



**CITY OF PASADENA HOUSING DEPARTMENT
(CoPHD)**

**SECTION 8 RENTAL ASSISTANCE
PROGRAM**

***INFORMATION FOR
PROPERTY OWNERS***

SECTION 8 RENTAL ASSISTANCE PROGRAM

The City of Pasadena Housing Department (CoPHD) operate several federally funded programs which enable families, elderly persons and disabled individuals with limited income to live in affordable, decent housing.

The CoPHD's goal is to expand the selection of affordable, quality housing units available to Pasadena residents. This pamphlet describes the Section 8 Rental Assistance Program (Section 8 Program) benefits and requirements for prospective Section 8 Program property owners, as well as program participants.

Under the Section 8 Rental Assistance Program the CoPHD makes it possible for eligible renters to lease privately owned rental units within the City of Pasadena in the neighborhoods of their choice.

Section 8 Rental Assistance Program funds are available annually for a limited number of dwelling units. The funds are provided by the U.S. Department of Housing and Urban Development (HUD) to the CoPHD for eligible residents of the City of Pasadena.

Property owners of residential rental properties play a vital role in the success of the Section 8 Program. Since the mid – 1970's, more than 700 landlords have taken part in this program. The Section 8 Program currently serves nearly 1300 Pasadena resident families through a unique partnership with the CoPHD.

The Section 8 Program participants are responsible for finding a suitable housing unit. The unit must have a sufficient number of bedrooms for the size of their family. Additionally, program participants are responsible for introducing the property owner to the program by presenting information contained in the Section 8 Program Briefing Packet.

Each Rental Assistance holder has 60 days to find a suitable housing unit and a property owner who is willing to participate in the program.

Prospective property owners normally are contacted by a Rental Assistance holder who is either searching for a place to live or desires assistance to remain in his or her current housing unit.

PROGRAM ADVANTAGES FOR PROPERTY OWNERS

The Section 8 Rental Assistance Program makes excellent business sense to many property owners. It offers several solid advantages in todays variable rental housing market.

1. LOW RISK

The Section 8 Rental Assistance Program removes much of the risk involved in renting to tenants who have limited or unstable incomes. Property owners receive part of the monthly rent directly from the CoPHD. This is often a substantial portion of the rent and represents a guaranteed payment.

2. A READY MARKET

If participating property owners make a request, their names, addresses and telephone numbers will be furnished to a ready market of at least 1200 eligible families each year.

3. PROPERTY CONTROL

Section 8 Rental Assistance Program property owners retain full management control of their property. They retain the right to screen applicants and, if necessary, to evict tenants in accordance with State and local law.

HOW TO PARTICIPATE

Please review this information if you have been contacted by a family with Section 8 Rental Assistance issued by the CoPHD. The Rental Assistance Program authorizes the family to search for suitable housing because they have met the income limit requirements. Your decision to rent to any family should be based on the results of your screening process to determine their suitability as renters.

EACH PROPERTY OWNER MUST TAKE THE FOLLOWING STEPS

STEP 1

Review the family's Rental Assistance Program information. Check the expiration date and make sure the bedroom size matches your unit.

Also review the information on Housing Quality Standards (HQS) provided by the family.

STEP 2

Together, the prospective tenant and the property owner should inspect the housing unit using the CoPHD checklist form the briefing packet.

STEP 3

When the prospective property owner has approved the family as a tenant, the property owner must complete and submit the required documents to the CoPHD. Be sure to fill out the Request for Lease Approval (RLA) and a proposed lease completely. The RLA

must be signed by the property owner and program participant. You have two choices on the lease agreement:

- a. Use your own or;
- b. Use the model lease provided by the CoPHD.

The proposed lease must be completed, **“but not signed by either the property owner or program participant until approved by the CoPHD.”** Submit the RLA, Inspection Checklist, proposed lease and proof of property ownership information for the unit to the CoPHD as soon as possible. The property ownership information consists of the following:

- a. Recorded Grant Deed
- b. Current Property Tax Bill
- c. Certificate of Occupancy
- d. Taxpayer Identification (W-9)
- e. Statement of Property Ownership;
 - Part A – Declaration of Property Ownership
 - Part B – Property Management Information
 - Part C – Housing Assistance Payment Information
 - Part D – Notarized Agent Authorization, if applicable
 - Part E – Section 8 Landlord Certification
- f. Property Management Agreement, if applicable.
- g. Partnership agreement, if applicable.
- h. Corporation bylaws and resolution for signatory, if applicable.

A CoPHD representative will review the required documents and contact you.

STEP 4

Property owner’s responsibilities are as follows (see Housing Assistance Payments (HAP) Contract for detailed obligations):

- a. Screen family.
- b. Comply with Housing Assistance Payment Contract.
- c. Collect rent and enforce lease.
- d. Comply with Fair Housing and Anti – Discrimination Laws.

STEP 5

The property owner should remind the prospective tenant to return the RLA to the CoPHD office immediately.

STEP 6

When the required documents are received and verified, the CoPHD staff will schedule an inspection of the proposed housing unit. The inspection will be arranged with prior notice and at no cost to the property owner.

STEP 7

If the unit does not pass inspection, the property owner may choose to correct deficiencies or decline to participate in the program. When the property owner corrects the deficiencies, a re-inspection will be scheduled.

If the unit passes inspection, based upon compliance with the program requirements by both property owner and program participant, and subject to successful contract negotiations, the CoPHD will agree to enter into a HAP contract with the property owner under the same terms as the lease, but for no less than one-year.

STEP 8

After successful negotiations and mutual agreements regarding the contract rent, security deposits, term of lease and the start date of the lease and HAP contract, the housing unit will be approved for lease under the Section 8 Program.

The HAP Contract will then be prepared for signature by the property owner and the CoPHD upon the CoPHD's receipt of an executed lease consistent with the housing unit approval letter. The lease and lease addendum must be signed and dated by the property owner and the program participant (tenant) on or before the date the lease begins. The CoPHD will begin making its share of the agreed monthly rent payments directly to the property owner, retroactive to the effective date of the lease, but no more than sixty (60) days prior to the signing of the HAP Contract by the CoPHD.

The CoPHD's contracts, leases, forms, policies and procedures have been prepared to be in compliance with the U.S. Department of Housing and Urban Development (HUD) Federal regulations for the Section 8 Rental Assistance Program.

RENTAL PROPERTY REQUIREMENTS

Section 8 Program federal regulations require that rent for a dwelling unit, including utilities, not exceed the current Fair Market Rent. Fair Market Rents for the City of Pasadena and annual adjustment factors are established periodically by the U.S. Department of Housing and Urban Development (HUD).

If Section 8 Program participants are billed for utilities apart from their rent, utility allowances are subtracted from the total payment a property owner may receive from the CoPHD.

The amount acceptable as a reasonable rent based upon size, quality, location and market factors are defined in Federal program guidelines. The CoPHD will determine the reasonableness of the rent for each unit based on these Federal guidelines.

RENT INCREASES

Section 8 Program participants are reviewed annually to determine their continued eligibility. At the time of the Annual Review, an inspection of the rental unit is necessary to assure the property owner's compliance with Housing Quality Standards (HQS). If a unit passes an inspection, a rent adjustment may be processed based on market rents in the area. The property owner must send a written request for a rent adjustment.

However, property owners should be aware that a request for a rent adjustment shall require a rent reasonableness certification. If upon a survey of rents for comparable units it is determined that rents have increased, the appropriate rent adjustment may be granted by the CoPHD. Similarly, if it is determined that rents have decreased, the existing HAP contract payment may be adjusted accordingly.

SECURITY DEPOSITS

The CoPHD encourages the property owner to collect a security deposit which is comparable to that of non-assisted units or other market practices and consistent with State and local law.

FAIR HOUSING

Section 8 Rental Assistance Program participants are entitled to safe and decent housing, regardless of race, color, religion, national origin or sex. Discrimination in the rental of property is prohibited by law.