



# Rental Assistance Basics

*EOHLC Office Hours*  
Friday August 23, 2024



# WELCOME

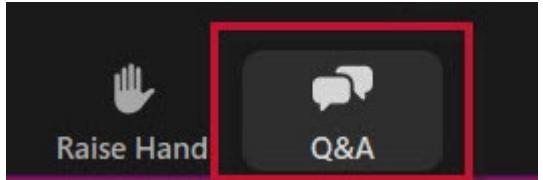


# ENGAGEMENT BEST PRACTICES

## Asking Questions

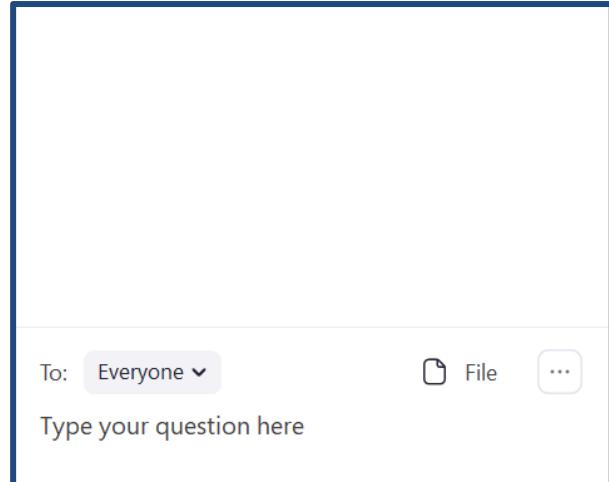
We will be monitoring the Q&A for questions

1



Click “Q&A” to submit a question (or “Raise Hand” to share a verbal question at designated breaks)

2



Enter your question into the “Q&A” box

We will follow up with answers to any questions that we don't get to during the session



# THIS CALL IS BEING RECORDED



# Rental Assistance Basics

Review of EOHLC-  
Administered Rental  
Assistance Programs

—  
August 23, 2024





- Tenant portion of rent changes based on income
  - Tenants pay 25%-40% of net income in rent
  - Some programs consider utility expenses when determining tenant rent
- Income limits at eligibility
- Federal and state funds, awarded by HUD and EOHLC
- Administered by:
  - Local housing authorities (LHAs)
  - Regional housing agencies (RAAs)
  - Some owners/property managers
- Housing owned by private owners, who receive subsidy payments from agencies

# Voucher Types



- **Tenant-Based (Mobile) Voucher**
  - Tenant can utilize the voucher to search for and rent a qualifying apartment on the private market.
- **Project-Based Voucher (PBV)**
  - Subsidy is attached to the unit. If the household moves out, they no longer have the subsidy/voucher and the next household to move in from the waiting list gets the subsidy.
  - PBVs leverage EOHLC capital funds to spur affordable housing development and ensure long-term affordable housing.
- **Sponsor-Based Voucher**
  - Voucher is awarded to a sponsoring organization, typically a mental health care or other supportive service provider. The sponsor rents the unit and then sub-leases it to a client.

❖ **Vouchers are almost always permanent** ❖

◆ **Households generally receive assistance for as long as they remain eligible** ◆



# Voucher Programs

## State-Funded

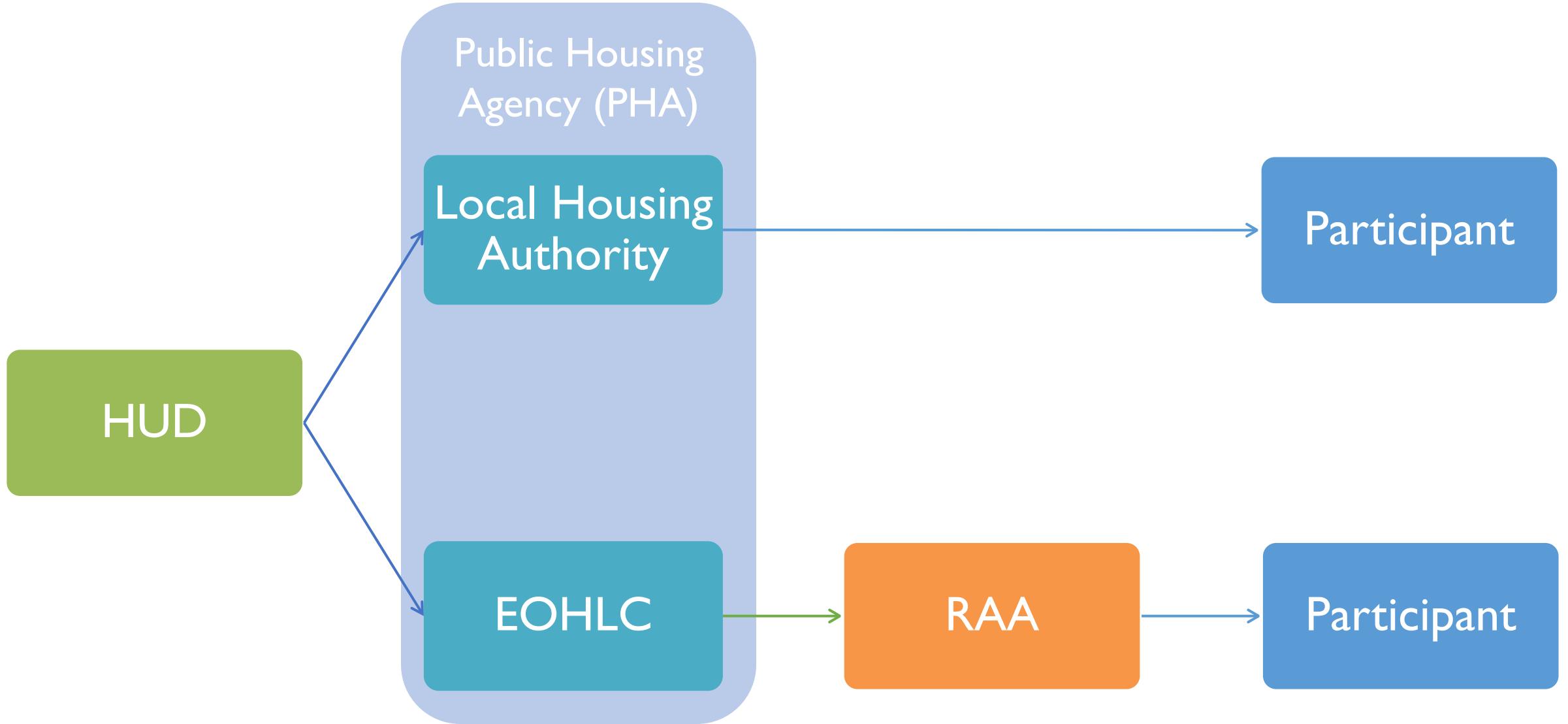
- Massachusetts Rental Voucher Program (MRVP)
  - Project-based and mobile
  - ~12,000 total vouchers
- Three other voucher programs
  - Alternative Housing Voucher Program (AHVP)
  - Dept. of Mental Health Rental Subsidy Program (DMHRSP): *Mobile and sponsor-based*
  - Stable Start: *Mobile and sponsor-based*

## Federally Funded

- Housing Choice Voucher Program (HCVP)
  - “Section 8”
  - Project-based and mobile
  - EOHLC has ~24,000 vouchers, including targeted programs
    - There are over 100,000 total vouchers in MA, the rest administered by local housing authorities
- Lots of smaller programs for special populations



## Section 8 Vouchers in MA





# Applying for Mobile Vouchers

- Section 8
  - EOHLC: <https://www.mass.gov/doc/dhcd-section-8-housing-choice-voucher-program-application-0/download>
  - Centralized waiting list (used by 100+ LHAs): <https://www.affordablehousing.com/masscwl>
  - Individual LHAs
- MRVP
  - <https://www.mass.gov/champ>
- AVHP
  - <https://www.mass.gov/champ>

## Voucher Life Cycle

### Applying

Waiting

Eligibility

Voucher Issuance

Housing Search (Mobile Only)

Leasing

Participation

Termination



# Voucher Life Cycle

## Applying

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## Applying for PBVs

- Individual properties with PBVs
  - Contact local RAA for assistance
  - Some MRVP PBVs are in CHAMP
- Affordable housing/some PBVs
  - <https://www.housingnavigatorma.org/>



# Voucher Life Cycle

Applying

**Waiting**

Eligibility

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## Waiting

- Waitlists for all vouchers, but especially mobile vouchers, can be quite lengthy
  - Waits are typically years
- It's extremely important to keep mailing address up to date
  - If possible, it's also helpful to keep up-to-date identity and income verification



## Voucher Life Cycle

Applying  
Waiting

### Eligibility

Voucher Issuance  
Housing Search (Mobile Only)  
Leasing  
Participation  
Termination

## Eligibility

- Income limits vary by program (limit of 30% - 80% AMI)
- CORI/SORI checks and history in other subsidized housing
- Many issues can be mitigated, and reasonable accommodations/domestic violence are considered
- Eligible immigration status (federal programs only)
- Owners may have additional requirements



# Voucher Life Cycle

Applying  
Waiting  
**Eligibility**

Voucher Issuance  
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## Eligibility

- **Applicants must:**
  - Verify all income, assets, and deductions
  - Provide all vital documents, generally government-issued photo ID (18+), birth certificate, and Social Security card, for all household members
  - Verify immigration status, for federal programs
  - Sign release authorizing the RAA to obtain information:
    - Housing agencies will verify information with various government databases, as well as run CORI/SORI
    - Housing agencies may have to verify income and assets directly with employer, bank, other government agencies



## Voucher Issuance

- **Voucher**
  - Contract between the household and housing agency
  - Includes everything the household can and cannot do while they have their voucher
- **PBV**
  - Generally, households sign a lease and move in very quickly
- **Mobile**
  - Voucher recipient begins housing search upon voucher issuance

## Voucher Life Cycle

Applying  
Waiting  
Eligibility

### Voucher Issuance

Housing Search (Mobile Only)  
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## Housing Search

- Households generally have 120 days to find a unit
  - Extensions may be available and depend on program
- Subsidy limits vary by program (FMR/SAFMR)
  - Utilities may be considered
  - [mass.gov/paymentstandard](http://mass.gov/paymentstandard)
- If the unit is denied or falls through, the household must find a new unit
- If a household does not find a unit within the timeframe or any extensions given, they lose their voucher
- **Most rental assistance programs do not directly provide housing search help**

## Voucher Life Cycle

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# Housing Search

- Payment standard

- The payment standard is the maximum possible amount of subsidy that a RAA can pay for a unit

- Rent reasonableness

- RAAs can only approve contract rent amounts that are determined to be “rent reasonable”
- The rent charged by the owner for the unit must be reasonable when compared to similar unsubsidized units in the community (looking at location, size, type, quality, amenities, facilities, management, and maintenance of each unit)
- A rent is also reasonable if it does not exceed rents currently being charged by the same owner for comparable unassisted units, including those in the same building
- RAAs conduct a market analysis to determine rent reasonableness

- What this means

- An RAA might not be able to approve a unit up to the full amount of the payment standard, if the market analysis does not show that the requested rent is reasonable
- Accordingly, based on the rent determined to be reasonable, the RAA might approve a contract rent amount that is lower than the payment standard

## Voucher Life Cycle

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# Tenant Screening

- Owners must be willing to accept voucher, but can ask for whatever rents they want (which means a unit might not be approvable)
- Owners must be willing to rent to families with children under 6
- Owner can screen using any legally allowable method but may not subject applicants with vouchers to additional or different screening criteria
  - e.g. Credit checks & landlord references
  - Voucher programs do not screen applicants to see if they would be good tenants
- Owners can ask for first, last, and security

## Voucher Life Cycle

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## Voucher Life Cycle

Applying  
Waiting  
Eligibility  
Voucher Issuance

### Housing Search (Mobile Only)

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## Housing Search Challenges

- Finding available units
- Cost
  - Broker fees
  - First, last, and security
  - Application fees
  - Unit costs not covered by voucher, like parking, storage, sometimes pet fees
- Tenant screening
  - Credit, income requirements, tenancy history – although voucher can (and should) help mitigate
- Unit approval
  - Rent reasonableness, affordability, inspections, etc.
- Timeliness



## Voucher Life Cycle

Applying  
Waiting  
Eligibility  
Voucher Issuance

### **Housing Search (Mobile Only)**

Leasing  
Participation  
Termination

## Inspections

- Units must be inspected prior to occupancy
  - Section 8:
    - Conducts free inspections at tenant's initial occupancy and then on a regular basis (every 1-3 years) during the tenancy
    - State programs:
      - Local board of health conducts single required inspection at tenant's initial occupancy for fee
- Units must be verified lead safe if there is a child under age 6
  - Owner must comply with all lead safe requirements



## Owner Paperwork

- Owners must submit:
  - Unit information on program specific form
  - Lease
  - W-9
  - Direct deposit information
  - Proof of ownership
  - Lead safe documents, if applicable
- Owners must agree to:
  - Rent reasonable contract rent
  - Program specific lease addendum
  - Contract with housing agency

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## Voucher Life Cycle

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### Leasing

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Termination

## Leasing

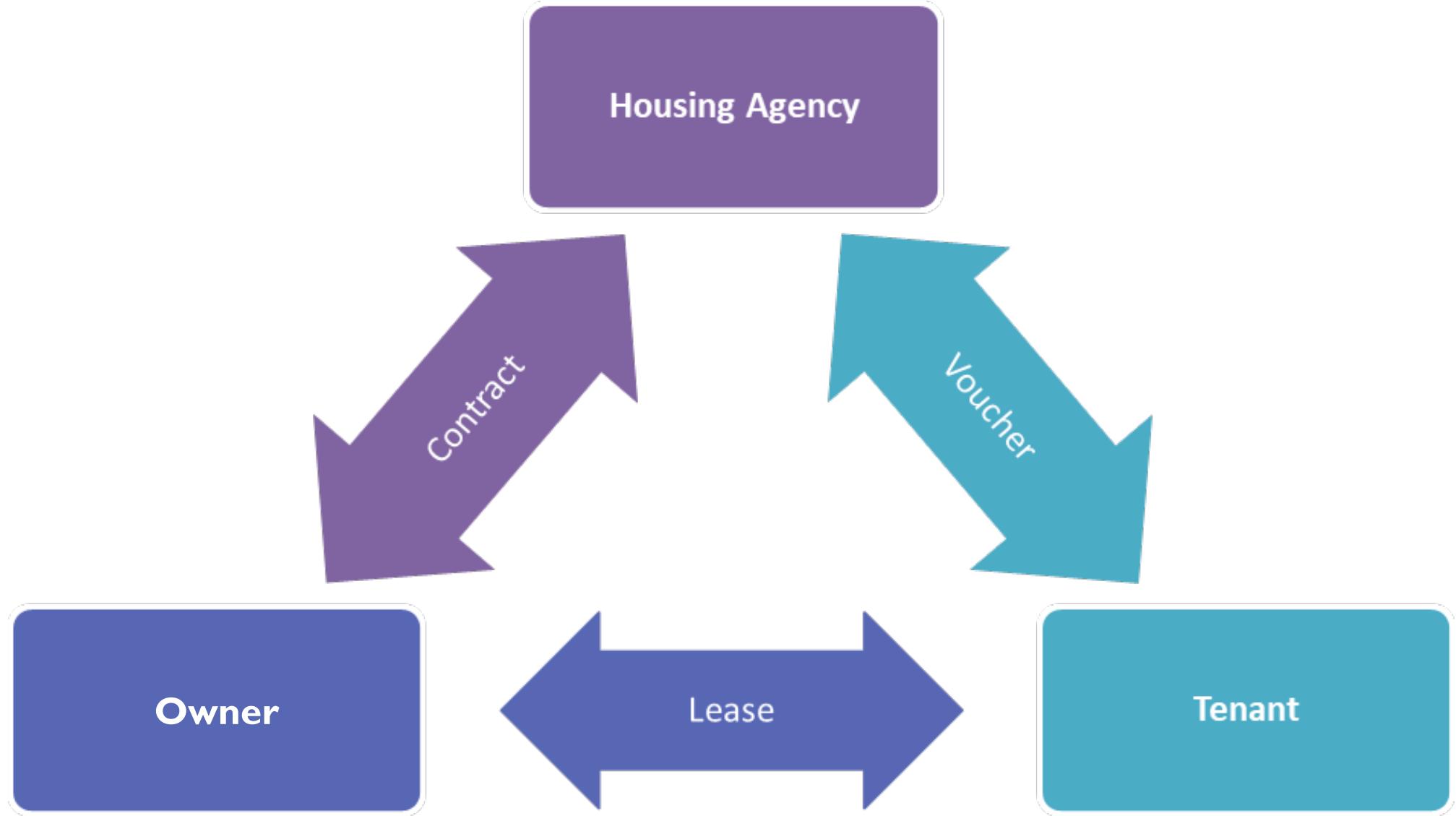
- All required contracts signed and given to all parties
- Housing agency determines tenant rent share and subsidy amount
- Household gets keys and moves in!



## Relationship Between Parties—No Voucher



# Relationship Between Parties with Voucher





## Voucher Life Cycle

- Applying
- Waiting
- Eligibility
- Voucher Issuance
- Housing Search (Mobile Only)
- Leasing

### Participation

- Termination

## Participation

- Households are required to report changes in income and household composition throughout the year
- Households are required to re-certify every 1-3 years with the housing agency for continued eligibility, income, tenant rent share determination
- Subsidy payments are made directly from the RAA to the property owner
- Owner works with tenant as they would with any fair market tenant

# Termination

- Over-income
  - Depending on program, 3-12 months after no subsidy payments made (tenant share is 100% of contract rent)
  - Depending on program, AMI may be considered
- Non-compliance with program rules, e.g.:
  - Failure to report changes in income/household composition
  - At-fault eviction
  - Criminal activity
  - Failure to comply with voucher
  - Fraud
- Death
- Voluntary withdrawal

## Voucher Life Cycle

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# Fair Housing Basics



- Fair housing aims to provide equal access
- Owners must treat applicants and tenants equally regardless of whether they belong to a protected class
  - For example, an owner cannot require a higher credit score for applicants with a housing voucher or require a minimum earned income
- Housing providers must be willing to accept applications from anyone
  - For example, an owner cannot refuse to accept an application from someone with a housing voucher or steer applicants to specific units or neighborhoods
- Reasonable accommodations and modifications must be provided for people with disabilities
  - For example, a person who has a disability-related need for additional voucher search time
- Ignorance is not an excuse!

# Protected Classes in MA



- **Familial Status (Children)**
  - Often relates to lead paint
- **Race**
- **Color**
- **National Origin**
- **Religion**
- **Sex**
- **Disability**
- **Source of Income (Vouchers)**
- **Sexual Orientation**
- **Gender Identity**
- **Marital Status**
- **Veteran/Military Status**
- **Genetic Information**
- **Age**



# Common Fair Housing Issues

- Refusal to accept a voucher
  - e.g. “Sorry, no Section 8” or “Not Section 8 approved”
- Steering voucher holders to other units or areas
- Using different (more stringent) screening criteria for voucher holders
- Refusal to rent to a family with children, especially children under 6, where lead paint compliance is required
  - e.g. “Unit not deleaded”
- Refusal to make reasonable accommodations or allow/provide reasonable modifications
  - e.g. Saying “no pets” when a person has a service dog

QUESTIONS?



# Thank you!

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Image

Four Corners / Upper Washington  
Owner: Vietnamese American Initiative for  
Development (Viet-AID)  
Architect: Unite, Inc. | Architecture + Planning





# THANK YOU!

