



## Section 8

## Landlord

## Information Packet



This packet has been prepared for landlords/owners in appreciation of your interest in participating in the Section 8 Housing Choice Voucher Program.

The Section 8 Housing Choice Voucher Program is a federally regulated and funded program through the Department of Housing and Urban Development (HUD). Arvada Housing Authority (AHA) administers the program throughout the City of Arvada. The regulations for the Housing Choice Voucher Program are determined by the U.S. Department of Housing and Urban Development (HUD).

## **Program Overview**

The objective of the program is to provide affordable, safe, decent, and sanitary housing to the low income residents of Arvada. The program provides for direct payments to the property owner on behalf of the family to cover part of the tenant rent. The tenant pays the remainder of the rent.

The owner and manager will be referred to as the landlord. The landlord will sign a Housing Assistance Payments (HAP) Contract with the Housing Authority in addition to a one-year Lease agreement with the tenant.

The family's rent contribution will be based on the household income and family size, and should be approximately 30% of their adjusted income. In accordance with federal regulations, the Housing Authority and tenant rent amount change as the family composition and income change. These changes are effective after written notice to both parties by the Housing Authority.

This program is well established and operated nationwide. It offers a solution to government owned housing and allows tenants the choice for freedom in housing. The program is designed to benefit both landlords and tenants.

## **Benefits of the Section 8 Program**

### *LANDLORD BENEFITS:*

- YOU continue to screen and select your renters
- Rental assistance payments are made directly to YOU.
- The Housing Authority will visit YOUR property annually to ensure its safety
- YOU will have the opportunity to help the elderly, persons with disabilities and families with low to moderate incomes

### *COMMUNITY BENEFITS*

- Reduces need for construction of public financed housing
- Least costly way to provide affordable housing by integrating affordable housing into private market
- The family will have more disposable income

### *RENTER BENEFITS*

- Families can keep their privacy while receiving public assistance
- Families pay about 30% of their monthly income toward rent allowing them to pay for school expenses and/or medical care
- Families may live anywhere within their community

## PROGRAM OPERATION

### *APPLICATION:*

The family applies to the housing agency to enroll in the program. "Family" also includes elderly persons 62 years of age or older, persons with disabilities, and singles.

### *CERTIFICATION:*

At the time the family receives Section 8 assistance, the family has been qualified by the housing agency based on family composition and income. **Tenant screening is a landlord responsibility.**

### *PROGRAM RENT LIMITS:*

In the voucher program the tenant will not pay less than 30% of their income toward the rent and utilities. The Housing Authority must determine that the rent is comparable to other non-assisted rents in the area.

### *THE PAYMENT STANDARD:*

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

### *TENANT REFERENCE:*

The Housing Authority, by providing housing assistance, in no way verifies a family's suitability as a tenant. **However, it is the responsibility of the landlord to reference check and approve a prospective tenant.** As a landlord you must abide by the non-discrimination laws. It is illegal to discriminate against any person because of race, color, sex, national origin, familial status, religious preference, handicap or political affiliation. It is, however, your responsibility to screen tenants and it would not be considered discriminatory to refuse a Section 8 tenant if they did not meet your screening criteria.

### *LEASE:*

The lease is the agreement between the tenant and the Landlord (The Housing Authority is not a party to the Lease, only to the Contract). The lease must comply with state and local laws. The Landlord must use their own Lease and it must be submitted to AHA for review prior to execution. The initial term is for twelve months and the term can continue on a month-to-month basis when a renewal inspection is conducted. The Landlord must notify AHA at renewal which option he/she chooses. Any and all changes to the lease agreement must be in writing, signed, and dated with a copy submitted to the AHA.

### *LEASE TERMINATION:*

During the initial 12 month term of the lease it can be terminated for one of the following reasons:

1. Mutual Rescission: The Landlord and Participant may sign an agreement to rescind the terms of the Lease. The rescission date should be at the end of the month. The AHA may not be able to pay a partial/prorated payment if the rescission date is not at the end of the month.

2. Eviction: The Landlord may terminate the Lease by instituting a court action for violation of the terms of the Lease. Some examples of Lease violations that are grounds for eviction are: (Refer to your lease)

- Non-payment of rent;
- Failure to reimburse repair costs;
- Repeated late payment of rent;
- Permitting unauthorized persons to live in unit;
- Serious or repeated damage to the unit or common areas;
- Serious or repeated interference with the rights and quiet enjoyment of other tenants or neighbors.

**\* A copy of the eviction notice given to the tenant must also be given to the AHA.\***

After the initial 12 month term of the Lease one of the following applies:

1. The Landlord may choose not to renew by giving at least thirty days written notice to the tenant. It must be effective only at the end of a month and a copy of the notice must be provided to the AHA.
2. Inform the Tenant and AHA in writing the Lease will continue on a month-to-month basis or other terms.

**GIVE PROMT NOTICE TO THE AHA IF:**

- A. **Tenant vacates the unit without notice**: Immediately call and inform the Housing Authority.
- B. **The owner takes action to evict or issues a 30 days notice to vacate**: A copy of the notice to the tenant must always be given to the AHA.
- C. **Lease Renewal**: Renewal packets are mailed to the tenant and landlord approximately 3 months prior to lease termination. The tenant and landlord are required to complete the paperwork. If you plan on increasing the contract rent, you should indicate so on the renewal form.
- D. All rent increases must be put in writing to the AHA and approved.

*SECURITY DEPOSIT-all Colorado Tenant/Landlord laws apply:*

The tenant is responsible for the total security deposit. It is the responsibility of the landlord to collect it. Families shall be expected to obtain the funds to pay security and utility deposits, if required, from their own resources and/or other private sources.

If the family vacates the unit, the owner, subject to state and local law, may utilize the deposit as reimbursement for any unpaid rent and damages under the terms of the Lease. If the family vacates the unit owing no rent or other amount under the Lease, or if such amount is less than the amount of the security deposit, the owner shall refund the full amount or the unused balance of the security deposit, as the case may be, to the family. If the tenant damages the unit beyond normal wear and tear, the tenant is responsible for this expense.

*REQUEST FOR TENANCY APPROVAL (RFTA):*

Once you determine that a participant will be a suitable tenant, complete the Tenancy Approval –RFTA form. The tenant will have this document and will provide it to you for completion. By executing the Request, you are certifying the amount of rent most recently charged for the rental unit and certifying the reason for any

change in amount. **You cannot charge more rent for this unit than for other similar unassisted units.** This form must be completed in full and returned to AHA's office for contract preparation. The AHA is not responsible for any part of the rent until the unit is inspected; the contract is executed and received in our office. Incomplete forms will not be processed and may delay payment to the landlord.

*IRS FORM W-9:*

New landlords must complete the W-9 form attached to the Request for Tenancy Approval. The tax identification or social security number you provide must belong to the owner or persons responsible for payment of taxes. At year end, the AHA will send you an IRS Form 1099. The amount recorded is for rental assistance payments that we have made to you on behalf of the tenant(s). No housing assistance payments can be processed until we have the completed W-9 form. This form may be faxed to our office (720) 898-7490.

*HOUSING ASSISTANCE PAYMENT (HAP) CONTRACT:*

The Housing Assistance Payment (HAP) Contract is the agreement between the Housing Authority and the Landlord. The Contract outlines the rights and responsibilities of both parties. The Housing Authority can make no payments until the contract is executed. When the contract is cancelled, payments will be discontinued. If the contract is cancelled due to no fault of the Landlord a 30-day notification will be issued to the Landlord.

The term of the HAP contract is for one year. During the term of the contract the Landlord may not increase the rent to the tenant or change utilities that are supplied by the Landlord. The HAP contract terminates automatically if the Lease is terminated or if AHA terminates assistance to the family. Upon termination of the Contract the Landlord will receive a 30-day notice from AHA. The contract may also be cancelled if the unit does not continue to meet Housing Quality Standards (HQS). The Landlord and the Tenant may terminate the Lease at any time by mutual agreement.

*HOUSING ASSISTANCE PAYMENT (HAP) TO OWNER:*

The AHA will begin making payments to the owner after the unit has been approved and the HAP contract has been signed. The AHA will mail out a check the first business day of the month. The AHA will continue to make monthly payments as long as the family continues to meet eligibility criteria, as long as the unit qualifies under the program, and as long as the participant remains in the unit.

*MONTHLY RENT COLLECTION:*

Regardless of the rental portion due from the tenant, the landlord must collect the rent monthly and take action to evict families who are not current on their portion of the rent. The AHA will mail you our portion of the rent the first of every month as long as the Contract is in effect. The landlord may evict the family for non-payment of their portion of the rent.

*UNIT INSPECTION:*

The AHA contracts out for inspections with a company called **BURO INSPECTIONS**. The Landlord and Tenant will both be contacted by BURO INSPECTIONS to set a time and date for the inspection. Inspections are scheduled week days Monday thru Friday during normal business hours (8:00 a.m.- 4:30 p.m.)

**At the time of inspection:**

- The unit **must** be ready for move-in which means: the unit **must** be vacant and all cleaning, repairs and remodeling that you intend to complete prior to the participant moving in must be finished before the inspection date. The inspection report will also serve as the unit condition report for our records.
- All utilities must be connected (water, electricity, and heat). All appliances must be connected and working (refrigerator and stove).

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

**The unit must meet HQS to pass inspection, some examples are:**

1. Bedrooms must have a window that opens and locks.
2. Kitchen and bath must have a fixed overhead light and one additional electrical outlet. All other rooms must have either an overhead light and one outlet, or two outlets.
3. Kitchen and bath must have hot and cold running water.
4. Bathrooms must have a sink, shower/tub, commode and an operable window or an operating fan/vent.
5. Refrigerator and stove must be fully operable. ( All burners and the oven will be checked)
6. Foundations, stairs, porches and railings must be sound. Stairways with more than 4 steps must have secure railings.
7. Hot water heater must have a pressure relief valve and discharge line; there must be an adequate, safe source of heat; no leaking plumbing.
8. There should be **NO** peeling, cracking or chipping paint.

**Most common failed conditions are:**

- Nonfunctional smoke detectors
- Missing or cracked electrical outlet covers or plates
- No railings where required
- Cracked or broken window panes
- No locks on windows
- Leaking faucets or plumbing
- No temperature/pressure-relief valve on water heaters

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

**Property Maintenance:**

The landlord agrees to maintain the unit to provide decent, safe and sanitary housing in accordance with HQS. The landlord must promptly correct any defects, both tenant caused damage and "normal wear and tear". The AHA cannot make any payments for a unit that does not meet HQS.

**Periodic Inspection of Your Property:**

When you sign the HAP Contract with the AHA you are agreeing that:

- A. The unit is safe, decent and sanitary and that the owner is providing all services maintenance and utilities agreed to in the lease; and
- B. The unit is leased to the family named in the lease; and, to the best of the owner's knowledge, only the members of the family on the lease will occupy the unit.

### **Common Owner Violations**

1. **Failing to maintain the unit-** The owner is responsible for normal maintenance and upkeep of the unit. Repairs should be made in a timely manner.
2. **Accepting payments after a tenant vacates the units-** if the family moves in violation of the lease the owner **MUST** notify the AHA immediately.
3. **Demanding or accepting side payments-** since the AHA determines the amount the family pays for rent, any additional payments must be approved by the AHA.

### **Tenant- Landlord Disputes**

Despite the best intentions, at times problems arise between tenants and landlords. As a landlord you are entirely responsible for the property management of your unit. The Section 8 staff will try to help if we are kept informed, but we are not property managers.

If the tenant violates the Lease, the landlord should follow the same procedures as with other residents. Notice of eviction must be reported to the Housing Authority at the same time the tenant is notified. The landlord may proceed with the eviction in accordance with Colorado State Law.

### **Referral Service for Vacant Units:**

The Housing Authority will assist landlords by giving potential tenants a list of rental units that are currently available. The landlord does not forfeit the opportunity to screen potential tenants so long as the landlord does not discriminate among prospective tenants on the basis of race, color, sex, national origin, or familial status. Your listing will remain in our referral databank for 30 days. If your unit is not rented within those 30 days you may call us and request an additional 30 days.

Should you have any need for assistance please contact us at (720) 898-7494.