



ADDITIONAL FUNDING FOR TEXAS EMERGENCY
RENTAL ASSISTANCE THROUGH TEXAS DEPARTMENT
OF HOUSING AND COMMUNITY AFFAIRS

RS-21-084

June 15, 2021

Background

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- Texas Department of Housing & Community Affairs (TDHCA) through CDBG-CV CARES Act has funding available to entitlement cities for the Texas Emergency Rental Assistance Program (TERAP)
 - Killeen's first allocation is \$239,332.33 – formula developed by the State
 - 10% administration = \$23,933.23 – hired one staff person to assist with program
 - Additional allocation is \$304,800 with 10% administration allowance
 - Estimated # of households served = 38, actual household served = 53
 - Estimated additional households to be served = 65
 - Household income < 80% of Area Median Income (family of 4 < \$51,750)
 - Household has been financially affected by COVID19 pandemic
 - Household is INELIGIBLE if receiving Section 8 housing voucher, are in public housing unit or receiving project-based voucher rental assistance

Program Overview

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- ❑ Program can pay up to six months of applicants rent, including rental arrears
- ❑ At least one of those months must cover a month of future rent
- ❑ Any rental payments going forward must be for consecutive months
- ❑ Maximum rent allowed - based on small area fair market rents (per zip code and bedroom size of unit) - 76541/3BR = \$1,320 per month rent
- ❑ Considered income eligible if receiving SNAP, SSI, LIHEAP, Medicaid benefits or living in rent restricted property
- ❑ Households with 0 income to 60% AMI → Self Certification Form
- ❑ 60% to 80% AMI → Income Verification
- ❑ Prohibited – cannot have already received rental assistance from CDBG-CV funds or another payment method covering the same time period
- ❑ Lead-based paint requirements – all units built prior to 1978 must have a visual assessment performed by Lead Risk Assessor

Applicant Requirements

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- Eligibility Requirements for Applicants:
 - ▣ Household income below 80% Area Median Income
 - ▣ Household has been financially affected by COVID19
 - ▣ Households are INELIGIBLE if receiving Section 8 housing voucher, are in public housing unit or receiving project-based voucher rental assistance
- Minimum Documents Needed:
 - ▣ Personal ID
 - ▣ Copy of executed lease
 - ▣ Evidence of household income
 - ▣ Online application completed
 - ▣ Tenant Certifications completed

Landlord/Unit Requirements

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- ❑ Eligibility Requirements for Landlords:
 - ▣ Assistance for rent no older than April 1, 2020
 - ▣ Rent for household may not exceed TDHCA maximum limits
 - ▣ Must have a bank account and accept direct deposit
 - ▣ Units that are already receiving project-based assistance or are public housing units are INELIGIBLE
 - ▣ Units that are owned by a unit of government are not eligible
- ❑ Minimum Documents Needed:
 - ▣ IRS W-9
 - ▣ Killeen Vendor form completed
 - ▣ Copy of executed lease with tenant
 - ▣ Documentation of missed payments
 - ▣ Landlord form and certifications completed

Texas Eviction Diversion Program

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- Each TERAP application includes City must participate in the Texas Eviction Diversion Program (TEDP).
 - ▣ Allows applicants who have fallen behind on rent because of COVID19 and whose landlords have initiated eviction proceedings, to stay in their homes
 - ▣ Program is operated in partnership with Supreme Court of Texas, Office of Court Administration (OCA) and local courts
 - ▣ Program can provide up to six consecutive months of rental assistance, any combination of arrears, current and future rent can assist the household so long as:
 - the future months of assistance are all consecutive months, and
 - at one month of assistance is not for arrears (is future rent) and
 - at least one month of rent is for rent in arrears.
- Program must be in conjunction with one or more designated Justices of the Peace as specified by TDHCA and the OCA

Alternatives

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- ❑ Do not accept the additional funding from TDHCA
- ❑ Accept the additional funding from TDHCA in the amount of \$304,800 with \$30,480.00 available for administration of programs

Recommendation

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- City Council accept the additional funding from TDHCA and to participate in the Texas Emergency Rental Assistance and the Texas Eviction Diversion Program in the allocated amount of \$304,800 and allow the City Manager or his designee to execute all contracts as required from the funding agency.