

Working Paper:

Local Strategies to Protect Tenants and Prevent Homelessness in Bay Area COVID-19 Emergency Rental Assistance Programs (ERAPs)

March 2021

INTRODUCTION

The COVID-19 pandemic has hit low-income tenants in the Bay Area hard, exacerbating the region's severe housing affordability crisis. Approximately 140,000 households are behind on rent, owing nearly half a billion dollars.ⁱ This has serious ramifications for health and well-being, especially for BIPOC households that have faced decades of inequitable housing and economic policies. Black, Latinx, and Pacific Islander communities in California currently face a 20% higher COVID-19 death rate than the statewide average, driven in part by unstable and crowded housing conditions.ⁱⁱ These same communities are more likely to be faced with choosing between paying for essential medical care, food, and rent.

Fortunately, new rental assistance resources have recently been approved, providing a critical down-payment toward the full scope of what is needed to stabilize the communities hit hardest by the pandemic. In December 2020, the federal government approved \$2.6 billion to California for rental relief as part of the Emergency Rental Assistance Program (ERAP). In January 2021, California enacted SB 91, which among other things, provided local jurisdictions with populations over 200,000 three options for utilizing their portion of these federal funds:

- A. Participate in a state program administered by Horne LLP, with outreach services provided by LISC;
- B. Set up a local program that follows the same framework as the state program; or
- C. Create a hybrid program that allows for local flexibility with directly allocated federal funding alongside participation in the state program.

Jurisdictions selected their option in early March and were required to open the application process for assistance by March 15. (See [this table](#) for jurisdictions' funding allocations and selected option.)

These new funds present a crucial opportunity for local jurisdictions to develop and refine the rental assistance programs and tenant protections needed to keep the Bay Area safely housed. The \$2 billion in rental assistance for California provided by the American Rescue Plan Act, signed by President Biden in March 2021, will likely provide another chance to develop this essential infrastructure.

This document suggests opportunities to maximize the impact of each of the three program design options provided under SB 91, and then offers a set of detailed recommendations that are broadly applicable.

OPPORTUNITIES FOR EACH ERAP PROGRAM OPTION

Whichever option your jurisdiction has selected for its ERAP funds, there are opportunities to improve equity and health outcomes, make sure all communities have access to the fullest debt relief possible, prevent residents from becoming unhoused, and improve systems and policies to protect residents over the long term. While jurisdictions that have opted into the state program (Option A) have limited flexibility, they should still consider using the local ERAP administrative allocation to fund and coordinate local outreach. Jurisdictions that have chosen to run their own programs (Option B) have more opportunities to customize their programs to meet local needs and should develop targeting criteria and outreach strategies to ensure programs counter existing racial inequities and serve households that have been hardest hit by the pandemic. Jurisdictions that have chosen the hybrid approach (Option C) can also customize targeting and outreach with their federal allocations and have considerable flexibility to build programs that fill gaps in the state's SB 91 program.

All jurisdictions should use other funding sourcesⁱⁱⁱ to cover gaps in what is allowed under state and federal ERAP guidelines, such as supporting tenants whose landlords chose not to participate in the rent relief program, covering future debt payments and debt owed to others, supporting complimentary programs like legal assistance, and developing innovative proposals to cancel debt. And all jurisdictions should utilize this funding to build long-term community and government capacity to keep people housed.

Promising Approach:

Contra Costa's Raise the Roof Coalition Proposes Community-Based Outreach to Compliment State Program

To augment Contra Costa County's participation in the state program and build long-term infrastructure, the Raise the Roof coalition has proposed using the County's local ERAP administrative allocation (approx. \$500,000) to:

1. Mobilize CBOs with deep roots in local communities, building on existing networks and those developed during the 2020 census and COVID-19 testing and vaccine distribution efforts, to outreach to the hardest hit communities;
2. Offer mini-grants through streamlined processes;
3. Create a hotline to help residents understand their rights and available resources; and
4. Convene a county-wide council to coordinate local and state outreach, collect data, and report outcomes.

RECOMMENDATIONS FOR ALL ERAP PARTICIPANTS

1. Partner with Community-Based Outreach Networks

Community Based Organizations (CBOs) are the lifeblood of BIPOC communities in the Bay Area, connecting residents to essential resources like medical care, food, and rental assistance in times of crisis. Yet the economic conditions caused by the pandemic have created a once-in-a-lifetime threat to their survival and capacity to respond. To ensure that rental assistance reaches those most severely impacted by COVID-19 and strengthens the region's CBO infrastructure, ERAP programs should rely on these established, trusted networks for effective outreach and service delivery.

- **Co-design outreach processes** with CBOs that serve the hardest hit communities and work with these organizations to coordinate outreach efforts in local communities.
- **Build upon existing networks, programs, and contracts** created for Census 2020, COVID-19 testing and vaccine outreach, immigrants’ rights rapid response coalitions, and economic/disaster relief funds like Undocufunds. Link outreach related to COVID-19 (e.g., vaccine distribution and testing) to housing assistance and referrals. Offer trainings to build CBO capacity for other types of service delivery, such as housing problem-solving.
- **Simplify contracting processes** to allow small community-serving organizations to participate in outreach efforts. This can include mini-grants with simplified applications, structuring pass-throughs with more established CBOs, or other creative structures. Alameda County for instance, used a vender pool process to expedite COVID-19 response contracting with community organizations.^{iv}
- **Conduct outreach in multilingual, culturally sensitive formats**, resourcing a broad coalition of providers, including tenant groups, community groups, grassroots groups, and ethnic groups that partner deeply with communities and extremely low-income people to conduct multi-lingual, culturally relevant outreach and education. Use trusted community groups as “application assisters” to reach residents who do not speak English (e.g., Mam or Q’anjob’al speakers).
- **Offer access at common intersections with people at-risk of homelessness** including schools, daycare and after-care programs, food pantries, community health clinics, housing court, and institutional discharging and correctional system release settings.
- **Notify tenants** if landlords do not apply for assistance.

Promising Approach:

Santa Clara County’s Homeless Prevention System Expands Connections with CBOs

As part of the Santa Clara County Homelessness Prevention System, Destination: Home, Sacred Heart Community Service, and the City of San Jose’s Office of Racial Equity built upon their existing networks of community partners, forming new partnerships with locally embedded community groups serving those hardest hit by the pandemic.

The Homelessness Prevention System has developed new partnerships with 55 organizations so far. The majority are small community groups with deeply rooted connections and trust in their community, primarily representing people of color, immigrant families, undocumented individuals, and senior citizens. Several of these organizations had not previously worked on housing-related issues.

Destination: Home and Sacred Heart Community Service granted over \$1.7 million to these groups to support their capacity and involvement in the Homelessness Prevention System. Partners were able to conduct targeted outreach for the program, identify the most vulnerable families in their community, and provide direct assistance.

2. Tackle Racial Disparities

By almost any indicator, the pandemic is adding another layer of inequity to existing racial disparities. Local jurisdictions can counter these trends by targeting outreach and eligibility to the communities that have suffered the most severe impacts related to COVID-19 and by eliminating barriers that disproportionately impact BIPOC people. Jurisdictions that have opted to participate only in the state

program should consider utilizing local or philanthropic resources to implement the strategies in this section that are not possible to achieve within the state framework.

- **Prioritize outreach and eligibility by zip code or census tract.** Targeting those at the highest risks of COVID-19 infection and housing and economic instability is essential to reduce racial disparities. Compile local data on rent burden, incidence of poverty, COVID-19 infection rate, and risks of becoming unhoused, or use a tool that aggregates multiple relevant data sources, such as [Urban Institute’s Rental Assistance Priority Index](#). Use a household-level assessment tool such as All Home’s evidence-based Homelessness Risk Assessment tool^v to prioritize those at highest risk for homelessness.
- **Collect and publicly report disaggregated race and ethnicity data** on individuals served by your program and advocate that the state ERAP program do the same. To ensure fair housing, track and respond to any racial disproportionalities in which tenants receive assistance through a given landlord.
- **Remove barriers that disproportionately impact BIPOC people** by taking the following actions:
 - Simplify and streamline program materials: Ensure plain language, and language access in all program materials. Simplify and standardize applications across programs. Accept self-attestation of eligibility and financial need/income loss. Accept applications by phone/in person, and allow documents to be uploaded as photos, not just Word or PDF files. Prompt people to complete applications or submit verification documents using multiple methods of communication (e.g., email, phone, text).
 - Make programs accessible to both leaseholders and households that are living in informal arrangements but who pay rent, as allowed by U.S. Treasury guidance.^{vi}
 - Be explicit on all program materials that undocumented residents are eligible for resources and that information will not be shared with immigration authorities.
 - Allow direct payments to tenants, especially if a landlord refuses to accept payment.
 - Allow tenants to apply again, even if they received rental assistance in prior rounds of funding.^{vii} Create a clear and efficient appeal process for anyone who is denied financial assistance.

Promising Approach:

Marin County Moves to Fill Gaps in ERAP Program for BIPOC Communities

After SB 91 was passed, in response to the concerns of CBOs working on rental assistance, Marin County, Legal Aid of Marin, and Marin Community Foundation (MCF) quickly pivoted to consider use of CDBG and MCF resources to cover needs that would be ineligible under their state block grant. For instance, hearing that many undocumented residents paid rent with credit cards, predatory loans, and loans from family and friends, they are developing a proposal to use these resources to cover future rent payments at 80% of this debt. They have also agreed to accept self-certification of this debt and of other program eligibility requirements to remove barriers for households.

3. Provide Comprehensive Support and Protections

Short-term rental assistance is only a down-payment for households that have been hit hard by the pandemic and the region’s long-term housing inequities. Local jurisdictions should pair rental assistance with wrap-around supports and protections to ensure that Bay Area residents can stay in their homes.

- **Fill gaps in state and federal ERAP programs.** Use other sources of funding (e.g., CDBG-CV, ESG-CV, private philanthropy, and ERAP administrative allocations) to cover expenses that are not eligible under state and federal ERAP guidelines.
 - For instance, cover households without traditional leases, provide additional resources for households whose landlords do not participate in the state ERAP program, cover future rent payments and debt owed to others (payday loans, credit card, family, etc.) to pay rent, and serve individuals from broader income ranges after meeting the needs of those with the lowest incomes.
 - Create programs to cancel rental arrearage or commercial debt that may contribute to long-term housing instability.
 - Where possible, tie prospective or future rent payments to landlord concessions, such as agreeing not to evict tenants for a longer time period than required by state law.
- **Expand and enforce tenant protections.** Expand a set of complimentary tenant protections to keep tenants housed and allow us all to shelter in place safely.
 - Because SB 91 protections only cover evictions due to inability to pay rent, many local jurisdictions have already expanded “just cause” protections to prohibit evictions except for cases that jeopardize health and safety, and others are moving to curtail abuses of the Ellis Act. Jurisdictions have also passed rent freezes, either universally (e.g., San Jose and Contra Costa) or in hard-hit census tracts (e.g., Marin County).
 - Make tenant rights real through outreach, education, and legal counsel, which are allowable expenses for 10% of ERAP funds.^{viii} Jurisdictions should establish a Right to Legal Counsel, fund a legal services collaborative (e.g., San Francisco), encourage city and county attorneys to enforce SB 91 eviction protections, and ensure that outreach and intake efforts connect tenants to information about their rights and to legal support when it’s needed.

**Promising Approach:
Sonoma County Expands Tenant Protections**

Despite legal protections for non-payment of rent during the pandemic, Sonoma County renters were still being evicted based on other legally allowable reasons, such as minor lease violations and "nuisance" allegations. In response, Legal Aid of Sonoma County, North Bay Organizing Project (NBOP), Sonoma County Tenants Union, and Sonoma Valley Housing Group launched a campaign in late 2020 urging Sonoma County to pass a COVID-19 "Just Cause" policy for evictions. Sonoma County amended their eviction moratorium in February 2021, preventing most evictions except those necessary for public health and safety. Organizers are now focused on implementation and public education.

4. Build Local Government Infrastructure for the Long-Haul

New federal resources have jumpstarted our ability to provide robust rental assistance, but when these resources are gone, over 300,000 Bay Area households will still be one unexpected bill or job loss away from becoming unhoused. We must take this opportunity to make transformative changes in our safety-net ecosystem and be ready to respond to the next housing emergency.

- **Coordinate across city or county departments** to integrate strategies that keep people housed.

- Typically, certain housing funds are managed by the local housing and community development department (e.g., ERAP, CDBG) and others are managed by the social services or human services department (e.g., ESG). Break down siloes and design shared funding strategies that work together to provide the full suite of actions that are required to keep people housed.
- Consider conducting joint RFPs to build a coordinated network of CBOs.
- Use ERAP administration funds or other available resources (e.g., CDBG-CV, ESG-CV or formula ESG and CDBG) to build organizational and network capacity to improve delivery of services.
- **Create a unified system of assistance and referrals**, where tenants can access information about rental assistance, tenants' rights/education, and connect with legal aid and advocacy organizations.
 - If possible, establish a "hotline" that takes inquiries and makes informed referrals tailored to the caller's expressed need.
 - Borrow learnings from a recent collaboration between Health Leads and Tenants Together to train 2-1-1 call center operators to efficiently connect tenants to rental assistance programs and legal aid that best meets their needs, using trauma-informed approaches, while collecting data to ensure that assistance reaches communities in highest need.
- **Collect data as part of your rental assistance application** and use this information to improve program and policy design.
 - Collect information on geography, demographics (including race/ethnicity), rental rates and rent increases, and evictions. Use data to track whether programs are effectively reducing racial inequities and reaching those most in need and share aggregated (not personally identifiable) data publicly for use in future program design.
 - Ask applicants the total back rent they owe to landlords and others they borrowed from to pay the rent (payday loans, credit card, family, etc.), since many tenants, especially undocumented people, are paying their landlords by taking on significant other debt. Incorporate this information and plan for a way to account for it in program design.
 - Use data collected to ensure that landlords abide by program requirements (do not evict tenants protected by SB 91, raise rents beyond the state rent cap, etc.), support efforts to proactively enforce tenant protections, and build toward a functional rental registry in your jurisdiction.
- **Build toward a comprehensive homelessness prevention system in your county and across the region.** All Home is working with several cities and counties to form a regional homelessness prevention network. The pilot will begin in three cities—Oakland, Fremont, and San Francisco—and will build from there. Please reach out to All Home if you are interested in exploring whether this pilot would be useful to your community.^{ix} Cities and counties will have access to the services below:
 - A common, online data platform for all program providers, and a common risk assessment tool that will be used to prioritize assistance to those households which are most likely to become homeless.^x
 - Privately raised funds to support a coordinated evidence-based service model and build the capacity of community-rooted and BIPOC-led/serving organizations.
 - Training for all network providers and regional learning collaboratives to share best practices and peer-to-peer agency information-sharing across the region.
 - Program evaluation by UCSF Benioff Center on Homelessness and Housing.

RESOURCES - BEST PRACTICES REGARDING EMERGENCY RENTAL ASSISTANCE

- [Having the Greatest Impact on Preventing Homelessness and Addressing Racial Inequities with New Federal Emergency Rental Assistance Resources](#), National Alliance to End Homelessness, National Low Income Housing Coalition, Urban Institute, et al.
- [Principles for Emergency Rental Assistance during the COVID-19 Crisis](#), National Housing Law Project
- [Advancing Racial Equity in Emergency Rental Assistance Programs](#), Furman Center, NYU
- [Learning from Emergency Rental Assistance Programs](#), National Low Income Housing Coalition
- [Best Practices for State and Local Emergency Rental Assistance Programs](#), National Low Income Housing Coalition
- [Emerging best Practices for COVID-19 Emergency Rental Assistance Programs](#), Aspen Institute Financial Security Program
- [Residential Rental Property Owner Perspectives and Practices in Philadelphia: Evaluating Challenges during the COVID-19 Pandemic](#), The Housing Initiative at Penn and the Reinvestment Fund

ⁱ Bay Area Equity Atlas. California Eviction Fact Sheet, March 2021. Available at: <https://bayareaequityatlas.org/research/analyses/COVID-19-evictions-california>

ⁱⁱ 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)

ⁱⁱⁱ For instance: CDBG-CV, ESG-CV, ERAP local admin allocation, private philanthropy

^{iv} City of Oakland and Alameda County, COVID-19 Racial Disparities Task Force Final Report and Action Plan. <http://www.acgov.org/allin/docs/COVID19RacialDisparitiesTaskForceReport.pdf>

^v Contact Joanne Karchmer, Chief Impact Officer at All Home at jkarchmer@allhomeca.org, if you are interested in more information.

^{vi} U.S. Department of the Treasury. Emergency Rental Assistance Frequently Asked Questions https://home.treasury.gov/system/files/136/ERA-Frequently-Asked-Questions_Pub-2-22-21.pdf

^{vii} The only limitation is that federally-funded rental assistance cannot be used to pay back rent for a particular month that was previously paid by a federal source, e.g., if a tenant received CARES Act rental assistance for June-Aug 2020, they could not receive ERAP funds for those months, but would be eligible for ERAP funds from Sept. 2020-present, plus prospective rent based on three-month certifications, up to a total of 15 months of assistance inclusive of both back and prospective rent.

^{viii} U.S. Department of the Treasury. Emergency Rental Assistance Frequently Asked Questions https://home.treasury.gov/system/files/136/ERA-Frequently-Asked-Questions_Pub-2-22-21.pdf

^{ix} Contact Joanne Karchmer, Chief Impact Officer at All Home at jkarchmer@allhomeca.org, if you are interested in more information.

^x The risk assessment will be used in addition to geographic targeting to hardest hit zip codes^x and income targeting to <50% AMI, with prioritization for <30% AMI.