

updated: 07/23/2020

It is critical that federal, state, and local governments take every opportunity during and after the coronavirus pandemic to ensure housing stability among America's lowest-income and most marginalized renters and to address the urgent needs of people experiencing homelessness. Through the bipartisan "[Coronavirus Aid, Relief, and Economic Security Act](#)" (CARES Act), Congress provided [\\$150 billion to a Coronavirus Relief Fund \(CRF\) to state, local, territorial, and tribal governments](#) that may be used to provide emergency housing and homelessness assistance.

The National Low Income Housing Coalition prepared this guidance to help advocates and elected officials maximize CRF federal resources to reduce housing instability and homelessness resulting from measures to control the spread of coronavirus.

URGENT NEEDS OF PEOPLE EXPERIENCING HOMELESSNESS AND AMERICA'S LOWEST-INCOME RENTERS

The coronavirus pandemic threatens the health and housing of people experiencing homelessness and millions of America's low-income and most marginalized renters.

More than half a million people live without basic shelter on any given night and are at a [particularly high risk of a Coronavirus outbreak](#). People experiencing homelessness have limited access to the preventive measures being recommended including handwashing, home isolation, avoiding high touch surfaces, and rapid access to health care to help prevent an outbreak. People who are homeless and unsheltered are far more likely to have chronic underlying health conditions that can make the disease more deadly. Because people experiencing homelessness may be living in congregated communities - whether in encampments or shelters - and cannot self-quarantine, cities and states must be prepared to respond to and prevent outbreaks among people experiencing homelessness.

Before the crisis, [11 million](#) households - including 8 million renters with extremely low incomes - were severely cost-burdened, paying at least half of their limited income on rent. As a result, these households had [virtually no margin](#) for an unexpected expense and were just one financial shock from the risk of evictions and, in worst cases, homelessness. The coronavirus pandemic will be that financial shock for many low-income renters.

RECOMMENDED USES OF THE CORONAVIRUS RELIEF FUND

NLIHC recommends that state, local, tribal, and territorial governments use flexible CRF funds to preserve housing stability among low-income and marginalized renters and to address the needs of people experiencing homelessness during and after the pandemic.

Under the CARES Act, state, local, territorial, and tribal governments are able to use flexible CRF funds to cover a broad number of expenses. In fact, CRF funds can cover any expense that (1) is a necessary expenditure incurred due to the public health emergency with respect to coronavirus, (2) was not accounted for in the budget most recently approved for the state or local government, and (3) was incurred between March 1, 2020 and December 30, 2020.

NLIHC, the National League of Cities, National Alliance to End Homelessness, and Mayors & CEOs for U.S. Housing Investments also [issued joint guidance](#) for elected officials to help maximize federal resources made available under the CARES Act, including CRF, to reduce housing instability and homelessness.

Homeless Shelters and People Experiencing Homelessness

In its [guidance](#) to CRF grantees, the Department of the Treasury expressly stated that CRF funds can be used to cover “expenses for the care for homeless populations provided to mitigate COVID-19 effects and enable compliance with COVID-19 public health precautions.”

To this end, elected officials should ensure that CRF resources are prioritized to provide:

- **Resources to move people experiencing homelessness and other individuals, including people with disabilities, into non-congregate settings**, such as hotels and motels and to expand housing-focused case management within congregate and non-congregate shelters to help people exit to permanent housing.
- **Emergency rental assistance** directly to individuals and families residing in shelters or in temporary non-congregate settings to move into permanent housing.

CRF funds can be used to leverage other federal assistance provided by Congress in the CARES Act to help address the needs of people experiencing homelessness. Under the CARES Act, Congress provided \$4 billion in HUD Emergency Solutions Grants (ESG) to help address the needs of people experiencing homelessness, but an [additional \\$11.5 billion is needed](#). States and local elected officials can use [FEMA Public Assistance program](#) to help meet this need for some homeless individuals. CRF can also be used to help fill this gap by providing resources to move as many homeless people as possible quickly into non-congregate shelter so that they neither contract nor spread coronavirus, to support prevention practices in shelters for those who are not housed, and to prevent an increase in homelessness during this crisis.

Housing Stability Among the Lowest-Income and Most Marginalized Renters

[Emergency rental assistance](#) and eviction prevention is needed to keep low-income and other marginalized renters stably housed during and after the pandemic - resources that are critical to the well-being of individuals and our broader public health.

To this end, elected officials should ensure that CRF resources are prioritized to provide:

- **Emergency rental assistance** directly to the lowest-income and most marginalized individuals and families facing an imminent risk of homelessness due to eviction and housing instability.

In its [guidance](#) to CRF grantees, the Department of the Treasury stated that CRF funds can be used to cover “expenses associated with the provision of economic support in connection with the COVID-19 public health emergency.” Under this criteria, CRF dollars may be used to provide emergency rental, mortgage, and utility assistance to help keep individuals stably housed.

In an [updated FAQ](#), the Treasury Department provided greater direction to state and local governments seeking to use CRF funds to provide emergency rental assistance to prevent evictions and homelessness. The FAQ advised grantees to structure this assistance in a way “to ensure as much as possible, within the realm of what is administratively feasible, that such assistance is necessary.”

It is important to note that CRF funds cannot be used to directly replace lost revenue, including revenue from property taxes and utilities. These resources, however, can be provided to individuals facing economic hardship to help them pay these costs and may indirectly assist with government revenue shortfalls in cases where budgeted expenditures for housing and homeless assistance would otherwise be reallocated for coronavirus-related expenses.

Racial Equity

People of color are disproportionately represented among people experiencing homelessness and low-income, cost-burdened households, and data is emerging that coronavirus is infecting and killing people of color at a disproportionately high rate.

Elected officials and advocates should take every step to [center racial equity](#) when making decisions

about CRF dollars. The flexibility of CRF funds should be used to address the urgent housing needs of marginalized populations, including people of color, people with disabilities, people with criminal records, undocumented immigrants, and other individuals who face barriers to affordable, accessible housing and who may not be eligible for other forms of federal assistance. Many federal resources provided under the CARES Act, including unemployment insurance and direct stimulus checks, are unavailable to undocumented immigrants. The flexibility of CRF can also be used to address the urgent housing needs of these and other marginalized populations.

Communities should evaluate whether underserved groups have equitable access to the benefits and programs provided by CRF funds. Advocates, service providers, and state and local leaders should [collect and analyze data to identify and address racial inequities](#) in service delivery. Moreover, communities should partner with organizations that serve marginalized groups to ensure that the planning, design, and implementation of CRF funds address disparities and meet the unique needs of these communities.

The National Low Income Housing Coalition, National Alliance to End Homelessness, and Center on Budget and Policy Priorities developed a [framework](#) to help homelessness systems use the CARES Act and additional funding sources strategically across a range of public health and economic recovery strategies. All components of the framework include a racial justice and equity lens to ensure that systems' responses to COVID-19 fill the gaps in services that contribute to disparities.

EXAMPLES OF RECOMMENDED USES OF THE CORONAVIRUS RELIEF FUND

Note: NLIHC released a research report, "[State and Local Rental Assistance Programs: Finding Solutions for a Growing Crisis](#)," analyzing nearly 200 rental assistance programs that were created or expanded in response to COVID-19. NLIHC staff are tracking in-depth information about the state and local rental assistance programs, including the funding source(s), in a regularly updated [database](#).

Type	Example	Description
Emergency Rental Assistance	Illinois	Illinois' final fiscal year 2021 state budget includes \$396 million in COVID-19-related rent and mortgage assistance, which will be funded through the state's portion of the federal Coronavirus Relief Fund.
	Iowa	Governor Kim Reynolds announced the creation of the COVID-19 Iowa Eviction and Foreclosure Prevention Program , which will be funded through the federal Coronavirus Relief Fund. Iowa will allocate \$2.15 million toward relief for businesses and families , including housing assistance.
	Montana	Montana established an Emergency Housing Assistance program that provides rent, security deposit, mortgage payment, and hazard insurance assistance for Montanans who have lost a job or substantial income loss due to the pandemic. The total funding available for Montana's assistance program is currently \$50 million, and the program is funded entirely through the state's allotment of the Coronavirus Relief Fund. The amount of assistance is based on income, household size, and monthly rent or mortgage costs, and the program will pay up to \$2,000 per month. Households who are receiving other forms of housing assistance are ineligible for the program. Unemployment insurance, including the additional \$600 per week being received, will be included in the income calculation for emergency housing assistance, but stimulus checks will not count toward a household's income.
	Oregon	Oregon allocated \$8.5 million of its Coronavirus Relief Fund dollars for emergency rental assistance that is distributed by local community action agencies. The \$8.5 million in federal CARES Act funding was allocated by the Oregon Legislature through the Joint Emergency Board.
	Pennsylvania	Governor Tom Wolf signed legislation on May 29, allocating \$175 million in Coronavirus Relief Fund dollars for a COVID Relief Mortgage and Rental Assistance Program . Pennsylvania is allocating an additional \$10 million for homeless assistance grants and \$8 million for legal assistance.
	Houston, Texas	Houston established \$15 million rental assistance program that will provide eligible tenants up to \$1,056 per month for April and May rents. The program will be funded through Houston's allotment of \$404 million from the Coronavirus Relief Fund . Eligible tenants may receive up to \$1,056 per month for April and May rent. The program will be administered by a local nonprofit and is expected to help at least 6,818 households.
	Bremerton, Washington	Bremerton Mayor Greg Wheeler announced that additional federal funds for the Bremerton COVID-19 Rental Assistance Program have been made available. An additional \$268,383 from the CARES Act was allocated to the city, and the council approved spending the funds on a rental assistance program.
Homelessness Prevention	Fort Worth, Texas	Fort Worth has allocated \$15.4 million in CARES Act funding for housing-related activities. The city will use \$7.2 million from its Coronavirus Relief Fund allocation to provide emergency rental, rapid rehousing, utility assistance, and other household expenses, like medicine and groceries. The funds are expected to assist 2,000 families. Eligible applicants' total household income must be at or below 120% of the area median income. <i>Note: you must be a legal resident of the USA to receive this assistance.</i>