

COVID-19 Emergency Rental Assistance: Analysis of a National Survey of Programs

Housing Initiative at Penn

Vincent Reina
Claudia Aiken
Julia Verbrugge

NYU Furman Center

Ingrid Gould Ellen
Tyler Hauptert

National Low Income Housing Coalition

Andrew Aurand
Rebecca Yae

Introduction

While estimates of the exact amount vary, studies agree that American renters now owe tens of billions of dollars in back rent, while many others have exhausted their savings, borrowed from family or friends, or used credit cards to keep up.¹ The Coronavirus Aid, Relief, and Economic Security (CARES) Act, enacted in March 2020, provided two main funding streams that states and local jurisdictions could use for emergency rental assistance during these unprecedented times: Coronavirus Relief Funds ([CRF](#)) and Community Development Block Grants ([CDBG-CV](#)). As of mid-October, 44 states (including Washington, D.C.) and 310 local jurisdictions chose to devote roughly \$3.9 billion to emergency rental assistance, which falls significantly short of most estimates of COVID-19-related needs.²

This research brief presents the results of an in-depth survey of 220 COVID-19 rental assistance programs across the country. The survey launched in August 2020 and collected responses during the months August, September, and October. Thus, most of the programs surveyed (about 80%) relied, at least in part, on CARES Act funding. In December 2020, we asked survey respondents to provide updated figures for program enrollment and eligibility; 70 programs did so.

¹ See, for example: Andrew Aurand, Dan Emmanuel, and Daniel Threet. "Emergency Rental Assistance Needs for Workers Struggling Due to COVID-19." National Low Income Housing Coalition. Research Note. May 5, 2020; Davin Reed and Eileen Divringi. Household Rental Debt During COVID-19. Federal Reserve Bank of Philadelphia, October 2020; Jim Parrott and Mark Zandi. "Averting an Eviction Crisis." Moody's Analytics and Urban Institute, January 2021. <https://www.moodyanalytics.com/-/media/article/2021/averting-an-eviction-crisis.pdf>

² Rebecca Yae, Andrew Aurand, Daniel Threet, and Emma Foley. "Emergency Rental Assistance Programs in Response to COVID-19." National Low Income Housing Coalition. Research Note. October 27, 2020.

Table 01. CARES Act Funding Streams

	CRF	CDBG-CV
Federal Administering Agency	Department of Treasury	Department of Housing and Urban Development (HUD)
Timeline for Use	Incurred by December 30, 2020; deadline extended to December 31, 2021 with enactment of COVID-19 relief package on December 27, 2020	Six-year period of performance as established by the CDBG-CV grant agreement, during which 80% of funding must be spent in the first three years
Eligibility Criteria	Expenditure must be necessary and incurred due to COVID-19, including "provision of economic support in connection with the COVID-19 public health emergency"	70% of CDBG-CV funds must benefit low- and moderate-income persons (up to 80% of area median income); must be connected to COVID-19; must be paid to landlord on behalf of tenant
Maximum Duration of Assistance	Maximum duration is not specified, but can only cover costs incurred between March 1, 2020, and December 30, 2020; period extended to December 31, 2021	Up to 6 months of rental assistance with submission of HUD waiver and lead-based paint inspection (required for assistance over 100 days)

As stated previously, two key sources of funding for rental assistance programs in 2020 were CRF and CDBG-CV. Though none of the funding sources created by the CARES Act required jurisdictions to spend money on rental assistance, many chose to do so. Major differences distinguish CARES Act CRF from CDBG-CV (as shown in Table 1).

The two most common goals for rental assistance programs were stemming evictions and preventing homelessness (see Figure 2). Most respondents also listed reducing rent burdens and supporting landlords as goals. Most jurisdictions listed three or more goals for their program, highlighting the depth and complexity of the need for assistance.

Despite uncertainty around funding rules and the challenges associated with developing or modifying programs, 59 programs out of 179 responding had been launched or modified in response to COVID-19 by the end of May 2020.⁷ By the end of July, over 80% of programs in our sample had been launched or modified (see Figure 3). About 70% of the programs by the end of May were new. This is almost identical to the share for the full sample, meaning that many jurisdictions worked very quickly to develop entirely new programs.

Figure 02. Stated Program Goals (N = 164)

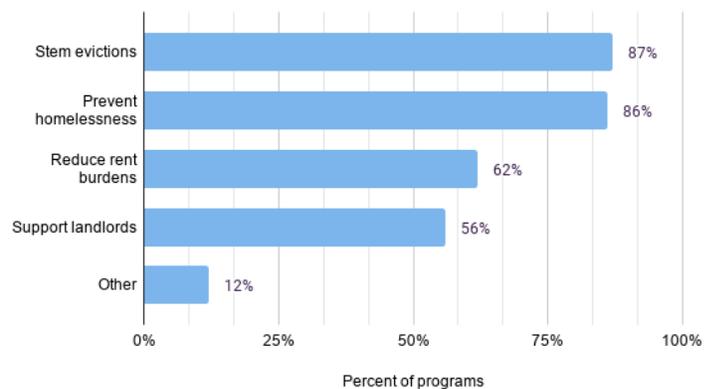
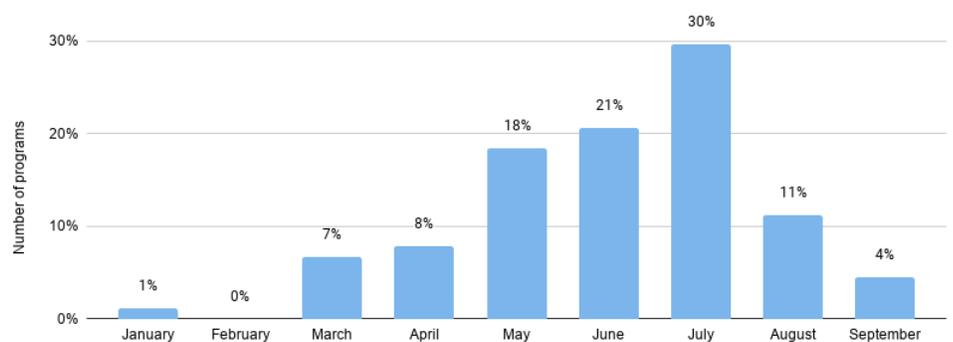
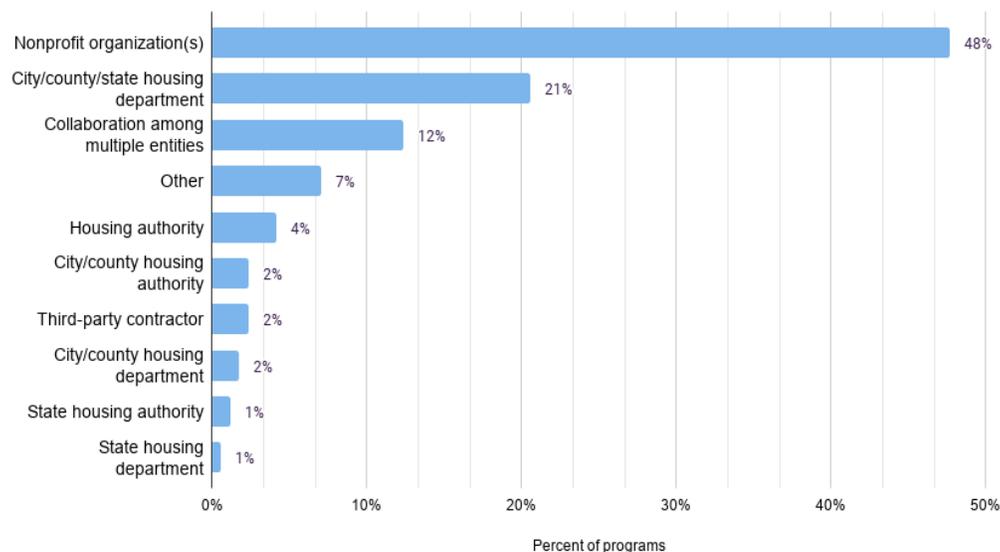


Figure 03. Programs Launched by Month (N = 179)



⁷ Programs that launched between January and March likely did not use CARES Act funding, at least initially.

Figure 04. Entity that Reviews and Selects Applicants (N = 170)

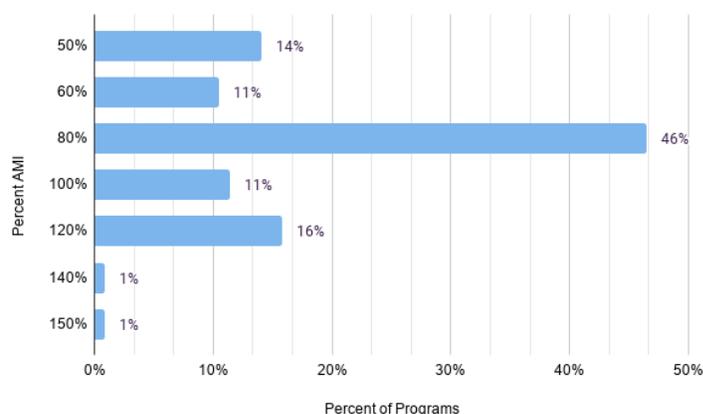


While most programs were initiated by state or local government agencies, the majority (55%) of jurisdictions partnered with nongovernmental entities to review applications and select recipients and some had their partners handle additional facets of the program, including outreach and disbursement of funds (see Figure 4).

The vast majority of programs placed income-based limits on who was eligible for rental assistance. This was true even for programs that used CRF funds, which did not stipulate income-eligibility criteria, instead of CDBG-CV or other HUD funds. Over 70% of respondents in our sample targeted households with incomes at or below 80% of area median income (see Figure 5).⁸ The second most common criterion required households to have experienced some form of COVID-19-related financial hardship. Experiencing a COVID-19-related hardship was a requirement of CARES Act funding, but some jurisdictions interpreted this narrowly to mean only income losses.

Beyond these most common criteria, many jurisdictions placed additional restrictions on eligibility, including stipulations that 1) eligible households may not receive any other form of housing assistance, 2) applicants must be legal U.S. residents, 3) households must have insufficient savings to cover rent, and 4) households

Figure 05. Maximum Eligible Tenant Income (N = 114)



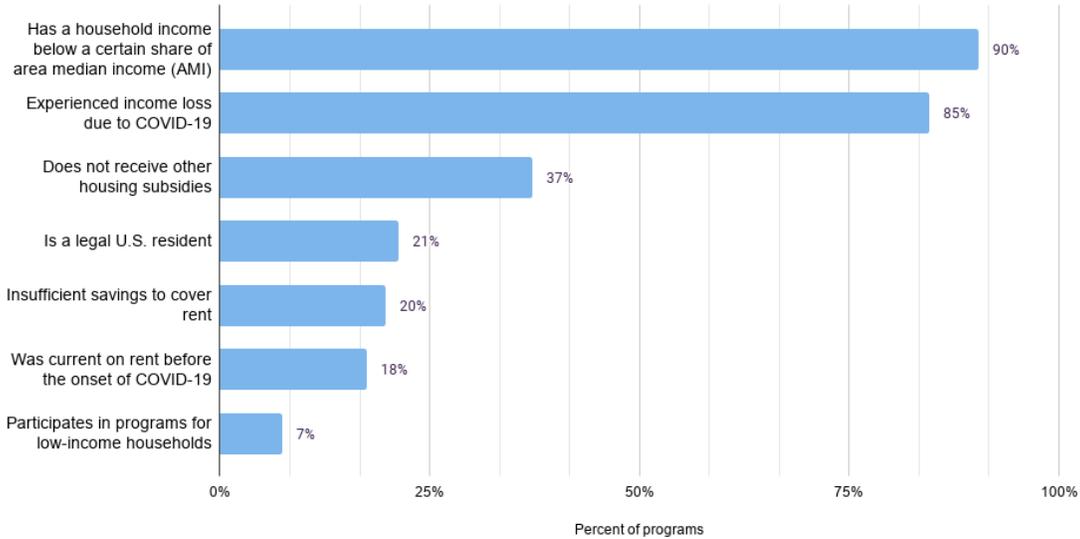
must have been current on rent before the onset of COVID-19. Nearly 60% of jurisdictions applied three or more tenant-related criteria to their program, while fewer than 10% had only one criterion.

The additional criteria beyond income-eligibility and COVID-19-related hardship were not required by most forms of CARES Act funding. Some of these criteria may have been motivated by guidance issued by the Department of Treasury, which advised grantees to structure assistance in a way that “ensures as much as possible, within the realm of what is administratively feasible, that such assistance is necessary.”⁹

⁸ Programs varied in whether they defined income eligibility based on pre- or post-COVID-19 income.

⁹ U.S. Department of Treasury. “Coronavirus Relief Fund Frequently Asked Questions.” Last updated October 19, 2020. <https://home.treasury.gov/system/files/136/Coronavirus-Relief-Fund-Frequently-Asked-Questions.pdf>

Figure 06. Tenant Eligibility Criteria (N = 188)

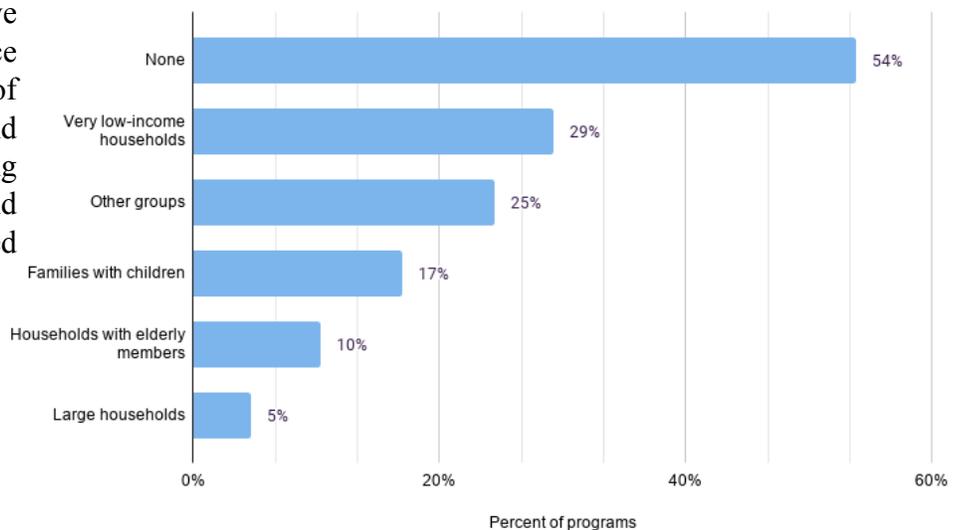


Other criteria (see Figure 6) may be the result of local preferences or restrictions attached to other forms of funding used in rental assistance programs. For example, a few programs accepted only applicants who were already participating in another program for low-income households, such as an eviction diversion or counseling program. In other cases, programs excluded households already receiving federal housing assistance, because the CARES Act guidance emphasized the importance of avoiding duplication of benefits.¹⁰ Some jurisdictions avoided the possibility of duplication by completely excluding households already receiving assistance.

The majority of programs (98%) required that tenants apply for assistance, rather than asking landlords to apply on behalf of their tenants or properties (N = 188). Nevertheless, over 90% of programs were structured such that once the benefit was approved, the subsidy was paid directly to the landlord (N = 189). This can be explained partly by HUD rules, but even programs that did not use CDBG-CV or other HUD funding distributed assistance to the landlord rather than to the tenant. In practice, this meant that after tenants had applied, met program criteria, and received approval, their landlords still had to agree to participate in the program and arrange to receive the funding.

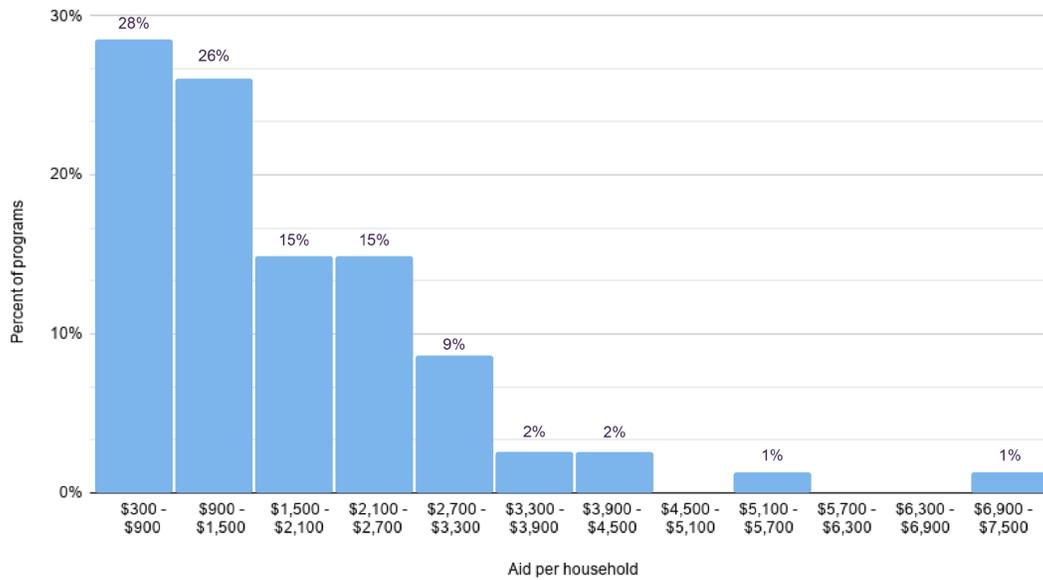
Some jurisdictions gave priority during the allocation process to specific groups they believed to have the greatest needs for rental assistance (see Figure 7). Fewer than half of programs created priority groups, and of those, most focused on ensuring that very low-income households and households with children received priority.

Figure 07. Priority Groups (N = 106)



¹⁰ Duplication of benefits occurs when multiple streams of funding are used to meet the same purpose and total assistance provided exceeds total need.

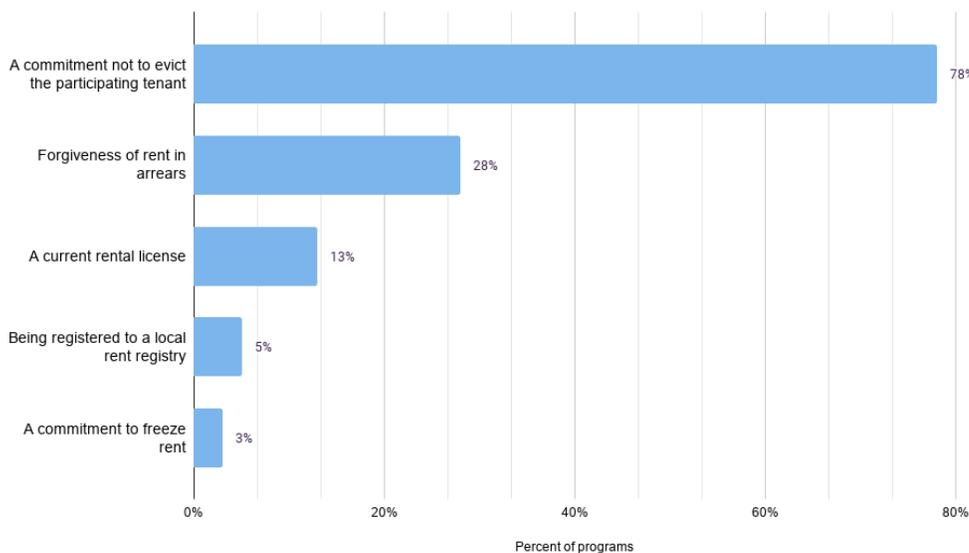
Figure 08. Average Assistance Per Household Per Month (N = 81)



The amount of assistance available to applicants varied widely across programs, with a median of \$1,200 per household per month (see Figure 8). The average subsidy amount was higher, at \$1,716, because a handful of programs offered \$3,900 of assistance or more per month. Over 60% of programs provided assistance for 3 or fewer months, whereas nearly 30% provided support for 6 to 12 months. Interestingly, programs that offered fewer months of subsidy also provided, on average, a lower monthly subsidy (\$1,546/month for programs offering up to 3 months compared to \$2,089/month for programs offering 6 or more months of assistance).

Nearly all (98%) of programs in our sample placed at least one restriction on landlords who agreed to receive rental assistance funding, and over half (56%) placed more than one, even though such restrictions were not required by federal funding (see Figure 9). The most common requirement was a commitment from landlords not to evict participating tenants. More than half of programs that placed an eviction restriction on landlords specified the time period of this restriction as 1 to 2 months, with only about 10% specifying a restriction of 7 months or longer (N = 64). Additional landlord requirements included forgiveness of the tenant’s arrears, a current rental license, participation in the local rent registry, and a commitment not to increase rent for a certain period.

Figure 09. Landlord Requirements (N = 152)



One last point of variation across programs is the level of documentation requested in the application itself (see Figure 10). The two most commonly requested items were documentation of income and a current lease. Programs were divided in terms of the level of information needed for personal identification, with 60% requiring a driver’s license or some form of state ID, only 40% asking for a social security number, and less than 20% asking for a birth certificate (N = 182).

The majority of programs (56%) required proof of COVID-19-related income loss, while some (37%) allowed applicants to self-certify their income loss instead (other programs asked for both proof *and* self-certification). Further, some programs (34%) allowed applicants’ eligibility to take into account other COVID-19-related hardships (e.g., medical expenses) if they could supply proof of this hardship. Finally, a small share of programs imposed additional application requirements, such as self-certification that their housing unit was habitable.

Figure 10. Application Requirements (N = 182)

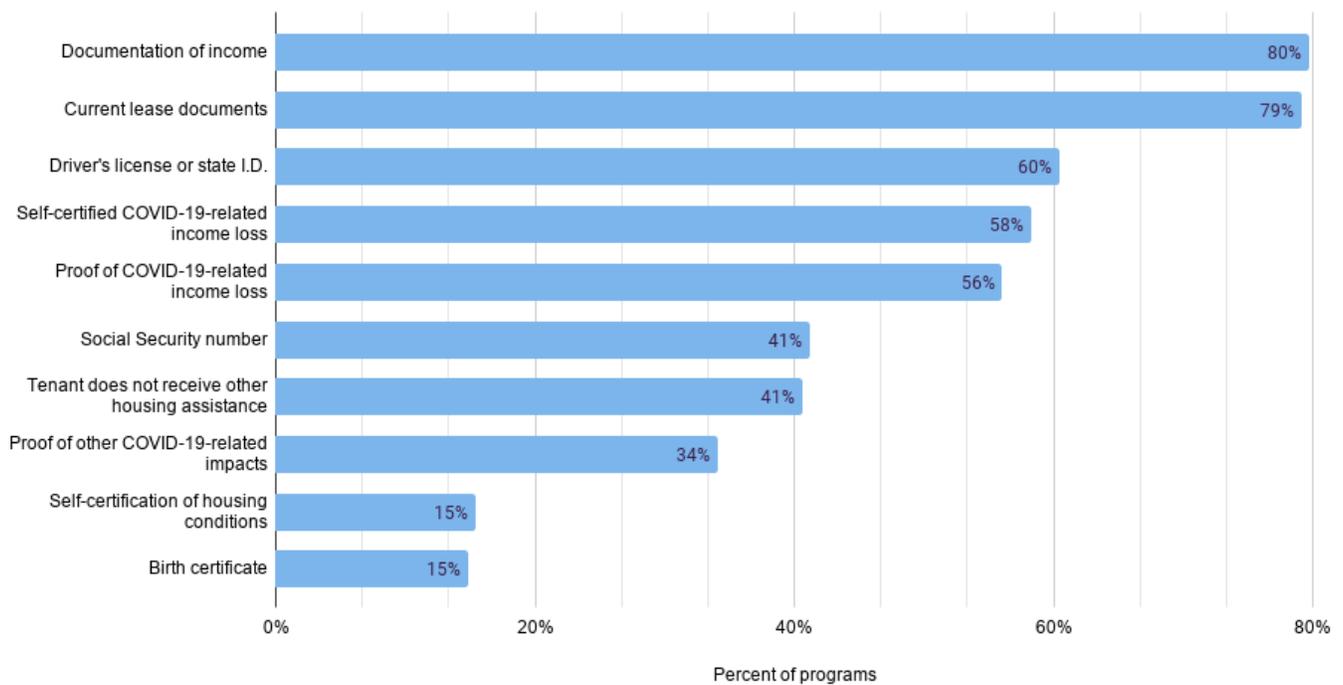
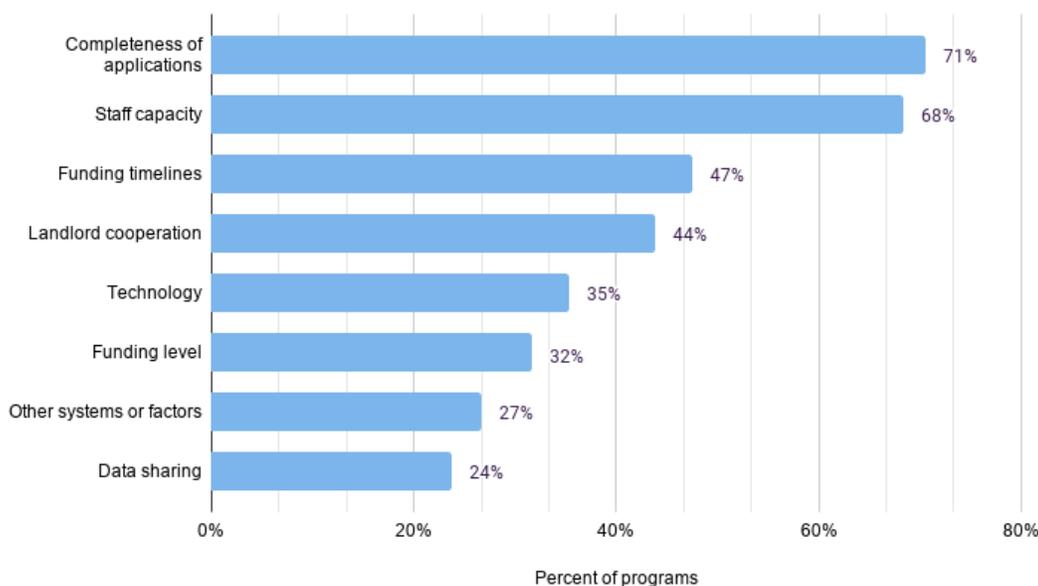


Figure 11. Program Limitations (N = 139)



II. Key Program Challenges

In our survey, we asked program administrators to list the challenges they faced in designing and implementing their programs (see Figure 11). Almost half of program administrators said their programs faced four or more key limitations, and more than two-thirds listed at least three. The two most common limitations were related to the completeness of applications and staff capacity. Considering the challenges of navigating an application process during a public health crisis, and the documentation many programs required from applicants, it is not surprising that over two-thirds of programs struggled with incomplete applications.

Many agencies also faced limited staff capacity and leaned on whatever local capacity was available to develop programs, conduct outreach, review and process applications, and process payments. Incomplete applications likely added to these capacity challenges as following up with applicants to collect missing information adds additional time and administrative strain to the review process. Funding for rental assistance allows for some administrative overhead; there is a 20% cap on administrative costs for CDBG-CV, while CRF did not place a cap on administrative costs.

Nevertheless, a lack of preexisting internal capacity and infrastructure for the development and delivery of rental assistance or a lack of external local organizations able to provide the needed support likely contributed to capacity issues. Many of the other constraints that agencies listed, such as technology limitations and other system factors, are linked to this basic limitation of capacity.

A final constraint worth noting is that of landlord cooperation. As previously stated, the vast majority of rental assistance programs required landlord engagement, and thus if a landlord could not be contacted or refused to participate in the program, their tenant would be unable to access assistance. While landlord participation was not the most common constraint, the fact that nearly 50% of programs cited it as an issue highlights an important barrier that many low-income households encountered when trying to access rental assistance. Lack of landlord engagement could be a product of many factors. The programs themselves—whether because of the depth or duration of subsidy, or because of additional restrictions they placed on landlords—may not align with landlords’ needs. Research focusing on Philadelphia landlords shows that rental portfolio size and other landlord characteristics play an important role in the decision to engage with rental assistance programs.¹¹

¹¹ Vincent Reina, Sydney Goldstein, Emily Dowdall, Ira Goldstein, and Elizabeth DeYoung. “Residential Rental Property Owner Perspectives and Practices in Philadelphia: Evaluating Challenges during the COVID-19 Pandemic.” Research Brief. Housing Initiative at Penn and Reinvestment Fund, December 2020. https://www.housinginitiative.org/uploads/1/3/2/9/132946414/hip_rf_brief_final.pdf

III. Measures of Program Outcomes

The wide variation in renters’ needs and local rental market realities makes it difficult to evaluate rental assistance programs. Nevertheless, data on program applications and utilization can provide important insights. In this section, we offer outcome measures across all programs to explore in aggregate how they performed with respect to the number of applicants, the number of households assisted, and funding spent (see Table 2).¹² These measures focus on the extent to which people applied for and were served by rental assistance programs. They do not address important questions of how assistance affects household outcomes, including housing stability, exposure to homelessness, and housing debt accrued, as well as recipients’ mental, physical, and economic wellbeing.

Volume of Applications

While research shows there is significant need for housing assistance, a number of factors can affect whether that need formalizes in the number of households that apply for rent relief. States and local jurisdictions had significant discretion in determining the level of assistance and its duration, the application process, and any eligibility criteria and restrictions associated with receiving the subsidy—all of which could have affected program demand. The strategy for notifying tenants and landlords about the program, and the support provided to help them navigate the application process, likely affected who successfully applied. Finally, since funding for these programs

was allocated through federal formulas as well as local decision-making, some jurisdictions may have received funds inadequate to meet local need, while other jurisdictions may have received closer to the right amount.

Two key themes emerge from our analysis of application volume. The first is that even early on, demand met or exceeded supply for most programs. The majority of program administrators responded “yes” to an open-ended question asking whether they had “received the anticipated volume of response from tenants” in August-October (70% of 122 responses). A third (34%) of respondents reported that even looking only at *eligible* applicants, the demand for their programs exceeded the supply of assistance (N = 144). For some programs, demand vastly outstripped supply; one reported having 11 times more eligible applicants than it could serve. More than a third of programs in our sample had already implemented multiple iterations in order to serve more applicants by the time they were initially surveyed in August-October (N = 103).

A second theme is that the volume of applications increased over time. We asked program administrators to report the total number of applicants they had received both in the initial survey and in a follow-up at the close of 2020. Among the 42 programs that reported both figures, application volume increased, on average, by a factor of three.

Table 02. Outcome Measures

Measure	August - October					December - January				
	Mean	Median	Min	Max	N	Mean	Median	Min	Max	N
Volume of applicants	6,223	521	0	221,098	60	8,239	1,189	3	88,000	35
Ratio of actual to expected households served	1.46	0.75	0	13.92	61	1.72	0.89	0.07	20.7	53
Funds obligated as a share of total program funds	1.47	0.97	0.01	12.93	58	-	-	-	-	-

¹² We asked respondents to provide these numbers twice: once in the original survey that was conducted in August-October, and again via email in December-January of 2020-2021. Unless otherwise specified, outcomes reflect only the original numbers collected in August-October. Not all sites provided complete figures for all of our outcome measures; therefore, we share the number of total responses when we discuss each measure.

Households Assisted

A robust pool of applicants is important for program success, but also important is whether programs were then able to serve these applicants. One measure we use to explore this question is the ratio of households served to the number expected to be served. This ratio captures the number of households served relative to the targeted goals of the program. We both asked for these targets and approximated them by dividing total program funds by the maximum assistance per household.

The average program served more households than expected (with a mean ratio of 1.46 across 61 programs), but this mean is pulled up by several outlier programs that served far more households than expected. The median value is only 0.75. Thus, a slight majority of programs (56%) actually served fewer households than expected. As noted previously, because survey responses were collected over the course of several months, and because the programs launched at different times, this ratio reflects the status of programs in mid-to-late 2020, rather than their performance at a particular point in the implementation process. Based on the updated numbers we received for a subset of programs in December-January, the mean program finished out the year with a ratio of 1.72, but 56% had still served fewer households than expected.

Funds Obligated

Another outcome is the share of funds obligated (approximated as households served multiplied by the maximum assistance per household divided by total program funds).¹³ For the 58 programs for which we can calculate this ratio, the median program had already obligated 97% of funds in August-October 2020. This number is not necessarily surprising considering that CRF rules mandated that all funds needed to be allocated by the end of 2020 (though that deadline

was later extended). It also reflects the fact that many programs faced high demand. Since programs have already obligated such a high share of funds, the actual number of households served will likely increase over the course of January as checks are cut, which means that the shares of programs meeting their targets will improve over those shown here.

IV. Lessons Learned

In this section, we look at the relationship between program characteristics and the outcome measures described above.¹⁴ We focus on the ratio of households a program served to the number it was expected to serve. This measure is an indication of whether programs were able to distribute program funds within a limited time period (or “get money out the door”). We also look more generally at the relationship between program characteristics and whether a program experienced common limitations such as a lack of staff capacity, incomplete applications, and a lack of landlord cooperation. Several key themes emerge from this analysis.

Funding

Rental assistance programs relied on a wide range of funding sources, and often combined multiple sources. These funding sources often mattered for getting dollars out the door. Just over 40% of the 124 programs for which we have funding source data used HUD CARES Act funds (CDBG-CV, ESG-CV, or HOME) alone or in combination with other sources. Slightly less than 40% of programs used CRF, but not HUD funds. Interestingly, over 20% of programs used none of these federal funding sources, likely opting for a mixture of local and philanthropic dollars.

¹³ Note that this ratio assumes that all households received the maximum possible assistance.

There is a clear relationship between the restrictiveness of the source of funds and the ability to distribute rental assistance within a limited time period. Programs that used HUD CARES Act funding tended to have more numerous and more stringent tenant eligibility criteria than those that used only CRF or other funds. Perhaps as a result, programs using HUD CARES Act funding had a mean ratio of actual to expected households served that was slightly less than 1, whereas those using CRF funding served a higher share of expected households, with a mean ratio of 1.53.

Programs that used local or philanthropic dollars were able to serve 2.5 times as many households as they expected to serve. Looser restrictions on the use of these funds may explain why these programs were able to get money out the door at such scale. These programs, however, were typically funded at a much smaller scale than those funded by CARES Act sources.

Implementer Type, Experience, and Capacity

It appears that state programs were initially better able to get funds out the door than either local or regional programs. However, local programs caught up to and even overtook state programs in terms of the ratio of actual to expected households served by December 2020. Local programs were more likely than state programs to identify staff capacity as an initial limitation (74%) than were state or regional programs (65% and 46%, respectively), and it is likely that once these local programs were up and running, staff capacity became less of a barrier.

As we might expect, new programs (launched after March 2020) initially had more difficulty getting funds out the door than programs which existed in some form prior to the pandemic. Their ratio of actual to expected households served averaged 1.08, compared to 2.63 for preexisting programs. However, new programs had caught up by December 2020 with a ratio of 2.14 compared to 1.59 for preexisting programs.

New programs tended to have more numerous and more stringent tenant and landlord requirements, compared to preexisting programs, when initially surveyed. They also reported using fewer outreach methods and had smaller staffs. Some of these features likely changed over time, which could have contributed to improved outcome measures. These relationships cumulatively suggest that while leveraging existing programs was a successful approach, developing new programs around the current problem and funding mechanism was also effective in the longer term.

Whether or not the program administrators had previous experience with rental assistance programs was consistently associated with stronger performance across initial and updated outcome measures. Programs with experienced administrators reported an initial mean ratio of 1.39 actual to expected households served; this ratio increased to 1.51 by December/January. Programs with experienced administrators were also less likely to report limitations of capacity. By contrast, programs without experienced administrators reported averages of 0.61 and later 1.26. These results support the conclusion that new programs are building the knowledge and capacity to implement rental assistance programs.

Programs that partnered with nonprofits for implementation were less likely to report capacity limitations than those that did not. They were also less likely to report application completeness as a limitation. Despite these two positive indicators, programs that partnered with nonprofits did not initially serve a higher ratio of expected households than other programs, but by December, they did.

¹⁴ For the sake of this report, we use correlations and simple t-tests, which means these are associative relationships that do not control for other potentially explanatory factors. Such information still provides important insight into the basic components of rent relief programs.

This outcome suggests that once any initial issues associated with nonprofit partnerships were worked out, they became an important part of successful program delivery. This finding may be subject to selection bias, however, if only jurisdictions in areas with local high-capacity nonprofits chose to pursue such partnerships. This does not negate the importance of nonprofits to program delivery but does mean that these findings should not be assumed to extend to partnerships with any nonprofit.

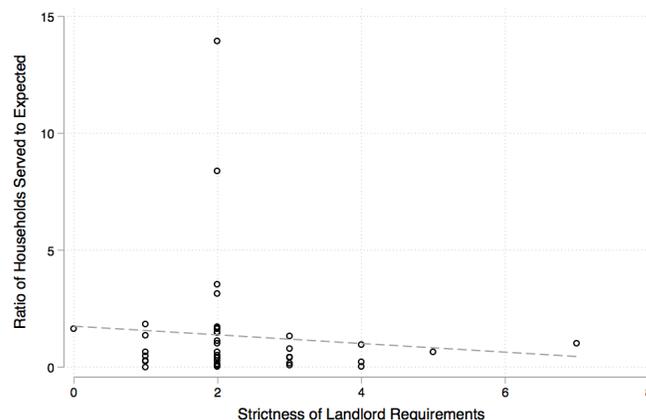
Notably, the population of a jurisdiction was not positively or negatively associated with any of our outcome ratios. Larger localities were, however, more likely to report landlord cooperation limitations and that demand exceeded the supply of assistance.

Landlord Requirements

Many programs required participating landlords to make certain concessions such as freezing rent, forgiving past due rent, or suspending evictions, or to be licensed or registered in some way. A greater number of requirements for participating landlords was associated with a lower mean ratio of households served to households expected to be served, especially as time went on. The same was true for the stringency of requirements (see Figure 12).¹⁵

The most common requirement for landlords was not to evict participating tenants. Programs with this requirement did not struggle more to get money out the door on average. However, the length of time (in months) that a program required a landlord not to evict participating tenants was negatively correlated with the ratio of households served to expected, which may mean that the duration of an eviction restriction reduced programs' ability to distribute funds.¹⁶

Figure 12. Stringency of Landlord Requirements (N = 41)



Further, when programs combined an eviction restriction with other requirements (which was the case for 53 programs), the ratio of actual to expected households served dropped from an average of 1.98 to 0.52.

As stated previously, most rental assistance programs in our survey asked tenants to apply for assistance and engaged landlords later in the application process, if at all. More research is needed to understand how landlord requirements affect outcomes for programs in which landlords apply for assistance on behalf of their tenants and properties.

Tenant Eligibility Criteria

We might expect that programs with more, or more stringent, criteria for tenant eligibility would have greater difficulty distributing rental assistance.¹⁷ In fact, we find no correlation between the number of tenant eligibility criteria and the ratio of actual to expected households served. Having a larger number of criteria did not seem to strongly discourage applications either.

¹⁵ We used a point system to measure the stringency of landlord requirements. We gave two points each to the requirements to freeze rent, forgive back rent, and suspend evictions and one point each to all other requirements (including those manually entered by survey respondents in the "other" column), based on previous research about which landlord requirements are most onerous (see note 11 on p.8).

¹⁶ These requirements interact with local and state eviction moratoria in potentially complex ways. Requiring landlords to cease evictions for a given period in exchange for rental assistance is a much less onerous requirement if the locality or state is already suspending all or most eviction cases.

¹⁷ We used a point system to measure the stringency of tenant eligibility criteria. Criteria that go beyond CARES Act CDBG requirements (for example, requiring tenants to have been current on their rent before the pandemic, requiring them to be enrolled in other means-tested programs, or requiring them to be legal U.S. residents) are weighted two points each, while all other requirements (including those manually entered by survey respondents in the "other" column) are weighted one point each.

the assistance they would receive and may choose not to participate. Some programs modified landlord requirements to increase participation rates. Others introduced a path for direct-to-tenant rental assistance to ensure that households could receive support despite a lack of landlord engagement. Programmatic learning on how to address challenges, and the willingness to make adjustments, likely contributed to the increase in the ratio of actual to expected households served over time.

Local and state rental assistance programs are now faced with administering an even larger pool of funds, thanks to the recent coronavirus relief package. Federal allocating agencies must provide programs with clear guidance as to the flexibility of these funds, especially regarding landlord and tenant eligibility requirements. Without such clarity, program administrators may feel pressure to impose more onerous requirements or collect more documentation than necessary, which, our survey indicates, can lead to a higher rate of incomplete applications and difficulty distributing program funds.

Many jurisdictions have developed a foundation for a new round of rental assistance. Other jurisdictions are developing rental assistance programs for the first time. The context for these programs continues to evolve; for instance, current programs are operating with the Center for Disease Control's (CDC's) eviction moratorium in place. Any changes to that moratorium will affect the demand for rental assistance, program design and requirements, and how landlords respond to any such requirements. Ultimately, programs must both apply past lessons learned and ensure flexibility to adjust to new opportunities and challenges as they arise in order to provide much-needed assistance to tenants and landlords.

ACKNOWLEDGMENTS

The Annie E. Casey Foundation and the Charles and Lynn Schusterman Family Philanthropies generously supported this research. We thank them for their support but acknowledge that the findings and conclusions presented in this report are those of the authors alone, and do not necessarily reflect the opinions of these funders.

WITH QUESTIONS, PLEASE CONTACT:

Ingrid Gould Ellen, Faculty Director, NYU Furman Center: ingrid.ellen@nyu.edu

Vincent Reina, Faculty Director, Housing Initiative at Penn: vreina@upenn.edu

Rebecca Yae, Senior Research Analyst, National Low Income Housing Coalition: ryae@nlihc.org