

# Understanding Shelter Plus Care

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This guide highlights key aspects of the S+C program. It was designed to provide HUD field office personnel, potential S+C program operators, and S+C grantees with basic information. It has been divided into the following sections:

[Components](#) - Describes each of the four S+C components: Tenant-based Rental Assistance (TRA), Sponsor-based Rental Assistance (SRA), Project-Based Rental Assistance (PRA), and SRO-based Rental Assistance (SRO).

[Eligible Applicants](#) - Specifies eligible applicants and the subcontract requirements that must be met.

[Eligible Activities](#) - Defines eligible activities as well as purposes for which funds can be utilized.

[Term of Grant](#) - Provides the term of grants under each component.

[Eligible Participants](#) - Describes specific requirements to be considered as an eligible participant.

[Supportive Services Match](#) - Explains the match and provides criteria that meet the requirement.

[Eligible Structures](#) - Details standards that all structures must meet as well as any additional requirements under each component.

[Relocation and Property Acquisitions](#) - Provides guidance on acquiring property and the relocation assistance requirement.

[Resident Occupancy Policies](#) - Highlights the flexibility of the program in reference to occupancy agreements, service commitment, inpatient care, vacancy payments, and termination policies.

[Calculating the Grant Amount](#) - Explains how to calculate the amount of funds to request once applicants have developed their program plan and identified structures to be used in the program.

[Determining the S+C Subsidy](#) - Specifies how the actual subsidy provided for a specific unit is determined and defines contract rent and tenant rent.

## **Components**

This section briefly describes each of the four S+C components. In addition, a comparison of key elements of the S+C components is contained in [Attachment A](#).

The components are designed to give applicants flexibility in providing housing for homeless persons with disabilities, along with supportive services. With the exception of the SRO component where participants must reside in SRO or efficiency units, assisted units may be of any type, ranging from group homes to apartments. Further flexibility is allowed in that the applicant may design a program that has participants living for a while in a group setting with intensive supportive services then move to another setting, such as a shared apartment, and retain the rental assistance during the term of the grant.

Under all components, supportive services must be available to meet the needs of participants. These may be provided by the applicant, funded by the applicant but provided by a third party, or both funded and provided by a third party.

### **Tenant-based Rental Assistance (TRA) component**

Under the TRA component, an applicant may request funds to provide rental assistance on behalf of program participants who choose their own housing units. If a participant decides to move, he or she may take their rental assistance to the new housing unit.

Applicants may require participants to live in a particular structure for the first year of assistance and in a particular area for the remaining period of assistance, or may require participants to live in a particular area for the entire rental assistance period. Such a requirement may be implemented if it is necessary to facilitate the provision of supportive services.

### **Sponsor-based Rental Assistance (SRA) component**

Under the SRA component, an applicant may request grant funds to provide rental assistance through a contract(s) with a nonprofit organization(s), called a sponsor. The nonprofit organization may be a private nonprofit organization or a community mental health center established as a public nonprofit organization. The units to be used must be owned or leased by the sponsor.

After a grant is awarded, the sponsor may change sites provided the sponsor continues to own or lease the property and the grantee continues to serve the overall number of persons indicated in its approved application. A site change may occur because the sponsor has found it necessary to change the type of housing provided (for example, to lease 6 one-bedroom units rather than one unit that accommodates 6 persons), changes in the availability of units, or other similar reasons.

### **Project-Based Rental Assistance (PRA) component**

Under the PRA component, an applicant may request grant funds to provide rental assistance through a contract with a building owner(s). An applicant must enter into a contract with the building owner(s) for the full five- or ten-year period of assistance. The building owner must

agree to accept eligible S+C participants for this time period. Participants must live in an assisted unit in a particular property.

Under the component, applicants may assist units that will be rehabilitated or existing units that do not need to be rehabilitated. If the units are rehabilitated, and the rehabilitation meets the requirements specified on page 9, the applicant may request 10 years of rental assistance. Otherwise, assistance will be for a period of five years.

## **SRO-based Rental Assistance (SRO) component**

Under the SRO component, an applicant may request grant funds to provide rental assistance in an existing SRO setting. The units to be used must be in need of moderate rehabilitation. The rental assistance includes an allowance to pay for debt service to pay off the cost of the moderate rehabilitation over the ten-year grant period.

The component is designed to bring more standard SRO units into the local housing supply and to use those units to assist homeless persons with disabilities. The SRO units might be in a rundown hotel, a vacant motel, a Y, or even in a large, abandoned home. Applicants are encouraged to be creative in searching out suitable SRO dwelling units -- large or small structures.

A similar program, the Section 8 Moderate Rehabilitation SRO program, has been operating since 1987. The SRO component of the S+C program draws on that experience. Applicants interested in the SRO component should request the booklet titled, "Understanding the Section 8 Moderate Rehabilitation Single Room Occupancy Program".

While leaving many of the technical features the same, the SRO component improves on the original model in the following ways:

To ensure the provision of supportive services, an element vital to the residential stability of homeless persons with disabilities, the S+C program requires that supportive services be available to participants.

To ensure that the most needy segments of the homeless population are being served, the S+C program requires that participants be homeless persons with disabilities, particularly those with serious mental illness, substance abuse problems, and AIDS or related diseases.

A comparison of the S+C/SRO component and the Section 8 SRO program, which highlights additional differences between the two programs, is contained in [Attachment B](#).

## **Eligible Applicants**

Eligible applicants are States, units of general local government and public housing agencies (PHAs). Applicants must meet the following subcontract requirements:

- Applicants who apply for the SRO component must subcontract with a PHA to

- Applicants for the SRA component must subcontract with a nonprofit organization(s), also called a sponsor, to provide rental assistance for units the sponsor owns or leases.
- Applicants for the PRA component must subcontract with a building owner(s) for the full period of assistance to provide rental assistance for units in a particular property(ies).

Applicants may apply for assistance under any or all of the four components.

## **Eligible Activities**

Rental assistance is the only eligible activity under the S+C Program. These funds provide the operating costs of the shelter excluding the cost of services. The applicant must provide supportive services in an amount at least equal to the rental assistance provided during the term of the grant.

In addition to rent and utilities, "rental assistance" includes up to one month's rent each for a security deposit and damage payment, and costs (up to 8 percent of the grant) of administering the housing assistance.

Administration of the housing assistance includes processing rental payments to landlords, examining participant income, inspecting units for compliance with housing quality standards, and receiving participants into the program. The costs must be paid out of the original grant amount. No additional funds will be provided to administer the housing assistance.

S+C grant funds may not be used for the costs of administering the grant itself, e.g., the costs of preparing reports to HUD or conducting audits of the grant.

Applicants may apply for assistance under any or all of the four components.

## **Term of Grant**

Under the TRA and SRA components, rental assistance is provided for five years.

Under the SRO component, rental assistance is provided for ten years.

Under PRA, the rental assistance is provided for five years or 10 years if the units to be assisted are rehabilitated.

Applicants may apply for assistance under any or all of the four components.

## **Eligible Participants**

To be eligible for the S+C program, a person must be both homeless and disabled. In the case of a homeless household, at least one adult member must be considered disabled, as described below. Applications that propose serving other populations will not be considered for S+C funding.

## **Homelessness**

The S+C program specifically targets homeless persons who:

- are sleeping in places not meant for human habitation, such as cars, parks, sidewalks, and abandoned or condemned buildings; or are sleeping in emergency shelters.
- This may include persons who ordinarily sleep in one of the above places but are spending a short time (30 consecutive days or less) in a hospital or other institution.

## **Other Homeless Persons**

Persons are also considered to be homeless if they:

- are graduating from transitional housing specifically for homeless persons;
- are being evicted within the week from private dwelling units and (1) no subsequent residences have been identified; and (2) they lack the resources and support networks needed to obtain access to housing;
- or are persons being discharged within the week from institutions in which they have been residents for more than 30 consecutive days; and (1) no subsequent residences have been identified; and (2) they lack the resources and support networks needed to obtain access to housing.

Not all persons being evicted from private dwelling units or all persons being discharged from institutions are homeless. Applicants who propose to serve these populations must make clear in their applications that they (a) understand that persons are eligible only if they have no subsequent residence identified and lack the resources and support networks needed to access housing and (b) propose to serve only eligible persons. Applicants that are selected for funding will be required to have documentation of how it was determined that such persons did not have the resources or support network needed to obtain housing.

In summary, a person is homeless if, without the HUD assistance, they would have to spend the night in a shelter or in a place not meant for human habitation.

The intent of this policy is to help persons who lack shelter. The Department administers other programs to serve persons who are poorly housed or need supportive housing but are not homeless, such as Section 8 Housing Assistance Payments, public housing, HOME, Community Development Block Grants, and Supportive Housing for Persons With Disabilities. Contact your HUD field office for more information about those programs.

## **Disabilities**

Persons with disabilities are those who have a disability that:

- Is expected to be of long-continued and indefinite duration;
- Substantially impedes his or her ability to live independently; and
- Is of such a nature that the disability could be improved by more suitable housing conditions.

The disability may be a physical, mental, or emotional impairment, including an impairment due solely to alcohol or drug abuse.

There are several disabilities specifically targeted by the S+C program. These targeted disabilities are:

- Serious mental illness,
- Chronic alcohol and/or other drug abuse, and
- AIDS or related diseases.

The disability may also be developmental. A severe, chronic developmental disability is characterized as:

- Being caused by a mental or physical impairment;
- Manifested before the person is age 22;
- Likely to continue indefinitely;
- Reflecting need for a combination and sequence of special, interdisciplinary or generic care, treatment, or other services which are of lifelong or extended duration and are individually planned and coordinated; and
- Resulting in substantial functional limitations in at least three of the following: self care, receptive and expressive language, learning, mobility, self-direction, capacity for independent living, economic self-sufficiency.

In all components other than the SRO component, if it is determined that the presence of another person is important to the care or well-being of a disabled person, such a person may receive the benefits of the S+C program, even if the disabled person predeceases the care-giver. However, in such cases, the benefits will terminate at the end of the grant period or when the care-giver leaves the S+C-assisted housing unit.

Applicants may apply for assistance under any or all of the four components.

## **Supportive Services Match**

Similar to many other Federal programs, the S+C program has a match requirement. Applicants must match the aggregate amount of S+C rental assistance with supportive services. This ensures that appropriate and timely services will be available to meet the needs of individual participants. Match is characterized by the following:

**The match is overall, not year-by-year.**

- Each participant need not receive the same amount of services as rental assistance.
- The match is not component-by-component, but overall.

**The following items count as match:**

- Salaries paid to grantee's staff to provide supportive services to participants;
- The value of supportive services provided to participants by other organizations or by professionals volunteering their professional service;

- Supportive services provided by other volunteers (at the rate of \$10 per hour);
- The prorated value of any lease on a building used for supportive services, for program participants. For example, S+C participants will receive mental health counseling in a building being leased which has a fair rental lease value of \$8000 per year. The mental health counseling is provided in 40% of the building's floor space. S+C participants make up 10% of the clientele receiving services there. The applicant may count \$320 as a match ( $\$8000 \times .4 \times .1 = \$320$ ); and
- The cost of outreach activities.

The supportive services may be existing ones that the S+C participants will use or new services created for S+C participants. Federal, State, local, and private sources all may count.

The S+C program assumes that the provision of supportive services will vary according to the needs of the participants. Since the supportive services will vary, the value of the services may be higher or lower than the value of rental assistance for any given year.

Grant recipients will be required to submit an annual progress report (APR) which provides information on the value of services rendered during the year. This will be used to provide a measure of whether participants are receiving services.

Applicants may apply for assistance under any or all of the four components.

## **Eligible Structures**

With the exception of the SRO component, housing units may be of any type. All units, however, must meet the applicable housing quality standards (HQS).

## **Housing Quality Standards**

For the SRO component, HQS are found in 24 CFR [882.803\(b\)](#). For all other components, HQS are detailed in 24 CFR 882.109. The HQS set acceptable conditions for interior living space, building exterior, heating and plumbing systems, and general health and safety.

Before any rental assistance may be provided, the grantee, or another qualified entity acting on the grantee's behalf (but not the entity providing the housing), must physically inspect the unit to ensure that the unit meets HQS. Any deficiency found must be corrected within 30 days from the date of the lease, and the grantee must verify that all deficiencies have been corrected.

Grantees or their agents must make physical inspections of all units at least annually to ensure that the units continue to meet HQS.

**For the TRA component**, the following additional requirements apply:

- The dwelling units are chosen by the participant with the following possible restrictions specified by the grantee on unit location in order to facilitate service delivery:
- a particular structure for the first year of assistance and a particular area for the remaining period; or
- particular area for the entire period of assistance.

Units must be an appropriate size. In most circumstances, the dwelling units will be no larger than a one bedroom unit. If a participant has a family member or caretaker living with him or her, the size of the unit may be larger to accommodate such person(s). Similarly, if two or more participants choose to share a unit, the size of the unit may be larger.

Properties that are currently receiving Federal funding for rental assistance or operating costs under other HUD programs are ineligible.

**For the SRA component,** the following additional requirements apply:

- The dwelling units must be owned or leased by the nonprofit sponsor.
- Properties that are currently receiving Federal funding for rental assistance or operating costs under other HUD programs are ineligible.

**For the PRA component,** the following additional requirements apply:

- The dwelling units must be available for the full term of assistance.
- Properties that are currently receiving Federal funding for rental assistance or operating costs under other HUD programs are ineligible.

For properties that will be rehabilitated and receive 10 years of assistance, the rehabilitation of the property must:

- equal at least \$3,000 per unit, including the prorated share of rehabilitated common areas;
- be necessary in order to make the unit decent, safe and sanitary;
- be funded from other sources; and
- be completed within 12 months of grant award.

**For the SRO component,** the following additional requirements apply:

The structure may be of any type, but when the rehabilitation is completed, must meet the definition of SRO housing. SRO housing is a residential property that includes multiple single room dwelling units. Each unit is for occupancy by a single eligible individual. The unit need not, but may, contain food preparation or sanitary facilities, or both.

Efficiency units are also eligible, but the contract rent charged for these units may not exceed the Moderate Rehabilitation SRO fair market rent, minus (where applicable) the allowance for any tenant-paid utilities.

Each assisted unit must be in need of moderate rehabilitation equal to at least \$3,000 per unit, including the prorated share of rehabilitated common areas, to meet housing quality standards.

Ineligible properties include: (a) units that are receiving Federal funding for rental assistance or operating costs under other HUD programs; (b) nursing homes; (c) penal, reformatory, medical, or mental health institutions; (d) owner-occupied units; and (e) housing located in the Coastal Barrier Resource system designated under the Coastal Barriers Resource Act.

Applicants may apply for assistance under any or all of the four components.

## **Relocation and Property Acquisitions**

S+C units must be vacant to receive assistance but do not have to be vacant at the time of application. However, if a unit is occupied at application submission, a requirement to provide relocation assistance may be triggered.

The S+C program is subject to the requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (URA) and additional relocation requirements in Section [582.335](#) of the S+C regulations. These requirements are explained in HUD Handbook 1378, Tenant Assistance, Relocation and Real Property Acquisition.

Any person (family, individual, business, nonprofit organization or farm) that moves as a direct result of acquisition, rehabilitation or demolition for a project that is assisted through the S+C program (whether or not HUD funded the acquisition, rehabilitation or demolition) is entitled to relocation assistance. Displacement that results from leasing a unit in a structure may also trigger relocation requirements.

Relocation assistance can be expensive. To avoid unnecessary costs, it is important to provide occupants with timely information notices, including a general information notice to be sent at the time the application is submitted to HUD. HUD Handbook 1378 contains guideform information notices. The HUD field office can provide a copy of the handbook and copies of appropriate information booklets to be provided to occupants. Accordingly, if the site is occupied, the applicant should contact the HUD field office in the planning stage to obtain advice, including help in estimating the cost of required relocation assistance.

Applicants may apply for assistance under any or all of the four components.

## **Resident Occupancy Policies**

The nature of the target population, and the flexibility of the S+C program in responding to the needs of this population, is also reflected in the program's resident occupancy and termination policies.

### **Occupancy Agreements**

Participants must execute an initial occupancy agreement for a term of at least one month, automatically renewable upon expiration, except on prior notice. The month-long lease is meant to establish a sense of commitment, while not appearing overbearing.

### **Service Commitment**

At the discretion of the grantee or the entity providing the housing, participants may be required to take advantage of supportive services as a condition of continued rental assistance.

## **Inpatient Care**

If a participant is temporarily away from the unit to receive inpatient care (e.g., detoxification, mental health stabilization, health care treatment), the rental assistance may continue for up to 90 days.

## **Vacancy Payments**

If a unit is vacated before the end of the occupancy agreement, S+C may continue to assist the unit for the remainder of the month in which it is vacated plus up to 30 additional days. This is intended to allow grant recipients adequate time to engage another homeless disabled person into the program.

## **Termination**

Assistance may be terminated if a participant violates conditions of occupancy. Program regulations, however, recommend that grantees be as lenient as possible, so that assistance is terminated for only the most serious rule violations. Enough supportive services should be provided so that the need for termination is rare. Even termination should not eliminate contact; grantees should be trying to bring the homeless person back into the program.

However, when all alternatives have been explored and termination is still necessary, grantees must work through a formal process that protects the due process rights of the resident.

Applicants may apply for assistance under any or all of the four components.

## **Calculating the Grant Amount**

Once applicants have developed their program plan and identified structures to be used in the program, they will be able to calculate the amount of S+C funds to request. The S+C grant is an amount reserved for rental assistance over the life of the grant (five years for the TRA and SRA components, ten years for the SRO component, and either five or ten years for the PRA component, depending on whether or not the units will be rehabilitated.)

The size of the grant is calculated by multiplying the number of units proposed times the appropriate fair market rent (FMR) times the length of the grant period. An applicant's request for a S+C grant is an estimate of the amount needed for rental assistance. Grantees will make draws from the reserved amount to pay the actual costs of rental assistance for program participants.

The following is an excerpt from a published schedule of section 8 fair market rents (FMRs): (The term efficiency (EFF) is interchangeable with zero-bedroom (0 BR).)

Washington Metropolitan Statistical Areas	EFF	1 BR	2 BR	3 BR	4 BR
Bellingham, WA MSA	411	502	590	755	830
Bremerton, WA MSA	384	467	549	685	771
Olympia, WA MSA	397	482	567	710	797
Seattle, WA MSA	444	541	632	817	900

*Note: The FMRs for unit sizes larger than 4 BRs are calculated by adding 15% to the 4BR FMR for each extra bedroom. For example, the FMR for a 5BR unit is 1.15 times the 4BR FMR, and the FMR for a 6BR unit is 1.30 times the 4BR FMR.*

To estimate the amount of the request, applicants first decide on the number and type of housing units to use in their program. Then, they multiply by the FMR in effect at the time of application and multiply by the length of the grant period. Exception rents (somewhat higher than FMR) are in effect in some areas and may be used for determining the grant amount. Contact your PHA or local HUD Field Office.

For the SRO component, applicants determine the number of SRO units to be used and multiply by the FMR in effect which is (75% of the 0-bedroom FMR x 1.2). (short cut: multiply the 0-bedroom FMR by .9). Applicants then multiply by 120 months, the length of the grant period for the SRO component. For example, the efficiency FMR for Bellingham, WA is \$411. To calculate the grant request for a 20 unit SRO project, you would multiply \$411 x .75 x 1.2 which equals \$370. You would then multiply \$370 x 20 units x 120 months for the total grant request which equals \$888,000.

For all other components, applicants determine the number of the various types of units to be used (e.g., 10 one-bedroom units, 5 four-bedroom units) and multiply by the FMR in effect for those units. Finally, applicants multiply by the applicable number of months, either 60 or 120, depending on the length of the grant period. For example, if an applicant requested rental assistance for 10 one-bedroom units in the Seattle area, for SRA, PRA, and TRA, you would multiply 10 x \$541 x 60 to determine the requested grant amount. In the case of PRAW, you would multiply 10 x \$541 x 120 to determine the requested grant amount.

For group homes, use the FMR applicable to the unit size being leased; e.g., use the FMR for a four-bedroom unit where a residence contains four bedrooms. For Olympia, Washington area the four-bedroom FMR is \$797. If the applicant is proposing to provide assistance one four-bedroom group home, for SRA, TRA and PRA, you would multiply 1 x 797 x 60 to determine the requested grant amount or for PRAW you would calculate 1 x 797 x 120 to determine the requested grant amount. For the SRO component you calculate 1 x (.75 x 1.2) x \$797 x 120 \$797 or 1 x .9 x \$797 x 120 to determine the requested grant amount. Once the grant is awarded, grantees must serve at least as many participants as shown in their application. Where contract rents are appreciably lower than FMRs and where participants are able to pay a portion of the rent, grantees may be able to serve a greater number or they can use the difference to fund the costs of administering the rental assistance (up to 8 percent), to pay security deposits, to pay damages, or to allow for higher rents in future years.

Applicants may apply for assistance under any or all of the four components.

## **Determining the S+C Subsidy**

The grant amount that is awarded is based on the calculation described above. The actual subsidy that S+C will provide for a specific unit is based on the difference between the contract rent and the rent paid by the tenant(s) of that unit.

### **Contract Rent**

The contract rent (actual rental cost of the unit) will usually differ from the fair market rent (amount reserved) for each unit.

For the SRO component, the contract rents must be no more than the Moderate Rehabilitation SRO FMR minus the allowance for tenant-paid utilities. To establish the actual Contract Rent, the applicant must first establish the Base Rent, which must be reasonable in relation to comparable unassisted units and may not exceed rents currently being charged by the same owner for comparable unassisted units. The Base Rent maximum is 75% of the Section 8 Existing Housing FMR for a 0-bedroom (the SRO FMR) unit minus the allowance for tenant paid utilities. Once the base rent is established, debt service for eligible rehab costs is added to determine the Contract Rent.

For all other components, the contract rent is the actual rent for the dwelling units. If the applicant will pay utilities, the rent can include the utilities. The applicant must determine that the contract rent is reasonable in relation to rents being charged for comparable unassisted units, as well as not in excess of rents currently being charged by the same owner for comparable unassisted units. The applicant may subsidize this amount with other resources provided the rent is still reasonable.

### **Tenant Rent**

Some of the contract rent will be paid by participants. Participants must pay rent in accordance with section 3(a) of the Housing Act of 1937. Under section 3(a), each participant must pay as rent the highest of:

- 30 percent of monthly adjusted income;
- 10 percent of monthly gross income; or
- If receiving payments for welfare assistance from a public agency and a part of such payments, adjusted in accordance with actual housing costs, is specifically designated by such agency to meet housing costs, the portion of such payments which is so designated.

Although some participants will not have an income when they enter the program, it is not unreasonable to expect that, through supportive services, many would at some point become employed or would be receiving income support payments.

The participant's income must be examined initially to determine the amount of rent payable and must be reexamined at least annually. However, if there is a substantial change in income

during the year, an adjustment must be made. PHAs are very familiar with this process. They are a good source of technical assistance. S+C Subsidy per Unit

The following example illustrates the relationship among the contract rent, the tenant rent and the S+C rental assistance subsidy:

Contract rent for SRO unit	\$ 325 month
Tenant rent payment	- 75 month
S+C rental payment	<b>\$ 250 month</b>

S+C makes up the difference between the contract rent and the tenant's contribution.

In a shared living situation, such as a shared apartment or a group home, each participant pays tenant rent. The following example illustrates how the rental subsidy would be calculated:

Contract rent for 6BR grp home		\$1150 month
Tenant rent payment, part. 1	\$ 85 month	
Tenant rent payment, part. 2	125 month	
Tenant rent payment, part. 3	35 month	
Tenant rent payment, part. 4	75 month	
Tenant rent payment, part. 5	50 month	
Tenant rent payment, part. 6	80 month	
Total of tenant payments	<b>450 month</b>	- 450 month
S+C rental payment		<b>\$ 700 month</b>

## Attachment A: Component Comparison

ELEMENT	TRA	SRA	PRA	SRO
ELIGIBLE APPLICANTS	States; uglgs; Indian tribes; PHAs	States; uglgs; Indian tribes; PHAs	States; uglgs; Indian tribes; PHAs	States; uglgs; Indian tribes; PHAs
ELIGIBLE ACTIVITY	rental assistance	rental assistance	rental assistance	rental assistance
ENTITY ADMINISTERING RENTAL ASSISTANCE	recipient or other entity recipient,	nonprofit sponsor(s), or other entity	recipient or other entity	PHA
TYPE OF HOUSING	variety of types ranging from group homes to independent living units	variety of types ranging from group homes to independent living units	variety of types ranging from group homes to independent living units	SRO dwelling units
LIVING REQUIREMENTS	participants choose; recipient may require participant to live in a particular structure in first year and within a particular area in all years	must live in structure owned or leased by sponsor	must live in unit in particular property that is assisted	must live in SRO structure
ELIGIBLE PARTICIPANTS	homeless adults with disabilities and their families, if any	homeless adults with disabilities and their families, if any	homeless adults with disabilities and their families, if any	homeless adults with disabilities
HOUSING QUALITY STANDARDS	24 CFR 882.109	24 CFR 882.109	24 CFR 882.109	24 CFR 882.803(b)
INSPECTION OF UNITS	prior to occupancy and annually	prior to occupancy and annually	prior to occupancy and annually	prior to occupancy and annually
REHABILITATION	not required	not required	\$3,000 per unit for 10 years of assistance minimum	\$3,000 per unit required
TERM OF ASSISTANCE	5 years	5 years	5 years without rehabilitation; 10 years with rehabilitation	10 years
PARTICIPANT RENT	highest of: 1) 30% of adjusted monthly income; 2) 10% of monthly gross income; 3) welfare rent	highest of: 1) 30% of adjusted monthly income; 2) 10% of monthly gross income; 3) welfare rent	highest of: 1) 30% of adjusted monthly income; 2) 10% of monthly gross income; 3) welfare rent	highest of: 1) 30% of adjusted monthly income; 2) 10% of monthly gross income; 3) welfare rent
ADMINISTRATIVE COSTS	up to 8% of grant	up to 8% of grant	up to 8% of grant	up to 8% of grant
UNIT (CONTRACT) RENT	reasonable rent	reasonable rent	reasonable rent	rent calculated by PHA; base rent + debt service for actual rehab costs

## Attachment B: Comparison of SRO Component of S+C and Section 8 SRO Program

ELEMENT	S+C/SRO	SECTION 8 SRO
Eligible participants	Homeless persons who are income eligible and have disabilities	Homeless persons who are income eligible; Section 8 eligible current occupants
Special target population	Persons who are seriously mentally ill, have chronic substance abuse problems, have AIDS or related diseases.	None
Supportive Services	Overall in S+C, supportive services must at least equal the rental assistance	High priority; emphasis in project plan
Occupancy	Initial agreement to occupy for one month; renewable	Initial agreement to occupy for one year; renewable
Eligible Applicants	States, units of general local government, Indian tribes, PHAs	PHAs, private non-profits
Rental Assistance Administration	Non-PHA applicants must contract with PHA to administer	Non-PHA applicants must contract with PHA to administer
Vacancy payments after occupancy	Remainder of month vacated plus up to 30 additional days	Remainder of month vacated plus 80% of rent for additional month
Initial vacant units	Units must be vacant to receive assistance; however, vacancy is not required at application stage	At least 25% of assisted units must be vacant at application
Security deposits	May pay from grant; Up to one month's rent	Participant pays; Up to greater of tenant portion of one month's rent or \$50
Admin Costs	Up to 8% of grant	Normal PHA Fee