

**Chapter 8**  
**HOUSING QUALITY STANDARDS AND**  
**RENT REASONABLENESS DETERMINATIONS**

*MTW Waiver: The Agency is authorized to certify that housing assisted under MTW will meet housing quality standards established or approved by HUD. The certification form will be approved or provided by HUD. This authorization waives certain provisions of Section 8(o)(8) of the 1937 Act and 24 CFR 982, Subpart I as necessary to implement the Agency's Annual MTW Plan.*

**I. INTRODUCTION**

The goal of the Housing Choice Voucher (HCV) program is to provide “decent, safe, and sanitary” housing to low-income families. To accomplish this, all units must be inspected and meet the Housing Quality Standards (HQS) performance and acceptability standards as outlined in this chapter.

HACSM also requires that units rented by families assisted under the HCV program have rents that are reasonable when compared to similar unassisted units in the market area.

**II. GENERAL HUD REQUIREMENTS**

HUD's performance and acceptability standards for HCV-assisted housing are provided in 24 CFR 982.401. These standards cover the following areas:

- Sanitary facilities
- Food preparation and refuse disposal
- Space and Security
- Thermal Environment
- Illumination and electricity
- Structure and materials
- Interior Air Quality
- Water Supply
- Lead-based paint
- Access
- Site and neighborhood
- Sanitary condition
- Smoke Detectors

As required by HUD, HACSM will enforce HQS but also allow certain judgements about acceptability be left to the family. For example, HACSM must ensure that the unit contains the required sanitary facilities, but the family decides whether the cosmetic condition of the facilities is acceptable.

Additional guidance on HQS requirements is found in the following HUD resources:

- Housing Choice Voucher Guidebook, Chapter 10.
- HUD Inspection Form, form HUD-52580 (3/01) and Inspection Checklist, form HUD-52580-A (9/00)
- HUD Notice 2003-31, Accessibility Notice: Section 504 of the Rehabilitation Act of 1973; the Americans with Disabilities Act of 1990; the Architectural Barriers Act of 1968 and the Fair Housing Act of 1988.

### **III. HACSM REQUIREMENTS**

In addition to meeting HQS performance and acceptability standards, the unit must also meet the following requirements adopted by HACSM:

#### **Windows**

- If window security bars or security screens are present on the only emergency exit window(s), they must be equipped with a quick release system. The owner is responsible for ensuring that the family is instructed on the use of the quick release system.

#### **Doors**

- All exterior doors must be weather-tight to avoid any air or water infiltration, be lockable, have no holes, have all trim intact, and have a threshold.
- All interior doors must be in adequate condition and have all trim intact.
- Each main swinging entry door of a dwelling unit must have an operable single cylinder dead bolt lock in accordance with State law requirements. These doors include any exterior door, which will allow access to the unit (front door, back door, the door from the unit to the garage and any doors that allow direct access to the unit).
- Exterior and interior doors cannot have double key dead bolt locks. Exceptions may be approved by HACSM on a case by case basis, provided that all of the following criteria are met:
  - All household members are over 18 years old
  - Keys to the door lock are visible, readily and easily accessible.
  - A written statement from the head of household attesting that having double key dead bolt locks is the tenant's choice.

#### **Water Heaters**

- Water heaters must be braced, anchored, or strapped to resist falling or displacement due to earthquake motion.
- Discharge pipes must be directed towards the floor or outside of the living area.

- Discharge pipes must be made of rigid pipe material (not garden hose or thin plastic pipe).

### **Thermostat**

- The thermostat must be in the subsidized unit and accessible to the family.

### **Bedrooms**

- Bedrooms in basements or attics are not allowed unless they meet local code requirements and must have adequate ventilation and emergency exit capability. Verification with regard to local code requirement may be requested.
- HACSM will verify with the County Assessor's office to determine actual bedroom size of the unit. Any additional bedroom(s) not recorded with the Assessor's office must meet local code and permit requirements. The owner must provide documentation to the HACSM, upon request, to support this information.
- Any room used for sleeping must have at least one openable window.
- Closets are required in bedrooms.
- Bedrooms must not be less than 70 square feet and not less than 7 feet in any dimension.

### **Fences**

- For safety reasons, owners may be requested to repair or remove a fence if it is on the owner's property and/or the owner's responsibility.

### **Pools**

- Pools should not be empty or create unsafe conditions for the family.

### **Fire Extinguishers (in multi-unit buildings and/or common areas)**

- Fire extinguishers must be in proper working order with current tags from the local Fire Department or a licensed, certified company. Extinguishers must be fully charged (as evidenced by indicator in "green" zone), in an intact casing (if applicable), and rust-free.

### **Elevators**

- Elevators must be working and have current permit displayed in the unit. If the permit is expired, the owner must provide proof of a scheduled appointment with the permitting agency or proof of current documentation submitted to the permitting agency to obtain permit (new or renewal).

### **Light Fixture Covers**

- Light fixture covers (globes) are not required on permanent light fixtures (including exterior lights), as long as the fixture is firmly supported and there is no hazardous wiring such as frayed or noninsulated wiring, or improper connections.

## **Garages**

- Owners are not allowed to store their items in the garage (or the unit). If during the lease negotiation, the use of the garage is clearly reserved for the owner and such an arrangement is accepted by the tenant, HACSM may approve an exception to this rule provided:
  - A written acknowledgement is provided by the owner permitting the HACSM to conduct annual or interim HQS inspections for the entire dwelling, including the garage; and
  - The exclusion of the garage is stated in the lease agreement; and
  - The contract rent is adjusted to reflect the exclusion of the garage.

## **Garage Conversions/Room Additions/Structural Modifications (includes In-law units)**

- Structural modifications to the unit such as subdividing the unit into two separate units must meet local code requirements. The owner must provide a copy of the applicable permits from the local code enforcement agency unless the following conditions apply and the owner provides written certification:
  1. The secondary unit is not and will not be occupied by another family, including the owner's, for the duration of the Section 8 tenancy.
  2. The secondary unit will be made available for HQS inspection upon HACSM request.

## **Appliances**

- Any inoperable appliance, not required by HQS (i.g. disposal, dishwasher), must be repaired, replaced, or removed by the owner unless the appliance does not pose any safety or health threat to the family.

## **Modifications to Provide Accessibility**

Under the Fair Housing Act of 1988 an owner must not refuse the request of a family that contains a person with a disability to make necessary and reasonable modifications to the unit. Such modifications are at the family's expense. The owner may require restoration of the unit to its original condition if the modification would interfere with the owner or next occupant's full enjoyment of the premises. The owner may not increase a customarily required security deposit. However, the landlord may negotiate a restoration agreement that requires the family to restore the unit and, if necessary to ensure the likelihood of restoration, may require the tenant to pay a reasonable amount into an interest bearing escrow account over a reasonable period of time. The interest in any such account accrues to the benefit of the tenant. The owner may also require reasonable assurances that the quality of the work will be acceptable and that any required building permits will be obtained.[24 CFR 100.203; Notice 2003-31].

Modifications to units to provide access for a person with a disability must meet all applicable HQS requirements and conform to the design, construction, or alteration of facilities contained in the UFAS and the ADA Accessibility Guidelines (ADAAG) [28 CFR 35.151(c) and Notice 2003-31]

#### **IV. LIFE THREATENING CONDITIONS**

The following items are considered life-threatening conditions and the responsible party must correct life threatening within 24 hours of HACSM notification:

- Gas leaks;
- Severe structural damage: collapsed walls, floors, ceiling;
- Severe plumbing leaks or flooding;
- An electrical problem or condition that could result in severe shock or fire;
- No gas or electric service or lack of running water;
- Lack of functional heating equipment when outside temperature is below 60 degrees Fahrenheit;
- Lack of at least one functioning flush toilet in the unit;
- No functioning smoke detector in the unit

If an owner fails to correct life threatening conditions as required by the HACSM, the housing assistance payment will be abated and the HAP contract may be terminated.

If a family fails to correct a family-caused life threatening condition as required by HACSM, HACSM may terminate the family's assistance.

#### **V. OWNER AND FAMILY RESPONSIBILITIES**

##### **Family Responsibilities**

The family is responsible for correcting the following HQS deficiencies:

- Tenant-paid utilities not in service
- Failure to provide or maintain family-supplied appliances
- Damage to the unit or premises caused by a household member or guest beyond normal wear and tear. "Normal wear and tear" is defined as items which could not be charged against the tenant's security deposit under state law or court practice.

##### **Owner Responsibilities**

The owner is responsible for all HQS violations not listed as a family responsibility above, even if the violation is caused by the family's living habits (e.g., vermin infestation). However, if the family's actions constitute a serious or repeated lease violation the owner may take legal action to evict the family.

## **VI. SPECIAL REQUIREMENTS FOR CHILDREN WITH ENVIRONMENTAL INTERVENTION BLOOD LEAD LEVEL [24 CFR 35.1225]**

If HACSM is notified by a public health department or other medical health care provider, or verifies information from a source other than a public health department or medical health care provider, that a child of less than 6 years of age, living in an HCV-assisted unit has been identified as having an environmental intervention blood lead level, HACSM will complete a risk assessment of the dwelling unit. The risk assessment must be completed in accordance with program requirements, and the result of the risk assessment must be immediately provided to the owner of the dwelling unit. In cases where the public health department has already completed an evaluation of the unit, this information must be provided to the owner.

Within 30 days after receiving the risk assessment report from HACSM, or the evaluation from the public health department, the owner is required to complete the reduction of identified lead-based paint hazards in accordance with the lead-based paint regulations [24 CFR 35.1325 and 35.1330]. If the owner does not complete the "hazard reduction" as required, the dwelling unit is in violation of HQS and HACSM will take action in accordance with policies in this chapter.

### **Reporting and record keeping for children with environmental intervention blood lead level**

HACSM will provide the public health department written notice of the name and address of any child identified as having an environmental intervention blood lead level within five (5) business days of being so notified by any other medical health care professional.

If HACSM obtains names and addresses of environmental intervention blood lead level children from the public health department(s), HACSM must match this information with the names and addresses of families receiving HCV assistance, unless the public health department performs such a procedure. If a match occurs, HACSM will carry out the notification, verification, and hazard reduction requirements and the reporting requirement discussed above.

## **VII. VIOLATION OF HQS SPACE STANDARDS**

If HACSM determines that a unit does not meet the HQS space standards because of an increase in family size or a change in family composition, HACSM will issue the family a new voucher, and the family must try to find an acceptable unit as soon as possible. If the family locates an acceptable unit for rental, HACSM will terminate the HAP contract in accordance with its terms.

## VIII. TYPES OF INSPECTIONS

HACSM conducts the following types of inspections as needed. Each type of inspection is discussed in the paragraphs that follow.

- *Initial Inspections.* HACSM conducts initial (move-in) inspections to approve a unit for participation in the HCV program. The unit must pass the HQS inspection before the effective date of the HAP Contract.
- *Biennial or Annual Inspections.* HACSM generally will inspect all units under lease at least biennially (every other year) to confirm that the unit continues to meet HQS. HACSM may make exceptions to this inspection schedule for landlords and properties that have a history of non-compliance with HQS (e.g. units abated in the previous 12 months).
- Although some units will have a biennial inspection schedule, the unit must at all times meet Housing Quality Standards while it is under contract. The annual or biennial inspection may be conducted in conjunction with the family's annual reexamination or may be conducted separately as determined by HACSM.
- *Special Inspections.* A special (interim) inspection may be requested by the owner, the family, or a third party as a result of problems identified with a unit between annual inspections.
- *Quality Control Inspections.* A sample of units will be reinspected by a supervisor or quality assurance staff to ensure that HQS are being enforced correctly and uniformly by all inspectors.

### Inspection of HACSM-owned Units

HACSM will inspect HACSM-owned units or affiliated properties.

## IX. THE INSPECTION PROCESS

### Notice and Scheduling

Both the family and the owner will be given reasonable notice for all inspections. Initial inspections may be scheduled with shorter notice.

Except in the case of a life threatening emergency, reasonable notice is considered to be not less than 48 hours. In the case of a life threatening emergency, HACSM will give as much notice as possible, given the nature of the emergency.

Generally, inspections will be conducted Monday through Friday, between 7:00 a.m. and 6:00 p.m.

### Initial Inspection Attendance

At the initial inspection of a vacant unit, the owner or owner's representative must be present for the inspection. HACSM strongly encourages the presence of the voucher holder or another adult family representative but it is not required.

When a family occupies the unit at the time of an initial inspection, the voucher holder or another adult family representative must be present for the inspection. HACSM

strongly encourages the presence of the owner or the owner's representative but it is not required.

### **Initial Inspection Results and Reinspections**

If any HQS violations are identified during the initial inspection, the owner will be notified of the deficiencies and be given a time frame to correct them. If requested by the owner, the time frame for correcting the deficiencies may be extended by the HACSM for good cause. HACSM will reinspect the unit once the owner notifies HACSM that the required corrections have been made. The time frame for the owner to correct the deficiencies will not exceed 30 days.

If the time period for correcting the deficiencies has elapsed, HACSM will notify the owner and the family that the unit has been rejected and that the family must search for another unit.

### **Utilities**

Generally, at initial lease-up the owner is responsible for demonstrating that all utilities are in working order including those utilities that the family will be responsible for paying.

If utility service is not available for testing at the time of the initial inspection, HACSM will notify the owner to have the utilities turned on. The unit will not pass inspection until HACSM has verified operable utility service.

### **Appliances**

The stove and refrigerator must be present when the unit is inspected if the owner provides these appliances.

If the family is responsible for supplying the stove and/or refrigerator, HACSM will allow the stove and refrigerator to be placed in the unit after the unit has met all other HQS requirements. HACSM will execute the HAP contract based on certification from the family that the appliances have been installed and are working. A confirmatory inspection will be scheduled within 30 days of HAP contract approval.

### **Biennial (or Annual) Inspections**

The family and owner are notified of the date and time of the inspection appointment by mail. If the family or another adult family representative is unable to be present, the family must request a rescheduled appointment so that the inspection is completed within 30 days. If the family is not home for the inspection appointment, HACSM will leave notification at the unit and another appointment will be scheduled automatically.

If the family misses two scheduled inspections, HACSM will consider the family to have violated its obligation to make the unit available for inspection. This may result in termination of the family's assistance in accordance with HACSM policy.

### **Special Inspections**

HACSM will conduct a special inspection if the owner, family, or another source reports HQS violations in the unit. HACSM may request documentation that the



deficiencies have been reported to the responsible party and the responsible party failed to cure the deficiencies within a reasonable time.

During a special inspection, HACSM will inspect only those deficiencies that were reported. However, the inspector will record any additional HQS deficiencies that are observed and will require the responsible party to make the necessary repairs.

If the biennial or annual inspection has been scheduled or is due within 120 days of the date the special inspection is scheduled, HACSM may elect to conduct a full inspection.

### **Quality Control Inspections**

HACSM will conduct quality control inspections of a sample of units to ensure that each inspector is conducting accurate and complete inspections and that there is consistency in the application of HQS.

The unit sample will include only units that have been inspected within the preceding three (3) months. The selected sample will include (1) each type of inspection (initial and annual/biennial), (2) a cross-section of each inspector's case load, (3) units from a cross-section of neighborhoods and 4) a cross-section of different unit types.

## **X. BIENNIAL OR ANNUAL INSPECTION RESULTS AND REINSPECTIONS**

When a biennial or annual inspection identifies HQS failures, HACSM will determine whether or not the failure is a life threatening condition and whether the family or owner is responsible.

When life threatening conditions are identified, HACSM will immediately notify both parties by telephone, facsimile, or email. The notice will specify who is responsible for correcting the violation. The corrective actions must be taken within 24 hours of the HACSM's notice. HACSM may verify correction or completion of life threatening conditions by telephone, fax, or e-mail.

When HQS failures that are not life threatening are identified, HACSM will send the owner and the family a written notification of the inspection results. The written notice will specify who is responsible for correcting the violation, and the time frame within which the failure must be corrected. Not more than 30 days will be allowed for the correction.

The notice of inspection results will inform the owner that if life threatening conditions are not corrected within 24 hours, and non-life threatening conditions are not corrected within the specified time frame, the owner's HAP will be abated in accordance with HACSM policy. Likewise, in the case of family-caused deficiencies, the notice will inform the family that if corrections are not made within the specified time frame, the family's assistance will be terminated in accordance with HACSM policy.

### **Extensions**

For conditions that are life-threatening, HACSM will not grant an extension to the 24-hour corrective action period. For conditions that are not life-threatening, HACSM may

grant an exception to the required time frames for correcting the violation, if the HACSM determines that an extension is appropriate.

Extensions will be granted in cases where the HACSM has determined that the owner has made a good faith effort to correct the deficiencies and is unable to for reasons beyond the owner's control. Reasons may include, but are not limited to:

- A repair cannot be completed because required parts or services are not immediately available.
- A repair cannot be completed because of weather conditions.
- A reasonable accommodation is needed because the family includes a person with disabilities.

The length of the extension will be determined on a case-by-case basis, but will not exceed 60 days, except in the case of delays caused by weather conditions. In the case of weather conditions, extensions may be continued until the weather has improved sufficiently to make repairs possible.

### **Reinspections**

HACSM will conduct a reinspection immediately following the end of the corrective period, or any HACSM-approved extension.

If the deficiencies have not been corrected by the time of the reinspection (including any HACSM-approved extension), HACSM will send a notice of abatement to the owner, or in the case of family caused violations, a notice of termination to the family, in accordance with HACSM policies.

If HACSM is unable to gain entry to the unit in order to conduct the scheduled reinspection, HACSM will consider the family to have violated its obligation to make the unit available for inspection. This may result in termination of the family's assistance.

### **HAP Abatement**

If an owner fails to correct HQS deficiencies by the time specified by HACSM, HACSM will abate housing assistance payments. HACSM will make all HAP abatements effective on the 31<sup>st</sup> day after the failed inspection.

No retroactive payments will be made to the owner for the period of time the rent was abated.

Owner rents are not abated as a result of HQS failures that are the family's responsibility.

HACSM will inspect abated units within 3 business days of the owner's notification that the work has been completed. Payment will resume effective on the day the unit passes inspection.

If the owner makes repairs during the abatement period, payment will resume the earlier of (1) the day the unit passes inspection, or (2) the date the repairs were completed, providing proof of completion is available.

If abatement is a result of remediation of conditions such as asbestos, lead, mold, the owner must provide a written clearance by a qualified certified entity.

During any abatement period the family continues to be responsible for its share of the rent. The owner must not seek payment from the family for abated amounts and may not use the abatement as cause for eviction.

### **HAP Contract Termination**

The maximum length of time that a HAP may be abated is 90 days. However, if the owner completes corrections and notifies the HACSM before the termination date of the HAP contract, HACSM may rescind the termination notice if (1) the family still resides in the unit and wishes to remain in the unit and (2) the unit passes inspection.

Reasonable notice of HAP contract termination by the HACSM is 30 days.

### **Enforcing Family Compliance with HQS**

Families are responsible for correcting any family-caused HQS violations mentioned earlier in this chapter. If the family fails to correct a violation within the period allowed by HACSM (and any extensions), HACSM will terminate the family's assistance.

If the owner carries out a repair for which the family is responsible under the lease, the owner may bill the family for the cost of the repair.

## **XI. RENT REASONABLENESS**

HACSM will not approve a HAP contract or owner request for rent adjustment until it has determined that the rent for the unit is reasonable. The purpose of the rent reasonableness test is to ensure that a reasonable rent is paid for each unit rented under the HCV program.

The owner must not change the rent during the initial lease term. Subsequent requests for rent adjustments must be consistent with the lease between the owner and the family and are subject to rent reasonableness certification by the HACSM. Rent increases will not be approved unless any failed items identified by the most recent HQS inspection have been corrected.

If the requested increase is approved, all rents adjustments will be effective the first of the month following 60 days after HACSM's receipt of the owner's request or on the date specified by the owner, whichever is later.

HACSM will make a determination of rent reasonableness if there is a 5 percent decrease in the Fair Market Rent that goes into effect at least 60 days before the contract anniversary date. HACSM may decide that a new determination of rent reasonableness is needed at any time.

### **Factors to Consider**

HACSM will use these factors to make upward or downward adjustments to the rents of comparison units when the units are not identical to the HCV-assisted unit.

- Location and age

- Unit size including number of bedrooms and square footage
- Unit type (e.g. single family, duplex, garden, low-rise, high-rise)
- Quality and condition of the unit including the quality of the construction, maintenance and improvements made
- Amenities included

### **Rents Charged for Other Units on the Premises**

By accepting HACSM payment each month, the owner certifies that the rent is not more than the rent charged for comparable unassisted units on the premises. If asked to do so, the owner must give HACSM information regarding rents charged for other units on the premises.

### **Units that Must Not be Used as Comparables**

Comparable units must represent unrestricted market rents. Therefore, units that receive some form of federal, state, or local assistance that imposes rent restrictions cannot be considered comparable units. These include units assisted by HUD through any of the following programs: Section 8 project-based assistance, Section 236 and Section 221(d)(3) Below Market Interest Rate (BMIR) projects, HOME or Community Development Block Grant (CDBG) program-assisted units in which the rents are subsidized; units subsidized through federal, state, or local tax credits; units subsidized by the Department of Agriculture rural housing programs, and units that are rent-controlled by local ordinance.

### **How Market Data is Collected**

HACSM will collect data on market rents within the HACSM jurisdiction or neighboring jurisdictions. The data will be maintained within an online database administered through a third-party source.

Market areas may be defined by zip codes or neighborhood and the data will be updated on an ongoing basis.

### **How Rents are Determined**

The rent for a unit proposed for HCV assistance will be compared to the rent charged for comparable units in the same or similar market area. HACSM may use comparables in neighboring jurisdictions due to the similarity of units. Because units may be similar, but not exactly like the unit proposed for HCV assistance, HACSM may make adjustments to the range of prices to account for these differences.

HACSM will notify the owner of the rent it determines reasonable upon its analysis of rents for comparable units. The owner may submit information about other comparable units in the market area. HACSM will confirm the accuracy of the information provided and consider this additional information when making rent determinations.