

## **Governor Murphy and Lieutenant Governor Oliver Announce Short-Term Rental Assistance Program to Help Residents Affected by COVID-19 Pandemic**

### **Program Will Provide at least \$100 Million in Temporary Rental Assistance for Low- to Moderate-Income Households, Including the Homeless or Those at Risk of Homelessness**

TRENTON, NJ – As part of the Murphy Administration’s overall response to assist New Jersey residents affected by the COVID-19 pandemic, Governor Murphy and Lieutenant Governor Oliver today announced the COVID-19 Short-Term Rental Assistance Program. The program will provide rental assistance to low- and moderate-income households that have had a substantial reduction in income as a result of the pandemic, including those who are homeless or at risk of homelessness.

“From the moment this crisis took hold, we’ve made it clear that New Jerseyans should not fear losing their home as a result of financial hardship caused by COVID-19,” said Governor Murphy. “This program will provide at least \$100 million in housing relief for low- and moderate-income families who need it most. We’ll continue working closely with our legislative and community-based partners to further strengthen protections for tenants.”

The program will open for applications in July and begin paying rental assistance in September. Qualifying households will be expected to pay 30 percent of their income toward rent, and the program would pay the remainder of their rent up to DCA’s fair market rent payment standard (see chart below). At the three-month mark, the household budget will be reviewed to determine if assistance is still needed. Assistance that is no longer required will be used to serve additional families.

“We understand the challenges families are facing at this difficult time and it is our goal to help as many people as possible, which is why we developed this new rental assistance program,” said Lt. Governor Sheila Y. Oliver, DCA Commissioner. “In addition to the new program, DCA is also urging households in need to apply for the Low Income Home Energy Assistance Program (LIHEAP), which helps people pay for their home energy bills. With additional funding through the Coronavirus Aid, Relief, and Economic Security (CARES) Act, New Jersey is able to help even more families cover their rent and energy expenses through this crisis.”

The program will devote approximately 20 percent of funding to serve those who are very low income and homeless or at risk of homelessness with up to 12 months of rental assistance. These households will be selected by DCA through the Coordinated Entry process in each county’s Homeless Management Information System. To help families reach self-sufficiency, case management, financial planning, and other assistance will be provided by the program.

For the remainder of the funding, DCA will administer an online lottery. When the lottery is opened, households may submit applications and participants will be selected from the overall pool of applicants through a randomized process based on eligibility and the lottery criteria. Applicants selected through the lottery will be eligible to receive up to six months of short-term

rental assistance. Should further funding become available, DCA will serve additional households.

Households may qualify for the lottery based on the below standards:

Eligibility Requirements:

- Must be a New Jersey resident.
- Maximum income up to 80 percent of area median income (AMI).
- Must have been current in their rental payments as of March 1, 2020.
- Must be able to provide proof of impact of COVID-19 beginning on March 9, 2020 when Governor Murphy declared the state of emergency.
  - Layoff;
  - Reduced work hours;
  - Unpaid leave to take care of children due to school and daycare closures; and/or
  - Need to self-quarantine for 14 days resulted in a loss of income

The COVID-19 Short Term Rental Assistance Program website will launch on June 15 with additional information at <https://www.nj.gov/dca/divisions/dhcr/offices/shorttermrap.html>.

DCA will provide the centralized application intake, eligibility review, and payment directly to participants' landlords. As part of the landlord contract, DCA will encourage landlords to agree to a reasonable payment plan for any rent arrearages, not to evict for any arrearages accumulated prior to the start of temporary rental assistance, and not to evict due to unpaid rent for six months after the end of assistance.

As more resources become available, DCA anticipates that the program might expand to assist additional families.

DCA offers a wide range of programs and services, including affordable housing production, fire safety, building safety, community planning and development, local government management and finance, and disaster recovery.

For more information about DCA, visit <https://nj.gov/dca/> or follow the Department on social media.