



CAPITAL AREA HOUSING ASSOCIATION

Landlords Working Together
Post Office Box 2901 • Augusta, ME 04338-2901

MAY 2007 - NEWSLETTER

PRESIDENT'S MESSAGE

The last month the Legal and Veterans Affairs Committee held a hearing on LD 383, An Act To Amend the Landlord-tenant Laws. Some of our members submitted testimony, and there is still time to contact your Legislators to tell them how you feel about it. The Work session is Monday May 7, 2007, 10:00 am, Room 437 in the State House. You are encouraged to check the web for updates, and write, call or e-mail your legislator to let them know your position.

The Sheriff's office has announced for the second time that they intend to start charging extra to serve papers when apartment houses do not have numbers on them and they have to do extra work to find the individual(s). You need to have your buildings E911 marked for emergency services anyway, so now you have an economic reason also.

This month the Oil Committee will be presenting the results of their bidding process, and the Board has decided to ask for member input with a vote.

This is my last President's message. It is with regret that I need to resign to make a good change in my personal life work. It has been fun and a pleasure to work with so many nice good and

dedicated people. I only hope all the members realize how dedicated the current Board is. We have Louie and Cheryl who have both been on the board and are past presidents. Ramona has played a leading roll in many CAHA things. Ratna and Louise have been on the board and officers only a short period of time, but demonstrate dedication through hours of work. As VP, Tiny's life will be changing soon to. Unless you have actually done these types of things, you don't really know what's involved. CAHA needs more volunteers to help spread the work around some, and make it more fun and less labor for those currently serving.

I also need to mention how valuable Eric Dick is to CAHA. He donates a lot of time producing the Ask The Lawyer column, and we get compliments on this feature. I believe this Column and the two booklets he produced for CAHA for its members, are truly major benefits of CAHA (not to minimize others).

Thanks for the pleasure.

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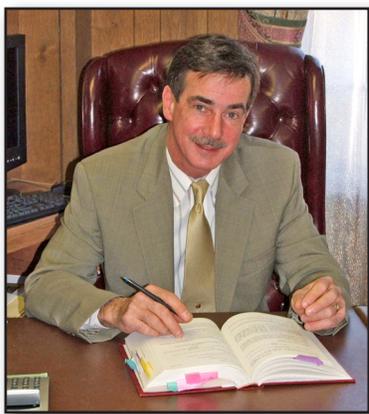
CAHA Website

caha4u.org

Upcoming Meeting: Tuesday, May 8, 2007 - 7:00 p.m. KV Federal Credit Union

OIL COMMITTEE Report and Vote

Next Meeting: June 12, 2007 - No meetings in July & August



ASK THE LAWYER

QUESTION:

Please explain the Section 8 Subsidized Housing Program, and comment on renting to subsidized tenants.

ANSWER: Section 8 Subsidized Housing - Part II of III The Fine Print

A rental unit selected by a subsidized tenant must meet the “Housing Quality Standards”, which are minimum standards of

health and safety established by HUD, and must be inspected by an agent of the Public Housing Authority. Once the housing unit is approved by the PHA inspector, the landlord must enter into a written lease with the tenant, typically for a one year term. The landlord is typically free to use their own standard lease, but must also enter into a Housing Assistance Payments Contract (HAP Contract) with the Housing Authority, portions of which regulate the relationship between the Housing Authority and the landlord. Other portions regulate the relationship between the landlord and the tenant and have the effect of modifying the landlord’s lease in important ways, including when and how the tenant can be evicted.

Part A of the HAP Contract identifies the parties involved, the specific housing unit, the length of the initial rental term, amount of rent and portion of rent that will be paid by the Housing Authority. Part A also identifies the utilities and appliances that will be provided by the landlord or the tenant, and generally requires that the landlord maintain safe, decent, sanitary housing in accordance with Federal, State and Local laws, and the Housing Quality Standards (HQS) throughout the tenancy.

Under Part B of the HAP Contract, the Housing Authority is only responsible for paying the subsidized rent. The Housing Authority is not responsible for the screening of, or actions of the tenants, and will not pay for any rent arrears or damages at the end of the tenancy. Because a subsidized tenant usually has few other assets, such tenants are generally “collection proof” and the landlord will be unable to sue and make any recovery beyond the security deposit paid by the tenant. Therefore, the landlord must act promptly to terminate the tenancy whenever damage occurs or a rental arrearage accrues, in order to minimize potential losses. The landlord may not discriminate against the tenant solely because they receive a subsidy, by requiring a security deposit in excess of amounts paid by unsubsidized tenants.

Under Part B of the HAP Contract, the landlord agrees to cooperate with HUD and the PHA in conducting equal opportunity compliance reviews and investigations. The landlord also agrees to provide HUD and the PHA access to the apartment, and to all accounts and other records of the landlord relevant to the HAP contract, including the right to examine and audit the landlord’s records and to make copies, including bank accounts and relevant computerized or other electronic records.

A landlord can sell a building with subsidized Section 8 tenants in place, but must obtain prior written consent of the PHA to assign the HAP contract and subsidy payments. A new landlord

will not qualify if that landlord has a significant criminal history or a history of violating Federal Housing Program Rules or related Federal Laws.

Part C of the HAP Contract is the “Tenancy Addendum” and governs the relationship between the landlord and the tenant. Importantly, it will modify the terms of the landlord’s lease with the tenant and the tenant has the specific right to enforce the Tenancy Addendum against the landlord. In short, if there is a conflict between the landlord’s lease and the Tenancy Addendum, the Addendum controls.

A landlord must give careful attention to the Tenancy Addendum because it limits the grounds to terminate the tenancy and evict the tenants, and also adds additional requirements to proceed with an eviction, even if there are no such limitations or requirements in the landlord’s lease. For example, domestic violence among members of the subsidized household is generally not grounds to terminate the tenancy against the tenant that is a victim, although the landlord can seek a “partial eviction” of the perpetrator if that person is also a member of the household, even if that person has not signed the lease. A subsidized tenant’s threats against other tenants, property managers or service providers *may* be grounds for eviction if the landlord can prove “an actual imminent threat”.

The landlord is also obligated to provide the PHA with copy of any notice to quit served upon the tenant at the same time the owner serves the tenant, and the notice must identify grounds for eviction permitted by the HAP Contract. Grounds for eviction allowed by the lease, but not the Addendum cannot be used because the Addendum controls. The landlord must comply with *both*, the requirements of the lease and the Addendum. Any mistake or oversight will nullify the eviction effort.

If the tenant fails to comply with the program requirements (disclosure of household income, etc.) the subsidy will be terminated. The lease automatically terminates with the subsidy, even if in mid-term. The landlord can continue to rent to the tenant, but only if the tenant can pay the rent without the subsidy, which is unlikely in most circumstances. This means the landlord may be compelled to initiate an eviction mid-term if the subsidy is terminated.

The Addendum can also have the effect of modifying State Law. For instance, a notice of rent increase must be provided at least 45 days in advance under State Law, but the Addendum requires at least 60 days notice of an increase (after the initial 1 year term) to both the tenant and the PHA, and any such increase cannot exceed the Rent Reasonableness Guideline limits.

Disclaimer: For general information of CAHA members; not intended as legal advice. Consult a lawyer for your specific situation © 2007 Eric S. Dick, Esq., Augusta, Maine (207) 622-5872.

Notes (in lieu of minutes)+ of Regular Meeting
Capital Area Housing Association (CAHA)
Held at KV Federal Credit Union

April 10, 2007

Only eight members were present, so there was no business meeting.

Denis Bergeron, from the Maine Public Utilities Commission explained the statewide Energy Efficiency program which covers the residential lighting program, school building program and commercial buildings program which works with and trains electricians, plumbers, etc. He also talked about, and answered questions about, the Energy Efficiency bill which was passed last session which requires landlords to fill out an energy efficiency form for each unit being shown to prospective tenants. The PUC is required to submit a report to the Legislature about the program and how it is working next January. Any input is more than welcome! Go to www.maine.gov/mpuc or www.mainehousing.org , where you can download the forms and more information, or sent in comments. Mr. Bergeron also mentioned that there will be new appliance promotions this summer, and new solar rebates available.

For downloads and more
information please go to:
www.maine.gov/mpuc
or www.mainehousing.org

A reminder that the Board will be reviewing the By-Laws at the March Board meeting, and encourage member input.

Secretary Louise Hinkley mentioned LD 383, An Act to Amend the Landlord-Tenant Laws, sponsored by Senator John Courtney, which has been scheduled for a public hearing on Friday, April 20th before the Legal & Veterans Affairs Committee. ALL members should contact their own local legislators and ask them to support this bill!

Sign in sheet indicated 8 members attending, with 50 units, and 14 (?) vacancies.

Meeting adjourned at 8:15 pm.

Respectfully submitted,
Louise Hinkley, Secretary

<p>CERTA PROPAINTERS * Painting (Exterior & Interior) * Pressure Washing * Plaster / Drywall repair Andy Mann - 622-6065 10% off for CAHA Members</p>	<p>Aubuchon Hardware 623-9844 20% off Glidden Paint - 10% off all other regular price items Aaron Feldmus</p>	<p>SHOP FROM HOME FLOORING 626-3100 10% off any regular price Sales & Installations Sam Macmaster</p>	<p>Sherwin Williams 622-6818 Paint, Wallcovering and Accessories 10-20% off all products Aaron Smith</p>
<p>Central Maine Wall to Wall 582-1526 email: info@cleaningmainescarpets.com Carpet and upholstery cleaning Rick Bonenfant</p>	<p>Hammond Lumber Co. 495-3303 Full Service Lumber & Building Materials 10% off Retail and Free Delivery Dale Tobey</p>	<p>Major Appliance 622-5859 Free Delivery Farmingdale, Maine Ken Martin</p>	<p>Steve's Appliance Service & Sales, Inc. 621-0520 - Fax:547-4083 Heaters - Mattresses NEW & USED APPLIANCE SALES & SERVICE</p>
<p>Farris, Foley & Dick, P.A. Eric Dick, Esq. 88 Winthrop Street, Augusta LEGAL SERVICES • 622-5872 \$ 25.00 off standard hourly rate on landlord/tenant matters</p>	<p>DOWNEAST ENERGY. Oil • Propane Equipment Sales & Service 191 Water Street - Hallowell 622-7521</p>	<p>Central Maine Property Management Property Mgmt - Maintenance Lawn care - Bookkeeping - Snow removal 20% discount to CAHA members Devon L. Dobbins • 622-7691</p>	<p>D.R. Struck Landscape Nursery 395-4112 15% discount on your purchase Robin Struck</p>
<p>Rick's Downeast Building & Property Maintenance 923-4054 & 623-7535 10% discount on property maintenance excluding the new Depo-section. Ricky Bradstreet</p>	<p><i>Bayleigh Flooring</i> Flooring & Lighting Sales Essence Wilkins (207) 620-8888 - FAX 620-7024 ewilkins@bayleighflooring.com</p>	<p>Moody & Company Office Supplies, Inc. 622-6616 25% off list and Free Delivery</p>	<p>TC & Company Cellular: 242-8499 or Phone: 621-8090 Handyman jobs at a 10% discount No jobs too small Tim Dennett</p>
<p>POULIN PROPANE Propane Appliance Installation & Service Edward Poulin 441-1574 Discount on Labor</p>	<p>Moreau Home Improvement Property Management & Maintenance (207) 215-7500 - (207) 549-5724 10% off - \$45.00 hr.</p>	<p>O&P Glass (the clear choice) 622-3652 Fax: 622-3268 Auto, residential commercial, stained glass</p>	<p>Winslow Aluminum 873-0412 • 1-800-924-0412 Windows, Doors, Siding, etc. 35% off Replacement Windows Rick Heffernan Sales Representative</p>
<p>Big Daddy's Handyman Service Painting & Lawn maintenance Apartment clean-ups - Odd jobs big or small Discounted rates for CAHA members Sean Fritz 441-2490 93 Green Street - Augusta, ME</p>	<p>R&R Property Management Rob Jordan (207) 485-1237 Tenant Relations - Handyman service Landscaping & Odd Jobs Discount on Labor for CAHA members</p>	<p><i>Newcomer Relocation Services</i> Phone/Fax 622-4312 - Cell: 446-4312 email: ramona@NewcomerRelocation.com www.NewcomerRelocation.com No application fee for CAHA Members</p>	<p>Dave Labbe Plumbing 622-2566 DISCOUNT ON LABOR</p>

