

Section 8 Housing Choice Voucher Program

Presenters: Rebecca Downs, LMSW
and Marian H. Russo, J.D.

Welcome

▶ Speakers:

- ▶ Marian Russo, Executive Director of the Village of Patchogue Section 8 Housing Choice Voucher Program - Secretary of ALIHA
- ▶ Rebecca Downs, Section 8 Administrator, Town of Southampton Housing Authority - President of ALIHA
- ▶ Edna White - Long Island Coalition for the Homeless -

Association of Long Island Housing Agencies

- ▶ Network of Housing Authorities on Long Island
- ▶ Purpose to exchange information and experience
- ▶ Communicate regularly with HUD
- ▶ Professional Development
- ▶ Best Practices

Program Summary

Rebecca and Marian will explain the nuts and bolts of the Section 8, Housing Choice Voucher Program and the benefits to Landlords and Realtors in working with Housing Authorities and Voucher Holders.

Edna is experienced in housing searches and is an experienced realtor - She will chime in with helpful information and advice.

What is Section 8?

- ▶ It is a rental subsidy program - It pays a portion of rent.
- ▶ The participant, or voucher holder, can choose where they want to live. That is why it is called the Housing Choice Voucher program or HCV.

The History of the Section 8 Housing Program

- ▶ 1937 US Housing Act focused on PHAs building, owning and managing housing.
- ▶ By the 1970's, the public housing stock stood at approximately 1.2 million units.
- ▶ Mid-1970's, Congress pushes a new housing policy channeling housing resources to private owners to build and maintain affordable housing.
- ▶ It becomes Section 8 of the US Housing Act and creates two forms of subsidy:
 - ▶ project-based - similar to Public Housing
 - ▶ tenant based - Housing Choice Voucher - commonly referred to as Section 8

Program Today

- ▶ Section 8 is the largest rental subsidy program in the country.
 - ▶ 2.1 million tenant based units authorized
 - ▶ 900,000 project based but decreasing
- ▶ States with the highest number of units
 - ▶ New York- approximately 300,000
 - ▶ California- approximately 350,000
- ▶ Long Island
 - ▶ Total 16,104 vouchers

Long Island Housing Authorities

- ▶ 25 Housing Authorities on Long Island from
- ▶ Long Beach to East Hampton
- ▶ Contact can be found on HUD website:
https://www.hud.gov/sites/dfiles/PIH/documents/PHA_Contact_Report_NY.pdf
- ▶ JURISDICTION -
 - ▶ Housing authority operates within its geographical boundary
 - ▶ i.e., If you own a property within the Town of Islip the Housing Authority you are most likely going to be working with is the Town of Islip HA

Most Likely?

- ▶ Exception - Nassau County and Community Development Corporation of Long Island
- ▶ Nassau County has jurisdiction anywhere in Nassau County
- ▶ CDCLI has jurisdiction anywhere in Suffolk County
- ▶ How do you know? Ask the tenant what program they are in.

How does it work?

- ▶ The PHA receives funding from HUD to pay a portion of rent for a Section 8 participant.
- ▶ The amount the PHA pays with HUD funds is usually the difference between 30% of the participants income and the actual rent. If tenants income goes down the PHA'S portion goes up.
- ▶ The tenant and the PHA each pay their portion directly to the landlord.
- ▶ The tenant and landlord enter into a lease which shows the full amount of the rent and which party is responsible for which utilities. Tenant also signs Tenancy Addendum with program rules.
- ▶ The landlord and PHA enter into a Housing Assistance Payment Contract agreeing to accept rental subsidy payment and to comply with program rules

What Benefits Can I Expect?

- ▶ Consistent Tenant Base
- ▶ Sure money - reliable and timely monthly payments
- ▶ Pre-Screened Tenants
- ▶ Expedient leasing process
- ▶ Annual reasonable rent considerations.
- ▶ Utilization of your standard lease.
- ▶ Unit inspections by the Housing Agency.
- ▶ Mutual protections for the Owner and Tenant.
- ▶ Compliance with Fair Housing

Program Administration

- ▶ Program to be administered by the Public Housing Authority.
- ▶ HUD sets requirements and directs PHA's to set policy
- ▶ Each PHA sets its own policy found in its Administrative Plan.
- ▶ How can policies differ?
 - ▶ PHA's differ on how many individuals in a bedroom.
 - ▶ PHA's set their own payment standard (maximum rent plus utilities)
 - ▶ Waiting list preferences

What is the leasing process?

- ▶ 1st Tenant or Realtor submits Request for Tenancy Approval - a/k/a RFTA or RTA -
 - ▶ <https://www.hud.gov/sites/documents/52517.PDF>
 - ▶ W-9
 - ▶ Lead Based Paint Disclosure
 - ▶ Rental Permit
 - ▶ Deed
 - ▶ Proof of payment of taxes
 - ▶ Copy of Lease
 - ▶ If agency does direct deposit - bank information

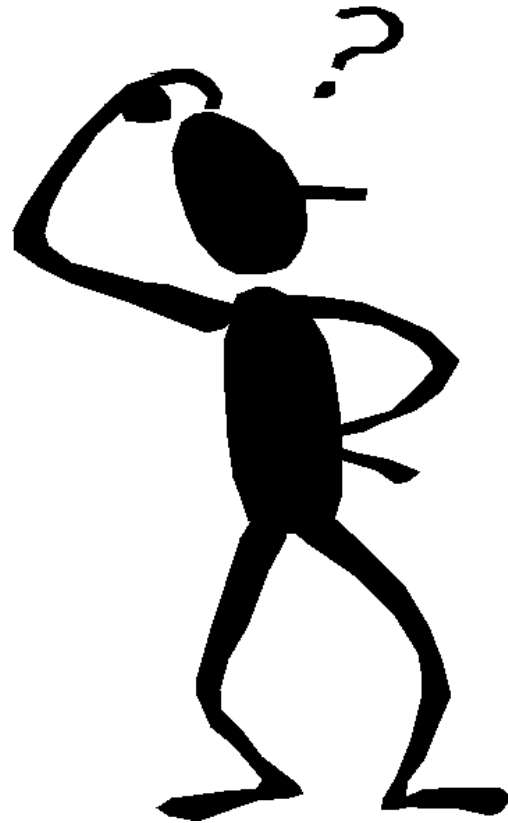
Tips about the RFTA

- ▶ Some agencies will only accept their copy of the RTA. - this is important to know if your client finds a unit outside of the original jurisdiction and is permitted to port. They may have to get an RTA from the new agency.
- ▶ Check with the Housing Authority to be sure.
- ▶ Ask HA about the payment standard
- ▶ Unit size has to match Voucher size

How much rent?

- ▶ HUD Sets standard Fair Market Rents every year.
- ▶ PHA's set their Payment Standards based on the FMR's.
- ▶ Payment Standards differ by agency.
- ▶ Rent including utilities should not exceed payment standard.

Fair Market Rents? Payment Standard? Rent Reasonableness?



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Fair Market Rents Set by HUD

- ▶ NASSAU AND SUFFOLK COUNTY HAVE SAME FMR'S

Final FY 2021 & FY 2020 FMR'S by Unit Bedrooms

Year	Efficiency	1 - Bd	2-bd	3-Bd	4-Bd
2021	\$1,343	\$1,659	\$2,035	\$2,606	\$2,896
2020	\$1,298	\$1,624	\$1,992	\$2,563	\$2,858

Payment Standards

- ▶ Set by each Housing Authority
- ▶ Can go between 90% and 110% of FMR'S
- ▶ Based on how much agency will get from HUD for coming year.
- ▶ New this year - High Cost areas exceptions --

Rent Reasonableness

- ▶ PHA compares the owner requested rent to rents for units with similar features, amenities, location, etc.
- ▶ If the requested rent is in line with the rents for those units, it is determined “reasonable”

Once RFTA approved then HQS Inspection

- ▶ PHA conducts an HQS inspection prior to approving the lease.
- ▶ HQS minimum standards are set by HUD at 24 CFR 982.401.
<https://www.hud.gov/sites/dfiles/OCHCO/documents/52580.PDF>
- ▶ Conduct inspections annually or biennial
- ▶ Special inspections if requested by Landlord or Tenant

Security Deposit

- ▶ The tenant has to pay the security deposit and any other fees.
- ▶ What if they don't have security deposit money?
 - ▶ Make application to DSS (currently only for emergencies)
 - ▶ Make an application for Emergency Shelter Grant
- ▶ Tip: A Tenant Protection law was passed by the New York State Legislature in June. Familiarize yourself with the law -
 - ▶ Section 8 and DSS Security are sources of income
 - ▶ Can only charge one months rent for security.
 - ▶ Limited amount of application fee
 - ▶ Must share credit report
 - ▶ Has to return security deposit within 14 days.

Everything is good to go - final steps for leasing up

- ▶ Landlord signs a HAP contract with the PHA.
- ▶ Tenant signs a lease with the Landlord.
- ▶ Tenant signs the Tenancy Addendum
- ▶ Tenant pays Security Deposit

Mutual Protections

- The tenant is protected from unexpected decreases in income. The Housing agency will recalculate the rent for the family when such changes occur so the tenant can continue to afford their portion of rent and the Landlord is able to continue to collect the full amount of the rent more easily.
- Although landlords should screen prospective tenants in accordance with appropriate and lawful established procedures, the HA does screen families for program participation which includes screening for violent and drug related criminal activity consistent with HUD regs and established HA policies. HUD regs also prohibit certain offenses for life, such as conviction for methamphetamine production in federally assisted housing and lifetime registration sex offenders. Check with your local HA for specifics concerning established screening policies for other criminal activity.

Fair Housing

- You have the opportunity to help low-income elderly, disabled, and veteran households, as well as families with children by providing affordable housing. More than 50 percent of vouchers serve elderly or non-elderly disabled families. About 45 percent of vouchers assist single-parent families.
- Although Landlords are not obligated to accept every Section 8 applicant for their properties, doing so is one indicator that a property owner is participating in Fair Housing initiatives. Acceptance is not a safe harbor and you should always check with your legal counsel regarding Fair Housing standards.

Portability - the Choice is Housing Choice Voucher

- ▶ After the 1st year on the program, a tenant can move where they would like.
- ▶ Example: 1st year in Village of Patchogue - 2nd year moves to Sayville - what happens?
- ▶ If voucher from CDCLI - everything is handled in house
- ▶ If voucher from the Village of Patchogue - their file is ported to the Town of Islip

Helpful Links

- ▶ General Section 8 Program Information
 - ▶ https://www.hud.gov/program_offices/public_indian_housing
- ▶ Fair Market Rents:
<https://www.huduser.gov/portal/datasets/fmr.html>
- ▶ Contact information for Housing Authorities:
https://www.hud.gov/sites/dfiles/PIH/documents/PHA_Contact_Report_NY.pdf
- ▶ www.GoSection8.com

The background features abstract, overlapping geometric shapes in various shades of green, ranging from light lime to dark forest green. These shapes are primarily located on the left and right sides of the frame, creating a modern, layered effect. The central area is a plain white space.

QUESTIONS?

Thank you!

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