Rent Assistance

Program Guidelines

Marion County Community Services

2710 E. Silver Springs Blvd. Ocala, FL 34470 (352) 671-8770

Community Services Rent Assistance Program provides several forms of housing rent assistance to low- and moderate-income households. The program's primary purpose is to expand the supply of affordable housing through rent assistance, security and utility deposit assistance.



DISCLAIMERS

The information presented in these pages should not be construed as an exhaustive list of the regulations and requirements governing Marion County Community Services (MCCS) Rent Assistance program. Most regulations pertain to HOME, and/or SHIP program funding. Additional exhibits, documentation, and/or attachments may be required.

INTRODUCTION

Thank you for your interest in providing rent assistance to the most vulnerable population in Marion County, the homeless and those threatened with becoming homeless. Each year, the County receives an allocation of HOME Investment Partnership funds (HOME) from the U.S. Department of Housing and Urban Development (HUD) and State Housing Initiative Partnership funds (SHIP) from Florida Housing Finance Corporation (FHFC). Marion County Community Services department (MCCS) administers these allocations to expand the supply of quality, affordable.

The Rent Assistance (RA) program provides funds to low-income individuals who are experiencing homelessness, or to prevent imminent homelessness, to obtain stable, safe, decent and affordable housing. The program is partially funded with HOME entitlement funds awarded annually to the County by HUD, and as such, all activities must comply with applicable HOME regulations, which are found in 24 CFR Part 92.

MCCS' RA program relies on non-profit agencies identifying and referring clients to MCCS for the application process. Agencies may assist in identifying prospective tenants, landlords, and housing units. Agencies may already have clients in case management that qualify for the assistance. The agency may assess the client's housing service needs and help them draw up individual housing service plans while continuing to provide on-going services required to maintain their housing stability. MCCS inspects proposed housing units for compliance with Housing Quality Standards, issues Housing Coupons, and gives the final approval.

PROGRAM DESIGN

MCCS's RA program is similar to the Section 8 Housing Program in that it requires participant eligibility determinations, unit compliance with Housing Quality Standards, and payment of rents which cannot exceed HUD's Fair Market Rent.

The agency is responsible for identifying eligible program participants, and in some cases, developing a housing service plan, and assisting to locate an appropriate housing unit for eligible participants. The agency will be the first contact with potential tenants, connecting them with MCCS's on line

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application and an MCCS staff member. The agency will be required to enter the potential tenant into HMIS if the person chooses to complete an application for assistance.

Upon receipt of the referral application, MCCS staff will contact HMIS lead agency to research/review potential tenant for past assistance and current situation. Once an applicant has been approved, MCCS, and tenant and, in some cases, agency will create a budget and agree on what items need to be paid through the program (see "Eligible Costs"), and both MCCS' and tenant's share of the rent. MCCS and the tenant will sign an agreement and MCCS will issue a Rent Coupon. Tenant will take the rent coupon with them while looking for a unit to rent. When the appropriate unit is located, Tenant will bring a Request for Unit Approval form to MCCS whereupon MCCS will conduct an inspection and review the lease and rent amount for eligibility.

If the unit housing quality, lease and rent amount is approved by MCCS, tenant and landlord will sign a lease and tenant can move in. MCCS will issue any deposits, and rents due directly to the landlord. If utility deposits are to be paid, they will be paid directly to the utility company. MCCS will continue to pay a share of the rent on a monthly basis as long as the Tenant adheres to the lease and lives in the unit.

RENT ASSISTANCE PROGRAM REQUIREMENTS

This program is funded with HOME funds from HUD and SHIP funds from FHFC to provide affordable rental housing to lower income households. Requirements include the following:

- RA may be provided only to individuals / households whose incomes are equal to or less than 60% for HOME funding and/or 50% for SHIP funding, of the area median income. (See current income guidelines on page 14.) These funding sources may be combined, in which case a tenant's income cannot exceed 50% AMI.
- Rents must be reasonable and cannot exceed the current HUD Fair Market Rents for Ocala, FL. (See current Fair Market Rents Guidelines on page 13.)
- Participants are required to have a steady, verifiable income
- Tenants are required to pay a share of the rent depending on their income and the rent amount.
 - 1. The program will either pay the difference between 30% of the program participant's monthly adjusted income (tenant's share of the rent) and the monthly rent (which cannot exceed HUD's Fair Market Rent [FMR]).
- Rent assistance leases with individuals / households cannot be for less than twelve (12) months.
- RA is not appropriate for short term housing.
- Assisted units must meet Housing Quality Standards and will be inspected before a lease can be signed.
- RA assistance is not project based. RA allows the tenant to choose the unit.

CLIENT ELIGIBILITY

- 1. Agency must refer client to MCCS.
- 2. Complete the on line pre-application with MCCS.
- **3**. If pre-application is approved, complete the full application on line and submit all required documents:
 - a. Driver's license or FL identification card for each adult member of the household
 - b. Signed Social Security card for each member of the household
 - c. Copy of birth certificates for all children under age 18
 - d. If self-employed, copies of last 2 years of Federal Income Tax Return
 - e. Documentation of income for each member of the household for all income received on an ongoing basis
 - f. Child support documentation, current court order and printout of payments received from the court house
 - g. Copy of all pages of the last 6 months of bank statements for each checking account and last 2 months for savings accounts.
- 4. Agree to the provisions and sign a contract with MCCS.
- 5. If the client is homeless, their name must be on the Coordinated Entry List and pulled by the agency.
- 6. Individuals/families at imminent risk of homelessness do not have to be on the Coordinated Entry list, but can be clients of the agency. However, the agency must attend the Coordinated Entry meetings to learn about available funding.
- 7. Funds for households to be provided rent assistance are maximum one-year period. This may be extended under special circumstances. The estimated cost per family/individual will be based on the household size (and the corresponding size of housing units they require), current household income and the fair market rents for those units.
- 8. Tenant must provide proof of on-time payment of their share of rent monthly through presenting a copy of the check or money order prior to MCCS paying the remainder of the rent.

AGENCY REQUIREMENTS

- Attend Coordinated Entry meetings
- Use the HMIS system
- Have a public accessible computer
- Enter potential tenant into HMIS
- Communicate with Community Services re: new application

PRIORITY POPULATIONS

The following populations will be given priority for rent assistance funding:

- 1. Homeless individuals living in an emergency shelter or who would be living on the street or in an emergency shelter without assistance or who cannot maintain permanent housing due to low income and circumstances that made them homeless.
- 2. Homeless families with children.
- 3. Individuals or families fleeing domestic violence.

ELIGIBLE COSTS

RA is rent assistance that can be used to help individual households afford housing costs which include:

- Rent
- Security deposits
- Utility deposits, past due bills

SECURITY DEPOSIT

Under the MCCS RA Program, security deposits may be paid. The deposit maximum is equal to no more than two months' rent.

FIRST AND LAST MONTHS RENT

If necessary to obtain housing, the last month's rent may be paid from RA funds to the owner of the unit at the time the owner is paid the security deposit and the first month's rent. This assistance may not exceed one month's rent amount and will be included in calculating the tenant's total rent assistance.

UTILITY DEPOSITS

RA funds may pay for a standard utility deposit required by the utility company. The deposit will be paid directly to the utility company.

PAST DUE UTILITY PAYMENTS

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RA funds may pay for six months arrears of utility payments if the tenant or a member of the same household has an account in his or her name with a utility company and proof of responsibility to make utility payments going forward.

INELIGIBLE COSTS

RA cannot be used for the following costs:

- Paying administrative or operating costs of agencies
- Paying application fees to apartment landlords
- Making payments to assist resident owners of cooperative housing that qualifies as home ownership housing
- Providing RA to homeless persons for overnight, temporary or emergency shelter.
- Use of RA funds for utility or security deposit without rent assistance.
- Regular, monthly utility bills
- Payment of rent for a tenant that is also an owner of the housing unit.
- RA to assist persons whose income exceeds 50% of AMI.

LEASE REQUIREMENTS

The term of the lease between the tenant and the landlord must be at least one year (12 months).

The lease agreement may **NOT** contain any of the following provisions:

- Agreement by the tenant to be sued or to admit guilt, or a judgment in favor of the owner in a lawsuit brought in connection with the lease.
- Agreement by the tenant that the owner may take, hold or sell the personal property of the household members without notice to the tenant and a court decision on the rights of the parties (this does not apply to personal property left by the tenant after move-out).
- Agreement by the tenant not to hold the owner or its agents legally responsible for any action or failure to act, whether intentional or negligent.
- Agreement by the tenant that the owner may institute a lawsuit without notice to the tenant.
- Agreement that the owner may evict the tenant (or other household member) without a

civil court proceeding where the tenant has the right to present a defense, or before a court decision on the rights of the tenant and the owner;

- Agreement by the tenant to waive a trial by jury;
- Agreement by the tenant to waive tenant's rights to appeal or otherwise challenge a court decision; or
- Agreement by the tenant to pay attorney fees or other legal costs, even if the tenant wins in court.

ASSIGNMENT OF BEDROOM SIZES (SUBSIDY STANDARDS)

MCCS will issue a certificate for a particular bedroom size – the bedroom size is a factor in determining the family's level of assistance. The following guidelines will determine each family's unit size without overcrowding or over-housing:

Number of Bedrooms	Number of Pers	ons
	Minimum	Maximum
0	1	1
1	1	2
2	2	4
3	3	6
4	4	8

These standards are based on the assumption that each bedroom will accommodate no more than two (2) persons. Bedroom size will also be determined using the following guidelines:

- A. Parent or parents will be assigned one bedroom.
- B. One bedroom for every two household members regardless of age, sex, or relationship.
- C. Unrelated adults will not be required to share a bedroom.

The family unit size will be determined by MCCS in accordance with the above guidelines and will determine the maximum rent assistance for the family. However, the family may select a unit that may be smaller than the family unit size. If the family selects a smaller unit, the payment standard for the smaller size will be used to calculate assistance.

APPROVAL TO LEASE A UNIT

Units approved for leasing must have all of the following conditions met:

- The unit is eligible;
- The unit is inspected and passes HQS;
- The lease is approvable and includes the language of the lease addendum;
- The rent is reasonable;
- The family's share of rent does not exceed 30% of their monthly adjusted income;
- The family continues to meet all RA eligibility and screening criteria.

INELIGIBLE/ELIGIBLE HOUSING

The following types of housing cannot be assisted under the RA Program:

- 1. A public housing or Indian housing unit;
- 2. A unit receiving project-based assistance under a Section 8 Program;
- 3. Nursing homes, board and care homes, or facilities providing continual psychiatric, medical or nursing services;
- 4. College or other school dormitories;
- 5. Units on the grounds of penal, reformatory, medical, mental, and similar public or private institutions;
- 6. A unit occupied by its owner. This restriction does not apply to cooperatives or to assistance on behalf of a manufactured home owner leasing a manufactured home space; and
- 7. A unit receiving any duplicative federal, state, or local housing subsidy. This does not prohibit renting a unit that has a reduced rent because of a tax credit.

MCCS will **not** approve a lease for any of the following special housing types, except as a reasonable accommodation for a family with disabilities: (1) congregate housing, (2) group homes, (3) shared housing, (4) cooperative housing, and (5) single room occupancy housing

MCCS **will** approve leases for the following housing types: (1) single family dwellings, (2) apartments, and (3) manufactured housing which must include the lot rent.

RENT ASSISTANCE PAYMENTS

RENT REASONABLENESS:

MCCS will not approve an initial rent or a rent increase in any of the programs without determining that the rent amount is reasonable. Reasonableness is determined prior to the initial lease and at the following times:

- Before any increase in rent to owner is approved;
- If MCCS or HUD directs that reasonableness be re-determined.

In making a rent-reasonableness determination, MCCS will compare the rent for the unit to the rent of comparable units in the same or comparable neighborhoods. MCCS will consider the location, quality, size, number of bedrooms, age, amenities, housing services, maintenance, and utilities of the unit and the comparable units.

Fair Market Rent

The Fair Market Rent (FMR) published by HUD determines the maximum subsidy for a family. <u>https://www.hudexchange.info/resource/2933/hud-fair-market-rents/</u>

**FY 2019 FMRs By Unit Bedrooms

Efficiency	1-	2-	3-	4-	5-	6-
	Bedroom	Bedroom	Bedroom	Bedroom	Bedroom	Bedroom
\$631	\$712	\$867	\$1,154	\$1,281	\$1,473	\$1,665

**Ocala, FL Metro Service Area

2019 INCOME LIMITS ADJUSTED TO FAMILY SIZE

	MARION C	COUNTY, FLORID IS ADJUSTED TO F 2019			
	30%	50%	60%	80%	
HOUSEHOLD					
1 PERSON	\$10,850.00	\$18,100.00	\$21,720.00	\$28,950.00	
2 PERSON	\$12,400.00	\$20,700.00	\$24,840.00	\$33,100.00	
3 PERSON	\$13,950.00	\$23,300.00	\$27,960.00	\$37,250.00	
4 PERSON	\$15,500.00	\$25,850.00	\$31,020.00	\$41,350.00	
5 PERSON	\$16,750.00	\$27,950.00	\$33,540.00	\$44,700.00	
6 PERSON	\$18,000.00	\$30,000.00	\$36,000.00	\$48,000.00	
7 PERSON	\$19,250.00	\$32,100.00	\$38,520.00	\$51 <i>,</i> 300.00	
8 PERSON	\$20,500.00	\$34,150.00	\$40,980.00	\$54 <i>,</i> 600.00	
				effective 6/28/19	