

Section 8 Housing What You Need To Know

**By Mel Metts
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About the Author

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What are housing choice vouchers?

The housing choice voucher program (commonly known as Section 8) is the federal government's major program for assisting very low-income families, the elderly, and the disabled to afford decent, safe, and sanitary housing in the private market. Since housing assistance is provided on behalf of the family or individual, participants are able to find their own housing, including single-family homes, townhouses and apartments.

The participant is free to choose any housing that meets the requirements of the program and is not limited to units located in subsidized housing projects.

Housing choice vouchers are administered locally by public housing agencies(PHAs). The PHAs receive federal funds from the U.S. Department of Housing and Urban Development (HUD) to administer the voucher program.

A family that is issued a housing voucher is responsible for finding a suitable housing unit of the family's choice where the owner agrees to rent under the program. This unit may include the family's present residence. Rental units must meet minimum standards of health and safety, as determined by the PHA.

A housing subsidy is paid to the landlord directly by the PHA on behalf of the participating family. The family then pays the difference between the actual rent charged by the landlord and the amount subsidized by the program.

Under certain circumstances, if authorized by the PHA, a family may use its voucher to purchase a modest home (this program is not authorized by any of the three Lake County PHAs).

HOUSING AGENCIES IN LAKE COUNTY		
Lake County Housing Authority 33928 N. Rte. 45 Grayslake, IL 60030 Phone (847) 223-1170 Fax (847) 223-1174 http://lakecountyha.org/	North Chicago Housing Authority 1440 Jackson St. North Chicago, IL 60064 Phone (847)785-4300 Fax (847)785-4308	Waukegan Housing Authority 215 South Martin Luther King Waukegan, IL 60085 Phone (847) 244-8500 Fax (847) 244-8591 http://www.waukeganhousing.com/
Administers the Section 8 program for all Lake County housing outside Waukegan and North Chicago.	Operated by the City of North Chicago. Administers the Section 8 program for all housing within North Chicago city limits.	Operated by the City of Waukegan. Administers the Section 8 program for all housing within Waukegan city limits.
Profiles for each agency may be found online at https://pic.hud.gov/pic/haprofiles/haprofilelist.asp and in Appendix E.		

Should you accept Section 8 tenants?

Participation in the Housing Choice Voucher program is strictly voluntary. At present there is no law requiring you to accept Section 8 tenants in Lake County, but some Illinois legislators would like to see this changed. Virtually every year legislators submit bills under the guise of non-discrimination against a tenant’s “source of income” to force landlords to participate in the program. As of this date they have not succeeded.

Section 8 Pros and Cons

PROS	CONS
<p>Reliable rent. A large portion of the rent, and sometimes all of it, is guaranteed by the federal government.</p> <p>So, once the paperwork is processed, you’ll get the subsidy portion on time, every month.</p> <p>Also, assuming you screen your applicants responsibly, your tenants should be able to pay their portion on time since the amount is predetermined to be within their means.</p>	<p>The program is only as good as the Public Housing Authority who administers it.</p> <ul style="list-style-type: none"> • In Lake County, the North Chicago Housing Authority has a very poor reputation. • The Waukegan Housing Authority has a dubious reputation. • The Lake County Housing Authority has a good reputation.
<p>“Fair Market Rent.” HUD and local Public Housing Agencies work to ensure that vouchers are sufficient to help the tenant meet the cost of renting in the area. For landlords who are not aware that higher rents are more typical, it may be a pleasant surprise to</p>	<p>Participating in Section 8 requires the owner to agree to the terms of the Section 8 Tenancy Addendum which includes such clauses as:</p>

<p>discover that fair market rent is higher than you have been charging.</p> <p>Those who are charging rates comparable to other nearby rentals will receive similar amounts under Section 8.</p>	<ul style="list-style-type: none"> • If there is any conflict between the tenancy addendum and any other provisions of the lease, the language of the tenancy addendum shall control. • The composition of the household must be approved by the PHA. • During the term of the lease (including the initial term of the lease and any extension term), the rent to owner may at no time exceed: <ul style="list-style-type: none"> (1) The reasonable rent for the unit as most recently determined or redetermined by the PHA in accordance with HUD requirements, or (2) Rent charged by the owner for comparable unassisted units in the premises. <p><i>The PHA may arbitrarily reduce rents during the term of the tenancy if they determine the rent to exceed their rent-reasonableness standard.</i></p> <ul style="list-style-type: none"> • A PHA failure to pay the housing assistance payment to the owner is not a violation of the lease. The owner may not terminate the tenancy for nonpayment of the PHA housing assistance payment. • If the HAP contract terminates for any reason, the lease terminates automatically.
<p>Leverage. Tenants holding Section 8 vouchers know that if they are evicted they may lose their housing choice voucher. As a result, they can be brought into line more easily than some market-rate tenants.</p>	<p>PHAs assign a case worker who is responsible for a geographic area. Case workers are rotated on a regular basis. As soon as you become accustomed to working with a particular case worker, he/she is reassigned.</p>
<p>Landlord Verifications. Current and former landlord information can be obtained from the PHA (provided the tenant has been in the program long enough) aiding reference checks.</p>	

What tenants are eligible?

Eligibility for a housing voucher is determined by the PHA based on the total annual gross income and family size and is limited to US citizens and specified categories of non-citizens who have eligible immigration status. In general, the family's income may not exceed 50% of the median income for the county or metropolitan area in which the family chooses to live. By law, a PHA must provide 75 percent of its vouchers to applicants whose incomes do not exceed 30 percent of the area median income. Median income levels are published by HUD and vary by location. The PHA serving your community can provide you with the income limits for your area and family size.

During the application process, the PHA will collect information on family income, assets, and family composition. The PHA will verify this information with other local agencies, tenant's employer and bank, and will use the information to determine program eligibility and the amount of the housing assistance payment

If the PHA determines that the family is eligible, the PHA will put their name on a waiting list, unless it is able to assist them immediately. Once their name is reached on the waiting list, the PHA will contact them and issue a housing voucher.

How to apply

Applicants must contact the local PHA. For further assistance, contact the nearest HUD Office.

Local preferences and waiting list - what are they and how do they affect an applicant?

Since the demand for housing assistance often exceeds the limited resources available to HUD and the local housing agencies, long waiting periods are common. In fact, a PHA may close its waiting list when it has more families on the list than can be assisted in the near future.

PHAs may establish local preferences for selecting applicants from its waiting list. For example, PHAs may give a preference to a family who is (1) homeless or living in substandard housing, (2) paying more than 50% of its income for rent, or (3) involuntarily displaced. Families who qualify for any such local preferences move ahead of other families on the list who do not qualify for any preference. Each PHA has the discretion to establish local preferences to reflect the housing needs and priorities of its particular community.

Housing vouchers - how do they function?

The housing choice voucher program places the choice of housing in the hands of the individual family. A very low-income family selected by the PHA to participate is encouraged to consider several housing choices to secure the best housing for the family needs. A housing voucher holder is advised of the unit size for which it is eligible based on family size and composition.

The housing unit selected by the family must meet an acceptable level of health and safety before the PHA can approve the unit. When the voucher holder finds a unit that it wishes to occupy and reaches an agreement with the landlord over the lease terms, the PHA must inspect the dwelling and determine that the rent requested is reasonable. See Appendix B for Housing Quality Standards.

The PHA determines a payment standard that is the amount generally needed to rent a moderately- priced dwelling unit in the local housing market and that is used to calculate the amount of housing assistance a family will receive. However the payment standard does not limit and does not affect the amount of rent a landlord may charge or the family may pay. A family which receives a housing voucher can select a unit with a rent that is below or above the payment standard. The housing voucher family must pay 30% of its monthly adjusted gross income for rent and utilities, and if the unit rent is greater than the payment standard the family is required to pay the additional amount. By law, whenever a family moves to a new unit where the rent exceeds the payment standard, the family may not pay more than 40 percent of its adjusted monthly income for rent.

The rent subsidy

The PHA calculates the maximum amount of housing assistance allowable. The maximum housing assistance is generally the lesser of the payment standard minus 30% of the family's monthly adjusted income or the gross rent for the unit minus 30% of monthly adjusted income

Can a tenant move and continue to receive housing choice voucher assistance?

A family's housing needs change over time with changes in family size, job location, and for other reasons. The housing choice voucher program is designed to allow families to move without the loss of housing assistance. Moves are permissible as long as the family notifies the PHA ahead of time, terminates its existing lease within the lease provisions, and finds acceptable alternate housing.

Under the voucher program, new voucher-holders may choose a unit anywhere in the United States if the family lived in the jurisdiction of the PHA issuing the voucher when the family applied for assistance. *Those new voucher-holders not living in the jurisdiction of the PHA at the time the family applied for housing assistance must initially lease a unit within that jurisdiction for the first twelve months of assistance.* A family that wishes to move to another PHA's jurisdiction must consult with the PHA that currently administers its housing assistance to verify the procedures for moving. When a qualifying family transfers to a different PHA jurisdiction, their rental assistance payment is administered by the new PHA but funded by the original PHA.

Roles - the tenant, the landlord, the housing agency and HUD

Once a PHA approves an eligible family's housing unit, the family and the landlord sign a lease and, at the same time, the landlord and the PHA sign a housing assistance payments contract that runs for the same term as the lease. This means that everyone — tenant, landlord and PHA — has obligations and responsibilities under the voucher program.

Tenant's Obligations: When a family selects a housing unit, and the PHA approves the unit and lease, the family signs a lease with the landlord for at least one year. The tenant may be required to pay a security deposit to the landlord. After the first year the landlord may initiate a new lease or allow the family to remain in the unit on a month-to-month lease.

When the family is settled in a new home, the family is expected to comply with the lease and the program requirements, pay its share of rent on time, maintain the unit in good condition and notify the PHA of any changes in income or family composition.

Landlord's Obligations: The role of the landlord in the voucher program is to provide decent, safe, and sanitary housing to a tenant at a reasonable rent. The dwelling unit must pass the program's housing quality standards and be maintained up to those standards as long as the owner receives housing assistance payments. In addition, the

landlord is expected to provide the services agreed to as part of the lease signed with the tenant and the contract signed with the PHA.

Housing Authority's Obligations: The PHA administers the voucher program locally. The PHA provides a family with the housing assistance that enables the family to seek out suitable housing and the PHA enters into a contract with the landlord to provide housing assistance payments on behalf of the family. If the landlord fails to meet the owner's obligations under the lease, the PHA has the right to terminate assistance payments. The PHA must reexamine the family's income and composition at least annually and must inspect each unit at least annually to ensure that it meets minimum housing quality standards.

HUD's Role: To cover the cost of the program, HUD provides funds to allow PHAs to make housing assistance payments on behalf of the families. HUD also pays the PHA a fee for the costs of administering the program. When additional funds become available to assist new families, HUD invites PHAs to submit applications for funds for additional housing vouchers. Applications are then reviewed and funds awarded to the selected PHAs on a competitive basis. HUD monitors PHA administration of the program to ensure program rules are properly followed.

Additional Information and other subsidy programs

For additional information about the voucher program, contact either the local PHA serving your community or the Office of Public Housing within your local HUD office. There may be a long wait for assistance under the housing voucher program. If the PHA also administers the public housing program, applicants for the housing choice voucher program may also ask to be placed on the waiting list for the public housing program. HUD also administers other subsidized programs and you may obtain a list of programs in your area from the Office of Housing at your local HUD office.

What regulations cover this program?

Regulations are found in 24 CFR Part 982. The Housing Choice Voucher Program Guidebook (7420.10g) is available online at <http://www.hud.gov/offices/pih/programs/hcv/forms/guidebook.cfm>.

Citizenship Status

Limits on Assistance to Non-Citizens

Eligibility for federal housing assistance is limited to U.S. citizens and applicants who have eligible immigration status. Persons claiming eligible immigration status must present appropriate immigration documents, which must be verified by the PHA through the Immigration and Naturalization Service (INS).

Families that include members who are citizens or have eligible immigration status and members who do not have eligible immigration status (or elect not to state that they have eligibility status) are referred to as "mixed families."

A mixed family is eligible for prorated assistance. Prorated assistance is a calculation of subsidy based on the number of members who are citizens or have eligible immigration status.

Owner's steps to renting a home using the Housing Choice Voucher

You may require the normal security deposit from Section 8 renters. Years ago, HUD was responsible for tenant damages; this is no longer the case.

You may contact the PHA with information about your rental, to be added to the list of participating landlords. The list is provided to voucher holders who are seeking housing.

1. An applicant who is approved for a Section 8 Voucher will apply for your rental unit. You must screen him/her as you would any other applicant. You may contact the Housing Authority for information, which will be limited to the applicant's current and former landlord (if the applicant is already in the program). This information will help you determine if the applicant is being honest with you, and may assist your efforts to contact current and prior landlords.

Section 8 won't pay for illegal immigrants

Landlord rented house for \$1,045 to mother and three children and signed Section 8 HAP contract.

One month after the family moved in, Section 8 discovered the mother was an undocumented immigrant. The children are legal, though.

Section 8 notified landlord that his HAP assistance payment will be reduced to \$750 since they may only provide housing assistance for legal US residents.

Moral: If you accept a Section 8 tenant, do whatever is necessary to ensure the tenants are legal US residents. Don't rely on Section 8 to make this determination.

2. Once you approve an applicant, the applicant will provide you with a partially completed "Request for Tenancy Approval." You must complete this form and deliver it to the appropriate Housing Authority. You will be contacted by the applicant's *case worker* to schedule a unit inspection. The inspection focuses on habitability issues. The inspector will check to ensure there is no peeling paint, no broken windows and no damaged/missing insect screens. All ground-level windows must lock. The smoke and carbon monoxide detectors must be in working order and there must be no plumbing drips or leaks. In addition, the inspector will test electrical outlets for proper function.

Case workers are assigned by geographic area and are frequently rotated.

If your municipality requires rental unit inspections, the PHA will not approve your unit until it has passed the municipal and the PHA inspection.

3. After the unit passes inspection, you will be given documents to sign (Lease Addendum, Appendix C) and you can collect the security deposit and move the tenant in. The Housing Authority will ensure that you are not charging the Section 8 tenant a higher rental amount than that charged for market tenants, and you must certify this to be true. That said, you cannot expect rent increases at lease renewal, so be sure to charge top dollar at the beginning or you'll quickly fall behind a rising market.

The Housing Authority will provide a lease if you'd like them to. Usually you may use your own lease form, but it must contain additional language:

- 1) "Section 8 Addendum and Request for Lease Approval attached and incorporated herein."
 - 2) "After the first year, this Agreement may be terminated by either party by thirty (30) days written notice."
- ...or...
"After initial term of one year lease is renewable yearly."

You must be diligent about housekeeping and habitability. If your unit fails any inspection your HAP payments will be suspended.

Change in ownership

Owners wishing to change ownership must supply all information as requested by the PHA, and the owner must receive written consent of the PHA prior to assigning a HAP contract to a new owner. The requirements related to owner approvals also apply to changes in ownership.

The new owner must agree to be bound by and comply with the HAP contract. In addition, the agreement between the new owner and the former owner must be in a form the PHA accepts. The new owner must give the PHA a copy of the executed agreement.

The PHA should require that the agreement between the new owner and former owner be in writing. Oftentimes the actual sales contract will specify whether or not the assisted tenancy is to be dissolved upon change of ownership. If the assisted tenancy continues, the PHA should require that the new owner submit to the PHA a copy of its W-9 Form for tax purposes.

Misconceptions

Public Housing Agencies prescreen their participants along the same guidelines that a landlord should use.

False. The PHA screens primarily for program eligibility (essentially income level). It is up to the landlord to screen tenants — make sure they can pay the remainder of the rent, check their rental record through previous landlords, and run all other checks the same way you would with a private renter. You are not only legally permitted to, you are expected to. Screening applicants, subsidized or not, is both your right and your responsibility: you are entitled to turn down Section 8 applicants who do not meet your screening criteria and accept those who do. Even guaranteed rent is not worth it if drug-dealing tenants move in. As one program manager put it, “For landlords the message is simple. If you screen your tenants, Section 8 is a very good program.”

Landlords who rent to Section 8 tenants must use the Public Housing Agency’s model lease.

False. Revised HUD guidelines are designed to make it easier for the landlord to use the same lease that is used for nonsubsidized tenants. However, the landlord will be required to use an approved lease addendum, provided by the local housing agency, that adds to and/or modifies some of the conditions of the lease that the landlord typically uses with nonsubsidized tenants.

Note also that the lease addendum and model leases provided by Public Housing Agencies are written to match HUD’s requirements and won’t necessarily include all provisions you are accustomed to using. It is therefore important to be aware of differences between the conditions of your Section 8 lease and/or lease addendum and the conditions under which you typically rent to non-subsidized tenants.

Tenants on Section 8 cannot be evicted.

False. This misconception arises primarily from a confusion about the types of notices that can be served on a subsidized tenant. While it is true that, during the initial term of the lease, a Section 8 lease will forbid the use of “no-cause” notices, in general, all “for-cause” notices still apply. So, for example, if a tenant is violating the terms of the lease or damaging the property, a landlord can serve the applicable for-cause notice defined in the local landlord/tenant law. HUD regulations now permit landlords in many areas to use a lease that will permit “no-cause” terminations after the initial term of the lease. Check with your local Public Housing Agencies to see whether such an approach is available to you. Section 8 participants are bound by the same state and local landlord/tenant laws that govern non-subsidized rental relationships. In theory, the only difference should be the wording of the lease. However, there are instances when evictions can be more complicated with Section 8 tenants. Your best approach, as with any eviction, is to speak with an experienced landlord/tenant attorney before starting the process.

Owner notice of grounds

- (1) At or before the beginning of a court action to evict the tenant, the owner must give the tenant a notice that specifies the grounds for termination of tenancy. The notice may be included in or combined with any owner eviction notice.
- (2) The owner **must give the PHA a copy** of any owner eviction notice at the same time the owner notifies the tenant.
- (3) Eviction notice means a notice to vacate, or a complaint or other initial pleading used to begin an eviction action under State or local law.

If you evict tenants for drug activity, the local Public Housing Agency will simply let the same people rent again elsewhere.

False. HUD guidelines allow local PHAs to terminate assistance to tenants involved in the manufacture, sale, distribution, possession, or use of illegal drugs. The same guidelines also apply to tenants involved in violent criminal activity. Also, guidelines introduced in 1995 give local PHAs expanded options for terminating program participation for such problems as repeated and serious lease violations.

If you have a problem with a tenant, the PHA will straighten things out.

False. You are the property owner, and renting to Section 8 tenants does not absolve you of your management responsibilities. It is your job to enforce the lease; the PHA will be of little help in this regard.

Homes with garages justify more rent.

False. Homes with garages may attract renters, but Section 8 does not pay more for homes with garages. If you need to collect more rent, create a separate garage lease (if allowed).

Reasonable Rent Guidelines

HUD publishes the guidelines for Fair Market Rents (FMRs) and rent adjustments (Annual Adjustment Factor or AAF) in the Federal Register. Guidelines for fair market rents are available online by going to <http://www.huduser.org/datasets/fmr.html>. Guidelines for annual adjustment factors are available online by going to <http://www.huduser.org/datasets/aaf.html>.

FMRs and AAFs are determined by area. Cook, DuPage, Kane, Lake, McHenry and Will counties are part of the Chicago-Naperville-Joliet, IL-IN-WI Metropolitan Statistical Area (MSA).

It is important to note that any published FMR includes any utilities paid by the tenant, and each housing authority uses a formula for estimating utility costs. FMRs are benchmarks and are adjusted locally on a case-by-case basis using several factors.

PHAs may make general adjustments (+/- 10%) to the published FMRs. Waukegan, for example, reduces the official FMRs by 10%.

FMR Disputes

“We have one Section 8 tenant and she has been very good. However, when we first contacted Waukegan Housing on her behalf they said that our rent was out of line for the neighborhood and offered a firm lower amount. I then sent them an email requesting the document(s)/map that they use for determining rents in the various areas and asked how they set a fair rent for the house (without seeing it in this case). They would not divulge how they set the rental amounts, nor would they share their criteria for determining the amounts, but they seemed to change their tone significantly and we compromised on a number close to our original figure. Please note that the asking rent was within the then published Section 8 amounts for the size of house and resident guidelines. If they have a formula, or specific criteria for setting different rental amounts than those published, this information should be available for review by the public. If their actions are arbitrary, or not backed by published policy, they should not continue.”

In the event of dispute with a PHA over FMRs, you may support your position by furnishing comparable rent data for similar unassisted units — if you can collect acceptable data. Using the form entitled “SAMPLE FORM — SURVEY FORM FOR UNASSISTED RENTAL UNITS” (Appendix D) to submit the data should bolster your case, but the PHA makes the final determination.

More information

The following online resources provide information on the housing choice voucher program.

<http://www.hud.gov/offices/pih/programs/hcv/index.cfm>

<http://www.huduser.org/>

<http://www.hudclips.org/>

**Request for Tenancy Approval
Housing Choice Voucher Program**

**U.S. Department of Housing
and Urban Development**
Office of Public and Indian Housing

OMB Approval No. 2577-0169
(exp. 9/30/2010)

Public reporting burden for this collection of information is estimated to average .08 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless that collection displays a valid OMB control number.

Eligible families submit this information to the Public Housing Authority (PHA) when applying for housing assistance under Section 8 of the U.S. Housing Act of 1937 (42 U.S.C. 1437f). The PHA uses the information to determine if the family is eligible, if the unit is eligible, and if the lease complies with program and statutory requirements. Responses are required to obtain a benefit from the Federal Government. The information requested does not lend itself to confidentiality.

1. Name of Public Housing Agency (PHA)			2. Address of Unit (street address, apartment number, city, State & zip code)			
3. Requested Beginning Date of Lease	4. Number of Bedrooms	5. Year Constructed	6. Proposed Rent	7. Security Deposit Amt.	8. Date Unit Available for Inspection	

9. Type of House/Apartment

Single Family Detached
 Semi-Detached / Row House
 Manufactured Home
 Garden / Walkup
 Elevator / High-Rise

10. If this unit is subsidized, indicate type of subsidy:

Section 202
 Section 221(d)(3)(BMIR)
 Section 236 (Insured or noninsured)
 Section 515 Rural Development

Home
 Tax Credit

Other (Describe Other Subsidy, Including Any State or Local Subsidy) _____

11. Utilities and Appliances

The owner shall provide or pay for the utilities and appliances indicated below by an "O". The tenant shall provide or pay for the utilities and appliances indicated below by a "T". Unless otherwise specified below, the owner shall pay for all utilities and appliances provided by the owner.

Item	Specify fuel type	Provided by	Paid by
Heating	<input type="checkbox"/> Natural gas <input type="checkbox"/> Bottle gas <input type="checkbox"/> Oil <input type="checkbox"/> Electric <input type="checkbox"/> Coal or Other		
Cooking	<input type="checkbox"/> Natural gas <input type="checkbox"/> Bottle gas <input type="checkbox"/> Oil <input type="checkbox"/> Electric <input type="checkbox"/> Coal or Other		
Water Heating	<input type="checkbox"/> Natural gas <input type="checkbox"/> Bottle gas <input type="checkbox"/> Oil <input type="checkbox"/> Electric <input type="checkbox"/> Coal or Other		
Other Electric			
Water			
Sewer			
Trash Collection			
Air Conditioning			
Refrigerator			
Range/Microwave			
Other (specify)			

12. Owner's Certifications.

a. The program regulation requires the PHA to certify that the rent charged to the housing choice voucher tenant is not more than the rent charged for other unassisted comparable units. **Owners of projects with more than 4 units must complete the following section for most recently leased comparable unassisted units within the premises.**

Address and unit number	Date Rented	Rental Amount
1.		
2.		
3.		

b. The owner (including a principal or other interested party) is not the 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 leasing of the unit, notwithstanding such relationship, would provide reasonable accommodation for a family member who is a person with disabilities.

c. Check one of the following:

____ Lead-based paint disclosure requirements do not apply because this property was built on or after January 1, 1978.

____ The unit, common areas servicing the unit, and exterior painted surfaces associated with such unit or common areas have been found to be lead-based paint free by a lead-based paint inspector certified under the Federal certification program or under a federally accredited State certification program.

____ A completed statement is attached containing disclosure of known information on lead-based paint and/or lead-based paint hazards in the unit, common areas or exterior painted surfaces, including a statement that the owner has provided the lead hazard information pamphlet to the family.

13. The PHA has not screened the family's behavior or suitability for tenancy. Such screening is the owner's own responsibility.

14. The owner's lease must include word-for-word all provisions of the HUD tenancy addendum.

15. The PHA will arrange for inspection of the unit and will notify the owner and family as to whether or not the unit will be approved.

Print or Type Name of Owner/Owner Representative		Print or Type Name of Household Head	
Signature		Signature (Household Head)	
Business Address		Present Address of Family (street address, apartment no., city, State, & zip code)	
Telephone Number	Date (mm/dd/yyyy)	Telephone Number	Date (mm/dd/yyyy)

CHAPTER 10

HOUSING QUALITY STANDARDS

10.1 CHAPTER OVERVIEW

The goal of the housing choice voucher program is to provide “decent, safe and sanitary” housing at an affordable cost to low-income families. To accomplish this, program regulations set forth basic housing quality standards (HQS) which all units must meet before assistance can be paid on behalf of a family and at least annually throughout the term of the assisted tenancy. HQS defines “standard housing” and establishes the minimum criteria necessary for the health and safety of program participants.

HQS regulations provide performance requirements and acceptability criteria to meet each performance requirement. HQS includes requirements for all housing types, including single and multi-family dwelling units, as well as specific requirements for special housing types such as manufactured homes, congregate housing, single room occupancy (SROs), shared housing and group residences (GRs). Requirements for Special Housing Types are discussed in Chapter 17.

The HUD Housing Inspection Manual for Section 8 Housing, available through the HUD user at 800-245-2691, and the HUD Inspection Form, form HUD-52580 (3/01) and Inspection Checklist, form HUD 52580-A (9/00), available through HUDCLIPS website: www.hudclips.org, provide guidance to PHAs in interpreting the standards, as well as HUD regulations.

10.2 HOUSING QUALITY STANDARDS GENERAL REQUIREMENTS

At least annually, it is the responsibility of the PHA to conduct inspections of units to determine compliance with HQS prior to the execution of the entire term of the assisted lease. Inspections may be completed by PHA staff or by contract personnel. HQS consists of the following thirteen (13) performance requirements:

- Sanitary facilities;
- Food preparation and refuse disposal;
- Space and security;
- Thermal environment;
- Illumination and electricity;
- Structure and materials;
- Interior air quality;
- Water supply;
- Lead-based paint;
- Access;
- Site and neighborhood;
- Sanitary condition; and
- Smoke Detectors.

Acceptability criteria for each performance requirement help PHAs determine if the unit meets mandatory minimum standards. For some standard, specific guidance is provided to PHAs, but PHA's must rely upon inspector judgement in the areas. In some instances, family preference should be considered in the determination of acceptability.

HUD may grant approval for a PHA to use acceptability criteria variations which apply standards contained in local housing codes or other codes adopted by the PHA or because of local climatic or geographic conditions.

Acceptability criteria variations may only be approved by HUD, if the variation meets or exceeds the performance requirement and does not unduly limit the amount and type of rental, housing available at or below the fair market rent . HUD will not approve variations if the change is likely to adversely affect the health or safety of participant families or severely restrict housing choice.

PHAs should strive to ensure consistency among staff in areas requiring judgment. Not all areas of HQS are exactly defined while acceptability criteria specifically state the minimum standards necessary to meet HQS, inspector judgment or tenant preference may also need to be considered in determining whether the unit meets minimum standards or desirable. Staff can receive the tools to make sound decisions through training, access to written policy and procedures, and consistent written and oral instruction.

Potential safety hazards that are not specifically addressed in the acceptability criteria, such as damaged kitchen cabinet hardware, may present a cutting hazard to small children is an example of an area that requires judgement. Less than optimal conditions, such as a water heater with a small capacity, is another example. A good practice is to assess potential hazards based on the family residing in the unit. Some potential hazards may only apply when small children are in occupancy. Some less than perfect conditions, such as a water heater that appears too small for optimal use by the tenant, should be discussed with the tenant, but should not lead to denial of program assistance if the family is willing to accept the existing condition.

In order to keep assisted units from having to meet higher standard than units in the unassisted market, PHAs should be cautious and thoughtful when requesting HUD approval of a standard higher standard than HQS. Though adopted into local law, local codes, are often not consistently enforced among all units, or are enforced only when complaints are made. Sometimes, certain aspects of a local code are not enforced at all. If the PHA adopts local code requirements, housing choice may be restricted in these instances.

The PHA administrative plan should include any HUD-approved variations to HQS acceptability criteria that will be used to judge the condition of the unit. This practice formalizes the PHA's inspection standards for inspection staff, as well as for owners and tenants. For example, if the PHA has received HUD approval to require that assisted units must have deadbolt locks on all doors leading from the unit to the exterior or public areas, the requirement should be included in the PHA administrative plan as an addition to HQS standards.

10.3 PERFORMANCE REQUIREMENTS AND ACCEPTABILITY STANDARDS

Each of the 13 HQS performance requirements and acceptability criteria is identified below. A discussion of how PHAs should interpret the requirements and tenant preference options follows. Refer to the inspection checklists contained in Form HUD-52580 and Form HUD-52580-A and the *Housing Inspection Manual for the Section 8 Existing Housing Program* for more detailed explanation and guidance.

Sanitary Facilities

Performance Requirement

- The dwelling unit must include sanitary facilities within the unit.
- The sanitary facilities must be in proper operating condition and adequate for personal cleanliness and disposal of human waste.
- The sanitary facilities must be usable in privacy.

Acceptability Criteria

- The bathroom must be located in a separate room and have a flush toilet in proper operating condition.
- The unit must have a fixed basin (lavatory) with a sink trap and hot and cold running water in proper operating condition.
- The unit must have a shower or tub with hot and cold running water in proper operating condition.
- The facilities must utilize an approved public or private disposal system, including a locally approved septic system.

The bathroom must be contained within the dwelling unit, afford privacy (usually meaning a door, although no lock is required), and be for the exclusive use of the occupants.

All public or private waste disposal systems servicing the unit or facilities must be either state or local agency approved.

The tub/shower, toilet, and basin/lavatory must have a proper sewer trap, drain, and vents to prevent the escape of sewer gases or severe leakage of water. Drains must not be clogged and the toilet must flush. Hot and cold water must be available at the tub, shower, and lavatory taps. The definition of hot water (temperature) required at the lavatory, tub, or shower should be determined from local health standards or applicable local code.

The PHA must determine if the bathroom facilities are free of hazards which may endanger the occupants such as damaged or broken fixtures and plumbing leaks. Conditions which do not affect the acceptability of the bathroom include tenant preference items (listed below) and minor faucets drips.

EXAMPLE:

What are bathroom hazards that may endanger occupants?

- Broken ceramic, metal, or glass fixtures that may pose a hazard. This includes towel racks, soap dishes, medicine cabinets, and mirrors as well
- A leaking hot water faucet may pose a scalding threat.

Only one bathroom is required to meet HQS. Additional bathrooms do not have to contain all plumbing fixtures (tub/shower, toilet or lavatory), but if present, they must not create any unsanitary conditions, be properly plumbed, and be free of sewer gases.

Other room standards that apply to bathroom facilities, such as illumination and electricity, are discussed under those performance requirements.

Tenant Preference

The tenant may determine acceptability of the cosmetic condition and quality of the sanitary facilities, including the size of the lavatory, tub, or shower, condition of faucets, minor leaks, scratches, or worn enamel on fixtures, and the location of the sanitary facilities within the dwelling unit.

Food Preparation and Refuse Disposal

Performance Requirement

- The dwelling unit must have suitable space and equipment to store, prepare, and serve food in a sanitary manner.

Acceptability Criteria

- The dwelling unit must have an oven and a stove or range. A microwave oven may be substituted for a tenant-supplied oven and stove or range. A microwave may be substituted for an owner-supplied oven and stove or range if the tenant agrees and microwave ovens are furnished to both subsidized and unsubsidized tenants in the same building or premises.
- The dwelling unit must have a refrigerator of appropriate size for the family.

- All required equipment must be in proper operating condition. According to the lease, equipment may be supplied by either the owner or the family.
- The dwelling unit must have a kitchen sink in proper operating condition, with a sink trap and hot and cold running water. The sink must drain into an approved public or private system.
- The dwelling unit must have space for storage, preparation, and serving of food.
- Facilities and services for the sanitary disposal of food waste and refuse, including temporary storage facilities where necessary, are required.

Hot plates are not acceptable substitutes for stoves or ranges. The oven must heat and all burners on the stove or range must work. All stove or range knobs must be present.

The stove or range must be free of hazardous gas hook-ups, gas leaks, or electrical hazards.

The refrigerator must be of adequate size for the family and capable of maintaining a temperature low enough to keep food from spoiling. The PHA may reject the size of the refrigerator only if it clearly cannot serve the needs of the family. For example, a counter-top or compact type would not meet the needs of a family of four. The freezer space must be present and working, and the equipment must present an electrical hazard.

EXAMPLE:

What temperature must a refrigerator maintain to keep food from spoiling?

- Above 32° F, but generally below 40° F.
- Consider how often the refrigerator will be opened. Proper temperatures are difficult to maintain if the refrigerator is frequently opened during warm weather, door seals are removed or broken, or the door sits open.

The sink must have hot and cold running water from the faucets and a proper working sink drain with gas trap. It must also be hooked to an approved water and sewer system. The definition of hot water should be determined by the local health department or applicable local code.

Space for storage, preparation, and serving of food must be present. Built-in space, equipment, table(s), or portable storage facilities are acceptable.

Waste and refuse storage facilities are determined by local practice and may include trash cans or dumpster facilities.

Other room standards apply to the food preparation area and are discussed under those specific requirements below.

Tenant Preference

The family selects a unit with the size and type of equipment it finds acceptable and may choose to accept a microwave oven in place of a conventional oven, stove, or range if the oven/stove/range are tenant supplied or if microwaves are furnished in both subsidized and unsubsidized units in the building or premises. The amount and type of storage space, the cosmetic conditions of all equipment, and the size and location of the kitchen are all determined by the family.

Space and Security

Performance Requirement

- The dwelling unit must provide adequate space and security for the family.

Acceptability Criteria

- At a minimum, the dwelling unit must have a living room, a kitchen and a bathroom.
- The dwelling unit must have a least one bedroom or living/sleeping room for every two persons. Other than very young children, children of opposite sex, may not be required to occupy the same bedroom or living/sleeping room.
- Dwelling unit windows that are accessible from the outside must be lockable.
- Exterior doors to the unit must be lockable.

A living room may be used as sleeping (bedroom) space, but no more than two persons may occupy the space.

Unit windows located on the first floor, at the basement level, on a fire escape, porch, or other outside space that can be reached from the ground and that are designed to be opened must have a locking device. (Windows with sills less than six feet off the ground are considered accessible.) Traditional window locks, those provided by storm/screen combination windows, window pins, and nails are acceptable. Windows leading to a fire escape or required to meet ventilation requirements may not be permanently nailed shut.

Doors leading to the outside and common hallways, fire escapes, and porches or otherwise accessible from the ground must have locks. No specific type of lock is required.

Window and door surfaces (including the door frame) must be in sufficient condition to support the installation and proper operation of window and door locks.

Tenant Preference

The family may determine the adequacy of room sizes and room locations. The family is also responsible for deciding the acceptability of the type of door and window locks.

Thermal Environment

Performance Requirement

- The dwelling unit must be able to provide a thermal environment that is healthy for the human body.

Acceptability Criteria

- There must be a safe system for heating the dwelling unit, such as electric baseboard, radiator, or forced air systems. In order to ensure a healthy living environment appropriate for the climate the system must be able to provide adequate heat either directly or indirectly to each room.
- If present, the air conditioning system or evaporative cooler, must safely provide adequate cooling to each room.
- The heating and/or air conditioning system must be in proper operating condition.
- The dwelling unit must not contain unvented room heaters that burn gas, oil, or kerosene. Electric heaters are acceptable.

The PHA must define “a healthy living environment” for the local climate. Local or state codes will help the PHA determine when and how much heat is adequate. For example, a PHA may define a heating system capable of maintaining an interior temperature of 65° between October 1 and May 1 as adequate.

Adequate heat is required in all rooms used for living; the heat source does not have to be located in each room as long as the heat can pass to the appropriate space and meet the definition of adequate. Portable electric room heaters or kitchen stoves with built-in heating units are not acceptable as a primary source of heat for units located in climatic areas where permanent heat systems are required.

Improper operating conditions, including all conditions that may be unsafe, such as broken or damaged source vents, flues, exhausts, gas or oil lines that create a potential fire hazard or threats to health and safety are not permitted. Heating unit safety devices must be present, and the heating equipment must have proper clearance from combustible materials and location of oil storage tanks. There must be proper gas and oil connections. Local plumbing, fire, or mechanical codes are instructive in providing details about acceptable materials for furnace and water heater hookups and required clearances appropriate to the jurisdiction where units are

located. Seek assistance from local code enforcement offices to determine health and safety standards for equipment hook-up and clearance requirements.

Heating system inspections are often required by local or state authorities especially for large multi-family buildings. If the heating system has passed inspection from the inspecting authority within the past two years, the PHA may accept this as proof of heating equipment safety.

Working cooling equipment refers to a central ventilation system, evaporative cooling system, room or central air conditioning. These systems are not required by HQS, but if present, must be operating safely so as not to create a potential fire hazard or other threat to health and safety.

Tenant Preference

The PHA has no control over energy conservation measures, such as dwelling insulation or installation of storm windows and doors. The family must assess whether a dwelling without these items is acceptable; the family must take into account the cost of utilities billed to the family and personal feelings about adequate heat. Dwellings that are poorly insulated or lack storm windows are generally drafty and more difficult to heat and cool.

Illumination and Electricity

- Each room must have adequate natural or artificial illumination to permit normal indoor activities and to support the health and safety of occupants.
- The dwelling unit must have sufficient electrical sources so occupants can use essential electrical appliances.
- Electrical fixtures and wiring must not pose a fire hazard.

Acceptability Criteria

- There must be at least one window in both the living room and each sleeping room.
- The kitchen area and the bathroom must have a permanent ceiling or wall-mounted fixture in proper operating condition.
- The kitchen must have at least one electrical outlet in proper operating condition.
- The living room and each sleeping space must have at least two electrical outlets in proper operating condition. Permanent overhead or wall-mounted light fixtures may count as one of the required electrical outlets.

The PHA must be satisfied that the electrical system is free of hazardous conditions, including: exposed, uninsulated, or frayed wires, improper connections, improper insulation or grounding of

any component of the system, overloading of capacity, or wires lying in or located near standing water or other unsafe places.

Outlets must be properly installed in the baseboard, wall, or floor. Hanging light fixtures or outlets from electric wiring, missing cover plates on switches and outlets, badly cracked outlets or cover plates, exposed fuse box connections and, overloaded circuits are unacceptable.

Tenant Preference

The family may determine whether the location and the number of outlets and fixtures (over and above those required for acceptability standards) are acceptable or if the amount of electrical service is adequate for the use of appliances, computers, or stereo equipment.

Structure and Materials

Performance Requirement

- The dwelling unit must be structurally sound.
- The structure must not present any threat to the health and safety of the occupants and must protect the occupants from the environment.

Acceptability Criteria

- Ceilings, walls, and floors must not have any serious defects such as severe bulging or leaning, large holes, loose surface materials, severe buckling, missing parts, or other serious damage.
- The roof must be structurally sound and weather-proof.
- The foundation and exterior wall structure and surface must not have any serious defects such as serious leaning, buckling, sagging, large holes, or defects that may result in air infiltration or vermin infestation.
- The condition and equipment of interior and exterior stairs, halls, porches, and walkways must not present the danger of tripping and falling.
- Elevators must be working safely.

The PHA must examine each of the elements listed in the acceptability criteria to determine that each is structurally sound, will not collapse, and does not present a danger to residents through falling or missing parts, or tripping hazards. The PHA must determine that the unit is free from water, excessive air, and vermin infiltration.

Handrails are required when four or more steps (risers) are present, and protective railings are required when porches, balconies, and stoops are thirty inches off the ground.

The elevator servicing the unit must be working. A current city or state inspection certificate suffices to determine working condition of the elevator.

Manufactured homes must have proper tie-down devices capable of surviving wind loads common to the area.

Tenant Preference

Families may determine whether minor defects, such as lack of paint, or worn flooring or carpeting will affect the livability of the unit.

Interior Air Quality

Performance Requirement

- The dwelling unit must be free of air pollutant levels that threaten the occupants' health.

Acceptability Criteria

- The dwelling unit must be free from dangerous air pollution levels from carbon monoxide, sewer gas, fuel gas, dust, and other harmful pollutants.
- There must be adequate air circulation in the dwelling unit.
- Bathroom areas must have one openable window or other adequate ventilation.
- Any sleeping room must have at least one window. If the window was designed to be opened, it must be in proper working order.

The PHA must be satisfied that air pollutants such as gas leaks, industrial outputs, and heavy traffic would not present a health hazard.

Air circulation should be checked to determine adequate ventilation. Air conditioning (A/C) provides adequate circulation as do ceiling and vent fans.

The windows must adequately protect the unit's interior from the weather. Windows designed to open must not be painted or nailed shut. The ventilating bathroom fan in the bathroom must operate as intended.

Tenant Preference

Tenants may determine whether window and door screens, filters, fans, or other devices for proper ventilation are adequate to meet personal needs.

Water Supply

Performance Requirement

- The water supply must be free of contamination.

Acceptability Criteria

- The dwelling unit must be served by an approved public or private water supply that is sanitary and free from contamination.

The PHA should be satisfied that the water supply is approved by the State or local jurisdiction.

Clean water must be distributed to all unit fixtures and waste water must leave the unit to an approved area without presence of sewer gas and backups.

Plumbing fixtures and pipes must be free of leaks and threats to health and safety.

Water-heating equipment must be installed safely and must not present any safety hazards to families. All water heaters must be free of leaks, have temperature/pressure relief valves, and a discharge line. Unless safety dividers or shields are installed water heaters must not be located in bedrooms or living areas where safety hazards may exist. Fuel burning equipment must have proper clearance from combustible materials and be properly vented.

Tenant Preference

The family may decide if the water heater has a large enough capacity for personal family use.

Lead-Based Paint

- The Lead-Based Paint Poisoning Prevention Act as amended (42 U.S.C. 4821 - 4846) and the Residential Lead-Based Paint Hazard Reduction Act of 1992 and implementing regulations 24 CFR Part 35 Subparts A, B, M, and R apply to the housing choice voucher program.

Acceptability Criteria

- The requirements apply to dwelling units built prior to 1978 that are occupied or can be occupied by families with children under six years of age, excluding zero bedroom dwellings.

- During initial and annual inspections of pre-1978 units that are occupied or will be occupied by families with children under 6 years of age, the inspector must conduct a visual assessment for deteriorated paint surfaces and the owner must stabilize deteriorated surfaces. Applicable areas include painted surfaces within the dwelling unit, exterior painted surfaces associated with the dwelling unit, and common areas of the building through which residents must pass to gain access to the unit and areas frequented by resident children under six years of age, including play areas and child care facilities.
- For units occupied by environmental intervention blood lead level (lead poisoned) children under six years of age, a risk assessment must be conducted (paid for by the PHA), and the owner must complete hazard reduction activities if lead hazards are identified during the risk assessment.

Section 10.4 of this Chapter discusses all PHA responsibilities.

Tenant Preference

Families with children under 6 years of age have no decision-making authority related to the presence of lead-based paint.

Access

- Use and maintenance of the unit must be possible without unauthorized use of other private properties.
- The building must provide an alternate means of exit in case of fire.

Acceptability Criteria

- The unit must have private access.
- In case of fire, the building must contain an alternate means of exit such as fire stairs, or windows, including use of a ladder for windows above the second floor.

The PHA must determine that the unit has private access without unauthorized passage through another dwelling unit or private property.

The emergency (alternate) exit from the building (not the unit) may consist of fire stairs, a second door, fire ladders, or exit through windows. The emergency exit must not be blocked. It must be appropriate for the family and considered adequate by local officials. Guidance from the local fire agency is advisable.

Tenant Preference

The tenant should assist the PHA in determining if the type of emergency exit is acceptable.

Site and Neighborhood

Performance Requirement

- The site and neighborhood must be reasonably free from disturbing noises and reverberations or other dangers to the health, safety, and general welfare of the occupants.

Acceptability Criteria

- The site and neighborhood may not be subject to serious adverse natural or manmade environmental conditions, such as dangerous walks or steps, instability, flooding, poor drainage, septic tank back-ups or sewer hazards, mudslides, abnormal air pollution, smoke or dust, excessive noise, vibration, or vehicular traffic, excessive accumulations of trash, vermin, or rodent infestation, or fire hazards.

The PHA determines whether any of the above conditions seriously and continually affect the health or safety of the residents. PHAs should be careful not to restrict housing choice in deciding acceptability. Failing a unit because the neighborhood is considered “bad” is not appropriate. Take into account whether private unassisted residents are living in the same neighborhood.

Tenant Preference

Taking into consideration the type of neighborhood, presence of drug activity, commercial enterprises, and convenience to shopping and other facilities, the family selects a unit.

Sanitary Condition

Performance Requirement

- The dwelling unit and its equipment must be in sanitary condition.

Acceptability Criteria

- The dwelling unit and its equipment must be free of vermin and rodent infestation.

The PHA must ensure that the unit is free of rodents and heavy accumulations of trash, garbage, or other debris that may harbor vermin. Infestation by mice, roaches, or other vermin particular to the climate must also be considered. The unit must have adequate barriers to prevent infestation.

EXAMPLE:

What is infestation of rodents or vermin?

- By definition infestation means more than one bug or mouse. It is easily identified by observing mouse and/or rodent droppings or gnaw marks. If no visible evidence exists, there is probably no infestation. Based on the type of pest, PHAs must decide for themselves what the limits are for determining infestation and be consistent. Is one rat or roach too much?

Tenant Preference

Provided the minimum standards required by the acceptability criteria have been met, the tenant must determine whether the unit is in an adequate sanitary condition. Occasional mice and roaches may be acceptable to the tenant.

Smoke Detectors

- On each level of the dwelling unit including basements, but excluding spaces and unfinished attics at least one battery-operated or hard-wired smoke detector in proper operating condition must be present.
- Smoke detectors must be installed in accordance with and meet the requirements of the National Fire Protection Association Standards (NFPA) 74 or its successor standards.
- If a hearing-impaired person is occupying the dwelling unit, the smoke detectors must have an alarm system designed for hearing-impaired persons as specified in NFPA 74.

Acceptability Criteria

The PHA must insure that the location of smoke detectors conforms with local and/or State Fire Marshall's requirements.

The PHA must determine that smoke detectors are located and installed in accordance with NFPA Standards. All smoke detectors must be in operating condition.

Local codes, such as housing or fire codes, often address responsibilities between owners and tenants for installation and maintenance of smoke detector batteries. At initial, inspection smoke detectors must have good batteries and be operable. PHAs may follow local codes to determine if missing or dead smoke detector batteries constitute a tenant or owner-caused failure in occupied units.

Consultation with the local fire officials is recommended regarding acceptable types and location of smoke detectors.

Tenant Preference

The family is not permitted to exercise any tenant preference regarding smoke detector requirements.

10.4 LEAD-BASED PAINT REQUIREMENTS AND RESPONSIBILITIES

Regulation Background

Lead-based paint requirements were originally written to implement Section 302 of the Lead-based Paint Poisoning and Prevention Act. In the late 1970s, Code of Federal Regulations, Title 24, Part 35 was promulgated, setting forth the general procedures for inspection and treatment of defective paint surfaces in HUD assisted housing.

Under Part 35, Assistant Secretaries were given authority to develop regulations pertaining to their specific areas of responsibility, and varying program regulations were issued. The regulations have been amended several times. A major change that occurred in 1995 amended housing quality standards that applied to tenant-based programs.

New lead-based paint regulations effective September 15, 2000 have been implemented to incorporate Title X of the Housing and Community Development Act of 1992. These regulations consolidate all lead-based paint requirements under one section of the Code of Federal Regulations (24 CFR Part 35), stress identification of lead-paint hazards, notification to occupants of the existence of these hazards, and control of lead-based paint hazards to reduce lead poisoning among young children.

Housing choice voucher program units are subject to the following subparts of 24 CFR Part 35:

- Subpart A, Disclosure;
- Subpart B, General Lead-Based Paint Requirements and Definitions for All Programs;
- Subpart M, Tenant-Based Rental Assistance; and
- Subpart R, Methods and Standards for Performing Lead Hazard Evaluation and Reduction Activities.

The Section 8 moderate rehabilitation program and the project-based housing choice voucher or certificate program units are subject to requirements under 24 CFR Subparts A, B, H, and R. Those requirements are not discussed in this Guidebook.

Tenancy Addendum
Section 8 Tenant-Based Assistance
Housing Choice Voucher Program
 (To be attached to Tenant Lease)

U.S. Department of Housing
and Urban Development
 Office of Public and Indian Housing

OMB Approval No. 2577-0169
 (exp.9/30/2010)

1. Section 8 Voucher Program

- a. The owner is leasing the contract unit to the tenant for occupancy by the tenant's family with assistance for a tenancy under the Section 8 housing choice voucher program (voucher program) of the United States Department of Housing and Urban Development (HUD).
- b. The owner has entered into a Housing Assistance Payments Contract (HAP contract) with the PHA under the voucher program. Under the HAP contract, the PHA will make housing assistance payments to the owner to assist the tenant in leasing the unit from the owner.

2. Lease

- a. The owner has given the PHA a copy of the lease, including any revisions agreed by the owner and the tenant. The owner certifies that the terms of the lease are in accordance with all provisions of the HAP contract and that the lease includes the tenancy addendum.
- b. The tenant shall have the right to enforce the tenancy addendum against the owner. If there is any conflict between the tenancy addendum and any other provisions of the lease, the language of the tenancy addendum shall control.

3. Use of Contract Unit

- a. During the lease term, the family will reside in the contract unit with assistance under the voucher program.
- b. The composition of the household must be approved by the PHA. The family must promptly inform the PHA of the birth, adoption or court-awarded custody of a child. Other persons may not be added to the household without prior written approval of the owner and the PHA.
- c. The contract unit may only be used for residence by the PHA-approved household members. The unit must be the family's only residence. Members of the household may engage in legal profit making activities incidental to primary use of the unit for residence by members of the family.
- d. The tenant may not sublease or let the unit.
- e. The tenant may not assign the lease or transfer the unit.

4. Rent to Owner

- a. The initial rent to owner may not exceed the amount approved by the PHA in accordance with HUD requirements.
- b. Changes in the rent to owner shall be determined by the provisions of the lease. However, the owner may not raise the rent during the initial term of the lease.

- c. During the term of the lease (including the initial term of the lease and any extension term), the rent to owner may at no time exceed:
 - (1) The reasonable rent for the unit as most recently determined or redetermined by the PHA in accordance with HUD requirements, or
 - (2) Rent charged by the owner for comparable unassisted units in the premises.

5. Family Payment to Owner

- a. The family is responsible for paying the owner any portion of the rent to owner that is not covered by the PHA housing assistance payment.
- b. Each month, the PHA will make a housing assistance payment to the owner on behalf of the family in accordance with the HAP contract. The amount of the monthly housing assistance payment will be determined by the PHA in accordance with HUD requirements for a tenancy under the Section 8 voucher program.
- c. The monthly housing assistance payment shall be credited against the monthly rent to owner for the contract unit.
- d. The tenant is not responsible for paying the portion of rent to owner covered by the PHA housing assistance payment under the HAP contract between the owner and the PHA. A PHA failure to pay the housing assistance payment to the owner is not a violation of the lease. The owner may not terminate the tenancy for nonpayment of the PHA housing assistance payment.
- e. The owner may not charge or accept, from the family or from any other source, any payment for rent of the unit in addition to the rent to owner. Rent to owner includes all housing services, maintenance, utilities and appliances to be provided and paid by the owner in accordance with the lease.
- f. The owner must immediately return any excess rent payment to the tenant.

6. Other Fees and Charges

- a. Rent to owner does not include cost of any meals or supportive services or furniture which may be provided by the owner.
- b. The owner may not require the tenant or family members to pay charges for any meals or supportive services or furniture which may be provided by the owner. Nonpayment of any such charges is not grounds for termination of tenancy.
- c. The owner may not charge the tenant extra amounts for items customarily included in rent to owner in the locality, or provided at no additional cost to unsubsidized tenants in the premises.

7. Maintenance, Utilities, and Other Services

a. Maintenance

- (1) The owner must maintain the unit and premises in accordance with the HQS.
- (2) Maintenance and replacement (including redecoration) must be in accordance with the standard practice for the building concerned as established by the owner.

b. Utilities and appliances

- (1) The owner must provide all utilities needed to comply with the HQS.
- (2) The owner is not responsible for a breach of the HQS caused by the tenant's failure to:
 - (a) Pay for any utilities that are to be paid by the tenant.
 - (b) Provide and maintain any appliances that are to be provided by the tenant.

c. **Family damage.** The owner is not responsible for a breach of the HQS because of damages beyond normal wear and tear caused by any member of the household or by a guest.

d. **Housing services.** The owner must provide all housing services as agreed to in the lease.

8. Termination of Tenancy by Owner

a. **Requirements.** The owner may only terminate the tenancy in accordance with the lease and HUD requirements.

b. **Grounds.** During the term of the lease (the initial term of the lease or any extension term), the owner may only terminate the tenancy because of:

- (1) Serious or repeated violation of the lease;
- (2) Violation of Federal, State, or local law that imposes obligations on the tenant in connection with the occupancy or use of the unit and the premises;
- (3) Criminal activity or alcohol abuse (as provided in paragraph c); or
- (4) Other good cause (as provided in paragraph d).

c. **Criminal activity or alcohol abuse.**

- (1) The owner may terminate the tenancy during the term of the lease if any member of the household, a guest or another person under a resident's control commits any of the following types of criminal activity:
 - (a) Any criminal activity that threatens the health or safety of, or the right to peaceful enjoyment of the premises by, other residents (including

property management staff residing on the premises);

- (b) Any criminal activity that threatens the health or safety of, or the right to peaceful enjoyment of their residences by, persons residing in the immediate vicinity of the premises;
- (c) Any violent criminal activity on or near the premises; or
- (d) Any drug-related criminal activity on or near the premises.

(2) The owner may terminate the tenancy during the term of the lease if any member of the household is:

- (a) Fleeing to avoid prosecution, or custody or confinement after conviction, for a crime, or attempt to commit a crime, that is a felony under the laws of the place from which the individual flees, or that, in the case of the State of New Jersey, is a high misdemeanor; or
- (b) Violating a condition of probation or parole under Federal or State law.

(3) The owner may terminate the tenancy for criminal activity by a household member in accordance with this section if the owner determines that the household member has committed the criminal activity, regardless of whether the household member has been arrested or convicted for such activity.

(4) The owner may terminate the tenancy during the term of the lease if any member of the household has engaged in abuse of alcohol that threatens the health, safety or right to peaceful enjoyment of the premises by other residents.

d. Other good cause for termination of tenancy

- (1) During the initial lease term, other good cause for termination of tenancy must be something the family did or failed to do.
- (2) During the initial lease term or during any extension term, other good cause includes:
 - (a) Disturbance of neighbors,
 - (b) Destruction of property, or
 - (c) Living or housekeeping habits that cause damage to the unit or premises.
- (3) After the initial lease term, such good cause includes:
 - (a) The tenant's failure to accept the owner's offer of a new lease or revision;

- (b) The owner's desire to use the unit for personal or family use or for a purpose other than use as a residential rental unit; or
- (c) A business or economic reason for termination of the tenancy (such as sale of the property, renovation of the unit, the owner's desire to rent the unit for a higher rent).

e. Protections for Victims of Abuse.

- (1) An incident or incidents of actual or threatened domestic violence, dating violence, or stalking will not be construed as serious or repeated violations of the lease or other "good cause" for termination of the assistance, tenancy, or occupancy rights of such a victim.
- (2) Criminal activity directly relating to abuse, engaged in by a member of a tenant's household or any guest or other person under the tenant's control, shall not be cause for termination of assistance, tenancy, or occupancy rights if the tenant or an immediate member of the tenant's family is the victim or threatened victim of domestic violence, dating violence or stalking.
- (3) Notwithstanding any restrictions on admission, occupancy, or terminations of occupancy or assistance, or any Federal, State or local law to the contrary, a PHA, owner or manager may "bifurcate" a lease, or otherwise remove a household member from a lease, without regard to whether a household member is a signatory to the lease, in order to evict, remove, terminate occupancy rights, or terminate assistance to any individual who is a tenant or lawful occupant and who engages in criminal acts of physical violence against family members or others. This action may be taken without evicting, removing, terminating assistance to, or otherwise penalizing the victim of the violence who is also a tenant or lawful occupant. Such eviction, removal, termination of occupancy rights, or termination of assistance shall be effected in accordance with the procedures prescribed by Federal, State, and

local law for the termination of leases or assistance under the housing choice voucher program.

- (4) Nothing in this section may be construed to limit the authority of a public housing agency, owner, or manager, when notified, to honor court orders addressing rights of access or control of the property, including civil protection orders issued to protect the victim and issued to address the distribution or possession of property among the household members in cases where a family breaks up.
- (5) Nothing in this section limits any otherwise available authority of an owner or manager to evict or the public housing agency to terminate assistance to a tenant for any violation of a lease not premised on the act or acts of violence in question against the tenant or a member of the tenant's household, provided that the owner, manager, or public housing agency does not subject an individual who is or has been a victim of domestic violence, dating violence, or stalking to a more demanding standard than other tenants in determining whether to evict or terminate.
- (6) Nothing in this section may be construed to limit the authority of an owner or manager to evict, or the public housing agency to terminate assistance, to any tenant if the owner, manager, or public housing agency can demonstrate an actual and imminent threat to other tenants or those employed at or providing service to the property if the tenant is not evicted or terminated from assistance.
- (7) Nothing in this section shall be construed to supersede any provision of any Federal, State, or local law that provides greater protection than this section for victims of domestic violence, dating violence, or stalking.

- f. **Eviction by court action.** The owner may only evict the tenant by a court action.

g. Owner notice of grounds

- (1) At or before the beginning of a court action to evict the tenant, the owner must give the tenant a notice that specifies the grounds for termination of tenancy. The notice may be included in or combined with any owner eviction notice.
- (2) The owner must give the PHA a copy of any owner eviction notice at the same time the owner notifies the tenant.
- (3) Eviction notice means a notice to vacate, or a complaint or other initial pleading used to begin an eviction action under State or local law.

9. Lease: Relation to HAP Contract

If the HAP contract terminates for any reason, the lease terminates automatically.

10. PHA Termination of Assistance

The PHA may terminate program assistance for the family for any grounds authorized in accordance with HUD requirements. If the PHA terminates program assistance for the family, the lease terminates automatically.

11. Family Move Out

The tenant must notify the PHA and the owner before the family moves out of the unit.

12. Security Deposit

- a. The owner may collect a security deposit from the tenant. (However, the PHA may prohibit the owner from collecting a security deposit in excess of private market practice, or in excess of amounts charged by the owner to unassisted tenants. Any such PHA-required restriction must be specified in the HAP contract.)
- b. When the family moves out of the contract unit, the owner, subject to State and local law, may use the security deposit, including any interest on the deposit, as reimbursement for any unpaid rent payable by the tenant, any damages to the unit or any other amounts that the tenant owes under the lease.
- c. The owner must give the tenant a list of all items charged against the security deposit, and the amount of each item. After deducting the amount, if any, used to reimburse the owner, the owner must promptly refund the full amount of the unused balance to the tenant.
- d. If the security deposit is not sufficient to cover amounts the tenant owes under the lease, the owner may collect the balance from the tenant.

13. Prohibition of Discrimination

In accordance with applicable equal opportunity statutes, Executive Orders, and regulations, the owner must not discriminate against any person because of race, color,

religion, sex, national origin, age, familial status or disability in connection with the lease.

14. Conflict with Other Provisions of Lease

- a. The terms of the tenancy addendum are prescribed by HUD in accordance with Federal law and regulation, as a condition for Federal assistance to the tenant and tenant's family under the Section 8 voucher program.
- b. In case of any conflict between the provisions of the tenancy addendum as required by HUD, and any other provisions of the lease or any other agreement between the owner and the tenant, the requirements of the HUD-required tenancy addendum shall control.

15. Changes in Lease or Rent

- a. The tenant and the owner may not make any change in the tenancy addendum. However, if the tenant and the owner agree to any other changes in the lease, such changes must be in writing, and the owner must immediately give the PHA a copy of such changes. The lease, including any changes, must be in accordance with the requirements of the tenancy addendum.
- b. In the following cases, tenant-based assistance shall not be continued unless the PHA has approved a new tenancy in accordance with program requirements and has executed a new HAP contract with the owner:
 - (1) If there are any changes in lease requirements governing tenant or owner responsibilities for utilities or appliances;
 - (2) If there are any changes in lease provisions governing the term of the lease;
 - (3) If the family moves to a new unit, even if the unit is in the same building or complex.
- c. PHA approval of the tenancy, and execution of a new HAP contract, are not required for agreed changes in the lease other than as specified in paragraph b.
- d. The owner must notify the PHA of any changes in the amount of the rent to owner at least sixty days before any such changes go into effect, and the amount of the rent to owner following any such agreed change may not exceed the reasonable rent for the unit as most recently determined or redetermined by the PHA in accordance with HUD requirements.

16. Notices

Any notice under the lease by the tenant to the owner or by the owner to the tenant must be in writing.

17. Definitions

Contract unit. The housing unit rented by the tenant with assistance under the program.

Family. The persons who may reside in the unit with assistance under the program.

HAP contract. The housing assistance payments contract between the PHA and the owner. The PHA pays housing assistance payments to the owner in accordance with the HAP contract.

Household. The persons who may reside in the contract unit. The household consists of the family and any PHA-approved live-in aide. (A live-in aide is a person who resides in the unit to provide necessary supportive services for a member of the family who is a person with disabilities.)

Housing quality standards (HQS). The HUD minimum quality standards for housing assisted under the Section 8 tenant-based programs.

HUD. The U.S. Department of Housing and Urban Development.

HUD requirements. HUD requirements for the Section 8 program. HUD requirements are issued by HUD headquarters, as regulations, Federal Register notices or other binding program directives.

Lease. The written agreement between the owner and the tenant for the lease of the contract unit to the tenant. The lease includes the tenancy addendum prescribed by HUD.

PHA. Public Housing Agency.

Premises. The building or complex in which the contract unit is located, including common areas and grounds.

Program. The Section 8 housing choice voucher program.

Rent to owner. The total monthly rent payable to the owner for the contract unit. The rent to owner is the sum of the portion of rent payable by the tenant plus the PHA housing assistance payment to the owner.

Section 8. Section 8 of the United States Housing Act of 1937 (42 United States Code 1437f).

Tenant. The family member (or members) who leases the unit from the owner.

Voucher program. The Section 8 housing choice voucher program. Under this program, HUD provides funds to an PHA for rent subsidy on behalf of eligible families. The tenancy under the lease will be assisted with rent subsidy for a tenancy under the voucher program

EXHIBIT 9-1
SAMPLE FORM -- SURVEY FORM FOR UNASSISTED RENTAL UNITS

Date of Data Collection: _____ Name of Data Collector: _____

Unit Location:

Name of Building (if any): _____

Address of Unit/Building: _____

Owner/Manager Information: ___ Owner ___ Mgmt. Company ___ On-Site

Name: _____

Address: _____

Phone: _____

Building Type:

High-rise (9+ stories): _____ Elevator? ___ yes ___ no

Mid-rise (5-8 stories): _____ Elevator? ___ yes ___ no

Garden (1-4 stories): _____ Elevator? ___ yes ___ no

Townhouse: _____

Duplex: _____

Single Family House: _____

Unit Sizes and Rents:

No. Bedrooms	No. Bathrooms	Starting Rent *	Square Feet	No. of Units	No. Vacant
Total					

* Starting rent is the market-rate rent that would be charged if the unit became available today. If the building has subsidized units, be sure that the starting rent recorded is for the unsubsidized, market-rate units.

Unit Amenities Provided by Owner:

Central A/C: _____ yes _____ no

Window A/C Units: _____ yes _____ no

Carpeting: _____ yes _____ no

Dishwasher: _____ yes _____ no

Garbage disposal: _____ yes _____ no

Washer/dryer: _____ yes _____ no

W/D connections: _____ yes _____ no

Other: (specify _____) _____ yes _____ no
(e.g., balcony, patio, private fenced yard)

Are there differences in the rent charged for units of the same bedroom and bathroom size, depending upon, for example, unit location (balcony vs. patio, inside unit vs. outside unit)? Please explain.

Utility Information to Calculate Gross Rent:

Utility	Paid or Provided By:		Fuel Source		
	Owner	Tenant	Gas	Electric	Oil
Heat					
A/C					
Hot Water					
Cooking					
Electric					
Water/Sewer					
Garbage Pick-up					
Stove					
Refrigerator					

Building Age: Year building built: _____ Year last major rehab completed: _____

Quality: Check the description that best applies;

- ___ A. Newly constructed or completely renovated.
- ___ B. Well maintained and/or partially renovated.
- ___ C. Adequate, but some repairs may be needed soon. Some minor maintenance may be needed. No renovation since construction.

Building Facilities:

Playground: ___ yes ___ no Laundry Facilities: ___ yes ___ no
 Covered/Garage Parking: ___ yes ___ no Off-Street Parking: ___ yes ___ no
 Storage Outside Unit: ___ yes ___ no Community Room: ___ yes ___ no

Management and Maintenance Services (if applicable):

Is there on-site: Management staff? ___ yes ___ no
 Desk service? ___ yes ___ no
 Maintenance staff? ___ yes ___ no
 Are there other management or maintenance services available, such as a security guard or janitorial services?

Neighborhood/Location Characteristics:

What is the nearest public transportation? _____ How many blocks away? _____
 What is the nearest cross street to the unit? _____ Please note any special features of the building, unit, grounds, location or neighborhood that might help the Program Manager/Market Analyst compare this unit and its rents to other units in the area: _____

Other Information:

How many units are accessible to the disabled? ___ What bedroom size? _____
 How does the rent for accessible units differ from rent charged for regular units?

Is occupancy limited to a particular clientele (elderly, disabled)? ___ yes ___ no.
 If yes, who? _____
 Are there subsidized units in the building? ___ yes ___ no. If yes, how many? _____
 Does the owner accept housing choice vouchers? ___ yes ___ no.

List	Details	Address	Contact	
Housing Authority:	IL056 Lake County Housing Authority			
General HA Details				
HA Program Type:	Combined			
HA Fiscal Year End:	09/30			
Last Update:	09/07/2009			
HA Inventory Details				
Low Rent Inventory Information				
Status	Developments	Units		
In Management	6	620		
In Development	0	0		
Total	6	620		
Section 8 Inventory Information				
Increments	Units			
2	2,703			
<i>Section 8 inventory information will be provided from HUD's Central Accounting and Program System (HUDCAPS).</i>				
HA Performance				
Assessment Date ■	Assessment Type ■	Assessment Score ■	Designation ■	Temp Office ■
04/06/2008	PHAS	85	Standard Performer	Not Assigned

List	Details	Address	Contact	
Housing Authority:	IL107 North Chicago Housing Authority			
General HA Details				
HA Program Type:	Combined			
HA Fiscal Year End:	09/30			
Last Update:	09/07/2009			
HA Inventory Details				
Low Rent Inventory Information				
Status	Developments	Units		
In Management	2	150		
In Development	0	0		
Total	2	150		
Section 8 Inventory Information				
Increments	Units			
1	471			
<i>Section 8 inventory information will be provided from HUD's Central Accounting and Program System (HUDCAPS).</i>				
HA Performance				
Assessment Date ■	Assessment Type ■	Assessment Score ■	Designation ■	Temp Office ■
04/01/2007	PHAS	81	Standard Performer	Not Assigned

List	Details	Address	Contact	
Housing Authority:	IL026 Waukegan Housing Authority			
General HA Details				
HA Program Type:	Combined			
HA Fiscal Year End:	06/30			
Last Update:	09/07/2009			
HA Inventory Details				
Low Rent Inventory Information				
Status	Developments	Units		
In Management	5	448		
In Development	0	0		
Total	5	448		
Section 8 Inventory Information				
Increments	Units			
1	792			
<i>Section 8 inventory information will be provided from HUD's Central Accounting and Program System (HUDCAPS).</i>				
HA Performance				
Assessment Date ■	Assessment Type ■	Assessment Score ■	Designation ■	Temp Office ■
03/25/2008	PHAS	73	Substandard Physical	PB1