



# HCV Utilization Webinar: Improving PHA Leasing Processes

June 20, 2024





# Welcome!

- **Today's webinar is being recorded.** The recording and PowerPoint will be posted to the "Webinars and Trainings" section of [www.hud.gov/hcv](http://www.hud.gov/hcv). In about a week.
- **We are always interested in your feedback.** Please enter any suggestions you have for how we can make these webinars or the program resources more useful to you in the chat.
- **Stay connected** by visiting [www.hud.gov/hcv](http://www.hud.gov/hcv) and subscribing to the HCV Connect Newsletter.



# Today's Agenda

- **Best Practices – Streamlining the HCV Leasing Process**  
Titus Mathew, Housing Director  
City of Phoenix Housing Department  
Andre Serrette, Arizona Managing Director  
Quadel
- **HOTMA Voucher: HQS Implementation**  
Claudia Brienza, Senior Housing Program Specialist  
Housing Voucher Management and Operations Division (HVMOD)
- **PHA Considerations for Improving Leasing Processes**
- **Reminders**



# Leasing Best Practices

**Titus Mathew**

Housing Director

City of Phoenix Housing Department



**Andre Serrette**

Arizona Managing Director

Quadel



**Special  
Guests!**

# City of Phoenix Housing Choice Voucher Program

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# Phoenix HCV Program



- **Phoenix is the 5th largest city in the U.S.**
- **Voucher allocation of 7,561**
- **Administer VASH, FUP, Mainstream, EHV, RAD, PBVs**
- **2023 FMR increase of approximately 30%**

# Landlord Incentive Program

- **Goal: Combat fewer housing opportunities for HCV holders**
- **Incentive: \$2,000 for each new Housing Assistance Payment (HAP) contract**
- **CARES Act and City-Allocated ARPA Funds**



# Landlord Open House Events

- **Biannual in-person events to engage with current and prospective Phoenix landlords**
- **Connect with other partners**
  - **HUD-VASH**
  - **Landlord and Tenant Program**
  - **Equal Opportunity Department**
- **Dedicated Landlord Liaison**



# Source of Income Discrimination Ban

- Enforcement began April 6, 2024
- Addresses housing discrimination based on sources of income, including HCV subsidy.



**EQUAL OPPORTUNITY**

## Source of Income Discrimination Ban Goes into Effect April 6

MARCH 30, 2023 12:00 PM

On March 1, 2023, the Phoenix City Council amended Chapter 18 of the Phoenix City Code. The amendment adds "source of income" as a protected class to the City's existing housing discrimination ordinance. The City Council approved the measure with the understanding that it would not be enforceable unless Attorney General Kris Mayes reconsidered her predecessor's opinion that Tucson's source of income ordinance violated state law. On March 8, 2023, Attorney General Mayes reversed the prior opinion, opening the way for the City of Phoenix to implement and begin enforcement of its new ordinance.

"Discrimination has no place in Phoenix, especially as we continue taking on the challenge of creating affordable housing options for our residents. The source of income ordinance, approved by the council, is a critical step in our effort to address the housing needs of all Phoenix residents."

# Streamlining with Technology

- **Virtual briefings**
- **Digital routing of HAP contracts**
- **ACH direct deposit of HAPs**



# Leasing Challenges

- **Increased Payment Standard Waivers Approved by HUD**
- **Lower Vacancy Rates Over Recent Years**





City of Phoenix Housing Department 

# PHX HOUSING

Quality Affordable Housing and a Pathway to Self-Sufficiency

602-262-6794

[www.phoenix.gov/housing](http://www.phoenix.gov/housing)

 @PHXHousing



# HOTMA Voucher: HQS Implementation

## NLT and Alternative Inspection Provisions

- Implementation of two Section 8 Voucher Provisions, relating to initial HQS for HCV and PBV through Federal Notice (82 FR 5458) and became effective on April 18, 2017
- Notice PIH 2017–20 HOTMA: Housing Quality Standards (HQS) Implementation Guidance
- The provisions offer public housing agencies (PHAs) additional administrative flexibility over the initial HQS inspection process
- Proposed Rule, 85 Fed. Reg. 63664 (Oct. 8, 2020)
- Final Rule, 89 Fed. Reg. 38224 (May 7, 2024)



# Implementation of the NLT Provision

- NLT Provision allows PHAs to approve the assisted tenancy and begin paying HAP on a unit that fails to meet the HQS, provided the deficiencies are not life-threatening
- The process for approving a unit and executing the HAP contract remains the same except that the unit does not need to pass the inspection before the PHA can approve the leasing of the unit, but the PHA must still inspect the unit before the initial lease term and HAP contract
- HUD Definition of Non-Life-Threatening Conditions
  - An NLT condition is defined as any condition that would fail to meet the housing quality standards under 24 CFR 982.401 and is not a life-threatening (LT) condition as defined by HUD
- HUD's definition of LT conditions includes specific conditions under the following categories:



# HOTMA Life Threatening (LT) Conditions:

- **Call-for-Aid Systems**
- **Carbon Monoxide Alarm**
- **Chimney**
- **Clothes Dryer**
- **Door – Entry, Door - Fire Labeled**
- **Egress**
- **Electrical - Conductor, Outlet, Switch and Service Panel**
- **Exit Sign**
- **Fire Escape**
- **Fire Extinguisher**



# HOTMA Life Threatening (LT) Conditions, cont.:

- **Flammable and Combustible Items**
- **Guardrail**
- **Heating, Ventilation, and Air Conditioning (HVAC)**
- **Leak - Gas or Oil:**
- **Mold-like Substance**
- **Smoke Alarm**
- **Sprinkler Assembly**
- **Structural System**
- **Toilet**
- **Water Heater**



# PHAs that choose to implement NLT

Admin Plan Updates must include the following:

- Adopt HUD's definition of NLT conditions in its HCV administrative plan and include details on how the provision will be applied
- HUD's list of LT conditions as defined in the January 18, 2017 Implementation notice
- PHAs Policy on how it will apply the NLT Provision across the initial inspections that it conducts for tenant-based HCV and/or PBV units
- The PHA's policy on suspending or abating any HAP withheld from owners due to failure to address NLT conditions, including whether the PHA will repay the owner for the HAP withheld during the period of non-compliance (PHAs have discretion over maximum amount of time to withhold HAP)
- The PHA is required to notify HUD 30 days before the policy becomes effective



# PHAs that choose to implement NLT must also:

- Inform owners and families of the new policy and procedures; and notify HUD via email of their choice to implement the provision and include it in their admin plan
- PHA must offer the family the choice to accept the units or to decline the unit and continue their housing search
- If the family accepts the unit with the NLT conditions, the PHA must notify the owner, in writing, that PHA has approved the assisted tenancy, and the owner has 30 calendar days from to correct the NLT conditions
- The 30-day requirement is statutory and cannot be extended to correct repairs and PHAs must begin to withhold HAP payments
- Notify the family that if the owner fails to correct the NLT deficiencies within the PHA-specified timeframe, terminate the HAP contract and family will have to move to another unit



# Alternative Inspection Provision:

- Before HOTMA, Alternative inspections have always been allowed, but not for Initials
- Allows PHAs to approve assisted tenancy of a unit before the PHA conducts the **initial** HQS inspection if the property has, in the previous 24 months, passed a qualifying alternative inspection
- PHAs may rely on HOME Investment Partnerships (HOME) program or housing financed using Low Income Housing Tax Credits (LIHTCs), or inspections performed by HUD, without prior HUD approval
- HAP is not paid to the owner until the PHA completes its initial HQS inspection
- After the initial HQS, PHAs may make assistance payments retroactively, dating back to the effective date of the HAP contract and assisted lease term
- Provision does not eliminate the requirement for the PHA to conduct the initial HQS inspection and it must be conducted within 30 days of receiving the RFTA



# Thank you!

- Look for updates on the [HOTMA Resources webpage](#)
- PHAs and stakeholders of the HCV and PBV programs may send HOTMA-related questions to [HOTMAVoucher@hud.gov](mailto:HOTMAVoucher@hud.gov)



# Considerations for a Streamlined Leasing Process

- ✓ Timeliness
- ✓ Consistency
- ✓ Communication
- ✓ Access



# Timeliness

- Allow for move-ins as soon as inspection and RFTA are complete
- Increase frequency of HAP payment processing, if only performed monthly
- Regulatory waivers to expedite admission to program ([Notice PIH 2024-17](#))
  - Verification of date of birth and disability status
  - Income verification
- Prioritize processing of certifications related to move-ins
- Eliminate unnecessary processing steps



# Consistency

- Standard forms with no duplicative data entry
- Elimination of non-required forms
- Only ask for what's required
- Rent reasonableness methodology



# Communication

- Online portal for landlords and applicants/participants
  - Real-time status updates
  - Electronic delivery
- Dedicated Landlord Liaison role
- Housing Navigators
- Landlord and participant workshops



# Access

- Adopt Small Area FMRs (SAFMRs)
- Cash incentives/risk mitigation funds for landlords; security deposit/utility arrears/renter's insurance/application fees for families ([Notice PIH 2022-18](#))
- Develop/expand housing mobility program



Home > Resources > HCV Landlord Strategies Guidebook for PHAs

Guides and Training Manuals

## HCV Landlord Strategies Guidebook for PHAs

Date Published: April 2022

### Description

The purpose of the HCV Landlord Strategies Guidebook for PHAs is to share strategies that public housing agencies (PHAs) can implement to improve landlord participation in the Housing Choice Voucher (HCV) program.

In an attempt to provide all PHAs regardless of size or location with tools they can use, the Guidebook includes a range of strategies that vary in cost and complexity.

View additional [HCV Landlord Resources](#).

▶ [How to Use this Guidebook](#)

▶ [Funding Guidelines](#)

[View the Full Guidebook](#)

### Table of Contents

Introduction

### Supportive Materials

[Choosing the Right Strategies for Your Community](#)

[Administrative Flexibilities to Enhance Landlord Satisfaction](#)

[Entry Points into the Guidebook](#)

### Chapters

Education and Outreach (EO)

- [View related webinar](#)

Technology

- [View related webinar](#)

Landlord-Focused Customer Service

- [View related webinar](#)

Monetary Incentives and Reimbursement Funds

# For more help, check out the HCV Landlord Strategies Guidebook for PHAs.

Here you will find chapters and webinars covering:

- ✓ Education and Outreach
- ✓ Technology
- ✓ Landlord-Focused Customer Service
- ✓ Monetary Incentives and Reimbursement Funds
- ✓ Inspections
- ✓ Matching Local Rental Markets, and
- ✓ Partnerships

Available in the "I am interested in being an HCV Landlord" section of [www.hud.gov/hcv](http://www.hud.gov/hcv).



The Inspections Chapter is a great resource with tips for streamlining the inspection process.

Including guidance for updating/amending PHA Administrative Plans to adopt flexibilities in the inspection process.



## INSPECTIONS

### INTRODUCTION

Inspections play a large and important role in the Housing Choice Voucher (HCV) Program for public housing agencies (PHAs), landlords, and tenants. Inspections are required by law and periodic inspections take place throughout tenancy, in addition to the initial inspection. Issues with the inspection process may reduce the safety of the residence and have financial repercussions for landlords. Inspection timing and results can determine how quickly a resident can move in and determine whether a landlord will receive a Housing Assistance Payment (HAP), or cause a delay or stoppage of HAP. Landlords may have to make repairs or keep a unit vacant to resolve deficiencies. With so much riding on inspections, it's easy to see why they can be a source of confusion and tension between landlords and PHAs.

**The following strategies are included in this section:**

#### Strategies to ensure consistent inspections:

- Inspections Guidance for Landlords
- Consistent Inspections

#### Strategies to facilitate efficiency in the scheduling and completion of inspections:

- Inspections Scheduling
- Administrative Inspections Flexibilities

#### Related strategies:

- Technology
- Education and Outreach
- Monetary Incentives and Reimbursement Funds
- Partnerships

The strategies in this inspections chapter address the following areas:

### Inspections Process Improvements

PHA Process Improvement	Inspections Guidance for Landlords	Consistent Inspections	Inspections Scheduling	Administrative Inspections Flexibilities
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# Want to learn more about Source of Income Protections?

Earlier this year HUD published a website with information on Source of Income Protections for Housing Choice Voucher Holders. (Check it out at [www.hud.gov/hcv](http://www.hud.gov/hcv))

**On July 25th, 2024 from 2:00 to 4:00 ET,** HUD's Office of Policy Development & Research will host a hybrid event to bring together researchers, municipal and state government officials, and fair housing practitioners to share insights.

Register at: [www.huduser.gov/portal/event/quarterlyupdate-July2024.html](http://www.huduser.gov/portal/event/quarterlyupdate-July2024.html)

## Source of Income Protections for Housing Choice Voucher Holders



### What is Source of Income (SOI) Discrimination?

Refusing to accept housing vouchers to pay rent, and other policies that disadvantage otherwise qualified voucher-holders, can constitute "source of income discrimination." Disadvantaging voucher holders can occur through practices such as requiring additional references, imposing additional or unreasonable screening criteria, requiring a larger security deposit, or imposing other additional fees or penalties. It can also include ignoring voucher payments when determining if an applicant has enough income to afford the

discrimination against voucher holders prevents the HCV program from achieving its goal to allow voucher holders to have choice in where to live, including in including in well-sourced areas of opportunity, and may also violate Federal fair housing and civil rights laws by discriminating because of race, color, national origin, religion, disability, familial status, or sex (including gender identity and sexual orientation). HUD encourages PHAs to work with local landlords to help them understand applicable laws, refer SOI discrimination cases to local legal assistance or fair housing organizations, and inform tenants of their rights.

Depending on where you live in the country, state and local governments may have SOI antidiscrimination laws making it illegal to refuse to rent to, or otherwise disadvantage, tenants who pay rent with housing vouchers and other types of housing assistance.

### Where do SOI Protections already exist?

Below is a map of jurisdictions that have laws barring Source of Income Discrimination. HUD is only including jurisdictions which include protections for vouchers holders in their SOI antidiscrimination laws. We recognize that state and local laws governing SOI protections may change over time and our map may not contain the most up-to-date information. Users should consult with their local fair housing organizations or responsible enforcement agencies to determine the current status of state and local laws. If your locality has source of income protections and is not included on this map please contact [HCVutilization@hud.gov](mailto:HCVutilization@hud.gov).

### State and Local Governments with SOI Protections





# Is your PHA using HCV Administrative Fees to help with Lease-up Expenses?

**Then, we want you hear from YOU!**

HUD's Office of Policy Development & Research (PD&R) wants to learn more about how PHAs have been using HCV administrative fees to assist families with eligible lease-up expenses, such as security deposits, owner incentive payments, utility deposits/arrears, and application and holding fees. What is working well? What are some challenges?

If your PHA uses or has used HCV administrative fees for tenant leasing expenses, please email [Admin\\_Fee\\_Project@hud.gov](mailto:Admin_Fee_Project@hud.gov), and let us know.



We will highlight best practices in a future HCV Utilization Webinar.



## Next Month's Webinar

The next HCV Utilization Webinar is Thursday, July 16. This call will focus on family-centered HCV policies.





# Reminders

- HUD has been working to improve the HCV utilization resources available to PHAs, in case you missed it here are a few new items:
  - HCV Connect – A email newsletter focused on the HCV program with reminders of program guidance, notification of webinars, events, and research.
  - HCV Utilization Webinars – These webinars will provide HCV program updates and share best practices. They are scheduled for **every third Thursday at 2:00 Eastern**.
  - HCV Overview Video Series with short videos covering common topics in HCV program administration.
- Plus, we have ongoing support for the HCV Utilization Tools and the HCV Data Dashboard.
- All of this is available at [www.hud.gov/hcv](http://www.hud.gov/hcv).