And I'm going to get up and move my seat. And Liz is going to come over here. And she's going to keep sharing some information with you.

**LIZ STEWART:** Hi, everyone. So let's keep going with the presentation. So now that we've talked about some of the considerations around looking at your budget and figuring out the numbers, we want to look into how you should be targeting your resources. So targeting resources is all about figuring out which set of programs or services are the most critical and the most effective in your community. These are your highest priority services and programs that you want to protect.

So when you're looking at your tenant-based rental assistance program, looking at your master leasing program, you want to determine whether or not these programs are what is needed for the clients that you're serving, that it is working. We all know that the HIV epidemic has evolved. And this means that the needs in your community have evolved as well.

So you want to ensure that, are there needs in your community that have changed? Does your current program reflect those changing needs? And looking ahead, are there any new trends that might impact the effectiveness of your program?

We also want to make sure that people are thinking about where there is decreased funding that you're experiencing that you really have looked at and explored all avenues related to partnerships. Building partnerships with other funders, agencies, providers, and stakeholders can provide valuable opportunities to find solutions, to share problems, and improve the network that strives to deliver services to your HOPWA households.

There is actually so much to say about this topic. And it's a topic that we think is important enough that we've dedicated the next two webinars in this series to develop deeper into this topic. So those webinars will focus mainly on building and strengthening partnerships with your local CoCs, Ryan White providers. One is on October 18. And the other is on November 1.

But it's also worth mentioning that there are other possible partnership opportunities out there as well. For example, do you have a relationship with your local housing authority? Do you have a relationship with the housing finance agencies, local behavioral and physical health providers, community advocates or group, as well as the private sector? So it's important that you're looking at all the different partnerships that may be made available to you and which could actually bring about some other source or resource that may match well with your current program, or help alleviate some of the issues that you may have when you think about some of the funding cuts that may be happening within your program.

Communication is another key part of your planning strategy, communicating with your project sponsors and other local stakeholders. it's. Important that you're keeping people in the loop about the funding realities you are facing. It's important so that they can plan and work together with you to develop solutions. Thinking ahead about the what, when, how, and with who will help you strategize as you make decisions that impact your HOPWA program.

So a lot of those are kind of more strategies around the initial planning that you have to do. And now, we're going to move on to really talking about what types of program changes you might be considering as part of the budget shortfalls that you may be facing, as part of the

HOPWA modernization formula changes. So we're going to be looking at three key areas around program changes, so looking at design, looking at service delivery, and looking at staffing.

So as far as the design goes, and keeping in mind that you want to make sure that you are providing the housing and services that are most needed within your community, looking at whether changing providers or services would reduce costs while maintaining or improving those services. So if the way the service structure is now that it's parsed out to many different groups, would it make sense to try working with one service provider?

Same thing on the more housing-related tasks. Does it make sense to outsource specific tasks, such as housing inspections? So for some of the smaller TBRA programs that are out there, having staff that are doing housing inspections can be pretty costly. Maybe it makes sense to partner with PHA to see if there can get some cost savings there, just to provide to housing inspections. And that might end up saving you costs, which will help deal with those budget shortfalls.

With TBRA, if you're a grantee that has multiple project sponsors running TBRA, you might want to look at whether it makes sense to consolidate the administration of those programs to make it more of a centralized administration, if there would be some cost savings there, as opposed to having these various different TBRA programs operating out there.

As far as master leasing, you may want to look at evaluating the current service needs for that, especially if you're talking about a master leasing situation where it's one structure. Is that something that's meeting the needs of those in the community? If it is more scattered site, making sure that you are using best practices to ensure that you are making the best use of those resources around program administration.

Another thing around design, would revising the eligibility standards help target limited resources for those with the highest need? So thinking about if you are going to be bringing newer people on the program, if you think that there might be some operators continue to do that, determining, really, who should be targeted for those resources, so thinking about acuity scales, triage procedures, and priority protocols around who is actually getting served.

Another thing that you'd want to do is really look at whether or not all the resources that are out there are being effectively utilized, so ensuring that none of the resources are underutilized, such as Medicaid. Or are there other mainstream voucher opportunities that you could tap into? Vocational rehab, employment, those are all things that could have an impact, assist your TBRA, master leasing program. So if people were able to tap into some kind of employment initiative, their rent share would increase so that your subsidy portion would decrease.

Looking at how HOPWA funds could be used to support households moving to other permanent housing, increasing incomes, and staying connected to care. Asking whether or not there are changes happening to the HIV services delivered in the surrounding community, so really looking at all those things. The program design, the staffing levels, to determine if there's any changes there that will assist you as you deal with these changes in your allocation.

And just looking at whether or not there are ways to improve the efficiency of the staffing patterns at the grantee or the project sponsor level, and whether outsourcing or contracting is a viable option. Would that actually reduce any of your costs? So those are all things that you might want to look at, as far as program design, that might make it more efficient and reduce the costs that would be an effective strategy, as far as dealing with the fact that you'll be having less funding.

So now, we kind of want to move into the tough issue of the reality of whether you would need to transition a household, which is thinking about moving people off of your program. If you are facing this reality, you will want to do everything you can to ensure people aren't transitioning from your rental assistance to homelessness, or to a housing situation that puts them at risk of homelessness. So now, we're going to go out and talk through some strategies to think about as part of this process.

So we're going to talk about this idea of transitioning households as a multi-stage process, the first being the stage where you're working with households with the goal of helping them to move off the program on a voluntary basis. The goal is to obtain a long-term affordable living situation without the use of a HOPWA housing subsidy. It won't always mean the end of the household's connection to HOPWA resources.

These households can continue to benefit from other HOPWA services. But they wouldn't be receiving the HOPWA subsidy assistance. And, of course, working with households on a voluntary basis would be the preferred process, that you can help enough households transition in a timely way, so that you don't have to take the step of ending any subsidies.

It's also important to consider other ways to scale back assistance, without the need to end housing assistance, so after looking at the voluntary transitions that are possible, thinking about other ways to scale back assistance. This can include strategies around reviewing rent reasonableness across your portfolio to make sure that you're not paying any more per unit than necessary, negotiating directly with landlords to reduce rent, considering lowering your payment standards, and thinking about changing your process around recertifications and interim review so that you are looking at household income as they increase. So, of course, some of these options may also increase the costs related to staff time.

So it's important to take this into account and do a cost-benefit analysis of whether or not taking one of those steps would actually make sense financially. And ultimately, if you do get to a point where you need to consider ending housing assistance, we're going to talk through some of the key steps around that too. But just always keep in mind that ending housing assistance should really be the absolute last resort after all other options are considered.

And another really big key point here is that in all stages of this multi-stage process, you need to keep in mind questions around fair housing. The key concern is ensuring that there is no disparate impact, intended or unintended, on any of the households that may be a protected class. So that's something that you have to think about, about any of these changes that you may make.

For example, if you were to decide to reduce the payments standard across the board, what you might find is that would actually lead to a concentration of people only be able to afford units in a certain neighborhood. And that could have some fair housing implications. So with any of the options that we're talking about today, I think fair housing is something that you really want to keep at the top of your mind. And if you have any expertise within your agency, really use that resource to think through some of the strategies.

So I think it would be good to get an idea of whether or not any of you have already considered the need to end housing assistance for some households, due to budget shortfalls. So Rachel, if you could go ahead and launch this poll. Just let us know if this is something that you have considered, if you haven't really considered it yet, or if you're just not sure.

**RACHEL:** I've launched the poll. And I'll keep it up for a little while longer for people to vote. OK. And the results are that 9% of you said yes. 36% said no. And 55% said not sure.

**LIZ STEWART:** OK, great. Well, I think it'd be really interesting to hear from the folks that said no, the 36%. And if you have already thought about a strategy where you don't think that you'll need to do that, it'd be helpful to share with the group that are right now at a yes and the group, the majority, that still really aren't sure yet.

So now, I think I want to move into talking a little bit about how you might go about transitioning households voluntarily. So this really would be the best scenario for most of your households. It would be that they're likely moving from your HOPWA-funded permanent housing programs to some other non-HOPWA program. In other words, they'll continue to receive a housing subsidy that provides affordability and stability.

And that may be having an across-the-board policy that requires all households to apply for the resources that are available to them, to at least get them onto waiting lists. And so while the waiting lists may take years, you know that they're in the queue. And for some of you, you aren't facing immediate budget cuts. Rather, you're expecting cuts in the future years. So getting folks on those waiting lists now may end up being a critical resource in the years to come. So establishing a policy that all households apply for those non-HOPWA permanent housing resources is one thing that you can do.

And this next slide just has a list of some of those potential resources that could assist you in transitioning households onto other subsidy housing types, so Housing Choice Voucher Program. There's public housing. If you are serving any veterans, there's VASH.

There's section 811, PRA out there. And that can go to households that are experiencing homelessness. So there might be an avenue there. Section 202 for any of the elderly population that you serve, mainstream vouchers, all of the resources that are within the CoC, so making sure that you're connected to those folks that are running the coordinated entry, that you know that people are on those lists. Low income housing tax credit, state programs, and local programs.

Another approach you can take in assisting households would be a more targeted strategy, which you can do in addition to an across-the-board strategy that we just discussed. A more targeted strategy would be to take a close look at the households in your program and match up individual households with specific programs that they may be eligible for. So, for example, I just mentioned if you had a veteran family member, you can develop services to provide one-on-one support to help that household with the goal of connecting them to a VASH voucher.

Or if you look at the [AUDIO OUT] and you determine that a number have an income in the 50% to 60% income range, you can work with them to connect them with some of the other mainstream housing opportunities out there, like a low income housing tax credit unit, so making sure that they're on those property lists.

You may want to also consider using other HOPWA-eligible services, so things like housing information or case management, to pay for the staff time necessary to provide this one-on-one housing counseling. And with all of this, it's important that as you do this work, you ensure that households who fall into a protected group won't be negatively impacted by this transition and that you document your work.

So examples of a negative impact include moving into housing that's not affordable, or a pattern of moving households that indicate a geographic concentration of poverty. So that would definitely bring us some fair housing issues. And so as far as the documenting your work, you just want to make sure you're keeping file documentation, demonstrating your analysis that households will not be negatively impacted from the decisions that you're making around transitioning households.

Another strategy that may help you avoid having to end assistance for a household is the shared housing model. This is when two HOPWA-eligible households voluntarily choose to live together in one housing unit, or when a HOPWA household shares a housing unit with another resident, who may not be a HOPWA household. So typically, you see this model used when two single-person households, but it also could be three single persons or a small family and a single person that are sharing housing together. And there's some cost savings that happen with that, as far as the amount of money that you're paying for the unit.

Of course, with this strategy, you need to make sure that all habitability and occupancy standards are met. And there needs to be a separate lease and contract executed for each distinct household. The shared housing model is less expensive for the subsidy provider. The rent for one two-bedroom unit is less expensive than the rent for two one-bedroom units, for example. And in the best of cases, it can also provide a built-in support resource between the households that are living together.

But one of the other key things to keep in mind on that last bullet there is that this really has to be a voluntary decision of households that either want to live together, or in the case of a single household, if they want to go, for example, find roommates in a shared housing situation.

Another option, if you've already looked at all of your options around transitioning households to other resources or looking at the shared housing model, is finding other ways to scale back the amount of assistance that you're paying for. So that can include negotiating directly with landlords to reduce the rent in both TBRA and master leasing situations. So the obvious benefits of this are that the costs will be reduced. But it can require staff time to do that negotiation.

And you want to keep in mind that it could have a negative impact on the property owners that are participating in a program that they now have to take a reduced rent. This tactic may be most useful in master leasing situation where there's more leverage in having multiple units rented with a single property owner. Another option that we mentioned before is negotiating a longer lease agreement to prevent cost increases in the near future.

You can also consider lowering payment standards. So the grantees are really the one that sets the payment standards. Lowering it would reduce the cost. But on the flip side of that, it also may make it harder to find units in high-cost areas. So that's something that you need to weigh about whether or not that makes sense for you to do that in your community.

Another option is conducting interim reviews of a household's income. So I know in some of the programs out there, you may only do an annual lease certification. Even if a household income increases, you might just wait till the annual mark. You may want to decide to do some kind of interim review if a household income changes by a certain percentage, thereby doing the review sooner, reducing the amount of the subsidy that's being paid.

Again, one of the caveats here is that that would actually take staff time, so doing that cost benefit analysis of whether that actually is going to help you reduce costs. Or ultimately, would it end up being just like evening out? It might not make sense to do that.

One other thing that we talk a little about earlier was attrition, so whether that means not reissuing vouchers at turnover. If you think that if you do that analysis that Marie talked about, if you have a 10% turnover and you know where you do the modeling around the budget changes, if you just didn't reissue those vouchers, would that be enough to make up the difference of a decrease that you're seeing?

Another option is to look at freezing vouchers. So if you've recently issued vouchers before you understood that there would be these decreases, you could, for those recently issued households, the vouchers that they received, if they haven't been housed yet, you could consider freezing those vouchers. And that could just be a momentary freeze until you figure out your budgeting and you feel that you're OK to open them up. Or it could be a freeze for a much longer time.

So after doing all of those, exploring all of those different options, if you get to the point where you've exhausted all other means to reduce your program to a sustainable size, you'll then need to consider ending subsidies for some households. And one of the major things that you need to do as part of this is develop a written policy to help guide this process, which will also serve as documentation that you are following those fair housing laws that we were referencing.

The policy should describe how households will be selected, how households will be notified of the subsidy ending, and the time frame for ending the subsidy. And grantees really need to work with their local field office and submit their plan to HUD to get their feedback. And that would just be a good thing to do to make sure that there aren't any red flags about some of the things that you may be thinking about doing that may be some fair housing issues.

So in terms of following fair housing, the policy should be designed to be as neutral as possible. In other words, it should not impact any one group more than another. Any intended or unintended impact of the policy that has a disparate impact on households that belong to any protected class may violate fair housing. And ultimately, documentation is key. You need to have a document analysis in your file, showing that you've taken into consideration how the policy that you developed will impact your program.

So here are just a few examples of how you may design your policy. So there are other programs out there that have had budget shortfalls. Note, that's been seen in the Housing Choice Voucher Program in the past. And so there are maybe examples that you can even look to if you wanted to talk to your THA to see what they have done in those situations. But here are just a few examples that we've seen out there.

So there's this last in, last out strategy. You may have heard of this policy, since it is one that some housing authorities have adopted when facing budget cuts. It's pretty straightforward process. Basically, it rewards seniority in the program. So the longer that you've been in the program, you would be able to continue to receive the subsidy assistance, where if you have only been in the program for a shorter period of time, those households would be the one at most risk for having their subsidy ended.

The other thing you could do is look at income. If you're really looking at following the goals around the HOPWA modernization and ensuring that no one becomes homeless, if you are using income as a means of establishing a policy, it might make sense to look actually at those with the higher incomes and consider whether you can move those households off the program first. Even though they may not cost as much as households that have less income. If there are a number of individuals who have incomes closer to the 60%, 70% range, they may be able to find other housing in the community that they can afford, versus someone that is extremely low income.

Another thing you can do is conduct a risk assessment. So conducting a risk assessment of households is an approach where you evaluate individual household risk of homelessness. Using a model similar to those used in homelessness prevention, you can consider factors that might indicate which households have a history, related to stability or high risk for homelessness.

So these factors can include past evictions, past episodes of homelessness, experiences of domestic violence, physical and behavioral health issues, income, and community and familial resources. So you may want to look at that and do a risk assessment of which folks it would be consistent across the board to determine which folks would have the highest risk of becoming homeless. And then those people would be able to continue to receive the subsidy.

And then this last one, random selection, it's just another way that you could develop a policy, if you, absolutely again, as a final resource, determine that you may need to consider ending assistance for some households. It could be via random selection. So that would just kind of be a lottery or some other means of randomly selecting household.

So I think that sums up some of the major things that you need to think about, related to reducing your TBRA or facility-based leasing programs. It's important just to keep in mind that HUD and the TA providers, they understand that the funding decreases really are challenging. And it's important to think strategically about whatever decisions that you do make, that you're not going to make anyone homeless.

If you have specific questions about a policy you're developing or some other concern, you can always submit questions to the HOPWA AAQ. And for those of you that are highly impacted, you can continue to have this conversations with your TA provider. So now, I think we're going to go ahead and move into the question and answer portion.

**RACHEL:** I'm going to go through and unmute everyone. But when you're not talking, it would be helpful if you mute yourself, just so that there's less background noise. OK so everyone that called in with a pin is now unmuted. If you did not call in with your phone and a pin, feel free to type your question in the question box so that we can address it.

**MARIE HERB:** Rachel, are there any questions in the question box right now?

**RACHEL:** One just came in. Do you want me to read it out?

**MARIE HERB:** Sure, that would be great.

**RACHEL:** Would it be discriminatory practice to require all seniors to apply for senior housing?

**MARIE HERB:** Well, I think that's a good question. As far as the Fair Housing rule, age isn't necessarily part of the protected classes. But I think one of the things I want to mention before, too, is that there are also state and local laws related to fair housing. So not every group that's in that federally protected class may be accounted for there. But then there are other groups.

Like I know in some states, veterans are a protected class. So you want to keep that in mind. So I'm not sure about that. That's something I think we could look into and maybe put forward to our fair housing expert. But, Marie do you have a thought?

**MARIE HERB:** Yeah I was just going to say that maybe one way to address it is just to have the policy that you're encouraging everyone to apply for any resource that they may be eligible for. So that seniors, those over 65, say, you would encourage them to apply for available senior housing. Veterans, you'd encourage them to apply for available veteran housing, et cetera, as just one way to say you're not just targeting one group. You're really just trying to leverage as many available resources as possible.

**LIZ STEWART:** Mhm. Yeah, that would be a smart way of doing it.

**MARIE HERB:** Again, you're all unmuted. So if anyone wants to ask a question or type it in, and Rachel, if you see any more, just let us know.

**LIZ STEWART:** If there is anyone on the call that responded that they are thinking they may need to end housing assistance for some households, if you want to share how you came to that conclusion, that'd be great, or whether or not you have already started thinking about what kind of strategy you might implement to do that, if you determine that that will be something that's necessary.

Do folks have any other questions about any of the suggestions that we made throughout the presentation that you weren't sure of, that you want clarification on? Again, everyone's unmuted. So if you put your audio pin in, you could just start talking. Or you can submit a question to the question box. And Rachel, we can't see the question box. So if there are any, just let us know.

**RACHEL:** No, nothing new.

**MARIE HERB:** OK. So if nobody has any other questions, just a reminder that you can always follow up with the TA provider who has been working with you. Or you can always submit questions to the HOPWA AAQ. And we will be getting these materials up on the HUD Exchange in the coming weeks.

And just remember, there's the other webinars in the series. The next two are really about focusing on developing partnerships, which is a strategy, again, for helping to leverage other available resources in your community. So if there's no other questions, we're going to sign off for the day. And really, just want to thank you for taking the time to be part of this. And we will talk to you on a future webinar. Thank you, everyone.