

Responding to the Housing Challenges Posed by the Pandemic



LISC

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Agenda

- ✓ Impacts of COVID-19 on Affordable Housing
- ✓ Developing a Housing Strategy
- ✓ COVID Housing Response in Practice
 - ✓ Rental Assistance Programs
 - ✓ Foreclosure and Eviction Prevention
- ✓ Implementing the Strategy (Hearing from the Field)



CV-19 has disproportionate impact on most vulnerable communities

- The Federal eviction moratorium from CARES has expired (July 25th)
- Currently, there are 2 MM+ delinquent mortgages in the US
- [Public Integrity](#) Data showing that most evictions are occurring in low-income and minority communities
- Housing instability is most acute for renters living in smaller buildings (2-4 unit buildings)
- FHA has extended through August 31, 2020 the [foreclosure and eviction moratorium](#) for homeowners for FHA-insured Single Family Mortgages
- [HUD has extended](#) the moratorium on evictions to all HUD insured and HUD held mortgages under forbearance.
- COVID-related losses in income have been remediated by large scale unemployment benefits which have now ended; unclear if those benefits will be extended by Congress.



Housing Stability Risk: How does loss of income affect housing stability?



Section 8 Renters

Live in Project-Based Section 8 properties (not vouchers)

Section 8 Tenant-Based Voucher Holders

Rent from private owners, both single-family and multifamily buildings

Section 8 Project-Based Voucher Holders

Live in multifamily properties

Public Housing Residents

Live in public housing

Low Income Housing Tax Credit Tenants

Live in LIHTC or "tax credit" properties

Homeowners

Live everywhere, single-family and multifamily condo owners, pay a monthly mortgage; foreclosure concern

Non-Assisted Renters

Live everywhere, in single-family and multifamily, rent from private owners on the private market; major eviction concern



The Housing Strategy

Telling the Story
to Raise the Money

Why Build a COVID Housing Strategy?

- > To help focus dollars where the need is greatest.
- > To help secure financial support from the private sector.
- > To increase support from the community.
- > To improve long-term recovery in areas of focus.
- > To garner support for permanent housing solutions.
- > To add an equity lens to housing work.



Best Practices - developing a COVID Housing Strategy with limited funds

Redirect Funding

- Existing Housing Programs
- Leverage funding from other gov't programs (i.e. public health, economic development)

Establish local, regional, and statewide collaborations

- Funding sources may be easier to secure if part of a larger group
- Consider the many different types of collaborations

Build upon existing delivery systems for housing services delivery



Maximize efforts that are nonmonetary

- Advocacy with court system to halt evictions and foreclosures, plan,
- Collaborate with private sector (community foundations/chamber of commerce) to get resources out to the community

Incorporate long-term goals

- Equity
- Workforce Housing
- Other goals



Phases of the Strategy: Emergency, Preservation, Expansion

1

Solutions that provide immediate housing stability for renters, homeowners, and vulnerable populations (1-6 months)

How?

- Emergency rental assistance programs (using ESG + FEMA \$)
- Expanded protections to prevent displacement/eviction
- Collaborate with Legal Aid services and get pro bono legal support

2

Solutions that support the continued solvency and operation of existing affordable housing and safe completion of construction in process

How?

- Additional rental assistance relief
- Capital to stabilize properties/ create home repair programs
- Loan modifications
- Property Tax abatements/ solutions

3

Solutions that create *new* affordable housing opportunities going forward

How?

- Strategic acquisitions of Extended Stay-type hotels to convert to rental housing;
- Using CDBG + HOME dollars to support ongoing pipeline of affordable housing

RESPONSE

RECOVERY

REGENERATE

The COVID Housing Strategy: The Process



COVID Housing Response in Practice

Ulster County, New York

Ulster County Recovery Taskforce

Representatives from Nonprofits, private sector, and government

Data/Need

A housing study to look at the impacts of COVID-19 on housing and present a clear strategy to encourage the production of more workforce housing throughout the County. It will also provide an analysis of the existing rental and owner occupied housing units in the County demographic data on the jobs and incomes available that can support housing costs, and interviews with individuals closely associated with housing issues and affordability.

Funding Sources

Reallocated \$150K
CDBG from home repair

Strategy

Rental Assistance: Up to \$3,000 for 3 months of rent (average rent for 1 bedroom)

Propose county-wide land banking

Commissioned a housing study to assess impact of Covid and ways to increase availability of workforce housing



The CCRH COVID Relief Fund

CCRH is one of the oldest state low-income housing coalitions in the country.

A **Collaboration** of health foundations, banks, donors, and own reserves.

Initially seeded by \$30,000 from the National Low Income Housing Coalition, CCRH was able to raise a total of \$330,000 from health foundations, banks, a private donor and \$50,000 of its own resources.

Data – Information Gathering significant to success:

CCRH surveyed its members who identified 16,000 low income residents at risk in units owned and managed. High percentage of residents are Latino and farmworkers.

CCRH distributed funds to 23 member organizations, 19 nonprofits and 3 Tribal Housing Entities. Use of funds is flexible and members designed their own programs/uses, including food assistance, health care assistance, PPEs, transportation to testing, contract tracing programs, supplies for home schooling, including tablets and notebook computers, and internet upgrades for access.



Whitefish Housing Authority Emergency Rental Assistance Fund

Whitefish, Montana

PARTICIPANTS

Whitefish Housing Authority
Chamber of Commerce
Whitefish Community Foundation

FUNDING SOURCES

All Private Donations

PROGRAM DESCRIPTION

\$300 per affected worker, cap of 50% of monthly rent
460 Individuals assisted
Checks made payable to landlords



Rent Assistance, Eviction Prevention, and Foreclosure Prevention Programs

Rent Assistance, Eviction Prevention, and Foreclosure Prevention Programs

Possible Key Elements

Eviction moratorium
\$\$ to tenants
\$\$ to property owners
Utility payments

Funding Sources

Coronavirus Relief Fund (CARES Act)
CDBG
HOME
ESG
State funds
Repurpose existing housing funds
Foundations
Public donations

Examples

NH and OR deliver through CAP agencies
CO assists property owners
Lift to Rise (nonprofit in CA) gave emergency cash with few requirements



NeighborImpact, Central Oregon

Distribution Network

- 17 CAP agencies
- + a nonprofit distributing a setaside for farmworkers

Eligibility

- Initial coronavirus rent relief program – under 50% of area median income
- Additional coronavirus rent relief program – under 80% of AMI
- Lost job or income as a result of pandemic OR can't work because at risk
- CAPs have some discretion on prioritizing applicants

Funding Sources

State-provided funds

- Initial coronavirus rent relief program – state general funds
- Additional coronavirus rent relief – federal Coronavirus Relief Funds allocated to state

Strategy

Moratorium on evictions and foreclosures to 9/30/20

6 months (10/1/20-3/31/21) to pay accrued rent

Pay rent or manuf. home lot rent (not mortgage)

- Pay arrearages or rent as it comes due, covering March-Dec. 2020, directly to landlords



Colorado Apartment Association/Resident Relief Foundation

CAA

- Trade association
- 3,100 members

RFF

- Nonprofit (donations tax-deductible)
- Founded 2017 by real estate investment firm in California

Eligibility

- No income limit
- Tenant must be within 21 days of landlord filing for eviction
- One-time payment
- Tenant must have ability to pay going forward

Funding Sources

Private donations
\$25,000 or \$30,000 from CAA

By end of July, raised \$125,000

Process

Tenant applies through RRF

Tenant must do short online financial education course

Rental assistance paid directly to landlord



Implementing the Strategy

San Antonio, Texas

A Relief, Resilience, and Recovery Strategy

Relief- immediate housing stability for tenants and vulnerable populations

Recovery - preservation of existing affordable housing and completion of projects in pipeline

Resilience – scale up affordable housing production sustainably- and equitably.

Food Security & Shelter Working Group

Nonprofits, for-profits, philanthropy, lenders, City and County government officials from most sectors of government, advocates, service providers

Data/Need

Used economic and public health data to determine most affected populations and types of housing needed by those populations

Funding Sources

A variety of funding sources including: FEMA, CDBG, Home, HOPWA, ESG

Strategy

Relief Phase: Lease of two hotels for quarantine housing and shelter overflow, allocate \$30M for emergency housing assistance relief, Housing Counseling on foreclosure and eviction prevention

Equity was a key consideration based on disproportionate impact on low income persons of color or undocumented persons.

For more details, see housing playbook here:

https://www.lisc.org/media/filer_public/35/27/3527c843-fad3-4c4a-bc6b-647d551ea73f/housing_playbook_for_recovery_resiliency.pdf



Riverside, CA

Rental Assistance Programs:

- The County of Riverside is deploying \$30M in rental assistance funding through a nonprofit partner Community Connect

Housing Production:

- The county is acquiring hotels and motels to convert into long term affordable housing. Its target residents being farm workers which they have identified as at risk of homelessness to access ESG funding.

Collaboration:

- Partnership with university to collect data on at risk populations
- Deployment of rental assistance funds
- Established network of service providers



Discussion & Questions



Additional Resources



Resources to help you Assess Housing Needs and Set Priorities

[Local Housing Solutions](#) briefs, examples of Response Plans, Needs Assessment Tools

DCTA Resource page: <https://www.hudexchange.info/programs/dcta/resources/#resources-and-guidance>

U.S. Census Bureau weekly HOUSEHOLD PULSE SURVEY: <https://www.census.gov/householdpulsedata>

[The Eviction Lab](#) : EVICTION TRACKING SYSTEM for each state that distills the emergency orders and legislation and you can check how eviction policies are changing for your municipality, including information about utility shut-offs. <https://evictionlab.org/covid-policy-scorecard/#scorecard-resources>

Eviction Lab : EVICTION TRACKING SYSTEM to track evictions across cities and towns and the top "evictors" (more data forthcoming on foreclosures) <https://evictionlab.org/eviction-tracking/>

[JustShelter](#) : resource to help identify local eviction prevention services and housing counseling

[NLIHC Examples of](#) Rental Assistance Programs being launched across the Country

Policy Link resources on strategies on [racial equity](#) and [inclusive processes for equity in housing recovery](#)

Local Housing Solutions: [Drafting a COVID Housing Plan](#)



Unassisted Households: How does loss of income effect housing stability?

Type of Low Income Household	Landlord?	Summary of Program/ Resource	COVID-related housing stability concern
Low Income Housing Tax Credit Tenants Live in LIHTC or “tax credit” properties	LIHTC sponsors, can be for-profit or non-profits; serve as the owner, landlord and also manager (aka “sponsor,” “provider”)	The LIHTC program supports the project development, and does not include long-term rental assistance for the tenants. The financing structure enables owners to provide housing to eligible tenants at LIHTC rents (typically below 80% AMI for 30 years). LIHTC rent setting is NOT based on a tenant’s actual income. Instead, rent is set by the use restriction tied to the unit and the prevailing Area Median Income. LIHTC tenants’ rent will not change even if their income changes significantly due to joblessness or other COVID hardship. Projects typically have at least 3 months of operating reserves but not sized for significant rent losses. Many of the owners are mission-oriented or non-profits, unlikely to evict tenants, but the property health and financial stability of the sponsors is of concern.	OF CONCERN
NOAH/ Non-Assisted Renters Live everywhere, single-family and Multifamily, rent from private owners	Private landlords	Many jurisdictions have eviction moratoria still in place, many of which will expire in July or August if not extended. As of now, LLs will have to negotiate individually with their mortgage holder for forgiveness or extension of mortgage, and tenants will have to negotiate with their LLs. For properties with a Fannie Mae / Freddie Mac or FHA backing, FHFA announced forbearance extensions for up to three more months; tenants protected from evictions. NOTE: Many undocumented workers live in NOAH and non-assisted housing and cannot qualify for federal assistance or relief.	OF SERIOUS CONCERN
Homeowners	Self, with mortgage holder or servicer	Typical homeowners who pay monthly mortgage to a servicer. For homeowners with a mortgage backed by Fannie Mae/ Freddie Mac or FHA, CARES calls on lenders and servicers to allow payment delays for up to 360 days. CARES is not specific about what happens after forbearance period ends. Without forgiveness, balloon payments once forbearance ends and the requirement to repay any delayed payments in lump sum. Owners must negotiate with lender or servicer.	OF SERIOUS CONCERN



Assisted Households: How does loss of income effect housing stability?

Type of Assisted Household	Assistance Allocated/ Administered by:	Summary of Program/ Resource Structure	COVID-related housing stability concern
Section 8 Renters Live in Project-Based Section 8 properties (not vouchers)	HUD Office of Multifamily Housing Landlords are private owners, many are non-profits, CDCs, CHDOs	Assistance in form of a private contract between HUD and the building owners, who agree to provide housing to eligible tenants in exchange for long-term tenant rental subsidies. Tenant contributes 30% of income. When their income changes, their rent is adjusted. <u>CARES provides additional rental assistance \$ to cover increased HUD-paid portion of rent due to loss of income but demand for new rental assistance will likely exceed what has been allocated.</u>	LOW
Section 8 Tenant-Based Voucher Holders Rent from private owners, both single-family and multifamily buildings	HUD Office of Public and Indian Housing (PIH) Landlords are private owners	A portable voucher, allocated to individual household as a rental subsidy, limiting the tenant contribution to 30-40% of the household's adjusted income. When their income changes, the HUD paid portion of the rent is adjusted. <u>CARES provides additional rental assistance \$ to cover increased HUD-paid portion of rent due to loss of income but demand for new rental assistance will likely exceed what has been allocated.</u>	LOW
Section 8 Project-Based Voucher Holders Live in multifamily properties	HUD PIH, via local Housing Authority Landlords are private owners	Voucher program allows local housing authorities to contract with property owners to ensure that Section 8 voucher holders will occupy a designated percentage of a private rental property. When their income changes, their rent is adjusted. When their income changes, the HUD paid portion of the rent is adjusted. <u>CARES provides additional rental assistance \$ to cover increased HUD-paid portion of rent due to loss of income but demand for new rental assistance will likely exceed what has been allocated.</u>	LOW
Public Housing Residents	HUD PIH, via Public Housing Authority (PHA) Landlords is the PHA	Rental housing managed by a Public Housing Authority eligible tenants in exchange for long-term tenant rental subsidies. Tenant contributes 30% of monthly adjusted income income. When tenant income changes, their rent is adjusted and the PHA covers the difference in operating costs.	LOW



Housing Resources

Federal Resource	Eligibility	How to Access Funds	Uses of Funds	Long term/ Short term assistance
<p>FEMA</p>	<p>The 4 basic components of eligibility are: The applicant must be a state, territory, tribe, local government, or private nonprofit organization. A facility must be a building, public works, system, equipment, or natural feature.</p> <p>Work is categorized as either emergency or permanent. It must be required as a result of the declared incident, located within the designated disaster area, and the legal responsibility of the applicant.</p> <p>Cost is the funding tied directly to eligible work, and must be adequately documented, authorized, necessary, and reasonable.</p>	<p>Contact the local or state emergency manager to begin the process and submit a Request for Public Assistance Form. Applicants are highly encouraged to submit their forms through the online FEMA Grants Portal for faster processing.</p>	<p>Medical sheltering, Purchase and distribution of food, water, ice, medicine, and other consumable supplies, to include personal protective equipment and hazardous material suits and the movement of supplies and persons</p>	<p>Short Term Assistance</p>
<p>Coronavirus Relief Fund (created in CARES Act)</p>	<p>Federal Government allocated to states, tribes, and some localities with over 500,000 population. At this point, eligibility to receive part of their funding is determined by those entities and they are not required to pass any of it through to others. So it varies from state to state.</p>	<p>Requires an application through the State or county, if they have decided to distribute funds to other jurisdictions.</p>	<p>Broad options for uses: "necessary expenditures incurred due to the [Covid-19] public health emergency" that (1) were not accounted for in the budget most recently approved as of March 27, 2020 (date of CARES Act) for the State or government; and (2) are incurred between March 1 and December 30, 2020. For housing, uses could include financial assistance to prevent eviction and assist in preventing homelessness, shelter for people experiencing homelessness, utility fees, etc.</p>	<p>Short term assistance</p>

Housing Resources

Federal Resource	Eligibility	How to Access Funds	Uses of Funds	Long term/ Short term assistance
<p>Emergency Shelter Grant (ESG)</p>	<p>Eligible ESG recipients generally consist of states, metropolitan cities, urban counties, and territories, subrecipients may include units of general purpose local government or private nonprofit organizations.</p>	<p>Grantees have to submit an amendment to their Consolidated and Annual Action plans-</p>	<ul style="list-style-type: none"> • Shelter expansion and deconcentration (CDC Guidelines) • Non-congregate shelter backing up FEMA (e.g. help operate shelters, provide essential services to shelter residents) • Connection with permanent housing (e.g. rapidly rehouse homeless individuals and families, prevent families/individuals from becoming homeless) • Landlord outreach (e.g. improve the number and quality of emergency shelters for homeless individuals and families) • Rental assistance up to 2 years 	<p>Short term assistance</p>
<p>Community Development Block Grant (CDBG)</p>	<p>Each State the opportunity to administer CDBG funds for non-entitlement areas. States develops funding priorities and criteria for selecting projects.</p>	<p>Grantees have to submit an amendment to their Consolidated and Annual Action plans- this is where the decisions get made. Under the CARES Act, CDBG grantees may amend their citizen participation and Con Plans concurrently with a comment period of no less than 5 days.</p>	<ul style="list-style-type: none"> - Construction of buildings/improvements and public facilities - Assistance to businesses to create or retain jobs including “special economic development” - Public services (subject to 15% cap) - Planning, capacity building and technical assistance (subject to 20% cap) 	<p>Short term assistance</p>

Housing Resources

Federal Resource	Eligibility	How to Access Funds	Uses of Funds	Long term/ Short term assistance
HOME	Localities can only become PJs if they are metropolitan cities or urban counties, a metropolitan area with a population of at least 50,000 people	In order to receive HOME funding, a state or locality must submit a Consolidated Plan to HUD for approval	Eligible uses of funds include tenant-based rental assistance; housing rehabilitation; assistance to homebuyers; and new construction of housing. HOME funding may also be used for site acquisition, site improvements, demolition, relocation, and other necessary and reasonable activities related to the development of non-luxury housing.	Long term assistance

