

**PROPOSED
TOWN OF BELMONT
EMERGENCY RENTAL ASSISTANCE PROGRAM**

WARRANT AMENDMENT

That \$250,000 be appropriated from the Fund Balance Reserved for Affordable Housing to fund eligible commitments by the Belmont Housing Trust that would increase housing units where new housing is being built, provide incentives to developers to develop affordable housing units, or fund pre-development work to determine if sites are suitable for community housing development. **Such funds may also be used to develop and administer an emergency short-term rental assistance program to assist eligible Belmont households who have lost income due to the covid-19 pandemic.** (Amendment language in Bold)

PROJECT DESCRIPTION

The Belmont Housing Trust is proposing to shift the use of the \$250,000 in CPA funds (awarded in 2018) to establish a short-term emergency rental assistance program. The Trust will request that June Town Meeting approve an amendment to the 2018 award to allow the funds to be used for such a program. Rental Assistance programs are an allowed use of Community Preservation funds and a number of cities and towns across the Commonwealth are taking steps to implement such a program. The Federal Reserve Bank of Boston estimates that 36% of renters in New England are at risk of not being able to make their rent payment because of lost jobs or decreased income from the covid-19 crisis. According to the 2018 Belmont Housing Production Plan, 36.5% of Belmont households are renters (approximately 3500 households) and at that time 44% of renter households were characterized as cost-burdened, paying over 30% of their income on rent.

The Housing Trust is proposing an emergency rental assistance program that would be for Belmont households who have suffered a reduction in income due to the pandemic. Participation guidelines would restrict eligibility to Belmont households at or below 80% of Area Median Income. Applicants would be required to provide documentation on current income and income loss due to the coronavirus pandemic. Both eligible applicants and their landlords would be required to sign a participation agreement. Households living in public housing or having a Section 8, MRVP or other housing subsidy would not be eligible for participation since these households are already entitled to rent reductions if income is reduced.

This emergency program would be administered by a local non-profit that would be responsible for accepting applications, determining eligibility, conducting a lottery, establishing a wait list, entering into agreements with the renter households and landlords, obtaining W-9s, disbursing monthly checks to the landlords, issuing 1099s to the landlords, and reporting to the funding source.

PROGRAM PARAMETERS

ELIGIBILITY

Belmont renter;

Current household income is at 80% of Area Median Income (AMI) or lower; preference for those households at or below 60% AMI;

Proven reduction in income due to covid-19 related circumstances.

DURATION

Three months

Payments made directly to Landlord

MONTHLY PAYMENT

1 bedroom--\$950

2 bedroom--\$1155

3 bedroom--\$1440

These amounts are based on 50% of the Belmont Fair Market Rent for Section 8 by bedroom size.

MARKETING

An intense marketing campaign would last for two weeks. Marketing will be the responsibility of the Town and the Belmont Housing Trust. At a minimum, the following committees, agencies and organizations will be asked to conduct outreach, notifying potential applicants about the program and telling them how to obtain an application: Select Board, School Committee, PTOs, Food Pantry, Town Social Worker, Veteran's officer, Council on Aging, Belmont Religious Council, Belmont Helps, Belmont Citizen Herald, the Media Center, large local landlords. The Town will also provide program information on its website as will the Belmont Public Library.

FUNDING

The Emergency Rental Assistance Program will be funded by the \$250,000 CPA grant previously awarded to the Belmont Housing Trust in 2018, if approved in the June 2020 Town Meeting. Private fund-raising efforts will also be undertaken.

LOTTERY

The lottery will be held approximately two weeks after the start of the marketing campaign.

BUDGET (based on 60-80 households seeking assistance)

Assistance payments estimate: \$214,000-\$223,000 (85.6%-89.2%)

Administration estimate: \$27,000-\$36,000 (10.8%-14.4%)