

Sec. E.1. VERMONT RENTAL HOUSING STABILIZATION FUND 19 PROGRAM 20

(a) Creation of Program 21 (dr req 20-9999 – draft 1.1) Page 20 of 39 5/27/2020 - DPH - 11:04 PM VT LEG #348531 v.1 1

(1) The Department of Housing and Community Development shall develop and implement a Rental Housing Stabilization Fund Program to provide funding ~~to statewide and regional housing partner organizations~~ Vermont State Housing Authority ~~to distribute and~~ administer the distribution of funds to ~~tenants and~~ landlords on behalf of tenants in need of rental arrearage assistance.

~~(2) Assistance will be distributed directly to the landlords on the tenants' behalf.~~

(3)~~(2)~~ In developing the Program, the Department shall coordinate with the Agency of Human Services and statewide and regional housing and homelessness authorities so as to ~~streamline the application process~~, provide additional support services, and better promote upstream homelessness prevention and housing stability.

(b) Purpose. Due to the COVID-19 pandemic, it is imperative to prevent tenants from losing rental housing due to non-payment of rent, and to give homeless households access to rental housing. Many Vermont tenants ~~have seen a loss or reduction of income and~~ are unable or struggling to pay rent. As a result, landlords across the state are not receiving full rental payments necessary to cover the costs of building ownership and upkeep. This act is intended to create a Rental Housing Stabilization Fund to distribute rent funds on behalf of ~~to~~ tenants and to landlords ~~in need~~.

(c) Administration,

(1) The Department shall require ~~VSHA any statewide or regional housing partner organization that receives funding under this program~~ to develop a standard application form for landlords and tenants including mobile home lot tenants, and homeless households, landlords that describes the application process and includes clear instructions and examples to help tenants or landlords apply.

(2) The selection process shall ensure equitable approval of applications, notice of grant decisions within 10 days, and decisions on appeals within in 10 days, and a distribution system that ensures accountability ~~from or the statewide and regional housing partner organizations, for the~~ tenants, and landlords ultimately receiving the funds. The Administrator shall make decisions according to the rules of this program and without regard to any previous information or decisions known to the administrator, and no tenant or other landlord will be benefited or harmed by previous knowledge or decisions.

(d) Distribution requirements.

(1) ~~The Department~~ VSHA shall develop eligibility requirements for to ensure the funds are applied equitably towards tenants, currently homeless households, and landlords equitably and to those in the most need, which include certification of i) rent arrears, ii) waiver of termination of tenancy or eviction for a period of time, iii) waiver of late fees and rent in excess of VSHA payment standards, and iv)

compliance with Rental Housing Health Code within 30 days, and v) agree not to increase rent for a period of time-

(2) Requirements that shall be developed include, but are not limited to, the following:

(A) Assistance will be distributed directly to the landlords on the tenants' behalf.

(A) limitations for eligibility regarding the earned income of the tenants in comparison to the area median income;

(B) a streamlined application process limited to a tenant certification of household members, a landlord certification of past due rent, forms and guidelines for landlords and tenants to follow to show that tenants have missed rental payments, are at risk of eviction, or otherwise show proof of a demonstrable need for rental assistance;

(C) landlords delaying or ceasing eviction proceedings, or both, for a -period of time as a condition of receiving assistance; an exception may be made if landlord applies and tenant has not paid rent nor certified need, where landlord can receive partial payment of arrears and retain right to evict.

(D) limitations on the number of units owned by any single landlord that may be eligible to receive payments; and

(E) limitations on assistance granted actual cash benefits, which shall not exceed the actual liability or those number of months due calculated at Vermont State Housing Payment level, three times the monthly rental liability, whichever is less. This restriction shall include a re-application process which states that if there are remaining Program funds at the end of the three month period if the tenant is in arrears at a later date, the tenant may re-apply for assistance.

(E) funds can be used for first last and security deposit, and rent payments through 12/30/20 for currently homeless households or tenants in unsustainable tenancies.

(F) No later than August 10, 2020 and thereafter upon request from a legislative committee, the Administrator shall issue a report to the legislature detailing the number and amount of grants awarded in each category by county,

(G) The Program shall be reviewed on or before September 1, 2020, along with other Coronavirus Relief Fund housing programs to determine whether funds should be shifted between programs to ensure that the maximum number of households retain or obtain housing.

(e) VSHA is not required to promulgate rules for any program consistent with this legislation.