



California Cities and Counties Awarded Federal Grants Which Could Be Used to Provide Millions of California Renters Financial Assistance
Multiple Municipalities Have Funds Available That Could Be Dedicated for Rental Relief

SACRAMENTO, Calif. – May 11, 2020 – Local municipalities across California have been granted federal grants that serve as an immediate source of rent for low- and moderate-income renters who are undergoing immense financial pressure amid this global health pandemic. Recently the U.S. Housing and Urban Development Department (HUD) issued COVID-19 Community Development Block Grants (CDBG) as part of the Coronavirus Aid, Relief, and Economic Security (CARES) Act to multiple cities and counties that are home to millions of California renters.

HUD entitlement cities and counties can use the COVID-19 CDBG funds to help low- and moderate-income households pay up to three months' rent. In addition, California received 19 million dollars from HUD for non-entitlement smaller cities and counties. Also, under the CARES Act, the usual 15% limitation for use of funds for "services" has been waived. Cities and counties may also reprogram existing CDBG funds for renter assistance.

"The new federal funding is an opportunity to provide renter relief during this crisis and ease the financial strain of both renters and rental property owners who rely on rents to pay their operating and maintenance costs," said Jack Schwartz, Legislative Chair for the California Rental Housing Association (CalRHA). "We encourage local cities and counties to quickly act on using these funds as rental assistance because financial support is immediately needed for millions of Californians. Helping renters pay their rent now will help keep Californians sheltered in place and avoid future possible homelessness."

Residential rental property owners in the state are working alongside renters to find financial agreements that work for both parties, leaving property owners with a limited monthly income but with the same financial obligations. Rental housing providers understand the burden many renters are encountering, as they themselves face financial challenges at home. Small rental property owners rely on rent payments to pay for property taxes, mortgage payments, utility bills, maintenance repairs, and insurance payments.

The California Rental Housing Association (CalRHA) has also proposed a statewide Renter Assistance Program, which would provide up to three months of rental assistance for renters experiencing financial loss due to COVID-19. If implemented, the program would receive funding through the state, using federal and/or state funds, to stabilize the rental housing industry and protect renters facing financial hardship while staying sheltered-in-place.

For media interviews, please contact: Alma Maldonado 323-804-2561.

About the California Rental Housing Association

The California Rental Housing Association represents 20,000+ members totaling more than 523,000+ units, made up of small, medium and large rental housing owners throughout the State of California. Our purpose is to advocate in the best interest of the rental housing industry and collectively address industry needs.

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