### Subsidized Housing Emergency Rental Assistance (SHERA) FAQs

Last Updated October 27, 2021

Please note this document will be updated as more information is available to share.

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### PROGRAM OVERVIEW

#### 1. What is SHERA?

The SHERA (Subsidized Housing Emergency Rental Assistance) program is funded through the Federal Emergency Rental Assistance Program, overseen by the United States Treasury, and funded by the Consolidated Appropriations Act of 2021. SHERA provides an expedited path for eligible owners of qualified affordable housing projects to file batch applications for rental arrearage assistance on behalf of eligible tenants.

Under the SHERA program, qualified owners of MassHousing, Massachusetts Housing Partnership (MHP) and DHCD- financed properties with income-restricted units, as well as Local/Public Housing Authorities (L/PHAs), will be able to apply for help on behalf of all of their eligible residents with up to 18 months of rental arrears incurred during the eligible SHERA period starting on April 1, 2020. Income eligibility for households is 80% of Area Median Income (AMI) or lower. Owners (or their property managers) will inform residents with rental arrears about this program, and will work with eligible residents to apply for assistance on their behalf.

SHERA will pay for <u>only</u> rental arrears. Renters living in public or other incomerestricted rental housing who need help with overdue utility payments should apply for assistance directly through the Federal Emergency Rental Assistance Program (ERAP), administered by Regional Administering Agencies.



#### 2. When should we advise tenants to use SHERA vs ERAP?

Tenants should use SHERA instead of the Commonwealth's existing Emergency Rental Assistance Program (ERAP) to cover rental arrearages starting April 1, 2020, as long as they are eligible: that is, as long as household income is 80% AMI or less; they are experiencing a risk of homelessness or housing instability (i.e., have rental arrears); and if they have experienced either a loss of income or unusual expenses due, directly or indirectly, to the COVID-19 crisis. An indirect COVID-19 impact could include losing a job, having hours reduced, losing access to childcare or dependent care, seeing increased expenses, or something else. SHERA does not cover utility arrearages or moving expenses, nor does it cover rental arrearages incurred prior to April 1, 2020; you can refer tenants to ERAP administered by the Regional Administering Agencies (RAA) if they need these resources (see <u>ERAP FAQ</u>).

If a tenant has a <u>pending application</u> for RAFT/ERMA/ERAP, they SHOULD NOT apply for SHERA, but should allow the pending application to be processed. If a tenant <u>previously</u> received RAFT/ERMA/ERAP, and still has unpaid rent due since April 1, 2020, they SHOULD participate in SHERA.

In addition, please note that households may only receive 18 months of assistance **total** between ERAP and SHERA, even if those months do not overlap. For example, if a household received ERAP payment for rental arrearages from April 2020 through June 2021 (15 months), the household could only receive up to 3 additional months of rental assistance, whether through SHERA or ERAP. The SHERA Program will monitor for this and administer benefits accordingly.

3. If my organization is a Public/Local Housing Authority (P/LHA) or a Regional Administering Agency administering ERAP, can I apply for SHERA on behalf of my tenants?

Yes, as long as the owner and the property meet the SHERA eligibility criteria and your organization discloses the self-payment in the file.

4. Can P/LHAs also receive rent arrearage payments on behalf of residents of federal public housing?

Yes. LHAs must account for the payments separately in their respective state and federal accounts.

5. I have several buildings for which I want to apply to the SHERA program. Can I register for more than one building at a time?



Yes, the SHERA Portal (https://sherafunding.mass.gov) makes this easy. Simply choose "Add Project/Property" from the Owner Main Information page. You can then upload that property-specific information.

In order to register a property, you will need to know the unique Property ID number assigned to that property. Depending on the property type, MHP, MassHousing, or DHCD will provide you with the Property ID. You will also need to know the ownership entity's Tax ID number.

#### 6. Is there a maximum monthly tenant rental arrearage that can be claimed?

There is no maximum dollar amount for tenant rental payment arrearages. However, the maximum payment for any tenant may not exceed eighteen (18) months of total rent arrearages. These months do not need to be consecutive.

7. How long is the time from the submission of an application for payment of arrearages until the owner receives payment on the tenant's behalf?

Typically, the time from submission of an application to payment is less than 30 days.

### 8. I own a 40B project with rent restrictions for some units at 80% AMI. Can I apply to SHERA for this property?

Yes. You can apply in Phase 3 (pre-screening started on July 1, 2021) for 40B properties, including LIP and NEF 40B properties that include some units restricted at 80% of AMI, as long as the property and owner also meet the other SHERA eligibility criteria.

### **9.** Is there any chance the SHERA program will run out of money before it can fund all the approved funding applications?

The eligible SHERA period is currently set to end in June 2022, but this date may change depending on availability of funding. While it is technically possible that funding may be depleted while there are still pending applications under review, our plan is to monitor funding availability and to give advance notice of the last date that applications will be accepted, preserving enough funding to disposition applications submitted up until that date.

### TENANT ELIGIBILITY AND INFORMATION REQUIREMENTS



# 10. What information do I need to get from tenants to prove that their arrearages were caused by COVID?

This will be documented with a signed Tenant Certification. You can find it on the SHERA Portal, including translations to common languages. With the Tenant Certification, the head of household certifies that they, or someone in their household, has experienced a financial hardship related directly or indirectly to COVID-19. An indirect COVID-19 impact could include losing a job, having hours reduced, losing access to childcare or dependent care, seeing increased expenses, or similar consequences that occurred since March 2020. For SHERA applications, households do not need to provide verification of the hardship outside of this attestation. However, documentation of the hardship may be requested at a later time for monitoring and/or audit purposes.

# **11.** Will my latest income certification information be enough to establish the tenant's income for SHERA eligibility?

Yes, as long as the income certification was completed on January 1, 2020 or later and showed that the household was at or below 80% AMI using HUD's Income Definition.

If the 2020 tenant income recertification was deferred pursuant to a waiver issued by a state or federal agency that permitted such deferral due to COVID-19, the owner may use the most current certification available.

### 12. What if I can't get annual income information from a household for January 1, 2020 or later? What can I do to prove their income eligibility?

If the owner deferred 2020 tenant income recertifications pursuant to a waiver issued by a state or federal agency that permitted such deferral due to COVID-19, the owner may use the most current certification available.

Other ways to prove income eligibility is receipt of a benefit letter from January 1, 2020 or later confirming any of the following benefits:

Department of Transitional Assistance (DTA) benefits MassHealth benefits Veterans Chapter 115 benefits

Subsidized childcare benefit

Alternatively, the tenant may provide a copy of their 2020 IRS Form 1040 (Adjusted Gross Income) or provide two months worth of income documentation (pay stubs, benefit letters, receipts, bank statements). If a tenant has zero income (unemployed, but not eligible for unemployment or any other benefits), the tenant may self attest to zero income.



#### 13. How do I document income eligibility?

If the tenant's rent is based on a percent of household income, you may use a completed income recertification effective on or after January 1, 2020 or obtain the acceptable documents per the SHERA policy.

If the owner deferred 2020 income recertifications in accordance with a waiver issued by a state or federal agency that permitted such deferral due to COVID-19, the owner may use the tenant household's most recent completed income recertification available.

If the tenant's rent is based on published income or rent figures, such as by HUD, the owner may use a completed income recertification effective on or after January 1, 2020, or obtain the acceptable documents, including certain benefit letters or IRS documentation, per the SHERA policy.

If the property is not required to recertify income during occupancy, or a resident is living in a market-rate unit at the property, you will need to obtain the acceptable documents per the SHERA policy.

### 14. If a tenant has a mobile housing voucher (Section 8 HCV or mobile MRVP), do we need to conduct a separate income verification?

No. Owners do not need to conduct an additional income verification for tenant households if they have on file an approval by a housing authority or an administering agency (AA) for mobile rent subsidies on or after January 1, 2020; or, if the 2020 recertification was deferred by a state or federal agency due to COVID-19, the most recent approval.

### 15. Are owners responsible for applying on behalf of a tenant with a mobile housing voucher (Section 8 HCV or mobile MRVP)?

Yes, Owners are responsible for submitting applications on behalf of tenants residing in their properties, including those tenants with a mobile voucher. The AA or P/LHA administering the voucher should not apply on their behalf.

16. Can owners apply for tenants who have received RAFT rental arrearage relief in the past?



Yes. SHERA can pay outstanding tenant rental arrearages for eligible households who incurred rental arrearages due to COVID-19 during the eligible SHERA period that have not already been paid by RAFT or some other form of assistance payment.

#### 17. Can owners apply for tenants who will be moving out?

Yes. SHERA can pay tenant rental arrearages for eligible households who incurred rental arrearages due to COVID-19 during the eligible SHERA period, but *are planning on moving out*. This will help the tenant clear arrearages and clear up their rental history before moving on.

#### 18. Can owners apply for tenants who have already moved out?

Yes, owners may apply for tenants who have already moved out provided that they obtain a signed tenant consent form per the usual requirement. Note that SHERA payments will only be made for the months during which the tenant resided in the unit.

19. What should tenants do if they have already applied for benefits through RAFT, ERAP, or another rental assistance program? Should they cancel those applications and apply through SHERA instead?

Tenants with other rental assistance applications in process should let those applications proceed through the system through which they applied. SHERA applications should NOT be submitted for the month(s) for which tenants have already applied to pay for rent arrearages elsewhere. To participate in SHERA, tenants must certify that they will notify the Owner if other rental assistance is received for the same rent paid by SHERA and to make best efforts to return any over-payment. They can, however, apply through SHERA to cover rental arrearages for which applications are not pending as well as to other programs for utility arrearages and moving expenses that are not pending, or if the tenant previously received assistance and still has unpaid rent due since April 1, 2020.

Note: If SHERA makes an assistance payment that is duplicative of another program (RAFT, ERMA, local or philanthropic assistance program), the owner must return the SHERA payment to the Commonwealth. (See question: <u>What if a duplicate payment is made</u>? below).

### 20. If there are arrearages left unpaid after a tenant receives SHERA assistance, when can that tenant apply for ERAP?

A tenant can apply for other rental assistance, such as ERAP or RAFT, at the same time as the SHERA application is in process, or after SHERA assistance has been provided, <u>only if</u> the other assistance requested is for different costs (e.g., moving costs, rental arrearages prior to April 2020, or other expenses which cannot be paid with SHERA). If a



tenant has already applied elsewhere they should continue with that process and NOT apply for SHERA.

Also note that if a tenant accrues additional eligible arrearages subsequently to receiving an initial SHERA payment, the owner may reapply for those additional arrearages within the eligible SHERA period.

# 21. Are residents with a project-based monthly rental subsidy eligible for SHERA assistance?

Residents living in units with project-based subsidy are eligible for SHERA, as are residents of both state and federal public housing. If an eligible household is assisted with a monthly rental subsidy and the tenant rent is adjusted according to changes in income, the renter household may receive SHERA assistance for arrearages in the tenant-paid portion of rent.

### 22. Are residents with a mobile Section 8, MRVP or other mobile housing voucher eligible for SHERA?

Yes, residents with mobile vouchers are eligible for SHERA for the tenant-paid portion of their rent only. Owners may apply on behalf of residents with mobile vouchers.

#### 23. What if the tenant has arrearages that pre-date April 1, 2020?

SHERA can only pay for rental arrears for the eligible SHERA period, which starts on April 1, 2020. Owners are expected to work with responsive tenants and offer solutions in conjunction with and/or instead of SHERA assistance. This may include repayment agreements and advising tenants of other available resources, such as RAFT, which can pay for rent arrears pre-dating April 1, 2020.

### 24. If the Owner has already started the legal process to evict a resident for cause, can they apply for SHERA on behalf of that resident?

A pending for-cause eviction does not make the resident ineligible for SHERA. However, in these instances, owners will be required to submit a tenant-signed copy of the SHERA and Evictions disclosure form maintained by DHCD in addition to the eviction documents filed in court. DHCD will review these documents prior to adjudicating the application.

25. If the Owner has already started the legal process to evict a resident for cause, are they still bound by the 6 month pause if they receive funds?



The six-month eviction pause applies only to evictions for non-payment of rent of residents at the property who have received SHERA assistance. The 6-month eviction pause does NOT apply to evictions for other reasons, including for cause, that do not involve non-payment of rent.

# 26. Are Owners required to obtain a new tenant certification to apply for additional rental arrearages beyond the original assistance provided?

Before reapplying for additional months of assistance, owners are required to provide the resident with a <u>Notice of Reapplication</u>. This notice (template available on the SHERA portal) informs the household of the owner's intent to apply for additional months of assistance and provides the household with at least five days to opt out of receiving additional SHERA funding. If the household does not opt out within those five (or more) days, the owner may then submit the additional claim through the SHERA Portal.

#### 27. Are residents with serious/repeated lease violations eligible for SHERA?

An owner may determine that a resident household is not eligible for SHERA if the household has engaged in serious or repeated violations of the lease (not including non-payment of rent), including criminal activity.

# 28. If a tenant is unwilling to participate in SHERA, can a landlord still move forward with a SHERA application for that tenant?

No. A tenant must return a completed and signed <u>Tenant Certification of Rental</u> <u>Assistance Eligibility</u> to the landlord, and the landlord must document the household's eligibility before they can apply to SHERA on a tenant household's behalf.

#### 29. Does the tenant know how much the landlord is applying for on their behalf?

Yes. The landlord is responsible for providing a <u>SHERA Submission Letter to Tenants</u>, which includes the submittal date and the total amount of rent arrears requested broken out by month.

#### 30. How can tenants check their SHERA application status?

SHERA policy requires that landlords notify tenants in writing when: 1) an <u>application is</u> <u>submitted</u>; 2) if any additional information is required to complete an application; 3) if the owner/property manager determines the tenant is <u>ineligible or non-responsive</u>; and,



3) when an <u>application is approved and paid</u>. Tenant advocates may email <u>SHERA@mass.gov</u> to obtain an update on their client's application status. The email must include the tenant's application ID, but no personal identifying information.

### OWNER AND PROPERTY ELIGIBILITY REQUIREMENTS

#### 31. What are the basic SHERA eligibility requirements for owners?

(NOTE: The term "Owner" here refers to the legal entity that holds title to the property. The term "Sponsor" refers to the company or organization that served as sponsor or developer for the property. A Public/Local Housing Authority typically is both the Owner and Sponsor of its properties.)

To be eligible for SHERA, an Owner must meet ONE of the following three characteristics:

- The Owner must have an existing borrower relationship with MassHousing or Massachusetts Housing Partnership, and they must be a borrower in good standing, meaning that neither the owner, nor the property has no active loan defaults (properties in forbearance are considered to be in good standing); OR
- The Owner is a Public/Local Housing Authority; OR
- The Sponsor must have at least one property in their portfolio that issubject to use restrictions created by participation in a state or federal program and that has 20 or more units.

#### 32. What are the terms of the program that Owners must agree to?

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 each household 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, and if a payment is denied;
- Instruct auditors to incorporate protocols into their annual property audits for review of SHERA funding applications and payments;
- 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; and
- Be subject to compliance reviews.

# 33. What if tenants refuse to participate in the program? Are they still protected from eviction for non-payment of rent?

If an Owner participates in the program, they agree not to evict tenants that receive SHERA benefits for non-payment of rent for the specified period. The Owner will be obligated to work proactively to engage with tenants that are not participating in the program, to include pre-court mediation and offering several possible solutions. Owners should document their efforts to reach out to non-responsive tenants. See Non-Eviction Commitment in the <u>SHERA Policy and Program Overview</u> for details on the Owner's obligations and the protections which apply to the tenant.

#### 34. Can Owners still evict tenants for cause?

Yes, Owners can evict a tenant household for cause other than non-payment of rent.

35. Can participating Owners engage in any legal preliminaries to eviction, short of actually executing an eviction, in order to engage a non-responsive tenant? For example, can an Owner file a 14-day notice to quit if a tenant with arrearages is non-responsive?

Owners may issue a notice to quit but must exhaust other resolution options prior to issuance. A full description of the steps can be found in the Non-Eviction Commitment section of the <u>SHERA Policy and Program Overview</u> and is summarized at a high level below:

1. The Owner sends a Tenant Outreach letter and SHERA Tenant Overview Reference Guide to the tenant household. Within the following 10 calendar days,



the Owner attempts at least once by phone, text, and/or email follow up, subsequent to which either:

- a. the household declines in writing to participate in SHERA, OR
- b. after at least 10 calendar days from delivery of the letter and 5 calendar days from the Owner's first follow-up attempt to contact the tenant, the household does not respond.
- The Owner offers several solutions to the tenant as detailed in the Non-Eviction Commitment section of the SHERA Policy and Program Overview, including, but not limited to hardship exemptions under existing subsidy program rules and repayment agreements
- 3. Owners are strongly encouraged to seek to engage in pre-court mediation as early as possible, and prior to issuing a notice to quit (note that free pre-court mediation is offered to landlords and tenants through the Eviction Diversion Initiative's Housing Mediation Program)

If the tenant submits a signed Tenant Certification of Rental Assistance Eligibility at any time during this process and is eligible for the program, the Owner is required to submit an application on the tenant's behalf.

### 36. If a landlord has accepted a SHERA payment for a particular tenant, are they required to move to dismiss a pending eviction case for that tenant?

Yes. Per the <u>SHERA Owner Agreement</u>, owners must suspend pending evictions for nonpayment of rent for each household that has received ERA payments under SHERA. <u>The</u> <u>SHERA Policy and Program Overview</u> provides detail on the non-eviction commitment.

37. If a landlord has filed a Summons and Complaint for non-payment of rent, will SHERA assist with court costs accrued before the case is dismissed?

No. SHERA can only pay for eligible rent arrears.

### 38. If SHERA does not assist with court costs, is the landlord still required to file for a dismissal of the eviction case?

Yes. Per the Owner's Agreement, landlords must suspend pending evictions for nonpayment of rent for each household that has received ERA payments under SHERA. Owners participating in SHERA are expected to work with tenants at a participating property to forgive or otherwise waive all costs, fees and charges incurred as a result of non-payment or partial payment of rent during the eligible period.

#### 39. Are courts receiving training on SHERA?



Yes. DHCD provided a training for staff from the Housing Court, District Court, and Boston Municipal Court on August 19<sup>th</sup>, 2021.

#### 40. What are the Owner's obligations if tenant ignores all outreach?

The Owner Agreement requires owners to work proactively with their tenants who have fallen behind on rent using resources available to do so, such as payment plans, rent adjustments, mediation, and rental assistance.

If a tenant is not responsive to outreach, the owner should document all outreach attempts in the tenant file and issue a notice to the tenant that due to nonresponsiveness a SHERA application will not be submitted and that tenant still owes arrears. (A template letter will be available for owners on the SHERA Portal).

### 41. What happens to a repayment agreement (either court-ordered or informal) after an arrearage is cured?

If all arrearages covered in the repayment agreement have been discharged by SHERA, then the repayment agreement should become moot and Owners should include the status of the repayment agreement in their payment notification to tenants.

If there are any remaining arrearages after SHERA payment has been made (for example, for non-dwelling charges such as pet rent or parking fees, or for rental arrearages from periods prior to April 1, 2020), owners are encouraged to make reasonable and good faith efforts to offer arrearage forgiveness to and/or enter into payment agreements with any household that has experienced a financial hardship due to the COVID-19 pandemic. Such agreements should be based on current rent obligations and the household's full financial hardship. The agreements should attempt to avoid lump sum repayments at the end of the rent deferral period and allow households to amortize the repayment over time. Households should not be charged late fees upon entering into a payment agreement.

# 42. What are the compliance certification requirements for the staff members of my company, or of the property management company managing my property, who are doing the income certification?

The Owner or its management company must have at least one staff member holding certification in compliance training recognized by the affordable housing



industry. Please refer to Owner Compliance Training Certification on the SHERA Portal.

# 43. Can I apply if I have any past-due payments on loans on any of my properties, especially if those past-due payments were caused by COVID-related tenant arrearages?

An owner is only eligible to participate in SHERA if it is in good standing, that is, if neither the owner nor its property is in active default with MassHousing, MHP, or DHCD. Properties in forbearance are still considered to be in good standing.

#### 44. I don't have a property audit for last year. Can I still apply for SHERA relief?

You can apply as long as your property will be subject to audit for the year(s) in which you are applying for SHERA payments (and as long as your property meets the other program qualifications related to use restrictions and compliance certifications). You do not need to submit a property-specific audit if your property is owned by a single-purpose entity but is included in a larger consolidated audit (for example, for a sponsor organization, or a local housing authority).

### SHERA PAYMENTS

### 45. Can I have the funds direct-deposited into my property bank account? How will we know which arrearages are covered in the payments we receive?

Yes. Funds can be direct-deposited into a bank account you identify (see instructions on the Owner Portal website https://sherafunding.mass.gov) on the Project Details page for each project. Under "Available Actions," choose "Request Direct Deposit."

Each payment made to an owner will include an itemized account of the amounts paid for each tenant.

#### 46. What if a duplicate payment is made?

Owners are expected to check their accounting records prior to submitting requests for SHERA assistance to confirm that other assistance has not been paid for the same benefit during the same time period. If a duplicate payment has been made to an Owner, the Owner will be required to repay DHCD for the duplicate amount.



### 47. Is a SHERA payment considered a rental subsidy for the purposes of Public/Local Housing Authority accounting?

For state-aided public housing units, these payments may be booked under a/c #3690 – Other Operating Revenue. This will count as income, similar to rent, that reduces the need for subsidy in that year; preserving resources to increase LHA budgets in subsequent years. P/LHAs should contact HUD for guidance on how to account for funds for federal public housing.

# 48. My state and federal public housing properties have tenants in arrears. When setting up direct deposit information in the Portal, must I provide <u>both</u> my state and federal bank account information?

No. You can request that the federal SHERA assistance be sent to either account. However, you must:

- transfer the SHERA assistance to the appropriate state/federal bank account on a regular basis.
- book the SHERA funds received to the appropriate state or federal ledger accounts (i.e. SHERA funds received for state public housing properties are to be booked to state ledger accounts and SHERA funds received for federal public housing properties are to be booked to federal ledger accounts). As federal funds, you must not comingle federal and state funds in your accounting records.
- if SHERA payments are deposited into interest-bearing accounts, you must track the interest earned on SHERA funds separately. That interest can only be used for the federal ERA program activities. Any interest earned over \$500 does not need to be returned to the Treasury.

#### 49. Will I receive a 1099?

Yes, you will receive a 1099 if you are a private Owner. If you are a P/LHA applying for federal or state public housing tenant, you will not receive a 1099.

#### 50. Do Owners need to submit a separate W-9 for all properties?

Only one W-9 is required for all properties sharing the same owner tax identification number. The user populates this information directly in the SHERA Portal. The submitted information is then verified against IRS records.



51. Will SHERA send notification directly to the tenant upon approval and/or payment, or is that the sole responsibility of the landlord? What happens if the landlord fails to send notice?

It is the landlord's responsibility to provide a <u>Payment Letter to Tenants</u> for approval and payment. DHCD may investigate legitimate claims of non-compliance with SHERA policy.

SHERA provides a notification email to the tenant once payment is approved. DHCD is working with its vendors to provide a SMS text message to tenants that do not wish to be contacted by email, and a letter for tenants that do not wish to be contacted by text or by email. These additional notices do not supplant the landlord's notification responsibilities.

### OTHER INFORMATION FOR OWNERS

52. I am unable to successfully locate my Property ID in the SHERA Portal. How do I obtain the Property ID I need to register my property and submit my funding applications?

If you have not received a Property ID, please complete the <u>pre-screening form</u> and provide the required information and a Project ID will be provided to you. Please note that receiving a Property ID does not guarantee eligibility for the SHERA Program; it grants you access to the SHERA Portal where you will need to verify certain information.

53. Is it possible to cancel an application once it has been submitted in the Online Portal but before it has been processed? For example, what happens if a tenant wants to rescind their consent after their application has been submitted but has not been processed?

Yes. If an owner makes an application in error, or an owner wishes to cancel an application it has submitted in the Online Portal before it has processed, the owner must request the cancellation by submitting a service request in the SHERA Portal. The owner must include a reference to the tenant claim(s) and Project ID and the reason(s) for the cancellation.

54. What if an Owner found that a tenant had misreported income; are tenants eligible to receive rent arrears for that portion of rent?



If an Owner discovers misreported income that results in a tenant becoming ineligible for benefits for which they have applied, they should do their best to change or cancel the application, if it is still within the window of time when it is possible to do so. If such errors are discovered after payment has already been made, the funds must be repaid, and Owners will be responsible for creating a repayment plan to recover those funds from the tenant.

### 55. What documentation should be kept in a tenant file for a potential audit? How long should these files be kept?

A separate file must be maintained for every applicant for six fiscal years after the benefit has either been received or denied; this documentation requirement holds whether the request was approved or denied. This file may be digital or physical, or a combination of the two. Required files include, but are not limited to:

- Identification for head of household
- Verification of current housing (e.g. lease, tenancy agreement)
- Certification of Rental Assistance Eligibility
- Verification of housing instability or risk of homelessness (Owner's evidence of rental arrearage is sufficient)
- Verification of income
- Tenant-signed attestation of financial hardship due directly or indirectly to COVID-19
- W-9 for property owner or authorized agent
- Authorization of agent, if applicable
- Proof of ownership for unit
- Lease(s) effective during the term of the rental assistance;
- Last four digits of the Head of Household's Social Security Number, if applicable
- Any communications with the tenant or other party involved in the application
- Other records as required by MassHousing, MHP and/or DHCD or federal, state, and local law or regulations.

# 56. Do I have to freeze rent for tenant households participating in the SHERA Program?

Yes, participating owners must freeze rent for eligible households participating in SHERA that do not have income-based rent until the later to occur of (i) July 31, 2021 and (ii) when the applicable subsidy program permits the owner to implement rent



increases. For tenants whose rents are adjusted based on income, there also remains the ordinary obligation to provide downward rent adjustments as applicable.

#### 57. Can owners access SHERA for arrears and then tenants access ERAP for stipends? Do residents have a choice of which program to access, can they choose ERAP rather than SHERA?

Yes, residents may participate in either program. However, SHERA was designed to specifically pay rent arrearage and require that owners engage with residents and help with the application process.

#### 58. Do applicants have to demonstrate immigration status?

No, applicants do not have to demonstrate immigration status to receive SHERA.

### 59. Is the renter in an income-based rental unit obligated to pay retroactive rent arrearages if the Owner's certification shows an increase in household income?

No. SHERA can assist renter households with the increased rent arrearages due for the eligible SHERA period as a result of an annual or interim income recertification that captured an increase in household income during this time period.

#### 60. Do I have to report what the tenant has already paid in the SHERA Application?

No. In the SHERA Application, you should only report the amount of rent arrears outstanding for each particular month that you are requesting.

For example: the tenant's monthly rent share is \$500. The tenant made a payment of \$1,250 in June 2020 that covered rent owed for April and May, and half of what they owed for June. In the SHERA application you would report \$250 for June 2020, since that is the balance outstanding. You should not report the fact that April and May were paid late.

### SHERA PROGRAM RESOURCES

#### 61. What are the best resources to learn more about this program?

Owners and their authorized agents should thoroughly familiarize themselves and their staff with the program and policy documents available on the SHERA portal website (<u>https://sherafunding.mass.gov</u>):



Please note that while the <u>Federal guidelines</u> are helpful in laying out baseline requirements for the program, Massachusetts has tailored program implementation to meet the specific needs of the Commonwealth; where there are conflicts, the specific Massachusetts SHERA program guidelines prevail.

#### 62. Are there program materials a tenant can share in court?

Yes. Please visit <u>this website</u> to find SHERA Program requirements and reference guides for residents living in eligible public housing and privately-owned subsidized housing.

#### 63. Who can I contact for any questions related to the SHERA program?

Owners are encouraged to review supporting documents on the <u>SHERA portal</u>. If owners still have questions related to SHERA, they can submit a service request directly on the SHERA portal for both technical and general program questions.

### 64. What type of training and support will be made available to apply for this program?

Training resources, including webinar recordings, and program support materials for owners will be posted on the <u>SHERA Owner Portal Program Information page</u> as they become available.

### 65. Do Housing Community Education Centers (HCECs) provide SHERA information and support to tenants and landlords?

HCECs have been provided with key SHERA documents available on <u>this website</u> to share with tenants and landlords.

### 66. Are there other resources to support Owner and tenants? How can the Housing Mediation Program (HMP) help me?

Mediation is a process where two or more people agree to be helped by a neutral third party to resolve a conflict. Through the Commonwealth of Massachusetts' Eviction Diversion Initiative, the HMP provides free access to trained mediators who help tenants and landlords talk through issues, understand what is important to each other, and find solutions that work for everyone. As of April 30, 2021, 80% of cases mediated by the HMP have resulted in the landlord and tenant reaching a full or partial agreement. More information about the program is available here: https://www.resolutionma.org/housing



#### 67. What are the eligibility requirements for the Housing Mediation Program (HMP)?

HMP can provide services to landlords and tenants where there is a risk of eviction due to direct or indirect impacts of COVID-19. "Indirect impacts" of COVID-19 are a very broad category and include such things as incurring higher utility bills due to spending more time at home, having difficulty finding employment due to the weakened state of the economy, losing a job, having hours reduced, losing access to childcare or dependent care, seeing increased expenses, or something else. There is no cost for HMP services regardless of the participants' income.

#### 68. How can I access the Housing Mediation Program (HMP) services?

To find the HMP provider which serves your area, go to this website and select your municipality from the drop-down list: <u>https://hedfuel.azurewebsites.net/</u>. Landlords or tenants may reach out directly for services. No court referral is needed, and HMP services are available even before an eviction is filed.

