We’re About People

SDHC LANDLORD GUIDEBOOK
Welcome to the San Diego Housing Commission’s (SDHC) Housing Choice Voucher rental assistance program. This guide answers many of the questions landlords ask about the program.

Approximately 5,000 landlords in the City of San Diego rent to SDHC Housing Choice Voucher (HCV) program participants. The program helps to fill the gap between what a family can afford to pay in rent and the actual contract rent amount. Households pay a predetermined portion of their income toward their rent. SDHC pays the balance of the rent, up to the applicable payment standard, directly to you, the landlord. The payment standard is the maximum subsidy payment that a voucher would pay for a rental housing unit.

The participation of landlords like you is essential to the HCV program’s success in assisting families to have quality, affordable rental housing units in the City of San Diego.

Our Landlord Partnership Program provides incentives and support for landlords who rent to HCV participants, including a $500 payment for each unit rented to an HCV household and a Landlord Assurance Fund to help cover repair expenses in certain circumstances.

SDHC also informs participating landlords about the federal rules and regulations that apply to all HCV program participants and landlords and how any new or revised rules affect you.

We invite you to visit our website at www.sdhc.org/doing-business-with-us/landlords for additional program information and to list your rental unit.

If you have any questions after reviewing this guide, please contact SDHC’s Rental Assistance Division by calling 619-578-7777.

We look forward to you working with us.

Azucena Valladolid
Executive Vice President
Rental Assistance and Workforce Development
San Diego Housing Commission
The San Diego Housing Commission (SDHC) has earned a national reputation as a model public housing agency, creating innovative programs that provide housing opportunities for individuals and families with low income or experiencing homelessness in the City of San Diego — the eighth-largest city in the nation, second largest in California.

Created in 1979, SDHC performs four major program functions to create affordable housing opportunities:

- Provide federal rental assistance for more than 17,000 households with low income, annually;
- Address homelessness through the Community Action Plan on Homelessness for the City of San Diego; HOUSING FIRST - SAN DIEGO, SDHC’s homelessness action plan, which has created more than 11,000 housing solutions for people experiencing homelessness or at risk of homelessness; and City of San Diego homelessness shelters and services programs that SDHC administers;
- Create and preserve affordable housing through SDHC’s roles as a developer, investor, lender, landlord, issuer of Multifamily Housing Revenue Bonds, and administrator of City land use programs, such as inclusionary housing. More than 25,000 affordable housing units are currently in service in the City of San Diego, of which 4,120 are owned or managed by SDHC, including its nonprofit affiliate;
- Monitor and advocate legislation, regulations and policies that advance SDHC’s mission, vision, purpose, core values and strategic priorities.

Tens of thousands of families and individuals in San Diego earn less than half of the area median income. They include seniors living on low, fixed incomes; military veterans who cannot afford decent homes; single-parent and two-parent families in low-wage jobs; and people with disabilities.

The HCV program makes housing more affordable by reducing the participating family’s rent payment to approximately 30 percent of their income.

Federal rental assistance is SDHC’s largest program. The U.S. Department of Housing and Development (HUD) provides the funding for federal rental assistance.

SDHC helps pay rent for more than 17,000 households with low income by making payments to approximately 5,000 landlords in the City of San Diego. These households consist of more than 38,000 individual household members.

Providing opportunities for families to become more financially self-reliant is also an important part of SDHC’s rental assistance program. The SDHC Achievement Academy provides programs that emphasize career planning, job skills, job placement and personal financial education. These programs are available at no cost to HCV participants.
FASTER LEASE-UP PROCESSES
SDHC has taken steps to expedite the process for leasing up a tenant into the landlord’s unit. These include:
• Completing review of Request for Tenancy Approval within two business days
• Conducting inspections within two business days and offering pre-inspections for vacant units
• Processing payments two times per week to provide the initial payment to the landlord more quickly

LANDLORD PARTNERSHIP PROGRAM
Through the Landlord Partnership Program (LPP), SDHC provides incentives to attract and retain landlords who rent to families who receive rental assistance from SDHC.

INCENTIVES AND BENEFITS
• Incentive Payments - $500 for each rental unit rented to an HCV household.
• Landlord Assurance Fund - Reimburses landlords up to $3,000 to cover repair expenses that are in excess of normal wear and tear and rent due that exceeds the security deposit. Landlords can submit an online application on SDHC’s website for the assurance fund.
• Move Flexibility Allowance - Up to five-days of Housing Assistance Payment overlap in cases where there is a delay when a voucher-holding household vacates a subsidized rental unit to move into a new unit.
• Mobility Counseling Program - An SDHC Mobility Counselor assists with pre- and post-moving counseling, housing search assistance, and guidance about neighborhood features, and helps to ensure timely lease-ups.
• Security Deposit Loan Assistance - No-interest security deposit loans up to the payment standards for the area for the family’s voucher size.

LANDLORD SERVICES
SDHC’s Landlord Services Unit consists of specialized staff who provide quality customer service to landlords participating in the HCV program. SDHC’s Mobility Counseling Program also is part of this unit. Mobility Counselors assist with pre- and post-moving counseling, housing search assistance and guidance about neighborhood features for rental assistance households.

SDHC’s Landlord Services Unit holds seminars to provide landlords important information, such as:
• The responsibilities of landlords, tenants and SDHC
• The Leasing Process
• Landlord Partnership Program/Mobility Counseling
• Housing Quality Standards inspections
• The Rent Change Process

SDHC’s Landlord Services Unit also holds Housing Search Workshops for rental assistance households. These workshops include information about: preparing to move, the Maximum Rent Notice form and Rent Affordability Calculator; searching for housing online; submitting a rental application; SDHC’s Choice Communities Initiative; the Mobility Counseling program, including Security Deposit Loan assistance; the Landlord Partnership Program; and general tips about searching for housing.

To register for our next upcoming seminar please follow the link https://www.sdhc.org/doing-business-with-us/landlords/landlord-partnership-program/ or email the Landlord Partnership Program at lpp@sdhc.org

BENEFITS FOR LANDLORDS
The benefits for landlords who participate in the HCV program include:
• Consistent and On-Time Rent Payment - SDHC pays its portion of the contract rent through direct deposit to the landlord’s bank on the first business day of the month and holds tenants responsible for paying their monthly rent portion on time.
• Filling Vacancies Quickly - SDHC maintains a wait list of families for the rental assistance program. Tenants are always available immediately.
• Free Listing Service - Landlords have free access to SDHC’s online searchable listing service. AffordableHousing.com lists your rental properties to rental assistance participants.
• Landlord Stays in Control - Landlords retain the right to pre-screen and select the tenants they want. A landlord may terminate tenancy at the end of any lease term without cause by providing the tenant and SDHC at least a 30-day notice to vacate in writing.
• Enhanced Customer Service - Includes unit inspections every two years, electronic signature software for leasing documents, and self-certification of repairs for qualified landlords. A secure, online “Landlord Portal” provides account information around the clock.
• Personal Satisfaction - Participating landlords have the satisfaction of providing needed housing at market rates for low-income families, seniors, and individuals with disabilities.

For additional information please call (619) 578-7131 or email landlordservices@sdhc.org.

LANDLORD PORTAL
SDHC’s Landlord Portal provides landlords with access to information about their accounts - 24 hours a day, 7 days a week - from anywhere they have Internet access:
• Unit inspection results
• Ledger balances
• Pending payment and abatement holds
• Caseworker assignments
• Contact and profile information
• Online forms (change of address, etc.)

Follow the link to log in or register for the landlord portal: https://www.sdhc.org/doing-business-with-us/landlords/landlord-portal/
**HCV PROGRAM: HOW IT WORKS**

HCV program participants find their own housing. This may include rental single-family homes, townhouses, apartments, and single-room occupancy (SRO) units.

Households pay a predetermined portion of their income toward rent. The tenant’s portion of the rent is based on a percentage of their household income, approximately 30 percent.

SDHC pays the remainder, up to the applicable payment standard, directly to the landlord. The payment standard is the maximum subsidy payment that SDHC would pay for the rental housing unit through the housing voucher. Payment standards are based on the number of bedrooms approved for a family’s size and the community to which the family moves.

If the contract rent is more than the payment standard, the household pays the difference.

**SDHC RESPONSIBILITIES**

- Determine eligibility of applicants for rental assistance.
- Explain program rules to qualified families.
- Issue Housing Choice Vouchers to qualified families.
- Inspect unit for safety and rent reasonableness.
- Approve the unit, landlord and the lease prior to initial tenancy and biannually thereafter.
- Execute a Housing Assistance Payment (HAP) contract with the landlord.
- Issue housing assistance payments to the landlord in a timely manner.
- Ensure the family and unit continue to qualify for assistance at least every two years.
- Ensure that families and landlords comply with program rules.
- Provide landlords with prompt, professional service.
- Timely return of signed Housing Assistance Payments Contract.
- Timely reporting of move in dates for new tenants.
- Provide copy of signed lease agreement.

**LANDLORD RESPONSIBILITIES**

- Comply with fair housing laws and applicable state and local tenant protection laws.
- Screen families for suitability as a renter.
- Maintain the rental unit by making necessary repairs.
- Comply with HAP terms.
- Collect rent from the family.
- Comply with and enforce the lease.

**FAMILY RESPONSIBILITIES**

- Abide by the lease and HCV program rules.
- Pay their portion of the contract rent on time.
- Provide utilities that are not the landlord’s responsibility per the lease.
- Provide/maintain any appliances that are not the responsibility of the landlord per the lease.
- Be responsible for unit damages beyond normal wear and tear, which results in a breach of housing quality standards.

**WHO IS ELIGIBLE TO RECEIVE RENTAL ASSISTANCE?**

- People who live or work in the City of San Diego
- Extremely low-, very low-, and low-income families with two or more people who include a dependent, whose combined annual incomes are less than 80 percent of San Diego’s Area Median Income (AMI).
- Active-duty military and veterans
- Low-income seniors age 62 or older
- Individuals with disabilities
- Individuals experiencing homelessness

Total household income may not exceed program limits. Income of all household residents will be checked through an Income Verification System.

Once a person receives a voucher, they can look for the rental house or apartment they want to rent and negotiate a lease with the landlord, just as they would in the rental housing market.

In many cases, the person can use the voucher where they are currently living.
STEPS TO LEASE A UNIT

As a landlord participating in SDHC’s HCV program, you are required to maintain your rental unit in compliance with local housing codes and federal quality standards known as National Standards for the Physical Inspection of Real Estate (NSPIRE), which will be implemented as of October 1, 2024.

Until the implementation of NSPIRE we will continue to use our current standards known as Housing Quality Standards (HQS). You can visit our website and click on the videos to see a demonstration on how we conduct our Housing Quality Standards inspections as well as see the Inspection Checklist which shows the most common items we inspect.

The landlord is responsible for screening and selecting a tenant, executing the lease, executing the Housing Assistance Payment (HAP) Contract, collecting a security deposit, and collecting the family’s portion of the rent.

You may become an HCV program landlord in five simple steps:
1. Advertise your unit availability.
2. Screen and select an HCV participant as a tenant
3. SDHC approves tenancy, and the unit passes HQS inspection.
4. HAP contract and leases are signed.
5. SDHC makes housing assistance payments to you.

A quick reference for these steps and a checklist for inspections are available on SDHC’s website: Quick Guide to Inspection Process and the Housing Inspection Checklist

Videos of examples of what SDHC inspectors look for during inspections are also available online: www.sdhc.org/doing-business-with-us/landlords/inspections

STEP 1: ADVERTISE YOUR UNIT

A family must locate a housing unit that meets the program rules. A family may choose to rent anywhere within the City of San Diego, provided the unit meets HQS requirements and SDHC determines the rent to be “reasonable” and acceptable to the landlord. You can advertise your unit utilizing your own advertising methods or SDHC’s vacancy listing service at AffordableHousing.com, or both.

Vacancy Listing Service

Landlords can list their vacant rental properties for free with a searchable database called “AffordableHousing.com.” This online service is designed to maximize exposure to your rental listings and help keep your vacancies at a minimum. In addition, premium member services of AffordableHousing.com include: Quick Match Tenant Locator service, featured listings with photo, and automatic emails to matching tenants in the AffordableHousing.com database. SDHC HCV participants can view your property listings, match their search criteria with your available units, and target their searches to meet specific needs, such as rent ranges, bedroom numbers, or geographic location.

Get Started

To post a free listing now, go to AffordableHousing.com and click on “List Your Property For Free.” Then follow the prompts. You will be asked to create a username and password to get started. You can still post a listing by mail or fax; just call (866) 466-7328.

For More Information

Go to the “Q&A” section of AffordableHousing.com or contact (866) 466-7328 for technical support.

For a unit to be approved, it must meet the following requirements:
1. The rent for the unit must be reasonable for the type, size, condition and location of the unit.
2. The unit must pass an HQS inspection.
3. The landlord must be willing to enter a contract with SDHC and comply with program rules.

STEPS TO LEASE A UNIT

SDHC will issue a voucher to the eligible family when a voucher is available (see page 23 for an example). The landlord should check the expiration date on the voucher and the bedroom size for which the family is approved. Generally, SDHC’s occupancy standards require that two family members share a bedroom in a unit.

Once a unit is located and the landlord finds the family suitable, the family is required to submit a Request for Tenancy Approval (RFTA) and the proposed lease. The landlord should review the family's voucher for bedroom size approval and complete the RFTA forms. The landlord must also submit a lease to SDHC for approval. The HUD tenancy addendum must be attached to all leases submitted by landlords. Landlords may request a copy of a model lease from SDHC. Landlords may rent to households with a smaller voucher size as long as the contract rent is below the maximum rent on the Maximum Rent Notice for the prospective tenant.

The landlord is responsible for screening and selecting a family for tenancy. SDHC certifies that the family is eligible to receive HCV program assistance, but the landlord must screen for suitability.

The landlord should generally use the same screening procedures used for non-subsidized tenants. The landlord is under no obligation to lease to an HCV household; however, the landlord cannot decline a tenant because they receive HCV program assistance. The landlord also cannot discriminate against any prospective tenant based on race, creed, color, gender, religion, national origin or familial status.

If the landlord determines the family is suitable, the RFTA must be completed and returned to SDHC. The lease should be submitted, unsigned, with the RFTA. Once a RFTA is submitted, SDHC processes a rent determination. If a landlord accepts the rent offer, an inspection will be scheduled. An online tool known as the Rent Affordability Calculator is available on SDHC’s website to assist a landlord in determining if a household could afford the contract rent for the landlord’s unit.

A landlord shall permit, upon request, at the expense of a person with a disability, reasonable modifications of an existing housing accommodations that are occupied or to be occupied by the person with the disability if the modification may be necessary to afford the person with a disability full enjoyment of the housing accommodations.
**STEP 3: SDHC APPROVES TENANCY, AND UNIT PASSES HQS INSPECTION**

**The Lease**

HUD requires certain language in any lease signed by an HCV program tenant. SDHC must review the lease before it is signed.

You must submit your proposed lease, unexecuted, with the Request for Tenancy Approval (RFTA) packet. SDHC will review the lease to ensure that it does not contain any provisions that conflict with program rules. The lease must include all the terms of the lease, including the length of the lease, lease renewal terms, security deposit amount, and total amount of rent due to landlord for the unit. The HUD Tenancy Addendum will be attached to all leases.

The lease must:

- Comply with State and Local law,
- Contain provisions for rent increases, if any, after the initial term of the lease,
- Specify what utilities and appliances are to be supplied by the landlord and what utilities and appliances are to be supplied by the tenant,
- Remain unchanged unless SDHC has approved a lease revision in writing.

**Note:** The requested contract rent must be determined to be reasonable by the inspector and approved before the lease can take effect.

**HUD Requirements**

To comply with HUD requirements, the following items must match on the lease agreement and the Housing Assistance Payment Contract:

- Tenant Name
- Landlord Name
- Unit Address
- Contract Rent Amount
- Lease Term
- Utility Responsibility and Type of Utility (gas/electric)

If any of these do not match our HAP contract, SDHC may require the generation of a Lease Addendum to comply with HUD requirements.

**Request for Tenancy Approval (RFTA) Packet**

An SDHC caseworker will issue an RFTA packet to the tenant to provide it to the prospective landlord of the unit the tenant has chosen. The packet can be a paper packet or can be emailed or sent via DocuSign (an electronic software) for completion.

Once SDHC receives the RFTA packet, staff reviews it for completion. Staff also reviews the requested rent to ensure it is affordable to the tenant. If the rent is affordable, the leasing caseworker will create an inspection request. If the rent is not affordable, the leasing caseworker will contact the landlord to advise of the maximum approved rent based on the payment standard for the unit size, the utility allowance and the tenant’s income.

**Inspection Process**

All units must pass the HQS Inspection before the execution of the Housing Assistance Payment Contract with SDHC. The unit must also pass the HQS inspection at least every two years. HQS consists of the minimum nationwide standards HUD established. If the unit passed the HQS inspection, SDHC will approve the unit for assistance at the rent SDHC determines to be reasonable. If the unit does not pass the initial inspection, the landlord will be given a reasonable period of time to correct any failed items.

**• Prepare Unit**
- See **Housing Inspection Checklist**, which shows areas to be inspected.

**• Meet with Inspector**
- The inspector will contact you on the business day prior to your scheduled inspection day to provide a time frame for the inspection. An adult must be present to accompany the inspector for the inspection.

**• Promptly Make Repairs**
- If the unit fails the initial inspection and the landlord chooses to continue with the lease-up, the landlord must promptly make repairs and contact the Inspection Department to schedule the reinspection at **hqsinspections@sdhc.org** or (619) 578-7650.

**• Rent Reasonableness Test**
- Once the HQS inspection has been conducted, the inspector will conduct the rent reasonableness test. This entails the inspector using the AffordableHousing.com database to compare the prospective rental unit’s rent to other unassisted units in the open market within a two-mile radius of the same type, size, similar square footage, amenities, utility responsibility and year built. If the unit passes the rent reasonableness test, the leasing caseworker is informed and reaches out to the landlord to confirm the move-in date for the tenant.

If the unit does not pass the rent reasonableness test, the inspector will notify the landlord to try to negotiate the rent. The landlord can choose to:
- Accept the maximum approvable rent.
- Provide comparables of unassisted units of the same type, size, similar square footage, amenities, utility responsibility and year built. The comparables must be in the open market and within a two-mile radius of the unit that will be rented to an HCV participant.
- Rent unit to another prospective tenant.
STEP 4: EXECUTION OF DOCUMENTS

If the unit passes the HQS inspection and the landlord accepts the rent amount that SDHC deemed reasonable, then SDHC will offer the landlord a Housing Assistance Payments Contract (HAP Contract), and the landlord will offer the family a lease. SDHC recommends that you read both the Tenancy Addendum and the HAP Contract to familiarize yourself with the expectations as a landlord on the HCV program.

All documents must be signed by all parties, and the HAP Contract must be executed within 60 days of the effective date of the HAP Contract.

Once the documents are signed, all parties will receive a copy of the signed documents:

- Lease—copies to tenant and landlord
- HAP Contract—copies to landlord

If the documents are signed via DocuSign (electronic software), copies are automatically sent to all parties.

STEP 5: HOUSING ASSISTANCE PAYMENT (HAP) TO LANDLORD

Once the HAP contract and lease are signed, SDHC will make the initial payment and will continue to make monthly payments to the landlord if the family continues to meet eligibility criteria and the unit qualifies under the program.

SDHC will make housing assistance payments directly to the landlord. The landlord is responsible for collecting the family's portion of the rent.

STEP 6: FILE ASSIGNED TO OCCUPANCY CASEWORKER

Once the file has been processed by the leasing caseworker and payment issued, the file will be assigned to an Occupancy caseworker for ongoing case management. The assigned caseworker can be found in the Landlord Portal under Caseworker Info, which includes the caseworker name, phone number and email address.

WHY IT MAKES SENSE TO PARTICIPATE IN SDHC’S RENTAL ASSISTANCE PROGRAM

1. LANDLORD RETAINS RIGHTS

In SDHC's Rental Assistance program, you maintain the same control and responsibilities as with your market-rate renters. You select your assisted renters, just as you select any other renters. You charge the same rent as you charge for anyone—as long as it is comparable to rents for other units in your complex and/or in your neighborhood. You use your own lease form. Plus, you may choose between a six-month or one-year lease term to start; then the lease term automatically transitions to a “month-to-month” after that.

Once you have leased to an HCV participant, you keep the same rights as you do for your other tenants. For example, you can enforce tenant rules with assisted tenants just as you would with anyone. Or, if your renter’s portion of the rent is late, you may charge a late fee if you charge it to everyone else. The same applies to security deposit rules. If there is a problem, you can terminate the lease at any point with good cause—or terminate for whatever reason you choose, once the initial lease period has ended.

2. GUARANTEED RENTS

Participating rental landlords tell SDHC that one of the most popular benefits is guaranteed rent payments. SDHC’s share of the rent is on time every month. (SDHC pays a portion of your tenant’s rent directly to you through direct deposit. Plus, the renters are more likely to pay their share on time, too, since they have less to pay.)

3. PARTIAL PRESCREENING FOR NEW VOUCHER HOLDERS

Other program benefits include assistance with partial tenant pre-screenings for new voucher holders to determine whether or not they have any recent, local violent or drug-related criminal record.

For additional assistance with tenant screenings, you may wish to contact the Southern California Rental Housing Association (formerly San Diego County Apartment Association) at (858) 278-8070 for information about low-cost services.

4. FREE PERIODIC INSPECTIONS

Free periodic inspections could help you identify costly problems of which you might not otherwise be aware, such as safety hazards or “energy wasters.”

5. PROPERTY INSPECTIONS

The inspection process is simple. The federal government, which funds the program, gives us a list of possible hazards to look for, such as a smoke alarm without a battery or an outlet without a switch plate. If everything checks out, the home passes. If not, we will come back to re-inspect. Many landlords say this is a great service because SDHC can identify problems that otherwise could lead to disputes with renters later or that cost you money, like energy-draining loose seals in the refrigerator door. Because HUD requires SDHC to ensure that health and safety standards are met, all rental units must be inspected when landlords first accept voucher holders and then every two years.

SDHC’s Housing Inspection Checklist is a helpful guide; however, please keep in mind that it is not all-inclusive. We may come across an unusual situation that may not be on the list but would not allow us to pass the unit. In addition, updated carbon monoxide requirements went into effect December 28, 2022.

For more info about inspections, you may email hqsinspections@sdhc.org or call SDHC’s Inspection Call Center at (619) 578-7650.

See Step 3 in the “Steps to Lease a Unit” section of this guide for additional details about the inspection process.
RENT BASICS

At the time of the inspection, SDHC will work with you to clarify a maximum rent rate based on market rents (using a HUD formula). The contract rent for your HCV tenant will be the same as you charge everyone else. You do not get less or more rent than you get from anyone else in one of your comparable units or the going rate in your neighborhood.

The Maximum Rent Notice is provided to each tenant searching for a rental unit. This notice provides the tenant and prospective landlord with information on the maximum approvable contract rent for each ZIP Code based on whether the tenant or landlord pays for water in addition to other utilities. SDHC cannot approve a rent that is higher than what is shown on the Maximum Rent Notice because SDHC has already calculated the maximum approvable rent based on the tenant’s income and voucher size.

Note: This Maximum Rent Notice is based on the tenant’s voucher size and whether the unit has the same number of bedrooms as the voucher or larger. If the unit has a fewer bedrooms, the landlord and/or tenant should contact the caseworker to see if the proposed rent is approvable.

Rent Calculation Factors

SDHC calculates the tenant’s portion of the rent based on three factors:

• Tenant’s income and estimated utilities (SDHC determines an amount for the tenant’s portion based on a HUD formula.)
• The total rent you (the rental property landlord) will be charging ("contract rent")
• SDHC’s rent limits, based on “Payment Standard” and other factors

You will receive a portion of the rent from the tenant ("tenant’s portion") and the balance from SDHC ("Housing Assistance Payment"); these two amounts together add up to your total contract rent.

For a quick resource to see if a prospective tenant would qualify for your rental unit at the proposed contract rent amount, you can use SDHC’s Rent Affordability Calculator on our website or request the tenant provide a copy of the Maximum Rent Notice.

Rent Limit

Contract rent limits are based on the “Payment Standards.” SDHC uses the Payment Standards to calculate the housing subsidy based on the proposed contract rent plus any utilities that the tenant will pay. For utilities, SDHC uses a “utilities allowance” formula.

Also, please keep in mind that the Payment Standard is only a guideline to give you an approximate idea of how much is allowed for the contract rent and utilities. The actual amount varies for each family based on rent reasonableness (as determined as part of your property inspection), the tenant’s income and utility allowance. Other factors considered in calculating rents are:

• The tenant’s income at move-in or initial lease-up on the program (their portion of the rent cannot exceed 30 - 50 percent of their income), and
• “Rent reasonableness” - whether the contract rent is similar to the “going rate” for rents in the area.

If your proposed contract rent is not approved because the tenant’s income is too low, you might be able to still charge that rent to another (higher income) voucher-holding family.

Rent Increases

After the initial lease term concludes, you can obtain the same rent increase from the assisted renter as from any other renter. SDHC will check “comparables” for you. If you would like to increase your HCV tenant’s rent, send a 60-day advance notice to your tenant. Then go to SDHC’s website for the Rent Increase Application Form to submit your request. At www.sdhc.org, select “Doing Business With Us” in the main menu, choose “Landlords” in the drop-down menu, and select “Establishing Rents.”

SDHC will approve your requested rent increase as long as:

• The initial term of your lease is completed.
• Your requested rent is reasonable for the area.
• You are not charging more for your HCV tenants. (Important! If you have two or more units, please provide rent information on those units.)
• Your market-rate tenants (if you have any) are the first to receive the increase.

To help us process your request as quickly as possible, please be sure to promptly respond to any requests for information that SDHC might have, such as addresses of comparable units.

Note: Rent increases go into effect on the first of the month after the end of the 60-day notice to the tenant.

PAPERWORK

You use your own lease. The only added paperwork is a Housing Assistance Payments contract with SDHC, the Tenancy Addendum to be attached to your lease, and the Request for Tenancy Approval the tenant asked you to sign.

Here are sample documents:

• Voucher
• Request for Tenancy Approval
• Tenancy Addendum
• Housing Assistance Payments Contract

To comply with HUD requirements, the following items must match on the lease agreement and the Housing Assistance Payment Contract:

• Tenant Name
• Landlord Name
• Unit Address
• Contract Rent Amount
• Lease Term
• Utility Responsibility and Type of Utility (gas/electric)

If any of these do not match our HAP contract, SDHC may require the generation of a Lease Addendum to comply with HUD requirements.
DIRECT DEPOSIT
SDHC offers direct deposit for rental property landlords and managers participating in the HCV program. Benefits include saving time (no more trips to the bank!) and getting paid faster. (We deposit SDHC’s portion of your tenant’s contract rent directly to your account the first of every month.) Accounts can either be checking or savings.

MONTHLY LEDGERS
Issued Housing Assistance Payments and “collect backs” for overpaid Housing Assistance Payments can be found on “My Ledger” in the Landlord Portal. It shows the EFT/Check/Adjustment number, check date, Unit address, Tenant Name, Tenant Code, Amount of payment and any Notes that apply to the payment.

COLLECT BACKS
“Collect backs” are typically generated when a tenant moves out of the unit and payment has already been issued for the month or when a unit is abated due to a failed inspection and payment has already been issued for the month. When a housing assistance payment is collected back from a landlord, the overpayment is collected from the landlord’s next payment(s) issued and can be collected back from the Housing Assistance Payment for another tenant for the same landlord.

SELF-SUFFICIENCY PROGRAMS FOR TENANTS
The Family Self-Sufficiency (FSS) Program is a voluntary, two-year program available at no cost to HCV participants. It includes:
- Education
- Job Training
- Career Planning
- Book Scholarships
- Small Business Start-Up assistance
- Financial Literacy
- First-Time Homebuyers Program

Participants may earn up to $10,000 in an interest-bearing escrow account as they achieve educational and employment-related goals in the FSS program. When they graduate from FSS, participants may use these funds as they wish.

Participation is voluntary and does not affect the family’s housing in any way. Orientations are offered to explain in detail to prospective participants more about this program. To join the program, a tenant must attend an orientation session. No appointment necessary. For information about the orientation schedule, call the FSS info line at (619) 578-7450. Se habla Español.

TERMINATIONS
The rental assistance may be terminated for a variety of reasons, all of which are included in the HAP Contract Part B 4.b. The reasons include:
- Lease terminated by the landlord or tenant.
- Termination of family’s eligibility for assistance.
- If the family moves from the unit.
- Six months after the last payment to the landlord.
- If SDHC as the public housing authority determines that available program funding is not sufficient to support continued assistance for families in the program.
- Death of a one-person household, including one-person households with a live-in aide.
- If SDHC determines the contract unit does not provide adequate space in accordance with HQS because of an increase in the family size or a change in family composition.
- If the family breaks up.
- Termination of assistance due to failed HQS inspection or due to a landlord breach of HAP contract.

SDHC’s policy is to provide a 30-day notice of the termination of the HAP contract except when due to:
- Death of a one-person household.
- Lease termination by the landlord or tenant.
- If the family moves from the unit.

The notice for contract termination due to failed HQS inspection will be included in all Inspection Notices, and an additional notice will be sent after the contract termination date. If the failed items are corrected and the unit passes re-inspection after the contract termination date, an Owner HAP Contract Termination Notice Withdrawal will be sent, and payment will resume with abatement for the days between the abatement date and the date the unit passes an HQS inspection.

PROJECT-BASED VOUCHERS (PBV)
Project-Based Vouchers (PBV) are another SDHC rental assistance program. Unlike HCV, PBVs are awarded to specific affordable housing developments to provide rental assistance linked to their specific units. Eligible tenants move in. Then, when a tenant moves out, the rental housing voucher remains with the affordable housing unit to help another eligible household. PBVs are awarded through a competitive Notice of Funding Availability process. The referral process to fill PBV vacancies is different than HCV. PBVs committed to assisting households experiencing homelessness, which require the provision supportive services, must receive referrals from the Coordinated Entry System administered by the Regional Task Force on Homelessness. PBVs committed to assisting households with low income must receive referrals from the SDHC PBV wait list.

Landlords can request rent increases for PBV units once a year. Requests must be submitted 120 days before the HAP anniversary month. The maximum amount SDHC will pay per PBV unit for initial contract rent or subsequent rent increases will be the corresponding SDHC Payment Standard.

PBV tenants can request to transition to the HCV program. When the request is received, the PBV tenant is placed on a waiting list. When their name is selected from the waiting list, they are issued a voucher from the HCV program. For this transition, the PBV tenant must meet their obligation at the PBV unit before SDHC can enter a HAP contract at the new HCV unit. This means the assistance cannot overlap between the PBV and HCV programs.
OTHER PROGRAMS AND RESOURCES

Guaranteed Security Deposit Program
The City of San Diego and United Way have developed a new program that will eliminate the need to have upfront money for security deposits. Although many people can afford monthly rent payments, it is often difficult for some to have enough money to pay the first month’s rent in addition to security deposits. This program will allow tenants to move into an apartment and make payments on their security deposit over a three-to-six-month period, as agreed upon by both parties. For more information, call (619) 641-0074.

Landlord-tenant disputes and mediation resources
If you are having a dispute with a tenant that you have been unable to settle on your own, the National Conflict Resolution Center may be able to help. Call (619) 238-2400 or visit www.ncrconline.com.

Southern California Rental Housing Association
The Southern California Rental Housing Association is a leading trade association. It is a nonprofit organization serving individuals and companies who own, manage, or provide services and products to more than 150,000 rental housing units in San Diego County. Call (858) 278-8070.

HOUSING AGENCIES IN THE COUNTY OF SAN DIEGO

CARLSBAD
Carlsbad Housing Agency
2965 Roosevelt Street, Suite B
Carlsbad, CA 92008
(760) 434-2810
Fax (760) 720-2037
Website: http://www.carlsbadca.gov/services/depts/housing/default.asp

ENCINITAS
City of Encinitas Housing Agency
505 S. Vulcan Street
Encinitas, CA 92024
(760) 633-2723
Fax (760) 633-2818
Website: http://www.ci.encinitas.ca.us/Resident/Housing-Resources/Section-8-Program

NATIONAL CITY
National City Housing Agency
140 E. 12th Street, Suite B
National City, CA 91950
(619) 336-4254
Fax (619) 477-3747
Website: http://www.nationalcityca.gov/city-government/housing-grants-asset-management-section-8-/section-8-rental-assistance

OCEANSIDE
Oceanside Housing & Neighborhood Services
300 N. Coast Highway
Oceanside, CA 92054
(760) 435-3358
Fax (760) 435-3387
Website: http://www.ci.oceanside.ca.us/gov/ns/housing/default.asp

COUNTY OF SAN DIEGO HOUSING AGENCY
3989 Ruffin Road
San Diego, CA 92123
(858) 694-4801
(877) 478-5478 – Toll Free
Fax (858) 467-9713
Website: http://www.sandiegocounty.gov/sdhcd/
Glossary of HCV Terms

Abatement: The period of time when Housing Assistance Payments are not made to the landlord because the assisted unit does not meet Housing Quality Standards (HQS). Retroactive payments are not made for the time the unit is in non-compliance. If the Housing Assistance Payment is abated, the tenant is still responsible only for their share of the rent.

Drug-Related Criminal Activity: Drug trafficking, illegal use, or possession for personal use, of a controlled substance as defined in Section 102 of the Controlled Substances Act or the manufacturing or production of methamphetamine. While the use of medical and/or recreational marijuana is legal within the state of California, marijuana is still illegal at the federal level. If a family engages in drug-related criminal activity (which includes the use of medical and/or recreational marijuana), their housing assistance may be impacted.

Drug Trafficking: The illegal manufacture, sale or distribution or possession with intent to manufacture, sell or distribute a controlled substance.

Exception Rent: An amount that exceeds the published Fair Market Rent.

Fair Market Rent: The rent, including the cost of utilities (except phone) as established by HUD for units of varying sizes that must be paid in the housing market area to rent privately owned, decent, safe, and sanitary rental housing of modest nature with suitable amenities.

Family/Participant: A family that has been admitted to the HCV program and is currently assisted in the program.

Gross Rent: The sum of the rent to landlord plus any utility allowance. If there are no tenant paid utilities, the Rent to Landlord equals the Gross Rent.

Housing Agency/Public Housing Agency: Any state, county, municipality or other governmental entity or public body which is authorized to engage in or assist in the development or operation of housing for low-income families.

Housing Assistance Payment: The monthly assistance payment from a public housing agency, including the payment to the landlord for rent under the family’s lease.

Housing Assistance Payment Contract: A written contract between the public housing agency and the landlord for the purpose of providing housing assistance payment to the landlord on behalf of an eligible family. It defines the landlord’s and public housing agency’s responsibilities and is referred to as the HAP Contract.

Housing Choice Voucher: A voucher is the document issued by a housing agency that shows that a prospective tenant has been approved for assistance that allows the housing agency to pay a portion of the tenant’s rent for an approved apartment within the housing agency’s jurisdiction.

Housing Quality Standards (HQS): The HUD minimum quality standards for housing assisted under the HCV Program.

 HUD: The U.S. Department of Housing and Urban Development.

Landlord: The legal owner of the property, the landlord’s representative or managing agent, as designated by the landlord.

Lease: A written agreement between a landlord and an eligible family for the leasing of a housing unit.

Low-Income Family: A family whose annual income does not exceed 80% of the Area Median Income, as determined by HUD.

National Standards for the Physical Inspection of Real Estate (NSPIRE): The HUD minimum quality standards for housing assisted under the HCV Program.

Owner: Any person or entity with the legal right to lease or sublease a unit to a participant.

Participant/Family: A family that has been admitted to the public housing agency’s program and is currently assisted in the program.

Payment Standards: The maximum HCV assistance payment for a family in the HCV program. The payment standard is based on the smaller of the unit or bedroom size of the unit for which the family is qualified and the community in which the unit is located. Here is a link to the page on SDHC’s website that shows the current payment standards and the communities.

Portability: The ability of a family to move to a dwelling unit with HCV assistance that is outside the jurisdiction of the housing authority that initially issued the voucher.

Rent Portion: The family’s share of the contract rent as determined by the public housing agency.

Reasonable Modification of Rental Unit: The Fair Housing laws allow persons with disabilities to make adjustments to their rental units at their own expense.

Security Deposit: Families are responsible for paying security deposits, if charged by the landlord. SDHC does have a No Interest Security Deposit Loan Program available to families moving to the Enterprise or Choice Communities through its Mobility Counseling Department.

Sample Documents

• Voucher
• Request for Tenancy Approval
• Tenancy Addendum
• Housing Assistance Payments Contract
• Maximum Rent Form
• Direct Deposit
• W9
• Owner Certification
We're About People

1122 Broadway, Suite 300, San Diego, CA 92101

www.sdhc.org