EMERGENCY RENTAL ASSISTANCE PROGRAM (ERAP)

Victor Turner, Director
Neighborhood Services Dept.
City Council Work Session
March 2, 2021

Texas Emergency Rental Assistance Program (TERAP)

Background

- **In December 2020**, the Texas Department of Housing and Community Affairs (TDHCA) made available $35.4 million in CDBG-CV funds to entitlement communities

- Localities with existing COVID-19 rental assistance programs and indicated an interest to participate in the Texas Emergency Rental Assistance Program (TERAP) were eligible to apply

- TERAP assists households that are unable to pay rent and utilities due to the COVID-19 pandemic

TEXAS EMERGENCY RENTAL ASSISTANCE PROGRAM (TERAP)

ELIGIBLE ACTIVITIES A COMMUNITY DEVELOPMENT BLOCK GRANT CARES ACT (CDBG-CV) PROGRAM

Emergency Rental Assistance

- Tenants/Landlords voluntarily apply
- Texas Eviction Diversion Program – **Apply at TexasRentRelief.com**
  - Tenant/Landlord are referred by Justices of the Peace after the filing of an eviction
  - Tenant/Landlord voluntarily apply
- Household Income must be at or below 80% AMI
- Administration: 10%

Rent Payment

- Up to 6 consecutive months – (Includes rental arrears)
- At least one month must cover a month of future rent

Duplication of Benefits

- Prohibited; Cannot have already received six months of payment from CDBG funds or another payment method covering the same time period

Contract Term:

- January 15, 2021 – January 15, 2022

U.S. Treasury Emergency Rental Assistance Program

Background

- The U.S. Department of Treasury launched the $25 billion Emergency Rental Assistance Program (ERAP) on **Jan. 5, 20201**.
- The program was established by the Consolidated Appropriations Act of 2021.
- ERAP assists households unable to pay rent and utilities due to the COVID-19 pandemic
- Eligible grantees must use the funds to provide assistance to eligible households through existing or newly created rental assistance programs.

Emergency Rental Assistance Program (ERAP)

CORONAVIRUS RESPONSE AND RELIEF SUPPLEMENTAL APPROPRIATIONS ACT (12/27/20)

Available Assistance - $27.4M

- **Rent**
- **Rental arrears**
- **Utilities and home energy costs**
- **Other expenses related to housing**

Up to 12 months of assistance (ADDITIONAL 3 MONTHS, IF NECESSARY)

Existing housing-related arrears that could result in eviction of an eligible household is prioritized:

- **Arrears must be paid prior to requesting future rent payments**
- **Future rent payments may only be committed for up to 3 months at a time**
- **Households may reapply for additional assistance at the end of 3-month period, if needed and overall limit for assistance is not exceeded**

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EMERGENCY RENTAL ASSISTANCE PROGRAM (ERAP)

CORONAVIRUS RESPONSE AND RELIEF SUPPLEMENTAL APPROPRIATIONS ACT
(12/27/20)

- ✓ **Qualifies for unemployment or has experienced a reduction in household income, incurred significant costs, or experienced a financial hardship due to COVID-19**
- ✓ **Demonstrates a risk of experiencing homelessness or housing instability**
- ✓ **Total Household Income: ≤ 80% AMI**

Rental assistance provided to an eligible household should not be duplicative of any other federally funded rental assistance provided to such household

- **Eligible households that include an individual who has been unemployed for the 90 days prior to application for assistance**
- **Eligible households with income ≤ 50% AMI**

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Rental Assistance Programs
Eligibility Comparison

	TERAP $1,840,489	ERAP $27,484,117
Income Eligibility	**Under 80% AMI**	**Under 80% AMI**
Length of Assistance	**Six (6) months**	**12 months; (additional 3 months possible)**
Other Eligibility Requirements	Have suffered ***Financial Hardship due to COVID-19***	Eligible for Unemployment Benefits or have suffered ***Financial Hardship due to COVID-19***; Must show Housing Instability (past due rent notice, etc.)
Special Program Requirements	Units built before 1978 must be inspected for lead-based paint if assistance covers 3 months or more	Preference for Households under 50% AMI with over 90 days unemployment
Rent Payments	Rent limited to 120% of Local FMR; ***Payments made to Landlord***	***Payments must be made to landlord*** or utility provider; Landlord can apply on tenant's behalf (with tenant signature on application)

STATE PROGRAM PARTNERS/ALLOCATIONS

TERAP PROGRAM		
	PROGRAM	**AMOUNT**
HOUSINGCHANNEL.org	Emergency Rental Assistance	$552,146.93
The Salvation Army	Emergency Rental Assistance	$552,146.93
SAMARITAN HOUSE Where there's a home, there's hope.	Emergency Rental Assistance	$552,146.94
	TERAP Contracts	**$1,656,440.80**
	Administration	**$184,048.98**
TOTAL BUDGET		**$1,840,489.78**

U.S. TREASURY PROGRAM PARTNERS

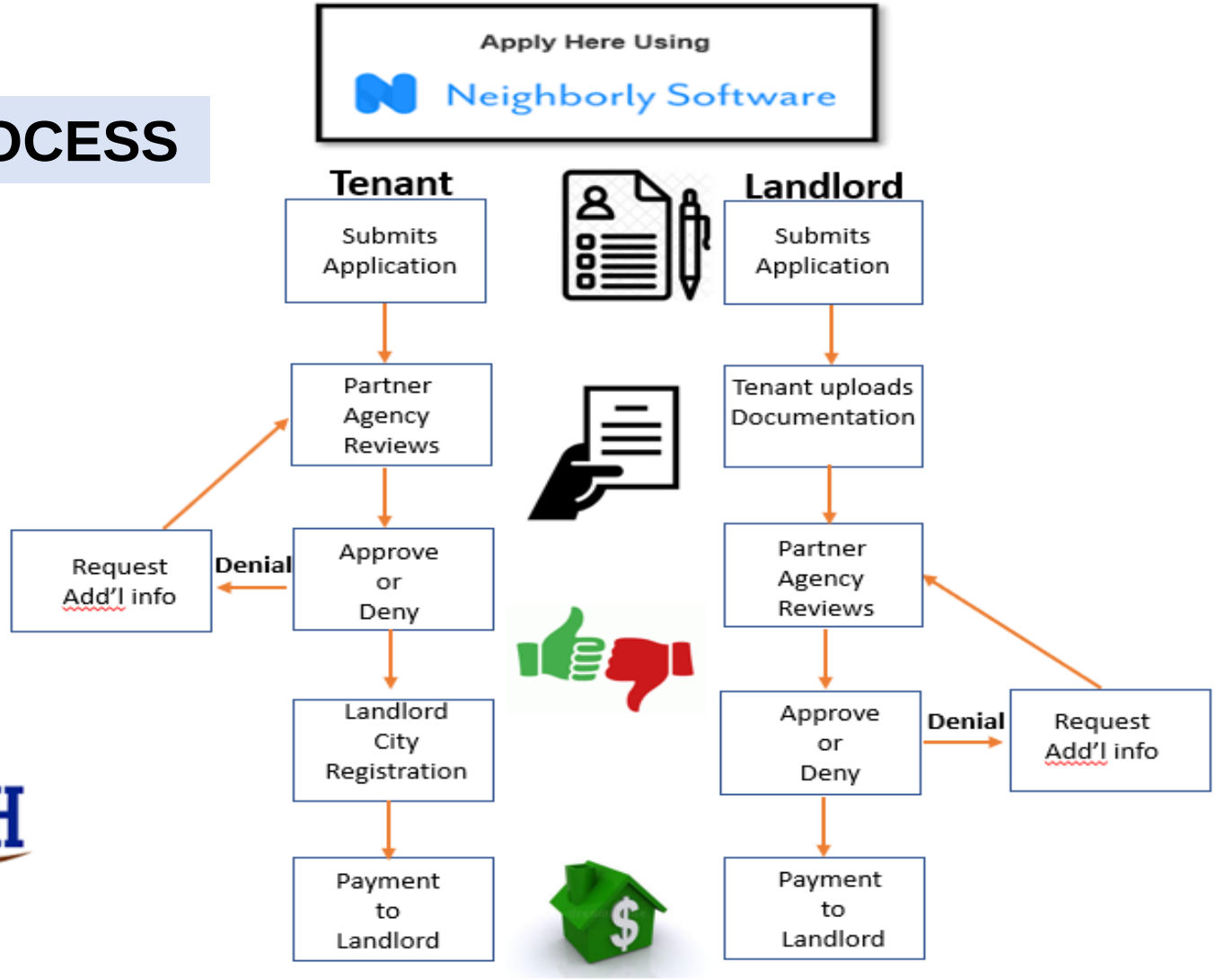
SAMARITAN HOUSE
Where there's a home, there's hope.

HOUSINGCHANNEL.org

Center for Transforming Lives
From Poverty to Prosperity, Together.

FORT WORTH HOUSING SOLUTIONS
Housing with a Mission

APPLICATION PROCESS



NEXT STEPS

March 3-5, 2021 – Neighborly Software Testing for Go Live date

March 8, 2021 – Neighborly Software **Go Live date**

Questions

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