

Pandemic-Related Housing Need

What we know, what we don't

Housing Protections & Supports Webinar

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Background

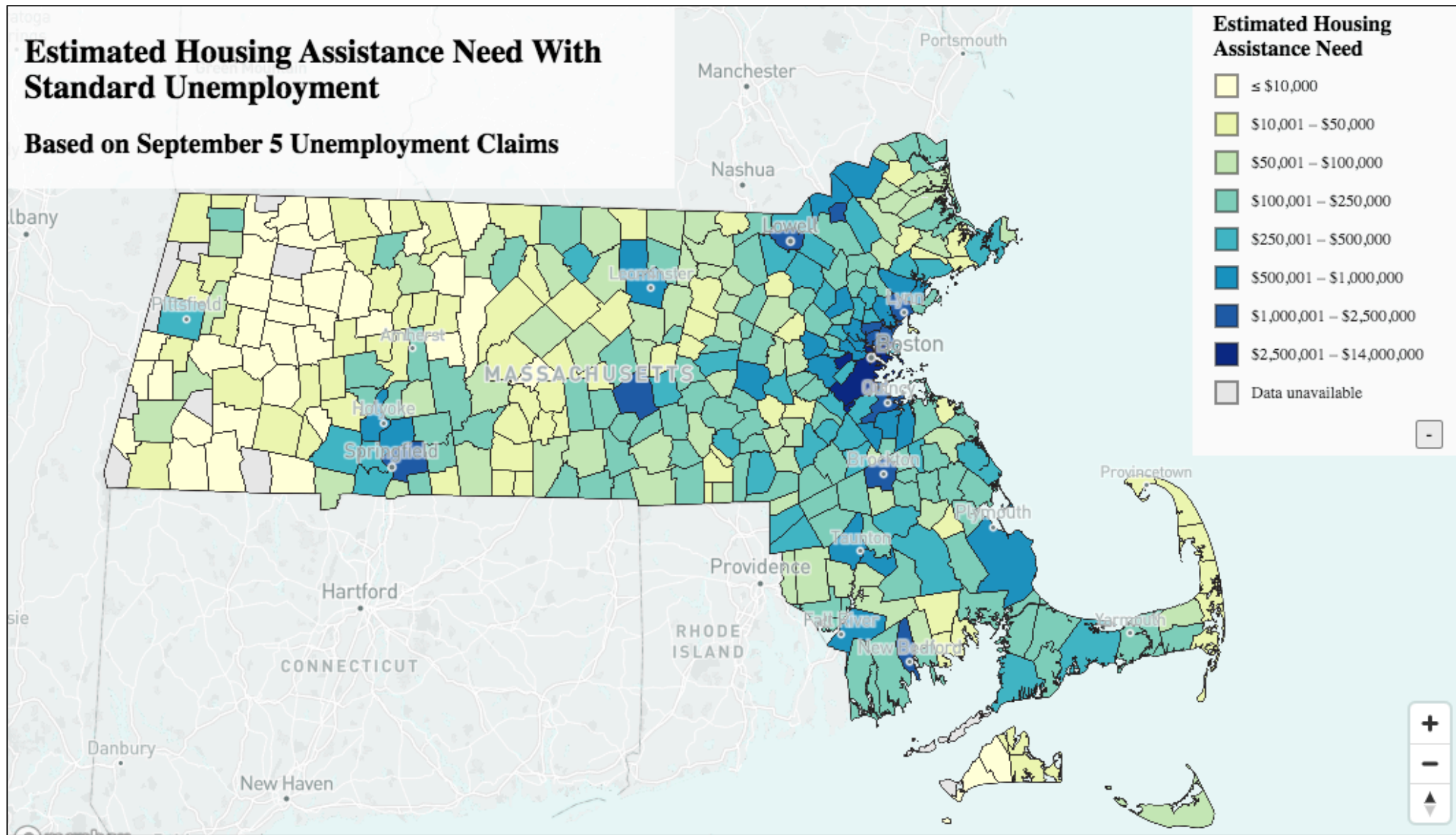
- MAPC started publishing research back in April, 2020 on the 'COVID-19 Layoff Housing Gap'
- Main questions at the time:
 - Who is affected by the unemployment crisis?
 - What is expected gap between income and housing costs?
 - How much do CARES Act benefits help?
 - Who's not included?
 - What happens when CARES Act benefits end?
- Found the CARES Act was widely successful at some goals, but many were ineligible and still at risk and we should worry when the benefits run out

Latest Findings

- Over 330,000 Massachusetts workers receiving standard unemployment assistance as of Sept 5.
- Estimate 45,000 renter households and 35,000 owner households with a worker on standard unemployment assistance will have trouble covering costs this month.
- The housing gap for rental households could exceed \$40 million in October alone.
- Assistance is needed across the Commonwealth: 133 municipalities have an estimated rental housing assistance need over \$50,000 per month; 16 cities have estimated need over \$500,000 per month.
- CARES Act unemployment enhancements (\$600/week) helped 38% of affected rental households to keep current on rent

Estimated Housing Assistance Need With Standard Unemployment

Based on September 5 Unemployment Claims



www.mapc.org/covid19-layoffs/

Unemployment claims don't tell the whole story...

- Tens of thousands of other households are also in trouble
 - Workers receiving PUA
 - undocumented workers who can't apply for unemployment
 - workers with reduced hours and wages
 - households who are working again but owe back rent
- The Census Bureau *Pulse* survey: one in six renters are behind on their rent payments; one in five were not confident they could pay October rent
- An estimated 60,000 Massachusetts renter households fear imminent eviction

Concerning Outcomes

- Evictions lead to people becoming homeless or living in overcrowded housing—circumstances that contribute to the spread of COVID-19 and may extend the length of the pandemic.
- An eviction judgement can have permanent negative effect on credit scores, making it harder for those who were evicted to find another apartment, borrow money for education, or purchase their own home.
- Small landlords that are unable to cover mortgage payments may be forced to sell their rental properties, accelerating the consolidation of the rental real estate market

Moving Forward

- Baker Administration announced Eviction Diversion Initiative: <https://www.mass.gov/info-details/covid-19-eviction-diversion-initiative-overview>
- Emergency rental assistance funds are likely still insufficient to cover need through the end of FY21
- Will take time for diversion programs and additional rental assistance to scale up
- CDC moratorium less comprehensive than state moratorium
- Housing court could begin hearing new eviction cases after October 19; eviction orders could be issued in early January. *Need more data on actual filings!*
- Legislature should extend state moratorium to Dec 31

All Reports and updates can be found at
<https://www.mapc.org/covid19-layoffs/>

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