



WHAT'S WRONG WITH TEXAS' RENT RELIEF PROGRAM AND HOW TO FIX IT

Texas Housers has worked to ensure equity in State-administered disaster recovery programs since 2005 with Hurricane Katrina and extending over recovery efforts for Hurricanes Rita (2005), Dolly (2008), Ike (2008), Harvey (2017) and during the current COVID-19 crisis. The economic fallout from coronavirus in Texas alone threatens eviction of up to one million renter households. In more than 15 years of disaster recovery response, we have learned many valuable lessons which we share in this paper.

TEXAS' PROBLEMS IN PAST DISASTER RECOVERY PROGRAMS

- State recovery programs stretched out over years depriving survivors of help when they need it
- Third party administrators took too large a share of the available funds
- Third party administrators failed to perform, resulting in cost overruns and delays
- Programs had multiple false starts and changes that resulted in confusion and delays
- Survivors were unclear how to apply and were frustrated in not getting the help they needed
- People of color and low-income households were not equitably assisted with available funds
- Little contemporaneous monitoring and public reporting of program performance

THE COVID DISASTER

The COVID pandemic has produced an economic crisis that, in turn, produced a historic rental crisis for a massive number of Texas households. Texas Housers estimates (<https://www.texasrentclock.org>) Texans have accrued more than \$2.8 billion in late rent. Mass evictions and homelessness has been held off only by a temporary federal eviction moratorium now set to expire June 30.

RENT RELIEF RESOURCES AVAILABLE TO TEXAS

To confront this problem the governor and Texas Legislature have thus far failed to provide any state funding for Texas renters. The federal government, on the other hand, has made funds available to the State of Texas and local governments for rent relief. This paper focuses on how the state government should make these \$1.3 billion in federal funds available to Texas renters.

The federal government has given only broad guidance to state governments to administer rent relief programs. The federal funds must be:

- used to help households earning no more than 80% of area median income
- targeted to households earning less than 50% of area median income
- fully expended by the end of September 2022
- 10 percent of funds (\$130 million) can be used for administration

A JUST AND EQUITABLE RECOVERY SHOULD BE:

- **Rapid** - disaster survivors get helped quickly to recover in order not to become homeless
- **Accessible** - people understand the program, can easily apply with a low documentation burden
- **Accountable** – monitored, transparent, seeks and acts on public feedback
- **Targeted** - not discriminatory, achieves racial equity, fairly assists low-income households
- **Sustained** - not just a temporary fix but has the result of stabilizing survivors for the long-term
- **Iterative** - government learns and builds on this recovery to do better in future recoveries

TEXAS IS NOT ON TRACK

Because of Texas' current governing philosophy that prioritizes small government over citizen needs, the state has failed to provide accessible and timely relief in every previous disaster. State agencies lack the

necessary staff to develop and administer rapidly deployed, accessible large-scale disaster recovery. There are no established systems in place to assess needs, target resources, monitor for accountability and conceive program to sustain survivors past their immediate needs. One of the greatest impediments to achieving these goals is the state government's repeated failure to adapt and build on experiences of past disasters. Texas largely approaches each disaster without consideration of what has worked in the past.

Here is our latest assessment of what is going wrong in the current disaster recovery:

- Information is not getting to targeted populations about how the program works how to apply, etc.
- Call centers are not doing an adequate job answering applicants' questions
- Processing applications is taking much too long, in the first month [only 250 applications](#) were approved
- By [early estimations](#) of helping 80,000 recipients, with the eviction moratorium set to be lifted June 30, the program will have to process about 1000 applications each day, a rate nowhere near achievable based on current administrative capacity
- There is inadequate coordination between the state administered rent relief program and those that large cities and counties are separately administering with federal funds they have received. This will result in applicant confusion, delays, disqualifications and duplication of benefits
- Despite federal rules that explicitly permit it, the state administrated program refuses to assist tenants who live in public housing or who use Housing Choice Vouchers
- Despite federal rules that explicitly permit it, the state administered program refuses to allow tenants to use the funds to relocate to better, decent or more affordable homes

HOW TO MAKE THE TEXAS RENT RELIEF PROGRAM WORK

The state staff currently working to implement this program are skilled and dedicated. The problems with the program require action from the governor and the legislature to remedy. It is not too late to fix the Texas Rent Relief program but rapid, decisive action is urgently needed.

1. Establish performance benchmarks to get two-thirds of the rent relief to renters before the eviction moratorium ends June 30 with the object of forestalling evictions
2. Cut documentation and paperwork requirements as needed to achieve this goal
3. Permit government-assisted housing recipients to participate in the program
4. Allow tenants to use the funds to relocate to better, decent or more affordable homes
5. Get skilled contractors who can bring adequate staff on-board to administer the program and encourage them to hire unemployed tenants
6. Contract with public relations marketing firms to reach target populations in appropriate languages and monitor closely the participation of people of color and low-income households and adjust professional marketing campaigns to reach them
7. Front line call center workers should be backed up by higher skilled expert outreach workers who can takeover calls to do one call application completion
8. Mandate performance reporting, information sharing and coordination between state and local administered programs
9. Establish a permanent state inter-agency disaster recovery staff to review past programs and develop standardized, best practice programs for future recovery programs,
10. Contract for ongoing independent consumer surveys of potential recipients, applicants and recipients to understand their experience with the program and make improvements

Documentation for the current program - <https://www.tdhca.state.tx.us/pdf/covid19/cdbg/TEDP-Brochure-en.pdf>