



**FINAL Short Term Rental and Mortgage Assistance Guidelines**  
**Revised July 1, 2020**

**Purpose:** Due to the COVID-19 emergency, Governor Polis has issued several Executive Orders addressing evictions and foreclosures, including authorizing funds for emergency rental and mortgage assistance for applicants that have been economically impacted by COVID-19. Program guidelines are subject to change as a result of emerging housing market conditions, funding availability, and eviction/foreclosure moratorium information.

**Eligibility:** Current annualized household income must be at or below 80% of the Area Median Income (AMI) for the particular county where the home of the applicant is located, and for the size of the applicant household. Income is calculated based on the month preceding the month for which assistance is requested (e.g. March income for April housing assistance). Unemployment Insurance benefits are included in income calculations. Federal stimulus payments are not included as income, or as a potential duplication of benefit.

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 rental/mortgage assistance received. These benefits 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 funds if duplicate benefits are received.

Participating agencies are encouraged to work with applicants to apply for other available assistance, including but not limited to Unemployment Insurance and/or mortgage forbearance to ensure their housing stability into the future. Please note, application for and/or approval of Unemployment Benefits (UI) is not an eligibility requirement for this program.

**Evidence of Financial Hardship Due to COVID-19:** “Financial hardship due to COVID-19” means an individual or household;

1. suffers a decrease in income or is unable to work as a direct or indirect result of COVID-19, and
2. does not have the financial resources to make rental and mortgage payments without leaving them unable to make necessary purchases of goods and services such as food.

Applicants must demonstrate financial hardship by completing the application for assistance, including the section on financial hardship, and the self-certification/attestation that their financial hardship is due to COVID-19.



**Evidence of Tenancy/Ownership and Primary Residency**

<b>For Rent Requests</b>	<b>For Mortgage Requests</b>
<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"> <li>1. All applicants must attest that the property is primary residence (question is on the application).</li> <li>2. Applicants must provide at least one of the following:               <ul style="list-style-type: none"> <li>• Executed (signed by tenant and landlord/agent) lease that names applicant as tenant of property.</li> <li>• Other type of written document that names applicant as tenant of property (may include hotel/motel occupancy ledger report).</li> <li>• Applicant driver's license or other government issued ID shows address of property.</li> <li>• Income information (e.g. check stubs, reports) show applicant name and address of property.</li> <li>• Current utility bill or other such official business mail addressed to applicant at property.</li> </ul> </li> </ol> <p>If none of the above is available, agency may accept a statement from the landlord (and/or agent) that the person lives at that property and pays rent.</p>	<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"> <li>1. All applicants must attest that property is primary residence (question is on the application).</li> <li>2. Applicants must provide one or more of the following:               <ul style="list-style-type: none"> <li>• Current mortgage statement that matches the name of the applicant.</li> <li>• 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.</li> </ul> </li> <li>3. Agency review of property records indicating ownership.</li> </ol>

**Evidence of Rent or Mortgage Due**

<b>For Rent Requests</b>	<b>For Mortgage Requests</b>
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The applicant must provide information to prove the amount of their rent payment. This may include either:

1. If available, a copy of a lease or other written agreement with the applicant named, rent amount and due date.
2. If the applicant is not named in the lease, proof of at least one payment made to the landlord (and/or agent), or named leaseholder for the month immediately prior to the month for which assistance is requested. Proof may include:
  - Copy of a check.
  - Ledger from Venmo, Paypal, or financial institution (may include hotel/motel occupancy ledger report).
  - Receipt of money order/cashier's check.
  - If paid in cash, receipt or affidavit from the 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.

Should the applicant have one or more months of rent past due, documentation of total amount due to bring rent current. This may include past-due notices, emails from the landlord (and/or agent), rent ledger from the landlord, or other applicable documents as available. Agency can confirm directly with the landlord if possible. (Agency should contact DOH to discuss other potentially

The applicant must provide information to prove the amount of their mortgage payment due.

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 the mortgage (e.g. bank statement, electronic transfer statement (e.g. Venmo/Paypal), cleared checks, etc.)

Should the applicant have one or more months of mortgage past due, documentation of total amount due to bring mortgage current. This is likely included in the current mortgage statement. (Agency should contact DOH to discuss other potentially acceptable documentation if not mentioned here).



<p>acceptable documentation if not mentioned here).</p> <p>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**

<b>For Rent Requests</b>	<b>For Mortgage Requests</b>
<p>The rental assistance will be paid directly to the landlord (and/or agent). 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> <ol style="list-style-type: none"> <li>1. Applicant will provide this remittance information on their application.</li> <li>2. Verify who shall receive the funds using evidence of rent payments, as per section above.</li> <li>3. Verify property ownership by reviewing property records.</li> <li>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.</li> </ol>	<p>Mortgage payments will be made directly to the lender as per the current month's mortgage statement.</p>

**Proof of income for qualification:** To be eligible for this benefit, the household must provide documentation that their annualized income, as calculated based on the monthly income for the



month preceding the month for which assistance is requested, is at or below 80% of the AMI. Households currently supported with a housing voucher are not eligible.

1. AMI Guidelines: These [guidelines](#) should be used to determine 80% of 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 80% AMI by a Public Housing Authority (PHA) or Tax Credit Property Manager, either;
    - a. for the month preceding the month for which assistance is requested, the first allowable month is March 2020, or
    - b. at the time the tenant's income was determined for the commencement of the most recent lease term.

In either, PHA or Tax Credit Property Manager provides certification of this income determination.

- Calculate household income using the HUD Part 5 methodology for Gross Income using the HOME Adjusted Income and Rental Assistance (instructions can be found [here](#)), with the following program-specific exceptions;
  - a. Calculate gross income without making adjustments/deductions. (Stop at completion of calculation of Gross income, rather than continuing to calculate the Adjusted Gross Income.)
  - b. Assets can be self-certified for this program. Third party documentation of assets (as defined in HUD Part 5) is not required for this program.
  - c. One month's income documentation will be used to calculate applicant income for this program. Documentation should be for the month prior to the month for which assistance is requested (March income for April rent). If using most recent annual income certification the documentation collected at that time will serve as documentation for basis of income determination for this program.
- For those with cash-only incomes (e.g. odd jobs, baby-sitting, etc), or for other income unable to be documented by a third party, self-certification is allowed 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. A written document or self-certification from the household will suffice as verified information.

**Determination of Eligible Assistance:** Assistance provided for a given month will be the lesser of:

- The cost of the rent or mortgage for one month (monthly rental agreement or mortgage statement), 5 weeks (weekly rental agreement), or 30 days (daily agreement), or
- 1.5 times the Fair Market Rent (“FMR”) by bedroom size for the county in which the applicant resides, unless a waiver is provided by DOH. Fair Market Rent can be found [here](#).

**Assistance for Housing Costs in Arrears:** Assistance is available for housing cost in arrears (unpaid previous housing costs, sometimes referred to as “back rent” for tenants). Housing costs in arrears are eligible for payment in full, incurred on or after March 1, 2020.

**Rental or Mortgage Assistance Available:** These funds are intended to be emergency assistance.

- Applicants without housing costs in arrears are applying for the cost of one month (or 5 weeks for weekly rental, or 30 days for daily rental) of housing only, starting with current month’s housing costs.
- Applicants with housing costs in arrears may apply (in one application) for assistance for multiple past months beginning March 1, 2020, as well as for the current month’s housing cost. (If the applicant paid a portion of one month’s rent, and then missed subsequent rents, only the outstanding amount is eligible to be paid by the program. Households will not be reimbursed.) Only for past due months, and the current month, may an applicant receive assistance for more than one month at a time.
- If funds are available, applicants can submit a re-application for assistance in subsequent months. There is no maximum number of months for which an applicant may receive assistance, but only one month of assistance will be received at a time, with the exception of months in arrears, as described above.
  - Reapplications must provide new documentation to re-calculate income based on the current income (from the month prior to the month for which assistance is requested). If using most recent annual income certification the documentation collected at that time will serve as documentation for basis of income determination for this program.
  - If the applicant has moved, full documentation of tenancy and rent (or ownership and mortgage statement) must be provided.

In all instances, duplication of benefits must be prevented as described above. The maximum assistance available is calculated after subtracting other COVID-19 housing specific assistance funds available to the applicant (“potential duplicated benefits”) for the specific month’s housing



costs. Potential duplicative benefits include cash or payment assistance from a local government agency, housing authority, nonprofit organization, religious organizations, and friends or family.

**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"> <li>● Verify the rent amount and date due.</li> <li>● Verify information about household occupants if known.</li> <li>● Ask property owner or contracted property manager to stop eviction proceedings if they are underway, rescind late fees, and remove filings from credit bureaus.</li> </ul> <p>These communications should be documented (e.g. maintain emails, text screenshots, written letter and/or document conversations with date/time and what was said by whom).</p>	<ul style="list-style-type: none"> <li>● Verify the mortgage amount and due date from mortgage statement.</li> <li>● Payment is made to the lender directly through the mortgage statement.</li> <li>● (If applicable) ask mortgagor or servicer to stop foreclosure proceedings if they are underway/pending, rescind late fees, and remove filings from credit bureaus.</li> </ul>

**Identification:** Program administrators must confirm the identity of the applicant by requiring the applicant to produce:

1. a valid Colorado driver’s license or a Colorado identification card, issued pursuant to Article 2 of Title 42 CRS; 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
5. a document issued by any instrumentality of government (US or foreign), or
6. a document issued by an educational institution (US or foreign).

Where the applicant differs from the lease/mortgage-holder, the identity of the household member named on the lease or mortgage must also be documented.

**Fair Housing:** Program assistance must be provided according to Fair Housing requirements that protect people 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 work with DOH to get set up in the system. Grantees will take in applications using a custom entry screen designed by DOLA and the Colorado HMIS Collaborative, and clients will be exited from HMIS at the end of the program. The rental and mortgage assistance payments issued to landlords or financial institutions will be entered into HMIS as services. Clients entering emergency fund programs will be asked to sign, physically or electronically, a release of information which will allow DOLA to use data on these clients to administer the program. It is not a requirement to receive services to sign this form. As needed, agency staff will be trained in HMIS in an onboarding program provided by one or more Continuum of Care organizations.

**Invoicing:** Agency may invoice DOH as frequently as once every two weeks. Agency may request an advance payment of funds. If an advance payment is received, Agency may submit an invoice for the next advance once 80% of the current advance payment has been spent down. Agency must provide supporting documentation **for all payments**.

**Program Budget:** Agency's contracted Award Amount includes funds for program delivery and administrative costs. Total Budget is not to exceed the Awarded Amount reflected in the Purchase Agreement.

**Administrative/Program Delivery Costs:** Agency may invoice **\$100** for initial payment made **prior to July 1, 2020** for a qualified household for rental or mortgage assistance as per the program guidelines. Agency may invoice **\$100** for each subsequent payment made for a qualified household as described.

Agency may invoice **\$200** for initial payment made **on or after July 1, 2020** for a qualified household as described, only for initial payment. Agency may invoice **\$100** for each subsequent payment made for a qualified household as described.

Agency may invoice a fee per month of housing cost assistance paid regardless of whether payment is made for multiple months in one transaction, or in separate transactions.

Fee Examples:

1. First payment made May 5, 2020 (prior to July 1, 2020 fee structure update). Payment includes assistance for housing costs one month in arrears, plus assistance for current month (May).

Fees invoiced:

April	\$100 (first month)
May	\$100



2. First payment made July 6, 2020 (after July 1, 2020 fee structure update). Payment includes assistance for housing costs three months in arrears, plus assistance for current month (July).

Fees invoiced:

April	\$200 (first month)
May	\$100
June	\$100
July	\$100

**Funds:** Funding amount is “up to” the amount indicated. Funds not expended by the expiration date of the Purchase Agreement will revert to DOH and be reallocated to other agencies whose contracts or purchase orders will be extended.

**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 not require wet signatures from the applicant. Sample forms and instructions will be provided.

**Monitoring:** The State will monitor Agency’s performance of its obligations under this Agreement using procedures as determined by the State. The State shall have the right, in its sole discretion, to change its monitoring procedures and requirements at any time during the term of this Agreement. The State shall monitor Grantee’s performance in a manner that does not unduly interfere with Agency’s performance of the Work.

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

**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:** This Agreement will be effective upon execution date through the expiration date as specified in the agreement, and may be amended/extended as agreed upon by both parties.

**Termination or Cancellation:** The Division of Housing reserves the right to cancel or terminate this agreement and its funding at any time without providing a 30 day notice to the agency.