



Maryland Emergency Rental Assistance Program

Access to Counsel in Evictions Task Force Meeting

October 12, 2021

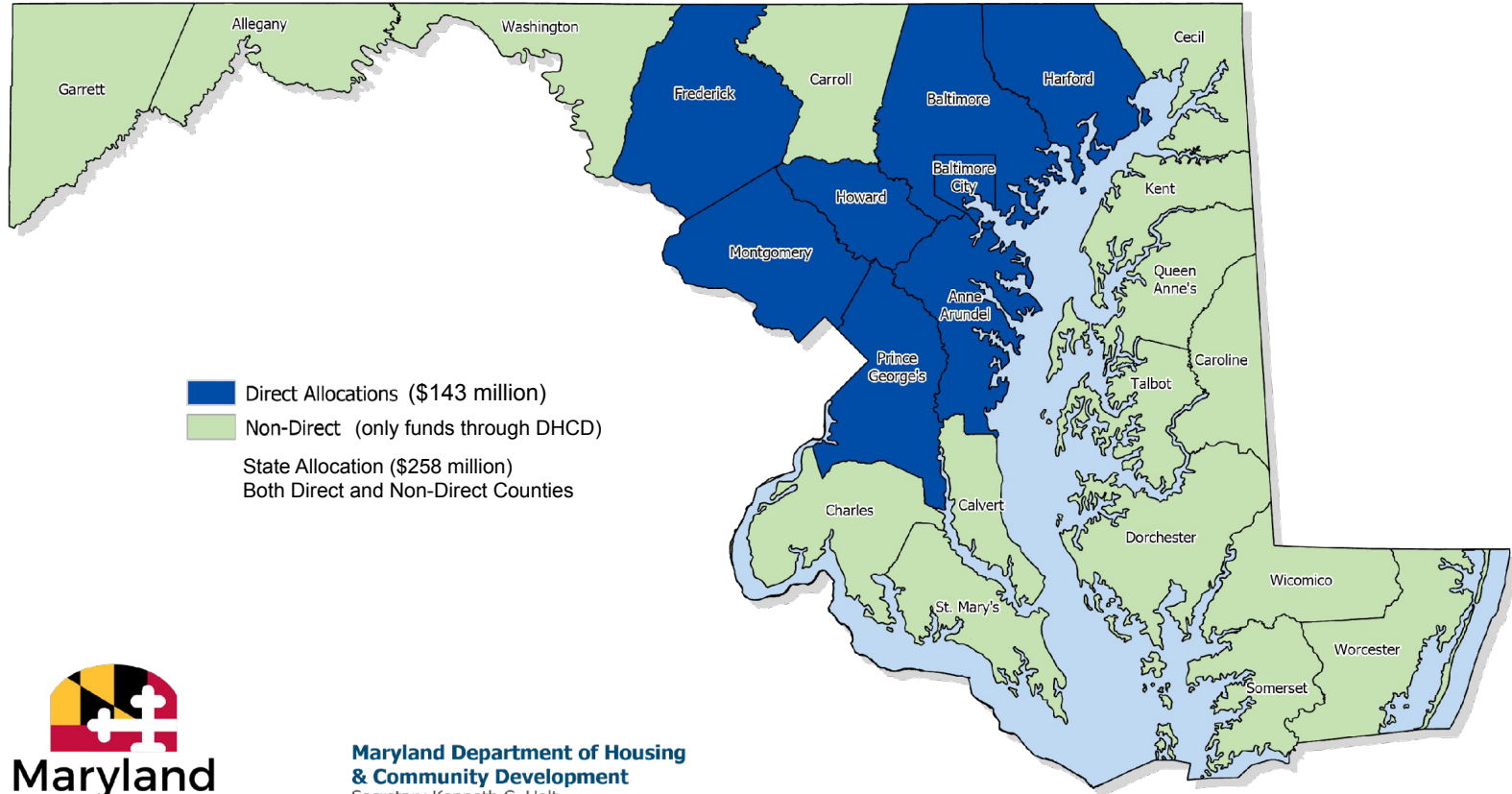
Maryland Emergency Rental Assistance Funding

Local, state, and federal funding allocated to rental assistance prior to ERAP: \$113 million

- ▶ **ERAP 1 - \$401,575,014 through the Consolidated Appropriations Act, 2021:**
 - \$258 million awarded to State of Maryland - DHCD
 - \$143 million awarded to 8 counties with over 200,000 residents - “Direct Grantees”

- ▶ **ERAP 2 - \$352,225,095 through the American Rescue Plan Act:**
 - \$204 million awarded to State of Maryland - DHCD
 - \$148 million awarded to 8 counties with over 200,000 residents - “Direct Grantees”

ERAP Allocations: Direct vs. Non-Direct



ERAP Advisory Workgroup

Workgroup Membership

- Secretary Kenneth C. Holt, DHCD – Workgroup Chair
 - Secretary David Brinkley, DBM
 - Delegate Vaughn Stewart, District 19
 - Delegate Jazz Lewis, District 24
 - Delegate Mike Griffith, District 35B
 - Senator Shelly Hettleman, District 11
 - Senator Cory McCray, District 45
 - Senator Chris West, District 42
-
- Launched in February 2021
 - 3 planning meetings (February-March)
 - 3 progress meetings (July-September)
 - Advised on program strategy, methods for distributing funds, and formula for awarding funds to local partners

DHCD Guiding Principles



Equitable

- Allocate Funds Based on Need and Disparities
- Prioritize Households Most At-Risk of Eviction
- Implement Affirmative Outreach Strategy and Communications
- Monitor Disparities in Assistance and Pivot Quickly



Low-Barrier

- Simplify Tenant Eligibility and Screening Processes
- Streamline All Rental/Utility Assistance into Existing Local Access Points
- Facilitate Mass Rental Relief through Multifamily Housing Partnerships



Locally-Driven

- Comprehensively Address Housing Stability and Basic Needs of Tenants
- Incorporate Rental Housing Market Conditions into Local Planning
- Deploy Programs with Trusted Community Partners

Why a local approach?

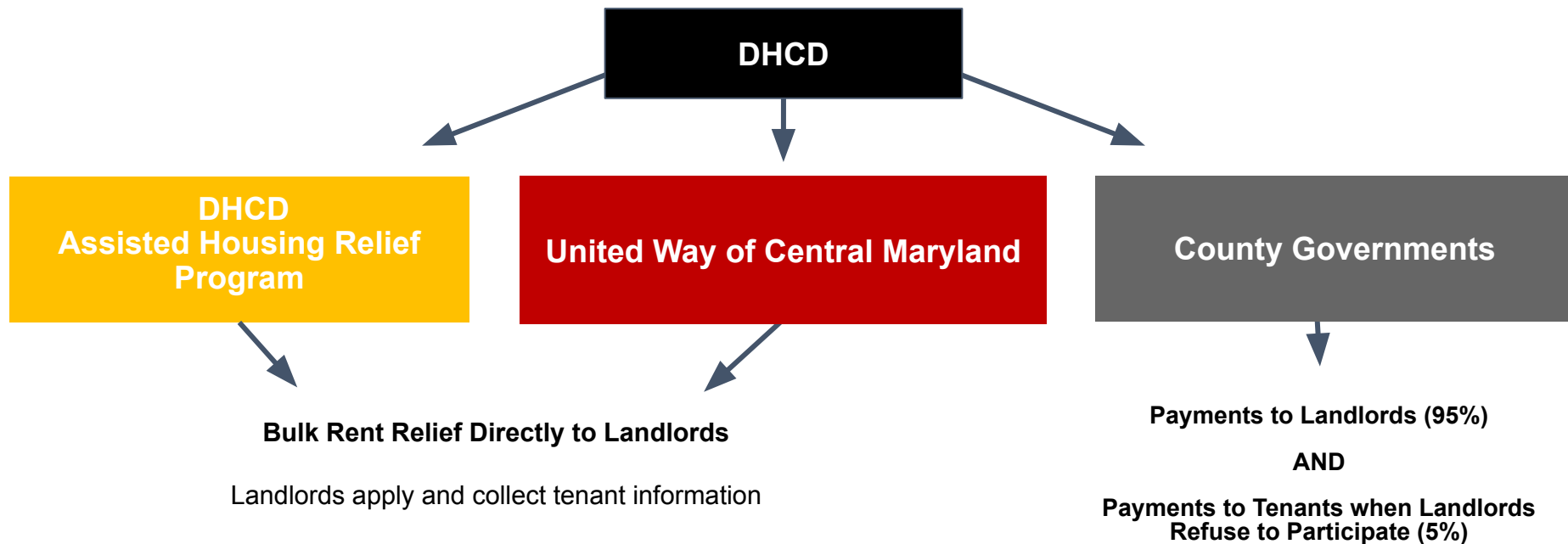
- **Mismatch of Resources:**
 - 82% of the state's renter households live in the 8 counties directly receiving funds from Treasury
 - Only 36% of Treasury ERAP 1 funds for Maryland were awarded directly to those 8 counties
 - A large portion of State ERAP funds needed to be allocated for tenants in those counties to “right-size” resources.
- **Infrastructure:** Most of those 8 counties had launched an application system, hired staff, and already had approximately 25,000 households in the queue for rental assistance before ERAP allocations were announced. Additionally, local governments had already begun allocating other funds for services, financial assistance, and legal aid.
- **Duplication of benefits prevention:** With most renters in 8 counties, establishing a state-based application process would lead to duplication of benefits and/or slow down assistance further to comply with federal regulations, in addition to doubling the work of tenants/landlords to apply
- **Long-term housing stability:** Need to provide in-person housing stability services at local level, connecting households to income, jobs/workforce development, more affordable housing, etc.

ERAP 1 Funding Framework

	Direct County Awards	DHCD Award	Total Maryland Awards
County and Baltimore City Allocations*	\$143,498,208	\$192,915,269	\$336,413,478
DHCD Assisted Housing Relief Program (15%)		\$40,000,000	\$40,000,000
DHCD Rental Assistance Reserve (8%)		\$20,000,000	\$20,000,000
DHCD Admin/Outreach Max (2%)		\$5,161,536	\$5,161,536
Total Treasury Allocation	\$143,498,208	\$258,076,806	\$401,575,014

*Max Housing Services and Admin for Counties	\$14,349,821	\$20,646,144	\$34,995,965
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Distribution of State ERAP Funds



Geographic Distribution of ERAP 1 Funds

Jurisdiction/Activity	State ERAP Award	Direct Federal ERAP	Total ERAP	% of Maryland ERAP
Allegany County	\$3,389,068	\$0	\$3,389,068	0.8%
Anne Arundel County	\$5,498,730	\$17,313,628	\$22,812,358	5.7%
Baltimore City*	\$40,551,211	\$17,739,748	\$58,290,959	14.5%
Baltimore County*	\$24,609,350	\$24,730,552	\$49,339,902	12.3%
Calvert County	\$1,801,998	\$0	\$1,801,998	0.4%
Caroline County	\$1,503,689	\$0	\$1,503,689	0.4%
Carroll County	\$4,260,520	\$0	\$4,260,520	1.1%
Cecil County	\$4,151,639	\$0	\$4,151,639	1.0%
Charles County	\$5,897,393	\$0	\$5,897,393	1.5%
Dorchester County	\$2,459,157	\$0	\$2,459,157	0.6%
Frederick County	\$1,426,438	\$7,758,005	\$9,184,443	2.3%
Garrett County	\$1,685,427	\$0	\$1,685,427	0.4%
Harford County*	\$914,908	\$7,635,274	\$8,550,182	2.1%
Howard County*	\$4,512,928	\$9,735,056	\$14,247,984	3.5%
Kent County	\$1,332,475	\$0	\$1,332,475	0.3%
Montgomery County	\$28,145,367	\$31,405,652	\$59,551,019	14.8%
Prince George's County	\$27,034,379	\$27,180,293	\$54,214,671	13.5%
Queen Anne's County	\$1,656,284	\$0	\$1,656,284	0.4%
Somerset County	\$1,841,274	\$0	\$1,841,274	0.5%
St. Mary's County	\$4,515,115	\$0	\$4,515,115	1.1%
Talbot County	\$2,439,498	\$0	\$2,439,498	0.6%
Washington County	\$9,441,971	\$0	\$9,441,971	2.4%
Wicomico County	\$7,380,680	\$0	\$7,380,680	1.8%
Worcester County	\$6,465,772	\$0	\$6,465,772	1.6%
DHCD Assisted Housing Relief Program	\$40,000,000	\$0	\$40,000,000	10.0%
DHCD Reserves	\$20,000,000	\$0	\$20,000,000	5.0%
DHCD Admin	\$5,161,536	\$0	\$5,161,536	1.3%
Total	\$258,076,806	\$143,498,208	\$401,575,014	100%

*At county's request, DHCD granted some or all State ERAP funds to United Way of Central Maryland for bulk rent relief for multifamily housing tenants in their jurisdiction.

Harford and Howard Counties - 100% of funds,
Baltimore City and Baltimore County - Approx
50% of funds.

FY21 Legal Services Funding

ERAP 1: \$635,000 (through county grants)

Non-ERAP Sources: \$1,147,000

- CDBG-CV, \$500,000
- CSBG-CV, \$467,000 (7 legal svcs orgs)
- MD MHCF-CRF, \$140,000 (MVLS' My Home My Deed)
- NHS Funding, \$40,000 (St.Ambrose)

Total: \$1.782 million

DHCD Website

- The Department developed a website to direct Marylanders to rental assistance programs rentrelief.maryland.gov
- The website includes
 - Links to every jurisdiction's rental relief portals
 - Links to the MD Assisted Housing Relief Program Application (for property owners with a financing relationship with DHCD)
 - A toolkit including bilingual fact sheets on Maryland's rental relief for landlords to download and distribute to tenants behind on rent
 - Data dashboard



Has COVID-19 affected your ability to pay rent? You may be eligible for assistance with current or past due payments.



WHERE TO
APPLY



ASSISTED
HOUSING
RELIEF
PROGRAM



DATA
DASHBOARD



LEGAL HELP



DEPARTMENT OF HOUSING
AND COMMUNITY DEVELOPMENT

Kenneth C. Holt, Secretary
Owen McEvoy, Deputy Secretary

Eligible Households – Per ERAP Statute

Households are eligible if they meet **ALL** of the following 4 conditions:

Rent Status

Tenant obligated to pay rent on a residential dwelling

Income

Household income at or below 80% of Area Median Income as defined by HUD

Financial Hardship

1 or more individuals qualified for unemployment assistance

OR

experienced a reduction in household income, incurred significant costs, or other financial hardship due, directly or indirectly, to the COVID19 outbreak

Housing Instability

Demonstrated risk of housing instability, which may include:

- a past due utility or rent notice or eviction notice,
- unsafe or unhealthy living conditions, OR
- any other evidence of such risk, as determined by grantee

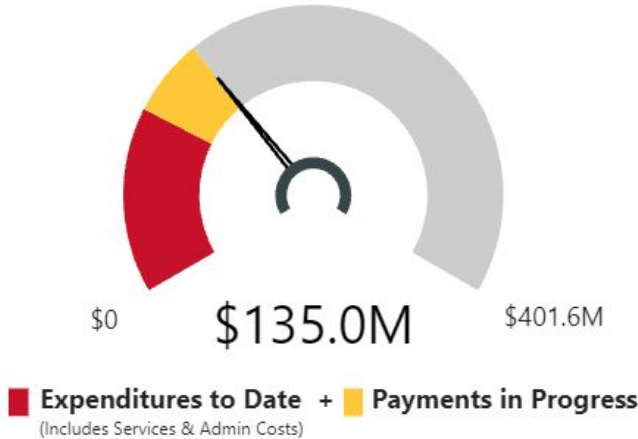
Eligible Households

ERAP is not just for people who are at-risk of eviction because they couldn't pay rent. It also helps:

- Households living in shelter, motel, or on the street who need to move into permanent housing
- Households who need to move due to substandard or unsafe living conditions, overcrowding, rent burden, lack of utilities, etc
- Households who already had an eviction/expired lease, have unstable housing (like being doubled up with family/friends), and need to get into a new permanent housing unit

ERAP 1 Assistance Through August 31

Total ERAP 1 Spending Progress

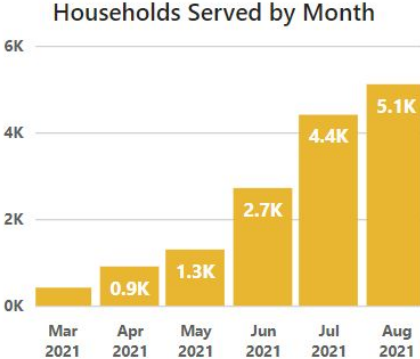


Total Applications Received

32,186

Total Households Assisted

14,860

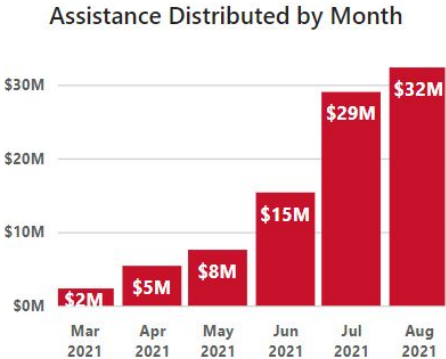


Total Financial Assistance Distributed

\$92.1M

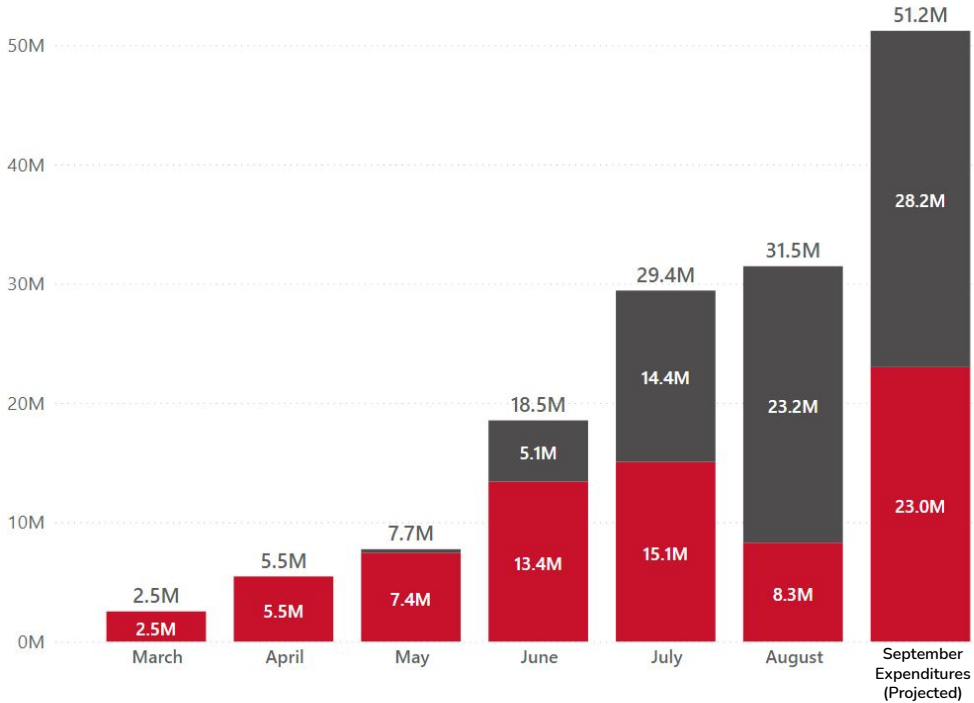
Payments in Progress

\$38.7M



Total ERAP Estimated Expenditures through September 30

Source of Funds ● Direct ERAP ● State ERAP



Total Estimated Expenditures through 9/30:

Direct Grants: \$75.2m (53% of \$143m)

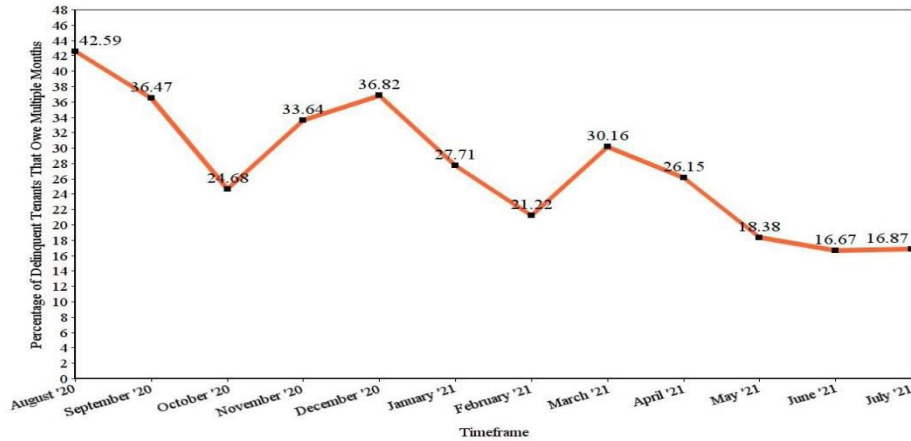
State Grants: \$71.1m (28% of \$258m)

Total Combined: \$146.3m (36% of \$401m)

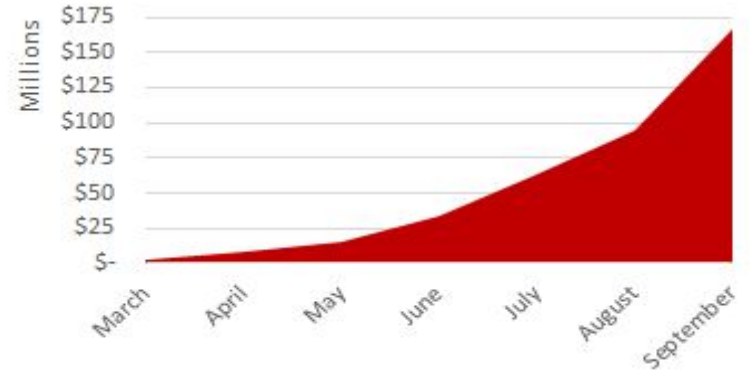
Payments in Progress as of 9/30: \$30m+

Rental Delinquencies and ERAP Spending

Delinquent Residents - Multiple Months of Rent



Cumulative ERAP Expenditures + Obligations as of September 30

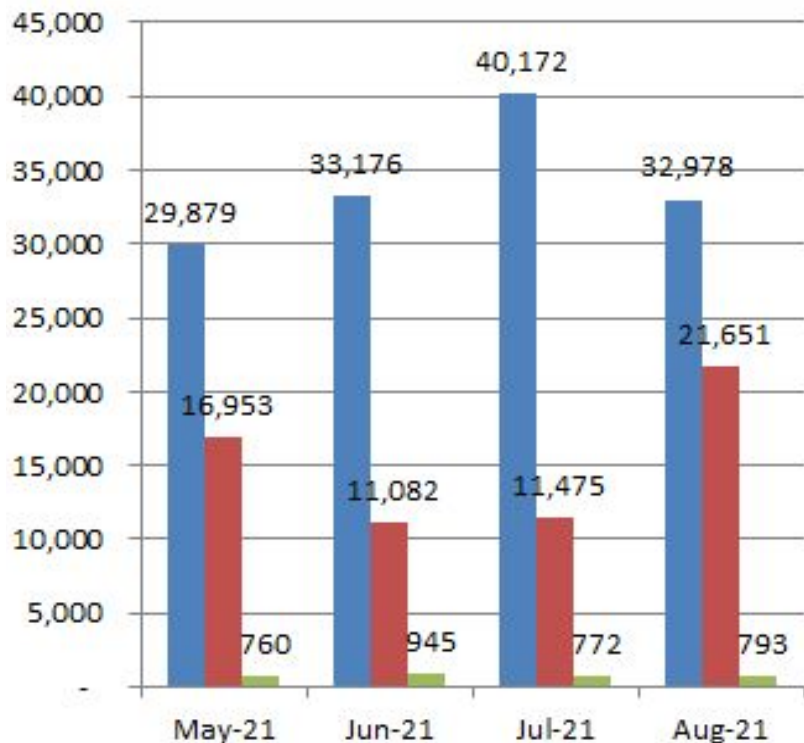


Sources:

*MMHA monthly survey

*DHCD data

Court Eviction Data



District Court Data May- August 2021

- Failure to Pay rent- Filings
- Failure to pay rent- dismissals
- Evictions

Next Up: ERAP 2.0

ERAP 2 Spending Deadline: September 30, 2025

- At least 90% must be spent on financial assistance
- Up to 10% may be spent on housing stability services
- Administrative costs are capped at 15% under financial assistance and housing stability services
- Assistance cap for households is increased from 15 months to 18 months (ERAP 1 & 2 combined)
- After 75% of ERAP 2 funds have been obligated, can use up to 25% of ERAP 2 on affordable housing development activities
- 40% of ERAP 2 funds have already been distributed to Treasury grantees (remainder is distributed once grantee obligates 75% of previously received ERAP funds)
- First Treasury reallocation opportunity is after March 30, 2022

Jurisdiction	Regular ERAP 2 Allocation	High-Need Allocation*	Total
Anne Arundel County	\$13,699,464		\$13,699,464
Baltimore City	\$14,036,632	\$9,091,298	\$23,127,930
Baltimore County	\$19,568,128	\$6,659,983	\$26,228,112
Frederick County	\$6,138,546		\$6,138,546
Harford County	\$6,041,435		\$6,041,435
Howard County	\$7,702,894		\$7,702,894
Montgomery County	\$24,849,823	\$9,636,691	\$34,486,514
Prince George's County	\$21,506,493	\$9,089,609	\$30,596,103
State of Maryland (DHCD)	\$204,204,098		\$204,204,098
Total	\$317,747,514	\$34,477,582	\$352,225,095

*ERAP2 sets aside \$2.5 billion for eligible grantees with a high need for ERA2 assistance, based on the number of very low-income renter households paying more than 50 percent of income on rent or living in substandard or overcrowded conditions, rental market costs, and change in employment since February 2020.

ERAP 1 & 2 Timeline

9/30/2021

First ERAP 1
Treasury
Reallocation
Deadline

9/30/2022

Final ERAP 1
Spending
Deadline

ERAP 1 - \$401m

January
2021

September
2021

September
2022

September
2023

September
2024

September
2025

ERAP 2 - \$352m

3/30/2022

First ERAP 2
Treasury
Reallocation
Deadline

10/1/2022

Grantees Can Begin
Using Funds For
Affordable Housing
Development if 75% of
ERAP 2 Funds Have
Been Obligated

9/30/2025

Final ERAP 2
Spending
Deadline