RENTAL ARREARS ASSISTANCE FUND

ADMINISTRATIVE PLAN

RENTAL ARREARS ASSISTANCE FUND

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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 Vermont Legislature passed Act 47, 2023 which established the Rent Arrears Assistance Fund to prevent evictions. VSHA was granted 2.5 million dollars for FY 2025 for the fund.

The following represents the policies that will be relied upon to implement this directive. The Vermont State Housing Authority (VSHA) Rent Arrears/Eviction Prevention Program (RAAF) began November 18th, 2024.

1. **PURPOSE:**
   The VSHA RAAF program provides funds to prevent eviction in cases involving nonpayment of rent from residential 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 for eligible tenants.

3. **ELIGIBILITY:**
   TENANT ELIGIBILITY:
   - Total gross household income shall not exceed 100% of Area Median Income for the area where the household resides. This limit is flexible within 10% at the discretion of VSHA.
   - A tenant household must be at risk of eviction documented by a termination notice for non-payment of rent or a documentation indicating an eviction proceeding (court case) has commenced by providing a docket number and any associated court filings.
     - A termination notice shall be defined as a 30-day notice to quit, served in accordance with Vermont Tenant Landlord Law.
   - Tenants must demonstrate their ability to sustain the 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 the 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% of their income. (exceptions can be made on a case-by-case basis) This is determined by using the Housing Affordability Analysis in Exhibit 1.
- Households on fixed incomes such as Social Security or Social Security Disability will be exempted from the 50% income to rent limit test as established in this section, provided they can demonstrate they have the cash resources to sustain the tenancy.
- Households receiving permanent rental assistance (such as section 8) will automatically be eligible.

Unsustainable Tenancy: If it is determined that an applicant's tenancy is not sustainable, the applicant will be referred another local non-profit or coordinated entry program for assistance in exploring other resources.

Second Applications for Same Tenancy: Repeat *assistance may be approved when the applicant demonstrates an extenuating circumstance that is extraordinary, temporary, and beyond the applicant's reasonable control, and when there is evidence that the requested assistance is likely to result in long-term housing stability. Approval of repeat assistance shall be considered on a case-by-case basis and must be supported by documentation of the extenuating circumstance and a sustainability plan*."

Requirements Relative to Second Application:

- Minimum 1 year since last disbursement
- Applicants must show they have made every reasonable effort to make payments and address the delinquency.
- Provide documentation of Extenuating or Extraordinary situations.

LANDLORD ELIGIBILITY:

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

- Rent must not exceed the Rental Affordability amounts for people at 100% of AMI as listed here: purchase-price-and-rent-affordability.pdf, and as updated by the Vermont Housing Finance Agency (VHFA).
- Landlords must provide an accurate, completed and signed W-9 and LRP Direct Deposit Authorization to receive monies from the fund.

4. **SIMPLIFIED APPLICATIONS:**

Tenant Application: Tenants and/or service providers will need to complete the "RA-EP Eligibility Analysis" form (Appendix A) and the "RA-EP Applicant Information" form (Appendix B). Email those documents to landlordrelief@vsha.org . *ONLY INFORMATION NEEDED TO DETERMINE ELIGIBILTY WILL BE COLLECTED. VSHA will arrange for translation of documents upon request.*

- Tenants will be required to certify all information on the application
- Tenants agree to allowing VSHA to verify any information provided in their application.
- If a tenant is not working with a service provider or is not represented by an attorney, VSHA staff will assist with completing the simplified application and affordability forms. Tenants should email landlordrelief@vsha.org or call 802-828-1650 for assistance.
- ***The tenant understands that should they fall more than 60 days behind the landlord can evict for non-payment.***

Landlord Application: Landlords will need to submit information through our online landlord portal found here: Eviction Prevention – Vermont State Housing Authority . This portal offers all pertinent information forms to successfully complete an application.

Landlords will be required to provide the following information in the portal:

- Tenant contact information (phone number, email, mailing address) if known.
- Copy of Termination Notice: i.e. Eviction notice, notice to vacate, notice to quit, notice to terminate residency to quit, with documentation the notice was served properly (for example, certified letter receipt).
- Proof of Arrearage – ledger and/or court document with docket #
- Current Lease with rental amount. If a tenant is on a month-to-month lease, please provide the original lease.
- Landlords must attest that the dwelling for which the tenant will be receiving assistance will be brought into compliance with Vermont Rental Housing Code or will be brought into compliance within 30 days if any deficiencies exist. If habitability is an issue in a court case, this may be addressed in the settlement stipulation/agreement. For information on the Vermont Rental Housing Code, please click here: RRHHS Code 2022 .pdf

5. **APPLICATION - PENDING EVICTION IN COURT:**
    - If an eviction case is filed, the tenant or their representative, the landlord or their representative 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 or serve a new summons and complaint.
- Landlords and Tenants will still need to do all steps in Section ***4. SIMPLIFIED APPLICATIONS: ***

6. **FUNDS AVAILABLE: The fund is available on a first-come first-served basis to eligible tenants until the Fund is exhausted.**
   The Fund shall disburse only the amount necessary to cover the tenant's rental arrears and other necessary costs related to settlement. Specifically, other costs are as follows:
   - Court Costs:
     - Attorneys' fees, sheriff fees and filing fees will be capped at $3,000. Landlords will agree to waive costs above this amount.
     - Landlords filing on their own are eligible for up to $1,000.
   - Other Costs:
     - Examples of other costs may include water/sewer costs or utilities (if supported by the lease) as well as tenant damage if costs are in addition to the rental arrears.

7. **ATTESTATIONS:**
   - Landlords will attest to being in good standing with any local housing compliance regulatory body, local/state code enforcement and the State of Vermont.
   - Landlords will develop a plan to ensure the unit is code compliant within 30 days of settlement, if there are any violations.
   - If awarded, the tenant(s) will not be evicted or removed from the unit based on items addressed by the approved claim. (i.e. damage/repair funds sought from the program and received by the landlord during the tenancy, they may not evict the tenants for cause related to the repairs addressed).
   - Landlords agree to allowing VSHA to verify any information provided in this application
   - Landlord understands that VSHA cannot determine, nor are they responsible for, a tenant's future behavior.

8. **OBLIGATIONS WHEN RECEIVING FUNDS:**
   - Landlord agrees to waive any late fees
   - No new action for non-payment of rent will be taken during the application process

- 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:
    - Fraud
    - Repeated Minor Violations
    - Drug Abuse or Other Criminal Activity
    - Material Failure to carry out obligations under a State and Tenant Act
- Any pending termination of tenancy and any pending court case for eviction will be dropped.

9. APPLICATION REVIEW PROCESS:

Applications for RA-EP are made via our online portal. Paper applications will be made available to accommodate disability or lack of access to the necessary technology, or other legitimate causes.

Once received, VSHA will review the information and material submitted with the claim within 10 business days. The claimant will be notified of a decision in writing. This decision may include a request for additional information or 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.

- **Termination Notice or Court Documentation with Docket No. IS REQUIRED.**
- Tenant contact information (phone number, email, mailing address)
- Proof of rental arrearage. (ledger)
- Current lease, if month-to-month original lease
    - If there is no written lease, any supporting documentation showing that the household has tenancy (resides in the unit for more than 30 days).
- Accurate W-9 and Direct Deposit forms

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

10. DECISIONS AND APPEALS:

- All decisions will be made within 10 business days of submission of a **complete application package.** Incomplete applications will maintain their

position in the application queue if the application is completed within 20 days.
    - An application exceeding this timeline will be cancelled, and may be resubmitted.
- VSHA will provide written notification to landlords and tenants of the award, including amounts paid for each category of disbursement and the date of payment. This information is accomplished through the creation of the Program Draft Stipulation to Dismiss (representatives of the landlord and tenant may modify based on individual cases) ***see Appendix C***
    - The Draft Stipulation to Dismiss contains certifications that both parties have made as a part of their application and request for benefits, along with the date of those certifications.'
    - The Draft Stipulation to Dismiss shall allow the landlord or tenant (or their representatives) to notify the court and request a dismissal due to pending payment.
    - Once the Stipulation to Dismiss is Executed, the document is returned to VSHA to issue final approval and schedule payment to the landlord.
- At the request of counsel or the Applicant, the notifications to the landlords will be shared with other parties.
    - ***REQUEST FOR APPEALS:***
        - A request for an appeal must be made withing 10 business days of receiving notice of denial from the Program.
            - Request for appeals will be scheduled within 10 business days of the request.
            - 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 the person's subordinate.
            - Appeals will be held by phone or video conferencing.
            - 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. The appeal decision will be in writing by email, SMS or First-Class Mail.

11. DISBURSEMENTS:

- **Conditions for Disbursement of Funds:**
    - The subject unit must be habitable
        - Landlords will be required to attest to habitability or provide plan to meet Rental Housing Health Codes within 30 days of settlement. Situations that require a plan will receive 50% of court ordered funds and final payment once documentation is provided that the code has been rectified. For information on the Vermont Rental Housing Code, please click here: RRHHS Code 2022 .pdf

    - ***Habitability Requirements:***
        - Any condition that jeopardizes the security of the unit
        - Major plumbing leaks or flooding; waterlogged ceiling or floor in imminent danger of collapsing
        - 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 are not in service including no running hot water
        - Conditions that prevent safe entrance or exit from the unit
        - Absence of a functioning toilet in the unit

- All benefits will be paid by Direct Deposit to the landlord's bank account.
- 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 rental arrearage allowed is $10,000.00 for 1- or 2-bedroom units; for larger units the rental arrearage cap is $15,000.00. On a case-by-case basis the program may authorize additional rental arrearages. This would be for extenuating circumstances; the program can make exceptions above this amount, up to 20%.

Appendix A: Eligibility Analysis

RA-EP
Eligibility Analysis

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:
(if 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

Signature: Date:

If tenant is receiving assistance to complete this form, the assisting party may sign on their behalf

Please send completed form to: landlordrelief@vsha.org

For Internal Use Only:

Rent is affordable

Yes ☐

No ☐ Referral to CVOEO

Appendix B: Applicant Information p.1:

RA-EP
APPLICANT INFORMATION

LAST NAME	FIRST NAME	MI	DATE OF BIRTH	DISABILITY STATUS

RACE/ETHNICITY: EMAIL:

HOME PHONE: CELL PHONE:

PHYSICAL ADDRESS: UNIT#

CITY: ZIP:

MAILING ADDRESS (if different from physical address)

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 give VSHA permission to communicate with this service provider about your application.

Appendix B: Applicant Information p.2

ATTESTATIONS:

- **This is the only application for this unit currently and no other person in my household is applying for the above amount from this or any program currently.**
- **I understand that VSHA may verify information provided in this application.**
- ***I understand that should I fall more than 60 days behind the landlord can evict for non-payment***
- I understand VSHA will make payments directly to my landlord. My landlord will accept whichever is less: the actual amount owed or the VSHA Payments Standard per month, and waive the rest, including waiver of late fees.
- I understand that my landlord is required to drop the current eviction proceedings.

If tenants receive assistance completing this form, the assisting party should also sign

_____	_____
Service Provider	Date
_____	_____
Tenant	Date

Please email completed form to: landlordrelief@vsha.org

Appendix C:

If this is a NON-COURT RELATED EVICTION: Please only complete section 1. and 2. Then be sure to sign.

STATE OF VERMONT

SUPERIOR COURT
_____ Unit

CIVIL DIVISION
Docket No. _____

_____, Plaintiff(s)
v.

_____
and all others residing at the premises,
Defendant(s)

STIPULATION TO DISMISS

Now come the parties and with the advice and assistance of the council, if available, stipulate and agree as follows:

1. The parties agree that the monthly rent for the residential dwelling is $_____* per month.
2. The parties agree the following amounts are owed to plaintiff:
   a. Rent arrears $_____*

      i. Rent arrears cover the months of * _____to _____*.
      [month/year] [month/year]

Total Rent Payment: $_____*

   b. Other court related expenses including: (limit

      $5,000) Court Costs $ _____
      Court Filing fee and electronic filing

      surcharge Sheriff's fees $_____*

      Plaintiff's Attorney's fees $_____*

      i. The written rental agreement between the parties is provided at Section
      ____that Plaintiff may recover Attorney's fees.

   c. Damage/Repairs to Unit (limit of $5,000) $_____
      i. Explanation:

d. Other Expenses (limit of $5,000) $_____
   i. Explanation:

_____

_____

Total to be paid via VSHA: $_____*

3. The following situation applies to the parties:

□ Defendant will apply to the Eviction Prevention Benefit under the VSHA Landlord Relief Program for the above listed amounts. Plaintiff agrees to complete the landlord portion of the application process. **The parties request that the court schedule a status conference in 30 days to receive an update on the application status.**

a. Rent Benefit Payment: $_____
b. Other court-related expenses include:
   Court Costs $_____ Court Filing fee and electronic filing surcharge
   Sheriff's fees$_____

   Plaintiff's Attorney's fees $_____*

   i. The written rental agreement between the parties is provided at Section
   _____that Plaintiff may recover Attorney's fees.

c. Damage/Repairs to Unit (limit of $5,000) $_____
   • Explanation:

_____

_____

d. Other Expenses (limit of $5,000) $_____
   • Explanation:

_____

_____

e. Upon payment listed in the total amount above, it is the intent of the parties that this action shall be dismissed with prejudice, and Defendant may remain in the rental unit located at _____ and shall not be evicted for nonpayment of rent OR Other Expenses listed above.
f. The Plaintiff Agrees to Enter into a New Lease at the same rental rate for the period of months.
g. The plaintiff agrees to cure any code violations present in the rental

unit within 30 days of execution of this stipulation.

□ Defendant (or their Agreed Upon Provider) has already applied to the Eviction Prevention Benefit under the VSHA Landlord Relief Program for the above listed amounts. Plaintiff agrees to complete the landlord portion of the application process.

a. Rent Benefit Payment: $_____

b. Other court-related expenses include:
Court Costs $_____ Court Filing fee and electronic filing surcharge
Sheriff's fees$_____

Plaintiff's Attorney's fees $_____*

ii. The written rental agreement between the parties is provided at Section
____*, that Plaintiff may recover Attorney's fees.

c. Damage/Repairs to Unit (limit of $5,000) $_____

- Explanation:

_____

_____

d. Damage/Repairs to Unit (limit of $5,000) $_____

- Explanation:

_____

_____

e. The plaintiff agrees to cure any code violations present in the rental unit within 30 days of execution of this stipulation.

f. This action shall be dismissed with prejudice, and Defendant may remain in the rental unit located at _____

g. Plaintiff may reopen this court action if Plaintiff does not receive funds from VSHA.

_____ _____

Landlord Signature date Tenant Signature date

_____ _____

Attorney for Plaintiff date Attorney for Defendant date

SO, ORDERED:

_____

*These sections must be completed to be eligible to receive funds through Eviction Prevention. Enter $0.00 if not applicable.