

## **Supporting Vulnerable Communities Through Rental Relief and Services**

Paige Carlson-Heim, TD Charitable Foundation Director

### **Abstract**

When COVID-19 began to sweep across the country more than a year ago, the United States was already facing crisis-level housing affordability issues – particularly for lower income households. The lack of direct rent relief programs, coupled with an annual median household income nearly \$40,000 less than homeowners, makes renters more vulnerable to economic downturns. As entire cities shut down, tens of millions of Americans lost their jobs, their source of income and in many cases, their ability to pay rent. Now is the time to be proactive and work toward developing long-term solutions to the housing crisis that is plaguing our country's most vulnerable. This is why the TD Charitable Foundation is so excited to shed light on the innovative solutions proposed by 32 of its partners for communities from York County, ME to Miami, FL which will provide direct rent relief as well as access to services such as daycare referrals, employment counseling, assistance in obtaining access to healthcare and food aid.

---

When COVID-19 began to sweep across the country more than a year ago, the United States was already facing crisis-level housing affordability issues – particularly for lower income households. To put it into perspective, 37.1 million households spent 30 percent or more of their income on housing in 2019 and another 17.6 million spent more than half of their income on housing, according to The State of the Nation's Housing 2020 Report by Harvard. The lack of direct rent relief programs, coupled with an annual median household income nearly \$40,000 less than homeowners, makes renters more vulnerable to economic downturns.

As entire cities shut down, tens of millions of Americans lost their jobs, their source of income and in many cases, their ability to pay rent. According to new analysis from Moody's Analytics and the Urban Institute, the average renter is about four months behind on their rent, owing nearly \$6,000 in delinquent rent to landlords. With more than \$57 billion owed to landlords across America, the question of how to support both sides remains outstanding. Those

who contribute to this alarming number are more likely to be “lower income, less educated, Black and with children,” according to the report.

While in many places vaccine roll-out is beginning to accelerate and hospitalization rates are beginning to decline, the reality is that the nightmare for those who have fallen behind on their rent payments is far from over. Economic recovery and job growth in the sectors where many of the lowest wage earners worked is slow. According to the Moody's analysis referred to above, delinquent renters are most likely to live in urban areas, where COVID positive rates are still high. Additionally, only one in four still has the sources of income they used prior to the pandemic to cover their rent payment and other expenses. To help make up for this, more than half of those behind in their rent are borrowing from their family and friends, and a third need unemployment insurance and food assistance from the Supplemental Nutrition Assistance Program.

Now is the time to be proactive and work toward developing long-term solutions to the housing crisis that is plaguing our country's most vulnerable. The CARES Act, passed in December 2020, includes \$25 billion in rental assistance. We are just now seeing local rent relief programs up and running and not a moment too soon as the Center for Disease Control and Prevention (CDC) eviction moratorium extension is currently set to expire at the end of March 2021. However much more is needed.

This is why we at the TD Charitable Foundation are so excited to shed light on the innovative solutions proposed by 32 of our partners for communities from York County, ME to Miami, FL that will provide direct rent relief as well as access to services such as daycare referrals, employment counseling, assistance in obtaining access to healthcare and food aid. Our partners will be helping residents in primarily Black, Latinx and immigrant communities. They are serving seniors, veterans, single parents with children and all types of families. Support from the TD Charitable Foundation only requires proof of unpaid rent for those seeking assistance with our partners.

With the pandemic in the backdrop, the theme of this year's program was *Providing Direct Rent Relief and Supportive Services for Renters Affected by COVID-19* and, in observance of the 15<sup>th</sup> anniversary of Housing for Everyone, the TD Charitable Foundation increased the total amount of grants to be awarded by 30 percent up to \$4.9 million. These grants will help

fund 32 local non-profit organizations as they work to keep families and individual renters in their homes through rent relief and support services.

Since its inception in 2005, the TD Charitable Foundation has awarded \$32 million to approximately 500 affordable housing initiatives to support funding directed toward programs that provide access to safe, clean, physically accessible affordable housing and needed wraparound services for families, individuals, the elderly, new Americans, Veterans, the disabled, women and youth. This initiative is but one component of TD's goal to create an inclusive, more sustainable future for all. By 2030, the bank aims to invest \$1 billion through the TD Ready Commitment, in four key areas: increasing financial security, expanding better health to underrepresented communities, helping ensure a healthier planet, and building a greater sense of community connectedness.

Communities are only as strong as their most vulnerable members. As the country works toward recovery from this pandemic, ensuring an equitable recovery for all is essential.

For any questions regarding the Housing for Everyone competition, please contact US-CharitableGiving@TD.com.