Shared Housing- HUD Rules and Regulations

March 23, 2021
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Shared Housing in HUD Programs

- Shared Housing Explicitly Allowed
  - Public Housing- Housing Choice Voucher Program (HCV)
  - Housing Opportunities for Persons with AIDS (HOPWA)
  - Community Development Block Grant Program (CDBG)

- Shared Housing Allowed Due to Silence in the Current Rule
  - Emergency Solutions Grant (ESG)
  - Continuum of Care (CoC) Program
  - HOME Program

- Shared Housing Explicitly NOT Allowed
  - Public Housing- Project-Based Voucher Program (PBV)
Shared Housing in Housing Choice Voucher Program
A Public Housing HCV (Housing Choice Voucher) household may reside in shared housing. Unit may be a house or an apartment.

Housing may be shared with:

- A live-in aide to care for a person with disabilities (must be approved by the PHA)
- Other persons assisted with a housing choice voucher
- Other persons not assisted with a housing choice voucher
- Owner of the shared housing unit
  - However, owner may not receive housing assistance
- Assisted person may not be related by blood or marriage to a resident owner

*Source: 24 CFR § 982.615

HUD Notice PIH 2021-05 (January 15, 2021)

*Source: 24 CFR § 982.615
Shared Housing in HCV: HAP Contract, Lease, and Setting the Rent

Each assisted household in a shared housing unit must have a separate HAP (Housing Assistance Payments) contract and lease with the landlord*

Pro-rata portion for rent- Number of bedrooms household is entitled to occupy ÷ Total number of bedrooms in unit**

- Example: Family is entitled to one bedroom in a four-bedroom house. Rent is $1000/month for the entire house. Pro-rata portion of rent for the family would be 1/4 or $250/month.
- Rent may not exceed the pro-rata portion of the reasonable rent
- Payment standard is the lower of either:
  - Payment standard on PHA payment standard schedule for the family unit size OR
  - Pro-rata portion of the payment standard amount on the PHA payment standard schedule for the size of the shared housing unit

Utility allowance is also the pro-rata portion for the unit***

*Source: 24 CFR § 982.616

**Source: 24 CFR § 982.617

***Source: 24 CFR § 982.617(d)
**Shared Housing in HCV: HQS***

- **Entire unit must meet HQS (Housing Quality Standards)**
- **Facilities that must be available for use by assisted household under the lease:**
  - Living room
  - Sanitary facilities
  - Food preparation and refuse disposal facilities

- **Common space must be appropriate for shared use by the residents**
- **Entire unit must provide adequate space and security for all its residents**

- **Private space for each assisted household must contain at least one bedroom for each two persons in the household. The number of bedrooms may not be less than the family unit size.**

- **Shared housing may not be used in a zero or one bedroom unit**

*Source: 24 CFR § 982.618*
Shared Housing Not Allowed in PBV

• Shared housing is NOT allowed in the Public Housing Project-Based Voucher (PBV) Program*

*Source: 24 CFR § 983.9(a)(2)
Shared Housing in Emergency Solutions Grant
Shared Housing In ESG

ESG (Emergency Solutions Grant) Program Interim rule is silent on the type of housing that qualifies as permanent housing...thus allowing for shared housing.*

ESG funds under Rapid Re-housing or Homelessness Prevention may be used to help eligible program participants who are not part of the same household rent a shared unit.**

Purpose of ESG assistance is to help program participants achieve stability in permanent housing. ESG funds may not be used to move an individual or family into a situation you know will not be stable***

*Source: 24 CFR § 576

**Source: 24 CFR § 576.103, 24 CFR § 576.104

***Source: HUD Exchange AAQ 140548
Shared Housing in ESG- Lease and Setting the Rent

Each assisted household must have its own separate legally binding lease with the property owner*

Leasing or rental assistance payments must meet FMR and rent reasonableness standards. FMR for a household in shared housing is the lower of the FMR for the family unit size or the pro-rata share of the FMR for the shared housing unit size**

If the program participant is responsible for making utility payments, the utility allowance is the pro-rata share of the utility allowance for the shared housing unit***

*Source: 24 CFR § 576.106(g)

**Source: 24 CFR § 576.106(d)

***Source: 24 CFR § 576.105(a)(5), HUD Exchange AAQ 140548
Shared Housing in ESG- Habitability Standards

ESG Interim Rule also does not prohibit sharing a bedroom*

Shared housing unit must meet minimum habitability standards**

• Each resident must have adequate space and security

*Source: 24 CFR § 576

**Source: 24 CFR § 576.403(c)
ESG funds may pay for mediation between the program participant and the shared housing roommate(s) if mediation is necessary to prevent the program participant from losing the permanent housing where the participant currently lives.*

*Source: 24 CFR § 576.105(3)

Talk to your local CPD representative for more information.
Shared Housing in the Continuum of Care Program
### Shared Housing in the CoC Program

<table>
<thead>
<tr>
<th>CoC Program Interim rule is silent on the type of housing that qualifies as permanent housing...thus allowing for shared housing.*</th>
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| **CoC Program Interim rule does not allow for shared bedrooms** **
| - Must get HUD waiver** |
| With TBRA, it is up to the program participant to select a housing unit and the people that they will share that housing*** |

*Source: 24 CFR § 578.37

**Source: 24 CFR § 578.75(c)

***Source: [HUD Exchange AAQ 140977](https://www.hudexchange.info/aaq/details/140977)
Shared Housing in the CoC Program - Leasing

Each assisted household must have their own sublease with the recipient or subrecipient*

Units must meet FMR (Fair Market Rent) and rent reasonableness standards**

FMR is for the full unit size being leased by the recipient or subrecipient***

- Example: A two-bedroom unit would use the published FMR for a two-bedroom unit.

*Source: 24 CFR § 587.77(a)

** Source: 24 CFR § 587.49(b)(2)

***Source: HUD Exchange AAQ 140977

Note: FMR requirement waived by HUD
Each assisted household must have their own lease with the property owner*

Unit must meet FMR (Fair Market Rent) and rent reasonableness standards**

FMR is the lower of the FMR for the family unit size or the pro rata share of the FMR for the shared housing unit size***

Recipients may use CoC Program Funds to pay above FMR as long as the unit is found to be rent reasonable****

*Source: 24 CFR § 578.51(l)

** Source: 24 CFR § 578.51(g)

***Source: HUD Exchange AAQ 140977

****Source: 24 CFR § 578.51(ii)(4)
Shared Housing in the CoC Program - Habitability Standards

- Units must meet Housing Quality Standards*
  - Source: 24 CFR § 578.75(b)

- Units must meet local or state building codes**
  - Source: 24 CFR § 578.75 (a)

- Unit must have at least one bedroom or living/sleeping room for every two persons in the household***
  - Shared bedrooms is allowed
  - However, people of opposite sex, other than young children, may not be required to share bedrooms****
  - Source: 24 CFR § 578.75(c)

- Source: 24 CFR § 578.75(c)(1)
Shared Housing in HOPWA - Setting the Rent

Shared Housing is allowed in the HOPWA (Housing Opportunities for Persons with AIDS) program*

Unit must meet FMR and rent reasonableness standards**

Rent is based on the pro rata share of the private space***

*Source: 24 CFR § 574.300(a)

**Source: 24 CFR § 574.320(a)(2) and (3)

***Source: 24 CFR § 574.320(b)

Note: HUD waived FMR requirement with the HOPWA Mega Waiver
Shared Housing in HOPWA- HQS

- All housing must be safe, sanitary, and meet all applicable State and local housing codes*
  - Each resident must have adequate space and security

*Source: 24 CFR § 574.310(b)
HOPWA Shared Housing Rent Calculation

SOURCE: https://www.hudexchange.info/resource/1830/hopwa-shared-housing-rent-calculation/
Shared Housing in the Community Development Block Grant Program
Shared Housing in CDBG

• CDBG (Community Development Block Grant) Grantees may fund counseling or other programs for homeowners to learn about sharing their dwelling with others, thus reducing the cost of housing*

*Source: 24 CFR § 570.201(e), 24 USC § 5305(a)(15)

Also allowed in CDBG-CV
- Public Services Cap waived
- 6 months of rental assistance
Shared Housing in the HOME Program
HOME Final Rule is silent on type of housing eligible for TBRA (Tenant-based rental assistance)...thus HOME TBRA programs may provide assistance for shared housing*

Must have at least a year long written lease between assisted household and the owner of the housing**

Housing must meet rent reasonableness standard***

Housing must meet HQS requirements****

*Source: 24 CFR § 92.209

**Source: 24 CFR § 92.209(g)

***Source: 24 CFR § 92.209(f)

****Source: 24 CFR § 92.209(ii)(i)
• If you are interested in obtaining a waiver in your community to allow for shared bedrooms in a CPD program, HUD will need the following information:
  • Data on the housing market (cost and vacancy rate)
  • Average income of the families you are serving
  • Number of families in poverty living in overcrowded situations in your community

• Very new! Has only been approved using CoC Program Funds

• Note that HUD may ask for further information and/or clarification

• Send waiver to your CPD desk officer
The Fair Housing Act prohibits discrimination in housing because of:

- Race
- Sex
- Color
- Familial Status
- National Origin
- Disability
- Religion

Note that although Sex is a protected class under the Fair Housing Act, an advertisement which includes the phrase such as “female roommate wanted” is allowable ONLY in shared housing situations as HUD understands that a roommate may not want to share a bathroom with someone of the opposite sex.*

* Source: https://www.hud.gov/sites/documents/DOC_7784.PDF

Executive Order 13988 (January 20, 2021) added sexual orientation and gender identity.
American Rescue Plan Opportunity

- Housing Choice Vouchers- $5 billion
- HOME Program- $5 billion (TBRA is an eligible activity)
- Emergency Rental Assistance- $21.55 billion (Treasury)

Don’t forget
- Emergency Rental Assistance- $25 billion (Treasury)
- Coronavirus Relief Fund (CRF)- (Treasury)