

## **Proposed Method of Distribution – CARES Act Funds**

The State of Louisiana has been allocated a total of \$31,845,548 in Coronavirus Aid, Relief, and Economic Security Act (CARES Act) Formula Grant funds (\$13,443,720 for CV1 and \$18,401,828 for CV2). The Division of Administration, Office of Community Development, proposes to use \$5,000,000 of this allocation toward a program undertaken by the Louisiana Housing Corporation (LHC), the Louisiana Emergency Rental Assistance Program. This program will provide up to three months of rental assistance to approximately 13,000 rent-burdened households who are at imminent risk of eviction due to business closures, layoffs, and other factors related to the COVID-19 health crisis. While \$5,000,000 will be utilized toward the Louisiana Emergency Rental Assistance Program, the use of the remaining \$26,845,548 has yet to be determined. The \$5,000,000 in CDBG-CV funds will be distributed to private citizens directly through the sub-recipient organization, Louisiana Housing Corporation. Upon determination of local government needs, a portion of the grant, equal to \$13,443,720, will be distributed to units of general local government in non-entitlement areas.

### **Household Stabilization**

Households who are unable to pay rent as a result of business closures, layoffs, reduced work hours, or unpaid leave due to the COVID-19 health crisis and whose income does not exceed \$13,500 - \$25,450 (dependent upon household size) will be served at the state level by the Emergency Rental Assistance Team established by the LHC. The HOME Program and Community Development Block Grant (CDBG) funding will cover a portion of the monthly rental payment and utility expenses for a maximum of three months.

### **Louisiana Emergency Rental Assistance Program**

Households that qualify for household stabilization assistance will not be eligible if any of the following apply:

- *Currently reside in subsidized housing*
- *Receive other government rental assistance (Section 8/Housing Choice*
- *Vouchers, Permanent Supportive Housing, 811)*
- *Landlord is a relative*

### **Target Population**

*30% of the Statewide Average Median Income Households*

1 Person \$13,500 5 Person \$20,850  
2 Person \$15,450 6 Person \$22,400  
3 Person \$17,350 7 Person \$23,900  
4 Person \$19,300 8 Person \$25,450

### **Review & Referral**

LHC will receive, review, and refer all pre-screened applications to determine eligibility for household stability funding. Applicants who qualify for the Household Stabilization funding will be referred to the LHC Emergency Rental Assistance Team.

Applicants that do not meet the minimum qualifications will receive a formal letter regarding the status of their pre-screened application.

**Eligibility Determination**

The LHC Emergency Rental Assistance Team and the local Continuum of Care providers will contact all pre-screened applicants who meet the qualifications to continue the eligibility process, including document submission and landlord/property manager verification.