



# PHA Guide to Preventing Homelessness After the Eviction Moratorium Expires

## Background

Tens of millions of Americans are experiencing job loss, reduced hours, and reduced income due to the outbreak of COVID-19. Those with lower incomes have been hit the hardest. Many residents are also facing new challenges, such as loss of childcare, limited access to healthcare, illness, death of loved ones, increased incidents of domestic violence, rising costs for basic needs, and fear of uncertainty. Meanwhile, the process of evicting residents can be costly to PHAs and owners, from court and legal fees to unit turnover costs.



As the CARES Act **Eviction Moratorium ends on July 24, 2020**, Public Housing Agencies (PHAs) and Housing Choice Voucher (HCV) landlords (referred to as “owners” hereafter) can play a crucial role in promoting housing stability during this difficult time. HUD strongly encourages PHAs and owners to strive to keep as many families stably housed as possible. This document provides information and shares best practices to prevent homelessness and **promote housing stability in your community**. HUD also reminds PHAs and owners that local or State eviction moratoriums and other tenant protections may still be in effect, so it is important that PHAs/owners are aware of the laws in your jurisdiction.

## PHA Options for Preventing Homelessness After the Eviction Moratorium Expires

In light of these circumstances, HUD encourages PHAs and owners to provide residents with **frequent and accurate information and to take steps** to keep as many residents **stably housed** as possible. As part of this effort, HUD encourages PHA leadership to ensure that residents and staff across the agency are aware of new policies and procedures. PHA staff are encouraged to also review their records, and coordinate with owners, to determine which households are behind on rent and determine the cause of non-payment. In tandem with this effort, PHAs can identify the range of options and resources available to promote housing stability. Below are **information and resources to consider in preparation for the eviction moratorium expiration**.



Repayment Agreements



Retroactive Interim Reexaminations



Direct Outreach



Financial Hardship Exemptions



Continuing Stability

## Permit Repayment Agreements and Update Repayment Agreement Policies

HUD strongly encourages PHAs and owners to enter into **repayment agreements for any unpaid rent** so that families may continue to be housed after the eviction moratorium expires. For any unpaid rent after the moratorium has ended, the household has the option to repay unpaid rent in a lump sum to avoid eviction. If the household is unable to pay a lump sum, the PHA or owner is strongly encouraged to set up a repayment agreement with reasonable payments spread over time.



For Public Housing: If the PHA executes a repayment agreement with the household, repayment agreement guidance is listed in Section 16 of [Notice PIH 2018-18](#) and Question EM16 of this [FAQ](#). Further PHA guidance has also been posted on the [PIH COVID-19 page](#). Through Waiver PH-4 of the COVID-19 Waivers Notice (PIH Notice 2020-13)<sup>1</sup>, PHAs have the ability to expedite revisions to their Admission and Continued Occupancy Policy (ACOP), including adding or adjusting repayment agreement policies, as long as the change is formally adopted by the PHA Board as soon as practicable, but no later than December 31, 2020.

For HCV: In an effort to prevent evictions for non-payment of rent, the PHA could: (1) encourage an owner to enter into repayment agreements for the unpaid rent and provide landlords with a sample repayment agreement that meets state and local laws, and/or (2) use CARES Act Administrative fees as a retention incentive to owners who, as an alternative to filing the eviction, are willing to work with the family and/or PHA (for example, entering into a repayment agreement with the family, providing time for the PHA to update its interim reexamination policy or retroactive interim reexamination).

### Best Practices!

- ✓ Ensure all property management staff, rent re-certification staff, and service coordinators are aware that repayment agreements are an option and minimum rent hardship exemptions are mandatory. PHA's can also encourage staff to include the PHA's policy in information sent to and discussed with residents. For example, property management staff may consider including this information with rent reminder notices.
- ✓ Consider reviewing and potentially revising the PHA policy on repayment agreements. For example, due to COVID-19, **Norfolk Redevelopment and Housing Authority (NRHA)** broadened their policy on repayment agreements, allowing residents to enter into a longer-term repayment agreement without the need to pay a lump sum. NRHA has historically offered repayment agreements, but limited agreements to a 12-month term, at no more than 40% of monthly adjusted income, which sometimes required a lump sum payment before entering the repayment agreement. Their original repayment agreement language, however, also included an exception for "extreme circumstances." Due to the extreme circumstance of COVID-19, NRHA is applying this language to all residents and allowing residents to enter into a longer-term repayment period without the need for a lump sum payment. Allowing a longer-term repayment period, and removing the lump sum requirement, provides additional relief to residents owing larger amounts.

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<sup>1</sup> HUD reminds PHAs that the COVID-19 Waivers Notice (PIH Notice 2020-13) requires that PHAs **notify residents and owners** of any impacts that the waivers and alternative requirements utilized may have on residents, and post the information publicly or otherwise make it available to the public. PHAs and owners should use whatever communication means are most effective and timely in reaching residents.

## Adopt Policies for Retroactive Interim Reexaminations

HUD strongly encourages PHAs to review and potentially **revise their interim reexamination policies** to allow for retroactive adjustments in response to the COVID-19 pandemic. These policies may reduce the potential hardship on families who were eligible for a rent reduction but did not report their income loss promptly due to extenuating circumstances of COVID-19 and/or families that timely reported the reduced income, but the PHA could not process the rent reduction immediately. A retroactive interim reexamination policy could also eliminate or significantly reduce the amount a family may owe in back rent. In addition, PHAs were provided additional funding under the CARES Act to cover operating deficits and extraordinary expenses related to COVID-19.



For Public Housing: The PHA must adopt interim reexamination policies in the ACOP and conduct reexaminations according to such policies. PHAs may revise their ACOPs to implement new interim reexamination policies. The COVID-19 Waivers Notice (PIH Notice 2020-13) provides PHAs with an alternative requirement to expedite revisions to their ACOP. Reference: PH-4 in PIH Notice 2020-13 and [24 CFR 960.257\(d\)](#).

For HCV: The PHA must adopt policies prescribing how to determine the effective date of a change in the housing assistance payment resulting from an interim redetermination. Reference: [24 CFR 982.516\(e\)](#). When applying a retroactive change in rent as the result of an interim reexamination, the PHA must clearly communicate the impact of the retroactive adjustment to both the family and the owner, so there is no confusion over the amount of the rent that is the family's responsibility and the increased housing assistance payment from the PHA that may cover previously unpaid rent from the tenant.

### Best Practices!

- ✓ To prevent evictions for non-payment of rent, PHAs are encouraged to implement a policy to allow for retroactive interim reexamination if the family had a decrease in income. If the PHA implements such a policy, consider whether this change should be available to families that have already been impacted by the prior policy, and allow them to adjust.
- ✓ The PHA may choose to establish conditions or requirements to maximize flexibility for when such a retroactive application would apply. For example, a PHA may adopt a policy that would make the effective date of an interim reexamination **retroactive to the first of the month following the date of the actual decrease** in income as opposed to the first of the month following when the family reported the change in income or when the interim reexamination was conducted.
- ✓ Ensure all property management staff and service coordinators are aware of current interim reexamination policies and encourage them to include this in information sent to and discussed with residents. For example, property management staff may consider including this information with rent reminder notices.
- ✓ Seek opportunities to streamline procedures for reporting changes to income. For example, the **Housing Authority of the City of Pittsburgh** has relaxed verification requirements for reporting income reduction. Public Housing and HCV residents are able to submit a simplified income reduction form online and send proof of reduced income. Rents are reduced without immediate documentation from the tenant. In addition, where the sole source of household income is lost, rents are reduced to the program's minimum rent or hardship rent.

## Direct Outreach to Households Behind on Rent

PHAs are encouraged to review their records, and coordinate with owners, to **determine how many, and which families are behind on rent**. From there, the PHA is encouraged to coordinate with staff that are most connected to residents in order to engage in direct outreach to families with past due balances to have **immediate and ongoing conversation with the families in order to prevent eviction**. This might be property managers, service coordinators, or other PHA staff who have a positive rapport with the families.



Some households may not be aware of the availability of interim reporting requirements if their income decreases, and some households mistakenly believe that they do not need to pay rent during the moratorium. Direct outreach can help clarify uncertainties and ensure that families continue being housed during this difficult time.

Also, **residents who do not speak English or have a disability may be at increased risk of not understanding the changes in rent rules or policies**. PHAs and owners must ensure that they are communicating effectively to persons with limited English proficiency and persons with disabilities. PHA staff across the agency are encouraged to be equipped with the necessary information and partner contacts to help residents overcome barriers to accessing resources and services.

HUD CARES Act funding through Public Housing Operating Fund ([PIH Notice 2020-07](#)) and Housing Choice Voucher Program Administrative Fees ([PIH Notice 2020-08](#)) can also be used to directly benefit households. While HUD understands that PHAs are facing many competing needs for their CARES Act allocations, HUD encourages PHAs to consider using a portion of these funds to directly support the economic stability of households. Funds cannot be used to pay a household's rent but can be used to pay for a range of direct supports for residents, including the coordination and delivery of services, goods, and supplies. These supports can help alleviate the financial tradeoffs many households are facing, such as costs associated with the delivery of cleaning products and personal protective equipment during stay at home orders. PHAs may also consider using CARES Act funds to hire additional staff to respond to COVID-19, such as an Eviction Prevention Coordinator or Service Coordinator.

### Best Practices!

- ✓ Identify the families who are behind on rent and determine the cause of non-payment. In tandem with this effort, identify the range of options and resources available to promote housing stability.
- ✓ Share information and discuss how families behind on rent can assess their eligibility for safety net benefits. Information on resources can be included with rent reminder notices, discussed at income reexaminations or rent conferences, and discussed as part of other direct outreach and one-on-one conversations with residents. Key benefits that may enable families to catch up on rent include unemployment benefits, economic impact payments (commonly referred to as stimulus payments), tax refunds such as the Earned Income Tax Credit (EITC), utility assistance or payment plans, and local rent and utility assistance resources. ([See Key Resource Links Box below.](#))

## Best Practices (continued)

- ✓ Remind tenants that the \$1,200+ Federal Economic Impact payment (stimulus payment) and the \$600 per week in temporary unemployment benefits provided in the CARES Act are NOT included in their income calculation. There may be a concern among tenants that if they pursue an interim reexamination that these income sources will be included in the calculation of income.
- ✓ Explore options to designate outreach or supportive services staff who can coordinate with PHA property managers and assist families:
  - For Family Self-Sufficiency (FSS), ROSS, and Jobs Plus grantees, staff employed under those grants may assist all otherwise eligible residents to access supports for basic needs as part of outreach for building a relationship with potential participants.
  - Non-grant-funded PHA Resident Services staff can assist families in connecting to resources as well.
  - PHAs may also consider using CARES Act funds to hire additional staff to respond to COVID-19, such as an Eviction Prevention Coordinator or Service Coordinator.
- ✓ Coordinate with local partners and agencies to identify resources for which public housing and/or HCV recipients may qualify. Work with critical partners to identify designated points of contact at each partner organization, who can be reached when PHA households are having difficulty accessing resources. Key partners may include:
  - City and State divisions responsible for eviction prevention resources and emergency payment assistance for rent and utilities;
  - One Stop Career Centers / Workforce Investment Boards with expertise in employment and unemployment resources;
  - Other local organizations with emergency assistance programs, such as United Way; and
  - Utility and internet companies.
- ✓ Consider actively participating in city-wide eviction prevention coalitions and conducting strategic outreach to eviction courts and owners. For example, **Columbus Metropolitan Housing Authority (CMHA)** has been working closely with its partners in the city's Housing Stabilization Coalition to ensure residents, owners and the courts are aware of the eviction moratorium and to provide support. Innovative practices include but are not limited to keeping an on-site presence (following social distancing guidelines) at the eviction court to confirm residents and owners are aware of the eviction moratorium, ensuring residents know they are eligible for interim income reexaminations, and discussing mitigation and other resources. Separate from the court setting, staff continue to reach out to residents and owners to provide support through service coordination and access to a newly created eviction avoidance fund. Additionally, CMHA is sending a letter to its approximately 5,000 owners reminding them of the eviction moratorium and its implications and offering supports from CMHA and other partners to help ensure residents are able to retain their housing.
- ✓ Local or State eviction moratoriums and other tenant protections may still be in effect, so it is important for PHAs and owners to be aware of the laws in the jurisdiction and include this information in direct outreach to households.

## Key Resource Links

Below are links to key benefits that may assist families and enable them to repay owed rent. PHAs may also wish to check with local partners to see if they have already developed a comprehensive list of resources that can be shared with families.

- Benefits Eligibility (TANF, SNAP)
  - [www.benefits.gov](http://www.benefits.gov)
- Unemployment expanded eligibility and enhanced benefits
  - [www.usa.gov/unemployment](http://www.usa.gov/unemployment)
  - [www.careeronestop.org/LocalHelp/UnemploymentBenefits](http://www.careeronestop.org/LocalHelp/UnemploymentBenefits)
- Economic Impact Payments
  - <https://www.irs.gov/coronavirus/economic-impact-payment-information-center>
- Free tax preparation
  - <https://irs.treasury.gov/freetaxprep>
- Emergency assistance resources to help households pay for rent, utilities and other basic necessities
  - Local governments and Community Action Agencies may have additional rental and utility assistance available for individuals who meet qualifying criteria.
  - Dial 211 from any phone / or visit <https://www.211.org/> and search by zip code for referrals to agencies and community organizations that offer emergency financial assistance. Callers can request translations services.
  - [www.usa.gov/help-with-bills](http://www.usa.gov/help-with-bills)
- Childcare for Essential Workers
  - [www.acf.hhs.gov/sites/default/files/occ/state\\_level\\_info\\_for\\_essential\\_workers\\_seeking\\_child\\_care.pdf](http://www.acf.hhs.gov/sites/default/files/occ/state_level_info_for_essential_workers_seeking_child_care.pdf)
- Immediate jobs available due to COVID-19
  - <https://needajobnow.usnlx.com>

## Minimum Rent and Financial Hardship Exemptions

For the Public Housing Program and the HCV Program, PHAs may establish a minimum rent up to \$50. If the family is unable to pay the minimum rent because of financial hardship, the PHA **must** grant an exemption as described in the PHA's hardship exemption policy. Circumstances in which the financial hardship exemption must be granted include when the family would be evicted because they are unable to pay the minimum rent. Reference: [24 CFR 5.630 \(b\)\(ii\)](#).



### Best Practices!

- ✓ PHAs may revise their policy and establish a minimum rent as low as zero.
- ✓ PHAs should include the updated policy in their outreach to households.

## Positioning Residents for Continuing Stability

To stabilize families during this continued crisis and beyond, unmet resident needs should be identified and the alignment of a continuum of resources will be necessary to transition residents from crisis to stability. **HUD recommends that PHAs simultaneously assess current and future resident conditions that threaten stability as rental recovery needs are being identified.** It will be important for PHAs to effectively engage the most vulnerable households such as elderly, disabled, low literacy, non-English speaking, and chronically ill residents, as well as other eligible household who have not traditionally engaged in supportive services.



Proactive alignment of local resources will help position residents to overcome the following common resident challenges and barriers to stability:

- Income and job loss
- Education and training completion
- Affordable, quality early education childcare, afterschool, and out of school care
- Transportation
- Alignment of public and private benefits e.g., unemployment, COVID-19 stimulus, CARES Act. resources. See Benefits.gov to identify eligibility for public benefits.
- Healthcare and home-based assistance
- Behavioral health and trauma services
- Social Isolation/recreation outlets
- Computer/internet access supporting remote learning, training and access to resources
- Financial literacy and future planning

PHAs have an opportunity to establish policies and priorities unique to this moment that may benefit their residents in the longer term.

### Best Practices!

- ✓ PHAs have an opportunity to use existing or CARES funds to hire additional staff to respond to COVID needs (see PIH Notice 2020-07 and PIH Notice 2020-08). If PHAs choose to do so, they may wish to prioritize hiring residents or resident-owned businesses over other candidates. In addition to providing an employment opportunity, these hires will count towards Section 3 requirements and, as members of the community, may generate greater levels of trust and resident engagement.
- ✓ Engage residents who have lost income in FSS or the Jobs Plus program, when available. This is an optimal time to enroll residents who have lost income into FSS and Jobs Plus, so that residents can maximize the benefit from the FSS escrow or the Jobs Plus Earned Income Disregard once they begin to regain earnings.
- ✓ Explore resources to support front-line practitioners who are working to transition residents from crisis to stability. The following link includes assessment tools and resources to support stability planning: <https://coresonline.org/covid-19-resources>
- ✓ Consider implementing a consistent family needs assessment tool to inform a resident stability strategy. [Urban Strategies, Inc.](#), a national service provider organization who

## Best Practices (continued)

partners with multiple PHAs, has developed a brief COVID-19 needs assessment tool that is free for PHA and HCV owners to use (see Attachment 8 or click: <https://3u34fs2tyufy2qaqju2l7s14-wpengine.netdna-ssl.com/wp-content/uploads/COVID19-Resource-Assessment-MD-RB-04042020FINAL.pdf>). Multiple supportive service staff have reported that using this tool has allowed them to demonstrate the extent of families' needs and secure resources from partners.

- ✓ Help prepare families now for future economic opportunities. The **Boston Housing Authority** and their **partner EMPath**, have identified BHA Whittier residents engaged in the Choice Neighborhoods economic mobility programming and who are experiencing unemployment or reduced hours as a result of COVID-19. EMPath has been working with the residents to explore what they can do now to further their long-term goals. For example, EMPath Coaches hold regular meetings via social platforms with residents who are out of work due to COVID-19. The Coach assists the resident in developing a strategy timed for the economy re-opening to include enrollment in online trainings or credentialing activities during this time.

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If you have best practices promoting housing stability and communicating with residents or related questions, please send them to [PIH@hud.gov](mailto:PIH@hud.gov).