



NCOOR

NORTH CAROLINA OFFICE OF RECOVERY AND RESILIENCY

PREVENTING EVICTIONS – HOPE PROGRAM INFORMATION



THE HOPE PROGRAM

- The Housing Opportunities and Prevention of Evictions (HOPE) Program is part of a statewide effort to provide rental and utility assistance in North Carolina. HOPE has had two iterations – HOPE 1.0 in 2020 and HOPE 2.0 in 2021.
- The objective of the program is simple – to provide housing stability to vulnerable renters, help landlords and utilities recover income lost due to the pandemic, and to prevent the spread of COVID-19.
- The program is designed to be as streamlined as possible to allow for fast application and quick payment of funds to landlords and utility providers.

HOUSING STABILITY

- Housing stability supports COVID-19 prevention and recovery efforts. The difference between staying at home versus congregate sheltering was a factor in transmission.
- COVID-19 transmission was 1.6 - 2.1 times higher in states without an eviction moratorium.
- COVID-19 deaths were 1.6 – 5.4 times higher in states without an eviction moratorium.
- When NC did not have an eviction ban in place for the 11 weeks prior to the CDC's order, studies estimate that the state saw an excess of 15,000 COVID-19 cases and 300 COVID-19 deaths related to evictions.

THE HOPE PROGRAM

- Renters below 80% Area Median Income may apply for up to 15 months of rent and 3 months of utilities if they were unable to pay rent or utilities due to a COVID-19 impact.
- Upon approval, checks are sent **directly to landlords and utility companies**. Renters never handle the funds but receive the benefit of stable housing.
- Landlords and utilities receive cash fast. HOPE is able to pay rent and utilities within 14-21 days of a complete application.

HOPE PROGRAM PRIORITIES

- **Speed of payment** – landlords and utilities need cash in hand as soon as possible & Treasury requires fast spending;
- **Customer Service** – applicants need multiple methods of applying and checking the status of their application with minimal delay and knowledgeable personnel; and
- **Fraud prevention** –safeguard taxpayer dollars from bad actors to ensure it gets into the hands of landlords and utilities.

HOPE FUNDING

- HOPE 1.0 (Fall 2020) - \$133 million
 - Funded with CDBG-CV (HUD) and CRF (Treasury) funds.
- HOPE 2.0 (Spring 2021) - \$768 million –
 - Funded with Emergency Rental Assistance Program (ERAP) Funds (Treasury)
 - NC received \$1.261 billion from ERAP (ERA 1 & 2)
 - Entitlement Communities (12 counties + 6 Cities) received \$493 million directly from US Treasury and state appropriation of ERA funds.

HOPE BY THE NUMBERS

- 139,893 individual families assisted by HOPE 1.0 and HOPE 2.0
- \$594 million in awards
- \$518 million in checks paid
 - 112,478 checks to landlords, representing 85% of awards
- HOPE 2.0 is 3rd in the United States in families served*
- HOPE 2.0 is 6th in the United States in expenditure of ERAP funds*

*HOPE 2.0 program only covers half of the state population.

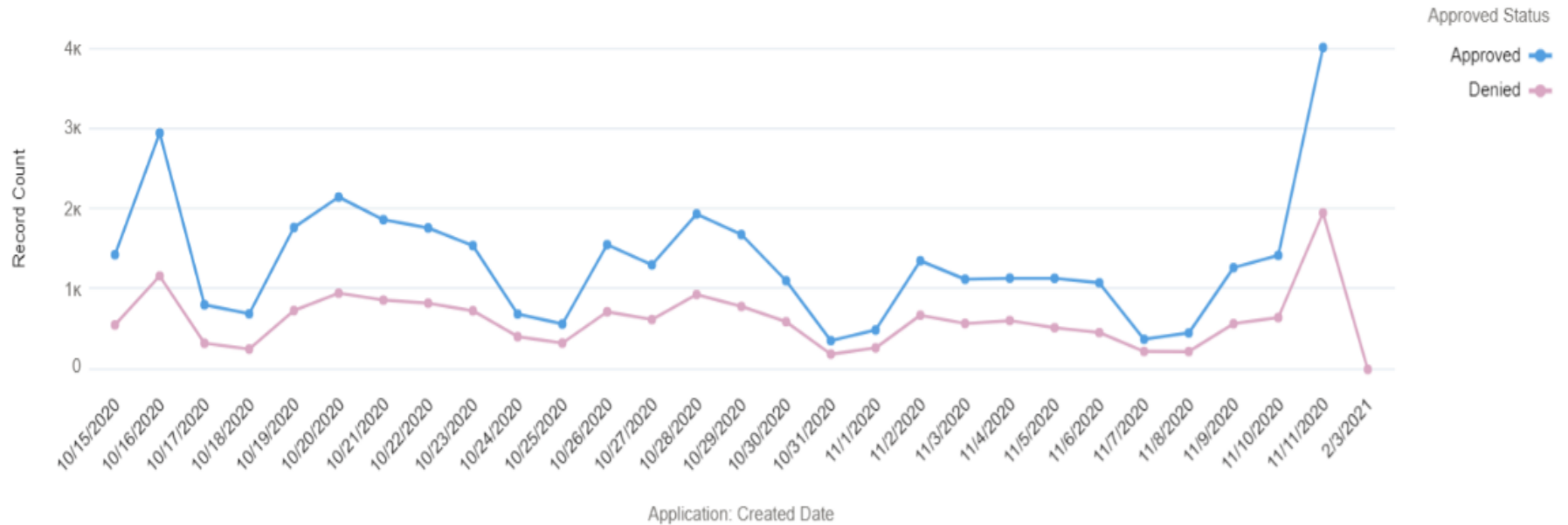
HOPE 1.0

- Housing Opportunities Prevention Eviction (HOPE) was established in October of 2020 to help landlords and utilities, prevent eviction and slow the spread of COVID-19.
- Provided rent and utility assistance to qualifying residents in all 100 counties.
- Assisted 37,000 households with \$133 million in rent and utility payments.
- Administered by NCORR and 20 local partner organizations.
- HOPE 1.0 was set up before the ERAP existed and used CDBG-CV and CRF Funds.
- Huge demand – application window closed after just three weeks as funds were fully subscribed.

VOLUME OF HOPE 1.0

HOPE 1.0 - # of Applications Approved vs Denied by Application Creation Date

Based on Application Status



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PROBLEMS AND LESSONS LEARNED

- HOPE 1.0 was set up to be a sprint; at the time federal funds were expected to expire in just three months and needed to be spent quickly.
- Used local partners to administer as a force multiplier, but they were overwhelmed by the response.
- The process was too cumbersome and payment too slow.

PROBLEMS AND LESSONS LEARNED

- Moved all administration in-house at NCORR.
- Hired more than 300 temps
- Contracted for:
 - Dedicated call center with 133 trained call center representatives
 - Check printer
 - Fraud Investigator
- Streamlined the application and moved to self-attestation
- Slimmed down Landlord-Tenant Agreement and made it more attractive for landlords

PARTNERS FOR THE HOPE PROGRAM

- Landlord representatives (Realtors, Apartment Association)
- Utilities (Duke, Dominion, Co-ops, Electricities)
- Councils of Government
- Administrative Office of the Courts
- Legal Aid NC
- Pisgah Legal
- NCGA

HOPE 2.0 PROGRAM BASICS

- The HOPE Program is currently funded by the U.S. Treasury Department's Emergency Rental Assistance Program (ERAP).
- There are two allocations – one from the December 2020 Consolidated Appropriations Act (“ERA 1”) and one from the March 2021 American Rescue Plan Act (“ERA 2”).
- Approximately \$768 million is available for the HOPE Program.
- HOPE is operating in 88 “non-entitlement” counties (populations smaller than 200,000).
- The remaining 12 counties (the largest counties in the state) are running their own eviction prevention programs using ERAP. You can reach those individual programs from the HOPE website.

AREAS NOT SERVED BY HOPE 2.0

County	County
Buncombe	Guilford
Cabarrus	Johnston
Cumberland	Mecklenburg
Durham	New Hanover
Forsyth	Union
Gaston	Wake

- Five tribal organizations also received their own allocation of funds:
 - Eastern Band of Cherokee Indians,
 - the Coharie Tribe,
 - the Haliwa-Saponi Indian Tribe,
 - the Lumbee Tribe of North Carolina, and
 - the Waccamaw-Siouan Tribe.

HOPE 2.0

- HOPE 2.0 launched May 17, 2021
- To date, HOPE 2.0 has assisted 143,971 applicants with more than \$460 million awarded in the last 6 months
- Speedy payment: 14-21 days from complete application to payment
- Short hold times (<90 seconds) at call center; knowledgeable staff
- 250 case workers doing 100% Quality Control
- The program is accepting applications NOW.

HOPE PROGRAM ELIGIBILITY

Applicants must:

- Occupy a rental property as their primary residence and be a named party to the lease or rental agreement;
- Earn an income less than or equal to 80% area median income based on their county of residence;
- Experience difficulty paying rent due to coronavirus pandemic related impacts.

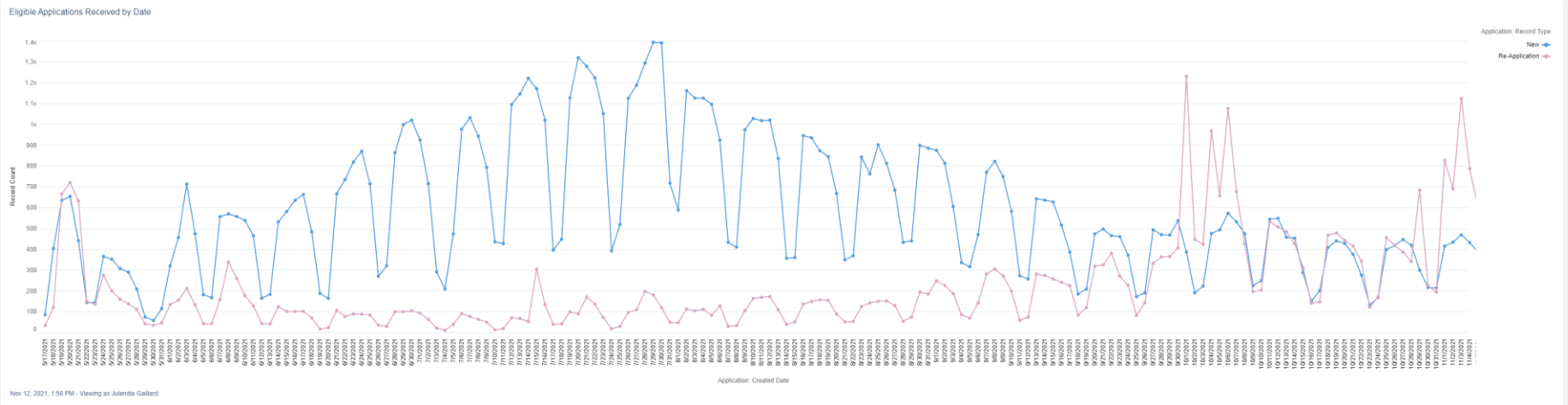
CDC MORATORIUM VS. ERAP ELIGIBILITY

- CDC Eviction Moratorium was consistent across the country
 - <\$99,000 in 2021 for an individual or <\$198,000 if married and filing jointly
- ERAP Eligibility (as defined by US Treasury) is less than 80% of the Area Median Income (AMI) of your county
 - For example, 80% of AMI in Henderson County is \$60,100 for a family of 4
 - 80% of AMI in Union County is \$67,350 for a family of 4

METHOD OF DELIVERY

- Applicants can apply using an online application at www.hope.nc.gov.
- Applicants may also contact the dedicated contact center at 1(888) 9-ASK-HOPE.
- Applications opened in May 2021 and will close when the funds are expended.
- If a person received HOPE assistance last year, they were contacted by email to re-apply.

DEMAND FOR HOPE 2.0



HOPE UTILITY ASSISTANCE

- The HOPE Program provides emergency utility assistance to catch up payments and prevent disconnections.
- Assistance is paid directly to the utility provider on behalf of the applicant.
- Assistance pays for back-owed utilities only.
- Covers “critical” utilities (water, electricity, sewer/wastewater, and natural gas/propane).

HOPE RENT ASSISTANCE

- Provides up to 15 months of rent assistance.
 - Previous HOPE 1.0 assistance received counts against the 15-month cap.
- Assistance is provided for any arrears (up to 12 total months of arrears) plus 3 months of future rent assistance at a time.
 - Applicants may reapply for assistance as needed, funds permitting.
- Assistance is paid directly to the landlord on behalf of the applicant.

WHAT THE LANDLORD AGREES TO

- Landlord agrees that they shall not evict for non-payment within 60 days of the last month of assistance covered by the Program.
- Landlord agrees to dismiss eviction proceedings.
- Landlord agrees to work with tenant to form a payment plan, if necessary, for any rent not covered by HOPE Program rent assistance.
- Landlord confirms they have not received payment for the rent amount from any other source.

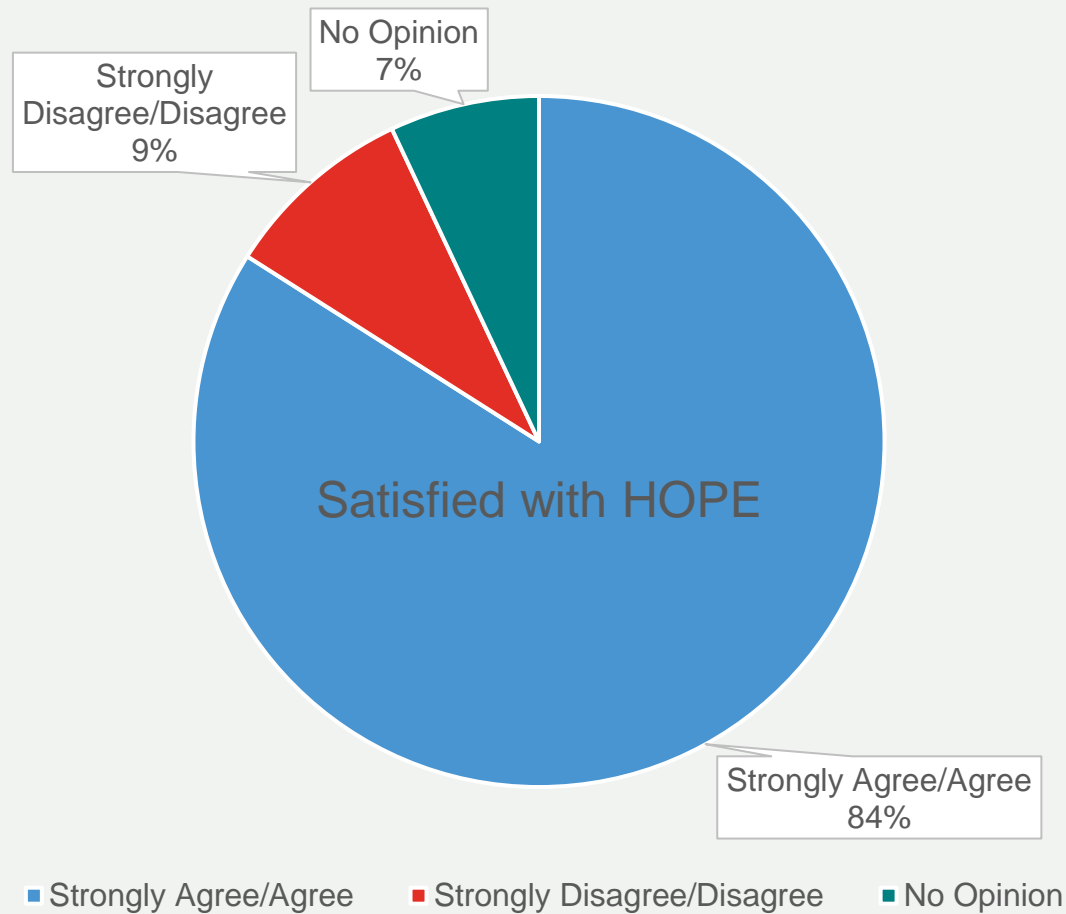
LANDLORD ENGAGEMENT

- Our program is built for speed so landlords can be paid fast – the most consistent feedback we received after HOPE 1.0 was to improve speed of payment.
- Landlords cannot directly apply on behalf of a tenant because they do not have all the information to self-attest.
 - Even in programs where a landlord may apply, the application cannot be completed without the participation of the tenant.
- Programs that accept applications from landlords perform at a much slower rate than HOPE.

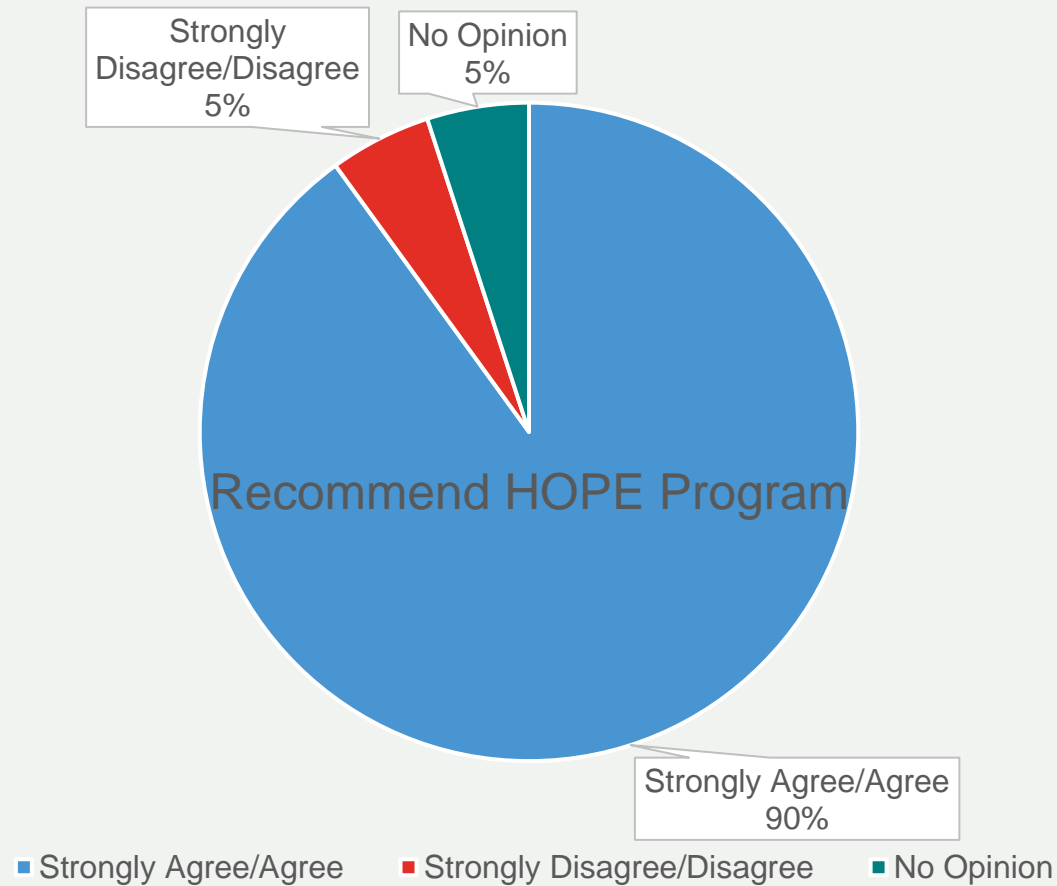
LANDLORD ENGAGEMENT

- Landlord Referral Program – dedicated [portal](#) for all landlords to provide information on potentially eligible tenants.
- NCORR case managers follow-up on every referral.
 - Case managers may have more success working with a tenant than a landlord if rent is in arrears.
- 6,846 landlords have referred tenants to the program and NCORR has followed up with every single tenant.

LANDLORD SATISFACTION



LANDLORD SATISFACTION



NEXT STEPS

- Continue to improve customer and landlord experience
- Developing a utilities-only application
- Changing the date of eligibility from April 1, 2020, to March 13, 2020
- Working through considerations for serving tenants in hotels and motels
- Eviction Diversion – continuing to work with the NC Bar Association, Legal Aid and Pisgah Legal to provide information to landlords and tenants



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QUESTIONS