

Delaware Housing Assistance Program (DEHAP) Program Guidelines

March 26, 2021



Application Process

Either the renter household or the landlord can initiate an application. Documentation is required from both the tenant and the landlord, so we encourage tenants and landlords to be in communication with each other before applying.

The application portal will start with several pre-qualification questions to help determine potential eligibility.

All applications must be submitted via the online application portal. Documents or applications submitted via email, mail, fax or other means will not be accepted. Assistance is available from community partners to help households who need assistance submitting an application.

Assistance Available

DEHAP can cover arrears for rent, utilities (if stated in the lease) that are due to the landlord from April 2020 – present, up to 12 months or 15 months if necessary to ensure the household's housing stability.

Arrears from <u>before</u> April 1, 2020 cannot be paid by DEHAP. Late fees and court fees, if stated in the lease, may also be covered.

A renter household does not have to be in arrears to apply. DEHAP can pay up to three months in advance from the time of application processing. The renter household must reapply for additional months.

At this time DEHAP cannot pay for:

- arrearages for households who have already been evicted or left the unit;
- utilities due directly to the utility company;
- security deposits; or
- hotel/motel stays.

Eligible Households

Eligible renter households must have:

- One or more individuals qualified for unemployment OR experienced a reduction in income, incurred significant costs, or experienced other financial hardship due directly or indirectly to the pandemic; AND
- Risk of experiencing homelessness or housing instability, which may include: past due utility or rent notice or eviction notice, housing cost burden (rent is more than 30% of monthly income), or any member of the household has experienced homelessness since March 13, 2020; AND

3) Income (either 2020 annual income or current income at time of application) at or below 80% of Area Median Income for the county of residence according to the below table:

Maximum Income Eligibility for the DEHAP Program						
80% Area Median Income (AMI)						
County	1 person	2 person	3 person	4 person	5 person	6 person
New Castle	\$54,150	\$61,850	\$69,600	\$77,300	\$83,500	\$89,700
Kent and Sussex	\$45,850	\$52,400	\$58,950	\$65,500	\$70,750	\$76,000

Other Eligibility Topics

Previous recipients

Previous Recipients of DEHAP assistance may apply again for arrears or rent not already covered by DEHAP. As the eligibility requirements and documentation has changed, previous recipients must apply again. Previous assistance from DEHAP does not count towards the maximum of 15 months of assistance. Utilities due to the landlord and fees <u>from months</u> <u>already paid by previous version of the program</u> cannot be requested.

Owners of Manufactured Homes on Leased Land

Lot rent in a manufactured home community is considered rent and can be covered by DEHAP if other eligibility and documentation requirements are met.

Landlord and Tenant in Same Unit/Renting a Room

If the tenant and landlord live in the same home, additional documentation of past rent payments is required.

Other Rent Subsidies

Residents who are receiving federal or state rental assistance subsidies and meet other program requirements <u>are</u> eligible for DEHAP for assistance with the tenant portion of the rent. If they have not already, tenants should also pursue income recertification and rent adjustment if their income has changed.

Required Documentation

The following documentation is required from the renter household:

- 1) Identification;
- 2) Income documentation;
- 3) Documentation of eligibility for unemployment benefits, if available, or self-attestation of COVID-19-related financial hardship (completed within the application portal); and
- 4) Lease

And from the landlord:

- 1) Completed W-9;
- 2) Account confirmation for use of direct deposit; and
- 3) Verification of rent owed

Additional detail on all of these items follows.

The renter household will need to provide:

- 1. Identification for Head of Household and household member with COVID-19 impact, if not head of household. Any of the following may be used as acceptable ID:
 - State-issued driver's license or identification card
 - U.S. Passport
 - o Resident Alien Card
 - o Temporary Resident Identification Card
 - Any other documentation also accepted by the <u>DE Division of Motor Vehicles</u>, or
 - A recent (<60 days) piece of official mail (such as bank statement, utility bill, or pay stub) with name and current address

AND - if address on identification does not match residence, must provide other proof of residence such as recent (<60 days) piece of official mail (such as bank statement, utility bill or pay stub).

- 2. Income documentation, which may include:
 - Documentation of <u>calendar year 2020</u> household income: 2020 IRS tax returns, form 1040 or 1040A; OR
 - Documentation of all sources of current household income for the last 30 days.

Calendar year 2020 income documented with 2020 Federal income tax returns is the preferred method of verifying income eligibility.

If 2020 tax returns are not available and household is providing documentation of current income, the household may self-attest to sources of income for which documentation is not available.

If a household has zero income, the household must provide an attestation that they have zero income.

3. Documentation of COVID-19-related financial hardship.

- Confirmation of eligibility for or receipt of Unemployment Benefits (must include tenant's name/identifying information), such as Statement of Monetary Determination or other statement from the Department of Labor; OR
- o Self-attestation of COVID-19-related financial hardship.

4. Copy of signed lease.

- Lease may be expired, but must include current rent amount, or a renewal or addendum with current rent also provided.
- Tenants requesting assistance for utilities owed to the landlord must also include bills for these utilities.
- o All adults listed on the lease must be included on the application.
- If there is no lease, evidence of 2 months of payments and proof of residency using one of the documentation options below is required
 - Utility Bill
 - Credit Card Statement
 - Auto or Life Insurance policies
 - Voter Registration Cards
 - Bank Account Records
 - Employment Records
 - U.S. Postal Service change of address confirmation form/postmarked mail with forwarding address label
- When the landlord and tenant live in same unit and/or are showing zero rent paid for more than 3 months, past rent receipts or other documentation of past payment is required.

The landlord will need to provide:

- 1. W-9 form (completed and signed by landlord)
- 2. Direct deposit information and account information confirmation
- 3. Information on the property and rent owed

Payments

DSHA will make a payment directly to the property owner/manager. Payments are made at least once a week. Direct deposit is strongly encouraged. Checks may take longer to process and must be mailed to the entity/address listed on the W9.

The portal will request ACH/direct deposit information to make this payment. Documentation such as a voided check to confirm account information is required. This must include the account holder's name, routing number and account number and be a document issued by the bank.

The renter household will be provided with documentation of payments made on their behalf.

Payment questions can be emailed to destatehousing.com

W-9 and Tax Questions

The W-9 should be completed with the Tax ID for the entity that receives payment and manages taxes for the income on the unit. In some cases, this may be a property management company. In these cases, the W-9 should be completed with the property management company's Tax ID and signed by the property manager.

For individual owners, their Tax ID is their SSN. The W-9 must be signed. Rent paid by DEHAP is taxable income to the landlord/owner, who will receive a 1099 from DSHA.

Prioritization

As required by the federal Emergency Rental Assistance (ERA) guidelines, applications where the renter household's income is below 50% of Area Median Income (AMI) or at least one household member has been unemployed for more than 90 days will be prioritized for review. Applications where there is an active eviction filing will also be prioritized for review, and applications will be prioritized by number of months delinquent.

Terms and Conditions for Landlords

If a landlord accepts DEHAP assistance, they are agreeing to not evict the tenant due to non-payment of rent for the period covered by DE HAP payment and waive arrears from before the period covered by DE HAP payment. Other arrears may be addressed in a stipulated agreement reached through the Courts.

Applications with open eviction cases cannot be paid until documentation has been provided showing that the eviction case has been withdrawn, satisfied, or resolved via agreement. These cases will be conditionally approved until this documentation is submitted.

Appeals

Applicants who believe their request for assistance has been denied in error must contact DSHA in writing within ten (10) business days of the initial determination to request reconsideration of the determination. This request must include a brief statement of why the applicant believes the determination was made in error and should be made by email to:

<u>dehap@destatehousing.com</u> with the subject DEHAP RECONSIDERATION or by mail to:

Delaware State Housing Authority Attn: DEHAP RECONSIDERATION 820 North French Street 10th Floor, Wilmington, DE 19801 DSHA DEHAP program staff will contact applicant to discuss the determination and advise the applicant if there are any errors that may need to be corrected to reconsider the initial determination.