

East Bay Housing Organizations

May 27, 2021

The Honorable Gavin Newsom Governor of California State Capitol Sacramento, CA 95814

The Honorable Toni Atkins Senate President Pro Tempore State Capitol, Room 205 Sacramento, CA 95814

The Honorable Anthony Rendon Speaker of the Assembly State Capitol, Room 219 Sacramento, CA 95814

RE: The Need to Extend, Expand, and Improve SB 91 to Meet the Needs of Californians

Dear Governor Newsom, Pro Tem Atkins, and Speaker Rendon,

East Bay Housing Organizations (EBHO) urgently requests updates to SB 91. Modifications to the State's rent relief program requirements and an extension of the eviction moratorium are necessary to ensure that the funds reach low-income tenants and their landlords and that California does not face an eviction crisis now or in the future.

EBHO is a non-profit, member-driven organization with over 300 organizational and individual members. For 35 years, we have worked to preserve, protect, and create affordable housing opportunities for low-income communities in the East Bay by educating, advocating, organizing, and building coalitions. We believe that solutions to California's severe housing crisis must be comprehensive. As such, we support a multi-pronged effort based on the three principles of production of new housing, preservation of existing housing that is affordable, and protection of residents from unaffordable rent increases, eviction, displacement, and homelessness.

We have engaged with SB 91's emergency rental assistance program (ERAP) through our work in Contra Costa County, where renters and landlords are only eligible to receive rent and utility relief through Housing Is Key. The most recent data shows that, of the \$38 million in assistance

The Honorable Gavin Newsom, Toni Atkins, and Anthony Rendon May 27, 2021
Page 2

requested by Contra Costa residents and housing providers, the State has only paid out \$2.8 million, a mere 7% of the requests received. Moreover, there were over 2,000 applications in process, meaning that renters or landlords started to apply for assistance but weren't able to complete the process, most likely owing to well-documented challenges associated with the complexity of the program and the portal. What's more, Contra Costa County has allocated over \$500,000 to fund local outreach and implementation activities meant to supplement LISC's Local Partner Network (LPN) and ensure that these critical funds reach the tenants and housing providers most in need. However, local delays in contracting mean that these funds still haven't been distributed to the community-based organizations that will enhance the work of the LPN to market the ERAP and reduce barriers to program participation.

The ERAP is a tremendous win/win opportunity for renters and housing providers. However, we must collectively acknowledge that, as a new program, it is still struggling to get off the ground, reduce barriers, and reach all of the eligible tenants and housing providers in need. As such, the State's eviction moratorium must be extended to allow more time for ERAP to meet its promise. Otherwise, low-income communities will be saddled with mass evictions and widespread rent and utility debt.

In addition to extending the moratorium, the current data on ERAP implementation points to the significant need to improve the program. Most of these modifications have been called for by the Biden/Harris Administration, which recently released updated guidance from the U.S. Treasury Department. As such, we respectfully request the following changes:

- 100% support to eligible landlords
- 100% support to tenants, even when their landlord is not participating
- Lift the current caps on prospective rent
- Maintain eviction protections until low-wage jobs have recovered to pre-pandemic levels and rental assistance funds have been distributed to all who are eligible
- Full relief of utility payments, as federal law allows
- Even when temporary eviction protections end, no tenant should be evicted if they are eligible for rental assistance but have not yet received it, or if their landlord received assistance to clear all back rent owed
- Protect people from long-term debt and credit damage
- Put a stay to court proceedings for tenants who have not been able to access relief and allow them the time to apply for debt relief assistance

These modifications align with what the majority of Californians feel the State needs to provide to struggling renters. According to a new statewide poll, more than 60% of Californians support an extension of the State's eviction moratorium and 64% want the State to deliver \$5.2 billion to help low-income renters to pay back-rent and make future rent payments.¹

¹ https://buildaffordablefasterca.com/latest_updates.php?p=29

The Honorable Gavin Newsom, Toni Atkins, and Anthony Rendon May 27, 2021 Page 3

Making these improvements will give the State more flexibility to expend the funds, while extending the eviction moratorium will give us the time to reach all eligible tenants and their landlords in the East Bay and across California.

Sincerely,

Alex Werth Policy Manager