



Commonwealth of Massachusetts
**DEPARTMENT OF HOUSING &
COMMUNITY DEVELOPMENT**

Charles D. Baker, Governor ◆ Karyn E. Polito, Lt. Governor ◆ Jennifer D. Maddox, Undersecretary

AHVP Program Notice FY23-02

To: AHVP Administering Agencies (AAs)
From: Cecilia Woodworth, Assistant Director, State Programs, Division of Rental Assistance
Subject: **Update to AHVP Security Deposit Program**
Date: October 20, 2022

This Program Notice FY23-02 replaces [Program Notice 2022-2](#). The updated documents listed in this program notice replace the prior versions.

In December 2021, DHCD initiated the new AHVP security deposit program, which paid for security deposit and first month's rent for AHVP voucher holders during the period from January 1, 2022 through June 30, 2023. This pilot program has successfully mitigated the barrier of upfront leasing costs for many AHVP voucher holders. Given current program resources and the continued need for AHVP voucher holders to secure housing, **DHCD is now making last month's rent available through the AHVP security deposit program as well.**

AHVP voucher holders and participants (both generally referred to as participants throughout this memo) will be able to receive security deposit, full first month's rent, and full last month's rent for any new lease up (both newly issued vouchers and relocations) during the period from 11/1/2022 through 6/30/2023.

Participants will be able to provide this information to the Property Owner (PO) when they speak with the PO regarding a unit. The PO can then complete a simple one-page AHVP security deposit program request form along with the Request for Program Payment (RFPP). Once the lease up is fully completed, the AA will pay for any security deposit, full first month's rent, and/or full last month's rent as requested on the participant's behalf directly to the PO.

Security deposit and last month's rent should be managed by the PO and participant in accordance with Massachusetts Security Deposit Law, M.G.L. c.186 sec. 15B. After moving out of the unit, the PO will return any security deposit funds directly to the participant. Likewise, if there is any accidental overpayment of the last month's rent payment, the PO will return said amount of funds directly to the participant. These returned funds are for the participant's own use.

To utilize the AHVP security deposit program, there must be:

- An AHVP voucher holder or participant (either new or existing) who has been issued or reissued a valid AHVP voucher;

- A lease up in a new unit (either as a new participant or a relocation) that has been approved for the use of the AHVP voucher;
- A fully signed lease and voucher payment contract with a start date between 1/1/2022 and 6/30/2023 if requesting security deposit and/or first month's rent, or between 11/1/2022 and 6/30/2023 if requesting security deposit, first month's rent and/or last month's rent; and
- An updated AHVP security deposit program request form that has been completed and submitted to the AA before the completion of the lease up.

Also, please note:

- There is no extra eligibility requirement for the AHVP security deposit program. AHVP participants do not need to show proof of need to receive this assistance. If the participant and unit meet the above criteria, they can utilize the AHVP security deposit program.
- A participant can utilize the AHVP security deposit program multiple times during their participation in the AHVP voucher program. There is no blackout period or waiting period between uses of the AHVP security deposit program.
- Payments cannot be made retroactively. Security deposit, full first month's rent, and/or full last month's rent must be requested prior to move in.
- After a participant moves out of a unit, the PO will return any security deposit funds directly to the participant in accordance with Massachusetts Security Deposit Law, M.G.L. c.186 sec. 15B. Likewise, if there is any accidental overpayment of the last month's rent payment, the PO will return said amount of funds directly to the participant.

What is the process?

1. While the AHVP security deposit program is available between 1/1/2022 and 6/30/2023, AAs will include the AHVP security deposit program request form in the Property Owner packet that is provided to the participant when issuing an AHVP voucher. Please use the updated form that includes the option of last month's rent.
2. When the participant meets a PO regarding a potential unit, the PO must complete the updated Request for Program Payment (RFPP) form and the updated security deposit request form.

3. The AA will review the unit for approval per standard AHVP regulations and policies. When the unit is approved, the AA will notify the PO and participant to sign the AHVP leasing documents so the participant can move in.
4. Once the fully signed leasing documents are returned to the AA, the AA will release all approved payments.
5. Then, in the requisition system, the AA enters the combined amount of any security deposit, full first month's rent, and/or full last month's rent paid by the AA to the PO into the "Retro Subsidy" box. Note that entering these amounts into the "Retro Subsidy" box is a change from previous guidance. In the "Comments" box, enter "[Security, First, and/or Last] of [\$ Amount]". The AA must provide this information to receive these funds.

A	B	C	
Leased Vouchers	Subsidy Current Month (\$)	Retro/Others (\$) <small>Enter Retro Amounts; Enter Insurance Transfer Fee and Security Deposit in Retro Admin</small>	Comments <small>Enter details of Insurance Transfer Fee, Security Deposits, and Other Retro</small>
<input type="text"/>	<input type="text"/>	<input type="text" value="Retro Subsidy: \$3000"/> <input type="text" value="Retro Admin:"/> <input type="text" value="Retro Services:"/>	<input type="text" value="First and Last of \$3000"/> <input type="text"/>

6. The AA shall make whatever subsidy payment is due to the PO as calculated at that time for the last month the participant lives in the unit. The AA does not need to track whether it previously paid last month's rent at move-in. The PO shall return any overpayment of rent directly to the participant.
7. When the participant moves out, the PO will return any security deposit funds directly to the participant in accordance with Massachusetts Security Deposit Law, M.G.L. c.186 sec. 15B. Likewise, if there is any accidental overpayment of the last month's rent payment, the PO will return said amount of funds directly to the participant. These returned funds are for the participant's own use.

Questions?

For questions regarding the AHVP security deposit program, please contact Cecilia Woodworth at cecilia.woodworth@mass.gov.