

Use of Mainstream Administrative Fees for Other Expenses [Notice PIH 2022-18]

PHAs are responsible for carrying out all their administrative responsibilities under the program. In addition to its typical administrative costs, a PHA may choose to incur other expenses for activities designed to help assist families in leasing units under the program, which while not required by HUD regulations, clearly will assist the PHA in achieving the mission and purpose of the program. A PHA may use its administrative fees to support these other activities, including to recruit and retain owners to participate in the program, should it have the resources to do so.

Other eligible expenses related to the leasing of units and recruitment/retentions of owners are as follows:

- Owner incentive and/or retention payments
- Security deposit assistance
- Utility deposit assistance/utility arrears
- Application fees/non-refundable administrative or processing fees/refundable application deposit assistance/broker fees
- Holding fees
- Renter's insurance if required by the lease

VSHA Policy

VSHA will incur other expenses for activities designed to recruit and retain owners to participate in the program, while funds are available, for Mainstream Voucher holders only.

VSHA will limit other expenses for activities designed to recruit and retain owners to owner incentive and/or retention payments.

Beginning October 1, 2022, VSHA will incur other expenses for activities designed to recruit and retain owners for newly leased families who have a lease and HAP Contract executed after October 1, 2022.

VSHA will provide a one-time owner incentive of \$1,000 to a newly participating owner (new to the program, i.e., first-time landlord) if the family does not reside in the unit. VSHA will offer a one-time owner incentive of \$750 to a newly participating owner if the family already resides in the unit.

VSHA will provide a one-time owner incentive of \$500 to a currently participating owner for every new lease and HAP contract executed regardless of if the family already resides in the unit. This one-time owner incentive fee excludes lease and HAP contract renewals.

VSHA will **not** provide this benefit to:

- Owners who are related to the participant (e.g., participant has a reasonable accommodation to rent from a relative)

- A new payee for an Assignment/Change of Ownership
- An owner who is executing a lease for a project-based voucher where there is already an executed HAP Contract in place. The goal of this program is to build the portfolio of owners in the private rental market.