

City of Tempe Housing Services 21 East 6th Street, Suite 214 Tempe, AZ 85281 480-350-8950

## POLICY FOR EXEMPTION OF SECTION 8 HOUSING CHOICE VOUCHER MINIMUM RENT

## **EFFECTIVE NOVEMBER 20, 2008**

The Quality Housing and Work Responsibility Act of 1998 (QHWARA) includes a provision for the establishment of minimum rents to be paid by participants in the Section 8 Housing Choice Voucher Program. This provision permits housing authorities administering the program to set a minimum rent requirement between \$0.00 and \$50.00 per month.

Due to the reduction of funding and in response to recommendations from the Secretary of the U.S. Department of Housing and Urban Development (HUD), the City of Tempe Housing Services (THS) has established a minimum rent of \$50.00 per month for the Section 8 Housing program.

## EXEMPTIONS FROM THE MINIMUM RENT REQUIREMENT:

To be considered for an exemption from the minimum rent requirement a tenant/participant household must demonstrate that it is experiencing a financial hardship due to an unexpected or unprecedented economic burden on the family. (The voluntary loss of income, or voluntary continued loss of income, does not necessarily qualify a family for the financial hardship exemption from minimum rent.)

Only the following situations shall qualify for the exemption:

- When the family has lost eligibility for, or is awaiting an eligibility determination from a federal, state or local assistance program, including a family having a non-citizen household member lawfully admitted for permanent residence and who would be entitled to public benefits except for Title IV of the Personal Responsibility and Work Opportunity Act of 1996.
- When the family would be evicted as a result of the imposition of the minimum rent requirement.
- When the family income has decreased due to changed circumstances, including involuntary loss of employment.
- When the family has an increase in expenses due to changed circumstances, such as medical costs, childcare, transportation, education, or similar items.
- When a death or severe illness has occurred in the family.
- Other qualifying circumstances that would require approval by THS or HUD.

Requests for an exemption from the minimum rent <u>must be submitted in writing</u> to the Tempe Housing Services (THS) office. This written request must be accompanied by the following:

- 1.) A completed THS Household Change form, listing all household members' current income and their sources.
- 2.) A completed Zero Income form listing all the household members' current financial obligations and routine expenditures.
- 3.) A certification statement that no member of the household has made a purchase or financial obligations of a non-essential nature, as outlined above, within the past 90 days.
- 4.) A certification statement signed by all members of the household over the age of 18 years authorizing THS to obtain account information directly from any form of subscription entertainment or communication services.

If a family requests the hardship exemption, application of the minimum rent hardship will be suspended beginning the month following the family's written hardship request. During suspension, the minimum rent will be included in the family's Total Tenant Payment (TTP) and the housing assistance payment will be increased accordingly.

THS will determine if the hardship is temporary or long-term. This determination will be based on the information and documentation provided by the family.

## MINIMUM RENT HARDSHIPS:

<u>Temporary Hardship:</u> If the hardship is determined to be temporary, the minimum rent will be suspended for a period of 90 days from the date of the family's request. Documentation substantiating the claim for a temporary hardship is required. At the end of the 90-day period, the minimum rent will be reinstated retroactively to the date of the suspension and the amount of overpaid assistance, based on the minimum rent amount, shall be reimbursed by the family. THS will offer a reasonable repayment agreement to cover the minimum rent charges accumulated during the suspension period.

**Long-term Hardship**: If the hardship is determined to be long-term, that will extend beyond a 90-day period, documentation regarding the reasons to substantiate the long-term hardship will be required. A statement from either a medical provider or other documentation that THS considers to be sufficient will be required. If THS determines that there is a long-term hardship, the family will be exempt from the minimum rent requirement until the hardship no longer exists. Repayment of the minimum rent is not required as long as the family has complied with the Family Obligations of reporting information. At each annual reexamination, the family's eligibility for financial hardship exemption will be reviewed.

**No Hardship:** If the family has failed to provide documentation proving the hardship has occurred due the circumstances listed or THS has determined that there is no qualifying hardship, the minimum rent will be reinstated. A repayment agreement will be executed for any money owed to THS during the time of the suspension.

Hardship determinations are subject to THS's informal hearing process and will be reviewed. If the THS determines hardship does not exist, the family has the right to request an informal hearing on the decision.

The family is still required to abide by all other requirements of the Family Obligations, including but not limited to, reporting all changes of household composition and income within ten (10) calendar days from the date of occurrence. Failure to do so is grounds for termination of the Voucher.

