

Chapter 8
HOUSING QUALITY STANDARDS AND RENT REASONABLENESS
DETERMINATIONS

[24 CFR 982 Subpart I and 24 CFR 982.507]

INTRODUCTION

HUD requires that all units occupied by families receiving Housing Choice Voucher (HCV) assistance meet HUD's Housing Quality Standards (HQS) and permits the PHA to establish additional requirements. The use of the term "HQS" in this plan refers to the combination of both HUD and PHA-established requirements. HQS inspections are required before the Housing Assistance Payments (HAP) Contract is signed and at least annually during the term of the contract.

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

This chapter explains HUD and PHA requirements related to housing quality and rent reasonableness as follows:

Part I. Physical Standards. This part discusses the physical standards required of units occupied by HCV-assisted families and identifies decisions about the acceptability of the unit that may be made by the family based upon the family's preference. It also identifies life-threatening conditions that must be addressed on an expedited basis.

Part II. The Inspection Process. This part describes the types of inspections the PHA will make and the steps that will be taken when units do not meet HQS.

Part III. Rent Reasonableness Determinations. This part discusses the policies the PHA will use to make rent reasonableness determinations.

Special HQS requirements for homeownership, manufactured homes, and other special housing types are discussed in Chapter 15 to the extent that they apply in this jurisdiction.

PART I: PHYSICAL STANDARDS

8.I.A. GENERAL HUD REQUIREMENTS

HUD Performance and Acceptability Standards

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

A summary of HUD performance criteria is provided in Attachment 8-1. Additional guidance on these requirements is found in the following HUD resources:

- Housing Choice Voucher Guidebook, Chapter 10.
- HUD Housing Inspection Manual for Section 8 Housing
- 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.

Tenant Preference Items

HUD requires the PHA to enforce minimum HQS but also requires that certain judgments about acceptability be left to the family. For example, the PHA must ensure that the unit contains the required sanitary facilities, but the family decides whether the cosmetic condition of the facilities is acceptable. Exhibit 8-2 summarizes those items that are considered tenant preferences.

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] See Chapter 2 of this plan for additional information on reasonable accommodations for persons with disabilities.

TCHAO Policy

Owners must rent units at or below “Fair Market Rents” (for that area) and are not allowed to make participant(s) pay any overage.

8.I.B. ADDITIONAL LOCAL REQUIREMENTS

The PHA may impose additional quality standards as long as the additional criteria are not likely to adversely affect the health or safety of participant families or severely restrict housing choice. HUD approval is required if more stringent standards are imposed. HUD approval is not required if the PHA additions are clarifications of HUD's acceptability criteria or performance standards [24 CFR 982.401(a)(4)].

Thermal Environment [HCV GB p.10-7]

The PHA must define a “healthy living environment” for the local climate. This may be done by establishing a temperature that the heating system must be capable of maintaining, that is appropriate for the local climate.

TCHAO Policy

All units must meet all HQS (Housing Quality Standards) set forth by HUD as well as all building codes per municipalities.

The heating system must be capable of maintaining an interior temperature of 65 degrees Fahrenheit between October 1 and May 1.

Clarifications of HUD Requirements

TCHAO Policy

As permitted by HUD, the TCHAO has adopted the following specific requirements that elaborate on HUD standards.

Walls

In areas where plaster or drywall is sagging, severely cracked, or otherwise damaged, it must be repaired or replaced and painted with matching paint.

Windows

Window sashes must be in good condition, solid and intact, and properly fitted to the window frame. Damaged or deteriorated sashes must be replaced.

Windows must be weather-stripped as needed to ensure a weather-tight seal.

Window screens are required and must be in good condition.

Doors

Flip locks, barrel locks, and chain locks are not an acceptable type of lock for an exterior door.

All exterior doors must be weather-tight to avoid any air or water infiltration, be lockable, have no holes, have all trim intact, have a threshold.

All interior doors must have no holes, have all trim intact, and be openable without the use of a key.

In accordance with guidance from the Texas Property Code, subchapter D, Sections 92.151-92.170, regarding exterior doors and peepholes the following will apply:

An exterior door means a door providing access from a dwelling interior to the exterior. The term includes a door between a living area and a garage but does not include a glass or screen door. An exterior door can also include a door leading into a common hallway as in a multi-family building.

A door knob lock or keyed dead bolt must be properly installed and working on each exterior door;

A permanently installed device must be installed in an exterior door that allows a person inside the dwelling to view a person outside the door. The device must be a peephole having a barrel with a one-way lens of glass or other substance providing an angle view of not less than 160 degrees. A clear glass pane or one-way mirror is also acceptable;

Floors

All wood floors must be sanded to a smooth surface and sealed. Any loose or warped boards must be resecured and made level. If they cannot be leveled, they must be replaced.

All floors must be in a finished state. Raw wood or unsealed concrete is not permitted.

All floors should have some type of baseshoe, trim, or sealing for a "finished look." Vinyl baseshoe is permitted.

Sinks

All sinks and commode water lines must have shut off valves, unless faucets are wall mounted.

All worn or cracked toilet seats and tank lids must be replaced and toilet tank lid must fit properly.

All sinks must have functioning stoppers.

Security

If window security bars or security screens are present on emergency exit windows, 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.

Safety Devices

Operable and functioning smoke alarms are required in all bedrooms.

An operable and functioning Carbon Monoxide detector is required in all units that have gas appliances. The carbon monoxide detector must be properly installed and in good working condition.

Exterior of Unit

Existing fences must be in good condition with no rotting wood, missing planks or panels and all metal must be free of rust.

Yards, patios, sidewalks, etc., must be free of all debris.

Any separate structure (sheds, etc.) that the tenant does **NOT** have access to must be secured and locked by the owner.

8.I.C. LIFE THREATENING CONDITIONS [24 CFR 982.404(a)]

HUD requires the PHA to define life threatening conditions and to notify the owner or the family (whichever is responsible) of the corrections required. The responsible party must correct life threatening conditions within 24 hours of PHA notification.

TCHAO Policy

Life-threatening conditions must be resolved within 24 hours after written notice of the defects has been provided. Failure to do so may result in termination, suspension, or reduction of housing assistance payments and termination of the HAP contract.

The following are considered life threatening conditions:

(i) Gas (natural or liquid petroleum) leak or fumes. A life-threatening condition under this standard is one of the following:

(A) A fuel storage vessel, fluid line, valve, or connection that supplies fuel to a HVAC unit is leaking; or

(B) A strong gas odor detected with potential for explosion or fire, or that results in health risk if inhaled.

(ii) Electrical hazards that could result in shock or fire. A life-threatening condition under this standard is one of the following:

(A) A light fixture is readily accessible, is not securely mounted to the ceiling or wall, and electrical connections or wires are exposed;

(B) A light fixture is hanging by its wires;

(C) A light fixture has a missing or broken bulb, and the open socket is readily accessible to the tenant during the day to day use of the unit;

(D) A receptacle (outlet) or switch is missing or broken and electrical connections or wires are exposed;

(E) A receptacle (outlet) or switch has a missing or damaged cover plate and electrical connections or wires are exposed;

(F) An open circuit breaker position is not appropriately blanked off in a panel board, main panel board, or other electrical box that contains circuit breakers or fuses;

(G) A cover is missing from any electrical device box, panel box, switch gear box, control panel, etc., and there are exposed electrical connections;

(H) Any nicks, abrasions, or fraying of the insulation that expose conducting wire;

(I) Exposed bare wires or electrical connections;

(J) Any condition that results in openings in electrical panels or electrical control device enclosures;

(K) Water leaking or ponding near any electrical device; or

(L) Any condition that poses a serious risk of electrocution or fire and poses an immediate life-threatening condition.

(iii) Inoperable or missing smoke detector. A life-threatening condition under this standard is one of the following:

- (A) The smoke detector is missing; or
- (B) The smoke detector does not function as it should.

(iv) Interior air quality. A life threatening condition under this standard is one of the following:

- (A) The carbon monoxide detector is missing; or
- (B) The carbon monoxide detector does not function as it should.

(v) Gas/oil fired water heater or heating, ventilation, or cooling system with missing, damaged, improper, or misaligned chimney or venting. A lifethreatening condition under this standard is one of the following:

- (A) The chimney or venting system on a fuel fired water heater is misaligned, negatively pitched, or damaged, which may cause improper or dangerous venting of gases;
- (B) A gas dryer vent is missing, damaged, or is visually determined to be inoperable, or the dryer exhaust is not vented to the outside;
- (C) A fuel fired space heater is not properly vented or lacks available combustion air;
- (D) A non-vented space heater is present;
- (E) Safety devices on a fuel fired space heater are missing or damaged; or
- (F) The chimney or venting system on a fuel fired heating, ventilation, or cooling system is misaligned, negatively pitched, or damaged which may cause improper or dangerous venting of gases.

(G) Lack of alternative means of exit in case of fire or blocked egress. A life threatening condition under this standard is one of the following:

- (1) Any of the components that affect the function of the fire escape are missing or damaged;
- (2) Stored items or other barriers restrict or prevent the use of the fire escape in the event of an emergency; or
- (3) The building's emergency exit is blocked or impeded, thus limiting the ability of occupants to exit in a fire or other emergency.

(H) Other interior hazards. A life threatening condition under this standard is a fire extinguisher (where required) that is missing, damaged, discharged, overcharged, or expired.

(I) Deteriorated paint, as defined by 24 CFR 35.110, in a unit built before 1978 that is to be occupied by a family with a child under 6 years of age. This is a life-threatening condition only for the purpose of a condition that would prevent a family from moving into the unit. All lead hazard reduction requirements in 24 CFR part 35, including the timeline for lead hazard reduction procedures, still apply.

Any condition that jeopardizes the security of the unit

Major plumbing leaks or flooding, waterlogged ceiling or floor in imminent danger of falling

Natural or LPgas or fuel oil leaks

Any electrical problem or condition that could result in shock or fire

Absence of a working heating system when outside temperature is below 60 degrees Fahrenheit.

Utilities not in service, including no running hot water

Conditions that present the imminent possibility of injury

Obstacles that prevent safe entrance or exit from the unit

Absence of a functioning toilet in the unit

Inoperable smoke or carbon monoxide detectors

If an owner fails to correct life threatening conditions as required by the TCHAO within 24 hours, the housing assistance payment will be abated.

If a family, fails to correct a family-caused life threatening condition within 24 hours, as required by the TCHAO, the TCHAO may terminate the family's assistance. See 8-II.H.

8-I.D. OWNER AND FAMILY RESPONSIBILITIES [24 CFR 982.404]

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.

8-I-E. SPECIAL REQUIREMENTS FOR CHILDREN WITH ENVIRONMENTAL INTERVENTION BLOOD LEAD LEVEL [24 CFR 35.1225]

If a PHA 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, the PHA must 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 the PHA, 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 the PHA will take action in accordance with Section 8-II.G.

PHA reporting requirements, and data collection and record keeping responsibilities related to children with an environmental intervention blood lead level are discussed in Chapter 16.

8-I-F. VIOLATION OF HQS SPACE STANDARDS [24 CFR 982.403]

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

PART II: THE INSPECTION PROCESS

8-II.A. OVERVIEW [24 CFR 982.405]

Types of Inspections

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

- *Initial Inspections.* The PHA conducts initial inspections in response to a request from the family 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.
- *Annual Inspections.* HUD requires the PHA to inspect each unit under lease at least annually to confirm that the unit still meets HQS. The inspection may be conducted in conjunction with the family's annual reexamination but also may be conducted separately.
- *Biennial Inspections and the use of alternative inspection methods and inspection timeframes.* This provision offers PHAs the discretion to conduct unit inspections biennially rather than annually, and the discretion to adopt other flexibilities.
- *Special Inspections.* A special 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.* HUD requires that a sample of units be reinspected by a supervisor or other qualified individual to ensure that HQS are being enforced correctly and uniformly by all inspectors.

Inspection of PHA-owned Units [24 CFR 982.352(b)]

TCHAO does not own any units.

Inspection Costs

The PHA may not charge the family or owner for unit inspections [24 CFR 982.405(e)]. In the case of inspections of PHA-owned units, the PHA may compensate the independent agency from ongoing administrative fee for inspections performed. The PHA and the independent agency may not charge the family any fee or charge for the inspection [24 CFR 982.352(b)].

Notice and Scheduling

The family must allow the PHA to inspect the unit at reasonable times with reasonable notice [24 CFR 982.551(d)].

TCHAO Policy

Both the family and the owner will be given reasonable notice of initial, annual, biennial and complaint inspections. Inspections may be scheduled during normal business hours. Generally, inspections will be conducted on business days only. In the case of a life threatening emergency, the TCHAO will give as much notice as possible, given the nature of the emergency.

Owner and Family Inspection Attendance

HUD permits the PHA to set policy regarding family and owner presence at the time of inspection [HCV GB p. 10-27].

TCHAO Policy

When a family occupies the unit at the time of inspection, it is recommended that a family member or family authorized representative be present for the inspection. The presence of the owner or the owner's representative is preferred, but not required.

At initial inspection of a vacant unit, the TCHAO will inspect the unit only in the presence of the owner or owner's representative and the presence of an adult (18 years of age or older) family member or adult representative is required. Exceptions to this policy may be made at the discretion of the TCHAO. Access to the unit is required.

8-II.B. INITIAL HQS INSPECTION [24 CFR 982.401(a)]

Timing of Initial Inspections

HUD requires the unit to pass HQS before the effective date of the lease and HAP Contract. HUD requires PHAs with fewer than 1,250 budgeted units to complete the initial inspection, determine whether the unit satisfies HQS, and notify the owner and the family of the determination within 15 days of submission of the Request for Tenancy Approval (RTA). For PHAs with 1,250 or more budgeted units, to the extent practicable such inspection and determination must be completed within 15 days.

TCHAO Policy

The TCHAO will complete the initial inspection, determine whether the unit satisfies HQS, and notify the owner and the family of the determination within 15 working days of submission of the Request for Tenancy Approval (RTA). The 15-day period is suspended for any period during which the unit is not available for inspection [982.305(b)(2)].

Inspection Results and Reinspections

TCHAO Policy

If any HQS deficiencies are identified, 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 TCHAO for good cause. The TCHAO will reinspect the unit within 5 calendar days of the date the owner notifies the TCHAO that the required corrections have been made.

If the time period for correcting the deficiencies (or any TCHAO-approved extension) has elapsed, or the unit fails HQS at the time of the reinspection, the TCHAO will notify the owner and the family that the unit has been rejected and that the family may search for another unit. The TCHAO may agree to conduct a second reinspection, for good cause, at the request of the family and owner.

Following a failed reinspection, the family may submit a new Request for Tenancy Approval for the unit if the family has not found another unit by the time the owner completes all repairs and the family continues to wish to live in the unit.

Owner/Tenant Self Inspection Certification Annuals Only

TCHAO Policy

If any HQS **minor** deficiencies are identified, in lieu of a second inspection, owners may now self-certify to the completion of not more than ten (10) minor HQS eligible repairs for non-emergency deficiencies cited during annual, complaint, special, and/or Quality Control inspections. Eligible repairs are determined by TCHAO.

The self-certification eliminates the need for scheduling or conducting a second physical inspection by TCHAO. Owners/managing agents and the tenant will receive written notification of the deficiencies and submission procedure. The owner and tenant will sign a certification form indicating that repairs have been completed. Owners will certify in writing, by submitting appropriate proof of completed work orders (receipts and/or photos) that the minor deficiencies identified have been corrected within the stated time frame.

NOTE: The owner must submit the signed paperwork with proof of completed work orders (i.e. pictures of repairs and/or receipts pertaining to requested work, etc.). If the owner does not send the required information the owner will be notified that they will have 14 days to submit all paperwork that is due in order to complete the Self-Cert process.

If the owner fails to follow submission procedures TCHAO may determine that the deficiencies were not satisfactorily corrected. TCHAO, at its sole discretion may:

1. Grant an extension, if requested by the owner/management agent in writing;
2. Place the unit on abatement;
3. Move the tenant; or
4. Terminate the HAP contract with the owner.

TCHAO maintains the right to refuse self-certification to owners/management agents who fail to follow the certification procedures in a timely manner or if TCHAO determined that certification documents have been falsified.

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.

TCHAO Policy

If utility service is not available for testing at the time of the initial inspection, the TCHAO will allow the utilities to be placed in service after the unit has met all other HQS requirements. The TCHAO will reinspect the unit to confirm that utilities are operational before the HAP contract is executed by the TCHAO.

Appliances

TCHAO Policy

If the family is responsible for supplying the stove and/or refrigerator, the TCHAO will allow the stove and refrigerator to be placed in the unit after the unit has met all other HQS requirements. The required appliances must be in place before the HAP contract is executed by the TCHAO. The TCHAO will execute the HAP contract based upon a 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 execution.

8.II.C. ANNUAL HQS INSPECTIONS [24 CFR 982.405(a), 983.103. Notice PIH 2016-05]

This provision offers PHAs the discretion to conduct unit inspections biennially rather than annually, for both the HCV and PBV programs. It also authorizes the use of alternative inspection methods for periodic inspections, such as inspections performed by HUD or conducted pursuant to the HOME Investment Partnerships (HOME) program or housing financed using Low-Income Housing Tax Credits (LIHTCs). PHAs have the discretion to adopt either or both of these flexibilities.

These flexibilities are applicable only to periodic unit inspections conducted during the term of the assisted tenancy. Periodic inspections are those that a PHA is required to conduct at least biennially, while a HCV participant is living in a unit. Periodic inspections do not include inspections conducted prior to the initial term of the lease or to interim inspections. Under the PBV program, the flexibilities do not apply to inspections required prior to the execution of the HAP contract pursuant to 24 CFR §983.103(a) and (b).

Note that under the homeownership option, PHAs are required only to conduct pre-contract inspections; they have the *option* of conducting periodic inspections. If a PHA conducts periodic inspections, then it may do so biennially and/or by means of alternative methods, pursuant to the requirements detailed in this Notice (e.g., update of Admin. Plan, etc.).

Biennial inspections. This provision authorizes PHAs to conduct unit inspections every other year instead of annually. Permitting biennial inspections for HCV units will reduce the administrative and financial burden on PHAs and high-performing landlords and enable PHAs to concentrate their inspection resources on the more marginal and higher-risk units. Additionally, this provision can assist PHAs in avoiding duplicative inspections at properties where there are other program inspections, such as under the LIHTC program.

A PHA that moves to biennial inspections for all of the units in its portfolio does not need to update its Admin. Plan to reflect the change. By contrast, a PHA that continues to perform inspections annually across its portfolio must update its Admin. Plan; this is the case because the new requirement is that inspections take place at least biennially, and the PHA is exercising the discretion to continue with annual inspections. Likewise, a PHA that employs both annual and biennial inspections must adopt policies in its Admin. Plan that specify the circumstances under which biennial inspections will be employed and the circumstances under which annual inspections will be employed. These policies must be applied uniformly. For example, a PHA might move to biennial inspections for units in properties that are already inspected annually under a local housing code enforcement program or any unit that receives a “pass” score under HQS for two or more years in a row. A PHA might continue with annual inspections of any units not inspected annually under another program or any unit that had health and safety deficiencies during its previous HQS inspection.

While this provision is intended to offer administrative relief to PHAs, it is not intended to do so at the expense of decent, safe, and sanitary housing. PHAs are discouraged from establishing policies that specify the use of biennial inspections based on factors unrelated to an owner’s record of providing housing that is decent, safe, and sanitary, such as the distance of the unit from the PHA’s office. While factors such as distance may be taken into account, HUD encourages PHAs to consider factors other than distance — such as the record of the unit itself — in deciding whether to employ biennial inspections.

PHAs should continue to submit the Form HUD-50058 into the Public Housing Information System (PIC) as currently required. The SEMAP module has been modified to accept inspection dates of greater than 12 months since last inspection. Inspection dates submitted into PIC will now be counted as late if they show a time of greater than 26 months since the previous inspection.

Alternative inspection methods. The purpose of this provision is to authorize inspection by methods other than HQS. Inspection by such alternative methods is limited, as described below.

PHAs may rely upon two different categories of alternative inspections: (1) inspections conducted by HUD’s Real Estate Assessment Center (REAC) or under the HOME or LIHTC program; or (2) other inspection methods that meet or exceed HQS and have been approved by HUD’s Real Estate Assessment Center. No matter which option a PHA selects, it must amend its Admin. Plan prior to employing such option.

- REAC/HOME/LIHTC inspections. Inspections covered by REAC, HOME, and LIHTC employ unit sampling. The regulation requires HCV and PBV units be included in the universe of units forming the basis of the sample. For example, if a 100-unit property includes 20 units that are occupied by HCV-assisted families or are under a PBV HAP contract, then those 20 units must be included in the universe of units from which the sample is pulled. This requirement does not mean that the 20 units must be included in the actual sample; it means only that the units must have the potential to be selected for the sample by virtue of being included in the universe of sampled units.

- Other inspection methods. In order to rely on inspections other than those covered by REAC, HOME, or LIHTC, a PHA must submit to HUD the inspection method and an analysis showing that the method meets or exceeds HQS. A PHA may not rely upon such a method unless and until HUD has reviewed and approved use of the method. Once HUD has approved the inspection method, then the PHA must amend its Admin. Plan, making clear the specific properties or types of properties for which the inspection method will be employed. If the inspection method relies upon sampling, then the HCV/PBV units must be included in the population of units forming the basis of the sample, as described above.

HUD will not approve a method that fails to assess the performance requirements and acceptability criteria of unit inspection standards outlined at 24 CFR §982.401, or any successor standard. As with HQS, HUD may approve variations to alternate inspection methods only for the purposes outlined at 24 CFR §982.401(a)(4)(ii), and then only if the variations meet the standard for approval at 24 CFR §982.401(a)(4)(iii). If a method fails to meet these requirements, then HUD will not approve its use.

Mixed-finance properties and triennial inspections. For purposes of this provision, a mixed-finance property is defined as a property that is assisted under the PBV program and is financed under a federal, state, and/or local housing program. A PHA may rely on an inspection of a mixed-finance property conducted using an alternative inspection method to meet the requirement at 24 CFR 982.405(a), if the inspection happens no less frequently than triennially.

As with all other inspection reports required under § 982.158(f)(4), reports for alternative inspection methods must be obtained by the PHA from the entity inspecting the units. Such reports must be available for HUD inspection for at least three years from the date of the latest inspection.

PHAs must receive inspection reports and other data from any entity conducting an inspection using an alternative method within 5 business days of the inspection. Prompt analysis of inspection results enable a PHA to determine if any identified deficiencies would result in HQS failure. Memorandums of understanding or other agreements could be used by the PHA and other entity to ensure timely data submission.

PHAs that use inspections conducted with alternative methods, including methods that employ sampling, must continue to submit the Form HUD-50058 into the PIC system in the same manner, which includes providing the date of last inspection, and the date the unit last passed inspection. For methods that employ sampling, the date of the inspection will be used for all units in the universe, even if those units were not selected for inspection. The SEMAP system has been modified to accept inspection dates of greater than 12 months since last inspection. Inspection dates submitted into PIC will now be counted as late if they show a time of greater than 26 months since last inspection.

Limitations on the use of alternative inspection methods. A PHA may rely upon an alternative inspection method to demonstrate compliance with the inspection requirement of 24 CFR 982.405(a) in two circumstances:

- In the case of an alternative method that employs a “pass/fail” scoring system, the property inspected pursuant to such alternative method receives a “pass” score. A PHA may rely on an alternative method if the property receives a “pass” score, even if deficiencies are identified.
- In the case of an alternative method that results in a list of deficiencies (without a “pass/fail” designation), the PHA determines that none of the cited deficiencies would have resulted in a “fail” score under HQS.

Under any circumstance in which a PHA is prohibited from relying on an alternative inspection method for a property, the PHA must promptly conduct an HQS inspection of all units occupied by voucher program participants, and follow HQS procedures to remedy any identified deficiencies, as required under the HQS inspection method.

Duty to inspect. Irrespective of the biennial/alternative inspection method provision, a PHA has a duty to inspect a unit when a participant family or government official reports a condition that violates HQS. If the condition is life-threatening (i.e., the PHA would require the owner to make the repair within no more than 24 hours in accordance with § 982.404(a)(3), then the PHA must inspect the unit within 24 hours of when the PHA receives the notification. If the condition is not life-threatening (i.e., the PHA would require the owner to make the repair within no more than 30 calendar days), then the PHA must inspect the unit within 15 days of when the PHA receives the notification. In the event of extraordinary circumstances, such as if a unit is within a presidentially declared disaster area or if a natural or manmade disaster makes inspection of a unit infeasible, HUD may waive the 24-hour or the 15-day inspection requirement until such time as an inspection can be made. In such circumstances, a PHA must submit a waiver request to its local HUD field office, stating the regulation from which a waiver is requested and including an explanation of why it is needed.

PHAs are now authorized to inspect units at least biennially during the term of the assisted tenancy. PHAs have the *discretion*, however, to inspect units more frequently than required. PHAs also have the *discretion* to use alternative inspection methods in accordance with HUD requirements. In those cases where a PHA elects to inspect more frequently than biennially, for some or all of its units, or use an alternative inspection method, its Admin. Plan must be revised.

At any time, if a participant family or government official reports a condition that violates HQS, a PHA must inspect the subject unit within the timeframes described above.

Scheduling the Inspection

The general provisions of the 2014 Appropriations Act published on pages 35940-42 of the Federal Register dated June 25, 2014) II.B.1. provides that "...In order to bring relief to PHAs and owners as expeditiously as possible, HUD is implementing certain elements of section 220 through this notice..."

Section 220 is immediately effective for any unit under HAP contract where the PHA has conducted an HQS inspection within the 12 months preceding the effective date of this notice (June 25, 2014).

This means that if TCHAO has conducted an HQS inspection in that time period, TCHAO will not be required to re-inspect until the lapse of 24 months following the last inspection. Therefore, TCHAO has the option of waiting up to two (2) years before the next re-inspection is required. However, TCHAO make more frequent inspections if it desires to do so.

This notice does not require a PHA to wait 2 years from the last inspection before conducting the next inspection. If a PHA desires to make inspections on a more frequent basis, it may do so.

TCHAO Policy

TCHAO may, at its own discretion, schedule and conduct inspections on any/all units within two (2) years of the initial/last HQS inspection (or more frequently if/when TCHAO deems necessary).

TCHAO will schedule and conduct "Bi-Annual" inspections on all units that have passed two (2) previous consecutive HQS inspections. TCHAO will schedule and conduct HQS inspections more frequently if it so deems it to be necessary.

TCHAO will conduct annual inspections on properties resulting in multiple "fail" reports.

TCHAO will also conduct annual inspections on all units where an original or renewal Request for Reasonable Accommodations has been made, for verification purposes.

Each unit under HAP contract must have an HQS inspection no more than 24 months after the most recent inspection.

If the TCHAO cannot gain access to the unit to conduct the inspection, it will automatically be rescheduled within ten (10) calendar days of the originally-scheduled date. The TCHAO may schedule an inspection more than ten (10) calendar days after the original date for good cause.

After the second failed attempt of gaining access to the unit, the TCHAO 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 Chapter 12.

8-II.D. SPECIAL INSPECTIONS [HCV GB p. 10-30]

The PHA will conduct a special inspection if the owner, family, or another source reports HQS violations in the unit.

TCHAO Policy

During a special inspection, the TCHAO generally 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 annual inspection has been scheduled or is due within 90 days of the date the special inspection is scheduled the TCHAO may elect to conduct a full annual inspection.

8-II.E. QUALITY CONTROL INSPECTIONS [24 CFR 982.405(b), HCV GB p. 10-32]

HUD requires a PHA supervisor or other qualified person to 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 the HQS.

The unit sample must include only units that have been inspected within the preceding 3 months. The selected sample will include (1) each type of inspection (initial, annual, and special), (2) inspections completed by each inspector, and (3) units from a cross-section of neighborhoods.

8.II.F. INSPECTION RESULTS AND REINSPECTIONS FOR UNITS UNDER HAP CONTRACT

Notification of Corrective Actions

The owner and the family will be notified in writing of the results of all inspections. When an inspection identifies HQS failures, the PHA will determine (1) whether or not the failure is a life threatening condition and (2) whether the family or owner is responsible.

TCHAO Policy

When life threatening deficiencies are identified, the TCHAO will immediately notify both parties by telephone, fax, email or via Assistance Connect. The notice will specify who is responsible for correcting the violation. The corrective actions must be taken within 24 hours of the TCHAO's notice.

When failures that are not emergency are identified, the TCHAO will send the owner and the family a written notification via email or Assistance Connect of the inspection results within 5 calendar days of the inspection. The written notice will specify who is responsible for correcting the violation, and the time frame within which the failure must be corrected. Generally, not more than 30 calendar days will be allowed for the correction.

The notice of inspection results will inform the owner that if emergency conditions are not corrected within 24 hours, and non-life threatening conditions are not corrected within the specified time frame (or any PHA-approved extension), the owner's HAP will be abated in accordance with TCHAO policy (see 8-II.G.). 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 may be terminated.

Extensions

For conditions that are life-threatening, the PHA cannot grant an extension to the 24 hour corrective action period. For conditions that are not life-threatening, the PHA may grant an exception to the required time frames for correcting the violation, if the PHA determines that an extension is appropriate [24 CFR 982.404].

TCHAO Policy

Extensions will be granted in cases where the TCHAO has determined that the owner has made an attempt to correct the deficiency(ies) 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 available or ordered and will not be delivered prior to the deadline.

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 30 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. The necessary repairs must be made within 15 calendar days, once the weather conditions have subsided.

The owner must submit a written request for the extension within 15 calendar days of the re-inspect deadline to correct the deficiency(ies). The request must state the reason(s) for the delay in completing the deficiency and provide proof for the delay (i.e. insurance, parts, weather, etc.) and give an approximate date of completion.

Reinspections

TCHAO Policy

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

The family and owner will be given reasonable notice of the reinspection appointment. If the deficiencies have not been corrected by the time of the reinspection, the TCHAO 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 TCHAO policies. In cases of a "no show" the TCHAO will reschedule the inspection with ten (10) days before abating the unit. If the TCHAO is unable to gain entry to the unit in order to conduct the scheduled reinspection, the TCHAO 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 Chapter 12.

Reinspection Fees [24 CFR 982.405; PIH Notice 2016-05]

This provision offers PHAs the option to establish a reasonable fee to owners for a reinspection under two circumstances: (1) if an owner notifies the PHA that a deficiency cited in the previous inspection has been repaired and a reinspection reveals that it has not and/or (2) if the allotted time for repairs has elapsed and a reinspection reveals that any deficiency cited in the previous inspection that the owner is responsible for repairing has not been satisfactorily corrected.

A fee is considered reasonable if it reflects local practices for the establishment of similar fees. PHAs may wish to inquire with local authorities regarding how such fees are established.

PHAs must not apply the fee to an owner for:

- deficiencies caused by the participant family;
- initial inspections
- regularly scheduled inspections
- an instance in which an inspector was unable to gain access to a unit; or
- new deficiencies identified during a reinspection. If new deficiencies are uncovered during reinspection, a PHA should follow normal procedures to address these newly identified deficiencies.

An owner who is assessed a fee may not pass the fee on to a family.

In the case of PHA owned units, inspections and re-inspections must be performed by a HUD approved entity in accordance with 24 CFR 982.352(b)(3) and 983.103(f)(1)). In this circumstance, and in any case in which inspections are performed by an entity other than the PHA (e.g., unit of local government, contractor), the details of any reinspection fee must be spelled out in the contractual arrangement between the PHA and the entity. (Notice PIH 2015-05 addresses the inspection of PBV units and steps that must be taken in the event the independent entity discovers an HQS violation).

At the discretion of the PHA a fee of \$25 to \$50 may be charged an owner, per reinspection.

Fees collected under this reinspection fee authority will be considered unrestricted net assets.

8.II.G. ENFORCING OWNER COMPLIANCE

If the owner fails to maintain the dwelling unit in accordance with HQS, the PHA must take prompt and vigorous action to enforce the owner obligations.

HAP Abatement

If an owner fails to correct HQS deficiencies by the time specified by the PHA, HUD requires the PHA to abate housing assistance payments no later than the first of the month following the specified correction period (including any approved extension) [24 CFR 985.3(f)]. 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.

TCHAO Policy

The TCHAO will notify the landlord/owner in writing if their property is being abated via U.S. mail and email or Assistance Connect.

The TCHAO will make all HAP abatements no later than the first of the month following the expiration of the TCHAO specified correction period (including any extension). The TCHAO will inspect abated units within 5 calendar days of the owner's notification that the work has been completed. Payment will resume effective on the day the unit passes inspection.

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 PHA must decide how long any abatement period will continue before the HAP contract will be terminated. The PHA will issue a voucher to permit the family to move to another unit as described in Chapter 10.

TCHAO Policy

The maximum length of time that a HAP may be abated is up to 60 calendar days. However, if the owner completes corrections and notified the TCHAO before the termination date of the HAP contract, the TCHAO 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.

The PHA should not terminate the contract until the family finds another unit, provided the family does so in a reasonable time [HCV GB p. 10-29] and must give the owner reasonable notice of the termination.

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

8.II.H. ENFORCING FAMILY COMPLIANCE WITH HQS [24 CFR 982.404(b)]

Families are responsible for correcting any HQS violations listed in paragraph 8.I.D. If the family fails to correct a violation within the period allowed by the PHA (and any extensions), the PHA will terminate the family's assistance, according to the policies described in Chapter 12.

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.

PART III: RENT REASONABLENESS [24 CFR 982.507]

8-III.A. OVERVIEW

No HAP contract can be approved until the PHA has determined that the rent for the unit is reasonable. The purpose of the rent reasonableness test is to ensure that a fair rent is paid for each unit rented under the HCV program.

HUD regulations define a reasonable rent as one that does not exceed the rent charged for comparable, 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. This part explains the method used to determine whether a unit's rent is reasonable.

PHA-owned Units [24 CFR 982.352(b)]

In cases where an HCV family is receiving assistance in a PHA-owned unit, the PHA must obtain the services of an independent entity to determine rent reasonableness in accordance with program requirements, and to assist the family in negotiating the contract rent when the family requests assistance. A PHA-owned unit is defined as a unit that is owned by the PHA that administers the assistance under the consolidated ACC (including a unit owned by an entity substantially controlled by the PHA). The independent agency must communicate the results of the rent reasonableness determination to the family and the PHA. The independent agency must be approved by HUD, and may be the unit of general local government for the PHA jurisdiction (unless the PHA is itself the unit of general local government or an agency of such government).

8-III.B. WHEN RENT REASONABLENESS DETERMINATIONS ARE REQUIRED

Owner-initiated Rent Determinations

The PHA must make a rent reasonableness determination at initial occupancy and whenever the owner requests a rent adjustment.

The owner and family first negotiate the rent for a unit. The PHA (or independent agency in the case of PHA-owned units) will assist the family with the negotiations upon request. At initial occupancy the PHA must determine whether the proposed rent is reasonable before a HAP Contract is signed. 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. Rent increases will not be approved unless any failed items identified by the most recent HQS inspection have been corrected.

TCHAO Policy

After the initial occupancy period, the owner may request a rent adjustment in accordance with the owner's lease. For rent increase requests after initial lease-up, the TCHAO may request owners to provide information about the rents charged for other units on the premises, if the premises includes more than 4 units. In evaluating the proposed rents in comparison to other units on the premises the TCHAO will consider unit size and length of tenancy in the other units.

The TCHAO will determine whether the requested increase is reasonable. The owner will be notified of the determination and effective date in writing. All rent adjustments will be effective after the TCHAO's receipt of the owner's request or on the date specified by the owner, whichever is later.

PHA- and HUD-Initiated Rent Reasonableness Determinations

HUD requires the PHA to make a determination of rent reasonableness (even if the owner has not requested a change) if there is a 5 percent decrease in the Fair Market Rent that goes into effect at least 60 calendar days before the contract anniversary date. HUD also may direct the PHA to make a determination at any other time. The PHA may decide that a new determination of rent reasonableness is needed at any time.

TCHAO Policy

In addition to the instances described above, the TCHAO will make a determination of rent reasonableness at any time after the initial occupancy period if: (1) the TCHAO determines that the initial rent reasonableness determination was in error or (2) the TCHAO determines that the information provided by the owner about the unit or other units on the same premises was incorrect.

8-III.C. HOW COMPARABILITY IS ESTABLISHED

Factors to Consider

HUD requires PHAs to take into consideration the factors listed below when determining rent comparability. The PHA may 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 the number of rooms and square footage of rooms
- The type of unit including construction type (e.g., single family, duplex, garden, low-rise, high-rise)
- The quality of the units including the quality of the original construction, maintenance and improvements made
- Amenities, services, and utilities included in the rent

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.

Note: PIH 2010-18, issued May 10, 2010, provides further guidance on the issue of what constitutes an assisted unit.

Rents Charged for Other Units on the Premises

The Request for Tenancy Approval (HUD-52517) requires owners to provide information, on the form itself, about the rent charged for other unassisted comparable units on the premises if the premises include more than 4 units.

By accepting the PHA 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 the PHA information regarding rents charged for other units on the premises.

8-III.D. PHA RENT REASONABLENESS METHODOLOGY

How Market Data is Collected

TCHAO Policy

The TCHAO will use a third-party vendor who will collect and maintain data on market rents in the TCHAO's jurisdiction. Information sources which may include, but are not limited to internet, newspapers, realtors, market surveys, inquiries of owners and other available sources. The data will be maintained by bedroom size and market areas. Market areas may be defined by zip codes, census tract, neighborhood, and identifiable natural or man-made boundaries. The data will be updated on an on-going basis and rent information that is more than 12 months old will be eliminated from the GoSection8 database.

How Rents are Determined

TCHAO Policy

The rent for a unit proposed for HCV assistance will be compared to the rent charged for comparable units in the same market area. The PHA will develop a range of prices for comparable units by bedroom size within defined market areas. Units proposed for HCV assistance will be compared to the units within this rent range. Because units may be similar, but not exactly like the unit proposed for HCV assistance, the PHA may make adjustments to the range of prices to account for these differences.

The adjustment must reflect the local market. Not all differences in units require adjustments (e.g., the presence or absence of a garbage disposal may not affect the rent in some market areas).

Adjustments may vary by unit type (e.g., a second bathroom may be more valuable in a three-bedroom unit than in a two-bedroom).

The adjustment must reflect the rental value of the difference – not its construction costs (e.g., it might cost \$20,000 to put on a new roof, but the new roof might not make any difference in what a tenant would be willing to pay because rents units are presumed to have functioning roofs).

The TCHAO utilizes the third-party vendor's Housing Software that provides a “similarity formula” concept.

The “similarity formula” takes into consideration the nine HUD required factors listed below when determining rent comparability and compares the unit to be subsidized to a minimum of 3 comparable unassisted units per jurisdictional community, by census tract and zip code:

- Location
- Age
- Unit size (the number of bedrooms in the unit)
- Total unit square footage
- The type of unit (e.g., single family, duplex, garden, low-rise)
- The quality of the units including the quality of the original construction
- Housing Services
- Utilities
- Maintenance

The formula also considers the following as amenities-balcony/patio, carpeting, carport, ceiling fan, community room, covered garage, dishwasher, fenced yard, fireplace, fitness center, gameroom laundry facilities, microwave, playground, pool, security gates, storage unit outside, washer/dryer connections and washer/dryer provided.

The three most comparable units according to the similarity percentage is used to determine how closely the comparable units resemble the unit to be assisted according to the HUD factors and the amenities. The three highest percentages are selected as comparables and averaged to determine if the rent is reasonable.

Rent Concessions

When a comparable project offers rent concessions (e.g., first month rent-free, or reduced rent) reported monthly rents will be adjusted accordingly. For example, if a comparable project reports rents of \$500/month but new tenants receive the first month's rent free, the actual rent for the unit would be calculated as follows: $\$500 \times 11 \text{ months} = 5500 / 12 \text{ months} = \text{actual monthly rent of } \488 .

The TCHAO will notify the owner of the rent the TCHAO can approve based upon its analysis of rents for comparable units. The owner may submit information about other comparable units in the market area. The TCHAO will confirm the accuracy of the information provided and consider this additional information when making rent determinations. The owner must submit any additional information within 5 calendar days of the TCHAO's request for information or the owner's request to submit information.

EXHIBIT 8-1: OVERVIEW OF HUD HOUSING QUALITY STANDARDS

Note: This document provides an overview of HQS. For more detailed information see the following documents:

- 24 CFR 982.401, Housing Quality Standards (HQS)
- Housing Choice Voucher Guidebook, Chapter 10.
- HUD Housing Inspection Manual for Section 8 Housing
- HUD Inspection Form, form HUD-52580 (3/01) and Inspection Checklist, form HUD-52580-A (9/00)

Sanitary Facilities

The dwelling unit must include sanitary facilities within the unit. The sanitary facilities must be usable in privacy and must be in proper operating condition and adequate for personal cleanliness and disposal of human waste.

Food Preparation and Refuse Disposal

The dwelling unit must have space and equipment suitable for the family to store, prepare, and serve food in a sanitary manner.

Space and Security

The dwelling unit must provide adequate space and security for the family. This includes having at least one bedroom or living/sleeping room for each two persons.

Thermal Environment

The unit must have a safe system for heating the dwelling unit. Air conditioning is not required but if provided must be in proper operating condition. The dwelling unit must not contain unvented room heaters that burn gas, oil, or kerosene. Portable electric room heaters or kitchen stoves with built-in heating units are not acceptable as a primary source of heat for units located in climatic areas where permanent heat systems are required.

Illumination and Electricity

Each room must have adequate natural or artificial illumination to permit normal indoor activities and to support the health and safety of occupants. The dwelling unit must have sufficient electrical sources so occupants can use essential electrical appliances. Minimum standards are set for different types of rooms. Once the minimum standards are met, the number, type and location of electrical sources are a matter of tenant preference.

Structure and Materials

The dwelling unit must be structurally sound. Handrails are required when four or more steps (risers) are present, and protective railings are required when porches, balconies, and stoops are thirty inches or more off the ground. The elevator servicing the unit must be working [if there is one]. Manufactured homes must have proper tie-down devices capable of surviving wind loads common to the area.

Interior Air Quality

The dwelling unit must be free of air pollutant levels that threaten the occupants' health. There must be adequate air circulation in the dwelling unit. Bathroom areas must have one openable window or other adequate ventilation. Any sleeping room must have at least one window. If a window was designed to be opened, it must be in proper working order.

Water Supply

The dwelling unit must be served by an approved public or private water supply that is sanitary and free from contamination. Plumbing fixtures and pipes must be free of leaks and threats to health and safety.

Lead-Based Paint

Lead-based paint requirements apply to dwelling units built prior to 1978 that are occupied or can be occupied by families with children under six years of age, excluding zero bedroom dwellings. Owners must:

- Disclose known lead-based paint hazards to prospective tenants before the lease is signed,
- provide all prospective families with "Protect Your Family from Lead in Your Home",
- Stabilize deteriorated painted surfaces and conduct hazard reduction activities when identified by the PHA
- Notify tenants each time such an activity is performed
- Conduct all work in accordance with HUD safe practices
- As part of ongoing maintenance ask each family to report deteriorated paint.

For units occupied by environmental intervention blood lead level (lead poisoned) children under six years of age, a risk assessment must be conducted (paid for by the PHA). If lead hazards are identified during the risk assessment, the owner must complete hazard reduction activities.

See HCV GB p. 10-15 for a detailed description of these requirements. For additional information on lead-based paint requirements see 24 CFR 35, Subparts A, B, M, and R.

Access

Use and maintenance of the unit must be possible without unauthorized use of other private properties. The building must provide an alternate means of exit in case of fire.

Site and Neighborhood

The site and neighborhood must be reasonably free from disturbing noises and reverberations, excessive trash or vermin, or other dangers to the health, safety, and general welfare of the occupants.

Sanitary Condition

The dwelling unit and its equipment must be in sanitary condition and free of vermin and rodent infestation. The unit must have adequate barriers to prevent infestation.

Smoke Detectors

Smoke detectors must be installed in accordance with and meet the requirements of the National Fire Protection Association Standard (NFPA) 74 (or its successor standards). If the dwelling unit is occupied by any person with a hearing impairment, smoke detectors must have an appropriate alarm system as specified in NFPA 74 (or successor standards).

Hazards and Health/Safety

The unit, interior and exterior common areas accessible to the family, the site, and the surrounding neighborhood must be free of hazards to the family's health and safety.

EXHIBIT 8-2: SUMMARY OF TENANT PREFERENCE AREAS RELATED TO HOUSING QUALITY

Note: This document provides an overview of unit and site characteristics and conditions for which the family determines acceptability. For more detailed information see the following documents:

- Housing Choice Voucher Guidebook, Chapter 10.
- HUD Housing Inspection Manual for Section 8 Housing
- HUD Inspection Form, form HUD-52580 (3/01) and Inspection Checklist, form HUD-52580-A (9/00)

Provided the minimum housing quality standards have been met, HUD permits the family to determine whether the unit is acceptable with regard to the following characteristics.

- *Sanitary Facilities.* The family may determine the adequacy of the cosmetic condition and quality of the sanitary facilities, including the size of the lavatory, tub, or shower; the location of the sanitary facilities within the unit; and the adequacy of the water heater.
- *Food Preparation and Refuse Disposal.* The family selects size and type of equipment it finds acceptable. When the family is responsible for supplying cooking appliances, the family may choose to use a microwave oven in place of a conventional oven, stove, or range. When the owner is responsible for providing cooking appliances, the owner may offer a microwave oven in place of an oven, stove, or range only if other subsidized and unsubsidized units on the premises are furnished with microwave ovens only. The adequacy of the amount and type of storage space, the cosmetic conditions of all equipment, and the size and location of the kitchen are all determined by the family.
- *Space and Security.* The family may determine the adequacy of room sizes and room locations. The family is also responsible for deciding the acceptability of the type of door and window locks.
- *Energy conservation items.* The family may determine whether the amount of insulation, presence of absence of storm doors and windows and other energy conservation items are acceptable.
- *Illumination and Electricity.* The family may determine whether the location and the number of outlets and fixtures (over and above those required to meet HQS standards) are acceptable or if the amount of electrical service is adequate for the use of appliances, computers, or stereo equipment.

- (6) *Structure and Materials*. Families may determine whether minor defects, such as lack of paint, or worn flooring or carpeting will affect the livability of the unit.
- (7) *Indoor Air*. Families may determine whether window and door screens, filters, fans, or other devices for proper ventilation are adequate to meet the family's needs. However, if screens are present they must be in good condition.
- (8) *Sanitary Conditions*. The family determines whether the sanitary conditions in the unit, including minor infestations, are acceptable.
- (9) *Neighborhood conditions*. Families may determine whether neighborhood conditions such as the presence of drug activity, commercial enterprises, and convenience to shopping will affect the livability of the unit.

Families have no discretion with respect to lead-based paint standards and smoke detectors.