



From St Mary's County

## Best Practice: Financial Incentives

### St. Mary's County

Population Estimate (7/1/19): 105,151

Partners: [Housing Authority of St. Mary's County](#), Housing Veterans – [HUD Veterans Affairs Supporting Housing \(VASH\) Program](#), Private Landlords, [Community Development Network of Maryland](#), Private Sector Affordable Housing Preservation, and the Maryland [Department of Housing and Community Development \(DHCD\)](#).

**Key Takeaway:** By utilizing “Housing Choice Vouchers” individuals can get a rent subsidy from the government to help cover a portion of their rent at applicable rental properties as well as in single-family dwellings for purchase.

### Description

HUD pays rental and mortgage subsidies under the [HUD Housing Choice Voucher \(HCV\) program](#) so that eligible families can afford decent, safe, and sanitary housing. Families select and rent units or homes that meet program housing quality standards. If the county approves a family's unit and tenancy, they contract with the owner to make rent subsidy payments on behalf of the family. The Housing Authority of St. Mary's County, which is a public housing agency (PHA), may not approve a tenancy unless the rent is reasonable. A program subsidy is based on a local “payment standard” that reflects the cost to lease a unit in the local housing market. If the rent is less than the payment standard, the family generally pays 30 percent of adjusted monthly income for rent, which is considered the maximum threshold for housing affordability. If the rent is more than the payment standard, the family pays a larger share of the rent. The St. Mary's County Housing Authority uses HUD's basic standards for establishing payment standards. Section 7.2 of HUD's [Housing Choice Voucher Program Guidebook](#) describes the requirements and process for establishing payment standards.

### Program Details:

Any individual or family whose gross income does not exceed the following income limits can qualify for the program; One Person, \$54,950, two people, \$62,800, three people, \$70,650, four people, \$78,500, five people, \$84,800, six people, \$91,100, seven people, \$97,350. Income for these figures refers to wages, tips, interest, dividends, retirement or disability payment, net family assets, and other forms.

A landlord leases affordable, decent, safe, and sanitary housing to eligible families. The family pays at least 30% of their adjusted income towards rent and utilities. Any new admission or any family who moves may not pay more than 40% of adjusted monthly income toward the initial rent for the unit. Decent, safe, and sanitary means housing that upon inspection meets certain minimum standards. It may include single family homes, rental apartments, mobile homes, and

mobile home lots for families with their own mobile homes. Program participants must utilize one of the lending agencies approved by the program to secure a mortgage subsidy for a single-family home.

For more information on the program please visit [stmaryshousing.org](http://stmaryshousing.org). And to learn more about tracking the success of a housing voucher program, please visit the Center on Budget and Policy Priorities' [Housing Voucher Success and Utilization Indicators](#)

**Connection to the 2010 Comprehensive Plan:**

The Lexington Park Development District Master Plan (LPDD) (2016), incorporated by reference into the St. Mary's County Comprehensive Plan, notes the importance of collaboration between the Housing Authority and the county government by including in recommendation 7.3.4 the need to "foster a working partnership, possibly providing capital funds and other supporting tools." The LPPD also highlights the Section 8 Homeownership Program as one tool to support affordable homeownership (page 7-2).

**Funding Sources:**

This program is federally funded and works in conjunction with the county. The housing choice voucher program is administered by the county, which is referred to as a PHA. HUD provides housing assistance funds, as well as funding directly to the county to help with the administration of the program. For more information on the federally funded portion of the program please visit the [federal regulations code website](#).

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