Today’s Agenda

• Welcome

• Advocacy for a State Rental Assistance Program (Immediate)

• How Can We Come Back Stronger? - Towards an Economic Recovery that Prioritizes Housing (Slightly Longer Term)
I am a / represent (SELECT ALL THAT APPLY):

- Bank or Lending Institution
- Funder
- Housing developer
- Landlord or property manager
- Lawyer / member of the legal community
- Local government
- Nonprofit service organization / provider
- Person who has or had the lived experience of homelessness or poverty and / or tenant advocacy group
- Public housing authority or redevelopment authority
- State government
- Other
I work / live in (SELECT ALL THAT APPLY):
200,000 Pennsylvania households
15% of PA renter households

Initial estimate of renter households who will be impacted by COVID-19 employment loss or wage reduction

The eviction moratorium will not prevent evictions forever

Low income workers are over-represented in the industries hardest hit by the economic shutdown due to COVID-19

Landlords who are sole proprietors or small businesses may be unable to pay their own financial and operational obligations
COVID-19 Immediate Response – Policy Goals

Combating the Economic Fallout from COVID-19 – Ensuring Pennsylvania Workers Can Pay Rent to Their Landlords

Policy Goals:
1. Prevent an increase in evictions for households impacted by COVID-19 due to job loss or illness who are behind on rent payments;
2. Stabilize tenants in their homes;
3. Ensure landlords can meet their own financial and operational obligations
Come Back STRONG

Join Us!
Create a Pennsylvania statewide rental assistance program

To alleviate the economic pressure on both renters and landlords impacted by COVID-19

Housing Alliance of Pennsylvania
Next Week:

Call your legislator with the message:

• We need rental assistance to alleviate the economic pressure on low-income renters and landlords.

• Please co-sponsor Senator Killion’s bill to create a state rental assistance program.

• Please support using a portion of the Coronavirus Relief fund for this purpose.
Housing is a Bi-Partisan Issue

THANK YOU to

Senator Art Haywood
Senator Vince Hughes
Senator Tom Killion
Senator Elder Vogel
Leah Sailhamer
Pennsylvania Apartment Association
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Why?

Unprecedented Unemployment

<table>
<thead>
<tr>
<th>National Unemployment Rates</th>
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</thead>
<tbody>
<tr>
<td>Feb 2020</td>
</tr>
<tr>
<td>3.5%</td>
</tr>
</tbody>
</table>

Pennsylvania Unemployment Claims

more than 1.8 million Pennsylvanians

or

14% of the PA Population have filed for unemployment since March 15, 2020
Industries hardest hit have high numbers of low wage workers

“In April, employment in leisure and hospitality plummeted by 7.7 million, or 47%. Almost ¾ of the decrease occurred in food services and drinking places”

BLS Employment Situation April 2020
The Majority of Rental Households in PA are Low-Income, Very Low-Income, and Extremely Low-Income

Renter Households
- Other: 32%
- Extremely Low Income: 28%
- Low Income: 21%
- Very Low Income: 19%

Owner-Occupied Households
- Other: 67%
- Low Income: 16%
- Very Low Income: 10%
- Extremely Low Income: 7%
Cost burdened households pay more than 30% of their income, and severe cost burdened pay more than 50% of their income, for housing expenses including rent/mortgage, utilities, and other housing related fees and taxes. Those living cost burdened or severely cost burdened may have difficulty affording necessities such as food, clothing, transportation and medical care.
Why?

If tenants are unable to pay rent, landlords will be unable to meet their own financial and operational obligations.

Individual investors own 76% of all single-family rents and 77% of all small rental buildings with two to four units.
Housing Alliance Landlord Survey

Top Short-Term Concerns

- Revenue and/or income levels lower than the same time last year
- Inability to meet own financial obligations (mortgage/loan, utilities, insurance, property taxes, etc.)
- Disruption of services provided by partners and/or contractors

Top Short-Term Needs

- Information for tenants to apply for new and expanded resources released in response to COVID-19
- Deadline changes and/or extensions for paying for current financial (mortgage, utilities, insurance, property taxes)
- Increased and new financial resources to meet the increased costs that may arise

Why?
In Summary

Rental Assistance is the most direct way to alleviate the economic pressure for landlords and tenants.

Rental assistance to help tenants pay their rent and to help landlords meet their own obligations should be a priority in decisions to support economic recovery.

Both tenants and landlords stand to lose a lot in this economic crisis created by the pandemic. We need to support both groups.
The Need for Rental Assistance

- 43% of all renters already housing cost burdened
- 20% of renters could not cover a $400 emergency pre-COVID-19
- High unemployment in low-wage industries
- All unemployment applications not processed yet
  - (70% of 1.8 million claims processed as of first week of May)
- Everyone not eligible for unemployment insurance
- Forecasted unemployment in 2021 is higher than pre-COVID-19 (double in one report)
- Individual investors own nearly 3/4s of all rental properties and many operate on tight margins
- Without regular rent, landlords may be unable to pay their mortgage, insurance or utilities, or pay for necessary repairs
- The eviction moratorium does not waive rent due
The Impact of Rental Assistance

Rental Assistance has double impact not only saving homes and families but saving businesses, especially small businesses.

- Rental assistance can help prevent families from experiencing the trauma of eviction and potential homelessness. Eviction and homelessness impact physical and mental well being, educational achievement, and negatively impacts future housing opportunities for families.

- Rental Assistance can save landlords from the financial impact of evictions, which research estimate cost around $5,000 per eviction.
### How Does Rental Assistance Work?

<table>
<thead>
<tr>
<th>Eviction Prevention</th>
<th>Time Limited Rental Assistance</th>
<th>Deep Subsidy &amp; Lasting Rental Assistance</th>
</tr>
</thead>
<tbody>
<tr>
<td>• One time cash injection to address arrears</td>
<td>• Pay arrears and used to stabilize current housing</td>
<td>• Tenant pays 30% of income</td>
</tr>
<tr>
<td>• Ideal for households that have reasonable expectation of stability going forward</td>
<td>• Pay for moves to more sustainable housing</td>
<td>• No time limit but regular recertification is required</td>
</tr>
</tbody>
</table>
What We Have Learned from Recent Rental Assistance Proposals

Delaware-

• Provide emergency housing assistance to renters affected by shutdowns, closures, layoffs, reduced work hours, or unpaid leave due to the COVID-19 health crisis. The program will provide eligible households up to $1,500 in assistance, with payments made directly to the property owner or utility company.

New Jersey

• This program will build off of NJ's existing Homeless Prevention Program with modifications to that program and its definitions including inability to pay rent attributable to the COVID-19 crisis. Other key definitions and modifications to NJ's existing Homeless Prevention Program include “COVID-19 crisis” means the duration of the Public Health Emergency and of a State of Emergency throughout the State due to the public health hazard created by Coronavirus disease 2019.

Montana

• Provides rent, security deposit, mortgage payment, and/or hazard insurance assistance as-needed for Montanans who have lost a job or substantial income loss as a result of COVID-19. Include up to three months assistance where the eligible household can demonstrate arrears for April and May, with continual inability to make their June payment. Montana Housing will pay the difference between 30% of the household income and eligible housing assistance costs, up to $2,000 a month.
Do you administer / operate / work with a local rental assistance program?
Summary of Why We Need Rental Assistance

• The current system of rental assistance is not designed to meet the unique challenges of the Pandemic
  • Many programs require literally homelessness or require proof of eviction
  • Many programs require inspections
  • The current system was insufficient at meeting the need prior to the eviction
Helpful Hints

• Call the Harrisburg office
• Ask to speak to the staffer person who works on housing policy
• Make it personal- use your own story/stories about the impact on your organization and your work
• Have notes handy to reference
• If you are asked a question you can’t answer, let us know and the Housing Alliance will follow up
I know who my legislator is:

• Yes
• No
I have a relationship with my legislator:

• Yes

• No
• I plan to call my legislator in support of this rental assistance program.
Other Ways to Engage

- Organizational Sign-On
- Media Spokesperson
- Op-Eds and / or Letters to the Editor
- Blog Series – The Local Need for Rental Assistance
• I want to stay engaged in the campaign.
How Can We Come Back Stronger? - Towards an Economic Recovery that Prioritizes Housing (Slightly Longer Term)

The Impact of COVID-19 on Low Income Households and Housing Stability
A quarter of PA workers deemed essential during the crisis make less than $30,000 annually and two-thirds make less than the state’s median household income of $60,000

Disparities

Essential, But Not Paid Much

The vast majority of life-sustaining workers in Pennsylvania earn low and working class wages. This list shows the largest Pennsylvania industries where workers who must report in-person earn the least and the largest industries where workers who can work from home earn the most.

<table>
<thead>
<tr>
<th>Industry</th>
<th>Average annual wages</th>
<th>Number of workers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Higher pay, can work from home</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Telecommunications carriers</td>
<td>$110,126</td>
<td>26,000</td>
</tr>
<tr>
<td>Credit card companies</td>
<td>$101,920</td>
<td>12,000</td>
</tr>
<tr>
<td>Data processing companies</td>
<td>$86,642</td>
<td>10,000</td>
</tr>
<tr>
<td>Insurance carriers</td>
<td>$80,068</td>
<td>73,000</td>
</tr>
<tr>
<td>Insurance brokerages</td>
<td>$73,840</td>
<td>53,549</td>
</tr>
</tbody>
</table>

| Lower pay, must report to work |                   |                   |
| Janitorial services agencies  | $37,552              | 82,000            |
| Assisted living facilities    | $31,460              | 69,000            |
| Social services agencies      | $29,172              | 162,000           |
| Grocery stores                | $22,828              | 121,000           |
| Restaurants*                  | $17,680              | 358,000           |

Note: Data analysis does not reflect layoffs made since the coronavirus outbreak; *Limited to take-out and delivery business*

Table: DYLAN PURCELL / Staff • Source: Wolf Administration; U.S. Bureau of Labor Statistics

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