UTAH DEPARTMENT OF HEALTH AND HUMAN SERVICES DIVISION OF SERVICES FOR PEOPLE WITH DISABILITIES POLICY AND PROCEDURES	
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COMMUNITY-BASED HOUSING ALLOWANCE PROGRAM (HAP)	

RATIONALE:
The intent of this policy is to establish guidelines to support Persons in division residential programs by assisting with housing costs for personal homes or community living arrangements.

Authorizing Code: 26B-6-403
Rule: NA
Forms: Community-Based Housing Allowance Program Application

Original Effective:	Revision:	Next Review Due:
NA	12/16/2025	12/16/2026

I. **DESCRIPTION**

The Community-Based Housing Allowance (HAP) program assists Persons participating in the division's residential program to meet the housing costs attributable to the acquisition, retention, use, and occupancy of a personal home or community living supports arrangement. HAP is a Human Services State Agency Grant and is not counted as income towards the Person's benefits. These funds shall be given to the provider or landlord and may not be given directly to the Person.

II. **DEFINITIONS**

The following terms are defined for this policy as:

A. Division: means the Division of Services for People with Disabilities as defined in Section 26B-6-401.
B. Person: means an eligible individual who is receiving a division service or on the waiting list.
C. Support coordinator: means an employee of the division (division support coordinator) or an individual contracted with the division who assists with:
    1. assessing the need of a Person receiving division funding;
    2. completing written documentation of support;
    3. developing a service and support plan for a Person receiving division funding;
    4. monitoring the appropriate spending of a Person's annual budget;
    5. monitoring the health and welfare of the Person; and
    6. monitoring the quality of each service used by a Person receiving division funding.

III. **POLICY**

A. Effective January 1, 2026, the federal government made a 2.8% increase to the Supplemental Security Income (SSI) benefits and changes to the Housing and Urban

Development (HUD) Fair Market Rents.

B. Residential Habilitation (RHS), Host Home (HHS) and Supported Living (SLH) service providers shall annually update the application for each Person participating in the Community-Based Housing Allowance Program. The application identifies the division's, and the Person's, participation in meeting the provider's room and board shortfalls. The revised application indicates the balance of rental costs for January, 2026 through December 31, 2026 that shall be paid by the Person.

C. A revised 2025 Housing and Urban Development (HUD) fair market rental reimbursement guideline is attached to the application. Guidelines are revised annually to reflect rental increases or decreases made effective in January of each year.

D. Division staff and providers shall submit a revised Housing Allowance Application for each Person needing assistance to the division before the January housing allowance payment request. To ensure accurate and timely payment, each application shall be submitted to the division office with enough time to generate the 520 provider billing on January 15, 2026.

E. Eligibility for the HAP program is limited to Persons who are eligible for residential services provided by the division and who do not have sufficient income and assets to pay for their total housing costs per the application worksheet. New enrollees to the program are limited to Persons who are transitioning out of an Intermediate Care Facility (ICF) as part of the Community Transition Waiver (CTW) or who are entering services through the Emergency Services Management Committee (ESMC) and have prior approval from the division director or their designee. Those already participating in the HAP program on other waivers shall continue to be eligible for the HAP program as long as they still qualify based on the other waiver requirements. If additional funding is made available during the year, the division may send out a notice to all support coordinators and providers informing them of the available funding.

F. Persons who are currently receiving Housing and Urban Development (HUD) or other housing allowances are not eligible to receive a community-based housing allowance. Persons newly approved for the Community-Based Housing Allowance after January 1, 2024 shall be limited to 3 years or less on the program, depending on available funding. Persons who have maintained continuous enrollment on their respective county/city waiting list for the Housing Choice Voucher (also known as Section 8) without receiving assistance during the 3 year period may be granted an exception to this limitation by the division director or their designee. Renewal applicants who started the program prior to January 1, 2024, are not subject to the 3-year limitation.

G. The division director or their designee shall determine the appropriateness of providing a Community-Based Housing Allowance to support the Person to meet their housing costs. The Community-Based Housing Allowance program may be considered after all other funding options have already been pursued, including the HUD Housing Choice Voucher (Section 8) program. In order to be eligible for the HAP program, all Persons shall be on their respective county/city HUD Housing Choice Voucher (Section 8) waiting list if the waiting list is open to apply. Verification that the applicant is on their respective county/city Housing Choice Voucher (Section 8) waiting list shall be submitted with the community-based housing application and re-verified annually to ensure they remain on the housing agency waitlist. The division director or their designee may authorize an

exception to this requirement in emergency situations.

H. Division staff and providers shall assist any eligible Person to complete an application to receive a community-based housing allowance.

I. The division director or their designee shall review and approve all applications to the community-based housing allowance program.

IV. **PROCEDURE**

A. **Authorization to participate.** All recipients of community-based housing allowances shall have an approved community-based housing allowance application in place to certify that the Person is authorized by the division director to receive a housing allowance. The division director or their designee may authorize an exception to this requirement in emergency situations. Copies of the authorized application shall be given to the recipient and the landlord/provider by the support coordinator. A copy of the application shall be maintained in the Person's record. This application is renewed annually based upon the Person's need for continued assistance and shall include updated income and rental amounts.

B. **Allowable housing costs.** Costs that may be subsidized include the following:
   1. rent for the use and occupancy of the residence;
   2. utilities including heat, electricity, gas, water and sewage; or
   3. costs relating to routine maintenance and repair of the residence.

C. **Eligible residences.**
   1. A community-based housing allowance may be used to support a Person to live in any home that adheres to the requirements listed below.
      a) The home shall meet state and local fire and safety standards. The home shall also meet required state and local licensing and certification requirements.
      b) Residential structures that may be subsidized under the community-based housing allowance may include, but are not limited to: single-; two-; or three-family homes; duplexes; apartments; condominiums; mobile homes; and divisioncontracted group homes.
      c) The rent or other periodic payments for use and occupancy of the home shall be 125 percent or less than the fair market rent for the area as established by the Department of Housing and Urban Development (HUD). Fair market rents, as defined by HUD, include the cost of rent and basic utilities. Rent and utilities should be listed separately on the application for HAP. Basic utilities include heat, hot water, electricity, and cooking fuel. If housing costs exceed the fair market rental costs as outlined in the application, the request shall be denied unless an exception is granted by the division director.

   2. The division director may grant an exception based on a written request by the support coordinator if any of the conditions listed below are demonstrated.
      a) There are higher housing costs in the area based on a review of at least two comparable properties. The housing costs of the proposed residence shall be within 10 percent of the comparable properties with similar amenities, utilities, square footage, and bedroom size as the proposed unit.
      b) There is an inability to meet the specialized needs of the eligible Person in

housing that is within the cost guidelines, and evidence that the housing costs of the proposed residence are within 10 percent of at least two comparable properties in the area.

c) The Person is residing in a host home due to an emergency situation.

D. **Allowance amount.** The monthly housing allowance shall equal the Person's total monthly housing costs less 43% (supported living or host home), or 53% (residential habilitation) of their adjusted monthly income. Earned income is adjusted by a disregard of 20%. All Persons who receive a community-based housing allowance under this program shall make a financial contribution towards their monthly housing costs. The division may establish a maximum allowance amount cap that may vary annually based upon available resources. This subsidy amount shall not typically exceed more than 50% of the Person's housing expenses. The division may establish a cap on the number of participants in this program and reimburse Persons participating in this program at less than 100% of their determined allowance needs, based upon available allocations. When a Person's regular source of income is disrupted, the Person may receive a full housing allowance that covers their total monthly housing costs until an additional source of income is in place. Retroactive payments from benefits shall be used to reimburse the division for any expenses paid for housing costs beyond the benefit amount. The division director shall approve any full housing subsidies that extend beyond two consecutive months.

E. **Re-evaluation of the housing allowance.** The amount of monthly HAP that a Person may receive shall be reevaluated at the beginning of the calendar year, or whenever there is a significant change in the Person's monthly income or expenses. An increase or decrease in income of $100 or more per month for two consecutive months is considered a significant change in income or expenses. Residential providers may assist the Person in notifying the division and support coordinator when income has increased and/or decreased by submitting a revised communitybased housing allowance application to avoid a possible payback to the division, if applicable. If a payback is the result, the Person shall not be held liable, and the provider shall be responsible for the payback owed. If the provider and support coordinator disagree with the amount owed, they may request an appeal to the division director or their designee, in writing, within 1 week after the payback is issued.

F. **Leasing.** If a lease agreement is required to secure rental housing, the Person's circle of support shall make a determination regarding the recipient's capacity to execute the lease agreement. A housing allowance recipient who is determined to have the capacity to execute a lease agreement, and who does not have a legal guardian over housing, shall sign the lease on their own behalf. If a Person is determined to lack the capacity to execute a lease, or if a legal guardian or conservator has been appointed to make decisions over housing, arrangements shall be made for the lease to be signed by the guardian or conservator, or by another party who is not an employee of the state. Providers may co-sign or be joint tenants on the lease with the recipient in order for the Person to qualify.

G. Calculation of the community-based housing allowance.

1. The income verification form shall be used to supply the income and rental/ lease costs needed to compute the division housing allowance. This form shall be reviewed and submitted annually at the first of the year.
2. The computation form may be used to calculate the actual allowance. The allowance shall be calculated by using the information supplied on the

application form. Backup documentation for audit purposes shall be kept by the Person for all information supplied on the application form. This documentation shall be made available to appropriate department staff upon request.

Computation Form

Earned Income:

1. Monthly Wages (gross) _____
2. x 80% = Total Earned Income _____

Unearned Income:

3. SSDI/SSA _____
4. + SSI _____
5. + VA/Other _____
6. **Total Unearned Income** _____
7. + Earned Income (Line 2) _____
8. **Total Applied Income** _____
9. x 43% or 53% = Recipient Share _____
   43% = Supported Living
   53% = Community Living Supports or Residential Habilitation

Monthly Expenses:
(Based Upon the Individual Share Costs)

10. Monthly Rent/Lease _____
11. + Utilities* _____
12. + Other Costs (specify) _____
13. = **Housing Costs** _____
14. HUD **Fair Market Costs** _____ (See Chart)

15. Recipient Share (Line 9) _____
16. = **Monthly Allowance Amount _____
17. **Securit Deposit Amount** _____

3. Persons who reside in community living, host home or residential habilitation supports shall pay the provider or landlord for rent. They shall pay the amount on line #9, or the amount on line #13, whichever is less, if the division makes no payments. The Person shall not pay more rent than the recipient's share on line #9 without state approval. **If the Person's "Total Applied Income" is less than $994, the division shall provide additional supplement to assist the Person in meeting the "Recipient's Share" up to $567 if line #13 is greater than $567.**

****The division may not reimburse monthly allowance amounts less than $5.00. If the monthly allowance amount is less than $5.00, then it shall be added to the Person's share of rent.**

4. The following method may be used to complete the monthly expenses section of the computation form.
   a) #10 = monthly rent/ lease costs divided by the number of Persons in the home.
   b) #11 = monthly utilities divided by the number of Persons in the home.
   c) #12 = other monthly costs divided by the number of Persons in the home.
   d) #16 = line 13 or line 14, whichever is less, minus line 15.

*** In order to include the utilities share, the Person shall be on a 12-month budgeted payment plan with the utility company. This is strongly encouraged for Persons in supported living to assure adequate monthly funds to meet rental obligations on a monthly basis. If a budgeting plan is not available from the utility company, the previous year's utility bills shall be used to verify actual costs. If there is no utilities history, an estimate from the power company of the previous renter's annual average utility costs may be used. The participant shall apply for any energy assistance programs for which he or she may be eligible including but not limited to the Home Energy Assistance Target (HEAT) Program. Utilities may not be estimated, and may not include telephone or cable TV.**

5. To determine the Person's earned income, multiply the total gross wages received during the last month (or the average wages over the last six months, if income is not stable) by 80%.

6. To determine the Person's unearned income, sum all state and federal entitlements such as SSI, SSDI/SSA, veterans, retirement funds, pensions, trust funds, interest from significant interest-bearing accounts, and any other regular source of income.

7. The recipient's share to be paid towards housing expenses is determined by multiplying the Person's total applied income by 43% if they are participating in supported living or host home, or by 53% if they are participating in a community living supports arrangement.

8. The Person's monthly housing costs are equal to the sum of the monthly rent or other periodic payments for use and occupancy, the utility costs, and other allowable housing costs, divided by the number of Persons in the home.

9. **Other allowable housing costs** include liability insurance premiums, initial household expenses, and costs relating to the general maintenance and repair of the residence. Other periodic housing costs are allowable up to 15% of the total monthly housing costs. The division individual budget team staff reviewing and approving the full application shall approve costs beyond the 15% allowable. An explanation of these costs shall be included in the comment section at the bottom of the application. Any request above the 15% requires documentation of costs beyond what is allowable.

10. To determine the amount of the division housing allowance the Person is eligible for, subtract the recipient share from the total monthly housing costs or 125% of HUD Fair Market Cost, whichever is less. If housing costs exceed the fair market rental costs as outlined in the application, the request shall be denied unless an exception is granted.

11. All information noted on the form shall be verifiable with supporting documentation, upon request.