

# **CARES HOUSING ASSISTANCE PROGRAM (CHAP)**

## **Policy Manual**



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# **CARES HOUSING ASSISTANCE PROGRAM**

The CARES Housing Assistance Program (CHAP) serves residents of Clark County who have suffered substantial financial hardship and now lack sufficient income or resources available to pay their housing costs because of the COVID-19 emergency or the response to that emergency.

<b>Section 1</b>	<b>Covered Services</b>
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CHAP funds are specific to the payment of rent, mortgage, utilities, utility deposits, security deposits and emergency lodging. Payments for services are made directly to a landlord, mortgage company and/or utility company. Assistance may be provided for up to nine months contingent upon the availability of funds. There is no cap on the amount of financial assistance that a household can receive for any of the assistance programs listed below.

**1.1 Rent Assistance**

Rental assistance may be provided, during the project period, to those households that can demonstrate they have been negatively impacted by COVID-19 and lack the resources to pay their rent. Past due rent and late fees may also be paid. In cases where eviction is not preventable, assistance may be provided for first month’s rent and/or deposits for a new residence. If the household is unable to secure new housing prior to foreclosure, emergency lodging may be provided. The payment of rental assistance includes the following:

- Payment of current month’s rent due.
- Payment of past due rent, including associated late fees, starting as early as March 1, 2020.
- First month’s rent may be paid for individuals required to move or for individuals who are being evicted or foreclosed upon and must secure new housing.
- Deposits may be paid in circumstances where CHAP funds are used to pay the first month’s rent.
- Weekly and month-to-month housing is also eligible and may be paid on a monthly basis.
- Rental assistance may be provided for multiple months via a single payment.
- Recipients of housing vouchers or section 8 are not eligible.
- Rental assistance may be paid for future months depending on assessment of the household’s probable need, resources and CHAP funding.

Some specific things related to rental assistance that can be paid include:

- Application Fee
- Cleaning Fee
- Damages
- End of Lease Prepayment
- Renter’s Insurance
- Vacancy Payment
- Security Deposit
- Rent
- Rent Arrears
- Moving Costs

## **1.2 Mortgage Assistance**

Mortgage assistance may be provided, during the project period, to those households that can demonstrate they have been negatively impacted by COVID-19 and lack the resources to pay their mortgage. The home must be the primary residence of the household requesting assistance. In cases where foreclosure is not preventable, assistance may be provided for first month's rent and/or deposits for a new residence. If the household is unable to secure new housing prior to foreclosure, emergency lodging may be provided. The payment of mortgage assistance includes the following:

- Payment of current month's mortgage.
- Payment of past due mortgage, including associated late fees, starting as early as March 1, 2020.
- Coronavirus Relief Funds may not be used for government revenue replacement, including the provision of assistance to meet tax obligations. For this reason, the U.S. Treasury Guidance states that property taxes are generally not eligible for assistance, unless there is documentation that assistance is necessary to prevent foreclosure.
  - If property taxes and home owner's insurance are included in the mortgage payment, those payments will be allowed as they are paid directly to the mortgage company, when payment is necessary to prevent foreclosure.
  - Payments for property taxes and/or homeowner's insurance which are not included in the mortgage payment are not eligible for payment.
- Equity Loans are not eligible for assistance.

## **1.3 Utility Assistance**

Utility assistance may be provided for electric, gas, sewer and water services:

- The total current month utility bill to include any past due amount if applicable.
- Late fees associated to past due bills.
- If the service has already been disconnected, reconnection fees may be paid.
- New service deposits may be paid. If a past due balance is required to be paid for a different address prior to connecting utilities at the current address, these charges may be paid in conjunction with the new service deposits.

## **1.4 Emergency Lodging**

Emergency lodging may be paid for up to 30 days while waiting for a rental unit to become available. Circumstances which qualify for emergency housing include:

- Individuals/households evicted from a rental unit without securing a new place of residence.
- Individuals/households foreclosed upon without securing a new place of residence.

<b>Section 2</b>	<b>Eligibility Requirements</b>
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Application for assistance must be made by the individual or head of household requesting the assistance, or an authorized representative of the individual or head of household. Applicants must demonstrate a need for assistance by providing the required documents necessary to determine eligibility.

**2.1 COVID-19 Financial Impact**

Individuals/households must demonstrate the financial impact of COVID-19 on the household which in turn impacted the ability of the household to pay rent, mortgage and/or utilities. Including, outstanding late payments that are a result of financial impact to income that has been resolved (I.E. Individual has returned to work fulltime.) Examples of financial impact include (list not all inclusive):

- Reduction in work hours
- Loss of employment
- Furlough from employment during Stay At Home order
- Reduction in salary due to reduced business income

**2.2 Residence in Clark County**

CHAP funds cannot be used to assist with payments for a residence outside of Clark County.

**2.3 Household Composition**

A household is defined as all individuals living in the housing unit regardless of relationship.

- Legal residence in the United States is not required. Individuals who are undocumented are included in the household and are eligible for assistance if all other criteria are met.
- If an individual/household is residing in the same housing unit as another individual/household, but holds a separate lease agreement, the two households are considered separate for eligibility purposes.

**2.4 Income**

The individual/household income cannot exceed 120% of the Area Median Income for the current year.

## 2020 120% Income Limits

120% AMI	HH1	HH2	HH3	HH4	HH5	HH6	HH7	HH8
annual	63,000	72,000	81,000	90,000	97,200	104,400	111,600	118,800
monthly	5,250	6,000	6,750	7,500	8,100	8,700	9,300	9,900

## 2.5 Resources

Individuals/households with liquid resources (I.E. combined Checking and/or Savings account) in excess of \$3000 are not eligible for assistance. Other assets that are not readily available as cash are not considered when determining eligibility. Exceptions to resource limits include:

- If resources exceed \$3000, but are less than the amount of assistance being requested, the client must pay the excess toward rent and/or utilities. The remaining amount requested may be paid through CHAP funds. (For example, if a person has \$4000 in their checking account and their rent is \$1200, they will need to pay \$1000 toward their rent, and the remaining balance will be paid through CHAP funds.)

## 2.6 Case Management

Individuals who have received a maximum of nine (9) months of rental/mortgage assistance through CHAP funding will be required to participate in case management focused on housing and workforce development in order to receive ongoing financial assistance.

## 2.7 Documents Required

In order to complete a determination of eligibility, the required documents must be provided (*this list is not all inclusive*):

- Photo Identification, regardless of state origin
  - Identifying information may be redacted (name, address, etc.) for victim service providers
- Social Security Card or other proof of Social Security Number
- Copies of bank statements
- Verification of household members through lease agreement or identification
- For Rental/Mortgage Assistance: Copy of current lease or mortgage statement in the name of the person (or other household member) requesting assistance.
- For Utility Assistance: Copy of current utility bill in the name of the person (or another household member) requesting assistance
- Documentation to support COVID-19 financial impact that resulted in:
  - Loss of employment
  - Reduction in work hours
  - Furlough from employment
  - Reduction in income/salary due to reduced business revenue

- Documentation may include but is not limited to:
  - Past paystubs prior to COVID-19 and current paystubs to demonstrate loss in income
  - Proof of Unemployment Insurance Benefits (UIB)
  - Bank Statements indicating a loss in income
  - 2019 filed income tax return
  - Other documents that indicate a loss/reduction in income related to COVID-19
- For self-employed or business owners: Copies of bank statements beginning with February 2020 and 2019 filed income tax return
- Participating Landlord Verification Form
- Client COVID-19 Impact Statement

## **2.8 Duplication of Services**

In order to ensure there is no duplication of services, case worker must verify through HMIS that the individual requesting assistance has not already received assistance for the same time frame for the same need through another resource/ program in the community.