The Housing Times

RALEIGH HOUSING AUTHORITY
IMPORTANT UPDATES
February 10, 2014

Our Mission: ***The mission of the Raleigh Housing Authority is to provide safe, quality, affordable housing to low and moderate income families in the greater Raleigh community; and to promote personal responsibility and self-sufficiency of residents while maintaining the fiscal integrity of the agency.***

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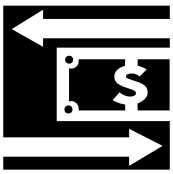
I. LANDLORD DEBT RECOVERY



Raleigh Housing Authority's Leased Housing Department continues to actively pursue the recovery of HAP payments released to landlords whose HAP contracts have been terminated due to the tenant moving without notice or due to unreported eviction. According to the HAP contract, Section 7, HAP payments to owners are due only when the tenant resides in the unit and shall not be paid for any month after the tenant moves out. The problem we face is that BOTH parties (tenant and landlord) often fail to promptly notify RHA when an eviction occurs, the tenant vacates the unit, and/or a lease is terminated early.

As a result of this frequent issue, effective January 1, 2014, any HAP payment released to ineligible landlords and not reimbursed to RHA within 30 days of receipt will be subject to a court filed judgment for the HAP amount and fees as well as possible garnishment of funds through the local government's Debt Setoff Clearing House.

Preventing debt to RHA can be avoided if these actions are taken:

1. Understand that the landlord is not entitled to any portion of the HAP payment when the tenant is not physically residing in the unit.

2. Submit a written statement to RHA when the tenant has moved out of the unit; the lease is being terminated early; when the lease is not being renewed; and/or if an eviction has occurred.

3. If a HAP payment is released in error, promptly return the full HAP payment to RHA (Attn: Maria Barber) at 900 Haynes Street, Raleigh NC 27604 within 30 days of receipt.

Be advised that if a judgment has been granted due to debt owed to RHA, the landlord is officially banned from participation in the Section 8 program, and the judgment will not be removed until the debt has been paid in full.

II. LANDLORD INFORMATION CHANGES

- If your **email address** or other personal information changes, remember to notify RHA using the **"Landlord Information Change Form"**.

- If your banking information changes, remember to submit a new **"Direct Deposit Form"** with voided check or official bank documentation containing your name, address, routing and bank account numbers.

Both forms are located on our website at www.rhaonline.com, *Housing Choice Voucher*. All information change requests received before the 25th of the month will be processed to be effective the following month.

The landlord is responsible for unreported changes in information that cause the landlord to miss communications concerning their unit or tenant. Remember, the name you submit with RHA must match the name on your forms and banking documents. Otherwise, it cannot be processed.

III. TENANT/LANDLORD COMPLAINTS

Complaints against a tenant or a landlord, for any reason, **must be submitted in writing** to the Leased Housing Department. Leased Housing staff is unable to process your complaint unless you have **first** expressed your concern **verbally** with the tenant or landlord, then **secondly** submitted the complaint in writing to them. Please allow three business days before the written complaint is submitted to RHA, unless the issue is life threatening or the unit is not habitable. Landlords and tenants are responsible to immediately notify the Leased Housing Inspections Division in the following instances:

- Fire in the unit
- Severe water leakage in the unit
- Faulty electrical circuits in the unit
- Septic or sewer backup.
- Non-operational HVAC units
- Acts of nature which cause the unit to no longer be habitable.

Written complaints should be submitted by email to bwilson@rhaonline.com or by completing a contact form at the main office.

IV. LEASE NON-RENEWALS & TENANT MOVES

When the landlord submits a notice of lease non-renewal or the tenant submits a notice to vacate the unit, RHA will stop the HAP payment effective the date specified or implied in the correspondence. Should the tenant remain in the unit after the lease end date or after the date specified to vacate, it will be the landlord's responsibility to regain possession of the unit. RHA is not involved in the process and cannot make HAP payments when we have received notification that the tenant must vacate the property.

However, if the tenant and landlord mutually agree to rescind the previously submitted lease termination or vacate notice **before** the HAP termination date, RHA must receive written notice from both the tenant and landlord stating their agreement for the tenant to remain in the unit for the upcoming HAP contract term.

If the notice is not received by RHA **before** the HAP contract end date, the tenant must submit a new move packet for the unit and the unit must pass inspection so a new HAP contract can be executed. Otherwise, the landlord must pursue the tenant in court for possession of the unit. Be advised that the tenant is solely responsible for the rent owed to the landlord during this time.

V. 2014 FAIR MARKET RENTS

Listed below are the FMRs for the Raleigh-Cary area.

*****These amounts ONLY apply to new participants and current participants that move to new units.*****

1/1/2014 FMR Chart		
BR Size	**FMR**	**Contract Rent**
0	$618	$498
1	$722	$579
2	$813	$634
3	$1053	$840
4	$1308	$1066
5	$1505	$1241
6	$1701	$1358

1. The contract rent requested by the owner equals the **Fair Market Rent minus an estimated utility allowance** that the Housing Authority is required to give to each family. This utility allowance is included in the rent calculation.

2. HUD requires that RHA determine if the requested rent amount is reasonable. A Rent Reasonableness Comparison is completed by comparing the unit to unassisted units in the private market based on size & age of unit, amenities, etc. Landlords will be contacted directly if the rent is deemed unreasonable. Be aware that a unit is not officially approved for leasing until it has passed the HQS inspection AND the rent is deemed reasonable.

VI. OPTIONAL RESIDENT RETENTION SERVICES

RHA now offers three optional services for current and newly approved landlords. The Optional Resident Retention Services are as follows:

- Punch List Service ($165)
- Optional Third Inspection ($295)
- Optional Additional Inspection ($295).

Details for each service are located on our website at www.rhaonline.com, *News and Updates*. Please note that the Punch List Service may only be requested **after** the first scheduled inspection notice is received and the Optional Third inspection must be requested no later than three days after notification of the second failed inspection. All service fees are **non-refundable**, so it is important to pay close attention to notification dates.

Be advised that the purchase of "Optional Resident Retention Services" does not stop the normal inspection process. If the HAP is abated due to two failed, inconclusive, and/or missed inspections or if the unit was deemed "NOT RECOMMENDED", HUD regulations require payment to cease as scheduled.

If an "Optional Third Inspection" is purchased, HAP payments will be released from the date that the unit passes inspection forward. No retroactive HAP payments will be released.

VII. REQUEST TO LOWER CONTRACT RENTS

Landlords have **seven (7) business days** to submit a decision if requested to lower the HAP contract rent due to the Current Rent exceeding the Maximum Rent Reasonable allowed by RHA. If there is no response to the request or the landlord declines to lower the rent, the tenant will be contacted by their Client Specialist concerning their housing assistance status.

For annual inspections, if the landlord declines or does not respond but later decides to accept the lower rent and the HAP contract term has not ended, the request will be processed. However, if the HAP contract ends before the landlord notifies RHA of their decision, the tenant will be given a new move packet that may be taken back to the current landlord and submitted as a new move packet with all of the current processing times in effect.

Note: During this time, RHA is not responsible for any HAP payment to the landlord as there is no HAP contract for payment.

VIII. DIRECT DEPOSITS

All landlords participating in the Housing Choice Voucher/Section 8 program with RHA are **required to have a valid email address and direct deposit to their bank account**. Landlords are strongly encouraged to read and comply fully with the Direct Deposit Form requirements to prevent any delay of HAP payment. Additionally, landlords are encouraged to visit our website at www.rhaonline.com, *Housing Choice Voucher*, to review the HMS PAL instructions for setting up their HMS account to receive email notices of HAP payment release and access to monthly statements showing the amount deposited into their bank account for each property.

IX. 2014 UTILITY ALLOWANCE WORKSHEETS

The 2014 Utility Allowance Worksheets are now available on the RHA website, www.rhaonline.com, *Housing Choice Voucher*.