Landlord Guide to Housing Choice Voucher Program

This guide is designed to provide property owners and managers with information about participation in the Housing Choice Voucher Program.

Overview

The Housing Choice Voucher Program (HCV) is a federally regulated and funded program through the Department of Housing and Urban Development (HUD). The objective of the program is to help low to moderate income families rent housing that is in a decent, safe, and sanitary condition. The Program provides direct monthly payments to the property owner on behalf of the qualified family to cover a portion of the rent.

Herein, the owner and manager will be referred to as "Landlord" and the Garfield County Housing Authority will be referred to as "GCHA". The landlord will sign a Housing Assistance Payment (HAP) Contract with GCHA, in addition to a lease agreement with the tenant.

The family's contribution will be based on household income and family size. Families will pay approximately 30% of their monthly adjusted gross income.

How the Program Works

A family applies to the GCHA to participate in the program. "Family" as defined by HUD includes, but is not limited to the following, a single person, who may/may not be an elderly person, disabled person, or any other single person; or a group of persons residing together. Such groups include, but is not limited to a family with or without children, an elderly family, a near-elderly family, a disabled family, or the remaining member of a tenant family. The applicant family is placed on a waiting list. When there are openings, the family is contacted. Upon determination of eligibility they will be invited to a briefing. During the briefing information will be provided concerning program regulations and family responsibilities.

Upon the family's eligibility, they may find a unit to lease and discuss the program with the landlord, submit the Request for Tenancy Approval, W-9, and Disclosure of Lead-Based Paint, and the Landlord Obligation Form to the landlord to complete and return to GCHA. GCHA will determine if the unit will work within the allowable Maximum Rent for the family. If so, GCHA will schedule and conduct an inspection of the unit. After the unit has passed the inspection, GCHA will notify applicant and landlord of unit approval, and the HAP Contract will be executed. Assistance will begin on the effective date stated on the lease and HAP Contract.

Program Integrity

While most owners and landlords who participate in the HCV Program comply with the rules and the terms of the Housing Assistance Payment (HAP) Contract, occasionally some do not. The goal of GCHA is to prevent any misunderstanding that may result from the owner's violations by making sure that the program rules are understood.

Common Owner Violations

- 1. **Failure to maintain the unit-** The owner is responsible for normal maintenance and upkeep of the unit. Repairs should be made in a timely manner.
- 2. Accepting payments after a tenant vacates the units- if the family moves (leaves, dies) the owner must notify GCHA immediately and return all money receives after the family vacates the unit.
- 3. **Demanding or accepting side payments-**since GCHA determines the amount the family pays for rent, any additional payments must be approved by GCHA.
- 4. **Failure to collect tenant's share of rent-**The owner is responsible for collecting the tenant's portion of rent every month including any late fees that apply.

Tenant Selection and Screening

GCHA, BY PROVIDING HOUSING ASSISTANCE IN NO WAY WARRANTS A FAMILY'S SUITAB Is based on the occupancy guidelines established by HUD

ILITY AS A TENANT. As in the private market, it is the responsibility of the landlord to screen and approve a prospective tenant. GCHA strongly encourages all landlords to thoroughly "qualify" all prospective tenants.

***The Housing Authority can supply you with the current and previous address and landlord information.

The Payment Standard:

- ❖ The payment standard is based on occupancy guidelines established by HUD
- ❖ Based on the published payment standard, GCHA can set *fair market rent (FMR)* between 90% and 110% for the program and the area.
- Depends on the family composition and the bedroom size for the unit. For example the payment standard is higher for families requiring 3-bedroom units than for families requiring 1-bedroom units.

For families initially leasing a unit the family's share of rent cannot exceed 40% of the family's monthly adjusted income.

Security Deposits and last month's rent

Landlords may collect a security deposit that is not in excess of amounts collected for unassisted units. GCHA <u>does not</u> assist in paying for security deposits or last month's rent if required.

Inspection for Housing Quality Standards (HQS)

All assisted units will be inspected prior to occupancy and at bi-annual intervals to determine that they meet safe, decent and sanitary conditions as established by HUD. The following is a partial list of HQS requirement:

Living Room: An operable window, two electrical outlets, or one outlet and one

permanent light fixture.

Kitchen: Hot and cold running water, stove and refrigerator in operating condition,

adequate food preparation and storage space, one outlet and one

permanent fixture.

Bathrooms: An operable window or operating fan/vent, wash basin and tub or shower,

hot and cold running water.

Bedrooms: An operable window, two electrical outlets, or one outlet and one

permanent light fixture.

Heating/Plumbing: Proper ventilation for heating and cooling pressure relief valve and

discharge line on water heater, adequate plumbing and sewer

connections.

General: All exterior doors and windows must lock and be free from breaks, stairs

and halls free from hazards, no peeling or cracking lead based paint, and

no infestation. Must have working smoke detectors for each floor.

If the unit does not pass inspection, an appointment for re-inspection of the failing items will be necessary. The (HAP) Housing Assistance Contract cannot be executed and no payment will be made until the unit meets HQS. The landlord and tenant will be notified of the failed items in need of repair by the inspector once the inspection is complete.

Most common failed conditions are:

- Nonfunctional smoke detectors or carbon monoxide detector
- Missing or cracked electrical outlet covers or plates
- No safety or hand railings where required
- Severely cracked or broken window panes
- No locks on windows
- Leaking faucets or plumbing
- No temperature/pressure-relief valve on water heater or there is no discharge line on the water heater

The landlord must agree to maintain the property to continuously to meet (HQS) Housing Quality Standards during the term of the contract.

Lease Agreement and Housing Assistance Payment (HAP) Contract

The initial term of the lease must be for at least one (1) year. The HAP Contract is a legal agreement between the landlord and GCHA. It outlines the landlord's rights and responsibilities as a participant in the Housing Choice Voucher Program. The initial term of the HAP Contract must be the same term as the lease. Landlords or tenants who wish to terminate tenancy prior to lease expiration may do so by mutual consent and by following procedures in accordance with Colorado Law. All notices to your tenant must be sent to GCHA.

Tenant-Landlord Disputes

Despite the best of intentions, at times problems arise between landlords and tenants. As a Landlord you are entirely responsible for the management of your property and compliance/enforcement of your lease. GCHA can be of help only if we are kept informed. If a tenant violates the lease, the landlord should follow the same procedures as with other residents. Landlords who wish to evict should provide GCHA with copies of all legal notices and follow the eviction process as outlined in the HAP Contract and then proceed with eviction in accordance with Colorado Law.

Maintenance of Unit & Collection of Tenant's Share of Rent

The landlord is responsible to make regular inspections of the rental unit to insure the upkeep and maintenance of the premises meets the landlord's standards and expectations. GCHA is not responsible for the cost of any damages or unpaid rent.

The Tenant is solely responsible for payment of the tenant portion of rent. GCHA will not assume the obligation for the tenant's portion of the rent.

Final Paperwork

The following paperwork will be mailed to you, and needs to be returned with a copy of the signed lease. <u>All</u> paperwork must be executed prior to payment.

- 1. Housing Assistance Payment Contract-A
- 2. Housing Assistance Payment Contract-B
- 3. Housing Assistance Payment Contract-C Tenancy Addendum which must be attached to your lease.

*** Please see Sample Housing Assistance Payment (HAP) Contract.

Housing Assistance Payments

After the HAP Contract and lease are signed, GCHA makes the initial HAP payment and continues to make monthly payments to the owner as long as the family continues to meet eligibility criteria, resides in the unit and the housing unit qualified under the program.

GCHA will send the landlord and tenant a letter to verify the amount we will pay the landlord and the amount the tenant will pay monthly. If there are any changes, the landlord will continue to be updated by a letter.

Landlord Responsibilities

- Screen and select tenants according to owner's preferences.
 GCHA <u>DOES NOT</u> screen tenants.
- 2. Normal landlord functions during lease term, including maintenance, rent collection.

- 3. Comply with the Equal Opportunity Requirements, Fair Housing Laws and Violence Against Women's Act (VAWA).
- 4. Collect amounts due from tenants, as stated in the lease (rent, security deposits, and other tenant charges, etc.)
- 5. Enforce the lease.
- 6. Pay for owner supplied utilities and services.
- 7. Maintain the units to Housing Quality Standards. If the owner fails to do so, GCHA may terminate, suspend, hold or reduce the rental assistance payments, which cannot be collected from your tenant up to and including termination of the HAP Contract.
- 8. Comply with the HAP Contract.
- 9. Promptly provide copies of all notices given to your tenant including compliance, rent changes, and eviction, etc. to GCHA.

Understanding the Process: From Certification to Assistance under the Housing Choice Voucher Program

- 1. The applicant is interviewed to determine eligibility.
- 2. If determined eligible, the applicant is issued a voucher.
- 3. The voucher holder (applicant) is given 90 days to find appropriate housing. A 30 day extension is available under certain circumstances, such as a reasonable accommodation to accommodate a person's disability. All requested extensions are reviewed on a case by case basis.
- 4. The voucher holder is provided a copy of the voucher and a Request for Tenancy Approval (RFTA) with a cover letter for prospective landlords and a worksheet telling them how their rent was calculated and the maximum contract rent they can afford.
- 5. Tenant selection is an important part of the process for the landlord. The selected voucher holder provides the cover letter and RFTA to a prospective landlord. The prospective landlord and the tenant complete the RFTA, providing the following information:
 - > The address of the unit
 - ➤ The landlord's name
 - > The landlord's phone number
 - > The rent amount
 - A list of the utilities the tenant must pay in addition to rent
 - Completed lease, <u>but not dated or signed</u>
 - ➤ The Direct deposit form and W-9 Form. The landlord may provide these directly to GCHA if they do not wish to give the information to the tenant.
- 6. The tenant's housing specialist contacts the landlord for any additional information or if the rent is not reasonable or affordable to the tenant.
- 7. The Housing Inspector calls and sets an appointment to inspect the unit.
- 8. If the unit passes Housing Quality Standards, the Inspector reports to the housing specialist. IF the unit fails inspection, the landlord is notified of the Required Maintenance. The landlord can:
 - Make repairs required to bring the unit up to standards, or,
 - Not repair the unit (not participate in the program). IF the landlord chooses not to participate, the voucher holder still has the remainder of the 90 days to find another unit.
 - Assistance will not begin until the unit passes inspection.
- 9. The final documents (lease and HAP contract) are signed by the landlord and tenant.
- 10. The first payment is made on the next GCHA payment date.