

HUD HOUSING CHOICE VOUCHER LANDLORD NEWSLETTER

MEET U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT SECRETARY MARCIA FUDGE



This spring HUD welcomed Secretary Marcia L. Fudge as the first African-American woman to serve as Secretary of the U.S. Department of Housing and Urban Development. Former Ohio Congresswoman Fudge has looked at housing and affordability from a range of perspectives – while always working to support low-income families, seniors, and communities across the country. As the first female and African American mayor of Warrensville Heights, Ohio, she adopted one of the first vacant and abandoned property ordinances in the state, worked to protect consumers against predatory lending, created property maintenance grants, and expanded opportunities for affordable housing.

As <u>she spoke at HUD to staff</u>, she discussed some of her longer-term priorities for HUD. These included reaching more eligible people with services, delivering support to struggling small landlords, ending discriminatory practices in the housing market, and enforcing fair housing rules. She said that the role of housing is "about expanding access to opportunity; building strong, sustainable, equitable, and healthy communities; and improving outcomes for all people, regardless of race, station, or background."



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INCREASED RENT RELIEF FOR LANDLORDS AND TENANTS

Emergency Rental Assistance

The American Rescue Plan Act of 2021 (ARPA), enacted on March 11, includes increased funding and programs to offer relief to landlords and tenants, among others. The rental relief package includes \$21.55 billion in Emergency Rental Assistance (ERA) for rent and utility arrears and home energy payments, which are administered by the U.S. Department of Treasury.

According to the *U.S. Department of Treasury's* FAQs, to be eligible, a renter household must have a household income at or below 80 percent of the area median and include at least one or more individuals who 1) qualify for unemployment benefits or have experienced a reduction in household income, incurred significant costs, or experienced a financial hardship due to COVID-19; and 2) demonstrate a risk of experiencing homelessness or housing instability.

Grantees funded under the ARPA are not allowed to deny funds to renters simply because renters are living in assisted housing.



Rental households may be eligible for 12 to 18 months of payments (depending on funding source and subject to availability of funds). These funds may not cover rent arrears incurred prior to March 13, 2020.

To access this funding for households, the tenant, or the landlord on behalf of the tenant, applies through eligible grantees. Grantees include local governments, states, U.S. territories, and Indian tribes. Funds are typically paid directly to landlords and utility service providers.

States and local governments may still be in the process of making these funds available. The National Council of State Housing Agencies provides links to many of the state-wide emergency rental assistance programs through a map on its website at: https://www.ncsha.org/emergency-housing-assistance/. An additional source of information about where to apply may be local HUD Housing Counseling agencies. Find your closest one: https://apps.hud.gov/offices/hsg/sfh/hcc/hcs.cfm.

Emergency Housing Vouchers

ARPA will also fund approximately 70,000 emergency housing vouchers (EHVs). The public housing agencies (PHAs) receiving EHVs will partner with HUD Continuums of Care (CoC) grantees and other Victim Service Providers to ensure the vouchers reach people in need and provide access to adequate support services. The PHAs will administer vouchers to individuals and families who are:

- Homeless
- At risk of homelessness
- Fleeing, or attempting to flee, domestic violence, dating violence, sexual assault, stalking, or human trafficking
- Were recently homeless or have a high risk of housing instability

EHV services fees can fund security deposits, holding fees, application fees or renter's insurance (where required by the lease). PHAs may also choose to offer landlord incentives. The steps for becoming a landlord under EHV is the same as under Housing Choice Voucher Program. Visit HUD EHV for more information, including links to regional CoCs and housing authorities in your state.

66 With this strong funding, communities across the country will have the resources needed to get people housed and keep people home. 99 - Secretary Marcia Fudge

A LOOK BACK AT HCV

The <u>first newsletter</u> covered highlights of the HCV program between 1970 and 1987. Part 2 brings the program from 1990 to the present. To read more about the HCV program past, see <u>Section 8 Tenant-Based Housing Assistance: A Look Back.</u>



- National Affordable Housing Act of 1990 authorized the <u>Mainstream Voucher</u>

 <u>Program</u> that assists households that include a non-elderly person with disabilities who is at least age 18 and not yet 62 years of age. Known for a time as the 811 program.
- Creation of the Family Unification Program (FUP) for families who need housing vouchers to keep children from being placed in, or to discharge a child from, out-of-home care. In 2000 Congress extended the vouchers to youth who are aging out, or who have recently aged out, of foster care.
- The Section 8 certificate and voucher programs combined to become the Housing Choice Voucher program under the Quality Housing and Work Responsibility Act. Program elements included:



- Maintained landlord screening of tenants but allows PHAs to carry out supplemental screening.
- Removed the "take one, take all" policy where a landlord who accepted a Section 8 voucher could not decline other vouchers.
- Repealed the "endless lease" provision (required landlord to renew a voucher tenant's lease).
- Allowed PHAs to extend voucher family search times beyond 120 days if needed.
- Raised fair market rents to the 50th percentile in certain targeted areas.
- Consolidated Appropriations Act, 2004, combined incremental voucher programs for Non-Elderly Disabled (NED) families. It created program stability by requiring that the vouchers, to the extent practicable, continue to be provided to NED families upon turnover. It also created procedures to track the number of existing vouchers. (NED families include a head of household, spouse, or co-head under age 62 with a disability.)
- Creation of the <u>HUD-Veterans Affairs Supportive Housing</u> vouchers for Veterans experiencing homelessness.
- Notice PIH 2011-29 stated that PHAs do not need to require reinspections for annual inspections. They may choose to allow other means of verifying that Housing Quality Standards (HQS) deficiencies are corrected such as landlord certification.*
- 2013 Notice PIH 2013-17 offered guidance to PHAs on how they may use photos as verification that HQS deficiencies are corrected rather than require reinspections.*

(* PHAs are not required to adopt these voluntary provisions.)

Housing Opportunity through Modernization Act (HOTMA) defined a number of flexibilities that PHAs can enact that make the HCV program function more efficiently and relieve some burdens from responsive landlords and PHAs.

- Allowed landlords to receive approval of an assisted tenancy and begin to receive Housing Assistance Payments (HAP) from PHAs on units prior to meeting inspection standards if they have only non-life-threatening deficiencies.*
- Allowed landlords to receive approval for assisted tenancies of a unit prior to the HQS
 inspection if the property has passed an alternative inspection within the past 24 months.*

(*PHAs are not required to adopt these voluntary provisions.)

Final Rule established the Small Area Fair Market Rents (SAFMR) which allows PHAs to provide tenants with a subsidy adequate to make higher opportunity areas more accessible to HCV families. To learn more, click <u>here</u>.

Creation of the HUD Landlord Task Force with the mission "to explore common barriers experienced by landlords and develop strategies to address, and tools to alleviate, those barriers."

HUD made unprecedented <u>flexibilities</u> available to PHAs in their administration of HCV programs due to challenging circumstances around the COVID-19 pandemic.

SPOTLIGHT: HOUSING AUTHORITY OF THE CITY OF SANTA BARBARA

In this recurring spotlight series, the newsletter will highlight some of the landlords, PHAs, voucher tenants, and other partners so critical to the success of the Housing Choice Voucher Program.

The Housing Authority of the City of Santa Barbara has adopted several COVID-19-flexibilities to help staff stay responsive to landlords during the pandemic. Leasing Agent Jerry Morales presented on several of these including client income self-certifications, virtual inspections, and increases in payment standards for interim examinations as part of a <u>3-day virtual symposium</u> for California landlords hosted by the HUD Landlord Task Force.



The housing authority's briefing <u>video</u> (available in English and Spanish) describing their voucher lease-up process offers a peek into what information tenants hear at HCV briefing sessions.

RESOURCES

For additional information on the HCV Program and resources for landlords and PHAs, please visit the <u>HUD HCV Landlord Resources webpage</u>.

Click <u>here</u> to join the HCV Landlord mailing list.