# THE LANDLORD'S GUIDE

# **TO THE SECTION 8**

# **HOUSING CHOICE**

# **VOUCHER PROGRAM**

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### Introduction

# Goal of the Section 8 Housing Program

This guidebook has been prepared in appreciation of your interest in participating in the Section 8 Housing Choice Voucher Program. If you are a rental property owner or manager, this handbook will assist you in understanding how the program works.

As a public service agency, the Franklin County Housing Authority's goal is to provide excellent service to the families and owners participating in the Section 8 Program. We 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.

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

We recognize that your satisfaction and participation are essential to the success of this program in Franklin County.

The Section 8 staff looks forward to working with you; and if you have any questions or if problems should occur, please contact us.

# What the Program is and How it Works

The Section 8 Housing Choice Voucher Program is a three-way partnership among the Housing Authority, the tenant, and the owner or landlord of the housing unit (you). It is a new and different way to help low to moderate income families rent housing in good condition. It provides for direct monthly payments to the Landlord on behalf of qualified Tenants to cover part of the rent. Families do not have to live in a certain place, they can stay where they are living now or move anywhere in Franklin County.

## In order for the program to work, we 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 Housing Voucher
- 4. Approve the unit, the owner, and the lease.
- 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.

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

- 1. Screen families who apply to determine if they will be good renters. Franklin County Housing Authority can supply you with the current and previous address if provided with a release of information. The Housing Authority cannot provide additional information pertaining to a tenant's performance as a renter.
- 2. Comply with fair housing laws, and not discriminate against any family.

- 3. Maintain the housing unit by making necessary repairs in a timely manner.
- 4. Comply with the terms of the Housing Assistance Contract with the Franklin County Housing Authority.
- 5. Collect the rent due by the tenant and otherwise enforce the lease.

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

- 1. Provide us 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 Franklin County Housing Authority.
- 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 Housing Choice Voucher.

# Becoming a Participating Landlord

# Steps for Interested Owners:

**1. Finding a Tenant** – When a family is determined to be eligible for the program as funding is available, we will issue the family a Housing Voucher. The family receives the Voucher at the tenant briefing. They then begin looking for a unit.

If you wish, we will give your name and general information about the rental unit to families who have been issued a voucher.

Any interested families will then contact you for an appointment to see your housing unit. We will not steer families to specific owners or rental units, but we 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.

**2. Owner Approves Tenant** – Even though a family is determined by us to be eligible for the program, the owner must approve the family as a suitable renter. You, therefore, should use the same diligence in screening a Section 8 potential tenant as you would with any other tenant.

Make sure that your tenant selection standards are based on objective, business-related considerations 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 renter or not. Tenant selection must not be based upon race, color, age, religion, sex, familial status, disabilities or any other discriminatory factors.

The Franklin County Housing Authority (FCHA) does not screen families for their suitability as renters, that is the job of the owner.

The FCHA knows that the owner has approved the family when a Request for Lease Approval form is submitted.

**3. Security Deposits** – If you require a Security deposit, the amount shall not exceed one month's rent.

If a Tenant moves without owing any payments to you, the Security Deposit must be refunded, including any interest that the Deposit may have earned.

**4.** Franklin County Housing Authority approves lease and unit: - After a family finds a suitable housing unit and the owner approves the family, we need to determine if the unit qualifies for the Section 8 Program. This includes a Housing Quality Standards inspection.

**5.** Contract and Lease signed – If the lease and unit meet the program requirements, we will enter into a Housing Assistance Payment Contract with the owner, and the family will enter into a lease with the owner.

The program requires that you and the family agree to the terms of a Lease and submit it to us for review and approval.

You may use your own Lease provided it meets program requirements, or you may use a HUD-approved Lease furnished by the FCHA which contains all the provisions necessary for program compliance.

If you wish to use your own Lease, the Section 8 staff will go over the Lease to ensure that it meets the program requirements.

In either case, we will make every effort to satisfy your leasing requirements within the program guidelines.

The Lease must be for a term of at least one year with an automatic renewal date. (However, if you and that family agree, it may contain a provision permitting termination upon 30 days advance written notice by either party.)

**6. Housing Assistance Payments made** – After the HAP Contract and lease are signed, the FCHA makes the initial HAP payment and continues to made monthly payments to the owner as long as the family continues to meet eligibility criteria and the housing unit qualifies under the program.

The Housing Assistance Payments Contract is a legal agreement between you and the Housing Authority. It outlines your rights and responsibilities as a participant in the Section 8 Program.

# The Franklin County Housing Authority Approves Unit

On receipt and review of the Request for Lease Approval, we will notify you and the 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, we will prepare the necessary paperwork, and tenant assistance will begin.

## **Unit Rent Determinations**

At the time Franklin County Housing Authority receives the completed Request for Tenancy approval we will evaluate 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. This is calculated based on the information provided on the Request for Tenancy approval.

# Housing Quality Standards (HQS)

Before we 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 HQS.

# 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, we will re-inspect the unit. The FCHA 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.

Thereafter, someone from the Authority will inspect the unit once a year to ensure that it continues to meet program requirements.

## Lead Based Paint

HUD is now requiring all Housing Authority's to check for lead base paint in any units that were built prior to 1978 and have at lease one child that is under the age of 6.

If our FCHA inspector finds any peeling or chipping paint then you will have to take corrective measures to stabilize the paint. This will include clearance testing and the

use of certified personnel or other similar specialized lead hazard control practices and procedures when the following conditions exist:

- 1. Two square feet or more of deteriorated lead based paint in any given room;
- 2. Twenty square feet or more of deteriorated exterior lead based paint; and
- 3. Ten percent or more of the total surface area of an interior or exterior type of component consisting of deteriorated lead based paint.

It would be to your best interest to check over your unit thoroughly for any peeling or chipping paint before the FCHA sends someone out to inspect your units.

## Most Common Fail Conditions

- 1. Non-functional smoke detectors
- 2. Missing or cracked electrical outlet cover plates
- 3. Railings not present where required
- 4. Peeling exterior and interior paint
- 5. Tripping hazards caused by permanently installed floor coverings (carpets/vinyl)
- 6. Cracked or broken window panes
- 7. Inoperable burners on stoves or inoperable range hoods
- 8. Missing burner control knobs
- 9. Inoperable bathroom fan/no ventilation
- 10. Leaking faucets or pluming
- 11. No temperature/pressure relief valve on water heaters
- 12. No GFCI outlets by a water source.

# The Franklin County Housing Authority Disapproval of Owners

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

- 1. The owner has violated obligations under a housing assistance payments contract.
- 2. The owner has committed fraud, bribery or any other corrupt or criminal act in connection with any HUD program.
- 3. The owner has engaged in drug trafficking.
- 4. The owner has a history or practice of non-compliance with the Housing Quality Standards for units leased under the program.
- 5. The owner has a history or practice of renting units that fail to meet State or local real estate taxes, fines, or assessments.

# Housing Assistance Payment to Owner

The FCHA will begin making payments to you after the unit has been approved and the Housing Assistance Payments Contract has been signed. We will direct deposit the payment by the fifth of each month. We will continue to make payments as long as:

- 1. The unit meets Housing Quality Standards
- 2. The tenant is eligible for assistance
- 3. The tenant resides in the unit
- 4. The owner is in compliance with the Contract

# Family Payments to Owner

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

# CHAPTER 5 Obligations

# **HUD-Required Annual Activities**

There are 3 HUD-required annual activities:

- 1. Re-certification of the family income and household composition
- 2. Inspection of the housing unit (completed bi-annually)
- 3. Annual adjustments to contract rents

# Re-certification of the Family

The FCHA is required to re-certify the family at lease annually. The family is required to furnish information to our office 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 contract rent that is paid by the family, but it does not affect the total amount received by the owner from both office and the family.

# Change in Payments

The FCHA 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 re-certification process, and it results in a loss of their rental assistance. We will notify the owner if the family's rental assistance is being terminated. The Housing Assistance Payment will cease 30 days following the month in which notice of termination of assistance is provided to the owner.

# Bi-Annual Inspection of the Unit

Every unit must be inspected by the FCHA at least bi-annually.

If the unit does not pass inspection, the owner will have 30 total days to make repairs.

The family is responsible for any repairs that are the result of damage 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 the 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, we will notify you in writing and provide a reasonable time period to make repairs. If the repairs are not made within that time period, we are required to abate payments. If a payment is abated, the tenant is still responsible only 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 first year of the lease, the owner may increase the rent with 60-day notice to the family and the FCHA. The proposed increase must be reasonable.

# Family Obligations to the Owner

Families are obligated to pay the rent on time and take care of the housing unit. 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.

- 1. 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 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 back into service.
- **2. Appliances** The family is required to supply and maintain any appliances that are not provided by the owner (such as stove or refrigerator).
- **3. 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 Franklin County Housing Authority

Families who participate in the Section 8 Program are required to comply with certain "Family Obligations". The list of Family Obligations is as follows:

- **1. Violation of the Lease** The family may not commit any serious or repeated violation of the lease.
- **2.** Family Notice of Move or Lease Termination The family must notify the FCHA and the owner before the family moves out of the unit, or terminates the lease on notice to the owner.
- **3.** Owner Eviction Notice The family must promptly give the FCHA a copy of any owner eviction notice.
- **4.** 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.
- **5. Approval of Family Members** The members of the family must be approved by the FCHA. The family must promptly inform the FCHA of the birth, adoption or court-awarded custody of a child. The family must request FCHA approval to add any other family members as an occupant of the unit.
- **6.** Foster Children A foster child or live-in aide may reside in the unit with approval of the FCHA.
- **7. Family Member Moves** The family must promptly notify the FCHA if a family member no longer resides in the unit.
- **8. 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 restriction.
- **9. Subleasing** The family must not sublease the unit.
- **10. Assigning or Transferring** The family must not assign the lease or transfer the unit.
- **11. Absence from the Unit** The family must supply any information or certification requested by the FCHA to verify that the family is living in the

- unit, or relating to family absences. The family must promptly notify the FCHA of absence from the unit.
- **12. 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.
- **13.** Crime by Family Members The members of the family may not engage in drug related criminal activity or violent criminal activity.

# Owner and Housing Agency Communication

Since many of these family obligations involve the owner, communication between the FCHA 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 FCHA can determine whether a family obligation was violated.

# Owner's Obligations to the Family

1. 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 no 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 renters and to keep complete documentation. At your request, the FCHA will furnish you with additional information pertaining to Fair Housing requirements.

2. Reasonable modification of the unit – Owners cannot discriminate against families with disabilities and should be aware of their obligation to make reasonable modification 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 FCHA if you have, or know of an owner who has, units accessible to persons with disabilities.

## Most Common Owner Violations

- 1. 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.
- **2. Accepting Payments for a Vacant Unit** If a family moves in violation of the lease, the owner must notify the FCHA immediately.
- **3. Demanding or Accepting Side Payments** The FCHA determines the amount of rent to be paid by the family for rent. Any additional payments or agreements must be approved by the FCHA.

## Contract Terminations

**1.** Contract and Lease Tied Together – The HAP contract is a contract between the owner and the FCHA. 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 the Franklin County Housing Authority's 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.

- **2. Breach of Contract** Any of the following actions by the owner will be considered a breach of the HAP Contract:
  - 1. Owner violates any obligation of the HAP contract, including HQS.
  - 2. Owner has committed fraud, bribery, or any other corrupt or criminal act involving a federal housing program.
- **3.** 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 FCHA. Therefore, it is necessary to notify the FCHA if you put the property on the market for sale.

### **Terminations**

# Termination of Tenancy by Family

The family may terminate tenancy after the first year of the lease. Terminations during the first year are allowed only if the owner agrees to release the family from the lease. The family must give the owner and the FCHA 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:

- 1. Serious or repeated violations of the terms and conditions of the lease.
- 2. Violations of Federal, State, or Local laws, which directly relate to the use or occupancy of the unit or premises.
- 3. Other good cause, which may include the following:
  - a. Failure by the family to accept the offer of a new lease or revision.
  - b. Family history of disturbance of neighbors, destruction of property, or living or housekeeping habits resulting in damage to the unit or premises.
  - c. The owner's desire to use the unit for personal or family use, or a purpose other than residential.
  - d. 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 first year 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 on or off 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 FCHA 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 the Franklin County Housing Authority

If the FCHA terminates assistance for the family, the HAP contract terminates automatically. The FCHA 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.

# CHAPTER 7 Program Benefits

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

# Owner Benefits

One of the reasons for the programs' 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 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 its resale value and also makes it a lot easier to lease up again when a family does move out.

## Family Benefits

The Section 8 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 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.

## A Final Note

Information and cooperation are two key ingredients to developing a rewarding relationship with the FCHA and Family in leasing your rental unit. With the help of this handbook and the Section 8 staff, you are sure to be among those in the Winner's Circle!

# **Good Luck!**