



Housing Choice Voucher Program

(Commonly known as Section 8)

LANDLORD INFORMATIONAL PACKET

REGULATED BY HUD - 24CFR982

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

The Housing Choice Voucher Program is federally regulated and funded through the Department of Housing and Urban Development (HUD) through 24CFR982. McAllen Housing Authority (MCAHA) administers the program within the McAllen jurisdiction under federal, state guidelines as described in the MCAHA Administrative Policy. The objective of the program is to provide affordable, safe, decent, and sanitary housing to income eligible families.

This program allows participants to select rental units in the private market. Having this flexibility enables families or individuals to live near the school of their choice, near their employer, or near a medical facility. The purpose is always to assist eligible families or individuals in the expectations that they will become self-sufficient.

Per HUD Housing Choice Voucher Fact Sheet:

Landlord's Obligations: The role of the landlord in the voucher program is to provide decent, safe, and sanitary housing to a tenant at a reasonable rent. The dwelling unit must pass the program's housing quality standards and be maintained up to those standards as long as the owner receives housing assistance payments. In addition, the landlord is expected to provide the services agreed to as part of the lease signed with the tenant and the contract signed with the PHA.

Housing Authority's Obligations: The PHA administers the voucher program locally. The PHA provides a family with the housing assistance that enables the family to seek out suitable housing and the PHA enters into a contract with the landlord to provide housing assistance payments on behalf of the family. If the landlord fails to meet the owner's obligations under the lease, the PHA has the right to terminate assistance payments. The PHA must reexamine the family's income and composition at least annually and must inspect each unit at least annually to ensure that it meets minimum housing quality standards.

NON-DISCRIMINATION



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. However, it is your responsibility to screen tenants and it would not be considered discriminatory to refuse a Housing Choice Voucher tenant if they do not meet your screening criteria. Learn more on the Fair Housing Act at www.justice.gov/crt/fair-housing-act-2.

SELECTING AND SCREENING TENANTS

While families are processed for eligibility to participate in this program MCAHA does not screen them as suitable tenants for your property. Owner/Landlord should do their due diligence to screen prospective tenants. We offer the following guidance.

Consider a family's background regarding factors such as:

- ✓ Payment history of rent and utilities;
- ✓ Criminal background;
- ✓ Previous rental history;
- ✓ Caring for the property;
- ✓ Respecting the rights of others to peaceful enjoyment of their residence.

REQUEST FOR TENANCY APPROVAL (RFTA)

Once the Owner/Landlord determines that a Participant will be a suitable Tenant, the Request for Tenancy Approval (RFTA form) must be completed. The tenant will have this document and must provide it to the Owner/Landlord for completion. By executing the Request, the Owner/Landlord is certifying the amount of rent most recently charged for the rental unit and certifying the reason for any change in amount. Owner/Landlord cannot charge more rent for this unit (program unit) than for other similar unassisted units (market unit). This form must be completed in full and returned to MCAHA's office for contract

preparation. MCAHA is not responsible for any part of the rent until the unit is inspected (passes inspection) and occupied by the eligible family; and the contract is executed and received in our office. Incomplete forms will not be processed and may delay payment to the landlord.

Please verify that the tenant meets your occupancy requirements prior to submitting this form to our office.

PAYMENT STANDARD

The Payment Standard defined is the maximum monthly assistance payment for a family or individual in the Housing Choice Voucher Program. The Payment Standard Schedule includes the following components:

- Set between 90% and 110% of the annual HUD established fair market rent (FMR) for the program and locality;
- Based on the occupancy guidelines established by HUD and/or defined in the McAllen Housing HCV Administrative Plan;
- Considers 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.

For family's initial leasing unit the family's share of rent cannot exceed 40% of the family's monthly adjusted income. This rule applies to families who transfer after their initial leased year.

SECURITY DEPOSITS

The owner may collect a security deposit directly from the tenant; however, MCAHA has the discretion to prohibit security deposits that are in excess of either the private market practice or the security deposits for the owner's unassisted units.

*****MCAHA does not assist in paying for security deposits! *****

Security deposits must be managed and/or refunded to the tenant according to state or local law.

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 MCAHA will send you an IRS Form 1099. The amount recorded is for rental assistance payments that we have made on behalf of the tenant(s). No housing assistance payments can be processed until we have the completed W-9 form for our records.

In order to periodically update our records, W-9 forms will be sent to existing Owner/Landlords every 3 to 4 years. Owner/Landlords will be given a specified time to return the completed form.

HOUSING ASSISTANCE PAYMENT (HAP) TO OWNER

MCAHA will begin making payments to the owner after the unit has been approved, the HAP contract has been signed and the unit is occupied by the eligible family. MCAHA will send the payment to the address you provided. MCAHA will continue to make monthly payments as long as; the family continues to meet eligibility criteria, the unit qualifies under the program standards and the participant remains in the unit.

MCAHA anticipates to implement a Direct Deposit system within the calendar of year of 2017. Owners will be required to have a Personal or Business checking account at a bank with an applicable routing and account number. Account summary will be emailed or mailed to landlord when electronic deposits are made.

Tenant Portion of Rent

HAP contract will describe the MCAHA HAP payment and Tenant rent obligation. Landlord must collect tenant portion of rent monthly and may exercise the option

to evict families who are not current on their portion of the rent. Tenants that fail to meet their portion of the rental obligation should be reported to the MCAHA office immediately.

HOUSING ASSISTANCE PAYMENT (HAP) CONTRACT

The HAP Contract is an agreement between MCAHA and the Landlord. The HAP Contract outlines the rights and responsibilities of both parties. No payments can be made by MCAHA until the HAP Contract is executed. If this contract is canceled, payments will be discontinued.

The HAP Contract may be canceled if:

- The Participating family violates their program obligations, commits fraud or breaches an agreement to reimburse MCAHA;
- The unit does not continue to meet Housing Quality Standards (HQS);
- The Landlord violates any obligations under the Contract;
- If the family moves or vacates the unit without notice.

LEASE

- The lease is an agreement between the tenant and the Landlord;
- The lease agreement must comply with state and local laws;
- The initial lease term is for (12) twelve months and the lease term may be renewed on a yearly or month-to-month basis;
- MCAHA requires a copy of the signed lease;
- Any changes to the lease agreement must be in writing, signed, and dated with a copy submitted to MCAHA.

COMPLETION OF THE INITIAL 12 MONTH TERM LEASE

1. The Owner/Landlord may choose not to renew the lease 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 MCAHA.

OR

2. Inform MCAHA and the tenant in writing that the Lease will continue on a month-to-month basis or other lease terms not to exceed 12 months.

LEASE TERMINATION

The termination of the lease before the term of the lease is completed may occur for the following reasons:

1. Mutual Rescission: The Owner/Landlord and Tenant may sign an agreement to rescind the terms of the Lease. The rescission date should be at the end of the month. MCAHA 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 Owner/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 and/or state law)
 - Non-payment of rent;
 - Failure to reimburse repair costs;
 - Repeated late payment of the rent;
 - Permitting unauthorized persons to live in the 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 MCAHA.*

COLLECTION FOR TENANT CAUSED DAMAGE

The tenant/landlord lease will generally describe the responsibility and remedies for damages or unpaid rent. These issues are between tenant and landlord, MCAHA does not pay any damage claims or pay unpaid tenant portion of rent.

MCAHA MUST BE IMMEDIATELY NOTIFIED

- When the tenant vacates the unit without notice;
- When the lease is terminated through mutual rescission;
- When the owner/landlord takes action to evict or issues a 30 day notice to vacate;
- At the time of lease renewal, if the owner/landlord plans on increasing the contract rent, a 60 day written notice must be given to the tenant and a copy submitted to MCAHA for approval;
- Lease renewals are done 3 months prior to the end of the term of the lease. If the tenant has not approached the owner/landlord with the Renewal documents, the owner/landlord is encouraged to notify MCAHA.

UNIT INSPECTIONS

Within 14 working days from the receipt of the Request for Tenancy Approval either the tenant or owner/landlord will be contacted by the inspector to set a time and date for the inspection. Inspections are scheduled week days Monday through Friday during normal business hours (8:00 a.m. - 5:00 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 operable (refrigerator and stove).

If the unit does not pass inspection, an appointment for re-inspection of the failing items will be necessary. The inspector will forward a list of the items that failed the inspection to the tenant and the owner/landlord. The (HAP) Housing Assistance Payment Contract cannot be executed and no payment will be made until the unit meets HQS.

Housing Quality Standards identify thirteen (13) performance requirements:

- Sanitary Facilities;
- Food preparation and refuse disposal;
- Space and security;
- Thermal environment;
- Illumination and electricity;
- Structure and materials;
- Interior air quality;
- Water supply;
- Lead-Based paint;
- Access;
- Site and neighborhood;
- Sanitary condition; and
- Smoke Detectors.

Common area landlord questions and required to pass inspections are:

- Bedrooms must have a window that opens and locks;
- 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;
- Kitchen and bath must have hot and cold running water;
- Bathrooms must have a sink, shower/tub, commode and an operable window or an operating fan/vent;
- Refrigerator and stove must be fully operable. (All burners and the oven will be checked);
- Foundations, stairs, porches and railings must be sound. Stairways with more than 4 steps must have secure railings;

- Hot water heater must have a pressure relief valve and discharge line; there must be an adequate, safe source of heat; no leaky plumbing;
- Unit must have smoke detectors and they must be functional;
- 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.

HQS Standards may be viewed at:

<http://www.hud.gov/offices/adm/hudclips/guidebooks/7420.10G/7420g10GUID.pdf>

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". MCAHA cannot make any payments for a unit that does not meet HQS.

Periodic Inspection of Your Property:

When the owner/landlord signs the HAP Contract, an agreement is made that:

- The unit is safe, decent and sanitary and that the owner is providing all services maintenance and utilities agreed to in the lease; and

- 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.

SUMMARY OF THE PROGRAM PROCEDURE

1. The eligible program participant approaches the Landlord regarding a rental unit;
2. The Landlord screens the participant for suitability as a tenant. MCAHA can provide information regarding the previous landlord's name and telephone number upon written request from the owner/landlord.
3. The Owner/Landlord completes the Request for Tenancy Approval and W-9 forms.
4. The participant returns the forms to MCAHA.
5. MCAHA reviews the forms for completeness, rent reasonableness, and prepares the file for inspection within fourteen working days of the receipt of documents.
6. The Inspector coordinates with the landlord or the tenant regarding the date and time of the inspection. The landlord and tenant should both be present.
7. The Lease and Contract are executed when the unit passes inspection and the tenant occupies the unit.
8. MCAHA HAP payments are ready for pick-up or mail out on the first business day of the month.



CONTACT INFORMATION

McAllen Housing Authority
2301 Jasmine Ave.
McAllen, TX 78501
(956) 686-3951
(956) 686-3112 fax

Hours: 8:00a.m. -12:00noon
1:00p.m.-5:00p.m. Monday-Friday

