



June 17, 2021

The Honorable Janet Yellen
Secretary
U.S. Department of the Treasury

Mr. Gene Sperling
Senior Advisor to the President
The White House

Dear Secretary Yellen and Mr. Sperling:

The Emergency Rental Assistance (ERA) program, administered through the U.S. Department of the Treasury, is the most critical tool we have for helping low-income renter households who have experienced hardships since the beginning of the pandemic pay their rent. However, should the Centers for Disease Control and Prevention's (CDC) federal eviction moratorium expire as scheduled at the end of this month, some landlords may proceed with evictions rather than participate in the ERA program. Like you, we fear this could lead to a disproportionate number of evictions in the coming months. As such, ERA grantees urgently need additional flexibilities to use these resources nimbly and expeditiously to help households secure alternative housing should they be evicted.

Currently, certain ERA program rules create barriers to emergency action to prevent evictions. This letter details how Treasury can provide flexibilities to facilitate the rapid deployment of assistance to tenants who will face formal eviction upon the expiration of the CDC eviction moratorium.

Allow Grantees to Establish a Rental Assistance Standard for Rehousing in Cases of Eviction

If a household is evicted, ERA grantees would like to assist them in moving to another apartment so the household will not become homeless. While ERA can be used to cover expenses associated with securing alternative housing, such as moving costs, temporary hotel/motel stays, lease-up costs, etc., the Treasury documentation requirements related to those expenses are likely to prevent grantees from providing this assistance as quickly as necessary to prevent a period of homelessness.

Specifically, question 7 in the May 7th ERA FAQs (page 6) states, "All payments for housing-related expenses must be supported by documentary evidence such as a bill, invoice, or evidence of payment to the provider of the service." It will be difficult for grantees to collect the evidence of payment to the service provider, as required by the FAQs, especially



considering the significant number of households who could be facing eviction at the same time and the speed at which this assistance must be provided.

Instead, we suggest that Treasury allow grantees to establish a “Rehousing Assistance Standard” by which evicted households could be provided a flat amount of assistance — paid directly to the tenant so they can reestablish housing stability without the need for documenting each individual expense.

ERA administrators could craft customized Rehousing Assistance Standards calibrated to household size and geographic location, such as the following:

Prospective Rehousing Assistance Standard	How a Rehousing Assistance Standard May Be Established by an ERA Administrator <i>(variable by geographic location & household size)</i>	<i>Sample Calculation</i>
Moving costs	Amount allowed by the statewide ARPA Emergency Housing Voucher Program	\$250
Temporary housing in a hotel/motel	10 nights at the GSA per diem rate	\$960
Lease-up costs (security/ utility deposits)	FMR x 3	\$2,247
Current month’s rent	FMR x 1	\$749
3 months of future rent	FMR x 3	\$2,247
<i>Sample Total Rehousing Payment Standard for Household of 3 in Frankfort, KY</i>		\$6,453

Allow Master Leasing of Hotel/Motel Rooms

The FAQs allow grantees to use ERA to provide assistance to temporarily displaced households living in hotels or motels. If there is a wave of evictions stemming from the expiration of the CDC moratorium, we expect many households may need to move into hotels or motels temporarily while they search for more permanent housing.

It would expedite this process greatly if Treasury would allow grantees to use ERA assistance to hold master leases on a block of rooms over an extended time period for families who may be moving in and out as they transition to permanent housing. However, this may mean hotel rooms are not occupied for short periods of time when one household moves out and another moves in. Our current interpretation of ERA guidance is that master leases are not explicitly allowable.



We appreciate your quick consideration of this request. With only two weeks left before the moratorium expires, it is incumbent that Treasury act quickly to give grantees the tools they need to prevent homelessness.

Sincerely,

American Public Human Services Association
Council of State Community Development Agencies
National American Indian Housing Council
National Council of State Housing Agencies
National League of Cities
National Low Income Housing Coalition

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