SHERA Program Overview:
Housing Authorities

May 5, 2021

Last Updated: July 7, 2021
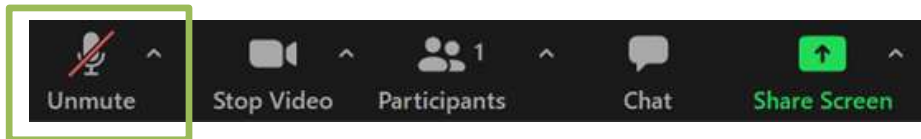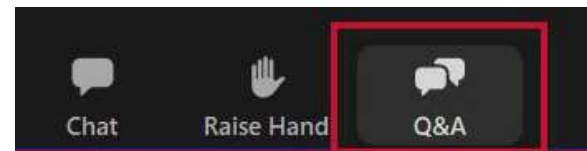
Please Mute

Please join the meeting muted during the session to keep interruptions to a minimum
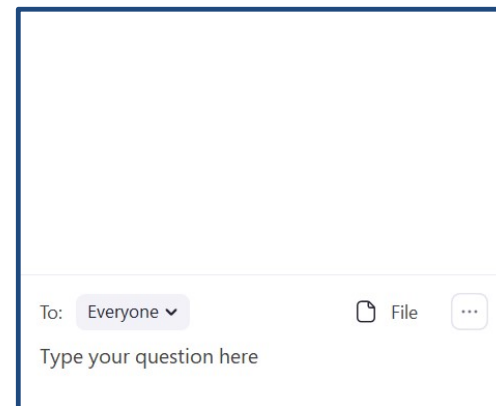

Asking Questions

We will be monitoring the Q&A for questions

1

Click "Q&A" to open the chat window

2

Enter your question into the chat

We will follow up with answers to any questions that we don't get to during the session.

5/5/2021

2

THIS CALL IS BEING RECORDED

Micqueen Clerger	Christine Devore	Ben Stone

TRAINING SUPPORT

- Cybersense
- Accenture

Our Journey Today
75 MINUTES

📋	**Training Goals & Objectives**	10 mins
✅	**SHERA Program Overview**	
🌍	**SHERA Owner Journey**	5 mins
⚙️	**SHERA Eligibility**	15 mins
📝	**Required Documentation**	10 mins
➡️	**Reminders & Next Steps**	5 mins
❓	**Questions**	30 mins

Purpose

Review the new **Subsidized Housing Emergency Rental Assistance (SHERA) Program** and provide an understanding of the new program and policies

Goal

Provide guidance to better support Public/Local Housing Authorities (P/LHAs) and tenants who are eligible for SHERA

What ROLE do you play at your property / site?

Mentimeter

Please enter the code

12 34 56

Submit

The code is found on the screen in front of you

How to Participate

1. Go to **Menti.com** on your smartphone or computer browser.
2. Enter the code **9558 0189** into the field shown to the right

The **Subsidized Housing Emergency Rental Assistance (SHERA) Program** is a federally funded emergency housing assistance program for renters impacted by COVID-19.

SHERA helps residents of public and affordable housing clear rent arrearages (unpaid back-rent) from the eligible SHERA period (18 months starting on April 1, 2020).

Eligible owners of rent-restricted properties will be able to **apply for assistance with their rental arrearage accounts on behalf of all their income-eligible residents** with rental arrears.

SHERA COLLABORATION

Leverage the Massachusetts affordable housing owner and property management network to help residents pay COVID-related rent arrears from the eligible 18-month SHERA period starting on April 1, 2020.

- Owner-based, online process to apply on behalf of multiple residents in a single application.

- Take advantage of the compliance work already done by owners of subsidized housing.

- Build on pledge of working with tenants to divert eviction due to rent arrearages.

- Support the existing emergency rental assistance delivery system.

    - Owners will continue to refer tenants to the RAAs for utilities and moving expenses

DHCD in partnership with MassHousing and Massachusetts Housing Partnership ("MHP")

We implemented a **"soft launch" (Pilot)** of the SHERA program, wherein pilot members were prepared to apply to the program through the system.

– Volunteer owner working group, comprised of private and public owners

– Geographic and property type diversity

Next, we opened the application to other owner groups:

Phase 1: MassHousing and MHP borrower relationship

Phase 2: Housing Authority portfolio and DHCD subsidy portfolio

Phase 3: 40B and 40R properties not included in the two previous groups

SHERA P/LHA OWNER JOURNEY - *DRAFT*

Owners can generally expect to follow this journey if they're participating in SHERA once they're eligible to register and apply. ***Note***: *not all owners will be eligible to apply at this time.*

Legend:
- Actions
- Support
- Communication

START

SHERA Policy Announcement and Invitation to Register in SHERA Portal

Register for SHERA

1 **Register on SHERA Portal**
(Tax ID, signed Owner Agreement)

Attend SHERA Program / Owner Support Session(s)

Start tenant facing interactions

Utilize the SHERA Portal to view FAQs and submit Service Request for tech and policy support

3 **Gather Application Materials from the Tenant Households**
(Prepare Application Data)

2 **Communicate with Tenants**
(Owner Letter to Tenants + Tenant Overview Reference Packet)

Comms: Apply & Submit SHERA Application

SHERA Application Reviews/ Compliance checks/ Approval

4 **Submit Application on SHERA Portal**

5 **Communicate with Tenants**
Provide additional documentation or other information if required by your application reviewer.

6 **Communication to tenants during app. processing/reviews from owners:**
- Tenant claim has been submitted
- Tenant claim approval* and payment notice

Tenant claim denials will be communicated to owners and tenants by DHCD

dhcd Massachusetts MHP MASSHOUSING

7/7/20

OWNER ELIGIBILITY DEEP DIVE

One of the following three conditions must be satisfied:

1 The owner has an existing borrower relationship with MassHousing or Massachusetts Housing Partnership AND their sponsor is in good standing with MassHousing and MHP; **OR**

2 Sponsor is a **Public/Local Housing Authority**; **OR**

3 The sponsor has at least one property subject to use restrictions due to participation in a state or federal program that has 20 or more rental housing units.

Criteria 2: In Good Standing

An owner is only eligible to participate in SHERA if its sponsor is in good standing, that is, if neither the owner nor its property is in active default with MassHousing, MHP, or DHCD. Sponsors with properties in forbearance are still considered to be in good standing. **P/LHAs are exempt from this requirement as administrators of public housing.**

Criteria 3: Compliance Experience

Owners or their designated representatives (for example, property managers) must have three years' compliance experience, and at least one staff member holding certification in compliance training recognized by the affordable housing industry. A list of approved compliance certifications is included at the end of the SHERA Policy Guidance discussed in the Resources and Next Steps section near the end of the presentation. **P/LHAs are exempt from this requirement as administrators of public housing.**

Owners participating in the program will be required to sign an **Owner Agreement** which outlines their responsibilities and commitments. Principal among these are the commitments to:

- ✓ Apply the benefit to the tenant account within 30 days of receipt of assistance payment

- ✓ Suspend evictions and not initiate new evictions for non-payment of rent against households that receives SHERA benefits for at least 6 months after the last assistance payment is applied to the tenant household's account

- ✓ Reach out proactively to households who are behind in their rent

- ✓ Engage proactively with residents in arrearage to create payment plans

- ✓ Promote program access to residents, support resident applications for rental assistance payments, and accept payments when made

✓ For tenants whose rents are not based on their household income, refrain from implementing rent increases on households eligible for SHERA that might otherwise be permitted based on revised HUD income and rent figures until the later to occur of (i) July 31, 2021 and (ii) when the applicable subsidy program permits the owner to implement rent increases

✓ Provide downward rent adjustments for income-based rents, as applicable

✓ Encourage structured and interactive landlord-tenant mediation, including use of the state-funded no cost community mediation program

✓ Inform tenants when applications are submitted, when payments are received and applied to rent arrears

✓ Instruct auditors to incorporate protocols into their 2021 property audits for review of SHERA funding applications and payment

✓ Repay SHERA funds, if such payment is duplicative or out of compliance

✓ Obtain and retain required documentation on tenant eligibility

✓ Submit all required reports and requests through an online owner portal

✓ Certify with each submission that all information is correct and complete

✓ Be subject to compliance reviews

PROPERTY & HOUSEHOLD ELIGBILITY

Eligible owners will be invited to submit applications for properties meeting the following criteria:

1   Eligible properties are income-restricted affordable rental housing properties, owned by eligible owners, that:

     (a) received state or federal subsidies for construction and/or rehab of income-restricted housing, **OR**

     (b) currently receive project-based rental assistance under contracts administered by the Commonwealth or other state public or quasi-public agencies.

2   Eligible properties must be subject to an annual audit.

***Note for P/LHAs that administer vouchers: Unless the P/LHA manages the property where they are used, the private landlord should apply on behalf of those tenants. This landlord will be able to rely on the existing income certifications already completed by the P/LHA.**

For a household to be eligible for assistance through SHERA, the following criteria must be met:

Rental arrears must be from the eligible **18-month** SHERA period starting on **April 1, 2020**

The household has experienced a **financial hardship due to COVID-19**

The owner can demonstrate the renter household has **eligible rental arrearages**

The household has income **at or below 80% Area Median Income (AMI)**

If a tenant is eligible for SHERA assistance, the property owner must collect the following required documentation:

Income Certification Documentation	Tenant Certification	Other
▪ Most recent income certification	▪ COVID-19 Impact ▪ No Duplicative Assistance ▪ Permission for owner to apply on tenant behalf ▪ Assistance amount	▪ **Last four of SSN.** Tenants do not need a social security number to be eligible. ▪ **Demographic Data** required by the Treasury

To certify income, a P/LHA can rely on:

Documentation already provided for the most recent recertification

If a recertification not completed and an exception was not provided, tenant household can provide:

Documentation of annual income

- A filed 2020 IRS Form(s) 1040 or 1040EZ, one covering each adult household member over 18, if filing separately

- OR -

Documentation of benefits

- A benefit letter dated January 2020 or later confirming any of the following benefits:
  - Veterans Chapter 115 benefits
  - Subsidized childcare benefits
  - DTA benefits
  - MassHealth benefits

- OR -

Documentation of monthly income for two months prior to application
- Unemployment benefit checks or bank statements
- Social Security benefit letter
- Two pay stubs
- Other proof of income

State public housing tenants are required to report an **increase of 10% or more** of monthly income by the 7th day of the month following the month in which the increase occurred. *Reference: 760 CMR 6.04(5)(a)(b). Federal public housing consult your policies.*

LHAs will conduct a **rent determination** for tenants who didn't report a change in income and retroactively change the tenant's rent to the first day of the second month of the increase. *Tenants are encouraged to report any increase in income that has not been reported before the owner applies. The retroactive amount due may be eligible for rental assistance payments.*

If the tenant does not report this income and the LHA finds out about the unreported income at an **annual rent determination** later in 2021, these rental assistance payments may not be available, and the tenant may have a large arrearage on their rent account.

Increases in income could be a result of:
- Unemployment income
- Federal Pandemic Unemployment income
- New employment and increased work hours
- Per DHCD guidance, federal enhanced unemployment income is generally countable as income for purposes of rent determination.

LHAs notify tenant households on the application:

- Application has been submitted

- Requests for additional documents (if applicable)

- Application approval and payment to tenant account

    - The payment notice must specify the dollar amount of rental arrearages for which application has been made, the amount of reimbursement that the owner has received, and the months for which the payments have been applied to the tenant's account

- *Application denials will be provided by* **DHCD**

LHAs who determine at the preapplication stage that a tenant is ineligible to apply for SHERA are expected to work with tenants who ask for a review of ineligibility determinations.

Notify the Tenant Immediately

The LHA must:
- Accept the tenant household's self-attestation of financial hardship due to COVID-19.
- Immediately notify the tenant of the reasons for ineligibility by sending a *SHERA Tenant Ineligibility Notice*. This notice will provide the tenant with the opportunity to ask the Owner for an administrative review, in writing, within 15 calendar days.

Conduct the Administrative Review

Once the LHA receives this request, the LHA must designate someone who did not make the initial determination to review all submitted documentation to determine whether the tenant is eligible for SHERA within 15 calendar days of receiving the request.

Communicate the Outcome

- If the LHA determines the tenant is eligible for SHERA, the LHA must submit an application on behalf of the tenant through the SHERA Portal; to notify the tenant of the application submission; and to continue with the SHERA claim process on behalf of the tenant.
- If the LHA confirms that the tenant is ineligible for SHERA, the LHA must notify the tenant of the decision. In the redetermination notice, the LHA must include BOTH:
  - A statement encouraging the tenant to notify the LHA of any changed circumstances in the future in case the tenant may then be eligible for SHERA
  - A listing of available rental assistance resources, including information on the no-cost community mediation program.

SHERA Tenant Certification of Rental Assistance Eligibility form includes many of the data points that may not reside in your property management system

RESOURCES & NEXT STEPS

RESOURCES

- Review materials on the SHERA Portal Program Information tab https://sherafunding.mass.gov/

  - SHERA Policy Guidance

  - SHERA Notification to Tenant Instructions and Form Letters (P/LHA specific versions)

SUPPORT & QUESTIONS

- After reviewing the materials, if you have questions related to SHERA, please submit a support ticket on the Portal.
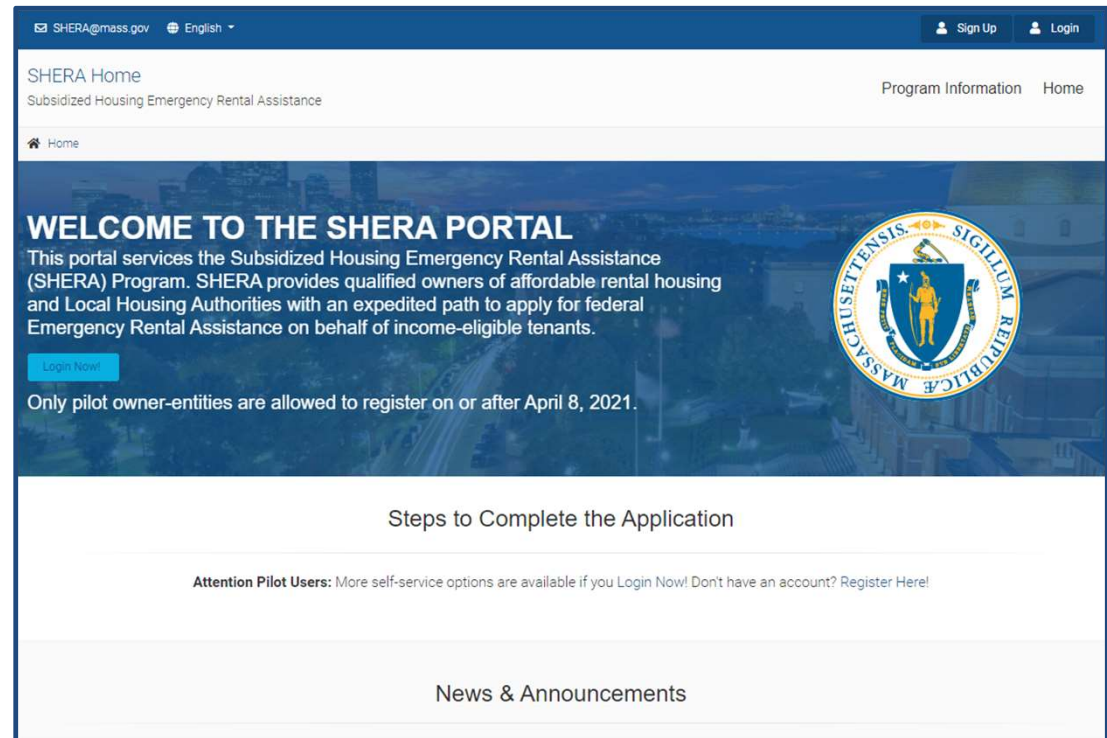
1. **READ** the SHERA Program Policies and the SHERA Owner Agreement

2. **REVIEW** the SHERA application data fields instructions

   ▪ An application template is included on the SHERA website. This includes the information owners need to collect for tenants with rent arrearages to ensure a complete application. You may already have some of this data in your tenant management system.

   ▪ Note: you will receive a notification when you are able to register and submit applications

3. **SEND/SHARE** the Owner Letter to Tenants and the Tenant Certification

   ▪ The Owner Letter to Tenants is to inform residents about the program and the Tenant Certification is to verify eligibility and start collecting tenant permissions for the Owner to apply on their behalf. *These documents will be available in 7 languages.*

QUESTIONS

THANK YOU!