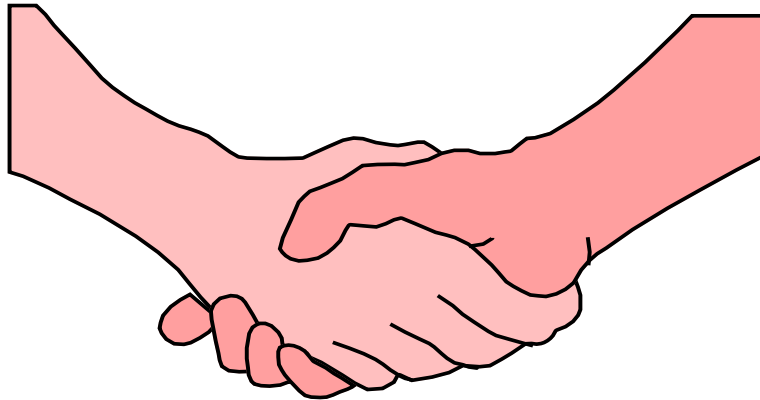




A HANDBOOK FOR OWNERS AND PARTICIPANTS

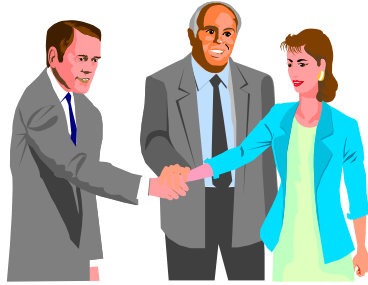
A Guide to the Housing Choice Voucher Program (Housing Choice Voucher)



Administered by

The Olmsted County Housing and Redevelopment Authority
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The Olmsted County Housing and Redevelopment Authority (OCHRA) administers the Housing Choice Voucher Rental Assistance Program in Olmsted County. The provisions of Housing Choice Voucher of the United States Housing Act of 1937 allow making housing assistance payments on behalf of eligible families leasing existing rental units that are in decent and safe condition.

The OCHRA has been allocated funds to serve more than 538 low or moderate income families each month. The subsidy that comes with the Housing Choice 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 throughout our community and pay anywhere from 30-40% of their monthly income toward rent. This Handbook is designed to assist owners and managers in understanding how the program works.

The rules and regulations for the Housing Choice Voucher Housing Program are determined by the U.S. Department of Housing and Urban Development (HUD). The OCHRA will make every effort to inform you of the program rules and 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.

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GENERAL PROGRAM INFORMATION

The Housing Choice Voucher program is a three way partnership among the OCHRA, 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 OCHRA'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.
- Approve the unit, the owner, and the lease.
- 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 Owner'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 OCHRA.
- Collect the rent due by the tenant and otherwise enforce the lease.
- Inform the OCHRA if a tenant is not complying with their lease.

The Family's job:

- Provide the OCHRA 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 all appointments scheduled by the OCHRA.
- 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 their Housing Choice Voucher.

PROGRAM ELIGIBILITY

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

INCOME LIMITS—Effective 04/01/2024 Median Income \$117,200 (huduser.org)

	1 Person	2 Person	3 Person	4 Person	5 Person	6 Person	7 Person	8 Person
30% (EL)	24,650	28,150	31,650	35,150	38,000	41,960	47,340	52,720
50% (VL)	41,050	46,900	52,750	58,600	63,300	68,000	72,700	77,400
80% (L)	65,650	75,000	84,400	93,750	101,250	108,750	116,250	123,750

PROGRAM OCCUPANCY

The Housing and Redevelopment Authority of Olmsted County 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	8	10
6	10	12

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

In determining bedroom size, the Olmsted 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, and children who are temporarily away at school or temporarily in foster-care.

Bedroom size will also be determined using the following guidelines:

- A. The bedroom size assigned should not require more than two persons to occupy the same bedroom.
- B. The age, gender and relationship of members of the household will not be taken into consideration in assigning unit sizes.

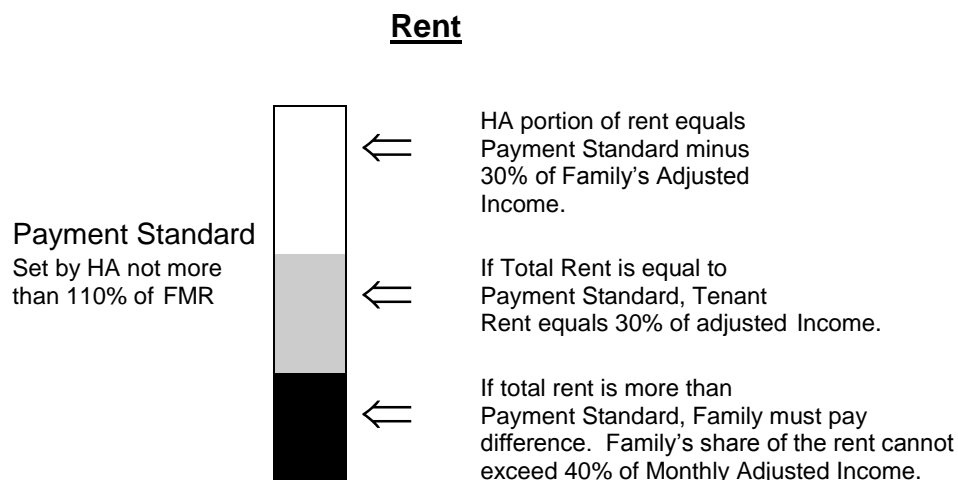
The Housing and Redevelopment Authority of Olmsted County will grant exceptions to normal occupancy standards when a family requests a larger size voucher than the guidelines allow and document with a medical reason why the larger size is necessary.

The family unit size will be determined by the Olmsted County HRA in accordance with the above guidelines and will determine the maximum rent subsidy for the family; however, the family may select a unit that may be larger or smaller than the family unit size. 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 will determine the maximum subsidy.



HOUSING CHOICE VOUCHER PROGRAM

In the Housing Choice Voucher Program, the maximum amount that the OCHRA 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 OCHRA 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 this area. 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 month 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.



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

<u>Dwelling Unit Size</u>	<u>Payment Standard</u>
0 Bedroom	\$ 895
1 Bedroom	\$ 1,015
2 Bedroom	\$ 1,260
3 Bedroom	\$ 1,775
4 Bedroom	\$ 2,140
5 Bedroom	\$ 2,460
6 Bedroom	\$ 2,785

PROGRAM VERIFICATION

The Olmsted County Housing and Redevelopment Authority 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 members 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.

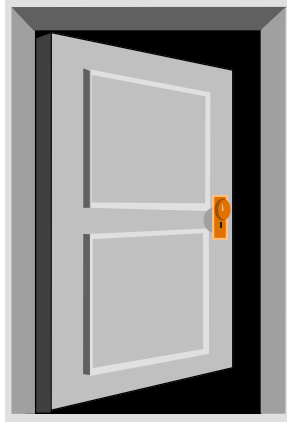
Verification must be dated within 90 days of certification or reexamination. If the verification is older than this, the source will be contacted and asked to provide information regarding any changes.

When an interim reexamination is conducted, the OCHRA will verify and update only those elements reported to have changed.

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 OCHRA 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 OCHRA 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 OCHRA 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 Housing Choice Voucher 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 to 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 Housing Choice Voucher renter or not. Tenant selection must not be based upon race, color, national origin, age, sex, familial status, disabilities, or reliance on public assistance.

The OCHRA does not screen families for their suitability as tenants, that is the job of the owner. The OCHRA 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 Housing Choice Voucher 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, and the security deposit needs to be filled out. The OCHRA knows that the owner has approved the family when the signed Request for Tenancy Approval form is submitted. The OCHRA will review the form to determine if the unit is the correct size and the proposed rent is approvable. **This form is due at the OCHRA office no later than the 15th of the month, prior to the month in which the family wishes to receive assistance.**



Next, before the OCHRA 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 OCHRA will contact the owner/tenant to set up a day and time to complete this inspection.

To prepare for the unit inspection, one should review the Inspection Form and evaluate the rental unit. Try to correct any Housing Quality Standard violations before the inspection. At the time of the inspection the unit should be ready for "move-in." This will prevent delays in the beginning of the family's rental assistance. If the family is already in the unit, it is a good idea to go over the inspection with them to ensure the unit will meet the minimum requirements.

If the housing unit does not pass the initial inspection, you will be notified in writing of any failed items. The OCHRA is not responsible for any payments until the unit passes inspection and the family has taken occupancy. Housing assistance payments are not pro-rated; therefore, if the unit inspection does not pass prior to the first of the month, no assistance will be provided for that month. If the family moves into the unit prior to this, the family is responsible for the full amount of the monthly rent.

The OCHRA must approve the lease before it is signed. HUD requires certain language in any lease signed by a Housing Choice Voucher participant. The owners lease should be submitted to the OCHRA along with the Request for Tenancy Approval form. The lease should include the amount of security deposit and the total amount of the proposed rent to owner for the housing unit. The OCHRA will review the lease to make sure it does not contain any provision that conflicts with Program rules. The HUD Tenancy Addendum will be attached to it. If you do not have a lease or if your lease cannot be approved by the OCHRA, a model Lease which includes all of 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 OCHRA 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 OCHRA.
- Disclosure of Information on Lead-Based Paint and Lead-Based Paint Hazard must be attached to the Lease and Tenancy Addendum.

LEAD 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. Tenants must also receive a federally approved pamphlet on lead poisoning prevention. The OCHRA provides participants with the pamphlet titled “Protect Your Family From Lead In Your Home” and requires the 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 participates in Housing Choice Voucher or not.

HOUSING ASSISTANCE PAYMENTS

Once the Lease and the unit are approved, the owner will enter into a contract with the OCHRA. The OCHRA will begin making payments to you after the unit has been approved, the lease has been approved and signed, and the contract has been signed. The OCHRA will mail the payment on or about the first of each month. The OCHRA 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 to pay the difference between the OCHRA'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 any rent 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 tenant-based assistance on a unit shall pay more than 40% of their monthly-adjusted income.

Total Tenant Payment Worksheet

Calculate Gross Annual Income from All Sources:

	+	\$ <u> </u>
	+	\$ <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 Expense	-	\$ <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 Multiple 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 HUD required annual activities:

- Recertification of the family income and household composition
- Inspection of the housing unit
- Annual adjustments to the contract rents

The OCHRA is required to re-certify the family at least annually. The family is required to furnish information to the OCHRA 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 normal wear and tear. The family is also responsible for the operation of tenant-supplied appliances and the payment of tenant-supplied utilities. The OCHRA 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 OCHRA. Requests for rent adjustments must be made in writing with a 60 day notice to both the tenant and the OCHRA. When an adjustment is processed, the OCHRA 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 OCHRA encourages the owners to participate in the inspection. It will help you 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 owners of required and/or recommended repairs. Ideally, timely maintenance will reduce costly investments.

COMMON FAIL CONDITIONS

Non-functional smoke detectors
Missing burner control knobs
Cracked or broken window panes
Inoperable bathroom fan/no ventilation

Railings not present where required
Peeling exterior and interior paint
Leaking faucets or plumbing
No temperature/pressure relief valve on water heaters

Inoperable burners on stoves or inoperable range hoods

Missing or cracked electrical outlet cover plates

Tripping hazards caused by permanently installed floor coverings (carpet/vinyl)

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 Housing Authority (HA) has ever terminated assistance under any program for any member of the household within the past three (3) years.
- If any member of the family commits drug-related criminal activity, or violent criminal activity. A family member would be permanently denied assistance if convicted of manufacturing or producing methamphetamine. Assistance would also be permanently denied if a family member is subject to a lifetime registration requirement under a State Sex Offender Registration Program.
- 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 Housing Choice Voucher or public housing assistance under the 1937 Act.
- If the family has not reimbursed any Housing Authority for amounts paid to an owner under a HAP contract for rent, damages to the unit, or other amounts owed by the family under the lease.
- If the family breaches an agreement with the Housing Authority to pay amounts owed to a Housing Authority, or amounts paid to an owner by a Housing Authority.
- If the family has engaged in or threatened abusive or violent behavior toward Housing Authority personnel.
- If a household member's illegal use (or pattern of illegal use) of a controlled substance, or whose abuse (or pattern of abuse) of alcohol, is determined by the Olmsted County HRA to interfere with the health, safety, or right to peaceful enjoyment of the premises by other residents.

INFORMAL HEARINGS AND REVIEWS

The purpose of review and hearing procedures is to resolve applicant or participant disputes against the OCHRA without legal action and to correct OCHRA errors. For detailed information regarding the review process please consult with your worker.

DENIAL OF LOCAL PREFERENCE

- Applicant has the right to meet with an OCHRA representative to review the determination.
- A person designated by the OCHRA may conduct the meeting. The designated representative may be an officer or employee of the OCHRA, including the person who made or received the determination or a subordinate employee.
- The OCHRA preference decision is not subject to the informal review process for an OCHRA decision denying assistance to an applicant.

APPEAL LIMITATIONS

INFORMAL REVIEWS-Not every decision made by the OCHRA can be appealed. The OCHRA must provide applicants with the opportunity for an informal review for decisions related to:

- Listing on OCHRA's 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 OCHRA 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 under OCHRA policy and HUD rules.

Informal hearings are not required when:

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