



Commonwealth of Massachusetts

DEPARTMENT OF HOUSING & COMMUNITY DEVELOPMENT

Charles D. Baker, Governor ♦ Karyn E. Polito, Lt. Governor ♦ Jennifer D. Maddox, Undersecretary

AHVP Program Notice 2022-2

To: AHVP Administering Agencies (AAs)
From: Tara O'Neill-Rosales, Director, Division of Rental Assistance
Subject: **AHVP Security Deposit Program**
Date: December 1, 2021
cc: Cecilia Woodworth, Assistant Director of State Programs
Stephanie Kan, AHVP & DMHRSP Coordinator
Thomas Timms, State Rental Assistance Programs Assistant

DHCD is pleased to announce the new AHVP Security Deposit Program, effective January 1, 2022 through June 30, 2023. Recognizing that security deposits are often a barrier to lease-up for AHVP voucher holders and, given current resources, DHCD is piloting this program to evaluate the effectiveness of offering assistance for security deposits and full first month's rent to AHVP voucher holders for a limited time.

How does the security deposit program help?

AHVP voucher holders and participants (both generally referred to as participants throughout this memo) will be able to receive security deposit and/or full first month's rent for any new lease up (both newly issued vouchers and relocations) beginning on or after 1/1/2022 through 6/30/2023. Participants will be able to provide this information to the Property Owner (PO) when they speak with them regarding a unit and can complete a simple one-page request form along with the Request for Program Payment (RFPP). Once the lease up is fully completed, the Administering Agency (AA) will pay for any security deposit and/or full first month's rent as requested on the participant's behalf directly to the PO. This will allow the PO to be assured of those payments without requiring the participant to provide those funds in advance. After moving out of the unit, the PO will return any security deposit funds directly to the participant in accordance with Massachusetts Security Deposit Law, M.G.L. c.186 sec. 15B.

How can you utilize the security deposit program?

In order to utilize the AHVP security deposit program, there must be:

- An AHVP voucher holder or participant (both new and existing) who has been found eligible and qualified, is in good standing (including proper notice of termination of prior unit's lease, if any), and has been issued or reissued a valid AHVP voucher, and
- Leasing up in a new unit (either as a new participant or a relocation) that has been approved for the use of the AHVP voucher, and
- The lease and voucher payment contract are fully signed and with a start date between 1/1/2022 and 6/30/2023, and
- The Property Owner (PO) must have completed and submitted the AHVP security deposit program request form to the AA in advance of the completion of the lease up (retroactive requests will not be considered).

Also, please note:

- There is no extra eligibility requirement for the AHVP security deposit program. AHVP participants do not need to show proof of need in order to receive this assistance. If the participant and unit meet the above criteria, they can utilize the security deposit program.

- A participant can utilize the security deposit program multiple times during their participation in the standard AHVP voucher program, for any or every new lease up or relocation that meets the standard AHVP policies and procedures between 1/1/2022 and 6/30/2023.
- There is no blackout or waiting period between uses of the security deposit program, as long as the situation meets the above criteria as well as the standard AHVP policies and procedures, such as proper termination of the prior unit's lease.
- After moving out of the unit, the PO will return any security deposit funds directly to the participant in accordance with Massachusetts Security Deposit Law, M.G.L. c.186 sec. 15B.

What is the process?

1. While the AHVP Security Deposit Program is available between 1/1/2022 and 6/30/2023, Administering Agencies (AAs) will include the security deposit program request form in the Property Owner packet that is provided to the participant when issuing an AHVP voucher.
2. When the participant meets a Property Owner (PO) regarding a potential unit, they must complete the Request for Program Payment (RFPP) form and the Security Deposit request form together. The PO must provide these forms, along with other required items, directly to the AA. The PO must have completed and submitted the AHVP security deposit program request form to the AA in advance of the completion of the lease up (retroactive requests will not be considered).
3. The AA will review the unit for approval per the standard AHVP regulations and policies. When the unit is approved, the AA will notify the PO and participant to sign the AHVP leasing documents so the participant can move in.
4. Once the PO returns the fully signed leasing documents to the AA, the AA will release all the approved payments. The AA will return a copy of all leasing documents, including the security deposit request form, to the PO and participant for their records.
5. Then, in the requisition system, the AA enters the full first month's rent amount (if any) as usual and the security deposit amount (if any) into the "Retro Admin" box. In the "Comments" box, enter "[Security Deposit(s)] of [\$ Amount]." The AA must provide this information in order to receive these funds.

A	B	C	
Leased Vouchers	Subsidy Current Month (\$)	Retro/Others (\$) <small>Enter Retro Amounts, Enter Insurance Transfer Fee and Security Deposit in Retro Admin</small>	Comments <small>Enter details of Insurance Transfer Fee, Security Deposits, and Other Retro</small>
<input type="text"/>	<input type="text"/>	Retro Subsidy: <input type="text"/> Retro Admin: <input type="text" value="\$2100"/> Retro Services: <input type="text"/>	<input type="text" value="Security Deposit of \$2100"/>
<input type="button" value="Save Data"/>		<input type="button" value="Clear"/>	

6. When the participant moves out, the PO will return any security deposit funds directly to the participant in accordance with Massachusetts Security Deposit Law, M.G.L. c.186 sec. 15B. These returned funds are for the participant's own use.

Questions?

For general questions regarding the AHVP security deposit program or the AHVP voucher program, please contact Stephanie Kan, AHVP & DMHRSP Coordinator, at Stephanie.Kan@mass.gov or 617-573-1222, or Thomas Timms, State Rental Assistance Programs Assistant, at Thomas.Timms@mass.gov or 617-573-1212.