



Berkeley Housing Authority



Section 8 HAP'nings January 2013!

Rights and Wrongs

Property owners choosing to rent to a family with S8 Rental Assistance have some additional with regard to appropriate behavior. Following is a short list of actions that may be a violation of your lease AND can result in termination of the S8 Voucher, and rental assistance:

- a. Not paying the full amount of rent each month as required.
- b. Not maintaining PG&E, Water or Garbage service if these utilities are in the Tenant's name.
- c. Subletting or renting rooms in the unit;
- d. Repeated and severe damage to the unit caused by a family member or visitor (including *accidents*), beyond normal wear and tear.
- e. Pattern of disturbing peace and quiet of other neighbors.
- f. Denying the landlord and his/her representative (i.e. repair person) reasonable access to the unit.

Know your rights, and don't hesitate to act upon them. Please be sure to send a copy of any written notice provided to Tenants with Section 8 assistance regarding any of the above violations, to the Housing Specialist.

Payment Standards

In October 2012, HUD published a new schedule of Fair Market Rents (FMR). We were surprised by their finding – that rental rates (for some bedroom sizes) had declined over the prior period. The lowered FMRs are reflected in the new Payment Standard we adopted effective December 1st, which have reduced amounts for studios, and 1-bedroom units. We are appealing HUD's determination and have joined other Bay Area Housing Authorities in commissioning a market study. We hope the results will persuade HUD to revise (increase) the FMRs so that we can continue to provide owners a "market" rent, for market-quality units.

Fiscal Cliff?

As President Obama and Congress grapple with, how and where to make cuts/revisions to the budget – we remain in limbo about the level of funding we will receive to continue ministering rental subsidy payments on behalf of extremely low income households in the City of Berkeley. We receive funding earmarked exclusively for rental subsidy payments (HAP), and other funding for administrative costs. Our Finance Manager is carefully monitoring the HAP fund balance in effort to avoid a situation where we have to terminate contracts – because we lack the funding to make the required payments. As you have on occasion, please let your elected officials know how important this program is, and the significant impact it will have if funding is not sustained (or increased) to meet the ongoing demand.

A unit is not a unit, is not a unit

In these tough economic times – getting value for every dollar is critical. We realize that rental property is a major investment, and it takes money to manage and maintain the units. As part of the annual HUD required program evaluation S8 Management Assessment Program, "SEMAP" we are required to identify a random sample of units for a quality control inspection. The results are quite revealing. There is evidence of excellent units: units that reflect the owner's a) good tenant selection; b) consistent lease enforcement; and c) timely maintenance, including preventative maintenance. However, there are other units that suggest the owner: a) did not make an ideal choice of tenant; b) fails to enforce terms of the lease that control the household's behavior; and c) does the minimal amount of work to have the unit pass Housing Quality Standards (HQS). We aren't inspecting to standards of "Better Homes and Gardens" but everything in the unit should work as intended, and repairs should have a professional appearance. The burners on the stove should light without a match, and you shouldn't use a green replacement tile in the middle of the brown flooring in the living room. Thank you.

Unit Transfers

This is a reminder that the Housing Assistance Payment (HAP) Contract is specific only to the unit identified in the contract, and only to the individual(s) listed in the contract who can reside in the unit with (as in the case of a Live-In Aide), or without support. Occasionally an owner and tenant will agree to have the family move from one unit to another in the same complex (typically a senior moving from a unit on the second floor to a ground floor unit). While we applaud owners for accommodating the needs of the family, this is not an approved move, and the owner cannot be paid any rental subsidy for the new unit. A pre-condition of every HAP contract is a fully executed Request for Tenancy Approval and a passing HQS unit inspection.

If you are going to do the good deed of allowing such moves within your property, the Tenant must first inform the Housing Authority of the intent to move. There must be written 30-days (or other agreed upon timeframe) notice documented in the file informing you in writing that the tenant will vacate the current unit on a specific date even if you have a verbal agreement. Remember: the new HAP contract with BHA obligates the Housing Authority to pay subsidy to you for the new unit, without it HUD will not allow us to make such payments.

Security Deposits

Reminder. You are required to return to your tenant, the interest on the security deposit you are holding for the tenancy by January 10. Regardless of your investment option – by Ordinance you must return interest based on 0.5% or 0.2%. A 10% penalty applies to late payment. For more information please visit the Berkeley Rent Stabilization Board website at http://www.cityofberkeley.info/Rent_Stabilization_Board/Home/Security_Deposit_Interest.aspx or call (510) 981-7368.

Administrative Plan????

The BHA *Administrative Plan* is the document that contains all the discretionary policies applicable to the Section 8 Voucher Program. As required, the document is reviewed by staff and the public annually, and changes are submitted to HUD by April. This year we are contemplating the following changes that are of particular interest to owners:

- 1) Policy regarding re-inspection protocols. Opportunities to self certify to corrections in specific situations.
- 2) Owner Opt-Out procedure.
- 3) Owner request for Rent Increase

Please provide any comments you have on these topics to bha@ci.berkeley.ca.us by Jan. 31, so we may take them into consideration as we are developing/ strengthening these procedures.

January 2013 Calendar

- Thurs, Jan 10th @ 6:00 p.m.
BHA Board of Commissioners Meeting,
North Berkeley Senior Center
- Monday, Jan 21st. Office closed in observance of Martin Luther King Jr Holiday
- Thursday, Jan 31st. Scheduled mailing of 1099 forms to landlords.