

# Emergency Rental Assistance Program (ERAP) Temporary Rent and Utility Assistance (TRUA)

Safety, Housing, Education, & Homelessness Committee

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# Agenda

- Rent/Utility Assistance Additional Funding
- Emergency Rental Assistance Program (ERAP) Update
- Temporary Rent & Utility Assistance (TRUA) Program Update
- Proposed Contract Amendments – Resolution Requests
- Action Requested Today: Approval of Resolutions

# Rent/Utility Assistance Additional Funding

# \$10M in Additional Resources for Rent/Utility Assistance

- \$10M gap to address the continued need for rent and utility assistance in 2023
- Department of Finance and Department of Housing Stability worked together to identify additional funding
- \$5,544,245 - American Rescue Plan Act (ARPA)-State and Local Fiscal Recovery Funds (SLFRF) for Emergency Rental Assistance Program (ERAP) to serve an additional ~650 households
- \$4,455,655 – Transfer from the Affordable Housing Incentive Fund and appropriation of property tax revenue for Temporary Rent & Utility Assistance (TRUA) Program to serve an additional ~500 households
- Department of Finance presented at Finance and Governance Committee on 5/9

# Emergency Rental Assistance Program (ERAP)

# HOST's Emergency Rental Assistance Program (ERAP2)

The City and County of Denver continues to administer the \$17,046,597.63 of federal Emergency Rental Assistance Program (ERAP2) from the U.S. Department of the Treasury.

## ERAP2 federal summary guidelines

- May provide up to 18 months of assistance (including any assistance provided from ERAP1)
- Funds can be used for rent arrears, current rent, and future rent
  - May include deposit and/or first month's rent for relocation
- Up to 10% available for housing stability services intended to help keep households stably housed (e.g. case management, mediation, housing navigation); Up to 15% available for administrative costs
- Funds generally expire on September 30, 2025 (will be fully expended in 2023)

# ERAP Progress and Successes

- More than 3200 unduplicated households assisted (2,177 - ERAP1 and 1,466 -ERAP2 from 2021 – 3/31/23)
- Partnership with the Colorado Division of Housing which has served an additional 10,700 Denver households with more than \$137M in assistance
- Providing housing stability services (mediation, case management, and housing navigation)
- Use of direct to tenant payments, fact-specific proxy, and categorical eligibility to reduce barriers
- Built stronger partnerships between ERAP providers, legal assistance providers, Sheriff Department, and others to help prevent evictions and keep people in their homes
- Highlighted in Treasury's best practices for use of commitment letters
- Targeted outreach via social media to areas with the highest rates of eviction
  - Strong alignment with households served with ERAP in those areas
- Continuous use of data to evaluate equity (demographics, preferred language, location)

# ERAP Current State

- Due to limited ERAP funds remaining:
  - The State stopped accepting new applications as of November 15, 2022
  - Denver stopped accepting new applications as of December 10, 2022
- Processing previously submitted applications with limitations on the number of months of assistance
- Exceptions to application deadlines and/or limitations on assistance may be made:
  - For households at imminent risk of eviction
  - To ensure housing stability
- ERAP Navigators available during Eviction Clinic hours at Denver County Courthouse to assist with navigation to TRUA and other available resources
- Adding ARPA funds will allow for:
  - Continued processing of new first-time applications AND recertifications
  - Easing of limitations to number of months of assistance



# ERAP Winddown

- Program expected to be fully complete by end of 2023
- Three phase winddown process
  - Phase 1 – Application Processing
  - Phase 2 – Winddown
  - Phase 3 – Portal Closeout
- Research project with National Low Income Housing Coalition and University of Pennsylvania to better understand resident experience and longer-term outcomes after receiving ERAP assistance
- For more information visit [Denvergov.org/RentHelp](https://denvergov.org/RentHelp) or connect with a representative by calling or texting 720-356-0174 or 1-888-480-0066, Monday through Friday 8:30 a.m. - 5:30 p.m., Saturdays 8:30 a.m. - 12:30 p.m.

# Temporary Rent & Utility Assistance (TRUA)

# Temporary Rent and Utility Assistance (TRUA) Program

- TRUA was launched in late 2017 to provide short-term rent and utility assistance to Denver residents facing an unexpected financial hardship
- Eligibility criteria:
  - Denver residents must be at or below 80% of the Area Median Income (AMI)
  - Unexpected financial hardship related or unrelated to COVID
  - Increasing from up to three months to up to six months of rent assistance and one occurrence of utility assistance per utility per year
  - May include deposit/first month's rent
- 1,097 households served in 2021
- 931 households served in 2022
- 397 households served Jan-March 2023

# Temporary Rent and Utility Assistance (TRUA) Program

- Will transition fully back to TRUA to provide rent and utility assistance as ERAP concludes in 2023
- Working on building out an online application and database in addition to paper application to improve transparency and consistency for residents and landlords, data tracking and reporting, and coordination between providers
- Monthly meetings with community organizations to get feedback, build stronger partnerships, resolve issues with pending applications, and further reduce barriers for residents with limited English proficiency and/or technology barriers
- Denver residents can apply for TRUA by calling 311 and pressing 6

# TRUA Changes to Meet Increased Demand

- Since ERAP stopped accepting new applications, TRUA has received an unprecedented number of applications:
  - Receiving an average of 180 new applications every week
  - ~48% of applications have a demand letter and/or court summons
  - Processing times for prioritized applications: 2-5 days; Processing times for all other applications: 4-6 weeks
- Increased provider staffing and revised payment structure to expedite processing and payment times
- More HOST staff support for applicants including staff dedicated to processing more urgent applications
- Online application/database – coming soon (allowing residents to see the status of their application); For current application status updates, residents can contact [DenverTRUA@denvergov.org](mailto:DenverTRUA@denvergov.org) or call 720-913-1534.
- Increasing the number of months of assistance that may be provided (from 3 months to up to 6 months)

# Resolution Request

# Brothers Redevelopment, Inc. RR23-0518

Contract Term	January 1, 2021 – December 31, 2023
Funding Source	Affordable Housing Property Tax Fund
Contract Amount	\$6,557,282

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## Scope of Work

- Brothers Redevelopment, Inc. will provide temporary rent and utility assistance to eligible households in the City and County of Denver earning up to 80% of the area median income.
- Will serve approximately 650 households in 2023, 1,410 over three years
- Adding \$2,227,827 to current contract amount of \$4,329,455 for a new contract total of \$6,557,282

# Northeast Denver Housing Center RR23-0519

Contract Term	January 1, 2021 - December 31, 2023
Funding Source	Affordable Housing Property Tax Fund
Contract Amount	\$6,595,028

## Scope of Work

- Northeast Denver Housing Center will provide temporary rent and utility assistance to eligible households in the City and County of Denver earning up to 80% of the area median income.
- Will serve approximately 750 households in 2023, 1,553 over three years
- Adding \$2,227,828 to current contract amount of \$4,367,200 for a new contract total of \$6,595,028



# Brothers Redevelopment, Inc.

## RR23-0520

<b>Contract Term</b>	<b>6/1/2022-12/31/2023</b>
Funding Source	-Emergency Rental Assistance Program (ERAP)  -American Rescue Plan Act (ARPA)
Contract Amount	\$3,425,320 (ERAP) \$1,386,086 (ARPA)

## Scope of Work

- Brothers Redevelopment, Inc. will provide emergency rent assistance to eligible households in the City and County of Denver earning up to 80% of the area median income.
- Will serve approximately 475 households in 2023, 750 over total contract period
- Adding \$1,386,086 to current contract amount of \$3,425,320 for a new contract total of \$4,811,406
- No change to contract dates

# The Community Firm

## RR23-0521

<b>Contract Term</b>	<b>3/1/2022 - 12/31/2023</b>
Funding Source	-Emergency Rental Assistance Program (ERAP)  -American Rescue Plan Act (ARPA)
Contract Amount	\$11,050,000 (ERAP) \$4,158,259 (ARPA)

## Scope of Work

- The Community Firm will provide emergency rent assistance to eligible households in the City and County of Denver earning up to 80% of the area median income.
- Will serve approximately 980 households in 2023, 1800 over total contract period
- Adding \$4,158,259 to current contract amount of \$11,050,000 for a new contract total of \$15,208,259
- Extending contract 3 months for a new contract term of 3/1/2022 - 12/31/2023

# Action Requested Today

## Approval of the following:

- **#23-0518 - Brothers Redevelopment, Inc.:** Amended contract to add \$2,227,827 for a new contract amount of \$6,557,282 for the Temporary Rent and Utility Assistance (TRUA) Program.
- **#23-0519 - Northeast Denver Housing Center:** Amended contract to add \$2,227,828 for a new contract amount of \$6,595,028 for the Temporary Rent and Utility Assistance (TRUA) Program.
- **#23-0520 Brothers Redevelopment, Inc.:** Amended contract to add \$1,386,086 for a new contract amount of \$4,811,406 for Emergency Rental Assistance Program (ERAP)
- **#23-0521 - The Community Firm:** Amended contract to add \$4,158,259 for a new contract amount of \$15,208,259 for the Emergency Rental Assistance Program (ERAP) and extend 3 months for a contract term of 3/1/2022 - 12/31/2023

Questions?

# Appendix

## ERAP2 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 during or due, directly or indirectly to the coronavirus pandemic;**
2. Demonstrates a risk of experiencing homelessness or housing instability; and
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.

## Rent & Utility Assistance – Households Served - 2021 and 2022

	Temporary Rent & Utility Assistance Program (TRUA)	Denver’s Emergency Rental Assistance Program (ERAP1)	Denver’s Emergency Rental Assistance Program (ERAP2)	Total Served with Rent and Utility Assistance
2021	1,097 unduplicated households served	1,235 unduplicated households served	N/A	2,332 households served in 2021
2022	931 unduplicated households served	943 additional unduplicated households served	1175 unduplicated households served	3,049 households served in 2022
January – March 2023	397 unduplicated households served	N/A	291 additional unduplicated households served	688 households served Jan-March 2023

- Unduplicated means if a households received assistance more than once within a program, including recertifications, they are only counted one time

# TRUA vs ERAP Criteria

Criteria	TRUA	ERAP
Income Level	80% AMI	80% AMI *Prioritization to 50% AMI
Income Determination	Monthly income at time of application	Total household income for previous year or monthly income at time of application
Eligibility	Unexpected financial hardship related or unrelated to COVID-19	Qualifies for unemployment or has experienced a reduction in household income, incurred significant costs, or experienced a financial hardship due to or during 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	Self-attestation
Able to serve residents who are undocumented	Yes	Yes



# TRUA vs ERAP Criteria - Continued

Criteria	TRUA	ERAP
Able to serve residents who receive other rental subsidies	Yes, but must not be a duplication of benefits	Yes, but must not be a duplication of benefits
Direct Payments to Tenants	Yes, but must first make an effort to pay landlord/utility provider.	Yes, but must first make an effort to pay landlord/utility provider.
Assistance type and duration	Up to 6 months of rent; up to 1 occurrence of utilities.	<ul style="list-style-type: none"> <li>• No longer accepting new applications as of 12/9/22</li> <li>• Only first-time applicants who applied BEFORE 12/10/22 are eligible to receive assistance.</li> <li>• First time applicants can receive rent arrears, current rent, and one month of prospective rent.</li> </ul>