

## U.S. Treasury Clarification on CRF Policy

**Q. Can a local government pay someone's back due rent using DEM CARES funding, then pay their future rent through December 30 using SHIP-CRF?**

*A. Yes, if you do not duplicate benefits for any given month.*

**Clarification:** Since some local governments may have had access to their (non-SHIP) CARES funds that went through DEM prior to receiving the funds that are going through SHIP. If a household was approved for and assisted using the funds through DEM under a rental assistance strategy for previous months (for example, June through August), the local government can then continue to pay rents for subsequent months as long as the tenant remains eligible (hardship still exists) using the funds going through SHIP. Since rental assistance is eligible under both funding sources, it is up to the local government to determine which fund is used. This also applies to local governments that chose to use previously allocated SHIP funds for rental assistance, but convert those eligible households over to CARES funding once they have those funds available. This does not mean that rent may be paid in advance of when it is due; funds should be disbursed for rent that is currently due and only if the household is still eligible. Our concern is that the household being assisted is eligible and that they do not receive payments for the same month from two different sources.

**Q. When paying rent assistance in advance as indicated that we could in Training #1, what if the client's lease agreement expires during the period of months that we want to assist them with? Do we have to cut one check for the months covered on existing lease and then wait for new lease agreement to cut check for remaining months?**

*A. We would not recommend paying rent that is beyond an executed lease period. This may be allowed only if you have confirmation with the applicant's landlord that a tenancy exists for the months assisted.*

**Clarification:** We highly recommended that local governments pay rent on behalf of eligible applicants on a monthly basis (as rents are due) and confirm that the hardship still exists prior to paying each month's rent. You are able to make an award for more than one month at the time of approval (for example, they could approve a household for rent for August through December at \$800/month for a total award of up to \$4,000). However, those funds should not be paid without evidence of continued hardship during those months and only for rents that are currently or past due. Any funds that are expended for future rents that are subsequently determined to not be eligible due to the hardship of the tenant no longer existing or the lease expiring must be recaptured by the local government.

**Q. Since we are in Hurricane season is removal of dangerous trees allowed for use of CRF funds?**

*A. Under an CRF emergency repair program, you can include tree removal.*

**Clarification:** Treasury has disallowed the removal of all or any part of trees.