



LANDLORD RELIEF PROGRAM

Administrative Plan

LANDLORD RELIEF PROGRAM

Table of Contents

Executive Summary	1
Who can submit a claim	2
Vermont Emergency Rental Assistance Program (VERAP)	2
Eligibility Guidelines	2
Landlord Eligibility	3
Eligible Tenancy	4
Eligible Lease Terms and Conditions	5
Rent Affordability Requirements	5
Eligibility requirements after a successful claim	5
Eligible Claims and Expenses	6
Maximum Claim Requests	6
Eligible Claim Expenses	6
Claim Review Process	7
Timing of Claims	7
Claim Review Steps	8
Appeals	9
Appeals Process	9
APPENDIX A	11

LANDLORD RELIEF PROGRAM

Executive Summary

The Vermont State Housing Authority (VSHA) Landlord relief Program is a “Risk Pool” or “Mitigation Program”. These programs have been shown to be critical tools in developing a supportive network of resources for a healthy rental market. The LRP is a way to support landlords who are focusing on providing rental housing that truly serves all low-income Vermonters. Vermont has a long history of employing Risk Pools through various sources such as state funding, foundation grants, and other discretionary local funds used by case management agencies. The goal in each model has remained the same: simultaneously open doors for Vermont renters and support landlords who are seeking to provide high quality homes for their tenants.

The goals of this program are to:

1. Open doors for landlords and tenants to establish successful and trusting relationships that result in housing stability.
2. 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
3. Provide resources to prevent loss of housing opportunities for tenants and prevent vacancy loss for landlords.

Who can submit a claim?

- Landlords (Property Owners, Property Managers or Authorized Agents)
- Applications cannot be initiated by a tenant.

Eligibility Guidelines

Program eligibility includes five elements:

1. Landlord eligibility
2. Tenancy eligibility
3. Terms and conditions of lease eligibility
4. Rent Affordability Requirements
5. Terms and conditions of post-award eligibility

Successful applicants must demonstrate compliance with each element throughout the application and documentation process.

LANDLORD RELIEF PROGRAM

Landlord Eligibility:

In accordance with the goal of the Landlord Relief Program, this funding is intended to supplement other available public resources and therefore available to landlords and units that do not have access to similar sources of support.

Please refer to Appendix A for specific details on landlord and unit eligibility.

As of July 1st, 2023, non-profit landlords may be eligible to apply ONLY when housing literally homeless households as documented by the Coordinated Entry process. This is applicable to households who are literally homeless as of, or after, the effective date and is not retroactive.

Landlords are expected to be in good standing with any local housing compliance regulatory body, local/state code enforcement, the State of Vermont. Landlords that receive claims from the program will receive a 1099 because of the program, and thus must provide all applicable tax forms.

Landlords must demonstrate the following:

1. Lease to program-eligible household (see Eligible Tenancy section for details)
 - a. Any landlord that has a lease or has completed an Executed Rental Assistance Agreement for a tenant, a tenant with an approved form of housing subsidy, or cash assistance from an agency is eligible (see Appendix A for voucher eligibility). The subsidy can come in many forms such as:
 - i. Housing Choice Vouchers/Section 8
 - ii. State rental assistance
 - iii. Local non-profit, faith-based initiative
 - iv. Vermont Emergency Rental Assistance Program or other emergency rental assistance by a community agency.
 - b. Landlords are eligible if they can confirm the tenant was referred from the local Homeless Continuum of Care. This is called a “coordinated entry referral” and tenants referred to rental housing through this process can be verified by the local Coordinated Entry lead agency as identified here: [Vermont Lead Agencies - Vermont Coalition to End Homelessness \(helpingtohousevt.org\)](https://www.vermontcoalitiontoendhomelessness.org/)
2. Landlords must demonstrate regular inspections have been performed on the property and unit, and inspections will continue to occur after the claim is processed.
 - a. Inspections completed by the landlord, a state/municipal inspection, or an inspection from a rental subsidy provider shall be eligible.

LANDLORD RELIEF PROGRAM

- b. An inspection must be within the past two (2) years and may be periodic or move-in/move-out inspection.
- c. Move-in/Move-out inspections must have signatures and dates from the landlord and tenant in lieu of a third-party inspection report; and
- d. Additional documentation may be requested to show evidence of regular inspections on a case-by-case basis.
- e. Landlords must attest they have exhausted other options available to them or any additional claim options available under the rental assistance being provided for their tenant and/or units.
- f. Landlords must verify or attest to following local and or state requirements. This includes health and safety as well as registration requirements. If there are violations, verification that the identified issues are being addressed to meet those standards must be provided.

Eligible Tenancy:

Tenancy must meet **one** of the following thresholds before receiving support from the program:

1. Tenant households must be recipients of some form of a rental subsidy or payment assistance within the past five (5) years.
 - a. While subsidies are primarily income-based, tenant income qualifications will **not** be subject to review through this program for landlords to receive support.
 - b. Subsidies or payment assistance shall include one-time or ongoing assistance from a 3rd party or governmental program. State emergency rental programs resulting from on-going, or emergency programs are also eligible.

Examples of eligible can be found in Appendix A.

The subsidy does not need to be active at the time of application to be eligible for participation in this program.

2. Tenant/households who were homeless at the time of their initial move-in.
 - a. Tenancies that qualify for this status shall document a referral from the local Homeless Continuum of Care. This is called a “coordinated entry referral” and tenants referred to the rental housing through this process can be verified by the local Coordinated Entry lead agency as identified here: [Vermont Lead Agencies - Vermont Coalition to End Homelessness \(helpingtohousevt.org\)](#).

LANDLORD RELIEF PROGRAM

Eligible Lease Terms and Conditions:

Tenancy must have a formal lease for a claim to be eligible. The lease must be active and renewed within the terms of the original lease or any subsequent version of the lease. The lease must meet the minimum requirements of [Title 9, Chapter 137 of Vermont Statutes](#). While no specific lease format is required, a lease must contain at minimum the following:

- Property Address and Unit Identification
- Name of Landlord
- Name (s) of all tenant(s)
- Monthly rental amount and utility structure
- Term of lease that includes the date the lease was initiated.
- Description of how the lease is renewed (can be automatic)
- Security Deposit amount, and any terms related to the disposition of the deposit.
- Signatures and dates

Rent Affordability Requirements:

There are two options for determining whether the lease meets program affordability guidelines:

1. **Rent amount must be affordable to households at 80% Area Median Income (AMI):** Any unit that has rents at or below 80% as determined by rent affordability chart available maximum rent and purchase price affordability thresholds by income and household size linked [here](#).
2. **Rent is determined by ongoing rental subsidy:** Any unit receiving ongoing payment assistance based, from a local, state, or federal rental assistance program, i.e., Section 8; ssvf; fup, etc.

Eligibility requirements after a successful claim:

If the tenancy is still active during the claim, landlord will sign a waiver/agreement that the tenant will not be evicted or removed from their unit based on items addressed using funds from their claim. Example: if damage/repair funds are 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 by the claim regardless of award amount.

LANDLORD RELIEF PROGRAM

Eligible Claims and Expenses

Maximum Claim Requests:

The maximum reimbursement is \$5,000 per tenancy and \$10,000 per apartment/unit unless otherwise waived by the program administrator.

Landlords may file several claims throughout the tenancy for damages but the total award from all claims may not exceed \$5,000 for a single tenancy, \$10,000 per apartment, and each claim must be at least \$500.

Eligible Claim Expenses:

Below is a list of program eligible claim expenses. There may be other resources available for some of the expenses listed below, and applicants will be required to note whether they have pursued other resources for the proposed claim expense. In some case, program administrators may defer your application to other agencies to exhaust other existing resources.

- A. Vacancy Loss*/Housing Quality Standard Repairs (HQS) HOLD for future program-eligible tenants.
 - i. Limited to two months' rent.
 - ii. A signed "Request for Tenancy Approval", lease/rental agreement or a VSHA Intent to Rent Document is required.
 - iii. A signed "Move-In" Checklist.
 - iv. Eligible households transitioning from a residential treatment care facility or transitioning from homelessness may be required to submit a request describing their situation as part of the application process.
 - v. Repairs to meet Housing Quality Standards (HQS) or pass inspection required by source of rental subsidy. The landlord will be required to provide the initial \$500 of repairs to access this funding. (SMOKE/CARBON MONOXIDE DETECTORS ARE NOT ELIGIBLE.)

- B. Vacancy Loss* of rent resulting from repairs that exceed addressing normal wear and tear. If the repairs or improvements also include an inspection process that causes loss of rent, that period shall also be eligible for program coverage.
 - i. These repairs may occur during tenancy, or after tenancy is complete. If the unit is being transitioned, the next tenancy must be program-eligible (see rent limits).

LANDLORD RELIEF PROGRAM

- ii. Landlords may receive up to one (1) month of lost rent due to move-in delays caused by the inspections and/or repairs.

** Any proration of rent will be based on the contract rent listed in the Rental Agreement, divided by the number of days in the month of lost rent, and multiplied by the actual number of vacant days.*

- C. Damages or Repair costs exceeding security deposit for excessive damages, beyond normal wear and tear, to unit or common areas by applicant household.
 - i. These repairs may occur during tenancy, or after tenancy is complete. If the unit is being transitioned, the next tenancy must be program-eligible (see rent limits).
 - ii. May include common areas if there is documentation directly attributing damages to the program-eligible households.

- CI. Other expenses associated with the early termination of the lease.
 - i. Eviction Expenses: inclusive of mediation, legal and other expenses associated with the eviction process.
 - ii. Vacancy loss resulting from an eviction; up to one month of rent.
 - iii. Landlords may receive up to one (1) month of lost rent due to early lease termination by tenant.
 - iv. *Back Rent or Utility Arrears are NOT eligible under this program.*

- CII. Other uses, with prior written permission from the administrator.
 - i. Case-by-case requests must be submitted in writing via the application portal, determination will be made by program administrator.

Claim Review Process

Each claim must occur within 45 days of the landlord incurring an expense, the inspection date, or discovering a claim. Applicants must demonstrate the timeliness of their claim and efforts to address the issues related to the claim and ensure that no additional expenses were unnecessarily incurred due to lack of ongoing/timely maintenance of the units that causes an increase to the claim request.

If a landlord is aware that an event or expense has occurred but is unsure of the final amount of the claim are encouraged to start the application as soon as possible. Eligibility for reimbursement of expenses may be reviewed and considered by the administrator prior to the final expenses being incurred.

LANDLORD RELIEF PROGRAM

Claims may occur prior to tenancy (pre-move-in), during a tenancy, or after a tenancy has occurred (post-move-out). The timing of the claim will impact what expenses may be eligible for reimbursement and will also dictate what items are required for submitting a claim.

Claim Review Steps:

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

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.

As noted below, photos documenting damage may be required to substantiate a claim. At the discretion of the program administrator an in-person inspection of the unit may be required.

In addition to general information about the claim, applications will also require some or all the following documentation dependent on the specific claim:

- Subsidy Inspection Report and/or Move-in condition report signed by both tenant and landlord. *
- Executed Rental Assistance Agreement
- Certificate of Occupancy as required by municipality. *
- Lease (and documentation of current rent amount if different from original lease)-A signed "Verification of Tenancy Approval form."
- Tenant ledger showing unpaid rent and other charges being claimed and application of Security Deposit (if post-move out)
- Notices to Tenant(s) related to unpaid charges.
- Photos of damage *
- Copies of all repair invoices for damages *

Program administrator reserves the right to waive or require additional documentation on a case-by-case basis. A list of documentation required for specific claims is listed in the application and FAQs. (*means required)

Timing of Claims: All requests must have a claim that occurred after December 25, 2022. The program start date of February 6th2023 allows for claims that were incurred within 45 days of program inception.

LANDLORD RELIEF PROGRAM

Appeals:

If an applicant is determined to be ineligible for assistance, VSHA will notify the applicant in writing with a detailed reason for the denial, including any facts relied on for the decision. The claimant must notify VSHA, in writing or by phone, of their intent to appeal the decision within 10 business days from the date of the denial notice.

A review will be conducted by staff other than the one who made or approved the decision under review or a subordinate of this person. The reviewer will review the file, conduct necessary research and give the Applicant an opportunity to provide additional information and present written or oral objection to the decision under review.

When rendering a decision VSHA will evaluate the accuracy of the calculations, level of documentation provided by the applicant, and the accuracy of the decision. VSHA will communicate the results, in writing, of the research/review to the applicant within 10 business days.

A formal appeal can be bypassed by providing the Missing Information, if that was the reason for denial, and calling VSHA to let them know the information has been sent, by what means it was sent, and when.

Conference calling on an appeal hearing is available to applicants. When the call starts, applicants can ask to conference call a 3rd party to the hearing. This can also be requested in the notes or over the phone when scheduling the appeal. The person reviewing the appeal will call the applicant on the phone number provided when scheduling appeal.

The following process will be followed for appeals:

- i. Applicant receives denial letter, which includes reason for denial.
- ii. Applicant contacts the Agency (by phone/email / letter sent USPS) and requests a hearing (within 10 business days).
- iii. Application is referred to appeals hearing officer.
- iv. Appeals hearing officer reviews application and supporting documentation and within 10 days of request either reverses decision (go to step vi.) or schedules the hearing by selecting an appeal time.
- v. Appeals hearing officer conducts hearing via video conference or phone call. Applicant may have a representative or support person at the hearing.
- vi. Appeals hearing officer makes determination and updates Applicant file.

LANDLORD RELIEF PROGRAM

- vii. Application is referred to Program Administrator for follow up, including:
- Sending final determination letter to applicant, and the representative of either who appeared at the hearing, describing the reason(s) for the determination.
 - Requesting any required information if denial is overturned.
 - Scheduling payments if denial is overturned.

Suspected Fraudulent Applications:

In cases suspected of fraud, identity theft, or provision of documents that are suspected to be fabricated with false information for any of the required eligibility criteria outlined above: VSHA may require additional information, if additional information is determined to be false and/or identity theft has been verified, the applicant will be denied without the right to appeal.

LANDLORD RELIEF PROGRAM

APPENDIX A

<u>These programs are <i>not</i> eligible to access Landlord Relief</u>	<u>Damages</u>	<u>Vacancy Loss</u>	<u>If no, reason</u>	<u>Documentation Required</u>
1. Project Based Rental Assistance (PBRA)	no	no	Program provides for reimbursement	na
2. VSHA Administered Shelter plus Care, Rapid Rehousing, and Emergency Housing Vouchers	no	no	Program provides for reimbursement	na
3. LIHTC *** when combined with 1 or 2 above	no	no	Program provides for reimbursement	
<u>These programs <i>are</i> eligible to access Landlord Relief</u>				
Section 8 Project-Based Vouchers (PBVs) - Private landlords	yes	no	Program provides of reimbursement	50058
Section 8 Project-Based Vouchers (PBVs) - Non-profit landlords -- <i>when housing literally homeless households only</i>	yes	no	Program provides of reimbursement	50058/CE Referral *
Section 8 Project-Based Vouchers (PBVs) - LIHTC units - <i>when housing literally homeless households only</i>	yes	no	Program provides of reimbursement	50058/TIF/CE Referral **
Housing Choice Vouchers (HCV) - Private landlords	yes	yes	na	50058/ CE Referral
Housing Choice Vouchers (HCV) - Non-profit landlords - <i>when housing literally homeless households only</i>	yes	yes	na	50058/ CE Referral
Housing Choice Vouchers (HCV) - LIHTC units - <i>when housing literally homeless households only</i>	yes	yes	na	50058/TIF/CE Referral
	yes	yes	na	TIF/CE Referral

LANDLORD RELIEF PROGRAM

Unassisted LIHTC units -- *when housing literally homeless households only*

Non-profit housing provider units are eligible to make an application to LRP in accordance with the eligibility guidelines established above, when leasing to a household experiencing homelessness. Other Expenses are reviewed on a case-by-case basis

* CE = Coordinated Entry

** TIF= Tenant Income Form

*** LIHTC = Low Income Housing Tax Credit