



HCV LANDLORD GUIDEBOOK INTRODUCTION

In 2018, the United States Department of Housing and Urban Development (HUD) responded to declining trends in landlord participation in the Housing Choice Voucher (HCV) Program by creating a Landlord Task Force. The mission of the Task Force is “to explore common barriers experienced by landlords and develop strategies to address, and tools to alleviate, those barriers.” The HCV Landlord Strategies Guidebook for PHAs is one outcome of this mission.

THE HOUSING CHOICE VOUCHER PUBLIC-PRIVATE PARTNERSHIP

The HCV Program is the largest subsidized rental housing program in the United States, administered by 2,100 of the nation’s 3,300 public housing agencies (PHAs) and housing nearly 2.3 million households. PHAs administer the program in a wide variety of housing markets and communities. PHAs oversee and administer the program with direction and funding from the federal government through HUD. The local PHAs provide voucher families support in their search for housing. Beyond a voucher briefing, where PHAs let voucher holders know how to use their vouchers, PHAs determine their own search support activities based on the availability of affordable

housing in their local market, the size of their voucher program, and budget and staffing considerations.

Private market landlords partner with PHAs to supply decent, safe, sanitary, and moderately priced rental properties for voucher families. HCV landlords screen tenants, maintain units, implement leases, and interact with tenants throughout the tenancy. The landlord receives a portion of the rent from the voucher family and the remaining portion through a Housing Assistance Payment (HAP) from the PHA, which subsidizes the family’s rent to make it affordable.

DECREASE IN LANDLORD PARTICIPATION

Unfortunately, the number of landlords participating in the voucher program has declined in recent years. In a review of administrative data, HUD found that in 2008, 38.3 landlords participated in the program for every 100 households, but in 2018 that number had dropped to 34.2 landlords for every 100 households. [Another study](#) estimated that between 2010 and 2016 this downward trend amounted to roughly 60,000 fewer landlords participating in the program. A reduction



in participating landlords has far-reaching consequences both for families and housing authorities.

CONSEQUENCES OF DECLINING LANDLORD PARTICIPATION

The most obvious negative consequence of declining landlord participation falls on voucher families. Some people receive vouchers after waiting for years on a PHA's waiting list. With fewer landlords participating in the HCV program, options for voucher holders searching on the private market may be much more limited. The families who might benefit most from the voucher program are those who likely have the hardest time finding landlords who will accept them: people with disabilities, formerly unhoused people, people with little or no income, and people with large families—even though discrimination on the basis of disability and familial status is illegal, and some states and localities prohibit discrimination against HCV holders. If a family with a voucher is unable to locate a landlord willing to accept their voucher within a certain period of time, the voucher expires and the family loses the subsidy. Some PHAs operating in particularly competitive markets extend their clients' voucher expiration dates up to a year to provide families additional time to locate appropriate housing.

The lack of landlord participation in a locality's HCV Program has both direct and indirect consequences for PHAs as well. When fewer families succeed in using their vouchers or when the lease-up process is significantly slowed, the PHAs' voucher utilization rates can decline, which negatively affects their Section 8 Management Assessment Program (SEMAP) score. When voucher families take longer to lease up or fail to lease up, the prolonged process costs the PHA in time and resources. PHAs only get paid administrative fees for leased units.

Fewer landlords participating can also have a negative effect on a PHA's efforts to recruit new landlords. Potential new landlords may be wary of giving the program a try if not many of their colleagues participate. A stigma about the program can develop in the local market, which can further hinder the PHA's voucher lease-up rates.

When the program is not able to recruit or retain adequate numbers of landlords, more voucher holders fail to find housing. They may remain unhoused or in precarious living situations. The situation harms individual families and harms local communities through increased demand for scarce resources, overcrowding, and decreased community investment.

When the program is not able to recruit or retain adequate numbers of landlords in higher opportunity neighborhoods, voucher families may be concentrated in high poverty, low-opportunity areas within the PHA's jurisdiction where landlords cannot find qualified market-rate tenants. When this happens, the program both fails to create housing choice and does not allow families to access the potential benefits of living in higher opportunity neighborhoods. A PHA whose vouchers are concentrated in low-opportunity racially segregated areas may be in noncompliance with its fair housing and civil rights obligations.

PHA-LANDLORD GOALS BASED ON ADDRESSING LANDLORD AND PHA CONCERNS

Through the HUD Landlord Task Force, HUD has taken steps to increase landlord participation and retain landlords already working with the program. To gather data for recommendations and goals for increasing participation, the HUD Landlord Task Force first conducted a series of Landlord Listening Sessions across the country in Washington, DC; Atlanta, GA; Dallas-Fort Worth, TX; Philadelphia, PA; Los Angeles, CA;





Salem, OR; and Salt Lake City, UT. These sessions engaged 330 landlords and representatives from industry groups in large listening sessions as well as several smaller focus groups. The Task Force also engaged with 23 PHAs through three focus groups with large, medium, and small voucher programs and conducted in-depth solo interviews to hear landlord engagement strategies. Several HUD-funded research studies also provided insight into why landlords may choose not to participate in the program, largely echoing what was learned during the listening sessions, focus groups, and interviews. The table that follows outlines goals for PHAs aimed at increasing landlord participation and retention in the program. The goals reflect concerns identified through Task Force research activities.

PHA-Landlord Goals	Identified Concerns
<p>Improve PHA landlord support: Landlords should have accurate expectations of PHA support and know how to access these supports when they have an issue the PHA can help them resolve.</p>	<ul style="list-style-type: none"> • Lack of concern for landlord’s needs • Lack of support in tenant-landlord conflicts
<p>Improve communication: Good communication means landlords’ inquiries are responded to in a professional and timely manner. All landlords receive the same information.</p>	<ul style="list-style-type: none"> • Landlord phone calls, emails, mail receiving no response • General poor customer services skills • No specific point of contact for landlord-related issues
<p>Clarify and improve consistency of inspection procedures and scheduling: Expectations about inspections should be clear and inspections should be consistent across inspectors. Inspections should be scheduled to efficiently utilize inspectors’ and landlords’ time.</p>	<ul style="list-style-type: none"> • Delays in inspections • Long windows for inspections appointments • Seemingly punitive deficiencies • Abatements • Lack of guidance on why a unit failed inspection • Lack of uniformity between inspectors or between policy and practice
<p>Improve tenant-landlord relationships: Tenants and landlords who have clear expectations about their roles and responsibilities may experience fewer complaints and less turnover of units.</p>	<ul style="list-style-type: none"> • Tenants lack understanding of their responsibilities to keep up the property • Tenants tend to pay rent late compared to market rate tenants



<p>Reduce landlord burden in tenant-caused damages: If tenants damage units, landlords may have difficulty collecting payment from tenants for the repairs. Reducing the costs of tenant-caused damage offers landlords peace of mind and makes the voucher program a smarter financial choice.</p>	<ul style="list-style-type: none"> • Lack of funding for tenant-caused damages • Lack of ability to remove tenants who caused damage • Failed inspections due to tenant caused damages
<p>Reduce lease-up delays leading to lost rental income: Faster lease-ups mean landlords can start generating rental revenue more quickly.</p>	<ul style="list-style-type: none"> • Additional required paperwork • Lack of electronic options for paperwork filing • Time to process Request for Tenancy Approval (RFTA) • Scheduling of initial inspections and re-inspections
<p>Improve understanding of affordability and rent reasonableness: When tenants and landlords understand affordability and rent reasonableness, they are more likely to choose units and tenants that can be subsidized by the HCV Program.</p>	<ul style="list-style-type: none"> • Hard to understand how much rent a tenant can afford • Unclear what the tenant's rent portion will be • Confusion regarding difference between rent reasonableness and affordability • Confusion around utilities and how they relate to voucher amount
<p>Increase rent competitiveness: When more units are affordable for tenants under a PHA's HCV Program, more landlords may be willing to participate.</p>	<ul style="list-style-type: none"> • Landlord can get higher rent with market rate tenant • Rent reasonableness not reflective of the market • Confusion over pricing for small area Fair Market Rent (FMR) boundaries
<p>Minimize bureaucracy: Reducing processes or making them easier to navigate helps to more closely align the HCV Program with the private market, decreasing a potential trade-off for landlords in accepting voucher tenants instead of market-rate tenants.</p>	<ul style="list-style-type: none"> • General bureaucratic process causes lack of control over their business • Too many delays due to lack of technology • Paperwork procedures take too long
<p>Attract new landlords: As old landlords exit the market, PHAs need to continually attract new landlords to rent their units to HCV tenants.</p>	<ul style="list-style-type: none"> • Downward trends in landlord participation across the country • Downward trends in HCV families' lease-up success rates

HUD INITIATIVES TO INCREASE LANDLORD PARTICIPATION

Utilizing this feedback from landlords across the country, HUD has undertaken a range of steps aimed at improving landlords' experiences with the voucher program. These include making more information easily accessible to landlords, developing new flexibilities for PHAs, creating new spaces for landlords, PHAs, and HUD to connect, and developing this Guidebook. In developing the Guidebook, the Task Force identified strategies that address these common concerns and outlined associated goals to help PHAs increase and maintain landlord participation. These strategies can be replicated and adapted to fit the circumstances of many PHAs.



Process Improvements

Each chapter categorizes how the strategies can improve high-level process areas across PHAs. The process improvements are broadly defined below:

Increase Recruitment – Develop and carry out methods of locating and attracting new landlords or landlords who left the program.

Increase Retention – Implement policies, activities, and incentives to increase the satisfaction of landlords currently participating in the program.

Improve Responsiveness – Listen and respond to landlords in ways that recognize what the landlords' interests are, while not devaluing the perspective of the PHA and the voucher family. It can involve communication, policies, forms, processes, and outreach.

Improve Tenant-Landlord Relationship – Implement strategies that help set expectations of landlords of leasing, tenancy, and termination of tenancy; educate on roles and responsibilities of landlords and tenants; and offer supports for tenants and the tenant's landlord.

Improve the Inspection Process – Implement strategies to improve landlords' experiences around inspections, including scheduling appointments and delays; inspector-landlord relations; housing quality standards and other HUD-approved physical inspections standards guidance; inspections responsibilities; deficiencies, reporting, and remedies; costs of inspections, inspection delays, and deficiencies; and abatement.

Minimize Bureaucracy – Working with the HCV Program necessarily requires compliance with PHA and program rules, regulations, and legislation to ensure that the program operates legally, fairly, transparently, and consistently. There are, however, forms that can be more clearly explained, processes that can be streamlined, and information that can be more readily accessible to remove excess bureaucracy.

The following chapters are a product of these efforts. PHAs of all shapes and sizes can find useful strategies and insights in the Guidebook to increase and maintain landlord participation in their communities. Chapter Two, *Choosing the Right Strategies for Your Community*, offers considerations for PHAs to keep in mind while choosing from the many suggested strategies to develop a strategy implementation plan that fits the PHA's specific needs and resources. The remaining chapters outline strategies grouped by topic areas:

- [*Education and Outreach*](#)
- [*Technology*](#)
- Landlord-Focused Customer Service
- [*Monetary Incentives and Reimbursements*](#)
- [*Inspections*](#)
- [*Matching Local Rental Markets*](#)
- [*Partnerships*](#)

As the table on the next page shows, there are strategies that can be effective across multiple process improvement categories. For example, the Landlord Point of Contact strategy and the Landlord HCV Webpage strategy can be used for process improvements in all six categories.



Strategy by Process Improvement

Chapter	Strategy	Increase Recruitment	Increase Retention	Improve Responsiveness	Improve Tenant-Landlord Relationship	Improve Inspections Process	Minimize Bureaucracy
<u>Education and Outreach</u>	New Landlord Orientation	X	X	X		X	X
	Landlord Outreach Events	X	X	X		X	X
	Tenant Education		X		X	X	X
	Expanding your Network	X	X	X			
	Information Sharing		X			X	X
<u>Technology</u>	HCV Landlord Webpage	X	X	X	X	X	X
	HCV Landlord Portal		X	X	X	X	X
	Inspections Technology		X	X		X	X
<u>Landlord-Focused Customer Service</u>	Landlord Point of Contact	X	X	X	X	X	X
	Landlord Customer Service Responsiveness	X	X	X	X		X
	Call Center		X	X			X
<u>Monetary Incentives and Reimbursements</u>	Monetary Incentives and Reimbursements	X	X				
	Inspections Guidance for Landlords		X			X	X
<u>Inspections</u>	Consistent Inspections		X	X	X	X	
	Inspections Scheduling		X	X		X	X
	Administrative Inspections Flexibilities		X			X	X
<u>Matching Local Rental Markets</u>	Matching Local Rental Markets	X	X				X
<u>Partnerships</u>	Relationships and Resources	X	X		X		X
	PHA Collaboration	X	X		X		X



This Guidebook is the culmination of a variety of projects aimed to increase recruitment and retention of landlords in the Housing Choice Voucher Program. With topic areas ranging from customer services and technology to partnerships and matching local rental markets, PHAs of all shapes and sizes can find guidance and best practices to improve their performance with landlords within the Guidebook.

RESOURCES

Evidence Matters: Landlords and Vouchers: <https://www.hud.gov/sites/dfiles/PIH/documents/EM-Newsletter-Winter2019.pdf>

Landlord Participation Study: <https://www.hud.gov/sites/dfiles/PIH/documents/Landlord-Participation-Study-Final-Report.pdf>

Urban Landlords and the Housing Choice Voucher Program: A Research Report: https://www.hud.gov/sites/dfiles/PIH/documents/Research_Report_HCV-Program.pdf

U.S. Department of Housing and Urban Development Housing Choice Voucher Program Landlord Listening Forums and Focus Groups, September – October 2018: <https://www.hud.gov/sites/dfiles/PIH/documents/ListeningForumsPublicSummary012320.pdf>

