Canton COVID-19 Emergency Housing Relief Program

Prepared for: Canton Community Preservation Committee
Prepared by: Laura Smead, Town Planner, on behalf of the Planning Board
FY 2021 CPA Application

May 12, 2020
Summary

Project Description and Goals

- On April 28th the Board of Selectmen voted to allow for a late article addition to the 2020 Town Meeting warrant.
- On May 5th the Community Preservation Committee voted to accept a late application.
- On May 6th the Planning Board voted in favor of sponsoring a Community Preservation Committee application for an emergency housing relief program.
- Many communities have well established housing assistance programs in place, and many more are considering emergency programs similar to the one proposed for Canton at this time.
- Community Preservation Coalition and Massachusetts Housing Partnership information on rental assistance programs are attached to this application for your review.
- The day to day administration and operations of an emergency housing relief program would be provided by a qualified third-party, such as the Metro West Collaborative Development, Inc. or MCO Housing (profiles attached).
- The proposal requests $52,000 in CPA funding to be set aside for the program, and the Town Planner will also pursue any other grant opportunities that may become available for this program such as Federal CARE Community Development Block Grant funding.
- Attached for your information and review are the following:
  - The completed full proposal
  - Draft COVID-19 Emergency Housing Relief Program Guidelines
  - COVID-19 Emergency Housing Relief Program Budget Quotes
  - Sample COVID-19 Emergency Housing Relief Program Application
  - Third-party housing office provider profiles
  - Information from the Community Preservation Coalition and MassHousing Partnership on housing assistance programs
  - Letters of support received to date (Planning Board), we have reached out to the Housing Authority and Council on Aging, and plan to reach out to the Board of Selectmen.

Additional letters of support and information on the potential for federal CARE Community Development Block Grant funding and the process for monitoring the results of the program are also in process and will be sent out when available.
Town of Canton
Community Preservation Committee
FY 2021 CPA Application Form
Due date: Friday, November 15, 2019 by 5:00 pm

Submit one (1) unbound original copy and one (1) electronic version to:
Canton Community Preservation Committee
801 Washington Street
Canton, MA 02021
e-mail: ccpc@town.canton.ma.us

Laura Smead, Town Planner on behalf of the Planning Board
Name of Applicant/Applicant Organization (and co-applicant, if applicable)

Name of Property Owner, if different from applicant (a signed affidavit from the Property Owner may be requested)
Laura Smead
Contact Name

Signature of Authorized Representative of Applicant
801 Washington Street
Mailing Address
781-575-6575
Daytime Phone

Canton COVID-19 Emergency Housing Relief Program
Project Name
lsmead@town.canton.ma.us
Email
n/a
Address of Proposal (or assessor's parcel ID)
Category (check all that apply):
- community housing
- historic resources
- open space
- recreation

CPA funding requested: $ 52,000

Total cost of proposed project: $ 52,000
- Direct Assistance: $45,760 to $47,500 for maximum of 3 months of rental or mortgage assistance (deed-restricted ownership units only) for at least 10 Canton households (maximum monthly assistance of $2,500).
- Program Administration Fee: MCO Housing 12%, or approximately $6,240; Metro West Collaborative Inc. charges a flat fee of $450 per household (10 estimated households) ($4,500).

Project Description

1. Goals:
Many Canton households struggled with the cost burden of housing before the current crisis. Recognizing that these households are now also facing the loss of income or employment, the Planning Board proposes partnering with a third-party housing service office, such as the Metro West Housing Collaborative (MWCD) or MCO Housing, to create a COVID-19 Emergency Housing Relief Program to assist Canton households which have been negatively impacted by the ongoing pandemic. The intent of the program is to provide some assistance and stability for Canton’s at-risk households by providing short term assistance (up to two or three months) to those who are below 100% Area Median Income (AMI). For example, the program could pay 70% of a household’s monthly rent or mortgage payment (for deed restricted units), with a maximum amount of assistance per household per month of $2,500 (e.g. $5,000 max. for 2 months of assistance). The program is anticipated to assist at least 10 households. While the program is primarily focused on rental assistance, it may also provide mortgage assistance to households who own existing affordable deed-restricted units.

The Town would work closely with a regional housing services office, such as Metro West Collaborative Development or MCO Housing to develop this program on best standards provided by the Community Preservation Coalition and Massachusetts Housing Partnership (see Appendix). The housing services office would administer the day to day running of the program, including developing the application process, verifying eligibility, and releasing monthly payments directly to landlords or mortgage servicing agencies.

The COVID-19 Emergency Housing Relief Program supports affordable housing as recognized in the following plans:
Master Plan (2020): The “Live” section emphasizes the following guiding principles (p. 11), that “Canton will have homes for residents at all stages of life and with diverse incomes”, and “Canton will recognize the challenges of its most vulnerable community members and rise to meet their needs.” Specifically, the Housing & Neighborhoods section on Issues & Needs (p. 12 – 13) emphasizes the issue of housing affordability especially among older adults and lower-income households. The proposed Housing Relief program will assist those Canton residents who have been negatively impacted by the COVID-19 pandemic to remain in their existing housing, in the process helping to maintain homes for residents at all stages of life, diverse incomes, and meeting the needs of vulnerable community members.

Community Preservation Plan (2018): Establishing a rental assistance program for income-eligible residents is specifically suggested as a potential use of CPA funds (p.7). This plan acknowledges that the average price of homes and rental units in Canton has risen far beyond what many Town residents can afford (p.13), even before this emergency occurred. Housing General Goal 2 (p. 14) states to “Increase the mix of housing options to accommodate smaller households, full-accessibility, and households in need of lower-cost rental and ownership housing options that is consistent with local and regional needs and feasible within the Canton housing market.” The proposed Housing Relief program will temporarily support housing options for those in need of lower-cost rental and ownership housing due to loss of income from the COVID-19 pandemic.

Housing Action Plan (2015): The plan emphasizes the housing affordability issue in Canton, especially for older adults living in market rate rental units. It states “The most significant cost burden is among elderly households (21% of total), including market rate rental elderly households (46% are cost burdened), and low income elderly households (20% or 205 households). Average rental rates in Canton are higher than average for the region (p. 27). It’s goals echo those in the Community Preservation Plan (above). Action 2.3 (p.55) specifically states to “Support the development of rental housing and identify strategies to provide low-income households access to this housing through tenant-based rental assistance programs.”

Community Outreach: In recent weeks, there have been numerous articles and webinars on Emergency Housing assistance programs sponsored by the Community Preservation Coalition, Mass Housing Partnership, Citizens Housing and Planning Association (CHAPA), and the Metropolitan Area Planning Council (MAPC), many of which have been attended by Town staff, Planning Board members, and Community Preservation Committee members.

2. Community Need and Public Benefit:
According to the Metropolitan Area Planning Council’s research brief, titled “The COVID-19 Layoff Housing Gap: A Continued Assessment” (April 21, 2020), the first month of COVID-
related unemployment in Massachusetts resulted in over 571,000 initial unemployment claims filed between March 16 and April 11. MAPC estimates that these claims (which don’t yet include any self-employed workers or workers ineligible for unemployment) are equal to 16% of the state’s total pre-COVID employment; in some industries the figure is higher than 30%.

The occupations with the largest number of claims are Food Preparation and Serving, Office and Administrative, and Sales. Workers in these occupations make up an estimated 40% of all Massachusetts unemployment claimants so far. Because of the types of occupations most affected, the economic crisis has disproportionately impacted workers under the age of 30 and low- and moderate-income households.

In Canton (2016 numbers), 623 residents are employed in “Arts, Entertainment, and Recreation; Accommodation and Food Services”, 1,009 are employed in Retail, and 2,055 residents are employed in Professional, Scientific, and Technical Services; Management; Administrative and Support; and Waste Management and Remediation Services”. The Pioneer Institutes, COVID-19 Unemployment tracker as of May 2nd shows 2,771 Canton residents are unemployed, or 20.5%.

Many households and workers already lacked financial security before COVID-layoffs. Based on data from the updated Canton Master Plan, two-thirds of Canton renters were already paying too much for housing. Renter-occupied units represent 21% of the overall homes in Canton (approximately 1700 units). As of 2016, 33.6% of renters were paying 30-50% of their income on housing, and 29.6% of renters were paying 50% or more of their income on housing. This striking measure indicates that hundreds of working households were forced to make difficult decisions about spending, go into debt, or rely on other types of assistance to make ends meet monthly, even before the economic crisis hit.

The economic assistance provided by the federal CARES Act closes the housing cost gap for the virtually all households who are eligible to receive the expanded unemployment and direct payment for the short-term. The one-time direct payment plays a large role in helping households cover their housing costs. Once that direct payment is exhausted, MAPC estimates that in Massachusetts 11,500 laid-off households will be unable to cover their basic needs and housing costs if they rely only on the expanded unemployment. This is likely the same for many Canton households who experienced recent job loss. When expanded federal unemployment benefits expire at the end of July, many laid-off workers may still be unable to return to their jobs or find new ones. Therefore, there is a looming fiscal cliff for many households when the expanded unemployment benefits expire at the end of July. Even though renters are protected from eviction during this crisis, renters are still accumulating back-rent which will come due eventually. Going forward, local, state, and federal governments will need to provide additional subsidies to keep people in their homes.
3. Timeline:
- **May and June 2020** – Program development, continue information gathering, community support, research into different housing service offices
- **June 2020** – Town meeting vote
- **July 2020** – Partner with a third-party housing services provider to begin emergency rental assistance program, program launch
- **August 2020** – Advertising, lottery application deadline, hold lottery
- **September 2020** – First wave of assistance paid
- **December 2020** – Program concludes

4. Success Factors:
- Increased collaboration between town departments and boards, and third-party housing services office
- Positive feedback from the public and those assisted
- Assisting Canton residents in need at this unprecedented time
- Number of households assisted

5. Credentials: There are several regional non-profit organizations that specialize in affordable housing and housing services. For example, Metro West Collaborative Development or MCO Housing. Despite not having a housing services office for our exact region, Metro West Collaborative Development (and possibly others) have the ability and capacity to take on additional administration of rental assistance programs, even for municipalities not in their membership. See Appendix for profiles.

- Metro West Collaborative Development: [https://metrowestcd.org/about-us/](https://metrowestcd.org/about-us/)
- MCO Housing: [http://www.mcohousingservices.com](http://www.mcohousingservices.com)

6. Other Funding: No other funding sources are currently available or committed for this project. Additional funding beyond the $52,000 remaining housing funds may be possible using unallocated CPA funds. Also, additional CARE Community Development Block Grant (CDBG) funding may become available to support initiatives such as this.

7. Maintenance: This is designed to be a temporary emergency rental assistance program. However, it will give the Committee experience with working with a Housing Services office, and a way to try out a program of this nature.
Appendix

Canton COVID-19 Emergency Housing Relief Program Draft Program Guidelines

Program Overview
In response to the loss of income to Canton households due to the coronavirus (COVID-19), the Town of Canton has created the COVID-19 Emergency Housing Relief Program utilizing its Community Preservation Act (CPA) funds. This program is designed to provide assistance in an efficient and responsive manner. The program is temporary in nature and funding is limited.

Applicants are eligible for:
- Up to three months of housing assistance (future or arrearage payments beginning September 2020)
- The program will cover 70% of a household’s monthly rent, with a maximum monthly assistance amount of $2,500 per household per month (or $7,500 per households for 3 month total)**
- Mortgage assistance is only available to those income eligible households who reside in affordable deed restricted units. The program will cover 70% of a household’s monthly deed-restricted mortgage payment, with a maximum monthly assistance amount of $2,500 per household per month (or total of $7,500 per household for three months)**

The Town of Canton COVID-19 Emergency Housing Relief Program is administered by [insert name of chose third party provider here], on behalf of the Town of Canton. [Insert brief description, location, and website of third-party provider here].

** Note: Most government housing subsidy programs utilize a 70/30 standard, where residents are responsible for paying approximately 30% of their income toward housing costs, with the government subsidy (such as a Section 8 voucher) covering the remaining amount of rent. In an effort to streamline this program and identify a payment standard that can be applied across all program cases, the Town of Canton has utilized this 70/30 standard to determine the amount of rental or mortgage subsidy that will be provided to each participating household. However, a monthly cap has been set at $2,500 per household, or $7,500 per household for three months.

Household Eligibility

“Eligible” Household
A “household” shall mean an individual or two or more persons who will live regularly in the unit as their principal residence and who are related by blood, marriage, law, or who have otherwise evidenced a stable inter-dependent relationship.

An “eligible” renter household is one that:
- Currently lives in the Town of Canton
- Has reduced income because of COVID-19 (and can demonstrate this financial hardship)
- Earns less than 100% of Area Median Income (AMI)
- Households currently receiving rental assistance (e.g. Public Housing or Housing Authority tenants, RAFT, Section 8, MRVP or other locally administered support) are not eligible for this program.
An “eligible” homeowner household is one that:
- Currently lives in the Town of Canton
- Resides in an ownership unit that is deed-restricted affordable (restriction recorded with the Registry of Deeds)
- Has reduced income because of COVID-19 (and can demonstrate this financial hardship)
- Earns less than 100% of Area Median Income (AMI)
- Households currently receiving mortgage assistance under the RAFT program are not eligible for this program

**Income and Asset Eligibility**
The total income of the applicant and all other members of the applicant’s household over the age of eighteen (18) **may not exceed 100% of the Area Median Income** for the greater Boston area adjusted for family size. An applicant’s total household income at the time of application cannot exceed the following limits:

<table>
<thead>
<tr>
<th>Household size</th>
<th>1 person</th>
<th>2 person</th>
<th>3 person</th>
<th>4 person</th>
<th>5 person</th>
<th>6 person</th>
</tr>
</thead>
<tbody>
<tr>
<td>CPA Income Limits: 100% AMI</td>
<td>$83,300</td>
<td>$95,200</td>
<td>$107,100</td>
<td>$119,000</td>
<td>$128,520</td>
<td>$138,040</td>
</tr>
</tbody>
</table>

An example of how the program subsidy would be determined is provided below:

1. At the time of application submission, a 4-person household’s annual income is determined to be $82,000 (less than 80% AMI threshold, which is $96,250 for a 4-person household; qualifying the household as income-eligible for the program). One of the adults in the household recently lost their job, resulting in reduced household income. This household’s monthly rent for their 3-bedroom apartment is $2,500.
   a. The program will cover 70% of this household’s monthly rent, with a maximum monthly assistance amount of $2,500, or $7,500 for three months.
   b. 70% of $2,500 = $1,750; therefore, the program will assist the family with $5,250 of rental assistance (3 months), paid directly to the property owner/landlord.
   c. The assistance may go toward current rent or back rent owed.

**A Note on Preference Categories:** Canton may establish additional preference categories. Those preferences would be disclosed to all households prior to the lottery. For example, preferences for households with emergency needs, households with children (18 or under), seniors (55+), veterans, etc. Emergency needs might include being homeless or facing homelessness, or paying more than 50% of current income on rent. However, the more preference categories there are, the harder it is to administer the program.

**Process**
- All potential participants must complete an application and attach requested documents prior to the deadline. All complete applications will be entered into a lottery.
- The deadline for submitting complete application is [insert date and time here]; however, households who contact the [insert name of housing office here] after the application deadline will be added to the bottom of the Lottery Waiting List in the order received (see details below).
- Assistance with the submission of the application is available to those with limited computer access.
- Applicants have the right to request a reasonable accommodation(s), which may include a change to a rule, policy, procedure or practice to afford a person with a disability an equal opportunity to participate fully in the housing program or to use and enjoy the housing.
- Free language assistance is available to households with limited English proficiency.
• The Lottery will be held via Zoom on [insert date here]. Applicants will be given access to the Zoom meeting information after the close of the application deadline.
• All applicants will then be drawn and assigned a Lottery Wait List number in the order they were drawn.
• Starting at the top of the list, households will be offered the opportunity to enter into a program agreement with their landlord (or mortgage holder) and [insert name of housing office here] in the order listed on the Lottery Wait List.
• If the household is unable to execute a program agreement within five days of being offered the assistance, they will be removed from the Lottery Wait List and the next highest ranked household will be offered the opportunity.
• [Insert housing office name here] will proceed through the list in this manner until all funds are awarded.
• Households who contact the [insert housing office name here] after the application deadline will be added to the bottom of the Lottery Wait List in the order received.

**Removal from the Lottery Wait List**
Households who do not respond to phone, e-mail, or mail inquiries or who do not respond to a request for additional information within the 5-day time frame provided by [insert name of housing office] shall be removed from the Lottery Wait List.

**Affirmative Marketing Methods**
The Town of Canton does not discriminate on the basis of race, color, religion, national origin, disability, familial status, sex, age, marital status, children, sexual orientation, genetic information, gender identify, ancestry, veteran/military status or membership.

**Marketing Activities**
Marketing activities will be conducted for a two-week period [insert marketing dates here]. Efforts consist of:
1) Town of Canton COVID-19 Response website page(s)
2) Email outreach to local employers and non-profit organizations in Canton and surrounding communities (e.g. Neponset River Regional Chamber, Canton Association of Business and Industry, large Town employers)
3) Announcement in Town of Canton email blasts, and other relevant outreach platforms (such as Town and Department Facebook and Twitter accounts)
4) Email outreach via other community list serves, such as Council on Aging, Library, Parks & Recreation, and Schools

Applications will be available from [insert name of housing office] in both electronic and paper format.

In all cases the process begins by contacting the [name of the housing office]. The staff of [name of housing office] are available to assist individuals in the completion of their application and are able to accommodate households with disabilities that may impede their ability to complete the application. [Name of housing office] staff can also arrange for assistance for households that have limited English proficiency.

Applicants have the right to request a reasonable accommodation, which may include a change to a policy, procedure or practice to afford a person with a disability an equal opportunity to participate fully in the housing program.
COVID-19 Emergency Housing Relief Program Budget Quotes

MCO Housing: Charges 12% of the overall amount allocated for the project, or $6,240

Metro West Collaborative Inc.: Charges $450 per household receiving funding (10 estimated households), $4500

After some investigation, there appear to be only two organizations with the skills and capacity to take on this administrative work, so only two (instead of three) quotes are included. Given the lower rate of Metro West Collaborative, and their closer service area proximity, we would recommend partnering with Metro West Collaborative, Inc.
Sample Canton COVID-19 Emergency Housing Relief Program Application

Applicant’s First Name: ________________________ Last Name: ____________________________
Co-Applicant’s First Name: _____________________ Last Name: ____________________________

Street Address: ______________________________________________________________________

Town: ________________________________________ State: ___________ Zip Code: ______________

Telephone: Home: ______________ Work: ______________ Cell: ______________

E-Mail Address: _______________________________________________________________________

Language Preference (if other than English): _______________________________________________________________________________________

Race/ Ethnicity:

☐ White ☐ American Indian/Alaskan Native & White
☐ Black/ African American ☐ American Indian/ Alaskan Native & Black/ African American
☐ Black/ African American & White ☐ Native Hawaiian/ Other Pacific Islander
☐ Asian ☐ Other Multi-Racial
☐ Asian & White ☐ American Indian/ Alaskan Native
☐ American Indian/ Alaskan Native & Black/ African American
☐ Are you Hispanic/ Latino: _____ YES _______NO

PART 1: HOUSEHOLD & INCOME INFORMATION

Total Number of People in Household (including yourself): __________

Total Number in Household, 18 years or older: __________

Total Number in Household, under 18 years: __________

Is anyone in your home age 55 years and older? __________ YES __________ NO

This program is for people who have lost income due to COVID-19 related circumstances. Does your household meet this eligibility? __________YES__________NO

Number of bedrooms in your home: __________

Is anyone in your household a veteran? __________YES__________NO

Do you: __________ Rent __________Own (Deed-Restricted Affordable Unit)

What is your current rent/ mortgage each month? $______________________

Do you owe back rent? _______YES _________ NO  If yes, how much? $__________________

Do you have a Section 8 Voucher, MRVP or other housing assistance such as RAFT? _______YES _________ NO

II have an application for Unemployment Assistance pending ________ YES _________ NO

Indicate the type of income your household is currently receiving:

☐ Wages ☐ Unemployment benefits

Smead
Canton COVID-19 Emergency Housing Relief Program

☐ Social Security  ☐ Pension/ Retirement
☐ SSI/ Disability  ☐ TANF
☐ Child Support  ☐ Other: (please specify)
☐ Alimony

PART 2: LANDLORD/ LENDER/ BANK’S CONTACT INFORMATION*
* Landlord/ lender/bank MUST participate in this program. If this is left blank the application is incomplete and will not be considered.

Name: _______________________________________________________________________

Street Address: ______________________________________________________________

City/ Town: ________________________ State: ____________ Zip Code: _____________

Best Phone Number: ____________________ Email: ______________________________

PART 3: CERTIFICATION OF INFORMATION
• I/ We certify that all information furnished in this application for affordable housing assistance is true and complete to the best of my/our knowledge.
• I/ We certify that our household is not receiving any other government-funded rent/ mortgage assistance.
• I/ We certify that our household does not have access to other resources sufficient to cover the rent/mortgage.
• I/ We understand that any false statement, made knowingly and willfully, will be sufficient cause for rejection of my/our application.
• I/ We understood that landlord participation in this program is required.
• I/ We understand that ANY false information on this application or statements given are punishable by law and will lead to cancellation of this application and rental assistance.

Applicant’s Signature: ________________________________________ Date: _______________________

Co-Applicant’s Signature: ____________________________________ Date: ________________________

PART 4: RELEASE OF INFORMATION
• I/ We understand that this authorization or the information obtained with its use may be given to and used to administer and enforce program rules and policies in compliance with HUD or Massachusetts DHCD or any other federal or state housing program guidelines.
• I/ We agree that a photocopy or facsimile or other electronic transmission of this authorization may be used for the purposes stated above.
• I/ We understand that all decisions made by [insert housing office name] are final and that any appeals must be submitted in writing to the [insert contact name].

Applicant’s Signature: ________________________________________ Date: _______________________

Co-Applicant’s Signature: ____________________________________ Date: ________________________

PART 5: APPLICATION CHECKLIST
☐ One most recent paystub for all employed household members over the age of 18.
☐ Evidence of reduced income – this might be a second paystub showing reduced hours, or a lay-off notice from your employer, multiple month’s bank statements or notices from Unemployment Assistance.
☐ Evidence of any other income sources (unemployment, federal stimulus payment, child support, alimony, pension/ retirement, etc.)
☐ Most recent bank statement for all bank accounts for all household members over the age of 18.
☐ Copy of lease or letter from landlord/ mortgage provider evidencing monthly rent or mortgage amount.
Metro West Collaborative Inc. Profile  
**Website:** [https://metrowestcd.org/](https://metrowestcd.org/)

**About:** Metro West Collaborative Development is a private non-profit community development corporation. The mission of Metro West CD is to organize residents, resources and good ideas to resolve community problems and improve the quality of life for all members of our Metro West neighborhoods.

**Mission:** The mission of Metro West Collaborative Development is to organize residents, mobilize resources and identify ideas that improve the quality of life for residents of Metro West neighborhoods. We accomplish this by:

1. Creating and preserving affordable homes;
2. Supporting economic development that strengthens neighborhoods, towns and our region; and
3. Building alliances with partners and constituencies throughout the region in order to increase awareness and build support for community development.

MCO Housing Profile  
**Website:** [http://www.mcohousingservices.com/aboutus.htm](http://www.mcohousingservices.com/aboutus.htm)

**About:** MCO Housing Services has been a recognized champion in distributing affordable housing throughout the Commonwealth since 1989. Given our experience in developing as well as marketing affordable housing communities, we understand the various components that go into a successful lottery and/or distribution process for new homes. We work closely with The Massachusetts Department of Housing & Community Development (DHCD), Mass Housing and CHAPA to assist developers through the regulatory process as well as work with affordable homebuyers to help them get into quality homes. We take pride in matching the appropriate buyers to suitable homes and seeing families thrive in new communities.
Can CPA be Used for Rental Assistance? The Answer is Yes!

It goes without saying that this is a stressful and difficult time for Massachusetts residents as they grapple with the impact of COVID-19. But there are things that CPA communities can do to help - in particular, using CPA funds for rental assistance may be worth looking into.

One question we’ve received from housing advocates recently is how CPA can help with rental assistance—can CPA support housing programs that allow residents to stay in their homes when it’s more important than ever? The good news is that CPA already has the means to help with this crisis; in fact, several communities have already mobilized CPA funding for rental assistance in the past, including Georgetown, Somerville, Waltham, and the communities on Martha’s Vineyard.

The 2012 amendments to the Community Preservation Act clarified that rental assistance programs are an eligible CPA community housing application. Projects of this type fall under the “support category” of the allowable uses chart, as defined in section 2 of the CPA legislation:

"Support of Community housing", shall include, but not be limited to, programs that provide grants, loans, rental assistance, security deposits, interest-rate write downs or other forms of assistance directly to individuals and families who are eligible for community housing, or to an entity that owns, operates or manages such housing, for the purpose of making housing affordable.
If this appears to be a need in your community, here are some important guidelines from the Massachusetts Housing Partnership (MHP) to review first. MHP has also put together a comprehensive Q&A document for using local funds for short-term emergency rental programs. We also recommend checking in with your local housing experts: affordable housing trusts, municipal staff, local housing authorities, or community development corporations. It's possible that these groups may not be aware that CPA can be used for rental assistance, so coordinating with them on possible opportunities would be the best place to start.

Rental assistance may or may not be a great project for your community in the coming months, but in times of need, it's always important to know all of the different ways that CPA can help.

Further Resources:

- **Resources for Emergency Rental Assistance Programs from the Massachusetts Housing Partnership (MHP):**
  - Guidelines and Advice on Rental Assistance Programs
  - Q&A Guide for Short-Term Rental Assistance Programs
  - Checklist for Implementing Rental Assistance Programs
- **How to Run CPA Rental Assistance Programs - Case Studies**
- **The Most Important Rule for CPA Housing Projects: Income Limits Apply to All CPA Housing Expenditures**
- **Free Assistance for CPA Housing Projects (CPA Affordable Housing Circuit Rider Program)**
- **The Role of Grant Agreements in Funding Private Projects**

Source URL: https://www.communitypreservation.org/home/news/can-cpa-be-used-rental-assistance-answer-yes
How to Run CPA Rental Assistance Programs: Lessons from The Dukes County Regional Housing Authority and the Eastham Affordable Housing Trust

July 2014: Rental Assistance programs are one way CPA can help support the housing needs of individuals and families in a community. These programs help close the financial gap for low or moderate income residents who are struggling to secure housing and make regular rent payments. In addition to supporting tenants’ financial needs, a rental assistance program can also help communities as a whole by alleviating local housing market instability.

The 2012 amendments to the Community Preservation Act (Chapter 139, sections 69-83 of the Acts of 2012, An Act to Sustain Community Preservation) clarified that that rental assistance programs are an eligible CPA community housing application, falling under the “support category” of the allowable uses chart.

To better understand how rental assistance programs work in conjunction with CPA, Shelly Goehring, affordable housing expert and Program Manager at the Massachusetts Housing Partnership (MHP), sheds light on the inner workings of Martha’s Vineyard’s program, and Coalition staff delve into specifics about Eastham’s new program. Read on below to learn how CPA funds have been used to sustain two local rental assistance programs.

Martha’s Vineyard Rental Assistance Program

Martha’s Vineyard has had a rental assistance program for 12 years, administered by David Vigneault, the executive director of the Dukes County Regional Housing Authority (DCRHA). All towns on the Vineyard contribute to the program through their local Community Preservation Funds, and some also contribute through a local Municipal Affordable Housing Trust (MAHT). While the main intent is that a community’s own CPA funds go toward a property owner and resident in that specific community, ultimately the towns of Martha’s Vineyard have come to understand the larger importance of having stability in the island-wide rental market. This means that sometimes funds from one town support a renter in a different community on the Vineyard, but in the end, all the Vineyard towns benefit.

Key elements of the Dukes County (Martha’s Vineyard) Rental Assistance program:

1. The program targets year-round residents of the island’s communities.
2. Most recipients receive assistance for three years. Single parents, seniors and people with disabilities may receive rental assistance for longer.
3. Residents making less than 80% of the area median income are eligible for assistance and pay no more than 30% of their gross income towards rent. To see the maximum income limits for residents in your community, view our article on CPA Income Limits.

4. The tenant’s portion of the rent must be a minimum of 50% of the rent. Rent rates are determined by the U.S. Department of Housing and Urban Development (HUD) Fair Market Rents for Dukes County.

5. A lease is signed between the property owner and tenant, and a housing assistance contract is signed between the property owner and housing authority.

6. The DCHRA makes a request for funding to each community’s Town Meeting each year; this request lays out how many rental assistance subsidies were given in the previous year, the average cost of each rental assistance subsidy and whether any previously allocated money remains.

7. A town appropriates a set amount to the DCHRA each year, but if funds from the previous year’s appropriation remain, that balance can be deducted from the current year’s appropriation.

8. Each month, the DCHRA invoices towns instead of a lump sum being given after Town Meeting.

The DCHRA does outreach to local landlords, even advertising the opportunity for owners in the local paper, and then screens tenants and inspects units once a year. For 2013, 66 rental assistance subsidies were provided on Martha’s Vineyard and 147 people were on the waiting list.

Eastham Rental Assistance Program

The town of Eastham, on Cape Cod, has operated its CPA-funded rental assistance program for almost two years. The program was initiated by the Eastham Affordable Housing Trust (EAHT) in response to a Housing Production Plan finding that rental housing was particularly needed in the community. Since the EAHT did not have the capacity to administer the program itself, it issued an RFP to contract for the services, and partnered with two non-profits; the Harwich Ecumenical Council for the Homeless (HECH) and the Homeless Prevention Council. Additional monies to support the program come from Community Development Block Grant funds.

Key elements of the Eastham Rental Assistance program:

1. HECH accepts applications from families and determines whether they are eligible for the program; families must be at or below 60 percent of the area median income to qualify.

2. Families can receive up to $350 per month to help cover the gap between their income and rent and utilities; they can get assistance for a total of three years, but each year the amount of their assistance is reduced.

3. The Homeless Prevention Council works with each family on goal setting and financial management.

4. The goal is to help each family achieve self-sufficiency after three years in the program.

Just two years in to the program, three families have already graduated from the program, and as Peter Wade, Eastham’s Community Preservation Committee Vice Chair noted, “people are using it as intended, as a transitional [support].” Alice Boyd, a consultant who provides staff services to the EAHT, is very positive about the program’s impact thus far: “It’s changed lives,” she says. Not only has it provided needed support for families in difficult straits, but it has helped stabilize the area’s seasonal housing market, which suffers from a slew of vacant houses during the winter months and a lack of affordable housing for service workers and their families in the summer months. With the benefit of the rental assistance program, landlords are pleased to have reliable year-round tenants, while families don’t have to pick up and move each spring to make way for weekly renters able to pay high summer rental prices. The program has helped the community’s economy by allowing service workers to stay in
the area, thus providing a more stable workforce for the increasingly important shoulder and off
seasons. Finally, for the individual families involved, the program has had a positive impact. As one
little boy noted, says Alice Boyd, upon hearing that his family did not have to move each year, “You
mean I can put a poster up on my bedroom wall?!”

When considering developing a CPA-funded rental assistance program, it's particularly important to
consider the capacity of the managing entity. Does your community have an organization with the
resources and "know how" to develop and maintain a strong, effective program? If the answer is yes,
as seen here in these two examples, your community might have the right foundation to launch a
successful program. If you are interested in exploring whether a rental assistance program might work
for your community, feel free to contact David or Shelly via their contact information below.

Further Resources

- David Vigneault, the executive director of Dukes County Regional Housing Authority, 508-693-
  4419 / david@housingauthoritymv.org
- Shelly Goehring, Program Manager at the Massachusetts Housing Partnership (MHP), 857-317-
  8525 / sgoehring@mhp.net

Source URL: https://www.communitypreservation.org/rental-assistance
Using the Community Preservation Act (CPA) For Rental Assistance Programs

Suggestions from the Massachusetts Housing Partnership

1. Remember, rental assistance programs using CPA funds have a household income limit of 100% area median income (AMI).

2. Guidelines for the program should be clear and well-advertised. Reasonable accommodations should be made to assist those with physical, mental, or language challenges.

3. If this is a temporary program only, make that clear. Additionally, some communities may want eligibility to only extend to existing residents. Federal case law prohibits durational residency requirements when seeking public assistance. Exclusion of people who don’t already live in the community could be problematic, particularly if the program becomes long-term. Perhaps revisit the guidelines for the program every 90 days.

4. Be cautious about restricting eligibility to people working in certain industries (e.g., hospitality) when many people in a variety of industries are feeling the impacts of COVID-19.

5. Applications should be readily available and require standard documentation to determine income eligibility.

6. Rent payments should be made directly to landlords.

7. To comply with the Anti-aid Amendment, add an addendum to an existing rental lease or create a grant agreement with the rental assistance beneficiary and landlord.

8. It is advisable to partner with an organization or consultant with experience running affordable housing programs to establish and implement a rental assistance program.

If you have any further questions about pursuing rental assistance projects with CPA funding, we recommend contacting:

Shelly Goehring at the Massachusetts Housing Partnership (MHP) 857-317-8525 / sgoehring@mhp.net
Emergency Rental Assistance Programs

In these unprecedented times, your community may be exploring the idea of creating an emergency rental assistance program.

The following information provides guidance as you consider developing a short-term program to support lower income people negatively impacted by the spread of COVID-19.

**CONSIDER YOUR FUNDING SOURCE**

If the funds you are considering using are Community Preservation Act (CPA) resources, allocations still need to be confirmed by your legislative body. In towns with Town Meeting, this means that CPA funds are not an immediate resource.

Additionally, your funding source may set a household income limit to receiving funds. For example, the CPA statute sets a household income ceiling of 100 percent of the area median income (AMI).

**CREATE CLEAR GUIDELINES, ADVERTISE THEM WELL**

1. **Purpose** – Clearly state the intent of the short-term program: that it is for individuals and families whose incomes have been adversely affected by the COVID-19 pandemic, who it serves (e.g., income limits) and how long you expect to run the program.

2. **Parameters** – How much assistance will you provide a household each month, for how many months and what is the total assistance allowed per household? Revisit eligibility periodically, perhaps every 90 or 120 days. Or is the assistance for a set number of months or when the client is back to full employment? Do applicants need to be paying over 35 percent of their gross income on housing costs to qualify?

   The benefit should generally be consistent across clients, unless, for example, you are offering to pay the difference between the monthly rent and 35 percent of the client’s gross monthly income. In this situation, the constant is that clients are paying 35 percent of their gross income on housing.

3. **Application** – An existing application for another program could be adapted, but be mindful to request only the information you truly need for an emergency rental assistance program. Make the application an online document or a fillable Word or PDF document that can be completed online and submitted electronically, with a paper option for those who cannot file electronically.

**WE ARE ALL IN THIS TOGETHER**

Municipalities that undertake emergency rental assistance to support individuals and families adversely affected by this pandemic are also helping their landlords. In order to maximize limited public resources, consider asking local landlords to contribute as well. Rent reductions, combined with emergency rental assistance, could allow us to reach more households in need.

For example, if a household’s rent must be reduced by $300 per month to make it feasible with its reduced income, can the landlord reduce the rent by a portion of that amount and the rental assistance program make up the difference?
4. **Income eligibility** – Long-term rental assistance programs generally require significant proof of total household income. Given the unique circumstances today triggered by significant loss of work income in our communities, you may consider a less onerous burden of proof. However, given that you are distributing public resources, you must still be prudent. The following are possible recommendations:
   
a. Copy of current lease or documentation from landlord of rental rate  
b. Termination letter from employer, if applicable  
c. Paystubs or print-out from employer to verify decreased income  
d. If unemployed or furloughed, acknowledgement from the Department of Unemployment Insurance.  
e. One to three months of bank statements  
f. Total household income (self-certified)

5. **Documents** – Clearly state the documents you require for a complete application. Provide guidance for submitting the application electronically, with a paper option.

6. **Selection process** – Will you have a monthly deadline for applying or a “rolling” deadline? “First come-first served” structures often impede equal opportunity for some applicants, including some applicants with disabilities. If demand exceeds supply, a random selection may promote the most fairness.

   When necessary, some communities have qualified applicants and then run a lottery to allocate “rental vouchers” worth up to a certain amount.

7. **Accommodations** – Even in these extraordinary times, we need to make sure that all of our low income residents can access our housing programs. Reasonable accommodations should be made to assist those with physical, mental or language challenges. This assistance could include connecting with organizations and programs that serve people with disabilities or who do not speak English as a first language.

8. **Program management** – In addition to creating clear program guidelines for external audiences, the municipality or its agent should document the internal structure and processes used. This includes how funds are distributed and tracked. Regular reports should be submitted to the appropriate oversight board or entity.

**CLARIFY THAT THIS ASSISTANCE IS A TEMPORARY PROGRAM**

Typical rental assistance programs require a rigorous review of all forms of income, generally submitted in hard copy. Because an emergency program created in response to hardship caused by the COVID-19 pandemic is directly responding to loss of work income, proof of income requirements could potentially be limited to paystubs and/or proof of unemployment. In addition, you should allow applications and attachments to be submitted electronically.

If, in the course of supporting an emergency rental assistance program, your municipality decides to expand into a long-term program, the program structure should be modified to reflect this new status.
BE CAUTIOUS ABOUT RESTRICTING ELIGIBILITY BEYOND INCOME

If the purpose of your emergency rental assistance program is to stem the financial impact of COVID-19 and provide rent relief for low income households, be careful with adding additional criteria to qualify for assistance. Many people across multiple industries are being impacted by the pandemic. The more restrictions you put on qualifying (e.g., live and work in the community, work in a particular industry) the more you may infringe on fair housing and other laws, as well as hinder your goal of supporting your most impacted residents.

APPLICATIONS SHOULD BE READILY AVAILABLE

When distributing public funds, the availability of this support should be widely publicized. Notice of the program should be posted on the municipal website, where there is local information about COVID-19 resources and with local service providers.

Additionally, given the nature of this pandemic, applicants should have the option to submit applications and attachments online and utilize electronic resources, such as email and smart phones.

RENT PAYMENTS SHOULD BE MADE DIRECTLY TO LANDLORDS

It is standard that payments for rent assistance be paid directly to the landlord. This may require obtaining a Form W-9 from the landlord, which can be completed online.

COMPLY WITH THE MASSACHUSETTS ANTI-AID AMENDMENT

Anti-aid Amendment applies when public funds are given to a non-publically owned and controlled entity. These allocations must be serving a public good and in fact, be purchasing a service to benefit the municipality (DLS No. 2006-75).

MA Department of Revenue has provided the following guidance when distributing CPA resources that may provide guidance for the use of other municipal resources, in addition to CPA:¹

DLS recommends each community, in consultation with municipal counsel, develop a CPA grant agreement to:

- Clearly define grant terms
- Ensure timely completion of project
- Implement and protect project’s community preservation purpose
- Ensure compliance with the Anti-aid Amendment, if applicable

Even if a municipality is distributing the emergency rental assistance funds, a grant agreement, contract or lease addendum should be executed by the municipality, landlord and household, to make sure all parties understand the parameters of the program. The agreement should include language that specifies the purpose of the funds, how much assistance is being provided and for how long.

An existing grant agreement used by the Community Preservation Committee (CPC), for example, could be modified to fit the needs of an emergency rental assistance program.

**IT IS ADVISABLE TO PARTNER WITH AN ORGANIZATION OR CONSULTANT**

The administration of affordable housing programs can be complicated. It is advisable to partner with an existing entity that has experience supporting low income tenants. This organization (e.g., housing non-profit, housing authority) or municipal department could apply for funds from your municipality, CPC or housing trust fund to then develop an emergency rental assistance program.

For example, Waltham’s City Council has allocated $150,000 (non-CPA resources) to its municipal Housing Division for emergency rental assistance. This division already has experience managing federal CDBG and HOME funds to benefit low and moderate income households.

If working with an external partner, be prepared to pay an administration fee to cover the costs of implementing, and reporting on, your emergency rental assistance program. Administration costs are allowed when using CPA funds.

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**For additional support, please contact:**

Shelly Goehring  
Senior Program Manager  
Massachusetts Housing Partnership  
sgoehring@mhp.net  
857-317-8525
Emergency Rental Assistance Programs

CHECKLIST

□ Identify a funding source
  • Does the source have income or other use restrictions?
  • Are there specific reporting requirements with this funding source?

□ Reach out to possible partner organizations for implementing the program

□ Determine program income limits

□ Develop clear program guidelines
  • Is there a monthly or total dollar limit to the assistance per household?
  • What is the length of assistance?
  • Clarification that the funding is a grant

□ Create an online or electronic application, with a paper option
  • Applications should include language that gives the municipality standing if it is determined, at a later date, that the applicant falsified information to take unfair advantage of the program, especially if the program is allowing self-certification of certain information.
  • Require landlord contact information on the application.

□ Identify documents necessary for a complete application
  • Documentation indicating change in income due to the spread of COVID-19
  • Documentation of household income
  • Evidence of rental cost (e.g., lease, letter from landlord)

□ Include your selection process in your guidelines and application – Will you have a monthly deadline for applications or a “rolling” deadline?

□ How will you market the program to reach everyone in need? Do you need to have the materials translated into another language? Do neighbors with disabilities need assistance in applying?

□ Create written and specific internal processes to track funds and ensure periodic reporting to the appropriate oversight board or entity. Developing a well-thought out program now will save time and frustration later.

□ Clarify this is a temporary rental assistance program – This should include how long you expect to run the program and how regularly you will revisit the local need for the resource.
☐ Set up a process to communicate with landlords. Rental assistance payments need to be made directly to the landlord. Determine if you need completed Form W-9s from landlords.

☐ Develop a grant agreement, contract or lease addendum to be signed by the tenant, landlord and program administrator outlining the purpose of the funds, how much assistance is being provided and for how long.

- With an emergency rental assistance program you may allow applicants to self-certify their total household income. If so, it may be prudent to include language about having funds returned if applicants are found to misrepresent their situation.

☐ Identify a municipal department, non-profit housing organization, housing authority or housing consultant to implement the program and provide regular reporting.

- Administration fees to cover the cost of program implementation are typical. These fees are subject to M.G.L. Chapter 30B procurement guidance.
Emergency Rental Assistance Webinar Q&A

(On April 22, 2020, MHP organized a webinar that attracted 500 participants and many questions. In response, we put together this Q&A to help communities create successful emergency rental assistance programs).

Help for Establishing an Emergency Rental Assistance Program


Resources for Emergency Rental Assistance

Residential Assistance for Families in Transition (RAFT)
https://www.mass.gov/service-details/learn-about-residential-assistance-for-families-in-transition-raft

DHCD has waived the rule from the program guidance that households may not apply for subsidized rent arrears twice in a 24-month period, but households are still limited to a maximum $4,000 benefit over 12 months. A notice to quit is not necessary with upstream RAFT or COVID RAFT.

1. Can RAFT cover condo fees?
   Yes, RAFT can pay for condo fees, as well as rental assistance, utilities and mortgage assistance.

2. Is mortgage assistance through RAFT only for deed restricted units?
   No, RAFT can cover mortgage assistance for market rate and deed restricted homes, as long as the applicant is income qualified.

3. What are the biggest gaps that RAFT does not cover?
   The largest gap may be that RAFT only supports households earning up to 50 percent of the area median income (AMI).

4. Is the RAFT application online?
   Yes, RAFT intake is available online. Search regional program administrators here: https://www.masshousinginfo.org/

5. If someone is receiving RAFT for utilities, for example, can they also qualify for local emergency rental assistance?
   Eligibility for emergency rental assistance can be a local decision so it could be possible for an applicant receiving utility assistance to also access rental assistance from a local program.

Affordable Housing Trust Fund

1. Do affordable housing trusts offer an advantage over Community Preservation Committees?
   The Municipal Affordable Housing Trust fund statute allows trustees to make funding decisions outside of the legislative body. So the housing trust can generally make decisions more nimbly than the local Community Preservation Committee (CPC). For those communities that have already transferred CPA funds to the housing trust, an emergency rental assistance program could be started by the trust with those funds, assuming the legislative body did not set restrictions that would limit that use.
Community Preservation Act (CPA)
https://www.communitypreservation.org/

CPA funds can support households earning below 100% of the area median income (AMI) and can be spent in any community in the state. Rental assistance is allowed in the CPA statute under the definition of “support” in Section 2 of the Act.

1. **What is the best way to access CPA funds for emergency rental assistance?**
   Best practice is for the organization seeking to administer a rental assistance program to submit an application for funds to the local Community Preservation Committee (CPC). The CPC would review the application and make a funding recommendation to the legislative body. Before an allocation can be made, the legislative body would need to pass the recommendation with a majority vote.

   An application for funding could also come from a municipal body, such as a housing department. Additionally, the CPC could make a recommendation to the legislative body to allocate funds for rental assistance before arrangements have been made with a potential program administrator. This could be helpful in a town where the legislative body meets just once or twice a year.

2. **Can utility expenses, fuel assistance, property tax relief or other types of aid be paid with CPA resources?**
   No, CPA cannot pay for utility expenses or other types of aid. CPA is a housing program, household expenses and social services are not eligible uses.

3. **Can CPA funds support shelters?**
   No, CPA is intended to support permanent housing units.

4. **Are students and undocumented immigrants allowed to access CPA funds?**
   There is nothing in the CPA statute that would restrict students or undocumented immigrants from accessing CPA funds.

5. **What about assistance for owners of single family home or condos? Can mortgage payments be paid with CPA funds?**
   If a home or condo is deed restricted to households earning up to 100% AMI, it can qualify as “community housing” under the CPA statute and mortgage assistance may be an allowable expense. Homes that are not deed restricted (market rate homes) are not eligible for CPA funds, and use of CPA funds is problematic even if a market rate home is occupied by income eligible owners. Unlike rental assistance, mortgage assistance is not specifically mentioned in the CPA legislation, so communities should consult municipal counsel before moving forward.

6. **Can CPA funds be used to assist with condo fees?**
   No. Condo fees are considered accessory expenses, similar to utility expenses.

7. **If we have CPA, but not an affordable housing trust, can we still use funds for emergency rental assistance and how do we do that?**
   It is not necessary to have a housing trust in your community to provide rental assistance resources. While appropriating funds first to a housing trust can provide communities with additional flexibility, the majority of CPA funds are appropriated directly to housing projects by the city or town’s legislative body (city council or town meeting), after a recommendation by the
8. **Can administrative fees of an emergency rental assistance program be paid with CPA funds?**
   Yes, in certain circumstances. If CPA funds are supporting emergency rental assistance administration by a non-municipal entity, CPA can also cover administrative fees to implement the program. However, if your municipal staff is working on a rental assistance program, CPA funds may not be used to pay for the time of existing employees of cities or towns.

9. **Could a municipality provide funds for rental assistance before the municipality’s CPC and legislative body have approved the program, and then have CPA reimburse the town after the proper approvals?**
   No, CPA cannot reimburse a municipal budget for any expenses incurred in the past. This is a violation of the “no supplanting” rule in the CPA legislation.

10. **Can we protect against future evictions when using CPA for rental assistance?**
    Some housing programs include protection from eviction for tenants for a period of time after assistance has been provided. This gives the tenant some security and the community an added public benefit. If a community wants to include eviction protection in its program, it should be reasonable and outlined in the contract signed by the administrator, tenant and landlord.

### Community Development Block Grant (CDBG)

1. **Can CDBG funds be allocated to a non-profit for emergency rental assistance?**
   Yes, several communities are both using CDBG funds to support emergency rental assistance and collaborating with a non-profit to administer the funds.

### Determining Program Parameters and Eligibility

1. **Should programs target renters who are not eligible for unemployment and other benefits?**
   Program eligibility can be a local decision, but best practice is to consider gaps in our service delivery system and prioritize support to those who may be left out of other programs.

2. **Can programs be limited to local residents only?**
   For an emergency rental assistance program during a pandemic, attempting to stabilize renters and keep people safe in their homes, it is reasonable to focus on existing residents.

3. **Should a portion of our funds go to extremely low income households (e.g., up to 30% AMI)?**
   Given the local data on housing needs in your community, it may make sense to allocate some of your resources to extremely low income households.

4. **Does the rental payment need to go directly to the landlord and who is issued a Form 1099?**
   Yes, rental assistance payments should be made directly to the landlord who provides a Form W-9 to the program administrator. At the end of the tax year, the landlord then receives a Form 1099 from the program administrator.

5. **Is a lease required or would an agreement with the landlord be sufficient?**
   When the Department of Revenue references rental assistance, specifically when using CPA funds, they advise a lease between the landlord and tenant. Given that many of our low income
residents do not have leases, it may be possible to substitute an agreement from the landlord for a lease. Consult with your Town Counsel or City Solicitor to make sure your program is satisfying the Anti-aid Amendment.

6. Should income eligibility be determined based on a household’s current income or last year’s annual income?
If your emergency rental assistance program is directly responding to the impact of COVID-19, income eligibility based on current income is advisable, with applicants showing a loss in income due to the pandemic.

7. Should an emergency rental assistance program include an asset test given that those with few assets are likely the most in need?
Asset tests can be time intensive and challenging in emergency situations. Requiring recent bank statements would likely disqualify most high wealth applicants.

8. How should our emergency rental assistance program be publicized?
Programs can be promoted on the community’s webpage outlining resources and information pertaining to COVID-19. Local service providers can also help promote the resource, along with landlords. Your Chamber of Commerce or business groups can promote the program so that employers can help their staff access rental assistance. One community promoted their program through a school district email.

9. What is a standard administrative fee to run a program?
You should anticipate that an administration fee may be 10-20%, depending on the program structure and administrator’s cost structure.

10. Can an affordable housing landlord be awarded funds to run an emergency rental assistance program since they know the need?
This model may be problematic because communities have residents in need living outside of affordable housing units. Local public resources should be broadly available. The program administrator must promote the program beyond their personal contacts and interest, to meet the needs across the community.

11. How do towns run a lottery when demand is greater than supply?
Running a lottery can be complicated, but a fair way to award public assistance. We encourage communities to either engage with an agency that has experience running lotteries to administer your program, or a certified lottery agent to manage that portion of your program.

**Anti-aid Amendment to the Massachusetts Constitution**

1. Does allocating funds to a non-profit get around the municipality making direct payments to an individual?
Technically yes, but the Anti-aid Amendment applies when public funds are given to a non-publicly owned and controlled entity. These allocations must be serving a public good and in fact, be purchasing a service to benefit the municipality (DLS No. 2006-75). This applies to allocations made to non-profits, as well as individuals.
Assistance for Homeowners
https://www.mass.gov/lists/moratorium-on-evictions-and-foreclosures-forms-and-other-resources#information-re-foreclosure-moratorium-

Homeowners should be contacting their bank or servicer, asking for a mortgage deferment or forbearance. The recently signed state Eviction and Foreclosure Moratorium Bill requires mortgage servicers to offer up to six months forbearance. Additionally, the federal CARES Act requires mandatory forbearance on federally backed mortgages. Most homeowners will be covered by these two laws.

Additionally, rental assistance helps small scale landlords so your program publicity should try to include outreach to them.

Other Resources and Miscellaneous Questions

1. Does the Eviction Moratorium bill require tenants to inform landlords about their inability to pay rent due to the impacts of COVID-19?
   Yes, to avoid the risk of foreclosure after the protection is lifted, tenants are to notify their landlord in writing within 30 days of a missed payment. DHCD has released guidance for tenants pertaining to this new law. **NOTE: This law is not a rent forgiveness program.**

2. Does an emergency rental assistance program need to be procured by a municipality?
   While a community can call the Office of Inspector General (OIG) 30B hotline (617-722-8838) and research the OIG guidance on “grant agreements” in their bulletins, procurement decisions should be made in consultation with local procurement officers and municipal administration.

3. MAPC has done initial analysis of unemployment data in Massachusetts to help you consider the degree of need for rental assistance in your community.
   https://www.mapc.org/covid19-layoffs/

4. Datatown tells you the industries that residents in your community work in.
   www.mhp.net/datatown

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For additional support, please contact:

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<tr>
<th>Shelly Goehring</th>
<th>Stuart Saginor</th>
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<td>Senior Program Manager</td>
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Special thanks to the Citizens’ Housing and Planning Association for hosting the webinar and to Stuart Saginor for assisting with this Q&A and participating in the webinar.
Dear Community Preservation Committee members:

On behalf of the Planning Board, I am pleased to submit this application for CPA funding of the COVID-19 Emergency Housing Relief Program. Many Canton households are struggling with an unexpected loss of income due to the current emergency. The Planning Department has worked diligently to develop an effective and workable program to help our neighbors. The COVID-19 Emergency Housing Relief Program provides this assistance by using Community Preservation Act (CPA) funds to provide temporary rental and mortgage assistance to eligible households. There is also the potential to apply for CARES Community Development Block Grant (CDBG) funds towards this purpose in the near future.

The attached proposal requests $52,000 in CPA funds to directly assist households at or below 100% AMI in meeting up to three months of rental payments, or mortgage payments for those already living in deed-restricted units. The program will be administered by a third-party non-profit, for example the Metro West Collaborative Development or MCO Housing. This includes the application process, applicant certification, lottery, and funding distribution. The Planning Department will work closely with the chosen provider to ensure the success of the program.

I look forward to discussing this program further with the Committee. Please feel free to contact me in the meantime if you have any questions or would like any further information.

Sincerely,

Tom Scully
Chair, Canton Planning Board