

**Vermont State Housing Authority**  
**Rental Housing Stabilization Program**

August 10, 2020

Pursuant to Legislative passage of Bill H.966, An act relating to the COVID-19 funding and assistance for broadband connectivity, housing, and economic relief and signed into law by Governor Scott on July 2, the Vermont State Housing Authority (VSHA) launched on Monday, July 13<sup>th</sup> the Rental Housing Stabilization Program (RHSP). This program funds landlords on behalf of tenants in need of rental arrearage assistance due to the COVID-19 pandemic. The RHSP will provide rental arrearage to the landlord for the actual amount owed by the tenant or the VSHA Payment Standard, whichever is less, per single household, if the unit is occupied and meets eligibility criteria. The primary goal of this program is to keep Vermonters housed during this public health emergency by allowing them to keep their rented homes by granting back rent funds and avoiding terminations of tenancy, court evictions and homelessness. The secondary goal is to compensate landlords for some of their losses due to the CARES Act, judicial emergencies, and stay of evictions proceedings. Applications are currently processed on a first come first served basis. Units must be occupied and free from life safety hazards.

The RHSP has been active for four weeks and has paid out \$1,440,895 in back rent assistance to 571 Vermont households reaching every county in the state. The tremendous need in our state was highlighted with a stream of applications that has remained constant since the first day of implementation. VSHA has deployed the resources of staff on an extended schedule including nights and weekends to meet this demand, also implementing a weekly check run, and there is no evidence of declining numbers.

While the pattern of applications has proven that many tenants have not been able to pay their rent during the current public health crisis, it has also demonstrated the continued need for affordable housing and shown that the most vulnerable populations were hit the hardest. Daily inquiries and pleas have come in from hardworking Vermonters saying they have used all their reserves to pay rent up to this point, but they are worried about how they will pay rent next month. VSHA is dedicated to the task at hand with the realization that this is a necessary public service for the physical, mental, and economic health of our communities, and while we are meeting a current need, it is certain that the need will continue.

VSHA has developed a streamlined application that is almost entirely digital but remains fluid enough to implement changes and adaptations as needed. This process, while designed for expedited review of applications, also puts a strong emphasis on quality control with a six-point process that focuses on the accuracy and integrity of each submittal.

VSHA outreach has ranged from digital paid ads on Front Porch Forum, to live radio spots around the state. Additionally, and especially leading up to the program launch, VSHA was actively participating in large group video conferences and webinars with community partners and service agencies and has maintained a call center with three phone lines for 12 hours a day, six days a week. As with all VSHA programs, the RHSP has interpretive and translation services available upon request.

With the additional federal unemployment money cut and then reduced in the month of August, VSHA expects to see an uptick in the number of landlords and tenants applying for the program. It is likely that many of these applicants will be new and will therefore have questions regarding the application process, which will the administrative burden to the program at an elevated level for the foreseeable future.

Our referrals from the program to partner organization Vermont Legal Aid have remained at a lower than expected level, with the majority of those being from landlords with recalcitrant tenants who applied under the Group 2 provision which allowed for a 50% payment of back rent and allowed the landlord to retain the right to continue or initiate eviction proceedings once the State moratorium is lifted. Referrals for “life safety” or other legal matters have been for less than 1% of applications to date.

The most important lesson learned for VSHA has been how to adapt on a daily level to the sheer volume of applications and inquiries. To meet this demand and to continue helping Vermonters in the most efficient and effective way possible, VSHA has hired additional staff to cover the call center and application processing and offered overtime to existing staff on a daily basis. It is clear that this trend will continue and the administrative burden to keep the program running successfully will remain high.

Currently \$22,678,105 remains in the program for rent arrearage grants. VSHA has determined the need for temporary staff to process applications and to this end we have hired for new positions solely dedicated to the RHSP. Among other responsibilities these staff will be processing the large number of submittals returned to applicants for more information as those applications are now coming back, which has increased the workload. Additionally, VSHA is working to expand the facet of the program that will be to provide first, last, security and a temporary subsidy for tenants in new sustainable tenancies working with other State agencies for support and navigation services. VSHA is confident that our efforts now and moving forward will get program funds out to more Vermonters to help stabilize our fragile housing needs at this time of intense vulnerability for the state through December 2020.

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**Please see the attachment A for specific details on the reporting criteria listed below:**

- Number of households served
  - Group 1 = 484
  - Group 2 = 87
  
- Number of individual tenants served – Group 1 = 1,196
  
- Amount of grant funds disbursed per household –
  - Group 1 = \$2,621.72
  - Group 2 = \$1,976.80
  
- Amount of grant funds disbursed per tenant –
  - Group 1 = \$1,060.96
  
- the average number of months of arrearage – 4 Months
  
- Amount of grant funds disbursed per county – **See Attachment A**

## Attachment A

### Group 1: Tenant Rent Arrears\*

	<b>Number of Grants</b>	<b>Amount of Grants</b>	
Addison	27	\$	80,236
Bennington	46	\$	81,630
Caledonia	9	\$	13,280
Chittenden	153	\$	411,046
Essex	1	\$	3,120
Franklin	48	\$	161,867
Grand Isle	8	\$	17,273
Lamoille	7	\$	13,474
Orange	17	\$	39,449
Orleans	27	\$	73,604
Rutland	37	\$	116,566
Washington	28	\$	92,522
Windham	42	\$	85,763
Windsor	34	\$	79,084
	484	\$	1,268,913

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### Group 2: Recalcitrant Tenant\*\*

	<b>Number of Grants</b>	<b>Amount of Grants</b>	
Addison	0	\$	-
Bennington	9	\$	16,597
Caledonia	7	\$	9,201
Chittenden	32	\$	60,641
Essex	1	\$	735
Franklin	3	\$	6,443
Grand Isle	3	\$	3,100
Lamoille	2	\$	4,423
Orange	9	\$	17,566
Orleans	1	\$	3,070
Rutland	6	\$	12,024
Washington	3	\$	7,775
Windham	4	\$	11,728
Windsor	7	\$	18,680
	87	\$	171,982
Total Grant funds disbursed		\$	1,440,895

Group 1 - Tenant Rent Arrears \*

Number of households served	Number	484		
of tenants served		1196		
Average grant per HH		\$ 2,621.72		
Average grant per tenant		\$ 1,060.96		
Average months of arrears		4		
Landlord Resident?	Yes	449	No	34

Group 2 - Recalcitrant Tenant \*\*

Number of households served		87		
Average grant per HH		\$ 1,976.80		
Landlord Resident?	Yes	83	No	4

**\*Group 1 - Tenant Rent Arrears**

Landlords are eligible to receive grants on behalf of tenants, if the tenant also applies, has rent arrears, the unit does not have serious life safety code violations and the tenant is currently living in the unit for which the arrearage was accumulated.

**\*\*Group 2 - Recalcitrant Tenant**

Landlord can apply if tenant has not paid rent nor applied for an RHSP grant. The tenant will be notified of the landlord's application and given an opportunity to apply for a grant to preserve the tenancy. If tenant applies, landlord has option of receiving all months due, but must certify and be bound by all program requirements. If tenant fails to apply for a grant within ten working days, landlord will be entitled to receive partial payment of arrears.