

CHAPTER 9

REQUEST FOR APPROVAL OF TENANCY AND CONTRACT EXECUTION

[24 CFR 982.302]

INTRODUCTION [24 CFR 982.305(a)]

The HA's program operations are designed to utilize available resources in a manner that is efficient and provides eligible families timely assistance based on the number of units that have been budgeted. The HA's objectives include maximizing HUD funds by providing assistance to as many eligible families and for as many eligible units as the budget will allow.

After families are issued a voucher, they may search for a unit anywhere within the jurisdiction of the HA, or outside of the HA's jurisdiction if they qualify for portability. The family must find an eligible unit under the program rules, with an owner/landlord who is willing to enter into a Housing Assistance Payments Contract with the HA. This Chapter defines the types of eligible housing, the HA's policies which pertain to initial inspections, lease requirements, owner disapproval, and the processing of Requests For Approval of Tenancy (RFAT).

A. REQUEST FOR APPROVAL OF TENANCY [24 CFR 982.302, 982.305(b)]

The Request for Approval of Tenancy (RFAT) and a copy of the proposed Lease, including the HUD prescribed tenancy addendum, must be submitted by the family during the term of the voucher. The family must submit the Request for Approval of Tenancy in the form and manner required by the HA.

The Request for Approval of Tenancy must be signed by both the owner and Voucher holder.

The HA will not permit the family to submit more than one RFAT at a time.

The HA will review the proposed lease and the Request for Approval of Tenancy documents to determine whether or not they are approvable. The Request will be approved if:

- ✓ The unit is an eligible type of housing
- ✓ The unit meets HUD's Housing Quality Standards (and any additional criteria as identified in this Administrative Plan)
- ✓ The rent is reasonable
- ✓ The Security Deposit is approvable in accordance with any limitations in this plan.
- ✓ The proposed lease complies with HUD and HA requirements (See "Lease Review" section below).

The owner is approvable, and there are no conflicts of interest (See "Owner Disapproval" section below). In addition to the above, at the time a family initially receives assistance (new admissions and moves), the family share of rent may not exceed 40 percent of the family monthly adjusted income (See "Owner Rents, Rent Reasonableness and Payment Standards" chapter of this Administrative Plan).

Disapproval of RFAT

If the HA determines that the Request cannot be approved for any reason, the landlord and the family will be notified in writing. The HA will instruct the owner and family of the steps that are necessary to approve the Request.

The owner will be given **30** calendar days to submit an approvable RFAT from the date of disapproval.

When, for any reason, an RFAT is not approved, the HA will furnish another RFAT form to the family along with the notice of disapproval so that the family can continue to search for eligible housing.

CHAPTER 9

B. ELIGIBLE TYPES OF HOUSING [24 CFR 982.353, 982.54(d)(15)]

The HA will approve any of the following types of housing in the Voucher program:

- ✓ All structure types can be utilized.
- ✓ Manufactured homes (constructed since 1976) where the tenant leases the mobile home and the pad.

A family can own a rental unit but cannot reside in it while being assisted, except in the case when the tenant owns the mobile home and leases the pad. A family may lease in and have an interest in a cooperative housing development.

The HA may not permit a Voucher holder to lease a unit which is receiving Project-Based Section 8 assistance or any duplicative rental subsidies.

C. LEASE REVIEW [24 CFR 982.308]

The HA will review the lease, particularly noting the approvability of optional charges and compliance with regulations and State and local law. The tenant also must have legal capacity to enter a lease under State and local law. Responsibility for utilities, appliances and optional services must correspond to those provided on the on the Request For Approval of Tenancy.

The family and owner must submit a standard form lease used in the locality by the owner and that is generally used for other unassisted tenants in the premises. The terms and conditions of the lease must be consistent with State and local law. 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 HUD prescribed tenancy addendum must be included in the lease word-for-word before the lease is executed.

House Rules of the owner may be attached to the lease as an addendum, provided they are approved by the HA to ensure they do not violate any fair housing provisions and do not conflict with the tenancy addendum.

Actions Before Lease Term

All of the following must always be completed before the beginning of the initial term of the lease for a unit:

- The HA has inspected the unit and has determined that the unit satisfies the HQS;
- The landlord and the tenant have executed the lease, including the HUD-prescribed tenancy addendum;
- The HA has approved leasing of the unit in accordance with program requirements

D. SEPARATE AGREEMENTS

Separate agreements are not necessarily illegal side agreements. Families and owners will be advised of the prohibition of illegal side payments for additional rent, or for items normally included in the rent of unassisted families, or for items not shown on the approved lease.

The family is not liable under the lease for unpaid charges for items covered by separate agreements and nonpayment of these agreements cannot be cause for eviction.

Owners and families may execute separate agreements for services, appliances (other than range and refrigerator) and other items that are not included in the lease if the agreement is in writing and approved by the HA.

Any appliances, services or other items that are routinely provided to unassisted families as part of the lease (such as air conditioning, dishwasher or garage) or are permanently installed in the unit, cannot be put under separate agreement and must be included in the lease. For there to be a separate agreement, the family must have the option of not utilizing the service, appliance or other item.

If the family and owner have come to a written agreement on the amount of allowable charges for a specific item, so long as those charges are reasonable and not a substitute for higher rent, they will be allowed.

All agreements for special items or services must be attached to the lease approved by the HA.

The HA will not approve separate agreements for modifications to the unit for persons with disabilities. The modifications are usually within the dwelling and are critical to the use of the dwelling.

CHAPTER 9

E. INITIAL INSPECTIONS [24 CFR 982.305(a) & (b)]

See "*Housing Quality Standards and Inspections*" chapter of this Administrative Plan.

F. RENT LIMITATIONS [24 CFR 982.503]

The HA will make a determination as to the reasonableness of the proposed rent in relation to comparable units available for lease on the private unassisted market, and the rent charged by the owner for a comparable unassisted unit in the building or premises.

G. DISAPPROVAL OF PROPOSED RENT [24 CFR 982.502]

In any of the programs, if the proposed Gross Rent is not reasonable, at the family's request, the HA will negotiate with the owner to reduce the rent to a reasonable rent.

At the family's request, the HA will negotiate with the owner to reduce the rent or include some or all of the utilities in the rent to owner.

If the rent can be approved after negotiations with the owner, the HA will continue processing the Request for Approval of Tenancy and Lease. If the revised rent involves a change in the provision of utilities, a new Request for Approval of Tenancy must be submitted by the owner.

If the owner does not agree on the Rent to Owner after the HA has tried and failed to negotiate a revised rent, the HA will inform the family and owner that the lease is disapproved.

H. INFORMATION TO OWNERS [24 CFR 982.307(b), 982.54(d)(7)]

In accordance with HUD requirements, the HA will furnish prospective owners who request the family's address information in writing from the HA with the family's current address as shown in the HA's records and, if known to the HA, the name and address of the landlord at the family's current and prior address.

The HA will make an exception to this requirement if the family's whereabouts must be protected due to domestic abuse or witness protection.

The HA will inform owners that it is the responsibility of the landlord to determine the suitability of prospective tenants. Owners will be encouraged to screen applicants for rent payment history, payment of utility bills, eviction history, respecting the rights of other residents, damage to units, drug-related criminal activity or other criminal activity that is a threat to the health, safety or property of others, and compliance with other essential conditions of tenancy.

A statement of the HA's policy on release of information to prospective landlords will be included in the briefing packet which is provided to the family.

The HA will furnish prospective landlords with documented information about the family's history where applicable of drug trafficking and/or violent crimes.

The HA will provide the following information, based on documentation in its possession, upon written request from the prospective landlord:

Eviction history
Damage to rental units

The information will be provided in writing.

Only the Comprehensive Housing Counselor may provide this information. The HA's policy on providing information to owners is included in the briefing packet and will apply uniformly to all families and owners.

I. OWNER DISAPPROVAL [24 CFR 982.306]

See Chapter on "*Owner Disapproval and Restriction.*"

J. CHANGE IN TOTAL TENANT PAYMENT (TTP) PRIOR TO HAP EFFECTIVE DATE

When the family reports changes in factors that will affect the Total Family Share prior to the effective date of the HAP contract at admission, the information will be verified and the Total Family Share will be recalculated. If the family does not report any

CHAPTER 9

change, the HA need not obtain new verifications before signing the HAP Contract, even if verifications are more than 60 days old.

K. CONTRACT EXECUTION PROCESS [24 CFR 982.305(c)]

The HA prepares the Housing Assistance Payment (HAP) Contract and Lease, or where applicable, HAP Contract and Tenancy Addendum for execution. The family and the owner will execute the Lease agreement, and the owner and the HA will execute the HAP Contract. Copies of the documents will be furnished to the parties who signed the respective documents. The HA will retain a copy of all signed documents.

The HA makes every effort to execute the HAP Contract before the commencement of the lease term. The HAP Contract may not be executed more than 30 days after commencement of the lease term and no payments will be made until the contract is executed.

The following HA representative(s) is/are authorized to execute a contract on behalf of the HA: Chief of Housing, Housing Programs Manager and Assistant County Executive.

Owners must provide the current street address (not a Post Office box), together with home phone and business number if applicable.

Owners may be asked to submit a copy of their Driver's License or other identification.

Owners may also be asked to submit proof of ownership of the property, such as a Grant Deed or Tax Bill, and a copy of the Management Agreement if the property is managed by a management agent.

Unless their lease was effective prior to June 17, 1998, a family may not lease properties owned by a parent, child, grandparent, grandchild, sister or brother of any family member. The HA will waive this restriction as a reasonable accommodation for a family member who is a person with a disability.

L. CHANGE IN OWNERSHIP

See "Owner Disapproval and Restriction" chapter.