

HOUSING ASSISTANCE

(Last updated on October 5, 2021)

The United States is facing a severe housing affordability crisis now made worse by the COVID-19 pandemic. Today, 1 in 5 renters are behind on their payments and more than 10 million homeowners have late mortgage payments. In addition, homelessness across the country has gotten worse during the pandemic. Roughly 580,000 people in the United States were experiencing homelessness on a given night in 2020, representing a 2.2 percent increase from 2019.

Federal Housing Relief

On August 3, 2021, the Centers for Disease Control and Prevention (CDC) temporarily extended the federal eviction moratorium targeted to areas experiencing substantial and high levels of community transmission of COVID-19. However, on August 26, 2021, the Supreme Court announced that the CDC exceeded its statutory authority by extending the federal eviction moratorium, effectively ending the policy.

Congresswoman Maxine Waters has taken the lead on this issue by introducing legislation to enact a new federal eviction moratorium. Her bill, the Protecting Renters from Evictions Act of 2021 (H.R. 4791), would create the nationwide ban on residential evictions through December 31, 2021. The bill is currently under review by the House Financial Services Committee.

American Rescue Plan Act Emergency Rental Assistance

To ensure people are stably housed during this crisis, Congress passed several laws that provide direct relief to renters, homeowners and the homeless.

The American Rescue Plan (ARP) directed \$20.3 billion for rental assistance payments, building off the \$25 billion included in the December 2020 COVID-19 relief package. The funds will provide financial assistance to eligible households, which can be used for rental and utility payments. Total assistance provided to a household cannot be used to cover more than 18 months of expenses.

Households will qualify for rental assistance if:

- At least one member who qualified for unemployment benefits experienced reduced income or other financial hardship due to COVID-19.

- At least one member can provide an eviction notice, evidence of unsafe living conditions or other information indicating a risk of homelessness or housing instability.
- The household's income doesn't exceed 80% of the area median income.

Funds were allocated to states, as well as to localities with at least 200,000 people. Based on the formulas established by Congress, Hawai'i will receive at least \$166 million in rental assistance.

Homeowner Assistance Fund

The ARP established a \$10 billion Homeowner Assistance Fund at the U.S. Department of the Treasury to prevent homeowner mortgage defaults, foreclosures and displacements. States must set aside at least 60% of their allocation to assist homeowners who make less than 100% of the local or national median income, whichever is greater. Hawai'i will receive \$50 million of these funds to help homeowners statewide cover their mortgages.

Funds can be used to:

- Reduce mortgage principal amounts.
- Assist homeowners with mortgage, utilities, tax and insurance payments.
- Reimburse state and local governments for money spent since January 21, 2020 to prevent housing losses due to COVID-19.

Covered mortgages include those with an unpaid principal balance at the time of origination that was less than a loan limit set by the Federal Housing Finance Agency (\$822,375 for one-unit properties in Hawai'i).

Emergency Housing Vouchers

The ARP allocated \$5 billion for emergency Section 8 Housing Choice Vouchers. The U.S. Department of Housing and Urban Development is providing these vouchers through public housing agencies to individuals and families who are currently or recently homeless and to those who are fleeing domestic violence, sexual assault or human trafficking.

Homelessness Assistance and Supportive Services

The ARP set aside an additional \$5 billion for state and local governments to provide supportive services for homeless and other at-risk individuals.

The funds can be used to:

- Provide tenant-based rental assistance.
- Develop affordable housing.
- Offer services such as housing counseling and homelessness prevention.
- Acquire non-congregate shelter units, such as hotel rooms, that could be converted to permanent housing.

Resources for Hawai'i

Through the ARP allocations set by Congress, Hawai'i received \$166 million in rental assistance and another \$50 million to help homeowners cover their mortgages.

Rental assistance programs in Hawai'i are managed at the county level. On O'ahu, the City & County of Honolulu is offering assistance to households hit hardest financially by the COVID-19 pandemic through its Rental and Utility Relief Program. The program will help cover past rent, as well as current and future charges. Covered expenses include electricity, water, sewer, gas and internet service. For more information or to apply for assistance, visit oneoahu.org/renthelp.

Please note, from time to time the City & County temporarily pauses the program to process applications and distribute funds to landlords and utility companies.

Individuals can consider other options to prevent an eviction. For example:

- *Legal Assistance & Mediations.* Renters and landlords are encouraged to seek legal assistance and other resources, such as mediation. Some resources in Hawai'i include [Legal Aid Society](#) and [Mediation Center of the Pacific](#).
- *Repayment Agreements.* Public housing authorities and owners can create repayment agreements for any unpaid rent so that individuals and families may continue to be housed even though the eviction moratorium expired. Homeowners should contact their mortgage providers to assist with payment plans.
- *Counseling.* Renters can talk to a Department of Housing and Urban Development-approved housing counselor by going [online](#) or calling 1-800-569-4287.

The state of Hawai'i is still working with the Treasury Department to set up the mortgage assistance program. More details will be posted here as they come available.

Funding for Native Hawaiian Households

Millions of dollars in ARP funds are available to provide housing assistance for indigenous communities throughout the United States, including for Native Hawaiians. The law included \$6.5 million for Native Hawaiian housing assistance. Specifically, Congress provided:

- \$5 million toward the Department of Hawaiian Home Lands COVID-19 Emergency Rental Assistance Program to support roughly 800 households, including beneficiaries and non-beneficiaries.
- \$1.5 million to help current homesteaders with mortgage assistance, forbearance assistance, utilities, property taxes and other expenses.

For more information, please visit <https://www.hawaiiancouncil.org/dhhl>.