Improving Housing Assistance in Response to COVID-19

The spread of COVID-19 has unleashed a health and economic crisis of unprecedented scope. This disaster has highlighted the housing insecurity that many individuals and families were already experiencing, the heightened risk from the novel coronavirus faced by people experiencing homelessness, and the need to quickly deliver housing relief in responding to this public health crisis. Women and families across the nation need policymakers to focus both on immediate housing assistance for people experiencing homelessness and renters and structural fixes to address underlying reasons for our nation’s persistent housing crisis.

Housing Needs Are Acute Across the Nation

Even before the COVID-19 crisis, millions of people across the country struggled to afford housing. In order to afford to rent a modest, two-bedroom apartment in the United States, a full-time worker needs to earn $22.96 per hour (the 2019 national Housing Wage). Because women, and particularly women of color, are overrepresented in the low-paid workforce, many women and families already struggled to afford rent. Now, hundreds of thousands of people have already lost their jobs, and economists estimate nearly 14 million jobs will be lost by the summer even with economic stimulus packages. With the loss of their paychecks, women and families will struggle to pay their rent and mortgages – facing the risk of eviction or foreclosure.

Similarly, homelessness has been on the rise prior to the current pandemic. In 2018, 219,905 women, girls, transgender people, and gender non-conforming people experienced homelessness. These numbers can be expected to rise as COVID-19 spreads, especially for populations like survivors of domestic violence and sexual assault, LGBTQ people, people with disabilities, and immigrant women and families who face higher rates of economic insecurity. People experiencing homelessness face a higher risk of contracting COVID-19 because they are more likely to have chronic health conditions, often have limited access to running water for handwashing and health care, and may live in congregated communities such as encampments or shelters that make it impossible to self-quarantine. Researchers project that people experiencing homelessness will “be twice as likely to be hospitalized, two to four times as likely to require critical care, and two to three times as likely to die than the general population.”
Homelessness and Rental Assistance Desperately Need Improvement

The McKinney-Vento Homelessness Assistance Grants (HAGs), composed of the Emergency Solutions Grant (ESG) program and the Continuum of Care (CoC) program, provides the core federal funding to address homelessness. Congress modeled the ESG program on the Homelessness Prevention and Rapid Rehousing Program (HPRP), which responded to the 2008 recession. HPRP served more than 1.3 million people (58 percent of which were women, girls, and transgender people) over three years. About 90 percent of participants had permanent housing by the end of their assistance. The U.S. Department of Housing and Urban Development (HUD) awards ESG and CoC funds to communities for street outreach, rapid re-housing, shelter ranging from emergency shelter to permanent supportive housing, and homelessness prevention. Unfortunately, current funding for HAGs is insufficient to meet the needs of this crisis.

- **Homelessness assistance has been dramatically under-resourced:** Federal funding has never been sufficient to end homelessness. In 2018, homelessness providers only had capacity to offer year-round temporary beds to 70 percent of people experiencing homelessness.

- **Homeless shelters are ill-equipped to handle this or other health crises.** They are running out of sanitation and cleaning supplies, rarely have separate rooms for self-quarantining, and do not have enough staff and volunteers because of school and child care closings, cautions to stay at home, and caregiving responsibilities. Shelters lack testing capacity, and not all workers have been trained in how to identify symptoms of COVID-19.

Most HUD rental assistance comes through three core programs: public housing, Section 8 Housing Choice Vouchers, and Section 8 Project-Based Rental Assistance. These programs help millions of women and families have a roof over their head.

- **Rental assistance programs have inadequate funding:** While women and girls are 63 percent (5.92 million) of the 9.5 million served by these rental assistance programs, only 1 out of 4 eligible households receive rental assistance.

- **Not all landlords** receiving housing assistance are equipped to maintain their properties during an economic crisis.

Ongoing Federal Investments Represent a Timely Down Payment on Overdue Structural Change

The Coronavirus Aid, Relief, and Economic Security (CARES) Act recently passed by Congress and signed by the President provides a down payment on some of the housing needs amplified through the COVID-19 pandemic.

- **ESG funding:** The bill allocates $4 billion in ESG funds, $2 billion may be distributed within 30 days of enactment and the remainder within 90 days. ESG funds are meant to help prevent an outbreak of coronavirus among people experiencing homelessness and very low-income populations. They may also be used for eviction prevention assistance, temporary emergency shelters, staff costs, training, and hazard pay. The bill provides the HUD Secretary broad authority to waive or set alternative requirements for statutes and regulations, outside of those related to fair housing, nondiscrimination, labor standards, and the environment.

- **Moratorium on evictions and foreclosures:** The bill establishes a moratorium on foreclosures for federally-backed mortgages: 60 days for single-family mortgages and a forbearance for up to 30 days for multi-family housing owners. Both types of homeowners may request a longer forbearance, subject to certain conditions. The bill further establishes a 120-day moratorium on eviction filings for renters in homes backed by a federally-backed mortgage and a temporary moratorium on evictions for most residents of federally subsidized apartments.

- **Increasing Rental Assistance:** The bill allocates $1.25 billion for tenant-based rental assistance, $850 million of which can go toward administrative costs and other expenses to “support and maintain the health and safety of assisted households” and to support landlords participating in Section 8. The remainder is to cover increased renewal funding for public housing agencies facing higher voucher costs so they do not need to take rental assistance away from any families. The bill also allocates $1 billion for project-based rental assistance and $685 million for public housing to help maintain operations and take other necessary actions to respond to the COVID-19 outbreak.
• **Funding for At-Risk Populations:** In addition to the funding for people experiencing homelessness, the bill provides $65 million for the Housing for Persons with AIDS (HOPWA) program to provide rental assistance, maintain operations, and for other COVID-19 preparation and response. It provides $50 million for Section 202 Housing for the Elderly and $15 million for Section 811 Housing for Persons with Disabilities.

• **Additional Funding for States, Localities, and Tribal Nations:** The bill provides $5 billion in Community Development Block Grants (CDBG), some of which could be used to help people experiencing homelessness and to provide emergency rental assistance. It allocates $300 million for Native American Housing Programs. The bill allocates $45 billion for the Disaster Relief Fund and $200 million for the Emergency Food and Shelter Program. Governors can request a major disaster declaration to seek FEMA approval for funds that can help address housing needs. The bill also creates a $150 billion Coronavirus Relief Fund for state, tribal, territorial, and local governments to respond to COVID-19, including addressing housing needs.

**More Significant Investments Are Needed Address Housing Needs in Light of COVID-19**

• **More ESG funds:** Housing experts identified a need for **$15.5 billion in ESG funds**—$4 billion for rapid rehousing and $11.5 billion to address local shelter needs. Congress should allocate $11.5 billion in the next package to fill the gap remaining after the CARES Act.

• **Allowing Continuums of Care (CoC) funding** to go toward medical respite care, short-term residential care for people experiencing homelessness who need medical care but are not sick enough for hospital services, to reduce the risk of death. Resources are also needed for outreach, street medicine to provide health care to unsheltered people with limited access to traditional health care services, immediate testing of potentially infected residents or at least training by public health authorities on potentially problematic symptoms in order to identify cases of possible COVID-19. Funding is also needed for preventative measures like hand-washing stations at encampments.

• **Emergency Assistance Fund:** Congress should create an emergency assistance fund to provide short-term and immediate assistance to keep families in their homes and prevent homelessness in the future. Emergency rental assistance can also ensure that landlords are able to continue to operate the property.

**Now Is the Time to Advance Structural Reforms to Solve Our Nation’s Housing Crisis**

Addressing our nation’s housing crisis can help reduce risks for future pandemic outbreaks. The private sector cannot address the shortage of 7 million affordable rental homes for the lowest-income households on its own. In the coming weeks and months, Congress must:

• **Increase funding to the national Housing Trust Fund** to provide more resources to build and maintain rental housing that women and families with the lowest incomes can afford.

• **Drastically expand rental assistance:** Congress should fully fund Housing Choice Vouchers to eliminate the long wait lists for the 3 in 4 households who cannot access rental assistance. If Congress fails to provide enough vouchers to close this gap, targeted renters tax credits, preferably refundable tax credits for families, can help women and families with low incomes use more of their income for food, medicine, child care, and other basic needs.

• **Create a new, permanent emergency assistance fund** to prevent evictions resulting from future financial shocks.

Housing impacts every aspect of our lives. For too long, Congress and the administration have failed to enact policies that would put safe, affordable housing within reach for struggling women and families. The COVID-19 crisis should be a wake-up call to the need to immediately improve housing assistance and fix our nation’s housing crisis.