

Program Guide – For Owners & Brokers

What is Housing Mobility?

NYC's Department of Housing Preservation and Development administers one of the largest federally funded Housing Choice Voucher (HCV) programs in the country. Through its HCV (or "Section 8") Program, HPD helps over 35,000 households pay market-rate rents in privately owned apartments throughout New York City.

HPD understands that, for a number of reasons, households searching with a voucher are often limited to housing opportunities in less competitive neighborhoods where amenities and resources might be scarce.

That's why in the winter of 2018, HPD increased the maximum rent that a voucher will pay (the "payment standard"), in neighborhoods that may offer greater opportunities for low-income families ("Exception Payment Standard (EPS) Areas"). The new EPS will apply to all HPD Section 8 voucher holders living in or moving to EPS areas. Additionally, to facilitate moves to these areas, HPD's *Housing Choice* Mobility Pilot Program offers new incentives and expanded services for a limited number of Owners and Tenants leasing in these Exception Payment Standard (EPS) Areas.

"Through **Housing Choice**, HPD seeks to expand the range of housing choices available to voucher holders."

About HPD's Housing Choice Mobility Pilot Program

HPD's Housing Choice helps voucher holders move to Exception Payment Standard (EPS) Areas, or NYC neighborhoods with characteristics indicating they may offer long-term benefits for their households. Increasing housing choices for Participants requires engaging new property Owners to participate in HPD's programs. In order to expand the base of HCV participating Owners, HPD's Housing Choice will offer higher paying vouchers with the following:

- Owner incentive payment equal to one-month's rent, issued at lease signing.
- A competitive Broker's fee (15% of annual rent for Brokers assisting in the leasing of Mobility Participants).
- Referrals to motivated Tenants who have completed pre-move readiness workshops and credit counseling and who have committed to long-term, post-move counseling.
- A single point of contact to HPD's Housing Choice Property Owner Liaison (Liaison), for assistance before and after the leasing process.
- Expedited processing of the HPD Owner Package and the lease-up process.
- Access to post-move landlord-tenant intervention any time after move-in.
- Participating Brokers will receive HCV training and leasing guidance directly from HPD's *Housing Choice* staff, minimizing the extent to which Owners will need to interface with HPD prior to lease-up.



How it Works

HPD's *Housing Choice* operates just like its regular HCV program, only with additional program benefits and services for Owners with units in and Tenants interested in moving to Exception Payment Standard (EPS) Areas.

Exception Payment Standards

Payment standards in EPS Areas are established using HUD estimates of Fair Market Rents by zip code. This means that payment standards are unique at the zip code-level in EPS Areas and are aligned with local market rates. For example, an HPD 2-bedroom voucher has gone from a value of \$1,959 in January 2018, to the following amounts listed in the sample zip codes below effective December 1, 2018.

Zip Code	Neighborhood	2-BR EPS
11215	Park Slope/Gowanus, BK	\$2,943
11375	Forrest Hills, QNS	\$2,493
10471	Riverdale, BX	\$2,290
10016	Murray Hill, MN	\$2,943

EPS vary by bedroom size and can be found at nyc.gov/hpd-payment-standards.

Tenant Support

HPD's Housing Choice Mobility Counselors enroll households into the program, assess their readiness to move, and define short-term financial and leasing related goals with Participants. They also support Participants as they complete these goals and prepare to make a move through Housing Choice. After Participants move, counseling continues to ensure a Participant's transition is smooth and their tenancy is stable.

Brokers

Licensed Brokers assisting HPD's *Housing Choice* Participants in their housing search and the leasing process are eligible for a Brokers fee in the amount of 15 percent of annual contract rent. The <u>Liaison</u> is available to train Brokers new to the Section 8 program and HPD's *Housing Choice*. HPD may provide Participants with referrals to HPD-trained Brokers.

Tenants' Commitment

HPD's *Housing Choice* Participants are leased voucher holders that have a vision for the type of neighborhood in which they and their family may thrive. *Housing Choice* Mobility Pilot Participants have self-selected to enroll in the program. Prior to receiving their voucher, HPD's *Housing Choice* Participants have met one-on-one with the <u>Liaison</u> and their assigned <u>Mobility Counselor</u> about what they are looking for in their next community, reviewed their credit one-on-one with a financial counselor and have attended workshops on Credit, Banking and Budgeting and Landlord-Tenant relations.

HPD's Commitment

HPD is committed to offering both Tenants and Owners the highest level of customer support in *Housing Choice*. This commitment begins when Owners and Tenants first meet and ends when Tenants move out and the HAP contract ends. Owners will have access to a single point of contact with HPD's *Housing Choice*. HPD's *Housing Choice* staff is dedicated to ensuring that Owners' experience with HPD and their Tenants is positive. Owners are encouraged to contact the <u>Liaison</u> about any concerns that may arise-whether they are



contractual or tenant-related.

Owners' Commitment

When signing their HAP Contract participating Owners commit to maintaining the unit in accordance with Housing Quality Standards. Owners may continue to enforce the terms of the lease, and are responsible for following all applicable Federal, State, and local laws.

Benefits for Owners [or "Why Participate?"]

As in the regular HCV program, Owners receive timely HAP payments from HPD via direct deposit. In addition, Owners are entitled to request an annual rent increase in HPD's *Housing Choice*, as long as the rent is comparable to prices for similar, unassisted units nearby. HPD will update its payment standards annually, using HUD Fair Market Rent estimates, calculated at the zip code level in EPS areas. As prices increase locally, so will HPD's payment standard, so Owners can continue to have an experience similar to leasing to a market-rate Tenant.

To Learn More About the Program or to Enroll, Please Contact:

NYC Dept. of Housing Preservation and Development (HPD) Division of Tenant Resources, Housing Choice: HPD's Mobility Pilot Program

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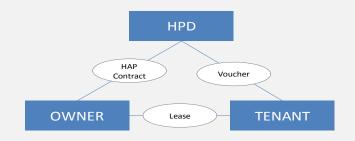


About the Housing Choice Voucher (HCV), or "Section 8" Program

The Housing Choice Voucher (HCV) program, also referred to as "Section 8," is a federally funded rental assistance program. The U.S. Department of Housing and Urban Development (HUD) funds and regulates the program and HPD administers the subsidy locally. Under the HCV program, HPD subsidizes housing costs so that low-income families can pay an affordable percentage (30%) of their monthly adjusted income towards rent.

In addition to HPD, the New York City Housing Authority (NYCHA) and the NYS Office of Homes & Community Renewal (HCR) also administer HCV programs in NYC. Federal funding for the HCV program is formula based and has remained stable through turbulent times. HPD protections are also in place to ensure Owners get paid.

In the HCV program, Owners enter into a three-way partnership with their Tenant and HPD. In addition to signing a standard lease with their new Tenant, an Owner signs a **Housing Assistance Payment (HAP) Contract** with HPD outlining the conditions under which HPD provides housing assistance. Tenants agree to comply with HUD Family Obligations to maintain their vouchers.



Owners receive a portion of the rent from the Tenant (30% of the household's adjusted income) and the remainder, the **Housing Assistance Payment or HAP**, from HPD via direct deposit.

Tenant Portion + HPD Portion = Contract Rent (30% of Income) (HAP Subsidy)

Owners can participate in the HCV program if their units have qualifying rents and pass a Housing Quality Standards (HQS) Inspection.

Qualifying rents include estimates for Tenant and must be either (a) below or at HPD's payment standard or (b) comparable to other similar, unassisted units, so long as the amount above payment standard is covered by the Tenant and their Tenant portion does not exceed 40 percent of their monthly adjusted income.



STEPS IN THE HOUSING CHOICE MOBILITY LEASING PROCESS



OWNER/BROKER SUBMITS LANDLORD PACKAGE AND SUPPORTING DOCUMENTS





LIAISON EXPEDITES OWNER PACKAGE PROCESSING





LIAISON EXPEDITES UNIT INSPECTION





LIAISON COORDINATES
LEASE SIGNING WITH
OWNER, TENANT, AND
BROKER. OWNER BONUS,
BROKER FEE, AND MOVING
FEES ARE DISBURSED.



FIRST MONTH OF RENT IS
PAID TO OWNER AND TENANT
MOVES INTO UNIT



