



Homes and Community Renewal

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Landlord Rent Incentive and Security Deposit Assistance FAQs

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Eligibility

What is the duration of the Landlord Rent Incentive and Security Deposit Assistance programs?

There is no set duration for the Landlord Rent Incentive and Security Deposit Assistance programs. Unlike the CARES Act Security Deposit Assistance initiative, there is no set date for which the availability of funds will expire. However, as was indicated in Notice SS8 2022-05, those participants that leased up between the end of the previous iteration of the Security Deposit Assistance initiative (December 31, 2021) and the start of this Security Deposit Assistance program (Notice SS8 2022-05 was issued April 18, 2022), are eligible to apply for Security Deposit Assistance if they did not already receive assistance from a different source.

What voucher holders are eligible to have Landlord Rent Incentive payments issued to landlords on their behalf?

Unlike Security Deposit Assistance, Landlord Rent Incentive payments cannot be paid retroactively. A voucher holder must have a lease effective date after the Notice SS8 2022-05 issuance date of April 18, 2022. Notice SS8 2022-05 listed tenant-based voucher holders newly selected from your waiting list, and voucher holders porting into your jurisdiction as those participants that are eligible for this assistance. Participants leasing up in a project-based voucher (PBV) unit were listed as ineligible for assistance in Notice SS8 2022-05, and that remains the case. However, added to the list of units that are ineligible to have Landlord Rent Incentive payments issued on behalf of the leasing household, are those owned by Public Housing Authorities (PHAs), or other entities that traditionally serve low-income populations through the development and leasing of affordable units, such as Local Administrators that own and lease units to program participants.

In addition to newly selected applicants from your waiting list and those porting in from another PHA, the program has decided to expand eligibility to all existing tenant-based voucher holders that decide to move, whether they be transfers from another jurisdiction within the program or an existing household that moves within your jurisdiction. The only limitation is that no more than one Landlord Rent Incentive payment can be issued within a 12-month period, except for those households that are forced to move due to a health and safety issue, a domestic violence or VAWA-related incident, or some other type of emergency or occurrence outside the control of the household that necessitates a move.

What voucher holders are eligible to have Security Deposit Assistance payments issued to landlords on their behalf?

Security Deposit Assistance payments can be issued retroactively. Those participants that leased up between the end of the previous iteration of the Security Deposit Assistance initiative (December 31, 2021) and the start of this Security Deposit Assistance program (Notice SS8 2022-05 was issued April 18, 2022), are eligible to apply for Security Deposit Assistance if they did not already receive assistance from a different source. As indicated in Notice SS8 2022-05, applicants newly selected from your waiting list and those porting in from another PHA are eligible to have Security Deposit Assistance payments issued on their behalf. This is inclusive of voucher holders that lease up in PBV units and units owned by entities that traditionally serve low-income populations through the development and leasing of affordable units, such as Local Administrators that own and lease units to program participants.

The program has decided to also expand eligibility to all existing tenant-based voucher holders that decide to move, whether they be transfers from another jurisdiction within the program or an existing household that moves within your jurisdiction. The only limitation is that no more than one Security Deposit Assistance payment can be issued within a 12-month period, except for those households that are forced to move due to a health and safety issue, a domestic violence or VAWA-related incident, or some other type of emergency or occurrence outside the control of the household that necessitates a move.

Are participants that transfer from another LA eligible to have a Landlord Rent Incentive and/or Security Deposit Assistance payment issued on their behalf?

Yes, transfers are eligible to have both types of payments issued on their behalf. However, the limitation on the number of assistance payments within a 12-month period would be applicable. The limit is only waived for those households that are forced to move due to a health and safety issue, a domestic violence or VAWA-related incident, or some other type of emergency or occurrence outside the control of the household that necessitates a move.

The receiving LA is responsible for ensuring that the initial LA did not issue a Landlord Rent Incentive and/or Security Deposit Assistance payment within the past 12 months, unless the household falls within one of the exception categories. The limit on payments within the 12-month period applies to each assistance type individually (i.e., if the household is moving prior to 12 months elapsing, and does not fall into one of the exclusion categories, but only had a Landlord Rent Incentive payment issued to their previous landlord upon leasing up, that household would not be eligible to have a Landlord Rent Incentive payment issued on their behalf upon leasing up at a new unit, but would be eligible to have a Security Deposit Assistance payment issued on their behalf.

If the property where a participant resides is experiencing a change of ownership and the new owner does not want the tenant to remain in the unit, is the tenant eligible to have a Landlord Rent Incentive and/or Security Deposit Assistance payment issued on their behalf?

Yes, this household is now eligible to have assistance issued on its behalf under the revised program policy that all existing tenant-based voucher households moving within the same jurisdiction are eligible to have one of each type of payment issued within a 12-month period. However, the 12-month limit would be waived in this instance due to the household being forced to move due to an unforeseen circumstance outside of their control that necessitates a move.

My program has HCV participants that happen to reside in units owned by another PHA. Is the PHA eligible to receive both Landlord Rent Incentive and Security Deposit Assistance payments on behalf of my program participants leasing up at their property?

The PHA that owns the units where your program participants may be residing would be eligible to receive Security Deposit Assistance payments, but they would not be eligible to receive Landlord Rent Incentive payments. This is due to the PHA's status as an entity that traditionally serves low-income populations through the development and leasing of affordable units. The same limitation would apply to any LA-owned units.

Administration

How should I note in the Statewide Housing Choice Voucher System (SHCVS) that a household had a Security Deposit Assistance payment issued on their behalf?

All households that are residing in a unit for which a Security Deposit Assistance payment was issued on their behalf should have 'HCR' entered in the 'Paid By' field in the participant processing screen in SHCVS. The amount of the security deposit should be entered in the "Security Dep" field in the participant processing screen in SHCVS.

I know the Security Deposit Assistance Application must be collected for all voucher holders seeking security deposit assistance, but is there any type of application needed to issue a Landlord Rent Incentive payment?

No, there is no application required to issue a Landlord Rent Incentive payment on behalf of households that are leasing up. All landlords are eligible to receive this payment, unless the voucher holder leasing up had a Landlord Rent Incentive payment issued on their behalf within the last 12 months and they do not fall into one of the exclusion categories.

Will the Security Deposit Assistance Application be updated to include the newly eligible categories of voucher holders?

Yes, an updated version of the Security Deposit Assistance Application accompanies these FAQs. The application expands Category 2 to include transfers and adds a Category 3 that captures existing tenant-based voucher holders that have either not had a Security Deposit Assistance payment issued on their behalf within the last 12 months or did have a Security Deposit Assistance payment issued on their behalf within the last 12 months but fall into one of the exclusion categories.

Is there a limit to the amount of Landlord Rent Incentive or Security Deposit Assistance payments that can be issued to a single landlord? Is there a limit to the amount that can be paid on behalf of a household?

Previous receipt of payment(s) by a landlord does not preclude that landlord from receiving additional payment(s) on behalf of other households. Each household is considered a different case, so even if a landlord previously received a Landlord Rent Incentive or Security Deposit Assistance payment for a specific unit, a new household can receive the same assistance if they move into that same unit.

Single Landlord Rent Incentive payments must be equal to the one-month's contract rent. As a reminder, a security deposit cannot exceed one-month's rent. As a result, Landlord Rent Incentive and Security Deposit Assistance payments should never exceed one-month's rent.

If I previously issued a Security Deposit Assistance payment to a landlord on behalf of a household and they either decided to move after 12 months has elapsed, or they are forced to move due to one of the situations allowing for the waiving of the 12-month limitation, do I issue an additional Security Deposit Assistance payment to the new landlord? Or do I need to collect the initial security deposit amount and net the remaining funds from the new payment?

Once a Security Deposit Assistance payment is issued on behalf of a household, the LA no longer tracks that payment. The tenant would be provided with the amount that is remaining after any deductions the landlord has to make. A newly submitted application would need to be considered for eligibility purposes and, if deemed eligible, would result in an entirely new Security Deposit Assistance payment, regardless of any remaining funds from the initial payment that the household was able to keep.

Reporting

How often do we have to submit the Security Deposit and Landlord Bonus Payment Tracker?

The tracker must be submitted quarterly, starting with an initial submission due date of August 1, 2022. The initial schedule is as follows:

Submission	Due Date
1 st Submission	August 1, 2022
2 nd Submission	November 1, 2022
3 rd Submission	February 1, 2023
4 th Submission	May 1, 2023

The disbursement balance in the Security Deposit and Landlord Bonus Payment Tracker differs from the amount that you authorized for disbursement. Why is that?

The disbursement balance in the tracker represents both the funds on hand that were determined during the reconciliation process following the close of the CARES Act Security Deposit Assistance initiative, and the net disbursement amount that you were authorized to draw down through a fee adjustment in SHCVS. This initial disbursement balance is the calculated need for your program(s) for the period leading up to the first submission date of August 1, 2022.

Is there supporting documentation that needs to accompany each tracker submission?

Yes, please submit copies of all issued checks for both Landlord Rent Incentive and Security Deposit Assistance payments. In addition, please submit the applications supporting each instance of Security Deposit Assistance payment issuance.

Do I need to submit a separate tracker for each county/project/jurisdiction I manage?

No, unlike the CARES Act Security Deposit Assistance initiative, LAs are being treated as single entities for the purpose of disbursing and utilizing Landlord Rent Incentive and Security Deposit Assistance funds. This means a single tracker can

be submitted for each distinct organization, with each instance of funding utilization for the previous quarter captured and then identified using column C. The disbursement balance captures the total funding disbursement that was calculated by projecting the need for each distinct program that your organization administers.

Funding and Tax Reporting

I have disbursed Security Deposit Assistance funds to households that leased up and were retroactively eligible for assistance which has depleted my funds. How do I request additional funding prior to the August submission due date?

If your organization requires additional funding, the Security Deposit and Landlord Bonus Payment tracker can be submitted at any time to support a request for additional funding. The tracker will be reviewed by statewide staff, along with the copies of checks issued and applications submitted, if applicable. Statewide staff will respond via email with details regarding authorized disbursements that would be captured through a fee adjustment entered in SHCVS. The early submission of a tracker to request additional funding does not preclude the LA from submitting an updated tracker at each quarterly due date.

Are Landlord Rent Incentive payments and Security Deposit Assistance payments captured in 1099s that are issued to landlords at the end of the calendar year?

The program's interpretation of tax reporting requirements is that Security Deposit Assistance payments do not have to be captured in a 1099 that would be issued to landlords, but Landlord Rent Incentive payments would have to be captured in 1099s that are issued to landlords at the end of the year. The program is still working through the logistics of how these Landlord Rent Incentive payments will be reported and will provide the LAs with further guidance. However, the accurate accounting of all instances of Landlord Rent Incentive payments, as well as the timely submission of all supporting information, is critical, as the program will seek to limit the tax reporting burden placed upon LAs.