

COVID-19 Rental Eviction Prevention
Assistance Program
Arizona Department of Housing
Special Achievement: SA

HFA Staff Contact

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HFA Name - Arizona Department of Housing

Entry Category - Special Achievement

Entry Title - COVID-19 Rental Eviction Prevention Assistance Program

Responding to an important state need

As the COVID-19 emergency swept through the nation and began to impact employment in Arizona, Governor Doug Ducey on March 24, 2020 issued an executive order delaying enforcement of eviction action orders for renters impacted by COVID-19 and announced \$5 million in new funding for rental assistance on March 27, 2020 under the Arizona COVID-19 Relief Program.

The new dollars for rental assistance were included to provide relief to eligible Arizona renter households who suffered a substantial loss of income related to COVID-19. The Arizona Department of Housing immediately moved to introduce rental assistance on a statewide basis by establishing the COVID-19 Rental Eviction Prevention Assistance Program. The program launched on March 30, 2020 with \$5 million in initial funding provided by the State Housing Trust Fund.

Arizona renters who are struggling to pay rent due to a loss of income as a result of COVID-19 can apply for up to \$2,000 per month in rental assistance, paid directly to their landlord. Eligibility for the program is restricted to applicants with income levels at 100 percent of the area median income adjusted for household size and varies by county. Applicants are responsible for paying 30% of the total current gross monthly income of the household for rent; the industry standard in rental subsidy programs and aligns with other housing assistance programs such as Section 8. Arizona renters are also eligible to apply for the program if their income is zero.

Innovative

The Department paralleled its existing mortgage assistance system to allow for an online rental application submission and tracking process and chose to work with its Community Action Agency partners to administer the assistance at the local community level. Due to the urgent circumstances around the pandemic, the Department stood up the program in just over one week. Arizona is one of three states to launch an early statewide program for rental assistance.

The application process is offered as a completely paperless product. Renters who do not have access to a computer or need additional assistance are provided additional opportunities to apply by calling the state's 211 hotline for application support, free scanning/document upload services are offered at participating office supply chain stores in the state and the Department made an adjustment to the application system to allow applicants to upload clear photos of documents from a smartphone.

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Achieved intended results

The COVID-19 Rental Eviction Prevention Assistance Program provided an effective means for those in need of assistance to seek help. Additionally, it provided an effective means to assess the demand for such assistance.

The Department has continued to review and adjust the program since its launch. In the early implementation of the program, supporting documents were required to be submitted for all adult members named on the lease and consisted of the following: Photo identification (Driver License or State Issued ID), copy of current lease/rental agreement, a document stating a hardship as a result of COVID-19, and bank statements for the month prior to the month for which assistance was requested. Additionally, the Community Action Agencies would pay one month of assistance at a time.

The Department recognized that applicants were not submitting the proper supporting documents outlined in the eligibility criteria and the Community Action Agencies were spending a significant amount of time reaching out to applicants to request missing information. A majority of applicants did not reply to outreach from those agencies, which was significantly slowing down the process and resulted in low approval rates.

In an effort to get dollars out the door faster and to provide rental assistance to those affected by COVID-19 as expeditiously as possible, the Department took a hard look at the program and worked with its Community Action Agency partners to identify roadblocks and reduce barriers to providing the assistance. The Department changed a number of its policies to make the funding more flexible, eased the supporting documentation requirements and streamlined the document upload process.

The Department, in early June 2020, reduced the documentation requested to four items (ID, copy of lease, monthly income pre-COVID, and monthly income post-COVID). The Department also determined that it would be more efficient to assist qualified households with multiple months of assistance upon an initial review, and are now providing assistance for past due rents and the Community Action Agencies are authorized to provide additional months of rental assistance.

The Department continues to conduct ongoing reviews of assistance requirements to identify opportunities for improvement in an effort to increase the number of households approved for assistance. The application system has also been modified throughout implementation to incorporate valued feedback from system users (Community Action Agencies, Department staff and applicants).

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As of July 1, 2020, rental assistance has been approved to assist 1,112 Arizona households who have seen a reduction in income due to COVID-19. The 11 local Community Action Agencies have approved \$1,074,887.42 in assistance with an average of \$966.63 per household. Decisions have been made on 54 percent of the 17,132 total submitted applications.

Provided benefits that outweigh costs

The economic crisis stemming from COVID-19 has resulted in numerous potential rental eviction situations, which the Department's rental assistance program coupled with Governor Ducey's executive order delaying enforcement of eviction actions has helped to mitigate. Because of COVID-19, many Arizonans saw their hours cut, or even the loss of their jobs, and the state quickly put rental assistance in place to support them. The assistance provides relief to Arizona renters and their landlords.

The Department implemented a paperless product by utilizing an existing system and collaborated with local Community Action Agencies to administer the COVID-19 Rental Eviction Prevention Assistance program. The Governor's Executive Order on Evictions remains in effect until mid-July and has provided renters with some breathing room over the past few months until assistance is provided to those individuals who applied and meet the eligibility criteria.

While it remains to be seen whether Eviction rates will rise significantly in future months, the Arizona Department of Housing compiled an analysis of 1 and 2 person households of unemployed renters showing they were able to pay average Arizona rent with state and federal unemployment of \$840/week, plus stimulus checks provided by the federal government and in some cases with tax returns. The \$5 million in funding provided by the State Housing Trust Fund for the COVID-19 Rental Eviction Prevention Assistance program provides an additional resource for those renters who need additional assistance to stay in their home and avoid eviction.