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National Equity Atlas



New Analysis of California's Emergency Rental Assistance Program Finds Only 16 Percent of Nearly Half a Million Applicants Received Payment, Putting Hundreds of Thousands of Renters at Imminent Risk of Eviction

An examination of the program's performance data underscores the urgent need for policy fixes to deliver on the program's promise and keep renters in their homes

OAKLAND, Calif. — With California's limited eviction protections set to expire on March 31, hundreds of thousands of renters who've been hit the hardest by Covid-19 and its ongoing economic fallout are now at imminent risk of eviction and homelessness. A <u>new analysis</u> of California's Emergency Rental Assistance Program (ERAP) — released today by the National Equity Atlas — reveals that 488,094 renter households have submitted ERAP requests, but only 75,773 of them have received payment. The research also shows that the majority of applications — 59 percent, which represents 289,020 renter households — have yet to be reviewed. The long delay in payment delivery to approved applicants contrasts with the snapshot of program performance provided on the public Housing Is Key data dashboard, which stated that 183,856 renter households had been "served" as of February 23, 2022.

"State legislators have been in a 'wait and see' posture with this program, but this analysis shows that it's time for them to act and shift current policies," said Francisco Dueñas, Executive Director of Housing NOW! "If the special Covid eviction court procedures are allowed to expire, landlords will evict hundreds of thousands of Covid-impacted renters, undermining the program's intent to keep families housed and make landlords whole."

At the beginning of January, <u>721,000 renter households in California</u> owed their landlords an estimated \$3.3 billion in back rent. While the state's rent relief program has been a lifeline for some struggling renters, hundreds of thousands are still in need. Those who fell into debt because of the pandemic have faced <u>multiple barriers</u> to securing rental assistance, including lack of access for people with disabilities and those whose primary language is not English, <u>a</u> <u>complex application process</u>, and long waits for review and payment.

The brief, produced in partnership with Housing NOW! and Western Center on Law & Poverty, examines the program's performance from March 15, 2021 (when it launched) through February 23, 2022.

Key findings include:

- Only 16 percent of renters who have applied to the program have received assistance, either directly or through a payment to their landlord. Nearly half a million renters have submitted rental assistance requests but just 75,773 households have received assistance.
- The majority of applicants are still waiting for their applications to be reviewed. Fifty-nine percent of applicants (289,020 households) are still awaiting a decision on their applications. Among those whose applications have been initially approved, the typical wait time for a response was three months (a median of 104 days).
- Most renters whose applications have been approved are still waiting to be paid. As of February 23, 2022, 180,280 renter households have had their applications approved, but 104,507 of them (58 percent) have not yet received assistance. The median wait time between submitting an application and receiving payment is 135 days, indicating that it takes about a month for applicants to be paid even after approval.
- The speed with which rental assistance is being distributed is improving over time but remains painfully slow. Households that applied for aid in March 2021 typically waited 181 days to receive aid payments, and households that applied in October 2021 typically waited 119 days.
- Most renters who received assistance have requested additional support. Among renter households who have received rental assistance, 90 percent of them (69,336 households) have reapplied to the program for additional support.
- Renters whose primary language is not English appear to be underrepresented in the program. More than half (54 percent) of severely cost-burdened renter households speak a language other than English at home, yet 88 percent of rental assistance applicants indicated that their primary language was English.

"Our analysis underscores how essential eliminating rent debt remains to an equitable and people-centered recovery in California, especially at this moment," said Sarah Treuhaft, Vice President of Research at PolicyLink. "Identifying the challenges renters have faced in obtaining aid is just the first step. Now advocates and policymakers need to use it to remove those barriers and push for solutions to ensure that every Californian who needs help gets it before protections expire."

The findings illustrate the urgent need for policy action. For an equitable recovery, California policymakers need to act quickly to extend statewide eviction protections and enact long-term solutions to the affordability crisis while leaving local governments the flexibility to enact and maintain their own protections.

"Every day that rental assistance is delayed, the people the program was intended to serve and protect are facing landlord harassment, eviction, and loss of their homes," said Madeline Howard, Senior Attorney at Western Center on Law & Poverty. "Some local governments have taken the steps necessary to protect tenants in their communities while assistance is distributed; state policymakers must act now to extend eviction protections without interfering with these local policies."

The analysis is based on data tracking all rental assistance applications submitted by renters to the statewide program, which covers about 63 percent of the state's population. The dataset, which was obtained through a Public Records Act request, includes anonymized individual case data with applicant demographics (race/ethnicity, income, and language of application), zip code, amount of rent and utilities requested and paid, and landlord participation in the application. It also includes 16 detailed case status categories assigned by the California Department of Housing and Community Development including "Application Complete: Pending Payment," which is assigned to households that have been approved for payment but have not actually received funds and are still waiting for assistance.

Explore the full analysis at <u>nationalequityatlas.org/CARentalAssistance</u>.

Note: Later this month, the Atlas will release a public dashboard with the data for counties, cities, and ZIP codes. In the interim, data by ZIP code can be provided to media upon request.

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About the National Equity Atlas

The National Equity Atlas, produced by PolicyLink and the USC Equity Research Institute, is America's most detailed report card on racial and economic equity. The Atlas equips movement leaders and policymakers with actionable data and strategies to advance racial equity and shared prosperity. For more information, visit <u>nationalequityatlas.org</u>.

About Housing NOW!

Housing NOW! is a broad, diverse movement building power to make housing affordable and to combat the displacement crisis that is disproportionately impacting working class communities of color. Led by tenants, the coalition includes allied landlords, realtors, and dozens of community, faith and labor organizations. For more information, visit <u>housingnowca.org</u>.

About Western Center on Law & Poverty

For more than 50 years, Western Center on Law & Poverty has led the fight to end poverty and secure housing, health care, a strong safety net, and racial and economic justice for all Californians with low incomes. Western Center brings about system-wide change through impact litigation, legislative, policy and administrative advocacy at the state and federal level, and support for legal services and community-based organizations. For more information, visit wclp.org.