



Commonwealth of Massachusetts
**DEPARTMENT OF HOUSING &
COMMUNITY DEVELOPMENT**

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

AHVP Program Notice FY23-02

To: AHVP Administering Agencies (AAs)
From: Cecilia Woodworth, Assistant Director, State Programs, Division of Rental Assistance
Subject: **Update to AHVP Security Deposit Program**
Date: October 20, 2022

This Program Notice FY23-02 replaces [Program Notice 2022-2](#). The updated documents listed in this program notice replace the prior versions.

In December 2021, DHCD initiated the new AHVP security deposit program, which paid for security deposit and first month's rent for AHVP voucher holders during the period from January 1, 2022 through June 30, 2023. This pilot program has successfully mitigated the barrier of upfront leasing costs for many AHVP voucher holders. Given current program resources and the continued need for AHVP voucher holders to secure housing, **DHCD is now making last month's rent available through the AHVP security deposit program as well.**

AHVP voucher holders and participants (both generally referred to as participants throughout this memo) will be able to receive security deposit, full first month's rent, and full last month's rent for any new lease up (both newly issued vouchers and relocations) during the period from 11/1/2022 through 6/30/2023.

Participants will be able to provide this information to the Property Owner (PO) when they speak with the PO regarding a unit. The PO can then complete a simple one-page AHVP security deposit program request form along with the Request for Program Payment (RFPP). Once the lease up is fully completed, the AA will pay for any security deposit, full first month's rent, and/or full last month's rent as requested on the participant's behalf directly to the PO.

Security deposit and last month's rent should be managed by the PO and participant in accordance with Massachusetts Security Deposit Law, M.G.L. c.186 sec. 15B. After moving out of the unit, the PO will return any security deposit funds directly to the participant. Likewise, if there is any accidental overpayment of the last month's rent payment, the PO will return said amount of funds directly to the participant. These returned funds are for the participant's own use.

To utilize the AHVP security deposit program, there must be:

- An AHVP voucher holder or participant (either new or existing) who has been issued or reissued a valid AHVP voucher;

- A lease up in a new unit (either as a new participant or a relocation) that has been approved for the use of the AHVP voucher;
- A fully signed lease and voucher payment contract with a start date between 1/1/2022 and 6/30/2023 if requesting security deposit and/or first month's rent, or between 11/1/2022 and 6/30/2023 if requesting security deposit, first month's rent and/or last month's rent; and
- An updated AHVP security deposit program request form that has been completed and submitted to the AA before the completion of the lease up.

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 to receive this assistance. If the participant and unit meet the above criteria, they can utilize the AHVP security deposit program.
- A participant can utilize the AHVP security deposit program multiple times during their participation in the AHVP voucher program. There is no blackout period or waiting period between uses of the AHVP security deposit program.
- Payments cannot be made retroactively. Security deposit, full first month's rent, and/or full last month's rent must be requested prior to move in.
- After a participant moves out of a 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. Likewise, if there is any accidental overpayment of the last month's rent payment, the PO will return said amount of funds directly to the participant.

What is the process?

1. While the AHVP security deposit program is available between 1/1/2022 and 6/30/2023, AAs will include the AHVP security deposit program request form in the Property Owner packet that is provided to the participant when issuing an AHVP voucher. Please use the updated form that includes the option of last month's rent.
2. When the participant meets a PO regarding a potential unit, the PO must complete the updated Request for Program Payment (RFPP) form and the updated security deposit request form.

3. The AA will review the unit for approval per 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 fully signed leasing documents are returned to the AA, the AA will release all approved payments.
5. Then, in the requisition system, the AA enters the combined amount of any security deposit, full first month's rent, and/or full last month's rent paid by the AA to the PO into the "Retro Subsidy" box. Note that entering these amounts into the "Retro Subsidy" box is a change from previous guidance. In the "Comments" box, enter "[Security, First, and/or Last] of [\$ Amount]". The AA must provide this information 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" value="\$3000"/> Retro Admin: <input type="text"/> Retro Services: <input type="text"/>	<input type="text" value="First and Last of \$3000"/>
<input type="button" value="Save Data"/>		<input type="button" value="Clear"/>	

6. The AA shall make whatever subsidy payment is due to the PO as calculated at that time for the last month the participant lives in the unit. The AA does not need to track whether it previously paid last month's rent at move-in. The PO shall return any overpayment of rent directly to the participant.
7. 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. Likewise, if there is any accidental overpayment of the last month's rent payment, the PO will return said amount of funds directly to the participant. These returned funds are for the participant's own use.

Questions?

For questions regarding the AHVP security deposit program, please contact Cecilia Woodworth at cecilia.woodworth@mass.gov.



Massachusetts Department of Housing and Community Development

AHVP SECURITY DEPOSIT PROGRAM AWARD LETTER AND REQUEST FORM

AA Name & Address: _____
Date of Award/Voucher Issuance Date: _____

Participant Name _____
Unit Address _____
Property Owner Name _____
Property Owner Address _____

This letter confirms that the above listed Participant has been issued an Alternative Housing Voucher Program (AHVP) Rental Assistance Voucher and is approved for the AHVP Security Deposit program. The above-named Administering Agency intends to provide the security deposit, full first month's rent, and/or full last month's rent (if any) in addition to ongoing monthly rental subsidy (equal to contract rent minus tenant's rent share) on behalf of the above-named Participant.

Table with 3 columns: Item, Amount (\$), and Status (checkbox). Rows include Security Deposit, First Month's Rent, and Last Month's Rent.

Property Owner Terms

By accepting AHVP Security Deposit Program funds, the owner acknowledges and accepts the following terms:

- I have certified that I am the property owner (or authorized agent for the owner) of the above referenced property (Unit Address).
I understand that this award is contingent on approval of the above referenced property (Unit Address) and contract rent by the Administering Agency per the standard AHVP program regulations and policies and on the completion of a fully signed AHVP Lease and Voucher Payment Contract.
If the AHVP Administering Agency makes a security deposit and/or last month's rent payment on behalf of the Participant/Tenant, I agree to comply with all landlord obligations in accordance with M.G.L., c.186 s. 15B. In accordance with said law, I will return any such security deposit, including any amounts paid on behalf of the Participant by the Administering Agency, to the Participant. If there is any overpayment of the last month's rent payment, I will return said funds directly to the Participant.
If the AHVP Administering Agency pays a security deposit, full first month's rent, and/or full last month's rent on behalf of the Participant, I agree to return these funds to the Administering Agency should the Participant not move into the above referenced property.
I understand that AHVP funds are to be used only for approved security deposit, full first month's rent, and/or full last month's rent that are not paid by other sources of financial assistance. If the AHVP Administering Agency determines that the Participant has received financial assistance from another source to pay the same expenses paid by the AHVP security deposit program, I agree to repay the duplicative assistance as directed by the Administering Agency.
If I previously received any funds for security deposit, full first month's rent, and/or full last month's rent directly from the Participant, I will return those duplicative payments directly to them.
Nothing in this Agreement precludes the owner/agent from using any and all remedies available under law, including the institution of eviction proceedings against the Participant, if the Participant fails to pay any future rent due after the date of this award or otherwise violates the terms of tenancy.

REQUEST FOR PROGRAM PAYMENT ALTERNATIVE HOUSING VOUCHER PROGRAM (AHVP)

1. **REQUEST** The undersigned Owner and Participant hereby request _____, the AA to make payment under the Alternative Housing Voucher Program (AHVP) to the Owner or Owner’s agent for the dwelling unit located at:

_____, MA _____
Street Address **Apt. #** **City** **Zip**

The unit consists of ____ bedrooms and is proposed to be leased _____, 20__ at a total rent of \$_____ per month. The rent includes the following utilities: Heat Hot Water Electricity Cooking Fuel

A security deposit of \$_____ is requested. First month’s rent of \$ _____ is requested. Last month’s rent of \$ _____ is requested.

HANDICAP ACCESSIBILITY: Sensory Mobility N/A **YEAR BUILT:** _____

2. **RESPONSIBILITIES**

The OWNER, by executing this Request:

- a) Agrees to provide, prior to the proposed occupancy date, verification that this unit is in compliance with Article II of the State Sanitary Code and is lead safe (if applicable);
- b) Agrees that the Owner will use the AHVP Lease;
- c) Intends to enter into a Voucher Payment Contract for this unit with the AA;
- d) Understands that the AA has not screened the Participant’s suitability for tenancy and that all tenant screening is the Owner’s responsibility; and
- e) Certifies that this unit is made available, managed, and operated in accordance with applicable federal and state fair housing laws regarding race, ethnicity, color, creed, religion, sex, gender, familial status, disability, age, genetic information, sexual orientation, ancestry, marital status, veteran/military status, presence of children, receipt of public assistance, gender identity, or national origin.

The PARTICIPANT, by executing this request, represents that he/she has seen the dwelling unit and that he/she finds it acceptable for habitation.

3. **DATES OF AVAILABILITY FOR OCCUPANCY**

The dwelling unit will be available for occupancy by the PARTICIPANT on _____.

4. **EXECUTION**

All statements made herein are true and accurate. Signed under the pains and penalties of perjury.

Printed Name of Owner or Agent

Printed Name of Participant

Owner or Agent Signature

Date

Participant Signature

Date

Owner or Agent Address

Participant Address of Participant

Owner or Agent Telephone #

Participant Telephone Number

Owner or Agent Email

Participant Email

Please return completed RFPP to: |
(p) | (f) |