



# HOUSING AUTHORITY of the County of Riverside

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## IMPORTANT INFORMATION FOR OWNERS AND PROPERTY MANAGERS

Dear Participating Property Owners and Agents:

The Housing Authority of the County of Riverside would like to announce a cooperative partnership with the offices of the District Attorney of the County of Riverside and the Inspector General of the US Department of Housing and Urban Development (HUD). These three Agencies have come together to investigate and prosecute cases of fraud in the assisted housing programs administered by the Housing Authority. Whether the fraud is perpetrated by the participant in the program or the owner/agent, it is our intention to investigate and prosecute those responsible and seek restitution for any and all funds paid on behalf of a participant or to an owner if those benefits were fraudulently obtained.

We understand that most of our landlords are following the regulations and the terms of the contract. We are most appreciative of those of you who participate in the Section 8 program and help the Housing Authority provide assistance for affordable housing for very low income families. At the same time, however, we have been hearing with increasing frequency about property owners who are not following the regulations and the contract. Owners/landlords/agents are charging rent over and above the amount authorized by the Housing Authority. Requiring a Section 8 Housing Choice Voucher participant to pay money in addition to the amount determined by the Housing Authority is against the regulations and is considered fraud. Below are the regulations and Housing Assistance Payment (HAP) Contract provisions that are violated when a landlord/owner/agent requires the tenant to pay additional payments:

**24 CFR (Code of Federal Regulations) 982.451 (b)** states the following:

- (3) The total of rent paid by the tenant plus the PHA housing assistance payment to the owner may not be more than the rent to owner. The owner must immediately return any excess payment to the PHA.
- (4)(ii) "The owner may not demand or accept any rent payment from the tenant in excess of this maximum, and must immediately return any excess rent payment to the tenant."

**#8 of the Contract** with the Housing Authority states: "During the term of this contract, the owner certifies that ... (d) Except for the rent to owner, the owner has not received and will not receive any payments or other consideration (from the family, the PHA, HUD or any other public or private source) for rental of the contract unit during the HAP contract term."

**5d of the Tenancy Addendum** (part of the contract) states: "The owner may not charge or accept, from the family or from any other source, any payment for rent of the unit in addition to rent to the owner. Rent to owner includes all housing services, maintenance, utilities and appliances to be provided and paid by the owner in accordance with the lease."

Federal regulations and the contract provide the Housing Authority with the following rights and

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recourses when an owner breaches the HAP Contract:

**#10 of the HAP Contract and CFR 982.553** state: (a.) Any of the following actions by the owner (including a principal or other interested party) is a breach of the HAP contract by the owner: (1) If the owner has violated any obligation under the HAP contract, including the owner's obligation to maintain the unit in accordance with the HQS. (3) If the owner has committed fraud, bribery or any other corrupt or criminal act in connection with any Federal housing assistance program. b. If the PHA determines that a breach has occurred, the PHA may exercise any of its rights and remedies under the HAP contract, or any other available rights and remedies for such breach. The PHA shall notify the owner of such determination, including a brief statement of the reasons for the determination. The notice by the PHA to the owner may require the owner to take corrective action, as verified or determined by the PHA, by a deadline prescribed in the notice. c. The PHA's rights and remedies for owner breach of the HAP contract include recovery of overpayments, suspension of housing assistance payments, abatement or other reduction of housing assistance payments, termination of housing assistance payments, and termination of the HAP contract.

If it is verified that an owner/landlord/agent is or has been collecting additional payments from a Section 8 participant, the Housing Authority will terminate the contract and allow the tenant time to relocate. Payments will be suspended and action will be taken to collect back all payments made on behalf on the Section 8 participant. In addition, we have the right to terminate all contracts with that owner for other Section 8 participants.

If you have any questions, or wish to report an owner or participant that appears to be committing fraud, please contact Gail Gates at (951)343-5448.

Cindy Hui  
Program Manager