



Using HOME Funds for Tenant-Based Rental Assistance

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Jacksonville has an inadequate supply of rental units that are affordable to very-low and extremely-low income households. Our public housing units, which typically serve households at or below 50 percent of area median income, number more than 2,657, yet there are over 2,800 people on the waiting list for those units and another 6,500 waiting for housing vouchers.



- If the family is in need of assistance due to loss of employment, the applicant can demonstrate employability through employment history, explanation of current unemployment and attest to the objective to regain employment.
- Families will be required to attend a financial counseling session in order to develop a family self-sufficiency plan.

We have established that we have a need for rental units for very-low and extremely-low income households, and we appear to have a supply of units that are available for immediate occupancy. What is the missing link? Tenant-based rental assistance.

As an Entitlement City, Jacksonville receives over \$3.2 million in HOME dollars annually, and accrues a significant amount of program income annually due to loan repayments and interest earned. Since Tenant-Based Rental Assistance (TBRA) programs are eligible activities under the HOME program, we decided to launch a pilot TBRA to help bridge the gap between what housing costs and what people can afford. *The objective of the program is to assist families that require time-limited assistance but have a realistic expectation of being self-sufficient once the assistance ends.* The City has partnered with the Public Housing Authority and a local nonprofit agency to implement the program. We plan to seed the program with approximately \$800,000 for the first year. **The elements of our program include:**

- One-year of rental assistance to working families with incomes of 20 percent - 50 percent of the Area Median Income and one time security deposit assistance.
- Families will have to demonstrate a reasonable expectation that upon the end of assistance they will be able to pay their rent independently.

- The minimum tenant contribution to rent will be \$250 per month or 30 percent of their income, whichever is higher.

We estimate that the average amount of monthly rental assistance will be approximately \$600 per month. While families can qualify for assistance up to one year, we do have the ability to extend to a 24 month period, as long as the family demonstrates an ability to become independent within that time.

The City has created a partnership to implement the program. The selected nonprofit will be the City's grantee, and will in turn have an administration agreement with the Jacksonville Housing Authority. The nonprofit provider will conduct all intake and perform all qualifications of the families, maintain the waiting list, oversee grant compliance, be responsible for audits and conduct all ongoing client support.

The Jacksonville Housing Authority (JHA) will conduct all verifications of applicants, enter contractual agreements with eligible applicants and landlords, inspect units according to Housing Quality Standards, ensure the lease is in compliance with HOME regulations, and issue monthly checks to the landlords.

It is our hope that this will be a successful venture which will not only benefit families in need of housing, but also will improve the economic viability of our assisted rental housing.

