

The Owner's Handbook
A Guide to the
Housing Choice Voucher
Program
For Owners & Property Managers



Mohave County Housing Authority
PO Box 7000
Kingman AZ 86402-7000
Tel: (928)-753-0723
Fax: (928) 753-0776

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❖ For more details and updates, please visit our website at www.hacy.org

Note: “PHA” as used throughout this handbook refers to (MCHA) Mohave County Housing Authority

Chapter 1: Introduction

The Housing Choice Voucher Program

If you are a landlord, rental property owner, or manager, this handbook is designed to provide you with accurate information about how the Section 8 **Housing Choice Voucher (HCV) program** works. This handbook has been prepared in appreciation of your interest in participating in the Program.

The rules and regulations for this tenant-based **public assistance** program are determined by the U.S. Department of Housing and Urban Development (**HUD**). The success of the program depends on your ability to work with your **Public Housing Agency (PHA)**, and its ability to contract with property managers and owners who have decent, safe, and sanitary rental **units**.

In most communities, there is a shortage of decent and affordable housing, and many **low-income families** rely on owners like you who are willing to participate in the HCV program. The subsidy that comes with this program helps **participant** families to rent in many different neighborhoods.

Although the HCV program was designed to be voluntary, in some states, it is illegal to simply refuse a **tenant** because he or she is a participant in the HCV program. Participant families include **elderly persons, persons with disabilities, and working families** who do not earn enough to keep pace with rising rental housing costs. You should check with your local or state human rights agencies to find out what the fair housing laws are in your state.

PHA Service Commitment

As a public service agency, it is the PHA's goal is to provide excellent service to both families and owners participating in the HCV 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 or if something is unclear.

Do not hesitate to contact a PHA representative if you have a question or problem that pertains to one of the housing programs.

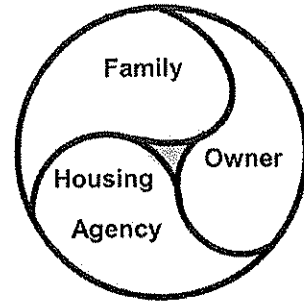
Getting in Touch with You

Since the PHA may need to contact you from time to time, be sure they have a daytime phone number where you can be reached. After the initial lease-up period, most of your contact with the PHA will probably be by first-class mail.

Your cooperation is essential to the PHA's ability to serve you and any family you may select as a renter.

Responsibilities Within the HCV Program

The HCV program is a three-way partnership among the **housing agency**, the **tenant family**, and you - the **owner** or **landlord** of the housing unit.



Housing Agency's Job

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

- Review all applications to determine whether an **applicant** is eligible for the program.
- Explain all rules of the program to all families who qualify.
- Issue a **voucher** and, if necessary, assist the family in finding a place to live.
- Approve the **unit**, the owner, and the tenancy.
- Issue notice of intent to contract.
- Make **housing assistance payment** to the owner in a timely manner.
- Ensure that both the family and the unit continue to qualify under the program.
- Ensure that owners and families comply with the program rules.
- Provide families and owners with prompt, professional service.

Owner's Job

In order for the program to work, you must:

- 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. MCHA may also provide additional information pertaining to a tenant's performance as a renter.
- Consider a family's background regarding factors such as:
 - Paying rent and utility bills.
 - Screen families who apply to determine if they will be good renters.
 - Caring for property
 - Respecting the rights of others to peaceful enjoyment of their residences
 - Engaging in *drug-related criminal activity* or other criminal activity that is a threat to life, safety, or the property of others.
 - Comply with other essential conditions of tenancy.
 - Comply with fair housing laws and discriminate against no one.
- Maintain the housing unit by making necessary repairs in a timely manner.
- Comply with the terms of the Housing Assistance Payments (HAP) Contract with the Housing Agency.
- Collect the rent due by the tenant and otherwise enforce the lease.

Family's Job

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

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

HCV Program Owner Benefits

More than one million families nationwide have been served by the HCV program and one of the reasons for this program's success is that owners like you have taken the time to learn the rules and have recognized some of the benefits of becoming a participating landlord.

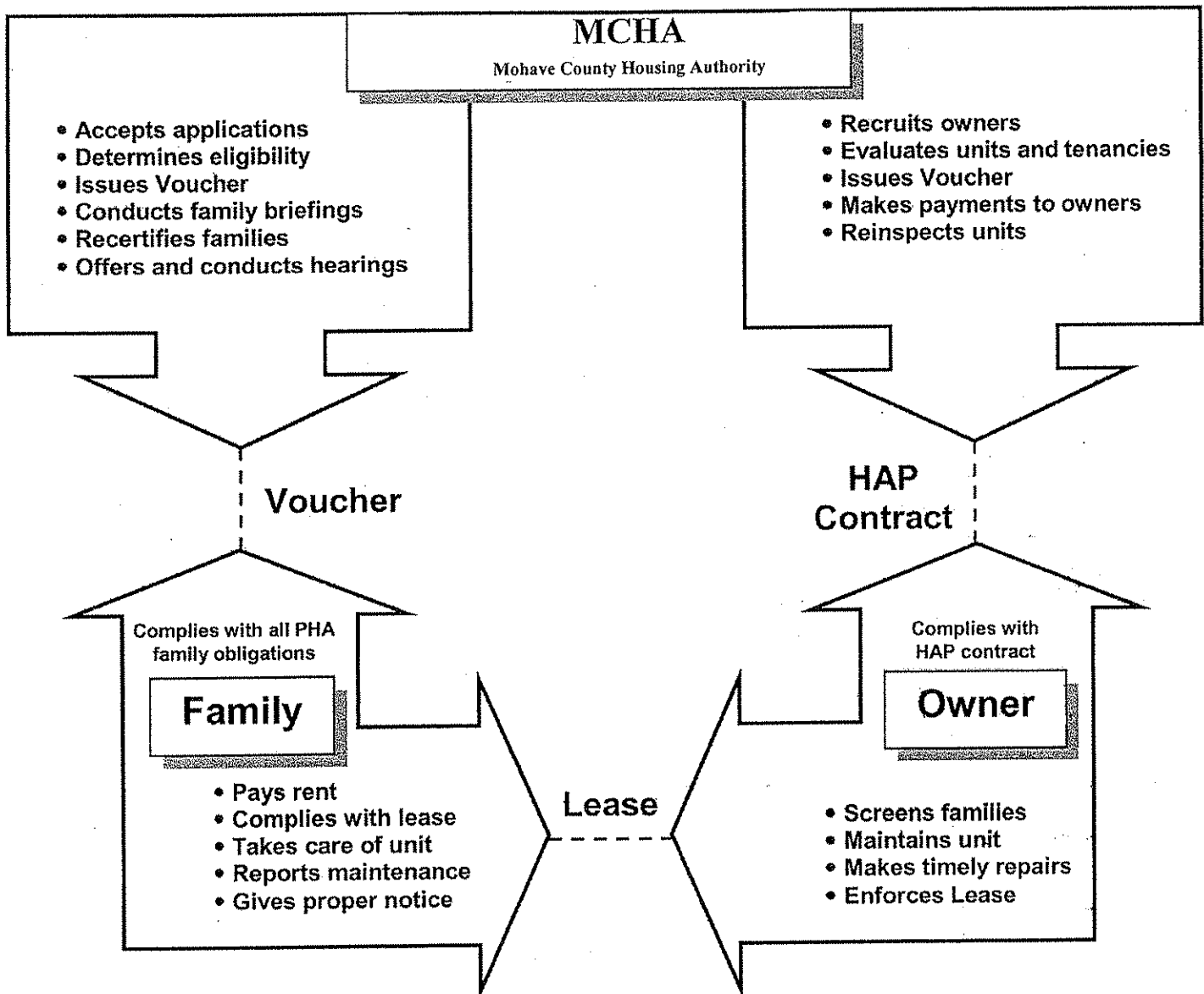
Over the years, many owners and property managers have come to appreciate the advantages of having a contracted, monthly assistance payment as well as minimum inspection standards. Keeping your property consistently well maintained helps ensure both its resale value and its appeal to prospective tenants when an HCV family moves out.

The HCV program has also introduced many novice property owners to key property management principles regarding tenant selection and lease enforcement, and it has helped others develop better building maintenance skills.

HCV Program Family Benefits

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

Relationships and Responsibilities



How to Get Involved

You may call the PHA at any time during business hours if you are interested in the HCV program and have one or more rental units. The PHA will send you a packet of information about the HCV program and may offer to schedule an **owner orientation** for you. If you decide to participate in the program, be prepared to furnish proof of legal ownership of any unit(s) that you would like to offer, this is one of HUD's requirements.

There are five steps that lead to a lease-up in the HCV program. Let's look at each step in detail.

• Step 1: Tenant Found

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

- When a family is determined to be eligible for the HCV program and funding is available, the PHA issues the family a Housing Choice Voucher. The family receives the voucher at the tenant briefing, then they begin looking for a unit.
- If you would like to list your available units, the PHA will give your name and general information about your rental unit(s) to families who have been issued a voucher.
 - The PHA will not steer families to specific owners or rental units, but it will furnish families with information on units that are available.
 - Any interested families will then contact your for an appointment to see your unit(s).

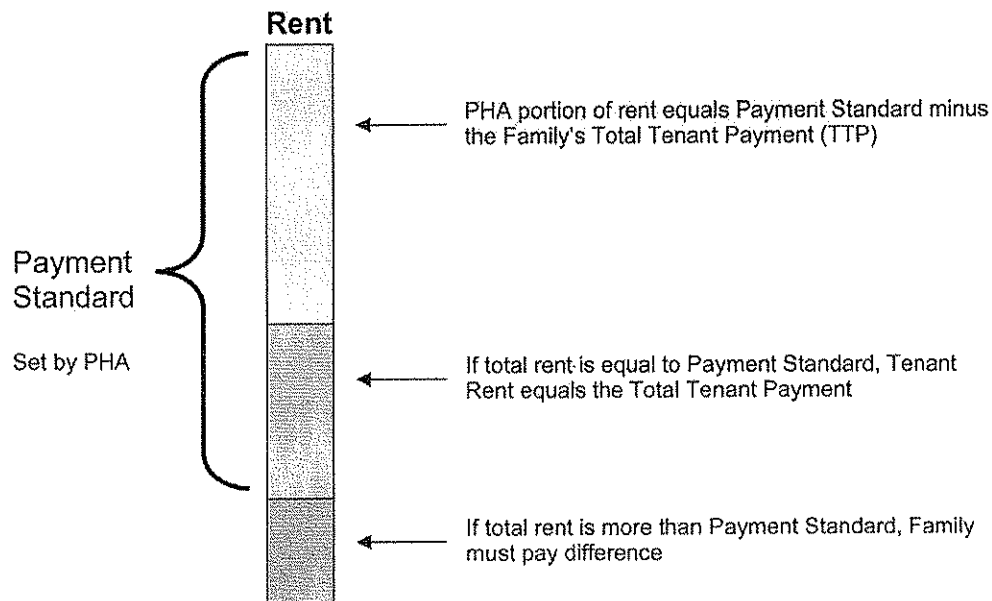
Payment Standard

In the HCV Program the maximum amount that the PHA will pay is an amount equal to the **payment standard** minus **the total tenant payment**.

The Payment Standard:

- Is established by the PHA but must be set at an amount that is between 90% and 110% of the HUD-established **fair market rent (FMR)** for the program and the area.
- Is based on the cost of housing and utilities for your area.
- 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



Step 2: Tenant Approved by Owner

Even though a family is determined by the PHA to be eligible for the program, it is your responsibility to approve the family as a suitable renter. You should use the same diligence in screening a potential Section 8 tenant as you would any other tenant.

To start, ask to see his or her Voucher.

☒ Review the Voucher

- ✓ Check the expiration date to determine whether the Voucher is still valid. Vouchers expire on this date unless it has been extended by the PHA.
- ✓ Check the unit bedroom size on the voucher for which the family has been approved.

☒ Screen the Family

When you are contacted by a prospective tenant, evaluate him or her as you would any other renter. Remember, the PHA does not screen families for their suitability as renters.

- ✓ Make sure that your tenant selection standards are based on objective, business-related considerations, such as previous history of nonpayment, damage to property, or disturbance of neighbors.
- ✓ Owners must apply the same standards of tenant selection to any family that applies, whether the family is an HCV program participant or not.

Tenant selection cannot be based upon race, color, age, religion, sex, familial status, disability, or any other discriminatory factors.

Security Deposits

In the HCV program, you may collect a *security deposit*. The PHA has the discretion to prohibit security deposits that are in excess of either private market practice or the security deposits for the owner's unassisted units.

Step 3: Tenancy and Unit Approved by PHA

The PHA knows you have approved an HCV tenant when a Request for Tenancy Approval (RTA) form is submitted to it. The PHA must then approve the HUD-required tenancy addendum before the lease is signed (a copy is available in Chapter 7).

Leasing Process

You must submit your own lease to the PHA along with the **Request for Tenancy Approval (RTA)** form. The PHA may review the lease to make sure it does not contain any provision that conflicts with program rules or state law.

The lease must include all of the following:

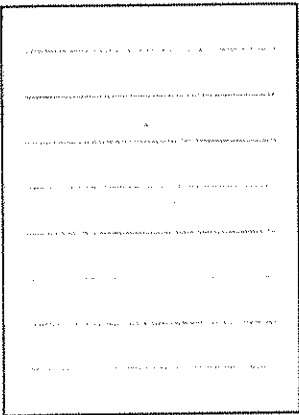
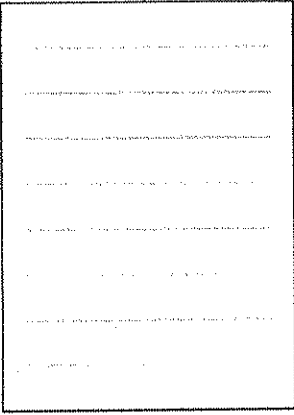
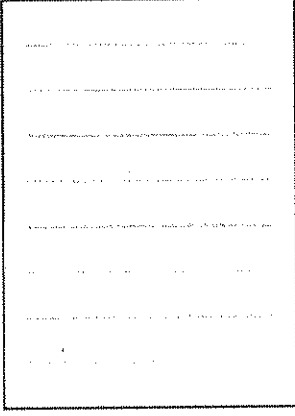
- Name of the owner
- Name of the tenant
- Unit rented (address, apartment number, and any other information needed to identify the unit).
- Term of the lease
 - Initial term
 - Provision for renewal terms
- Amount of the monthly **rent to owner**
- Utilities and appliances to be supplied by the owner
- Utilities and appliances to be supplied by the tenant

Your lease should include the amount of the security deposit and address. Your lease should also address renewal terms, notice period for termination of tenancy, and rent increases after the initial term.

Required Forms

The HCV participant family was given an RTA form at its tenant briefing. When you send the signed RTA to the PHA, it will be reviewed to determine if the proposed rent can be approved.

In addition to the RTA, you must also submit to the PHA your standard lease for unassisted tenant with the HUD-required tenancy addendum attached to it.

RTA	Lease	Tenancy Addendum
		
Must be completed and signed	Must be filled out, but not signed	

Important Information About the Lease Agreement

- The lease agreement must comply with state and local law.
- The (HAP) Contract between the PHA and the owner begins on the first day of the term of the lease and ends on the last day.
- The initial term of the lease must be for at least one year unless the PHA approves a shorter term. MCHA may approve a shorter term under the following conditions:
 - It would improve housing opportunities for the HCV tenant.
 - Shorter terms are the prevailing market practice.

Inspection Process

After an HCV family finds a suitable unit and the owner approves the family, the PHA needs to determine if the unit qualifies for the HCV program. This includes a Housing Quality Standards (HQS) inspection.

On receipt and review of the RTA, the PHA will notify you and your tenant of the date and time of the HQS 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.

Meeting Housing Quality Standards (HQS)

The unit must meet HUD's minimum HQS before the PHA can make payments to you on behalf of a tenant family. These standards have been implemented by HUD nationwide to ensure that all assisted units meet minimum health and safety standards.

The HUD booklet *A Good Place to Live!* describes the general aspects of a unit that must be inspected for compliance with HQS. Your PHA representative can provide you with much more detailed information about additional standards that may be required under local code.

☒ Preparing the Unit for Inspection

- ☐ Review the information on HQS as you evaluate your rental unit.
- ☐ Try to correct any HQS violations before the inspection.
- ☐ Make sure that at the time of the inspection the unit is “move-in” ready. (This prevents delays in beginning the HCV tenant’s rental assistance.)
- ☐ If the family is already in the unit, go over the checklist with them to ensure that the unit will meet HQS requirements.

☒ Participating in the Inspection

You and the HCV family will receive written notification of the date and time of the unit inspection. If you have ever had to have a housing inspection to get a mortgage, many of items are similar.

- ☐ Take advantage of this opportunity to meet the HQS inspector and discuss the various aspects of the inspection.
- ☐ Learn more about HQS so that you will know how best to prepare for other inspections.
- ☐ After you’ve gone through an HQS inspection, keep in mind what the Inspector is looking for.

☒ Make Repairs Promptly

If the housing unit does not pass the initial inspection, you will be notified in writing of any items that failed and given a reasonable time to make 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 in before the unit has passed, they are responsible for the full amount of the monthly rent.

Ratings

There are three ratings for the conditions verified by the Inspector: Pass, Inconclusive, and Fail.

- 1) Pass means the condition meets the minimum requirement and utility services are turned on.
- 2) 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.
- 3) Fail means that the condition does not meet the minimum requirement and must be brought up to the standard before the tenant can receive rental assistance on the unit. All fail items must be corrected and approved prior to the execution of the Housing Assistance Payments Contract.

Unit Areas Inspected and HQS Checklists

Eight areas must be reviewed for HQS compliance. The following are area-by area lists of the conditions that must be verified by the HQS inspector.

In addition to the items on the checklists, HQS inspectors will also check the unit to see if tenant-supplied utilities are separately metered.

1. 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 of electrical hazards?
- ☐ Can the windows and doors that are accessible from the outside be locked?
- ☐ Is there at least one window, and are all windows free of signs of severe deterioration or missing or broken windowpanes?

2. Kitchen

- ☐ Is there a kitchen?
- ☐ Are there at least one working outlet and one working permanently installed light fixture?
- ☐ Is the kitchen free of electrical hazards?
- ☐ Can the windows and doors that are accessible from the outside be locked?
- ☐ Are all windows free of signs of deterioration or missing or broken windowpanes?
- ☐ Are the walls, ceilings, and floors in good condition and free of hazardous defects?
- ☐ Is there a working refrigerator that maintains a temperature low enough so that food does not spoil over a reasonable period of time?
- ☐ Is there a working kitchen sink with hot and cold running water?
- ☐ Is there space to store, prepare, and serve food?
- ☐ Is there a working oven and a stove (or range) with working burners?
 - If not, is there a microwave oven?
 - If there is a microwave oven, and its owner-supplied, do other tenants have microwaves instead of ovens and stoves (or ranges)?

3. Bathroom

- ☐ Is there a bathroom?
- ☐ Is there at least one permanently installed light fixture?
- ☐ Is the bathroom free of electrical hazards?
- ☐ Is there a window that can be opened or a working vent system?
- ☐ Can the windows and doors that are accessible from the outside be locked?
- ☐ Are all windows free of signs of deterioration or missing or broken windowpanes?
- ☐ Are the walls, ceilings, and floors in good condition and free of hazardous defects?
- ☐ Is there a working toilet in the unit for the exclusive, private use of the tenant?
- ☐ Is there a working, permanently installed wash basin 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?

4. Other Rooms Used for Living and Halls

- ☐ If the room is used as a bedroom, are there at least two working outlets or one working outlet and one working, permanently installed light fixture?
 - If the room is not used for sleeping, is there a means of illumination?
- ☐ Is the room free of electrical hazards?
- ☐ If the room is used as a bedroom, is there at least one window?
 - Are all windows free of signs of severe deterioration or missing or broken windowpanes?
 - Can the windows and doors that are accessible from the outside be locked?
- ☐ Are walls, ceilings, and floors in good condition and free of hazardous defects?
- ☐ Is there a working smoke detector on each level?
 - Do the smoke detectors meet the requirements of the Fire Administration Authorization Act of 1992?
 - In units occupied by the hearing impaired, is there an alarm system connected to the smoke detector?

5. All Secondary Rooms (not used for living, such as a laundry room)

- ☐ Can the windows and doors that are accessible from the outside be locked?
- ☐ Are all rooms free of electrical hazards?

6. Building Exterior

- ☐ Is the foundation sound and free of hazards?
- ☐ Are all the exterior stairs, rails, and porches sound and free of hazards?
- ☐ Are the roof, gutters, and downspouts sound and free of hazards?
- ☐ Are exterior surfaces sound and free of hazards?
- ☐ Is the chimney sound and free of hazards?
- ☐ If the unit is a manufactured home, is it properly placed and tied down?

7. 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 of unvented fuel-burning space heaters and other unsafe heating conditions?
- ☐ Do the windows allow for adequate ventilation and cooling, or is there a working cooling system?
- ☐ Is the water heater safely located, equipped, and installed?
- ☐ Is the unit served by an approved public or private sanitary water supply?
- ☐ Is the plumbing free of major leaks or corrosion that causes serious and persistent levels of rust or contamination in the drinking water?
- ☐ Is the plumbing connected to an approved public or private disposal system, and is it free of sewer back-up?

8. General Health and Safety

- ☐ Can the unit be entered without having to go through another unit?
- ☐ Is there an alternative fire exit from the building that is not blocked and that meets local or state regulations as an acceptable exit?
- ☐ Is the unit free of rats and severe infestations of mice or vermin?
- ☐ Is the unit free of 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 approved by a local agency?
- ☐ Are interior stairs and common halls free of hazards (e.g. inadequate lighting, missing or insecure railings, and loose, broken, or missing steps)?
- ☐ If local practice requires it, do all elevators have a current inspection certificate?
 - If local practice does not require a current inspection certificate, Are all elevators working and safe?
- ☐ Is the unit free of abnormally high levels of air pollution from vehicular exhaust?
- ☐ Are the site and immediate neighborhood free of conditions that would seriously and continuously endanger the health or safety of the residents?
- ☐ Are painted surfaces free of defective paint or adequately treated?
 - Of special concern is potential lead poisoning of children under six years of age.
 - Dwelling units constructed before 1978 will be visually inspected by the HQS inspector.

Most Common Fail Conditions

- Nonfunctional smoke detectors
- Missing or cracked electrical outlet cover plates
- No railings where required
- Peeling exterior and interior paint
- Tripping hazards caused by permanently installed floor coverings (carpets/vinyl)
- Cracked or broken windowpanes
- Inoperable stove burners or range hoods
- Missing burner control knobs
- Inoperable bathroom fans or no ventilation in bathroom
- Leaking faucets or plumbing
- No temperature/pressure-relief valve on water heaters.

Making Repairs Promptly

If your rental unit does not pass the initial HQS inspection, you will be notified in writing of any items that failed and given a reasonable time to make repairs. When the repairs are complete, the PHA will verify that they have been made.

- Until the unit passes inspection and the participant family has taken occupancy, the PHA is not responsible for any payments.
- If the family moves in before the unit has passed inspection, they are solely responsible for the full amount of the monthly rent.

Unit Rent Determinations

Rent Reasonableness

At the time of the HQS 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.

Although there are no HUD “ceilings” on the rents charged in the HCV program, HUD requires that PHAs determine whether rents are reasonable and comparable to those charged for similar unassisted units.

The PHA bases the determination of rent reasonableness and comparability on the HQS inspection report and rental market information.

PHA Disapproval of Tenancies

If the family chooses a unit with a **gross rent** greater than the payment standard and their share exceeds 40% of their **monthly-adjusted income**, the PHA is not permitted to approve tenancy.

PHA Disapproval of Owner

The PHA **must** disapprove a unit for any of the reasons:

- 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 HCV participant family attempting to rent, unless approving the unit would provide reasonable accommodation for a person with disabilities.

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

- The owner has violated obligations under a HAP Contract.
- The owner has committed fraud, bribery, or any other corrupt or criminal act in a connection with any HUD program.
- The owner has engaged in *drug-related* or *violent criminal activity*.
- The owner has a history or practice of noncompliance with Housing Quality Standards for units leased under the HCV program.
- The owner has a history or practice of failing to terminate the leases of tenants of units assisted under HCV program or any other HUD program for activity by the tenants, household members, or guests that:
 - Threatens the right to peaceful enjoyment of the premises by other residents
 - Threatens the health or safety of other residents or PHA employees.
 - Threatens the health, safety, or right to peaceful enjoyment of their premises by residents in the immediate vicinity.
 - Engage in drug-related 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

If the unit meets the program requirements and HQS requirements, and the tenancy can be approved, you will enter into a (HAP) Contract with the PHA and sign a lease with the HCV participant family.

Step 5: Housing Assistance Payments Made

After the HAP contract and lease are signed and the tenancy has been approved, the PHA makes the initial HAP payment to the owner and continues to make monthly payments on or about the first of each month as long as the following conditions are met:

- The unit meets HQS.
- The tenant is eligible for assistance
- The tenant resides in the unit.
- The owner is in compliance with the contract.

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

Family Payments to Owner

The family is responsible for paying the difference between the PHA's payment amount and the total rent to owner for the unit. It is your responsibility to collect the **family rent to owner**.

HUD Required Annual Activities

There are two HUD-required annual activities:

- *Recertification* of family income and household composition
- *HQS Inspection*

Recertification of Family

Each family is required to provide information about total family income, allowable deductions from income, and household composition at least once a year to the PHA for recertification.

If a family's income has increased or decreased, the amount of the family's payment to the owner will change, but the total amount received by the owner (from both the family and the PHA) will be the same.

Changes in Payments

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

If a family fails to cooperate in the recertification process, the result will be loss of rental assistance. The PHA will notify you if the family's rental assistance is being terminated. The PHA will not make a housing assistance payment to the owner for any month after the month in which the family moves out.

Annual Inspection of Units

Every unit must be inspected by the PHA for HQS compliance at least once a year. The PHA will provide advance written notice to you and family of the date and time of the annual HQS inspection. Written notice of the inspection's results will also be given..

If the unit does not pass the inspection, a reasonable time will be given to make repairs.

The family is responsible for the repair of any tenant-caused damage 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 HQS during the entire term of the HAP Contract. At any time that it is determined the unit does not meet HQS, the PHA will notify you in writing and provide a reasonable time for repairs.

If the repairs are not made within that time, the PHA is required to abate payments for the unit. Although the family will still be responsible for its share of the rent if the PHA abates payments, the conscientious owner will monitor the condition of the unit and make repairs promptly.

HCV Program Rent Increases

You may increase the rent after the initial term of the lease with a 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's policy on rent increase in the HCV program.

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

Other Changes in the Lease

If you and the family agree to any changes in the lease, the changes must be in writing, and the owner must immediately give the PHA a copy of the changes. Some changes in the lease will not require a new lease or HAP Contract, however, the following changes *always* require the owner and tenant to request PHA approval of a new tenancy:

- ρ Any changes in lease requirements governing tenant or owner responsibilities for utilities or appliances.
- ρ Any changes in the term of the lease.
- ρ Any moves from one unit to another (including moves to a different unit within the same building or complex).

If the PHA approves the new tenancy, a new lease and HAP Contract will be required.

Family Obligations to Owner

The family obligations to the owner are contained in the lease agreement. Make sure that as part of your tenant selection process, you review the lease agreement carefully with the family.

Families are obligated to pay its portion of the rent to you on time and in accordance with the terms of the lease and to take care of the unit.

Generally, you are required to make repairs and provide routine maintenance, but the family also bears some responsibility for ensuring that the unit passes the annual HQS inspection.

☒ Utilities

If the family is required to provide any utilities (such as electricity, gas, or water), it must keep them in service. If it fails to do so, the unit will not meet HQS. If it fails to do so, the unit will not meet HQS. In that case, the family will be given a short time to get the utilities back in service.

☒ Appliances

The family is required to supply and maintain any appliances not provided by the owner (such as a stove or refrigerator).

☒ Damages

The family is responsible for repairing any tenant-caused damages to the unit or premises beyond normal wear and tear, even if they are caused by a guest of the family. If the family does not fulfill its obligations for the repair of damages as stated in the lease, its assistance must be terminated.

Family Obligations to PHA

HCV families are required by HUD to comply with numerous obligations, which are listed on the family's voucher. Obligations such as:

☒ Required Information

Supplying any information that the PHA or HUD deems necessary for the administration of the program, certification, or recertification.

☒ Social Security Numbers

Disclosing social security numbers and signing and submitting consent forms allowing the PHA to obtain information.

☒ HQS Violations

Resolving any HQS violations caused by any of its household members or any of their guests.

☒ Unit Inspections

Allowing unit inspections by the PHA at reasonable times and after reasonable notice.

☒ Moving

Notifying the owner and the PHA in writing before moving out of the unit or terminating the lease.

☒ Only Residence

Using the unit primarily as a residence and as the family's only residence.

☒ Changes in family composition

Notifying the PHA of any changes in family composition or size.

☒ Sublease

Not subleasing, assigning, or transferring the unit to anyone else.

☒ Time Away from Unit

Notifying the PHA in writing when the family intends to be away from the unit for any extended period of time.

☒ **Lease Violations**

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

☒ **Eviction**

The family and/or owner must promptly give PHA a copy of any eviction notice they receive from the owner.

☒ **Double Subsidy**

The family may not receive HCV assistance while receiving another subsidy for the same unit or a different unit under any other federal, state, or local housing assistance program.

☒ **Profit-Making Activities**

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

☒ **Assigning or Transferring**

The family may *not* assign the lease or transfer the unit to anyone else.

☒ **Absences**

The family must supply any information or certification requested by PHA for the purpose of verifying that the family is actually living in the unit.

☒ **Ownership of Interest**

The family may *not* own or have any ownership interest in the unit.

Corruption

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

Crime

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

Other Housing Assistance

The 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 other federal, state, or local housing assistance program.

Alcohol or Substance Abuse

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

Owner and PHA Communication

Since many family obligations involve the owner, communication between you and the PHA is vital to the success of the HCV program. For example, if you intend to evict a 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 has been violated.

Owner Obligations to Family

Owners that participate in the HCV program have obligations to both participant families and the PHA.

Nondiscrimination Compliance

All rental property owners (unless meeting narrow exceptions under federal law) are subject to the Fair Housing Amendments Act of 1988, as well as federal civil rights laws, and local fair housing laws that prohibit discrimination in housing.

Under both federal and local fair housing laws, a landlord may not discriminate on the basis of race, color, sex, religion, disability (also called "handicap"), national origin, familial status (meaning, having children), and age.

Violations of fair housing, civil rights, and nondiscrimination laws will result in denial or termination of participation in the HCV Program and could result in civil penalties.

It is in your best interest as an owner to use the same methods of screening and selection for all renters and to keep complete documentation. At your request, the PHA can give you additional information about fair housing and nondiscrimination requirements.

Reasonable Accommodations and Modifications

An owner cannot discriminate against a person with disabilities or a disabled family and should be aware of his or her obligation under federal law to make **reasonable accommodations** in rental policies to allow equal access to housing.

Owners also have obligations to allow **reasonable modifications** to a rental unit and common space areas for a person with disabilities at the individual's or family's expense. These reasonable modifications are required in the private rental market by the Fair Housing Act.

Notify the PHA if you have, or know of another owner who has, units with accessibility features for persons with disabilities.

Owner Obligations to the PHA

Common Owner Violations

Most owners who participate in the HCV Program comply with the program rules and the terms of the HAP Contract, but occasionally some do not.

If an owner violates the rules, he or she becomes subject to administrative or other, more severe sanctions. The PHA goal is to prevent any embarrassment or expense that may result from owner violations by making sure that the program rules are understood. Below are some common owner violations.

Failing to Maintain a Unit

The owner is responsible for the normal maintenance and upkeep of a unit. Repairs you are responsible for should be made in a timely manner.

Accepting Payments for a Vacant Unit

If a family moves in violation of its lease, you must notify the PHA immediately and do not accept a payment for a vacant unit.

Demanding or Accepting Side Payments

The PHA determines the amount a family pays for rent. Any additional payments must be approved by the PHA.

Change of Ownership

As a provision of the HAP contract, you may not assign the HAP contract to a new owner without the prior written consent of the PHA. You must 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 before moving from the unit.

Termination of Tenancy by Owner

During the initial term and any extension term of the lease, the owner may terminate tenancy in accordance with the lease and HUD requirements.

- 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 in connection with occupancy or use of unit and premises.
- Criminal activity:
 - Includes any illegal activity that threatens the health, safety, or right to peaceful enjoyment by other residents or persons residing in the immediate vicinity of the premises.
 - Any drug-related criminal activity, non drug-related criminal activity, or violent criminal activity on or near the premises, whether or not the person has been arrested or convicted for the particular activity, as long as the owner determines that the tenant has engaged in the activity.
- Alcohol abuse that threatens the health, safety, or right to peaceful enjoyment by other residents or persons residing in the immediate vicinity of the premises.
- “Good cause”
 - This must be for something the family did or failed to do.
 - Examples include disturbing neighbors, destruction of property, or habits that cause damage to the unit.

After the initial term, other good cause includes:

- ☐ Failure by the family to accept the offer of a new or revised lease.
- ☐ The owner's desire to use the unit for personal or family use or for a purpose other than as a residential unit.
- ☐ Business or economic reasons, such as the sale of the property, renovation of the unit, or a desire to lease the unit at a higher rent.

Termination Restrictions

An owner cannot terminate tenancy because the PHA doesn't make a housing assistance payment or if the payment is late. The PHA is, however, held responsible for payments to the owner through the HAP contract.

VAWA

Additionally, in certain circumstances, an owner's right to terminate tenancy is limited by the **Violence Against Women Act (VAWA)**. The PHA will provide notice to owners of their rights and obligations under VAWA, as well as to HCV families.

Under VAWA, which is a gender-neutral law, owners may not consider actual or threatened **domestic violence, dating violence, or stalking** as a cause for terminating the tenancy or occupancy of the victim.

This means an owner cannot consider such violence or stalking to be:

- ☐ A serious or repeated violation of the lease by the victim.
- ☐ Other good cause for terminating the tenancy or occupancy rights of the victim.
- ☐ Criminal activity justifying the termination of the tenancy of the victim.

However, an owner or manager does retain the authority to terminate tenancy of a victim if:

- ☐ The termination is for a lease violation that is premised on something other than an act of domestic violence, dating violence, or stalking against the victim and the owner is holding the victim to a standard to which other tenants are held.
- ☐ It can be demonstrated that an actual and imminent threat exists to other tenant (or those employed at or providing service to the property) if the tenancy of the victim is not terminated.

VAWA does **not** provide these same protections to the perpetrator of the domestic violence, dating violence, or stalking.

Notwithstanding any laws to the contrary, an owner or manager may bifurcate a lease, or divide it into two parts, to remove the perpetrator from the lease while allowing the victim to maintain housing and not be penalized.

The perpetrator can be removed from the lease, regardless of whether he or she is a signatory to a lease.

Many cities and states also have additional protections for victims of domestic violence under local fair housing laws, which obligate owners to allow victims to obtain and maintain housing.

Owner Notice to Terminate Tenancy

The owner may only evict a tenant by instituting a court action. The owner's decisions and actions regarding termination of tenancy must not be contrary to fair housing and civil rights laws.

The owner must give the tenant a written notice of the grounds for termination of tenancy at or before the commencement of the eviction action. This notice is a notice to vacate, or a complaint or pleading used under state or local law to start an eviction action.

The notice may be included in or combined with any eviction notice given to the family. HUD requires the owner to give a copy of both notices to the PHA.

Termination of Tenancy by the PHA

A family's assistance can be terminated by a PHA for various reasons, including if a family fails to fulfill their obligations under the program or if they seriously or repeatedly violates the lease. If the PHA terminates program assistance to a family, the PHA will provide the owner with advance written notice of termination of assistance, and the HAP contract for the family will terminate automatically.

HAP Contract Termination

The HAP contract runs concurrently with the lease and terminates automatically when the lease terminates. It may also end 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.

Owner Breach of Contract

The PHA also has the right to terminate tenancy if it determines that an owner has committed a breach of the HAP contract. Any of the following activities by owners will be considered a breach of contract:

- ☐ Violating the terms of any HAP Contract
- ☐ Failing to fulfill any owner obligations under the HAP Contract, including HQS.
- ☐ Committing fraud, bribery, or any other corrupt or criminal act involving a federal housing program.
- ☐ Failing to comply with or committing fraud, bribery, or any other corrupt or criminal act in connection with a mortgage insured or a loan made by HUD.
- ☐ Engaging in any drug-related criminal activity.
- ☐ Engaging in any violent criminal activity.

A Final Note

Information and cooperation are two key ingredients to developing a rewarding relationship with a PHA and family in leasing your rental unit. With the help of this handbook and your PHA representative, you are sure to be a successful owner in the HCV program!

Successful Owners.....

- ☐ Carefully screen families and select good tenants
- ☐ Offer decent, safe, and sanitary units to HCV families
- ☐ Prepare the unit for HQS inspections
- ☐ Collect rent on time
- ☐ Comply with the HAP contract and tenancy addendum
- ☐ Enforce the lease
- ☐ Make prompt repairs to units
- ☐ Maintain the quality of units
- ☐ Keep units occupied
- ☐ Work with the PHA to resolve problems