Editorial I With assistance lagging, state must extend rental eviction moratorium

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And you thought the California unemployment compensation program was a mess. Add rental assistance relief programs to the frustration over government aid programs.

According to a recent news report by our Bay Area News Group, frustration in our high cost of living region is rising among debt-burdened landlords and tenants over a patchwork of local and state emergency rental assistance programs.

The report went on, “The widespread complaints about the federally-funded, $2.6 billion relief effort include cumbersome applications, an unreliable website, slow case management, conflicting guidelines and relatively little money spent to stave off eviction. By the middle of May, the state had received requests totaling $473 million and distributed about $20 million.”

The response by the state is that initial bottlenecks have been straightened out since the program’s March 15 launch – and that improvements include better coordination between state and local agencies to ensure applicants receive payments from only one source. The state this week also announced it has streamlined its application process.

Locally, the rental relief program also seems to either be widely untapped or seeing applicants caught up in cumbersome application processes.
A recent Sentinel story noted that with the upcoming deadline on a moratorium on evicting renters in California, only a small percentage of eligible Santa Cruz County renters and landlords who have been affected by the COVID-19 pandemic have applied for local assistance.

Mayra Bernabe of Communities Organized for Relational Power in Action emailed this paper that, “the state has the funds, they need to act to get them distributed to our families while protecting them from eviction.”

According to the PolicyLink/USC Equity Research Institute’s National Equity Atlas, Santa Cruz County has an estimated 4,566 households behind on rent, with a cumulative debt countywide of nearly $23.1 million. On average, this comes out to about $5,000 of rent-related debt per affected household.

As of June 2, according to the Sentinel report, there were 514 active state renter assistance applications active in Santa Cruz County and more than half of the applications were still in progress.

Activists are calling for the state to extend the rental eviction moratorium and Senate Bill 91 or the COVID-19 Tenant Relief Act, by an additional six months. The moratorium is due to expire June 30.

An extension needs to come quickly, and be included by the June 15 budget deadline. A failure to act will fall mainly on our most vulnerable residents, and could lead to an increase in homelessness, which is an outcome we’re certain no state electeds want to see.

And it’s an extension, not a handout. SB 91 was enacted earlier this year and extended the COVID-19 Tenant Relief Act for another five months. It does not eliminate a tenant’s obligation to pay unpaid rent, but it does protect tenants from “no cause evictions” and makes financial assistance available to qualifying landlords and tenants. The aid includes assistance on rent and unpaid utility payments for both past due bills accrued between April 1, 2020 and March 31, 2021, as well as some future payments. Either
the landlord or the tenant can apply for assistance where eligible tenant households of two people make less than $89,200 a year, or $111,500 for a four-person household in Santa Cruz County. The state can pay up to 80 percent of past due rent to landlords.

But applying is not a quick or simple process. A typical tenant application runs 36 pages, which probably discourages many renters from following through. And some landlords have reported they have received small relief checks, but without any supporting documentation that would credit a specific tenant or housing unit. According to the California Apartment Association, many landlords statewide report they have not been receiving rent for more than a year.

All the more reason for the state to fix this latest bureaucratic mess and provide aid quickly to prevent even more dislocation.