Memorandum



TO: Economic Transformation, Stabilization & Workforce Development Advisory

Commission

FROM: Cheryl Cohen, Division Administrator, Commerce

DATE: July 16, 2021

SUBJECT: Emergency Rental Assistance *UPDATE

Overview: Montana House Bill 632 Section 14(1) includes \$152,400,000 for Emergency Rental Assistance (ARPA Section 3201), and Section 14(3) of HB 632 permits the Economic Transformation, Stabilization, and Workforce Development Advisory Commission the opportunity to provide recommendations to the Department of Commerce for the use of these funds. The Consolidated Appropriations Act (CAA) passed in December 2020 also included \$200,000,000 to the state of Montana for Emergency Rental Assistance, which was allocated to the Department of Commerce under HB 3 and HB 630. CAA ERA funds are known as ERA1, and ARPA ERA funds are known as ERA2. The Montana Emergency Rental Assistance Program (ERA1) launched April 5, 2021. This memo is to provide an update to the commission on the ERA1 program.

Eligibility: The program serves Montanans whose gross household income does not exceed 80 percent of the Area Median Income and who meet the following conditions:

 One or more individuals in 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 emergency

<u>And</u>

One or more individuals in the household can demonstrate a risk of experiencing homelessness or housing instability which may include:

- A past due rent notice or eviction notice
- Unsafe or unhealthy living conditions

Assistance:

- 1. Rent and past due rent up to \$2,200/month;
- 2. Utilities, past due utilities for home energy costs (i.e., electricity and gas) up to \$300/month;
- 3. Internet service \$50/month

Performance Metrics:

Application Processing April 5 to July 16, 2021

	# of Applications	Percent
Total Submitted	3,696	100%
Total Approved / Paid	2,036	55%
Total Under Review	890	24%
Total Ineligible / Duplicate	770	21%

^{*}Application Data as of July 16, 2021

County	Sum	of Payment Amount
Beaverhead	\$	41,148.00
Big Horn	\$	55,893.00
Blaine	\$	31,911.00
Carbon	\$	94,725.00
Cascade	\$	913,756.00
Chouteau	\$	15,592.00
Custer	\$	56,874.00
Dawson	\$	124,958.00
Deer Lodge	\$	46,675.00
Fergus	\$	41,823.00
Flathead	\$	659,516.98
Gallatin	\$	881,542.00
Glacier	\$	72,726.00
Hill	\$	297,988.00
Jefferson	\$	35,055.00
Lake	\$	186,590.00
Lewis and Clark	\$	814,313.15
Liberty	\$	13,200.00
Lincoln	\$ \$ \$	57,026.00
Madison	\$	15,198.00
Mineral	\$	24,645.00
Missoula	\$	2,291,700.04
Park	\$	176,373.00
Pondera	\$	46,261.00
Powell	\$	21,342.00
Ravalli	\$	274,160.00
Richland	\$	125,712.00
Roosevelt	\$	116,467.00
Rosebud	\$	16,783.00
Sanders	\$	27,775.00
Sheridan	\$	27,238.00
Silver Bow	\$	608,046.00
Stillwater	\$	48,562.00
Toole	\$	58,476.00
Valley	\$	34,973.00
Yellowstone	\$	2,537,402.40
Grand Total	\$	10,946,020.57

^{*}Data county distribution as of July 13, 2021

Source: Awarded Grants - Montana Coronavirus Relief (mt.gov)

2020 - 2021 COVID19 Emergency Housing Assistance Programs

	2021 ERA1 Program	2020 CARES Program	
	(April 5 to July 16 - 15 weeks)	(May 7 to Dec 31 - 34 weeks)	
Total Funds Awarded	\$11,624,425	\$8,423,345	
Total Households Assisted	2,036	\$2,483	
Avg Assistance per HH	\$5,709	\$3,392	

ERA State Comparison

ENA State Companson				
State	Population	Households Served	Total Funds Awarded	
Kansas	2.95M	2,864	\$16.04M	
Louisiana	4.66M	2,816	\$14.80M	
Montana	1.09M	2,036	\$11.64M	
Arizona	7.17M	1,931	\$10.84M	
Nebraska	1.97M	1,909	\$4.73M	
Vermont	626,299	2,191	\$6.74M	
Wyoming	577,737	529	\$1.6M	

Source: State ERA Program Dashboards — NCSHA

Expenditure Timeline:

- Funding under ERA1 (\$200M CAA / HB 3 & HB 630) is available until September 30, 2022.
- Funding under ERA2 (\$152.4M ARPA / HB 632) is available until September 30, 2025.

Next Steps: Finalize and execute MOU with DPHHS to shift ERA funds for eligible housing stabilization services. Up to 10% (\$20M) of the ERA1 under the Consolidated Appropriations Act can be used for a combination of housing stability services and administrative costs. Up to 15% (\$22.8M) of the ERA2 under ARPA can be used for a combination of housing stability services and administrative costs.

From Treasury FAQ: "ERA1 and ERA2 have different requirements for housing stability services. Under ERA1, these funds may be used to provide eligible households with case management and other services related to the COVID-19 outbreak, as defined by the Secretary, intended to help keep households stably housed. Under ERA2, these services do not have to be related to the COVID-19 outbreak."

Under both ERA1 and ERA2 "housing stability services include those that enable eligible households to maintain or obtain housing. Such services may include, among other things, eviction prevention and eviction diversion programs; mediation between landlords and tenants; housing counseling; fair housing counseling; housing navigators or *promotoras* that help households access ERA programs or find housing; case management related to housing stability; housing-related services for survivors of domestic abuse or human trafficking; legal services or attorney's fees related to eviction proceedings and maintaining housing stability; and specialized services for individuals with disabilities or seniors that support their ability to access or maintain housing."

This is a final copy of the memo.