

PREVENTING AN EVICTION AND DEBT EPIDEMIC:

DELIVERING EFFECTIVE EMERGENCY COVID-19 RENTAL ASSISTANCE IN CALIFORNIA

Survey of rental assistance providers reveals Californians experiencing deep housing and health insecurity face formidable challenges accessing rent relief



With California's eviction moratorium scheduled to expire on June 30, more than 700,000 California households behind on rent, and less than half of one percent of our state's total federal emergency pandemic rental assistance funds paid out,¹ California faces an eviction epidemic. Legislators have just one month to fix SB 91, the law governing eviction protections and rent relief, to prevent a wave of evictions that would be a humanitarian crisis and an economic and public health disaster. Across the state, tenants and organizations providing aid have reported households who need assistance but are saddled with debt because they are ineligible or facing hurdles in applying. Organizations across California have reported tenants facing eviction, becoming unhoused, and choosing between paying for essential medical care, food, utilities, and rent. To better understand the best ways to fix SB 91, BARHII, Housing Now!, and PolicyLink surveyed 177 people who understand the program the best: those conducting intake and outreach for state and local emergency rental assistance programs.

01

Eviction protections and relief save lives and increase well-being but only if people can access them.

Assistance workers reported that aid and protections had dramatic and positive impacts on tenants' physical and mental well-being, and that in their absence, tenants face overcrowded housing situations, working while sick and other COVID-19 risks.

02

Landlords continue to evict tenants, despite moratorium and rent relief.

Nearly all respondents reported eviction threats, about half reported evictions, and most have seen clients become unhoused during the pandemic in spite of current COVID-19 eviction protections.

03

Barriers and restrictions are cutting households out of aid.

Our state protections are slated to end next month, yet less than half a percent of total aid has been paid to tenants, leaving too many Californians saddled with debt and at imminent risk of eviction. Tenants are facing numerous challenges accessing relief, including technological and language barriers, difficulty supplying the necessary documentation of income losses, difficulty communicating with landlords or obtaining documentation from them, and fear of landlord harassment/retaliation or immigration enforcement. Many are ineligible because they owe debt to others besides landlords.

04

Many renters face a long recovery.

Eight in 10 renters who are behind on rent lost employment during the pandemic, and households with rent debt owe \$4,400 on average. Racial inequities in pre-pandemic housing and economic security and pandemic-related job and income losses have resulted in Black and Latinx renters being 1.5 times as likely to be behind on rent compared with all renters. Economists project a continued inequitable recovery in which many lower-wage workers will struggle for years, if not decades, to come.² This is especially true if debt-relief programs continue to exclude many households.

*To prevent an epidemic of evictions and debt, California's legislators and rental assistance program administrators must take these **actions**:*

1. Strengthen and extend eviction protections in line with the majority of Californians who support extending the state's moratorium.³

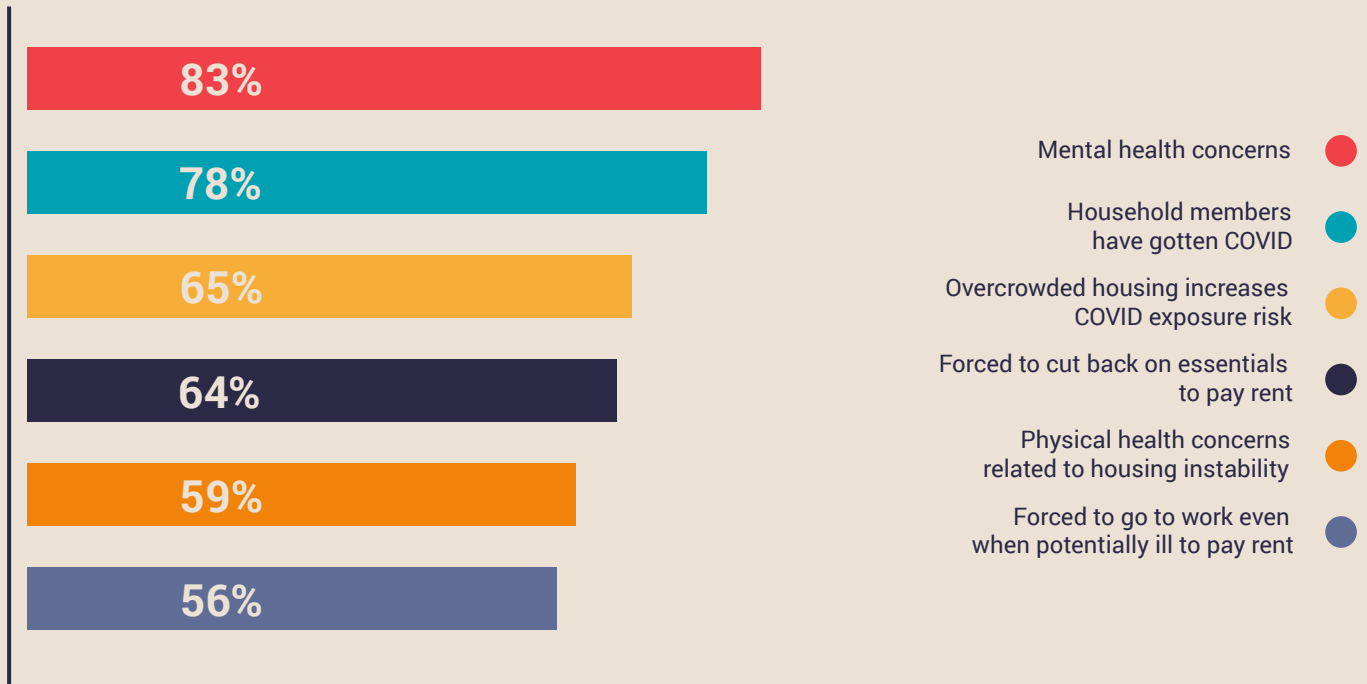
- ▶ Extend eviction protections until the economy has fully rebounded for low-wage workers and the state has distributed available rental assistance funds.
- ▶ Prohibit landlords from collecting from tenants unpaid rent that they can get through the rental assistance program.
- ▶ Protect tenants from negative credit reporting that will deny them housing and credit in the future.

2. Remove barriers to rental assistance programs in accordance with the majority of Californians who want the state to spend recovery resources to help low-income renters pay back rent and make future payments.⁴

- ▶ Remove barriers that disproportionately impact people of color, immigrants, and Native Americans, like written lease and other documentation requirements, and eligibility based on landlord participation and debt owed to the landlord, as opposed to others.
- ▶ Invest deeply in community-based, linguistically-appropriate outreach and applications assistance, especially to reach those with low digital access.
- ▶ Encourage prioritization of outreach and eligibility in neighborhoods with the highest rates of housing instability and COVID-19 impacts.

1. EVICTION PROTECTIONS AND RELIEF SAVE LIVES AND INCREASE WELL-BEING BUT ONLY IF PEOPLE CAN ACCESS THEM.

Survey respondents report negative health impacts due to housing instability and lack of rent relief



Respondents noted that rental relief programs had been lifesavers for their clients, enabling them to stay in their homes, reduce COVID-19 risks, and relieve mental and physical stress associated with carrying large amounts of debt – the type of stress that has been linked to health issues like heart disease, hypertension, suicide, etc. This is congruent with research, led by Dr. Kathryn Leifheit, which estimated that our current statewide emergency eviction moratorium had already prevented 186,000 COVID-19 cases and 6,000 deaths as of November 2020.⁵

A client tested positive several times for COVID. This did not allow the client to work for more than a month. On top of that, [the] client was getting stressed due to the high amount that they were starting to owe. When the client received rental assistance, this was a relief for the client. He was able to focus on his health and well-being. Soon after, he came out negative. He is now back into the workforce and paying his rent in a timely manner.

- San Diego



However, respondents also described unstable and crowded conditions that are increasing the risks of sickness and death, especially for Black, Pacific Islander, and Latinx people who are more likely to be pushed into low-wage work: Pacific Islanders have three times the rate of COVID-19 cases, compared to the general population, and Black people have double the rate.^{6,7} The vast majority of respondents reported that members of households they serve had contracted COVID-19, two-thirds noted cases where overcrowding increased COVID-19 risks, and more than half had clients or members who were forced to go to work even while they were sick or potentially exposed to COVID-19, in order to pay rent. Respondents also reported having clients for whom housing instability and the lack of rent relief is causing mental and physical health concerns, and clients who were cutting back on food, medicine, and other essentials to pay rent. These findings are similar to data from a recent University of Pennsylvania analysis of rental assistance applicants in Los Angeles.⁸



University of Pennsylvania analysis

bit.ly/UPennAnalysis

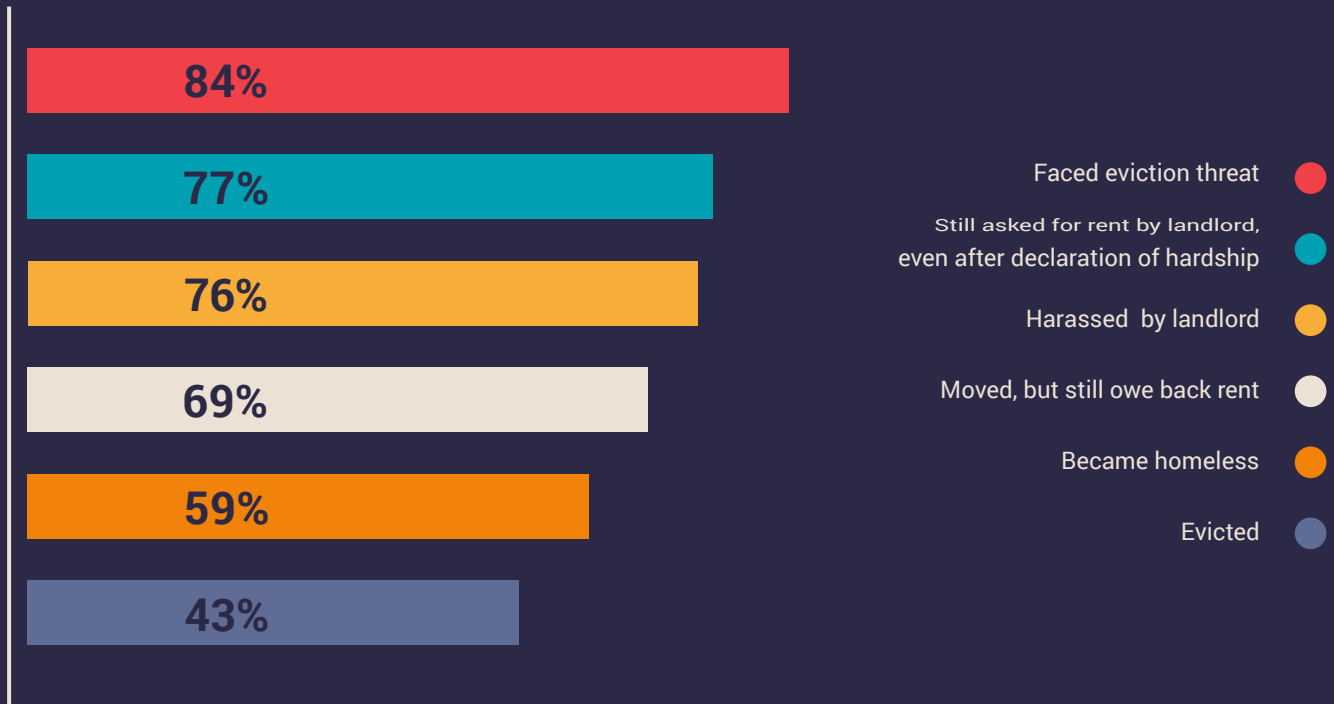


I don't know of any tenants that have received ERAP money. But LA County previously had a rent relief program and I know a few tenants who received that money, and it was life changing. The relief of stress, alone, contributed to their overall mental and physical health.

- Los Angeles

2. LANDLORDS CONTINUE TO EVICT TENANTS, DESPITE MORATORIUM AND RENT RELIEF

Survey respondents highlight several sources of housing instability during the pandemic



Despite the patchwork of eviction protections in the state, a vast majority of respondents reported that the tenants they are assisting face eviction threats (84%), many reported evictions (43%), and a majority (59%) have seen their clients become unhoused during the pandemic. Three-quarters noted cases of landlord harassment and landlords asking for rent even after a tenant had asked for protections as allowed by SB 91.

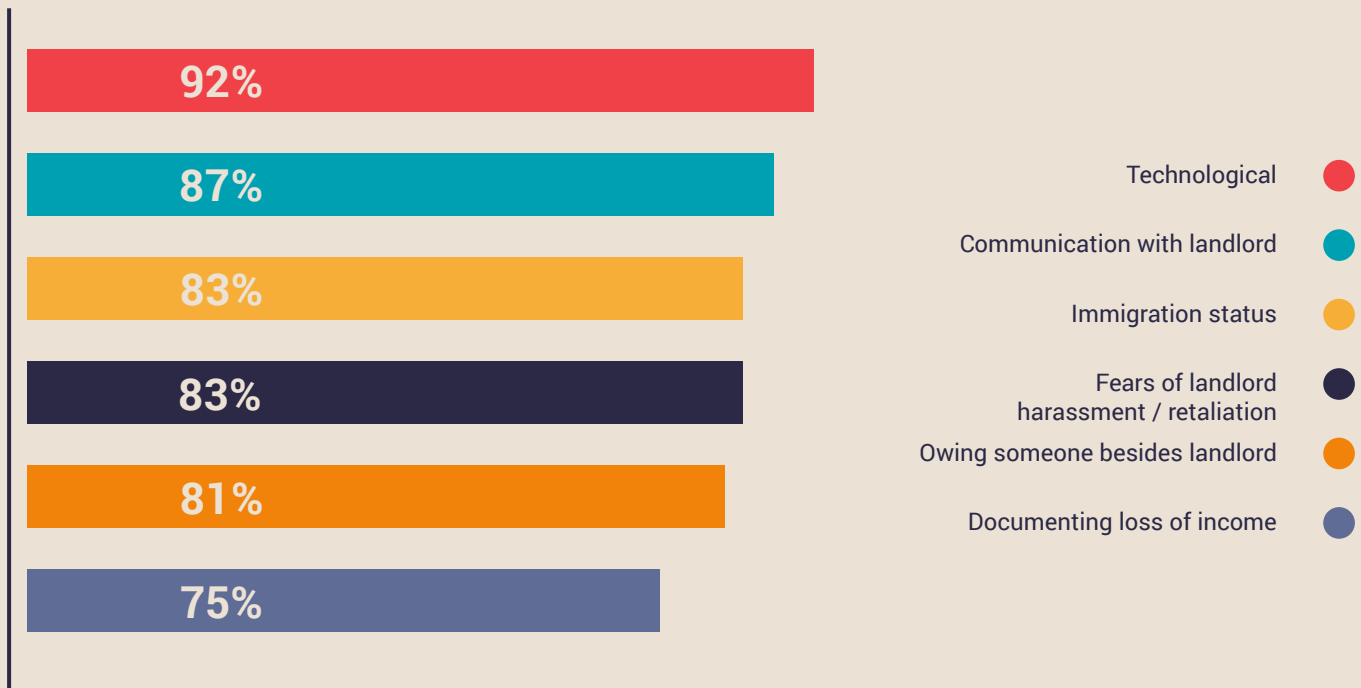
We had a client who called and stated that she was in the process of getting evicted after not paying her entire rent and receiving an eviction notice. The client had been renting out a small house from a private landlord, but due to COVID-19, she lost her job, which she had just started, in addition to having to stay at home with her children due to the schools shutting down. The client tried to apply for EDD but kept having problems with the application due to a language barrier. Without assistance the client and her 4 small children would have become homeless, as they did not have anywhere else to go since she had no family nearby.

- Central Valley



3. BARRIERS AND RESTRICTIONS ARE CUTTING HOUSEHOLDS OUT OF AID

Survey respondents report significant barriers to accessing Emergency Rental Assistance



Despite a total of \$4.6 billion in federal funding dedicated to California renters, and \$451 million requested, only \$20 million has been paid out to date. In other words, our state protections are slated to end next month, yet less than half a percent of total aid has been paid to tenants, leaving too many Californians saddled with debt and without a roof over their heads. Nearly all respondents (92%) noted tenants' technological barriers, such as lack of internet access, and many reported that tenants had difficulty documenting income loss (75%), obtaining documentation from landlords (75%), and applying without written leases (70%). SB 91's requirement that tenants communicate with landlords to receive assistance posed a significant barrier as well, with tenants afraid of possible harassment or retaliation. Many respondents reported that tenants were afraid of applying to the program because of their immigration status and that many residents are ineligible for aid because they took on debts to credit cards, predatory loans, and loans from family and friends to avoid contact with the government. Respondents also noted that their organizations have not been provided the scale of resources they need to conduct outreach and support their communities' need.

We need more accessibility to legal help, programs, and language suited for undocumented and monolingual tenants.

- Los Angeles

We were funded at 20% of the requested amount to support families with completing rental assistance forms. We have to stretch this grant to serve families across all three jurisdictions implementing these programs.

- Bay Area

4. MANY RENTERS FACE A LONG RECOVERY

Today's rent debt crisis is a consequence of the pandemic's economic fallout, policymakers' failures to provide sufficient support, and underlying economic inequality. Low-wage workers, who are disproportionately workers of color, were hit the hardest by pandemic job and income losses. Eight in 10 renters who are behind on rent lost employment income during the pandemic, and six in 10 are currently unemployed. Half of California workers who are collecting unemployment insurance are now experiencing long-term unemployment, with Black, Asian, and female workers more likely to be experiencing longer spells of unemployment from which it will be difficult to recover.⁹

A lot of the families that I have worked with, especially Latinx immigrant families, have been able to pay their rent but have accrued an incredible amount of debt from family, friends, and lenders. They are in need of rent relief, especially for the months to come, so they can pay back their rent and level out their finances. In order to pay rent, families have also neglected to pay for utilities and other bills making their situation more precarious. Without help, these families are going to be deep in debt for years to come. They have gotten to the point where they cannot get any more loans, and they are faced with eviction or moving to a cheaper place, which are hard to come by here. So either the family will end up living doubled up or they will be displaced.

- Bay Area



The vast majority of California's low-income households that lost employment income during the pandemic are not behind on rent (72%). Renters have made tremendous sacrifices and tradeoffs to pay rent, including taking on high-interest loans, foregoing medical care, delaying payment of other bills, eating cheaper (and potentially less healthy) food, and moving in with friends and family. California households with rent debt collectively owe more than \$3.2 billion – an estimated \$4,400 on average per household – and they are overwhelmingly low-income households and households of color: 77% earn incomes less than \$50,000 per year and 78% are people of color. Black and Latinx renters are 1.5 times as likely to be behind on rent compared with all renters, due to racial inequities in terms of who lost jobs and income in the pandemic and who faced greater housing and economic insecurity before the pandemic.¹⁰

While public health systems have made strong progress in vaccinating Californians and many wealthier households are recovering quickly (or had little income loss), economists project a continued inequitable recovery in which lower-wage workers will struggle for years, if not decades, to come.¹¹ This is especially true if debt-relief programs continue to exclude many households.

Eviction affects everything – health, ability to get employed, etc. So many aspects of life involve screening people/background checks, and evictions often show up on these reports, affecting tenants in far-reaching ways. Rental debt stays, too, affecting credit and long-term financial health for tenants.

- Central Valley



CONCLUSION

Our research shines a light on the gaps, barriers, and restrictions in California's protections and emergency rental relief that threaten an eviction epidemic and endless cycle of debt. Legislators and program administrators have one month to strengthen and extend tenant protections and to remove barriers to rental assistance programs to ensure that every Californian who needs help gets it and has time to recover before protections expire. Although California faces a once-in-a-generation crisis, the scale of federal resources and the willingness of California residents to support bold actions create the opportunity for a transformational and equitable recovery - one that allows all of us to recover and be healthy.



Data tables

Table 1: Health Impacts of Housing Instability

HEALTH IMPACTS OF HOUSING INSTABILITY	PERCENT
MENTAL HEALTH CONCERNS	83 %
HOUSEHOLD MEMBERS HAVE GOTTEN COVID-19	78 %
OVERCROWDED HOUSING INCREASES COVID-19 EXPOSURE RISK	65 %
FORCED TO CUT BACK ON ESSENTIALS TO PAY RENT	64 %
PHYSICAL HEALTH CONCERNS RELATED TO HOUSING INSTABILITY	59 %
FORCED TO GO TO WORK EVEN WHEN POTENTIALLY ILL TO PAY RENT	56 %
LOSS OF TRANSPORTATION	46 %
UTILITY SHUT - OFFS	28 %

Table 2: Housing Instability

HOUSING INSTABILITY	PERCENT
FACED EVICTION THREAT	84 %
STILL ASKED FOR RENT BY LANDLORD, EVEN AFTER DECLARATION OF HARDSHIP	77 %
HARASSED BY LANDLORD	76%
MOVED, BUT STILL OWE BACK RENT	69 %
BECAME HOMELESS	59 %
EVICTED	43 %
FACED RENT INCREASE BETWEEN 10% - 49%	38%
TAKEN TO COURT	17%
FACED RENT INCREASE MORE THAN 50%	8 %

Table 3: Barriers to Assistance

BARRIERS TO ASSISTANCE	PERCENT
TECHNOLOGICAL	92 %
COMMUNICATION WITH LANDLORD	87 %
IMMIGRATION STATUS	83%
FEARS OF LANDLORD HARASSMENT / RETALIATION	83 %
OWING SOMEONE BESIDES LANDLORD	81 %
DOCUMENTING LOSS OF INCOME	75 %
OBTAINING DOCUMENTATION FROM LANDLORD	75%
LACK OF SIGNED WRITTEN LEASE	70%
FINDING CLEAR INFORMATION ABOUT RENTAL ASSISTANCE PROGRAM AND APPLICATION	68 %
LANGUAGE ACCESS	59%
ALREADY MOVED OUT OF THEIR FORMER HOME	54 %
DISCRIMINATION BY SOURCE OF INCOME	45%
ONLY ELIGIBLE FOR 25% RELIEF BECAUSE LANDLORD HAS CHOSEN NOT TO PARTICIPATE IN THE PROGRAM	45 %
DISCRIMINATION BY RACE	31 %
DOCUMENTING INCREASE IN CHILD CARE COSTS	31 %
RECEIVED OTHER AID	27 %
DISCRIMINATION BY DISABILITY	25 %
DISCRIMINATION BY AGE	14%
DISCRIMINATION BY GENDER / SEXUALITY	9 %

Because Emergency Rental Assistance Programs (ERAP) in California are just getting off the ground, there have been limited data collected about how these programs are working and if aid is reaching those who need it the most. Yet legislators must make decisions in the next month about the next iteration of these programs. This survey was designed as a rapid, qualitative assessment to help inform these decisions. It is meant as an initial look into the real-time operation of ERAP programs, based on the experiences of the people implementing them on the ground. We used snowball sampling, contacting organizations we knew were working within ERAP programs, and encouraging respondents to recruit additional participants. Between May 5 and May 17, we received responses from 177 ERAP workers from around the state. Our respondents had abundant experience with the program: 69% of respondents reported connecting tenants to the State's ERAP program, 80% to locally run programs, and 52% work within eviction defense and tenant counseling (many have roles within each of these categories). The Bay Area was overrepresented in survey responses, comprising approximately 80% of the responses; however, the responses were broadly similar for respondents outside of the Bay Area, and our results are also consistent with those from a recent University of Pennsylvania analysis of rental assistance applicants in Los Angeles.¹²

Participants responded to a number of quantitative and qualitative questions. On quantitative questions, respondents were asked whether people seeking their assistance on rent and utility relief had experienced a number of barriers (grouped by documentation barriers, access barriers, landlord/property manager barriers, discrimination barriers, and eligibility challenges), unstable housing conditions, and health risks. These results are therefore presented as the percentage of respondents who have encountered a barrier or situation among their total client/member base, and should not be conflated with the percentage of tenants experiencing these issues. Respondents were also asked to share examples of how the programs and barriers are impacting the households they serve. An experienced qualitative researcher then conducted an inductive qualitative analysis of these examples to identify key themes and patterns.

This survey illuminates the challenges the clients of ERAP programs face as they work to serve all Californians who need them. We hope that state and local governments will add to these findings, publishing more detailed analyses to help policymakers understand and improve our state's approach to and implementation of rental relief and protections in local jurisdictions.

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- 3 TODCO, Build Affordable Faster California. https://buildaffordablefasterca.com/latest_updates.php?p=29
- 4 TODCO, Build Affordable Faster California. https://buildaffordablefasterca.com/latest_updates.php?p=29
- 5 Correspondence with Leifheit, Kathryn M. Calculations based on: Leifheit, Kathryn M. and Linton, Sabriya L. and Raifman, Julia and Schwartz, Gabriel and Benfer, Emily and Zimmerman, Frederick J and Pollack, Craig, Expiring Eviction Moratoriums and COVID-19 Incidence and Mortality (November 30, 2020).
- 6 Benfer, Emily, et al., Eviction, Health Inequity, and the Spread of COVID-19: Housing Policy as a Primary Pandemic Mitigation Strategy (November 1, 2020). *Journal of Urban Health* (2020)
- 7 State of California, California for All Health Equity. <https://covid19.ca.gov/equity/>
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- 9 Bell, Alex, et al. 10 Key Trends from the Unemployment Crisis in California and their implications for Policy Reform. California Policy Lab. April 29. <https://www.capolicylab.org/publications/10-key-trends-from-the-unemployment-crisis-in-california-and-implications-for-policy-reform/>
- 10 National Equity Atlas, "Rent Debt Dashboard," May 21, 2021. <https://nationalequityatlas.org/rent-debt>
- 11 Governor Lael Brainard of the Federal Reserve System, Achieving a Broad Based and Inclusive Recovery, October 2020, <https://www.federalreserve.gov/newsevents/speech/brainard20201021a.htm> and the Whitehouse Council of Economic Advisers, The Economics of the American Rescue Plan, <https://www.whitehouse.gov/cea/blog/2021/02/03/the-economics-of-the-american-rescue-plan/>
- 12 Reina, Vincent, et al. The Need for Rental Assistance In Los Angeles City and County. The Housing Initiative and Penn. March 2021. https://www.housinginitiative.org/uploads/1/3/2/9/132946414/hip_la_tenant_brief_final.pdf