



*****PRESS RELEASE*****

Small Rental Housing Owners Propose Renter Assistance Program, Request Financial Relief Amid Economic Uncertainty to Continue Keeping Californians Sheltered in Place

As the Primary Providers of Shelter for Millions of Californians, Rental Housing Providers Seek Economic Relief for Renters Amid the COVID-19 Pandemic

SACRAMENTO, Calif. – April 08, 2020 – As small rental housing providers contribute to shelter-in-place practices by subsidizing renters’ housing, they are requesting immediate holistic solutions and financial relief from Governor Gavin Newsom and the State Legislature in the form of a Renter Assistance Program.

“We believe that amid this highly-stressful environment where both renters and rental housing providers are being impacted, California need holistic policy that address everyone more than ever. A Renter Assistance Program is a practical solution that would fund renters who are now only able to make partial payments or no payment at all while suppling rental housing provider paying for renters’ housing with some income,” said CalRHA President Sid Lakireddy. “Under this serious economic distress, rental housing providers want nothing more than to work with renters impacted by the COVID-19 pandemic to keep people housed for the sake of public health.”

Rental housing providers pay mortgage, property taxes, appliances maintenance, and oftentimes utilities. In order to provide shelter and pay for all of these necessities, rental property owners need to either receive rent in a timely manner or have access to financial relief to cover these expenses. Since very few small property owners have more than one month’s capital reserve to cover mortgage expenses without receiving rental payments, property owners are unable to work out unique financial plans directly with renters suffering from income loss. In the long run, this will reduce the likelihood of court cases and potential homelessness after this emergency has passed.

In this shelter-in-place environment, the 20,000+ members of the California Rental Housing Association are proud to provide more than 1,000,000 Californians that shelter. “Mom and pop” rental property owners across California, like a majority of Californians, lack sufficient savings to sustain themselves and meet ongoing financial obligations including mortgage payments, property taxes, utilities and maintaining their homes and rental property.

CalRHA believes a statewide Renter Assistance Program will support ongoing voluntary efforts to reach housing provider/renter negotiated rent deferral and repayment plans, alleviate current and future economic distress, reduce the likelihood of a backlog of court cases following the emergency, and prevent future homelessness.

CalRHA proposes a Renter Assistance Program that:

1. PROVIDES up to three months rental assistance for renters who have demonstrated a documented loss of income arising out of COVID-19.
2. IS FUNDED by federal funds received by the State of California under the federal CARES legislation and/or as part of the current budget proposal and/or through available housing funds and state reserves;
3. IS IMPLEMENTED through state funding to existing local or regional government agencies that presently administer rental assistance (such as housing authorities) or other state benefit

programs. Using existing entities and their funds distribution infrastructure and/or assistance programs will quicken the distribution of these needed rental assistance funds.

4. IS DESIGNED to stabilize the rental housing industry by providing rental housing providers the rent differential directly to rental housing providers.

While the Renter Assistance Program will address this issue holistically, CalRHA also supports the following actions:

- Defer or delay property taxes as advocated by CalTax
- Create a tax credit system that incentivizes property owners to provide rental assistance to their tenants in times like this
- Create a broad-based funding source, funded by the State, that residents can apply for at their local Housing Agencies to help pay rent in times of need
- Create a framework that allows Landlords to receive mortgage payment relief when they provide rental relief in an Emergency Declaration

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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