

RENTAL ARREARS/EVICTION PREVENTION

ADMINISTRATIVE PLAN

EVICTION PREVENTION

Administrative Policy - Table of Contents

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Updates 03.03.2025:

TENANT ELIGIBILITY:	

- The tenants' housing costs shall not exceed 50% ¹ of household income.
- Households on fixed incomes (such as Social Security and Social Security Disability) will be exempt from the 50% income to rent limit test as established in this Section, provided the household can demonstrate they have the cash resources to sustain the tenancy)
- Households receiving permanent rental assistance (such as section 8 vouchers) will automatically be eligible.

FUNDS AVAILABLE:

6

Clarified other costs and AMI language

ATTESTATIONS:

10

• New lease only for clients with existing month-to-month lease.

APPENDICES:

- Housing Affordability Analysis
- Application
- Stipulation Document

Stable housing is a basic need and critical to success in all aspects of life: school, work, health, family, and community responsibilities. Eviction destabilizes the lives of families and is associated with severe negative impacts on health and economic well-being. Preventing an eviction helps households and neighborhoods to thrive. The VT State Legislature passed H.829 during the 2024 legislative session. As part of that legislation, VSHA was granted 2.5 million dollars for FY 2025 to establish a Rent Arrears Assistance Fund specifically to prevent evictions. H-0829 As Passed by the House Unofficial.pdf (vermont.gov)

The following represents the policies that will be relied upon to implement this directive.

1. PURPOSE:

The Vermont State Housing Authority (VSHA) Rent Arrears/Eviction Prevention program (RAEP) provides funds to prevent eviction in cases involving nonpayment of rent from residential rental units subject to 9 V.S.A chapter 137 and mobile home lot rentals subject to 10 V.S.A chapter 153.

2. GOALS OF THE PROGRAM:

- Preventing eviction for sustainable tenancies.
- Open doors for landlords and tenants to establish successful and trusting relationships that result in housing stability.
- Maintain relationships with current landlords while increasing the opportunity for new units available to Vermonters who are experiencing or at risk of experiencing homelessness; and
- Provide resources to prevent loss of housing opportunities for tenants and prevent vacancy loss for landlords.

3. TENANT ELIGIBILITY:

- 100% of AMI for the current year. This limit is flexible within 10% at the discretion of VSHA. A tenant household must be at risk of eviction, documented by a docket number (court filing).
- Must be able to sustain tenancy.
 - Sustainable tenancy is one that a tenant can maintain successfully. For this to happen, a few conditions need to be met:
 - The tenant must meet their responsibilities by adhering to lease conditions.
 - The tenant must have the cash resources/benefits to pay rent and related costs as outlined in the lease agreement on an ongoing basis once the arrears are paid.

- The tenants' housing costs shall not exceed 50% ²of household income. Exceptions may be made on a case-by-case basis
 - A Housing Affordability Analysis will be conducted for each applicant following Exhibit 1.
- Households on fixed incomes (such as Social Security and Social Security Disability) will be exempt from the 50% income to rent limit test as established in this Section, provided the household can demonstrate they have the cash resources to sustain the tenancy)
- Households receiving permanent rental assistance (such as section 8 vouchers) will automatically be eligible.

Unsustainable Tenancies: If it is determined that an applicant's tenancy is not sustainable, the applicant will be referred to the CVOEO Rental Housing Stabilization Program or another local non-profit coordinated entry for assistance in exploring other resources.

Second Applications for Same Tenancy: If a tenant or landlord returns for a second eviction prevention benefit, the application will be initially denied, and a referral will be made to CVOEO Rental Housing Stabilization Program

4. LANDLORD REQUIREMENTS:

Landlords are eligible to receive grants on behalf of tenants if the tenant has rent arrears and the unit does not have serious life safety code violations. Landlord can apply if tenant has not paid rent. The tenant will be notified of the landlord's application.

Proof of occupancy for tenant listed on Landlord Certification is required.

5. <u>APPLICATION PROCESS</u>:

- A. Simplified Tenant Application: (see appendices)
 - Includes attestations
 - Typically used by a service provider (VLA or CVOEO) and processed by VSHA
 - Fire safety code question (does your unit meet the code?)

Applicants shall provide:

- Tenant contact information (phone number, email, mailing address) if known.
- Proof of arrearage (ledger) <u>AND</u> court document with docket #.

² "Half of all Vermont renters are cost-burdened, and one in four pay more than 50% of their income on housing costs, putting them at high of evictions" [source: Vermont Housing Needs Assessment 2015-2019]. The threshold increased to capture the need.

- Current Lease with rent amount if month to month provide original lease.
- Landlord attestation that the dwelling unit for which the tenant will be receiving assistance is operated and maintained in compliance with Vermont Rental Housing Code or will be
- brought into compliance within 30 days if any deficiencies exist. If habitability is at issue in the eviction suit, this may be addressed in the settlement stipulation/agreement.
- For information on the Vermont Rental Housing Code, please click here: <u>RRHHS Code 2022</u>
 <u>pdf (vermont.gov)</u>

6. FUNDS AVAILABLE:

- The Fund shall disburse only the amount necessary to cure the tenant's rent arrears, other costs related to settlement, and if necessary, court costs and attorney's fees capped at an amount set by the Authority. These amounts are stacked.
- Court costs and attorney fees will be capped at \$5,000 if costs are in addition to the rental
 arrears.
- Other costs are capped at \$5,000.00.
 - Examples of other costs may include water/sewer costs (if supported by the lease) as well as tenant damage if costs are in addition to the rental arrears.
- If tenants are at 50% of AMI or below, they must attest that they applied for ALTERNATE FUNDING and were denied, or that the funds didn't cure the eviction.
- The Fund is available on a first-come, first-served basis to eligible tenants until the Fund is exhausted.

7. APPLICATION:

Applicants and landlords can apply using a simplified form (see appendices). Only information needed to determine eligibility will be collected.

- Applicants will be required to certify all information on the application.
- VSHA will assist in completing the application directly or through a referral to Vermont Legal Aid, CVOEO, or another community partner.
- VSHA will coordinate with our contractors to have forms translated as needed.
- Notice of grant decisions will be made within 10 business days of receiving a complete application. Applicants will be notified via email or SMS.
- A decision on appeals will be made within 10 business days of the date of the appeal.

8. APPLICATION PENDING EVICTION:

• If an eviction case is filed, the tenant or the landlord shall notify the court when an application for Fund assistance is pending.

- While the application is pending, the landlord shall not issue a new notice to quit, file, or serve a new summons and complaint.
- 9. <u>DISBURSEMENT</u>: The Authority shall disburse amounts from the Fund directly to the landlord or to the Court if required by the proceeding.

Conditions for disbursement of funds:

- Habitability.
 - Landlords will be required to agree to a plan to meet Rental Housing Health Codes within 30 days of settlement. Click here for code: RRHHS Code 2022 .pdf (vermont.gov)
- Landlords must enter into a new lease agreement with a minimum term of 12 months; on a case-by-case basis a 6-month lease may be accepted for good cause.
- Landlords must agree to not increase the rent during the initial term (6 or 12 months) of the new lease.
- Landlords must provide an accurate W-9 and accurate direct deposit authorization to receive monies from the Fund.
- The landlord must agree to dismiss complaints based on nonpayment of rent and complaints for no cause, whether there is a single or multiple pending complaints. [Signed Stipulation Forms will be used to verify dismissal and agreement of continued tenancy.]
- Rent may not exceed the amount for people at 100% of Area Median Income as listed here. Affordability Chart (housingdata.org)

10. NOTIFICATION OF AWARD:

Landlords are eligible to receive grants on behalf of tenants if the tenant has rent arrears and the unit does not have serious life safety code violations. The tenant will be notified of the landlord's application.

The Authority will provide written notification to landlords and tenants of the award, including amounts paid for each category of disbursement and the date of payment.

- The notification form shall allow the landlord or tenant to easily notify the court and request a dismissal due to payment
- The notification form will outline certifications established in Authority guidance that both parties have made as a part of their application, along with the date of those certifications.

11. IMPLEMENTATION: November 15, 2024

12. DEMOGRAPHICS:

Age; Disability; Household size; Income and Source of Income, Race and Ethnicity.

13. SUBMITTING APPLICATION:

- Landlords (Property Owners, Property Managers or Authorized Agents)
- Service Providers on behalf of tenants.
- Applications cannot be initiated by a tenant.
- If a tenant is unable to access a community service provider to help facilitate their application, a VSHA staff will complete the form with the applicant by phone.

14. PAYMENT REQUIREMENTS:

- EP payments will not be made on behalf of tenants in units with serious life safety code violations until the repairs are verified as complete.
 - o The following are considered life-safety issues:
 - Any condition that jeopardizes the security of the unit
 - Major plumbing leaks or flooding, waterlogged ceiling or floor in imminent danger of falling
 - Natural or LP gas or fuel oil leaks
 - Any electrical problem or condition that could result in shock or fire
 - Absence of a working heating system when outside temperature is below 60 degrees Fahrenheit.
 - Utilities not in service, including no running hot water
 - Conditions that present the imminent possibility of injury
 - Obstacles that prevent safe entrance or exit from the unit
 - Absence of a functioning toilet in the unit
 - Inoperable smoke and carbon monoxide detectors

15. OBLIGATIONS WHEN RECEIVING FUNDS:

- Landlord shall agree to waive any Late fees.
- If there is currently a month-to-month tenancy, landlord agrees to offer the tenant lease with a minimum term of 1 year, on a case-by-case basis a 6-month lease may be accepted.
- Landlord agrees that the rent will not be increased during the initial term (6 or 12 months) of the new lease.
- No new action for non-payment of rent will be taken for a period equal to the number of
 months covered by the grant, or up to 6 months, whichever is less. There will be a
 requirement to start a new lease.
- Landlords will not be prohibited from evicting for reasons related to Material Non-Compliance as defined in the HUD MULTI FAMILY Occupancy Handbook. These items include:
 - o Fraud
 - Repeated Minor Violations
 - Drug Abuse and Other Criminal Activity

- o Material Failure to carry out obligations under a State and Tenant Act
- New eviction actions will not be taken while an application is pending with VSHA.
- Any pending termination of tenancy, and any pending court case for eviction will be dropped.

16. APPLICATION PROCESS:

Applications for claims may be made via an online application. Paper applications will be made available to accommodate disability, or lack of access to the necessary technology, or for other legitimate causes.

Once received, the administrator will review the information and materials submitted with the claim within 10 business days. The claimant will be notified of a decision in writing.

The decision may include a request for additional information/documentation. Partial claims may be considered if portions of a claim are ineligible, or an expense cannot be verified. In addition to general information about the claim, applications will also require some or all the following documentation dependent on the specific claim:

- Stipulation Documentation or Court Documentation with Docket No. IS REQUIRED
- Executed Rental Assistance Agreement
- Certificate of Occupancy as required by municipality.
- Tenant contact information (phone number, email, mailing address) if known
- Proof of arrearage (ledger) AND court document with docket #.
- Current Lease if month to month provide original lease
 - o If there is no written lease, any supporting documentation showing that the household has lived in the unit for at least 30 days.
- The dwelling unit for which the tenant will be receiving assistance is operated and
 maintained in compliance with Vermont Rental Housing Code or will be brought into
 compliance within 30 days. Units with serious life safety code violations will be referred to
 the Division of Fire Safety and/or Vermont Legal Aid.
- For information on code, please click here: RRHHS Code 2022 .pdf (vermont.gov)
- Rent may not exceed the amount for people at 100% of Area Median Income as listed here.
 Affordability Chart (housingdata.org)

The Program Administrator reserves the right to waive or require additional documentation on a case-by-case basis.

17. DECISIONS AND APPEALS:

- All decisions will be made within 10 business days of submission of a complete application package (certification from landlord and tenant application). Incomplete applications will maintain their position in the application queue if the application is completed within 20 business days.
 - An application exceeding this timeline may be resubmitted once information is obtained, the application processing timeline will start over.

- All decisions will be in writing by email; SMS or First-Class mail if necessary and conveyed to the tenant and landlord.
- The Administrator will have an expedited appeals process by which a hearing will be held with anyone designated by the Administrator who was not the original decision-maker or that person's subordinate, and a decision is made within 10 business days of the request for an appeal.
- Applicants will remain on the list until a decision is made.

18. PAYMENTS:

- All benefits will be paid by Direct Deposit to the landlord's bank account. Or to the Court appointed account if applicable.
- Landlords may apply once per year, per tenant/household. Until program funds run out.
- Landlords must certify to the rental amount the tenant is in arrears.
- For the landlord to receive payment, the landlord must furnish to VSHA an IRS W-9, the VSHA Direct Deposit form and a voided check or other bank account documentation with account and routing number i.e. deposit slip.
- The maximum amount of rental arrearage is \$10,000.00 for 1- or 2-bedroom units; for larger units the rent arrearage cap is \$15,000.00. On a case-by-case basis the program may authorize additional rental arrearage. This would be for extenuating circumstances, the program can make exceptions above this amount, up to 20% if tenancy is sustained, and a new 1-year lease is initiated.

19. ATTESTATIONS:

- Landlords are expected to be in good standing with any local housing compliance regulatory body, local/state code enforcement, the State of Vermont.
- Landlord agrees to a plan to ensure the unit is code compliant within 30 days of settlement.
- Landlords that receive payment from the program will receive a 1099 because of the program and thus must provide all applicable tax forms.
- Landlords agree not to proceed with eviction for non-payment of rent OR for any costs
 associated with stipulation for the obligated number of months. In no circumstance will
 the landlord file an additional summons and complaint for the number of months
 cured by the arrear's payment.

** Landlord agrees to provide a new lease for ANY TENANT WITH A MONTH-TO-MONTH

LEASE FOR A minimum of 1 year, or on a case-by-case basis a 6-month lease would be

accepted. In no circumstance will the landlord file an additional summons and complaint
for the number of months cured by the arrear's payment.

Landlords understand that VSHA can't determine future behavior of tenants.



Eligibility Analysis RA-EP

Monthly Income:			
Monthly Subsidy:			
Monthly Rent Payment:			
Utilities not included: Average monthly Heat Bill:			
Average monthly Electricity Bill:			
Average monthly Cooking Gas Bill: (if separate from Heat Bill)			
Average monthly Air Conditioning Bill: (tf separate from Electricity Bill)			
Other Utility Bills:			
Total Utility Allowance: \$ 0.00			
Gross Rent: \$ 0.00			
Max Gross Rent Calculation: \$ 0.00	* 0.5	= \$ 0.00	
Max Gross Rent with Rental Assistance:	\$ 0.00	+ \$ 0.00	= \$ 0.00
The same of the sa			
Signature:	Date	e:	
*If tenant is receiving assistance to complete this fo	rm, the as	sisting party may	sign on their behalf
Please send completed form to	: landlord	lrelief@vsha.org	
For Internal Use Only:			
Rent is affordable			
Yes			
No Referral to CVOEO			

Appendix B: Applicant Information:

LAN REL PRO	NDLORD INTERPRETATION OF THE PROPERTY OF THE P	RA-EP APPLICANT	INFORMATION	
LAST NAME FIRST NAME	ME MI	DATE OF BIRTH	DISABILITY STATUS	
RACE/ETHNICITY:	EMAIL:			
HOME PHONE:	CELL P	HONE:		
PHYSICAL ADDRESS:		l	UNIT#	
CITY:	ZIP:			
MAILING ADDRESS (if differe	nt from physical addres	<u>s)</u>		
ADDRESS:				
CITY:	ZIP:			
Length of Tenancy:				
INCOME: Monthly: Source:				
LANDLORD: Name:				
Phone:	Email	:		
Community Support: Have you sought other assistance to cure back rent arrears? If yes, please tell us who you sought funding from, if you received any, if you were denied, or if you are no longer eligible.				
My monthly rent is \$ Or Lot Rent is \$ Does your rent include utilities? The current amount that I owe my landlord for back rent is \$				
If you are receiving assistance from a service provider/agency, please provide contact information:				
By providing this information you giv	e VSHA permission to commu	inicate with this service pr	ovider about your application.	

Appendix C Stipulation form to be filed with Court to Dismiss Eviction:

STATE OF VERMONT

SUPER	IOR CO	URT		CIVIL DIVISION
	Unit			Docket No.
		,		
	Plainti	f(s)		
	V.			
and all	others	residing at the premises,		
	Defend	ant(s)		
		STIPULA	ATION TO DISMISS	
and ag	Now co		dvice and assistance of counse	l, if available, stipulate
1.	The pa	ties agree the monthly rent for	the residential dwelling is \$	_* per month.
2.	2. The parties agree the following amounts are owed to plaintiff: a. Rent arrears \$*			
		i. Rent arrears covers th	e months of* to [month/year]	
Total Rent Payment: \$*				
	b.	Other court related expenses	including: (limit \$5,000)	
		Court Costs Court Filing fee and el	\$ 310.00 ectronic filing surcharge	
		Sheriff's fees	\$*	
		Plaintiff's Attorney's fees	\$*	

	i.	The written rental agreement between the that Plaintiff may recover Attorney's fees.	parties provides at Section*,
c.		ge/Repairs to Unit (limit of \$5,000) Explanation:	\$
	Total t	to be paid via VSHA: \$	
d.	and ar	aintiff and defendant have agreed the follow re not payable. ining Rent Arrears / Late Fees	ing amounts are owed to plaintiff
	(if defe	endant has exhausted defendant's benefits):	\$
	Total I	Expenses	\$
3. That th	e follow	ing situation applies to the parties:	
	Relief landlo	dant will apply to the Eviction Prevention Ber Program for the above listed amounts. Plain and portion of the application process. The pa lule a status conference in 30 days to rece	tiff agrees to complete the arties request that the court
	a.	Rent Benefit Payment: \$	
	Th sti the	Other Expenses: \$e amounts listed in "expenses" above have be pulation shall serve as documentation that lesse expenses and reimbursement will be receptication for Eviction Prevention.	Plaintiff must be reimbursed for
		Total to be Paid by VSHA: \$	n paragraph c, it is the intent of the sed with prejudice and Defendant
	e.	The Plaintiff Agrees to Enter into a New Lea period of	
	f.	months. Plaintiff agrees to cure any code violations 30 days of execution of this stipulation.	present in the rental unit within

Pre am	endant (or their Agreed Upon Provider) has already applied to the Eviction vention Benefit under the VSHA Landlord Relief Program for the above listed bunts. Plaintiff agrees to complete the landlord portion of the application cess.		
	stipulation shall serve as docum	a" above have been paid by Plaintiff, and this nentation that Plaintiff must be reimbursed for nent will be requested on the Defendant's	
	the rental unit located at be evicted for nonpayment of e. The Plaintiff Agrees to Enter in period of (6-12) months f. Plaintiff agrees to cure any of 30 days of execution of this seg. Plaintiff may reopen this county VSHA. f agrees to complete the Eviction	ed with prejudice and Defendant may remain in and shall not of rent for the equal number of months paid. into a New Lease at the same rental rate for the ode violations present in the rental unit within	
_andlord Signature Approved:	date	Tenant Signature date	
Attorney for Plainti	ff	Attorney For Defendant if represented SO ORDERED:	
		Hon.	
*These sections m Enter \$0.00 if not a		o receive funds through Eviction Prevention.	