

# Update on RentHelpMN

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# Goals of emergency rental assistance



RentHelpMN was established as a temporary emergency aid program with two primary goals:

- Maintain housing stability for renters at risk of losing their housing during a pandemic.
- Support property owners facing a loss of income during a time of ongoing expenses.

# Security for renters



“Having support for overdue rent has been a huge source of support and relief for almost everyone I’ve talked to in the northwest part of Minnesota.

“The fact that they aren’t staring down huge amounts of unpaid rent provides them some freedom to address other critical areas of their lives, especially mental health.”

*Deanna, field partner*

# Relief for property managers



- **Q: What was the beginning of the pandemic like for your company and the tenants?**
- A: “It was a scary and stressful time all around. Many of our tenants didn’t have the money to setup a payment plan. ... When the program became available, we worked with them to apply. Luckily, many of them did.”
- **Q: What would have happened to those tenants if the RentHelp Program wasn’t available to them?**
- A: “I really don’t know where they would have gone. At least 50% would have become homeless.”

*Joey Kurtz, Property Manager*



*D.W. Jones has offices in Walker, Grand Rapids and Brainerd and oversees more than 120 complexes with roughly 5,000 units. 80% of units are affordable.*

# Assistance for eviction courts



- Minnesota Housing staff are available as a resource in virtual hearings in all 10 court districts.
- Renters need to respond to eviction notices and attend court, even if they have a pending application.
- Staff assist the courts by providing information on application status.
- So far, our staff have provided information in **more than 1,300 court cases** throughout Minnesota.



*Staff are visible in Zoom court meetings as "RentHelpMN Resource."*

# Treasury allocations to Minnesota Housing

## **RENT HELP MN**

ERA1: \$300 million

ERA2: \$237 million

**TOTAL: \$537 million** (~\$450M available for direct assistance)

### **Treasury Allocations to All Minnesota Entities**

*(State, Counties and Cities)*

ERA1: \$375 million

ERA2: \$298 million

Total Statewide: \$673 million

# Program timeline



Date	Action
December 2020	ERA1 allocation to Minnesota Housing (\$300 million)
Jan-April 2021	Program designed, consultants hired, call center set up, marketing planned. Treasury guidance undergoes multiple evolutions.
March	ERA2 allocation to Minnesota Housing (\$237 million)
<b>April 20</b>	<b>RentHelpMN opens for applications</b>
May 20	Initial payments issued
Sept 30	Minnesota Housing meets Treasury deadline to commit 65% of ERA1 funds
October 12	Eviction protections enter last stage
October 15	Residents of vacated units allowed to apply
Jan 10, 2022	Program change: Reduce forward rent requests from three months to one month
<b>Jan 28, 2022</b>	<b>Application portal closes to applications at 9 p.m.</b>

# Unique features of program



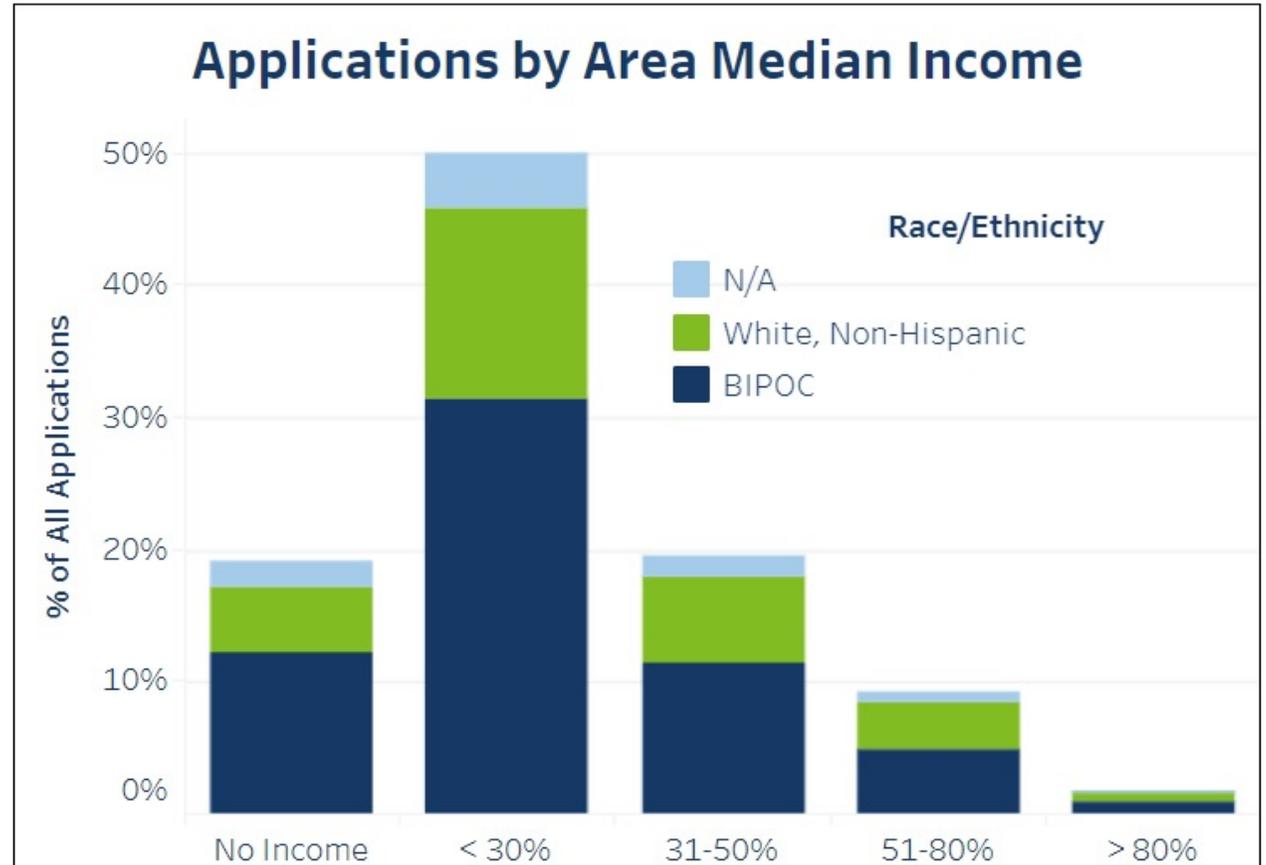
- This was a one-time, temporary, emergency allocation
- Designed and launched program to distribute nearly half a billion dollars in a matter of months
- The program immediately faced pent-up demand, which continues
- The eviction off-ramp provided protection to individuals with a pending application
- Treasury guidance shifted over time:
  - Simplified application and documentation requirements
  - Allowed eligibility for renters who had vacated units

# Applicants are most at-risk renters



- Eligibility is limited to 80% of area median income (AMI)
- 89% of applicants are "very low income," earning less than 50% average median income. (HUD)
- 70 percent of applicants are "extremely low income," below 30% AMI.
- Two-thirds of applicants who provide demographic information identify as Black, households of color, or Indigenous households.

*Data current as of January 20*



**Link to Dashboard: [www.mnhousing.gov/renthelpmn-dashboard](http://www.mnhousing.gov/renthelpmn-dashboard)**

# Applications surged in January

## Applications by Month

January application rates were on pace to be the largest month even before the deadline was announced.



# Pressures facing renters in January

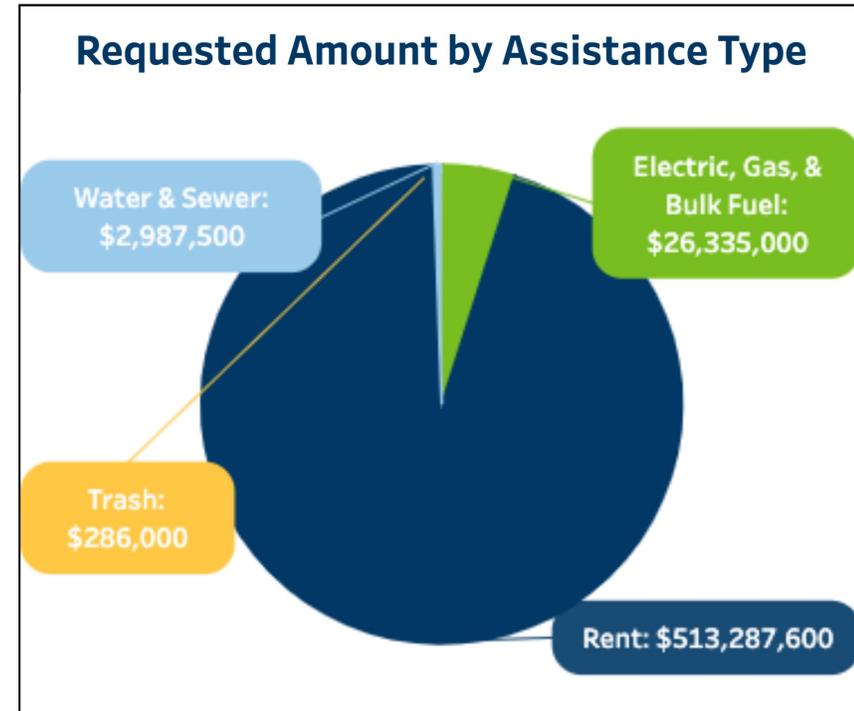
January typically has higher rent delinquencies than other months.

## **Unique factors in 2022:**

- Child tax credit payments have ended.
- Utility rates have increased.
- Surges in case rates and economic impact due to Omicron variant.

# Assistance to date\*

- 100,217 applications received from 74,700 unique households.
- 84,160 payments made assisting 48,079 unique households.
- \$374.3 million in assistance paid.



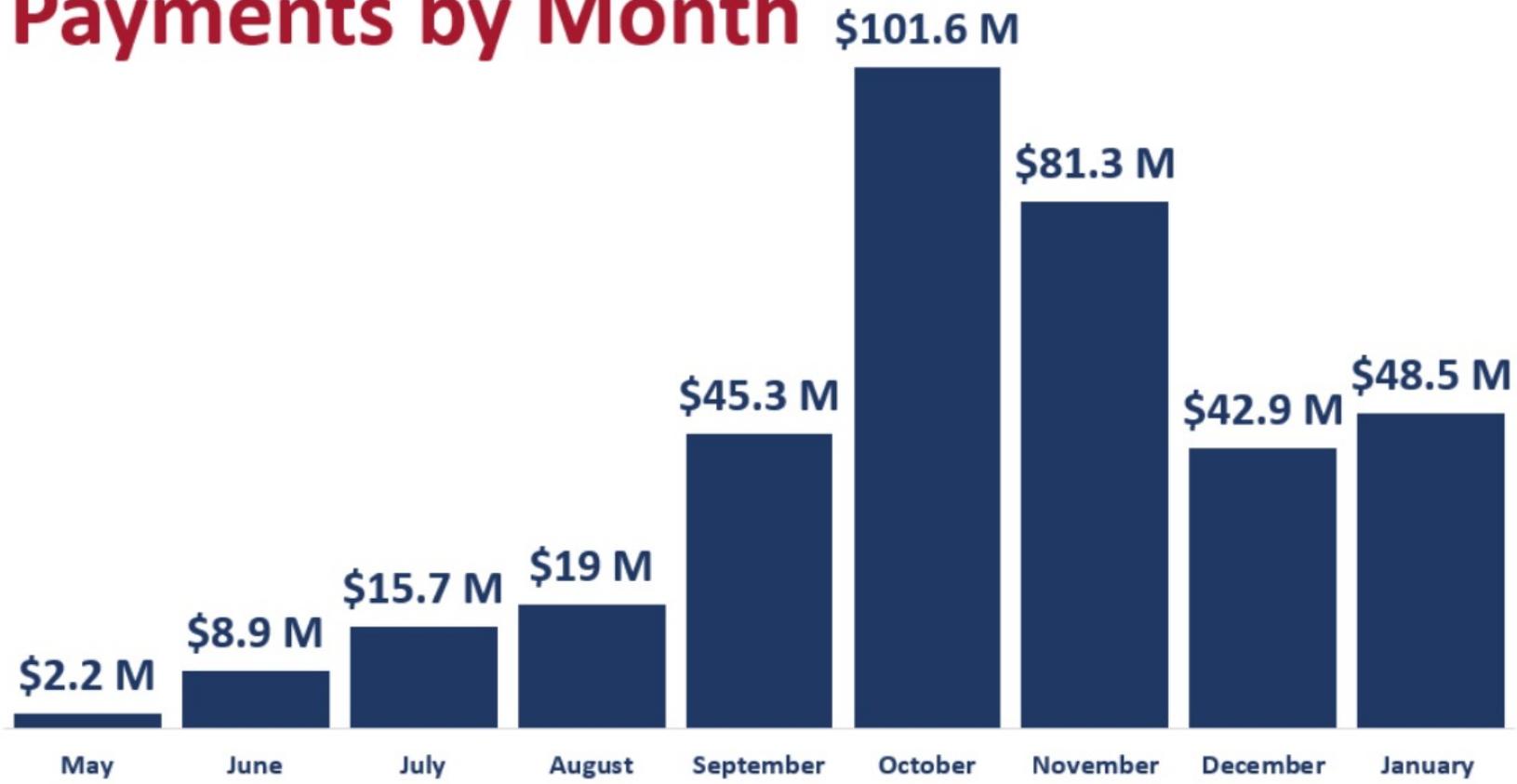
\*Application figures are preliminary and represent data through 1/28. Payment data is through 2/4.

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# Payments made through January 31



## Payments by Month



### Households helped:

May:	371
June:	1440
July:	2750
August:	2847
September:	6189
October:	14,657
November:	13,377
December:	6968
January:	8842

# Requests for additional funding



- Additional Treasury requests:
  - \$231 million in November (rejected)
  - \$212 million in January (not expected to be funded)
- LCRC authorized \$7 million to supplement processing needs.
- LCRC authorized \$20 million for additional assistance.
  - These funds have since been approved for contingencies.

# Steps taken to extend funds

- Targeted funds to the renters most at risk of eviction.
  - We did not open the program to renters who did not owe back rent.
- We reduced the number of forward months of rent on January 10.
  - Reduction was from three months to one month of forward rent.
  - Doing so doubled the number of households that could be assisted with the remaining funds.

# Preparing for program transition

- Funds for this program were finite, especially with no reallocation dollars from Treasury.
- January application trends changed quickly.
- Staying open into February would have resulted in accepting more applications than we would have funds to pay.

# Timeline of deadline determination



Date	Action
Sept. 2, 2021	Minnesota Housing begins hosting monthly meetings for the media
Nov. 30, 2021	Minnesota Housing requests new allocation of \$231 million from Treasury
December	Applications increase over prior months
Dec. 12, 2021	Minnesota Housing updates media on program, noting temporary nature of fund
Jan. 3, 2022	Treasury declines to allocate new funds to Minnesota
Jan. 7	Minnesota Housing announces forward rent reduced from 3 months to 1 month
January 1-10	Average daily submissions continue to rise above December; average requests rise
Jan. 12	Minnesota Housing indicates to media that funds will not last until eviction moratorium ends
Jan. 12	Pioneer Press: " <a href="#">Federal aid is running out</a> "
Jan. 20	Becomes clear that January will become the highest month of applications
Jan. 21	Minnesota Housing determines it would be oversubscribed if stays open in February
Jan. 25	Minnesota Housing board votes to approve application deadline of 1/28; Media briefing
Jan. 28	Application portal closes at 9 p.m.
Jan. 29-20	Portal closed over weekend to pull data of submitted applications
Jan. 31	Portal reopens in time for housing court hearings relying on statuses in portal

# Getting the deadline right



We accepted applications for as long as we reasonably could in light of available resources.

# Determining deadline

Find the date that would address logistical concerns.

- Board approval needed.
- Provide notice for applicants and time to complete applications.
- Time for system maintenance and processing after the deadline.
- We needed to have the system available for the courts on Monday.
- End of the month date to capture all past-due renters. Applicants need to have past-due rent to be eligible to apply.

# Rollout of deadline

- Board meeting held morning of January 25.
- Stakeholders were contacted following the board decision.
- Press conference held January 25 at 1 p.m.
- Media coverage carried throughout the state.
- Sent eNews to 35,000 people and posted social media (1.7K+ shares)
- Emailed all renters who had started but not submitted applications.
- Added server capacity to handle surge, doubled again on Wednesday. Field partners and 211 planned for extra staffing to support applicants.
- Applications came in as estimated.

# Final tally

- 11,470 additional applications submitted in three days (greater than the monthly total for May).
- 5,215 applications came in on Friday alone.
- The message was heard: Activity tapered as the 9 p.m. deadline approached.
  - The 211 call queue was at zero.
  - Five minutes before the deadline, there were five users online in the application portal.

# Resources for further help

Resources are listed at RentHelpMN.org and on Minnesota Housing's website:

## Other available resources

Numerous entities received housing and related assistance funds as part of the COVID-19 relief funds.

- Help with heating costs and furnace repairs are available through the [Energy Assistance Program](#). You can also call 800-657-3710 and press 1.
- Minnesota's [Cold Weather Rule \(CWR\)](#) is a state law that protects residential utility customers from having electric or natural gas service shut off between October 1 and April 30.
- Some Tribal governments received federal funding to operate their own rental assistance programs. If you are connected to

**Jennifer Leimaile Ho, Commissioner  
Minnesota Housing**

