Joint Committee on Ending Homelessness

Tuesday, November 9, 2021 1:00 p.m.

VIRTUAL BRIEFING

Advocate Updates

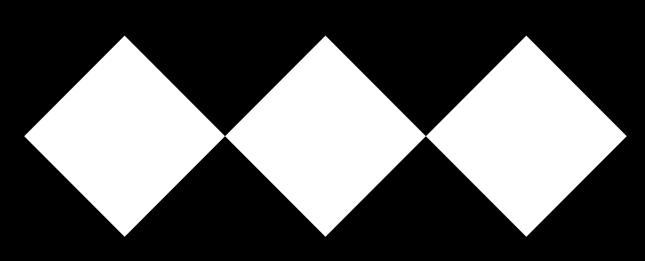
- I. Call to Order and Chairs' Opening Remarks
- II. Update on Efforts to Address Youth Homelessness
 - Fenix Youth Project, Amber Green, Executive Director/Founder
 - His Hope Ministries, Youth Advisory Board
 - **Department of Housing and Community Development,** Stuart P. Campbell, Director, Office of Community Services Programs

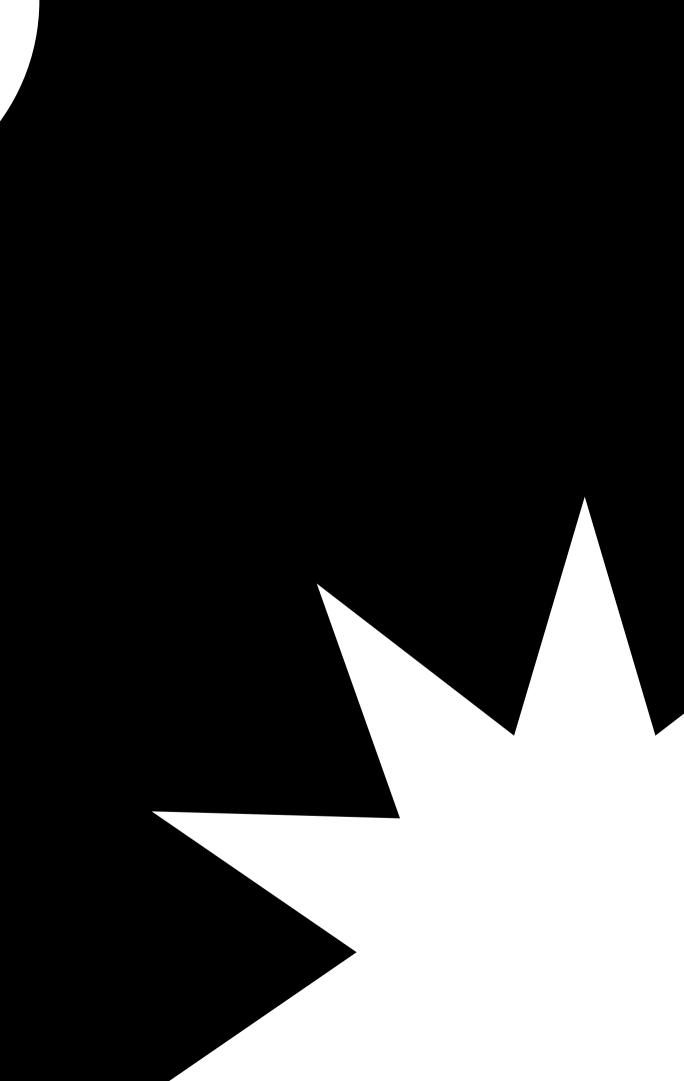
III. Health Care for the Homeless

- Liz Goldberg, JD, CRNP-PMH, Psychiatric Nurse Practitioner
- IV. National Alliance to End Homelessness
 - Nan Roman, President and Chief Executive Officer
 - Sharon McDonald, Senior Fellow for Families and Children
- V. Discussion of Recommendations
- VI. Closing Remarks and Adjournment

Fenix Youth Project Inc.

AMPLIFYING YOUTH VOICES IN THE EFFORT TO END YOUTH HOMELESSNESS ON THE LOWER EASTERN SHORE





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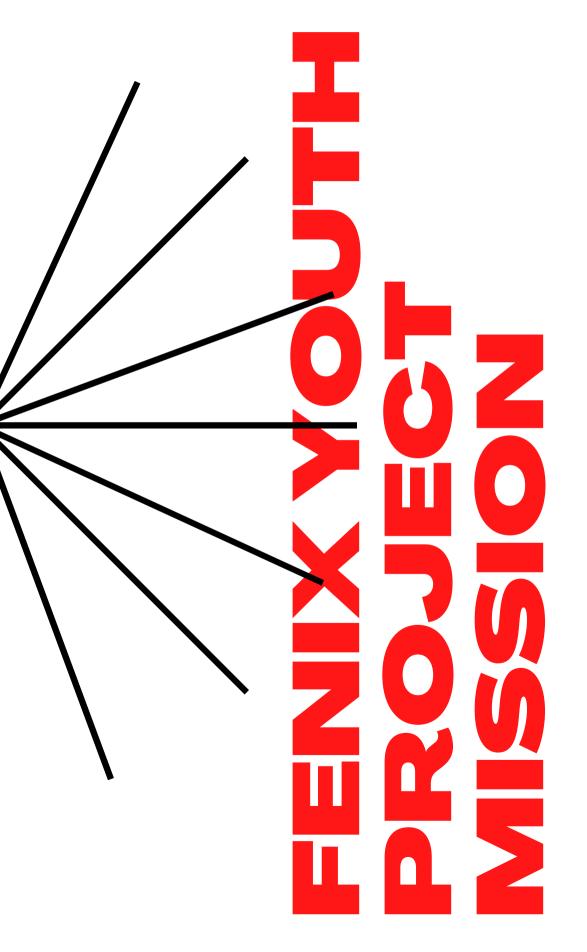


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Barriers

Solutions

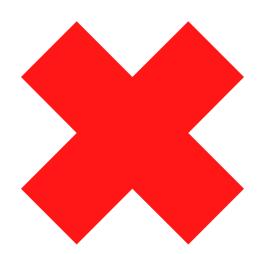


WE EMPOWER & ENCOURAGE YOUTH TO USE THEIR CREATIVE TALENTS TO IMPACT SOCIAL CHANGE

Amber Green, Founder/Executive Director

AMPLIFYING YOUTH VOICES SINCE 2013

Empowering everyone one creative project at a time



About Us

Fenix Youth Project is a 501(3) nonprofit that operates in Salisbury, MD. We envision a movement led by young people that ensures dignity for youth, their families, and communities. Programming is anchored in the belief that young people have the lived knowledge and expertise to identify, prioritize, and direct the activities and services necessary to thrive.



YOUTHLEADING FROMTHE FRONT **CREATIVE** YOUTH

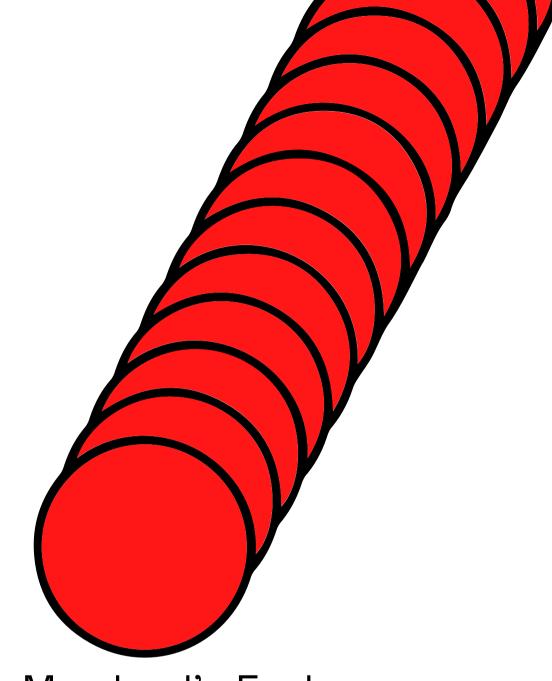
Creativity is the tool for social change

OUR VALUES

We believe that all young people should have equitable access to opportunities to develop their creative potential, live richer, fuller lives and develop the critical learning and life skills they need to become active contributors to their communities.

desire and need for connection and community.

DEVELOPMENT



Many young people on Maryland's Eastern Shore navigate daily lives with an unfair level of unpredictability, disrupting their



ARTS & MEDIA

TO FULFILL FENIX'S MISSION, THE ARTS, + CULTURE DEPARTMENT PROMOTES PERSONAL HEALING, SOCIAL JUSTICE, AND COMMUNITY TRANSFORMATION BY FACILITATING YOUNG PEOPLE'S INNOVATIVE CREATION OF PERSONAL, POLITICAL, AND EXPRESSIVE POETRY AND ART TO SHIFT THE NARRATIVE ABOUT OUR YOUTH.

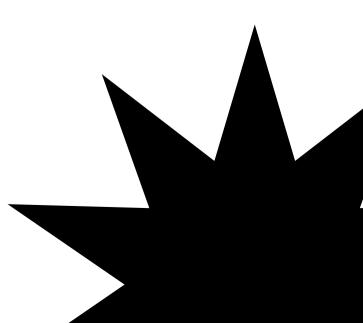
ADULTING 101

UPON LEAVING HIGH SCHOOL, MANY STUDENTS FACE THE COMMON CHALLENGE OF BEING UNAWARE OF HOW TO SURVIVE AND TAKE CARE OF THEMSELVES IN THE REAL WORLD. HOW ARE YOUNG ADULTS SUPPOSED TO KNOW HOW TO HANDLE THE BASIC ASPECTS OF LIFE, SUCH AS PAYING TAXES AND GIVING A TIP AT A RESTAURANT, WHEN THEY HAVE NEVER LEARNED HOW?

BASIC NEEDS MET

DROP-IN IS A RESOURCE FOR YOUTH AGES 13-24 EXPERIENCING A HOUSING CRISIS, HOMELESSNESS, OR WHO JUST NEED BASIC RESOURCES, PEOPLE TO LOVE AND ACCEPT THEM AS THEY ARE, AND A PLACE TO BELONG.





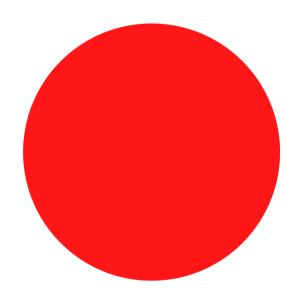
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OF REPORTED UNACCOMPANIED YOUTH HOUSEHOLDS IN THE 2021 LOWER SHORE PIT COUNT BETWEEN THE AGES 18-24 WERE BLACK



OF REPORTED UNACCOMPANIED YOUTH HOUSEHOLDS IN THE 2021 LOWER SHORE PIT COUNT WERE FEMALE



Too many unacompanied youth go unseen

Family and youth homelessness is sometimes referred to as "invisible homelessness" because moms, kids, teens, and young adults often seek shelter in public places that are perceived to be safer: a hospital emergency room, campground or park, even an abandoned building. 70% of our drop-in center participants are "doubled-up" with another family or crammed into a cheap motel room.

Lack of safe spaces for unaccompanied youth

Fenix Youth Project operates the only youth drop-in center that provides services to unaccompanied youth on the Lower Shore. In July 2021, we identified 15 unaccompanied youth experiencing homelessness for the first time for Wicomico alone, giving us a total of 36 since opening.

Unaccompanied youth voices go unheard

Without safe spaces, unaccompanied youth won't have the opportunity to joining in the fight to end homelessness.



Shelter Policies

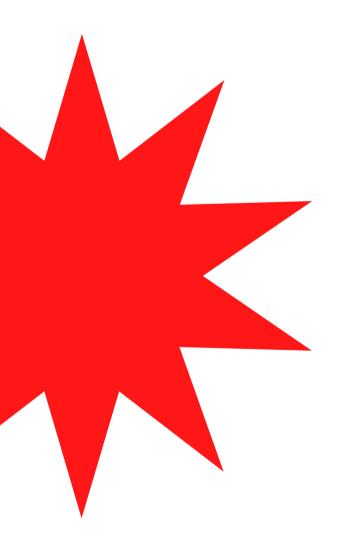
LACK OF AFFORDABLE HOUSING

"It's always something" That's what we hear when we work with unaccompanied youth who either have just felt unwelcomed at a local shelter because of their sexuality or perhaps a participant who was denied another property because they did not have enough income or even someone who just missed out on a job opportunity because they didn't have transportation to a job interview.

LACK OF TRANSPORTATION

OURSOLUTIONS

Listening to youth Voices



Amplifying Youth Voices

Our Youth Advisory Board meets every 3rd Wednesday and works on ways we can reach youth and tackle issues. Recently just hosted our first Youth-Led town hall led by members and students from Salisbury University



Creative Youth Development

Our Drop-In Center is an Arts & Media Drop-in Center. We tap into the creative side of those who need the most resources We offer poetry workshops, host open mics, and offer other programs for youth to use their talents to impact change.

We have a Digital Media Studio equipped with green screen, recording mic and other fun multimedia tools.





Advocating for Change

By empowering those we serve, we develop leaders who use their own personal experiences to impact change. We continuously use art as a means to facilitate conversations and invite elected officials to learn.





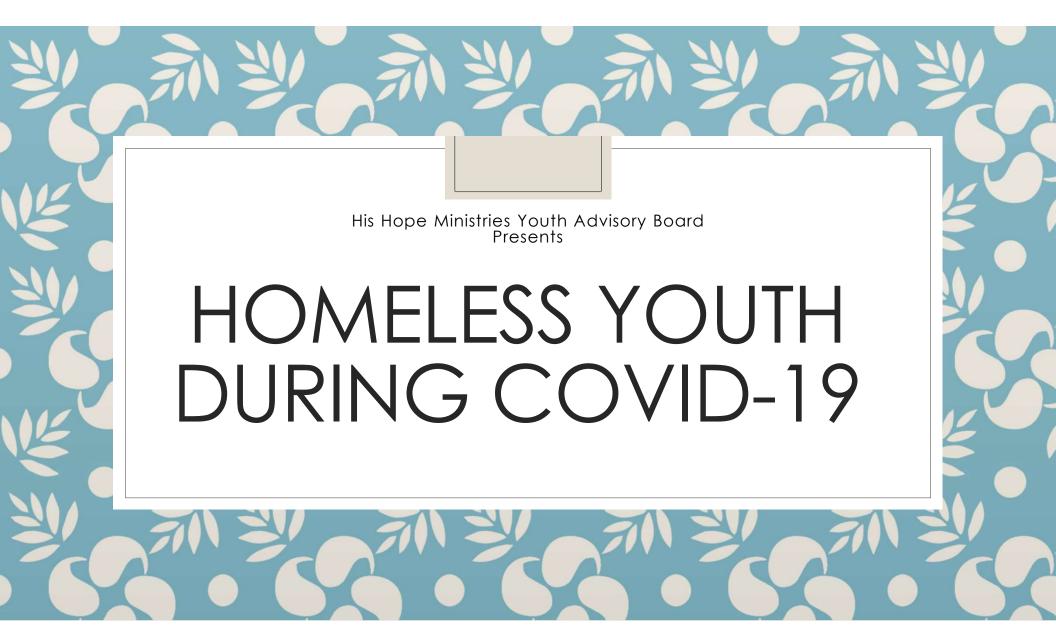


www.fenixyouthproject.org

239 FLORIDA AVE SALISBURY, MD

FENIX YOUTH PROJECT INC.CREATES SAFE SPACES GROUNDED IN SOCIAL JUSTICE FOR YOUNG PEOPLE TO LEARN, EDUCATE AND TRANSFORM LIVES AND COMMUNITIES.





Challenge #1: Affordable Housing

- There has been a significant increase in homeless youth emerging and a significant decrease in housing available.
- Landlords are less willing to rent to homeless youth due to stereotypical discrimination, fear accumulated by lack of financial security, and being unable to evict.
- Some landlords are requiring the vaccine upon entry of housing.
- Landlords are increasing the amount of rent to avoid low-income families.
- Lack of funds due to the sudden increase in demand
- Unrealistic application requirements for covid relief funds.
- Most Landlords are reluctant when it comes to assisting tenants' application process for rental assistance. (ERAP)
- Low-income housing waiting lists are full

Challenge #2: Receiving Assistance

- Most employees are working from home which makes reaching them more difficult.
- Call centers and automated phone systems have been having complications.
- Longer wait times for receiving responses and services.
- Most youth avoid services due to lack of hands-on assistance with applications.
- Daycares will not accept new clients during covid
- Increased covid-19 precautions taken by the school boards has resulted in parenting youth needing a second form of childcare.
- Youth have been struggling with access to internet for school, work, telehealth and legal services

Challenge #3: Mental Health

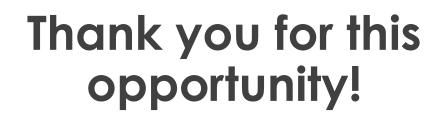
- Telehealth provides a less effective solution
- Due to the high need in mental health services during covid youth have experienced longer wait times. Some even stopped taking patients.
- Youth are living in constant survival mode

House Bill 206

We want to give a huge thank you for this bill! This bill is one huge piece of the puzzle to ending youth homelessness! However, we have more work to do.

- We must find room in the states budget to invest funding towards more youth specific shelters.
- We must work harder to inform youth about the bills that have been passed in honor of them!
- We must inform and encourage shelter providers about minors experiencing homelessness.

As a team we can all come together collectively to end homelessness



Thank you for all the effort you put into ending homelessness!



POLICY BRIEF

Housing Reform in the States: A Menu of Options

Salim Furth

September 2021

As state legislatures reconvene under the shadow of a lingering pandemic, it remains abundantly clear that housing supply is insufficient to meet demand. Although some of the supply issues, such as lumber prices, are beyond states' reach, states play a vital role in setting the rules and incentives that influence whether localities decide to permit new housing construction. Overly restrictive local zoning is the fundamental cause of America's housing shortage, and states can place limits on local zoning as well as reform the processes that make land use regulation a source of frustration for so many local officials and citizens.

In recent years, the highest-profile housing legislation has largely fallen into three categories:

- Legislation that removes barriers to the creation of accessory dwelling units (ADUs), such as California's AB 68 (2019–2020)¹
- Legislation that allows duplexes, townhouses, or fourplexes in most residential zones previously reserved for detached houses, such as Nebraska's LB 794 (2020)²
- Legislation that allows small areas of dense development around transit stations, such as Massachusetts's H.5250 (2019–2020)³

These policies have much to recommend them and have been widely written about. However, Nebraska's LB 794 failed to pass,⁴ as did similar bills or provisions in at least seven other states.⁵ In states where the housing crunch is less acute, lawmakers have preferred narrower or indirect solutions.⁶ This policy brief offers a menu of other housing policy reforms that lawmakers around the country can consider in the upcoming legislative sessions. They fit into four categories:

- Direct limits on local regulation
- Procedural reforms
- Adjustments to zoning authority
- Fairness in construction standards

DIRECT LIMITS ON LOCAL REGULATION

Cities and counties receive their regulatory powers from their states. States often direct and limit the exercise of those powers. The following suggested limitations, like the three categories of reform mentioned in the introduction, would tend to make new housing construction simpler, more widespread, and more affordable.

Option A: Allow Residential Uses in Commercial Zones

States can pass legislation allowing residential uses in any site zoned or used for commerce, with exceptions for physically unsafe locations. The COVID-19 pandemic has accelerated the decline of some forms of retail commerce and may result in long-term office vacancies. Most commercial buildings are poorly suited to residential conversion, but many commercial sites—or their parking lots—can easily be redeveloped. States can adapt this policy by limiting its scope so that it covers, for instance, only vacant commercial sites or sites with connections to side streets.

Option B: Create Floating "Starter Home" Zones

Recently, new homes have become skewed to the high end of the market.⁷ States could allow *float-ing zones*—i.e., zones that a developer can claim in any residential district—to build moderate-sized homes on small lots. To protect municipal finances, such zones would require developers to fund any new utilities, streets, or school capacity. Adding too many strings, however, would make this solution unworkable, as was the case with Massachusetts's Starter Home Zoning District program.⁸ This approach could be combined with the previous idea to create a floating residential zone that can be claimed in commercial-zoned areas, as the Town of Brookhaven, New York, has done.⁹

Option C: Preempt Nonconforming Zones

In older areas of many cities, zoning does not conform to the built environment, making it difficult to redevelop vacant sites. States can preempt any restrictions on siting, use, or bulk that do not conform to the existing conditions on at least four-fifths of a street block.

Option D: Cap Parking Minimums

Unnecessary parking spaces cost money, worsen stormwater runoff, and prevent adaptive reuse. In 2021, Connecticut's legislature limited parking minimums to one or two spaces per apartment, depending on apartment size.¹⁰ States could also eliminate parking requirements for adaptive reuse of buildings at least five years old or for areas served by state-subsidized transit.

PROCEDURAL REFORMS

Every builder knows that approval delays can add costs and kill projects. Discretionary review procedures can improve outcomes, but they also introduce bias and potential corruption. Bringing reform to procedural rules requires detailed conversations with city employees, builders, developers, and lawyers who know the formal and informal rules that determine how building is done in each state.

The payoff to all that research is that, unlike zoning preemptions, procedural reforms can have a significant effect on housing market outcomes without raising controversy. The following ideas would not apply in every state and would need to be adapted to fit the existing institutions.

Option E: Eliminate Some Environmental Reviews for Infill

A perverse result of rules intended to protect the environment is that they can encourage sprawl by delaying infill development.¹¹ Several recent California bills, including SB 10,¹² have narrowed the scope of the powerful California Environmental Quality Act with respect to nonsprawl projects.

Option F: Curtail Filibuster by Study

The best study of contemporary land use process, *Neighborhood Defenders*, by Katherine Einstein, David Glick, and Maxwell Palmer, points out that well-heeled neighbors can require a builder to pay—and wait—for one traffic (or stormwater or soil) study after another. The threat of repeated studies can induce builders to make concessions, which usually involve shrinking the project and raising the prices. The authors suggest that local planning boards should define in advance which areas are subject to potential study and disallow dilatory or repetitive study demands.¹³

Option G: Introduce the Baker Majority

Governments ought to begin with the presumption of liberty and restrict liberty only when they have a compelling reason. Massachusetts Governor Charlie Baker brought this principle to zoning. Previous law required a two-thirds majority for any zoning change. Owing to Massachusetts H.5250, however, certain deregulatory actions are now subject to approval by a bare majority. States, which set voting rules for land use decisions, can require a narrower majority for actions that loosen or remove restrictions than for those that tighten or introduce restrictions.

Option H: Allow Neighbors to Waive Setbacks

Zoning reasonably places buffers, or "setbacks," around the edges of property to protect neighbors. States can allow abutters to waive those protections in covenants or contracts, either for compensation or mutual benefit. Under current law, abutters' rights are murky; a Maryland court case that might have helped clarify the status quo was instead decided on narrower grounds.¹⁴

ADJUSTMENTS TO ZONING AUTHORITY

Municipal zoning relies on authority granted by the state to achieve specific, enumerated goals. Without changing any specific zoning designation, states can move local zoning regimes onto foundations that reflect a respect for property rights, environmental conservation, and individual dignity regardless of class and race, values that did not characterize the central planners who popularized zoning in the 1920s.

Option I: Rewrite the Zoning-Enabling Language

On its own, updating zoning-enabling statutes to reflect current priorities and values accomplishes little. But as part of a comprehensive reform effort, as in Connecticut,¹⁵ doing so can frame and unite efforts, showing that the state takes its role in zoning seriously.

Option J: Adopt the Property Ownership Fairness Act

Arizona's 2006 law requires municipalities to compensate landowners if a new restriction lowers their property's value. Restrictions that preserve public health and safety are exempt, as are preexisting restrictions. Landowners are responsible for demonstrating any decrease in property value.¹⁶ The act places citizens and cities on more equal footing before the law, without changing any existing regulation.

Option K: Narrow and Strengthen City Planning

Most states require cities to maintain updated comprehensive plans in order to engage in zoning. But in most states, those plans are powerless documents and are often little more than expensive brainstorming exercises. States can instead allow municipalities to plan for all, some, or none of their land, as they see fit. If, however, a city publishes a plan with a land use element, the plan ought to have the force of law, trumping zoning where the two are contradictory, for a decade.

FAIRNESS IN CONSTRUCTION STANDARDS

Where the developer's work ends, the builder's begins. In states where land is inexpensive, construction costs are the key determinant of new home prices. State legislatures can ensure that smaller, simpler homes are legal throughout the state.

Option L: Give Equal Treatment to Factory-Built Housing

A concerted effort to discredit factory-built housing succeeded in stigmatizing and sidelining it in the 1970s.¹⁷ As a result, home buyers have missed out on cost-saving innovations. A few states already guarantee that houses are subject to equal standards regardless of building methods in every residential zone.¹⁸ Others can follow and specify that aesthetic or procedural requirements that effectively ban factory-built housing are also disallowed.

Option M: Eliminate Aesthetic Mandates and Materials Bans

Neither zoning authority nor building code enforcement should extend to home aesthetics. Materials bans should be justified only by unique climate or health and safety conditions. States can follow the lead of Arkansas and Texas and eliminate aesthetic requirements, except in historic districts,¹⁹ which can continue to require period aesthetics in a few locations.

Option N: Eliminate Minimum Home Sizes

Cities should not require developers to build large homes or apartments. North Carolina preempted minimum-home-size restrictions in 2019.²⁰

CONCLUSION

As the economy continues to recover and reconfigure itself to meet new needs and evolving preferences, state legislatures can ensure that their states' housing markets are a source of economic strength and opportunity. Limiting the scope of local zoning authority preserves local leadership in land use planning and allows cities to creatively approach their own situations while averting abuses of regulatory power.

ABOUT THE AUTHOR

Salim Furth is a senior research fellow and director of the Urbanity project at the Mercatus Center at George Mason University. His research focuses on housing production and land use regulation and has been published in *Critical Housing Analysis* and the *IZA Journal of Labor Policy*. He has testified before several state legislatures as well as the US Senate and House of Representatives. He frequently advises local government officials on zoning reform and housing affordability. Furth's writing has appeared in *National Affairs, American Affairs, The City, Public Discourse,* and numerous newspapers. He previously worked at the Heritage Foundation, at Amherst College, and as a contractor to HUD. He earned his PhD in economics from the University of Rochester.

NOTES

- Assemb. B. 68, Gen. Assemb., Reg. Sess. (Cal. 2019). For further details on ADU policy, see Salim Furth and Jess Remington, "Ordinances at Work: Seven Communities That Welcome Accessory Dwelling Units" (Mercatus Policy Brief, Mercatus Center at George Mason University, Arlington, VA, April 2021).
- 2. Emily Hamilton and Salim Furth, "Allowing Missing Middle Development Would Contribute to Housing Affordability in Nebraska" (Testimony before the Nebraska Legislature, Urban Affairs Committee, Mercatus Center at George Mason University, Arlington, VA, February 4, 2020).
- 3. Salim Furth, "Massachusetts Omnibus Law Will Result in Widespread Rezoning," The Bridge, January 15, 2021.
- 4. Emily Hamilton, "Nebraska Housing Reform Bill Fails to Go Far Enough," The Bridge, March 20, 2020.
- 5. Oregon succeeded in passing a bill allowing duplexes and fourplexes in 2019, and California's duplex bill awaits the governor's signature. The states with failed bills include Connecticut, Maryland, Minnesota, Montana, New Hampshire, North Carolina, and Virginia. "Housing Choices (House Bill 2001)," Oregon Department of Land Conservation and Development, accessed September 2, 2021, https://www.oregon.gov/lcd/UP/Pages/Housing-Choices.aspx; Alexei Koseff, "Bills to Increase Housing Density in California Head to Newsom," San Francisco Chronicle, August 30, 2021.
- 6. Salim Furth, "Hopeful News on Housing," *City Journal*, January 3, 2020.
- 7. Salim Furth, Emily Hamilton, and Kelcie McKinley, "North Carolina's Housing Deficit," The Bridge, April 20, 2021.
- 8. An important distinction between the Massachusetts law and the idea proposed here is that Massachusetts's program is optional for municipalities and does not preempt local zoning. Scott Van Voorhis, "Baker's Starter House Effort a Bust," *Commonwealth Magazine*, December 3, 2020.
- 9. The Town of Brookhaven's innovation may fail because its floating zone is highly prescriptive. Anthony S. Guardino, "Brookhaven Adopts Innovative Zoning Regulations to Foster Redevelopment of Vacant and Underutilized Commercial Properties," *Long Island Land Use and Zoning*, March 1, 2021.
- 10. "Desegregate Connecticut, Parking," Desegregate Connecticut, accessed September 2, 2021, https://www.desegregatect .org/parking.
- 11. Bernard J. Friedan, The Environmental Protection Hustle (Cambridge, MA: MIT Press, 1979).
- 12. Senator Scott Wiener, Senate Bill 10—Local Control for Increased Housing Density, n.d., https://cayimby.org/wp-content /uploads/2021/04/SB-10-Fact-Sheet-2.18.21.pdf.
- 13. Katherine Levine Einstein, David Glick, and Maxwell Palmer, *Neighborhood Defenders: Participatory Politics and America's Housing Crisis* (Cambridge, UK: Cambridge University Press, 2020), 164–65.
- 14. Dan Mountain Wind Force LLC v. Allegany County Board of Zoning Appeals, 236 Md. App. 483 (Md. Ct. Spec. App., 2018).

- 15. "Desegregate Connecticut, Character," Desegregate Connecticut, accessed September 2, 2021, https://www.desegregatect .org/character.
- 16. Christina Sandefur and Timothy Sandefur, *The Property Ownership Fairness Act: Protecting Private Property Rights* (Phoenix, AZ: Goldwater Institute, 2016).
- 17. James A. Schmitz Jr., "Solving the Housing Crisis Will Require Fighting Monopolies in Construction" (Federal Reserve Bank of Minneapolis Working Paper No. 773, Federal Reserve Bank of Minneapolis, Minneapolis, MN, December 11, 2020).
- 18. Daniel Mandelker lists Idaho, Oregon, and Tennessee as states that already require equal treatment in all zones. A much longer list of states have similar-sounding policies that allow municipalities to limit manufactured housing to specific zones: Arkansas, California, Connecticut, Florida, Iowa, Maine, Michigan, Minnesota, Nebraska, New Jersey, Oregon, Vermont, Virginia, and Washington. Daniel R. Mandelker, "Zoning Barriers to Manufactured Housing," *Urban Lawyer* 48, no. 2 (2016): 251–53, 256.
- 19. S.B. 170, 92nd Gen. Assemb., Reg. Sess (Ark. 2019); H.B. 2439, 86th Leg., Reg. Sess. (Tex. 2019).
- 20. H.B. 675, Gen Assemb., Reg. Sess. (N.C. 2019).

POLICY SPOTLIGHT

The Pandemic Has Especially Hurt America's Cities; Land Use Reform Can Help Them Recover

SALIM FURTH AND EMILY HAMILTON | FEBRUARY 2021

America's cities have always been dynamic centers of exchange, innovation, and economic growth. From America's earliest days, cities have provided an environment where people from diverse backgrounds have come together to trade and interact. But in recent years the proliferation of land use regulations has limited development, and it has threatened the income mobility and rising standards of living that come with development. The COVID-19 pandemic has exacerbated housing affordability problems, and regulatory barriers have prevented businesses from better serving their customers, especially in urban areas. While preserving public health and safety, policymakers must consider how public behavior has changed since February 2020, encourage adaptation in response to the pandemic, and make American cities better places to work and to live. With the right land use reforms, America's cities can once again become places of entrepreneurship and opportunity.

FLEXIBILITY FOR COMMERCIAL ZONING

As the pandemic continues to take a toll on the restaurant, office, and retail sectors, cities should amend their zoning codes to permanently expand which business types are permitted in all commercial districts. Doing so would avoid locking in vacant space in commercial zones and instead open it up for other uses. Cities with strong housing demand should also allow residential development in most commercial zones to take advantage of the unused buildings.

QUICK PERMITS FOR POP-UP BUSINESSES

During this time of economic uncertainty, pop-up businesses of all sorts are appearing in cities; many of these businesses operate for no more than a few months at a time. Speeding up the permitting process promotes this kind of economic adjustment and experimentation. Tying these ventures up in a permitting process of two to four months and requiring thousands of dollars in fees, as some cities do, discourages it.

ACCESSORY DWELLING UNITS FOR HOUSING AFFORDABILITY

Accessory dwelling units (ADUs) are small, secondary dwellings located on the same lot as a single-family home. They can take the form of a backyard cottage, a basement apartment, a garage conversion, or an addition to a house. ADUs are especially affordable because they take advantage of land that the homeowner already owns and sometimes take advantage of existing structures as well. During the pandemic they are an attractive option for senior citizens and their caregivers seeking alternatives to nursing homes, which are hotbeds of contagion.

For ADUs to be feasible for most homeowners the process of obtaining construction permission must be as simple as possible. Simplifying that process would include the following:

- removing owner-occupancy requirements
- limiting impact fees
- · easing parking, setback, and lot-size requirements

Homeowners should also be allowed to use prefabricated homes, such as small home trailers, as ADUs.

MORE OPTIONS FOR HOMELESS INDIVIDUALS

Given the current heightened health risks associated with dormitory-type accommodation, some nonprofits that serve homeless populations are opting for small, individual structures—cabins, trailers, workshops, sheds—often in a "village" configuration. But these nonprofits need city permission to do so. Cities should amend their regulations to allow temporary shelters that do not meet building code standards for permanent residences while still ensuring public health and safety.

PERMITTING REFORM FOR ALL

Permitting matters, whether it's for starting a new business, increasing housing affordability, or taking care of homeless individuals. Cities that value their entrepreneurs, their homeowners, and their nonprofits should ensure they are processing permit applications as expeditiously as possible. Three ways to do that include clarifying permit requirements that are vague or subjective, listing permit requirements on their website, or instituting a "shot clock" for permit approval.

To help restore America's cities and make them more resilient to a pandemic, the watchword must be "Provide space and service to constructive ideas of all kinds."

FURTHER READING

"Communities after Coronavirus," Mercatus Center at George Mason University, accessed February 11, 2021, https://www.mercatus.org/policies-help -communities-recover.

Kevin Erdmann, Salim Furth, and Emily Hamilton, "The Link between Local Zoning Policy and Housing Affordability in America's Cities" (Mercatus Policy Brief, Mercatus Center at George Mason University, Arlington, VA, March 2019).

ABOUT THE AUTHORS

Salim Furth is a senior research fellow at the Mercatus Center at George Mason University. He studies regional, urban, and macroeconomic trends and policies and has testified before the US Senate and House of Representatives. His writing has been featured in *National Affairs, American Affairs, The City*, and *Public Discourse*, and he wrote regularly for the *Wall Street Journal's Think Tank* blog. He earned his PhD in economics from the University of Rochester in 2011.

Emily Hamilton is a senior research fellow and director of the Urbanity Project at the Mercatus Center at George Mason University. Her research focuses on urban economics and land use policy. Hamilton has authored numerous academic articles and policy papers. Her writing has appeared in *USA Today*, the *Christian Science Monitor, Economic Affairs*, and the *Philadelphia Inquirer*. She contributes to the blog *Market Urbanism*. She earned her PhD in economics from George Mason University in 2020.

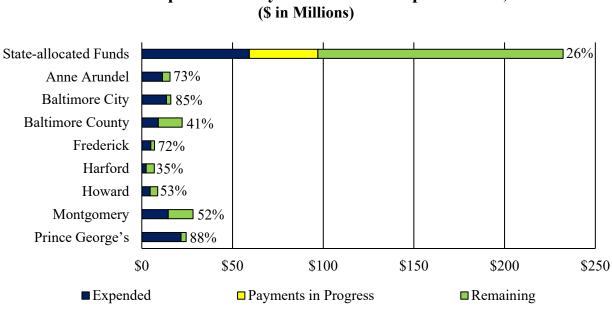


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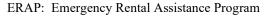
Status of Emergency Rental Assistance Program

Key Observations:

- U.S. Treasury guidance established an expenditure threshold of 30% by the end of September 2021 for grantees to avoid recapture of funds for the first round of Emergency Rental Assistance Program (ERAP 1.0) funding. The Department of Housing and Community Development (DHCD) achieved an expenditure ratio of 26%, while all eight jurisdictions that received funding directly exceeded the threshold, as shown in **Exhibit 1**.
- Because the direct allocation of funding was based on population rather than on the number of at-risk renters, DHCD elected to distribute the majority of ERAP 1.0 State-allocated funds to local jurisdictions in a way that corrected this imbalance, as shown in **Exhibit 2**. The largest jurisdictions were encouraged to prioritize spending their direct allocations first.
- DHCD can avoid the recapture of funds by certifying to the U.S. Treasury that DHCD has since exceeded the 30% expenditure ratio. DHCD will also certify that the State has obligated approximately 85% of ERAP 1.0 funds. DHCD does not expect any funds to be recaptured and projects meeting the next U.S. Treasury expenditure target of 40% by the end of November.







Note: Does not include funding available for program administration (10% of total grant amount). The U.S. Treasury will base decisions on the reallocation of funds on the percentage of non-administrative funds expended. Data for the eight local jurisdictions only includes the direct allocation from the U.S. Treasury and does not include any State-allocated funds.

Source: Department of Housing and Community Development

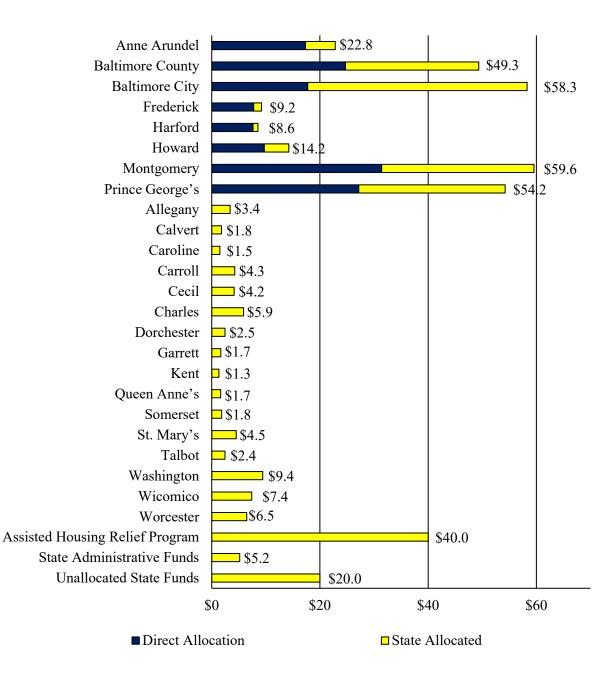


Exhibit 2 ERAP 1.0 Funding by Jurisdiction (\$ in Millions)

ERAP: Emergency Rental Assistance Program

Source: Department of Housing and Community Development