

POLICY MEMO

To: Pandemic Response Accountability Committee (PRAC)

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Subject: ReThinking Emergency Rental Allocation

Executive Summary

To improve the allocation of Emergency Rental Allocation Program (ERA) funds, we designed a two-component policy strategy. The first component analyzes need for rental assistance at county levels and assesses the likelihood of eviction by taking into account an individual's socio demographic background; the second component facilitates efficient funds usage with human resources training and information campaigns led by local NGOs & governments as well as a web application that cuts red tape.

Context

According to the Pandemic Response Accountability Committee (PRAC), multiple problems were identified after implementing COVID-19 relief programs, including the ERA.¹ For instance, there was neither a prioritization of underserved communities in fund allocation nor an identification process of those most in need of the money. Additionally, many tenants eligible for accessing the funds did not know about these opportunities since there was no strategy to promote the available resources. Another problem was the lack of verification and certification processes to award the funds, which led to many fraud cases. Finally, the National Low Income Household Coalition (NLIHC) reported the entangled bureaucratic processes that derived from a state-based allocation system and also hindered data collection.²

Recommendations

From PRAC and NLIHC's diagnosis, we identified two main obstacles that inhibited the better implementation of the eviction prevention program: faulty target population identification and entangled implementation processes constrained by technical and political limitations. Our policy strategy contemplates one component for each issue.

Component 1: ReThinking Population Targeting

Identification of the target population is fundamental for policy success. Instead of using a single variable that overlooks eviction's root causes, such as population, we postulate a new methodology for fund allocation. Our methodology produces eviction risk assessment, built with quantitative and qualitative data at the personal, county, and state levels.

Quantitative risk of eviction assessment

The first step to knowing who needs help the most is to find the determinants of eviction. While it is true that there is no national database on eviction, existing datasets can provide a quite precise approximation. At the personal level, the Household Pulse Survey (HPS) provides information on the tenant's self-assessment of the risk they face, along with a rich set of sociodemographic variables. From here, it is possible to estimate individual risk factors for being evicted. At the state level, aggregated data from previous ERA allocations as well as data on population density, food

¹ PRAC's Lessons Learned in Oversight of Pandemic Relief Funds as updated on June 8th, 2022.

² <https://nlihc.org/era-dashboard>

insecurity, income, homeownership, and the harshness of eviction laws feed a model that estimates state-level risk factors. When combined, individual and county-level models provide a risk assessment that facilitates the granular allocation of funds.

Qualitative cross-validation

The quantitative indicators do not suffice³ they need to be cross-validated with qualitative data. Since data-production systems reproduce the same power structures that affect underserved communities in the first place,⁴ qualitative data (such as eviction sentences and journalistic investigations) must be used to cross-validate that the quantitative estimations reflect reality.

Component 2: ReThinking Funds Transfers

Digital app: facilitating data collection and personal eviction risk assessment

We designed an app where recipients can directly fill out their applications for rent assistance. This would allow for:

1. Direct cash-transfers
 - Cutting red tape and saving administrative costs
2. Instant estimation of eviction likelihood using the methodology of component 1
 - Interface for applicants to request funds
 - Weighing the risk of the rapidness of funds transfer and the risk of fraud against the tenant's estimated eviction risk.
3. List of applicants and their risk assessment with recommended fund amount for administrative workers
4. Dashboard with automatic reports and data collection for administrative controls and future rent-relief programs

Local alliances: targeting technical and administrative assistance

The risk assessment methodology of component 1 can also improve the management of the 10% of the total budget labeled for housing stability services. Once the counties with the highest risk are identified, alliances can be formed with their more relevant local authorities.

Analysis: Cohesive integration of components

To understand the granular targeting that this policy strategy provides, it is worth reviewing some of the model estimations and the app's implementation of it. On the one hand, the methodology estimates the significance of individual traits in their likelihood of eviction. For instance, keeping all things equal, the likelihood of an unemployed person is 39.1 percentage points (pp) higher than those who are employed. Figure 1 shows the full list of significant traits, which are consistent with qualitative reports.⁵

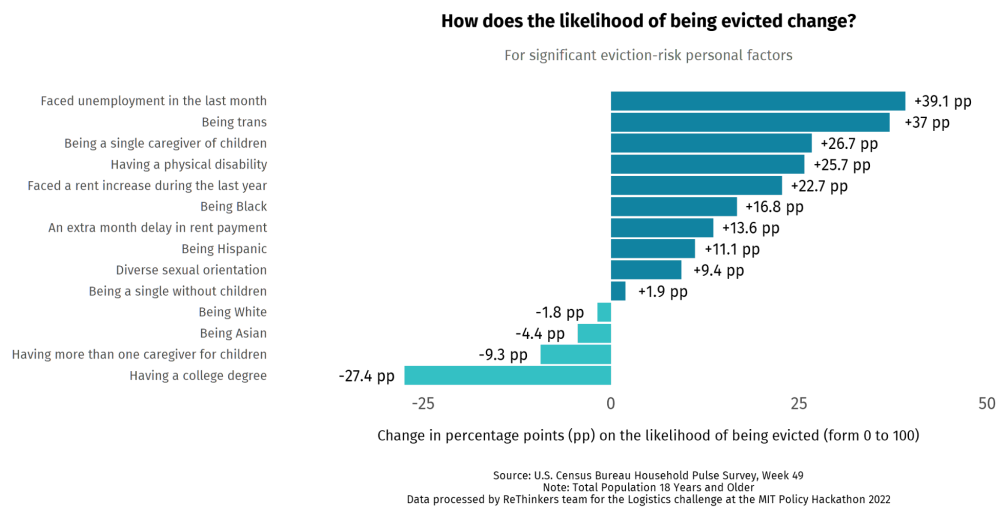
On the other hand, county-level data weights environmental risk factors such as population density, food insecurity, marginalized communities, cost of living, etc. When aggregated, it is possible to determine the eviction prevalence in each US county. Besides being a stronger criterion for funds allocation, it also facilitates the targeting of information campaigns so that a greater number of possible beneficiaries are aware of the ERA.

³ <https://alndata.com/census-bureau-hps-at-risk-renters/>

⁴ <https://data-feminism.mitpress.mit.edu/>

⁵ <https://edition.cnn.com/2021/01/26/economy/evictions-unemployment-hunger-biden/index.html> & <https://transequality.org/issues/housing-homelessness>

Figure 1. Personal factors that determine eviction likelihood



The methodology of eviction risk assessment is directly integrated into the app. By doing so, it is possible to keep updating the estimates, collecting data for the future, and generating reports for administrative controls, while improving user experience.

Figure 3. App's user interface

Step 1
Pandemic Oversight
Making sense of COVID-19 relief spending and programs

PRAC Rent Relief Initiative

PRAC is looking to help people affected by evictions, and try to provide them with rent relief, this is one of the initiatives through which we try to help you if you are one of the affected of such circumstance.

Please register yourself, once registered, we will assess your situation and get back to you.

Proceed

Please answer to the best of your knowledge so that we may be able to help you.

Step 2
Pandemic Oversight
Making sense of COVID-19 relief spending and programs

Survey Form

Basic Information

Full Name
Ulysses Barnes

Social Security Number
WDS-845648

Email
magezi@mailinator.com

Contact Information
1-844-872-4681

Identified Risk
0.69

Questionnaire

Step 3
Pandemic Oversight
Making sense of COVID-19 relief spending and programs

Thankyou

Your information has successfully been submitted, one of our agents will soon get in touch with you

If you have any questions or need help, you may reach out on the following telephone line for assistance
xxx-xxxx-xxxx

Alternatives: present vs. future

As with any other policy strategy, there are limitations. First, we need higher-quality eviction data and transcend self-assessed risk. Nonetheless, the tenant's estimation of their likelihood to be evicted is a more precise measurement than the population. Second, there is a digital gap that affects underserved communities, but having a centralized strategy facilitates information campaigns and capacity building rooted in local governments, utilities, and non-profits (following the promising practices for ERA programs).

Furthermore, directing the funds to states to use at their discretion decentralizes the process and complicates equitable fund distribution. There is also a higher risk of corruption and fraud when money is given to community leaders to be distributed.

Bibliography

- Bureau, US Census. “Household Pulse Survey Public Use File (PUF).” Census.Gov, <https://www.census.gov/programs-surveys/household-pulse-survey/datasets.html> Accessed 16 Oct. 2022
- “Data Feminism.” Data Feminism. Data-feminism.mitpress.mit.edu, <https://data-feminism.mitpress.mit.edu/> Accessed 16 Oct. 2022
- “Housing & Homelessness.” National Center for Transgender Equality, <https://transequality.org/issues/housing-homelessness> Accessed 16 Oct. 2022

Technical’s appendix

Models estimations and figures can be replicated by using the following materials:

- GitHub repository: https://github.com/RMedina19/MITHackathon2022_Logistics_Rethinkers
- Modeling appendix: https://github.com/RMedina19/MITHackathon2022_Logistics_Rethinkers/blob/main/05_reports/01_modeling_appendix.pdf
- Figma: <https://www.figma.com/file/1wLs1MHVL7RhVl0oMitN4X/Logistics-Tech-Intervention---ReThinkers?node-id=6152%3A99>

