

Emergency Rental Assistance Eviction Prevention Program (“ERA-EPP”) Update

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JUNE 27, 2023

Meet the new ERA-EPP Staff

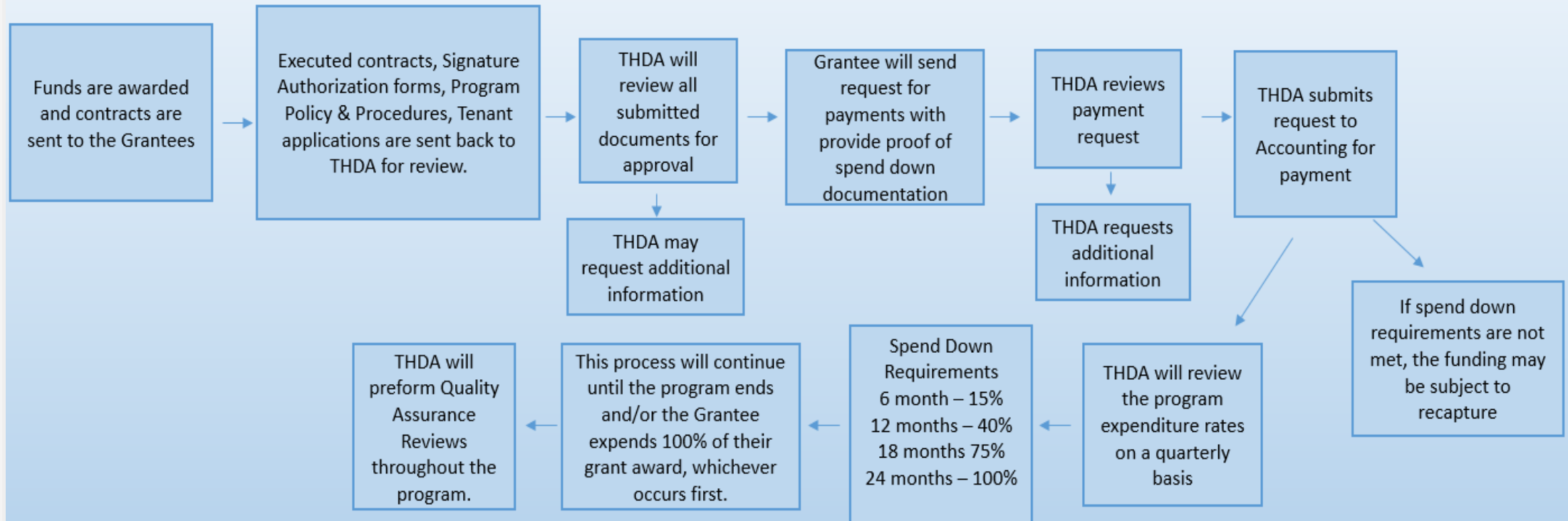
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Updated Program Timeline

- Contract Start Date: August 15, 2023 - Updated date
- Contract End Date: August 14, 2025 - 2 years after start date

ERA-EPP Program Flow



What remains the same?

Grantee Funding

Program funds are considered an emergency resource.

Grantees must put the program funds to use immediately. Failure to expend the Program funds in a timely manner may trigger a recapture of funds.

Types of Funding:

1. Reimbursement
2. Advanced Funding Option

Grantee Funding - Reimbursement

Spend Down Requirements

THDA will review the program expenditure rates of Grantees on a quarterly basis. Grantees not meeting benchmarks may be subject to recapture. THDA will redistribute funds recaptured to the higher performing Grantees.

Program Term – 2 Years	Spend Down Requirement
At Month 6	15%
At Month 12	40%
At Month 18	75%
At Month 24	100%

Advanced Funding Option

Grantee Eligibility limitations:

- Grantees that have administered a THDA-funded program for five (5) consecutive years or more, and are in good standing, will have access to up to \$100,000 or twenty percent (20%) of the grant award, whichever amount is less, per advance;
- Grantees that have administered a THDA-funded program within the last two (2) years, and are in good standing, will have access to up to \$50,000 or ten percent (10%) of the grant award, whichever is less, per advance;
- Grantees not currently administering a THDA-funded program are not eligible for advance payment(s) and will be required to follow the invoice reimbursement process.

Advanced Funding Option Continued...

- Grantees must maintain advance payments in **interest-bearing accounts**, unless of the exceptions under 2 CFR 200.305(b)(8) apply.
- Support for how the advanced funds are expended must be retained within each client file and made available upon THDA's request for compliance reviews.
- Advanced funds must be used to cover programmatic and administrative costs.

Advanced Funding Option Continued...

- Grantees will have **three (3) months** to expend each advance payment. Failure to expend the advance payment within the 3- month deadline will trigger a repayment of funds and the Grantee will be ineligible for advance payments from this Program for the remainder of the Term.
- Grantees that expend a minimum of 90% of an advance payment can request an additional advance payment. The request for an additional advance payment must include a status report that provides a list of the households served and disbursements made with Program funds. THDA will make the status report templates available to Grantees that are eligible for advance payment(s).
- This advanced payment process will continue until the program ends and/or the Grantee expends 100% of their grant award, whichever occurs first.

Program Requirements - Administrative Costs

Grantees will be allowed to use up to eleven percent (11%) of their award towards administrative costs to oversee the Program.

The Grantee is responsible for charging the appropriate administrative costs to the Program that include, but are not limited to, personnel salaries, fringe benefits, travel, supplies, marketing, and other direct costs as applicable and appropriate for the administration of the ERA-EPP.

If the Grantee is uncertain of an administrative expense, it should consult the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, 2 C.F.R. Part 200.

Program Requirements - Marketing

Grantees are responsible for marketing the Program within their service area in a manner that can reach very low-income households. The Grantee should utilize community and non-profit resources and networks, local media, and other earned media resources to promote the Program. Marketing efforts should be retained within the Grantee's files for compliance purposes.

Program Compliance – Record Retention

Grantees must retain all documentation collected from the applicant to support their decision to approve or deny the assistance for a household for a period of five (5) years from the end date of the Program Contract. The case file should contain, at minimum, the following. THDA, at its sole discretion, may request additional documentation from the Grantee.

- The completed and signed application;
- Copy of lease or agreement to rent;
- Income statements or supporting documentation;
- Utility statement(s);
- Eviction notice(s);
- Correspondence with any entity related to the applicant's case;
- Referrals provided;
- Financial records for disbursement(s) and refund(s).
- The Grantee should also retain documentation of disbursements made in their client files for compliance purposes.

What has changed?

The ERA-EPP was recently updated to align with Treasury's Emergency Rental Assistance Program. There were numerous programmatic requirements that will remain the same and others that had to be modified.

Original Terms/Guidance	NEW Terms/Guidance
Eviction Prevention Assistance Focus	Financial Assistance and Housing Stability Assistance Focus
Income Limited to 50% AMI	Income Limited to 80% AMI
Document all Income for eligibility	Document for Income or allow Self Attestation
Total Months of Assistance = 24 months	Total Months of Assistance = 18 months
Prospective Payments limited to two (2) months	Total Arrearage and Prospective maximum of 18 months
Forms of Assistance paid to Landlord, Property Manager, not Tenant	Forms of Assistance paid to Landlord, Property Manager, or Tenant
Duplicative Assistance must be documented	Duplicative Assistance may be documented or self certified

Financial Assistance

Eligibility Requirements - Financial Assistance

Households requesting financial assistance must meet the following eligibility requirements:

- a) One or more individuals within the household must have qualified for unemployment benefits or experienced a reduction in household income, incurred significant costs, or experienced other financial hardship during or due, directly or indirectly, to the coronavirus pandemic; AND
- b) One or more individuals within the household can demonstrate a risk of experiencing homelessness or housing instability; and
- c) The household is a low-income family (80% AMI) and
- d) The household must submit a complete application; and
- e) The household must provide the appropriate supporting documentation(or self attest); and
- f) The household is or has been a tenant of a unit that is located within Tennessee; and
- g) The household was, is, or will be obligated to pay rent under a lease or agreement.

Income Determination - Financial Assistance

In establishing the income of a household for purposes of determining such household's eligibility for Financial Assistance under the Program, you must consider either:

- a. Annual Income. In determining Annual Income, a Grantee may use HUD's definition of annual income at 24 CFR 5.609 or the adjusted gross income as defined for purposes of reporting under the Internal Revenue Service Form 1040 series for individual federal annual income tax purposes;
- b. Monthly Income. A Grantee may use a household's monthly income to determine income eligibility as long as there is sufficient confirmation of the household's monthly income at the time of application. The Grantee must extrapolate the monthly income provided at application over a 12-month period.

(For example, if the applicant provides income information for two months, the Grantee should multiply it by six to determine the annual amount. If an applicant qualifies based on monthly income, the Grantee must re-determine the household income eligibility every three months for the duration of assistance); or

Income Determination - Financial Assistance Cont...

- c. Categorical Eligibility. If an applicant's household income has been verified to be at or below 50% AMI in connection with another local, state, or federal government assistance program, a Grantee may rely on a determination letter from the government agency that verified the applicant's household income, provided that such determination is dated within 12 months from the date of the Program application. Certain Categorical Eligibility support may only be used for determining the income of the Head of Household and may require additional support. Such government programs may include, but are not limited to:
- Supplemental Nutrition Assistance Program ("SNAP")
 - Tennessee Head Start
 - Families First/Temporary Assistance for Needy Families ("TANF") *
 - Women, Infants, and Children benefits ("WIC") *
 - Continuum of Care (CoC) Rental Assistance
 - Housing Choice Voucher Program Rental Assistance
 - VASH Rental Assistance
 - Low Income Home Energy Assistance

Income Determination - Financial Assistance Cont...

- d. Self-Attestation/Certification. When income documentation is not readily available from applicant, the Grantee may accept a self-attestation/certification from the tenant to confirm the household income.

If all eligibility requirements are expressly addressed by the household's self-attestation, the grantee is not required to collect additional income documentation, past due notices, or other eligibility-verification documents as described above or below

Eligible Programmatic Costs – Financial Assistance

The eligible costs for Financial Assistance:

1. Rental Assistance (Must be an eligible household to receive):
 - a) Rental Application/Screening Fees;
 - b) Security Deposits (first and last month's rent);
 - c) Rental Arrearages, including late fees (in accordance with ERA 2 requirements); and
 - d) Prospective Rent. Participants may only receive three (3) months of perspective rent payments at a time. Additional prospective payments are available for eligible applicants so long as the total number of payments, including arrearages and prospective rent, does not exceed a total of 18 months of assistance received through ERA 1 and ERA 2 and the Participant recertifies their income and eligibility every 90 days.

Eligible Programmatic Costs – Financial Assistance

1. Utilities and Home Energy Costs for Water, Electric, and Gas Services (Must be an eligible household to receive), which include:
 - a) Utility Deposits:
 - b) Disconnection Fees; and
 - c) Reconnection Fees.
 - d) Payments towards utilities count towards the 18-month maximum assistance allowed combining the total amount received under any ERA 1 and ERA 2 program.

Housing Stability Assistance

Eligibility Requirements - Housing Stability

The provision of Housing Stability is not limited to households eligible for Financial Assistance. If a household will receive both Financial Assistance and Housing Stability, then the household must meet the eligibility requirements for Financial Assistance.

If a household is only going to receive Housing Stability, then the household only needs to comply with the following:

- a. The household must submit a complete application; and
- b. The household is or has been a tenant of a unit that is located within Tennessee; and
- c. The assistance is needed to keep or make the household stably housed.
- d. Even though Grantee is not required to document a household's eligibility if the grantee provides the household with no assistance other than housing stability services, Grantee must collect any demographic or other information from the household needed to fulfill the Grantee's reporting obligations.

Eligible Programmatic Costs - Housing Stability

A Grantee may use up to 10% of the funds it receives to provide Housing Stability Services to households that rent in Tennessee, and such assistance is not restricted to eligible households.

- 1) Legal Services or Attorney's Fees (related to eviction proceedings and maintaining housing stability);
- 2) Eviction Prevention and Eviction Diversion Programs;
- 3) Mediation between Landlords and Tenants;
- 4) Housing Counseling;
- 5) Fair Housing Counseling;
- 6) Housing Navigators or Promotoras (that help households access ERA programs or find housing);
- 7) Case Management (related to housing stability);

Eligible Programmatic Costs - Housing Stability Cont...

- 8) Housing-related Services (for survivors of domestic abuse or human trafficking);
and
- 9) Specialized Services (for individuals with disabilities or seniors that support their ability to access or maintain housing).
 - a. Grantees using ERA funds for Housing Stability Services must maintain records regarding such services and the amount of funds provided to a household.
 - b. The Grantee is responsible for determining which costs are eligible, prior to disbursing programmatic funds, and should consult THDA staff to confirm if a cost is appropriate and deemed eligible, when uncertain.

Self-Attestation

Grantees are encouraged to rely on a household's self-attestations for purposes of confirming eligibility. If all eligibility requirements are expressly addressed by the household's self-attestation, the grantee is not required to collect additional income documentation, past due notices, or other eligibility-verification documents as described above or below.

Forms of Assistance

- All ERA-EPP assistance must be paid directly to the landlord, property-management company, attorneys, courts, and/or the party to which the fee is due. Program funds may not be paid to a tenant directly, ***unless a minimum of 3 documented attempts to reach a landlord are made*** and the attempts and the following are documented:
 1. the landlord is unwilling to participate in the program or accept funds;
 2. the landlord is unwilling to provide required documentation; or
 3. the landlord is failing to respond to requests.
- The assistance provided on behalf of eligible tenants under the Program is not a loan and does not require repayment, unless a landlord, utility company or payee owes the Grantee money back for overpayment of assistance or for rent payment(s) for the time period in which a tenant was not occupying or under lease for a covered unit.
- The Grantee must retain support of disbursements made in their client files for compliance purposes.

Duplicative Assistance

Duplicative Assistance Not Allowed.

To the extent feasible, Grantees must ensure that any assistance provided is not duplicative of any other federally-funded assistance provided to the household.

Applicants can self-attest that duplicative assistance has not been received and the Grantees should have processes in place to review and confirm that duplicative assistance is not provided.

Program Compliance - Reporting

Grantees must provide status reports to THDA quarterly. Reports will be used by THDA staff to perform Treasury Reporting and Quality Assurance Review of households approved and denied. THDA will furnish the reporting template to the Grantees with the data required by Treasury.

The report template will include, at minimum, the following components:

- Applicant(s) name, physical address of residence, and contact information
- Address of unit (if different from current residence)
- Date of application received, approved/denied and funded.
- Total amount of assistance provided
- Which eligible costs were paid
- Which services were provided
- Referral resources
- Final outcome of household

Additional ERA Guidance

The ERA-EPP Program Description will provide the minimum requirements for the administration of the Program. Grantees should consult with THDA and/or refer to the ERA 2 Guidance issued by Treasury for general programmatic questions.

The Treasury Guidance is available here:

<https://home.treasury.gov/policy-issues/coronavirus/assistance-for-state-local-and-tribal-governments/emergency-rental-assistance-program/guidance>.

ANY
QUESTIONS

