

# CARES RENT RELIEF PROGRAM

## PROGRAM GUIDELINES

The Pennsylvania Housing Finance Agency (Agency) hereby provides notice of the CARES Rent Relief Program (CARES RRP). CARES RRP was established pursuant to Act 24 of 2020 (act). The act established CARES RRP as an emergency response to the COVID-19 pandemic to disburse funds to counties throughout the Commonwealth to provide financial assistance on behalf of low to moderate income renters experiencing difficulty making rent payments as a result of the COVID-19 pandemic. Assistance shall be made available in the form of a grant and funds will be paid directly to landlords or property owners.

This notice describes the eligibility criteria, as well as the application submission and evaluation process. In addition, this notice identifies the timelines applicable to application submission and funding disbursement. Applications will be available on the Agency's CARES website (<https://www.phfa.org/pacares/>). Participating organizations will accept CARES RRP applications beginning July 6, 2020, until September 30, 2020.

The guidance contained herein supersedes any previously published CARES Rent Relief Program Guidelines.

### 1. ELIGIBILITY GUIDELINES

For purposes of determining what should be considered for a lessee's eligibility based on area median income, any compensation for services, including fees, commissions, fringe benefits, and similar items are defined as income. Income also includes all gross income derived from businesses.

When calculating eligible assistance or household income, the combined incomes of lessees who reside in the same housing unit shall be used to determine eligibility, but each may individually be eligible for the maximum amount of monthly assistance, not to exceed their monthly rent amount.

CARES RRP funds that will be disbursed to participating counties may be used to assist lessees that became unemployed after March 1, 2020, due to the COVID-19 pandemic, or lessees that are experiencing at least a 30% reduction in annual income related to COVID-19. The term "Unemployed" shall have the meaning as set forth in the act of December 5, 1936 (P.L. 2897, No. 1), known as the Unemployment Compensation Law.

Assistance may be provided to support lessees who are at least 30 days past due on their monthly rent payments and can verify job loss or loss of income related to COVID-19 rendering the lessee unable to pay rent. All CARES RRP assistance is subject to the availability of funding.

CARES RRP funds may only be used to cover rent incurred between March 1, 2020, and December 30, 2020. Property owners are eligible to apply on behalf of lessees. The maximum amount of monthly assistance is \$750.

The maximum CARES RRP funding available is \$4,500 throughout a period of six months.

For eligible lessees with current income of less than the pre-pandemic level, continuing assistance may be provided for a total of six months or until such time as the household income increases to the pre-pandemic level or to an amount which is no longer a 30% reduction, whichever comes first.

Eligible lessees must have an annualized current income of no more than the upper limit of "median income" as defined

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in guidelines published annually by the United States Department of Housing and Urban Development. To find the median income for a specific county, visit <https://www.huduser.gov/portal/datasets/il.html>. Select 2020 as the year and choose the “Click Here for FY 20 IL Documentation” link to view the income limit per household size.

The CARES RRP income limit can be calculated by doubling the 50% limit (adjusted by household size), compared with the annualized current income amount. Applicant will not be eligible if the annualized current income exceeds that 100% median income amount.

Lessees will be required to submit verification of income from January 2020 to the date of application in order for the Agency to determine the pre-circumstance level and post-circumstance level so that a determination can be made as to whether there was a 30% reduction in income. Income limits per household size may also be found on the CARES RRP section of PHFA’s website.

Lessees who became unemployed after March 1, 2020, must be verified with the Department of Labor and Industry’s Bureau of Unemployment Compensation. Lessees seeking CARES RRP assistance must be able to provide the following information to demonstrate CARES RRP eligibility, including but not limited to:

- (a) Tenant pay stubs or income statement(s) for the period beginning January 2020 until the date of application.
- (b) A copy of the lease to verify rent.
- (c) Documentation to verify unemployment with the Department of Labor and Industry’s Bureau of Unemployment Compensation.
- (d) Required CARES RRP executed documents.
  - (i) Landlord Application
  - (ii) Landlord/Property Certification Form
  - (iii) Lessee Household Certification

### 2. CARES RRP TIMELINE

- Program begins taking applications from Landlords/Renters ..... July 6, 2020
- Application Deadline for Landlords/Renters ..... September 30, 2020
- End of CARES Rent Relief Funding ..... November 30, 2020
- CARES Report Due to Legislature ..... December 31, 2020

### 3. CARES RRP COMPLIANCE

(a) *County Requirements.* Counties are required to track and monitor landlords and lessees benefiting from the use of CARES RRP funds, including, but not limited to, all of the following information for each lessee:

- (i) Lessee’s name.
- (ii) Lessee’s address.
- (iii) City, state and zip code.
- (iv) County.
- (v) Lease effective dates.
- (vi) Phone number.
- (vii) Email (if available).
- (viii) Landlord name(s).

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- (ix) Monthly rent amount.
- (x) Dates of delinquent rent (rent due before March 1, 2020, is not eligible).
- (xi) List month(s) with late/missed rent payments.
- (xii) Documents required by the Department of Labor and Industry to verify unemployment.

Counties must verify the eligibility of all CARES RRP award recipients as outlined by the CARES RRP Checklist. A copy of the completed checklist must be saved until December 31, 2025. All lessees benefiting from CARES RRP funding must be notified of the amount of assistance payments made to the landlord on their behalf in a manner similar to the CARES RRP Lessee Award Notification document.

Monthly reports by the county/county designee will be required in a form and timeframe sufficient to allow PHFA to comply with the provisions of the CARES Act and the Fiscal Code, as amended by Act 24 of 2020. Awardees are also required to submit a final report to the Agency by December 8, 2020, which shall include the final, cumulative expenditure of awarded CARES RRP funds. In addition to the requirements identified below, any additional reporting requirements will be included in the contract documents.

(b) *Property Owner Requirements.* Requirements. Property owners seeking CARES RRP assistance on behalf of tenant households and lessees applying for CARES RRP funding must complete and submit the necessary documents, described below, directly to the office/agency designated by the county:

- (i) Landlord Application
- (ii) Landlord/Property Certification Form
- (iii) Lessee Household Certification

Copies of the all executed, included but not limited to all CARES RRP Landlord Application, Landlord/Property Certification Forms, Lessee Household Certifications and any other documents required by the Agency must be saved until December 31, 2025.

Property Owners receiving CARES RRP funds must attest that they will not hold the lessee responsible for any remaining obligation for any past due or future rent for which CARES RRP assistance is provided.

#### 4. CARES RRP REPORTING REQUIREMENTS

Each participating county's designated organization must submit monthly CARES RRP reports to PHFA by using the CARES RRP website (<https://caresrrp.phfa.org>). CARES RRP funds will be provided to counties monthly based on the monthly reporting data and the availability of funds until November 30, 2020. No more than 5% of the funds disbursed may be used for expenses related to the administration of CARES RRP. All other funds must be used to provide direct rent assistance.

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Counties must submit monthly reports including data from the most recent month of program implementation only. (Ex: The July report (due July 31, 2020) should only include data occurring between July 6, 2020, and July 31, 2020.) Reports will be due to PHFA at 5 p.m. in accordance with the following schedule deadlines:

- 1st Program Reporting Deadline .....July 31, 2020
- 2nd Program Reporting Deadline .....August 28, 2020
- 3rd Program Reporting Deadline .....September 25, 2020
- 4th Program Reporting Deadline .....October 30, 2020
- Final Program Reporting Deadline .....December 8, 2020

Monthly CARES RRP reports must include all of the following information:(a) Total number of landlords who applied for assistance.

- (a) Total number of landlords who applied for assistance.
- (b) Total number of lessees who applied for assistance.
- (c) Total amount of CARES funds expended.
- (d) Total amount of CARES funding sought.
- (e) Total amount of CARES RRP funds provided per lessee.
- (f) Number of households served/impacted.
- (g) Total number of landlords who received CARES RRP assistance.
- (h) Household size (tracked for each individual household assisted).
- (i) Household income (tracked for each individual household assisted).
- (j) Use of administrative funds (capped at 5%).

The final report to PHFA (due December 8, 2020) should include cumulative CARES RRP data from July 6, 2020 – November 30, 2020.

CARES reporting must be submitted to PHFA electronically via the CARES RRP website at <https://caresrrp.phfa.org/>.