



Loudoun County, Virginia
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Housing Choice Voucher Program, Tenant Handbook

In 1974, Congress authorized the Section 8 Rental Assistance Program which offered a new way of providing subsidized housing. Instead of constructing buildings that have to be managed and maintained, Congress decided to allow families the flexibility of choosing a unit from the private market. They could lease in their current residence or locate a new unit, as long as the unit met the HUD requirements. Participants were free to choose any housing that meets the requirements of the program.

The purpose of the program is to enable eligible families or individuals the opportunity to have decent, safe and sanitary housing by subsidizing a portion of the rental costs on behalf of the family. Both families and individuals may be eligible for the program. Participation is limited to U.S. citizens and specified categories of non-citizens who have eligible immigration status.

How it works: In the Housing Choice Voucher Program, the rental cost is subsidized by applying a fixed formula, then the family pays the difference to the owner. There are limitations on how much the family is allowed to pay. These limitations will be explained further in the handbook.

The family will sign a lease agreement, that governs the tenancy with the landlord, just as they would in the private rental market. The landlord will be required to sign a Housing Assistance Payment Contract with Loudoun County Department of Family Services, which outlines the program requirements the owner must follow.

Your Voucher has a time-limit

To be eligible for the HCV program, the family's household income must not exceed HUD's established income limits. Once it has been determined that you are eligible to participate in the HCV program, your voucher will be issued by your Housing Counselor. The voucher is valid for 60 days, which is the maximum term under our current policy. You must find a unit and submit a *Request for Tenancy Approval* within that time period. Submitting the RFTA will stop the clock on the housing search.

How your rent will be calculated

Rent is calculated according to Federal Regulations. The Housing Assistance Payment (HAP) is the rent subsidy that Loudoun County DFS pays to a landlord on the tenant's behalf. There are four factors that determine how the rent is calculated:

- Subsidy Standards
- Payment Standards
- Total Tenant Payment
- Gross Rent

Subsidy Standards: Based on the family size and composition, the appropriate voucher subsidy is issued. Generally, it is best to search for the unit size allocated on your voucher.

Payment Standards: Loudoun County DFS establishes Payment Standards based on Fair Market Rents (FMR), which are established annually by HUD. The Payment Standard is the maximum subsidy DFS can provide toward the gross rent. (rent plus utility allowance) DFS adopts a payment standard for each bedroom size.

Total Tenant Payment (TTP): The total tenant payment is the greater of :

- 30% of the family's monthly income minus the HUD allowed deductions
- 10% of the monthly gross income
- Any minimum rent under Federal Law

Total tenant payment sounds like it would be the amount you are expected to pay for rent, but it is just the starting point for the formula. The maximum DFS will pay a landlord on your behalf is:

$$\begin{array}{r} \text{Payment Standard} \\ - \text{Total Tenant Payment} \\ \hline = \text{Maximum subsidy from DFS} \end{array}$$

Gross Rent: Gross rent is the rent to the owner plus any utility(s) to be paid by the tenant. The utility allowance is based on the utilities the tenant is responsible for paying. The Utility Allowance Schedule is included in your briefing packet.

Where can I lease? Program participants are free to choose any housing; single-family home, townhouse, apartment, duplex or condo that meet the requirements of the program. It cannot be emphasized enough; tenants are encouraged to actually see the property they are planning to lease. To ensure that the unit you select is decent, safe and sanitary, it will be inspected by DFS staff and must pass Housing Quality Standards (HQS) as established by HUD. Also, the rent charged by the owner must meet the Rent Reasonableness test as compared to unassisted units with similar amenities in the same general vicinity.

- You may not pay more than 40% of your monthly-adjusted household income
- You may not rent a unit that is owned or controlled by a parent, grandparent, child, grandchild or sibling of any member of your family, unless DFS has determined that approving the unit would provide Reasonable Accommodations for a family member with a disability.

Security Deposit and other fees: A family searching for housing will contact the owner to apply for tenancy. The family will follow the owner's standard application process which may include paying up-front fees for such things as the application, credit check and criminal background check. The family may be required to pay a security deposit to the landlord. The family is responsible for paying these fees. The Housing Choice Voucher does not cover these fees.

Request for Tenancy Approval form: Once the owner agrees to rent to the voucher-holder, the owner and the family will complete the RFTA form.



The form lists information on the type and size of the unit, the year it was constructed, the proposed rent and required security deposit, the date the unit will be available for inspection, who actually owns the unit and the responsible managing agent, who is responsible for paying the utilities, the most recent rent charged for the unit and other comparable unassisted units. Once completed, the RFTA must be returned to the Housing Counselor. Remember; the family must locate a unit and return the RFTA prior to the expiration date of the voucher. The Housing Counselor will schedule and inspection for the unit and perform the rent reasonableness test as required by HUD.

Portability: One of the features of the Housing Choice Voucher Program is the mobility of the assistance. Portability is the ability of a family to move from our jurisdiction to a location in another housing authority's jurisdiction. Any voucher-holder in good standing is eligible to port-out. All Housing Choice Voucher programs are governed according to Federal Regulations and therefore have many similarities. However, housing authorities have the flexibility to establish policies for their local area. Payment Standards vary from one housing authority to another. Some areas are higher than Loudoun County, some areas are lower. When you port into another jurisdiction, you are required to locate housing that fit within the guidelines of that jurisdiction. You will also be required to meet the income guidelines for the area in which you transfer.

A family that has not yet leased a unit under the Housing Choice Voucher Program is eligible for portability if the head of household or spouse was a resident of Loudoun County at the time the application for assistance was submitted. A "resident" for determining eligibility for portability, is a person who has a legal domicile in Loudoun County. A non-resident family may be required to initially lease a unit within Loudoun County's jurisdiction for the first year.

If you are interested in porting-out to another jurisdiction, contact your Housing Counselor for more information.

Persons with disabilities are entitled to full and equal access to housing. For assistance please contact your Housing Counselor.

