Labor and Economic Opportunity

MSHDA launches $622 million COVID Emergency Rental Assistance program

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LANSING, Mich. - The Michigan State Housing Development Authority (MSHDA) today unveiled a new $282 million rental assistance program to help tenants facing pandemic-related hardships avoid eviction while also ensuring landlords can recoup owed rent. Another $340 million is available to be appropriated by the state legislature, bringing the program to $622 million.

The COVID Emergency Rental Assistance (CERA) program replaces the popular Eviction Diversion Program (EDP) that MSHDA launched in July 2020 and helped about 16,000 households across the state avoid eviction and get current on rent.

"For so many Michiganders, the fear of losing their home during the pandemic has been very real," said Governor Gretchen Whitmer. "That's why I took steps to mitigate evictions with a moratorium and the Eviction Diversion Program last year. I was proud to sign this legislation bringing more federal funds into MSHDA to help individuals and families by alleviating the burden of rent and utility payments."

MSHDA anticipates being able to assist between 50,000 and 55,000 families, or 140,000 individuals, this year through CERA.

Either landlords or tenants may initiate the CERA application. Renters who are

making 80% of the area median income or less are eligible.

"At MSHDA, we know just how critical housing security is for success in so many other areas of life, and it takes a heavy toll on individuals and families when they don't know how they will make their next rent payment or if they will still have a roof above their heads next week," said Kelly Rose, MSHDA's chief housing solutions officer. "CERA gives Michiganders that much-needed peace of mind by helping them catch up on their rent and utility costs while also ensuring landlords can recover rent owed to them."

Unlike the EDP, the U.S. Department of Treasury also requires applicants show documentation of pandemic-related financial hardships, which can include unemployment, loss of income, and increased expenses, to qualify. Eligible households may also qualify for assistance paying utilities through CERA. Copies of bills are required so payments can be made for the renter.

While MSHDA will administer the program, a statewide network of Housing Assessment and Resource Agencies (HARAs) and other nonprofits are responsible for working with tenants and landlords to process applications, administer funds, and ensure as many eviction filings as possible are resolved by conditional dismissal through CERA.

Funding for the program comes from the federal coronavirus aid package passed in December 2020. Of the $622 million allocated to Michigan as part of the package, $560 million will be used directly on rental and utility assistance, with the remaining $62 million set aside for case management, administrative and legal services.

MSHDA anticipates the average rental assistance payout through CERA could be as much as $10,000, versus $3,300 per household under the EDP.

There is a timeline on the use of the full appropriation of funds: 65% ($405 million) must be spent or obligated by September 30, 2021.

For more information on CERA or to access a list of HARAs by county, visit Michigan.gov/CERA.

MSHDA Mission
The Michigan State Housing Development Authority (MSHDA), established in 1966, serves the people of Michigan by partnering to provide quality housing that is affordable, a cornerstone of diverse, thriving communities.

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