



Guidance for Service Providers on the Conversion of Housing Payments from Division Contract to the Supportive Housing Connection

Overview

As the Division of Developmental Disabilities shifts into Fee for Service it will begin to move housing costs currently paid via contract to the Supportive Housing Connection (SHC) for payment. To begin that process, information needs to be collected from your agency and specific documentation needs to be completed and returned to the Division.

Individuals will need to have a written agreement providing them with tenant rights. The individual or their guardian, if applicable, will need to sign this document. If an individual, or their guardian, currently has a lease in their name with their landlord that they are the signor of, that document must be used.

In cases where the service provider is the owner or lease holder of the property and the individual does not currently have a lease in place that the individual or their guardian has signed, service providers will have the option of using a lease or residency agreement. A sample residency agreement is provided. Service providers are free to personalize it for their agency. However, elements present in it are not to be removed and any additions cannot limit the tenancy rights of the individual or place an undue burden on the tenant.

Leases are the preferred document type and, if used, all applicable laws around the Landlord Identity Law and other relevant federal and state regulations must be followed. It is the responsibility of the service provider, if they are the leaser, to meet this requirement.

In addition to the document providing tenant rights (lease or residency agreement), each individual (or their guardian) will also need to sign the *DDD Tenant Subsidy Agreement*. A *W9, HAP Agreement* and *SHC Addendum to HAP* will also need to be signed by the landlord or master lease holder (if sub-leases are used). The entity signing the document will be the one who the SHC releases funding to.

Special note if using residency agreements: Section VI of this document outlines the requirement of an annual re-certification process. This will coincide with the 12 month anniversary of the residency agreement. About 120 days before that date, the SHC will reach out to begin this process.

It is suggested that for the initial conversion, service providers with a large number of properties consider adjusting the end date of residency agreements so that while a specific property's renewal month will be the same, not every property they operate be for renewal in the same month. This will make the number of people up for renewal in a given month more manageable for the service provider moving forward. This will mean that the initial agreement term may be more than 12 months.

Section I - Identification of housing types currently funded by the Division and documentation to be provided:

Third Party Rentals Funded by the Division

- These are defined as rental units from a private landlord (Ex. Apartment complex) already using a traditional lease. The lease may be in the name of the individual or the service provider.
 - If the lease is currently in the name of the individual/guardian and they are the signor of the document then that document must be used. The lease will need to be collected and submitted to the Division for verification of tenant rights and rent calculation. Lease renewals will continue to occur annually at time of re-certification. Individual/guardian will need to sign *DDD Rental Subsidy Agreement*.
 - The landlord will need to sign the *W9, HAP* and *SHC Addendum to HAP*. The service provider will need to facilitate signatures. The SHC will release funds to the landlord.
 - If the lease is currently in the name of the service provider (also called a provider controlled setting), that service provider will either need to facilitate signatures on a sub-lease or residency agreement for each individual/guardian residing in the unit. The sub-lease or residency agreement for each individual/guardian will need to be collected and submitted to the Division for verification of tenant rights and rent calculation. The agreement type used will have to be renewed annually at time of re-certification. Individual/guardian will need to sign *DDD Rental Subsidy Agreement*.
 - The service provider will need to sign the *W9, HAP* and *SHC Addendum to HAP*. The SHC will release funds to the service provider as they are the master lease holder and they will need to pay the landlord.
- If a rental property used by a service provider is owned by a member of an individual's immediate family, a lease must be established if one is not already in use between the agency and the family which will be renewed annually thereafter. The service provider will then establish a residency agreement with the individual/guardian. The Individual/guardian will need to sign *DDD Rental Subsidy Agreement* as well.
 - The service provider will need to sign the *W9, HAP* and *SHC Addendum to HAP*. The SHC will release funds to the service provider as they are the master lease holder and they will need to pay the landlord.

State or Agency Owned Sites Funded by the Division

- These are defined as sites that are either owned by the agency or the state.
 - Service providers will have the option of facilitating a lease or residency agreement for each individual residing at the site. The agreement type used will have to be renewed annually at time of re-certification. Individual/guardian will need to sign *DDD Rental Subsidy Agreement*.
 - The service provider will need to sign the *W9, HAP* and *SHC Addendum to HAP*. The SHC will release funds to the service provider.

HUD Properties

- These are defined as sites that have rental assistance not funded by the Division in place. Generally, sites have project based vouchers attached to it. These sites are ineligible for an SHC housing subsidy.
- Individuals should continue payments to HUD and use current lease.
- Current leases for the individuals in the site do not have to be provided to the Division for the housing conversion from contract to SHC.

Individuals with assigned guardians through the Bureau of Guardianship Services (BGS)

- For individuals with BGS appointed guardians, the following should be submitted to the Division's Housing Subsidy Unit:
 - The residency agreement or lease leaving the guardian signature blank;
 - The *DDD Tenant Subsidy Agreement* leaving the guardian signature blank;
 - The name, address, phone number and email address of the individual's payee; and
 - The name, address, phone number and email address of the representative at the service provider agency the signed document should be returned to.
- The Housing Subsidy Unit will forward the information to BGS for signature.
- BGS will review, sign and return the documents to the representative at the service provider agency indicated.

Section II – Determination of Rental Re-imbursment Amount

Third Party Rentals Funded by the Division which are not owned by a family member of an individual residing in the unit (Relevant Worksheet is for Non-SRO Settings)

- The monthly amount of rent due, as documented in the lease, will be used.
- In cases where there is more than one bedroom in the unit, the total rent will be divided by the number of bedrooms (Ex. Total monthly rent is \$1200 and there are three bedrooms. Rent bedroom is \$400 per bedroom).
- Each individual residing in the site will be assigned the corresponding rent, per above instructions. Vacancies and staff offices are not funded.

Third Party Rentals Funded by the Division which are owned by a family member of an individual residing in the unit

- The monthly amount of rent reimbursed for these sites will be the Published Rent Standard (PRS) based on the county and number of bedrooms that exist in at the location.
- In cases where there is more than one bedroom in the unit, the total rent will be divided by the number of bedrooms (Ex. Unit has three bedrooms. PRS is \$1200 per month for a three bedroom unit in the county where it is located. Rent bedroom is \$400 per bedroom).
- Each individual residing in the site will be assigned the corresponding rent, per above instructions. Vacancies and staff offices are not funded.

State or Agency Owned Sites Funded by the Division (Relevant Worksheet is for SRO Settings)

- The monthly amount of rent reimbursed for these sites will be based on the SRO Published Rent Standard (PRS) based on the county where the unit is located.
- The SRO amount is then multiplied by the number of bedrooms occupied by Division funded individuals in the unit, up to a factor of five (If a bedroom is shared by more than one individual, it is still considered one SRO). This is the total rent the unit will be funded at.
- The total rent for the site is then divided by the number of individuals who reside in the location. This is each individual's monthly rent amount. Vacancies and staff offices are not funded.

HUD Properties

- Ineligible for funding.

Section III – Completion of Included Spreadsheet

Service providers will need to complete the excel spreadsheet provided by the Division. In addition to the aforementioned information, additional information will be required. This includes, but is not limited to: the current payee for the individual; guardianship information; etc.

Section IV – Submission of Documentation

Spreadsheet

- Completed spreadsheet is obtained (Incomplete submissions will delay processing).
- Service Provider uses an internet connected computer and visits (This is an encrypted website that will transmit this information securely to the Division):
 - <https://secureupload.dhs.state.nj.us/su/>
- Service provider completes the online form and uploads the document
 - Contact First Name
 - Contact Last Name
 - Contact Number – Enter contacts phone number
 - Email address – Email address of the service provider representative completing this submission.
 - DDD SU Unit – From this drop down box select *Housing Conversion*. This will ensure the document is routed to the correct unit at the Division.
 - Notes – Optional
 - Upload File – Click *Browse* and select the document
 - Please enter the text as in the image: There will be a listing of letters. Type them as you see them into box to the right of the letters.
 - Submit – Once all the above steps are completed, click *Submit*.

Leases/Residency Agreements, HAP, SHC Addendum to HAP, W9, DDD Tenant Subsidy Agreement

Due to file size limitations, these documents cannot be uploaded to the Division like the Spreadsheet. They will need to be mailed, couriered or dropped off. Documents should be mailed to 275 Greenbrook Road, RAD Office, Green Brook, NJ 08812 – Attention: Housing Subsidy Unit.

Section V – Processing

Upon receipt of all required documents, the Division will verify the rental amounts requested. Any discrepancies will be addressed with the service provider. Once this is completed the Division's Housing Subsidy Unit will forward information to the SHC to facilitate payment. Once the SHC has processed a subsidy for payment, a correspondence is sent to the individual, their guardian, landlord, service provider and payee that will provide further information about the subsidy. This will include: the amount of the individual contribution, the amount of the SHC contribution, the SHC contribution start date, etc. As of the date payments are to start by the individual and the SHC, the individual will no longer need to make Contribution to Care payments.

It can take between three to four months from the time of initial submission to the SHC for the first payment to be made. At such time as SHC verifies that payments have physically started, appropriate budget requests will be made by the Division's Housing Subsidy Unit to take housing funding out of the service provider's contract will occur.

Section VI – Annual Re-Certification

After an individual is set up and receiving their SHC subsidy, an annual renewal will be required. SHC staff will reach out to the individual, landlord and service provider 120 days before the scheduled lease/residency agreement anniversary.

The service provider will need to work with the individual to obtain and provide updated income paperwork for the individual. This can include:

- Supplemental Security Income (SSI award letter)
- If applicable, Social Security Disability (SSD) award letter
- If employed, last four consecutive pay stubs
- Statements from any assets retained if the amount exceed \$5,000
- Any other benefit/income/award documentation
- DDD Tenant Subsidy Agreement Form
- Copy of the lease or residency agreement with rental cost included for the individual

The landlord will need to complete and provide:

- HAP
- SHC Addendum to HAP
- W9 (only if there is a change)

For additional information or assistance, please contact one of the following Division staff:

Jonathan Seifried, Director, Housing and Community Transitions:

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