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INFORMATION FOR LANDLORDS

THE HOUSING CHOICE VOUCHER PROGRAM

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THE HOUSING CHOICE VOUCHER

The **Housing Choice Voucher (HCV)** program (also known as the Section 8 program) is the federal government's primary program for assisting very low-income families, the elderly, and the disabled to afford decent, safe, and sanitary housing in the private market.

Housing assistance is provided by subsidizing a portion of the family's rent, allowing voucher holders to access affordable housing opportunities. The voucher holder is free to choose any type dwelling unit if it meets certain requirements for Affordability, Rent Reasonableness and Housing Quality Standard (HQS). Various dwelling types are acceptable for program participation, such as: apartments, condominiums, manufactured/mobile homes, single-family homes, and may include the family's current residence. The landlord retains private property rights including management, tenant selection, and maintenance. HUD determines the rules and regulations for the Housing Choice Voucher Program.

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. The Orange County Housing Authority (OCHA) administers the Housing Choice Voucher Program for the County of Orange and 31 cities within Orange County. Anaheim, Garden Grove, and Santa Ana operate their own programs. The OCHA currently assists over 10,000 households throughout the County with the participation of over 3,600 landlords.

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. 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.

The PHA determines a payment standard, which is based on the Fair Market Rent (FMR) established by HUD. The payment standard 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 family is required to pay a minimum of 30% of their adjusted monthly income toward rent, with the OCHA paying the difference up to the payment standard. By program regulation, 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 their adjusted monthly income for rent.

BENEFITS FOR THE LANDLORD

By collaborating with the OCHA, property owners have access to tenants with valuable rental subsidies, which are designed to protect tenants from life's adverse events, such as job loss, with the added benefit of providing greater financial security to property owners.

TOP FINANCIAL ADVANTAGES ENJOYED BY PROPERTY OWNERS WHO RENT TO SECTION 8 ARTICIPANTS

- **ON-TIME, CONVENIENT PAYMENTS –** The OCHA pays its portion of the rent at the beginning of the month and offers the convenience of direct deposit.
- **PROTECTION FROM TENANT FINANCIAL LOSSES** – When a participant's income decreases, the housing authority's portion increases to cover the loss of income. This provides the property owner and tenant with a valuable form of insurance against tenant income losses.
- **FREE MARKETING AND ENDLESS SUPPLY OF POTENTIAL TENANTS** – The OCHA is eager to list your vacancy for free. By advertising with the OCHA through their referral listings, property owners have access to a large pool of tenants. Property owners should still screen all potential tenants.
- **INCENTIVE FOR TENANT LEASE COMPLIANCE** – To increase tenant compliance, the OCHA provides counseling, warnings or reminders to participants who have received notices from their property owners and are at risk of eviction. If it is proven that a tenant violated their lease, the tenant may be terminated from the HCV program.
- **SAFEGUARD AGAINST LOSS RENT DURING EVICTION** – Unfortunately, not every tenant (Section 8 or otherwise) will live up to his or her lease agreement and the property owner will be forced to evict. If this occurs with an HCV tenant, the OCHA will continue to pay the Housing Authority's share of the rent through the eviction process until the date the tenant moves out or is locked out.
- **COMPETITIVE RENTS** – The OCHA pays market rents if comparable rents exist in the neighborhood and the tenant's rent portion is affordable. If a unit is not subject to local rent control rules, there are no caps on rent increases for HCV tenants, if comparable rents continue to exist in the neighborhood.
- **PREVENTION OF OVERCROWDING** – Throughout Southern California, families are doubled or tripled up in two and three-bedroom units in order to afford the rent. Overcrowding increases, the property owner's utility costs, places additional wear and tear on the unit, and leads to conflicts between neighbors. By renting to an HCV participant, a property owner is not faced with overcrowding. The OCHA restricts the number of individuals allowed in the unit according to the number of bedrooms in the unit.
- **FREE UNIT INSPECTIONS** – Under the Section 8 program, the Housing Authority conducts unit inspections. Usually, the repairs requested by the Housing Authority are minor and related to routine maintenance. However, the inspection can reveal a problem in its early stages, such as a small roof lead, minor plumbing issue, or termite problem, before significant damage is done.

STEPS FOR OWNER PARTICIPATION

Owners are not required to pre-apply or pre-register to participate in the HCV 8 program. Prospective landlords are contacted directly by voucher holders who are searching for a place to live or wish to use Section 8 assistance for their current rental unit.

If you would like to advertise your rental units directly to voucher holders and setup a vendor account to speed up payment, you may contact the Orange County Housing Authority by using any one of the following convenient methods:

- **Submit an online referral at:** www.ochousing.org/owner/vacancy_form
- **Email:** ocha.referral@occr.gov.com
- **Call our Owner Hotline**: (714) 480-2866

A Referral List is normally updated every Friday at 10:00 a.m. This list is made available via mail, fax, email or can be picked up at our office during normal business hours. Please contact our Owner Hotline for additional information.

HOW TO PARTICIPATE

If you are approached by a prospective HCV 8 participant, follow these easy steps:

1. Verify that the person has been issued a current voucher from a Housing Authority. You may request that the participant show you their voucher.
2. Screen the applicant using your normal screening procedures. The Housing Authority has not screened the family's behavior or suitability for tenancy.
3. Following the screening, the landlord and the voucher holder completes the Request for Tenancy Approval (RTA).

What does the Housing Authority do with the Request for Tenancy Approval?

1. Check the paperwork for completeness.
2. Confirm that the rent does not exceed the tenant's maximum allowable rent.
3. Conduct a Rent Reasonable test to ensure the rent charged is reasonable. The rent must not exceed rents for comparable, unassisted units in the area.
4. The Housing Specialist will contact you to conduct an HQS move-in inspection.
5. The Housing Specialist will conduct the HQS inspection. Inspections will be conducted within seven business days of the date the RTA was received (unless the unit is not vacant or is not ready for inspection). The lease and contract will become effective the day after the inspection passes HQS and the date agreed upon by the owner and tenant.
6. If the participant and the landlord are both present at the inspection, both the rental agreement and the Housing Assistances Payments Contract (HAP) may be completed at that time.

The **Security Deposit** will be paid by the tenant. The amount should not exceed what is charged in the private market or what is paid by unassisted tenants.

Lead-Based Paint Regulations that became effective September 15, 2000 require the OCHA inspectors to conduct a visual assessment for deteriorated paint in dwelling units built before 1978 and occupied by families with children less than 6 years of age. The OCHA encourages owners and managers of rental properties to conduct an inspection of the property prior to our inspection. If the unit meets the above criteria and/or you have questions, please contact our office at 714-480-2866. For more information, you may also call 1-800 424-LEAD for guidelines or visit www.hud.gov/offices/lead.

HOUSING QUALITY STANDARDS

For your reference, we have listed **some of the most common** reasons that cause a unit to fail Housing Quality Standards (HQS) inspections. You may use this list to conduct a walkthrough of your unit prior to the HQS inspection. Please be advised that the Orange County Housing Authority will not be able to enter into a Housing Assistance Payment (HAP) contract if the unit fails the HQS inspection. This listing is **not considered to be a complete list** of causes for HQS failure. It is just a point of reference that you can use prior to the HQS inspection.

- All ceilings, walls and floors must be strong, sturdy and in their permanent positions.
- A working smoke detector with a live battery must be installed on every level of the unit, including in the basement and outside of sleeping rooms. If the dwelling unit is occupied by any hearing-impaired person, smoke detectors must have an alarm system designed for hearing impaired persons as specified in NFPA 74 (or successor standards).
- The entire unit, both inside and outside, including window frames, must be free of cracking, scaling, chipping, and loose paint. This prevents exposure to possible lead-based paint hazards.
- Where there are four or more consecutive steps, handrails must be securely attached. This applies to both the interior and exterior of the unit.
- This unit must be free of roaches, rodents or any other infestations.
- The entire unit, interior and exterior, must be free from electrical hazards. There may be no loose, hanging, or exposed wires. All three-prong outlets must be wired correctly.
- Every room used for living must have either two working outlets or one working outlet and a permanently installed light fixture.
- All light switches and outlets must have secured plate undamaged covers installed.
- All windows and doors must be secure when closed, and weather tight.
- All windows and doors that are accessible from the outside must have working secure locks.
- Electrical fixtures and wiring must not pose a fire hazard.
- The bathroom must have either an openable window for ventilation or an exhaust fan.
- The hot water tank's pressure release valve must have a discharge line extending downward to six inches from the floor.
- Stove vents must have the appropriate "stove vent" duct tape.
- The water heater must be secured by two straps or anchors.
- Every room used for living must have an adequate heat source. If the source is gas, it must be vented to the outside. If the source is electric, it must be permanently installed and controlled by a separate thermostat.
- Every bedroom must have at least one openable window for ventilation.

- The unit must be free from any accumulation of garbage or debris, both inside and outside.
- Dryers in the unit or common areas must be free of lint.
- Clutter or storage of items near a heater or water heater is not acceptable.
- Multi-family owners must provide “refuse disposals;” facilities include trashcans with covers, garbage chutes or dumpsters with lids.
- Keyed locks on interior doors are not acceptable.
- There may be no cracks on power outlet sockets & cover plates.
- Bathrooms = tub & sink, must have a stopper.
- Carbon Monoxide Alarm must be installed.

LANDLORDS WILL NEED TO PROVIDE PHOTOCOPIES OF THE FOLLOWING INFORMATION TO DEMONSTRATE OWNERSHIP:

- Recorded Grant Deed for the property

- Current Property Tax Bill for the property

- Copy of property Owner’s Social Security Card

  OR

  Employer’s ID Assignment from Internal Revenue Service or State (if applicable), also known as Federal ID Number

  OR

  a copy of the letter from the Social Security Administration that shows your social security number.

Payment cannot be issued until OCHA receives all verification of ownership.

ROLES AND RESPONSIBILITIES

LANDLORD'S OBLIGATIONS

The role of the landlord in the HCV 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 Housing Authority. Additional requirements:

- Comply with Fair Housing laws and equal opportunity requirements;
- Comply with terms of the Housing Assistance Payments Contract (HAP) - form HUD-52641;
- Screen families for suitability as renters;
- Comply with Housing Quality Standards (HQS) requirements, and Federal, State, and local laws;
- Notify the OCHA in writing of any program violations immediately as it occurs;
- Notify the OCHA in writing if the tenant violates the rental agreement and is evicted by sending copies of notices served to the tenant;
- Provide a 60-day notice to the tenant with a copy to the OCHA of a rent increase request;
- Housing Assistance Payment (HAP) will continue as long as the tenant remains in the unit or until a court decision is reached;
- Enforce the rental agreement; collect the rent due and any security deposit or charges for damages to unit by the family;
- Refund the deposit within 21 days or provide tenant with an accounting of charges when the tenant vacates;
- Notify the OCHA in writing of any address or telephone number change;
- Notify the OCHA in writing of changes in ownership (selling property) or agents.

FAMILY OBLIGATION

When a family selects a housing unit, and the Housing Authority 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 Housing Authority of any changes in income or family composition.

- Provide the OCHA with complete accurate information;
- Comply with the Family Obligations listed on the Voucher;
- Cooperate in attending all appointments scheduled by the OCHA.
- Locate a unit that is suitable for the family, meets HQS requirements, and meets rent reasonableness criteria (as determined by the OCHA when compared to similar unassisted units in the immediate vicinity);
- Keep the unit decent, safe and sanitary;
- Pay only the portion of the rent calculated by the Housing specialist;
- Comply with the terms of the rental agreement;
- Notify the OCHA of any changes in income or family composition in writing within 15 days of the change;
- Provide OCHA and the landlord with a 30-day notice to move in writing as required;
- Cooperate with the landlord by informing him/her of any necessary repairs in writing;
- Notify the OCHA of any known program violation.

HOUSING AUTHORITY'S OBLIGATIONS

- Verify and review family composition and income to determine eligibility;
- Issue a Voucher to the family;
- Explain the rules of the program to the family and landlord;
- Perform HQS inspection to ensure unit meets minimum standards (initially, annually, and special);
- Enter into contract with the landlord on behalf of the family. A rental agreement will also be required to be signed by the tenant and landlord;
- Make Housing Assistance Payments to the landlord in a timely manner, as soon as all required documents are received;
- Ensure the landlord and the family continue to comply with program rules;
- Provide the landlord with at least a 30-day notice if the tenant violates housing program requirements (such as unreported income or unreported people in the household), and is terminated from the program;
- Provide the landlord and family with prompt, courteous, accurate and professional service.