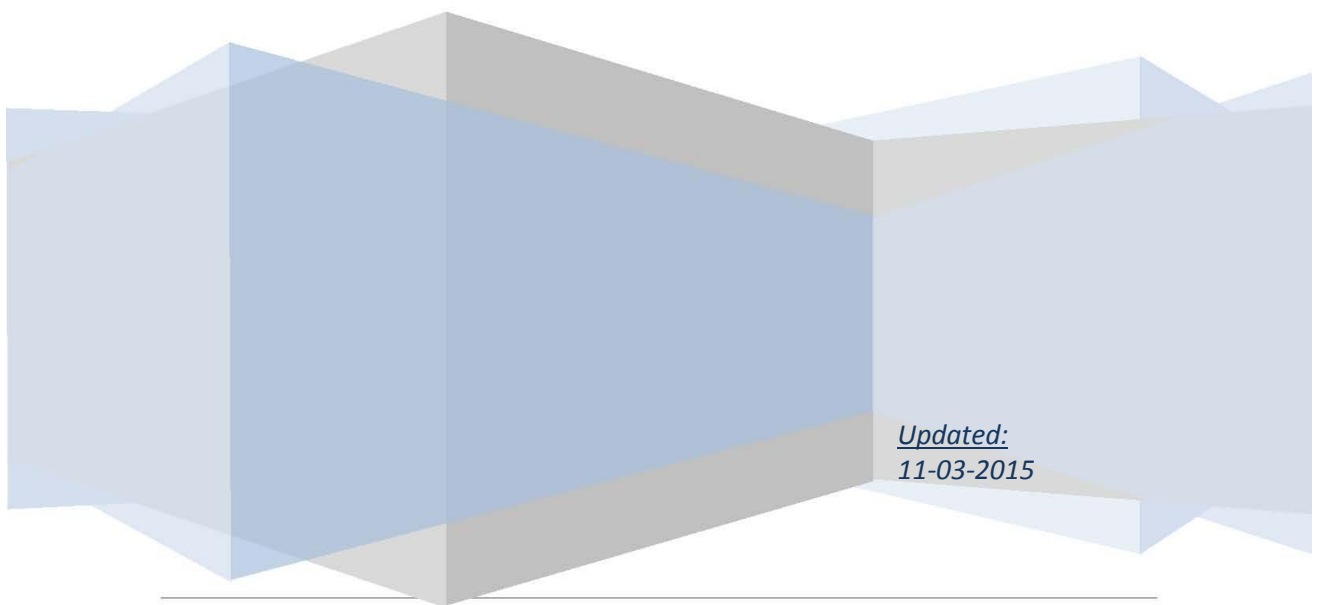


Owner Information Guide

Arlington Housing Authority

Housing Choice Voucher Program

How to lease your property under the HCV program



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1. Housing Choice Voucher Program Information

1.1. What is the Housing Choice Voucher Program?

The housing choice voucher program 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 subsidized housing projects. This may include the family's current residence. Housing choice vouchers are administered locally by public housing agencies (AHAs). The AHAs 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 AHA. A housing subsidy is paid to the landlord directly by the AHA 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 AHA, a family may use its voucher to purchase a modest home.

1.2. 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 is selected by the AHA 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 AHA 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 AHA must inspect the dwelling and determine that the rent requested is reasonable.

The AHA 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.

1.3. Affordable Housing Needs in Arlington

Arlington's current Housing Choice Voucher waiting list is over 10,000 households. The Arlington Housing Authority (AHA) serves approximately 3,646 families a month under the Housing Choice Voucher program.

Benefits to the landlord of participating in the Housing Choice Voucher Program include:

- Free advertising of available rental unit(s)
- Free annual inspections of your unit(s)
- Rent payment assurance – a portion of the rent is paid by the Arlington Housing Authority
- Owners may use their own lease
- Owners benefit the community by ensuring that their residents reside in housing that they can afford

2. Program Roles and Responsibilities

The AHA depends on a cooperative relationship between the housing authority, assisted family, and owner or property manager. The program is designed to maintain the owner and tenant relationship. The AHA provides financial assistance to ensure that eligible families reside in safe, decent, affordable housing.

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

2.1. Housing Authority Responsibilities

The AHA provides a family with housing assistance that enables the family to seek out suitable housing. The AHA enters into a contract with the landlord to provide housing assistance payments on behalf of the family. The AHA:

- Reviews applicant information to determine eligibility for the program
- Explain rules of the program to families and owners
- Issues vouchers to the family
- Inspects assisted units for compliance with housing quality standards
- Approves the unit, owner, and lease
- Makes housing assistance payments to the owner in a timely manner
- Re-examines family income and composition annually and adjusts rent and process changes in rent portions when income of family composition changes
- Ensure owners and families comply with the program rules
- Provide prompt, professional service to owners and tenant families

2.2. Landlord Responsibilities

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 AHA. The owner:

- Screens/interviews persons who apply and determines to whom they choose to rent the property
- Collects application fees, security deposits, and tenant's monthly rent portion
- Manages and maintains the property, which includes making necessary repairs in a timely manner
- Enforces the lease agreement
- Complies with the terms of the Housing Assistance Payment contract and HUD Tenancy Addendum
- Complies with all fair housing laws and does not discriminate against any family
- Notifies the AHA if a tenant vacates the unit and only retains housing assistance payments to which the owner is entitled
- Notifies the AHA of any changes to owner address, banking account information, change in property management or ownership immediately to ensure accurate and timely rent payments

2.3. Family Responsibilities

When a family selects a housing unit, and the AHA 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. The family must:

- Comply with the lease and program requirements
- Pay its share of rent on time
- Maintain the unit in good condition
- Notify the AHA of any changes in income or family composition within 30 days after they occur
- Provide the AHA with complete and accurate information pertaining to the family income and composition
- Attend scheduled appointments at the AHA and provide requested information in a timely manner
- Comply with all family obligations under the Housing Choice Voucher Program

3. How to Participate in the HCV Program

3.1. Understanding the HCV Program - Landlords

1. Read the Landlord Information Guide and view the Landlord Briefing which is located at http://www.arlingtontx.gov/housing/landlordportal_tutorials.html.

2. Owners interested in placing available rental property on the AHA's property listing may go to http://www.gosection8.com/LL/II_Register.aspx to set up an account, and post property information. Customer support is available at 866-466-7328 for questions related to this service. This service is not required, and may be utilized at the owner's option. The property listing is provided by the AHA to voucher holders who are searching for available properties.

3.2. Account Set Up/Change in Account Set Up

1. The owner must complete and submit the following documents in order to set up an account with the AHA:

- Completed, signed W-9 form
- Fully executed management agreement (if applicable)
- Direct Deposit form (including void check)
- Owner Property Information Form
- Property Certification Form
- Proof of ownership

2. The AHA will review submitted information to ensure all documents are complete. The AHA also verifies W-9 information with the IRS to confirm that the TIN/name combination is valid. The AHA contacts the owner regarding any issues.

3. The current owner/manager is responsible to notify the AHA of a change in ownership. The owner must provide a letter requesting the AHA's consent to reassign the HAP contract to the new owner/management company. The new owner will be provided forms to sign and must provide all information that is required for new account set up.

4. The owner is responsible to notify the AHA of a change in property management. The owner must submit the fully executed management agreement and any other applicable forms if changes are requested.

3.3. Steps to Participate in Program

1. Finding a Tenant - The AHA issues a voucher to an eligible applicant. Persons with a valid voucher are provided a list of properties compiled from landlords who have registered his/her properties as described in 3.1.2 of this guide. Voucher participants frequently use the AHA listing to identify a suitable rental unit. Landlords are encouraged to list their available rental properties with the AHA. Program participants are not required to lease only from the property listing, and may also identify and select rental units through other means. Listing a property with the AHA does not obligate the landlord to rent to families with housing vouchers; it simply provides the opportunity to market the property to persons with a voucher. The owner may rent their property to whomever they choose. The AHA encourages owners to use their normal screening / tenant selection techniques when considering an applicant with a voucher. The AHA also encourages owners to abide by fair housing laws in tenant selection.

2. Determining Rent Amount - The rent requested must be comparable to similar, unassisted units in the area of the rental property. A rent reasonableness assessment will be conducted after the initial inspection to determine if the rent requested by the owner is reasonable compared to other similar unassisted units. In considering rent reasonableness, the AHA takes into consideration the location, quality, size, type, age, amenities, housing services, maintenance and utilities to be provided of the subject and comparable units.

3. Approving a Tenant - Owners are encouraged to screen applicants on the basis of the family's current and prior tenancy history. Program participants are responsible for paying application fees and deposits. The AHA's issuance of a voucher to a family is not

a representation by AHA about the family's expected behavior or the family's suitability for tenancy. The AHA may provide to the owner, the family's current and prior address as shown on AHA records and the name and address, if known, of the landlord at the family's current and prior address, upon request. Requests for information must be submitted to the AHA in writing.

4. Agreement to Enter into a Lease - When the owner has determined to rent their unit to a person with a voucher, the owner and prospective tenant need to complete the Request for Tenancy Approval (RTA) provided by the AHA. Complete the RTA form and review the other forms and information in the leasing packet and return it to the AHA.

5. Affordability - Upon receiving a voucher, each family is given a rent estimator form indicating the maximum contract rent they are able to afford. If the participant is moving into a unit, different from the unit in which they are currently residing, the participant may not pay more than 40 percent of their adjusted monthly income toward rent and utilities. The AHA will make a determination about household income and tenant rent.

6. Initial Inspection of the Unit – The initial inspection is conducted within three to five business days after receipt of the completed RTA form. An inspector will contact the owner by phone to schedule the inspection. All utilities must be connected and the unit must be vacant before an initial inspection can be conducted.

7. Signing the Housing Assistance Payments Contract and lease Agreement -- After the unit passes an HQS inspection and the rent amount is approved by the AHA, the AHA determines the amount of rent payable to the owner by the tenant, and the amount to be paid to the owner by the AHA. The AHA prepares the Housing Assistance Payment contract and makes arrangements for the owner to sign the HAP contract. The owner is responsible to sign a lease agreement with the tenant and to provide a copy of the fully executed lease agreement to the AHA. The AHA will also send a notice to the owner and tenant indicating the approved rent amount, effective date of the contract, the family's rent portion and the housing assistance payment amount. Housing Assistance Payments will not begin until the Housing Assistance Payment Contract is signed and a signed lease is received by the AHA. The following defines the lease requirements under the HCV Program:

LEASE REQUIREMENTS

- The lease between tenant and owner must be in a standard form used by the owner and generally used by the owner with their other unassisted tenants in the premises or locality, if applicable.
- The terms and conditions of the lease must be consistent with State and local law.
- The lease must specify the utilities and appliances supplied by the owner, and utilities and appliances that are to be supplied by the family.
- The lease must include the HUD required tenancy addendum. (The AHA will provide the HUD Tenancy Addendum form for both owner and tenant.) The terms of the tenancy addendum prevail over any other provisions of the lease.
- The requested rent must be reasonable as compared to similar unassisted units and approved by the housing authority.
- The effective date, term, and the amount of rent on the lease must match the Housing Assistance Payment Contract.
- Provide a copy of the signed lease when you come in to sign the Housing Assistance Payments Contract and Tenancy Addendum.

8. Housing Assistance Payments - Housing assistance payments (HAP) are generally distributed on or about the first of each month by the AHA. HAP payments are issued by the AHA directly to the owner or the owner's designated property manager/agent. The AHA issues payments via direct deposit into the owner's designated bank account. Payment details are available to the owner via the internet through the AHA's secure landlord portal which is located at <http://www.arlingtontx.gov/housing/landlordportal.html>. Owners can access payment detail and payment history 24 hours per day, seven days per week. Tutorial guides on how to register/create an account and how to verify payment information (once an account is created) are available online at http://www.arlingtontx.gov/housing/landlordportal_tutorials.html.

The rental unit must pass the AHA HQS inspection before the HAP contract can be signed. HAP payments may not be issued until the AHA has signed the HAP contract and has a copy of the signed lease agreement and all other required forms and information.

HAP payments may not be made for any period prior to the date of the passed inspection and the effective date of the HAP contract. Tenants are encouraged not to occupy the unit until the unit passes the HQS inspection and with approval by the AHA. The tenant is responsible for any rent that may be due the owner for any period of the tenant's occupancy prior to the contract effective date. The owner can expect to receive the initial Housing Assistance Payment approximately 1-2 weeks after the HAP contract is executed and they have provided all required information to the AHA. Regular monthly payments are issued on or about the first of each month.

9. Adjustments to Family's Rent Portion

-- During the term of the lease, if the family has a change in income or family composition, they are required to report the change to the AHA within 30 days of

occurrence. The tenant portion and AHA portion of the rent may be adjusted depending on the family's household income and family composition. If any changes in the portions of rent occur during the tenancy, the AHA will send both the owner and tenant a Rent Change Notice that reflects any changes in rent portions. In any event, the owner will continue to be entitled to receive the agreed contract rent.

4. AHA Inspections

Units subsidized under the Housing Choice Voucher Program must meet a minimum standard of health and safety rules called Housing Quality Standards (HQS). To ensure compliance, all units are inspected before the tenant moves into the rental unit. Assisted units are inspected annually.

4.1. Initial Inspection

1. After the participant selects a unit to rent, and has successfully passed the owner's application and screening process, the participant and owner submit a Request for Tenancy Approval (RTA) form to AHA. Approximately three (3) business days after receipt of the RTA, the owner will receive a call requesting to schedule the initial inspection.

2. If the unit fails this initial inspection, the owner is requested to repair the outstanding deficiencies. The landlord must contact AHA in order to schedule a re-inspection. If more than 30 days pass without the owner scheduling the re-inspection appointment, the RTA is cancelled and the AHA will instruct the participant to look for another unit.

4.2. Inspection

Program rules require that all units be inspected at least bi-annually. Approximately 60 to 90 days prior to the anniversary date of the last recertification date. AHA will mail owner and participating tenants a letter notifying them of the upcoming date of inspection. If a unit fails the annual inspection, the owner will receive an inspection notice to make repairs within 30 days. In cases where the unit fails due to an emergency / serious health and safety item, the owner will be provided 24 hours to make the required repairs. If a unit fails re-inspection, the Housing Assistance Payments (HAP) will be stopped until the unit passes inspection.

4.3. Non-emergency Complaint Inspection

Complaint inspections are conducted when the assisted family or owner report a HQS violation to the AHA. Non-emergency complaint inspections are generally scheduled within two weeks. If the inspector notes violations during the complaint inspection, the violations must be corrected within 30 days, or the AHA will stop (abate) Housing Assistance Payments (HAP) to the owner.

4.4. Emergency Complaint Inspection

When an owner or participating tenant reports a situation or condition that poses an immediate threat to the tenant's health or safety, AHA will conduct an emergency inspection. Items that warrant an emergency inspection include, but are not limited to:

- No electricity or gas
- No running water
- Uninhabitable unit due to fire or other catastrophe
- Destroyed or vandalized property that prevents the tenant from entering the unit, using the bathroom or kitchen
- No air condition/ No heat during the A/C or heating season

Emergency fail violations must be corrected within 24 hours of the inspection, or the AHA will stop (abate) Housing Assistance Payments (HAP).

4.5. Quality Control Inspection

The AHA inspects a percentage of the units for quality control monitoring purposes each year. Units are selected at random, based on a representative sample of unit types, location and the inspector. If the inspector identifies HQS violations during the inspection, the violations must be corrected within 30 days or the AHA will stop (abate) Housing Assistance Payments (HAP) to the owner.

4.6. Failed Inspections

Owners should pay particular attention to the following items when preparing their units for inspection. If all needed repairs are the responsibility of the assisted family, then HAP will not be abated; however, AHA will begin actions to terminate the family's assistance. The following list is not inclusive of all failed items.

Windows

- Severe deterioration or windows allowing drafts and weather inside the unit.
- Broken and missing windowpanes or boarded up windows.
- No window in the living room or bedrooms.
- The bedroom doesn't have at least one window that opens.
- Bathroom does not have either a working vent fan or a window that opens.
- No locks on windows or other windows accessible from the ground.

Doors

- Lack of weather-stripping.
- Inoperable locks or locks installed that require a key to open from the inside, including security doors.

4.7. Basic Housing Quality Standards (HQS) Checklist

Walls and Ceilings

- Bulging plaster or wallboard, damp plaster from leaks, holes.

Paint (units built before 1978 and occupied by child under age 6)

- Peeling, chipping, flaking, chalking paint on any painted surface in unit, common areas or exterior.
- Rotting or deteriorated substrate under painted surface.

Electricity

- Outlets and overhead/wall mounted fixtures that do not work or were improperly installed.
- Missing covers on outlets and switches. Exposed, cracked, frayed wiring or wiring not properly secured.
- Electrical boxes missing knockouts or open spaces in boxes without breakers or blanks.
- Utilities are not turned on.
- Electric outlet(s) with open ground or improperly wired outlets

Safety

- Unit lacks an operable smoke detector in required spaces
- Presence of gas leaks or fumes.

Floors, Decks, Porches and Exteriors

- Holes in floors allowing drafts or entry by vermin.
- Tripping or cutting hazards, such as protruding nails or holes in carpets.
- Roof leaks.
- Fences or garages that are unsound and have safety hazards.

Plumbing Leaks

- Leaking faucets, toilets, or fixture drain pipes.

Appliances

- Missing appliances that are listed as “provided by owner” in the lease.
- Non-working stoves and refrigerators or are missing manual shut off for gas range.
- Stove burners that do not work or have missing knobs.
- Oven not working or oven door not closing properly.

Handrails and Guardrails

- No handrails on steps with 4 or more risers.
- No guardrails around decks or porches that are 30” or more inches off ground level.

Water Heaters and Heating Equipment

- No pressure relief valve on the water heater.
- No manual shut off valves on heating and hot water equipment fired by fuel.

General

- Some fixtures or facilities within the unit are not clean.
- Trash and/or debris in yard or premises.
- No screens on windows when refrigerated air is not available.

4.7. Basic Housing Quality Standards (HQS) Checklist

This checklist is provided to assist owners in ensuring that common violations are cleared prior to AHA HQS Inspection. Note that this checklist is not all inclusive of HQS violations, and only sites common violations.

- Unit must be vacant prior to inspection appointment.
- All utilities must be on and all appliances in unit at time of inspection. Appliances must be cleaned and in good working order.
- Unit requires a working smoke detector on each level of the unit and in each bedroom in accordance with Texas Property Code for Rental Properties 92.255.
- Water heater must be properly vented and have a pressure relief valve with discharge line directed to the floor or outside.
- Bathrooms must have a window that opens with secure locking device or has a working exhaust vent systems.
- Bedrooms must have an open able window and with operable locks.
- Windows must be in good working condition, weather-tight, free of broken panes and have operable latches.
- Doors must be free of holes, weather-tight (if exterior), and have operable locks.
- All plumbing must be in good working condition.
- All walls and ceilings must be clean and be free of holes.
- No peeling interior or exterior paint.
- All electrical wiring must be properly installed and covered (no exposed wiring or missing covers.) City of Arlington or Licensed Electrician must complete electrical repairs.
- Heat and A/C must be in good working condition, vented properly, and filters should be clean.
- Floors must be clean (no loose tile or torn carpet).
- Inside and outside of unit must be free of garbage and debris.
- Unit must be free of any hazards not specifically identified previously.

5. Landlord Forms

Unless stated otherwise, landlord forms are available at the Arlington Housing Authority website at: <http://www.arlingtontx.gov/housing/landlordportal.html>.

5.1. Owner/Property Management Information Form

This is required form that must be completed by the owner at the time the account is set up, as well as any time there is a change in ownership or property management.

5.2. Assignment of Management/Leasing Agent

This is a required form that must be completed by the owner at the time that the account is set up if the owner is assigning a management/leasing agent. It is also required to be completed any time there is a change in property management.

5.3. Direct Deposit

The AHA issues all payments electronically and does not issue manual checks. This is a required form that must be completed by the owner at the time that the account is set up. The owner is also required to submit a voided check or pre-printed account deposit slip with the form. The same documentation is required for requests to change bank account information.

5.4. W-9

This is a required form that must be completed by the owner at the time that the account is set up, as well as any time that there is a change of ownership or change in tax identification number (TIN) or name. At the time of account set up, the AHA will submit the name and TIN combination as listed on the W-9 to the IRS to confirm that it is valid. If the name/TIN combination does not match IRS records, the AHA will contact the owner to re-submit accurate information. Accounts cannot be set up unless the AHA can confirm that the information submitted matches IRS records.

5.5. Rental Increase Request and Survey

This form is an optional form that may be submitted by the owner 45 days prior to the end of the contract period to request a rent increase. Once documentation is received, the AHA will conduct a rent reasonableness analysis to determine if a rent increase will be approved.

5.6. Intent to Move Notice

This form, which is completed jointly by the tenant and the owner, is to be submitted to the AHA 60 days prior to move date. To access this form, please contact the AHA.

5.7. Request for Tenancy Approval Packet

This packet, which is provided to the tenant at the time that a voucher is issued, is completed jointly by the tenant and the owner and submitted to the AHA. A provisional (unsigned) lease is required to be submitted with the packet and must state "Tenancy Addendum Attached". To access this form, please contact the AHA.

5.8. Property Owner Certification Form

This form is provided to the property owner at the time of account set up. The purpose of the form is to summarize program requirements to the owner and for the owner to acknowledge understanding of the requirements of the program.

6. Reference Materials

Unless noted otherwise, landlord reference materials are available at the Arlington Housing Authority website at: <http://www.arlingtontx.gov/housing/landlordportal.html>

6.1. Payment Standards

The Payment Standard is used to calculate the housing assistance payment for a family. In accordance with HUD regulation, and at the AHA's discretion, the amount is set by the AHA between 90 percent and 110 percent of the HUD published fair market rent (FMR). The AHA reviews the appropriateness of the Payment Standard annually when the FMR is published.

6.2. Program Income Limits

The program income limits show the income requirements for admission to the Housing Choice Voucher program by the number of persons in the household. Program income limits can be found at http://www.arlingtontx.gov/housing/rentalassistance_hvc.html

6.3. Utility Allowances

The amount that the AHA determines is necessary to cover the resident's reasonable utility costs is the utility allowance. The AHA adopts utility allowances on an annual basis following an analysis of utility costs.

6.4. Map of Arlington

The map of Arlington shows the areas that are within the boundaries of the City of Arlington. Participants who have a voucher issued by the AHA may lease up at a property located within the City of Arlington. The City of Arlington map can be accessed at <http://www.arlingtontx.gov/gis/interactivemapping.html>.

6.5. Protecting Tenants at Foreclosure Act

This notice has been extended through December 31, 2014. The notice provides information to ensure that individuals or entities that participate in HUD programs are aware of obligations imposed on immediate successors of interest in any residential property pursuant to a foreclosure, to provide tenants with at least a 90 day advance notice of the need to vacate the property. Please contact the AHA for a copy of this notice.