



Federal Emergency Rental Assistance Program (ERA)- Grant Acceptance

Finance and Governance Committee
February 2, 2021

Overview

City and County of Denver received \$21,884,992.10 in federal **Emergency Rental Assistance** (ERA) from the U.S. Department of Treasury.

- City is direct applicant
- Award amount based on population formula

\$25 billion ERA authorized in COVID-19 relief package on Dec. 27, 2020

Council Action: Accept federal grant

ERA federal summary guidelines

- Available for households unable to pay rent and utilities due to the COVID-19 pandemic
- 90% funds can be used for rent, rental arrears, utilities and home energy costs, utilities and home energy costs arrears, and other expenses related to housing
- 10% of funds available for housing stability services, including case management and services intended to keep households stably housed, and administrative costs.
- Funds generally expire on December 31, 2021

ERA eligibility guidelines

An “eligible household” is defined as a renter household in which at least one individual meets the following criteria:

1. Qualifies for unemployment or has experienced a reduction in household income, incurred significant costs, or experienced a financial hardship due to COVID-19
2. Demonstrates a risk of experiencing homelessness or housing instability
3. Has a household income at or below 80 percent of the area median.

Per Treasury guidance, eligible households that include an individual who has been unemployed for the 90 days prior to application for assistance and households with income at or below 50 percent of the area median are to be prioritized for assistance.

Federal Funding Support for Rental & Utility Assistance

Federal funding for rental and utility assistance: **\$28.88 million**

Tranche of Funding	Amount	Notes
CRF- Phase #1 and #3	\$5.5M	Approved to date
CRF- Phase #4	\$1.5M	Pending Council approval; allocated 12/10/20
ERA Program	\$21.88M	Pending Council approval

Funding Impacts:

- Served over 1,400 unduplicated households
- Average recipient received three months of support
- Average household received \$1,400 per month

Next Steps

- Anticipating additional guidance from Treasury
- Currently in discussions with nonprofit providers, Colorado Division of Housing, community navigators and other partners regarding coordination and implementation
- Determine appropriate method and timing for procurement, contracting, and possible intergovernmental agreement
- Develop and revise application, intake process, and reporting forms to reduce barriers and comply with funding requirements
- Leverage partnerships, conduct outreach, and deploy resources

Council Request:

Accept \$21,884,992.10 in federal **Emergency Rental Assistance** (ERA) funds

Appendix

TRUA (CRF) vs ERAP Criteria

Criteria	TRUA (CRF)	ERAP
Income Level	80% AMI	80% AMI *Prioritization to 50% AMI
Income Determination	Monthly income at time of application	Total household income for 2020 or monthly income at time of application
Eligibility	Financial hardship due to COVID-19	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 *Prioritization to households unemployed for more than 90 days
Documentation of Hardship	Self-attestation	To be determined
Able to serve residents who are undocumented	Yes	Yes

TRUA (CRF) vs ERAP Criteria - Continued

Criteria	TRUA (CRF)	ERAP
Able to serve residents who receive other rental subsidies	Yes, but must not be a duplication of benefits	To be determined
Landlord Application on Behalf of Tenant	Landlords may apply to State POP Program	Yes, but tenant must cosign
Direct Payments to Tenants	Payments are made to landlord or utility provider	Yes, but must first make an effort to pay landlord/utility provider. Length of time for landlord to respond – to be determined
Assistance type and duration	Up to 6 months of rent; up to 2 occurrences of utilities. Pays arrears and current.	Up to 12 months rent and utilities; additional 3 months possible (arrears, current, and prospective if arrears paid and with income recertification)