



FINAL Short Term Rental and Mortgage Assistance Guidelines

April 2, 2020

Purpose: On Friday, March 20th, Governor Polis signed [Executive Order D 2020 012](#) which addresses evictions and foreclosures. The executive order provided \$3 million from the disaster emergency fund to DOH to provide short term rental and mortgage assistance to low-income households which were economically impacted by COVID-19.

These funds are meant to provide emergency, short term rental and mortgage assistance to households that are most vulnerable to eviction or foreclosure due to the likelihood that they have little savings and that they will receive a low amount or no unemployment benefits.

Eligibility: Annual household income prior to March 11, 2020 must be below 50% of the area median income for the particular county where the home of the applicant is located, and for the size of the applicant household. Methods for determining household income are described below. Households currently supported with a housing voucher are not eligible.

Prohibition on duplication of benefits: Applicants must disclose other local, state and federal benefits they have received or have applied to receive specific to the impacts of COVID-19, including Unemployment Insurance benefits or other rental/mortgage assistance or forbearance. These benefits plus any other federal benefit expected will be taken into consideration when determining the amount that will be provided to the applicant for rental or mortgage assistance. Applicants will be required to repay state funds if duplicate benefits are received (Unemployment Insurance and Federal Stimulus are not considered duplicate benefits that will result in a repayment requirement, but they should be accounted for in calculating the assistance amount).

Participating agencies are encouraged to work with applicants to apply for other available assistance, including but not limited Unemployment Insurance and/or mortgage forbearance to ensure their housing stability into the future.

Evidence of financial hardship due to COVID-19: The Executive Order states that the assistance is for low-income households facing financial hardship due to economic disruption associated with COVID-19, and prioritizing assistance to those who had continuous prior work history and lost employment related to CDPHE's current or future COVID-19 Public Health Orders. Applicants must provide the following evidence of financial hardship due to COVID-19.

1. Applicant must complete the application for assistance, including the section on financial hardship.



2. Applicant must provide documentation of a change in earnings before and after March 11, 2020. This may include one or more of the following:
 - Termination of employment letter or email
 - Bank statement/deposit record for electronically received UI benefits, or other document indicating the UI benefits are forthcoming.
 - Pay stubs, bank statement record or other payment ledger showing employment in a directly impacted business (e.g. ski resort, bar, restaurant, retail, salon, airline)
 - Income ledgers from gig-business showing change in hours worked and/or pay received before and after March 11, 2020 (e.g. Lyft, Uber, etc)
 - Income ledger from personal services showing change in hours worked/pay received before and after March 11, 2020 (e.g. hair stylist, house cleaner, etc).
 - Written statement from employers (e.g. baby-sitter, odd-jobs)

Evidence of Tenancy/Ownership and Primary Residency

For Rent Requests	For Mortgage Requests
<p>Applicant must provide evidence that they reside at the property for which they are requesting rental assistance.</p> <ol style="list-style-type: none">1. All applicants must attest that the property is primary residence (question is on the application).2. Applicants must provide at least one of the following:<ul style="list-style-type: none">Executed (signed by tenant and landlord/agent) lease that names applicant as tenant of propertyOther type of written document that names applicant as tenant of propertyApplicant drivers license or other government issued ID shows address of propertyIncome information (e.g. check stubs, reports) show applicant name and address of propertyCurrent utility bill or other such	<p>Applicant must provide evidence that they are the owner of the home and that the home is their primary residence.</p> <ol style="list-style-type: none">1. All applicants must attest that property is primary residence (question is on the application).2. Applicants must provide one or more of the following:<ul style="list-style-type: none">Current mortgage statement that matches the name of the applicant.Most recent month's bill for utilities and other services in the name of applicant, property tax statement indicating that the mailing address is the same address as the property for which assistance is requested, and/or documentation of income (e.g. check stubs, W-2, tax filings) which shows address.3. Agency review of property records indicating ownership.



<p>official business mail addressed to applicant at property</p> <p>If none of the above is available, agency may accept a statement from the property-owner that the person lives at that property and pays rent.</p>	
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Evidence of Rent or Mortgage Due

For Rent Requests	For Mortgage Requests
<p>The applicant must provide information to prove the amount of their rent payment. This may include:</p> <ol style="list-style-type: none">1. If available, applicant provides a copy of a lease or other written agreement with the applicant named, rent amount and due date2. If the applicant is not named in the lease, they must provide proof of at least one payment for the month immediately prior to March 11, 2020 to the property owner, property management company, or leaseholder. Proof may include:<ul style="list-style-type: none">Copy of a checkLedger from Venmo, Paypal, or financial institution.Receipt of money order/cashier's checkIf paid in cash, receipt or affidavit from property owner or contracted property manager. In roommate situations, receipt or affidavit from the person who is named in the lease plus proof of deposit of that cash.	<p>The applicant must provide information to prove the amount of their mortgage payment due.</p> <ol style="list-style-type: none">1. Copy of current month's mortgage statement.2. Documentation indicating that homeowner is ineligible for or has been denied forbearance or will not be eligible for relief from lender (further guidance will be provided by DOH).3. Documentation that applicant has been paying mortgage (e.g. bank statement, electronic transfer statement (e.g. Venmo/Paypal), cleared checks, etc.)



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| <p>3. To protect against fraud, additional attention must be paid if the property owner is related to the applicant. If no written agreement is in place and there is no proof of payment, please contact DOH to discuss how to proceed.</p> | |
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Late fees are not an eligible expense for these funds.

Making Payment

For Rent Requests	For Mortgage Requests
<p>The rental assistance will be paid directly to the property owner or contracted property management company. In roommate situations where payment is typically made to the person named in the lease, the property owner information must be provided for direct remittance.</p> <p>1. Applicant will provide this remittance information on their application.</p> <p>2. Verify who shall receive the funds using evidence of rent payments, as per section above.</p> <p>3. Verify property ownership by reviewing property records.</p> <p>4. Upon payment of funds, agency should provide applicant with a document indicating the amount paid, date paid and to whom it was paid as proof of payment.</p>	<p>Mortgage payments will be made directly to the lender as per the current month mortgage statement.</p>

Proof of income for qualification: To be eligible for this benefit, the household must provide documentation that their annual income prior to March 11, 2020 was below 50% of the area median income. Households currently supported with a housing voucher are not eligible.



1. **AMI Guidelines:** These [guidelines](#) should be used to determine 50% AMI for the particular county where the home of the applicant is located, for the size of the applicant's household.
2. DOH allows the following methods to determine whether a household qualifies for the benefit. Only one method is required:

Household income was determined using third party source documents to be below 50% AMI by a Public Housing Authority or Tax Credit Property Manager between March 11, 2019 and March 10, 2020. PHA or Tax Credit Property provides certification of this income determination.

IRS Form 1040 submission and W-2s for 2019 taxes (and proof of acceptance by IRS) are provided and, in total for the household, the total income (line 7b) falls below the 50% AMI guideline.

Calculate household income using HUD Part 5 for Adjusted Income and Rental Assistance. Instructions can be found here:

<https://www.hudexchange.info/trainings/courses/using-the-income-calculator-for-rental-and-tbra-programs-webinar1/>

For those with cash-only incomes (e.g. odd jobs, baby-sitting, etc), HUD guidelines allow self-certification as the last resort.

For unrelated roommates, where the applicant pays another tenant who is the person named in the lease or pays the landlord directly for a portion of the rent, the applicant and his/her dependents/spouse/partner may be considered a separate household for the purpose of household income calculation.

Determination of amount that the applicant can pay: The amount of assistance provided by the emergency fund will depend on the amount owed and the amount that the applicant is able to pay. The calculation of the amount that the applicant can pay will include consideration of:

Monthly household income at the time of application (with COVID-19 impacts)

Unemployment benefits received or expected to be received within 14 days of the rent due date (DOH will provide guidance to agencies on how to calculate these expected benefits).

Federal payment amount received or expected to be received within 14 days of the rent due date (DOH will provide guidance to agencies on when these payments are expected and the amounts expected)



Determination of Eligible Assistance: In no case will the rental/mortgage assistance be more than the cost of rent for one month (monthly rental agreement or mortgage), 5 weeks (weekly rental agreement), or 30 days (daily agreement).

Unless a waiver is provided by DOH, the rental/mortgage assistance provided may not be more than 1.5 times the Fair Market Rent for the county in which the applicant resides. Fair Market Rent can be found [here](#).

In no case will more assistance be paid on behalf of the applicant than their demonstrated economic loss.

Calculation method:

1. Maximum rental or mortgage assistance is the lesser of:
 - a. Monthly amount of the applicant's economic loss
 - b. $1.5 \times$ Fair Market Rent
 - c. 100% of the rental/mortgage payment due minus the amount the applicant can pay (see below). Mortgage payment due is as presented on the mortgage statement and may include principal, interest, taxes and insurance (PITI). Rent due does not include late fees or other amenity fees that can be elected month to month.
2. Determine the amount the applicant can pay
 - a. Determine current household monthly income, including any UI benefit or federal benefit already received or expected to be received within 14 days of the rent due date.
 - b. Multiply by 30%.
3. Determine the potential assistance amount
 - a. Start with the lesser of the actual rental/mortgage payment due and $1.5 \times$ FMR.
 - b. Subtract the amount that the applicant can pay.

Number of Months of Rental or Mortgage Assistance Available per Applicant: The \$3 million allocated by the E.O. was intended to be emergency assistance. The need statewide may be far greater than this fund, but we also know that federal assistance is expected soon. The emergency funds are available for 6 months only.

Applicants are applying for the cost of one month (or 5 weeks for weekly rental, or 30 days for daily rental) of housing only.

If funds are available, applicants can submit a re-application up to 3 times in the 6 month period (3 times total).

Reapplications in the 6 month period may use the income qualification of the first application.



Documentation showing that the applicant is still housed at the same location must be provided.

If the applicant has moved, full documentation of tenancy and rent must be provided.

Applicant ability to pay must be re-calculated with new benefit information.

Communications with Property Owner or Lender

For Rental Assistance	For Mortgage Assistance
<p>Agency must communicate with property owner and contracted property management company for the following purposes:</p> <ul style="list-style-type: none">Verify the rent amount and date dueVerify information about household occupants if knownAsk property owner or contracted property manager to stop eviction proceedings if they are underway, rescind late fees, and remove filings from credit bureaus <p>These communications should be documented (e.g. maintain emails, text screen shots, written letter and/or document conversations with date/time and what was said).</p>	<p>Verify the mortgage amount and due date from mortgage statement</p> <p>Payment is made to the lender directly through the mortgage statement</p>

Legal Residency: Program administrators must confirm that any individual natural person 18 years of age (or any emancipated minor) and older is lawfully present in the United States pursuant to CRS 24-76.5-101, et seq., when each individual applies for public benefits by requiring the applicant to:

- a. produce:
 1. a valid Colorado driver's license or a Colorado identification card, issued pursuant to Article 2 of Title 42 CRS, unless the applicant holds a license or card issued under part 5 of article 2 of title 42, C.R.S.; or
 2. a US military or a military dependent's identification card; or
 3. a US Coast Guard Merchant Mariner card; or
 4. a Native American Tribal Document; or



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5. a document as described in the Colorado Department of Revenue's Rules for Lawful Presence section on Identification and waivers.

<https://www.colorado.gov/pacific/revenue/hb06s-1023>

- b. and execute an Affidavit Of Legal Residency stating:

1. That he or she is a United States citizen or legal permanent resident; or
2. That he or she is otherwise lawfully present in the US pursuant to federal law.

This requirement means that every person over the age of 18 who is part of the household requesting assistance must produce the documentation and sign the affidavit. It is not within the legal authority for DOH to waive this requirement.

Fair Housing: Program assistance must be provided according to Fair Housing requirements that protect citizens from discrimination on the basis race, color, religion or creed, national origin, ancestry, age, sex, gender, sexual orientation, gender expression, marital or familial status, military status or physical or mental disability.

HMIS and Reporting: All participating agencies must use HMIS to administer this program. If an agency is not set up in HMIS already then it must submit [this agency setup form](#). Agencies will take in applicants using a custom entry screen designed by DOLA and the Colorado HMIS Collaborative, and clients will be exited from HMIS when they no longer have a need for emergency assistance. The rental and mortgage assistance payments issued to landlords or financial institutions will be entered into HMIS as services. Clients entering the programs of emergency fund programs will sign, physically or electronically, a release of information which will allow the Continuums of Care and DOLA to use data on these clients to administer the program. Grantees will sign a data sharing agreement with DOLA which grants DOLA access to all data pertaining to clients in DOLA emergency funded programs. Staff at participating agencies that are unfamiliar with HMIS will be trained in HMIS in an onboarding program provided by one or more Continuums of Care.

Invoicing: Agency may invoice DOH as frequently as bi-weekly. If an advance payment is received, agency may invoice DOH when 80% of the advance has been allocated to qualified households and documentation has been provided in HMIS.

Collection of Documents: Documents can be provided by the applicant by mail, email, fax, text (e.g. photos) or other technological means. In-person collection of documents must follow strict social-distancing guidelines and follow all state and local orders. DOH will minimize the number of forms that require a signature by the applicant. Sample forms and instructions will be provided.

Fraud Protection: Participating agencies may impose additional requirements for documentation as they deem appropriate to protect against fraud.



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Waiver of Requirements: The Division of Housing reserves the right to waive elements of these guidelines, which are within our legal authority, on a case-by-case basis. Contact the Division of Housing program manager to request a waiver.

Agreement Time: Agreement will be in place from time of purchase order or contract signature to July 20, 2020.

Funds: Funding amount is “up to” the amount indicated. Funds not expended by July 20 may be reallocated to other agencies whose contracts or purchase orders will be extended.