

EMERGENCY RENTAL ASSISTANCE PROGRAM GUIDE FOR PHA'S

As the COVID-19 pandemic continues to negatively impact Americans, many families are struggling to afford their rent. This not only increases the threat of homelessness but also harms housing facilities that have now had their income plummet. To resolve both issues, the U.S. Department of Treasury launched the Emergency Rental Assistance Program (ERA Program) to help eligible households stay in their homes.

If you are a Public Housing Authority or receive support from the government, you're likely wondering how you can help your tenants to take advantage of this \$25 billion program. Here's everything you need to know about ERA Program, including important deadlines and eligibility criteria.

Who Qualifies for ERA Program?

Any household that has developed financial hardship due to the pandemic qualifies for unemployment, and/or is at risk of being evicted may take part in ERA Program. Overall household income must be at or below 80% of the area's median income, and tenants should be able to prove that they have experienced a drop in income that makes it challenging to pay rent. Homeowners are not able to use ERA Program to pay their mortgage.

What's Covered Under ERA Program?

Any overdue rent may be covered by ERA Program funds, all the way back to March 13, 2020. The overall coverage period is 15 months: 12 months backward and up to 3 months in future rent. If an agency receives ERA Program, 90% of all funds must be used toward rent (including overdue rent) and/or utilities. The remaining 10% can toward the administration of the program (including software).

How Does the Program Work?

A local government can apply to ERA Program as long as they govern at least 200,000 residents. Once the funding is approved, landlords, property management companies, and housing entities can apply to the government to connect their tenants with assistance. All applications must be in by July 31, 2021, and all funds spent by Dec. 31, 2021.

What Do PHAs Need to Do?

Once the local government has been approved for ERA Program, PHAs can begin processing funds for their facilities and tenants. All disbursements and other case activities must be properly recorded and reported, which is best accomplished with affordable housing software. There is not a lot of time to ensure everything is covered, which is why we recommend partnering with a software vendor who has the technology and expertise for ERA Program administration.

A third-party administrator, such as Nan McKay or Quadel, are also valuable partners to bring to the ERA Program process along with a housing software provider, as this team of experts can help a PHA cover the application process, financial decisions and disbursements, payment processing, and reporting to the government. As people are desperate for relief, it's important to call upon experts who can help the program be implemented quickly and efficiently.

If you need a housing software expert familiar with ERA Program, you'll be in good hands with Emphasys. Our team of experts can work with third-party administrators and understands how to run relief programs and ensure a fully compliant, streamlined implementation. We can easily configure a highly secure and scalable environment to help your PHA best serve your residents.

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