Massachusetts Executive Office of Housing and Livable Communities Division of Rental Assistance Security Deposit Program for Housing Choice Voucher (HCV) Households

Overview

The Massachusetts Executive Office of Housing and Livable Communities (EOHLC, f/k/a DHCD) Division of Rental Assistance (DRA) currently offers one-time security deposit assistance to certain voucher households who are moving into a new apartment/unit.

Who is eligible for the Security Deposit Program?

To qualify for this particular program, tenants must:

- Have a federally-funded Housing Choice voucher from one of EOHLC's nine Regional Administering Agencies (RAAs): Berkshire Housing, Community Teamwork Inc., Housing Assistance Corporation, LHAND, Metro Housing|Boston, NeighborWorks Housing Solutions, RCAP Solutions, SMOC, or Way Finders;
- Be moving into a **<u>new</u>** unit (i.e. a unit the tenant is not already leased up in);
- Be in good standing with the RAA; and
- Not have received assistance from the DRA's Security Deposit Program previously (this is a onetime benefit per household).

How much assistance is available through this program?

Eligible tenants may have their full security deposit covered by this program. However, as per state law, the total security deposit **cannot exceed one month's approved contract rent for the unit**, meaning the monthly rent amount that the RAA has approved. If the full security deposit is paid by another source, the RAA will not pay a security deposit through this program. If only part of the security deposit is covered by another source, the RAA may pay the remainder of the security deposit.

As noted above, a household may only receive security deposit assistance through this program **one time** during their participation in the voucher program. Please also note that this program is dependent on funding availability and may be discontinued in the future at EOHLC's discretion.

If/when the tenant moves out, to whom should the security deposit be returned?

If/when the tenant moves out of the unit, the security deposit (minus any damages or unpaid rent, if applicable) should be returned to the **tenant**, in accordance with Massachusetts Security Deposit Law, M.G.L. c.186 sec. 15B. It should **not** be returned to the RAA that paid it originally.

How does a property owner request a security deposit through this program?

In order to request a security deposit through DRA's Security Deposit Program, a property owner must fill in the box on the Request for Tenancy Approval (RFTA) form labeled "Proposed Security Deposit Amt." Security deposits cannot be requested after the tenant's lease start date.

Once the RFTA form has been submitted to the RAA, the unit has been approved for tenancy, and a lease and HAP contract have been signed the RAA will issue the security deposit payment to the property owner along with the first month's HAP payment.

Property Owner Terms for DRA's Security Deposit Program

PLEASE READ CAREFULLY AS THIS SECTION OBLIGATES THE PROPERTY OWNER

By accepting HCV Security Deposit Program funds, the property owner acknowledges and accepts the following terms:

- I have certified that I am the property owner (or authorized agent for the owner) of the property that the security deposit is being applied to.
- I understand that this award is contingent on approval of the property and contract rent by the RAA per the standard HCV program regulations and policies and on the completion of a fully signed lease and Housing Assistance Payment (HAP) Contract.
- If the RAA makes a security deposit payment on behalf of the Participant/Tenant, I agree to comply with all landlord obligations in accordance with M.G.L., c.186 s. 15B. In accordance with said law, I will return any such security deposit, including any amounts paid on behalf of the Participant by the RAA, to the Participant.
- If the RAA pays a security deposit on behalf of the Participant, I agree to return these funds to the RAA should the Participant not move into the property.
- I understand that these funds are to be used only for an approved security deposit that is not paid by other sources of financial assistance. If the RAA determines that the Participant has received financial assistance from another source to pay the same expenses paid by the HCV Security Deposit Program, I agree to repay the duplicative assistance as directed by the RAA.
- If I previously received any funds for the security deposit directly from the Participant, I will return those duplicative payments directly to them.
- Nothing in this Agreement precludes the owner/agent from using any and all remedies available under law, including the institution of eviction proceedings against the Participant, if the Participant fails to pay any future rent due after the date of this award or otherwise violates the terms of tenancy.