

## 2020 Landlord Assistance Program

Memorandum of Understanding

between

Metropolitan Area Planning Agency and (Name of the landlord/management co.)

Property Address:

Landlord/property management Phone Number:

Landlord/property management email:

Name/title of Economic Development district staff:

(development district contact) email:

**Purpose:** With COVID-19, there is a risk that landlords and property managers will need to increase rental rates and evict current tenants to address the loss in revenue to offset their mortgage or other unit expenses, ultimately removing more units out of the affordable range for low and moderate income renters. This fund is designed to provide direct assistance to landlords to support them in order to keep those units in the affordable range and work with economic development districts to connect with other community providers to add additional support for their tenants.

**Justification:** Financial assistance is directed to the landlords of affordable housing units with the expectation that these owners will maintain their eligible units at the current affordable monthly rate, work with their local economic development districts to identify the type of financial assistance that they will receive, and to support tenants who have been impacted by the COVID-19 pandemic by injecting funds into their respective units.

**Opportunity:** Qualified landlords are eligible for up to \$10,000 of emergency financial assistance. These funds may be used for either the minor rehabilitation/upgrade of deferred maintenance items in a single rental unit, or for direct financial assistance to recoup losses incurred as a result of the pandemic. Landlords may also opt to apply for a combination of the two options, requesting up to \$2,500 for direct financial assistance and additional funding for minor rehab; the total amount of requested combined assistance cannot exceed \$10,000. Regardless of the type of assistance applied for, the maximum amount of direct financial assistance for each landlord will be \$2,500.

### Limitations and Responsibilities:

Landlords are required to commit to continue leasing the property to their eligible tenants for a specified amount of time; they are not allowed to receive CARES assistance through this program and subsequently evict their tenants without cause. Landlords must submit this signed MOU agreeing that if they apply and receive any minor rehabilitation funds, direct assistance funds, or a combination of both, they are agreeing that they will not evict their tenants for the duration that the assistance covers upcoming rent payments. For example: If a landlord charges \$800 per month, then the full \$2,500 would be enough to cover the next three months' worth of rent. Therefore, the landlord is agreeing not to evict the tenant during the next three months. Exceptions would occur in cases where the tenant were to cause extensive damage to the unit or other conditions where present with approval from the local economic development district.

### *Direct assistance funds:*

Landlords may use the direct assistance to cover expenses caused by the partial or total loss of rental income, due to the tenants' inability to submit a full payment as their lives/employment have been impacted by COVID-19. The direct financial assistance may also be used by landlords to cover missed utility payments, as well as utility shutoff or connection fees. Potentially, tenants may have had to leave the unit due to job loss/reduced hours and the subsequent inability to afford monthly rent. If the direct assistance is utilized to cover utility costs, landlords are required to submit a cancelled check(s) to the District as proof of the reimbursement.

### *Minor rehabilitation funds:*

Eligible landlords can apply for up to \$10,000 to address deferred maintenance/health and safety items in their rental unit. Eligible activities might include roofing, HVAC, plumbing, and minor electrical. Ineligible activities include cosmetic items (painting, carpet, non-essential fixtures), appliances, and repairs. This program focuses on funding projects that help keep the units in line with Habitability Standard Inspection form expectations, local code requirements, and other health and safety standards. For all rehabilitation projects, landlords must document their expenses and provide invoices/receipts to their respective development district.

Landlords are required to submit a cancelled check, verifying their payment to the contractor(s). For any landlord who requests funding for a project that costs or exceeds \$5,000, they are required to obtain three bids from appropriate contractors. The project will be awarded to the lowest responsible bid. Additionally, before and after photos are required for all rehabilitation projects. Photos must show completed renovations.

### **Responsibilities: Economic Development District**

- District markets and informs its area of the 2020 Landlord Assistance Program
- Identify qualified landlords and property managers
- Ensure that the property for which the landlord is requesting assistance meets a certain standard of livability
- Collect before and after photos and a completed Habitability Standard Inspection form during a site visit to document livability
- Provide financial payments to qualified landlords in the amount approved not to exceed \$10,000 total and \$2,500 in direct financial assistance
- Gather, maintain, and report all expenditures and program data to SENAHC
- Monitor progress on home rehabilitation efforts through the assistance pilot
- Confirm the tenants are still renting the agreed upon unit equal to the amount of assistance received
- District will connect landlords with community prevention collaboratives in order to provide additional tenant support services to help tenants maintain living arrangements after the assistance pilot.
- Submit invoices in a timely fashion and before deadlines

### **Responsibilities: Landlord**

- Landlords are required to show proof of loss of revenue due to COVID-19 related outcomes. These include, but are not limited to:
  - Tenant lost wages due to loss of job or reduced hours resulting in reduced or no payment for rent, utilities, or both
  - Tenant lost wages due to quarantine or other COVID-19 related health concerns resulting in a loss of job or reduced hours that contributed to reduced or no payment for rent, utilities, or both
  - Landlord has lost wages due to loss of job or reduced hours due to COVID-19 resulting in additional costs or loss of savings to maintain rental unit, insurance, or postponement of rehabilitation projects to maintain livability of the rental unit.
  - Landlord has lost wages due to quarantine or other COVID-19 related health concerns resulting in a loss of job or reduced hours resulting in additional costs or loss of savings to maintain rental

unit, insurance, or postponement of rehabilitation projects to maintain livability of the rental unit.

- Landlords must sign this MOU and agree to provide all necessary documentation to the development district
- Must provide a current W-9 to the appropriate development district
- Provide housing that is affordable and well maintained over the length of this program/MOU
- Landlords must agree to a Habitability Standard Inspection to receive financial, rehabilitation, or a combination of the two funding categories
- For direct financial assistance for utilities, landlords must provide cancelled check or outstanding bill to receive payment
- For rehabilitation, landlords must provide an invoice(s) for the project and before and after photos. All rehabilitation work must be completed within 30 days of bid selection, and no later than December 15, 2020. Exceptions may be made on a case-by-case basis with development district review and approval. Rehabilitation projects that qualify are:
  - Roofing
  - HVAC
  - Plumbing
  - Minor electrical
  - Smoke/carbon monoxide
- For rehabilitation projects that exceed \$5,000, landlords must submit 3 bids and award the lowest responsible bid
- Landlords must agree not to evict tenant for the period of time that equals the current rental rate and the amount of assistance received
- Landlords must communicate with the development district to address any concerns they have with the assistance and/or tenants prior to any eviction proceedings
- Landlords must help guide tenants to resources like community-based services and tenant support services that will provide renter's education
- Landlords must notify the District immediately if tenant moves or leaves the rental unit within a six-month period starting on the date they receive assistance

This agreement can be changed with 30 days written notice by the development district to landlords in order to meet any changes that occur based on new requirements or reporting expected by the US Treasury Department and/or the Nebraska Department of Health and Human Services. The development district and the participating landlords agree that they will provide any back-up documentation and required data to the granting agency SENAHC as proof for reimbursement. The development district will also be required to comply with the outlined requirements in the grant agreement with SENAHC and be responsible for compliance from any participating eligible landlords.

\_\_\_\_\_  
Landlord signature

\_\_\_\_\_  
Landlord printed name

\_\_\_\_\_  
Date

\_\_\_\_\_  
District Representative signature

\_\_\_\_\_  
Printed name, Title

\_\_\_\_\_  
Date