

Housing committee talks scaling rental assistance program

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The city's Relief of Emergency Needs for Tenants, or RENT program, which was announced last month, will be distributing \$1.26 million in direct payments to landlords by Friday, May 15. The one-time relief will cover rent payments for at least 1,000 low-income households, but City Council members on the Housing and Planning Committee are eager to grow the program to reach thousands of renters left out by the lottery-based help.



Photo by Arnob Alam

According to Rosie Truelove, director of Neighborhood Housing and Community Development, the city could offer relief to 5,500 eligible households, around 18,000 people, with an investment of about \$7 million, an amount that Council Member Greg Casar said “makes a lot of sense.”

“There’s a really strong case there,” Casar said. “That would be a program at a major scale and could be deployed really quickly. The fact that you all started talking about this at the end of April, announced it at the end of April, and that we’re going to be helping people here in the next few days – the ability to scale that and help nearly 18,000 people if we put some more money in this speaks really well to the program.”

The lottery assistance program, serving households financially impacted by Covid-19 and earning up to 80 percent median family income, received 10,738 applications between May 4 and 6, with a total assistance need of just under \$7 million and an average rental request of \$1,185 per household.

“The demonstrated (need), as expected, far outweighs the amount of support that we have to offer right now, but we hope to use ... the data for who receives the lottery award to help inform how we might be able to further supplement this program with coronavirus relief funds or other funds to help with future months’ rental assistance,” Truelove said.

Short on time, Neighborhood Housing and Community Development pulled the \$1.26 million from the city’s housing trust fund rather than consider new funding sources. Noting that the fund is the city’s

“most unrestrictive set of housing dollars,” Council Member Kathie Tovo said it needs to be a high priority to replace that money with federal dollars from the coronavirus relief fund.

The program does not yet have the flexibility to provide relief for renters without a formal lease agreement, whether they are staying in a hotel for an extended period of time, subleasing an apartment or living under some other nonstandard lease agreement.

“We did have a couple of questions from the public about extended-stay hotels as well as sublease arrangements and informal lease arrangements, and unfortunately this program is not accommodating those folks,” said Mandy De Mayo, community development administrator with NHCD. “But it is something that we will want to look at moving forward.”

Council Member Natasha Harper-Madison said she is receiving a lot of phone calls from residents who don’t qualify for the assistance since they cannot provide a lease agreement.

“It turns out it’s really, really expensive to be poor, and a lot of people existing in the margins and in poverty are paying a lot in the way of rent just because it’s what they’re eligible and able to secure,” Harper-Madison said.

Casar said the program needs to include those people, whether that means creating a new pot of assistance dollars, providing gift cards, or other financial support. “I wouldn’t be surprised if folks that are suffering more are more likely than the average person to be in those informal arrangements, so I would hate to leave out some of the folks who may need it the most.”

Using nearly \$8 million from the federal CARES Act, San Antonio recently approved a total of \$25 million for housing assistance programs to help residents survive the pandemic, and last week, Houston committed \$15 million in CARES Act dollars to help up to 13,000 residents pay rent.

Austin is currently proposing to spend \$7 million in federal relief housing funds between rental assistance, homeless assistance and child care providers. Council will consider the broader plan for using the coronavirus relief funds at its May 21 meeting.

Central Texas Interfaith will hold a press conference this morning asking the city and Travis County for a dramatic increase in rental assistance dollars. In a press release, the organization requested that the city and county each commit \$40 million to emergency rental assistance to meet the needs of struggling households.

“The city of Austin has received \$170 million from the CARES Act passed by Congress, and has done a good job creating programs for those left out of the stimulus, for food banks, and for nonprofits,” said Adell Arce with East Austin’s Our Lady of Guadalupe Catholic Church. “But our big gap is in rental assistance. Other cities have far surpassed us in the amount they have put towards those facing mounting rent and late fees, which pile up despite eviction moratoriums.”