



# CITY OF MCKINNEY

## EMERGENCY RENTAL ASSISTANCE PROGRAM (“ERAP”)

### Program Guidelines

#### Program Purpose

Utilizing Coronavirus Response and Relief Supplemental Appropriations Act of 2021 funds, Collin County is launching the Emergency Rental Assistance Program (“ERAP”). This program will provide residential rent and utility assistance for residents of the City of McKinney.

#### Eligibility

An “eligible household” is defined as a **renter** household in which at least one or more individuals meets the following criteria:

- i. Qualifies for unemployment due to COVID-19, has experienced a reduction in household income due to COVID-19, or has incurred significant costs due to COVID-19 or experienced a financial hardship due to COVID-19;

**AND**

- ii. Demonstrates a risk of experiencing homelessness or housing instability;

**AND**

- iii. Has a household income at or below 80 percent of the area median.

Household Size	80% Area Median Income
1	\$49,850
2	\$57,000
3	\$64,100
4	\$71,200
5	\$76,900
6	\$82,600
7	\$88,300
8	\$94,000

Applicants will be asked to provide documentation to support their eligibility for assistance. Applicants who fail to provide requested information are not eligible for assistance.

Household income will be determined as either the household’s total income for calendar year 2020 or the household’s monthly income at the time of application. For household incomes determined using the latter method, income eligibility will be re-determined every 3 months.

#### Priority Applicants

Eligible households will be prioritized in the following order based on the characteristics stated below:

1. Households in active eviction status
2. Households with income at or below 50 percent of the area median
3. Households with an individual who has been unemployed for the 90 days prior to the application for assistance

**Eligible Expenses**

- Rent
- Rental arrears, including contracted late fees
- Utilities (e.g., electricity, gas, water, sewer, trash removal)
- Reasonable landlord attorney fees and court costs for active eviction cases (subject to future guidance from the United States Department of Treasury)
- Telecommunication services (telephone, cable or internet)

**Ineligible Expenses**

- Any other expenses not expressly listed as eligible expenses

**Level of Assistance**

- Eligible households may receive up to 12 months of assistance (measured from March 13, 2020), plus an additional 3 months if the applicant is able to demonstrate that the extra months are needed to ensure housing stability and funds are available.
- Assistance will be provided to reduce an eligible household's rental arrears before the applicant will be evaluated for its eligibility for assistance for future rent payments.
- Rental and utility assistance will be provided up to the maximum number of month's allowed or \$20,000, whichever is less.
- Assistance for future (i.e. non-delinquent) rent and utility expenses may be provided for up to three months at a time. Households must reapply for additional assistance at the end of the three-month period if needed so long as the overall time limit for assistance and maximum total assistance amount is not exceeded.

**Payment Method**

- Funds will be paid directly to landlords and utility service providers who agree to participate in ERAP.
- If a landlord does not agree to participate in ERAP, funds may be paid directly to the eligible household to be used exclusively for eligible expenses.
- Before funds are paid directly to an eligible household, a written request for participation will be sent by certified mail to the landlord or utility provider to request the landlord or utility provider's participation. Only where the landlord or utility provider does not respond to the request within 21 calendar days after mailing or provides a written response indicating that it declines to participate in the ERAP may funds be paid directly to the eligible household to be used exclusively for eligible expenses

**No Duplication of Benefits**

- Assistance provided for an eligible household may not duplicate any other assistance, including federal, state, and local assistance provided for the same costs.
- An eligible household that occupies a federally-subsidized residential or mixed-use property may receive assistance, provided that funds are not applied to costs that have been or will be reimbursed under any other federal assistance.
- If an eligible household receives a monthly federal subsidy (e.g., a Housing Choice Voucher, Public Housing, or Project-Based Rental Assistance) and the tenant rent is adjusted according to changes in income, the household may not receive assistance.

**Program Timeline**

The online, pre-screening questionnaire will be open for submissions starting at 12 p.m. on March 1, 2021. Those qualified for the program will be notified by a third part administrator to continue their application process.

Funding will be available through September 30, 2022, or until all funds are allocated, whichever comes first.