UPDATED MRVP NOTICE: FY22-06

To: All Local Housing Authorities and Regional Non-Profits Administering the Massachusetts Rental Voucher Program (MRVP) Vouchers (Administering Agencies or AAs)

From: Cecilia Woodworth, Assistant Director, State Programs

Subject: **Revised Calculations for Both Mobile and Project Based Vouchers - UPDATED**

Date: November 9, 2022

As noted throughout, this program notice supersedes specific sections of the MRVP Administrative Plan dated August 1, 2017

As required in the FY23 MRVP Budget Line Item, DHCD is implementing new calculation methods for both Mobile and Project Based Voucher Tenant Rent Shares for MRVP.

For Mobile Vouchers, DHCD is moving MRVP from a model with maximum rents and a Voucher Value to a payment standard model, similar to the federal Housing Choice Voucher Program (HCVP/Section 8). A utility allowance will also replace the current heat deduction. DHCD believes this switch will allow MRVP Participants additional choice when searching for housing with their voucher, while also lowering the percentage of net income a vast majority of Participants pay in rent to Owners.

For Project Based Vouchers, DHCD is lowering Tenant Rent Share to 30% of net income and adding a utility allowance.

DHCD is also implementing additional program changes to MRVP in an effort to make the program both easier for AAs to administer and easier for Applicants and Participants to engage with. Changes include:

- Allowing for Leases to be terminated at Lease renewal with 30 days' written notice;
- Allowing Participants to terminate the Lease with 30 days' written notice if an increase in Contract Rent is approved resulting in the Household contributing more than 40% of net income to Gross Rent and if the Household deems the increased Household contribution unaffordable;

- Changing vital document requirements, including the ability to self-attest that an Applicant/Participant cannot obtain a government-issued photo ID;
- Accepting an annual benefit letter for SSI and SSDI if there are no other income changes;
- No longer requiring bank statements if a Household self-attests to less than $5,000 in assets; and
- Changing from annual to biennial recertifications beginning January 2024.

Implementation of all changes is outlined below.

This guidance is organized as it would appear in the MRVP Admin Plan and can entirely replace sections of chapters as listed.

Contents

1.6 Implementing Changes

See pages 48-50 of this guidance.

1.7 Changes from August 1, 2017 Administrative Plan

Changes between this guidance and the August 1, 2017 Administrative Plan are listed below by section. DHCD may have issued additional guidance since August 1, 2017 that is not reflected in this guidance.

Section	Change
Chapter 2	Added definitions for Applicable Payment Standard, Gross Rent, Payment Standard, Regular Recertification, Required Household Contribution, Utility Allowance, and Utility Reimbursement.
7.2.1	Updated to remove heat deductions due to the addition of utility allowances.
7.3	Updated to discuss Utility Allowances and Utility Reimbursements.
Exhibit 7.7	Created new exhibit to list MRVP Utility Allowances
7.4	Updated to discuss Gross Rent.
7.5	Updated to discuss Required Household Contribution.
7.6	Updated to reflect how to determine Voucher Payment for Project Based Vouchers.
Exhibit 7.4	Updated to reflect new calculation methods.
7.6.1	Updated when waivers may be appropriate based on MRVP Budget Line Item language.
7.7	Updated to discuss Payment Standards.
Exhibit 7.8	Created new exhibit to list MRVP Payment Standards.
7.8	Updated to reflect how to determine Voucher Payment for Mobile Vouchers.
Exhibit 7.6	Updated to reflect new calculation methods.
8.1	Updated vital document requirements.
Exhibit 8.0	Created new exhibit to allow Applicants and Participants to self-attest that they cannot obtain government-issued Photo ID.
8.4	Updated to reflect new requirements for verifying SSI, SSDI, alimony, child support, and assets. DHCD Guidance dated June 14, 2021 is also reflected.
Exhibit 8.2	Created new exhibit to allow Applicants and Participants to self-attest that they have less than $5,000 in assets.
9.2.4	Updated to reflect Payment Standards.
Exhibit 9.2	Updated to reflect specific requirements for Project Based Vouchers.
Form 9.3	Updated Request for Program Payment to include electricity.
Exhibit 9.5	Updated model lease to reflect changes to lease termination.

Section	**Change**
Form 10.1	Updated to reflect changes to lease termination
10.7	Updated to note only 30 days' notice is required to terminate the lease at lease renewal.
10.10	Updated to note that Participants can terminate the Lease with 30 days' written notice if an increase in Contract Rent is approved resulting in the Household contributing more than 40% of net income to Gross Rent and if the Household deems the increased Household contribution unaffordable.
11.2.1	Updated to note only 30 days' notice is required to terminate the lease at lease renewal.
11.6	Updated to allow biennial recertifications.
Form 11.1	Updated Voucher Payment Contract to allow for biennial recertifications, lower notice requirements for non-renewal of the lease to 30 days and remove outdated procedures for increasing Contract Rent for Project Based Vouchers.
Form 11.2	Updated Appendix of the Voucher Payment Contract to reflect that nearly all Project Based Voucher Participants will pay 30% of net income in rent.
Chapter 12	Updated to reflect Payment Standards and previous guidance from DHCD.
13.1	Updated to note changes in lease termination.
13.2.1	Updated to reflect changes due to Payment Standards.
16.1	Updated to note that Payment Standards shall be applied and to reflect biennial recertifications.
16.2	Updated to note changes due to Payment Standards.
16.5	Updated to note changes due to Payment Standards.
16.6	Updated to note changes due to Payment Standards.
Form 6.1	Updated Mobile Voucher to reflect changes to how Tenant Rent Share is calculated and requirements for terminating the lease.
Form 6.2	Updated Project Based Voucher to reflect changes to how Tenant Rent Share is calculated and requirements for terminating the lease.
Obsolete Exhibits	The following Exhibits are obsolete and shall no longer be used: • 7.5 Value of the Voucher Schedule • 9.1 MRVP Mobile Voucher Maximum Rents

Chapter 2: Definitions

Applicable Payment Standard

The Applicable Payment Standard is the most recent Payment Standard published by DHCD.

Contract Rent

The total monthly rent specified in the Lease and Voucher Payment Contract for a Contract Unit occupied by a Participant. The Contract Rent is the sum of the Voucher Payment from the AA and the amount of the Participant's Tenant Rent Share. Contract Rent does not include payments made by the Participant separately to utility providers for the cost of heat, cooking fuel, and/or electricity.

Gross Rent

Gross Rent is the entire housing cost and is calculated by adding the Contract Rent and Utility Allowance. Note that if all utilities are included in the Contract Rent, the Contract Rent and Gross Rent are equal.

Payment Standard

The maximum Voucher Payment or subsidy a Mobile MRVP Voucher will pay. Payment Standards vary by region and by unit size and/or Voucher Size. The Payment Standard used to calculate Tenant Rent Share and Voucher Payment for a given Household may differ from the Applicable Payment Standard in the most recent Payment Standard tables published by DHCD depending on the timing and circumstances of the Participant's Regular and interim Recertifications, as described in Chapter 7.7.

Regular Recertification

A Household's Regular Recertification is either their annual recertification (effective prior to January 1, 2024) or their biennial recertification (effective on or after January 1, 2024).

Required Household Contribution

The Required Household Contribution is the minimum amount a Household must contribute to the Gross Rent. Except in rare circumstances with Project Based Vouchers (*See Chapter 7.6.1*), Required Household Contribution is equal to 30% of the Household's net monthly income.

Tenant Rent Share

The Tenant Rent Share is the amount of money, if any, the Participant pays directly to the Owner as rent. Tenant Rent Share is determined by the AA. When added together, Tenant Rent Share and Voucher Payment should equal the Contract Rent.

Utility Allowance

The Utility Allowance is an amount published by DHCD of the monthly cost for heat and other electricity if either utility is not included in the Contract Rent and for which a Household must pay separately.

Utility Reimbursement

The Utility Reimbursement is a monthly payment made from an AA to the Head of Household in some instances where the Utility Allowance exceeds Required Household Contribution to help offset the cost of utilities.

Voucher Payment

An amount paid by an AA to an Owner under a Voucher Payment Contract in accordance with the Voucher Payment Contract and guidelines established by DHCD, taking into consideration a Participant's income, Household size, Contract Unit size, and/or geographic location.

Chapter 7: Income and Voucher Payments

No changes to introduction and Chapter 7.1

7.2 Net Income [760 CMR 49.05(5)(d)]

7.2.1 Heat Deduction [760 CMR 49.05(5)(d) superseded by attached waiver]

Because the calculation of Tenant Rent Share for both Mobile and Project Based Vouchers now includes a Utility Allowance, heat deductions shall no longer be applied to Mobile or Project Based Vouchers.

No changes to Chapter 7.2.2-7.2.8

7.3 Utility Allowance [MRVP Budget Line Item]

The Utility Allowance is an amount published by DHCD of the monthly cost for heat and other electricity if either utility is not included in the Contract Rent and for which a Household must pay separately. Utility Allowances apply to both Mobile and Project Based Vouchers. MRVP is adopting a simplified Utility Allowance schedule, outlined below (*See Exhibit 7.7: MRVP Utility Allowances)*. The Utility Allowance is based on the number of bedrooms in the Contract Unit, regardless of Voucher Size.

Unit Size	SRO	ESRO	0/ Studio	1	2	3	4	5	6	7+
Heat Utility Allowance	$23	$25	$30	$45	$65	$85	$100	$125	$150	$175
Other Electric Utility Allowance	$12	$14	$16	$17	$18	$19	$20	$21	$22	$23

The "Heat Utility Allowance" shall be applied to all Households whose heat, regardless of fuel type, is not included in the Contract Rent. "Other Electric Utility Allowance" shall be applied to Households whose electricity for anything other than heat is not included in the Contract Rent. A Household may receive the "Heat" and/or "Other Electric" Utility Allowance depending on the specifics of their Lease. The AA must verify responsibility for payment of utilities by reviewing the Lease prior to using any Utility Allowance.

Example 7.10: Utility Allowances

Nilda lives in a three-bedroom apartment with her family. She was issued a two-bedroom MRVP Mobile Voucher. She has gas heat, and it is the only utility not included in the Contract Rent. The Utility Allowance for Nilda's Household is $85.

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Lauren lives in a two-bedroom apartment with her two-bedroom Project Based Voucher. She is responsible for paying for the following utilities: gas heat, gas stove, gas for hot water, and electricity for general use. The Utility Allowance for Lauren's Household is $83 ($65 + $18).

As described in Chapter 7.4, the Utility Allowance, if any, shall be added to the Contract Rent to determine the Gross Rent.

7.3.1 Utility Reimbursement

Depending on the Household's net income, Contract Rent, and Utility Allowance, the Household may qualify for a Utility Reimbursement. Calculation of a Utility Reimbursement is discussed in Chapters 7.6 and 7.8. The Utility Reimbursement is a payment made from an AA to the Head of Household to help offset the cost of utilities when, in some cases, the Utility Allowance exceeds Required Household Contribution.

AAs may only make Utility Reimbursement payments to the Head of Household. AAs shall make Utility Reimbursement payments to the Head of Household prior to or on the first of the month. There is no minimum or maximum Utility Reimbursement amount. If possible, DHCD urges AAs to make these payments via direct deposit or onto a prepaid debit card. Utility Reimbursement does not count as income when calculating Household income.

7.4 Gross Rent

Gross Rent is the entire housing cost and is calculated by adding together the Contract Rent and Utility Allowance for tenant-paid heat and/or electricity. Note that if heat and other electricity are included in the Contract Rent (meaning the Household does not pay separately for them), then the Contract Rent and Gross Rent will be equal.

Example 7.11: Calculating Gross Rent
Nilda lives in a three-bedroom apartment with her family. She was issued a two-bedroom MRVP Mobile Voucher. She has gas heat, and it is the only utility not included in the Contract Rent. The Utility Allowance for Nilda's Household is $85. Nilda's Contract Rent is $2,000. Her Gross Rent is $2,085 ($2,000 + $85). — Lauren lives in a two-bedroom apartment with her two-bedroom Project Based Voucher. She is responsible for paying for the following utilities: gas heat, gas stove, gas for hot water, and electricity for general use. The Utility Allowance for Lauren's Household is $83 ($65 + $18). Lauren's Contract Rent is $1,475. Her Gross Rent is $1,558 ($1,475 + $83).

7.5 Required Household Contribution

Required Household Contribution is the minimum portion of the Gross Rent that must be paid by the Household. Except when waived for specific Project Based Units (*See Chapter 7.6.1*), Required Household Contribution for Mobile and Project Based Vouchers shall be 30% of the Household's monthly net income. Note that based on the circumstances of a Household, the Household may pay more than their Required Household Contribution in rent and utilities.

Note that a Household's Tenant Rent Share may never be more than the Contract Rent, regardless of what the Household's Required Household Contribution is.

7.6 Determining Voucher Payment—Project Based [760 CMR 49.05(1–4), (7)]

To calculate the Voucher Payment for a Project Based Voucher, subtract the Required Household Contribution from the Gross Rent.

Gross Rent − Required Household Contribution = Voucher Payment

The Voucher Payment can never be more than the Contract Rent or less than $0 (*See Exhibit 7.4: Project Based Voucher Payment Worksheet*).

To calculate the Tenant Rent Share for a Project Based Voucher, subtract the Voucher Payment from the Contract Rent. Regardless of Required Household Contribution, Tenant Rent Share may never exceed the Contract Rent.

Contract Rent − Voucher Payment = Tenant Rent Share

In some cases, 30% of a Household's net income may be more than the Contract Rent. In those cases, the Household will pay the whole Contract Rent until their income drops or the Contract Rent is increased. See Chapter 17.5 for a discussion of over-income Households.

Gross Rent – Required Household Contribution – Contract Rent = Utility Reimbursement

If the Tenant Rent Share is $0, a Utility Reimbursement might be required. To calculate a Utility Reimbursement for a Project Based Voucher, if one is required, subtract both the Required Household Contribution and Contract Rent from the Gross Rent. Note that Utility Reimbursements are not paid to every Household whose Tenant Rent Share is $0. Additionally, A Household with income may still have a Tenant Rent Share of $0 and/or may receive a Utility Reimbursement if their Required Household Contribution is less than the Utility Allowance.

Example 7.12: Determining Voucher Payment—Project Based

Chuna's Household's net annual income is $21,000, and her monthly net income is $1,750. Her Required Household Contribution is $525 ($1,750 x 30%). The Contract Rent of her three-bedroom Project Based Unit is $2,966, and heat is the only utility not included in her Contract Rent. Her Gross Rent is $3,051 ($2,966 + $85). The Voucher Payment is $2,526 ($3,051 – $525). Her Tenant Rent Share is $440 ($2,966 – $2,526).

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The net monthly income of Alain's Household is $5,500. His Required Household Contribution is $1,650 ($5,500 x 30%). He lives in a two-bedroom Project Based Unit in Pittsfield with his wife and two daughters. The Contract Rent is $1,275. Alain must pay for heat and other electricity. His Gross Rent is $1,358 ($1,275 + $65 + $18).

The Voucher Payment is $0 ($1,358 – $1,650 = –$292, but the Voucher Payment cannot be less than $0). Alain's Tenant Rent Share is $1,275 ($1,275 – $0). Because Alain's Household income is under 80% AMI, his Household will remain eligible for the MRVP Voucher, even though his Voucher Payment is $0.

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The net monthly income for Jason's household is $100. His Required Household Contribution is $30 ($100 x 30%). He lives alone in a 0-bedroom or studio unit with his Project Based Voucher. His Contract Rent is $1,750. He must pay for heat and other electricity. His Gross Rent is $1,796 ($1,750 + $30 + $16).

The Voucher Payment is $1,750 ($1,796 – $30 = $1,766, but the Voucher Payment cannot be more than the Contract Rent). Jason's Tenant Rent Share is $0 ($1,750 – $1,750). Jason's Utility Reimbursement is $16 ($1,796 – $30 – $1,750).

Steps to Determine Project Based Voucher Payments

Utility Allowance	Utility Allowace is calculated based on bedroom size and whether the Household pays separately for heat and/or other electricity.
Gross Rent	Gross Rent = Contract Rent + Utility Allowance
Required Household Contribution	Required Household Contribution = 30% of Net Monthly Income
Voucher Payment	Voucher Payment = Gross Rent – Required Household Contribution
Tenant Rent Share	Tenant Rent Share = Contract Rent – Voucher Payment
Utility Reimbursement	If Tenant Rent Share is $0, subtract both Required Housedhold Contribution and Contract Rent from the Gross Rent to determine potential Utility Reimbursement.

7.6.1 Waivers [MRVP Budget Line Item]

DHCD may provide waivers to certain projects based on funding, specifically if the project was or continues to be partially subsidized under another federal or state subsidy or public housing program. In these cases, Required Household Contribution shall be subject to limits applicable under such federal or state programs. DHCD may also provide waivers as required. These waivers are requested directly by the Owner from DHCD. DHCD will notify AAs of waivers granted.

7.7 Payment Standards—Mobile [760 CMR 49.05(1–4), (6–7); MRVP Budget Line Item]

Tenant Rent Shares and Voucher Payments for Mobile Vouchers are determined using a Payment Standard. A Payment Standard is the maximum Voucher Payment or subsidy a Mobile MRVP Voucher will pay. Note that while MRVP's Payment Standards are modeled on Housing Choice Voucher Program (HCVP/Section 8), MRVP Payment Standards are not equivalent to HCVP payment standards, and MRVP calculations are not equivalent to HCVP calculations.

The Payment Standard for MRVP is set at 100% of the current area-wide FMR. See Exhibit 7.8: MRVP Payment Standards.

The Applicable Payment Standard is the most recent Payment Standard published by DHCD.

7.7.1 Using the Payment Standard

For any Household, the Payment Standard is based on the lower of:

- Voucher Size; or
- Unit size.

For example, if a Household has a three-bedroom Voucher, but finds a four-bedroom unit, the three-bedroom Payment Standard will be used. If that same Household finds a two-bedroom unit, the two-bedroom Payment Standard will be used.

If not specifically listed, the Payment Standards for units with five or more bedrooms are calculated by adding 15% of the Payment Standard for a four-bedroom unit for each additional bedroom over four, as shown below:

Unit Size	% of 4 Bedroom Maximum Rent	Example 1	Boston	Worcester	Springfield
4	100%	$1,000	$3,540	$2,196	$1,799
5	115%	$1,150	$4,071	$2,525	$2,068
6	130%	$1,300	$4,602	$2,854	$2,338
7	145%	$1,450	$5,133	$3,184	$2,608
8	160%	$1,600	$5,664	$3,513	$2,878

Payment Standards for units with five or more bedrooms are always rounded down to the nearest dollar.

If not specifically listed, the Payment Standards for SRO or ESRO units are a percentage of the Payment Standard for a studio/0-bedroom unit and are determined as follows:

Unit Type	% of Studio Maximum Rent	Example 1	Boston	Worcester	Springfield
SRO	75%	$750	$1,519	$924	$614
ESRO	82.5%	$825	$1,671	$1,016	$675
Studio	100%	$1,000	$2,025	$1,231	$818

Payment Standards for SRO and ESRO units are always rounded up to the nearest dollar.

7.7.2 Applicable Payment Standard

The Applicable Payment Standard shall be used for a Mobile Voucher at:

- Initial Mobile Voucher issuance;
- Determining Tenant Rent Share at initial occupancy;
- Issuance of Mobile Voucher for relocation;
- Determining Tenant Rent Share at relocation; and
- Regular Recertification if there has been a change in Voucher Size.

Whenever a Household relocates and leases a unit for the first time, the Applicable Payment Standard shall be used. This also applies to MRVP Participants leasing their first unit with their Mobile MRVP voucher.

Example 7.13: Updating the Payment Standard at Relocation
Courtney decides she would like to move to a new two-bedroom unit in Springfield with her two-bedroom voucher. When she moves into the unit, the Applicable Payment Standard of $1,223 is used when determining her Tenant Rent Share. Because Courtney has relocated, the Applicable Payment Standard is used.

Part of the Regular Recertification process is updating the Voucher Size if Household composition has changed. Remember that even if an interim recalculation of Tenant Rent Share is done in between Regular Recertifications because Household composition has changed, Voucher Size is not updated until the next Regular Recertification or relocation.

If the Voucher Size has changed, the Payment Standard needs to be updated to the Applicable Payment Standard amount at the next Regular Recertification or at relocation. Households are no longer held harmless if Voucher Size changes or they relocate.

Example 7.14: Updating the Payment Standard Due to Change in Voucher Size

Karlene has a two-bedroom voucher and lives in a three-bedroom unit with her husband and her two sons. Her Regular Recertification date is February 1. On June 15th she alerts the AA that she had a baby girl, and her medical and childcare expenses have increased. Once the AA verifies the increase in deductions, they process an interim recertification for Karlene effective July 1. They do not update her Voucher Size or the Payment Standard.

When the AA is processing Karlene's next Regular Recertification, they update her Voucher Size. The Applicable Payment Standard for a three-bedroom unit is used.

7.7.3 Applicable Payment Standard at Regular Recertification

The Applicable Payment Standard shall be used at Regular Recertification when:

- There has been a change in Voucher Size; or
- Payment Standards have increased since the Household's last Regular Recertification.

Example 7.15: Updating the Payment Standard When Applicable Payment Standard Goes Up

Joyce lives in Brockton in a three-bedroom unit with her three-bedroom voucher. At her last Regular Recertification, the Payment Standard for a three-bedroom unit was $2,181. The Applicable Payment Standard has since increased to $2,375. The Applicable Payment Standard is used at her next Regular Recertification.

If MRVP Payment Standards have decreased, AAs shall continue to use the existing, higher Payment Standard when determining the Household's Tenant Rent Share so long as the Household does not relocate to another unit or experience a change in Voucher Size. **In other words, except at relocation or change in Voucher Size, the AA shall not lower the amount of the Payment Standard.**

Example 7.16: Holding Harmless When the Applicable Payment Standard Goes Down

Courtney lives in Springfield in a two-bedroom unit with her two-bedroom voucher. At her last Regular Recertification, the Payment Standard for a two-bedroom was $1,129. The Applicable Payment Standard has since decreased to $1,094. During that time, Courtney hasn't moved, and her voucher size hasn't changed. The existing, higher Payment Standard continues to be used at her next Regular Recertification.

7.7.4 Applicable Payment Standard when Contract Rent Increases

The Applicable Payment Standard shall be used at an interim or Regular Recertification when:

- Contract Rent is increased; and
- Payment Standards have increased since the Household's last Tenant Rent Share determination.

If MRVP Payment Standards have decreased or stayed the same, AAs shall continue to use the existing, higher Payment Standard when determining the Household's Tenant Rent Share, including when Contract Rent is increased, so long as the Household does not relocate to another unit or experience a change in Voucher Size. **In other words, except at relocation or change in Voucher Size, the AA shall not lower the amount of the Payment Standard.**

Example 7.17: Updating the Payment Standard When Contract Rent is Increased
Joyce lives in Brockton in a three-bedroom unit with her three-bedroom voucher. At her last Regular Recertification, the Payment Standard for a three-bedroom unit was $2,181. The Applicable Payment Standard has since increased to $2,375. The Owner requests and receives a Contract Rent increase. The higher Applicable Payment Standard is used when an interim recalculation is completed when raising the Contract Rent. — Courtney lives in Springfield in a two-bedroom unit with her two-bedroom voucher. At her last Regular Recertification, the Payment Standard for a two-bedroom was $1,129. The Applicable Payment Standard has since decreased to $1,094. During that time, Courtney hasn't moved, and her voucher size hasn't changed. The Owner requests and receives a Contract Rent increase. The existing, higher Payment Standard continues to be used when an interim recalculation is completed when raising the Contract Rent.

7.8 Determining the Voucher Payment—Mobile [760 CMR 49.05(1–4), (6–7); MRVP Line Item Language]

To calculate the Voucher Payment, find the lower of the Payment Standard or Gross Rent, and then subtract the Required Household Contribution.

Lower of:
- Payment Standard
- Gross Rent

− Required Household Contribution = Voucher Payment

The Voucher Payment can never be more than the Contract Rent or less than $0 (*See Exhibit 7.6: Mobile Voucher Payment Worksheet*).

To calculate the Tenant Rent Share, subtract the Voucher Payment from the Contract Rent.

Contract Rent − Voucher Payment = Tenant Rent Share

In some cases, 30% of a Household's net income may be more than the Contract Rent. In those cases, the Household will pay the whole Contract Rent until their income drops or the Contract Rent is increased. See Chapter 17.5 for a discussion of over-income Households.

Lower of:
- Payment Standard
- Gross Rent

− Required Household Contribution − Contract Rent = Utility Reimbursement

If the Tenant Rent Share is $0, a Utility Reimbursement might be required. To calculate a Utility Reimbursement for a Mobile Voucher, if one is required, subtract both the Required Household Contribution and Contract Rent from the lower of the Gross Rent or Payment Standard. Note that Utility Reimbursements are not paid to every Household whose Tenant Rent Share is $0. Additionally, A Household with income may still have a Tenant Rent Share of $0 and/or may receive a Utility Reimbursement if their Required Household Contribution is less than the Utility Allowance.

If the Gross Rent is equal to or lower than the Payment Standard, the Household will only contribute 30% of net income to Gross Rent. Because of how MRVP has historically calculated mobile Tenant Rent Share, a vast majority of mobile Participants will pay 30% of net income when the payment standard model is implemented.

However, if the Gross Rent exceeds the Payment Standard, the Household will pay the amount the Gross Rent exceeds the Payment Standard in addition to contributing 30% of their net monthly income to Gross Rent.

30% of Household's Monthly Net Income + Amount Gross Rent Exceeds Payment Standard = Household Contribution to Gross Rent

Example 7.18: Calculating Mobile Tenant Rent Share

Catharine's net monthly Household income is $1,500. Her Required Household Contribution, 30% of net income, is $450. She has a two-bedroom Mobile Voucher. The Contract Rent for her two-bedroom unit in Worcester is $1,400, and all utilities are included so the Gross Rent is also $1,400. The Payment Standard for a two-bedroom unit in Worcester is $1,635. The Voucher Payment is $950 ($1,400 – $450). Catharine's Tenant Rent Share is $450 ($1,400 – $950).

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Wei Wen's net monthly Household income is $2,100. Her Required Household Contribution, 30% of net income, is $630. She has a three-bedroom Mobile Voucher. The Contract Rent for her three-bedroom unit in Springfield is $1,400, and no utilities are included. The Gross Rent is $1,504 ($1,400 + $85 + $19). The Payment Standard for a three-bedroom unit in Springfield is $1,497. The Voucher Payment is $897 ($1,497 – $630). Wei Wen's Tenant Rent Share is $533 ($1,400 – $897).

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Charlie's net monthly Household income is $200. His Required Household Contribution, 30% of net income, is $60. He has a two-bedroom Mobile Voucher. The Contract Rent for his two-bedroom unit in Boston is $2,200, and no utilities are included. The Gross Rent is $2,283 ($2,200 + $65 + $18). The Payment Standard for a two-bedroom unit in Boston is $2,635. The Voucher Payment is $2,200 ($2,283 – $60 = $2,223, but the Voucher Payment cannot be more than the Contract Rent). Charlie's Tenant Rent Share is $0 ($2,200 – $2,200). Charlie's Utility Reimbursement is $23 ($2,283 – $2,200 – $60).

Steps to Determine Mobile Voucher Payments

Utility Allowance	Utility Allowace is calculated based on bedroom size and whether the Household pays separately for heat and/or other electricity.
Gross Rent	Gross Rent = Contract Rent + Utility Allowance
Required Household Contribution	Required Household Contribution = 30% of Net Monthly Income
Voucher Payment	Mobile Voucher Payment = (Lower of Gross Rent or Payment Standard) – Required Household Contribution
Tenant Rent Share	Tenant Rent Share = Contract Rent – Voucher Payment
Utility Reimbursement	If Tenant Rent Share is $0, subtract both Required Housedhold Contribution and Contract Rent from the lower of Gross Rent or Payment Standard to determine potential Utility Reimbursement.

7.9.1 Calculating Maximum Rent at Initial Occupancy

At initial occupancy, a Household cannot contribute more than 40% of net monthly income to Gross Rent.

Therefore, at initial occupancy, the maximum allowable Gross Rent is the Payment Standard plus 10% of the Household's net monthly income.

Note that if a Household does not wish to contribute more than 30% of their net monthly income to Gross Rent, they may locate a unit with a Gross Rent at or below the Payment Standard. Also note that all rents must be found rent reasonable.

Example 7.19: Calculating Maximum Mobile Gross Rent at Initial Occupancy
Catharine's net monthly Household income is $1,500, and 10% of her net monthly income is $150. She would like to find a new two-bedroom unit in Worcester. The Payment Standard for a two-bedroom unit in Worcester is $1,635. The maximum allowable Gross Rent at initial occupancy for Catharine's new unit is $1,785 ($150 + $1,635). — Wei Wen's net monthly Household income is $2,100, and 10% of her net monthly income is $210. She would like to find a new three-bedroom unit in Springfield. The Payment Standard for a three-bedroom unit in Springfield is $1,497. The maximum allowable Gross Rent at initial occupancy for Wei Wen's new unit is $1,707 ($210 + $1,707).

At initial Voucher issuance and initial leasing with a Mobile Voucher, AAs <u>must</u>:

- Calculate net income at Voucher issuance to give the Household their maximum Gross Rent at initial occupancy; and
- Obtain updated income information, except in the case of Social Security benefit letters in some cases (*See Chapter 8.4*), prior to leasing if submitted documentation is more than 90 days old.

At relocation, an AA must obtain updated income information and complete a full recertification, unless a full recertification has been completed within the last 60 days. It is recommended that AAs collect updated income information every 90 days throughout the relocation process to correctly estimate and approve a maximum Gross Rent at initial occupancy of a new unit.

DHCD cannot waive the requirement that Households contribute no more than 40% of net income towards Gross Rent at initial occupancy or relocation. It is in the Participant's, AA's, and Owner's best interest to have updated income documents so that maximum Gross Rents at initial occupancy are calculated appropriately. Participants in housing search shall also be instructed to alert the AA of any income changes as soon as possible.

As described above, Payment Standards are updated at a Household's Regular Recertification. **When the Payment Standard is updated at Regular Recertification, Households are not subject to the limit of contributing no more than 40% of net monthly income to Gross Rent.** Thus, in the event of a rent increase, income decrease, or change in Household composition, the amount a Household contributes to Gross Rent may be more than 40% of net monthly income. If the Household finds their housing costs burdensome, the Household may relocate to a more affordable or appropriately sized unit.

Example 7.20: Calculating Mobile Tenant Rent Share After Initial Occupancy

Catharine's net monthly Household income is $1,500. Her Required Household Contribution is $450. She has a two-bedroom Mobile Voucher. She found a new two-bedroom unit in Worcester, and her Contract Rent is $1,600 with all utilities included, so her Gross Rent is also $1,600. Her daughter moves out shortly after she relocates. At recertification, Catharine's Voucher Size is reduced to one-bedroom and the Payment Standard is updated accordingly to $1,272. Catharine's new Tenant Rent Share at recertification is $778 (52% of net monthly income). Catharine finds this unaffordable and begins to look for an appropriately sized unit.

—

Wei Wen has a three-bedroom Mobile Voucher and found a new three-bedroom unit in Springfield with a Contract Rent of $1,550. The only utility she is responsible for is heat, so the Gross Rent is $1,635 ($1,550 + $85). The Payment Standard for a three-bedroom unit in Springfield is $1,353. Her net monthly income drops from $2,100 to $900 when she loses her job. At recertification, Wei Wen's new Tenant Rent Share is $467 (52% of net monthly income). Wei Wen has several job interviews lined up and is confident she'll find a new job soon. She decides to stay in the unit.

7.9.2 Raising the Payment Standard Via Reasonable Accommodation

Previously, AAs could grant reasonable accommodations to raise the maximum Mobile Voucher rents. Under the payment standard model, **AAs may grant a reasonable accommodation to raise the Payment Standard to the Gross Rent. The AA may also grant a reasonable accommodation to increase the Utility Allowance.** Depending on individual circumstances and reasonable accommodation request, a reasonable accommodation to raise the Payment Standard and/or Utility Allowances may need to be renewed at the Regular Recertification.

Note that **all Contract Rents must be found rent reasonable, and this requirement cannot be waived via reasonable accommodation.**

Example 7.21: Raising the Payment Standard Via Reasonable Accommodation
George, whose net monthly income is $850, requests and receives a reasonable accommodation to raise the Payment Standard. Due to his disability, he requires a completely accessible unit. George has a one-bedroom voucher and finds an accessible one-bedroom unit in Brockton for $1,850, with no utilities included, which the AA finds rent reasonable. Via reasonable accommodation, the AA raises the Payment Standard, which would normally be $1,415, to $1,912, the Gross Rent for George's Contract Unit ($1,850 + $45 + $17).

Chapter 8: Verification

All information that a Household is required to submit for MRVP, including documentation of income, Household composition, eligibility for preferences, and evidence of mitigating circumstances, must be verified by the AA. Some documentation, such as vital documents, only needs to be collected at the initial determination of eligibility. Other information, such as income, must be verified at each Regular Recertification. The following chapter outlines some of the documentation that is required to verify a Household's income and composition. Each AA shall develop and uniformly apply procedures that are reasonable and not overly burdensome to address situations not outlined below.

8.1 Vital Documents

For each Household member, the AA must have verification of date of birth. Ideally the AA shall receive an original or copy of every Household member's birth certificate. A passport, immigration card, or other government-issued photo ID is acceptable when a birth certificate is not available. As outlined below, if a Household member self-attests that they cannot provide a birth certificate or government-issued photo ID, they must provide their Social Security card, self-attest to their date of birth, and provide any documentation that may confirm their date of birth. For young children, the AA may also accept a mother's letter provided by a hospital at the time of the child's birth in lieu of a birth certificate.

Each adult Household member with a Social Security number must authorize its use to verify income for the purposes of determining eligibility, Tenant Rent Share, and Voucher Payment *(See Chapter 8.3 below)*. The ideal verification of a Social Security number is someone's Social Security card, but other verification may be accepted, such as official correspondence from the Social Security Administration.

Unless a Household member attests that they are unable to obtain a government-issued photo identification (*Exhibit 8.0: Government-Issued Photo ID Self-Attestation*), the AA must obtain a government-issued photo ID for the Head of Household and every other adult Household member. A government-issued photo ID is a photo ID issued by the state or federal government or by a foreign government.

Examples of government-issued photo ID include, but are limited to:

- Driver's license (any state and/or country);
- State ID card (any state);
- Passport (United States or foreign);
- Permanent resident immigration card;
- U.S. military ID;
- Foreign national identification card;

- Blind Access and Senior CharlieCards, Transportation Access Pass, and any other MBTA transportation ID card that is government-issued and includes a photo of the holder; and
- Massachusetts Commission for the Blind Blindness Identification Card.

The following shall not be considered government-issued photo ID:

- Library cards;
- Student ID cards;
- Employee ID cards (except for military IDs);
- Photo IDs issued by cities and shelters; and
- All other photo IDs where date of birth and Social Security number, if applicable, are not verified.

If an adult Household member, including the Head of Household, attests that they cannot obtain a government-issued photo ID, the AA shall accept whatever photo ID the Household member can provide. The reason for being unable to obtain a government-issued photo ID must be listed on the self-attestation form. Acceptable reasons for being unable to obtain government-issued photo-ID may include, but are not limited to:

- Requested/applied for government-issued photo ID, but will not obtain in a timely manner (in this case, government-issued photo ID will be provided to the AA upon receipt of the ID);
- Applicant/Participant does not have documents required to obtain government-issued photo ID; and/or
- Government-issued photo ID was lost, stolen, and/or destroyed (and has not yet been replaced and will be provided to the AA upon receipt of a replacement ID).

Additionally, an adult Household member who attests that they cannot obtain government-issued photo ID <u>must</u> provide at least one of the following:

- Birth certificate; or
- Social Security card.

In other words, all adult Household members <u>must</u> provide <u>at least</u> one of the following:

- Government-issued photo ID;
- Birth certificate; or
- Social Security card.

If an adult Household member, including the Head of Household, cannot provide either a government-issued photo ID, birth certificate, or Social Security card, they are not eligible for MRVP.

Government-Issued Photo ID	• Required for all Household members 18+ • If unable to obtain, may self-attest
Birth Certificate	• May be submitted in lieu of government-issued photo ID for minors • May be submitted for adults if unable to obtain government-issued photo ID • Not required if government-issued photo ID is submitted
Social Security Card	• May be submitted for adults if unable to obtain government-issued photo ID • Ideal, but not required, verification of Social Security number

Note that if a Household member has any or all of the three vital documents listed above, they must provide them to the AA. For example, if someone has a government-issued photo ID, they must also provide the AA their Social Security card. Furthermore, if a Household member receives any vital documents during their participation in MRVP, they must be provided to the AA.

The AA must receive any relevant custody or guardianship paperwork for minors. If a minor is being added to the Household other than through birth to an existing Household member, the AA must receive paperwork granting custody of the child to a Household member. For the purposes of MRVP, custody does not need to be determined by a court and may be granted in a notarized letter by the minor's guardian.

In some cases involving foster or adopted children, the Head of Household may not have a minor's Social Security number and/or birth certificate. The AA may waive the requirement for the documents if it verifies with the foster or adoption agency that the documents were not given to the Head of Household.

No changes to Chapter 8.1.1-8.3.3

8.4 Income and Assets

The Household must provide the AA with verification of all income and assets. This can include pay stubs, benefit letters, bank statement, Department of Revenue (DOR) printouts, and notarized letters. All information provided must be no more than 90 days old (except in the case of Social Security benefit letters in some cases, as explained below). Where income is recurring, such as wages, and documentation provided takes the form of multiple pay stubs, verification submitted must cover consecutive periods. The forms of documentation required to verify common forms of income are listed below. The Household may provide additional verification if income is sporadic, seasonal, or highly variable.

For Social Security only, not including Supplemental Security Income (SSI) or Social Security Disability Income (SSDI), the AA may accept the Participant's annual benefit letter. Annual benefit letters are usually mailed at the end of each calendar year and outline the benefits for the next calendar year. The AA may use the benefit letter for the full calendar year described in the letter. Even if this letter is more than 90 days old, it may be accepted.

For SSI and SSDI, the AA may accept the Participant's annual benefit letter only if the Household has no other income or if other Household income has not changed. Annual benefit letters are usually mailed at the end of each calendar year and outline the benefits for the next calendar year. The AA may use the benefit letter for the full calendar year described in the letter. Even if this letter is more than 90 days old, it may be accepted.

Because MRVP only considers actual income from assets when the total value of Household assets is over $5,000 (*See Chapter 7.1.2*) when determining net Household income, Households may self-attest that they do not have more than $5,000 in assets (*Exhibit 8.2: Asset Self-Attestation*). If a Household self-attests that they do not cumulatively have more than $5,000 in assets, the AA shall only request bank statements if there is other reason to do so. One reason to request bank statements even if the Household has less than $5,000 in assets is if the entire Household has zero income. If the Household has more than $5,000 in assets, they must supply at least two consecutive months of bank statements.

If an Applicant/Participant provides acceptable documentation outlined in the chart below, the AA does not need to endeavor to independently verify income or assets. Only if an Applicant/Participant cannot supply the acceptable documentation outlined in the chart above does the AA need to endeavor to independently verify income and assets. For example, if a Participant submits five weekly paystubs, the AA does not need to attempt to verify their earned income via third-party or alternative means.

When a Household member's income decreases, verification of the decrease must be provided before the Household's Tenant Rent Share can be changed. Verification must state or indicate that the income has ended or decreased. If the Household member's earned income has decreased or stopped, the AA must inquire about unemployment, worker's compensation, or other income for which the Household may now be eligible.

Income Source	*Acceptable Documentation*	*Unacceptable Documentation*
TANF	Benefit letter	Bank statements
Food Stamps	Verification not required	
Social Security (not SSI or SSDI)	Annual Benefit letter	Bank statements
SSI or SSDI	If no other income change, annual benefit letter If income changes, benefit letter < 90 days old	Bank statements
*SSP**	Bank statement Benefit letter	
*EAEDC***	Benefit letter	Bank statements
Earned Income	5 weekly paystubs 3 biweekly or bimonthly paystubs 2 monthly paystubs	Offer letter Salary letter Projected earnings Bank statement
Unemployment	5 check stubs w/ deductions DUA Printout	Bank statement
Child Support	DOR Printout Notarized letter from parent paying support Personal checks Bank statements Self-attestation <u>only</u> if no other verification available	Court order
Alimony	Notarized letter from party paying support Personal checks Bank statements Self-attestation <u>only</u> if no other verification available	Court Order
Other disability income	Benefit letter Payment receipts	Bank statement
Worker's Compensation	Benefit letter Payment receipts	Bank statement
Self Employment	Tax return Business ledger	Bank statement
Gifts	Notarized letter from gift giver	
Foster Care Payments	Payment receipts Bank statements	
Assets	Self-attestation of < $5,000 in assets Two months of account statements	

** State Supplemental Income*

*** Emergency Assistance to Elderly, Disabled, and Children*

For any adult Household member claiming zero income, the Household member must sign a statement acknowledging that they are claiming zero income. If an entire Household is claiming zero income, each adult Household member must sign a statement acknowledging zero income. The AA shall contact the Household every six months to inquire about the Household's current income situation and request updated bank statements. All deposits shall be discussed with the Household. The AA shall also verify income of all adult Household members claiming zero income with the Department of Unemployment Assistance and the Department of Transitional Assistance (DTA) every six months.

No changes to the remainder of Chapter 8 (8.5)

Chapter 9: General Leasing Procedures

No changes to introduction and Chapter 9.1

9.2 Eligible Units

No changes to Chapter 9.2.1-9.2.3

9.2.4 Maximum Allowable Contract Rent at Initial Occupancy—Mobile [MRVP Line Item Language]

Maximum allowable Contract Rent at initial occupancy for Mobile Vouchers is based on the Payment Standard. A Payment Standard is the maximum Voucher Payment a Mobile MRVP Voucher will pay.

For any Household, the Payment Standard is based on the lower of:

- Voucher Size; or
- Unit size.

For example, if a Household has a three-bedroom Voucher, but finds a four-bedroom unit, the three-bedroom Payment Standard will be used. If that same Household finds a two-bedroom unit, the two-bedroom Payment Standard will be used.

Whenever a Household relocates and leases a unit for the first time, the Applicable Payment Standard, the most recent Payment Standard published by DHCD, shall be used. This also applies to MRVP Participants leasing their first unit with their Mobile MRVP voucher.

Example 9.2: Updating the Payment Standard at Relocation
Courtney decides she would like to move to a new two-bedroom unit in Springfield with her two-bedroom voucher. When she moves into the unit, the Applicable Payment Standard of $1,223 is used when determining her Tenant Rent Share. Because Courtney has relocated, the Applicable Payment Standard is used.

At initial occupancy Tenant Rent Share cannot exceed 40% of the Household's net monthly income.

Therefore, at initial occupancy, the maximum allowable Contract Rent is the Payment Standard plus 10% of the Household's net monthly income.

Note that if a Household does not wish to contribute more than 30% of their net monthly income to Gross Rent, they may locate a unit with a Gross Rent at or below the Payment Standard. Also note that all rents must be found rent reasonable.

Example 9.2A: Calculating Maximum Mobile Gross Rent at Initial Occupancy
Catharine's net monthly Household income is $1,500, and 10% of her net monthly income is $150. She would like to find a new two-bedroom unit in Worcester. The Payment Standard for a two-bedroom unit in Worcester is $1,635. The maximum allowable Gross Rent at initial occupancy for Catharine's new unit is $1,785 ($150 + $1,635). — Wei Wen's net monthly Household income is $2,100, and 10% of her net monthly income is $210. She would like to find a new three-bedroom unit in Springfield. The Payment Standard for a three-bedroom unit in Springfield is $1,497. The maximum allowable Gross Rent at initial occupancy for Wei Wen's new unit is $1,707 ($210 + $1,497).

At initial Voucher issuance and initial leasing with a Mobile Voucher, AAs <u>must</u>:

- Calculate net income at Voucher issuance to give the Household their maximum Gross Rent at initial occupancy; and
- Obtain updated income information, except in the case of Social Security benefit letters in some cases (*See Chapter 8.4*), prior to leasing if submitted documentation is more than 90 days old.

At relocation, an AA must obtain updated income information and complete a full recertification, unless a full recertification has been completed within the last 60 days. It is recommended that AAs collect updated income information every 90 days throughout the relocation process to correctly estimate and approve a maximum Gross Rent at initial occupancy of a new unit.

DHCD cannot waive the requirement that Households contribute no more than 40% of net income towards Gross Rent at initial occupancy or relocation. It is in the Participant's, AA's, and Owner's best interest to have updated income documents so that maximum Gross Rents at initial occupancy are calculated appropriately. Participants in housing search shall also be instructed to alert the AA of any income changes as soon as possible.

Previously, AAs could grant reasonable accommodations to raise the maximum Mobile Voucher rents. Under the payment standard model, **AAs may grant a reasonable accommodation to raise the Payment Standard to the Gross Rent. The AA may also grant a reasonable accommodation to increase the Utility Allowance.** Depending on individual circumstances and reasonable accommodation request, a reasonable accommodation to raise the Payment Standard and/or Utility Allowances may need to be renewed at the Regular Recertification.

Note that **all Contract Rents must be found rent reasonable, and this requirement cannot be waived via reasonable accommodation.**

Example 9.2B: Raising the Payment Standard Via Reasonable Accommodation
George, whose net monthly income is $850, requests and receives a reasonable accommodation to raise the Payment Standard. Due to his disability, he requires a completely accessible unit. George has a one-bedroom voucher and finds an accessible one-bedroom unit in Brockton for $1,850, with no utilities included, which the AA finds rent reasonable. Via reasonable accommodation, the AA raises the Payment Standard, which would normally be $1,415, to $1,912, the Gross Rent for George's Contract Unit ($1,850 + $45 + $17).

No changes to the remainder of Chapter 9 (9.2.5-9.6.3)

Chapter 10: MRVP Lease Addendum

No changes to Chapter 10.1-10.6

10.7 Lease Term

Section 7(a) of the Lease Addendum makes any Lease automatically renew with the same terms and conditions unless the Lease is terminated in writing by the Owner or the Participant 30 days prior to the renewal date. No specific reason is needed for termination of a Lease by a Participant or by an Owner if the Participant has a Mobile Voucher. If the Lease is terminated, the Owner and Participant may extend it on a month-to-month basis while the Participant is looking for another unit. Note that the Participant is still bound by the 120-day Voucher Search Period, but they may stay in the Contract Unit with continued Voucher Payments if the Owner agrees and the AA approves (*See Chapter 13.2.1*).

In Project Based Units, Owners may only terminate the Lease because of Lease violations by the Participant, even at the Lease renewal date.

The Owner and Participant may mutually agree to terminate the Lease at any time, including during the initial Lease term (the first year of the Lease). 30 days' notice to the AA is preferred. The AA may accept mutual terminations with less notice, based on the specifics of the situation. Chapter 13.1 further discusses Lease termination.

No changes to Chapter 10.8-10.9

10.10 Termination of Tenancy by Tenant During the Lease Term

A Participant must have approval from the AA prior to terminating their Lease, unless the reason for Lease termination is domestic violence.

A Participant may terminate the Lease for cause, which may include:

- Housing safety violations under the State Sanitary Code;
- Reasonable accommodation due to a Household member's disability;
- Domestic violence, which does NOT require prior AA approval;

- An increase in Contract Rent is approved resulting in the Household contributing more than 40% of net income to Gross Rent and the Household deems the increased Household contribution unaffordable; and
- Other reasons as allowed by law.

If the AA approves the Participant's cause to break the Lease, the Participant must give the Owner and AA at least 30 days' advance written notice. Notice is not required in cases of domestic violence if it is not feasible or safe to give notice.

See Chapter 13.1.3 for further discussion.

No changes to the remainder of Chapter 10 (10.11-10.15)

Chapter 11: The Voucher Payment Contract

No changes to Chapter 11.1

11.2 Contract Unit(s) & Term of Contract

This section is broken into separate parts for Mobile Vouchers and Project Based Vouchers.

11.2.1 Mobile Vouchers

The Voucher Payment Contract (VPC) lists both the specific address of the Contract Unit and the Participant's name. The VPC is only valid if the Contract Unit is occupied by the specific Participant listed. The AA shall stop making Voucher Payments to the Owner when the Participant vacates the unit. The AA has no obligation to provide a replacement tenant to the Owner.

The term of a VPC for a Mobile Voucher Participant begins on the same date that the Lease for the Contract Unit begins. The term is identical to the Lease term and automatically renews with the Lease unless terminated with 30 days' advance written notice. Note that Owners are not entitled to Voucher Payments simply because the VPC term has started, as further explained in Chapter 11.4.

If the Lease is terminated, the VPC terminates as well.

No changes to Chapter 11.2.2-11.5

11.6 AA Responsibilities

The AA shall:

- Verify that the Participant is eligible for MRVP as often as needed;
- Make Voucher Payments to the Owner on behalf of MRVP eligible Participants on or about the first of each month;
- Terminate the Participant's participation in MRVP if no longer eligible;
- Terminate Voucher Payments to the Owner if the Participant vacates the unit, becomes ineligible, or is terminated from MRVP; and
- Suspend or terminate Voucher Payments if the Owner has failed to fulfill any obligation in the VPC, including, but not limited to:
    - Failing to maintain the unit in compliance with the State Sanitary Code; and

- Requesting or accepting payments for rent or use and occupancy of the Contract Unit from the Participant or another party in excess of the amount approved by the AA.
- The AA may also terminate the VPC for the reasons listed above but is not required to so. Each situation must be carefully considered.

No changes to the remainder of Chapter 11 (11.7-11.15)

Chapter 12: Rent Reasonableness and Rent Increases

All Contract Rents in MRVP must be rent reasonable. Rent reasonableness is a fundamental piece of MRVP that cannot be waived by DHCD or by reasonable accommodation.

12.1 Determining Rent Reasonableness

Contract Rents must be reasonable. The AA may determine rent reasonableness through the Rent Reasonableness Checklist and Certification Form (*Exhibit 9.2*). Rent reasonableness shall be determined by comparing the unit to other non-assisted units in the area. Amenities, unit size, unit quality, and included utilities can affect rent reasonableness. Rent reasonableness shall be determined in a fair and consistent manner and an Owner may request documentation of why a rent was not approved.

The AA shall provide information on three similar unassisted units, either on the form or as an attachment. The AA will then approve none, some, or all of the rent increases requested based on whether the increase is rent reasonable. The AA shall notify the Owner of its decision and, if requested, provide verification of rent reasonableness. The AA shall determine the appropriate rent increase, if any, within 30 days of the request.

12.2 Rent Levels and Increase Amounts—Project Based Vouchers

The Contract Rent for Project Based Vouchers is set at the time the initial Voucher Payment Contract is signed. Contract Rents at initial occupancy shall not exceed current area-wide FMR, with limited exceptions noted by DHCD.

12.2.1 Rent Increases

For Project Based Units, Contract Rent increases are applied to an entire project at once. All Contract Rent increases must be requested from the AA by the Owner. The request must include the DHCD Rent Reasonableness Checklist and Certification Form (*Exhibit 9.2*) or a similar form. For projects that have numerous kinds of units (various bedrooms sizes, differences in accessibility), the DHCD Rent Reasonableness Checklist and Certification Form must be completed for each type of unit (for example, one form for each bedroom size).

Owners may request an increase at any time after the first year of the initial Voucher Payment Contract. Contract Rent increases can only be approved once in any twelve (12) month period and not within the first year of the initial Voucher Payment Contract. Because Contract Rent increases are typically applied to an entire project at once, the Contract Rent may be increased during the first year of any individual Participant's Lease.

The maximum allowable rent increase for Project Based Vouchers is limited to HUD's area-wide FMR, with limited exceptions, and must be rent reasonable. FMRs are determined annually by HUD.

In the case that area-wide FMR is lowered and the current Contract Rent for an MRVP Project Based Unit exceeds FMR, no rent increase will be permitted, and the Contract Rent for the unit will remain the same. That is, if FMR decreases below the current Contract Rent, the Contract Rent does not need to be lowered.

12.3 Rent Levels and Increase Amounts—Mobile Vouchers

Contract Rents for Mobile Vouchers are set when the Lease is signed with the Participant. At initial occupancy, a Household's contribution to Gross Rent cannot exceed 40% of net Household income (*See Chapter 7.9.1*). Contract Rents for Mobile Vouchers may be increased no more than once in any twelve (12) month period and not within the first year of the Lease.

If an Owner would like to increase the Contract Rent at the Lease renewal date, it is encouraged that Owners request the Contract Rent increase at least 60 days prior to the Lease renewal date. AAs must alert Owners and Participants of the outcome of a Contract Rent increase request at least 30 days prior to the Lease renewal date. If the Owner or the Participant disagrees with the Contract Rent, either may decide not to renew the Lease for an additional year if notice is given 30 days prior to the Lease renewal date (*See Chapter 13.1*).

Contract Rent for Mobile Vouchers can also be increased during the Lease term after the first year of the Lease. If an increase in Contract Rent is approved resulting in the Household contributing more than 40% of net income to Gross Rent and if the Household deems the increased Household contribution unaffordable, they may terminate the Lease for good cause with AA approval and by providing the Owner with at least 30 days' written notice (*See Chapter 13.1*).

The only limitation on Contract Rent increases after the first year of the Lease is rent reasonableness. All Contract Rents must be rent reasonable.

12.4 Rent Increase Procedures

The following procedures apply to both Mobile and Project Based Vouchers.

12.4.1 Notice from AAs

If a Contract Rent increase is approved, the AA shall send an updated Tenant Rent Share letter to the Owner and Participant. The AA must provide the Owner and Participant at least 30 days' advance notice of the Contract Rent increase. Contract Rents cannot be increased retroactively.

12.4.2 Tenant Rent Share Changes

Any increase in Tenant Rent Share must be clearly communicated to the Participant and include at least 30 days' advance notice.

Chapter 13: Relocation

The term "relocation," as used in MRVP, refers to any move by a Participant from one Contract Unit to another. Relocation is most common with Mobile Participants. Because a Project Based Voucher is assigned to a Contract Unit, and not a Participant Household, moving from a Project Based Unit generally means withdrawing from MRVP. Under special circumstances, an MRVP Project Based Participant may be permitted to transfer out of a particular Contract Unit. These circumstances are outlined in Chapter 14 and may involve issuance of a Mobile Voucher in certain situations.

The provisions of this chapter regarding Lease termination and Voucher Payments during relocation apply to both Mobile and Project Based Voucher Participants. Provisions regarding issuance of a Mobile Voucher only apply to a Project Based Voucher Participant when the Participant is entitled to receive a Mobile Voucher as described in Chapter 14.

In general, once a Mobile Voucher Participant's Lease is terminated as described in Chapter 13.1, the AA shall issue the Participant a Mobile Voucher for relocation. The two exceptions, as described in Chapter 13.2, are if the Participant has an at-fault eviction pending in court or is pending termination from MRVP (except if termination is due to being over-income). In those two instances, because the Participant may be terminated from MRVP, reissuing a Mobile Voucher for relocation is not appropriate.

13.1 Lease Termination

The first step to most relocation processes is termination of the Lease. All Leases shall have the MRVP Lease Addendum attached and can be terminated only in certain circumstances with proper notice.

13.1.1 Automatic Lease Termination

In the event that the Contract Unit or all or a substantial part of the property are made uninhabitable by fire, flood, other natural disaster, or condemnation or is taken by eminent domain, the Lease will automatically terminate.

13.1.2 Lease Termination by Owner

An Owner may terminate the Lease under the following circumstances, with proper written notice given to the Participant and the AA. It is the Owner's responsibility to notify the AA of any Owner-initiated Lease termination, but failure to do so does not negate the Lease termination.

Owners whose tenants have Project Based Vouchers may only terminate or not renew the Lease because of Participant Lease violations or by mutual consent.

- Non-payment of rent (14 days' notice): An Owner may terminate the Lease for non-payment of the Tenant Rent Share with 14 days' notice. The Owner may not terminate the Lease for non-payment of the Voucher Payment by the AA under any circumstance. The exact amount owed and for what periods must be listed in the notice.

- Lease violation (30 days' notice): An Owner may terminate the Lease for any Lease violation with 30 days' notice. Such Lease violations can include non-payment of rent, interference with the rights of other tenants, causing serious damage to the property or unit, posing a threat to the health or safety of other tenants or the Owner, and any other violations of legally permissible Lease provisions. The specific Lease violation(s) must be listed in the notice.

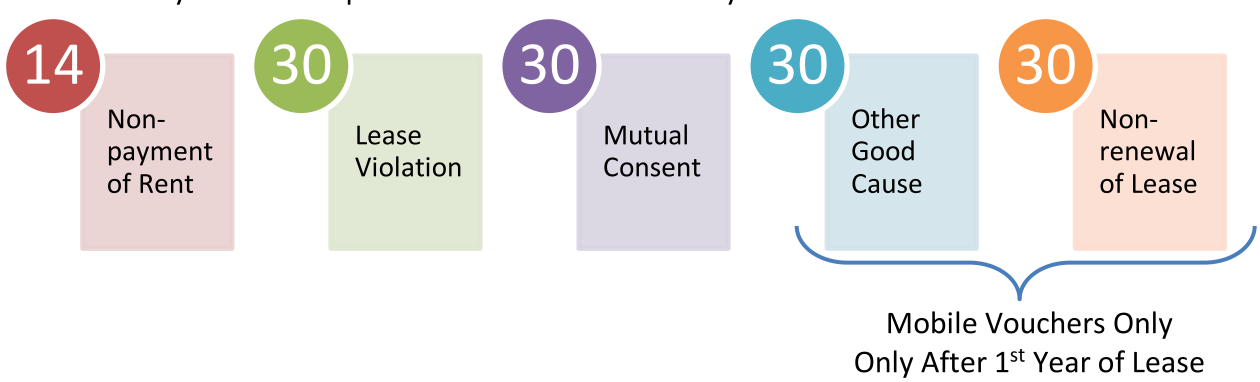
- Mutual consent (30 days' notice): An Owner and tenant may mutually agree to terminate a Lease at any time and for any reason. 30 days' notice is recommended.

Owners whose tenants have Mobile Vouchers may terminate the Lease for the following reasons:

- Other good cause (30 days' notice): An Owner may terminate the Lease for other good cause only after the initial Lease term (first year of the Lease). Good cause may include:
    - The tenant's failure to accept the Owner's offer of a new Lease or revision; or
    - The Owner's desire to use the Contract Unit for personal use.

- Non-renewal of Lease by Owner (30 days' notice): An Owner may decide not to renew the Lease for any reason with 30 days' notice. The Owner does not need to provide the Participant with a reason for non-renewal.

Number of Days' Notice Required for Lease Termination by Owner



13.1.3 Lease Termination by Tenant

A Participant may terminate a Lease under the following circumstances with proper written notice given to the Owner and the AA. It is the Participant's responsibility to notify the AA of any Participant-initiated Lease termination. Lease terminations for cause must have prior approval from the AA.

- Termination for cause (30 days' notice; prior approval required): A Participant may terminate the Lease for cause with 30 days' notice if the AA has approved the cause (except as noted below). Cause may include:
    - Housing safety violations under the State Sanitary Code. Housing safety violations must be documented by the local board of health (or similar body) and the Owner must be notified of the violations and given an appropriate amount of time, as determined by the local board of health, to correct the violations.
    - Reasonable accommodation due to a Household member's disability;
    - Domestic violence, which does NOT require AA approval;
    - An increase in Contract Rent is approved resulting in the Household contributing more than 40% of net income to Gross Rent and the Household deems the increased Household contribution unaffordable; and
    - Other reasons as allowed by law. Some other reasons currently allowed by Massachusetts law are:
        - Active military service. Active service must be verified.
        - Lease violation by Owner. The AA should never advise a Participant to simply terminate a Lease or withhold their Tenant Rent Share due to an Owner's actions, as Massachusetts landlord-tenant law requires a tenant to follow very specific procedures or risk negative consequences. Even in cases of documented housing safety violations, the AA should never advise a Participant to simply withhold the Tenant Rent Share, but rather should advise the Participant to seek legal advice as to their rights and remedies.

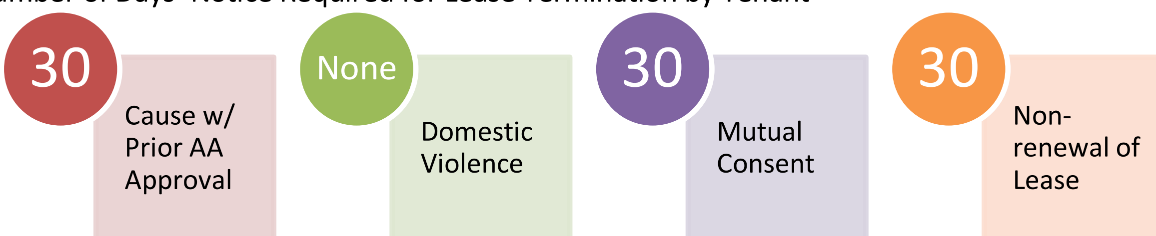
- Domestic violence: <u>A Participant may vacate a Contract Unit without prior notice or AA approval if they believe they are at imminent risk due to domestic violence.</u> The Participant shall notify the AA as soon as possible before or after vacating the unit. The AA shall require verification of domestic violence within a reasonable period of time after the Participant vacates the unit; verification may include a sworn statement by the Participant if no other verification is available *(See Chapter 18.5.4)*.
    - The Participant shall notify the Owner that they are terminating the Lease with 30 days' notice for cause as soon as possible. The AA may pay the entire Contract Rent, if required, during the 30 days' notice period if the Participant vacated the Contract Unit.
    - "Domestic violence," when used as a reason to terminate a Lease, may also include a sexual assault that took place in the Contract Unit in the 90 days prior to Lease termination (*See Chapter 18.5*).

- Note that this is the <u>only</u> time during which an AA may make duplicate Voucher Payments or Voucher Payments not during the actual period of occupancy.
- If a Participant is issued a Mobile Voucher for relocation due to domestic violence, the AA shall endeavor to provide housing search assistance, if needed. Such endeavor may include a referral to the local Housing Consumer Education Center.

- Mutual consent (30 days' notice): An Owner and Participant may mutually agree to terminate a Lease at any time, for any reason. 30 days' notice is recommended. The Participant must notify the AA if the Lease is mutually terminated.

- Non-renewal of Lease (30 days' notice): A Participant may decide not to renew the Lease for any reason with 30 days' notice. The Participant does not need to provide the Owner with any reason for non-renewal.

Number of Days' Notice Required for Lease Termination by Tenant



13.1.4 Lease Termination by AA

Because the AA is not a party to the Lease, the AA cannot terminate the Lease. The AA may terminate the Voucher Payment Contract or the Participant's Voucher, but neither of those actions automatically terminates the Lease.

No changes to Chapter 13.2

13.2.1 Relocation Due to a Decrease in Voucher Size

All changes to Voucher Size are effective at the next Regular Recertification or relocation, whichever occurs first. If the Voucher Size decreases, the Household's Tenant Rent Share will likely increase when the Payment Standard is lowered to match the Voucher Size *(See Chapter 7.7.3)*. The Household may choose to continue to reside in the unit and be over-housed or may relocate to a more appropriately sized unit.

See Chapter 14 for a discussion of requirements when a Project Based Participant's Voucher Size decreases.

No changes to the remainder of Chapter 13 (13.3)

Chapter 16: Redetermination of Tenant Rent Share

Redeterminations of Tenant Rent Share allow AAs to verify continued program eligibility, including the income and Household composition, of a Participant Household. Both are important for program integrity. When the Voucher Payment decreases (and the Tenant Rent Share increases) as the result of a redetermination, a full calendar months' notice to the Participant is required. When the Voucher Payment increases (and the Tenant Rent Share decreases) a full calendar months' notice to the Participant is preferable, but not required.

16.1 **Regular Recertification** [760 CMR 49.05(7)(a) superseded by attached waiver]

Through December 31, 2023, a Household's income and composition must be recertified at least once per year while in MRVP. Beginning January 1, 2024, a Household's income and composition must be recertified at least <u>every other</u> year, or biennially, while in MRVP. AAs must decide which Households will be recertified in 2024 or 2025 (and subsequently every other year). Prior to January 1, 2024, DHCD will provide suggested language to communicate with Participants about switching to a biennial recertification schedule. Any change in Voucher Size is also effective at the Regular Recertification (annual or biennial recertification).

During Regular Recertifications the Household must provide documentation of income, assets, deductions, and any changes to Household composition. Failure to provide requested documentation can be grounds for termination from MRVP.

The AA shall adjust the Tenant Rent Share and Voucher Size (if applicable) appropriately based on any changes in Household income, deductions, and/or composition. Updated information must be mailed to the Participant and Owner at least 30 days before the changes become effective.

At the Regular Recertification, for any Household member that has turned 18 since the last recertification, the AA shall require a government-issued photo ID. If a Household member cannot obtain a government-issued photo ID, they must attest to that fact (*Exhibit 8.0*) and also provide either a birth certificate or Social Security card (*See Chapter 8.1*). The AA shall also run a CORI and SORI check on any Household member that has turned 18 years old since the last recertification. All of the CORI and SORI procedures outlined in Chapter 4.3 shall be followed.

16.2 **Interim Reexaminations** [760 CMR 49.05(7)(b)]

Interim reexaminations are those completed in between Regular Recertifications based on changes reported by the Household or information obtained from a third party, such as Wage Match (*See Chapter 8.3*). The entire Household's income and composition are not considered, only the change reported by the Household. Payment Standards are only updated at interim reexaminations if the Contract Rent is increased and the Payment Standard has increased since the Household's last Tenant Rent Share calculation (*See Chapter 7.7.2*).

No changes to the remainder of Chapter 16.2-16.4.2

16.5 Change in Voucher Size [760 CMR 49.05(7)]

Any changes in Voucher Size due to changes in Household composition shall be effective at the Household's next Regular Recertification, or at relocation, whichever occurs first.

If the Voucher Size increases, the Household may elect to move or request a transfer (unless the Household is overcrowded as defined in the State Sanitary Code, in which case, relocation or transfer shall happen as soon as possible), as further explained in Chapter 6.3.2–3.

If the Voucher Size decreases, the Household's Tenant Rent Share will likely increase when the Applicable Payment Standard is used to match the Voucher Size *(See Chapter 7.7.2)*. The Household may choose to continue to resident in the unit and be over-housed or may relocate to a more appropriately sized unit.

If the Voucher Size of a Household with a Project Based Voucher decreases, the Household will be placed on the Administrative Transfer Waiting List. Chapter 14 describes this process in detail. Any Household that refuses an offer of housing assistance without good cause must be terminated from MRVP (*See Chapter 17.6.16*).

16.6 Relocation [760 CMR 49.05(7)(b)(4)]

A Household's income and composition must be completely recertified whenever a new Lease is signed upon relocation, unless it was recertified within 60 days prior.

It is recommended that AAs collect updated income information every 90 days throughout the relocation process to correctly estimate and approve a maximum Contract Rent at initial occupancy of a new unit. As part of the recertification process, Voucher Size must be updated, if necessary. At relocation, the Applicable Payment Standard shall be used and a Household previously held harmless shall not be anymore.

Example 16.3: Updating the Payment Standard at Relocation
Courtney decides she would like to move to a new two-bedroom unit in Springfield with her two-bedroom voucher. When she moves into the unit, the current Payment Standard of $1,223 is used when determining her Tenant Rent Share. Because Courtney has relocated, she is no longer held harmless, and the Applicable Payment Standard is used.

Increases in Tenant Rent Share due to relocation do not require 30 days' notice (*See Chapter 16.1*).

No changes to the remainder of Chapter 16 (16.7)

Implementation of Payment Standards

Implementation for all changes, for both Mobile and Project Based Vouchers, to the calculation of Tenant Rent Share shall be effective on the first annual recertification, relocation, or any other recalculation of Tenant Rent Share effective on or after January 1, 2023.

For any Household that begins their participation in MRVP on or after January 1, 2023, new Tenant Rent Share calculation methods shall be used. Households will also be given the updated Mobile or Project Based MRVP Vouchers (*Forms 6.1 and 6.2*). Both Vouchers have minor edits to explanations of how Tenant Rent Share is calculated.

For any Household that leases a unit with their MRVP voucher on or after January 1, 2023, the updated MRVP Lease Addendum (*Form 10.1*) shall be used. Updated policies around lease termination (*See Chapter 13.1*) in the updated MRVP Lease Addendum shall be effective for ALL Households on January 1, 2023, even if the updated Lease Addendum has not been attached to the Lease.

If an AA approves a Contract Rent increase for a Household with a Mobile Voucher, the AA shall explain the Participant's ability to terminate the Lease with 30 days' notice if the increased Contract Rent results in the Household contributing more than 40% of net income to Gross Rent and if the Household deems the increased Household contribution unaffordable. The changes to the MRVP Lease Addendum shall also be explained in optional outreach letters provided by DHCD to AAs in the fall of 2022.

If a Household with a Mobile Voucher leases a unit effective on or after January 1, 2023, the updated Voucher Payment Contract (*Form 11.1*) shall also be used.

For any Household that requires their Tenant Rent Share be recalculated through an interim reexamination effective on or after January 1, 2023, new Tenant Rent Share calculation methods shall be used. Note that Households may not request an interim reexamination to apply new calculation methods.

For any Household issued a Mobile Voucher, either initially or for relocation, on or after January 1, 2023, shall be issued the updated Mobile Voucher (*Form 6.1*). There have been minor edits to the Mobile Voucher's explanation of how Tenant Rent Share is calculated. If a Household with a Mobile Voucher then leases a unit effective on or after January 1, 2023, the updated Voucher Payment Contract (*Form 11.1*) and updated MRVP Lease Addendum (*Form 10.1*) shall be used. The MRVP Lease Addendum has been updated to note changes in how the lease may be terminated.

For any Household issued a Project Based Voucher on or after January 1, 2023, shall be issued the updated Project Based Voucher (*Form 6.2*) and updated MRVP Lease Addendum (*Form 10.1*). There have been minor edits to the Project Based Voucher's explanation of how Tenant Rent Share is calculated. The MRVP Lease Addendum has been updated to note changes in how the lease may be terminated.

For any new Project Based Vouchers that begin initial leasing on or after January 1, 2023, the updated Voucher Payment Contract (*Form 11.1*) and Appendix A (*Form 11.2*) shall be used.

AAs shall update Appendix A (*Form 11.2*) of the Voucher Payment Contract, if necessary to note that Households will pay 30% of adjusted monthly income in Tenant Rent Share, for all Project Based Vouchers no later than December 31, 2023.

In the fall of 2022, DHCD will provide the following resources:

- Optional letters explaining Payment Standards to send to Households currently searching for a unit;
- Optional letters explaining Payment Standards to Households not actively searching for a unit;
- Optional letters explaining Lease termination changes to Household with a Mobile Voucher; and
- Updated and optional calculation sheets for calculating repayment agreements.

DHCD recommends the following language when discussing Payment Standards with Participants:

- The Payment Standard is the most a Mobile MRVP Voucher will pay.
- Households must contribute at least 30% of net income to Gross Rent. Gross Rent is the Contract Rent plus any Utility Allowance.
- The Payment Standard is not the subsidy guaranteed to any specific Household.
- Participants can find and rent units above the Payment Standard but may pay the difference between the rent and the Payment Standard.
- After initial occupancy, it is allowable for Participants to contribute more than 40% of their net income to Gross Rent if, for example, Contract Rent goes up or their income goes down.
- However, when a Household first moves into a unit, they cannot pay more than 40% of net income toward Gross Rent. To estimate the maximum Gross Rent for a specific Household when moving into a new unit, add 10% of net monthly income to the Payment Standard.
- Participants should be given the Utility Allowance chart so that they can add those amounts to the Contract Rent to better estimate if a unit is affordable.
- If a Household is zero income, they cannot rent a unit with a Gross Rent above the Payment Standard.
- All rents are subject to rent reasonableness.

DHCD recommends the following language when discussing Payment Standards with Owners:

- The Payment Standard is the most a Mobile MRVP Voucher will pay.
- Payment Standards are not a guaranteed minimum rent or a maximum rent, in most cases, that an Owner can charge.
- All rents are subject to rent reasonableness.
- An Owner can request any Contract Rent they'd like for a unit, but any requested rent is subject to rent reasonableness and limits based on the Household's income.

Implementation of Changes to Vital Documents

Changes to requirements for vital documents (*See pages 24-26 of this notice*) shall be effective on August 3, 2022. This applies to all Applicants currently in the eligibility process for MRVP and all MRVP Participants.

Implementation of Changes to Verification of Income and Assets

Changes to requirements for verification of SSI, SSDI, and assets (*See pages 26-29 of this notice*) shall be effective on August 3, 2022. This applies to all Applicants currently in the eligibility process for MRVP and all MRVP Participants.

Implementation of Biennial Recertifications

As outlined on page 45 of this notice, through December 31, 2023, a Household's income and composition must be recertified at least once per year while in MRVP. Beginning January 1, 2024, a Household's income and composition must be recertified at least every other year, or biennially, while in MRVP. AAs must decide which Households will be recertified in 2024 or 2025 (and subsequently every other year). Prior to January 1, 2024, DHCD will provide suggested language to communicate with Participants about switching to a biennial recertification schedule.

Documents

DHCD has attached the following documents to this guidance:

- Form 6.1: Mobile Voucher;
- Form 6.2: Project Based Voucher;
- Exhibit 7.4: Project Based Voucher Payment Worksheet;
- Exhibit 7.6: Mobile Voucher Payment Worksheet;
- Exhibit 7.7: MRVP Utility Allowances;
- Exhibit 7.8: MRVP Payment Standards;
- Exhibit 8.0: Government-Issued Photo ID Self-Attestation;
- Exhibit 8.2: Asset Self-Attestation;
- Exhibit 9.2: Rent Reasonableness Checklist and Certification Form;

- Form 9.3: Request for Program Payment;
- Exhibit 9.5: MRVP Model Lease;
- Form 10.1: MRVP Lease Addendum;
- Form 11.1: Voucher Payment Contract; and
- Form 11.2: Appendix A.

All exhibits and forms attached to this notice will be posted in Excel, Word, and/or PDF on the LHA and RAA Housing Application Portals.

DHCD will also pilot an online calculation tool for AAs. Participation is voluntary. If you would like to participate, please contact George King at george.king@mass.gov.

Lastly, DHCD understands that AAs will need to work with their tenant management software vendors to update calculations. DHCD has created additional resources for these vendors to help ensure accurate updates are made in a timely manner. These will be distributed directly to most vendors.

Questions

Additional questions may be addressed to Cecilia Woodworth, Assistant Director, State Programs, at cecilia.woodworth@mass.gov.