

A HANDBOOK FOR OWNER'S AND PARTICIPANTS

A Guide to the Section 8 Housing Choice Voucher Program



Administered by:

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The Southeastern Minnesota Multi-County Housing & Redevelopment Authority administers the Section 8 Housing Choice Voucher Rental Assistance Program in Dodge, Goodhue, Wabasha, Houston, Winona & Fillmore Counties excluding the Cities of Red Wing and Winona. Section 8, often referred to as the HRA, is a federal housing program funded through the Department of Housing and Urban Development (HUD) to assist eligible families in affording rents for decent, safe and sanitary housing.

The subsidy that comes with the Section 8 Voucher Program helps participating families which include elderly persons, disabled persons, and working families who do not earn enough money to keep pace with rising rental housing costs. The subsidy allows them to remain in privately owned rental units through out our six counties and pay approximately 30% of their monthly income towards rent. This Handbook is designed to assist owners, managers and participants in understanding how the program works.

As a public service agency, the Housing Agency's goal is to provide excellent service to the families and owners participating in the Section 8 Program. The HRA will make every effort to inform you of the program rules, and to advise you of how these rules affect you. Since federal regulations are not always easy to understand, it is very important to ask questions if you are not sure of something.

Please do not hesitate to contact an HRA representative if you have a question or problem that pertains to the Section 8 housing program. Since the HRA may need to contact you from time to time, be sure to leave a phone number as to where you can be reached.

Your cooperation is essential to the HRA being able to serve you and any family you may select as a renter.

Thank you,

HRA Staff

HRA Rental Assistance Staff

Tammy Moyer – Assisted Housing Coordinator II

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GENERAL PROGRAM INFORMATION

The Section 8 housing program is a three-way partnership among the HRA, the tenant, and the owner or manager of the housing unit. In order for the program to work each partner has responsibilities to maintain.

The HRA's job:

- Review all applications to determine whether an applicant is eligible for the program.
- Explain all the rules of the program to families that qualify.
- Issue a Housing Choice Voucher.
- Make housing assistance payments to the owner in a timely manner.
- Ensure that both the family and the unit continue to qualify.
- Ensure that owners and families comply with the program rules.

The Owners's job:

- Screen families who apply to determine if they will be good renters.
- Comply with fair housing laws and not discriminate against any family.
- Maintain the housing unit by making necessary repairs in a timely manner.
- Comply with the terms of the Housing Assistance Contract and with the HRA.
- Collect the rent due by the tenant and otherwise enforce the lease.

The Family's job:

- Provide the HRA with complete and accurate information.
- Make their best effort to find a place to live that is suitable for them and qualifies for the program.
- Cooperate in attending a briefing that is scheduled by the HRA.
- Take responsibility for the care of their housing unit.
- Comply with the terms of their lease with the owner.
- Comply with the family obligations of the Housing Choice Voucher.

PROGRAM ELIGIBILITY

HUD establishes income limits on an annual basis. An applicant may be eligible for the program if their income is below the limits shown below. Please note that 75% of new admissions must have incomes below the 30% limit.

Income Limits Effective 06/01/10

30% - VVL	Goodhue	Winona	Wabasha	Houston	Dodge	Fillmore
1	14,600	13,300	13,650	13,350	16,350	12,350
2	16,650	15,200	15,600	15,250	18,650	14,100
3	18,750	17,100	17,550	17,150	21,000	15,850
4	20,800	19,000	19,500	19,050	23,300	17,600
5	22,500	20,550	21,100	20,600	25,200	19,050
6	24,150	22,050	22,650	22,100	27,050	20,450
7	25,800	23,600	24,200	23,650	28,900	21,850
8	27,500	25,100	25,750	25,150	30,800	23,250

50% - VL	Goodhue	Winona	Wabasha	Houston	Dodge	Fillmore
1	24,300	22,200	22,750	22,250	27,200	20,550
2	27,800	25,400	26,000	25,400	31,050	23,500
3	31,250	28,550	29,250	28,600	34,950	26,450
4	34,700	31,700	32,500	31,750	38,800	29,350
5	37,500	34,250	35,100	34,300	41,950	31,700
6	40,300	36,800	37,700	36,850	45,050	34,050
7	43,050	39,350	40,300	39,400	48,150	36,400
8	45,850	41,850	42,900	41,950	51,250	38,750

80% - L	Goodhue	Winona	Wabasha	Houston	Dodge	Fillmore
1	38,850	35,500	36,400	35,600	43,500	32,900
2	44,400	40,600	41,600	40,650	49,700	37,600
3	49,950	45,650	46,800	45,750	55,900	42,300
4	55,500	50,700	52,000	50,800	62,100	46,950
5	59,950	54,800	56,200	54,900	67,100	50,750
6	64,400	58,850	60,350	58,950	72,050	54,500
7	68,850	62,900	64,500	63,000	77,050	58,250
8	73,300	66,950	68,650	67,100	82,000	62,000

PROGRAM OCCUPANCY

The Housing and Redevelopment Authority of Southeastern Minnesota Multi-County HRA will issue a housing choice voucher for a particular bedroom size – the bedroom size is a factor in determining the family’s level of assistance. The following guidelines will determine each family’s unit size without overcrowding or over-housing:

Number of Bedrooms	Number of Persons	
	Minimum	Maximum
0	1	1
1	1	2
2	2	4
3	4	6
4	6	8
5 or more	8	10

These standards are based on the assumption that each bedroom will accommodate no more than two (2) persons.

In determining bedroom size, the Southeastern Minnesota Multi-County HRA will include the presence of children to be born to a pregnant woman, children who are in the process of being adopted, children whose custody is being obtained, children who are temporarily away at school or temporarily in foster-care.

The HRA will determine the appropriate unit size by applying the following criteria:

- The bedroom size assigned should not require more than two persons to occupy the same bedroom.
- The bedroom size assigned should require person of the opposite gender, other than husband and wife, or persons living as husband and wife, to occupy the same bedroom, other than children who are six (6) years of age and younger.

The HRA may assign a larger unit to a couple or family having two children of the same gender if the family provides medical documentation that for health or other reasons a larger unit is justified.

Regardless of the number of bedrooms stated on the Voucher, the HRA will not disapprove on the grounds that it is too large for the family. If the family selects a larger unit, payment is made based on the number of bedrooms stated on the Voucher.

The HRA will not prohibit a family from renting a unit with fewer bedrooms than the number stated on the Voucher. However, the unit does have to meet space requirements (the unit must afford the family with

adequate space and security). If the family selects a smaller unit, payment is based on however many bedrooms are in that unit.

HOUSING CHOICE VOUCHER PROGRAM

If the Housing Choice Voucher Program, the maximum amount that the HRA will pay is an amount equal to the Payment Standard minus 30% of the tenant’s adjusted monthly income. The Payment Standards are established by the HRA and can be between 90-110% of HUD’s established Fair Market Rents. The Payment Standard is based on the cost of housing and utilities for the area that tenant lives in. With the Housing Choice Voucher Program, the Payment Standard is not a ceiling for rent charged. A family may choose to rent a unit over the Payment Standard and pay the difference in addition to 30% of their adjusted monthly income, provided that the family’s share of rent does not exceed 40% of their monthly-adjusted income. The rents must still be reasonable and comparable to the rents charged for comparable unassisted units.

RENT

- HA portion of rent equals Payment Standard minus 30% of Family’s Adjusted Income.
- If Total Rent is equal to Payment Standard, Tenant rent equals 30% of adjusted income.
- If Total Rent is more than the Payment Standard, the Family must pay the difference. Family’s share of the rent cannot exceed 40% of Monthly Adjusted Income.

The Payment Standards should be checked with the HRA for accuracy since they do change periodically. Currently, the Payment Standards are as follows:

Voucher size	Goodhue	Winona	Wabasha	Houston	Dodge	Fillmore
0	470	429	418	412	610	404
1	551	507	465	483	651	487
2	724	661	596	635	855	607
3	922	914	746	843	1,109	792
4	997	1,159	1,047	1,035	1,158	994

PROGRAM VERIFICATION

The Southeastern Minnesota Multi-County Housing will verify information related to waiting list preferences, eligibility, admission and level of benefits prior to admission. Periodically during occupancy, items related to eligibility and rent determination shall also be reviewed and verified. Income, assets, and expenses will be verified, as well as disability status, need for a live-in aide and other reasonable accommodations, full time student status of family member 18 years of age and older, Social Security Numbers, citizenship/eligible non-citizen status. Age and relationship will only be verified in those instances where needed to make a determination of level of assistance.

Reexaminations will be conducted annually on the family's income and circumstances.

An interim re-examination must be performed when any one of the circumstances listed below occurs. In these circumstances, all changes in household status and income will be considered in determining Total Tenant Payment.

1. Household Changes. New persons may not be added to the household without the HRA prior approval (other than the birth of a child). The HRA will not approve the addition of new household member(s) if by doing so it would over-occupy the unit. The household voucher size will only be increased if the addition of household member(s) is expected to be of a long-term duration (12 months or more). A person is considered to have moved into the unit if they have stayed at the unit for more than 14 consecutive days or more than 30 days spread over a 12-month period. Tenants must report all changes in household composition within 10 days of the occurrence involving:
 - a. The addition or loss of an adult member; or
 - b. The addition or loss of a minor to the household.

For each family member, citizenship/eligible non-citizen status will be verified only once. This verification will be obtained prior to admission. If the status of any family member was not determined prior to admission, verification of their status will be obtained at the next regular reexamination. Prior to a new member joining the family, their status will be verified.

For each family member age 6 and above, verification of Social Security Number will be obtained only once. This verification will be accomplished prior to admission. When a family member who did not have a Social Security Number at admission receives a Social Security Number, that number will be verified at the next regular reexamination. Likewise, when a child turns six, their verification will be obtained at the next regular reexamination.



BECOMING A PARTICIPATING OWNER

When a family is determined to be eligible for the program and funding is available, the HRA issues the family a Housing Choice Voucher. The family receives the Housing Choice Voucher once program eligibility is determined. They then begin looking for a unit and may be in contact with you.

If you wish, the HRA will give your name and general information about the rental unit(s) to families who have been issued a Housing Choice Voucher. Any interested family will then contact you for an appointment to see your housing unit(s). The HRA will not steer families to specific owners or rental units, but they will furnish families with information on units that are available.

You should use the same diligence in screening a potential Section 8 participant, as you would with any other tenant. Make sure that your tenant selection standards are based on objective, business-related considerations, such as previous history of non-payment, damages of unit, or disturbance of neighbors.

Owners must apply the same standards of tenant selection to any family who applies, whether that family is a prospective Section 8 renter or not. Tenant selection must not be based upon race, color, national origin, age, sex, familial status, disabilities, and reliance on public assistance.

The HRA does not screen families for their suitability as tenants that is the job of the owner. The HRA will however, provide information in the participant file related to previous rental history if requested by the owner.



LEASE AND UNIT

Once you have approved a Section 8 applicant as a tenant through your established tenant selection standards, the **Request for Tenancy Approval** form which provides general information on the rental unit, the contract rent, utilities, and the security deposit needs to be filled out. The HRA knows that the owner has approved the family when the signed Request for Tenancy Approval form is submitted. The HRA will review the Request for Lease Approval to determine if the unit is the correct size and the proposed rent is approvable.

Next, before the HRA can make payments on behalf of a tenant family, the unit must meet HUD's minimum Housing Quality Standards. These standards have been implemented by HUD nationwide to ensure that all assisted units meet minimum health and safety standards. The booklet "[A Good Place to Live](#)" describes the general aspects of a unit that must be inspected for compliance with the Housing Quality Standards. The HRA will contact the owner/tenant to set up a day and time to complete this inspection.

If the housing unit does not pass the initial inspection, you will be notified in writing of any failed items. All failed items need to be repaired within thirty (30) days. If the owner elects not to make the repairs, the family must choose another unit to receive assistance. If the owner elects to make the repairs, the HRA must be notified of repair completion so that the unit will be re-inspected. The HRA is not responsible for any payment until the unit passes inspection and the family has taken occupancy. If the family moves into the unit prior to this, the family is responsible for the full monthly rent amount.

Once the inspection passes we then require the Landlord to provide the HRA with a lease agreement. HUD does require certain language in any lease signed by a Section 8 participant. The HRA will review the lease to make sure it does not contain any provision that conflicts with Program rules. The HUD **Tenancy Addendum** will then be attached to the lease agreement. If you do not have a lease, a model lease, which includes all the HUD requirements, will be used.

Important information about the Lease Agreement:

- The lease agreement must comply with state and local law.
- A Tenancy Addendum must be added to the lease. The Tenancy Addendum contains prohibited provisions.
- The Housing Assistance Payment Contract between the HRA and the owner begins on the first day of the term of the lease and ends the last day of the term of the lease.
- The initial term of the lease must be consistent and based on prevailing market practices.
- The lease must specify what utilities and appliances are to be supplied by the owner and what utilities and appliances are to be supplied by the family.
- The lease may not be revised unless a lease revision has been approved in writing by the HRA.
- The lease must state the contract rent amount.
- Disclosure of Information on Lead-Based Paint and Lead-Based Paint Hazard must be attached to the Lease and Tenancy Addendum.



LEAD PAINT WARNING STATEMENT

Housing built before 1978 may contain lead-based paint. Lead from paint, paint chips, and dust can pose health hazards if not taken care of properly. Lead exposure is especially harmful to your children and pregnant women. Before renting pre-1978 housing, landlords must disclose the presence of known lead-based paint hazards in the dwelling unit. Tenants must also receive a federally approved pamphlet on lead poisoning prevention. The HRA provides participants with the pamphlet titled “Protect Your Family From Lead In Your Home” and Disclosure of Information on Lead-Based Paint and Lead Based Paint Hazard.

The Lead Based Paint Disclosure is required of all property owners whether an owner participation in Section 8 or not.

HOUSING ASSISTANCE PAYMENTS

Once the Lease and the unit are approved, the owner will enter into a contract with the HRA. The HRA will begin making payments to you after the unit has been approved, the lease has been signed, and the contract has been signed. The HRA will mail payment by the 5th of the month. The HRA will continue to make payments as long as:

- The unit meets Housing Quality Standards
- The tenant is eligible for assistance
- The tenant resides in the unit
- The owner is in compliance with the Contract

The family is responsible for the difference between the HRA’s payment amount and the total contract rent for the unit. It is the owner’s responsibility to collect any portion of the rent that is payable by the family.

TOTAL TENANT PAYMENT

The total tenant payment is equal to the highest of:

1. 10% of monthly income
2. 30% of adjusted monthly income

Plus the participant must pay any rent that is above the payment standard.

The participant pays the greater of the Total Tenant Payment plus the amount by which the gross rent exceeds the payment standard.

No participant when initially receiving Section 8 Rental Assistance on a unit shall pay more than 40% of their monthly-adjusted income.



TOTAL TENANT PAYMENT WORKSHEET

Calculate Gross Annual Income for All Sources:

	+	\$ <u> </u>
	+	\$ <u> </u>

Total Gross Annual Income	=	\$ <u> </u>
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Dependent Deduction: \$480 per dependent	-	\$ <u> </u>
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Elderly or Disabled Deduction: (Head or Spouse Elderly or Disabled) \$400 per household	-	\$ <u> </u>
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Medical Deduction: (Head or Spouse Elderly or Disabled) Medical over 3% of Gross Income	-	\$ <u> </u>
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Annual Day Care Expenses	-	\$ <u> </u>
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Total Annual Adjusted Income	=	\$ <u> </u>
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Total Monthly Adjusted Income Divide by 12 months		\$ <u> </u>
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30% of Monthly Adjusted Income Multiply by 30%	X	\$ <u> </u>
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Total Tenant Payment:

30% of Monthly Adjusted Income		\$ <u> </u>
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Gross Rent over Payment Standard (Rent plus Utilities = Gross Rent)	+	\$ <u> </u>
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Total Tenant Payment	=	\$ <u> </u>
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This amount cannot exceed 40% of Monthly Adjusted income above.

HUD REQUIRED ANNUAL ACTIVITIES

There are three (3) HUD required annual activities:

- Annual re-certification of the family income and household composition.
- Annual inspection of the housing unit.
- Annual adjustments to the contract rents.

The HRA is required to re-certify the family at least annually. The family is required to furnish information to the HRA pertaining to total family income, allowable deductions from income, and family composition. If the family's income has increased or decreased, it will change the amount of the family's payment to the owner, but this does not affect the total amount received by the owner.

Annually, inspections are completed to document continued compliance with the Housing Quality Standards. If a unit does not pass the annual inspection, you will be notified in writing and given a reasonable time period to make the repairs. The family is responsible for any repairs that are the result of damage caused by the family beyond the normal wear and tear. The family is also responsible for the operation of tenant-supplied appliances and the payment of tenant-supplied utilities. The HRA is **not allowed** to make payments on behalf of a family if the unit does not pass inspection by the deadline.

After the initial term of the lease, owners under the Housing Choice Voucher Program may increase the rent with proper notice to the family and the HRA. Request for rent adjustments must be made in writing with a 60-day notice to both the tenant and the HRA. When an adjustment is processed, the HRA must determine that the unit complies with the Housing Quality Standards, and that the rent is reasonable. The proposed increase must be comparable to the rent for other units on the market of similar size, features, and amenities.

The HRA encourages the owner to participate in the inspection. It will help to learn more about the Housing Quality Standards so that you will know how to best prepare for other inspections. Additionally, an annual inspection of the unit helps to alert owner of required and/or recommended repairs. Ideally, timely maintenance will reduce costly investments.

Common Fail Conditions:

- Non-functional smoke detectors
- Missing or cracked electrical outlet cover plates
- Railings not present where required
- Peeling exterior and interior paint
- Tripping hazards caused by permanently installed floor coverings (vinyl/carpets)
- Cracked or broken window panes
- Non-operable burners on stoves or inoperable range hoods
- Missing burner control knobs
- Inoperable bathroom fan/no ventilation
- Leaking faucets or plumbing
- No temperature/pressure relief valve on water heaters

PORTABILITY FACT SHEET

Portability means: A family receiving housing assistance may move to any area in the United States and continue to receive their assistance.

Restrictions:

Not all localities have funding for the Section 8 Program and, therefore, the choices may be limited.

Porting families will be limited to 5% of the Section 8 Housing Choice Voucher budget. Porting families will only be allowed to move if the receiving HRA is willing to absorb the family into their voucher program or if the payment standards in the new area are the same or less than SEMMCHRA's payment Standards.

A client receiving Section 8 Rental Assistance that wishes to move out of our jurisdiction must first live in our service area at the time they apply. If you didn't, the tenant will be required to be under lease for twelve (12) months before they can request for a portability transfer.

The tenant will need to inform us of the decision to move to a new location. Remember, the tenant will be committed to the terms of the lease and should plan to remain in the new unit as stated in the terms of the lease.

Before a family can be portable here are a few things you should know:

If tenant is currently renting, a proper written notice to vacate must be given to the current landlord and HRA.

The tenant cannot transfer unless they are in good standing or current with any repayment agreement if they owe money to the HRA.

Information contained in the tenants Section 8 file will be shared with the new HRA.

The HRA will then contact that agency to find out if they will be administering the rental assistance program. The receiving housing agency has the following options:

1. To accept the voucher from SE MN Multi-County HRA and administer it.
2. To absorb into their program and issue one of their vouchers from their own allocation.
3. The receiving housing agency will be using the payment standards for their area; therefore, the cost may be different. The receiving housing agency will also use their occupancy standards, so your bedroom size of the families voucher may be changed.

TERMINATION OF ASSISTANCE TO THE FAMILY

The Housing Authority may at any time terminate program assistance for a participant, because of any of the actions or inaction by the household:

- If the family violates any family obligations under the program.
- If a family member fails to sign and submit consent forms.
- If a family fails to establish citizenship or eligible immigrant status and is not eligible for or does not elect continuation of assistance, pro-ration of assistance, or temporary deferral of assistance. If the Housing and Redevelopment Authority of SEMMCHRA determines that a family member has knowingly permitted an ineligible non-citizen (other than any ineligible non-citizens listed on the lease) to permanently reside in their Section 8 unit, the family's assistance will be terminated.
- If any member of the family has ever been evicted from public housing.
- If the HRA has ever terminated assistance under the Voucher program by any family member.
- If any member of the family commits drug-related criminal activity, or violent criminal activity.
- If any member of the family commits fraud, bribery, or any other corrupt or criminal act in connection with any Federal housing program.
- If the family currently owes rent or other amounts to the Housing Authority or to another Housing Authority in connection with Section 8 or public housing assistance under United States Housing Act of 1937.
- If the family has not reimbursed the HRA or another HRA for any amount paid to a owner under a contract for rent or other amount owed to the HRA, or other amount paid to a owner by the HRA.
- If the family has breached a Payment Agreement to pay amounts owed to the HRA or amounts paid to an owner by the HRA.
- If the family has engaged in or threatened abusive or violent behavior toward HRA staff members.
- The HRA will deny or terminate assistance for drug-related criminal activity for use or possession by a family member, if the family member can demonstrate that he or she is recovering, or has recovered from such addiction and does not currently use or possess controlled substances.

GRIEVANCE PROCEDURE/INFORMAL HEARINGS

Definition: A “grievance” is any dispute in which a tenant may have with respect to the Housing Authority Action or failure to act in accordance with the individual tenant’s lease or Housing Authority regulation which adversely affect the individual tenant’s rights, duties, welfare, or status.

The purpose of the hearing is to resolve applicant or participant disputes against the Southeastern Minnesota Multi-County HRA without legal action and to correct the errors. For more detailed information regarding the Grievance Procedure, please consult your HRA worker.

Not every decision made by the HRA can be appealed.

APPEAL LIMITATIONS

INFORMAL REVIEWS-The SE MN Multi-County must provide applicants with the opportunity for an informal review for decisions related to:

- Listing on SE MN Multi-County HRA waiting list;
- Issuance of a Voucher of Family Participation;
- Participation in the program.

Informal reviews are not required for established policies and procedures such as:

- Determination of bedroom size for the voucher;
- Rejection of a unit that does not meet HQS;
- Disapproval of the owner’s form of lease;
- Refusal to extend a voucher.

INFORMAL HEARINGS-The SE MN Multi-County HRA must provide program participants with the opportunity for an informal hearing for decisions related to:

- Determination of family’s income.
- Determination of the family unit size for the family under the subsidy standards.
- Determination of the appropriate utility allowance for the family from the utility allowance schedule.
- Determination to deny or terminate assistance because of family actions.
- Determination to terminate assistance because the family has been absent from the unit longer than the maximum period permitted by HUD rules.

INFORMAL HEARING ARE NOT REQUIRED WHEN:

- The HRA fails a unit for HQS violations.
- The HRA refuses to extend a voucher.
- The HRA imposes sanctions against an owner who is not in compliance with program requirements.
- The HRA takes other actions following discretionary administrative determinations or for general policy issues or class grievance.