



COVID-19 Emergency Rental Assistance and the American Rescue Plan Act



March 16, 2021

COVID-19 Emergency Rental Assistance Program Overview

- The COVID-19 Emergency Rental Assistance Program will provide assistance to benefit **renter households** that have experienced or are at risk of financial hardship due to the COVID-19 pandemic.
- The program is **not yet open** for applications but will be in the coming weeks.
- It will be funded through federal appropriations subject to program requirements set by the U.S. Department of Treasury.
 - Revised Guidance was published the last week of February
- Minnesota has received approximately \$375 million for the program.

COVID-19 Emergency Rental Assistance Program Overview

- Minnesota Housing directly received about \$290 million and will serve the entire state.
- About \$85 million was provided directly to seven cities and counties in the metro area to administer.
 - Collaboration efforts with local units of government
- Tribal Nations received additional direct allocations.
- Funding is available until September 30, 2022 (extended in American Rescue Plan Act).



Eligible Applicants for COVID-19 Emergency Rental Assistance Program

Renter Households:

- Be a Minnesota resident and a renter (homeowners not eligible)
- Have a household income at or below 80% of Area Median Income
- Have experienced financial hardship through the coronavirus outbreak
- Demonstrate a risk of experiencing homelessness or housing instability
- Households in the following categories are prioritized:
 - At or below 50% Area Median Income
 - Unemployed for 90 Days

Landlords are eligible to apply with renter's consent and participation.



Eligible Expenses

- Households may be eligible for up to 15 months of assistance total
- Past-due rent (back to March of 2020), home energy and utility costs
- Future payments
 - First must resolve arrears
 - Three months at a time
- Rent for manufactured home lots and rented manufactured homes included

Rental Payments

- Payments for both rental arrears and prospective rental assistance will generally be made directly to landlords.
- If a landlord cannot be reached or refuses to participate, the assistance can be paid to the tenant household.



How to Apply for Emergency Rental Assistance

- When the program opens, tenants and landlords will be able to call or text a centralized call center.
- A dedicated team will staff the rent assistance line 8 a.m. to 8 p.m. Monday to Saturday. Web applications will be accessible 24/7.
- There will be an online application platform that both tenants and landlords can use to apply. There will also be a hard copy/paper application.
- Given federal requirements, tenants and landlords will likely need to upload some documentation. Landlord initiated applications will need renters to sign-off on the application.

Navigation and Outreach Efforts

- Engaging a Network of Field Partners
 - Field partners are nonprofit and government entities funded to provide navigation and outreach services, trainings and assistance working through the application.
 - A focus on organizations that are able to reach and serve populations over-represented amongst those experiencing housing instability.
 - Provide access and assistance in multiple languages and formats.
- Connections to field partners will be available through the call center or through direct connections.
- A list of field partners will be available on Minnesota Housing's website, www.mnhousing.gov.



American Rescue Plan Act - Housing Resources Update

Federal American Rescue Plan Act

- Final passage by Congress on March 10, signed into law by President Biden on March 11.
- Includes federal housing supplements likely to flow through Minnesota Housing including:
 - Emergency Rental Assistance (similar to previous authorization in December 2020)
 - Homeowner Assistance Fund (*new program*)
 - HOME Investment Partnerships Program for Homelessness and Supportive Services (*new program*)
- American Rescue Plan also provides resources for housing counseling and fair housing to Housing and Urban Development.

Federal American Rescue Plan Act – COVID-19 Emergency Rental Assistance

- Additional allocation of emergency rental assistance
- Allocations will be directly available to Minnesota Housing and local jurisdictions
- Key differences from December 2020 authorization
 - Longer expiration date
 - Allows grantees to assist eligible households for up to 18 months (instead of 15 months)
 - Up to 10% can be used for housing stability services (not previously included)
 - Up to 15% can be used for administration (previously 10%)

Federal American Rescue Plan Act – Homeowner Assistance Fund

- **New** program
- Target Population - At least 60 percent of funding must be targeted to homeowners having incomes no greater than 100 percent of AMI or 100 percent of the median income for the United States, whichever is greater.
- Eligible Uses - Funds may be used for the purpose of preventing homeowner mortgage delinquencies, defaults, foreclosures, loss of utilities or home energy services, and displacements of homeowners experiencing financing hardship after January 21, 2020.

Federal American Rescue Plan – HOME for Homeless Assistance & Supportive Services Program

- **New program**
- Target Population – Homeless or at risk of homelessness; fleeing or attempting to flee domestic violence, dating violence, sexual assault, stalking, or human trafficking; individuals for whom provision of supportive services would prevent homelessness or who are at the greatest risk of housing instability; or Veterans and their families that meet any of the preceding criteria.
- Eligible uses: acquisition and development of non-congregate shelter units, which may be converted to permanent affordable housing, used as emergency shelter, or remain as non-congregate shelter units, development and support of affordable housing, supportive services and tenant-based rental assistance.

Thank you

Questions?

Jennifer Leimaile Ho
Commissioner
Minnesota Housing