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# The New Jersey Housing Crisis in a COVID Era: Mapping Strategic Processes

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# Executive Summary

This document reports on research conducted with support of the NJ State Policy Lab under a project entitled *The New Jersey Housing Crisis in a COVID Era: Mapping Strategic Processes*. The project examined strategic development and organizational learning processes of five New Jersey municipalities engaged with providing emergency rental assistance in response to COVID-19.<sup>1</sup>

The paper provides an overview of the eviction crisis, and the history and implementation of the Emergency Rental Assistance Program (ERAP), a program created to address matters of housing instability exacerbated by the pandemic. We attempt to overlay a lens of organizational learning over our examination, with a focus on lessons that might be drawn from the implementation of ERAP of learning and effectiveness of organizational processes. We conclude with summary findings about how the experiences of implementing ERAP provides insight into how New Jersey municipalities respond to housing needs exacerbated by a crisis such as COVID-19.

## 1. Program Structure and Rollout

One of the most striking structural aspects of the ERAP is the concurrent state and local-level strategies. The bifurcated ERAP allocation strategy, with some resources flowing to the state and others to local counties or municipalities, created redundancies. The state program was able to move much faster to get resources out to families in desperate need. The outcomes from the five local programs we examined varied wildly. Newark's program stood out as a success story.

Newark's success points to two important conclusions for further study. First, the targeted use of consultants with specialized skills can greatly assist administrative efficiency in terms of funds allocation as well as funds management. The housing crisis revealed the extent of organizational capacity limits in local government. Second, the amount of emergency rental assistance needed—and still being sought—is probably greater than the Treasury Department or any governmental source could anticipate. This demonstrates

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<sup>1</sup> The initial proposal noted that project "will explore how organizational learning occurs in relation to agency strategic processes on housing policy formulation, management, and execution based on changing circumstances (e.g. shortages, lawsuits, fiscal constraints, political considerations). The project will also examine the interplay of local, state, and federal influencing forces as housing policies adapt to housing crises during the COVID-era. Finally, the project will serve as the foundation for a broader initiative for examining housing disparities and affordable housing in New Jersey and in other states."

the profound dimensions of the housing instability/affordability crisis experienced by many thousands of New Jersey households at all times.

## 2. Innovations in Reaching and Assisting Tenants

The research team found effective and strategic outreach efforts were crucial to ensure that aid reaches the most vulnerable households. Strategies and tools include: 1) printable flyers and postcards that sometimes mailed directly to residents to share among their community; 2) social media templates and graphics, and informational web-based videos; 3) a list of community partners and volunteer coordination; 4) document checklists and step-by-step guides for renters and landlords; 5) assistance in acquiring IRS forms; and 6) access to public presentations, such as city council working sessions.<sup>2</sup> Self-attestation for tenants was an especially effective participation enhancer.

Notably, the ERAP experiment demonstrates that systematic eviction prevention works well and may be a model for statewide adoption.

## 3. Landlord Participation

Landlord participation has been an ongoing and acute problem reported by local programs. Some of this difficulty is related to similar challenges faced by renters, such as the digital divide, challenges producing documentation, and poor relationships with tenants. Over time, as the rent arrears have grown, landlords are increasingly willing to cooperate. However, we spoke with housing lawyers who said that in some hotter markets where rents were increasing during the pandemic, some landlords seemed to believe that non-participation could be used to get a non-paying tenant out.

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<sup>2</sup> <https://nlihc.org/resource-hub>

# Section 1

## Introduction/ Overview

This document reports on research conducted with support of the NJ State Policy Lab under a project entitled *The New Jersey Housing Crisis in a COVID Era: Mapping Strategic Processes*. The project examined strategic development and organizational learning processes of five New Jersey municipalities engaged with providing emergency rental assistance in response to COVID-19.<sup>3</sup>

The research team anchored the project around an exploration of municipal involvement in the implementation of the Emergency Rental Assistance Program (ERAP) in five New Jersey cities. ERAP was created due to the impact of the COVID-19 crisis on communities throughout the United States to address the housing instability exacerbated by the pandemic. Our logic in anchoring the project around ERAP was that doing so would provide a context for considering how to interrogate strategic processes and organizational learning by municipal actors addressing rental assistance needs related to COVID-19.

We begin this paper with an overview of the eviction crisis, and the history and implementation of the ERAP Briefly, this country faces a dramatic rental affordability and eviction crisis that predated the pandemic. The emergency rental programs and eviction moratoriums are widely understood to have served an essential role in keeping people in their homes during this pandemic. Yet, the data indicate that there are still more than 8 million households behind on their rents. There is no end to the crisis in sight.

Next, we turn to a summary of the literature on organizational learning, a review of the legal enabling frameworks for housing policy and housing assistance, and on best practices in emergency rent distribution. The review of the organizational learning literature provides a framework for thinking about strategic processes used by agencies implementing ERAP In our review of the organizational learning literature, we begin with an acknowledgement, reinforced by the literature on organizational learning, that much of the work in this field is complicated by the fact that a lot of it is abstract, and as a result provides some challenges for many of the day-to-day practitioners who might otherwise apply notions of organizational learning in a programmatic context.

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<sup>3</sup> The initial proposal noted that project “will explore how organizational learning occurs in relation to agency strategic processes on housing policy formulation, management, and execution based on changing circumstances (eg. shortages, lawsuits, fiscal constraints, political considerations). The project will also examine the interplay of local, state, and federal influencing forces as housing policies adapt to housing crises during the COVID-era. Finally, the project will serve as the foundation for a broader initiative for examining housing disparities and affordable housing in New Jersey and in other states.”

Then, we shift to our findings from our cases. We present our cases of the roll-out of ERAP in our five municipalities: Newark, Jersey City, Trenton, Camden, and Elizabeth. Two of these municipalities, Newark and Jersey City, received their own direct funding for ERAPs. The other three municipalities received funding at the county level.

We conclude with summary findings about how the experiences of implementing the ERA Program provides insight into how New Jersey municipalities respond to housing needs exacerbated by a crisis such as COVID-19.

# Section 2

## COVID-19

### and the Eviction Crisis in New Jersey

### The Long-Term U.S. Eviction Crisis

Early in the pandemic, Congress recognized that lockdowns and job losses would greatly contribute to the national affordability crisis that has led to so many evictions. In 2016, the most recent year for which the United States Department of Housing and Urban Development (HUD) has national data available, landlords filed an estimated 3.7 million evictions. That means, in a single non-recessionary year, 8% of all renter households received an eviction notice. This 8% figure is a significant understatement of how bad the problem is, because of geographic gaps in the data, and significant numbers of informal evictions that are not counted. To put this in perspective, at the height of the foreclosure crisis during the Great Recession, there were 2.8 million foreclosure starts. The scope of the eviction crisis dwarfs the foreclosure crisis, even before the COVID pandemic (US HUD, 2021).

Since the start of the pandemic, the problem has gotten much worse. According to the most recent Census Bureau Household Pulse Survey (October-2021), 16% of all renters are behind on their rent. Job losses were most pronounced among low-income renters, and national orders to shelter in place made the eviction crisis overlap with our national health crisis. In September, 2020, the Centers for Disease Control (CDC) issued a temporary halt on evictions due to public health concerns. This was followed later by large-scale public funding programs to support rent relief, which is the focus of this research.

This eviction crisis is widely known to disproportionately harm Black, Latino/a and Asian renters, renter households with children, and places with more renters including urban areas. Studies show the effects of an eviction on a household can be profound, including loss of material possessions, jobs, schools, and social networks. Other studies emphasize negative mental and physical health outcomes. Having an eviction in one's past also makes it much more difficult to access new housing.

In New Jersey, the scope of the problem is worse, and so are the racial disparities. Roughly 393,000 households in New Jersey are behind on their rent.<sup>4</sup> This eviction pressure is faced disproportionately by residents of color, by larger households, and by households with children. Thirty-nine percent of renters who identify as Black report being behind on their rent, 29% who identify as two or more races, 26% of Latino/as, 19% of Asians, and just 11% of Whites.

<sup>4</sup> <https://www.census.gov/data/tables/2021/demo/hhp/hhp39.html>, Housing Table 1B.

Advocates we talked to praised many of the eviction-prevention provisions offered by federal and state law. The national and state eviction moratorium has been invaluable in keeping people in their homes, but those evictions are merely suspended by the rules and tenants will still owe back rent. Rather the ERAP provisions described next created a process by which evictions were automatically dismissed. Advocates called this “eviction protection.” Once a tenant self-attested to being negatively financially impacted by the pandemic, and that attestation was registered with the state Department of Community Affairs, any rent-related complaint against them would be automatically dismissed by the relevant court.

## The Emergency Rental Assistance Program (ERAP)

To respond to an eviction crisis exacerbated by the pandemic, the federal government enacted a series of legislation that provide unprecedented funding for emergency rental assistance. The Coronavirus Aid, Relief, and Economic Security Act (CARES Act), which was enacted in March, 2020, dispensed relief funds that were used in a majority of the municipalities studied in this research. The primary rent relief programs are the two Emergency Rental Assistance Programs (ERAP1 and ERAP2). The first round of the Emergency Rental Assistance Program (ERAP I) was established by the Consolidated Appropriations Act. The second round of the Emergency Rental Assistance Program (ERAP II) was funded in March, 2021 through the American Rescue Plan. The two rounds of ERAP funding provided states and local governments with an unprecedented federal flow of \$46.55 billion in emergency rental assistance.

ERAP I funds expire on September 30, 2022 and ERAP II funds expire on September 30, 2025. However, as specified under the American Rescue Act Plan, in October, 2021 the Treasury announced that any state or local program which has failed to spend or commit at least 65% of its ERAP I allocation would have to submit a program improvement plan, or its funding would be reallocated to another jurisdiction, probably in the same state.<sup>5</sup> As of the end of November, Treasury estimates that 80% of the ERAP I funding will be committed or spent by the end of the calendar year.<sup>6</sup>

There is common consensus among researchers and policymakers that this rental assistance and the eviction moratoriums have been essential for protecting families from eviction and financial collapse during the pandemic. Both strategies are also widely supported by the public. According to a recent national survey, 63% of respondents supported both rent control and eviction moratoriums.<sup>7</sup>

<sup>5</sup> <https://home.treasury.gov/system/files/136/ERA1-ReallocationSummary-October-2021.pdf>

<sup>6</sup> <https://home.treasury.gov/news/press-releases/jy0506>

<sup>7</sup> For the survey results see: Pollack et al., 2021, 1. See also Kuk et al., 2020; Pollack et al., 2021; Aiken et al., 2021, and Airgood-Obrycki et al. 2021.

## New Jersey Rental Assistance Allocation

There have been two rounds of the federally-supported Emergency Rental Assistance Program (ERAP I and ERAP II), which combined have awarded more than \$1 billion to New Jersey in rent relief funding. ERAP I allocated \$589 million to New Jersey, and ERAP II allocated another \$466 million. In addition, prior to the arrival of these much larger funding streams, the CARES Act, which established the Coronavirus Relief Fund, allocated the state a much smaller \$3.4 million.

Most rent relief funding was awarded at the state level, and these programs are operated through the Department of Community Affairs. However, some cities and counties received separate local funding allocations based on federal estimates of local-need. In order to be eligible to receive a local allocation, the city or county must have a population of at least 200,000 people.

In New Jersey, only two municipalities have populations of sufficient size to get their own allocation: Newark and Jersey City. In addition, 14 counties qualified for local allocations. These include the three counties where the other municipalities in this study are located: Mercer County (Trenton), Union County (Elizabeth) and Camden County (Camden). In addition, the two counties where Newark and Jersey City are located were both eligible, Essex County (Newark) and Hudson County (Jersey City). In ERAP1, the amount allocation was calculated using Census population data. Under ERAP2, the size of the allocations was again based on allocation, with some additional funding added to areas designated high need.<sup>8</sup>

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<sup>8</sup> <https://home.treasury.gov/system/files/136/Emergency-Rental-Assistance-Data-and-Methodology-1-11-21.pdf>



# Section 3

## Literature Review

### Organizational Learning

Notions of organizational learning have assisted public, private, and nonprofit entities with enhancing their efficiencies in service delivery or response to situations encountered over the years (Dekker and Hansén 2004; Greiling and Halachmi 2013). Research in this area has a descriptive focus which aims to understand questions around why organizations learn, conditions that facilitate and impede learning, and learning effects. It builds upon work examining how learning occurs at the individual, group, organizational, and inter-organizational levels (Bartunek 2014; Cangelosi and Dill 1965; Crossan 1995).

Closely linked to notions of organizational learning is a concept of knowledge management, which concentrates on questions of knowledge capturing, preserving, localizing, and applying. There are two basic paradigms in knowledge management. The first examines knowledge as empirically validated facts and where information technology plays the most important role in managing that knowledge. The second consists of a comprehension of tacit knowledge, which is the intelligence that we gain through personal and professional experience versus explicit knowledge, which is knowledge that can be written, codified, and easily shared.

Various natural and other disasters over the past several decades have provided opportunities for considering how organizations learn from a particular crisis. (Harrald 2006; James 2011; Lampel, Shamsie, and Shapira 2009). Farazmand (2007) considered various lessons for public agencies that responded to 2005's Hurricane Katrina. Pitch-Loeb et al (2014) examine how learning occurs between health agencies during public health emergencies. Martineau, Wilkinson, and Parker (2017) examine learning processes that occurred in a network of organizations that responded to the 2014-2016 Ebola outbreak in West Africa.

Our project examines responses of a subset of entities that have been involved with the provision of emergency rental assistance in New Jersey in light of the COVID-19 pandemic.

## Federal Powers and Functions for Housing Assistance:

Governmental authority over housing policy is non-specific and disbursed across local, state and federal agencies depending on the policy function (e.g., antidiscrimination is subject to federal and state agency rules while property taxes are levied subject to local police powers). Constitutional law has long held that powers over land-use and planning is an exercise of police power reserved to the states to regulate public health, safety, morals, and the general welfare of its citizens.<sup>9</sup> This power is given to the States by the Tenth Amendment.<sup>10</sup> However, other federal constitutional regulations still apply. For example, if a zoning ordinance is found by a court to be clearly arbitrary, unreasonable, and lacking any substantial relation to public health, safety, morals, or general welfare, it will be struck down as unconstitutional.<sup>11</sup> Zoning ordinances that violate Equal Protection or Due Process will be struck down as well.<sup>12</sup>

According to the Constitution, when getting states to act on powers that are reserved to them, the federal government must tread a fine line between providing a service or setting baseline standards and violating state sovereignty by compelling them to pass legislation or penalizing them.<sup>13</sup> An example of direct enforcement is when Congress passed the Fair Housing Act in 1968. This Act bars the enactment of both explicitly discriminatory housing policy and housing policy that have a disparate impact on suspect classes (races, ethnicities, religions, etc.).<sup>14</sup> If such a policy is implemented in violation of the Act, a private citizen affected by the ordinance, or the Attorney General, may bring suit against the state or city, at which point it would likely be struck down by the court.<sup>15</sup> The reason this statute does not violate the Tenth Amendment is because it is Congress acting to enforce the Equal Protection Clause of the Fourteenth Amendment.<sup>16</sup>

Congress may use its taxing and spending powers under Article 1 Section 8 of the Constitution to provide conditional funding to states provided those conditions are unambiguous, are substantially related to the federal interest/project/program, are not unduly coercive, and do not violate any other constitutional provisions.<sup>17</sup> An example of this is when Congress passed

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9 [https://www.law.cornell.edu/wex/police\\_powers](https://www.law.cornell.edu/wex/police_powers)

10 USCS Const. Amend. 10

11 *Euclid v. Ambler Realty Co.*, 272 U.S. 365 (1926)

12 *S. Burlington Cnty. NAACP v. Mount Laurel*, 67 N.J. 151 (1975)

13 *New York v. United States*, 505 U.S. 144 (1992)

14 42 U.S.C. 3601-3619

15 *Id.*

16 <https://www.justice.gov/crt/housing-and-civil-enforcement-cases-documents-192#:~:text=Like%20the%20ADA%2C%20the%20Fair,enforce%20the%20Equal%20Protection%20Clause.>

17 *South Dakota v. Dole*, 483 U.S. 203, 107 S. Ct. 2793 (1987)

the Emergency Rental Assistance program, which allocated billions of dollars to the state and municipal governments with populations of 200,000 or more to cover people's rents in response to the COVID-19 pandemic.<sup>18</sup> Congress set certain parameters concerning what the funds may be used for, who is eligible to receive these funds, and who to prioritize in the distribution of those funds.<sup>19</sup> However, when it comes to the actual distribution, states may determine who will administer the assistance, how to prioritize among the eligible uses of the funds, how to ration limited benefits, whether and how to further prioritize applicants, how much documentation to require of applicants and for recertification periods, the amount and duration of benefits provided, whether to place conditions on the recipients of assistance, and whether and what to provide in terms of housing stability services.<sup>20</sup>

Another way the federal government constitutionally influences state and local policy is through the use of executive agencies. Congress may create agencies with the authority to carry out government functions through legislation. The bill must contain an intelligible principle that the agency must carry out and a list of powers by which the agency may act to carry out that principle.<sup>21</sup> Agencies may not act outside of the enumerated powers in their charter, as was the case when the CDC attempted to issue and enforce a national eviction moratorium. The Supreme Court ruled that the CDC did not have the authority to do such a thing as they were not granted that power in their charter.<sup>22</sup> The agency responsible for the oversight of affordable housing assistance is the Department of Housing and Urban Development (HUD).<sup>23</sup> HUD was established by an act of congress in 1965 and was tasked with the oversight and administration of national policies and programs meant to address the housing needs low-income of Americans.<sup>24</sup> HUD is given funding by Congress that they can distribute in a variety of ways. It may grant money to public housing associations and State and local governments for a variety of housing related programs, but in accepting the money they are subject to HUD regulations.<sup>25</sup>

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<sup>18</sup> 15 U.S.C.S. § 9058a

<sup>19</sup> *Id.*

<sup>20</sup> *Id.*

<sup>21</sup> *J.W. Hampton v. United States*, 276 U.S. 394 (1928)

<sup>22</sup> *Ala. Ass'n of Realtors v. HHS*, 141 S. Ct. 2485 (2021)

<sup>23</sup> 89 P.L. 174

<sup>24</sup> *Id.*

<sup>25</sup> CFR Title 24

## New Jersey State Housing Powers

States have the most direct authority over housing policy. Broadly speaking, the state sets the baseline parameters for landlord-tenant relations, rent policies, and housing standards. The New Jersey State Constitution gives the Legislature the authority to delegate housing powers to municipalities.<sup>26</sup> The legislature also delegated authority to regulate rents, such as through rent control policies, to municipalities as well.<sup>27</sup> The Legislature sets the baseline grounds for a just removal of tenants statewide.<sup>28</sup> These grounds include if the tenant fails to pay rent, is disorderly, is destructive of the property, continues to violate the rules the landlord set on the premises, or is convicted of certain enumerated crimes.<sup>29</sup>

The state agency that is responsible for the oversight and implementation of housing policies is the Department of Community Affairs (DCA). The State constitution mandates the creation of executive departments to carry out state functions.<sup>30</sup> These function similarly to federal agencies, especially in terms of chain of authority and the ability to act only as their charter or the legislature permits. The DCA was created in 1966 and was tasked with providing administrative guidance, financial support and technical assistance to local governments, community development organizations, businesses and individuals seeking to tackle the affordable housing crisis in New Jersey.<sup>31</sup> DCA, via statutes passed by the legislature, is given a variety of authorities related to housing assistance. DCA may apply for and accept grants from virtually any source, like the federal government, and may spend those funds in accordance with the terms of the grant.<sup>32</sup> It may conduct operations related to the establishment of building codes and the development of affordable housing.<sup>33</sup> It may also establish criteria for the eligibility to receive rental or housing assistance including, but not limited to, persons facing imminent foreclosure or eviction when such struggles are attributable to illness, unemployment, under employment, or any failure of resources beyond the person's control.<sup>34</sup>

DCA also oversees community action agencies (CAAs) established by N.J. Stat. § 52:27D-399. The CAAs are responsible in part for obtaining emergency assistance to meet family housing needs. They also have the power to enter into contracts with any private or public organizations to

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<sup>26</sup> Article IV, Section VI, Paragraph 2 ; N.J. Stat. § 40:55D-62

<sup>27</sup> N.J. Stat. § 2A:42-84.2.

<sup>28</sup> N.J. Stat. § 2A:18-61.1

<sup>29</sup> *Id.*

<sup>30</sup> N.J. Const., Art. V, Sec. IV, Para. 1 & 2

<sup>31</sup> N.J. Stat. § 52:27D-1

<sup>32</sup> N.J. Stat. § 52:27D-10

<sup>33</sup> N.J. Stat. § 52:27D-21/22

<sup>34</sup> N.J. Stat. § 52:27D-282

assist it in fulfilling the agencies responsibilities to assist low-income individuals. The legislature endowed municipalities to create public housing authorities with the power to cooperate with state, federal, local, or private entities to accept and administer rental and housing assistance as an agency under the control of that municipality.<sup>35</sup>

DCA has understandably played a large role in the implementation of COVID19 housing relief statewide. At the beginning of the pandemic, the governor exercised the authority to issue the state eviction moratorium.<sup>36</sup> The legislation and the Order prevent evictions and foreclosures from being enforced statewide until December 31, 2021, while allowing court proceedings to be initiated or continued during the moratorium and landlords can recover their arrearages either from the tenant after the moratorium ends or from emergency rental assistance programs.<sup>37</sup> Also, rent owed before March 1, 2020, is not covered by the moratorium.<sup>38</sup> If a landlord attempts to violate this order, they can be sued either by the tenant or by the state Attorney General on their behalf, and the landlord may suffer fines reaching up to \$2,500.<sup>39</sup>

DCA was tasked with establishing the Eviction Prevention Program as a supplement to the COVID-19 Emergency Rental Assistance Program Phase II to provide rental relief for residents who cannot pay rent due to COVID-19.<sup>40</sup> A household that has previously received rental assistance under ERAP II may apply for additional assistance under the Eviction Prevention Program, but any additional grant of assistance must also consider the rental assistance previously provided by ERAP II.<sup>41</sup> To qualify for ERAP II, the applicant must be a New Jersey resident 18 years of age or older; qualify for unemployment or have experienced a reduction in household income, incurred significant costs, or experienced a financial hardship due, directly, or indirectly, to the COVID-19 pandemic; demonstrate a risk of experiencing homelessness or housing instability; and have a household income at or below 80 percent of the area median income.<sup>42</sup> The criteria to qualify for the supplemental EPP is similar.<sup>43</sup>

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<sup>35</sup> N.J. Stat. § 40A:12A-16

<sup>36</sup> N.J. Stat. § 2A:18-59.3

<sup>37</sup> *Id.*

<sup>38</sup> *Id.*

<sup>39</sup> N.J. Stat 52:27D-287.9

<sup>40</sup> N.J. Stat. 52:27D-287.10

<sup>41</sup> *Id.*

<sup>42</sup> *Id.*

<sup>43</sup> *Id.*



# Section 4

## Empirical Project

### Approach and Methods

This project was as a preliminary examination of the organizational learning processes of five New Jersey municipalities engaged in the implementation of the ERAP. Our approach involved a case-by-case analysis using the following strategies:

- (1) *Flow of Funds Analysis:* We analyzed rent relief funds allocated and spent by New Jersey's state and local programs, as well as other sources of funding used for rent relief by local jurisdictions in response to the housing crisis.
- (2) *Detailed local summaries and timelines:* We developed local narratives for each case using local press releases, news articles, web-research, and allocation and expenditure data from the Department of Treasury.
- (3) *User-Experience Analysis:* We did a case-by-case analysis from the perspective of a resident trying to access rent relief support. This entailed intentional human interaction with online portals, assessment of web navigation, and analyzing informational materials related to the programs.
- (4) *Interviews with local and state stakeholders:* We conducted interviews with key individuals engaged in implementing the program in their municipalities.
- (5) *Triangulation with Best Practices and Experiences Nationwide:* The team put our cases into conversation with a review of the best practices resources and experience from NLIHC's ERA Resource Hub, the Housing Crisis Research Collaborative, and the regular reports provided on best practices on the Department of Treasury website.

### Background on the Cases

We selected the five municipalities using known factors that increase the risk of housing instability, eviction, and the need for emergency rental assistance. The group selected urban municipalities with large numbers of renters, lower median incomes, and higher poverty rates. The ones selected were: Newark, Jersey City, Trenton, Elizabeth and

Camden. Some demographic information on each of the municipalities in this study is included in Table 1.

In all five municipalities, more than 60% of households are renters, and all of these cities have elevated rates of poverty compared to the state as a whole. In Newark, Trenton, and Camden, the median household income is less than half the median throughout the state. The federal standard for being “rent burdened” is for a household to spend more than a third of its income in rent. Using this standard, in each of these municipalities except for Jersey City, the typical renter was already paying more than they could afford each month for their housing, before the pandemic started.

All of these municipalities are also majority minority, and more than half identify as either Black, Latino/a, or both. Racial and ethnic minorities are widely known to be more impacted by eviction, and more vulnerable to instability from COVID.

**Table 1. Basic Demographics on Case Study Municipalities**

Municipality	Pop	Black	Latino	Poverty Rate	Share Renters	Median Rent	Median Household Income	Rent as % Income	Un-Employment Rate
Newark	311,549	49%	36%	27%	78%	\$ 1,085	\$ 35,199	36%	15%
Jersey City	292,449	20%	29%	17%	71%	\$ 1,401	\$ 70,753	28%	10%
Trenton	90,871	44%	38%	29%	63%	\$ 1,026	\$ 35,402	36%	11%
Elizabeth	137,298	18%	65%	18%	76%	\$ 1,163	\$ 47,407	33%	12%
Camden	71,791	42%	51%	36%	61%	\$ 922	\$ 27,015	39%	16%
New Jersey	9,288,994	13%	20%	10%	36%	\$ 1,334	\$ 82,545	31%	10%

*Source: Population and race/ethnicity data are Census 2020. The other variables are 2019 American Community Survey (ACS).*

Two of our municipalities, Newark and Jersey City, received federal funding directly because they have populations greater than 200,000 people. The other three municipalities were not large enough to get their own allocation, and therefore received funding through respective county programs. The allocation amount for each of the municipalities and the state program are shown in Table 2. In addition, the two counties where the largest cities are located received separate local funding streams. This local funding was in addition to the rent assistance offered by the statewide program. Residents in any of these municipalities were able to apply to the New Jersey State program operated through the DCA. However, the overlap of local funding streams varies from place to place. Residents in Newark are encouraged to apply for emergency assistance through the Essex County program. However, Jersey City residents are directed away from the Hudson County portal, to the Jersey City or New Jersey State programs.

**Table 2. Local and New Jersey State Allocations for Emergency Rental Programs**

	ERAP1 Allocation (millions)	ERAP2 Allocation (millions)
Newark	\$8.4	\$6.0
Jersey City	\$7.8	\$2.5
Trenton (Mercer County)	\$11.0	\$4.9
Elizabeth (Union County)	\$16.6	\$8.2
Camden (Camden County)	\$15.1	\$15
New Jersey State Program	\$589.0	\$113.5

*Source: Department of Treasury*

The size of the allocations is significant, and local governments had to spend the infusion of cash quickly. This scope of these new programs, and the speed with which funds needed to be disseminated, created significant challenges for the local areas we studied. Each of the five municipalities took months after they received the allocation to start committing the funding.

In the next section, the report turns to a discussion of the challenges, best practices, and lessons learned so far. Then we shift to a case-by-case description of emergency rental assistance in each of the five municipalities.

## Case By Case Analysis

### *Case 1: Newark*

Newark was slow to start committing its funding, but the program is now widely viewed as exemplary. As of October 31, 2021, Newark had only committed 1/10 of its allocation. Two months later, Newark has committed its entire allocation of more than \$20 million, and expects all the money to be spent by early January. The city is now applying for additional ERAP funding. This case represents a stunning example of organizational learning in that Newark officials admit to being caught off guard by the first two rounds—and administered them very unevenly—only to implement one of the most efficient delivery systems in the state. Knowledge management problems of both kinds—information technology for empirically validated facts like who receives what as well as tacit knowledge gained through the experience of trial and error—were manifest during the early months.

Newark went through four rounds of rent assistance funding over the last year. This recent fourth round dwarfs all of the previous ones (see Table 3 below). The first two rounds were not funded for through the Treasury's ERAP, but through a combination of CARES Act funding and a mayoral municipal fund. Strikingly, the second round of rent relief was announced four months after the ERAP 1 allocation, but it did not employ any ERAP dollars. The two CARES Act rounds

were administered by the Newark Housing Authority in consultation with Newark's Economic and Housing Department's Office of Affordability and Sustainability (OAS).

**Table 3. Newark Rent Relief Programs (Four Rounds)<sup>44</sup>**

	Operators	Total Allocated and Spent	Relief Offered	Tenant Restrictions
Round 1 Nov-Dec 2020 <i>CARES ACT</i>	Newark Housing Authority, City's Economic and Housing Dept.	\$2 million	\$2,000, or up to three months rent	<60% AMI
Round 2 May, 2021 <i>CARES ACT</i>	City's Economic and Housing Dept.	\$1 million	\$1,000 to 1,000 households	<60% AMI
Round 3 July-Sep 2021 <i>ERAP</i>	City's Economic and Housing Department, Ernst & Young	\$14 million <i>\$813,000 spent</i>	Up to 15 months of rent in arrears, future or (sometimes) utilities	< 50% AMI preferred, <80% AMI eligible
Round 4 Oct-Dec 2021 <i>ERAP</i>	Ernst & Young	\$20.3 million <i>All of it spent</i>	Up to 15 months of rent in arrears, future or utilities	< 80% AMI eligible

It was not until Round 3 in July, 2021, that Newark started to commit its large ERAP allocation. The fourth round, seven months after the funding was allocated, is when Newark's rent relief programs really took off. Then, in less than two months, the city was able to commit the entirety of its \$20 million allocation. According to interviews with local officials, the early mishaps were attributable to a) the inability of the Newark Housing Authority to suddenly take over administrative responsibility for disbursing funds and assessing the effectiveness of a large federal program; b) the fact that administrative leadership over the OAS had changed hands in March of 2020, the very start of the COVIDlockdown; and c) that office's limited staff—not even four full-time employees.

Organizationally, Newark's public sector did not have the administrative bandwidth and expertise to suddenly implement such a new set of program requirements. The CARES program alone required complex rule interpretation, staffing and logistical expertise in assessing what worked. Staff was not aware there would even be a second round of CARES funding. Ultimately,

44 Round 1: <https://www.newarknj.gov/news/applications-are-open-now-for-covid-19-emergency-rent-grants>

Round 2: <https://www.newarknj.gov/news/applications-are-open-now-for-covid-19-emergency-rent-grants>

Round 3: <https://www.newarknj.gov/news/mayor-baraka-announces-14-million-in-third-round-of-emergency-rental-assistance-for-newarkers-landlord-registration-starts-on-july-19-and-tenant-applications-go-live-on-july-26>

Round 4: <https://www.newarknj.gov/news/mayor-baraka-announces-city-has-committed-20-3m-in-rental-assistance-to-more-than-1-800-households>

they learned that they were not getting dollars out to landlords and couldn't determine what worked and what didn't, or how long it would take for people to be paid. As one staffer put it, "The city was being transactional when it should have been systematic."

Critical to Newark's transformation was discovering that it did not have the capacity alone to administer CARES or ERAP after that. The city attributes its recent success to collaboration with community groups and residents, as well as its hiring of Ernst & Young, a consulting group, to administer the program. Ernst & Young has developed platforms for several localities in New Jersey. The OAS needed technology it didn't have.

Ernst & Young began running Newark's web portal with the ERAP rollout in the summer of 2021. The site is streamlined and easy to use, with clear demarcations for renters and tenants respectively. Ernst & Young virtually trained community-based organizations in how to assist applicants where they lived. The city offered how-to videos on another platform they had developed during the pandemic, Newark.covid.com as well as in-person and call center support. Eventually, they learned that Spanish-speaking areas such as the North and East Wards were failing to apply in predicted numbers. People needed "layers of support" in order to actually complete an application once started. Some layers were new, some were built upon. In a December 10 press release, the mayor described the city's success this way:

Newark's leadership in distributing Emergency Rental Assistance Program funds is the result of a wide-ranging collaboration between community groups, clergy, council members, tenant organizations, individuals, and many others joining together to help prevent Newarkers from being evicted as a result of the COVID-19 pandemic. As the eviction moratoriums expire, Newark has applied for additional ERAP funds, will expand the staffing of our Office of Tenant Legal Services, and join with other cities and states to fight for enough Federal ERAP funds to stop COVID-related evictions.

One important difference between the CARES Act rounds (Rounds 1 and 2) and the ERAP rounds (Rounds 3 and 4) is in the size of the payments. The CARES Act rounds limited payments to \$2,000 and \$1,000, respectively. Meanwhile, the ERAP funding covers up to 15 months of rent payments, and the average payment was \$8,445 per household. Therefore, while the city dispensed significantly more funding in the ERAP rounds, the number of households assisted was not much different than the CARES rounds, according to city publications. The city announced 1,900 families assisted through Rounds 1 and 2 (June 30, 2021). It announced the ERAP rounds covered 1,800 households (December 8, 2021). Officials at OAS estimate that average payments during the first six months were \$5,100 per household; in the last few months it has been \$9,000 per household, a clear indication of deepening need as the pandemic wears on for working-class tenants.

Newark extended its application deadline to January 7, 2022, but had to close its portal in December because it had committed its entire allocation. Since then, applicants have been encouraged to apply to the Essex County program, which received a separate allocation, while the city seeks additional federal resources. Based on the city's successes with the program, Newark has applied for \$14 million in additional ERAP resources. Officials believe that the Treasury formula may have underestimated the city's tremendous rental assistance needs, but they are confident that Newark is in a better position now to project prospective need based on past performance.

### *Case 2: Jersey City*

Jersey City's early approach to rent relief emphasized targeting resources to the lowest income residents and to small landlords. Unfortunately, the city has faced sharp criticism for its slowness in releasing funds. Like Newark, the Jersey City program was slow to get started. However, unlike Newark, Jersey City has not seen a great push at the end of the calendar year to spend its allocation. Jersey City's portal was only officially open for four weeks in the latter half of 2021. It was open for two weeks in August, and then for two weeks in October. The portal has been officially closed since October 18. It is still possible to submit an application to be put on a waitlist, but there is no word on when the portal will be reopened.

Like Newark, Jersey City had a first round of rent relief funding that was separate from the ERAP (See Table 5 for Jersey City's three rounds of emergency rent relief). The city awarded \$2.5 million in Community Development Block Grant (CDBG) funding and mayoral funds to four community-based organizations to work directly with tenants in need. The focus of these funds was on very low-income tenants, and smaller landlords in owner-occupied settings. This funding assisted 1,600 households, with 95% of that grant money providing direct aid to lower-income residents in the Jersey City Heights and neighborhoods in the south-west section of the City. The organizations involved were York Street, Women Rising, United Way, and Puertorriqueños Asociados for Community Organization (PACO)

**Table 4. Jersey City Rent Relief Rounds**

	Sources and Operators	Total Allocated	Relief Offered	Tenant Restrictions
Round 1 March 2021	Source: CDBG and Mayoral Fund  Operated By: Community-based organizations	\$2.5 million	\$1,500 per household	50% AMI
Round 2 Aug 17-Aug 31, 2021	Source: ERAP  Operated By: Jersey City Housing Authority	\$7.8 million	Up to 15 months of rent support	50% AMI, Small landlords only
Round 3 Oct 4-Oct 18 2021	Source: ERAP  Operated By: Jersey City Housing Authority	\$7.8 million (continued)	Up to 15 months of rent support	50% AMI preferred, 80% AMI eligible

More than five months later, the first phase of the Jersey City ERAP finally started. It ran from August 17 to August 31. Jersey City continued its earlier approach of targeting very low-income residents (less than 50% AMI) and renters living in owner-occupied units with five or fewer rental units. Jersey City made very clear statements that it was consciously prioritizing the most in need groups. In a press release<sup>45</sup> statement announcing the launch of the ERAP portal, Mayor Fulop explained they wanted to first help the lowest-income residents and small owner-occupied landlords, and then “methodically expand the eligibility pool”:

We understand that families are struggling to pay rent, and small property owners are also struggling to keep up with the mortgage and other bills. That's why we are focusing on owner-occupied buildings with four units or less, because they have been the hardest-hit and will benefit most from this aid, rather than large businesses. Once we can help our lowest-income residents, we intend to methodically expand the eligibility pool further by income and to non-owner-occupied buildings.

This targeted approach drew harsh scrutiny from the media, with reports that more than 800 applicants were unilaterally rejected because of onerous restrictions on the type of landlord.<sup>46</sup> As of the end of October, only 17% of ERAP 1 funds had been spent, and none of the city's ERAP II allocation.<sup>47</sup>

<sup>45</sup> [https://jerseycitynj.gov/news/pressreleases2021/mayor\\_fulop\\_announces\\_latest\\_rent\\_relief\\_program](https://jerseycitynj.gov/news/pressreleases2021/mayor_fulop_announces_latest_rent_relief_program)

<sup>46</sup> [https://www.huffpost.com/entry/jersey-city-federal-rental-aid\\_n\\_61424340e4b01f79194c8425](https://www.huffpost.com/entry/jersey-city-federal-rental-aid_n_61424340e4b01f79194c8425); <https://www.nj.com/hudson/2021/09/low-payouts-renew-scrutiny-of-jersey-citys-rent-relief-program.html>

<sup>47</sup> <https://home.treasury.gov/system/files/136/October-ERA-Data-CORRECTED-12062021.xlsx>

The ERAP portal was reopened from October 4 through October 18, this time with many fewer restrictions. This phase prioritized households with income less than 50% AMI, but anyone under 80% of AMI was eligible. It also required that one or more members have not been employed for 90 days preceding the application date. The mayor presented this wider eligibility phase by emphasizing the intentionality of their targeted efforts:

We've been very clear from the start of the Rent Relief Program that we'd use a phased approach to ensure our neediest residents and landlords receive the financial assistance they deserve, rather than opening it up broadly only to have limited funds monopolized by large developers and out-of-town investors.<sup>48</sup>

There is no word on the Jersey City website concerning if or when there will be another application period. Hudson County (where Jersey City is located) received its own allocation separate from Jersey City. The Hudson County portal is currently accepting applications, but it redirects Jersey City residents to the state or city portal. This is different from the Newark case, where Newark residents are being actively encouraged to apply for funding from the Essex County program.

ERAP funds are administered by the Jersey City Housing Authority (JCHA), on behalf of the city through the Jersey City COVID-19 Rent Relief Program. Information on the rent relief programs is housed in the city's Community Development Office. Jersey City's portal is fairly streamlined and user friendly, with the strong exception that it is not clear when and if they will be reviewing any more applications.

### *Case 3: Trenton (Mercer County)*

The Emergency Rental Assistance Program for Trenton is administered by Mercer County Housing Authority, in partnership with the Mercer County Department of Human Services (MCBOSS) and Office on Homeless Services. The Mercer County ERAP launched much earlier than any of the other local portals. Phase 1 for the program ran from March 1, 2021 through April 5, 2021. However, the county has been slow to spend down its allocation over time. By the end of July, when the county reopened the portal for another phase of emergency rent assistance, the county only reported spending \$1.1 million out of the total \$11 million ERAP1 allocation.<sup>49</sup>

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<sup>48</sup> <https://jerseycitynj.gov/news/pressreleases2021/mayorfulopexpands covidrentalassistance>

<sup>49</sup> See monthly ERAP spending according to the Treasury Department here: <https://home.treasury.gov/system/files/136/September-ERA-Data.xlsx>. See Phase 1 funding announcement: <https://www.greatertrenton.org/2021/03/23/mercer-county-extends-application-period-for-emergency-rental-assistance/>

Phase 2 of the ERAP launched on August 1, 2021 and is ongoing. The portal will remain open until the entire allocation has been committed. As of October 31, Mercer County had only spent 36% of its allocation. However, local sources suggest that they are reviewing a significant number of applicants as of December 2021. MCBOSS has hired a staff of social workers who answer phones and support tenants in their applications.

**Table 5. Trenton (Mercer County) Rent Relief Sources**

	<b>Funding Sources</b>	<b>Relief Offered</b>	<b>Tenant Restrictions</b>
Phase 1: March 1 April 5, 2021	Source: ERAP - \$11 million (ERAP 1)	Up to 12 months back or future rent and utilities.	80% AMI, 30% AMI priority
Phase 2:			
August 1- ongoing	Source: ERAP - additional \$4.9 million (ERAP 1&2)	Up to 12 months back or future rent and utilities.	80% AMI, 30% AMI priority
Trenton City Specific Support Programs	CARES Act - \$1.37 million (\$211,000 spent)  TBRA - \$500,000 (All spent)	Up to \$3,000 per household	Not indicated

Like other local programs, a household's income must be at or below 80% of the AMI, that at least one member of the household is eligible for unemployment benefits, that the household has experienced a reduction in income, and that the household has incurred significant costs directly or indirectly as a result of COVID-19, and that the household is at risk of homelessness or housing instability. The program gives priority to renters earning less than 30% of the AMI, which is a lower threshold than the 50% employed in other local programs in this study.

In addition to the county program, Trenton City has also looked for other resources to support tenant residents. Trenton allocated \$1.37 million in CARES Act funding for emergency rental support, and reallocated another half a million dollars in funding from HUD through the HOME program to support emergency rent payments. This program, called the City of Trenton's COVID-19 Emergency HOME Tenant Based Rental Assistance (TBRA) Program, provided up to \$3,000 in rent support to tenants. The TBRA program fully exhausted its funds in rent support. However, the city only reports spending \$211,000 of the CARES Act funding so far.<sup>50</sup>

Somewhat surprisingly, given the scope of ERAP funding available, Trenton's web page on rental assistance and eviction protection does not highlight the county's ERAP. The link to the ERAP is buried low on the city's web page.<sup>51</sup> If a user finds their way to the county program, there are printable flyers with program information in both English and Spanish, and the application itself

<sup>50</sup> For CARES funding see; <https://www.trentonnj.org/634/CARES-Act-Funding-For-TBRA> see: <https://www.trentonnj.org/662/Covid-19-Emergency-HOME-TBRA-Program>

<sup>51</sup> See: <https://www.trentonnj.org/718/Rental-Assistance-and-Eviction-Preventio>

is also available in English and Spanish.<sup>52</sup> The application itself is pretty streamlined and easy to use.

The research team also noticed two particularities to the Mercer County web-presence and portal compared to other local programs. First, there is surprisingly little information or details about the program on the portal site. There is no Frequently Asked Question (FAQ) section, and no information about what is required from landlords for participation. A user would have to call a social worker (the number is provided) to get this information. Second, unlike others portals, there are not separate sections where the user uploads each necessary document. Instead, there is a list of required documentation, and the user must upload all the necessary files into one place. This could increase the likelihood of an applicant making a mistake and missing one of the necessary pieces of documentation. This seems to be particularly risky given that the portal doesn't allow the applicant to make changes or edits to the application once it has been submitted.<sup>53</sup>

#### *Case 4: Elizabeth (Union County)*

Elizabeth, New Jersey received ERAP funding through a county-based allocation operated by the Union County Board of County Commissioners. The program launched relatively late, on August 2, 2021, and then closed on September 21, 2021. Since then, the portal allows you to sign up to be on a waitlist, but does not indicate when the portal might reopen. Union County received a large allocation: \$13 million in ERAP1, and another \$8 million is ERAP2. However, the most recent data from the Treasury Department indicate that Union County has only spent 5% of its ERAP1 allocation, and none of the second one.<sup>54</sup>

The slow trickling rollout of the ERAP contrasts strikingly with the County's earlier experience with its 2020 CARES Act emergency rental assistance program, called the Emergency Rental Relief Program for Union County.<sup>55</sup> For the CARES Act program, tenants applied directly through three countywide nonprofit partners who are available by phone and online to assist tenants with applications. These are the United Way, the Urban League, and Family Promise.<sup>56</sup> These entities were much less directly involved in the county's ERAP.

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<sup>52</sup> [https://www.mcboss.org/news/what\\_s\\_new/erap-phasesII](https://www.mcboss.org/news/what_s_new/erap-phasesII).

<sup>53</sup> For portal see: <https://app.smartsheet.com/b/form/7d7311a38dee44fc9035c9efc8bfdb13>.

<sup>54</sup> See: <https://home.treasury.gov/policy-issues/coronavirus/assistance-for-state-local-and-tribal-governments/emergency-rental-assistance-program/reporting>

<sup>55</sup> <http://www.uloucnj.org/rentalreliefprg.aspx>

<sup>56</sup> <https://ucnj.org/press-releases/public-info/2020/11/13/union-county-announces-covid-19-rental-relief-program/>

**Table 6. Elizabeth (Union County) Rent Relief Resources**

	<b>Details</b>	<b>Relief Offered</b>	<b>Tenant Restrictions</b>
CARES Act Program	CARES Act - \$1.35 million (all spent) Applications were submitted through county nonprofits – Urban League, United Way, and Family Promise	Up to 6 months of rent relief.	80% AMI
ERAP August 2- September 27, 2021	\$13.3 million in ERAP 1, and \$8.2 million in ERAP 2. (only 5% spent)	Up to 12 months back or future rent and utilities.	80% AMI, 30% AMI priority

The City of Elizabeth does not publicize either the county or the state level ERAP on its website. Instead, visitors see information about the city's own rental assistance program, which offers residents a one-time only payment assistance of up to \$1,000. This is a much smaller amount than what is available through ERAP (up to 12 months of rent assistance). Neither the city's website, for the city's Housing Authority website provide any information on the ERAP, nor do they direct visitors to either the county or the state programs.<sup>57</sup>

Visitors to Union County's Emergency Rental Assistance Program's website would likely be confused as to whether the program is under hiatus or not. There is a lot of information about the program including eligibility requirements, a "documentation checklist," a "media kit," and the application form.<sup>58</sup> However, when you click to apply, it indicates you will be placed on a waitlist. The flyers, offered in English and Spanish, include information on the program for renters and landlords. The county also released three videos describing the program in detail.

### *Case 5: Camden City (Camden County)*

Camden City receives rental assistance through the Camden County allocation. According to the most recent Department of Treasury data, as of October 31, Camden County had spent 24% of its ERAP1 allocation. However, the county is launching a new phase of the ERAP in December 2021, and plans to keep the portal open until it spends its entire ERAP allocation of more than \$30 million.<sup>59</sup>

Like most of the other localities in this study, Camden's first experience with emergency rent relief programs came out of the CARES Act funding in late 2020. (See Table 8 for a timeline of the

<sup>57</sup> <https://www.elizabethnj.org/323/Human-Services>

<sup>58</sup> <https://ucnj.org/rental-assistance/landlord-applicants/>

<sup>59</sup> <https://home.treasury.gov/system/files/136/October-ERA-Data.xlsx>

County's emergency rent relief programming.) Among the five municipalities, Camden County received the largest of the 2020 CARES Act allocations for rent relief, \$4 million, and spent all of it in late 2020 and early 2021. This program capped assistance at \$4,000 per tenant, and tenants with incomes less than 50% of area median income.<sup>60</sup>

In July, 2021, Camden County launched Phase 2 of its county emergency rent programs, which was the first of its ERAP-funded rounds. This Phase ran through the end of October. This phase of rent relief allowed up to 12 months of rent relief, and allowed both tenants and landlords to apply. The most recent Treasury data shows that as of the end of October, the county had only spent a quarter of its initial \$15 million allocation. However, the county told us they had committed significantly more by then.<sup>61</sup> Dan Keashen, Director of Communications for Camden County, explained the county had technical problems reporting the data to the Treasury. As of the end of October, the county had processed 473 applications for close to \$2.9 million, and was working on approving another \$7.5 million.<sup>62</sup>

**Table 7. Camden City (Camden County) Emergency Rental Programs**

Funding Round	Details	Relief Offered	Tenant Restrictions
Phase 1- CARES ACT Funding	Camden County Rental Assistance Grant Funded through the CARES Act - \$4 million (all spent)	Up to \$4,000 in back rent	50% AMI
Phase 2 – ERAP Funding July -October 2021	\$15 million in ERAP 1 (25% spent, more in process as of Oct 31)	Up to 12 months back rent and utilities.	80% AMI, 50% AMI priority
Phase 3 – ERAP Funding December 2021-ongoing	\$31 million in ERAP funding	Up to 18 months back or future rent, and utilities.	80% AMI, priority to 50% AMI, unemployment greater than 90 days, and applicants with eviction notices

In December, 2021, Camden County launched Phase 3 of its emergency rent relief program, and plans to keep the portal open on a first come first basis until it has spent all \$31 million of the County's total combine ERAP allocation. This third round of funding allows us to 18 months of back rent and utility relief, and up to three months of future rent. The county has the most detailed priority system which includes applicants with incomes under 50% of AMI, those who

<sup>60</sup> <https://www.camdencounty.com/wp-content/uploads/2020/09/9582-Camden-County-Cares-Rental-Assistance-FlyerV3.pdf>

<sup>61</sup> <https://barringtonboro.com/camden-county-recovers-rental-assistance-grant/>

<sup>62</sup> <https://www.northjersey.com/story/news/new-jersey/2021/10/28/covid-rental-aid-at-risk-nj-renters-assistance/8550626002/>

have been unemployed for more than 90 days, and any household with an eviction notice.

The Phase 3 program offers many resources for assistance in filling out applications. All of Camden's public libraries offer walk-in services to support tenants in filing applications. There are also three nonprofit organizations that will submit an application on behalf of the tenant: the Office of Economic Opportunity, the Hispanic Family Center, and Senior Citizens for Community Service. Finally, landlords are able to submit an application on behalf of a tenant, with the tenant's permission.<sup>63</sup>

The Camden County RECOVERS Emergency Rental Assistance Program Application Portal is clean and easy to access. The interface appears identical to the portal for Jersey City. Information regarding the RECOVERS Rental Assistance Grant can be found on the county's website. There is detailed information about requirements, eligibility, and documentation, as well as embedded videos that walk the applicant through the process of applying. In addition, there is clear contact information for assistance.

## Summary Findings

In addition to feedback from our interviews with local stakeholders, the team surveyed the existing literature on the implementation of emergency rental programs in order to identify particular challenges and best practices that have emerged throughout the country. We relied primarily on three sources: (1) the Treasury Department's regularly updated set of best practices, (2) the array of materials available through the National Low Income Housing Coalition (NLIHC)'s emergency rental assistance hub, and (3) research conducted by the National Housing Crisis Research Collaborative.<sup>64</sup> We report our findings here on program structure and rollout, innovations in working with tenants, and innovations in working with landlords.

### *1. Program Structure and Rollout*

One of the most striking structural aspects of the ERAP is the concurrent state and local-level strategies. The bifurcated ERAP allocation strategy, with some resources flowing to the state and others to local counties or municipalities, created redundancies. The state program was able to

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<sup>63</sup> Camden County RECOVERS Rental Assistance Grant | Camden County, NJ <https://www.camdencounty.com/service/covid-19-updates-and-preparations/camden-county-cares-rental-assistance-grant/>

<sup>64</sup> See: Department of Treasury's Promising Practices: <https://home.treasury.gov/policy-issues/coronavirus/assistance-for-state-local-and-tribal-governments/emergency-rental-assistance-program/promising-practices>; NLIHC Resource Hub: <https://nlihc.org/resource-hub>; and the national Housing Crisis Research Collaborative: <https://housingcrisisresearch.org/>

move much faster to get resources out to families in desperate need. The state program began to distribute rent relief in April, 2021, while the local portals were generally launched several months later in July and August. Most of the spending in these programs started in the Fall 2021, and will continue into 2022. However, this structure created an opportunity for larger municipalities and counties to develop local capacity for emergency rent support programs.

The outcomes from these five local programs varied wildly. Newark's program stood out as a success story. As of October, the city had spent only 10% of their allocation. Then, in just two months, they successfully committed their full allocation of more than \$20 million. However, the Camden County and Mercer County (Trenton) ERAPs are still both actively processing applications, have well-structured and clear portals and processes, and appear poised to meet much of the still unmet local need. The Jersey City and Union County (Elizabeth) portals have both been suspended or closed as of December 2021, with only 17% and 5% of their ERAP1 allocations spent, respectively.

Each of the five local programs experienced significant delays in getting ERAPs off the ground. These emergency rent programs infused significant dollars onto local bureaucracies that were unprepared for the scope of the project. With small staffs, many of whom were still working remotely due to the pandemic, these local governments had to learn a new program, develop new local infrastructure, design interactive, evaluation and distributive procedures, and build capacity to reach out and assist local renters and landlords.

One commonality among these cases is that these localities all looked for additional rent relief resources. Jersey City offered a \$2.5 million rent relief program in March 2021, funded primarily through dedicated Community Development Block Grant (CDBG) allocations. Trenton and Elizabeth both offer rent relief programs, albeit smaller in scope than the county level ERAPs, at the city level.

Most localities had initial rounds of rent relief funding in late 2020 and early 2021. By the time ERAP funding started to roll out at the local level, these places were calling it Phase 2 or Phase 3 of their local rent relief programs. Camden, Newark, Union County (Elizabeth) and Mercer (Trenton) all had significant local rent relief programs in the Fall and Winter of 2020/2021, which were funded through the CARES Act, prior to the ERAPs.

While Newark has completed the spending of its ERAP rent relief allocation, and is applying for more, two of these cases are very much still ongoing. Camden just started a new Phase of ERAP in December, 2021, which has increased the dollar amount per applicant to 18 months of rent (higher than the 12 months of support that has been standard to ERAP). This most recent program is much more flexible in some ways as well, allowing tenants and/or landlords to initiate, and creating an opportunity for payment to go directly to the tenant in the event the landlord fails to respond or support the program.

Table 8 below summarizes some basic information about the ERAPs operating in these five localities:

**Table 8. Comparison of Five Local ERAPs**

	ERAP Allocation	Spent Share (10/31/21)	Dates and Details	User experience and notes
Newark administered by Ernst & Young	ERAP1: \$8.4 ERAP 2: \$6.0	41% (ERA1) 0% (ERA2)	<ul style="list-style-type: none"> <li>Portal Launched July, 2021.</li> <li>New Phase announced October 2021.</li> <li>Full allocation committed December, 2021</li> </ul>	<ul style="list-style-type: none"> <li>Streamlined site, easy to use and interact with</li> <li>Currently closed, redirects to Essex County portal which still has funds.</li> </ul>
Jersey City Administered by Jersey City Housing Authority	ERAP1: \$7.8 ERAP 2: \$2.5	17% (ERA1) 0% (ERA2)	<ul style="list-style-type: none"> <li>Portal open August 17-31, 2021.</li> <li>Portal Open October 4-18, 2021.</li> <li>Closed ever since, with ability to apply for waitlist.</li> </ul>	<ul style="list-style-type: none"> <li>Currently closed, but visitors may submit for waitlist</li> <li>Hudson County portal is open, but does not accept applications from Jersey City residents</li> </ul>
Trenton administered by Mercer County DHS, and Board of Comms.	ERAP1: \$11 ERAP 2: \$4.9	36% (ERA1) 0% (ERA2)	<ul style="list-style-type: none"> <li>The portal opened August 1, and will remain open until all funds have been spent.</li> <li>Tenants and landlords (on behalf of tenants) may apply.</li> </ul>	<ul style="list-style-type: none"> <li>Feels more like an "app" than a portal, compared to others, but instructions are clear.</li> <li>One application is submitted there is no way to update any attachments.</li> </ul>
Elizabeth administered by Union County Department of Economic Development	ERAP1: \$16.6 ERAP 2: \$8.2	5% (ERA1) 0% (ERA2)	<ul style="list-style-type: none"> <li>Portal Launched August 2, 2021.</li> <li>Landlords AND tenants must fill out applications separately in order to be eligible</li> <li>Portal closed on September 27 and has not reopened</li> </ul>	<ul style="list-style-type: none"> <li>The County of Union ERAP Application Portal has been temporarily closed since September. You can join a waiting list to be notified when it reopens</li> </ul>

Camden administered by Camden County RECOVERS	ERAP1: \$15.1 ERAP 2: Not listed	24% (ERA1)	<ul style="list-style-type: none"> <li>Portal launched July-October 30, 2021</li> <li>Previously only the tenant can initiate, and payments are made directly to the landlord or utility.</li> <li>When the program reopens, landlords may also initiate.</li> </ul>	The portal indicates that it will be reopening in December, 2021
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## 2. Innovations in Reaching and Assisting Tenants:

Some of the most commonly cited difficulties by local programs were related to paperwork and documentation, managing tenant engagement and interaction, building and streamlining portals and procedures for assessing applications and dispensing funds, landlord participation and engagement, and ineffective targeting and support for vulnerable groups. An overriding set of challenges were in developing and administering the portal, and assisting applicants in acquiring all the necessary documentation to complete the application.

With small staffs and lots of need for assistance in filling out applications and collecting paperwork, many local municipalities turned to the expertise of local nonprofits and community organizations to support tenants trying to work through applications and collect all the appropriate documents. The Newark case study shows *infra*, establishing local walk-in centers for help in getting information and filling out forms can be critical to tenant participation. Camden County is using a strategy of making all the county public libraries walk-in centers for assistance. Mercer County (Trenton) has partnered with three countywide nonprofits – United Way, Urban League and Family Promise - able to assist applicants by phone.

One important innovation to deal with the difficulty of onerous paperwork and documentation is the introduction of self-attestation, which is now actively supported and encouraged by the Department of Treasury.<sup>65</sup> To access rental funds, renters must prove they: 1) have incomes less than 80% of Area Median Income, 2) are experiencing housing instability due to COVID-related hardship, and 3) document their active lease and missed payments. This quickly becomes a large pile of paperwork, and often deters tenants from starting or completing an application.

Self-attestation policies allow applicants to attest to the requirement in lieu of providing

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<sup>65</sup> See Department of Treasury's Promising Practices

paperwork, and the policy is most commonly used for proof of COVID-specific hardship. Camden County and Jersey City both have self-attestation documents in their portals that can be downloaded and signed, for any of the three required pieces of documentation. Both portals highlight the ability to attest to household income for applicants that don't have a W-2 or 1099 from federal taxes. According to the NLIHC, 62% of programs now allow some form of self-attestation in their applications for rent relief.<sup>66</sup>

ERAPs have a statutory obligation to prioritize low-income households. Our municipalities demonstrate the difficult balance between prioritizing vulnerable populations and moving quickly to meet the level of need. The primary strategy used by these municipalities is to prioritize the applications for lower income tenants. Mercer County (Trenton) prioritizes applications from tenants under 30% of area median income, whereas Jersey City and Camden prioritize applications under 50% of area median income.

There are significant resources out there to assist programs in targeting their funding, but a key feature is incorporating a targeted approach in strategic ways throughout the rollout of funding. NLIHC and the Center for Law and Social Policy (CLASP) published a set of best practices for program administrators to prioritize populations in key program administration steps including budgeting and benchmarking, outreach, intake support, selection and service provision, monitoring and assessment.<sup>67</sup> Data tools, such as the Urban Institute's Emergency Rental Assistance Priority Index,<sup>68</sup> are being used by some municipalities to guide program design and prioritization criteria.

The research team found effective and strategic outreach efforts were crucial to ensure that aid reaches the most vulnerable households. Strategies and tools include: 1) printable flyers and postcards that sometimes mailed directly to residents to share among their community; 2) social media templates and graphics, and informational web-based videos; 3) a list of community partners and volunteer coordination; 4) document checklists and step-by-step guides for renters and landlords; 5) assistance in acquiring IRS forms; and 6) access to public presentations, such as city council working sessions.<sup>69</sup>

Finally, the ERAP experiment demonstrates that systematic eviction prevention works well. The ERAP money has been connected to state legislation, S 3691, which one advocate considered the best intervention against eviction and homelessness she'd seen in years. But there is some

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<sup>66</sup> <https://nlihc.org/era-dashboard>

<sup>67</sup> <https://nlihc.org/sites/default/files/Prioritization-in-Emergency-Rental-Assistance-Programs.pdf>

<sup>68</sup> See: <https://www.urban.org/features/where-prioritize-emergency-rental-assistance-keep-renters-their-homes>

<sup>69</sup> <https://nlihc.org/resource-hub>

landlord resistance. Some won't take the money, a violation of state source-of-income civil rights law, so the rules changed to allow tenants to apply directly for themselves. Other landlords have sought to end-run eviction by filing ejectment actions against tenants with leases, seeking possession for personal use (<4 units) and contract claims for nonpayment (instead of eviction). Ordinarily, a self-certified tenant is supposed to have their eviction actions against them automatically dismissed with the filing of the certification--usually electronically by DCA to the landlord and a court. While problematic for the immediate tenants involved, the avoidance behavior by a subset of landlords is strong evidence that the ERAP eviction protections are generally effective.

### *3. Innovations Related to Landlords*

Landlord participation has been an ongoing and acute problem reported by local programs. Some of this difficulty is related to similar challenges faced by renters, such as the digital divide, challenges producing documentation, and poor relationships with tenants. Over time, as the rent arrears have grown over time, landlords are increasingly willing to cooperate.<sup>70</sup> However, we spoke with housing lawyers who said that in some hotter markets where rents were increasing during the pandemic, some landlords seemed to believe that non-participation could be used to get a non-paying tenant out.

In response to the difficulty working with many landlords, some local programs have responded by offering direct payments to tenants. Originally, active participation by the landlord was required for funds to be distributed. However, with ERAP 2 direct assistance to renters is allowed in cases where landlords are unresponsive or refuse to participate. According to the NLIHC, 29% of local programs have implemented a direct-to-tenant program. Other ways of addressing this issue have included increasing the total amount of the assistance to entice the landlord, increasing support and one-on-one assistance to work with landlords, and outreach to local landlord groups.

### *4. Administrative and Overhead Challenges*

ERAP funds are capped so that 90% (ERAP1) and 85% (ERAP2) of funds must go directly to rent relief. However, the Treasury Department subsequently announced a distinction between administrative costs reserved for "housing stability services", which the above refers to, and administrative costs for "direct financial assistance." This distinction means that programs may use a larger share of local funds for technical oversight than previously thought.<sup>71</sup> In addition, some local programs have allocated funding sources from other programs to assist with the costs associated with developing and maintaining portals.<sup>72</sup>

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<sup>70</sup> See: de la Campa, Reina, and Herbert (2021); Decker (2021); Kneebone et al., (2021).

<sup>71</sup> <https://home.treasury.gov/system/files/136/ERA2FAQs%205-6-21.pdf>. <https://nlihc.org/sites/default/files/Prioritization-in-Emergency-Rental-Assistance-Programs.pdf>, page 8.

<sup>72</sup> Aiken et al, 2021.

## Section 5

# Conclusion

ERAP provides an opportunity to compare how cities have been engaged in the implementation of a program developed to address housing challenges exacerbated by COVID-19. We attempted to frame our examination using a lens that enabled us to begin asking questions about how learning processes occur within organizations engaged with these relief processes.

The cases presented of five cities in New Jersey provide an overview of the implementation of ERAP, and some of the challenges related to its implementation. While each of the cases illustrate some of the varied approaches undertaken in the implementation of ERAP – and as a result, varied successes, they also provide some context for considering what an intentional strategy for reflecting on learning strategies might yield in enhancing the success of implementing similar programs in the future.



## Section 6

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