



OWNER/LANDLORD PARTICIPATION GUIDE

HOUSING CHOICE VOUCHER PROGRAM (HCVP)

OWNER/LANDLORD PARTICIPATION GUIDE

HOUSING CHOICE VOUCHER PROGRAM (HCVP)

Thank you for your interest in partnering with RIHousing by participating in the Housing Choice Voucher (HCV) Program.

The HCV Program is a federally-funded program administered by RIHousing. Its purpose is to provide housing assistance to eligible families. The program helps families obtain safe, healthy homes by subsidizing a portion of each tenant's monthly rent and paying it directly and promptly to the property owner.

Paperwork is minimal and the owner retains normal management rights and responsibilities, including tenant selection, rent collection, property maintenance and lease termination.

Please read through this guidebook for information on being a landlord for a HCV Program tenant. The guidebook covers the most common areas of interest to owners, but it is not intended to cover all areas of renting to HCV Program participants.

Should you have any additional questions, please feel free to contact RIHousing's HCV Program staff at 401-429-1614.

PLEASE KEEP THIS GUIDE FOR FUTURE REFERENCE

TABLE OF CONTENTS

Program Participants	3
RIHousing Jurisdiction	3
Maximum Rent Limits	4
Rental Assistance: Calculation & Payments	5
Security Deposits	6
Tenant Obligations	6
Owner Responsibilities	7
Tenant Selection Process	7
Housing Discrimination	8
Lease Up Requirements	8
Initial Inspections	9
Other Inspections	9
Failed Inspections	10
Owner/Tenant Deficiencies	11
Lead Hazard Mitigation Law	12
Leases/Contracts	13
Rent Increases	13
Lease/Contract Termination	14
RIHousing Resources Landlords/Owners	16
Other Sources of Information	17



HCV PROGRAM PARTICIPANTS

The HCV Program assists families that meet income eligibility criteria. In most cases, Rhode Islanders in this program can earn no more than 50% of the U.S. Department of Housing and Urban Development’s (HUD) median family income. The income restrictions vary by household size and the community in which the apartment is located.

RIHOUSING JURISDICTION

RIHousing’s jurisdiction includes:

Barrington	Foster	Middletown	Portsmouth
Block Island	Gloucester	Narragansett **	Richmond
Bristol**	Hopkinton	Newport **	Scituate
Charlestown	Jamestown	North Kingstown	West Greenwich
Exeter	Little Compton	North Smithfield	

** RIHousing handles moves in these areas, but these municipalities are not in its jurisdiction.

If the rental unit is located outside of these areas, owners should contact the housing authority for the municipality where the unit is located for information on requirements and deadlines, etc.

MAXIMUM RENT LIMITS

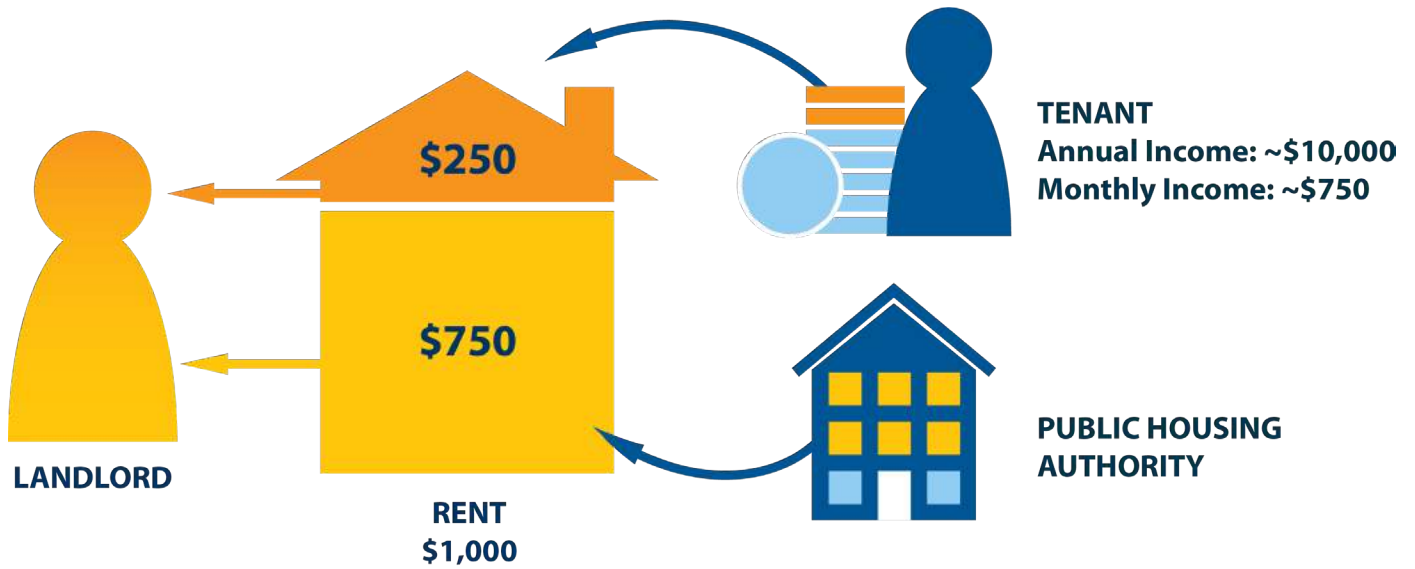
An owner is expected to charge a reasonable market rent for the unit based upon its size, location and amenities. Tenants are encouraged to look for units within their voucher size payment standard and ideally, landlord's requested rent should not exceed the payment standard. RIHousing will not advise a landlord on how much to charge for rent, however if the requested rent exceeds what the voucher holder is able to pay, RIHousing may negotiate a minimal change in rent amount.



AMENITIES: Additional items provided by the owner such as assigned parking, washer/dryer or laundry hook-ups, air conditioning, pet-friendly, etc.

Owners may charge additional amounts for these items, however failure by the tenant to pay for these amenities is not grounds for termination of the tenancy. Disputes of this nature must be settled in Small Claims Court or through a civil court action like any other monetary dispute, or by bringing an action in the local district court by filling out and submitting a Landlord-Tenant Complaint form.

For more information about your rights as a landlord, please reference the *Rhode Island Landlord-Tenant Handbook*.



RENTAL ASSISTANCE CALCULATION & PAYMENTS

RIHousing calculates the amount of assistance that each family receives based on voucher size (number of bedrooms) and household income.

A family is generally expected to pay 30% of the adjusted monthly household income toward rent and utilities. Because the family is receiving assistance, the rent burden is reduced, and the household should be able to pay rent more easily and on time.

Landlords should provide receipts to tenants for all monies paid. This will ensure proper compliance with lease obligations and prevent loss of housing assistance.

HOUSING QUALITY STANDARDS

(HQS): Minimum nationwide standards that apply to all units assisted under the voucher program and concern the physical standards required of units occupied by HCV-assisted families.

RIHousing pays the balance of the rent directly to the owner. This is known as a **Housing Assistance Payment (HAP)**. RIHousing uses electronic funds transfer (EFT) and owners receive payment promptly on the first of each month via direct deposit. Direct deposit is not required, but strongly encouraged to ensure timely receipt of payments.

As per the signed contract, “During the term of the contract, the Public Housing Authority (PHA) must make monthly housing assistance payments to the owner on behalf of the family at the beginning of each month.”

RIHousing will make HAP payments to the owner while the unit is leased and occupied by the voucher tenant during the term of the contract. Payments will continue as long as the owner and tenant abide by program requirements and the unit is Housing Quality Standards (HQS) compliant.

SECURITY DEPOSITS

RIHousing does not provide financial assistance for security deposits. The security deposit agreement is strictly between the tenant and the owner. Per Rhode Island General Law (RIGL) Chapter 34-18, entitled the “Residential Owner and Tenant Act”:

- An owner can take a security deposit from a tenant at the beginning of a new rental term, but it cannot exceed one month’s rent. Taking a greater sum subjects the owner to a possible suit under section 56f of the “Act.”
- The deposit must be returned within twenty (20) days after the tenant gives proper notice, moves out, returns the key and provides a forwarding address. When returning the deposit, the owner must send the tenant an itemized list of any legal deductions withheld from the security deposit. Such deductions can only be for unpaid rent (not future rent that might be legally owed) and physical damages beyond ordinary wear and tear.

TENANT OBLIGATIONS

Below is a partial listing of a participant family’s obligations under the HCV program:

- Responsible for any HQS breach caused by the family’s failure to pay tenant-provided utilities or appliances, or damages to the dwelling unit or premises beyond normal wear and tear caused by any household member or guest.
- Allow the PHA to inspect the unit at reasonable times and after reasonable notice.
- Not commit any serious or repeated violation of the lease. Serious and repeated lease violations will include, but not be limited to, nonpayment of rent, disturbance of neighbors, destruction of property, or living or housekeeping habits that cause damage to the unit or premises and criminal activity.
- Notify the PHA and the owner before moving out of the unit or terminating the lease. Notification must be in writing and at least thirty (30) days before moving.
- All members of the household residing in the unit must be approved by both the PHA and the owner.
- Not sublease the unit, assign the lease or transfer the unit.
- Pay utility bills and provide and maintain any appliances that the owner is not required to provide under the lease.
- Must not engage in drug-related criminal activity or violent criminal activity or other criminal activity that threatens the health, safety or right to peaceful enjoyment of other residents and persons residing in the immediate vicinity of the premises.
- Members of the household must not engage in abuse of alcohol in a way that threatens the health, safety or right to peaceful enjoyment of the other residents and persons residing in the immediate vicinity of the premises.

If a family fails to meet their obligations or commits any violation of the lease, a written notice stating the violations with a cease and desist statement should be sent to the family by the owner. Owners should also send a copy of the notice to RIHousing. Depending on the severity and/or persistence of the violations, the tenant may face termination from the HCV Program. Owners are notified if termination will occur.

Refer to the lease and contract for additional obligations.

OWNER RESPONSIBILITIES

Below is a partial listing of a participant owner's obligations under the HCV program:

- Perform all owner's obligations under the HAP contract and the lease.
- Perform all management and rental functions for the assisted unit, including selecting a voucher-holder to lease the unit and deciding if the household is suitable for tenancy of the unit.
- Maintain the unit in accordance with HQS, including performance of ordinary and extraordinary maintenance.
- Collect from the family any security deposit, the tenant's contribution to rent (that part of rent to owner not covered by the housing assistance payment from the PHA), and any charges for unit damage by the family.
- Enforce tenant obligations under the lease.
- Pay for utilities and services (unless paid by the family under the lease).
- Submit all communications with tenant or about tenant in writing to RIHousing. This is done to ensure accuracy and prevent misunderstandings. Keep copies of all correspondence for your records. Telephone calls and verbal conversations cannot be verified.
- Comply with all federal, state and local laws. Refer to lease and contract for additional obligations.



TENANT SELECTION PROCESS

As an owner, you are expected to treat HCV program tenants the same way you would treat a private-pay tenant. HCV owners are encouraged to have the same screening process and tenant selection procedures for all prospective tenants.

While RIHousing screens tenants for program eligibility, our eligibility criteria does not specifically include family behavior or suitability for tenancy. It is solely the owner's responsibility to screen the tenant prior to renting the unit.

Prospective tenant screenings may consider factors such as:

- past rent and bill-paying history,
- history of caring for property,
- respecting the rights of others to peaceful enjoyment of the property,
- compliance with essential conditions of tenancy, or
- engaging in criminal activity that might threaten others.

HOUSING DISCRIMINATION

In the selection of tenants, federal law states that an owner may not discriminate against a person because of race, color, religion, handicap, sex, or national origin.

Additionally, the Rhode Island Fair Housing Practices Act (RIGL 34-37 2.2-2.4) prohibits discrimination against a person because of sexual orientation, gender identity or expression, and victims of domestic violence. Program participants are instructed to report all cases of discrimination to HUD.

LEASE UP REQUIREMENTS

Owner will be given a “move packet” by the tenant. The move packet will contain:

Forms that must be signed by both the owner and the tenant:

- Request for Tenancy Approval (RFTA)
- Owner Certification
- Restriction on Leasing to Relatives
- Disclosure of Information on Lead-Based Paint

Forms that must be completed by owner only:

- W-9
- Electronic Funds Transfer/Direct Deposit form

Owners must also provide RIHousing with the following:

- Proof of ownership – copy of a deed, water bill, mortgage, home/fire insurance binder, etc.
- Proof of compliance with the lead hazard mitigation law (refer to Lead Hazard Mitigation Law section of this handbook).
- Proof of the social security number or EIN used on the W-9
- Voided check for EFT accounting

For out-of-state owners and owners that contract with property management companies, additional documentation will be required.

The RFTA and ALL required documents must be returned to RIHousing prior to the 10th of the month to begin tenancy for the 1st day of the following month. Incomplete or missing forms will delay the move-in process.

Once all the required forms and documents are returned, the requested rent will be reviewed for reasonableness and an initial inspection will be scheduled.

INITIAL INSPECTIONS

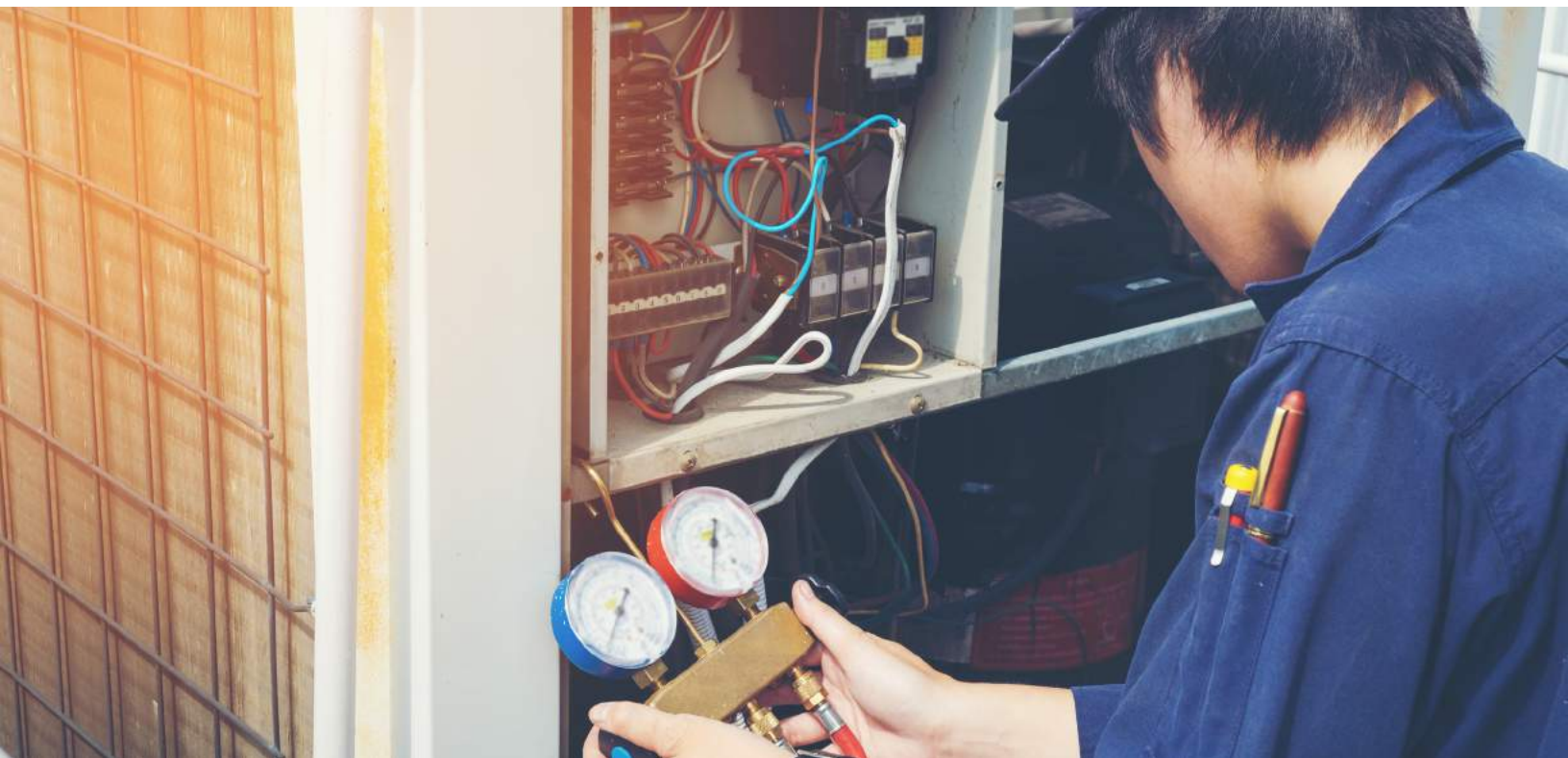
The goal of the HCV Program is to provide “decent, safe and sanitary” housing at an affordable cost to low-income families. HQS help HUD and local PHAs accomplish that goal by defining “standard housing” and establishing minimum criteria for the health and safety of program participants. HQS inspections are conducted to ensure that potential and current units meet minimum performance and acceptable criteria.

Inspections are currently being performed by Nan McKay 401-404-8987. Nan McKay should be contacted directly with any inspection related questions.

OTHER INSPECTIONS

BIENNIAL: RIHousing is required to inspect all units biennially (every two years) to ensure that occupied units remain in compliance with HQS.

SPECIAL INSPECTIONS: Inspections due to complaints can also take place between biennial inspections. If there is a problem within a unit, RIHousing encourages tenants to communicate the problem with the landlord so that it can be addressed. If the problem is not resolved in a reasonable amount of time, RIHousing must be contacted so that an inspection can be ordered to verify the problem and ensure corrective action is taken. The complaint should also be submitted in writing.



FAILED INSPECTIONS

After an initial inspection, the owner will receive an inspection report with a “pass” or “fail” status. If a unit fails, the owner must correct all failed items listed on the inspection report before a contract can be executed. The owner will generally be allowed two (2) re-inspections for the repair work to be completed. If the unit fails both re-inspections, the family will be advised to look for another unit. RIHousing cannot enter into a HAP Contract for any unit that fails to meet HQS.

Landlords are responsible for all major repairs on electrical, plumbing, and heating facilities, as well as any appliances like stoves or refrigerators if such appliances are included in the rental agreement.

- Tenants can only be made responsible for the repairs of electrical, plumbing and heating facilities if there is a written agreement made in “good faith,” signed by both parties, and supported by adequate consideration (see R.I.G.L. 34-18-22(6c)).
- Taking rent for a residential unit obligates an owner to keep the unit up to minimum housing code standards (see R.I.G.L. 34-18-18) and failure to do so may result in tenant action (as allowed under the new “Act”) or action by the local housing code official to remedy the situation.

HQS fails must be corrected by the owner unless the violations were caused by the family.

The family is responsible for correcting the following HQS deficiencies:

- Tenant-paid utilities not in service
- Failure to provide or maintain family-supplied appliances
- Damage to the unit or premises caused by a household member or guest beyond normal wear and tear. “Normal wear and tear” is defined as items which could not be charged against the tenant’s security deposit under state law or court practice.

Failure to correct these deficiencies may result in the family’s termination in the HCV program.

OWNER/TENANT DEFICIENCIES

RIHousing will not be involved in owner/tenant disputes regarding “tenant caused” HQS violations. RIHousing’s position is to advise both the owner and the tenant that if the deficiency is not corrected within the timeframe provided, the HAP Contract and/or tenant participation will be terminated.

The owner is responsible for all HQS violations not listed as a family responsibility above, even if the violation is caused by the family’s living habits (e.g., vermin infestation). However, if the family’s actions constitute a serious or repeated lease violation the owner may take legal action to evict the family.

Time will be given to correct deficiencies. The following guidelines will be used:

- If the item is life threatening, 24 hours will be given.
- If the item endangers the family’s health or safety, 48 hours will be given.
- For less serious failures, 30 days will be given to correct the item(s).

If failed items are not corrected within established time frames, the payment will be abated, or HAP Contract and/or housing assistance will be terminated.

ABATEMENT: If an occupied unit receives a second failed inspection (special or biennial), the HAP for the unit shall be abated (not paid) beginning the first day of the following month. The tenant is expected to continue to pay only their portion of the rent.

The abatement shall continue until all fail items have been corrected. When the abatement is released, payment will be made from the date the unit passed, going forward. The owner will not receive HAP payment for the period that the unit was in abatement. The owner cannot seek payment from the family for abated HAP amounts and may not use the abatement as grounds for eviction.

HAP CONTRACT TERMINATION: If all the failed items cited on the inspection report have not been corrected within thirty (30) days from the beginning of the abatement period, and if HAP is not made for ninety (90) days, the HAP contract is terminated and the tenant is given a new voucher and instructed to find a new rental unit (if they are still eligible for assistance).

If repairs are done before the effective termination date, the termination can be rescinded if the tenant and/or RIHousing choose to do so.

LEAD HAZARD MITIGATION LAW



The Lead Hazard Mitigation Law is a Rhode Island state law (R.I.G.L. 42-128.1); participation in RIHousing's leased housing programs requires compliance with this law.

The Lead Hazard Mitigation Law requires that all owners of rental properties built before 1978 (except for exempt properties) meet the following four requirements:

1. Receive a Certificate of Conformance from a certified lead inspector (lead inspectors can be found online at www.doh.ri.gov)
2. Provide tenants with information about lead hazards, including the Certificate of Conformance
3. Respond to tenant concerns of lead in the home
4. Keep the Certificate of Conformance current

EXEMPT PROPERTIES: If you own one of the following types of pre-1978 rental dwelling units, you are exempt from the requirements of the Lead Hazard Mitigation Law:

1. Rental units with a current Lead Safe or Lead-Free certificate;
2. Temporary housing or seasonal housing which is defined as housing that is rented for no more than 100 days in a calendar year to the same tenant;
3. Housing that is specifically designated by a regulatory agreement or a zoning ordinance to house persons 62 years of age or older;
4. Two- or three-unit properties, in which one of the units is occupied by the property owner.

If you do not own an exempt property, you must have a Certificate of Conformance ("lead certificate") for each rental unit you own. The law requires you to get a Certificate of Conformance (the first time your tenants change after November 1, 2005) and to keep your certificate current, no more than two years old.

If proof of conformance for a non-exempt property is not provided to RIHousing, an inspection will not be ordered, and the unit will not be approved for rent.

For more information on the Lead Hazard Mitigation Law, contact the **Housing Resources Commission** (<http://ohcd.ri.gov/hrc/>).

LEASES/ CONTRACTS

HOUSING ASSISTANCE PAYMENT (HAP) CONTRACT: RIHousing uses a Housing Assistance Payment (HAP) Contract to release assistance payments to the owner each month. The HAP contract is signed by a representative from RIHousing and the property owner. By signing the HAP contract, an owner is agreeing to maintain compliance with program regulations.

The HAP Contract must be executed no later than sixty (60) days after the beginning of the lease term. If a HAP Contract is not executed within this timeframe, no housing assistance can be paid to the owner and both the Contract and the Lease become null and void documents.

LEASE & TENANCY ADDENDUM: While RIHousing can provide a model lease to be used between the owner and tenant, owners are encouraged to use their own lease, which must be submitted to RIHousing for review. The tenancy addendum (provided by RIHousing) includes the tenancy requirements for the program and the composition of the household approved by RIHousing. As part of the lease, the tenant shall have the right to enforce the tenancy addendum against the owner and the terms of the tenancy addendum shall prevail over any other provisions of the lease. Both the lease and tenancy addendum must be signed by both the tenant and the owner.

The initial lease term is for ONE YEAR. After the initial 12-month term, the lease provides for automatic month-to-month renewals. The choice of automatic renewals is left to the discretion of the owner and tenant as stipulated in the lease.

The HAP Contract and Lease will be generated and signed only after a unit has been certified “rent reasonable” and passes inspection.

If an agent or a manager is signing for the owner, RIHousing requires that the manager submit a copy of the property management contract between the owner and manager. The authorization must also specify all the duties that the agent can make on behalf of the owner, such as repairs and collection of any monies (rent, security deposit, etc.).

RENT INCREASES

The rent paid to a property owner may not be increased during the initial term of the lease. After the first year of the lease, an owner may submit a written request for a rent increase. The request must be made least sixty (60) days prior to the anniversary date of the HAP contract and must include the proposed new rent amount.

Not all rent increase requests are approved. Since the level of assistance is based on household size and income and rent increases are normally absorbed by the tenant, the rent increase request will be reviewed and may be denied.

An owner may also request a change in who is responsible for paying for the utilities of the rental unit after the term of the lease. The request must be submitted in writing at least sixty (60) days prior to the effective date. The request will be reviewed and approved or denied.

A change in utility responsibility will require a new “Request for Tenancy Approval” and a new Lease and HAP Contract.

LEASE/CONTRACT TERMINATION

Termination of leases/contracts can be made by the owner, tenant or RIHousing.

BY OWNER:

During the lease term, the owner is not permitted to terminate tenancy except for serious or repeated violations of the lease, certain violations of state law, other good cause, or criminal activity.

If the owner commences termination proceedings, a notice of grounds of termination must be issued to the family at or before the start of the eviction action. This written notice of grounds of termination can be combined with other eviction notices required by State Law. Copies of all notices sent to the tenant must also be sent to RIHousing.

After the lease term (one year), the owner may give the tenant notice to vacate at any time, in accordance with the terms of the lease. Notice to vacate must be given at least thirty (30) days prior to the requested vacancy date and must be given in writing. A copy of the notice must also be given to RIHousing.

CHANGE IN OWNERSHIP:

The current owner should notify RIHousing in writing that there is a change in ownership. The current owner is responsible for providing the name and address of the new owner and when the change in ownership will take place

FORECLOSURE (CURRENT OWNER):

Owners must notify the tenant and RIHousing immediately of foreclosure and mail any foreclosure documents to RIHousing. The family will be given a move packet to begin looking for another unit as soon as possible.

Thirty (30) days' notice to vacate will not be given in a foreclosure situation.

FORECLOSURE (NEW OWNER):

The Protecting Tenants at Foreclosure Act, Pub. L. No. 111-22, § 702 - 703 (2009), that became law on May 20, 2009, applies to state eviction proceedings. This law requires a person or entity who acquires ownership of residential rental property through foreclosure to take subject to (be legally bound by) the Section 8 voucher lease and HAP contract. A new owner can only terminate the lease and HAP contract by giving the tenant at least ninety (90) days notice of termination prior to the end of the lease.

If the Section 8 lease and HAP contract have less than ninety (90) days remaining in their term, or if the new owner who takes title at foreclosure wants to occupy the premises as his or her personal residence, the new owner may terminate the lease only after giving the tenant at least ninety (90) days notice of such termination.

BY TENANT:

Tenants can choose to end their participation in the HCV Program at any time by requesting in writing to RIHousing to terminate their assistance for the following reasons:

Family no longer requires assistance: If the amount of HCV assistance provided by the PHA drops to zero and remains at zero for 180 consecutive calendar days the family's assistance terminates automatically.

Family chooses to move: After the term of the lease, the family may give the owner and RIHousing notice to vacate at any time, in accordance with the terms of the lease. Notice to vacate the unit must be at least thirty (30) days before the effective date and must be in writing.

BY RIHOUSING:

HUD requires all PHAs to terminate assistance for certain offenses or when the family no longer requires assistance. HUD permits the PHA to terminate assistance for certain other actions family members take or fail to take. In addition, a family may decide to stop receiving assistance at any time by notifying the PHA.

If the family becomes ineligible, RIHousing will notify owners/landlords that it is going to cancel its contract with you. However, you may arrange with the family to continue to lease without rental assistance.

RIHOUSING RESOURCES FOR LANDLORDS/OWNERS

LANDLORD MITIGATION: *Protecting the Owners' Assets*

RIHousing offers a Landlord Mitigation program that offers owners limited financial assistance in the event that a tenant causes damage to the apartment in excess of normal wear and tear, non-payment of rent should the tenant abandon the property with a balance of unpaid rent, and vacancy payment for up to three (3) months if the tenant leaves without proper notification and the landlord is unable to rent the apartment.

Landlords must notify RIHousing staff when issues first arise to prevent and/or mitigate damages. Coverage is limited to \$2,000 and extends for the first two (2) years of tenancy, or until funds are depleted, starting on the move-in date.

Landlords must submit damage claims to RIHousing to the attention of **Knijia Sailsman**, Housing Stabilization Coordinator at ksailsman@rihousing.com.

HOUSINGSEARCHRI.ORG

Participating landlords are able to advertise their rentals at no cost to HousingSearchRI.org, a free online listing service. The site allows HCV Program participants to search for available rentals.

LEADSAFE HOMES

RIHousing's LeadSafe Homes program helps Rhode Islanders lessen the dangers associated with lead in their homes through education, forgivable loans and support services. There is no cost for these services.

Features of the LeadSafe Homes Program:

- Forgivable loans to help you make your home or property lead safe and increase its value
- Health and safety hazard assessment of your home or property
- Funding is forgiven after five years for homeowners and after 10 years for rental investment properties
- Free, personalized assistance every step of the way

For more information on the LeadSafe Homes Program and the options available to you, contact: **Fernanda Aguilar**, 401-450-1350 or faguila@rihousing.com.

OTHER SOURCES OF INFORMATION

FAIR HOUSING

- Fair Housing RI: www.fairhousingri.org
- HUD Fair Housing: www.hud.gov/fairhousing
- South Coast Fair Housing: www.SouthCoastFairHousing.org
- RI Center for Justice: www.centerforjustice.org

LANDLORD MEDIATION

The Center for Medication & Collaboration of RI offers mediation services to landlords and tenants. Fees are minimal and offered on a sliding scale to those that qualify. Call 401-273-9999 for assistance.

LANDLORD – TENANT HANDBOOK

- Housing Resources Commission: 401-222-5323 // www.hrc.ri.gov

LEAD HAZARD MITIGATION

- Housing Resources Commission (HRC): 401-222-LEAD (5323) // www.hrc.ri.gov
- Department of Health (inspector information) // www.doh.ri.gov

LEGAL QUESTIONS

- Rhode Island Legal Services: 401-274-2652 // www.rils.org

OFFICE OF HOUSING AND URBAN DEVELOPMENT (HUD)

- Rhode Island HUD Office: 401-277-8300; 800-877-8339 (TTY) // www.hud.gov/states/rhode_island/offices

RENTAL LISTINGS

- HousingSearchRI is a free online resource to landlords who own property in Rhode Island. To list your property, please visit www.HousingSearchRI.org or call 1-877-428-8844

If you have available units or upcoming availability and would like to lease to RIHousing tenants in the HCV Program or the Continuum of Care Rental Assistance program, please contact:

Knijia Sailsman

Housing Stabilization Coordinator

Division of Leased Housing and Rental Services

401-277-1562

ksailsman@rihousing.com

