



**HOUSING CHOICE
VOUCHER PROGRAM**

**PROGRAM
OVERVIEW**

A helpful reference
to assist Property Owners,
Management companies
and Landlords.

Revised
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This Overview is designed to provide property owners, managers and landlords *summary* information about participation in the Housing Choice Voucher Program. Forms and materials used for this program, as well as more detailed voucher program information, is available online at www.hud.gov, on our website at www.dupagehousing.org or on the new *Owner Portal***.

If you have any questions, please call:

(Certification Specialist)

(Telephone Number)



DuPage Housing Authority 711 E. Roosevelt Road Wheaton, IL 60187

***Owner Portal* is online access that allows property owners and their agents to manage most of their voucher tenant portfolio including inspection dates, times and results, housing assistance payments, payment abatements and holds, and contact information. Register on Owner Portal once you are a participating landlord with the program and have been issued a “v-code”.

OVERVIEW OF THE HOUSING CHOICE VOUCHER PROGRAM

WHAT IS THE HOUSING CHOICE VOUCHER PROGRAM?

The DuPage Housing Authority's (DHA's) Housing Choice Voucher program is a federally funded rental assistance program which allows income eligible households to rent housing on the private market. Program participants will pay between 30% to a maximum of 40% of their adjusted income for rent and utilities; DHA will pay the remaining for rent and utilities costs in a subsidy payment in accordance with program rules.

Program participants may choose to remain where they are living now or move elsewhere, providing the housing is in good condition and the owner is willing to participate in the program. Most types of rental housing is eligible for the program including single family houses, apartments, townhouses, condominiums and co-operatives. Property owners retain all normal management rights including tenant screening, rent collection, property maintenance and lease enforcement. A summary of the Housing Choice Voucher Program is provided below:

A Summary of the Housing Choice Voucher Program

- DHA selects voucher program eligible families from its waiting list or by an approved special admission to issue Housing Choice Vouchers to.
- The voucher holder searches for housing that meets program requirements.
- Property owners use their own tenant selection criteria to select tenants; **DHA does not screen participant households for suitability as tenants.**
- DHA ensures units are decent, safe and sanitary by conducting initial and annual inspections of participating units.
- Property owners may collect a full security deposit.
- Property Owners and their tenant sign a lease of at least 1 year which stipulates the terms of the tenancy.
- DHA and the owner sign a Housing Assistance Payment contract which assures payment of a subsidy payment to the owner on behalf of the tenant during the lease term.

WHY SHOULD I PARTICIPATE?

The primary benefit of the Housing Choice Voucher program is to provide housing to persons with low to moderate incomes. Other benefits are a "no cost to owner" option to choose from an informed pool of applicants seeking housing and the assurance that subsidy payments from DHA to the owner will be made on time.

HOW DOES THE HOUSING CHOICE VOUCHER PROCESS WORK?

There are eight steps involved in the Housing Choice Voucher process before a family is provided with housing assistance. The owner does not become involved until Step 4:

- Step 1.** Application
- Step 2.** Eligibility Determination/ Issuance of Voucher
- Step 3.** Housing Search
- Step 4.** Tenant Selection
- Step 5.** Request for Tenancy Approval
- Step 6.** Housing Quality Standards Inspection
- Step 7.** Rent Determination and Contract/ Lease Execution
- Step 8.** HAP Contract Payments

Step 1. Application

When accepting applications, a household applies to DHA for assistance and is placed on the waiting list if the household appears to meet basic eligibility qualifications. (**Note: DHA's waiting list is closed for new applications at this time.**)

Step 2. Eligibility Determination/ Issuance of Voucher

When DHA has Housing Choice vouchers available, it will select households from the waiting list and determine if they are eligible according to income requirements and a criminal background check. If eligible, the applicant household will be provided with a voucher and will begin their search for housing.

Step 3. Housing Search

A family may decide to stay in its current unit if the housing is in good condition, or the family may look for new housing. The household is given up to 120 days to find housing that is in decent, safe and sanitary condition and which meets rent reasonableness criteria and maximum rent levels for same or similar, unassisted units in the area.

Step 4. Tenant Selection

Once a voucher holder decides to apply for a vacancy, the household will complete any application paperwork required by the property owner. **DHA does not screen voucher holders for their suitability as tenants.** Property owners should conduct their own screening and follow the same non-discriminatory procedures they would use for any non-assisted applicant applying to rent their property.

Step 5. Request for Tenancy Approval

If the applicant meets the property owner's screening criteria, the property owner and prospective tenant will complete and sign the Request for Tenancy Approval (RFTA) form and attach a copy of the owner's lease. The owner will also be required to complete ownership, banking and Federal tax documents included with the RFTA form. The property owner or their prospective tenant should deliver these forms to DHA for approval.

Step 6. Housing Quality Standards Inspection

Upon receipt of the RFTA form, DHA will schedule a Housing Quality Standards (HQS) inspection to ensure the housing is in decent, safe and sanitary condition.

Step 7. Rent Determination and Contract and Lease Execution

Once the unit passes inspection and the lease is approved, DHA will determine the rent with the property owner and compute the amounts the tenant and DHA will pay. The tenant will generally pay 30% of adjusted monthly income for rent and a utility allowance called the Total Tenant Payment (TTP); DHA will pay the remaining rent and utility allowance costs via a rental subsidy in the form of a Housing Assistance Payment (HAP).

Following DHA approval and assistance payment calculation, the property owner will sign a lease with their tenant and a HAP contract with DHA. DHA then executes the HAP contract.

Step 8. HAP Contract Payments

After the HAP contracts are signed and the tenant gets possession of the unit, Housing Assistance Payments from DHA to the owner will begin.

SUMMARY OF RIGHTS AND RESPONSIBILITIES

WHAT ARE THE OWNER'S RIGHTS?

- Collect a security deposit.
- Enforce the lease with their tenant.
- Terminate the tenancy for:
 - Serious or repeated violation of the terms and conditions of the lease.
 - Violation of federal, state or local law.
 - Criminal activity.
 - Other good cause.
- Evict the family from the unit through court action.
- Request a rent increase from DHA as of the anniversary end date of the HAP contract, of an amount capped by rent reasonableness. Notify the tenant in writing of any requested increase after the first year term of the lease with 60-day notice to the tenant and DHA.

WHAT ARE THE OWNER'S RESPONSIBILITIES?

- Screen applicants for suitability as tenants.
- Comply with the Lease.
 - Collect the tenant's share of the rent; and
 - Make timely repairs and keep the unit in good condition.
- Comply with federal, state, and local regulations, fair housing laws, and owner-tenant laws.
- Permit inspections.

Correct any deficiencies as soon as they are discovered. DHA may abate payments or terminate the HAP contract if deficiencies are not corrected.
- Comply with the Housing Assistance Payment contract.
 - Renew the lease with the tenant and DHA prior to the lease expiration date;
 - Contact the Certification Specialist and provide DHA with written notice

before initiating eviction proceedings; and

- Inform the Certification Specialist immediately of any move-outs or damages caused by Housing Choice Voucher program participants

WHAT ARE THE TENANT'S RIGHTS?

- Participate in the program if eligible under program rules and guidelines.
- Live in a decent, safe and sanitary unit.
- Not be discriminated against by the owner in the provision of services for any reason covered by federal, state or local fair housing laws.
- Terminate the lease with the owner after the first year of the lease with proper notice.

WHAT ARE THE TENANT'S RESPONSIBILITIES?

- Report changes in household composition.
- Permit inspections.
- Comply with the lease.
- Submit information on household composition, income and assets.
- Notify DHA of intent to move.
- Make timely utility payments for utilities not included in the rent.

WHAT ARE DHA'S RIGHTS?

- Be notified by the owner when the tenant has moved from the contract unit in violation of the lease.
- Inspect the unit annually, and at other times as determined necessary, after reasonable notice.
- Request any documentation and verification as determined necessary for the administration of the program.
- Receive repayment from the owner of amounts paid to an owner which are not due the owner.
- Terminate the Housing Assistance Payment contract for any breach of contract by the owner.
- Terminate the participant (tenant) from the program in accordance with the law,

HUD regulations and program rules for any violation of family obligations.

- Require a participant to request a voucher prior to giving notice to move, and require a participant to give proper notice to vacate a unit.
- Require a participant to be recertified.
- Require the owner to maintain the unit in decent, safe and sanitary condition.

WHAT ARE DHA'S ONGOING RESPONSIBILITIES?

- Make timely Housing Assistance Payments.
- Reexamine program eligibility; review family income, assets, allowances, and household composition annually.
- Redetermine amounts of rent payable by the family and the amount of HAP to the owner, as a result of any adjustment.
- Conduct inspections, at least annually.
- Receive notice of lease enforcement actions.

OTHER QUESTIONS YOU MAY HAVE

WHAT ARE THE MAIN BENEFITS OF THE PROGRAM TO AN OWNER?

1. Assurance of prompt payment of subsidy each month.
2. Decreased vacancy rates and delinquencies.
3. Reduced turnovers and related expenses.
4. No-cost property inspections.
5. Opportunity to upgrade property and rental structure.
6. Ready pool of motivated applicants for vacancies

HOW DOES THE OWNER RECEIVE THE FULL CONTRACT RENT PAYMENT?

The owner receives rent through the combination of Housing Assistance Payments from DHA and the rent paid directly by the tenant. Housing Assistance Payments make up the difference between the contract rent and what the tenant pays.

ARE AN OWNER'S RIGHTS AND RESPONSIBILITIES CHANGED BY PARTICIPATION IN THE HOUSING CHOICE VOUCHER PROGRAM?

The owner's rights and responsibilities are the same as those exercised in a normal tenant-owner relationship. The owner contacts the applicant's previous landlords, selects the tenant and is responsible for managing and maintaining the unit. Tenants violating their leases are subject to corrective action by the owner through

normal management, lease enforcement actions and legal processes through The DuPage County Circuit Court.

CAN AN OWNER'S PRESENT TENANT STAY IN PLACE AND STILL GET ASSISTANCE?

Yes, current residents may receive assistance if the tenant has received a voucher from DHA and the dwelling is in good condition. The rent, plus any utility allowance paid directly by the tenant, must meet rent reasonableness requirements.

WHAT KIND OF HOUSING IS ELIGIBLE?

Almost any type of rental housing from single family homes & townhomes to co-ops, condos and high-rise apartments are eligible for Housing Choice Voucher assistance.

WHAT RENT CAN THE OWNER CHARGE?

The owner's monthly rent, plus an allowance for any utilities paid directly by the tenant, must be comparable to rents for similar units in the neighborhood.

IF THE OWNER'S EXPENSES INCREASE, CAN THE RENT BE ADJUSTED?

Yes, however, the owner must submit a written request for an increase. In the voucher program, an owner may adjust the contract rent after the first year of the lease, effective at end of the lease term, with 60-days written notice. The increase is limited by rent reasonableness.

WHO ARE THE TENANTS PARTICIPATING IN THE PROGRAM?

Program participants include low to moderate income families and individuals whose incomes do not exceed established limits. The program assists a broad range of tenants, including moderate income working families, as well as the elderly and the disabled.

HOW MUCH RENT DOES THE TENANT PAY?

In the voucher program, the tenant's payment for rent and utilities may be above or below 30% of income depending upon whether the cost of the unit selected is above or below the standard established by DHA. However, the tenant may never pay less than the greater of 10% of monthly gross income or \$50.

HOW MUCH PAPERWORK IS INVOLVED?

Very little paperwork is required of owners and most of it is completed by DHA. Once the lease, addendum and HAP contract are signed, the owner will have no regular paperwork. Annual rent adjustments, lease renewals and unit reinspections require minimal paperwork.