

Municipal Voucher and Flex-ARPA

Office of Housing Stability
Presentation to the City Council
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**Somerville Office
of Housing Stability**

Why a Municipal Voucher Program?

- **Lack of Deeply Affordable Units:** While Somerville is producing a significant pool of new affordable units, few are affordable to those at the lower income bands (below 50% AMI) without vouchers
- **Lack of Access for Immigrants:** Most federal housing programs (e.g. Section 8; federal public housing) exclude immigrants who have temporary status (such as TPS or DACA) and who are undocumented
- **Demonstration of Need:** Since the opening of OHS in August 2018 approx. 43.5% of our service requests come from households with a primary language other than English. We have had over 300 requests this year for rental assistance to date
- **Inadequate Existing Solutions:** OHS, CAAS, SHC and SPS are working with many immigrant families that are only able to pay their rent with temporary rental assistance which is a short-term solution to a long-term problem – there are NO viable housing options for many of these families once rental assistance expires.
- **Freedom from state and federal regulations:** A fully funded municipal voucher program is not subject to restrictive state and federal regulations allowing for a lot more flexible in program design and implementation

What is the Municipal Voucher Program? (as currently conceived)

- **What is the Somerville Municipal Voucher Program (MVP)?**
 - Intended to be a long-term housing program providing **deep rental subsidies** to Somerville residents that are housing instable
 - Intent is to prioritize families that are ineligible for federal housing programs due to immigration status
 - Sub-priority One: Families with children in Somerville public schools or preschools
 - Sub-Priority Two: Seniors and People with Disabilities
 - Seeking a vendor with experience administering low term housing subsidy programs (permanent subject to appropriation)
 - As currently funded and conceived estimate assistance for 30-35 families

***Important this is the current intent but may be revised once vendor is selected and prevention team organized

Are there other municipally funded voucher programs?

- In Massachusetts there are a range of short-term rental assistance programs
- Two MA programs doing long term rental assistance (albeit in very different ways) are Boston and Martha's Vineyard (possibly others)
 - Boston targeted to homeless families
 - Martha's Vineyard to those working 35 hours or more that can pay at least 50% of market rent (6 towns contribute)
 - Eastham program up to two years
- Washington DC; NYC are two others from out of state

What is the Municipal Voucher Program? (cont.)

- What kinds of situations might qualify as **housing instable**?
 - Received Notice to Quit (NTQ)
 - Received Notice of Lease Non-renewal
 - Paying over 50% of gross income for rent plus utilities (shelter costs)
 - Severely overcrowded
- Vouchers can be **project-based** or **tenant-based**
- Tenants will have access to **housing search and stabilization assistance**
- Tenants will pay approx. **30% of income**.
- Tenants will apply for housing programs for which they are eligible (State Public Housing; MRVP when lists are open) and can remain in MVP until offered a unit in one of these permanent programs

What are the advantages of the MVP?

- Since the program is not subject to federal and state restrictions, we can design the program as needed and will have flexibility allowing us to:
 - Determine our own priorities for the program
 - Set our own rent limits (not limited to HUD or DHCD guidelines)
 - Determine policies around unit inspections
 - Can build in supports like housing search and stabilization
 - Can determine whether to do CORI screening and, if so, for what purposes
 - Can determine process for applications and acceptance
 - Closed referral system; point system; lottery (hope is not 1000 apps for 30 slots)
 - Team will make decisions likely OHS, CASLS, CAAS, SHC, SPS, SOIA
 - Possibly Advisory Committee in early stages

What is the plan for future funding?

Somerville Municipal Voucher Program: Phase 1 (5 years)

Year	ARPA	City	Trust	Yearly Total
• 2023	\$794,800	\$-	\$-	\$794,800
• 2024	\$1,116,800	\$-	\$-	\$1,116,800
• 2025	\$-	\$586,320	\$586,320	\$1,172,640
• 2026	\$-	\$615,636	\$615,636	\$1,231,272
• 2027	\$-	\$646,418	\$646,418	\$1,292,836
• Total	\$1,911,600	\$1,848,374	\$1,848,374	\$5,608,348

What is Flex-ARPA?

- Flex-ARPA is an ARPA funded program designed to fill the gaps in other rental and mortgage assistance programs – funds necessary to maintain housing stability or relocate to other stable housing
 - Administered by Somerville Homeless Coalition (SHC) and Community Action Agency of Somerville (CAAS)
 - Can make direct payments when LL is not cooperative or there is sub-tenancy
 - Can pay up to six months of prospective rent (RAFT pays one) where household is paying more than 50% of income for shelter costs (rent + utilities)
 - Can be used for anything that the team believes is needed to promote housing stability (renewal of employment authorization if need it to work and pay rent; to pay for and preserve childcare where about to be lost, etc.)

How much funding is there for Flex-ARPA?

- In July, 2022 \$1,000,000 in ARPA funds were allocated and awarded to CAAS and SHC as subrecipients of Somerville's ARPA funds. \$500,000 to each agency
- SHC and CAAS started implementing program around Sept. 1, 2022
- CAAS spent or committed almost all of its funding by mid-November, 2022 with many families needing both arrears and prospective assistance
- The Administration is committed to supporting families facing housing instability and will use an additional \$3.4 million of ARPA funds for Flex-ARPA based on need and capacity of SHC and CAAS to expend funds