

# Needham Emergency Rental Assistance Program

## Final Report

The Town of Needham introduced the Emergency Rental Assistance Program (ERAP) to provide temporary financial support for qualifying Needham renters who had suffered a reduction in income due to the pandemic. Town Meeting approved \$120,000 in funding from Community Preservation Funds on October 4, 2020, and an additional \$50,000 in funds were secured as part of the Massachusetts Covid-19 Relief Fund through the Foundation for Metro West.

Through a Request for Proposals (RFP) process, the Town selected the regional non-profit housing organization, Metro West Collaborative Development (Metro West CD), as the Program Administrator. Metro West CD proposed an administrative fee of \$450 per participant to support its program oversight, including an additional \$50 per participant for any recertification work related to potential extensions of benefits.

### *Program Requirements*

The Program included the following major provisions:

- Provide up to six months of rental assistance, paid directly to landlords, at 50% of rent and a monthly cap of \$1,500.
- Participants must have a total household income at or below 80% of area median income for the Boston-Cambridge-Quincy area adjusted for household size, the limits of which are included in the following table.

| Household Size         | 1 person | 2 persons | 3 persons | 4 persons | 5 persons | 6 persons |
|------------------------|----------|-----------|-----------|-----------|-----------|-----------|
| Income Limit @ 80% AMI | \$70,750 | \$80,850  | \$90,950  | \$101,150 | \$109,150 | \$117,250 |

- Applicants also had to demonstrate reduced income due to COVID-19.
- Qualifying households living in any private rental unit, including Chapter 40B rental units, would be eligible for assistance.
- Households currently receiving government-funded rental assistance such as Section 8, MRVP or RAFT were not eligible. Households living in public housing or in units subsidized with Project Based Section 8 were also not eligible.

### *Program Operations*

Needham's Emergency Rental Assistance Program was officially launched on Monday, November 16, 2020 with applications initially due on Friday, December 4<sup>th</sup>. During this period, the Town conducted substantial community outreach to notify residents of the new Program which included website notifications, press releases in local newspapers and social media sites, and contacts with landlords and local service providers, among others.

As of December 7<sup>th</sup>, Metro West CD had received 24 applications of which nine were complete. They subsequently worked with applicants on completing their applications and continued to answer inquiries and process applications as they were submitted.

Because the number of applications was insufficient to encumber all the Program funding, a lottery to select the Program participants was not required. The Needham Affordable Housing Trust, the Town's Program sponsor, approved the extension of the deadline to June 30, 2021, and Metro West CD continued to process applications on a first-come, first-served basis. The Town conducted another round of community outreach to attract further interest in the Program, notifying residents of the continuing availability of assistance.

At its February 23, 2021 meeting, the Needham Affordable Housing Trust approved an extension of program assistance from the maximum of three months to six months. While the Program had been running smoothly, it had experienced a lower-than-expected enrollment despite a robust community outreach process. At this point, the Program had received 35 applications and had enrolled 17 with another ten in the process of being completed.

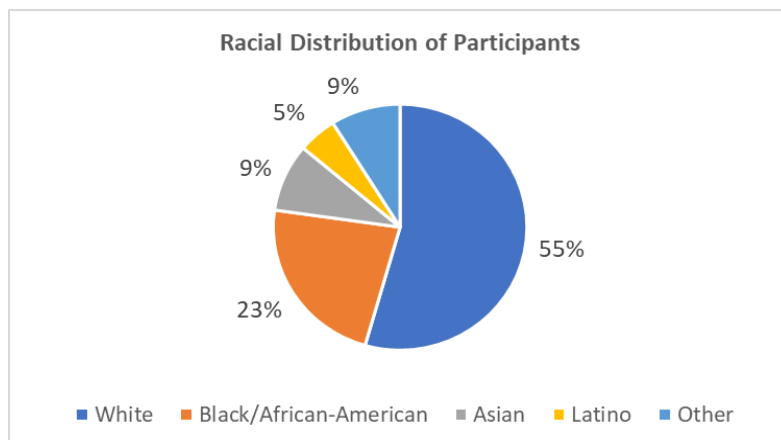
The Affordable Housing Trust approved another extension of benefits at its meeting on June 8, 2021 by continuing benefits to the end of August 2021. This action was meant to provide additional funding support to those renter households who were still struggling to pay their full rent due to COVID-19 and to likely commit most of the available funding.

#### *Program Outcomes*

The Program supported a total of 23 households and committed a total of \$147,756 in benefits. It also involved the expenditure of \$10,394.50 in funds to cover administrative costs for Metro West CD's operations resulting in a total of \$158,150 out of the total \$170,000 allocated. This left a balance of \$11,850 that can be returned to the Town's Community Preservation Fund. There remains the potential that up to \$100,000 of CPA funds committed and expended for payment assistance may be reimbursed to the Town, and ultimately the Community Preservation Fund, through the federal CARES Act.

More specific information on Program outcomes includes:

- The average monthly payment per participant was \$930, ranging from a low of \$625 to a high of \$1,500, which was the cap.
- The total amount of assistance per participant ranged from a low of \$2,250 to a high of \$10,500.
- The average monthly rent that participants were paying was \$1,896, ranging from \$1,250 to \$3,600.
- Most of the participants were living in small units with 11 participants in one-bedroom units and nine in two-bedrooms with only two in three-bedroom units and one in a four-bedroom unit.



- The Program received 37 total applications, of which one was determined to be ineligible, another involved a duplicate application, and 12 remained incomplete.
- There was substantial minority population participation as shown in the chart at left with the involvement of White households at 55% compared to the town-wide

percentage of 81% based on 2020 census data.

- The participation of older residents was also high with nine or 39% of the participating heads of households 55 years of age or older compared to 32% based on 2019 census estimates (2020 census data has not yet been released on the age distribution).
- In regard to how participants heard about the Program, 35% were referred by their landlords; 26% by the Town of Needham or Needham Community Council; and the remaining from Representative Garlick's Office, local media, and friends or employers.
- Monthly disbursements are summarized in the table below with the highest drawdowns occurring in the late spring and the lowest levels at Program start-up with the first six participants and at the end for four participants who applied in April, enabling them to obtain the full allowed six months of payments.

