

Chapter 6

LEASE UP PROCESS (SUBSIDY STANDARDS)

IHFA will issue a 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.

6.1 IHFA SUBSIDY STANDARD

Subsidy standards must provide for the smallest number of bedrooms needed to house a household without overcrowding.

The subsidy standards must be consistent with space requirements under the housing quality standards.

Subsidy standards must also be applied consistently for all households of like size and composition.

IHFA subsidy standards are based on the assumption that 1 bedroom will be given for the head of household and co-head, and 1 bedroom given for each additional 2 persons. IHFA considers only the number of household members, and does not consider age, gender, or family relationship.

- A household that consists of a pregnant woman (with no other persons) must be treated as a two-person household.
- Foster children will count in the household size when determining unit size. Children who are temporarily away from the home because of placement in foster care are considered members of the family. (See below for more on children removed from the unit).
- Children who live in the unit less than fifty-one percent (51%) of the time will not be counted in the household composition to determine unit size. Fifty-one percent (51%) will be defined as more than 50% or at least 183 days per calendar year. If a divorce decree states that custody of the children is 50/50 and there is no other documentation to support custody of one parent or the other of 183 days or no pattern is established, additional documentation will be required. In the event that both parties are on the program and attempting to claim the child, they will be given the opportunity to determine who will be given the additional bedroom. In the event they are unable to make that determination, IHFA will make a decision based on the circumstances.
- If children are removed from the assisted household, the parent(s) will retain their eligibility; however, they will be issued a different size voucher. If the children are

expected to be returned, but are out of the home for more than six months from the initial removal date, the Voucher size will be reduced at the next regular reexamination.

- A live-in aide will be authorized a separate bedroom when determining unit size. In order to receive the additional bedroom size, the live-in care attendant must reside in the unit fifty-one percent (51%) of the time. Fifty-one (51%) will be defined as more than 50% or at least 183 days per calendar year. A live-in aide is defined as a person who resides with one or more elderly person, near-elderly persons or persons with disabilities and who is (1) determined to be essential to the care and well-being of the persons; (2) is not obligated for the support of the persons; and (3) would not be living in the unit except to provide the necessary supportive services. This definition applies to a specific person. If care is provided on an intermittent or rotating basis, it will not be considered “live-in” care for the purposes of subsidy determination. When a live-in aide’s employer requires periodic personnel changes, but a live-in aide is continuously in the unit, it will not be considered a rotating basis. A live-in aide is not a member of the assisted family and is not entitled to the HCV as the remaining member of the tenant family. In the event of the death of a single member family, the final HAP payment will be no later than the first day of the following month in which a death occurs. (See section 16.2)
- Only one additional bedroom may be approved for a live-in aide. Although a live-in aide may have IHFA approved family members live with him/her in the assisted unit, no additional bedrooms will be provided for the family members of the live-in aide. IHFA must ensure that housing quality standards (HQS) will not be violated and that there will be no more than two people per bedroom or living/sleeping space in the unit in accordance with 24 CFR 982.401(d)(2)(ii). If the approval of additional family members of a live-in aide would result in a violation of HQS, the additional family members of the live-in aide may not be approved.
- Unless a live-in aide resides in the household, the unit size for any household consisting of a single person must be either zero- or one-bedroom except when the need for a larger unit for medical reasons has been documented by a medical professional.
- IHFA may grant exceptions from the established unit size standards if IHFA determines that the exception is justified by health, disability, or other personal circumstances. The Branch Office Supervisor must document the rationale for any approved exceptions.
- A full-time college student that is away attending school, and not in the household more than 50% of the time, is not considered a member of the family and will not count when determining unit size.

IHFA will grant exceptions to normal subsidy standards when a family requests, through a request for reasonable accommodation, a larger voucher than the guidelines allow and documents a medical reason why the larger voucher is necessary, and not just desirable. Reasonable accommodations are granted for a specific purpose due to a documented disability and the accommodation requested by the family to fully utilize the Section 8 program. IHFA’s decision to approve an additional bedroom subsidy as a reasonable accommodation will continue

only as long as necessary per the health care provider, or as long as the additional bedroom is used for the purpose indicated by the accommodation request. If it is determined/demonstrated that the room is not being used for the purpose intended, the accommodation will be revoked and an informal hearing will be offered regarding the decision. (See section 1.2)

IHFA will determine the family unit size in accordance with the above guidelines and will determine the maximum rent subsidy for the family; however, the family may select a unit that is larger or smaller than the family unit size assigned. If the family selects a smaller unit, the payment standard for the smaller size will be used to calculate the subsidy. If the family selects a larger size, the payment standard for the family unit size **for which the family qualifies** will determine the maximum subsidy.

6.2 BRIEFING

When IHFA selects a family from the waiting list, and that family is determined eligible, the family will be invited to attend a briefing explaining how the program works. In order to receive a voucher the family is required to attend the briefing. If they cannot attend the originally scheduled briefing, they may schedule to attend a later session. If the family fails to attend two briefings without good cause, they will be denied admission.

When an applicant is pulled from the waiting list and subsequently finds that they either cannot pursue the formal application or lease up process, they may elect to be returned to the waiting list prior to the expiration of their voucher. If more time is needed, when the branch office makes the next pull, the applicant will need to sign a request to be listed as having no preference until such time as they can participate in the formal application process. Applicants and movers will have two opportunities to attend their formal/move appointments and briefings. At that point, unless there are extenuating circumstances that have necessitated that they reschedule again, action will be taken. The household will be removed from the waiting list, if an applicant. If they are a participant, and have rescheduled their meeting or briefing, they will be informed that they may only reschedule one additional time, unless there are extenuating circumstances. The participant may stay in the same unit, if the landlord is in agreement, or they will be processed for termination unless they attend the second scheduled briefing.

For both issues listed above, extenuating circumstances may include, but are not limited to, medical or health reasons.

If an applicant with a disability requires auxiliary aids to gain full benefit from the briefing, IHFA will furnish such aids, when possible, where doing so would not result in a fundamental alteration of the nature of the program or in an undue financial or administrative burden. In determining the most suitable auxiliary aid, IHFA will give primary consideration to the requests of the applicant. Families unable to attend a briefing due to a disability may request a reasonable accommodation such as having the briefing presented at an alternate location.

The briefing will cover at least the following subjects:

- A. A description of how the program works;

- B. Family and owner responsibilities;
- C. Where the family may rent a unit, including inside and outside IHFA's jurisdiction;
- D. Types of eligible housing;
- E. For families qualified to lease a unit outside IHFA's jurisdiction under portability, an explanation of how portability works;
- F. An explanation of the advantages of living in an area that does not have a high concentration of poor families;
- G. An explanation that the family share of rent may not exceed 40% of the family's monthly adjusted income if the gross rent exceeds the applicable payment standard;
- H. An explanation that information is maintained in the office either in a binder or on bulletin boards which contains a list of landlords or other parties known to IHFA who may be willing to lease a unit to the family and information about the Housingidaho.com rental listing website;
- I. How to request a Reasonable Accommodation;
- J. Lead Based Paint Information.

6.3 PACKET

During the briefing, IHFA will give the family a packet covering at least the following subjects:

- A. The term of the voucher and IHFA's policy on extensions, including how to request an extension;
- B. How IHFA determines the housing assistance payment (HAP) and total tenant payment (TTP) for the family;
- C. Information on the payment standard, exception payment standard rent areas and the utility allowance schedule;
- D. How IHFA determines the maximum rent for an assisted unit;
- E. Where the family may lease a unit. For families qualified to lease outside IHFA's jurisdiction, an explanation of how portability works—including a contact list of most frequently used housing authorities;
- F. The HUD required tenancy addendum that provides the language that must be in any assisted lease, a copy of IHFA Model Lease and a sample HAP Contract;

- G. The Request for Tenancy Approval form and an explanation of how to request IHFA approval of a unit;
- H. A statement of IHFA's policy on providing information to prospective owners. Upon request, IHFA will supply any factual information or third party verification relating to the applicant's history as a tenant or their ability to comply with material standard lease terms or any history of drug trafficking or drug-related criminal activity;
- I. IHFA's subsidy standards, including when IHFA will consider granting exceptions to the standards;
- J. The HUD brochure on how to select a unit (A Good Place to Live);
- K. Information on Federal, State and local equal opportunity laws; the brochure "Fair Housing, It's Your Right"; and a copy of the housing discrimination complaint form;
- L. IHFA's landlord list – a contact list of prospective managers/landlords who are familiar with the Section 8 Program and who may have a unit available to rent;
- M. Information on the Housingidaho.com rental search website.
- N. Notice that if the family includes a disabled person, the family may request a current listing of accessible units known to IHFA that may be available.
- O. The family's obligations under the program;
- P. IHFA's informal hearing procedures, including when IHFA is required to provide the opportunity for an informal hearing and information on how to request a hearing and the grounds upon which IHFA may terminate assistance because of the family's action or inaction.

In addition to the above regulatory requirements, IHFA also includes the following information in the briefing packet:

- A. IHFA's Information Release Policy and an acknowledgement form;
- B. The HUD required lead-based paint brochure, "Protect Your Family from Lead in your Home";
- C. Family Self-Sufficiency Survey
- D. Applicant/Participant Fraud Letter
- E. HQS requirements for Manufactured Housing tie-downs, woodstove clearance and proper care for a water heater information sheet
- F. Housing Discrimination complaint form

G. Additional informational brochures such as Tenant/Landlords guidelines, Family Self-Sufficiency and Fair Housing

6.4 ISSUANCE OF VOUCHER; REQUEST FOR APPROVAL OF TENANCY

Once all family information has been verified, their eligibility determined, their subsidy calculated, and they have attended the family briefing, IHFA will issue the voucher. (All income must be verified within 60-days of the **issuance** of the voucher at admission to the program.) At this point the family begins their search for a unit. (For Portability, see 8.4B5) (For Terms of the Voucher, see 6.5)(For Moves with Continued Assistance, see 7.2)

When the family finds a unit that the owner is willing to lease under the program, the family and the owner will complete and sign a Request for Tenancy Approval (RTA) form, (HUD-52517) and submit it along with a copy of the owner's lease (if the owner intends to use a lease other than IHFA model lease). If the owner intends to use his own lease, the HUD required Tenancy Addendum must be attached and will become a part of the owner lease and shall prevail over any other provisions of the lease. The family will submit the proposed lease and the request form to IHFA during the term of the voucher. IHFA will review the request, the lease (if an owner lease), ensure that the HUD required tenancy addendum is attached and make an initial determination of approval of tenancy. IHFA may assist the family in negotiating changes that may be required for the tenancy to be approvable. Once it appears the tenancy may be approvable, IHFA will schedule an appointment to inspect the unit within seven (7) working days after the receipt of inspection request from the family and owner. The seven-day period is suspended during any period the unit is unavailable for inspection. IHFA will promptly notify the owner and the family whether the unit and tenancy are approvable. Only one (1) RTA will be processed at a time.

All information contained in the RTA will be verified by the Housing Specialist. Property ownership will be verified thru the assessor's office or website. Incorrect or erroneous information will be corrected and initialed by the Housing Specialist.

During the initial stage of qualifying the unit, IHFA will provide the prospective owner with information regarding the program. Information will include IHFA and owner responsibilities for screening and other essential program elements. IHFA, upon request, will provide the owner with the family's current and prior address as shown in IHFA records along with the name and address (if known) of the landlords for those addresses.

Additional screening is the responsibility of the owner. Upon request by a prospective owner, IHFA will provide any **factual** information or third party written information they have relevant to a voucher holder's history of, or ability to, comply with standard material lease terms.

6.5 TERMS OF THE VOUCHER

The initial term of the voucher will be sixty (60) days and will be stated on the Housing Choice Voucher.

Generally, extensions will only be given due to extreme extenuating circumstances (such as, but not limited to illness, hospitalization or death in the family) or as a reasonable accommodation for a disability. To obtain an extension, the family must make a request in writing prior to the expiration date. A statement of the efforts the family has made to find a unit must accompany the request. A sample extension request form and a form for recording their search efforts will be included in the family's briefing packet. Extensions beyond sixty (60) days may be approved by the Branch Office Supervisor. If the branch office supervisor decides to deny an extension request, the request and any pertinent documents must be sent to the Boise office for review and final determination.

Correspondence will be sent to the applicant 30-days prior to the expiration of the voucher to warn of the upcoming expiration and will include notification to the applicant of the right to an informal review. In the absence of extenuating circumstances, if an RTA has not been submitted prior to the expiration of the voucher, the applicant will be removed from the waiting list and required to reapply. (For policy on returning to the waiting list prior to voucher expiration, see 6.2)

IHFA's HCV program is based on funding availability. The voucher may be revoked at any time, if IHFA determines there is insufficient funding available. If this becomes necessary, any voucher that has been issued but not yet used to rent an acceptable unit will be subject to recall. Applicants whose vouchers have been recalled will be placed back on the waiting list.

6.6 APPROVAL TO LEASE A UNIT

IHFA will approve a lease if all of the following conditions are met:

- A. The unit is eligible
- B. The unit is inspected by IHFA and passes HQS;
- C. IHFA Model Lease is utilized, or, if the owner lease is utilized, the lease is approvable and includes the following:
 1. The names of the owner and the participant;
 2. The address of the unit rented;
 3. The term of the lease (initial term and any provisions for renewal);
 4. IHFA will approve a shorter lease term only in the event it is the prevailing practice in the community.
 5. The amount of the monthly rent to owner;

- 6. A specification of what utilities and appliances are to be supplied by the owner, and what utilities and appliances are to be supplied by the family; and
 - 7. The required HUD tenancy addendum.
- D. The rent to owner is reasonable;
 - E. The family's share of rent does not exceed 40% of their monthly adjusted income if the gross rent exceeds the applicable payment standard;
 - F. The owner has not been found to be debarred, suspended, or subject to a limited denial of participation by HUD or IHFA; and
 - G. The family continues to meet all eligibility and screening criteria. In accordance with the HCV Manual, page 11-15, IHFA will verify, but not recalculate changes that occur between the issuance of the Housing Choice Voucher and initial lease-up, with the exception of income changes that would result in the family being over the HUD published income guidelines and as a result of the increase in income, no longer eligible for the program or a change in family composition that would result in the family being qualified for a different unit size on the voucher. Any changes that require recalculation will be captured with an Interim Recertification after the initial lease-up.

If tenancy is denied, IHFA will advise the owner and the family of any actions they could take that would enable IHFA to approve the tenancy, such as changes in an owner lease, lowering of contract rent, or repairing HQS items.

The lease term may begin only after all of the following conditions are met:

- A. The unit passes IHFA/HQS inspections;
- B. The family's share of rent does not exceed 40% of their monthly adjusted income if the gross rent exceeds the applicable payment standard;
- C. The landlord and participant sign the lease to include the HUD required addendum; and
- D. IHFA approves the leasing of the unit.

IHFA will prepare the HAP contract when the unit is approved for tenancy. Generally the landlord, simultaneously with the signing of the lease and the HUD required tenancy addendum, will execute the HAP contract. Upon receipt of the executed lease and the HAP contract signed, by the landlord, IHFA will execute the contract. IHFA will not pay any housing assistance to the owner until the HAP contract is executed.

In no case will the contract be executed later than 60-days after the beginning of the lease term. Any contract executed after the 60-day period will be void and IHFA will not pay housing assistance to the owner.

IHFA will check information in EIV for confirmation of verification of Social Security Numbers and income information within 90-days of admission to the program. A copy of the EIV report will be printed and maintained in each participant file. Any discrepancies found at this time will be verified and resolved within 60-days of the report date.

6.7 IHFA DISAPPROVAL OF OWNER

IHFA will deny participation by an owner at the direction of HUD if:

- A. 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; or
- B. A court or administrative agency has determined that the owner violated the Fair Housing Act or other federal equal opportunity requirements.

IHFA may also deny the owner's participation for any of the following reasons: (24 CFR 982.306)

- A. The owner has violated any obligations under a Section 8 Housing Assistance Payments Contract;
- B. The owner has committed fraud, bribery, or any other corrupt or criminal act in connection with any Federal housing program;
- C. The owner has engaged in drug-related criminal activity or any violent criminal activity;
- D. The owner has a history or practice of non-compliance with HQS for units leased under Section 8 or with applicable housing standards for units leased with project-based Section 8 assistance or leased under any other Federal housing program;
- E. The owner has a history or practice of renting units that fail to meet State or local codes;
- F. The owner has not paid State or local real estate taxes, fines, or assessments;
- G. The owner has a history or practice of failing to terminate tenancy of tenants under Section-8 or any other federally assisted housing program for activity engaged in 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 health, safety or right of peaceful enjoyment of the premises by;

1. Other residents:
 2. IHFA employees or of owner employees or other persons engaged in management of the housing; or
 3. Persons residing in the immediate vicinity or the premises;
- H. If the owner is the parent, child, grandparent, grandchild, sister, or brother of any member of the family of an applicant seeking the initial use of a voucher (currently shopping) unless IHFA determines that approving the unit would provide reasonable accommodation for a family member who is a person with disabilities (24 CFR 982.306 (d)) documented by a health professional or service provider; or
- I. Other conflicts of interest under Federal, State, or local law.
- J. Any owner or landlord who is verbally abusive or engages in a threatening manner, or inappropriate sexual behavior toward an IHFA employee. If the branch office supervisor determines that any owner or landlord has engaged in this type of activity and decides to deny participation in the program, this denial and any pertinent documentation must be sent to the Boise office for review and final determination.

6.8 INELIGIBLE/ELIGIBLE HOUSING

The following types of housing cannot be assisted under the Section 8 HCV Program:

- A. A public housing or Indian housing unit;
- B. A unit receiving project-based assistance under a Section 8 Program;
- C. Nursing homes, board and care homes, or facilities providing continual psychiatric, medical or nursing services;
- D. College or other school dormitories;
- E. Units on the grounds of penal, reformatory, medical, mental, and similar public or private institutions;
- F. A unit occupied by its owner, and
- G. A unit receiving any duplicative Federal, State, or local housing subsidy. This does not prohibit renting a unit that has a reduced rent because of a tax credit.

IHFA will not approve a lease for any of the following special housing types, except as a reasonable accommodation:

- A. Congregate housing
- B. Group homes
- C. Shared housing

Shared housing is defined as a housing unit occupied by two or more families (households) who share common areas, but have private, separate bedrooms and separate financial responsibilities for rental of the unit. In other words, two households, who do not consider themselves to be a family, or do not pool their resources to meet the needs of the household, and **who pay their rent separately to the owner**. It is not considered shared housing when two families live together in one household, when they consider themselves one family and pool their resources to pay the rent and meet the needs of the household.

IHFA will not provide assistance for the rental of Manufactured Home spaces, except as a reasonable accommodation.

IHFA will approve leases for the following housing types:

- A. Single family dwellings
- B. Apartments
- C. Manufactured housing
- D. Assisted living facility

6.9 SECURITY DEPOSIT

The owner may collect a security deposit from the participant in an amount not in excess of amounts charged in private market practice and not in excess of amounts charged by the owner to unassisted tenants.

When the participant moves out of the dwelling unit, the owner, subject to State or local law, may use the security deposit, including any interest on the deposit, in accordance with the lease, as reimbursement for any unpaid rent payable by the participant, damages to the unit or for other amounts the participant owes under the lease.

Within 21 days of move out the owner must give the tenant a written list of all items charged against the security deposit and the amount of each item. After deducting the amount, if any, used to reimburse the owner, the owner must refund promptly the full amount of the unused balance to the participant.

If the security deposit is not sufficient to cover amounts the participant owes under the lease, the owner may seek to collect the balance from the participant.

NOTES