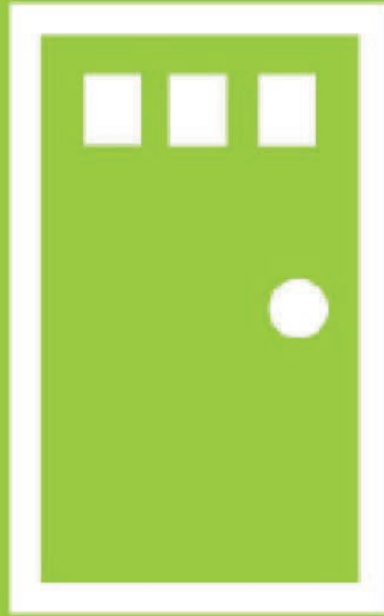




Housing Choice Voucher (HCV) Program 101

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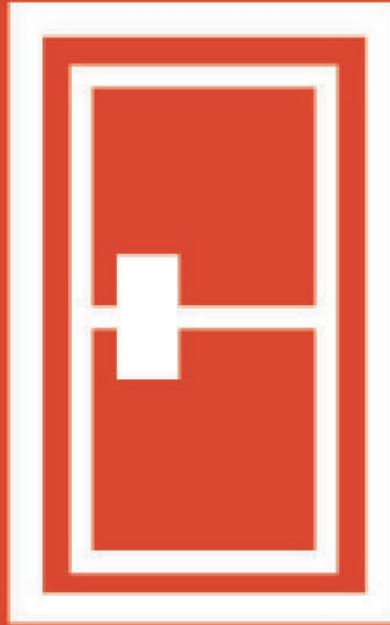


Setting the Context

Responding to Homelessness



- Michigan is represented by 20 Continuums of Care (**CoCs**)
- Each CoC receives funding to **address and prevent homelessness**
- Resources support access, assessment, prioritization, and referral to services (aka **Coordinated Entry System**)
- The **HARA** (Housing Assessment and Resource Agency) is a local agency selected by each CoC (or smaller geographic subset) to support/implement the Coordinated Entry System
- **Any agencies can be members of the CoC and Coordinated Entry System!**
- Housing Choice Vouchers (HCV) are a critical resource to the Coordinated Entry System



HCV Basics

Program Overview



- The Housing Choice Voucher program is federally funded through the United States Department of Housing & Urban Development (HUD). With this funding, MSHDA provides rental assistance for approximately 28,000 households throughout the state of Michigan.
- A family that is issued a Housing Choice Voucher is responsible for finding a suitable housing unit of the family's choice where the owner agrees to rent under the program.
- A housing subsidy is paid to the landlord directly by MSHDA on behalf of the participating family. The family then pays the difference between the actual rent charged by the landlord and the amount subsidized by the program.

MSHDA's Role



Recipient of the funding from the Department of Housing and Urban Development (HUD).

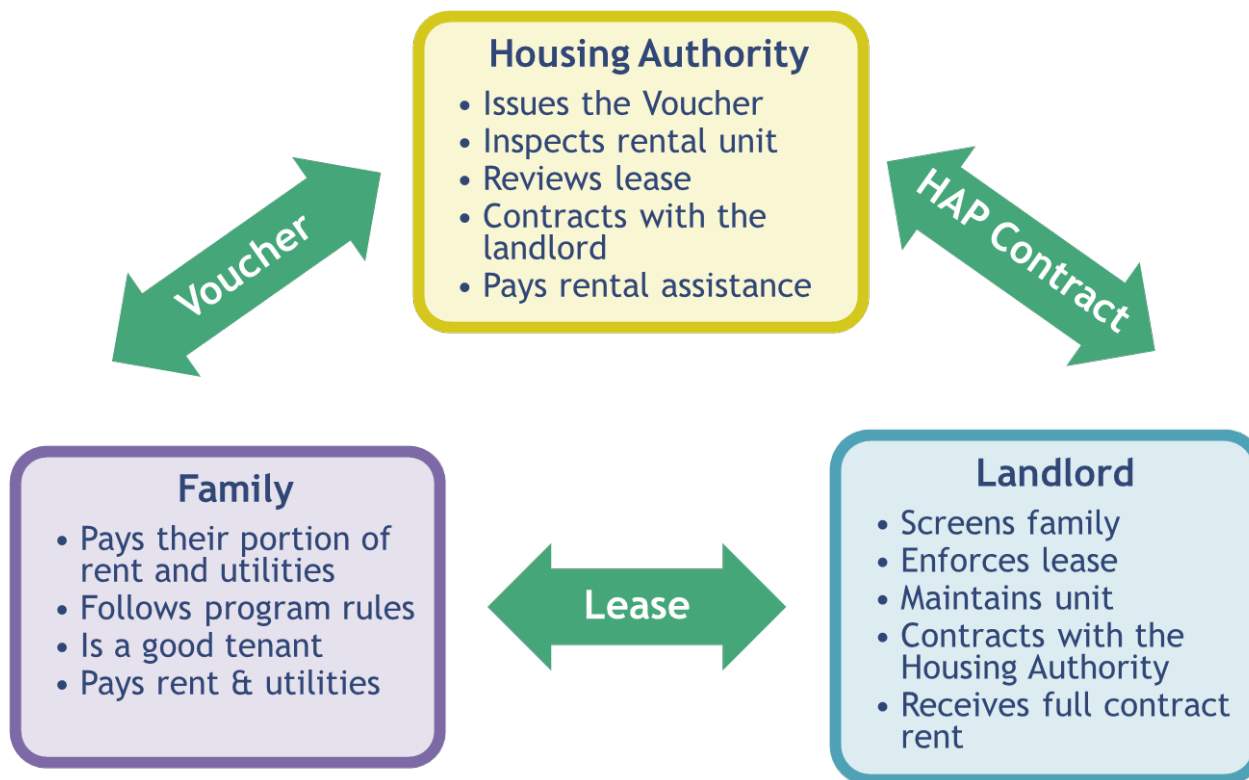
We provide program oversight including:

- Compliance with Federal regulation and Standard Operating Procedures,
- Housing Agent monitoring and performance,
- Waiting list administration,
- Reporting to HUD,
- Landlord outreach, and
- Optimal utilization of funding.

Housing Agent Role

- Determines eligibility
- Applicant briefing and voucher issuance
- Landlord recruitment and outreach
- Unit Inspections
- Review of rental agreement/lease
- Determines rent is reasonable and affordable
- Executes Housing Assistance Payments (HAP) contract
- Enforcement of HCV program rules
- Interim and annual re-certifications

Relationships





Reducing Homelessness with HCV

HCV Homeless Preference



- Homeless Preference for MSHDA HCV started in 2009
- HARAs can add households experiencing homelessness to the county waitlist, even when the waitlist is closed
- HARAs maintain documentation of homelessness, release of information, and proof of residency for each applicant
- Homeless Preference must be recertified every 120 days from the initial application

Waiting Lists

- Families who are currently experiencing homelessness should be directed to the Housing Assessment and Resource Agency for services, which may include application to the HCV Program Waiting list:

<https://www.michigan.gov/mshda/-/media/Project/Websites/mshda/homeless/contact-lists/MSHDA-HARA-Contact-List-PDF.pdf?rev=3c548e168f0e488d9ca6c145a9e7c37d&hash=42758D473E5EFF94F7E716231C1E1D90>

- Counties with currently open waiting lists (non-homeless applicants) can be found at:

<https://www.michigan.gov/mshda/rental/housing-choice-voucher/mshda-housing-choice-voucher-hcv-waiting-list-information>

- Project Based Voucher property listing:

<https://www.michigan.gov/mshda/rental/project-based-vouchers/project-based-developments-listing>

HCV Program Eligibility

Once drawn from a waiting list, HCV Program families must provide:

- Evidence of U.S. citizenship
- Documentation of social security number
- Verification of legal identity
- Documentation of age

Briefing and Voucher Issuance

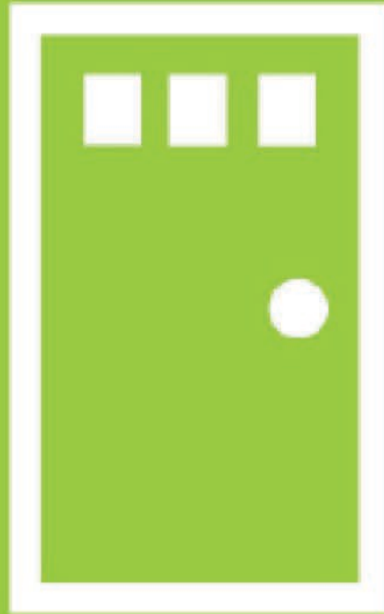


Once all required documentation has been received and forms completed, the family will attend a briefing which will include an overview of:

- Participant rights and responsibilities
- Housing Quality Standard Inspection requirements
- Rent Reasonableness
- Affordability
- Listing of landlords in their area

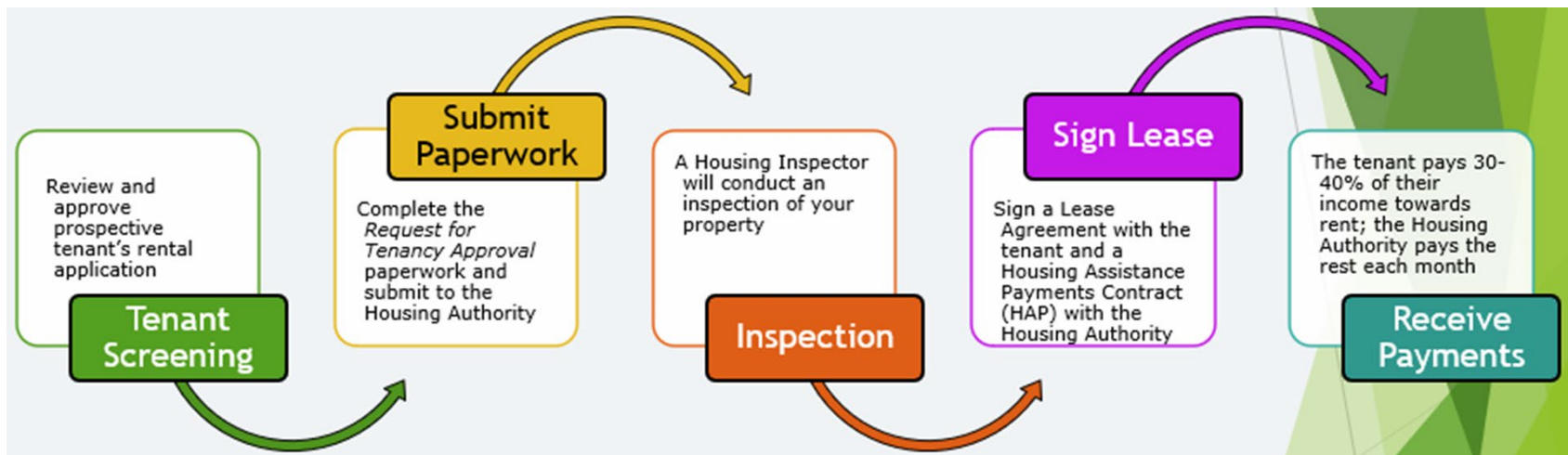
Voucher Issuance:

- Contains bedroom size the family will receive assistance for.
- Initial issuance period is for 60 days. Extensions may be granted.



Leasing Up with HCV

Lease Up Process



Housing Quality Standards Inspection



- MSHDA must inspect the unit at least every two years. Any necessary repairs must be completed within 30 days unless otherwise noted. Life-threatening violations must be corrected within 24 hours.
- If repairs are required, MSHDA will forward a notice of deficiencies to both the tenant/participant and landlord/owner.
- The landlord/owner must be allowed access to the unit to make repairs. MSHDA must be allowed to inspect the unit at reasonable times with reasonable notice.
- The tenant/participant and the landlord/owner must maintain the housing unit in a decent, safe, and sanitary condition.
- The tenant/participant assumes total responsibility for any damages caused by their family or guests.

Rent Reasonableness

- No unit can be approved until MSHDA has determined that the rent for the unit is reasonable. The purpose of rent reasonableness is to ensure that a fair rent is paid for each unit in the HCV program.
- HUD regulations define a reasonable rent as one that does not exceed the rent charged for similar unassisted units in the same market area. HUD also requires that owners not charge more for assisted units than for comparable units on the premises.
- Once you have selected a unit and submitted the required paperwork, your housing agent will determine if the requested rent is reasonable.

Your housing agent will use GoSection8, an independent source for similar unit information, to make their determination.

Affordability

- You cannot pay more than 40% of your adjusted monthly income for rent and tenant-supplied utilities.
- Once you have selected a unit and submitted the required paperwork, your housing agent will perform a calculation using your most current income and household data you have provided.
- If the unit exceeds the 40% affordability limit, MSHDA cannot approve the unit for rental assistance unless the owner is willing to negotiate the rent and/or utilities. If the owner will not negotiate the rent, you must locate a different unit.

Participant Responsibilities



- Tenant/participant must inform MSHDA of any changes in family composition or contact information within 10 business days of the date of the change.
- Tenant/participant cannot add any other persons to the household without prior written approval by the landlord/owner and MSHDA.
- The tenant/participant pays the landlord/owner only the amount stated in the Adjustment Notification except when paying a late charge as described in the lease.
- Inform MSHDA of any changes in household income within 10 business days of the date of the change.
- At MSHDA's request, complete a reexamination of family income and household composition at least annually.

Participant Responsibilities



- Give a written 30-day notice to the landlord/owner and get approval from MSHDA prior to vacating a unit.
- Not assign the lease nor sublet the unit.
- Pay utility bills and provide and maintain any appliances that the owner is not required to provide under the lease.
- Abide by all conditions of the lease, including paying the tenant portion of the rent on time.
- Not engage in any criminal activity (including illegal drug use and abuse of alcohol). While marijuana is legal in the state of Michigan, it is still considered a Controlled Substance by the federal government and is prohibited in federally assisted housing programs.

Reasonable Accommodation

- If member of the family is a person with a disability and require a reasonable accommodation in order to participate in MSHDA's affordable housing program(s) or services, they may submit a request for reasonable accommodation related to their participation in the HCV Program.
- Some examples of reasonable accommodations include: extra bedroom for medical equipment, live-in aides, separate bedroom for sleeping, renting from a prohibited relative, higher utility allowance than approved utility allowance schedule, and using a higher payment standard than approved to enable a person with disabilities to find a suitable unit.



Thank you!

More information:

Michigan.gov/MSHDA/rental/housing-choice-voucher