

## **Reach Up Emergency Rental Assistance (RUERA)**

Last updated 10/3/22

This assistance is available to families enrolled in Reach Up, Reach First, Reach Ahead, PSE, or Child-Only Households with at least one parent receiving SSI.

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### **A. Introduction and Background:**

The Reach Up Emergency Rental Assistance Program (“RUERA”) is based on the provisions of Section 501(a) of Division N of the Consolidated Appropriations Act, 2021, Pub. L. No. 166-260 dated December 27, 2020 (the “Act”) and the American Rescue Plan Act of 2021, which was enacted on March 11, 2021. RUERA is also subject to separate guidance provided by the US Department of the Treasury as posted and updated on <https://home.treasury.gov/policy-issues/cares/emergency-rental-assistance-program>, as well as laws of the State of Vermont.

The purpose of RUERA is to provide emergency rental assistance to households who meet the eligibility criteria described in this Administrative Plan. RUERA is administered by members of the Reach Up team, part of Economic Services Division (ESD), Department for Children and Families (DCF), Agency of Human Services (AHS) of the State of Vermont. The Reach Up team consists of members of the ESD central office, as well as Reach Up Case Managers, Reach Up Supervisors and eligibility staff located in ESD district offices and the Benefits Service Center.

This RUERA Administrative Plan (the “Plan”) is designed to provide information about RUERA eligibility criteria, policies and guidelines. The Plan is a working document and will be amended from time to time, by the Reach Up team.

### **B. Program Overview**

Pursuant to the Act cited above, not less than 90 percent of the funds received by an eligible grantee shall be used to provide financial assistance to eligible household, including the payment of:

- rent (current and prospective);
- rent arrearages owed to tenants’ prior landlord (back to March 13, 2020)
- rental arrears owed to the household’s current landlord (back to March 13, 2020); and
- other expenses related to housing incurred due, directly, or indirectly, to the novel coronavirus disease (COVID-19) outbreak, as defined by the Secretary of Treasury.

Such assistance shall be provided for a period not to exceed 18 months to ensure housing stability for a household subject to the availability of funds. Funding for the program is not anticipated to last beyond June 30, 2023.

Additional Vermont Emergency Rental Assistance Program (VERAP) funds pursuant to the act cited above will be administered by two other agencies:

- **Vermont State Housing Authority** shall administer VERAP – aiding with rent, rental arrearage, money to move and other housing expenses. Toll free 833-4VT-ERAP website: <https://www.vsha.org>
- **Department of Public Service (PSD)** –aiding with utility payments and utility arrearages. Website: [https://www.Help with Utility Bills for Renters | Department of Public Service \(vermont.gov\)](https://www.Help with Utility Bills for Renters | Department of Public Service (vermont.gov))

### **C. Household Eligibility for RUERA**

An eligible household for RUERA means:

1. A family that is receiving benefits through one of the following ESD programs: Reach Up, Reach First, Reach Ahead, PSE, or Reach Up Child-Only with at least one parent receiving SSI;

- a. Reach Up Child-Only Caretaker households are not eligible through RUERA and must apply through the VSHA VERAP program.
2. They are obligated to pay rent on a residential dwelling that is their primary residence;
3. One or more individuals within the household has qualified for unemployment benefits or experienced a reduction in household income, incurred significant costs, or experienced other financial hardship due, directly, or indirectly, to the COVID-19 outbreak;
4. One or more individuals within the household can demonstrate a risk of experiencing homelessness or housing instability; and
5. They are found categorically eligible in terms of their income.
  - a. Households receiving Reach Up, Reach First, and PSE with a benefit are considered categorically eligible based on their eligibility for these programs.
  - b. Households receiving Reach Ahead, PSE with a zero benefit, and Reach Up Child only with one parent receiving SSI are considered categorically eligible if their income has been verified to be at or below 80% AMI by the Reach Up team.

### Household

The “household” shall consist of those that have “promised to pay rent” to the landlord, even if there is not a written lease agreement.

1. Includes families occupying a federally subsidized residential or mixed-used property as long as RUERA funds are not applied to costs that have been or will be reimbursed under any other federal assistance.
2. Includes families receiving a monthly federal subsidy and the tenant rent has been adjusted according to changes in income--family may receive RUERA for tenant-owed portion of rent that is not subsidized.
3. Includes families exiting homelessness.
4. Includes families leasing up in new location.
5. Includes families with an obligation to pay mobile home lot rent and mobile home rentals.
6. May include people renting in recovery residences/sober homes as well as renting temporary housing if they relapse and cannot stay in residence, provided only that the household has a lease or can demonstrate an obligation to pay rent. Potentially could come up in temporary absence situation.
7. A household includes the Reach Up household that has agreed to pay rent, even if there are people not enrolled in Reach Up, Reach First, Reach Ahead, PSE, or Child-Only with SSI parent residing in the unit in a “doubled up” circumstance. The extra people’s income does not count for financial eligibility if they are not obligated to pay rent.
8. If the extra people have obligated themselves to pay rent, as in a shared lease arrangement or a subletter circumstance, the extra people or subletter family can be an eligible household if they are also enrolled in Reach Up, Reach First, Reach Ahead, PSE, or Child-Only with SSI parent, and if the landlord/property owner agrees to the arrangement.
  - a. Payment must be made to the landlord/property owner.

9. Leasing arrangements with family members is allowed as long as there is a written rental agreement.
  - a. Leasing arrangements with family members for whom there is a legal obligation to support (i.e. child under 18 or spouse) are eligible only if the tenant lives in a separate fully contained living unit with its own kitchen, bathroom, and private entrance. Preexisting written lease and evidence of a history consistent rent payments is required.

#### Rent to Own

A lease establishing a rental relationship is required for any rent to own situations. No household member may be on the deed or on a mortgage of the property.

#### Homeowners

Homeowners are not eligible for rental, utility, or other assistance under the provisions of RUERA.

#### **D. ESD Program Documentation**

Households will self-declare what ESD benefit program they are receiving in the on-line or paper application. Members of the Reach Up team will check the ACCESS system (Vermont's eligibility and benefits processing system for the administration of Reach Up and other benefits) to verify program eligibility. Eligible programs include Reach Up, Reach First, Reach Ahead, PSE, or Reach Up Child-Only with at least one parent receiving SSI.

Households that are active in the ACCESS system for one of the above programs in the month their eligibility is being determined are considered eligible for RUERA.

- A household for which their benefit is pending or closed in the month that eligibility is being determined, will not be considered eligible unless their benefits reopen.

Households that close in the ACCESS system for one of the above programs once their RUERA eligibility is determined, will remain eligible for their three-month certification period.

- If they remain closed when their RUERA eligibility is being recertified, they will not be considered eligible at that time.
  - They will be informed that they can reapply for RUERA if they return to a Reach Up program, or they must apply through VSHA VERAP.
  - An email will be sent to VSHA VERAP to inform VSHA of the months the household did receive.

#### Reach Up Caretaker households

Caretakers that receive a Reach Up benefit for a child(ren) they care for, are not eligible for RUERA because ESD does not collect income information for these households. Caretaker households will be referred to apply for VERAP funds through the VSHA program.

#### **E. Rental Obligation Documentation**

For "obligated to pay rent," and "residential address," acceptable documentation is one of the following:

1. Lease or rental agreement showing current rental amount.
  - a. If the lease provided shows a different rental amount, the tenant and landlord/property owner must attest to the current rental amount;
2. Landlord/property owner attestation/certification;
3. Other reasonable documentation including:
  - a. Collateral call to landlord;
  - b. ESD Shelter Form (202H);
  - c. Bank statements, check stubs or other documents establishing a pattern of paying rent;  
or
  - d. Attestation of Reach Up case manager/Supervisor or Coordinated Entry caseworker.

Attestation by the tenant and landlord will be provided in the RUERA application attesting that the information is true and accurate with an eSignature at the end of the online application process, or a physical signature on the paper application.

#### **F. Financial Hardship**

The applicant must attest that one or more of members of the household meets the criteria below.

1. Qualified for unemployment benefits any time after March 13, 2020;
2. Experienced a reduction in income due to COVID-19;
3. Had significant increased expenses due to COVID-19 (see examples of significant increased expenses below); or
4. Experienced a financial hardship due to COVID-19 (see examples of financial hardship below).

Examples of significant increased expenses due to COVID-19 may include, but not limited to: Healthcare costs, purchases for Personal Protective Equipment, penalties, fees, and legal costs associated with rental or utility arrears, moving costs, childcare costs, internet access and computer equipment required to work and attend school remotely, transportation costs.

Examples of Financial Hardship due to COVID-19 may include, but not limited to: Evidence household is forgoing or delaying purchased of essential goods to pay rent or utilities, such as food, prescription drugs, childcare expenses, transportation costs or equipment needed for remote work or school, payments for rent or utilities made by credit card to avoid homelessness or housing stability.

#### **G. Risk of Homelessness or Housing Instability**

The applicant must attest that one or more members of the household is at risk of experiencing homelessness or housing instability.

Examples of risk of homelessness or housing instability may include but are not limited to:

1. Past due rent or utility notice,
2. Unsafe or unhealthy living conditions,
3. Housing cost burden (paying more than 30% of gross household income toward rent and utilities,
4. Informal rental arrangement with little or no legal protection, or
5. Harassment, or verbal threats of eviction by landlord, evidence household is relying on credit cards to pay for rent or utilities.

Examples of unsafe or unhealthy living conditions may include but are not limited to:

1. Conditions that increase the risk of exposure to COVID-19 because of overcrowding,
2. Potential for exposure to intimate partner violence, sexual assault, or stalking,
3. Lack of water / sewer or major plumbing issues,
4. Chipping / peeling paint in residences older than 1976 occupied by a child under the age six,
5. Presence of serious mold, as confirmed by the Vermont Department of Health, or
6. Red-tagged fuel tank confirmed by fuel supplier.

#### **H. Financial Eligibility/Categorical Eligibility**

Household income must be at or below 80% of the area median income (AMI).

If an applicant's household income has been verified to be at or below 80% of the area median income in connection with another local, state, or federal government assistance program, grantee will rely on a determination letter from the government agency that verified the applicant's household income, provided that the determination for such program was made on or after January 1, 2020.

ESD programs must verify household income every six (6) months. The most recent income determination used by the ESD program and found in the ACCESS system will be used to determine financial eligibility for RUERA.

1. Households receiving Reach Up, Reach First, and PSE with a benefit are considered categorically eligible based on their eligibility for these programs.
  - a. A household for which their benefit is pending or closed in the month that eligibility is being determined, will not be considered categorically eligible until their benefits reopen.
2. Households receiving Reach Ahead, PSE with a zero benefit, and Reach Up Child only with one parent receiving SSI are considered categorically eligible if their income has been verified to be at or below 80% AMI by the Reach Up team.
  - a. Once a household in one of these three groups has been considered categorically eligible, income verification would follow the same process as Reach Up, Reach First, and PSE.

#### **I. Rental Assistance**

A landlord or tenant may receive rental assistance (rent arrears) for a unit no longer occupied by the tenant (unit A), as well as prospective rent for the rental unit they currently reside (unit B). In addition, the tenant may apply for prospective rent in a new unit (unit 3); however, the tenants' total months of rent for Apartment A and B and C may not exceed 18 months.

- Eligible households may receive up to 18 months of assistance to ensure housing stability and if grantee funds are available. Funding for the program is not anticipated to last beyond June 30, 2023.
- Rental assistance can be provided for rental arrears, and current and prospective rent, as well as security deposit and first/last month's rent.
  - Security deposits and last month's rent will be included as payment with a current or prospective month of rent, unless it is the only assistance requested in which case it will count as a month of assistance.

- The number of months of assistance for rental arrears must be agreed upon by the household and the landlord in the application.
  - If there is question to what months are owed, the number of months will be considered equal to the rental arrears divided by the monthly rent.
  - For households in subsidized housing, all arrears for tenant-owed portion may be paid even if rent has not been adjusted for changes in income if the subsidizing owner or agency cannot grant complete retroactive reduction in rent.
- Assistance must be provided to reduce or eliminate an eligible rental arrears owed to the current landlord (or previous landlord, if required) before the household may receive assistance for current and future rent payments.
  - A minimum of one month's rent must be paid towards arrears.
  - A household need not have arrears to be eligible for prospective rent.
  - A tenant may apply for arrears without applying for current or prospective rent.
  - Arrears accrued before March 13, 2020 are not eligible for payment.
  - It is ultimately the household's decision how much assistance will be designated to arrears. Tenants with questions should be referred to Vt. Legal Aid.
  - Late fees may be included provided they are included in the applicant's lease or rental agreement.
  - Rent charged to a credit card or borrowed can show financial hardship and housing instability but is not eligible as arrears or as other expenses related to housing due to COVID-19.
- The date of the completed application and RUERA approval will determine whether amounts are arrears, current, or prospective.
- Once a household's rental arrears are reduced, grantee may only commit to providing future assistance for up to three (3) months at a time. Grantee will not commit to providing future assistance for households in the 18<sup>th</sup> month of ERA receipt or beyond the termination of the program.
- Households may reapply for additional assistance at the end of the three-month certification period if needed and the overall time limit for assistance is not exceeded and the program is still operating.
  - Households can request this additional assistance during the initial application, and unless a change is reported, ongoing assistance will be provided.
    - For households that receive Reach Ahead, PSE zero benefit, and child only Reach Up with at least one parent receiving SSI, RUERA staff will use the most recent income determination available in ACCESS to determine eligibility for any subsequent requests/applications for additional months of assistance.
- If a household that received assistance for a rental unit moves out, the household may receive assistance for subsequent months in a new apartment but may not receive more than 18 months of assistance or two payments for different units for the same month.

### Permissible Rent Increases

The program does not allow landlords to raise the contract rent while they are receiving rent money under this program, but there are a few exceptions:

- The intent of the program restriction was to not have excessive rent increases due to the program payment of rent.

- For all properties. if a landlord issued the tenant a notice of a rent increase prior to April 5, 2021 (program start date), the increase can be implemented as noticed.
- If the landlord encounters a large unexpected operating expense, the landlord can provide information about the need to increase rent to the Reach Up team and receive approval for a rent increase through the program.
- In cases of subsidized housing, the overall rent can be raised but they cannot alter the way in which the tenant portion is calculated. If it is income based, then they cannot increase/alter the calculation by which the tenant portion is calculated simply because the rent is being paid by ERA instead of directly by the tenant. The tenant obligation cannot be inflated simply because they are not paying it directly.

## **J. Rental Assistance Documentation**

Documentation for rental assistance will follow the guidelines listed above under section E. Rental Obligation Documentation. In addition:

- All arrears must be documented even if not all paid.
- When paying rent arrearage to a unit where the tenant no longer resides, the landlord and tenant must provide a signed lease or rental agreement that identifies the unit where the tenant resided, along with a rent ledger or other documentation that support the amount of rent arrearage requested.
- In the absence of satisfactory documentation of the monthly amount of rent, an attestation from the applicant may be accepted. In these instances, the amount of rental assistance under RUERA will be the attested monthly rental amount up to 100% of the Fair Market Rent (FMR) in the area in which the applicant resides.

## **K. RUERA Program logistics**

Most applications will be completed through an online application created and operated by NiC Vermont, a software developer that contracts with the State of Vermont. Hardcopies of application for household and landlord will also be made available and can be returned by email, fax, or mail. Members of the Reach Up team will assist tenants and landlords with completing the application.

1. Online application from household
  - a. Assistance with online application provided by Reach Up team members (including case managers, district supervisors and those working specifically with RUERA).
  - b. Application for households will meet privacy requirements found in section 501(g)(4) of the Consolidated Appropriations Act and collect the following information through household self-declaration:
    - i. What ESD program benefit household receives,
    - ii. Demographic information,
    - iii. Rental information (landlord, rental unit, rent obligation and arrears)
    - iv. Electronic attestations, and
    - v. Duplication of benefits prevention attestation.
  - c. Once household submits application:
    - i. Eligible or not eligible email will be sent to household,



- ii. If eligible, email will be sent to landlord/property owner with link and pin number for landlord/property owner to complete their portion of the application through the portal.
        - 1. If landlord does not respond, household can use procedure set out in “Direct Payments to Tenant” below.
      - iii. Household will receive follow up email if information from landlord matches or does not match.
      - iv. Household receives email including the months covered in the approved payments.
2. Online application by landlord
- a. Information needed from Landlord
    - i. Unique pin number of tenant household,
    - ii. Landlord information:
      - 1. Name,
      - 2. Address,
      - 3. SSN, EIN, or DUNS number,
    - iii. Residence (address) of tenant household,
    - iv. Amount of rent and arrears,
    - v. Copy of lease or rental agreement,
    - vi. Valid W-9 form for tax number identification purposes,
    - v. Attestation by landlord:
      - 1. They will not increase the rent for the number of months receiving benefits / period of assistance,
      - 2. They will not evict the tenant for nonpayment of rent during the period covered by the assistance,
    - vi. Duplication of benefits prevention attestation.
  - b. Once landlord completes application:
    - i. Landlord and tenant receive emails,
    - ii. If landlord made changes to tenant rental information, tenant is informed and must clarify changes.
2. Members of the Reach Up team will review the completed application and clarify any discrepancies noted between the tenant and landlord application, as well as the copy of the lease/ rental agreement as well as the provided W-9. The final w-9 review will be completed by the State of Vermont Financial Operations.
- a. Applications will be processed in the order they are received. Processing time is usually 30 days from the date the application is approved. Processing cannot happen until all documentation has been received, reviewed, and verified as complete.
  - b. Assistance to landlords on behalf of tenants will be made in paper check format unless direct deposit (ACH) has been requested and is approved.

Direct Payment to Tenant

If landlord refuses to cooperate, RUERA payments can go to tenant household. Payments will not be taxable income to household. Payments to tenants will be made in paper check format.

Landlord refusal can be documented by:

1. A member of the Reach Up team has made at least three attempts by phone, text, or e-mail over a five calendar-day period to request the landlord's participation,
2. Landlord can complete portion of the application and check "I do not wish to participate", OR
3. Landlord can confirm in writing (mailed, faxed or emailed to RUERA email group) they do not want to participate.

#### **L. Appeal Process**

If a tenant disagrees with the Department's decision on their application for RUERA, they may request a fair hearing to appeal the decision with the Human Services Board (HSB). HSB will review the facts of the case, in a fair and objective manner, and decide whether the department's decision should be upheld or reversed.

- To request a hearing, the tenant can call the Benefits Service Center at 1-800-479-6151 or the Human Services Board at 1-802-828-2536. A trusted individual can help the tenant make the request.
- The request for the fair hearing must be made 90 days of the date of the emailed or mailed decision.
- The tenant is not eligible for continuing benefits while the fair hearing is pending.

#### **M. RUERA Recoupment process**

If RUERA needs to recoup funds from a landlord/tenant who received direct payment, the following process will be followed:

1. Email landlord/tenant with "initial communication"—include invoice number of check(s), include copy of signed check(s) if available.
2. Follow-up emails and phone calls to landlord/tenant.
3. Establish payment plan (if necessary).
4. Send formal letter via USPS.

Recoupments may be needed in the following cases:

- 1) Payments are made in error.
- 2) Payments are found to be a duplicate payment with another VERAP program.

#### **N. Demographic and Statistical Documentation (Data Collection):**

The Reach Up team, in collaboration with software developer NiC and the DCF Business Office, will collect the necessary data elements for each tenant / landlord application. This data will be compiled from the RUERA applications as well as from information housed in the ACCESS system.

501(g)(4) requires personally identifiable information to be kept private. RUERA has established data privacy and security requirements for certain information regarding applicants that (i) include appropriate measures to ensure that the privacy of the individuals and households is protected; (ii) provide that the information, including any personally identifiable information, is collected and used only for the purpose of submitting reports to Treasury; and (iii) provide confidentiality protections for data collected about any individuals who are survivors of intimate partner violence, sexual assault, or stalking.

## **O. Compliance and monitoring**

The Reach Up team will work with the DCF Business Office to make sure information collected meets the reporting requirements.

The Reach Up team will review the payment list before sending to the DCF Business office. Different members will do periodic spot checks of the payment list to ensure identifying information is accurate, eligibility has been correctly determined, and rental amounts and number of months have been correctly documented.

Corrections sent by the Business office will be reviewed by the Reach Up team and processes will be adopted to prevent the future need for correction whenever possible.

## **P. Fraud prevention**

When reviewing tenant and landlord applications for RUERA, the Reach Up team will refer to ESD All Programs rule 2015 on Fraud. Information provided will be reviewed with existing information available through the ACCESS system. Efforts will be made to confirm information with tenants and landlords, and existing relationships between tenants, landlords and members of the Reach Up team located in ESD district offices will be utilized to confirm information.