



Message From the CEO



Dear Housing Choice Voucher Participants,

Since my appointment as CEO, one of my primary goals has been to ensure an open line of communication, especially between myself and our HCV participants as well as CHA residents. As you know, building strong, vibrant communities throughout the City of Chicago and helping participants on their road to self-sufficiency are cornerstones of our strategic initiative - Plan Forward. That is why I made a commitment to provide you with ongoing updates regarding the agency as we work together to help our communities thrive.

I would like to personally invite you to join me and my staff to learn more about CHA initiatives at the upcoming Resident Forum from 6-8 p.m., Wednesday, Sept. 10 at Phoenix Military Academy, 145 S. Campbell. In this latest resident-only forum, I will discuss key CHA topics that will be of interest to you and your families. I encourage you to attend, ask questions and get involved in such a worthwhile endeavor.

Among the good news items I hope to discuss are the 19 participants and residents who were awarded more than \$45,000 in scholarships by the Michaels Organization. Our youth will now attend some of the various colleges throughout the United States.

Also, CHA recently hosted a "Take Flight" College Reception event for more than 100 participants and residents who are attending college outside of Chicago. This outstanding class of outgoing CHA collegians is the largest since CHA began with the event four years ago. And 70 percent of the attendees received CHA scholarships.

CHA remains committed to helping young people achieve their dreams, while building strong, vibrant communities throughout the great City of Chicago.

The agency also stands with Mayor Rahm Emanuel in encouraging Chicago residents to promote a violence-free city and participate in positive neighborhood activity. Promoting safe housing and communities requires a continued partnership between CHA, our participants, property owners and the Chicago Police Department. In this newsletter you will find information regarding safe ways to stay cool during the summer months, smoke free housing options, proper ways to reduce mold, and a list of resource contacts. Let's work together to make sure that HCV participants and CHA residents have access to safe, secure, and quality housing and communities.

Sincerely,

Michael R. Merchant

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Take Advantage of the Tax Savings Program

Under state law, Illinois Property Owners who rent to Participants in the HCV Program may receive property tax abatement (“tax savings”) in an amount up to 19% of a property’s Equalized Assessed Value (EAV). The actual amount will depend upon tax rates, the state equalizer, EAV and the number of qualified units rented to HCV Program Participants.

Interested Property Owners are encouraged to apply for the property tax abatement. In order to qualify, HCV Program Property Owners must meet the following guidelines:

- The property must be located in a census tract **with a poverty rate below 12%**
- At least one unit must be leased to a **family participating in CHA’s HCV Program as of January 1st** of the year for which the Property Owner is

applying for the tax savings

- The eligible unit(s) must be **in compliance with HQS as of January 1st** of the year for which the Property Owner is applying for the tax savings
- The building must be **in compliance with local building codes**

Property Owners should note that a separate application is required for each property on an annual basis, and each application should have a separate Property Index Number (PIN).

To determine if a property is in a qualifying census tract, visit the FFIEC’s website at www.ffiec.gov/geocode. For instructions on how to apply, visit the CHA website at www.thecha.org and navigate to the “Tax Savings Program” page under “Property Owners.”

The Property Manager’s Corner

In this series, we will feature guest articles written by a participating HCV Program property owner/manager that will focus on best practices for property management. The article below represents peer suggested options for improving your business and is not intended to be legal advice – consult an attorney for legal advice. For this issue, we present Pangea Properties, with a feature about Multi-Family Housing Management.

Five Steps to Making Your Building a Better Place to Live

From apartment amenities and aesthetics to safety and security, it is important to weigh the pros and cons when choosing a place to live. To make your property a desirable prospect for potential and current tenants, Pangea Properties President Steve Joungh has put together a list of suggestions building management should consider for multi-family housing units.

1. Active Management Presence: To ensure daily operations run smoothly, an active management role and presence can have a huge impact on productivity. “Our property managers can easily be approached and our janitorial staff is on-site to handle maintenance issues in a timely fashion,” adds Joungh.

2. Controlled Building Access: Monitoring who is coming and going from the property is an imperative security measure. Precautionary actions should include residents checking guests in with security and having management install features such as reinforced steel doors at entrances and exits.

3. Work Closely With Residents: Joungh adds that one of the best ways to solve problems efficiently and quickly is to empower residents and offer easy accessibility for reporting issues when they do arise. “We have a full-service call center readily available to residents,” says Joungh. “We want to ensure their concerns are heard and addressed in a prompt manner.”

4. Motion Sensor Cameras: When it comes to security features, motion sensor cameras are a must. This provides hard images of any intruders who were seen near and around the property and an instantaneous outlet for catching suspicious behavior.

5. Police Officer Patrols: Additional back-up from local police officers offer greatly enhanced security to a neighborhood. Having that additional presence not only increases safety, it has been shown to lower crime and other illicit activities.

Lead-Based Paint: Tenant Protection and Property Maintenance

Part of being a great Property Owner and ensuring success of the HCV Program is providing safe and sanitary homes for all tenants and their families. However, if a unit or property was built before 1978, chances are the tenant will be exposed to lead-based paint. Deteriorating lead-based paint (i.e. peeling, chipping, chalking, cracking, or damaged paint) is a hazard and needs immediate attention – especially when found on surfaces that children can chew or areas that get a lot of wear and tear, such as:

- Windows and window sills
- Doors and door frames
- Stairs, railings, banisters, and porches

Lead poisoning can be extremely dangerous for children under the age of six because they are particularly susceptible to the potential neurological problems caused by lead-based paint due to developing nervous systems. Lead poisoning can cause severe learning disabilities, hearing loss, brain and nerve damage, and even death.

CHA will perform a visual paint assessment during the HQS inspection process to help protect tenants and families. In order to provide lead-safe environments, concerned Property Owners should address any paint issues as soon as discovered and regularly re-paint surfaces and trap any lead-based paint that may be present.

Full disclosure is required prior to the tenant becoming contractually obligated to rent the unit – it is the Property Owner's responsibility to provide this information and a written warning statement identifying the specific location of lead-based paint and lead hazards.

CHA provides a Lead Education Initiative Packet that includes two informational brochures about lead poisoning that detail its effects and prevention, which is distributed to all Participants at voucher briefings and re-examination interviews, and is also available in the Resource Centers of each regional office and online at www.thecha.org/forms. Furthermore, Participants must sign a Release Form and Checklist to confirm receipt and understanding of these materials.

While taking steps to protect tenants, it is important to follow Fair Housing laws, even if the tenant's best interest is in mind. Property Owners **CANNOT**:

- **Discriminate based on presence of children** of any age or a **pregnant woman** in the family
- **Require testing of blood lead level** or to be informed if a blood lead test has been conducted
- **Require disclosure of a child's or pregnant woman's blood lead level** or medical actions taken
- **Terminate the lease or create different terms** and conditions of a lease from that of other tenants because a child or pregnant woman is identified with an elevated blood lead level
- **Refuse to provide information** regarding units which are being offered for rent which contain lead-based paint or lead hazards
- **Refuse to rent a unit with lead hazards** to a family with a young child or pregnant woman

The Environmental Protection Agency (EPA) issued the Lead Safe Housing Rule, which became effective on April 22, 2010, requiring the use of lead-safe practices and other actions aimed at preventing lead poisoning. Under the rule, contractors performing renovation, repair, and painting (RRP) projects that disturb lead-based paint in homes and child-occupied facilities built before 1978 must be certified and follow specific work practices to prevent lead contamination. Work on HUD-assisted housing, including units and properties listed under the Housing Choice Voucher Program, must comply with the most stringent requirements of the Lead Safe Housing Rule, the EPA RRP Rule, and any state or local law regulation. Renovations in pre-1978 housing must be performed by firms that are certified by the EPA or an EPA authorized state.

Property Owners are encouraged to become as educated as possible when it comes to lead-based paint treatment and hazard reduction. By protecting tenants and their families from lead poisoning, Property Owners help CHA accomplish its mission to provide safe, decent and sanitary housing opportunities.

For more information about Lead-Based Paint, consult the Property Owner Reference Manual or the HQS Inspection Guidebook located at www.thecha.org/hcv.

Understanding the Move Process

Summer and Fall seasons can be the busiest times of the year for Property Owners. Lease terms often expire during these months, and tenants have the choice of either renewing their lease or finding a new home.

In instances where an HCV Participant wants to move from their current unit to another unit with continued assistance from CHA, he or she may do so if the Participant is in compliance with both his or her lease with the Owner and the HCV Program rules and regulations, such as:

- The Participant has lived in his or her unit for **at least 12 months**
- The Participant has provided a **minimum of 30 days written notice** to both CHA and the Owner
- The Participant has **submitted a Notice to Vacate form** or some other form of written communication advising CHA and the Owner of the move-out date
- The Participant is **not subject to an eviction** action by an Owner
- The Participant has **not been issued an Intent to Terminate Notice**

After CHA receives the Notice to Vacate form from either the Owner or Participant, CHA mails an Acknowledgement to Vacate Notice to both, which outlines the intended move-out date along with the instructions for returning the keys.

The Participant has 30 days to complete the move-out inspection with the Owner of the current unit, in addition

to completing a list of other requirements regarding his or her new unit. It is important to note that CHA will not make any Housing Assistance Payments to the Owner for any month after the month the Participant or family moves out.

The Participant has a list of guidelines he or she must follow in order to remain in good standing with the HCV Program, which is outlined in the Participant Reference Guide. Such considerations include:

- **The Participant must leave the unit in the same condition (clean and undamaged) as when he or she first took possession.** All items and trash should be removed from the unit and all rooms should be restored to their original condition.
- **The Participant must turn in the keys to the Owner.** The Participant is still considered to have occupancy of the unit if he or she has not turned the keys over to the Owner.

As always, Owners are encouraged to document everything, including written communication and photos.

For more information about the moving process, consult the Property Owner Reference Manual or contact the CHA Customer Call Center at (312) 935-2600 or hcv@thecha.org.



Attention HCV Owners

Do you have vacant units that need to be occupied immediately?

Are you interested in taking advantage of HCV Program benefits with more units?

Invest more units with the HCV Program!

Thousands of HCV applicants and their families are waiting for Property Owners like you to provide more housing opportunities in Chicago.

Visit the CHA HCV website to get started today!
www.thecha.org/hcv

Tips on How to Enforce a Lease

A lease is a contract between the property owner and the tenant, and serves as the agreement of the upcoming term the family or individual will spend living in the unit. Drafting the lease is the first opportunity for the property owner to specify requirements, expectations, and other necessary clarifications in writing, with the tenant's signature to solidify the agreement.

However, drafting and signing the lease isn't the only step – property owners and managers are required to enforce the lease and hold themselves and their tenant(s) accountable for any problem situations or conflicts that may arise during the lease term.

Below are some tips (shared by Ebony Lucas from The Property Law Group, LLC, presented at the 6th Annual CHA Owner Symposium) that property owners can keep in mind while encountering such issues:

- **Have a clear leasing process** – This is the one opportunity to list everything in writing. By listing clear requirements with all lease items, there is a minimal chance of misunderstanding the terms while the tenant resides in the unit.
- **Set expectations** – The lease agreement should include all expectations of both the property owner and the tenant – and again, clarity and specificity is essential. By doing this, both parties are aware of their responsibilities according to the contract.
- **Understand the tenant's needs** – Part of being a good property owner or manager is learning about and recognizing the needs of the tenant. A considerate property owner can be the difference between a good and bad living experience – which can determine whether or not the tenant renews the lease or discourages others from living in that same property.
- **Follow the Law** – This tip should be self-explanatory. Many consequences arise from breaking the law – financial, reputational, and for one's affiliation with the CHA. In all cases, it's best to handle disputes legally.



- **Attempt to resolve issues before they get out of hand** – Most situations can be handled without pursuing legal action – which incur fees and can take months to resolve. To avoid the stress – not to mention the time and energy it takes to involve legal parties – property owners and managers are encouraged to resolve any issues early on.
- **Get Help** – Property owners and managers should inform the CHA of issues experienced concerning the lease agreement. The CHA Customer Call Center is a great place to start: (312) 935-2600.
- **Get an Attorney** – After a property owner or manager has done everything in their legal power to enforce the lease or resolve a conflict, and the problem still persists, it is best to consult professional help from an industry expert. This step will ensure that all matters are handled properly and the process is handled as smoothly as possible – especially in the case of an eviction.

It is important to keep in mind that CHA cannot take action until the property owner or manager has first taken the necessary legal action to enforce his/her lease with the tenant.

By following these tips, property owners and managers can effectively enforce the lease agreement with their tenant(s) and implement best practices as a participating member in the HCV Program.

HCV News for Owners

Utility Changes

The HAP contract between the HCV Owner and CHA requires the Property Owner or Manager to specify what utilities and appliances he or she will be supplying, as well as which utilities and appliances will be supplied by the tenant. CHA determines the rent offer and tenant portion based on this information.

Once the HAP contract is signed and the lease is initiated, Property Owners are not allowed to change the utility responsibility specifications. If an HCV Owner would like to change the utility responsibility after the initial term of the contract, CHA must first approve the change and the unit in question must undergo a new rent reasonableness evaluation.

Making Units Rent-Ready

When an HCV Owner or Participant has turned in the Request for Tenancy Approval (RTA) packet, the Moves Process begins. At this time, it is strongly recommended that HCV Owners make sure the unit in question is Rent-Ready. While the HCV Owner has some extra time while scheduling the inspection, the unit must be ready for the tenant to move in. If not, inspection fail items can delay the contract execution.

Below are some (but not all) guidelines to follow to ensure a unit is Rent-Ready. *A comprehensive list can be found on page 31 of the Property Owner Reference Manual.*

- All state and local codes must be followed
- All utilities must be on and operating properly
- Repairs, cleaning, and punch-out work must be completed
- Stairs, porches, and rails must be structurally sound
- Approved refuse disposal must be provided
- The site and interior of the unit must be free of garbage, debris, and infestation
- The stove and refrigerator must function properly

Rent Increases

HCV Property Owners are allowed to request an increase in rent every twelve months following the initial lease term however, CHA must process and approve such changes for HCV Participants.

Below are general steps of the process:

1. **HCV Owner submits rent increase request to CHA.** It is recommended that Owners submit requests 60 days prior to the date they want the increase to go into effect.
2. **HCV Owner provides written notification** of the proposed new rent to the Participant.
3. **CHA reviews the increase and follows up with the Owner with any additional questions.**
4. **CHA approves the increase.**
5. **HCV Participant approves the increase.** HCV Owners should note that the Participant may not approve the rent increase. If this is the case, he or she may request moving papers from CHA.
6. **CHA provides the Participant** with the required 30-day notice of the rent increase.
7. If **both CHA and the Participant approve** the rent increase, it will go into effect.

Lease Renewals

If the HCV Owner and Participant develop a great landlord-tenant relationship, the HCV Participant may choose to renew the lease, but only after a full-year lease term has ended. If the HCV Participant wishes to renew the lease, the new agreement must be provided to CHA for the Participant's records.

Changes to Exception Payment Standards

Under the Moving To Work (MTW) Program, CHA administers a set-aside of tenant-based vouchers for use in a demonstration program to expand affordable housing choices within housing opportunity areas in the City of Chicago. In order to access housing in these areas, CHA has previously approved special exception payment standards on a unit-by-unit basis up to 300% of the Department of Housing and Urban Development (HUD) published Fair Market Rent (FMR) for the City of Chicago.

Effective August 11, 2014, CHA will only approve exception payment standards that do not exceed 150% of the FMR.

For clarification on this update, or to inquire about who this change will effect, please contact the CHA Customer Call Center at (312) 935-2600 or hcv@thecha.org.

Evictions

Practices Recommended by Lewis Powell, John Marshall Law School

The eviction process can be tiresome and complicated, but Lewis Powell from the John Marshall Law School has shared some tips for Property Owners.

Notice of Termination

In order to file an eviction lawsuit, the tenant must be given a Notice of Termination. Below are examples of Notice of Termination:

- **Five (5) Day Notice** – A five-day notice is given for past due rent only. Note that the tenant has five days after service of notice to pay. The five day time period can include Saturdays, Sundays, or Holidays but the 5th and last day for the tenant to pay CANNOT be on a Saturday, Sunday, or Holiday. The Property Owner can file his or her eviction lawsuit after the 5th day of service of the notice.
- **Ten (10) Day Notice** – A ten-day notice is for violations of the lease. Lease violations can include criminal activities, excessive noise, an unauthorized occupant, or other failures by the tenant to comply with the lease. Note that depending on violations of the lease that the tenant has the right to “Cure the Breach.” For example, if the violation is for unauthorized occupants, and the unauthorized occupant vacates the unit within ten (10) days of service of notice, then the Property Owner CANNOT proceed with the eviction.
- **Thirty (30) Day Notice** – A 30-day notice is issued when there is no written lease. In order for the notice to be effective, it must be issued at the end of the month; after being served, the tenant may remain in the unit until the last day of the following month.
- **Demand for Immediate Possession** – This notice can only be given if the person in the unit does not have a legal right to be there. For example, this can be used for a “squatter.” The Property Owner can file the eviction lawsuit the next day after the notice is served.

Once the appropriate period of time has been identified, Property Owners should use caution and deliver the Notice of Termination properly and legally. See the list of ways that a tenant can be served a Notice of Termination:

- Serve the notice **personally to the tenant**. DO NOT place the notice under the door or in the mail box.
- Serve the notice **personally to someone believed to be an adult occupant**.
- Serve the notice **personally to a minor known to be living in the unit**. As a general rule, the minor should be at least 13 years of age.
- Serve the notice by **certified mail**.
- **Post the notice to the door of the apartment**. As a general rule, posting is allowed when the Property Owner can testify that the apartment has been vacated by the tenant – HOWEVER, the Judges have the discretion to allow posting when the unit is occupied.

If the Termination of Notice has been served and the tenant has failed to vacate within the specified amount of time, the Property Owner may file an eviction lawsuit. Below are the steps of the evictions process:

1. **A sheriff serves to the tenant a summons to appear in court**. If the sheriff is unsuccessful, the Property Owner may use a process server with permission of the court.
2. **The eviction complaint is filed and a court date is given**. All defendants have the right to a Jury Trial – in the event that a Jury Demand is properly filed, the case will not go to trial on the first date given.
3. **If the judge rules in favor of the Property Owner, he or she will be awarded a court order for possession and possibly past-due rent**. The time allowed to vacate can be as little as one week but is typically two weeks. Longer periods of time may be awarded in extenuating circumstances (i.e. disabled tenant, family with school-age children, during the holiday season, etc.).

While Property Owners should do their best to resolve conflicts with their tenants, CHA must be notified if the HCV Participant or family is not adhering to the Family Obligations. *For more information or assistance, please contact the CHA Customer Call Center at (312) 935-2600 or hcv@thecha.org.*

Property Owners and Managers are advised to contact an attorney for advice on how the law applies to his/her situation.



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Inspections Corner

Inspections Hours Update

To better accommodate the schedules of Property Owners with units in the HCV Program, CHA Inspections have made updates to the timeframes in which inspectors will come to properties to conduct inspections. From now on, HQS Inspections may be conducted after 5:00 pm. Additionally, Saturdays may be available for Initial Inspections.

Any questions may be directed to the CHA Customer Service Call Center at (312) 935-2600 or hcv@thecha.org.

Boiler Room Certificates

As many HCV Owners know, boiler room certifications can be presented at Annual Inspections and Re-Inspections. What some may not know, however, is that boiler room certifications CANNOT be used for Quality Control inspections.

Quality Control Inspections are performed periodically to assess the performance of the inspector that performed the prior Initial or Annual Inspection.

For more information or clarification on this issue, please contact the CHA Customer Service Call Center at (312) 935-2600 or hcv@thecha.org.

Owner Portal Update

HCV Owners who wish to dispute inspections results may do so via the Owner Portal. Owners can log-in to the Owner Portal by using their email and password at www.thecha.org/hcvportal.

