CHAPTER 8

Housing Programs

Federal and local governments fund many housing programs for low-income people, including some specifically for seniors. Some housing programs help people pay their rent for houses and apartments owned by private landlords. In other programs, a government agency charges rent based on the tenant's ability to pay. Other programs provide assistance with home ownership. This chapter will discuss the various programs, their eligibility requirements, and their advantages and disadvantages. The federal **Housing and Urban Development Department (HUD)** and Rural Housing Services (formerly called the Farmers' Home Administration) sponsor programs such as Section 8 housing, Section 502 housing, and reduced-rate loans and tax subsidies for low-income first-time home buyers.

Protections from arbitrary eviction, rule changes and unfair rent increases are also important issues discussed in this chapter. Under some government programs, landlords must take certain legal steps before evicting, increasing rent or changing house rules. Tenants need to know what their rights are in order to protect themselves against unlawful practices.

Public Housing

The federal Housing and Urban Development Department (HUD) funds public housing in Oregon. Tenants in this housing pay about 30 percent of their adjusted income each month for rent and utilities (electric and gas). Each elderly household receives a $400 deduction from income and may receive an additional deduction for certain medical expenses. For some tenants, there may also be an allowance for utility costs.

Advantages for Seniors

In HUD and Rural Housing rentals, seniors pay less of their income for rent than younger people do. The senior rate is available to individuals older than 62 or to households with one member older than 62. These housing complexes let seniors have one or more pets. Many complexes are built exclusively for older adults and people with disabilities. Some have units designed for wheelchair access and for people who have difficulty using steps. Unless you are applying for special needs housing, no questions can be asked about the nature or extent of the assistance you

need. And if you need a live-in caregiver so as to be able to remain in your home, the housing manager must try to accommodate your needs. (See Chapters 7 and 10 about anti-discrimination laws.)

Rent Subsidies

In addition to public housing at lower rent, HUD sponsors a rental aid program known as the **Housing Choice Voucher Program**. Local housing authorities run the program in their communities. Under this program, low-income tenants choose to rent a house, apartment or space in a mobile home park from a private landlord willing to accept a voucher tenant.

If the housing meets HUD's livability standards and the rent is within reason, a local housing authority can subsidize the rent. The tenant then enters a rental agreement with a private landlord. The tenant is responsible for paying only a portion of the rent. This portion is usually 30 to 40 percent of the tenant's adjusted income. If the tenant's income goes up or down, a new rent will be figured.

In public housing, the tenant must live in a particular place of a particular size for the tenant's household. But under the rent subsidy program, a tenant can rent a unit larger, smaller or more expensive than otherwise allowed by HUD standards. However, the housing authority will limit the rent subsidy to what it would pay for a place that is the approved size. The voucher plan guarantees that the tenant's rent will stay the same **for the first term of the rent, which may be as long as one year**. Once the first term is up, the landlord can raise the tenant's rent. However, the housing authority's share will not go up.

HUD also has a program with privately owned apartment complexes. In addition, complexes that are funded by low-income housing tax credits must accept tenants who have HUD rent subsidy vouchers.

The **Rural Housing Rental Assistance Program** is similar to the HUD public housing program. Eligible tenants pay 30 percent of their adjusted income for rent and utilities. Unlike the HUD housing voucher program, assistance with rent costs is available to the tenants only while they live in Rural Housing apartments.

Low-Cost Housing

Several agencies and private landlords provide low-cost housing. Finding out where they are can be time-consuming and frustrating. The best sources of information are your local housing authority (located in most counties and some cities), the nearest HUD office (listed in the phone book under U.S. Government, Department of Housing and Urban Development), or the district office of Rural Development (listed in the phone book under U.S. Government, Department of Agriculture). The Oregon Housing and Community Services Department also has information about housing assistance programs. The federal government's Eldercare Locator Service has information about other housing options. (See Resources at end of chapter.)

Special Housing for Elders

Some newer subsidized housing complexes offer elders not only a place to live, but also some services such as meals, housekeeping, transportation and other services designed to promote an elder's independence. Most of these complexes encourage other family members to live with the elder tenant so families can remain united.

Eligibility

You must apply in writing to be admitted into housing programs. You must show your income and expenses to prove your financial eligibility. Financial limitations vary widely, depending on local housing costs and the type of housing. For some housing programs, your annual income (after some adjustments) may need to be as low as $12,000 for one person. However, in some programs, your allowed annual income can be as high as $32,000 or more for one person.

Once you meet the eligibility requirements, you may be on a waiting list to get into public housing or to participate in the Housing Choice Voucher program. You may be eligible for a "preference" on the waiting list under certain conditions. The agency can tell you whether it has preferences and what they are. Be sure to inform the person or agency taking your application if any of its preferences apply to you. Sometimes the wait is long, but it's usually worth it.

Protection from Eviction and Rent Increases

Tenants in some kinds of government low-cost housing should not be evicted, unless the landlord has **good cause** to evict. Good cause includes failure to pay rent, repeated behavior that unreasonably disturbs other tenants, criminal activity and serious damage to the premises.

Under government programs, the landlord must follow certain steps in order to evict a tenant. The tenant may have a right to an informal meeting with the landlord to try to solve the problems without being evicted. In some situations, the tenant may have a right to a grievance hearing. Ask your landlord for a copy of the grievance procedure that explains your rights. (Also, read your lease.) A landlord who wants to evict must go to court after telling the tenant, in writing, to move. Tenants should always seek legal advice as soon as they learn about a threatened eviction. (See Chapter 7 for more information on evictions.)

A landlord who wants to raise the rent or reduce services in government low-cost housing must get permission from the government to do it. The landlord must show that the change is necessary. The landlord must give tenants advance notice of the plan to change the rent or services, and tenants must have a chance to confirm that there is a good reason for the change. Private landlords who accept tenants under the Housing Choice Voucher Program described above, however, can raise the rent after one year.

Other Housing Options

The Rural Housing Service's **Section 502 Direct Rural Housing** program is a direct lending program for very low- and low-income applicants to purchase, build or repair homes located in rural areas. These loans are made to applicants who are without decent, safe and sanitary housing of their own. The current income limits vary depending on the county in which the applicant is interested in purchasing a home and the number of individuals in the household. However, the total annual adjusted household income cannot exceed 80 percent of the area median income. The interest rate charged for the program is fixed. Repayment terms range from 30 to 38 years. Loans are processed and funded by the Rural Housing field offices.

Rural Housing also offers the **Guaranteed Rural Housing** loan program. Under this program, Rural Housing guarantees a loan made by an approved lender. Guaranteed loans may be made to purchase new or existing housing in rural areas. Income limits for applicants vary, depending on the county in which the applicant plans to reside and the number of individuals in the household. These loans are processed and funded by participating lenders.

Oregon also provides reduced-rate loans and tax subsidies for low-income first-time home buyers. More information is available from the Oregon Department of Housing and Community Services or your local Rural Housing office. (See Resources at end of chapter.)

In addition, Rural Housing offers the **Section 504 Home Repair Loan and Grant Program**. This program provides funding for home repairs to assist very low-income homeowners to repair or improve their homes and remove health and safety hazards. The interest rate for loans is 1 percent, and the loan is scheduled for repayment depending on the applicant's ability to pay. A grant may be made only to applicants who are 62 years of age or older and have an income so low that they cannot repay any part of a 504 loan. Examples of needed repairs or changes would be adding bathtub grab bars, wider doorways for wheelchairs and easy-to-climb ramps to replace stairs. Low-interest loans of up to $20,000 and, in some cases, grants for up to $7,500 are available for these purposes. Many counties and cities also have in-home rehabilitation programs for low-income persons and seniors. Senior centers, Rural Housing offices, legal aid offices and local AAA/SPD offices can provide information on these resources. (See General Resource List.)

The Oregon Housing Trust Fund is a statewide program to restore and maintain existing housing and build new housing. Because this program is fairly new, it is still looking at many ways to achieve this important goal. It may have something to help you. Call the Oregon Department of Housing and Community Services for information. (See Resources at end of chapter.)

Tenants' Rights

Even tenants who do not live in government-sponsored housing have some rights under Oregon law. For example, all landlords—public or private—must rent and maintain housing in a safe and healthful condition. Heat, water, plumbing, wiring and appliances supplied by the landlord (such as stoves and refrigerators) must work properly. Windows and doors must close and lock properly. Floors, walls and roofs must keep out the elements, rodents and insects. A landlord cannot retaliate against tenants who complain about bad housing conditions.

Landlords may be able to evict tenants in private housing without giving a reason, but must follow a set legal procedure. An eviction must be handled by a court proceeding after proper notice to the tenant. Landlords and tenants should seek competent legal advice before acting. Low-income seniors can get advice from their local legal aid office. Many senior centers have programs that offer free legal advice on this topic to tenants and landlords. (See Chapter 7 for more information on tenant and landlord rights.)

Resources

See **General Resource List** for AAA/SPD offices, legal aid offices, OSB Tel-Law service and more.

Eldercare Locator Service

800-677-1116
www.eldercare.gov

National Housing Law Project

614 Grand Avenue, Suite 320
Oakland, CA 94610
510-251-9400
www.nhlp.org

Oregon Housing and Community Services

(Contact for your local housing authority.)

725 Summer Street NE, Suite B
PO Box 14508
Salem, OR 97309
503-986-2200
www.oregon.gov/OHCS

U.S. Department of Agriculture Rural Development

(state office)
1201 NE Lloyd Boulevard, Suite 801
Portland, OR 97232
503-414-3300; TTY: **503-414-3387**
www.rurdev.usda.gov

U.S. Department of Housing and Urban Development

(field office)
400 SW Sixth Avenue, Suite 700
Portland, OR 97204
971-222-2600
www.hud.gov

Glossary of Terms

Good Cause: *The reasons a landlord can use to evict a tenant from government low-cost housing. Examples include failure to pay rent or repeated late payment of rent, substantial violations of the lease or occupancy agreement, conduct or actions of the tenant that unreasonably disturb other tenants or threaten the health or safety of others, and damage to the premises.*

Guaranteed Rural Housing: *A loan program in which Rural Housing guarantees a loan made by an approved lender to purchase new or existing housing in rural areas.*

Housing Choice Voucher Program: *A rental aid program sponsored by HUD. Under this program, a local housing authority will subsidize the rent for low-income tenants who choose to rent a house, an apartment or space in a mobile home park from a private landlord.*

HUD: *U.S. Department of Housing and Urban Development.*

Oregon Housing Trust Fund: *A statewide program to restore and maintain existing housing and build new housing.*

Rural Housing Services Rental Assistance Program: *A rental program in which eligible tenants pay 30 percent of their adjusted income for rent and utilities only while they live in Rural Housing apartments.*

Section 502 Direct Rural Housing: *A direct lending program that helps low-income people in rural areas purchase, build or repair homes at reduced interest rates.*

Section 504 Home Repair Loan and Grant Program: *A program designed to provide funding for home repairs to assist very low-income owner-occupants to repair or improve their homes and remove health and safety hazards.*