

807. — Exemption from Registration for units with tenants receiving monthly assistance through the Section 8 Program or the Shelter Plus Care Program or equivalent rent subsidy program

(A) — Purpose. Under the Ordinance (BMC 13.76.050.D) units are exempt from rent registration and related rent ceiling requirements when they are occupied by tenants who receive monthly rent subsidies through the Section 8, Shelter Plus Care or equivalent federally funded program, but only so long as the rent demanded does not exceed the payment standard. The exemption is intended to encourage landlords to rent to tenants receiving such assistance, and the purpose of the limitation on the exemption is to provide tenants in these programs with protections equivalent to those of unsubsidized tenants so that their rents cannot be raised above the payment standard unless the increase conforms with the Annual General Adjustments allowed under the ordinance.

These regulations clarify when a unit qualifies for and no longer qualifies for the exemption. They specify that a unit no longer qualifies for exemption when the landlord raises the rent above the payment standard. They further specify that the exemption continues to apply if the landlord has not raised the rent to bring it over the payment standard but instead the BHA has lowered the payment standard below a rent that originally qualified the unit for exemption.

(B) — Applicable Payment Standard: Definition. The applicable payment standard is the maximum rental assistance that the Housing Authority can provide to a household based on the number of bedrooms that the tenant household qualifies for:

a. — If an owner accepts an initial rent based on the payment standard for fewer bedrooms than the rented unit contains, the applicable payment standard shall continue to be based on the same number of bedrooms unless the Housing Authority qualifies the tenant to receive subsidy based on a larger number of bedrooms.

b. — If the Housing Authority approves an initial rent above the payment standard, that initial rent shall be considered the applicable payment standard for that unit until it is equaled or exceeded by the payment standard set by the Housing Authority.

— (C) — Units Qualifying for Exemption. As long as the rent is no higher than the payment standard the unit qualifies for exemption from Section 13.76.080 Rent Registration, 13.76.100 Establishment of Base Rent Ceiling and Posting, Section 13.76.110 Annual General Adjustment of Rent Ceilings and Section 13.76.120 Individual Adjustment of Rent Ceilings. The unit will no longer qualify for these exemptions if the rent is increased to a level above the payment standard.

If, however, the payment standard is lowered so that a previously agreed upon rent that was originally within the payment standard is now above the payment standard, the unit will continue to qualify for exemption from Section 13.76.080 Rent Registration, 13.76.100 Establishment of

Base Rent Ceiling and Posting, Section 13.76.110 Annual General Adjustment of Rent Ceilings and Section 13.76.120 Individual Adjustment of Rent Ceilings.

[Adopted: 07/19/13]