



Message From the CEO



Dear HCV Property Owners:

As we enter this new year, I am proud of the progress that CHA has made as we work to help build strong, vibrant communities throughout Chicago and support programs that improve access to education, important information, and resources.

Building on the work of last year, we are increasing our focus on ensuring that families have access to important program-related information and resources. To start, we are scheduling free workshops throughout the year, featuring various topics and guest presenters, to assist Participants in navigating the HCV program and to aid Participants in enjoying the comfort of their home. We are also improving the materials available in our resource centers, to provide Participants with information on housing options as well as health, career and educational resources.

Let me take a moment to underscore our continued emphasis on education.

Every year, dozens of public housing and Housing Choice Voucher students prepare to venture into higher education at CHA's annual "Take Flight" College Send-Off. Many receive scholarships from CHA's college scholarship program, to attend some of the most prestigious schools in the nation, including Amherst, Cornell, Yale and Morehouse. This past year, thanks to a partnership with CNA Insurance Company, it was the largest Take Flight event ever.

Early this year, some of those students returned for "Staying Power" – a retention check-in that focused on college resiliency, maximizing connections and building a professional network. The CHA college students reconvened and shared their stories from the first semester and garnered new resources before heading back to school for their second semester.

Some of the helpful topics covered at the event included: summer classes at City Colleges of Chicago, Section 3 jobs, and maximizing financial aid. With such great enthusiasm at this year's inaugural event, we look forward to the 5th annual "Take Flight" slated for this summer.

That is just one of many CHA initiatives geared toward education. Besides the aforementioned CHA college scholarship program, which offers scholarships ranging from \$1,000 to \$2,500 for residents attending accredited colleges or universities, CHA public housing residents and HCV participants can obtain a degree or certificate from City Colleges of Chicago at low or no cost through a partnership between CHA and CCC. CHA helped almost 600 residents attend the City Colleges of Chicago in 2014 – a 16 percent increase from 2013.

CHA also offers a range of educational and other opportunities for youth during out-of-school time.

In all, CHA engaged more than 6,000 youth in academic, career and wellness/recreational programs in 2014. We expect to improve on that in 2015.

For more information, check out the Youth Opportunities page at www.thecha.org.

Sincerely,
Michael R. Merchant

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Meet New Board Member Francine Washington



Francine Washington was appointed to the Chicago Housing Authority Board of Commissioners in June 2014.

A longtime and respected voice in the Chicago resident leadership community, Washington was recently elected as the President of the Central Advisory Council, and is also President of the Washington Park Local Advisory Committee. She has also served on many other important Boards in the city, including the Bronzeville Alliance, the National Public Housing Museum, and has served as at-large president of Stateway Gardens/Park Boulevard Local Advisory Council. She is also a member of the Stateway Associates Working Group.

In her various roles, Washington has aggressively addressed important issues that affect communities and residents, such as community safety, building maintenance, and the need for public housing residents to be recognized and supported. She has also seen to it that CHA residents are healthy, serving as Director of the Summer Food Program, in which CHA residents are provided healthy meals free-of-charge. She has selected sites for the program, hired and trained staff, provided management and prepared applications, contracts and applications for the program.

Please join CHA in welcoming Ms. Washington to the Board of Commissioners.

The Property Manager's Desk

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 a feature article from Owner Council Member Carl Pettigrew with New Venture Realty, LLC, sharing tips on Tenant Screening.

Any successful owner will tell you tenant screening is the first line of defense to a quality property. As an owner you do not know anything about the person who walks in to fill out an application. Not to screen is like playing with fire. It's all about risk management.

We screen prospective tenants on three levels- credit, criminal background and evictions. In terms of credit, we not only look at the credit score, but we look at the items that make up that score. To us there is a difference between someone who has 6 small items they don't pay versus 1 or 2 large items they don't pay. We discount medical bill collections. Conclusion: If a person does

not pay the vast majority of their bills, they won't pay their rent.

Second is criminal background. In this area we screen out violent offenders. If a person has had a violent felony conviction within the past 10 years, we automatically reject them. We want to make sure the people who live in our community our productive citizens.

Lastly we look at evictions. While there are various reasons a person is evicted, the vast majority are due to non-payment of rent. If a person has a recent judgment for rent and/or eviction on their report, they are denied. However, if their credit, employment and past rental history are good, we will investigate the eviction to determine the circumstances. If we find an acceptable reason, we will discount the eviction.

Don't play with fire and possibly get burned. Spend the time and minimal cost to screen your prospective tenants to protect your investment. You have a lot to lose if you don't.

Steps for Owner-Tenant Conflict Resolution

A positive Landlord-Tenant relationship is important for successful property management – after all, tenants could be considered customers when running a business. When landlords and tenants do not get along, the situation can be stressful for everyone involved.

Conflict can make the simplest interactions more difficult and unbearable – for example, if a tenant’s rent is overdue or unpaid altogether, the Property Owner will experience poor communication if he or she does not get along with the tenant in the first place.

CHA encourages Property Owners and HCV Participants to resolve their issues whenever possible – hence, below are tips that Property Owners can use if he or she needs to collect overdue or unpaid rent but are having trouble communicating with tenant:

- **Understand fair housing laws.** Following Fair Housing Laws and cooperating with the tenant will help foster a positive relationship, which will improve mutual understanding and communication among everyone involved. Property Owners can refer to pages 20-21 of the HCV Program Property Owner Reference Manual or call HUD’s Office of Fair Housing and Equal Opportunity at (312) 353-7776 or (800) 765-9372 for more information.
- **Keep open lines of communication.** Does the tenant have the most updated contact information for the property owner? Does the property owner have the most updated contact information for the tenant? Property Owners should make sure they have the correct phone number for the tenant or others living in the household, rather than assume he or she is deliberately ignoring them.
- **Keep calm.** Don’t let emotions hinder positive interaction with the tenant. Becoming angry or upset will only obstruct both parties from accomplishing the goal and resolving the conflict.

- **Listen to the tenant’s side of the situation.** There may be a good reason that tenant hasn’t paid the rent. He or she could have lost a job, experienced a medical emergency, or recently dealt with an unforeseen expense. It’s possible that the tenant is struggling to make ends meet.

Keep the above tips in mind while interacting with the tenant and requesting overdue or unpaid rent. Below are steps to take if/when this happens:

1. **Contact the tenant.** If the rent is past due or unpaid, serve proper notice to the tenant in writing. Explain what he or she owes and the last recorded payment received.
2. **Contact CHA and send copies of paperwork.** Responsible Property Owners have copies of everything for all of their units – signed lease agreements, check stubs, payment receipts, etc. The landlord should submit copies of this paperwork to CHA when notifying a situation involving unpaid rent from an HCV Participant.
3. **Enforce the lease.** Take a look at the lease agreement that was signed by the tenant. Are there policies or procedures outlined regarding late payment or unpaid rent? Property Owners should be consistent with what is stated in the signed document. For tips on how to enforce a lease, consult the Q3 2014 issue of Owner News, which features an article titled “Tips on How to Enforce a Lease.” *Reminder: Property Owners in the HCV Program are obligated to collect the tenant portion of the rent; Not doing so could result in banishment from the program.*

CHA aims to provide safe and decent housing opportunities for low-income families. Property Owners can help with this mission by trying to work together with the HCV Participant as a team, and resolving issues through avoiding conflict or using conflict resolution is both beneficial and vital in achieving this goal.



ATTENTION HCV PROPERTY OWNERS

Effective April 1, 2015:

Rent Increase Requests must be submitted through the HCV Owner Portal at www.thecha.org/hcvportal

Housing Choice Voucher Program

OwnerPortal

Proper Handling of Security Deposits

Being a responsible Property Owner and successfully running a business involves keeping track of finances very carefully. Not only do Property Owners receive payment for rent, but in accordance with the Chicago Landlord and Tenant Ordinance, Property Owners may also request security deposits upon lease signing. However, this is not to say that security deposits should be treated the same as rent payments.

Property Owners must keep in mind that the security deposit money does not belong to them. The Property Owner is responsible for keeping the funds safe until the tenant decides to move out of the unit. Then it should be used either, to offset damages or, be returned to the tenant.

This being said, it is in everyone's best interest to keep security deposits and rent payments in separate accounts. Not doing so can result in common issues such as:

- **Lack of Tracking** – The security deposit becomes almost impossible to track and validate in a court of law.
- **Accidental Spending** – The security deposit might accidentally be spent on the landlord's personal expenses.
- **Interest Accrual** – Many states require that a landlord collect interest on behalf of the tenant, which again becomes nearly impossible to calculate if the deposit is in the same account as personal funds.

Other basics to handling security deposits include:

- **Collecting Interest** – In the state of Illinois and according to the Chicago Residential Landlord Tenant Ordinance, landlords who own 25 or more units must pay interest on deposits held for six months or longer, and the interest rate must match the rate paid by savings accounts held at the largest commercial bank in the state as of December 31 prior to the start of tenancy. This must be credited or paid out to the tenant every 12 months.
- **Receipts** – Any landlord who receives a security deposit from a tenant shall give him or her a receipt indicating the amount of the security deposit received, the name of the person and/or agency receiving it, the date, and description of the unit. The receipt should then be signed by the person receiving the security deposit.
- **Return of security deposit** – When/if the tenant vacates the unit, the landlord must return the security deposit less any amount used to pay for property damages caused by the tenant and/or guests. The landlord must return the amount within 45 days after the date that the tenant vacates the unit, along with an itemized list of damages for which the security deposit paid.

For more information on security deposits, Property Owners can consult pages 24-25 of the Property Owner Reference Manual. Property Owners can also reference the Chicago Residential Landlord Tenant Ordinance on the City of Chicago Office of the City Clerk website at www.chicityclerk/legislation-records/municipal-code.

Learn about the Housing Choice Voucher Program at our free Property Owner Briefings

For a list of 2015 dates and to register for a session, visit the links below:

Evening sessions - www.ownerbrief-60evanburen.eventbrite.com

Afternoon sessions - www.ownerbrief-4859swabash.eventbrite.com

Understanding Utility Responsibility

When HCV Participants and their Property Owner/Manager complete the HAP contract, it is up to the Property Owner to specify which utilities and appliances he or she will be providing, and which ones will be the responsibility of the Participant.

The Property Owner must also include this information in the lease agreement signed by the Participant. In other words, when drafting the lease agreement to be signed by the participating family, the provided utilities must be specified and be consistent with what is indicated on the HAP contract.

Any changes to the originally agreed upon utility responsibilities must first be approved in writing by CHA, and will require a new rent determination after the first year of the HAP contract/lease agreement. Changes cannot be made within the first year of the HAP contract/lease agreement. The identified responsible party (Owner or Participant) must ensure that the utilities are on at all times.

Utility Resources

Below is a list of Utility Assistance Programs that Property Owners can share with HCV Participants who may need help covering the cost of utilities for which they are responsible:

Low Income Home Energy Assistance Program (LIHEAP)

(800) 571-CEDA (2332)

The **Community and Economic Development Association (CEDA)** administers local and federal grants for utility assistance via LIHEAP. LIHEAP provides energy assistance in the form of one-time payments to utility companies and individuals to assist with winter bills.

ComEd CARE Energy Assistance Program

(888) 806-CARE (2273)

ComEd.com/CARE

Residential Special Hardship Program

- Provides a grant up to \$1,500 for ComEd residential customers that identify a special hardship. This may include documented unexpected loss of employment, medical, military, senior, victim of criminal activity or disability hardships.
- Customers can be eligible for Residential Special Hardship every two years. **Grant amounts may vary while funds are available.**

ComEd Helps Activated/Disabled Military Personnel (CHAMP)

- Provides bill payment assistance up to \$1,000 for deployed activated military personnel and disabled veterans who have fallen behind on their bills and that reside within ComEd's service territory. Applications are available on ComEd.com/CARE.

Homelessness Prevention Call Center

- Provides information and administer referrals to available homelessness prevention funds including state and local resources.
- Funds provide rental, utility, and security deposit assistance to those on the brink of homelessness due to a recent, short-term crisis. Call 311 (312-744-5000) and ask for "Short-Term Help."

Tips for Listing Units

Experienced Property Owners know that listing an apartment is one of the first steps in filling a vacancy on his or her property. However, there's more than just filling out a form online that will get prospective tenants interested in the unit.

Below are some tips to help ensure the unit is as appealing as possible to apartment-hunters.

- **Make the unit look great and ensure everything is functioning properly.** This one should be a no-brainer, but when leasing with the HCV Program, there are additional guidelines to follow in order to pass the HQS inspection. Make sure all surfaces are spotless and remove clutter. Improve “curb appeal” by trimming trees and bushes or planting flowers. Fix squeaking steps, broken appliances and/or tiles, shampoo the carpet, and repaint faded walls. Lighting a scented candle can help first impressions during an initial walk-through as well.
- **Describe the unit and neighborhood in detail.** This includes size of the unit, number of units on the property, and special features such as a view of the lake or skyline. Include walking distance to transportation such as CTA or Metra, or nearby attractions like restaurants or landmarks. Attract HCV families by highlighting proximity to parks or schools.
- **Include photos of the unit in the listing.** Yes, a picture is worth a thousand words. Take lots of the pictures and select the best ones to pair with the listing. Prospective tenants are likely to give listings more consideration when they can visualize themselves in the unit – and are also more likely to overlook a listing with no photos attached.
- **Don't violate Fair Housing Laws.** Property Owners, whether or not they are participating in the HCV Program, should NEVER include statements in their listings such as, “No Section 8” or “Voucher Holders not accepted.” Even phrases like, “Unit perfect for handicap tenants or seniors because of ramp access and low counters” can be considered steering. The U.S. Department of Housing and Urban Development (HUD), as well as the Chicago Commission on



Human Relations (CCHR) are both great places to obtain more information about Fair Housing Laws.

- **Determine rent.** When doing business with CHA, actual monthly rent must be approved prior to signing the lease with the HCV Participant. Approval is based on federal rules and regulations, applicable rent limits, and rent reasonableness. For more information or assistance, visit the CHA website www.thecha.org and navigate to the “Market Your Property” and click the link “register online or post a property” to view HUD Fair Market Numbers in the City of Chicago.

These listing tips are sure to help Property Owners and Managers achieve increased interest from potential tenants and reduce vacancy rates within their properties. For assistance with listing properties with CHA, visit www.thecha.org.

Inspections Corner

Inspection Extensions

Every now and then, a unit may fail an inspection item, meaning the entire inspection will be marked as “fail.” If this is the case, Property Owners typically have 30 days to correct the violation before their HAP Contract is abated.

On the other hand, there are instances in which CHA may grant an extension to make certain repairs. A “Weather-Related Extension” is granted when harsh weather between November 1 and April 30th prevents Property Owners from correcting certain exterior violations. CHA considers Weather-Related Extensions on a case-by-case basis and only if:

1. The exterior repair does not endanger the health or safety of the tenant, and/or
2. The unit does not have any other HQS violations.

Property Owners must request an extension in writing using the Request for Extension Form available on the Owner Portal at www.thecha.org/hcvportal.

Passing Inspections the First Time

It is in the Property Owner’s best interest to be proactive when it comes to passing HQS inspections, rather than taking a reactive approach. In other words, instead of addressing only the fail items after the first inspection is already completed, Property Owners are encouraged to consult the HQS Inspection Guidebook – more specifically the Inspections Forms towards the back of the book – and go through the checklist to ensure that they will pass each item on the first inspection.

Why pass the first time?

- The process can take up to two weeks to schedule a re-inspection and will result in loss of rental payments.
- Failing a second inspection can result in the HAP contract being abated.
- If an initial inspection fails, it cannot be rented to a tenant and no rent is received for that unit.

Top Inspection Fail Items

Property Owners should pay special attention to the following items:

1. **Electrical Hazards.** I.e. exposed wires or missing knock-out plugs on junction boxes.
2. **Lead-Based Paint.** Any chipping or cracked paint in buildings built in 1978 or before will cause a unit to fail.
3. **Improper Installation of Carbon Monoxide Detectors.** Must be installed within 15 feet of gas burning appliances i.e. gas stoves, gas drivers, gas boilers/furnaces, etc.
4. **Heating and Plumbing.** Discharge pipes must be six inches or lower to the floor, gaps must be sealed coming from the flue downward angle.
5. **Exterior Surfaces.** I.e. loose and failing masonry, damaged walkways, etc.
6. **Security.** Check for missing striker plates, operable double key locks, and missing deadbolt locks on doors leading to the exterior.
7. **Missing or Inadequate Guardrails.** Missing or loose guardrails will cause a unit to fail.
8. **Holes or Gaps in Walls.** Holes and gaps ¼-inch or smaller are acceptable.
9. **Missing or Improper Gas Traps.** A trap must be able to retain water and keep sewer gases from entering the unit.
10. **Missing or Inadequate Handrails.** Missing or loose handrails will cause a unit to fail.



Sidewalks and Walkways

While inspectors are on properties conducting HQS inspections, they will look for anything that would be considered a tripping hazard – a quarter-inch gap, hole, crack, or unlevel breakage in the sidewalk or walkway.

Regarding snow removal, the inspection will fail if the inspector is unable to inspect the unit or property due to snow coverage. Once the snow is removed, the Property Owner or Manager is advised to check the sidewalks and walkways for any tripping hazards, in order to avoid a failed re-inspection.