

The Benefits of Landlord Incentives

For homelessness assistance programs to fulfil their purpose, they need to overcome the challenges of having an adequate supply of private market housing in communities of choice. Generally, government funded rental assistance programs have bureaucratic requirements that dissuade landlords from working with these renters compared to a renter not using a rental assistance program. In addition, tenants served through homelessness assistance programs are sometimes perceived to be riskier by some landlords due to poor rental history and other barriers.

The Housing Alliance has been engaging with landlord to better understand their business challenges, attitudes on programs and incentives, as well as the impacts incentives had housing search time. What we have found is that **landlords are receptive to making exceptions for tenants working with programs when incentives are offered and that incentives are helping families move into their own homes faster.**

Program requirements can be time consuming and may translate into unintended program costs borne by the landlord, such as unit vacancy or unanticipated repairs/upgrades. Landlord incentives are useful tools to make a business case to landlords to rent to lower income households that have experienced homelessness. They can be used to offset the potential or perceived added time and costs of renting to tenants working with rental assistance programs.

Landlord incentives can both help retain landlords and attract new landlords in renting to individuals and families experiencing homelessness and the organizations and programs that support them.

Landlord incentives fall into two categories.

- *Customer service incentives* - these incentives are meant to make it easier for landlords to work with the agency that is providing the rental assistance. When combined with financial incentives, it makes for a well-rounded landlord recruitment and retention strategy.
- *Financial incentives* - these incentives address the immediate financial concerns or needs of landlords to ensure that landlords will start working with or continue working with homelessness assistance programs.

Customer Service Incentives

| | |
|--|--|
| Housing Navigators / Landlord Liaisons | A single point of contact for landlords to call when working with rental assistance programs |
| Education Classes | Free trainings for landlords on topics related to their business needs |
| Landlord Website / Portal | To provide a central hub of information landlords need to know when working with rental assistance programs |
| Pre-Inspections | Conduct the habitability inspection prior to a client being interested to expediate lease up process once a client applies for that unit |

Financial Incentives

| | |
|--------------------------------|--|
| Vacancy payments | A landlord receives a one-time cash payment for holding a unit for a rental assistance and/or during the inspection process |
| Risk / damage mitigation funds | Pay for damages caused by tenant beyond what the security deposit covers. |
| Increased security deposits | A landlord receives double the advertised security deposit. |
| Increase the payment standards | This allows landlords to charge a rent more in-line with the current market. |
| Sign-on bonus | A landlord receives an additional one-time payment once a tenant enrolled in the rental assistance program is successfully leased up and moved in. |
| Referral bonus | A landlord receives a one-time cash payment for referring another landlord to work with the rental assistance program. |

There are a number of examples of landlord incentives already working in Pennsylvania!

Additional Resources from the Landlord Engagement Library

- [Bringing Landlords to the Table: Lessons Learned from Landlord Incentive Pilots in Three Communities](#)
- [Landlord Attitudes on Working with Homelessness Assistance Programs](#)
- [Incentives For Landlords to Rent to Lower Income Households](#)
- [Barrier Removal Payment](#)
- [Recruitment Bonus](#)
- [Vacancy Payments](#)
- [Menu of Incentives](#)