

Executive Office of Economic Development Housing Development Division City Hall, 455 Main Street, Worcester, MA 01608 P | 508-799-1400 F | 508-799-1406 development@worcesterma.gov

June 2, 2023

Request for Qualifications Subrecipient Agencies for the Administration of ARPA Emergency Rental Assistance

The City of Worcester received approximately \$146 million from the federal government, through the U.S Treasury, as a result of the American Rescue Plan Act (ARPA). This direct allocation is part of the Coronavirus State and Local Fiscal Recovery Funds (SLFRF) program. The goal of the SLFRF program is to ensure that state, local and tribal governments have the resources needed to fight the pandemic, strengthen, and sustain economic recovery, maintain vital public services, and make investments that support long-term growth, opportunity, and equity. The funding is intended to address local needs within the following eligible categories: replacing lost public sector revenue, addressing public health and economic impacts, providing premium pay to essential workers, and improving water sewer and broadband infrastructure.

In an effort to address the public health and economic impacts of the COVID-19 pandemic on the area of housing, the City has set aside \$1 million in funds to launch an ARPA Emergency Rental Assistance Program. The City is aware that many residents and families in Worcester have struggled to keep up with rent and other financial obligations due to the lingering impact of the COVID-19 pandemic. The ARPA Emergency Rental Assistance Program will assist residents most at risk of eviction by providing both rental and utility assistance.

In order to identify and properly qualify residents most at risk of eviction, the City of Worcester's Housing Development Division requests the assistance of approximately three (3) qualified local housing and social service agencies to administer the aforementioned rental assistance program by qualifying, approving and disbursing funding to tenants. The goal is to assist up to 128 total residents at risk of eviction.

Overview of City of Worcester ARPA Emergency Rental Assistance Program

• Funding is available through the Coronavirus State and Local Fiscal Recovery Funds (SLFRF) made available through the U.S Treasury, as a result of the American Rescue Plan Act (ARPA)

- Multiple qualified local housing agencies will be contracted as sub-recipients to help administer the program by qualifying, approving and disbursing funding to tenants.
- Up to \$7,000 per tenant to cover rent arrearages and household utility arrearages including heating, hot water and electricity. Only actual eligible arrearage costs will be paid as a one-time payment covering up to 12 months of rent and utility arrearages.
- Applicant must qualify based on <u>four qualifying categories outlined in the</u> Department of Treasury's Final Rule:
 - 1. Qualified Census Tract (QCT) as defined as any census tract in which at least 50 percent of households have an income less than 60 percent of the Area Median Income (AMI), or which has a poverty rate of at least 25 percent.
 - 2. Disproportionately impacted households which include the following populations; *Hispanic/Latino, Black/African-American and American Indian/Alaska Native.*
 - 3. Recipients of federally funded income restricted programs and services.
 - 4. Low income as defined by the U.S. Treasury as; income at or below 185 percent of the Federal Poverty Guidelines for the size of its household based on the most recently published poverty guidelines; or income at or below 40 percent of area median income for its county and size of household based on the most recently published data.
- Applicant must be a current Worcester resident.
- Agency payments are to be made directly to property owners and utility companies.
- Tenant and property owner must agree to one of the following:
 - 1. Landlord must agree to waive any additional rent arrearages and not pursue eviction for non-payment of any rent and utility arrearages
 - 2. If arrearages are more than maximum grant value and landlord will not forgive additional rent and utility arrearages, tenant must pay the remainder of the delinquent amount prior to the assistance being granted.

The qualifying income limits, consistent with ARPA guidelines, are as follows:

| ARPA 2023 INCOME LIMITS | | | | | | | | |
|--------------------------------|----------------------|----------|----------|----------|-----------|-----------|-----------|-----------|
| 2023 Income | | | | | | | | |
| Limit Category | Persons In Household | | | | | | | |
| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 |
| Annual Income - Moderate | \$53,235 | \$60,840 | \$74,580 | \$90,000 | \$105,420 | \$120,840 | \$136,260 | \$151,680 |

Qualified Subrecipient Agency

A qualified subrecipient agency must have the following qualifications:

- 1. Previous experience qualifying tenants for federal and state income-based housing or utility assistance.
- 2. Show staff capacity to accommodate increased qualification case workload.
- 3. Show financial capacity to administer the program on a reimbursement basis.
- 4. Ability to adhere to privacy regulations regarding confidentiality of information.

Upon successful completion and payment of each resident's application package and payment to property owner, an agency delivery fee of 10% of the per unit rental assistance payment will be paid to the qualified agency. Each selected agency will receive a one-year performance-based contract which will be solely based upon successfully completed resident rental assistance payments. No additional administrative or overhead costs are provided outside of the above-mentioned agency delivery fee.

In addition, agencies are restricted to a maximum of 25% of funding award toward housing owned or managed by that specific agency. No administrative fees are to be paid on units owned or managed by the agency. Any agency that is applying for funding must review their own clients and not submit them to another agency for review.

Request for Qualifications Submittal

The City of Worcester's Executive Office of Economic Development's Housing Development Division is requesting interested organizations submit their qualifications to each question on organizational letterhead in the following areas-

- 1. The ability to communicate in multiple languages.
- 2. Capacity to produce and distribute various outreach materials and application packages to different populations throughout the city.
- 3. Previous experience with homeowner, investor and tenant coordination and communication involving potential adverse relationships.
- 4. Describe the agency's previous experience adhering to federal and state fair housing regulations.
- 5. Ability to network with diverse populations throughout the city to communicate the availability of rental assistance.
- 6. The total number of projected tenants over a one-year period the organization could provide rental assistance with their current capacity.
- 7. Demonstrate the financial capacity to provide clients with immediate rent arrearage payments while awaiting reimbursement from this contract.
- 8. Ability to adhere to privacy regulations regarding confidentiality of information.
- 9. Ability of the entity to comply with the 2 CFR 200 procurement standards for the fiscal year starting July 1, 2023.
- 10. Ability to begin this contract on or before July 1, 2023.

- 11. Ability to have a representative attend monthly coordination meetings.
- 12. In addition to the above, the organization must submit insurance with a minimum liability policy of \$1,000,000 and worker's compensation insurance if applicable. In addition, the organization must be listed on SAM.gov and not flagged for exclusion from federal contracts.

All submittals must be received prior to June 16, 2023 by 4PM either by mail or email with return receipt

Mailed Submissions-

City of Worcester Executive Office of Economic Development, Neighborhood and Housing Development Division, Customer Service Desk, City Hall, 4th Floor 455 Main Street Worcester, Massachusetts, 01608

Email Submissions-

brooksj@worcesterma.gov A confirmation email will be sent upon receipt.

Any questions prior to June 16, 2023 should be in writing to James Brooks, Director of Housing Development at <u>brooksj@worcesterma.gov</u>.