

Executives Call for Congressional Action to Prevent Homelessness

WASHINGTON, D.C., Sept. 11, 2020 (SEND2PRESS NEWSWIRE) – Faith Schwartz, President, Housing Finance Strategies, Washington, D.C. and Lee Raagas, CEO, Skid Row Housing Trust, Los Angeles, Calif., issue statement on housing crisis:



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PHOTO CAPTION: Faith Schwartz, President, Housing Finance Strategies.

With the Congress' inability to come together to pass a COVID-4 relief package, we and those that we collaborate and represent rise to give voice to what we see as an upcoming wrecking ball coming to a community and neighborhood near you. That significant impact is homelessness.

This is not a new challenge; it is one that has been on the radar for multiple years in multiple industries that have been advocating housing as a human right. This challenge spans all "housing" whether it is mortgage and homeowners to market rate renters all the way through affordable housing spectrums. A challenge we posit should have been addressed in the same manner the CARES Act addressed mortgage forbearance.

For homeowners impacted by COVID-19, Congress provided unlimited relief. Troubled mortgagors simply had to raise their hand, attest to a COVID-19 impact, and their federally-backed mortgage servicer was on the hook for mortgage payment relief for up to a year.

We applauded and supported this action for homeowners because it facilitated a process and safety net to ensure that homeowners did not lose their home and “housing.” Even as the CARES Act was rolled out to a questioning mortgage industry, we saw the need as urgent and imperative and that mortgage companies needed to take swift action. In record time, mortgage servicers met the challenge and performed in a fastidious manner taking the worry and risk off of homeowners battling COVID-19.

And while we applaud the Centers for Disease Control [action](#) last month to halt evictions through year-end, we see this step as a half-measure. Yes, it postpones near-term evictions, but it provides no funding mechanism to support multi-family property owners or owners of rental properties – only the Congress can authorize such payment. This demographic and “housing” group represents a significant amount of our citizens and more importantly, represents those that are struggling due to COVID-19 financial, economic and health impacts.

We are learning with each new unemployment report that the coronavirus is hitting the service sector, retail and food and beverage industries harder than white-collar jobs. The contrast is even more significant when you compare high tech no collar jobs to those lower-income jobs and impacted employees who often pool a higher percentage of income to afford rental payments.

As housing professionals – one from the public policy side, and one from the development side – we implore the Congress to prioritize what we see a looming eviction risk driven by COVID-19 job loss.

The protections afforded to homeowners in the CARES Act must now be allocated to renters, in like size and fashion, especially as we witness the disproportionate job loss in sectors ravaged by COVID-19 week after week after week. That impact has disproportionately affected brown and black individuals and families.

Therefore we join together with 31 national organizations, including the Mortgage Bankers Association and the National Alliance to End Homelessness in their August 21, 2020 [letter](#) to Congress; and we support their call for action including their statement:

“Failure to act will put tens of millions of renters at risk of being evicted, undermine the stability of our rental housing system, and needlessly prolong our nation’s ability to fully recover from the economic damage that has been wrought by this pandemic.”

We understand election year politics is contributing to the impasse surrounding the COVID-4 legislative funding package, yet we implore Members to reach across the aisle and fund federal relief for COVID-19 impacted

renters. And while we acknowledge and appreciate the recent action by FHFA and HUD to extend eviction moratoriums, more must be done by the Congress through appropriation to address specific COVID-19 measures that afford rental relief.

With specific expertise in permanent supportive housing for homeless individuals and families, our street level view is that we are on the brink of a health crisis becoming a rental crisis leading to a surge in homelessness. Our vantage point at [Skid Row Housing Trust](#) leverages three decades of real estate development and more than 20,000 formerly homeless housed. The cliché of 'drinking from a firehose' is a daily reality for those of us serving growing homeless numbers compounded by a pandemic.

Data and experience from that organization and vantage point is key because it provides a threefold benefit; 1) a data driven verification of what is being communicated today, 2) an opportunity to look back and see what could have been modified to avoid current circumstances and 3) an opportunity to look forward to forecast what could happen if we do not take this combined crisis of how health meets housing seriously and expeditiously.

Fortunately, Skid Row Housing Trust has innovated development models that are replicable across the country, but time is not on our side. Skid Row's pipeline of development projects is like many other real estate businesses where five-year plans and strategic initiatives create a nexus of housing units delivered. Yesterday, as a nation, homeless providers were strapped by funding, resources and demand. Today, those needs are stretched beyond what we could have quantified just months ago. And the trend line is worsening.

It is our goal to avoid the trauma of a national housing crisis. [Housing Finance Strategies](#) knows all too well we have too many lessons learned from the 2008-2009 housing crisis not to see this one coming. Both Skid Row Housing Trust and Housing Finance Strategies are working together on proven and innovative resources of bringing together like-minded, solution oriented individuals to explore public, private, for profit, and non-profit entities together to forecast, create and execute on plans to solve housing and homelessness risks.

Please join us in calling attention to the plight of millions of renters perilously close to homelessness ... and join us in calling our Congressional leaders so they hear our bi-partisan voices. Finally, join us in caring for the needs of all of those impacted by job loss associated with COVID-19.

References in press release:

- <https://housingfinancestrategies.com/>
- <https://skidrow.org/about/our-mission-values/>
- <https://nhc.org/wp-content/uploads/2020/08/Coalition-letter-FINAL-8-21-20-003.pdf>
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