



An Overview of Rental Assistance

Without a home, it's impossible to feel safe. Public subsidies for rent (rental assistance) enable thousands of families and individuals across the state to access and keep affordable housing. Rental assistance is part of the spectrum of housing policy that ranges from homeowner tax credits to low-income rent subsidies.

Federal and state rental assistance funding supports rent subsidies, construction of buildings, operating subsidies, acquiring and/or fixing housing. The most well-known form of rental assistance is tenant-based rent subsidies, which help help families and individuals pay their monthly rent and in some cases security deposit, damage claims, vacancy payments, application fees, or utility reconnection fees. Rent subsidies are becoming increasingly common because of the benefits of having people integrated in the community compared to the high cost of building and operating public housing facilities.

The Basics

Rental assistance allows people to choose their own place and community in which to live. Property managers and landlords who participate in these programs are able to fill vacancies more quickly, get additional tenant referrals, and have extra help monitoring tenant behaviors.

-  Some rental assistance programs are intended to be temporary, while others are designed to foster lasting stability for vulnerable people who may have serious health conditions, persistent poverty, or other challenges.
-  Funding for rental assistance is appropriated to a government agency, ie MN Housing or HUD, and distributed through local housing authorities or local units of government. The number of rental assistance vouchers and available funding varies from year to year.
-  Rental subsidies are often limited per household based on the market rate for rent in the area. Households who receive rental assistance are usually expected to pay 30% of their income for rent.
-  Rental assistance programs have income limits.

The chart on the following page includes common rental assistance programs in Minnesota. Please note that the fundamental eligibility requirement (low household income) is not listed here—and that all program qualifications are not included.

Rental Assistance Programs and People Served

RENTAL ASSISTANCE TYPE	HOUSEHOLD ELIGIBILITY	SOURCE
Bridges	Persons with serious mental illness, who may or may not also be long-term homeless*. Eligible or on waiting list for Section 8.	State
Family Homelessness Prevention and Assistance Program (FHPAP)	Families, youth, and single adults who are homeless or at high risk of becoming homeless	State
Housing Opportunities for Persons with AIDS (HOPWA)	Persons living with HIV/AIDS and their families	Federal
Group Residential Housing (GRH)	Adults who are elderly, disabled, or very low-income and receiving other services	State
Housing Trust Fund (HTF) - Long-Term Homelessness (HTF-LTH)	Households in need of temporary assistance - Families and individuals who are long-term homeless*	State
Section 8	Low-income families and individuals, who may also be elderly or disabled	Federal
Shelter Plus Care (S+C)	Persons with disabilities and histories of homelessness—and their families	Federal
Supportive Housing Program (SHP)	Individuals and/or families who are experiencing homelessness	Federal

*Families or individuals who are “long-term homeless” have not had a permanent place to live for over a year, or four times in the last three years. (*Minnesota Statute § 256K.26*)

Who Uses Rental Assistance?

A broad range of people take part in rental assistance programs in Minnesota. There is no certain age, race, or geographic location of people receiving rental assistance; across the state, families and individuals of all backgrounds are using it to help pay their rent. To qualify for rent subsidies, households must meet state or federal income guidelines.

People who have experienced homelessness are often a priority for rental assistance programs. Getting their own place is a huge step towards becoming stable and establishing independence, and rental assistance is crucial to securing housing and maintaining it. Several assistance programs also target people with disabilities, the elderly, and people with chronic health conditions. This is not true of all rental assistance programs, however; people from all backgrounds may access rental assistance for temporary help to keep their housing.

How it Works

The process for renting to people who receive rental assistance is similar to renting to any other tenant. Households search for apartments or rental homes that accept rental assistance and must complete the property manager’s standard application to be considered. Tenants receiving rental assistance are bound to lease agreements and like any other tenant, may be evicted for failure to comply with the lease terms.

For Hearth Connection participants, rental assistance is combined with intensive supportive services. This means that every participant has a case manager from a local agency who works with them one-on-one to develop goal plans, maintain their housing, progress towards self-sufficiency, and connect to community resources.

The following represents the basic roles of tenants, landlords, and service providers in Hearth Connection’s program.

Tenant	Service Provider + Rental Assistance Administrator	Property Manager
<ul style="list-style-type: none"> • Locate and voluntarily agree to housing unit • Pay rent on time • Follow property rules and lease terms • Participate in service plan 	<ul style="list-style-type: none"> • Ensure rent subsidy is paid to landlord on time • Coordinate housing inspections when required • Regularly check in with tenant; monitor tenant behaviors and progress • Prepare and execute rental subsidy contract, Memorandum of Understanding (MOU), and other documents as necessary • Act as a liaison between tenant and landlord when appropriate <ul style="list-style-type: none"> – work as team on issues 	<ul style="list-style-type: none"> • Maintain property building/unit • Comply with fair housing laws • Execute Lease Addendum and rental subsidy contract if necessary (<i>authorizes payment to property manager</i>) • Sign and keep copies of related documents

Hearth Connection and its community partners provide lasting support and recovery to families, youth, and individuals who have long histories of homelessness. Property managers who lease to tenants receiving rental assistance help contribute one of the most important elements of recovery for people in the program: a place to call home. Accepting rental assistance in private rentals is beneficial to all parties--tenants have their own place with access to services and can build up their rental history, while property managers are better able to fill vacancies, ensure rent payments, monitor property conditions and tenant behavior, and establish relationships with local service agencies for future tenant referrals.

Questions? Interested in learning more? Check out MN Housing’s website or contact Hearth Connection to find out how rental assistance works to end homelessness in MN.

◦ **MN Housing:** <http://www.mnhousing.gov> ◦ **US Dept of Housing and Urban Development:** <http://www.hud.gov/>
 ◦ **Hearth Connection:** <http://www.hearthconnection.org>