

## Landlord Incentives

September 2020

The housing choice voucher (HCV) program is the federal government's major program for assisting very low-income families, the elderly, and the disabled to afford decent, safe, and sanitary housing in the private market. The HCV program provides tenant-based assistance to owners of privately owned units. This allows families to lease homes in areas of their choice and does not limit them to subsidized housing projects.

The success of the HCV program depends on owners entering the program and leasing units to eligible families. Owners are important to the program because their participation determines the geographical distribution and availability of units accessible to voucher holders. Recruiting and retaining owners is one challenge of the program. There are several reasons an owner may choose not to enter the HCV program. Some common reasons include stigma associated with voucher holders, competitive housing markets, vacancy loss concerns, and regulatory burdens.

Activities implemented by legacy agencies participating in the Moving to Work (MTW) Demonstration Program helped influence Departmental regulatory changes that addressed some of the regulatory burdens related to the HCV program for all public housing agencies (PHA). One of the biggest regulatory requirements that owners found challenging were Housing Quality Standards (HQS) requirements. The Housing Opportunity Through Modernization Act of 2016 (HOTMA) required the Department to make rule changes that, in part, reduced the frequency of HQS inspections. This change helped address some concerns related to the burden of regulatory requirements.

While HOTMA helped all PHAs reduce regulatory burdens related to HQS, MTW agencies can do more to financially incentivize landlords and address other concerns owners may have about participating in the HCV program. To encourage participation in the program MTW agencies can offer landlords compensation for damage claims and additional payments for vacancy loss. MTW agencies can also encourage participation by offering new landlords incentive payments to join the program.

These flexibilities coupled with outreach to educate owners about the HCV program can help agencies attract and retain owners.

### Authorizations

MTW Agencies Operating under the MTW Operations Notice:

- 4.a – Vacancy Loss
- 4.b – Damage Claims
- 4.c – Other Landlord Incentives

Legacy agencies Attachment C of the Standard Agreement

- D.1.d – Damage Claims and Vacancy Loss
- D.2.a – Rent Policies