


Section 8 + HCV Programs in 2023

A webinar by  *turbotenant*

This webinar will be recorded and emailed to you after our session ends.

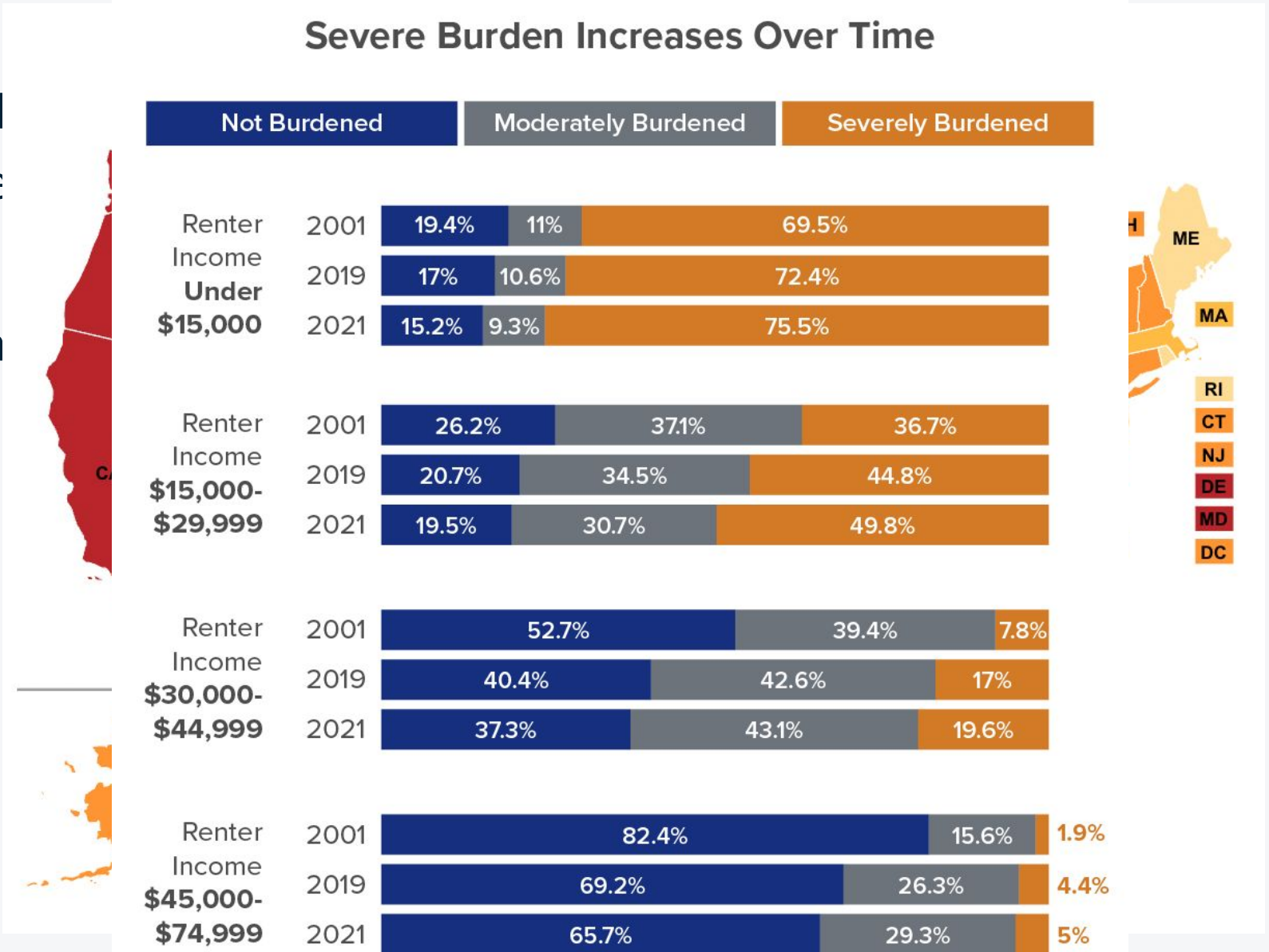
Key Areas of Focus

- The Need for Affordable Housing
- Different Types of Housing Programs
- Eligibility and Demographics
- Benefits and Drawbacks
- FAQs

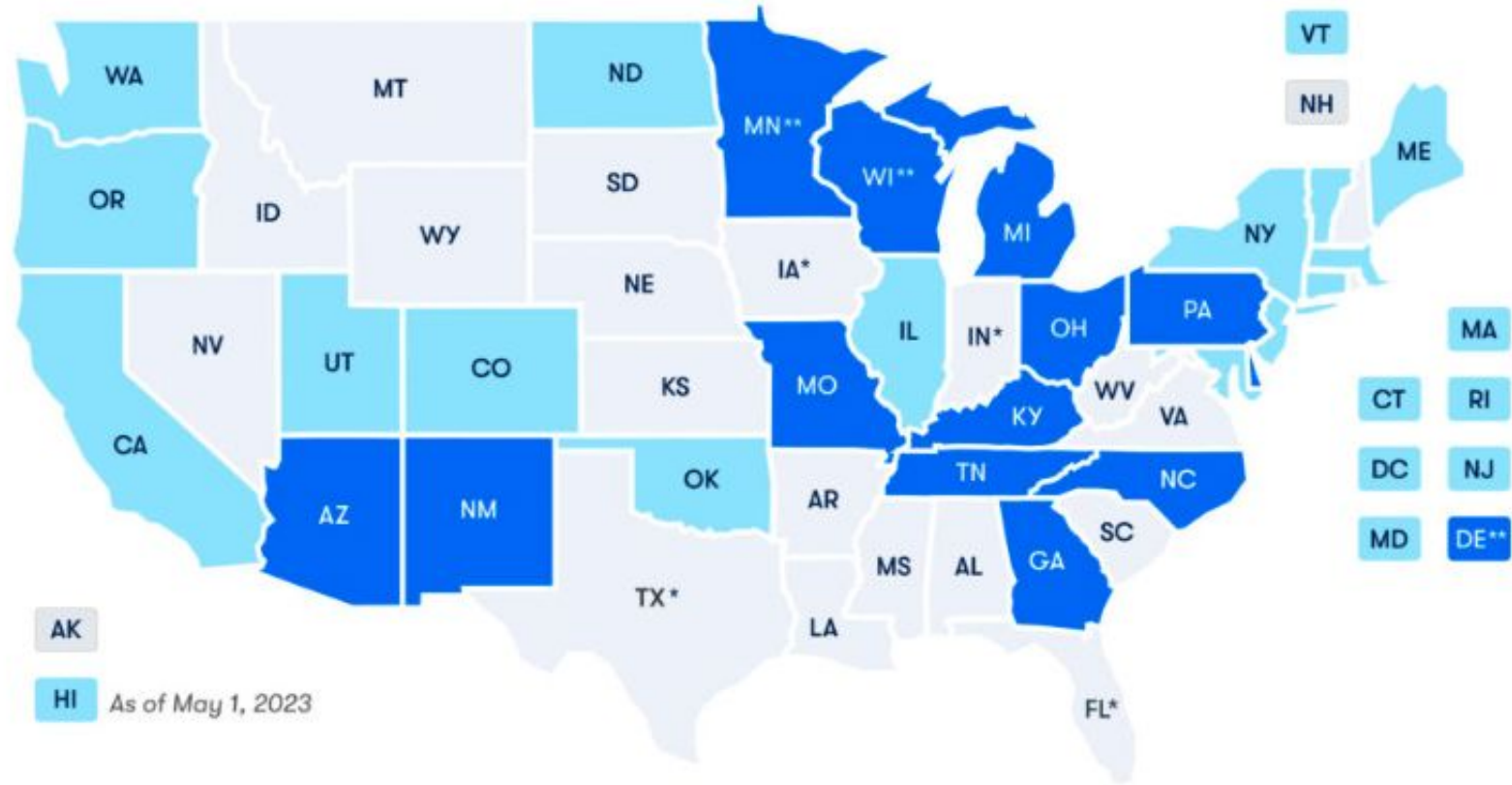
Why Talk About Section 8 + Assisted Housing Programs? ^{≠t}

No state has affordable lowest income units

- Nation's lowest income units



Places With Source of Income Laws



* State law has preempted the enforcement of local laws enacted by cities.

** State law does not require landlords to accept housing choice vouchers.

Landlords and Assisted Housing

- Should every landlord do it?
- No! If you:
 - Are uncomfortable waiting at least a month for the government's first subsidy check to come through
 - Are hesitant to charge market rent
 - Typically vote against government subsidy programs

participating in assisted housing programs isn't for you.

How to Reject Section 8 Applicants

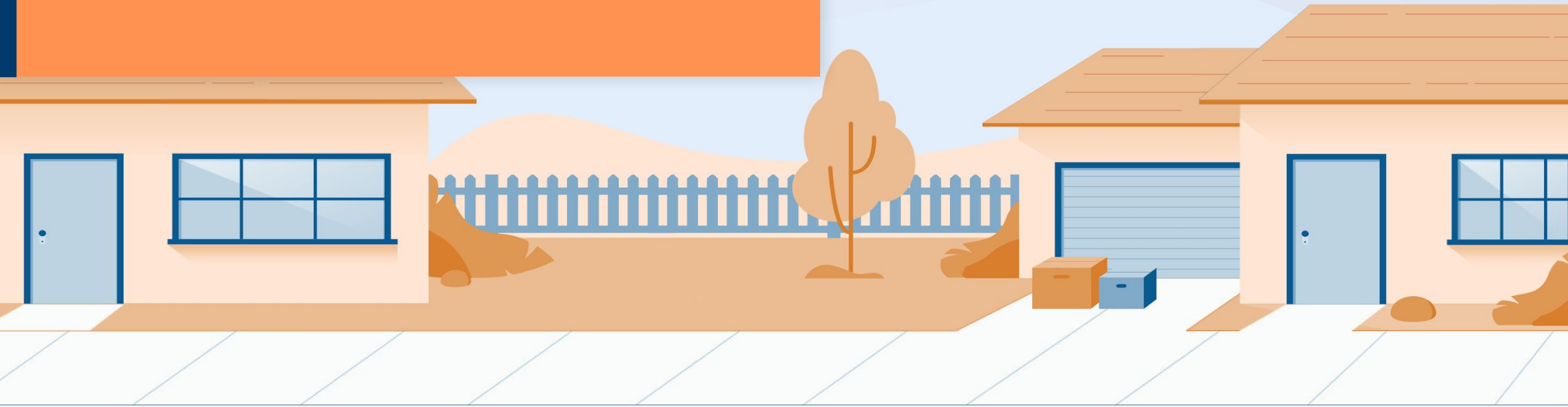
- If your state prohibits discrimination based on **source of income**, you can't reject Section 8 participants outright
 - Continue with your screening process as you would with any other tenant



How to Reject Section 8 Applicants, pt 2

- If your state *doesn't* have a source of income discrimination rule:
 - Avoid submitting your property for program approval
 - Maintain specific tenant criteria that you apply to ALL applicants

The Different Types of Public Housing Programs



Most Common Affordable Housing Programs

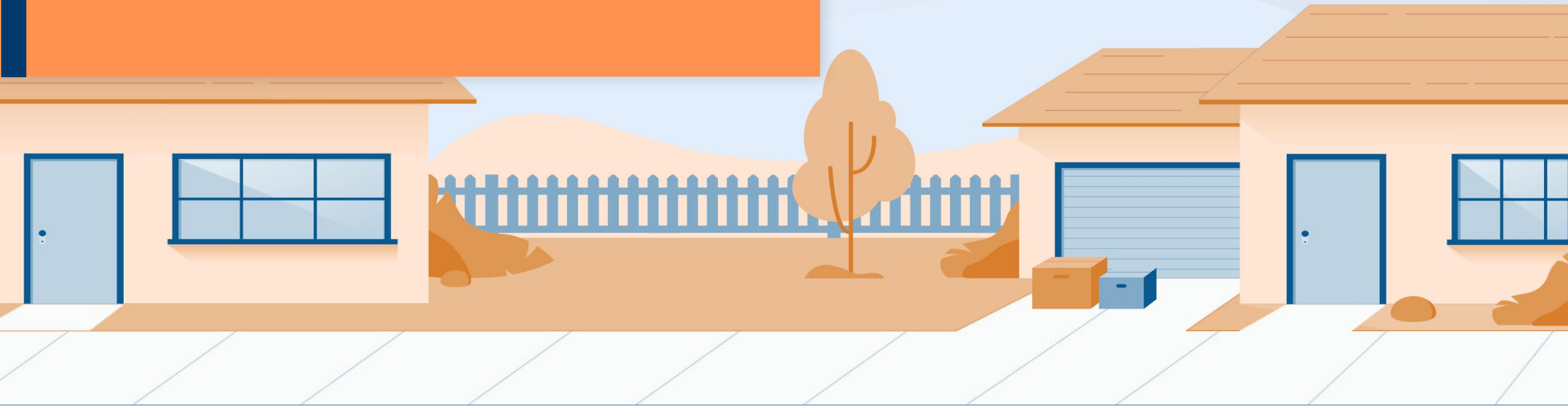
Program	Who owns and operates the housing?	Who is eligible?	How is the housing subsidized?
Public housing	Local public housing agencies (PHAs)	Low-income families	PHAs provide rent subsidies to tenants
Section 202	Private nonprofit organizations	Elderly and people with disabilities	HUD provides capital advances and project rental assistance
Section 811	Private nonprofit organizations	People with disabilities	HUD provides capital advances and project rental assistance
Project-based Section 8	Housing providers	Low-income families	HUD provides project rental assistance contracts
Section 8 HCV	Housing providers	Low-income families	HUD provides tenant rental assistance

Have you ever participated in any kind of housing assistance program?

Please explain your answer in the chat!



Section 8 HCV Program: A Deeper Dive



Section 8 Household Data

- More than 80% of households participating in Section 8 subsidized housing earn less than \$20,000/yr
- 43% of families in Section 8 housing have children
- 43% of households in Section 8 have at least one disabled family member

Did You Know?

The rental industry's seasonality impacts Section 8 waitlists - meaning it's typically a *longer process for tenants who apply for housing in the summer.*

How Does Section 8 Housing Work?

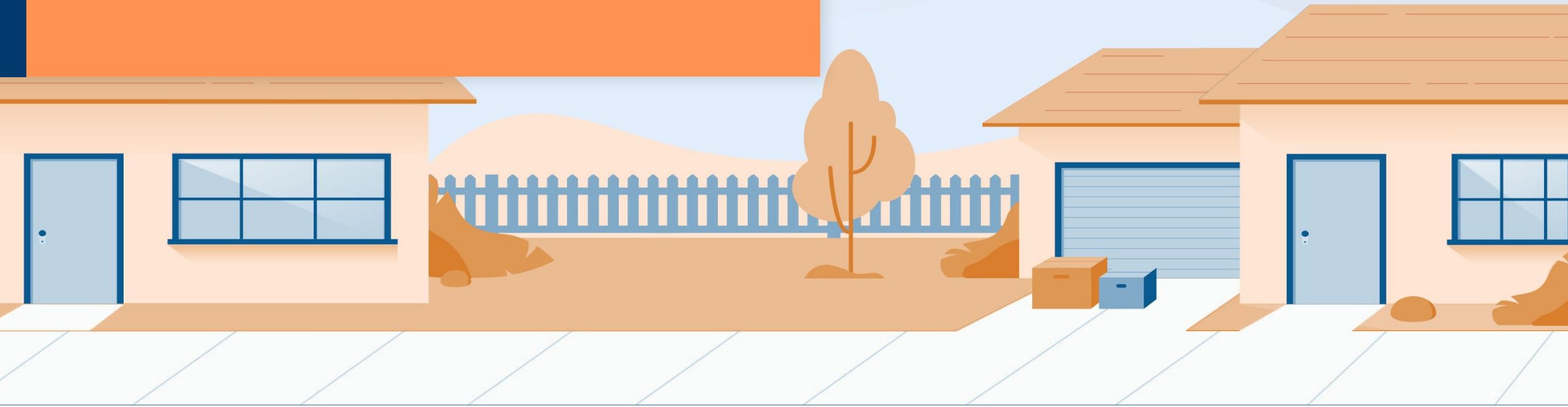
1. Prospective voucher holders apply for the program through PHA
 - Background check
 - Employment verification
2. If unable to assist immediately, PHA puts approved tenant on waiting list

How Does Section 8 Housing Work?

3. Once a tenant's name hits top of the waiting list, they're given a housing voucher
4. Tenant can then apply for properties that accept housing vouchers
5. Tenant pays 30% of their household income toward housing, including utilities; 70% comes from PHA



Section 8 HCV Eligibility and Demographics



Section 8 Housing Eligibility

- Vary based on location, but four common factors include:
 - Income level
 - Family size/composition
 - Citizenship status
 - Previous evictions



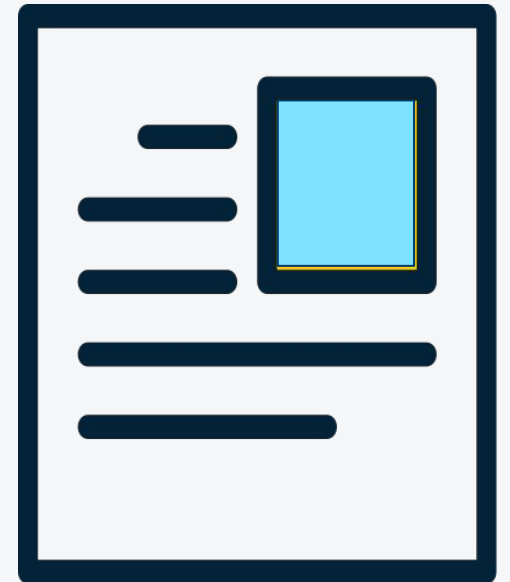
Section 8 Housing Disqualifications

- Also vary based on location, but commonly:
 - Evictions from subsidized housing for a serious lease violation
 - Using or producing illicit drugs
 - Having a history of alcohol/illegal drug abuse that could threaten others

LANDLORDS

Section 8 Housing Program Eligibility

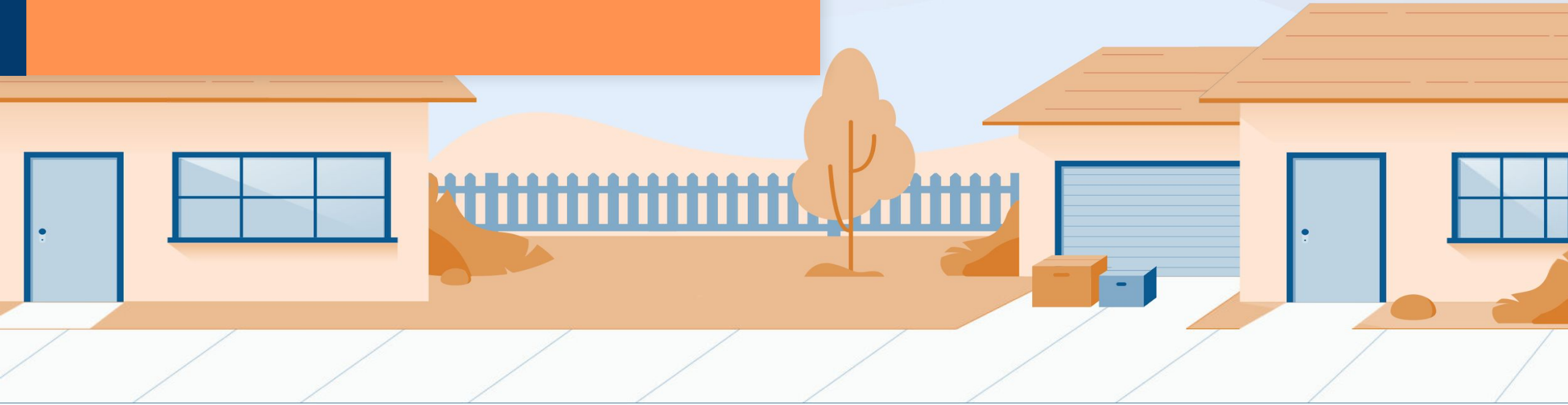
- Provide decent, safe, and sanitary housing
 - Must agree to abide by the program's rules
 - Must pass initial inspection and annual inspections thereafter



**Tell us in the chat: what's
the most and least
appealing part of Section 8
housing?**



Joining Your Local Housing Choice Voucher Program



How to Become a Section 8 Landlord

1. Contact your local PHA
2. Select a tenant based on your own rental criteria, then fill out their Request for Tenancy Approval Form



How to Become a Section 8 Landlord

3. An inspector will make sure your property meets 13 housing quality standards:

- Sanitary facilities
- Food preparation and refuse disposal
- Space and security
- Thermal environment
- Illumination and electricity
- Sanitary condition
- Smoke detectors
- Structure and materials
- Interior air quality
- Water supply
- Lead-based paint
- Access
- Site and neighborhood

Note: Your inspector will note if there are non-life-threatening (NLT) vs. life-threatening deficiencies barring the unit from passing inspection. Check out HUD's [top 20 deficiencies](#) and [inspection flowchart](#) for more information..

How to Become a Section 8 Landlord

4. Sign lease and housing assistance payment (HAP) contract, and start receiving payments!*

**We'll discuss this shortly, but your first payment is likely to be delayed.*



The Benefits of Participating in Section 8 Housing

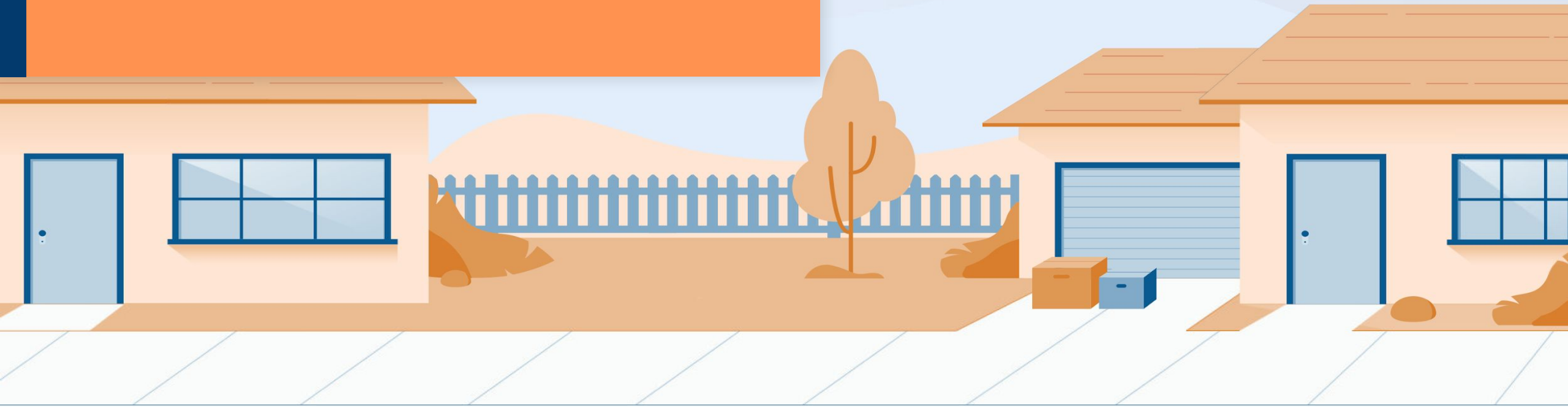
- Earning a steady income stream
- Reduced vacancy rates
- Renting to voucher holders who have undergone screening to qualify for the program
- Helping people in need



The Drawbacks of Participating in Section 8 Housing

- Being required to meet standards set by HUD's Real Estate Assessment (REAC)
- Delayed first payment up to two months on average
- Limits to regular rent increases

Section 8 HCV FAQs



FREQUENTLY ASKED QUESTIONS

1. Can landlords charge HCV the same amount as non-HCV tenants?

- If the proposed rent is reasonable and isn't higher than units in the area with similar amenities, YES!
- Landlords can charge full rent **no matter who the tenant is.**
- If you make substantial upgrades or the fair market rent for your area increases, you can increase the monthly rent charged (with PHA approval).

2. How does a security deposit work within the Section 8 program?

- You can charge a Section 8 tenant the maximum deposit that your state allows, just as you would with any other tenant - **and you should!**
 - Find your state's maximum security deposit amount [here](#).
- The security deposit will be paid by the tenant or through housing assistance outside of Section 8.

Did you see catch webinar on security deposits?
[Check it out >>](#)

FREQUENTLY ASKED QUESTIONS

3. What recourse do I have if there's damage to my property?

- You can withhold the security deposit, which could lead to the PHA asking the renter to pay for repairs. If they refuse, their voucher may be terminated.
- Section 8 includes a provision that if a tenant causes more than \$500 in damage to the property, the landlord can file a claim in small claims court against the tenant, and you may be able to access a mitigation fund for monetary assistance.

Note: The claim amount for damages caused by a Section 8 tenant *cannot* exceed the monthly rent amount less the security deposit, plus amounts collected from a tenant to pay for damages.

FREQUENTLY ASKED QUESTIONS

4. Aren't HCV tenants problem tenants?

- HCV tenants are typically long-term renters, living in units for 7-8 years on average.
- There are no documented statistics proving that HCV renters are any more likely to damage units or not pay rent than their non-HCV peers.

5. Isn't it impossible to evict a Section 8 tenant for lease violations?

- No. Tenants with a Section 8 voucher don't have any additional protections against evictions, and they're held to the lease just as any other tenant would be.
- To evict a Section 8 tenant, you must notify your PHA and tenant anywhere from 60-90 days prior to the actual eviction.
 - If your tenant is disabled, you must provide this notice in a form that's accessible to them.

FREQUENTLY ASKED QUESTIONS

6. If I accept one HCV tenant, do I have to dedicate all my units to HCV tenants?

- No, you aren't obligated to rent to other HCV tenants.
- If you do decide to rent to multiple HCV tenants, be sure not to steer them toward a specific location (or floor in a multifamily property).

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Final Poll:

- **How did today's session compare to your expectations?**
- **I can use the information from this webinar:**

