



600 S. 7th Street, Louisville, KY 40203
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Date: August 26, 2020
To: Housing Choice Voucher (Section 8) Landlords
Re: Special Incentives for New Units

LMHA continues to work towards improving our program for landlords participating with our program. Most of you are already experiencing the recent changes we made to help minimize your vacancies by getting the initial inspections within 72 hours of completed lease papers, for landlords who furnished email address. We are now pleased to announce the following incentives for new units (a unit that has never been previously leased to another LMHA HCV participant) to our program. **These incentives will be effective September 1, 2020.**

Owner Incentive Fees LMHA will provide a one-time \$500 payment for leasing a new unit to a HCV family (i.e. a unit has never been previously leased to another LMHA HCV participant). This incentive is payable upon execution of a HAP contract. Additionally we see there is currently a low inventory of one-bedroom units in the Louisville Metro area, LMHA will also offer an additional \$500 payment at the one-year anniversary of the HAP contract to owners who lease a new one-bedroom unit to HCV families.

Vacancy Loss Payments Vacancy loss payments will be made available to owners of new units added to the program (i.e. a unit has never been previously leased to another LMHA HCV participant). whose tenants vacate the unit—without notice or LMHA authorization—prior to the end of their lease term. To qualify for the vacancy loss payment, the unit owner must lease the unit to another HCV family within 6 months of the date that the owner notifies LMHA of move-out. Owners will be paid only for the length of time the unit was vacant, with a maximum payment equivalent to two months of HAP. In addition, LMHA will only reimburse owners to the extent that the lost rent is not covered by the security deposit (after being applied to any damages). Finally, owners must demonstrate a good faith effort to re-lease the unit to another HCV family during the period of vacancy.

Damage Loss Payments LMHA will also provide damage loss payments to owners who agree to accept a reduced security deposit for a new unit added to our program (i.e. a unit has never been previously leased to another LMHA HCV participant). The reduced security deposit will help mitigate the financial barriers families face at lease-up, reducing time for landlords to find a qualified HCV tenant. The reduced deposit must be equal to the lesser of one month of the tenant portion of the rent or \$200. At move out, LMHA will award a damage payment for tenant caused damages up to a maximum amount of one month's contract rent, which is typically the normally required security deposit amount, minus any amount covered by the tenant security deposit.

We have included examples of the forms that will be used for these incentives for your reference. We look forward to your participation and success.

Sincerely,

Mark E. Roseberry

Customer Service Ombudsman / Field Representative

502-569-4180 Roseberry@lmha1.org

Housing Choice Voucher Incentive Fee (For new units to an HCV family)

To encourage owner participation in the HCV Program and increase the inventory of one-bedroom units available to HCV families within the Louisville Metro area, LMHA will pay an incentive fee of up to \$1,000. LMHA will provide a one-time \$500 payment to owners for leasing a new unit to an HCV family. LMHA will also offer an additional \$500 payment at the one-year anniversary of the housing assistance payment (HAP) contract to owners who lease a new one-bedroom unit to HCV families. **For the purposes of this activity, a unit will be considered “new” and eligible for an incentive fee if the unit has never been previously leased to another LMHA HCV participant.**

The first \$500 incentive fee will be paid during the first month of the HAP contract for a unit with any number of bedrooms. The second \$500 incentive fee will be paid following the first anniversary of the HAP contract’s effective date for a one-bedroom unit. Should the HAP contract be terminated for any reason within the first year, the owner will not receive the second \$500 installment.

Address of New Unit to be considered _____

Number of Bedrooms _____

Owner Info: Company Name _____ ID # _____
Mailing address _____

Phone _____ Fax _____
Company EMAIL _____

Tenant Info: Name _____ ID # _____

Housing Authority info:

Approved by _____ Date _____

Tracking reference number _____

Housing Choice Voucher Vacancy Loss Payments (For new units to an HCV family)

Vacancy loss payments will be made available to owners whose tenants vacate the unit—without notice or LMHA authorization—prior to the end of their lease term. To qualify for the vacancy loss payment, the unit owner must re-rent the unit to another HCV family **within 6 months** of the date that the owner notifies LMHA of move-out. Owners will be paid only for the length of time the unit was vacant, with a maximum payment equivalent to two months of HAP. In addition, LMHA will only reimburse owners to the extent that the lost rent is not covered by the security deposit (after being applied to any damages). **For the purposes of this activity, a unit will be considered “new” and eligible for a vacancy loss fee if the unit has never been previously leased to another LMHA HCV participant. Finally, owners must demonstrate a good faith effort to re-rent the unit to another HCV family during the period of vacancy.**

Upon re-leasing of unit (if within 6 months), the vacancy loss payment will be paid for the HAP—prorated if necessary—from the date of vacancy to the date of leasing to another HCV family (up to 2 months of HAP).

Address of Unit _____

Vacated Tenant Name _____ ID # _____

Reason if known for Vacancy _____

Date of Vacancy _____ Previous HAP \$ _____ Security Deposit \$ _____

Date of new Lease _____

New Tenant Name _____ Id # _____

Housing Authority info:

Approved by _____ Date _____

Tracking reference number _____

Housing Choice Voucher Damage Loss Payments (For new units to an HCV family)

Damage loss payments will be made available to owners who agree to accept a reduced security deposit. The reduced security deposit will help mitigate the financial barriers families face at lease-up, reducing time for landlords to find a qualified HCV tenant. The reduced deposit must be equal to the lesser of the amount in Box 3 of the voucher (which may be adjusted to one month of the tenant portion of the rent) or \$200. At move out, LMHA will award a damage payment for tenant caused damages up to a maximum amount of one month's contract rent, which is typically the normally required security deposit amount, minus any amount covered by the tenant security deposit. **For the purposes of this activity, a unit will be considered "new" and eligible for a damage loss fee if the unit has never been previously leased to another LMHA HCV participant.**

Owners and families should first make every effort to resolve damage losses without LMHA assistance. If a resolution is not feasible, the owner may submit **within 30 days** of tenant vacancy the following information:

- This damage loss form;
- Certification that a security deposit was collected and was equal to the amount in Box 3 of the voucher (which may be adjusted to one month of the tenant portion of the rent) or \$200 whichever is less; and
- Documentation of damages with invoices and costs of damage.

LMHA staff will schedule and conduct a post-vacancy inspection of the damage detailed in the damage report. Standard wear and tear are not eligible for loss payment. LMHA will reimburse owners a maximum amount of one month's contract rent minus the security deposit.

Address of unit: _____

Tenant Name _____ ID # _____

Normal Deposit \$ _____ Reduced Deposit \$ _____ HAP \$ _____

Date of Vacancy _____ Document damage amount \$ _____

Owner Name _____ ID # _____

Address _____

Phone _____ Email _____

Housing Authority info:

Approved by _____ Date _____

Tracking reference number _____ Amount Approved \$ _____