



# AMERICAN RESCUE PLAN HOUSING COMPONENTS



March 2021

[NHHFA.ORG](http://NHHFA.ORG)



# EMERGENCY RENTAL ASSISTANCE II



# Emergency Rental Assistance II

- Additional \$152 Million in funding (small state minimum)
- Same basic eligibility requirements as Emergency Rental Assistance I
  - ❑ Renter Assistance
  - ❑ Income at or below 80% of Area Median Income (AMI)
  - ❑ Loss of income and/or unemployment due to COVID-19
  - ❑ Housing instability/risk (arrearages/overpayment)
- Funds can be used for rent/utility arrearages and/or prospective rent/utility assistance or “other housing expenses” (including internet)



# Emergency Rental Assistance II

- Maximum assistance period extended to 18 months from 15 months
- Maximum administrative costs allowed increased to 15% from 10%
- Provision for “housing stability” services up to 10% of total funds (in addition to administrative expenses)
- Funding allocated in “tranches”
  - ❑ 40% (\$61 Million) within 45 days of enactment
  - ❑ Must use 75% of first allocation before additional funds (at least \$46 Million)



# Emergency Rental Assistance II

- Deadline for use of Emergency Rental Assistance I funds extended to September 30, 2022 (from December 31, 2021)
- Deadline for use of “new” (Emergency Rental Assistance II) funds is September 30, 2025 (however, funds may be reallocated prior to this date)
- Unused funds allocated to a state may be available for other affordable housing purposes beginning October 1, 2022





# EMERGENCY HOUSING VOUCHERS



# Emergency Housing Vouchers

- Allocates \$5 Billion in funding to provide:
  - New emergency vouchers and renewal funding
  - Administrative fees and other eligible expenses to prevent, prepare, and respond to coronavirus and to facilitate the leasing of the emergency vouchers, such as security deposit assistance and retention of participating owners
  - Adjustments to CY 2021 funding for PHAs that experienced a funding shortfall



# Emergency Housing Vouchers

- Eligibility Requirements

- Homeless
- At risk of homelessness
- Fleeing, or attempting to flee, domestic violence, dating violence, sexual assault, stalking, or human trafficking; or
- Recently homeless and for whom providing rental assistance will prevent the family's homelessness or having a high risk of housing instability





# Emergency Housing Vouchers

- HUD will notify PHAs within 60-days of enactment
- Vouchers will be allocated using HUD formula
- HUD may recapture unused vouchers
- PHAs can accept or decline the allocation
- HUD may provide waivers to expedite the use of the funds
- After **September 30, 2023**, PHAs may not reissue any vouchers made available upon turnover (sunset provision)
- Voucher has no end date – family can use as long as eligible
- Estimate 65,000-70,000 vouchers will be made available





# HOMELESS ASSISTANCE AND SUPPORTIVE SERVICES PROGRAM UNDER HOME



# Homeless Assistance and Supportive Services Program Under HOME

- Funding: \$5 billion nationally. Estimated \$14.1 million for NHHFA (\$2.6 million for Manchester and \$1.6 for Nashua)
- Eligible Recipients: Homeless, at Risk of Homelessness, households fleeing domestic violence, & at-risk veterans
- Eligible Activities:
  - ❑ Development of Supportive Housing, including transitional housing and non-congregate shelter units
  - ❑ Case Management and Supportive Services
  - ❑ Tenant Based Rental Assistance
  - ❑ Operational assistance to nonprofit developers (up to 10%)
  - ❑ Administrative fee for NHHFA (up to 15%)



# Homeless Assistance and Supportive Services Program Under HOME

- Timing: HUD Must allocate funds within 30 days (by April 6); funds available until September 2025
- Outstanding Questions/Awaiting Federal Guidance:
  - ❑ HUD Waivers of typical HOME regulations including minimum affordability period (typically 20 years)
  - ❑ More specifics on eligible populations/recipients





# HOMEOWNER ASSISTANCE FUND



# HOMEOWNER ASSISTANCE FUND

- Assist New Hampshire Homeowners Experiencing Hardship After January 21, 2020 due to COVID for these purposes:
  - Promote housing stability;
  - Mitigate financial hardship; and
  - Prevent homeowner mortgage delinquencies, defaults, foreclosures, loss of utilities or home energy services and displacements.



# HOMEOWNER ASSISTANCE FUND

## OVERVIEW

- Homeowner Assistance Fund: \$10 billion (approximately)
- Small State Minimum: \$50 million
- State Request Date: State must request funds by April 23, 2021
- Program Ending Date: Funds must be expended by September 30, 2025



# HOMEOWNER ASSISTANCE FUND

- Eligible Homeowners

- ❑ Mortgage must have been within the conforming loan limit when originated (\$548,250 in 2021)
- ❑ 60% of the funds must go to help homeowners at 100% of AMI or less
- ❑ Remaining funds must be “prioritized” to “socially disadvantaged individuals”





# HOMEOWNER ASSISTANCE FUND

## QUALIFIED EXPENSES

- Mortgage payment assistance
- Financial assistance for:
  - ▣ Principal reduction
  - ▣ Interest rate reduction
- Payment assistance for:
  - ▣ Utilities, including electric, gas, home energy and water
- Internet services
- Insurance
  - ▣ Homeowner's insurance
  - ▣ Flood insurance
  - ▣ Mortgage insurance
- Association fees
- Any other assistance to promote housing stability for homeowners as determined by the Secretary



# QUESTIONS?

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