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Housing Trends and the Impact of COVID-19 Rental Assistance in the City of Baltimore

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Executive Summary

This study is designed to understand the impact of emergency COVID-19 rental assistance on households and housing stability in Baltimore, Maryland. The report uses data collected through two surveys administered to tenants who applied to the City of Baltimore's Temporary Rental Support (TRS) program. The results of these surveys reveal the following key findings:

Characteristics of the city's rental landscape that predate COVID-19 made tenants particularly vulnerable to the economic impacts of the pandemic.

- A large share (52%) of Baltimore renters are rent-burdened, and the city has one of the highest eviction filing rates in the country.
- Almost 45% of baseline survey participants are members of single-earner households.
- Most households surveyed (83%) reported that they were either going into debt or just managing to make ends meet at the time of the baseline survey.

The onset of the pandemic greatly impacted tenants' ability to pay rent and this financial precarity has persisted over time.

- While only 4.3% of baseline survey participants owed back rent prior to April 2020, about 70% stated they were behind on rent in June 2020.
- Tenants' ability to pay rent decreased over time, from 45.9% of tenants being able to pay their full rent in May 2020 to 20% in November 2020 and just 10% in December 2020.
- Tenants were more likely to have to make financial sacrifices after the onset of COVID-19 (77.1% noted that they are delaying bill payments and about half of households, 51.2%, indicated they are cutting back on utility payments).
- Households with children are more likely to be experiencing financial and housing insecurity. They reported being worried about eviction at a substantially higher rate (82.7%) than households without children (38.9%).

When comparing the experiences of tenants that received rental assistance to those who did not:

- Those receiving rental assistance were slightly less likely to move or to experience homelessness, though they continued to face difficulties paying rent.
- The subsidy also appears to have had a positive impact on the finances of assisted households, reducing the share who said they were going into debt.

Introduction

America's affordable housing crisis, which long predates COVID-19, has only been exacerbated by the pandemic. Research shows that low-income households often make dire trade-offs to stay in their homes, and despite such efforts, eviction rates are high. Moreover, the burden of housing affordability and eviction disproportionately affect Black households. Over the past two decades, if not longer, U.S. housing policy has been defined by the lack of an adequate federal response to support households experiencing these hardships. Yet the onset of the COVID-19 pandemic has triggered a significant federal response to housing needs. Initially, this response took the form of a modest allocation of federal funds to municipalities to develop rent relief programs. Since then, the federal response has increased, with a federal eviction moratorium put in place in August 2020 and subsequent rounds of funding disbursed to support larger local rent relief programs.

The goal of this study is to both understand the impact of COVID-19 on the housing security and welfare of low-income households, as well as to look at the impact that rent relief efforts have on these outcomes. This report uses the case of Baltimore's Temporary Rent Support program to provide a unique and critical foundation for understanding the myriad of ways that the pandemic is affecting households. It also serves as the foundation for ongoing research estimating the impact of the pandemic, and of programmatic responses on the short and long-term wellbeing of low-income renters.

Figure 01. Tenant Race and Ethnicity by Census Tract

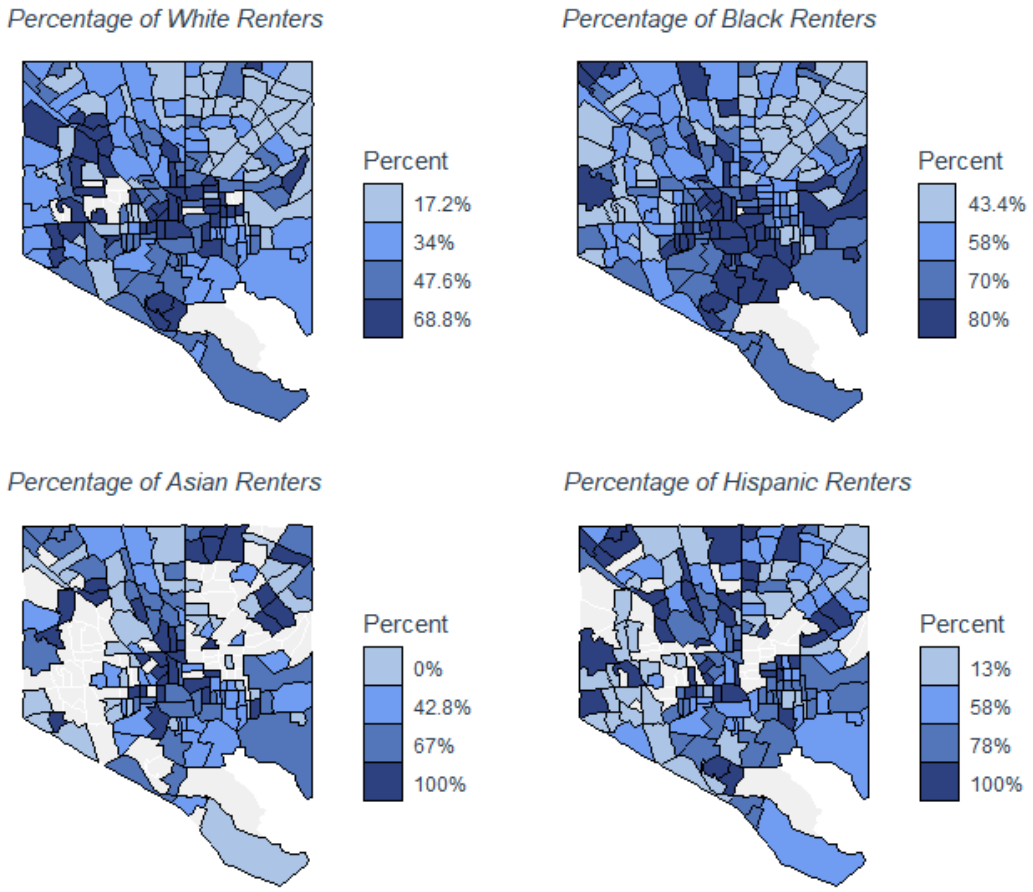
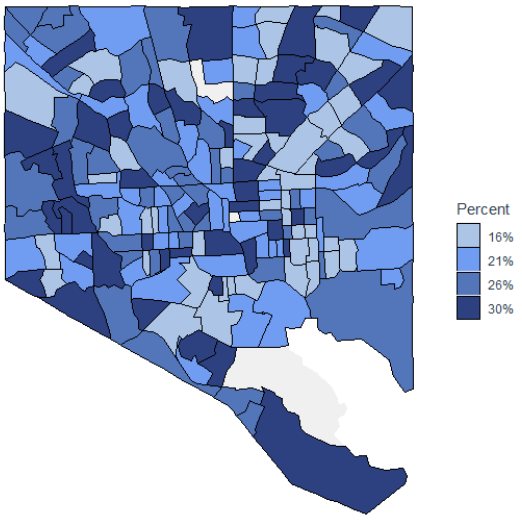


Figure 02. Share of Households Who Are Rent-Burdened



Baltimore's Rental Landscape

The City of Baltimore faces several challenges that impact housing instability, particularly for renters. These challenges include a high poverty rate, racial inequity, and one of the highest eviction filing rates in the country. About half of Baltimore residents (52.7%) are renters. While about two-thirds of Baltimore's residents are Black (66.1%), they make up a slightly lower share (58%) of all renters. Renters are largely segregated by race and ethnicity across the city. As shown in Figure 1 on the previous page, Black renters live primarily in northeast and western Baltimore, while White renters live in central, eastern, and southern Baltimore.[1]

The rental landscape is also characterized by low incomes, particularly when compared to the homeownership market. Median household income for renters ($33,180 in 2018) was about half of the median household income for homeowners. Renters' low incomes contribute to issues of rent burden (defined as paying 30% or more of one's household income towards rent). Despite rents remaining relatively stable over the last decade, 52% of Baltimore tenants are rent-burdened.[2]

Rent-burdened households are more likely to live in the city's northeast and western sections, which are also areas of the city with higher shares of Black renters (Figure 2).

Renters' lack of financial resources may lead to nonpayment of rent, which is a basis for eviction in Baltimore's Rent Court. According to a 2015 study from the Public Justice Center, Baltimore landlords file to evict 1 in 17 tenants, resulting in Baltimore having the second highest eviction filing rate in the U.S.[3] The City estimates that only 1 in 200 of such filings lead to an actual eviction, suggesting that landlords often use eviction filing as a tool to collect rent.

Baltimore's large population of low-income renters and issues of housing instability made the city particularly vulnerable to the economic impacts of COVID-19.

The COVID-19 Pandemic in Baltimore

Unemployment soared across the nation in the months following the pandemic being declared, and in March 2020, an estimated 20,000 low-income jobs were lost in Baltimore, leaving many tenants unable to pay rent.[4] Even with some economic revitalization, in February 2021 it was estimated that approximately 9,300 low-income jobs were still unavailable.

To date, the City of Baltimore has had 45,805 cases of COVID-19 and 856 deaths.[5] Figure 3 on the following page shows the distribution of COVID-19 cases at the zip code level. When compared with the distribution of renters in Baltimore it is clear that areas of the city with higher rates of renters have experienced greater cases of COVID-19.

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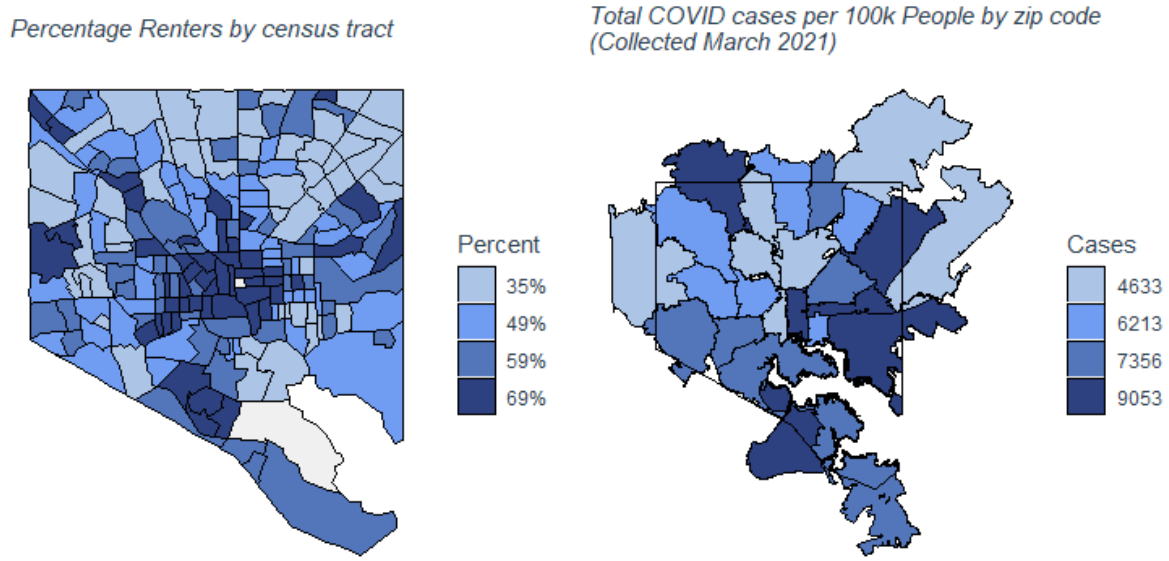
[1] Maps throughout this report use quantile breaks.
[2] According to data from the Census Bureau's American Community Survey (ACS), median rent increased only 6% between 2010 and 2018. [3] *Public Justice Center (2015) "How Renters are Processed in the Baltimore City Rent Court",* http://www.publicjustice.org/wp-content/uploads/2019/09/JUSTICE_DIVERTED_PJC_DEC15.pdf
[4] *Urban Institute, "Where Low-Income Jobs Are Being Lost to COVID-19",* https://www.urban.org/features/where-low-income-jobs-are-being-lost-covid-19
[5] *Cumulative COVID-19 cases and deaths for the City of Baltimore were collected on April 6, 2021. This information is updated frequently and can be found here:* https://coronavirus.baltimorecity.gov/

Figure 03. Renter-ship and Rates of COVID-19 Infection



The City of Baltimore recognized the predicament that many renters were facing and declared an eviction moratorium from March 27, 2020 through July 25, 2020. To further aid renters and quell eviction filings when Baltimore's Rent Court opened, the City implemented an emergency rental assistance program using CDBG-CV funds.

The Temporary Rental Support Program

The City of Baltimore's Temporary Rental Support (TRS) program was launched in July 2020 as part of an inter-agency effort led by the Department of Housing and Community Development (DHCD), the Mayor's Office of Homeless Services (MOHS), and the Community Action Partnership (CAP) Centers to divert tenants from the eviction pipeline through rental assistance, legal aid, and rapid rehousing. The City's eviction moratorium—put in place to keep tenants housed at the beginning of the COVID-19 pandemic—expired on July 25th, 2020, and the City anticipated a wave of eviction filings once the courts reopened. This fear was only somewhat mitigated by repeated extensions of the federal eviction moratorium initiated by the Center for Disease Control in August 2020. With an original budget of $16 million, TRS represented a major effort to mitigate evictions as the end of the local moratorium approached.

Tenants could apply for TRS from July 1st through July 19th, 2020, and applications were reviewed on a rolling basis. TRS' goal was to provide a subsidy to all eligible applicants by covering a portion of past due rent owed for April, May, and June 2020.

To be eligible for TRS, applicants had to earn less than 50% of area median income (i.e., less than $25,500), have experienced a loss of income due to the COVID-19 pandemic, and have been current on rent prior to April 2020. In addition, the landlords of participating tenants had to agree to forgive any additional back rent or fees, forego filing evictions through August 2020, and confirm that the rental unit in question was registered with the City.

Unlike many early COVID-19 rental assistance programs administered using CARES Act funds, TRS calculated households' subsidy amount on a case-by-case basis, which created a higher level of administrative burden for the City agencies reviewing applicants. The program was structured such that tenants were required to pay a third of any unemployment benefits received over the three-month period towards past due rent. In return, TRS paid 80% of the tenant's contract rent directly to the landlord. This payment structure was also relatively unusual.

When implemented, TRS was not designed to serve all tenants who were unable to pay their rent or who were rent-burdened; rather, it was a targeted effort to minimize an anticipated flood of eviction cases in Baltimore's Rent Court. Baltimore received substantially fewer applications for rental assistance than expected and has served only 654 tenants—distributing about $1.6 million—to date.[6]

[6] *Data from early April 2021 shows that 654 applicants have been paid. However, there are payments being sent for processing for an additional 50 applicants.*

Methodology

The goal of this study is to understand the link between rental assistance interventions and households' wellbeing, housing situation, and financial security, using survey data to track household outcomes over time. The study will ultimately evaluate the differences between households that received rental assistance and those that applied but did not receive the subsidy. We expect to find that receiving rental assistance reduces the odds that a household is evicted, reduces individual stress levels, and provides household stability that translates into better educational, health, and economic outcomes in the long term.

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This study will involve three surveys of tenants that applied to TRS: 1) an initial survey when the tenant applies for the emergency rental assistance program; 2) a follow-up survey conducted approximately three months after the initial survey; and 3) a final follow-up survey launched approximately six months after the first follow-up survey. Each survey captures a snapshot of tenant experiences, and by the time of the first and second follow-up surveys, a tenant will have begun to receive assistance if chosen. This report presents results from only the first two surveys.

The initial survey was presented to tenants applying for rental assistance on the "confirmation of submission" page of the application. The survey asked general questions on housing instability, health and anxiety, household finances, childcare, and COVID-19 exposure. As an incentive to respond to the optional survey, 500 participants were randomly selected to receive a $10 gift card.

The follow-up surveys expand on the above topics, asking more in-depth questions on tenant movement since the rental assistance program launched, elaborating on household finance questions to include forms of borrowing, and asking additional questions about the challenges of childcare during the pandemic. While new questions are incorporated, the original questions asked in the initial survey are repeated in each follow-up to analyze how household experiences are changing over time.

Surveying Tenants in Baltimore

A link to the baseline survey was included in the online application for the TRS program. Tenants had the opportunity to participate in the baseline survey during the month of July 2020. After cleaning the survey data to remove participants who responded more than once and tenants who did not give their consent to be included in the study, a total of 583 tenants responded to the baseline survey.

HIP collected contact information in the baseline survey in order to contact tenants for future surveys. Providing this information was optional and not all tenants responded to this request. The follow-up survey was emailed to the 421 tenants who provided a valid email address to HIP. Two reminder emails and a text message were sent to participants over the course of a month. All tenants who participated in the follow-up survey were mailed a $20 gift card. Tenants could respond to the follow-up survey from the end of November 2020 through December 2020. HIP received 170 responses to the follow-up survey after cleaning the data for duplicate responses.

Originally, HIP's plan was to join the survey data with application data received from the City of Baltimore to understand which tenants were receiving assistance. However, due to policy changes, the City of Baltimore did not share application data. Rather, in the follow-up survey, HIP asked tenants to self-report whether they had received assistance through TRS. Nearly a third (31.2%) of the 170 tenants—53 tenants in total—reported receiving the subsidy.

The survey data analyzed throughout this report are from the baseline and first follow-up surveys. The next section provides a profile of survey participants (both baseline and follow-up respondents). Then, we present results from the baseline survey that paint a picture of Baltimore TRS applicants at the onset of the COVID-19 pandemic. This is followed by a discussion of how household outcomes had changed by the time of the first follow-up survey at the end of 2020. Finally, we provide a brief analysis of the impact of receiving the subsidy on household outcomes.

Profile of Survey Participants

Baseline Survey

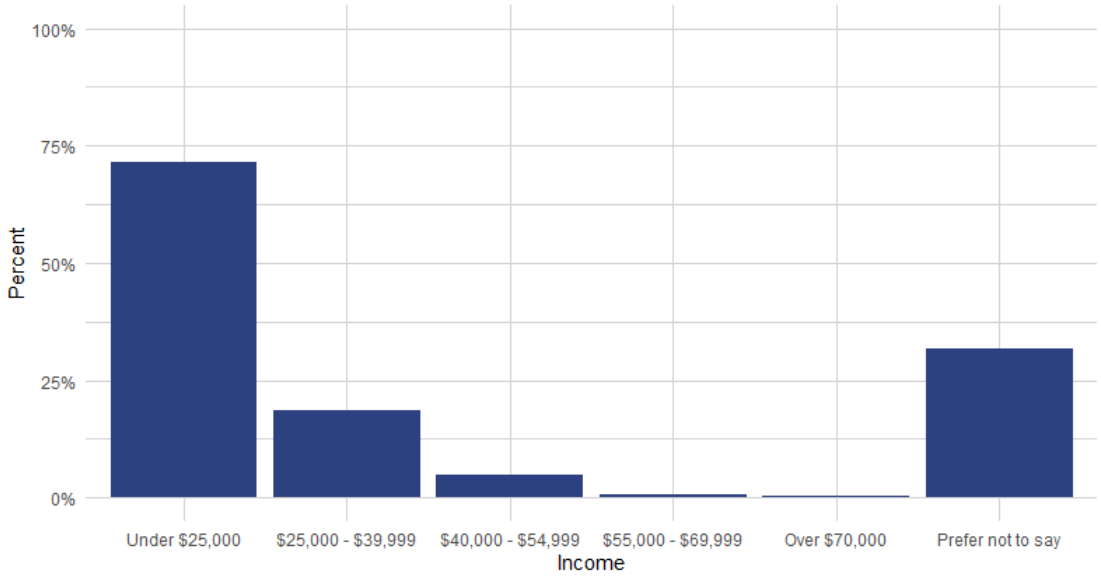
The tenants who participated in our surveys were fairly representative of the composition of Baltimore residents as a whole. Table 1 shows that the majority of tenants who participated in HIP's baseline survey are Black/African American (64%) and Figure 4 illustrates that 72% of tenants who gave income information had a household income of $25,000 or below in 2020, which is below 50% of Baltimore's AMI. In addition, over half of participants were female, which may reflect a high rate of female headship among low-income renter households.

Table 01. Gender, Race of Baseline Survey Participants

Gender	Percent
Female	58.8%
Male	20.6%
Non-Binary/Gender Non-Conforming	0.3%
Prefer not to say	20.2%

Race/Ethnicity	
Black/African American (Non-Hispanic/Latinx)	64.0%
White/Caucasian (Non-Hispanic/Latinx)	6.2%
Hispanic/Latinx	5.1%
Other	3.6%
Asian/Pacific Islander (Non-Hispanic/Latinx)	1.2%
Indigenous (Non-Hispanic/Latinx)	0.3%

Figure 04. Distribution of Baseline Survey Respondents' Household Income

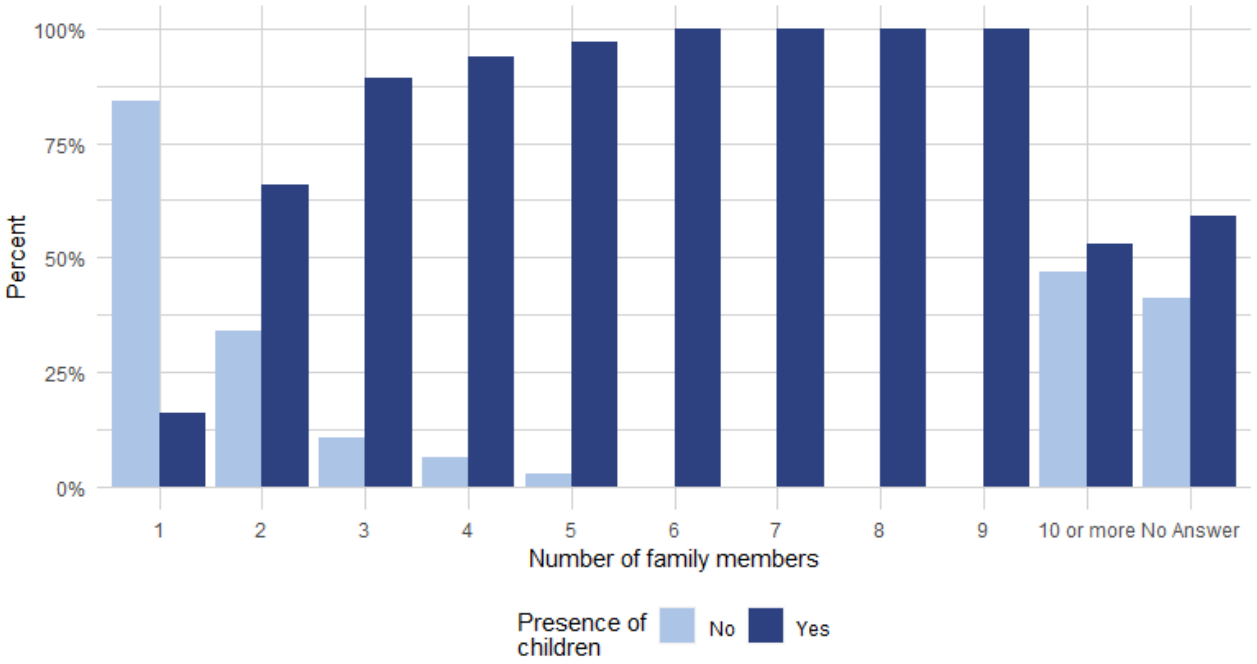


Many survey participants (54.5%) are members of households comprising three or fewer people, and a small but substantial share (5%) of survey participants have seven or more members in their households. Despite household size, overall, most survey participants (44.4%) belong to households that rely on one member's income, which most likely contributes to the low incomes among tenants who participated in the survey (Table 2).

Table 02. Number of Income-Earning Adults by Household Size

	Income Earning Adults					
Total Family Members	**1**	**2**	**3**	**4**	**5**	**6 or more**
1	97.0%	1.5%	--	--	--	1.5%
2	75.9%	22.9%	--	--	--	1.2%
3	72.5%	23.1%	3.3%	--	--	1.1%
4	65.6%	26.2%	6.6%	1.6%	--	--
5	62.9%	28.6%	5.7%	2.9%	--	--
6	37.5%	25.0%	12.5%	12.5%	12.5%	--
7	40.0%	40.0%	20.0%	--	--	--
8	20.0%	20.0%	--	20.0%	20.0%	20.0%
9	50.0%	--	50.0%	--	--	--
10 or more	70.6%	5.9%	--	--	--	23.5%

Figure 05. Number of Family Members and Presence of Children



About 56% of survey respondents have children under the age of 18, with about 68% of those with children having either one or two children. Nearly two-thirds (62.3%) of survey respondents who belong to households with three or more members have children, indicating that larger households are associated with the presence of children (Figure 5).

The number of large households relying on one income suggests that children may be more likely to be in homes that are more vulnerable to the economic instabilities from the COVID-19 pandemic.

Table 03. Presence of Children Under 18

Children Under 18	Responses	Percent
Yes	104	61.2%
No	54	31.8%
Did not say	12	7.1%

Follow-Up Survey

The 170 TRS applicants who completed the followup survey confirm these demographic trends. A large share (85%) of respondents were Black and about 84% were female. As shown in Table 3, approximately 61% of follow-up survey respondents had children, with 34.6% and 30.8% stating they had one or two children, respectively.

While HIP did not ask participants to report their household income again in the follow-up survey, a little over half (51.8%) of tenants reported not having done any work for pay in the week before filling out the survey, and 53.4% of those tenants reported this was due to being laid off or furloughed due to the COVID-19 pandemic. About 19% of tenants with children stated the reason they did not work was because they were taking care of others. No tenants without children reported this as a reason for not working, as seen in Figure 6.

Instabilities Prior to and Early on in the COVID-19 Pandemic

This section presents results from the baseline survey to which 583 applicants of Baltimore's TRS program responded during the month of July 2020. As mentioned previously, many tenants had been experiencing financial hardships before the onset of COVID-19, and results from the baseline survey indicate that the pandemic exacerbated these preexisting challenges.

Many respondents reported concerns about their housing situation and fell increasingly behind on their rent between March and June 2020. Many households also reported experiencing financial hardships in the early months of the pandemic, with differing experiences based on child status and employment volatility. Despite these indicators of housing insecurity, reported rates of mobility were fairly low.

Figure 06. Reasons for Not Having Worked by Presence of Children

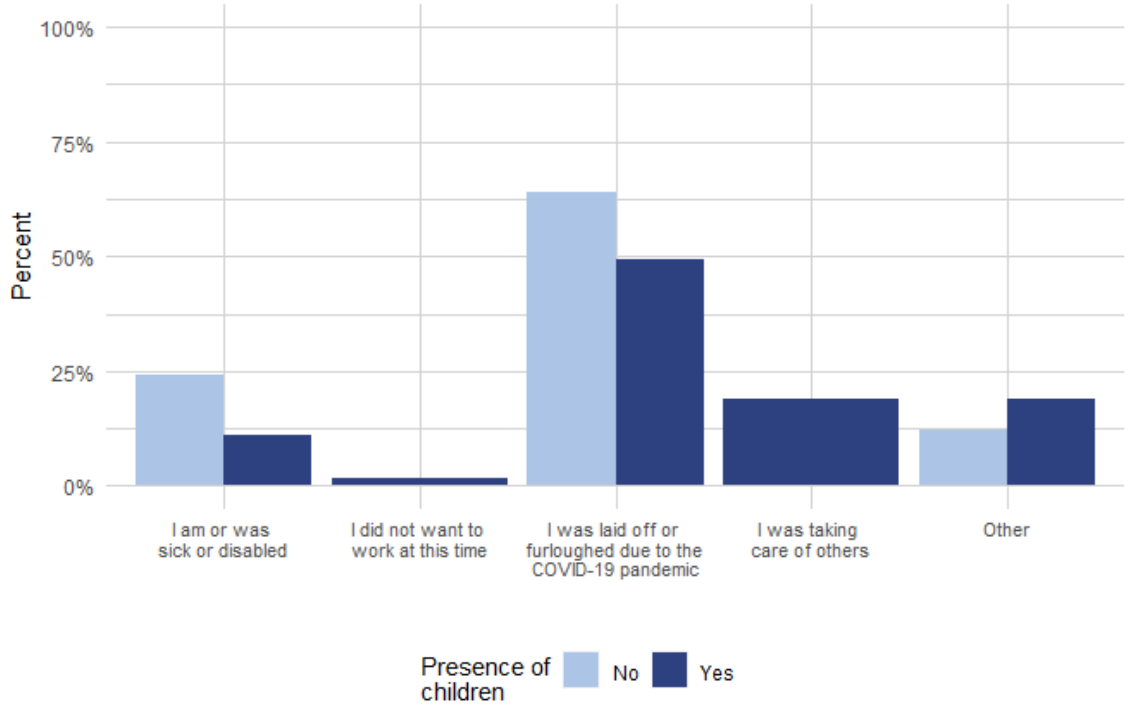


Table 04. Household Movement by Presence of Children Under 18

Number of Residences in Past 3 Years	No Children	Children
1 (I have not moved)	44.0%	41.9%
2 (current home plus one more)	46.5%	45.9%
3 or more (current home plus 2 or more)	9.5%	12.2%

Previous Housing Instability

When emergency rental assistance programs were launching across the country, anecdotally, it was expected that these programs would serve tenants whose housing instability manifested as transience—moving between units frequently. Yet, as of July 2020, the majority of tenants surveyed in Baltimore had lived in their current home for the past three years (42%) or had moved once, living in their current home plus one more (46.8%). Households with children were slightly more likely to have moved. As shown in Table 4, 12.2% of tenants with children had moved twice (living in their current home plus two more) compared to 9.5% of tenants without children.

Despite Baltimore's high eviction filing rate, forced moves were relatively rare according to survey respondents. About 87% of participants were at least somewhat satisfied with their current housing and approximately 80% of tenants reported that they had not been forced to move by any property owner in the past three years (Table 5). About 20% of respondents reported that they had been forced to move at least once, however, which is a relatively small but nevertheless concerning share.

Table 05. Forced Moves

Forced Moves in Past 3 years	Responses	Percent
None	464	79.6%
1	91	15.6%
2	24	4.1%
3 or more	3	0.5%
Did not say	1	0.2%

While tenants are moving less frequently than might be expected and are reporting high rates of satisfaction with their housing, survey participants indicated that they frequently worry about their current housing situation (Table 6). In the early stages of the pandemic, about 67% of respondents had worried about the condition of their housing at least sometimes in the previous two weeks. Slightly fewer participants (62.9%) worried at least sometimes about being able to find better housing in the previous two weeks as well. In addition, 81% worried at least sometimes about being able to stay in their current housing in the previous two weeks, which could be influenced by financial hardships due to the COVID-19 pandemic.

High mobility is far from the only measure of housing instability. Residents facing housing insecurity may experience different forms of homelessness at various points, such as staying with friends or family members, living in a car, or staying in a shelter. HIP's survey asked whether respondents had temporarily stayed in alternative locations at any point in the past three years. About 64% of respondents had experienced some form of homelessness. The most common form was staying with family members (21.8%), followed by staying with friends (6.2%). It is important to note that 14.2% of participants selected "I prefer not to answer" in response to the question about homelessness. These respondents may have felt that an affirmative response would either impact their ability to receive assistance (despite disclaimers throughout the survey) or were uncomfortable responding to this question.

Table 06. Frequency of Worrying about Current Housing Situation in Previous Two Weeks

How Often Did You Worry About...	Never	Almost Never	Sometimes	Fairly Often	Very Often	Did Not Say
Finding better housing	13.4%	12.5%	25.4%	16.3%	24.2%	8.2%
Housing condition	13.7%	11.8%	25.6%	16.5%	25.2%	7.2%
Safety of neighborhood	16.6%	14.4%	30.7%	14.1%	15.4%	8.7%
Being able to stay in your home	5.7%	4.5%	24.0%	22.8%	35.0%	8.1%

The Initial Impact of COVID-19 on Renters

The pandemic was already underway when households were applying to Baltimore's TRS program. While HIP's baseline survey primarily aimed to understand households' preexisting housing, financial, and other characteristics, the survey did ask several questions related to their current circumstances which reflect the early impacts of the pandemic. The sections below examine households' financial status and the impact of COVID-19 on their ability to pay rent between March and July 2020.

The responses to questions regarding financial circumstances reflect the pervasive issue of poverty in Baltimore. As shown in Table 7 on the following page, almost 40% of participants were "going into debt" and another 37.6% were "just managing" at the time of the survey. Here, "managing" is defined as having just enough money to be able to pay the smallest amount necessary to live. Very few participants had any money left over after paying for expenses. About 1% stated they had a bit of money left over and less than 1% responded they were able to save.

Table 07. Household Financial Status

Status	Responses	Percent
I am going into debt	231	39.6%
I am just managing	219	37.6%
I am living on my savings	20	3.4%
I have a bit of money left over	7	1.2%
I have enough to be able to save	3	0.5%
I do not know	23	3.9%
I prefer not to say	28	4.8%
No answer	52	8.9%

Table 08. Household Financial Status by Presence of Children Under 18

Status	No Children	Children
I am going into debt	42.0%	44.4%
I am just managing	40.0%	42.2%
I am living on my savings	5.0%	3.0%
I have a bit of money left over	4.0%	4.6%
I have enough to be able to save	1.5%	1.2%
I do not know	1.5%	--
I prefer not to say	6.0%	4.3%
No answer	--	0.3%

Table 8 shows that there are clear differences in financial security for households without children versus those with children. Notably, no households with children reported that they have enough resources to be able to save.

Previous employment volatility may also influence a tenant's current financial status. Participants that held more than two jobs in the previous five years were more likely to respond that they were going into debt compared to those who held only one job (50.6% compared to 45.6%). Tenants who held more than two jobs were also less likely to be able to save (0.6%) than those who held only one job (1.5%).

Many survey respondents reported making difficult choices to make life more affordable (see Table 9). In the past two years, 70.3% had delayed bill payments and another 40.1% had cut back on utilities to reduce expenses. Other common adjustments shown in Table 9 include cutting back on clothing (66.2%) and going without medicine or seeing a doctor (31.7%). About a third (32.8%) stated that they are taking on more debt in an effort make ends meet.

Table 09. Adjustments Made to Make Life More Affordable

Adjustment	Responses	Percent
Delayed bill payments	410	70.3%
Cut back on clothing	386	66.2%
Reduced total food consumption	240	41.2%
Cut back on transportation costs	237	40.7%
Cut back on utilities (such as electricity, water, garbage, etc.)	234	40.1%
Took on more debt (including credit card debt, borrowing money, etc.)	191	32.8%
Went without medicine or seeing a doctor	185	31.7%
Cut back on educational expenses	107	18.4%
Other	22	3.8%

Just under half (48.9%) of survey participants had received financial help from a family or friend in the past year. The most common reason for needing financial help was to pay for housing expenses like rent, mortgage, or a security deposit; of those who received help, 73.9% gave housing expenses as the reason. Other reasons included needing help to pay monthly bills (66.2%) and to afford transportation costs (44.6%).

Borrowing from a family member or friend was also one of the most common ways (at 38.4%) that participants stated they would pay for an emergency expense of $400. Very few tenants (8.7%) would be able to use money in their checking or savings account and about 57% of participants stated they wouldn't be able to pay for the expense at all.

Ability to Pay Rent

Since many tenants in Baltimore were already struggling financially prior to March 2020, it is unsurprising that when the COVID-19 pandemic hit, many found themselves in even more dire situations. Based on baseline survey results, tenants were more likely to need help paying for housing-related expenses than for other costs, and these were likely the first expenses that tenants fell behind on.

Only 4.3% of tenants stated that they were behind on rent prior to April 2020; however, this number steadily increased such that, by June 2020, 70% of survey participants stated they were behind on rent (Table 10). And while a slightly higher share of households with no children owed back rent prior to April 2020, a greater share of households with children were behind on rent thereafter.

Table 10. Months for Which Back Rent is Owed

Months	Responses	Percent
Prior to April 2020	25	4.3%
April 2020	274	47.0%
May 2020	343	58.8%
June 2020	408	70.0%

Loss of income clearly impacts a household's ability to pay rent. Participants were asked what their monthly household income had been in January 2019 and January 2020. About 21% of respondents saw a decrease in monthly income over the course of the year, while a slightly larger share, 23%, saw an increase in income. The percentage change in the average household's income was -0.33%, however, indicating that the magnitude of loss was greater than the magnitude of gain.

Despite so many tenants being behind on rent by June 2020, only 7% of participants reported receiving a notice to vacate their unit. This is most likely a result of the eviction moratorium still being in effect in the City of Baltimore when this survey was conducted.

Renters' Experiences During the COVID-19 Pandemic

HIP's follow-up survey, which was administered from the end of November 2020 through December 2020, focused on the impact of the pandemic on households. While the survey presented new questions regarding employment, finances, and childcare, it also asked several of the same questions that were presented to participants in the baseline survey. This allowed HIP to look at how tenant experiences have changed over time.

Ultimately, 170 participants responded to the follow-up survey, the results of which are presented below. For many questions, such as those regarding current household financial status, rent levels, and being able to pay for unexpected expenses, there appears to be a difference between households with and without children; households with children are facing greater housing insecurity and financial precarity.

Housing Insecurity

Baltimore's eviction moratorium was still in place when tenants responded to the baseline survey, however, when the follow-up survey was distributed, the local eviction moratorium had been lifted for three months and most tenants knew whether they would receive assistance through TRS. HIP's survey aimed to capture whether these external factors influenced housing stability for these households.

Consistent with the baseline results, the majority of tenants (89%) reported that they had not moved between May and October 2020. As noted in Table 11, about 3% of tenants moved in August 2020—the month following TRS' launch—and while this is a small portion of tenants, it is more than double the number of tenants that moved in June or July 2020 when the eviction moratorium was still in place.

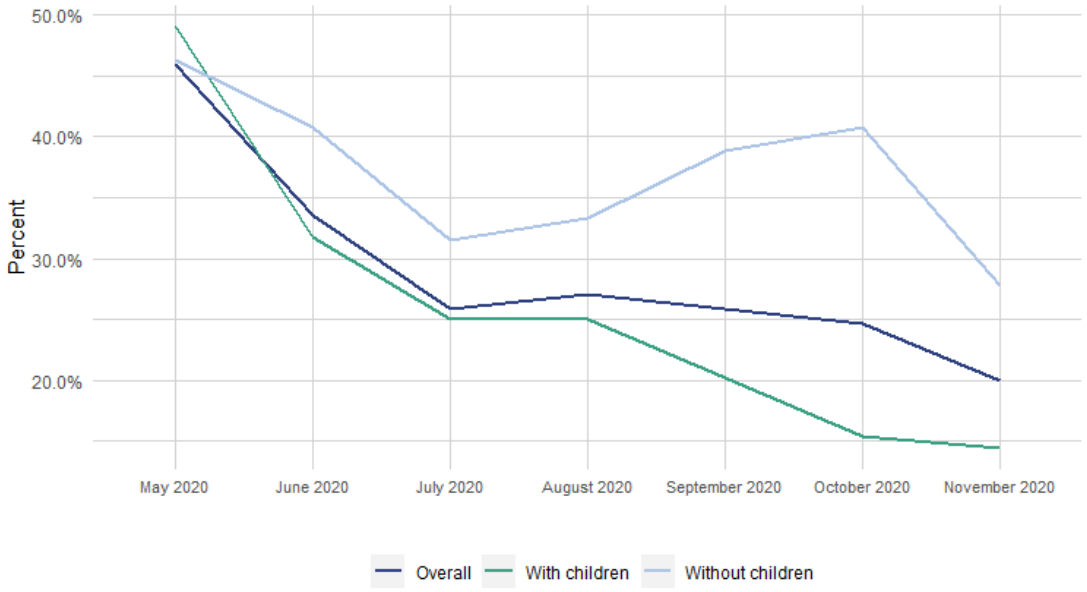
Table 11. Household Movement by Month among Follow-Up Survey Participants

Month Moved	Responses	Percent
Has not moved	151	88.8%
May 2020	9	5.3%
June 2020	2	1.2%
July 2020	2	1.2%
August 2020	5	2.9%
September 2020	3	1.8%
October 2020	6	3.5%
November 2020	1	0.6%

For tenants who indicated having moved, HIP's survey asked about the reason for the move. Potential reasons included the lease ending, being evicted, and various forms of landlord harassment such as being locked out or being paid by a landlord to move. The reasons for moving provided by survey participants varied depending on the month of the move. For example, in May 2020, six of the nine tenants that moved said it was either because their lease ended, or because they chose to move before their lease ended. From June 2020 onward, most of the reasons were eviction-related, even though the eviction moratorium was in place for a portion of that time.

Even though most (89%) of tenants reported not moving, about 64% of tenants overall were very worried about being evicted in the next two months; another 16.5% were somewhat worried. Households with children reported worrying about eviction at a substantially higher rate (82.7%) than households without children (38.9%), as seen in Table 12 on the following page. Households with children make up a substantially larger share of households paying above $1,100 for rent. Rent burden is a pervasive issue in Baltimore and most likely influences a household's concerns about eviction.

Figure 07. Ability to Pay Full Rent Over Time by Presence of Children



In fact, respondents' ability to pay rent slowly decreased over time—from 45.9% of tenants being able to pay their full rent in May 2020 to 20% being able to pay their full rent for November 2020 (Figure 7). This trend was even starker among families with children, with 59% able to pay their rent in May 2020 but only 14.4% able to do so in November 2020.

Compared to the trend among households as a whole, households without children appear to experience more fluctuation in their ability to pay rent. These fluctuations track with events of the COVID-19 pandemic. In May 2020, 46.3% of all-adult households could pay full rent, which slowly decreased over the summer to a low of 31.5% paying full rent in July 2020. Over the next few months, ability to pay rent rose to a high of 40.7% in October 2020, corresponding with the partial reopening of businesses. There was another drastic decline to only 27.8% able to pay rent in November 2020, when many cities enacted stricter restrictions that closed businesses once again.

Financial Precarity

In the U.S., the COVID-19 pandemic pushed many households, particularly low-income households, into a state of financial crisis. In Baltimore, although the vast majority of tenants that participated in both surveys (94.2%) did not experience a change in their financial status, that means most households (83%) are still either going into debt or just managing.

Table 12. Fear of Eviction by Presence of Children

How Worried Are You About Being Evicted in the Next 2 Months?	No Children	Children
Very worried	38.9%	82.7%
Somewhat worried	29.6%	11.5%
Only a little worried	18.5%	3.8%
Not at all worried	13.0%	1.9%

Table 13. Adjustments Made to Make Life More Affordable Before and During the COVID-19 Pandemic

Adjustment	Prior to COVID-19	Since the onset of COVID-19
Cut back on clothing	75.3%	64.7%
Cut back on educational expenses	21.2%	15.3%
Cut back on transportation costs	41.8%	45.3%
Cut back on utilities (such as electricity, water, garbage, etc.)	47.6%	51.2%
Delayed bill payments	78.8%	77.1%
Reduced total food consumption	38.8%	44.7%
Took on more debt (including credit card debt, borrowing money, etc.)	39.4%	39.4%
Went without medicine or seeing a doctor	34.7	22.9%

Consistent with baseline survey results, households with children are going into debt at higher rates (47.1%) compared to households without kids (33%). In addition, a smaller share of households with kids (3.8%) have any money left over compared to those without children (5.6%).

Most households continue to make adjustments in order to make life more affordable. Most households (77.1%) reported they are delaying bill payments and about half of households (51.2%) indicated they are cutting back on utility payments. Finally, 39.4% of households stated they are taking on more debt to cover expenses.

Table 13 looks at the adjustments households that participated in both surveys reported making to make life more affordable. The largest increases were in cutting back on utilities and reducing total food consumption.

Needing financial assistance for housing-related expenses was reported at a greater rate during the pandemic than previously. Table 14 shows that about 80% of households indicated they needed help with their rent, mortgage, or security deposit and about 68% of households also reported needing help with monthly bills like utilities.

Table 14. Expenses for Which Households Need Financial Assistance during the COVID-19 Pandemic

Expense	Responses	Percent
Housing expenses like rent, mortgage, or security deposit	136	80.0%
Monthly bills like phone, utilities, etc.	116	68.2%
Transportation expenses like car repair, bus pass, or car payment	86	50.6%
Childcare expenses	30	17.6%
Medical expenses	20	11.8%
Education expenses	14	8.2%
Fines and fees associated with the justice system	8	4.7%
Other	6	3.5%

Table 15. Unexpected Expenses in Last 3 Months

Faced with Unexpected Expense	Responses	Percent
Yes	110	64.7%
No	52	30.6%
Did not say	8	4.7%

In non-pandemic circumstances, unexpected expenses affect whether a low-income tenant pays rent that month or not. During an economic crisis that becomes even more true. When asked how they would pay for a $400 emergency expense, about 58% of survey respondents indicated they would not be able to pay for this expense and 35.9% stated they would borrow from a friend or family member. Households with children reported being able to cover the expense with their current savings at a lower rate (8.7% compared to 18.5% without children).

Table 15 shows that about two-thirds (64.7%) of households who participated in the follow-up survey had in fact experienced unexpected expenses in the past three months. Approximately one-third of those households indicated they couldn't pay for these expenses at the time of the survey. Another common strategy would be to borrow from a friend or family member, which 37.3% of households selected.

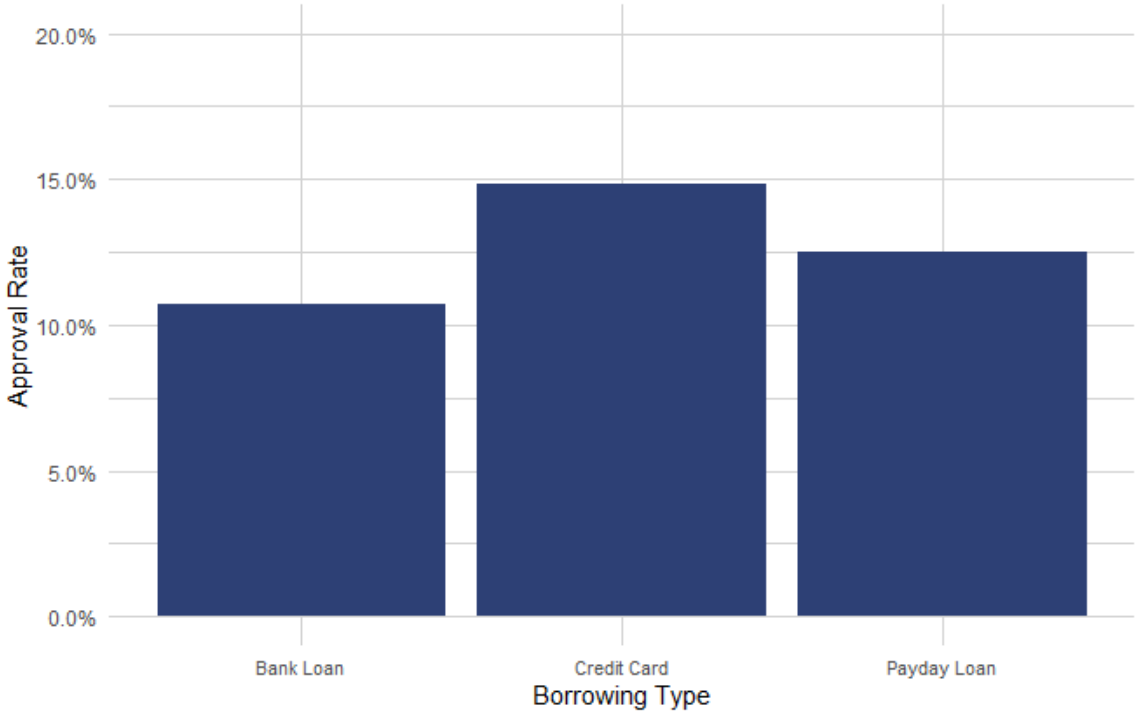
About 16% of respondents stated that they would put the expense on their credit card and would need to pay the expense off over time, which would result in interest accrual. Less than 2% of households said that if they used their credit card, they would be able to pay it off in full at the next statement. About 9% of households overall would use payday loans, which have much higher interest rates and fees than bank loans or credit.

Surveys show that 70.6% of households had in fact tried to borrow money in the last four months (Table 16). However, the majority of tenants were not approved. About 89% of bank loan applicants, 85.2% of credit card applicants, and 87.5% of payday loan applicants were not approved (Figure 8 on the following page). Households with children tried to borrow money at a greater rate (81.7%) than those without children (64.8%), and were more likely to use traditional borrowing methods (bank loan, new credit card, etc.). For example, approximately 28.6% of households without children applied for a payday loan, compared to 25.9% of households with children.

Table 16. Attempts to Borrow Money in Last 4 Months

Attempt	Responses	Percent
I asked a friend of family member	108	90.0%
I applied for a payday loan or title loan	32	26.7%
I applied for a loan from a bank	28	23.3%
I applied for a new credit card	27	22.5%

Figure 08. Approval Rates by Borrowing Method



Childcare Responsibilities during the Pandemic

Across the country, schools remained closed in Fall 2020 and 98.9% of participants in the follow-up survey with school-aged children indicated that their child's school was closed due to the COVID-19 pandemic. Unsurprisingly, as a result, the majority (88.9%) of families reported that they are spending more time on education activities since the pandemic began, which can have an impact on many households' ability to work, or work as many hours as they previously did.

Increased childcare demands may compromise the ability to afford basic necessities, helping to explain why households with children are facing greater housing and financial insecurity since the onset of COVID-19. Households with children reported sometimes not having enough to eat, or often not having enough to eat, at slightly higher rates than households without kids. In addition, 68.3% of households with children are getting assistance through SNAP and 15.4% have needed to access assistance through a food bank.

Remote schooling has raised awareness of the digital divide that many communities, particularly low-income neighborhoods, face. While most respondents with school-aged children have a device (a computer or tablet) which their child can use for school, 10% only have a cellphone available. In addition, 12.4% of households that participated in both surveys experienced a decline in internet access between July and November/December of 2020. In other words, a significant share of households that previously had internet access at home other than a smartphone are now solely relying on a smartphone.

Table 17. Resources Provided by School for Virtual Learning

Resource	Responses	Percent
Computer	78	87.6%
Online sessions with the teacher	51	57.3%
Print-outs of materials	20	22.5%
Support for parents	16	18.0%
One-on-one tutoring sessions	10	11.2%
Other	1	1.1%

Many families with children in school reported that schools were providing resources for at-home schooling (Table 17). Almost all indicated the school provided a computer and over half stated that their child attended online sessions with the teacher. About 23% reported that the school provided print-outs of materials and 11.2% said the school provided one-on-one tutoring sessions.

At-home schooling is only one challenge households with children are facing during the pandemic; another is arranging for childcare, which also affects households with children under the age of five. HIP's survey shows that 85.5% of families with children under five have not hired childcare since the pandemic began (note that households may already have been paying for childcare before the pandemic and therefore childcare did not constitute a new expense). About three-quarters of participants with children under five reported that they "definitely could not" continue to pay for childcare for the next three months.

Closures of schools and childcare facilities are impacting tenants ability to work. About 65% of households with children reported that childcare responsibilities impact their ability to work, with 42.3% saying childcare responsibilities impact their ability to work "a lot." The pandemic is not only impacting adults. About 43% of households with children said they had seen increased irritability in their child and 31.7% have seen increased outbursts or tantrums.

Potential Impact of Rental Assistance

There are many ways to judge a program's efficacy—how much money was distributed, and the number of households served, to name two. We would also expect that a successful rental assistance program may help tenants in other aspects of their lives, not just in their ability to remain housed and pay rent. Of the 170 tenants who participated in the follow-up survey, 53 reported receiving assistance through TRS. When looking at differences between the experiences of assisted and unassisted tenants, it does not appear that receiving rental assistance has exerted a large impact on housing stability. The subsidy does, however, appear to have had a significant impact on the financial status of households, and potentially on their debt levels.

Reasons for Non-Receipt of Assistance

To date, a total of 654 households in Baltimore have received assistance through TRS and about 31% of participants who participated in the follow-up survey reported receiving payments. Of those who did not receive the subsidy, 43% said they never heard back from the City regarding their application and 11.9% indicated their landlord refused to participate in the program (Figure 9). Property owner non-participation was a challenge programs across the country faced, as HIP research in Philadelphia and Los Angeles shows. Some cities chose to convert their subsidy to direct-to-tenant payments in the event of landlord non-participation in order to assist as many households as possible. In Baltimore, 385 landlords declined to participate in the program, with about 10% indicating they did not wish to reduce rent to comply with the program requirements. Despite these participation challenges, the City elected not to make direct-to-tenant payments.

Figure 09. Reasons Follow-Up Survey Participants Did Not Receive TRS Assistance

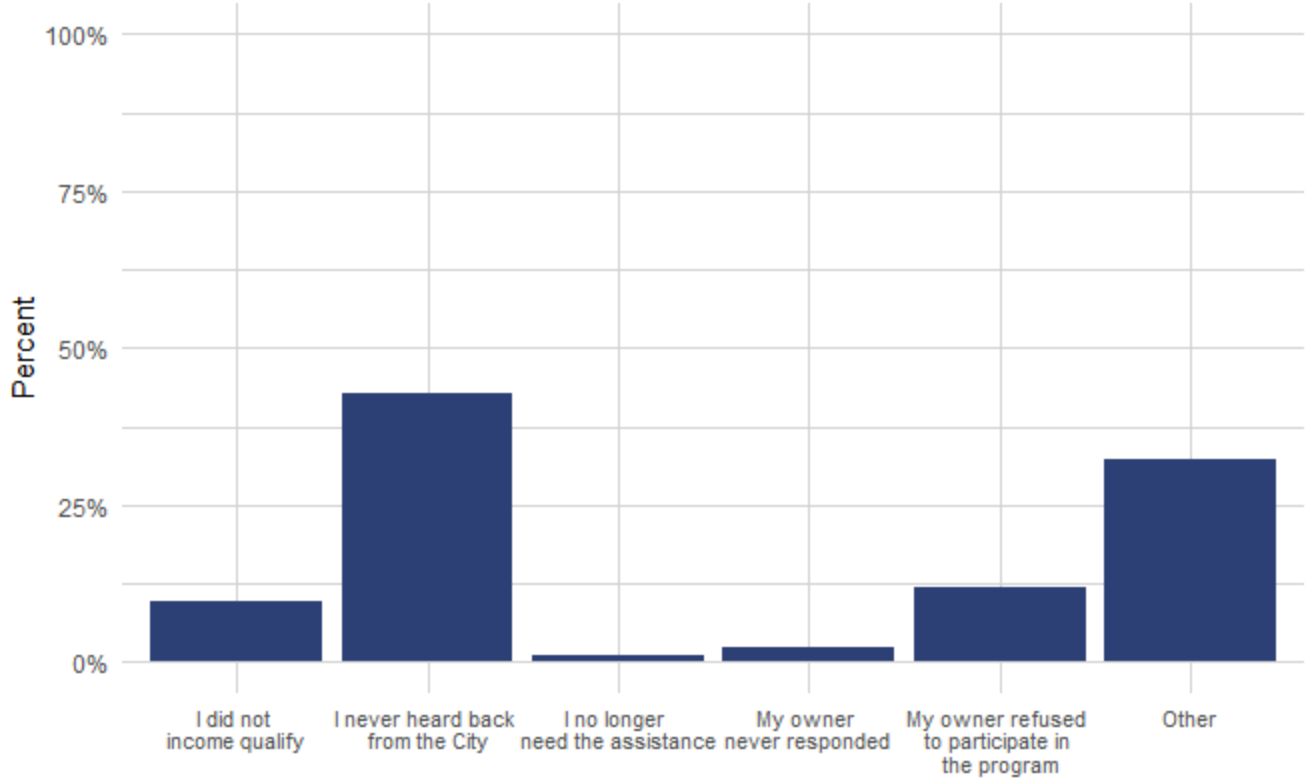


Table 18. Ability to Pay Rent by Month by Subsidy Status

Able to Pay Rent In...	No Subsidy	Subsidy
May 2020	49.6%	37.7%
June 2020	35.9%	28.3%
July 2020	27.4%	22.6%
August 2020	29.9%	20.8%
September 2020	29.1%	18.9%
October 2020	25.6%	22.6%
November 2020	23.9%	11.3%

Evaluation on Housing Instability and Eviction

The direct impact of a rental assistance program is to ensure that households receiving assistance are able to pay their rent, which will ultimately help those tenants remain housed. In Baltimore, HIP's survey results show that those households receiving assistance reported moving at a lower rate (86.3%) than those who did not receive the subsidy (94.3%). Households that received a subsidy through TRS were also less likely to report experiencing some form of homelessness (i.e. couch surfing or staying in their car) since May 2020.

However, households that received the subsidy are still struggling with rental payments. In fact, tenants who received the subsidy reported being able to pay full rent at a lower rate than non-recipients across all months (May 2020 through November 2020), as shown in Table 18. Looking forward, these households also reported they would not be able to pay December 2020 rent at greater rates than those not receiving the subsidy. About 38% stated they "definitely cannot" pay December 2020 rent, compared to 32.5% of those not receiving the subsidy. Yet a slightly larger share (11.3%) of assisted households stated they "definitely can" pay December 2020 rent, compared to 9.4% of households not receiving assistance. This may indicate that the subsidy stabilized a small group of households.

Effect of Assistance on Household Finances

Based on responses to many of the household finance questions in the survey, it appears that those households who ultimately received the subsidy were originally in greater need or were more aware of public programs. Households receiving rental assistance through TRS reported receiving other forms of assistance at higher rates than households not receiving the rent subsidy. For example, 60.4% of households that received rental assistance indicated they are also receiving SNAP assistance, compared to 57.3% of households that did not receive assistance. Similar but slightly less significant trends are apparent with Medicaid (28.3% vs. 25.6%) and Medicare (13.2% vs. 11.1%).

For a small but significant share of households, the rental assistance subsidy appears to have helped stabilize their finances enough that they did not need additional income support in September 2020: about 9% of households that received rental assistance reported not having additional income assistance, compared to 15.4% of households that didn't receive the TRS subsidy.

Importantly, the survey results also show that those who received the subsidy were less likely to borrow money or take on additional debt at the time of the follow-up survey. Households that did *not* receive the subsidy reported trying to borrow money in the past four months at greater rates (72.6% compared to 66%), and also reported going into debt at higher rates than assisted households. Notably, a majority of households (52.8%) receiving rental assistance described their current financial status as "just managing." When compared to the results of the July baseline survey, in which 45.3% of respondents who would go on to receive assistance noted that they are "just managing," this is a positive indicator, and is likely a result of tenants moving from a position of going into debt to one of being able to manage their monthly finances. Households receiving the subsidy also reported having money left over (7.5%) at a greater rate than those not receiving rental assistance (2.6%), which again shows upward mobility when compared to these participants responses in the initial survey.

Combined, these results suggest that the rental assistance subsidy helped recipient households avoid debt and stay housed. Unassisted households may have paid full rent at higher rates, but had to go into debt to do so, with negative consequences for their overall housing stability.

Conclusion

The full impact of COVID-19 on household incomes will not be known for some time. Yet many of the challenges that households now face, including income volatility, inability to consistently pay rent, and high levels of debt existed long before the pandemic—they have merely increased in scale.

This analysis focuses on survey data collected while the a federal eviction moratorium was in place, which means that the threat of one of the most negative housing outcomes for low-income households—eviction—was reduced. However, high levels of rent arrears, non-rent debt, and persistent fears of eviction among low-income households suggest that, absent a robust policy response, a wave of evictions is lurking on the horizon. In addition, the high levels of debt households have taken on to stay in their homes, much of which is now credit debt, will persist even once the economy has recovered, placing long-term economic strains on households. While these realities affect all groups, households with children seem to be even more affected. The effects of the pandemic promise to be both long-term and multi-generational.

Evaluating the impact of rental assistance on household outcomes requires additional analysis. Early results suggest that the benefit has resulted in modest improvements in assisted households' financial status and housing stability. Many assisted households nevertheless reported difficulty paying rent. Given that the subsidy was relatively shallow both due to limited federal funding and the program's structure, it has not alleviated the immediate needs of even those who received it. Further, the number of households who received the subsidy is quite low relative to the scale of need.

This program's limited reach can be attributed to many factors, not the least of which is that the City designed it to provide a very shallow subsidy aimed to prevent immediate evictions. Households that already owed rent prior to the pandemic were not eligible. Further, the program's focus on arrears may have discouraged participation among households whose more pressing problem was the inability to pay forward rent. In addition, a local and then a federal eviction moratorium protected households except during a 1.5 month period in summer 2020. Finally, the program required landlord engagement, yet many landlords did not want to participate.

Combined, these findings suggest that a better-funded and more flexible rental assistance program, especially one that addresses both arrears and forward rent and which makes allowances for landlord non-participation, could have a much larger impact on household outcomes. But even with such a program in place, households need a broader sets of housing stability services, as well as financial assistance to address non-housing debt. Absent such supports, the pandemic may manifest as a permanent tax on those with the least means to pay it.

This study is very much in progress. The data presented in this report here will be combined additional survey and administrative data to uncover the deeper, ongoing, and temporally sensitive realties that many low-income households face. Although much remains unknown, the magnitude of the challenge is becoming visible. Both retrospective policy correction and prospective solutions will be necessary to ensure access to decent, stable, and affordable housing for low-income households.

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