

CITY OF LORAIN, OHIO

“SOURCE OF INCOME” FAIR HOUSING LAW QUESTIONS & ANSWERS

The City of Lorain added “source of income” as a protected class in its fair housing ordinance [Chapter 136](#) within the Codified Ordinances of the City of Lorain in 2024. This law prohibits discrimination in housing based on a tenant’s source of income. This means that landlords may not deny housing or otherwise discriminate against people renting with the assistance of a Housing Choice Voucher (HCV), formerly called Section 8, or other lawful sources of income.

The following Q&A is intended as a general overview of the City of Lorain’s Fair Housing Law pertaining to Source of Income and the acceptance of Housing Choice Vouchers. The following information provides information and general guidance for landlords doing business in the community.

What does “Source of Income” mean?

The City of Lorain defines “source of income” as lawful income derived from wages, social security, supplemental security income, all forms of Federal, state or local assistance payments or subsidies, child support, spousal support, public assistance, or other sources which can be verified and substantiated.

What are Housing Choice Vouchers?

The Housing Choice Voucher Program (HCVP) (commonly referred to as Section 8) is a federal program which provides very low-income families, seniors, and people with disabilities rental assistance so that they can afford decent, safe, and sanitary housing in the private market. HCVs provide a rental subsidy on behalf of the assisted family or individual allowing participants to select housing of their choice in the community, including single-family homes, townhouses and apartments. The subsidy covers the balance of the rent beyond the amount the household can afford, approximately 30% of the household’s income.

People who receive vouchers find their own rental housing and use the vouchers administered by a local Public Housing Authority (PHA) to help pay the rent. [Raise Up Partners](#), formerly known as Lorain Metropolitan Housing Authority is the PHA serving residents of Lorain County.

Rental units must meet minimum habitability standards for health and safety established by the federal government. A housing subsidy, referred to as a “Housing Assistance Payment” or “HAP” is paid to the landlord directly by the PHA on behalf of the participating family. Many housing providers who participate in the program appreciate the longer-term

tenancies of participating families who tend to remain in their units longer than the average renter. Housing providers also appreciate the consistent rental income provided.

Examples of Source of Income Discrimination:

- Advertising or making statements such as “No Section 8” or “Landlord is not set-up for Section 8” or similar limitations.
- Screening out applicants receiving Social Security or other government assistance.
- Refusing to process, or delaying, a person’s application because they intend to use a Housing Choice Voucher.
- Falsely telling an applicant that a property is not available because the landlord wants to rent to another person with a different source of income.
- Charging a higher security deposit fee for Housing Choice Voucher participants.

What are my obligations as a Landlord participating in the voucher program?

The role of the landlord in the voucher program is to provide decent, safe, and sanitary housing to a tenant at a reasonable rent. The dwelling unit must pass the program's housing quality standards and be maintained up to those standards as long as the owner receives housing assistance payments. In addition, the landlord is expected to provide the services agreed to as part of the lease signed with the tenant and the contract signed with Raise Up.

Can a housing provider refuse to take a voucher because they object to dealing with a third party (such as the Public Housing Authority that issues it) or object to the added burdens of participating in the program (i.e., annual housing inspections, or an orientation session)?

No. Permitting housing providers to opt out of participation in the program is at odds with the fair housing objective of adding source of income protections.

What is the difference between a Rapid Re-Housing Voucher and a Housing Choice Voucher? Does this ordinance cover both?

Housing Choice Vouchers, formerly known as Section 8 vouchers, assist very low-income individuals and families in maintaining stable housing by providing long-term rental assistance as long as the family remains eligible. Housing Choice Vouchers are issued by Public Housing Authorities, or PHAs. Raise Up is the PHA serving residents of Lorain County. Families with vouchers from Raise Up may use them anywhere throughout Lorain County.

Rapid Re-Housing Vouchers provide short-term, rental assistance, currently up to 1 year, for families experiencing homelessness. Rapid Re-Housing Vouchers are another resource available to families and individuals currently in a homeless shelter in Lorain County. These vouchers assist individuals and families in accessing permanent housing and provide the necessary short-term assistance to help them get back on their feet. Rapid Re-Housing Vouchers may be used anywhere throughout Lorain County. The City of Lorain's ordinance applies to both Housing Choice Vouchers and Rapid Re-Housing Vouchers.

Must I participate in a PHA-sponsored Landlord Training?

Yes. Raise Up offers an [online briefing presentation](#) for housing providers to review at their own pace. Once they have reviewed the presentation, the housing provider completes a form certifying their completion. Participating housing providers (those renting to one or more households in the Housing Choice Voucher Program) must renew their certification once every five years.

Does my rental property need to be inspected to participate in the HCVP program?

Yes. All units must pass a National Standards for Physical Inspection of Real Estate (NSPIRE) Inspection prior to going under contract with the program. Basic requirements include working smoke detectors, hazardous gas hook-ups, no water, no electricity, no heat, sewer issues and basic security measure. More information on the inspection requirements is available online at <https://rupartners.org/landlords/does-my-unit-qualify/>.

While the inspection is based on minimum standards established by the Federal Government, all owners of rental housing in the City of Lorain must comply with all housing code requirements and register or renew their rental dwelling license each year.

Can landlords reject prospective housing voucher tenants based on their credit history or score?

The short answer is yes, as long as their consideration of the credit history is reasonable and a consistent practice for all prospective tenants, including those without vouchers.

In *T.K. v. Landmark West*, 353 N.J. Super. 353, 802 A.2d 609 (N.J. Super. Ct. App. Div. 2001) at 360 the court found that creditworthiness only relates to the housing provider's "legitimate concern that a prospective tenant has a reliable and steady source of income to fund rent payments and satisfy the other financial requirements of a lease."

If a housing provider reviewed an applicant's credit and noted entries for unpaid rent and utilities which accrued while the applicant had their voucher, that might be a reasonable

basis for credit-based denial as opposed to a denial for similar debts incurred while the family did not have their subsidy. See [this document from the National Housing Law Project](#) for additional detail.

Generally, considering credit history may be permissible in assessing a voucher holder's ability to pay; however, setting a minimum credit score may be discriminatory. Many voucher holders may struggle with poor credit, especially true for new voucher holders, because they, by condition of their eligibility for the program have very low incomes limiting their ability to pay market rates for housing or other expenses while waiting to receive the needed rental subsidy. Given the shortage of affordable housing and insufficient supply of rental subsidies, many families will only be able to start rebuilding their credit after they enter into the program and are able to afford their housing.

Can landlords reject prospective housing voucher tenants based on their court records for civil and/or criminal actions?

Yes. However, it is critical that all housing providers be aware that criminal background screening has potential fair housing implications as well.

Of note on this topic are two recent research reports and a fair housing case settlement with a policy developed in reliance on the data from the first report below.

- Wilder Research Foundation, Cael Warren, Success in Housing: How Much Does Criminal Background Matter? ([Abstract](#), [Full Report](#))
- Heartland Alliance, [Win-Win: Equipping Housing Providers to Open Doors to Housing for People with Criminal Records](#)
- Housing Opportunities Made Equal of Virginia v. Wisely Properties LLC, 3:19-cv-00413 (Eastern District of Virginia) ([Press Release](#), [Settlement with Model Policy](#))

Can landlords reject prospective housing voucher applicants if they've been evicted and/or sued by a prior landlord?

Again, the short answer is likely yes. However, if a prior housing provider evicted or sued the applicant for nonpayment of rent before they had a housing subsidy that may be less reliable evidence of the household's successful tenancy with one. Also, evictions or lawsuits for reasons other than nonpayment such as damage to the property, repeated noise violations, or other material breach of the lease may be reasonable considerations.

Can a housing provider reject an applicant with a voucher because they do not meet their minimum income requirement?

No. This would not be appropriate. Some housing providers require applicants to make 2 or 3 times the monthly rent amount. Applying this standard to households with a housing

voucher would not be appropriate because a voucher holder's portion of the rent, referred to as the Tenant Rent, is calculated as an affordable portion, approximately 30%, of their monthly income. In this way households with vouchers may be more stable tenants than households without them. If a voucher holder's hours are cut, or if they get laid off from work, their Tenant Rent will be adjusted accordingly so that their portion of the rent remains affordable for them and the remaining balance of rent being paid by the Housing Authority (referred to as the Housing Assistance Payment, or HAP) will increase, ensuring that the housing provider always receives the full rent payment.

Can a housing provider refuse to rent to a household with a voucher if they (the applicant and rental subsidy combined) will not cover the full rent amount?

Yes. Housing providers will violate the ordinance if they try to charge higher rents to applicants with vouchers; however, housing providers may decline to rent to a household with a voucher if the Tenant Rent and rental subsidy will not cover the full amount of the rent.

Can I advertise "No Section 8" or "No Housing Vouchers" when promoting my property for rent?

No. It is against the City's non-discrimination code to use these and other types of discriminatory language when promoting property for rent.

What law provides Source of Income protection and what are the penalties for violations of the law?

Renting property is a business, and landlords must abide by all laws pertaining to the business of renting property in the City's code. This also means obtaining PHA approvals and following their guidelines to accept housing choice vouchers.

The Fair Housing Ordinance appears in [Chapter 136](#) of the Lorain Codified Ordinances. The Ordinance was most recently amended by City Council in 2024. If the City's Fair Housing Review Board find that a housing provider has violated the ordinance, the Board may order action to address the violation which may include but not be limited to: an order to stop discriminating, pay damages to the victim(s) for loss or injury, pay a civil penalty, and pay attorney's fees.

What can I do if I think I have experienced Source of Income or another form of housing discrimination?

If you think you have been a victim of housing discrimination you may file a fair housing complaint. Before filing a complaint, contact The Fair Housing Center's client advocacy team. They provide free assistance and may be able to help you directly resolve your concern without the need for a complaint. If you do need to file a complaint, The Fair Housing Center may be able to help you gather or compile evidence of discrimination through testing, written records or other investigative techniques to help strengthen your complaint before you file. They can also assist you in preparing your complaint. Contact the Fair Housing Center for Rights & Research by phone at (216) 361-9240 then press Option 2, or by email at advocates@thehousingcenter.org.

Who can I contact if I have any questions?

Fair Housing Center for Rights & Research

2728 Euclid Avenue, #200

Cleveland, OH 44115

Phone: 216-361-9240, Select Option 2 to speak with an Advocate

Advocates@thehousingcenter.org

City of Lorain

200 West Erie Avenue

Lorain, OH 44052

Edwin Garcia: Fair Housing Administrator

Phone: 440-204-2303

Garcia@cityoflorain.org

Raise Up

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Lorain, Ohio 44052

Phone: 440-288-1600

HCV@rupartners.org

Please note that this Q&A is intended to only provide preliminary guidance and is not to be taken as legal advice provided by the City, staff or any members of the City of Lorain government.

Please consult your own attorney when seeking legal advice.

Thank you to the Fair Housing Center for Rights & Research for their assistance with this Q&A!