



**El Camino Real
Housing Authority**

Securing Affordable Housing & A Brighter Future for All

LANDLORD GUIDE

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INTRODUCTION

What is the Housing Choice Voucher (Section 8) Program?

The Section 8 Tenant-Based Assistance Program administered by the El Camino Real Housing Authority, (ECRHA) is funded by the United States Department of Housing and Urban Development (HUD), the purpose of the program is to make decent, safe and sanitary housing affordable to ver-low, and extremely low households in the private rental market.

Households that meet eligibility requirements normally pay approximately 30% to 40% of their adjusted monthly income towards their monthly rent and utility costs. The program pays the balance of the rent directly to the owner of the rental property or to their appointed agent.

In order for the Section 8 Program to be successful, it is vital that a good working relationship is developed between the El Camino Real Housing Authority and property managers who contract with the (ECRHA) to provide housing for program participants. The goal of this guide is to provide landlords with all the information needed to be successful, in not only renting to a Section 8 participant, but as a landlord in general.

The Responsibilities of Each Party

The Family seeking assistance, the owner(s) of the unit and the El Camino Real Housing Authority are all involved in the process of ensuring that the dwelling unit satisfies the HUD Housing Quality Standards. A summary of the responsibilities of each party is listed below:

The Responsibilities of the El Camino Real Housing Authority:

- Ensure that all units in the Section 8 Housing Choice Voucher Program, at a minimum, meet the Housing Quality Standards and City code requirements.
- Make initial inspection of units in response to the Request for Tenancy Approval. Inform the potential tenant and owner(s) of results, and necessary action.
- Encourage tenants and owner(s) to maintain units up to Housing Quality Standards or higher.
- Complete complaint inspections in response to tenant or Owner(s) requests. Inform the tenant or owner(s) of necessary corrections and the time period for compliance. Take Action against the tenant or owner(s) (as appropriate) if compliance is not obtained within the time period specified.
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The Responsibilities of the Tenant:

- Comply with the terms of the lease.
- Help to keep the unit safe and sanitary.
- Cooperate with the Owner(s) by informing him/her of any necessary repairs.
- Cooperate with the El Camino Real Housing Authority for initial, annual, and complaint inspections.

The Responsibilities of the Owner:

- Comply with the terms of the Lease.
- Maintain the unit and keep it at least up to the Housing Quality Standards.
- Cooperate with the tenant by responding promptly to requests for needed repairs or maintenance.
- Cooperate with the El Camino Real Housing Authority on initial, annual, and complaint inspections, including making necessary repairs within the prescribed time frame.

Chapter 1

The HAP CONTRACT

What is the HAP Contract and Why an Owner MUST sign it.

The HAP (Housing Assistance Payment) Contract is a contract between the PHA (Public Housing Authority) and the owner. The HAP Contract is entered to provide assistance for the family under the Section 8 Housing Choice Voucher Program per the Code of Federal Regulations (24 CFR) part 982. The HAP Contract unit specified in Part A of the HAP contract (pages 1 and 2).

During the HAP Contract term, the El Camino Real Housing Authority will pay housing assistance payments to the owner in accordance with the HAP Contract.

The family will reside in the contract unit with the assistance under the Section 8 Housing Choice Voucher Program. The housing assistance payments by the El Camino Real Housing Authority assist the tenant to lease the contract unit from the owner during the specified lease term.

Note: All perspective, new and current owners should possess and understand the HUD HAP Contract. A copy is found within this Landlord Guide, is available upon request, or can be downloaded at www.hud.gov.

The HAP Contract is divided into 3 (three Parts)

Part A (pages 1 and 2)- identifies the family name (including all household members), the unit address, the contract rent amount, the subsidy amount (at the time the contract begins). Which party is responsible for the utilities and appliances, and contains the signatures of both the El Camino Real Housing Authority and the owner/owner's agent.

Part B (pages 3-7) – details the responsibilities and what is expected of the owner. This section includes, but is not limited to, defining the term of the contract, reasonable rent, the payment to owner, overpayments to owner and owner breach of contract.

Part C (page 8-10) – encompasses the Tenancy Addendum. The Tenancy Addendum is an automatic addendum to EVERY program participant's lease. A copy of this addendum should be attached to every lease and provided to the program participant.

Term of the HAP Contract:

The term of the HAP Contract begins on the first day of the initial term of the lease, and terminates on the last day of the term of the lease (including the initial lease term and any extensions).

When does the HAP Contract Terminate?

It is important for owners to understand that the HAP contract can/will be terminates on the last day of the term of the lease (including the initial lease term and any extensions).

1. If the lease is terminated by the owner or the tenant
2. If the family has failed to comply with program requirements. If the El Camino Real Housing Authority terminates assistance for the family, the HAP contract AUTOMATICALLY terminates.
3. If the family moves from the contract unit.
4. If the client is responsible for 100% of the contract rent – the HAP contract shall be terminated after 180 calendar days of the last payment to the owner.
5. If available program funding is not sufficient to support continued assistance for families in the program.
6. If the contract unit no longer provides adequate space, in accordance with Housing Quality Standards, for the family. This is usually due to an increase in family size or a change in family composition.
7. If the family breaks up the HAP contract MAY be terminated or the PHA may elect to continue payments on behalf of the remaining family members.
8. If the contract unit does not meet all requirements of the Housing Quality Standards (HQS) or if the PHA determines that the owner has otherwise breached the HAP Contract. (see Chapter 5- Unit Inspections).

UNLESS THE OWNER HAS COMPLIED WITH ALL PROVISIONS OF THE HAP CONTRACT, THE OWNER DOES NOT HAVE A RIGHT TO RECEIVE HOUSING ASSISTANCE PAYMENTS UNDER THE HAP CONTRACT.

CHAPTER 2

What Every Owner Needs to Know

The El Camino Real Housing Authority Section 8 Housing Choice Voucher Program does not prohibit or inhibit the normal owner/tenant responsibilities as prescribed by the New Mexico State statues and the Housing Assistance Payment (HAP) Contract. The El Camino Real Housing Authority acts only as a subsidy agent, paying a portion of the rent on the tenant's behalf directly to the landlord based on the family's income. The Housing Authority does not interfere with normal landlord/tenant interrelationships. However, the Housing Authority can act as arbitrator to help resolve problems and, upon written request, the Housing Authority will counsel the family regarding a repeated problem the landlord may be experiencing with a tenant, only after the landlord has personally tried to resolve the matter first himself.

Important Facts Regarding the Lease Agreement:

1. The lease must be consistent with State and local law.
2. Must contain the FULL address of the unit to be subsidized.
3. Must contain the names of the owner and the tenant.
4. The amount of the monthly rent to the owner.
5. The lease must be in a standard form and should generally be the same lease used for other unassisted tenants.

Important Facts Regarding the Lease Agreement cont'd

6. The lease must contain a word-for-word account of which party (owner or tenant) is responsible for the utilities.
7. The lease should specifically indicate any additional fees that are not included in the contract rent (cable, phone, washer/dryer etc).
8. The lease must be approved by the El Camino Real Housing Authority.
9. It must be understood that the Section 8 Housing Choice Voucher Program *Tenancy Addendum* is an automatic addendum to every tenant lease. If there is any conflict between the Tenancy Addendum and provision of the owner/tenant lease – then the Tenancy Addendum shall control (see Chapter 4 – Tenancy Addendum)

It is a common misconception that the El Camino Real Housing Authority is responsible for the lease enforcement of Section 8 Participants. The individual landlord/owner is responsible for enforcing the terms/conditions of the lease agreement (no pet policy, failure to pay rent etc.) However, the landlord should always provide the agency with copies of notices sent to the tenant regarding lease violations (7 day Notices, 3 Day Notices, Warnings etc.). In general, a Section 8 Participant should be treated no differently than any other unassisted tenant. If our client is committing serious/repeated violations of the lease – then the landlord should enforce the lease in accordance with New Mexico law (providing copies of all paperwork to the El Camino Real Housing Authority).

Note: All perspective, new and current owners should possess and understand the HUD HAP Contract. A copy is found within this Landlord Guide, is available upon request, or can be downloaded at www.hud.gov.

Chapter 3

THE TENANCY ADDENDUM

What is it?

The Section 8 Housing Choice Voucher Program Tenancy Addendum is a three (3) page HUD addendum which is attached to every tenant lease. It is important for an owner to be aware that THE TENANT MAY ENFORCE THE TENANCY ADDENDUM AGAINST THE OWNER – if he/she is failing to comply with or violating its terms. If ever there is a conflict between a provision of the owner/tenant lease and the HUD Tenancy Addendum, then the Tenancy Addendum shall super-cede the lease agreement. The Tenancy Addendum addresses some of the following issues:

1. **Rent to Owner** – The rent to owner may not exceed the amount approved by the El Camino Real Housing Authority. The rent to owner may not be raised during the initial lease term. In addition, the rent to owner may NEVER exceed the reasonable rent determined by the El Camino Real Housing Authority or the rent charged by the owner for comparable unassisted units on the premises.
2. **Family Payments to Owner** – The family is responsible for paying their monthly rent portion (as determined by the El Camino Real Housing Authority). At no time, may the family be held responsible for the portion rent to be covered by the El Camino Real Housing Authority. The owner MAY NOT charge or accept, from the family or other party, any payment for rent of the unit in addition to rent to owner.

The Tenancy Addendum cont'd

3. **Maintenance, Utilities and Other Services** – The owner must maintain the unit and premises in accordance with the Housing Quality Standards (HQS) See Chapter 54 – Unit Inspections. The owner is NOT responsible for a breach of the HQS caused by the tenant's failure to maintain utilities that are to be paid by the tenant or appliances that are to be maintained by the tenant.
4. **Termination of Tenancy by Owner** – The owner may only terminate tenancy in accordance with the lease and HUD requirements. Such reasons for termination include but are not limited to Serious or repeated lease violation, violent criminal activity, drug-related criminal activity, disturbance of neighbors and destruction of property.
5. **Eviction** – The owner may only evict the tenant by court action.
6. **Lease as Related to the HAP Contract** - If the HAP Contract terminates for any reason, the lease terminates automatically.
7. **PHA Termination of Assistance** – The PHA may terminate program assistance for the family, due to program non-compliance, AT ANY TIME. If the PHA terminates program assistance then the lease is terminated automatically.
8. **FAMILY MOVE OUT** – The tenant must notify the PHA and the owner before the family move out of the unit.
9. **PROHIBITION OF DISCRIMINATION** – The owner must not discriminate against any person because of race, color, religion, sex, national origin, familial status or disability.
10. **CHANGES IN LEASE OR RENT** – The owner must notify the El Camino Real Housing Authority of any change in the amount of the rent to owner at least sixty (60) days before the annual recertification goes into effect, and the amount of rent to owner following any such agreed change MAY NOT exceed the reasonable rent for the unit as determined by the El Camino Real Housing Authority.

The HUD Tenancy Addendum should be revised in full by any perspective, new, current Section 8 Housing Choice Voucher Landlord. All provisions of the Tenancy Addendum have NOT been covered above, only those sections that give the most general explanation/overview of the Section 8 Housing Choice Voucher.

Note: All perspective, new and current owners should possess and understand the HUD Tenancy Addendum. A copy is found within the New Landlord Packet, is available upon Request, or can be downloaded at www.hud.gov

Chapter 4

UNIT INSPECTIONS

Purpose and Types

There are four (4) types of inspections conducted concerning subsidized units of the Section 8 Housing Choice Voucher Program. They are the Initial Inspection, Annual Inspection, Special Inspection and the Quality Control Inspection. The purpose of each of these inspections is the same – to ensure that the agency is ONLY subsidizing units that meet the Housing Quality Standards set by HUD. Housing Quality Standards (HQS) are the HUD minimum quality standards for the tenant-based programs. HQS standards are required both at initial occupancy and during the term of the lease. HQS standards apply to the building and premises, as well as the unit. Newly leased units must pass the HQS inspection BEFORE the beginning date of the assisted lease and HAP Contract.

The owner and the tenant are always reasonably notified of the date and time an inspection is scheduled to take place.

Guidelines/Types of Inspections:

The ECRHA has adopted local requirements of acceptability in addition to those mandated by the HUD Regulations.

Guidelines/Types of Inspections Cont'd

Efforts will be made at all times to encourage owners to provide housing above HQS minimum standards. The ECRHA will not promote any additional acceptability criteria which are likely to adversely affect the health or safety of participant families, or severely restrict housing choice.

All utilities must be in service prior to the effective date of the HAP contract. If the utilities are not in service at the time of inspection, the Inspector will notify the tenant or owner (whomever is responsible for the utilities according to the RFTA to have the utilities turned on. The tenant will certify that the utilities are on and provide receipt.

If the tenant is responsible for supplying the stove and/or the refrigerator, the ECRHA will allow the stove and refrigerator to be placed in the unit after the unit has passed all other HQS. The family must then certify that the appliances are in the unit and working. The ECRHA will not conduct a re-inspection.

There are four types of inspections the ECRHA will perform:

1. **Initial/Move-in:** Conducted upon receipt of Request for Approval of Tenancy.
2. **Annual:** Must be conducted within twelve months of the last annual inspection
3. **Special/Complaint:** At request of owner, family or an agency or third-party.
4. **Quality Control:**

The Initial HQS Inspection:

The Initial Inspection will be conducted to:

1. Determine if the unit and property meet the HQS defined in this plan.
2. Document the current condition of the unit as to assist in future evaluations whether the condition of the unit exceeds normal wear and tear.
3. Document the information to be used for determination of rent-reasonableness.

If the unit fails the initial Housing Quality Standards inspection, the owner will be advised to notify the ECRHA once repairs are completed. If the time period given by the Inspector to correct the repairs has elapsed, or the maximum number of failed re-inspections has occurred, the family must select another unit.

The Annual HQS Inspection:

The ECRHA conducts an inspection in accordance with Housing Quality Standards at least annually. Special inspections may be scheduled between anniversary dates. HQS deficiencies which cause a unit to fail must be corrected by the landlord unless it is a fail for which the tenant is responsible.

Time Standards for Repairs:

Emergency items which endanger the family's health or safety must be corrected by the owner within 24 hours of notification. For non-emergency items, repairs must be made within 30 days. For major repairs the Executive Director may approve an extension beyond 30 days.

The Special/Complaint HQS Inspection:

If at any time the family or owner notifies the ECRHA that the unit does not meet Housing Quality Standards, the ECRHA will conduct an inspection. The ECRHA may also conduct a special inspection based on information from third parties such as neighbors or public officials.

The ECRHA will inspect only the items which were reported, but if the Inspector notices additional deficiencies that would cause the unit to fail HQS, the responsible party will be required to make the necessary repairs. The responsible party will be required to complete all the repairs within 15 days of the failing inspection.

If the annual inspection date is within sixty (60) days of a special inspection, and as long as all items are inspected that are included in an annual inspection, the special inspection will be categorized as an annual and all annual procedures will be followed.

The Quality Control Inspection:

Quality Control inspections will be performed by the Executive Director. The purpose of Quality Control inspections is to ascertain that each inspector is conducting accurate and complete inspections, and to ensure that there is consistency among inspectors in application of the HQS.

Basic Inspection Criteria:

When a ECRHA inspector assess a potential or current unit, he/she will be attempting to verify that unit adheres with local codes and program regulations. Below are some local codes which the inspector will be focusing on, however, it should be understood that a unit could fail inspection for an issue/factor OUTSIDE THE SCOPE of this list – if the particular issue/factor is considered a safety hazard or a sanitation concern.

Walls:

In areas where plaster or drywall is sagging, severely cracked or otherwise damaged, it must be repaired or replaced.

Windows:

Windows must be weather stripped as needed to ensure a watertight seal.

Window screens must be in good condition (no torn material or bent frames).

Any room for sleeping must have a window.

Doors:

All exterior doors must be weather-tight to avoid any air or water infiltration, be lockable, have no holes, have all trim intact, and have a threshold.

All interior doors must have no holes, have all trim intact, and be able to be opened without the use of a key.

Floors:

All wood floors must be sanded to a smooth surface and sealed. Any loose or warped boards must be re-secured and made level. If they cannot be leveled, they must be replaced.

All floors must be in a finished state (no plywood).

All floors should have some type of base shoe, trim, or sealing for a “finished look” Vinyl base shoe may be used for kitchens and bathrooms.

Basic Inspection Criteria cont'd

Sinks:

All sinks and commode water lines must have shut off valves.

All worn or cracked toilet seats and tank lids must be replaced and toilet tank lid must fit properly.

All sinks must have functioning stoppers.

Security:

Owners are responsible for providing and replacing old batteries for battery powered units. Tenants will be instructed not to tamper with smoke detectors or remove batteries.

Emergency Repair Items:

The following items are considered of an emergency nature and must be corrected by the owner or tenant (whoever is responsible) within 24 hours of notice by the Inspector.

Lack of security for the unit.

Waterlogged ceiling in imminent danger of falling.

Major plumbing leaks or flooding.

Natural gas leak or fumes.

Electrical problem which could result in shock or fire.

No heat when outside temperature is below 50 degrees Fahrenheit and temperature inside unit is below 60 degrees Fahrenheit.

Utilities not in service.

No running hot water.

Broken glass where someone could be injured.

Lack of functioning toilet

The ECRHA may give a short extension (not more than 24 additional hours) whenever the responsible party cannot be notified or it is impossible to effect the repair within the 24-hour period.

In those cases where there is leaking gas or potential of fire or other threat to public safety, and the responsible party cannot be notified or it is impossible to make the repair, proper authorities will be notified by the ECRHA and the family.

If the emergency repair item(s) are not corrected in the time period required by the ECRHA, and the owner is responsible, the Housing Assistance Payment will be abated and the HAP Contract will be terminated.

If the emergency repair item(s) are not corrected in the time period required by the ECRHA, and it is an HQS breach which is a family obligation, the ECRHA will terminate the assistance to the family.

Smoke Detectors

Inoperable smoke detectors are a serious health threat and will be treated by the ECRHA as an emergency (24 hour) fail item.

If the smoke detector is not operating properly the ECRHA will contact the owner by phone and request the owner to repair the smoke detector within 24 hours. The ECRHA will re-inspect the unit the following day.

If the ECRHA determines that the family has purposely disconnected the smoke detector (by removing batteries or other means), the family will be required to repair the smoke detector with 24 hours and the ECRHA will re-inspect the unit the following day.

The ECRHA will issue a written warning to any family determined to have purposely disconnected the unit's smoke detector. Warning will state that deliberate disconnection of the unit's smoke detector is a health and fire hazard and is considered a violation of the HQS.

Consequences if the Owner is Responsible (Non-Emergency Items)

When it has been determined that a unit on the program fails to meet Housing Quality Standards, and the owner is responsible for completing the necessary repairs(s) in the time period specified by the ECRHA, the assistance payment to the owner will be **abated**.

Abatement:

Abatement is a cessation in payment. When a unit is abated, the El Camino Real Housing Authority will stop making payments on behalf of the owner for the assisted unit. **If a unit is under abatement, the owner MAY NOT require that the tenant pay the El Camino Real Housing Authority's portion of the rent.**

A Notice of Abatement will be sent to the owner, and the abatement will be effective from the day after the date of the second failed inspection. A notice may be sent requiring the family to transfer, depending on the nature of the repair(s) needed. The notice of abatement states that the tenant is not responsible for the ECRHA's portion of rent that is abated. **No retroactive payments will be made to the owner for the period of time the rent was abated and the unit did not comply with HQS.**

If the owner makes repairs during the abatement period, payment will resume on the date the unit passes inspection.

The ECRHA will advise owners of their responsibility to notify the tenant of when the re-inspection will take place. The family will be notified of the re-inspection date and may inform the owner.

Extensions:

An owner has the right to request an extension, in writing, to the attention of Mary Ann Chavez-Lopez within 25 days of the date the inspection takes place.

Determination of Responsibility:

Certain HQS deficiencies are considered the responsibility of the family

1. **Tenant-paid utilities not in service.**
2. **Failure to provide or maintain family-supplied appliances.**
3. **Damage to the unit or premises caused by a household member or guest.**
4. **Beyond normal wear and tear. "Normal wear and tear" is defined as items which could be charged against the tenant's security deposit under state law**

The owner is responsible for all other HQS violations.

The owner is responsible for vermin infestation even if caused by the family's living habits. However if such infestation is serious and repeated, it may be considered a lease violation and the owner may evict for serious or repeated violation of the lease. The ECRHA may terminate the family's assistance on that basis.

The inspector will make determination of owner or family responsibility during the inspection.

If the family is responsible but the owner carries out the repairs, the owner will be encouraged to bill the family for the cost of the repairs and the family's file will be noted.

Consequences if the Family is Responsible:

If emergency or non-emergency violations of HQS are determined to be the responsibility of the family, the ECRHA will require the family make any repair(s) or corrections within thirty (30) days. If the repair(s) or correction(s) are not made in this time period, the ECRHA will terminate assistance to the family, after providing an opportunity for an informal hearing. Extensions in these cases must be approved by the Executive Director. **The owner's rent will not be abated for items which are the family's responsibility.** If the tenant is responsible and corrections are not made, the HAP Contract will terminate when assistance is terminated.

Chapter 5

Rent Reasonableness

What is it and How is it Determined?

The ECRHA will determine and document, on a case-by-case basis, that the approved rent is reasonable in comparison to rent for other comparable unassisted units in the market. This applies to all programs. The ECRHA will not approve a lease until the ECRHA determines that the initial rent to owner is a reasonable rent. The ECRHA must re-determine the reasonable rent before any increase in the rent to the owner. The ECRHA must re-determine rent reasonableness if directed by HUD and based on a need identified by the ECRHA'S auditing system. The ECRHA may elect to re-determine rent reasonableness at any other time. At all times during the assisted tenancy, the rent to owner may not exceed the reasonable rent as most recently determined or re-determined by the ECRHA.

The owner will be advised that by accepting each monthly housing assistance payment he/she will be certifying that the rent to owner is not more than rent charged by the owner for comparable unassisted units in the premises.

If requested, the owner must give the ECRHA information on rents charged by the owner for other units in the premises or elsewhere.

The data for other unassisted units will be gathered from newspapers, realtors, professional associations, market surveys, and other available sources.

Rent Reasonableness Cont'd

The market areas for rent reasonableness are zip codes within the ECRHA'S jurisdiction. Subject units within a defined housing market area will be compared to similar units within the same area.

The following items will be used for rent reasonableness documentation:

In addition to the unit passing the required inspection, it must also pass a rent reasonableness test. The ECRHA must certify that the contract rent for each unit for which a lease has been approved is:

- Reasonable in relation to rents currently being charged for comparable units in the private, unassisted market.
- Not in excess of rents currently being charged by the owner for comparable Unassisted units. The items that are surveyed to make the determination that the unit is reasonable priced include:
 1. **Location of unit:** within the community, including whether the unit is located in a transitional neighborhood where the rentals may be higher or lower than usual, and the availability and accessibility of public transportation to schools, stores, and medical facilities.
 2. **Unit size:** including number of bedrooms, bathrooms, and square feet of living space.
 3. **Unit Type:** such as garden apartment, elevator building, townhouse, single-family house.
 4. **Quality:** the extent to which the unit meets or exceeds the Housing Quality Standards.
 5. **Amenities:** including air conditioning, carpeting, dishwasher, washer/dryer connections, garbage disposal, location of the unit within the building, etc.
 6. **Housing Services:** programs offered, facilities, including availability of playgrounds, storage, parking, etc.
 7. **Management and Maintenance Service:** provide, such as frequency of unit and grounds upkeep, availability of on-site resident manager and services, etc.
 8. **Date:** unit was built or substantial rehabilitation.
 9. **Utilities:** that are included in the rent.

Chapter 6

Payment Standards

Why Are They?

Section 8 Housing Choice Voucher Payment Standards are implemented by the El Camino Real Housing Authority and established based on current fair market rents. The payment Standard represents the maximum amount of subsidy the ECRHA will allow for a family based upon the bedroom size allotted on the Housing Choice Voucher Program. Rents for the Housing Choice Voucher Program are negotiated by the family and the landlord, with the assistance of the ECRHA, if requested. The Payment Standard is used to calculate the Housing Assistance payment for a family.

Note: The Payment Standard represents the maximum subsidy that the El Camino Real Housing Authority will allow (based on bedroom size). THIS DOES NOT MEAN THAT RENT WILL BE APPROVED AT THE MAXIMUM AMOUNT. The El Camino Real Housing Authority will approve a proposed rent-after considering the client's income, the payment standard, the rent reasonableness data for the unit, as well as, which party (owner or tenant) is responsible for which utilities.

Chapter 7

Utilities

What Every Owner Needs to Know

The El Camino Real Housing Authority factors in which party is responsible for the payment of Electricity, Natural Gas, Water, Sewer and/or Trash Service when considering a Request for Tenancy Approval. The agency established Utility Allowances based on the type of unit, the number of bedrooms in the unit and the unit's location (Socorro, Valencia and Torrance Counties, etc). The Utility Allowances provide an estimate of the average monthly cost for utilities that the family can expect to pay.

The Utility Allowance is NOT meant to determine the EXACT cost of the family's monthly utilities but only serves as an estimation of the cost per month. The Utility Allowance is considered when examining the Request for Tenancy Approval because the agency must ensure that the tenant can afford BOTH their rent portion as well as the utilities for the unit. In addition, considering the Utility Allowance also helps to determine the reasonable rent for the unit (i.e. if the landlord is paying ALL utilities then a proposed higher rent is more reasonable).

Before a Request for Tenancy Approval can be considered the owner should advise the agency of the following:

- ✓ Which party (owner/tenant) will be responsible for payment of the utilities.
- ✓ Which entity provides the utility services (example: City, for Natural Gas, water, sewer and trash or Well Water/Septic System).

The landlord is responsible for the utilities during the lease term as specified by the HAP Contract and the lease agreement (both MUST match). Neither the landlord nor the tenant may make changes regarding who is responsible for the utilities (during the term of the HAP Contract) without FIRST notifying and receiving approval from the El Camino Real Housing Authority.

If a tenant has failed to maintain utility service as outlined in the lease agreement and HAP Contract the owner should immediately notify the El Camino Real Housing Authority, as this is considered a violation of the tenant's obligations as a Section 8 Housing Choice Voucher Participant.

If the owner has failed to maintain utility service as outlined in the lease agreement and HAP Contract the client should notify the El Camino Real Housing Authority immediately, as this is considered an owner breach of the HAP Contract.

Chapter 8

The Request for Tenancy Approval

Completion and Processing

After families have been issued a voucher, they may search for a unit anywhere within Socorro, Valencia or Tarrant Counties. The family must find an eligible unit under the program rules, with an owner/landlord who is willing to enter into a Housing Assistance Payment Contract with the ECRHA. The family must submit the Request for Tenancy Approval (RFTA) in the form and manner required by the ECRHA. If the RFTA is not FULLY completed and signed by BOTH the tenant and the owner, the RFTA will be rejected by the agency.

The ECRHA will NOT permit the family to submit more than ONE (1) RFTA at a time. **The RFTA will be approved if:**

1. The Unit is an eligible type of housing.
2. The owner is in good standing with the ECRHA AND has submitted all paperwork (as outlined in Chapter 12- Becoming a Landlord with the ECRHA).
3. The owner does **NOT** have any conflicts of interest (The owner MAY NOT be the parent, child, grandparent, grandchild, sister, brother, husband, wife or ANY other member of the tenant's family – UNLESS the ECRHA has been notified of and approved such a relationship as a reasonable accommodation for a family member with a disability).
4. The unit meets HUD'S Housing Quality Standards (after inspection).
5. The rent is determined to be reasonable.
6. The Security Deposit is approvable – The Security Deposit may NOT exceed one (1) month's full contract rent.
7. The proposed lease complies with HUD and the ECRHA requirements (see Chapter 2 – The Lease Agreement)

Disapproval of a Request for Tenancy Approval

If the ECRHA determines that the RFTA cannot be approved for any reason, the landlord and the tenant will be notified. The ECRHA will instruct the owner and family of the steps necessary to approve the RFTA (if available).

If approval is contingent upon the owner lowering the rent of the unit – then the ECRHA may assist the tenant in negotiating the rent of the unit. **If the landlord agrees to the ECRHA’s request to lower the proposed rent of the unit, so that the tenant may qualify – the owner may NOT request or require the tenant to pay the difference in a separate written or verbal agreement.**

Chapter 9

Owner Disapproval and Restriction

Causes and Consequences

The regulations define when the ECRHA must disallow an owner to participate in the program. The regulations also provide the ECRHA with discretion to disapprove or otherwise restrict the participation of owners in certain categories. In addition, owner does not have a right to receive housing assistance payments if he/she has not complied with or breached the terms of the HAP Contract in ANY way. **The owner does not have a right to participate in the program. For purposes of this section, “owner” includes a principal or other interested party.**

ECRHA will disapprove an owner for the following reasons:

HUD has informed the ECRHA that the owner has been disbarred, suspended, or subject to a limited denial of participation.

HUD has informed the ECRHA that the federal government has instituted an administrative or judicial action against the owner for violation of the Fair Housing Act or other federal equal opportunity requirements and such action is pending.

HUD has informed the ECRHA that a court or administrative agency has determined that the owner has violated the Fair Housing Act or other federal equal opportunity requirements.

The owner may not be a parent, child, grandparent, grandchild, sister or brother of any family member. The ECRHA will waive this restriction as a reasonable accommodation for a family member who is a person with a disability. (In cases where the owner and tenant bear the same last name, the ECRHA may, at its discretion, require the family and/or owner to certify whether they are related to each other in any way).

ECRHA will disapprove an owner for the following reasons: cont'd

The owner has violated obligations under the Housing Assistance Payments contract.

The Owners has committed fraud, bribery or any other corrupt act in connection with any federal housing program.

The owner has engaged in drug-related criminal activity or any violent criminal activity.

The owner has a history or practice of non-compliance with the HQS for units leased under the Section 8 housing choice voucher program or with applicable housing standards for units lease with project-based Section 8 assistance or leased under any other federal housing program.

The owner has a history or practice of renting units that fail to meet State or local housing codes.

The owner has a history or practice of failing to terminate tenancy of tenants of units assisted under Section 8 Housing Choice Voucher or any other federally assisted housing program for activity by the tenant, any member of the household, a guest or another person under the control of any member of the household that:

Threatens the right to peaceful enjoyment of the premises by other residents;

Threatens the health or safety of other residents, employees of the ECRHA, or owner employees or other persons engaged in management of the housing.

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; or for drug-related criminal activity or violent criminal activity.

The owner has not paid State or local real estate taexes, fines or assessments.

The owner has failed to comply with regulations, the mortgage or note, or the regulatory agreement for projects with mortgages insured by HUD or loans made by HUD.

Owner Restrictions and Penalties

If an owner has committed fraud or abuse or is guilty of frequent or serious contract violations, the ECRHA will restrict the owner from future participation in the program for a period of time commensurate with the seriousness of the offense. The ECRHA may also terminate some or all contracts with the owner.

Before imposing any penalty against an owner the ECRHA will review all relevant factors pertaining to the case, and will consider such factors as the owner's record of compliance and the number of violations.

Change in ownership

A change in ownership does not require execution of a new contract and lease.

The ECRHA may approve the assignment of the HAP contract at the old owner's request. The ECRHA may approve the assignment, since they are a party to the contract. **The ECRHA may deny approval of assignment of the contract (Please insure that you fill out a HAP Contract Transfer form).**

Chapter 10

Securing/Selecting A Tenant

How do I Rent to a Section 8 Housing Choice Voucher Participant

The landlord is responsible for screening prospective tenants. Owners are encouraged to screen applicants for rent payment history, payment of utility bills, eviction history, respecting the right of other residents, damage related criminal activity or other criminal activity that is a threat to the health, safety or property of others and compliance with other essential conditions of tenancy.

A Section 8 Housing Choice Voucher Participant who has been approved to transfer to a new unit will be issued a Housing Choice Voucher. A prospective landlord may request to review the voucher to verify that a individual is an active participant. A sample copy of the Housing Choice Voucher can be found on page 33. An owner may verify that the number of bedrooms for which the client qualifies for and the expiration date of the voucher.

Limit of the El Camino Real Housing Authority Responsibility:

The ECRHA reviews the eligibility of each participant, at least annually, to verify the current household income and family composition. However, the landlord should certify the suitability of the prospective tenant using his/her own methods. The ECRHA is NOT responsible for the action/non-action of any tenant. If a tenant fails to comply with the terms of the lease and/or damages a unit above/beyond normal wear and tear-the landlord should enforce the lease per New Mexico law and inform the agency of all program/lease violations.

Available unit Listing

The ECRHA maintains “a unit listing”. However the tenants are encouraged to also look on their own for units. Landlords can call our Main office at 575-835-0196 x400 to list their units.

Advertisement

In addition to placing property information at our office, the perspective landlord should advertise as he/she would to obtain any unassisted tenant. Advertising in the local newspaper and placing “For Rent” or “Available” signs at the property have proven to be successful techniques

Note: Word-of-Mouth is also a great way to solicit perspective tenants. Once an owner has secured the reputation of being a “Great Landlord”, individuals will seek him/her out for an opportunity to rent.

Chapter 11

PAYMENT TO OWNER

Initial Payment and Beyond

Once the HAP Contract is executed, the ECRHA begins processing payment to the landlord. Remember, before an Initial HAP Contract can be executed:

1. **A completed RFTA must be submitted to ECRHA.**
2. **The proposed owner must be approved the ECRHA.**
3. **The RFTA must be approved by the ECRHA.**
4. **The proposed unit must pass an Initial HQS Inspection.**
5. **The contract rent must be determined reasonable (determined during the inspection process)**
6. **The ECRHA must verify that utilities are on and appliances are operable (if the information is unavailable at the time of inspection the ECRHA cannot perform the inspection.**
7. **For the Initial Inspection the Landlord/or designee and the Tenant MUST be present for the Initial Inspection.**
8. **Contracts, leases and addendums must be executed by all parties (owner, tenant and PHA) prior to, but no later that the effective date of said documents.**

Landlords could possibly expect a delay in receiving the **first** Housing Assistance Payment from the ECRHA. Depending on the effective date of the Housing Assistance Payment (HAP) Contract, payment may be delayed due to our monthly cycle. When this occurs, the owner will receive a lump-sum payment, retro-active to the effective contract date.

Note: The ECRHA will issue checks between the 1st and the 5th of each month or on or near the 15th of the Month.

Pro-Ration

If the HAP Contract does not begin on the 1st of the month, that month's payment will be prorated by the number of days in that month that the unit was under contract.

Payments to Owner During the Term of the HAP Contract

During the term of the HAP Contract, the ECRHA will make monthly Housing Assistance Payments to the owner, on behalf of the family, at the beginning of each month (between the 1st and the 5th). Housing Assistance Payments will only be paid to the owner while the family is residing in the assisted unit during the term of the HAP Contract. The PHA will not pay a Housing Assistance Payment to the owner for any month after the Month when the family moves out. Unless the owner has complied with all provisions of the HAP Contract, the owner does not have the right to receive housing assistance payments under the HAP Contract.

No payments will be made to the owner, neither at the initial entering of the contract, nor at the renewal of the contract:

- If the unit has not passed a HQS Inspection.
- If a valid signed contract is NOT on file.
- If an approved lease is NOT on file.
- If the owner has NOT complied with the terms of the HAP Contract.
- If the tenant has NOT complied with their obligations as a Section 8 Participant.
- If the Owner or the Tenant have NOT signed all paperwork with the ECRHA.

Late Payments to the Owner

The ECRHA is NOT obligated to pay any late payment penalty if the delay is due to circumstances beyond the ECRHA's control or due to any breach of the HAP contract (including of any of the following PHA remedies: recovery of overpayments, suspension of housing assistance payments, abatement or reduction of housing assistance payments, termination of housing assistance payments and termination of the contract).

Payment Processing

Typically, the ECRHA processes payment **two times** per month

- Between the 1st and the 5th of the Month.
- On or near the 15th of the Month.

The ECRHA has a mandatory direct deposit policy. Statement of the direct deposit will be provided via email. Please insure that the ECRHA has this information.

Also the ECRHA will have a landlord portal where any landlord who receives a Housing Assistance Payment from the ECRHA can log on to our website to view the payments made to them. You will need to register on our website in order to receive a User name and Password.

Excess Payments to Owner

The total rent paid by the tenant plus the ECRHA housing payments to the owner, may not be more than the total contact rent (approved by the ECRHA). The owner must immediately return any excess payment to the ECRHA.

Note: It is a violation of the HAP Contract for the owner to require a tenant to pay the ECRHA's portion of rent-or late fees due to a delay in the receipt in the ECRHA's rent portion.

Chapter 12

How to Become a Landlord with The El Camino Real Housing Authority

What Every Owner Will Need

If you choose to become a Landlord with the ECRHA, the following paperwork must be contained in our files. **The following information must be submitted and approved BEFORE a Request for Tenancy Approval or a CHANGE OF OWNERSHIP will be processed.** All of the documents noted below are **REQUIRED.**

1. A Landlord application dated and signed.
2. The Owner's current residence address (not a P.O. Box).
3. The Owner's current home telephone number.
4. A copy of the Owner's Photo ID (If the property is individually owned).
5. A copy of the Property manager and/or agent photo ID (if someone other than the owner will be managing the property).
6. A recorded copy of warranty deed for each the unit(s) you would like to have subsidized.
7. A completed W-9 Form.
8. A copy of the management agreement, if the property is being managed by an individual or agency other than owner(s).
9. A copy of your Social Security Card or your Federal ID number. If a Federal ID number is used a copy of the Confirmation page from the IRS is needed to confirm that this number represents you.
10. A completed Direct Deposit form (with a cancelled check).
11. Signed Owners Obligation form.
12. Attendance to one of our Landlord workshops.

FREQUENTLY ASKED QUESTION (FAQs)

WHAT IS THE SECTION 8 HOUSING CHOICE VOUCHER PROGRAM?

The Section 8 Housing Choice Voucher program is a federal rent subsidy program that assists low-income households with monthly rental payments

HOW DOES SECTION 8 WORK? The ECRHA administers funds received from the U.S. Department of Housing and Urban Development (HUD) and distributes them, in the form of Section 8 Housing Choice Vouchers, to eligible families and individuals. A voucher allows program participants to rent housing that meet their needs at a price they can afford.

HOW DOES A SECTION 8 VOUCHER WORK? All eligible families are required to pay at least 30% (but no more than 40% initially) of their monthly-adjusted income toward rent and utilities, directly to the landlord. The ECRHA pays the landlord the difference between the Contract Rent and the tenant's portion. A tenant must find housing within sixty (60) days or risk losing the voucher.

HOW IS AN ELIGIBLE SECTION 8 PROGRAM PARTICIPANT SELECTED? The ECRHA reviews the eligibility of the participant(s) based on household income and family composition. The landlord is responsible for screening occupants of the rental unit. This screening process must be in accordance with federal, state and local equal opportunity laws.

MY HOUSE IS BRAND NEW (JUST CONSTRUCTED) – DOES IT STILL NEED TO BE INSPECTED? Yes, once the Request for Tenancy Approval has been processed and approved – the unit must be inspected. All units subsidized by the Section 8 Housing Choice Voucher program must be inspected to verify that all aspects of the unit meet the minimum Housing Quality Standards, regardless of whether or not the unit is a new construction.

WHAT HAPPENS IF MY TENANT MOVES IN BEFORE THE UNIT PASSED INSPECTION? The Housing Assistance Payment Contract can not be executed until the contract unit passes inspection. Therefore, **no payments** will be made until the unit has passed inspection and all required paperwork has been received and approved by the ECRHA. If you elected to allow the tenant to move-in prior to this passed inspection, you will have to negotiate and collect rent independent of the ECRHA.

WHAT DOCUMENTS SHOULD I REVIEW/COLLECT PRIOR TO COMPLETING THE REQUEST FOR TENANCY APPROVAL?

All clients eligible to transfer to a new unit should have a current Housing Choice Voucher in their possession. You should verify that the Voucher has NOT yet expired and that the bedroom size on the voucher corresponds to the bedroom size that the client states they are eligible for. In addition, you should have the potential tenant complete any rental application and reference information that you require. Once you have determined that the client is suitable for your unit, then complete and submit the Request for Tenant Approval.

HOW LONG DOES IT TAKE FOR THE ECRHA TO APPROVE/DISAPPROVE THE REQUEST FOR TENANCY APPROVAL? Typically, the ECRHA will notify the owner and the tenant of the status of the RFTA within ten (10) days.

HOW LONG WILL IT TAKE FOR THE UNIT TO BE INSPECTED AFTER THE RFTA IS APPROVED? Typically, the ECRHA will inspect the unit within ten (10) days and will notify the owner/tenant of the outcome within 5 to 7 days.

WHAT HAPPENS IF THE ECRHA TERMINATES THE CLIENT'S ASSISTANCE IN THE MIDDLE OF THE LEASE AGREEMENT? When the ECRHA terminates the housing

assistance payment due to the client's non-compliance with program regulations, then the lease agreement is terminated-regardless of whether or not the lease has naturally expired. The ECRHA may NOT continue payments on behalf of a client who has not complied with the rules of the program.

WHAT HAPPENS IF MY TENANT RECEIVES A TERMINATION LETTER? If your tenant is issued a "intent to Terminate Assistance letter – then the owner will also receive a letter to notify them that the agency intends to terminate the client's assistance and the date that the termination is to be effective. Once a client receive a termination letter, they have the right to request an Informal Hearing to dispute the agency's intention. If your tenant requests an Informal Hearing regarding a pending termination you will be notified via a copy of the hearing appointment letter. The agency will continue to make housing assistance payments unit the results of the Informal Hearing have been finalized.

WHAT IF MY TENANT VIOLATES THE LEASE AGREEMENT? The individual landlord/owner is responsible for enforcing the terms/conditions of the lease agreement. However, the landlord should always provide the ECRHA with copies of notices sent to the tenant regarding lease violations (7 day Notices, 3 Day Notices, Warnings, etc.) In general, a Section 8 Participant should be treated no differently than any other unassisted tenant. If our client is committing serious/repeated violations of the lease – then the landlord should enforce the lease in accordance with New Mexico Law (providing copies of all paperwork to the ECRHA). The ECRHA can act as arbitrator to help resolve problems and, upon written request, the Housing Counselor will counsel the family regarding a repeated problem the landlord may be experiencing with a tenant, only after the landlord has personally tried to resolve the matter first himself.

WHAT IF I WANT TO BREAK THE TENANT'S LEASE BEFORE IT EXPIRES? The ECRHA does not allow tenants and landlords to "mutually rescind" a lease that is in its initial term first (1st) year. If the landlord wants to break the lease because the tenant is violating the lease – then he/she should proceed with lease enforcement (up to and including eviction) in accordance with New Mexico Law. The ECRHA discourages landlords from "mutually rescinding" leases to avoid lease enforcement. This practice prevent the ECRHA from being aware the client seems to be having compliance issues and transfers a client to a new unit (without addressing the problems/issues at the previous unit). If the landlord is selling the property, the HAP Contract may be transferred to the new owner (upon the ECRHA approval).

WHEN CAN I REQUEST A RENT INCREASE? AND HOW MUCH CAN I ASK FOR? The owner is required to notify the ECRHA, in writing at lease sixty (60) days before any change in the amount of rent to owner is scheduled to go into effect. Any requested change in the rent to owner will be subject to reasonable requirements. How much of a rent increase will be approved is contingent upon the rent reasonableness results.

Note: The ECRHA considers the owners who participate in the Housing Choice Voucher as "Business Partners". As such, feedback from our owners is always appreciated and useful in examining and enhancing our business practices.

CONTACT INFORMATION:

To add your property to our unit listing:

Jeanie Baldonado-----575-835-0196 x400
Email: jeanie@socorrohousing.org

Section 8 Inspectors:

David Standefer (Socorro and Valencia)-----575-835-0196 x403
Email: david@socorrohousing.org

Annabelle Torres(Torrance County)-----575-835-0196 x408
Email: annabelle@socorrohousing.org

Section 8 Management Team:

Geraldine Maldonado (Socorro and Valencia)-----575-835-0196 x402
Email: Geraldine@socorrohousing.org

Annabelle Torres(Torrance & Valencia)-----575-835-0196 x408
Email: annabelle@socorrohousing.org

Vash Program:

Myriam (Minnie) Aguilar -----575-835-0196 x409
Email: maguilar@socorrohousing.org

FSS:

Jeanie McGovern (Socorro, Valencia & Torrance)-----575-835-0196 x405
Email: jeanie@socorrohousing.org

Shelter Plus Care & COC Programs

Betty Baker(Socorro & Valencia)-----575-835-0196 x406
Email: betty@socorrohousing.org

Executive Director

Mary Ann Chavez-Lopez (Socorro, Valencia & Torrance)-----575-835-0196 x401
Email: maryann@socorrohousing.org

Glossary

ABATEMENT: Cessation, discontinuation of payment. Units that fail to meet minimum Housing Quality Standards will be abated by the ECRHA.

ANNUAL INSPECTION: a Housing Quality Standards Inspection conducted on or near the anniversary date of the HAP Contract.

CONTRACT UNIT: The Housing unit rented by the tenant with assistance under the program.

HAP CONTRACT: The Housing Assistance Payment contract between the PHA and the owner. The PHA pays housing assistance payments to the owner in accordance with the HAP contract.

HOUSING QUALITY STANDARDS (HQS): The minimum quality standards for housing assistance under the Section 8 tenant-based programs.

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

INITIAL INSPECTION: A Housing Quality Standards Inspection conducted before a HAP Contract is entered into with the owner on behalf of the family.

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.

PAYMENT STANDARD: Represents the maximum amount of subsidy that the PHA will allow for a family based upon the bedroom size allotted on the Housing Choice Voucher.

PHA: Public Housing Agency (El Camino Real Housing Authority)

QUALITY CONTROL INSPECTION: Housing Quality Standards Inspection conducted to monitor the inspection process and verify that inspections are being conducted in accordance with program requirements.

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.

RENT REASONABLENESS: Certification that the contract rent of the assisted unit is reasonable in relation to rents currently being charged to comparable units in the private, unassisted market.

RFTA (REQUEST FOR TENANCY APPROVAL): a HUD form that a prospective owner must submit to request that a particular unit be considered as a subsidized unit for a particular family.

SPECIAL INSPECTION: a Housing Quality Standards Inspection conducted as a result of a family, owner or community complaint.

TENANCY ADDENDUM: a HUD document that is an addendum to every Section 8 participant's lease.

UNIT: The address subsidized by the Housing Choice Voucher Program.

UTILITY ALLOWANCE: A schedule reflecting the estimated cost of utilities based on the type of unit, the location of the unit, the number of bedrooms in the unit, as well as the specific utilities involved (electric, gas, water, sewer and trash).