HCVP ONE-TIME BONUS AND SECURITY DEPOSIT CREDIT FAQs

In response to the COVID-19 pandemic, Congress passed the CARES Act (“CARES”) in March 2020. CMHA dedicated a portion of the funding that it received under the Act to assist Housing Choice Voucher families and the property owners that provide housing in two specific ways:

**One-Time Bonus:** In recognition of the difficulties of leasing to assisted families during the pandemic, if a Landlord entered into a new Housing Assistance Payment (HAP) contract between April 10, 2020 and June 1, 2020, CMHA will issue a one-time $600.00 bonus payment to the Landlord.

**Credit Against Tenant-Paid Security Deposit:** If a Landlord enters into a new HAP contract with an effective date of June 15, 2020 and later, CMHA will make a payment (up to $600.00) to the Landlord as a credit towards the Tenant-paid security deposit.

Following are some frequently asked questions and responses to assist families and Landlords:

1. **Does the CMHA CARES bonus or security deposit funding apply to existing HAP contracts?**
   
   No, the CARES Act required that funds be provided for activities which occurred after April 10, 2020. Therefore, the one-time bonus payments will only apply to new HAP contracts that have a contract/lease start date between April 10, 2020 and June 1, 2020; the credit against Tenant-paid security deposits will apply to those new HAP contracts with an effective date beginning June 15, 2020 and will continue until funding is exhausted.

2. **Do I qualify if my tenants are up for renewal of their lease or recertification during those dates (above)?**
   
   No, the funds cannot be used for renewing leases of participants in place.

3. **When will I receive the one-time bonus payment if I had a new HAP contract that began between April 10, 2020 – June 1, 2020?**
   
   Property owners who began a HAP contract during that period and who may be eligible to receive funds have been notified as of June 19, 2020.

4. **Does the one-time bonus payment have to be applied towards any specific expense?**
   
   No. The payment can be used at the Property Owner’s discretion.

5. **Security Deposit - How do property owners apply this grant to tenant obligations?**
   
   The payment is specifically made as a credit against the Tenant-paid security deposit and can only be used for that purpose.

6. **What if a tenant previously paid a security deposit to the property owner for a property with a HAP contract effective June 15, 2020 or later?**
   
   The Landlord should then apply the credit against the family’s portion of the rent until the amount of the payment made by CMHA is satisfied.
7. How strict are the start dates for the one-time bonus payments and security deposit funding? If my contract/lease start date is April 5, 2020, could I receive the one-time bonus payment? If my contract starts on June 10, 2020, could I receive the credit for the Tenant-paid security deposit?

Due to the nature of the administration of this program and the volume of new contracts, CMHA will adhere to these specific dates. No new HAP contracts dated before April 10, 2020 will be eligible for one-time bonus payments and no new HAP contract dated before June 15, 2020 will be eligible for a credit towards Tenant-paid security deposits.

8. What will happen to the deposit funding at the close of the lease when there are no damages? Who receives the security deposit?

At end of the lease, the voucher holder, if eligible for a return of the security deposit and as otherwise provided by Ohio law, is entitled to any remaining security deposit amount – including any security deposit amount paid by CMHA under this initiative.

9. What other funding is available for participants/residents right now if I do not qualify for this credit towards security deposit?

- Call United Way’s #211 Hotline
- Visit EDENinc.org
- Cleveland Legal Aid Society can direct renters to resources available for renters that live within the city of Cleveland
- Visit chnhousingpartners.org for funding
- City of Cleveland COVID Funding Hotline: 216.664.2169
- Additional funding is being requested from the State of Ohio

10. Are participants entitled to a refund of the CMHA-paid security deposit at the end of the lease if there are no tenant damages?

At end of the lease, the voucher holder, if eligible for a return of the security deposit and as otherwise provided by Ohio law, is entitled to any remaining security deposit amount – including any security deposit amount paid by CMHA under this initiative.

11. When should participating owners/managers expect payment as a credit toward the security deposit?

Security deposit amounts will be included in the first Housing Assistance Payment (HAP).

12. If the security deposit has been broken down into installments, would all or a portion of the credit be eligible?

Yes, if the lease effective date falls on or after June 15, 2020, but limited to no more than $600.00 for each new HAP contract

13. Does the security deposit grant cover tenant-paid utilities (i.e. water, electric)?

No, for contracts effective after June 15, 2020, CMHA will make a payment (up to $600.00) to the Landlord as a credit towards only the tenant paid security deposit.
14. How long will CMHA continue to provide rental security deposit assistance?

CMHA will make a payment (up to $600.00) to the Landlord as a credit towards a Tenant-paid security deposit until the available funding is exhausted. Assistance will be paid while funding is available; when the funding is exhausted, the program will be over.

15. Is more/alternate funding available for security deposit assistance?

The City of Cleveland has several resources available for rental assistance. Please refer to the City of Cleveland website for additional information. See FAQ #9.

16. If a contract falls within the dates of this program but an owner has not received the security deposit for a recent tenant, who should I contact?

Please contact Angela Cecys, Mobility and Landlord Outreach Coordinator, at 216.271.3165 or cecysa@cmha.net.

17. If a security deposit is $400.00, will CMHA pay the entire amount?

Yes, CMHA will pay up to $600.00 as a credit against Tenant-paid security deposit for each new HAP contract beginning June 15, 2020 until the funds are exhausted.

18. Is the participant entitled to the difference, if any, between the security deposit amount and the $600.00 cap?

No, participants are not entitled to any difference between the security deposit required under the terms of their lease and the CMHA cap of $600.00.