

PAWTUCKET HOUSING AUTHORITY

OWNER HANDBOOK

SECTION 8 HOUSING CHOICE VOUCHER PROGRAM  
RULES, REGULATIONS, AND PROCEDURES



*“The mission of the Pawtucket Housing Authority is to provide safe, decent and affordable housing and to establish programs that will educate, enhance, and empower the lives of all the people in the community we serve.”*

## TABLE OF CONTENTS

<b>TABLE OF CONTENTS.....</b>	<b>1</b>
<b>CHAPTER 1 INTRODUCTION.....</b>	<b>3</b>
GOAL OF THE SECTION 8 HOUSING PROGRAM .....	3
PHA'S SERVICE COMMITMENT .....	3
<b>CHAPTER 2 GENERAL PROGRAM INFORMATION.....</b>	<b>4</b>
RESPONSIBILITIES WITHIN THE SECTION 8 DEPARTMENT .....	4
<i>PHA'S RESPONSIBILITY.....</i>	<i>4</i>
<i>OWNER'S RESPONSIBILITY.....</i>	<i>4</i>
<i>TENANT'S RESPONSIBILITY.....</i>	<i>5</i>
<b>CHAPTER 3 BECOMING A PARTICIPATING LANDLORD.....</b>	<b>6</b>
STEPS FOR INTERESTED OWNERS .....	6
<i>STEP 1: FINDING A TENANT.....</i>	<i>8</i>
<i>STEP 2: OWNER APPROVES TENANT .....</i>	<i>9</i>
<i>STEP 3: PHA APPROVES TENANCY AND UNIT.....</i>	<i>10</i>
<i>STEP 4: CONTRACT AND LEASE SIGNED .....</i>	<i>21</i>
<i>STEP 5: HOUSING ASSISTANCE PAYMENT TO OWNER.....</i>	<i>22</i>
<b>CHAPTER 4 OBLIGATIONS .....</b>	<b>23</b>
HUD-REQUIRED ANNUAL ACTIVITIES .....	23
RECERTIFICATION OF THE FAMILY .....	23
CHANGES IN PAYMENTS .....	23
ANNUAL INSPECTION OF THE UNIT .....	23
ABATEMENT OF PAYMENTS.....	24
VOUCHER PROGRAM RENT INCREASES .....	24
FAMILY OBLIGATIONS TO THE OWNER.....	24
FAMILY OBLIGATIONS TO THE PHA .....	25
OWNER OBLIGATIONS TO THE FAMILY.....	27
<i>NON-DISCRIMINATION.....</i>	<i>27</i>
<i>REASONABLE MODIFICATION OF THE UNIT.....</i>	<i>27</i>
OWNER OBLIGATIONS TO THE PHA.....	28
<i>PROGRAM INTEGRITY.....</i>	<i>28</i>
<i>MOST COMMON OWNER VIOLATIONS .....</i>	<i>28</i>
<i>CONTRACT TERMINATIONS .....</i>	<i>28</i>
<b>CHAPTER 5 TERMINATIONS.....</b>	<b>30</b>
TERMINATION OF TENANCY BY FAMILY .....	30
<i>TERMINATION OF TENANCY BY OWNER.....</i>	<i>30</i>
<i>CRIMINAL ACTIVITY .....</i>	<i>31</i>
<i>OWNER NOTICE TO TERMINATE TENANCY.....</i>	<i>31</i>
<i>TERMINATION OF HOUSING ASSISTANCE BY PHA .....</i>	<i>31</i>

<b>CHAPTER 6: PROGRAM BENEFITS.....</b>	<b>32</b>
<i>OWNER BENEFITS.....</i>	<i>32</i>
<i>FAMILY BENEFITS.....</i>	<i>32</i>

**GOAL OF THE SECTION 8 HOUSING PROGRAM**

This handbook has been prepared in appreciation of your interest in participating in the Section 8 Tenant-Based Assistance Program.

The rules and regulations for the Section 8 Housing Program are determined by the U. S. Department of Housing and Urban Development (HUD). If you are a rental property owner or manager, this handbook will assist you in understanding how the program works.

The success of the program depends on the Pawtucket Housing Authority (PHA) being able to contract with property managers and owners who have decent, safe, and sanitary rental units. Although the program was designed to be voluntary, in some states it is illegal to simply refuse a tenant because they are a participant in the Section 8 Program. Many low-income families in your community rely on owners like you, who are willing to participate in the program.

In most communities, there is a shortage of decent and affordable housing. The subsidy that comes with the Section 8 Program helps families to rent in many different neighborhoods. Participant families including elderly persons, disabled persons and working families who do not earn enough to keep pace with rising rental housing costs.

**PHA'S SERVICE COMMITMENT**

As a public service agency, the PHA's goal is to provide excellent service to the families and owners participating in the Section 8 Program. The PHA will make every effort to inform you of the program rules and to advise you of how these rules affect you. Since federal regulations are not always easy to understand, it is very important to ask questions if you are not sure of something.

Do not hesitate to contact a PHA representative if you have a questions or problems that pertain to the Section 8 Housing Program.

**RESPONSIBILITIES WITHIN THE SECTION 8 DEPARTMENT**

The Section 8 housing program is a three-way partnership among the Pawtucket Housing Authority, the tenant and the owner or landlord of the housing unit (you).

**PHA'S RESPONSIBILITY**

In order for the program to work, the PHA must do the following:

- 1) Review all applications to determine whether an applicant is eligible for the program.
- 2) Explain all the rules of the program to all of the families who qualify.
- 3) Issue a Voucher and, if necessary, assist the family in finding a place to live.
- 4) Approve the unit, the owner, and the tenancy.
- 5) Make housing assistance payments to the owner in a timely manner.
- 6) Ensure that both the family and the unit continue to qualify under the program.
- 7) Ensure that owners and families comply with the program rules.
- 8) Provide families and owners with prompt, professional service.

**OWNER'S RESPONSIBILITY**

In order for the program to work, the owner must:

- 1) Screen families who apply to determine if they will be good renters. The PHA can supply you with the current and previous address and landlord information.
- 2) The owner may consider a family's background regarding factors such as:
  - Payment of rent and utility bills.
  - Caring for a unit/premises.
  - Respecting the rights of others to peaceful enjoyment.

- Drug-related criminal activity or other criminal activity that is a threat to the life, safety or property of others.
  - Compliance with other essential conditions of tenancy.
- 3) Comply with fair housing laws and not discriminate against any family.
  - 4) Maintain the housing unit by making necessary repairs in a timely manner.
  - 5) Comply with the terms of the Housing Assistance Payment Contract with the PHA.
  - 6) Collect the rent due by the tenant and otherwise enforce the lease.

#### TENANT'S RESPONSIBILITY

In order for the program to work, the family must do the following:

- 1) Provide the PHA with complete and accurate information.
- 2) Make their best effort to find a place to live that is suitable for them and qualifies for the program.
- 3) Cooperate in attending all appointments scheduled by the PHA.
- 4) Take responsibility for the care of their housing unit.
- 5) Comply with the terms of their lease with the owner.
- 6) Comply with the Family Obligations of their Voucher.

**STEPS FOR INTERESTED OWNERS**

If you or someone you know has one or more rental units and are interested in the program, you may call the Pawtucket Housing Authority at anytime during business hours. The PHA will mail you a packet of information about the program and may offer to schedule an owner orientation for you. If you decide to participate in the program, be prepared to furnish a Certificate of Insurance as proof of ownership of any unit(s) you want to lease under the Section 8 Housing Program. This is one of HUD's requirements for the program.

**STEP 1:****FINDING A TENANT:**

A prospective tenant may come to you with a Voucher in hand or you can list your available unit with the PHA.

**STEP 2:****OWNER APPROVES TENANT:**

Even though a family is determined by the PHA to be eligible for the program, the owner must approve the family as a suitable renter. The PHA knows that the owner has approved the family when a Request for Approval of Tenancy form is submitted.

**STEP 3:****PHA APPROVES LEASE AND UNIT:**

After a family finds a suitable housing unit and the owner approves the family, the PHA needs to determine if the unit qualifies for the Section 8 Program. This includes a Housing Quality Standard (HQS) inspection. If the unit does not pass inspection, a reasonable time will be given to make the required repairs.

**STEP 4****HAP CONTRACT AND LEASE SIGNED:**

If the lease and unit meet the program requirements, the PHA will enter into a Housing Assistance Payment Contract with the owner, the family will enter into a lease with the owner.

**STEP 5:**

**HOUSING ASSISTANCE PAYMENTS MADE:**

After the HAP contract and lease agreement are signed, the PHA makes the initial HAP payment and continues to make monthly payments to the owner as long as the family continues to meet eligibility criteria and the housing unit qualifies under the program.

## STEP 1: FINDING A TENANT

When a family is determined to be eligible for the program and funding is available, the PHA issues the family a Housing Choice Voucher. The family receives the Voucher at the tenant briefing. They then begin looking for a unit.



If you wish, the PHA will give your name and general information about the rental unit(s) to families who have been issued a Voucher. Any interested families will then contact you for an appointment to see your housing unit(s). The PHA will not steer families to specific owners or rental units, but they will furnish families with information on units that are available. When you first see a Section 8 Family, they will already have been issued a Voucher.

### **RENTAL VOUCHER PROGRAM:**

In the Voucher Program, the maximum amount that the PHA will pay is an amount equal to the Payment Standard minus 30% of the tenant's adjusted monthly income.

The Payment Standard:

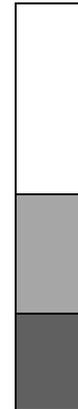
- is established by the PHA but must be set at any amount that is between 90% to 110% of the HUD-established Fair Market Rent for the Program,
- is based on the cost of housing and utilities for your area, and
- depends on the family composition and the bedroom size of the unit. For example, the payment standard is higher for families requiring 3-bedroom units than for families requiring 1-bedroom units.

## Who pays what in the Voucher Program?

PHA portion of rent equals Payment Standard minus the Family's Total Tenant Payment (TTP), usually 30% of Family's Adjusted Income. →

If Total Rent is equal to Payment Standard, Tenant Rent equals 30% of adjusted income. →

If total rent is more than Payment Standard, Family must pay difference. →



### STEP 2: OWNER APPROVES TENANT

You should use the same diligence in screening a Section 8 potential tenant as you would with any other tenant. To start, ask to see their Voucher.

#### **REVIEW THE VOUCHER:**

- Check the expiration date to determine whether it has expired. Vouchers expire 60 days after issuance, unless the PHA has given them an extension.
- The Voucher will also contain the unit bedroom size for which the family has been approved.

#### **SCREEN THE FAMILY:**

When you are contacted by a prospective renter, evaluate them as you would any other renter.

Make sure that your tenant selection standards are based on objective, business-related conditions, such as previous history of non-payment, damages to unit, or disturbance of neighbors.

Owners must apply the same standards of tenant selection to any family who applies, whether that family is a prospective Section 8 tenant or not. Tenant selection must not be based upon race, color, age, religion, sex, familial status, disabilities or any other discriminatory factors.

The PHA does not screen families for their suitability as renters, that is the job of the owner.

## **SECURITY DEPOSITS:**

You may collect a security deposit from the Tenant.

The PHA may prohibit security deposits in excess of private market practice, or in excess of amounts charged by the Owner to unassisted Tenants. Under the State of Rhode Island Residential Landlord and Tenant Act, you may not demand or receive a security deposit, however denominated, in an amount or value in excess of one (1) month's periodic rent.

When a Tenant moves out of the unit, you may use the security deposit, in accordance with the lease, as a reimbursement for any unpaid rent payable by the Tenant, damages to the unit or for other amounts owed under the lease agreement. Under Rhode Island State Law, you have 20 days after a Tenant moves out to return the security deposit, minus any amount of unpaid accrued rent and the amount of physical damages to the premises, other than ordinary wear and tear, which you have suffered by reason of a Tenant's noncompliance.

You must give the Tenant a written list of all items charged against the security deposit, and the amount of each item. After deducting the amount, if any, used to correct the damages, you must refund the full amount of the unused balance within the 20 days as mentioned above.

If the security deposit is not sufficient to cover amounts owed under the lease, you may seek to collect the balance from the Tenant through small claims court.

## **STEP 3: PHA APPROVES TENANCY AND UNIT**

HUD requires that any lease signed by a Section 8 tenant must include the HUD Tenancy Addendum and the PHA must approve the lease before it is signed.

## **USING YOUR OWN LEASE:**

You must submit your own lease to the PHA along with a Request for Approval of Tenancy (RFAT) form. The PHA may review the lease to make sure it does not contain any provisions that conflict with Program rules or state law. The lease should include the amount of the security deposit and the total amount of the proposed Rent to Owner for the housing unit, and the party responsible to provide utilities and appliances. Your lease should also address renewal terms, notice period for termination of tenancy, and rent increases after the initial term.

### **REQUEST FOR APPROVAL OF TENANCY:**

The family was given a Request for Approval of Tenancy (RFAT) form at their tenant briefing. When the PHA receives your signed RFAT, they will review it to determine if the unit is the correct size and the proposed rent is approvable. The HUD-required tenancy addendum must be attached to you lease.

### **TENANCY ADDENDUM:**

The HUD-required Tenancy Addendum must be attached as part of the owner's standard form lease that is used by the owner for unassisted tenants.

### **IMPORTANT INFORMATION ABOUT THE LEASE AGREEMENT:**

- The lease agreement must comply with state and local law.
- HUD's Tenancy addendum must be added to the lease.
- The Housing Assistance Payment Contract (HAP) between the PHA and the owner begins on the first day of the term of the lease and ends on the last day of the term of the lease.
- The initial term of the lease must be for at least one year, unless the PHA approves a shorter term. The PHA may approve a shorter term if:
  - A shorter term would improve housing opportunities for the tenant; and
  - Shorter terms are the prevailing market practice.
- The lease must specify what utilities and appliances are to be supplied by the owner and what utilities and appliances are to be supplied by the family.
- The lease may not be revised unless the PHA has approved any lease revision in writing.

### **PHA APPROVES UNIT:**

On receipt and review of the Request for Approval of Tenancy, the PHA will notify you and your tenant of the date and time of the Housing Quality Inspection. You or your representative should be there.

If the unit passes the initial inspection and the rent is reasonable, the PHA will prepare the necessary paperwork, and tenant assistance will begin. If the unit does

not pass the initial inspection, you will be given a reasonable time period to correct any items that failed.

### **HOUSING QUALITY STANDARDS (HQS):**

Before the PHA can make payments to you on behalf of a tenant family, the unit must meet HUD's minimum Housing Quality Standards (HQS). These standards have been implemented by HUD nationwide to ensure that all assisted units meet minimum health and safety standards. The booklet "A Good Place to Live" describes the general aspects of a unit that must be inspected for compliance with HUD.

### **PREPARE THE UNIT FOR INSPECTION:**

Review the information on Housing Quality Standards as you evaluate your rental unit. Try to correct any HQS violations before the inspection. At the time of the inspection the unit should be "move-in" ready. This will prevent delays in the beginning of the family's rental assistance. If the family is already in the unit, it is a good idea to go over the checklist with them to ensure the unit will meet the minimum requirements.

### **MAKE REPAIRS PROMPTLY:**

If the housing unit does not pass the initial inspection, you will be notified in writing of any "Fail" items and given a reasonable time period to make the repairs. When the repairs are complete, the PHA will reinspect the unit. The PHA is not responsible for any payments until the unit passes inspection and the family has taken occupancy. If the family moves into the unit prior to this, the family is responsible for the full amount of the monthly rent.



## **AREAS INSPECTED:**

There are eight areas that must be reviewed for HQS compliance:

- Living Room
- Kitchen
- Bathroom
- Other Rooms Used for Living
- Secondary Rooms (not used for living)
- Building Exterior
- Heating and Plumbing
- General Health and Safety

## **RATINGS:**

- ✓ There are three ratings for the conditions verified by the Inspector:  
Pass, Inconclusive and Fail
- ✓ Pass means the condition meets the minimum requirement.
- ✓ Inconclusive means that more information is needed for the inspector to make a determination. For example, if the electricity and gas are not in service on the date of inspection, the inspector will mark “inconclusive” until service is turned on and verified.
- ✓ An item marked “Fail” on the inspection report means that the condition does not meet the minimum requirement and must be brought up to the standards prior to the tenant receiving rental assistance in the unit.

All fail items must be corrected and verified prior to the execution of the Housing Assistance Payments Contract.

## **HQS CHECKLIST:**

The following is a listing of the conditions that must be verified by the Housing Inspector:

## Living Room

- Is there a living room?
- Are there at least two working outlets or one working outlet and one working light fixture?
- Is the room free from electrical hazards?
- Are all windows and doors that are accessible from the outside lockable?
- Is there at least one window, and are all windows free of signs of severe deterioration or missing or broken-out panes?
- Are the walls, ceilings and floors in good condition and free from hazardous defects?
- Are painted surfaces free of defective paint? For dwelling units constructed before 1978, if there is a child under 6 with an elevated blood lead level, the intact and nonintact paint on protruding chewable surfaces which are up to 5 feet from the ground and readily accessible to children must be lead-free or adequately treated.

## Kitchen

- Is there a kitchen?
- Are there at least one working outlet and one working, permanently installed light fixture?
- Is the kitchen free from electrical hazards?



- Are the windows and doors that are accessible from the outside lockable?
- Are all windows free of signs of deterioration or missing or broken-out panes?

- Are the walls, ceilings and floors in good condition and free from hazardous defects?
- Is there a refrigerator that works and maintains a temperature low enough so that food does not spoil over a reasonable period of time?
- Is there a kitchen sink that works with hot and cold running water?



- Is there space to store, prepare, and serve food?
- Are painted surfaces free of defective paint? For dwelling units constructed before 1978, if there is a child under 6 with an elevated blood lead level, the intact and nonintact paint on protruding chewable surfaces which are up to 5 feet from the ground and readily accessible to children must be lead-free or adequately treated.
- Are there a working oven, and a stove (or range) with top burners that work? If no oven and stove (or range) are present, is there a microwave oven and, if microwave is owner-supplied, do other tenants have microwaves instead of an oven and stove (or range)?

**Bathroom:**

- Is there a bathroom?
- Is there at least one permanently installed light fixture?
- Is the bathroom free from electrical hazards?
- Are all windows and doors that are accessible from the outside lockable?
- Are all windows free of signs of deterioration or missing or broken-out panes?

- Are the walls, ceilings and floors in good condition and free from hazardous defects?
- Is there a working toilet in the unit for the exclusive private use of the tenant?
- Is there a working, permanently installed washbasin with hot and cold running water in the unit?
- Is there a working tub or shower with hot and cold running water in the unit?
- Are painted surfaces free of defective paint? For dwelling units constructed before 1978, if there is a child under 6 with an elevated blood lead level, the intact and nonintact paint on protruding chewable surfaces which are up to 5 feet from the ground and readily accessible to children must be lead-free or adequately treated.
- Are there operable windows or a working vent system?

**Other Rooms Used for Living and Halls**

- If used as a bedroom, are there at least two working outlets or one working outlet and one working, permanently installed light fixture? If not used as a room for sleeping, is there a means of illumination?
- Is the room free from electrical hazards?
- Are all windows and doors that are accessible from the outside lockable?
- If used as a bedroom is there at least one window? Are all windows free of signs of severe deterioration or missing or broken-out panes?
- Are walls, ceilings and floors in good condition and free from hazardous defects?
- Are painted surfaces free of defective paint or adequately treated? For dwelling units constructed before 1978, if there is a child under 6 with an elevated blood lead level, the intact and nonintact paint on protruding chewable surfaces which are up to 5 feet from the ground and readily accessible to children must be lead-free or adequately treated.

- Is there a working smoke detector on each level? Do the smoke detectors meet the requirements of Fire Administration Authorization Act of 1992?
- In units occupied by the hearing impaired, is there an alarm system connected to the smoke detector?

**All Secondary Rooms  
(rooms not used for living, such as a laundry room)**

- Are all windows and doors that are accessible from the outside lockable?
- Are all these rooms free from electrical hazards?

**Building Exterior**

- Is the foundation sound and free from hazards?
- Are all the exterior stairs, rails, and porches sound and free from hazards?
- Are the roof, gutters, and downspouts sound and free from hazards?
- Are exterior surfaces sound and free from hazards?
- Is the chimney sound and free from hazards?
- If the building was built prior to 1978 (ex: doors, porches floors, porch ceilings, stairs, decks, window sills and railings), are painted surfaces which are up to 5 feet from the ground or floor and readily accessible to children free of defective paint? If there is a child under 6 with an elevated blood lead level, the intact and nonintact paint on protruding chewable surfaces which are up to 5 feet from the ground or floor and readily accessible to children must be lead-free or adequately treated.
- If the unit is a manufactured home, is it properly placed and tied down?

### **Heating and Plumbing**

- Is the heating equipment capable of providing adequate heat (either directly or indirectly) to all rooms used for living?
- Is the unit free from unvented fuel burning space heaters or any other types of unsafe heating conditions?
- Does the unit have adequate ventilation and cooling by means of openable windows or a working cooling system?
- Is the hot water heater located, equipped and installed in a safe manner?
- Is the unit served by an approved public or private sanitary water supply?
- Is plumbing free from major leaks or corrosion that cause serious and persistent levels of rust or contamination of the drinking water?
- Is plumbing connected to an approved public or private disposal system, and is it free from sewer back up?

### **General Health and Safety**

- Can the unit be entered without having to go through another unit?
- Is there an alternative fire exit from this building that is not blocked and meets local or state regulations as an acceptable exit?
- Is the unit free from rats or severe infestation by mice or vermin?
- Is the unit free from heavy accumulation of garbage or debris inside and outside?
- Are there adequate covered facilities for temporary storage and disposal of food wastes, and are they approvable by a local agency?
- Are interior stairs and common halls free from hazards to the occupant because of loose, broken, or missing steps on stairways; absent or insecure railings; inadequate lighting; or other hazards?
- Do all elevators have a current inspection certificate?

- Is the unit free from abnormally high levels of air pollution from vehicular exhaust? Are the site and immediate neighborhood free from conditions, which would seriously and continuously endanger the health or safety of the residents?

**Other Requirements**

- Are tenant-supplied utilities separately metered?

**Most Common Fail Conditions:**

- Non-functional smoke detectors
- Missing or cracked electrical outlet cover plates
- Railings not present where required
- Peeling exterior and interior paint
- Tripping hazards caused by permanently installed floor coverings (carpets/vinyl)
- Cracked or broken windowpanes
- Inoperable burners on stoves or inoperable range hoods
- Missing burner control knobs
- Inoperative bathroom fan/no ventilation
- Leaking faucets or plumbing
- No temperature/pressure relief valve on water heaters.

**UNIT RENT DETERMINATIONS:**

**RENT REASONABLENESS:**

At the time of the inspection, the inspector will also be evaluating the rent reasonableness of the housing unit. The proposed rent will be compared to the rent for other units on the market of similar size, features, and amenities.

VOUCHER PROGRAM:

Although there are no HUD “ceilings” on the rents charge in the Voucher Program, they **must still be reasonable and comparable to the rents charged for comparable unassisted units**. The PHA makes the determination of reasonableness and comparability based on the unit inspection report and rental market information.

PHA DISAPPROVAL OF TENANCIES:

At initial lease-up, if the family chooses a unit with a gross rent greater than the payment standard, the PHA is not permitted to approve a tenancy if the family share exceeds 40% of its adjusted monthly income.

PHA DISAPPROVAL OF OWNERS:

The PHA is not permitted to approve a unit if:

- The PHA has been notified by HUD that the owner has been debarred, suspended, or subject to a limited denial of participation by HUD.
- The government has instituted an administrative or judicial action against the owner for violation of the Fair Housing Act or other equal opportunity requirements.
- The owner is the parent, child, grandparent, grandchild, sister or brother of any member of the family, unless approving the unit would provide reasonable accommodation for a family member with disabilities.

The PHA also has discretion to disapprove an owner for any of the following:

- The owner has violated obligations under Section 8 housing assistance payments contract.
- The owner has committed fraud, bribery or any other corrupt or criminal act in connection with any HUD program.
- The owner has engaged in drug-related or violent criminal activity.
- The owner has a history or practice of non-compliance with the Housing Quality Standards for units leased under the program.
- The owner has a history or practice of failing to terminate tenancy of tenants of units assisted under Section 8 or any HUD program for activity by the tenant, household member or guest that:

- Threatens the right to peaceful enjoyment by other residents.
- Threatens the health or safety of other residents or PHA employees.
- Threatens the health, safety or right to peaceful enjoyment of residents in the immediate vicinity.
- Is drug-related criminal activity or violent criminal activity.
- The owner has a history or practice of renting units that fail to meet State or local housing codes.
- The owner has not paid State or local real estate taxes, fines, or assessments.

#### STEP 4: CONTRACT AND LEASE SIGNED

Once the lease and unit are approved, you will enter into a HAP Contract with the PHA, and you will sign a lease agreement with the family.



- 1) Except as provide in Paragraph 2 below, the initial term of the lease agreement must be for at least one year.
- 2) The PHA may approve a shorter initial lease term if the PHA determines that:
  - (i) such shorter term would improve housing opportunities for the Tenant; and
  - (ii) such a shorter term is the prevailing local market practice.

The lease must provide for automatic renewal after the initial term of the lease. The choice of automatic renewals is left to the discretion of the Owner, as stipulated in his/her lease agreement. The lease may provide either:

- a. For automatic renewal of successive definite terms (e.g.: month-to-month or year-to-year); or
- b. For automatic indefinite extension of the lease term.

The sample lease offered by the PHA provides for automatic renewal after the first year of the lease on a month-to-month term.

#### **STEP 5: HOUSING ASSISTANCE PAYMENT TO OWNER**

The PHA will begin making payments to you after the unit has been approved and the Housing Assistance Payments Contract has been signed. The PHA will mail the payment on or about the first of each month. The PHA will continue to make payments as long as:

- the unit meets Housing Quality Standards;
- the tenant is eligible for assistance;
- the tenant resides in the unit; and
- the owner is in compliance with the HAP Contract.

If the PHA fails to make timely payments, the PHA may be obligated to pay a late fee.

#### **FAMILY PAYMENTS TO OWNER:**

The family is responsible to pay the difference between the PHA's payment amount and the total rent to owner for the unit. It is the owner's responsibility to collect any portion of the rent that is payable by the family.

**HUD-REQUIRED ANNUAL ACTIVITIES**

There are two HUD-required annual activities:

- Recertification of the family income and household composition
- Inspection of the housing unit

**RECERTIFICATION OF THE FAMILY**

The PHA is required to recertify the family at least annually. The family is required to furnish information to the PHA pertaining to total family income, allowable deductions from income, and family composition. If the family's income has increased or decreased, it will change the amount of the family's payment to the owner; this affects the portion of the rent to owner that is paid by the family, but it does not affect the total amount received by the owner from both the PHA and the family.

**CHANGES IN PAYMENTS**

The PHA will provide advance written notice to the family and to the owner if the family's portion of the rent changes.

On occasion, a family fails to cooperate in the recertification process, and it results in a loss of their rental assistance. The PHA will notify the owner if the family's rental assistance is being terminated. The PHA shall not pay a housing assistance payment to the owner for any month after the month when the family moves out.

**ANNUAL INSPECTION OF THE UNIT**

The PHA must inspect each unit at least once a year. The PHA will provide advance written notice to the tenant of the date and time of the annual inspection. If the unit fails inspection, you will receive a written notice giving you the results of the inspection. A reasonable time period will be given to make repairs.

The family is responsible for any repairs that are the result of damages caused by the family beyond normal wear and tear. The family is also responsible for the operation of tenant-supplied appliances and the payment of tenant-supplied utilities.

## **ABATEMENT OF PAYMENTS**

According to the HAP Contract, the owner is responsible for ensuring that the unit meets Housing Quality Standards during the entire term of the HAP Contract. At any time it is determined that the unit does not meet Housing Quality Standards, the PHA will notify you in writing and provide a reasonable time period to make repairs. If the repairs are not made within the time period, the PHA is required to abate/reduce your payment for each day the unit does not pass inspection. If a payment is abated by the PHA, the tenant is only responsible for their share of the rent. Therefore, it is very important that you be aware of the condition of your rental units and make repairs as soon as they are needed.

## **VOUCHER PROGRAM RENT INCREASES**

After the initial term of the lease, the owner may increase the rent with 60-day notice to the family and the PHA. The proposed increase must be reasonable. Check with your PHA representative for information on the PHA policy for rent increases in the voucher program.

Remember, your lease must allow for rent increase after the initial term. Any rent increase cannot be greater than rents charged for comparable unassisted units.

## **FAMILY OBLIGATIONS TO THE OWNER**

The family obligations to the owner are contained in the lease agreement. Families are obligated to pay the rent on time and to take care of the housing unit. Make sure that as part of your tenant selection process, you review the lease agreement with the family carefully. The family is required to pay its portion of the rent to the owner on time, in accordance with the terms of the lease. Generally, the owner is required to make repairs and provide routine maintenance, but if a housing unit fails to meet Housing Quality Standards because of the following, it is the responsibility of the family:

### **Utilities:**

The family is required to keep all utilities in service for which they are responsible to provide. If utilities that the family is required to provide (such as electricity, gas or water) are not kept in service, the unit will not meet Housing Quality Standards. The family will be given a short period of time to get the utilities turned back on.

### **Appliances:**

The family is required to supply and maintain any appliances that are not provide by the owner (such as stove or refrigerator)

Damages:

The family is responsible for damages to the unit and premises (beyond normal wear and tear) that are caused by any member or guest. If the family does not fulfill its obligations for the correction of tenant caused damages in accordance with the lease, their assistance may be terminated.

### **FAMILY OBLIGATIONS TO THE PHA**

Families who participate in the Section 8 Housing Choice Voucher Program are required to comply with certain “Family Obligations.” These Family Obligations are required by HUD regulations and they are listed on the housing voucher. The list of Family Obligations is as follows:

#### **SUPPLYING REQUIRED INFORMATION:**

The family must supply any information that the PHA or HUD determines is necessary for administration of the program, and to certify or recertify a family. This includes evidence of citizenship or eligible immigration status. It also includes information about family income and household members.

#### **DISCLOSING AND VERIFYING SOCIAL SECURITY NUMBERS:**

The family must disclose and verify social security numbers and must sign and submit consent forms for obtaining information.

#### **TRUE AND COMPLETE INFORMATION:**

Any information provided by the family must be true and complete.

#### **HQS BREACHES CAUSED BY THE FAMILY:**

The family is responsible for certain HQS violations caused by the family.

#### **ALLOWING THE PHA TO INSPECT THE UNIT:**

The family must allow the PHA to inspect the unit at reasonable times and after reasonable notice.

#### **VIOLATION OF THE LEASE:**

The family may not commit any serious or repeated violation of the lease.

#### **FAMILY NOTICE OF MOVE OR LEASE TERMINATION:**

The family must notify the PHA and the owner before the family moves out of the unit, or terminates the lease on notice to the owner.

#### **OWNER EVICTION NOTICE:**

The family must promptly give the PHA a copy of any owner eviction notice.

**USE AND OCCUPANCY OF THE UNIT:**

The family must use the assisted unit for residence by the family and as the family's only residence.

**APPROVAL OF FAMILY MEMBERS:**

The members of the family must be approved by the PHA. The family must promptly inform the PHA of the birth, adoption or court-awarded custody of a child. The family must request PHA approval to add any other family members as an occupant of the unit.

**FOSTER CHILDREN:**

A foster child or live-in aide may reside in the unit with approval of the PHA.

**FAMILY MEMBER MOVES:**

The family must promptly notify the PHA if a family member no longer resides in the unit.

**PROFIT-MAKING ACTIVITIES:**

Family members may engage in legal profitability activities in the unit, but only if such activities are incidental to the primary use of the unit as the family's residence. The owner's lease may contain additional restrictions.

**SUBLEASING:**

The family must not sublease or sublet the unit.

**ASSIGNING OR TRANSFERRING:**

The family must not assign the lease or transfer the unit.

**ABSENCE FROM THE UNIT:**

The family must supply any information or certification requested by the PHA to verify that the family is living in the unit, or relating to family absences. The family must promptly notify the PHA of absence from the unit.

**INTEREST OR OWNERSHIP:**

The family must not own or have any interest in the unit.

**FRAUD AND OTHER PROGRAM VIOLATIONS:**

The members of the family must not commit fraud, bribery or any other corrupt or criminal act in connection with the program.

**CRIME BY FAMILY MEMBERS:**

The members of the family may not engage in drug-related criminal activity or violent criminal activity.

**OTHER HOUSING ASSISTANCE:**

An assisted family, or members of the family, may not receive Section 8 assistance while receiving another housing subsidy for the same unit or a different unit under any duplicative Federal, State or local housing assistance program.

**RELATIVES AS OWNERS:**

The family must not receive Section 8 tenant-based program housing assistance while residing in a unit owned by a parent, child, grandparent, grandchild, sister or brother of any member of the family, unless the PHA has determined (and has notified the owner and the family of such determination) that approving rental of the unit, notwithstanding such relationship, would provide reasonable accommodation for a family member who is a person with disabilities.

**ALCOHOL OR SUBSTANCE ABUSE:**

The family must not engage in illegal use of a controlled substance; or abuse of alcohol that threatens the health and safety or right to peaceful enjoyment of the premises by other residents.

**OWNER AND HOUSING AGENCY COMMUNICATION:**

Since many of these family obligations involve the owner, communication between the PHA and the owner is vital to the success of the program. For example, if the owner intends to evict the family for serious or repeated violations of the lease, the owner's notice must be clear and complete so that the PHA can determine whether a family obligation was violated.

**OWNER OBLIGATIONS TO THE FAMILY**

NON-DISCRIMINATION

All rental property owners are subject to federal and local laws that prohibit discrimination in housing against persons due to their sex, age, ethnicity, race, color, familial status, because they have children, or because of a disability.

Violations of Fair Housing and non-discrimination laws will result in denial or termination of participation in the Section 8 program and could result in civil penalties.

It is in your best interest to utilize the same methods of screening and selection for all tenants and to keep complete documentation. At your request, the PHA will furnish you with additional information pertaining to Fair Housing requirements.

REASONABLE MODIFICATION OF THE UNIT

Owners cannot discriminate against families with disabilities and should be aware

of their obligation to make reasonable modifications to the unit for such families at the family's expense, as required for all persons with disabilities under the Fair Housing Act for the private rental market. Notify the PHA if you have, or know of an owner who has units accessible to persons with disabilities.

## **OWNER OBLIGATIONS TO THE PHA**

### PROGRAM INTEGRITY

Most owners who participate in the program comply with the program rules and the HAP Contract, but occasionally some do not. It is always unpleasant when an owner violates the rules and becomes subject to administrative or other more severe sanctions. The PHA's goal is to prevent any embarrassment or expense, which may result from owner violations by making sure that the program rules are understood. That is why we are listing the most common violations here.

### MOST COMMON OWNER VIOLATIONS

- Failing to maintain the unit
- The owner is responsible for normal maintenance and upkeep of the unit. Make sure that repairs, which are the responsibility of the owner, are made in a timely manner.
- Accepting payments for a vacant unit
- If a family moves in violation of the lease, the owner must notify the PHA immediately.
- Demanding or accepting side payments
- The PHA determines the amount of rent to be paid by the family for rent. The PHA must approve any additional payments or agreements.

### CONTRACT TERMINATIONS

The HAP Contract and Lease Agreement are tied together.

The HAP Contract is a contract between the owner and the PHA. It runs concurrently with the lease, and it terminates automatically when the lease terminates.

Another example of when a HAP contract may end is when a family's income increases to the point that a PHA payment to the owner is no longer necessary.

The HAP contract terminates automatically 180 calendar days after the last assistance payment is made to the owner.

**Breach of Contract:**

Any of the following actions by the owner will be considered a breach of the HAP Contract:

- Owner violates any obligation of the HAP contract, including HQS.
- Owner violates any obligation under any other HAP Contract.
- Owner has committed fraud, bribery or any other corrupt or criminal act involving a federal housing program.
- Owner has committed fraud, bribery, or other corrupt or criminal act in connection with, or has failed to comply with, mortgages insured or loans made by HUD.
- Owner engaged in drug-related criminal activity.

**Change of Ownership:**

As a provision of the HAP contract, the owner may not assign the HAP contract to a new owner without the prior written consent of the PHA. Therefore it is necessary to notify the PHA if you put the property on the market for sale.

Your PHA representative will provide you with a form to complete if the ownership or management of a property changes. Be prepared to provide the PHA with all pertinent information requested to document the change.

**TERMINATION OF TENANCY BY FAMILY**

The family may terminate tenancy in accordance with the lease and tenancy addendum. The family must give the owner and the PHA notice of termination of tenancy in accordance with the lease prior to moving from the unit. The owner's lease may not require more than 60 calendar days notice for the family after the first term of the lease.

**TERMINATION OF TENANCY BY OWNER**

During the term of the lease, the owner may terminate tenancy only for:

- Serious or repeated violations of the terms and conditions of the lease, including but not limited to failure to pay rent or other amounts due under the lease.
- Violations of Federal, state, or local law that impose obligations on the tenant in connection with the use or occupancy of the unit or premises.
- Other good cause. Other good cause may include the following:
  - Failure by the family to accept the offer of a new lease or revision.
  - Family history of disturbance of neighbors, destruction of property, or living or housekeeping habits resulting in damage to the unit or premises.
  - The owner's desire to use the unit for personal or family use, or a purpose other than residential.
  - Business or economic reasons, such as sale of property, renovation of unit, or desire to lease the unit at a higher rental.

The owner may not terminate for "good cause" during the initial term of the lease, unless it is because of something the family did or failed to do. At the end of the initial term or at the end of any successive definite term, the owner may terminate the lease without cause.

### CRIMINAL ACTIVITY

Cause for termination of tenancy includes any illegal activity that threatens the safety or right to enjoyment of the premises by other residents or persons residing in the immediate vicinity of the premises, and any drug-related or violent criminal activity on or near the premises.

### OWNER NOTICE TO TERMINATE TENANCY

The owner must give the tenant written notice of grounds for termination of tenancy at or before the commencement of the eviction action. The notice may be included or combined with any owner eviction notice to the family. The owner must give the PHA a copy of any owner eviction notice given to the family. The owner may evict the tenant only by instituting a court action.

### TERMINATION OF HOUSING ASSISTANCE BY PHA

If the PHA terminates program assistance for the family, the HAP Contract terminates automatically. The PHA will always provide the owner with advance written notice of termination of assistance. Rental assistance can be terminated for violating any of the family obligations under the program, as well as for serious and repeated violations of the lease.

Congratulations! By reading this far, you have wisely invested time in becoming familiar with the Section 8 Housing Choice Voucher Program. Over one million families nationwide have been served by the Section 8 tenant-based assistance program.

### OWNER BENEFITS

One of the reasons for the program's success is that owners like you have taken the time to learn the program rules and have recognized some of the benefits of becoming a participating landlord. Over the years, many owners and property managers have become to appreciate the advantages of having a contracted monthly assistance payment, as well as minimum inspection standards. Keeping your property consistently well-maintained helps ensure its resale value and also makes it a lot easier to lease up again when a family does move out.

### FAMILY BENEFITS

The program has also been successful because it provides families with the opportunity to choose the type of rental unit and neighborhood that will meet their needs. Unlike project-based assisted housing programs, families under the tenant-based program can take their rental assistance with them. Having this flexibility has enabled many families to pursue employment and educational opportunities, be reunited with their friends and family, live in a better climate, and move out of unsafe neighborhoods. Owner participation is essential to making these opportunities a reality.