



HOUSING CHOICE VOUCHERS:

Expanding Property Owner Participation



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INTRODUCTION

The Housing Choice Voucher (HCV) program, funded through the U.S. Department of Housing and Urban Development and operated by housing authorities all over the country, allows income-eligible families and individuals access to affordable housing in communities where they want to live. The program bridges the gap between what a tenant is able to pay, and the maximum fair-market rent of the house or apartment they've selected.

Its success depends on partnerships with local landlords.

The most effective housing authorities find ways to make their HCV programs as user-friendly as possible, addressing landlord concerns and lowering barriers to make participation easy, dependable, and profitable. By going a step further and offering incentives, they can attract landlords who may need extra encouragement to rent to voucher-holders. REALTORS® are uniquely well-positioned to spread the word among property owners about the benefits of partnering with HCV programs: from tenant-matching to guaranteed rental income to inspection standards that help to maintain and increase a property's value, it can make good business sense.

Here, we've collected case studies highlighting best practices of a few housing authorities that are advancing fair and affordable housing through HCV programs. Read on to learn how REALTORS® can help.

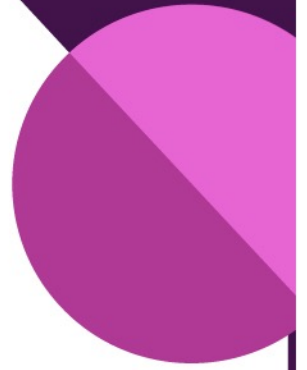
MEMPHIS HOUSING AUTHORITY (MHA)

Good landlords who maintain safe and decent housing are critical to the success of the Housing Choice Voucher (HCV) program and the families it serves in Memphis, Tennessee. The challenge is attracting all the units it needs to serve the community at capacity, so when the Memphis Housing Authority received funding from the CARES Act during the pandemic, it put the unexpected windfall directly towards securing more housing for the program.

For over a year beginning in September 2020, MHA offered incentive payments for each new unit leased to an HCV household: \$500 for each regular voucher holder; and \$700 for leasing to a Special Purpose voucher holder, including homeless Veteran families, disabled non-elderly households, and family unification situations.

The numbers are impressive: according to Cheiktha Dowers, MHA's Director of the Housing Choice Voucher Program, the incentive payments brought in 969 new units, representing a boost of 12-13% over the normal rate. Given MHA's average voucher-household size of three-to-four family members, that's a good many Memphis neighbors who have been able to access quality housing thanks to the one-time bonus payments.

Having paid out \$507K in incentive funding, that particular program is at an end, but the MHA has carried its momentum forward, and is seeing significant success in its active recruitment of new landlords to the HCV program, especially as HUD's expedited waiver program allowed for continued payments above federally established Fair Market Rents (FMR). At a recent housing fair, where the MHA matched landlords with voucher-holding families, reports Dowers, one large-scale property owner who is new to the program was able to complete preliminary lease agreement paperwork for 105 of the units that he had recently purchased and renovated. While that scale is exceptional for a single landlord, she notes, it is still indicative of the positive impact the voucher program is experiencing.



MEMPHIS HOUSING AUTHORITY (MHA)

Meanwhile, the MHA continues its constant outreach soliciting new property owners. CEO Dexter Washington speaks regularly about the HCV program and its central role in providing affordable housing within the community; at least twice annually, the MHA hosts a Landlord Forum to educate property owners about the benefits of renting through the HCV program, as opposed to the conventional rental market. These include on-time rental payments; free initial and on-going inspections; a convenient online Owner Portal; free online advertising; and a pre-screened pool of prospective tenants who have passed background checks for serious red-flag behaviors.

The MHA is actively engaged with the local REALTORS® and landlords who serve as important advocates for the voucher program, says Washington. “Not only are we in contact with them whenever any issues or opportunities arise, but our Owner Services Coordinator visits various rental housing investor groups throughout the year to market the HCV program, so that they, in turn, can educate their peers. This results in increased participation by property investors. There are also REALTORS® on the Memphis Association of REALTORS® board who participate in our program as property managers and landlords; as role models, they actively demonstrate the benefits of leasing to our voucher-holders.”

The most helpful advocacy that REALTORS® could now conduct, concludes Washington, is spreading the word about the HCV program in the ‘Opportunity Areas’ of greater Memphis, defined by the MHA as neighborhoods in low-poverty census tracts with low minority concentrations. “We’re always looking at the quality of housing we offer our voucher residents. Not only must it meet our own standards, but we like to see our residents land in housing situations where we would be proud and comfortable living ourselves. The REALTORS® have a voice in all communities, and could help us make further inroads in our more well-resourced areas, for the benefit of the families we serve.”

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