Decreasing Evictions in Public Housing

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Client Overview

The Federal Housing Finance Agency (FHFA) "is responsible for the effective supervision, regulation, and housing mission oversight of the Federal National Mortgage Association (Fannie Mae) and the Federal Home Loan Mortgage Corporation (Freddie Mac). Since 2008, FHFA has also served as conservator of Fannie Mae and Freddie Mac" (Federal Housing Finance Agency, n.d.). "In 2016, FHFA issued the Enterprise Duty to Serve Underserved Markets Rule, charging Fannie Mae to serve the underserved market of affordable housing preservation more directly" (Fannie Mae, n.d.). The FHFA's Duty to Serve affordable housing preservation includes oversight of the public housing programs: Section 8 and Rental Assistance Demonstration.

Disclaimer

The author conducted this study as part of the program of professional education at the Frank Batten School of Leadership and Public Policy, University of Virginia. This paper is submitted in partial fulfillment of the course requirements for the Master of Public Policy degree. The judgments and conclusions are solely those of the author, and are not necessarily Acknowledgements and dedication endorsed by the Batten School, by the University of Virginia, or by any other agency.

Honor Statement

On my honor, as a student, I have neither given nor received unauthorized aid on this assignment.

Maria Morrissey

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Executive Summary

In response to Congress's underfunding of public housing over the past two decades, a federal public housing conversion program was created to convert public housing to programs "typically used to finance private-sector affordable housing, allowing them greater access to private financing" (Gandour, 2022a, p. 2). This conversion results in "significant private-sector involvement in operations, financing, and sometimes the ownership of public housing" (Gandour, 2022a, p. 33). However, Human Rights Watch reported severe concern over the inadequate oversight of tenant rights, particularly evictions.

The Problem: Too many public housing tenants experience a violation of their legal rights, particularly evictions, following a conversion of the properties in which they live to private housing.

Based on a review of existing evidence, this report identified three alternatives to decrease evictions in public housing:

1. **Department of Housing and Urban Development Takes Over Public Housing Administrative Duties & Oversight**
2. **Capacity-building Grants to States to Create Eviction Databases**
3. **Emergency Rental Assistance Program**

Each of these alternatives was evaluated and equally weighted for **effectiveness:** estimated effect on decreasing evictions based on evidence-based studies, **feasibility:** estimated supported by relevant actors and the ease of implementation, and **cost:** estimated total cost of implementation over three years.

Based on projected outcomes, this report recommends implementing Alternative 3, an emergency rental assistance program. Despite a significant tradeoff on cost choosing Alternative 3, this option is projected to have high effectiveness in decreasing evictions, high feasibility amongst the White House, Congress, and the Department of Housing and Urban Development, and ease of administrative implementation. However, if cost is a more salient priority in the future, Alternative 2, capacity-building grants to states to create eviction databases, should be recommended and implemented based on its low costs and projected medium feasibility.

Implementing a permanent rental assistance program should involve broader stakeholder engagement with senior members of Congress, HUD, and the White House. In addition, incorporating lessons learned from the previous iteration of the emergency rental assistance program will best ensure good

program design and evaluation to mitigate potential risks of the slow rollout of assistance to tenants or disproportionate distributions of funding.

Introduction

In 2012, the U.S. Department of Housing and Urban Development (HUD) created the federal Rental Assistance Demonstration program in response to Congress's underfunding of public housing. This program allows public housing to convert to more stable subsidy programs "typically used to fund private-sector affordable housing, allowing them greater access to private financing" (Gandour, 2022a, p. 2). In addition, this conversion results in significant private involvement in the control and management of public housing, including oversight and protection of residents' rights (Gandour, 2022a).

Despite the articulated protection of tenant rights built into the conversion process, prominent watchdog and national housing organizations have raised concerns about the program's impacts on tenants. For example, in January 2022, Human Rights Watch released a 98-page report examining the program in New York City. It raised serious concerns over the inadequate oversight of the program and potential risks to resident rights, especially evictions (Gandour, 2022a, p. 3). The National Low Income Housing Coalition and National Housing Law Project have raised similar concerns about insufficient national federal program oversight. As recently as September 2022, they have continued calls for "detailed assessments of the impact of RAD on tenants, recommending that the cap on RAD conversions remain at current levels until [HUD] has convincingly shown that HUD will rigorously monitor [public housing authorities] and owner compliance with all tenant protections" (Gandour, 2022a, p. 29; National Low Income Housing Coalition, 2022).

Despite these ongoing concerns, HUD has continued to expand the program's size through Congress without severely evaluating the program's "impact on residents, as required by the original appropriations act" (National Low Income Housing Coalition, 2022). In 2012, the number of housing developments eligible for conversion was capped at 60,000 units; by 2018, the cap had increased to 455,000 units (National Low Income Housing Coalition, 2021). The approved fiscal year budget of 2023 has since removed this cap altogether (Department of Housing and Urban Development, 2023). Given that HUD does not track evictions across any public housing program, it is too soon to know the extent of the impacts of the public housing program on tenants and the number of evictions occurring.

Problem Statement

Too many public housing tenants experience a violation of their legal rights, particularly evictions, following a conversion of the properties in which they live to private housing.

Background on the Problem

U.S. public housing is "owned and typically operated by government entities" called public housing authorities (Gandour, 2022a, p. 1). Approximately 1.2 million households, or 1.8 million people, nationwide live in public housing units (Gromis et al., 2022; *Public Housing*, n.d.-a). Public housing serves low-income households by capping rent at 30 percent of household income (Gandour, 2022a, p. 16). However, due to this cap, rental income alone is insufficient to finance daily operations, maintenance, and major repairs of public housing (Gandour, 2022a, p. 16). Therefore public housing relies on funding, which has, "historically, been almost exclusively provided by the federal government" (Gandour, 2022a, p. 19).

Over the last two decades, Congress has consistently cut the funding for public housing while allocating more significant appropriations to housing programs subsidized by the private sector. The cuts to public housing funding resulted from growing public opinion hostility to public housing over recent decades (Gandour, 2022b, p. 25; "US," 2022; Vale & Freemark, 2012). Between 2000 and 2021, funding for public housing declined by 35 percent in real terms, as shown in Figure 1 (Gandour, 2022b, p. 28). Consequently, the inadequate federal government funding of public housing has led to the deterioration of the public housing stock. These drastic cuts have resulted in an accumulated backlog of repairs needed for public housing developments, estimated at more than $70 billion (National Association of Housing and Redevelopment Officials, n.d.; National Low Income Housing Coalition, 2022). Further, "nationally, around 10,000 public apartments are lost annually due to dilapidation" (Gandour, 2022b, p. 3). At the same time as the federal reductions in public housing financing, since 2000, Congress has increased appropriations to subsidies for private sector housing programs (Gandour, 2022a, p. 4).

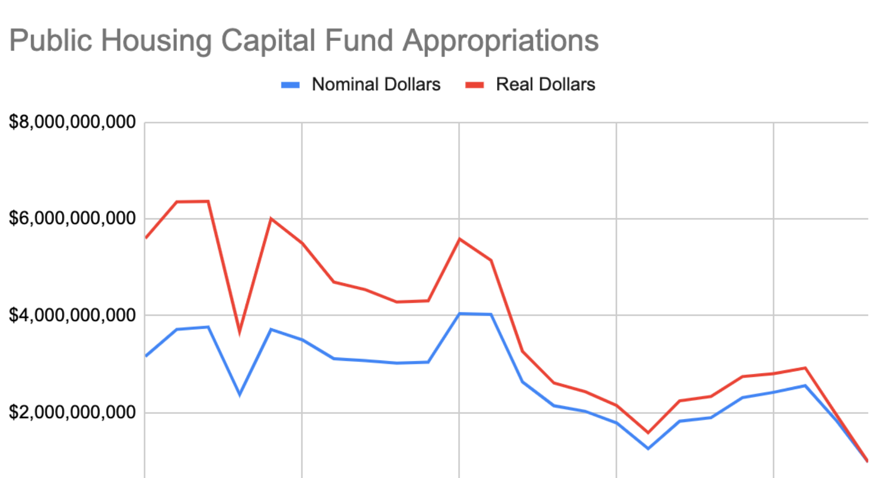

Figure 1: Federal Public Housing Capital Fund Appropriations

Source: HUD Congressional Budget Justifications from FY2001 through FY2024. Enacted funding figures are taken from subsequent years' budget justifications.

To address the government underfunding of public housing preservation and the growing backlog of unfunded capital needs, HUD created a public housing conversion program to allow public housing developments to change how they are financed (Bossie & Joice, 2021; Costigan, 2018).[1] The conversion program allows public housing authorities to change their developments from traditional public housing to another federal housing program subsidizing private housing, providing access to the more generous and stable funding of private subsidies (Gandour, 2022a, p. 32).[2] The conversion program's legislation and regulation ensure the preservation of public housing and the protection of tenants' rights. However, privatizing housing developments significantly increases private sector involvement in financing, operations, and oversight (Gandour, 2022a, p. 33). In addition, the program's rules "provide those managing housing with significant discretion which can impact tenants" (Gandour, 2022a, p. 32).

In 2018, the Government Accountability Office (GAO) issued a report evaluating the conversion program and found inadequate HUD oversight of tenant protections and questionable long-term preservation of converted properties (U. S. Government Accountability Office, 2018). GAO called for more active oversight to address their finding that HUD was not thoroughly "monitoring the implementation of the safeguards written into the conversion programs rules" (U. S. Government Accountability Office, 2018). HUD has since implemented the five recommendations made by GAO in its report (U. S. Government Accountability Office, 2018).

Despite the implementations following the GAO report, Human Rights Watch has found an increase in evictions connected to properties privatized in its in-depth report on the program's implementation in New York City (Gandour, 2022b). The National Low Income Housing Coalition acknowledges that the conversion "program creates some opportunities to preserve and rehabilitate existing public housing but allows for significant local discretion and little oversight by HUD that may impact existing tenants" (National Housing Law Project, n.d.-b, para. 4). An evaluation of resident engagement in the conversion program makes a similar caveat that "although the program is a critical tool for underfunded housing authorities to address capital needs, they find that a more in-depth evaluation of the program's impact on residents is critical to ensure equity and remove barriers to engagement for the often-marginalized public housing tenant population" (Moore et al., 2021, p. 63).

[1] The public housing conversion program is formally known as the Rental Assistance Demonstration program.
[2] Housing developments from traditional public housing, Section 9 of the Housing Act, convert to long-term Section 8 contracts, either project-based vouchers or rental assistance.

Following the lifting of the conversion cap of public housing developments, the program is currently authorized to convert the remainder of public housing units to the housing program funded by private subsidies. In effect, the 1.8 million people living in traditional public housing are vulnerable to a conversion of their housing and the program's impact on their tenant rights and protections, including evictions.

Causes of Evictions

Although "over 1.8 million people live in public housing," research on public housing evictions is extremely limited (Gromis et al., 2022, p. 2; *Public Housing*, n.d.-a). The currently available research on evictions finds that most evictions occur due to non-payment of rent (Desmond, 2012; Desmond & Kimbro, 2015). A recent paper states that "the eviction process begins when the tenant defaults on rent. There can be other reasons for eviction, but default on rent has been shown to account for the overwhelming majority of eviction cases" (Abramson, 2021, p. 9). However, little is known about what triggers non-payment of rent (Gromis et al., 2022). Research has also found that economic conditions affect eviction risk. A recent working paper found "increasing economic distress in the lead-up to case filing across a broad range of measures: falling earnings, decreased attachment to the labor market, rising unpaid bills, and increases in hospital visits," suggesting that "many eviction cases are precipitated by adverse events" (Collinson et al., 2022, p. 45). The Urban Institute finds that, "other potential contributing factors to evictions (which vary depending on state and local laws) include a lack of legal protections for renters" (Pieffer, 2018).

Consequences of Evictions

Evictions have been shown to adversely affect household earnings, employment, debts, access to credit, housing instability, risk of homelessness, emergency room use, and mental health hospitalizations. The effect of eviction on cumulative earnings within the first two years of court filing is around a $1,500 decrease (Reed & Collinson, 2018). Research has shown "the likelihood of experiencing job loss to be between 11 and 22 percentage points higher for workers who experienced a preceding forced move" (Desmond & Gershenson, 2016, p. 47). Evictions also worsen financial health and credit access, "driven by increases in debt and lower credit scores" (Collinson et al., 2022, p. 3). It has been shown that tenants face a $1,200 increase in debts following an eviction (Humphries et al., 2019). A recent working paper found that "in the first year after case filing, an eviction order increases the probability of observing the tenant at a new address by 8 percentage points ... and increases the probability of staying in emergency shelters by 3.4 percentage points" (Collinson et al., 2022, p. 2). The Urban

Institute reports that “a recent study estimated that emergency shelter costs nearly $5,000 per month per family, and re-housing a family costs approximately $7,000, with households receiving assistance for an average of seven months” (Batko & Rogin, 2021, para. 7). Evictions also “increases the number of hospital visits in the year following court filing by 0.19 (29%) and increases visits for mental health-related conditions during the same period by 0.05 visits (133%)” (Collinson et al., 2022, p. 3).

Further the Urban Institute finds that, “evictions are also costly for landlords, who can accrue filing fees, lawyers costs, lost rent, and damage to units” (Batko & Rogin, 2021, para. 6). The costs to serve and process evictions are estimated to be, on average, $626-$1,098 per unit (Wood-Boyle, 2014). In addition, the cost of lost rent and repairs fared by landlords is estimated to be between $1,916-$11,900 per unit (Block, 2019). The range of estimates captures that costs to landlords vary significantly across different states and localities (Batko & Rogin, 2021).

Evidence of Potential Solutions

The evidence on potential policy solutions to decreasing evictions in public housing is limited. An academic paper published in 2003 is credited for calling evictions the "hidden housing problem" because of its lack of systematic data collected on a local or national level about evictions (Hartman & Robinson, 2003). Twenty years later, the data and evidence on evictions are still bleak. A recent academic article noted that neither academic researchers nor HUD had studied evictions from public housing nationally (Gromis et al., 2022). Another academic paper stated that despite the broad public interest in evictions, little is known about the effects of eviction and homelessness policies (Abramson, 2021).

Despite the limited research and data available, the analysis below provides an overview of potential solutions to decreasing public housing evictions and their preliminary evidence.

HUD Oversight of Public Housing Tenant Rights

Greater HUD oversight of public housing is a standard recommendation to reduce evictions in public housing. As previously mentioned, Human Rights Watch, the National Low Income Housing Coalition, and the Low Income Housing Coalition strongly recommend greater HUD oversight of public housing developments to decrease evictions (Gandour, 2022a; National Low Income Housing Coalition, 2022). In addition, a conference on eviction prevention strategies included regulatory oversight of rentals as one of the primary policy changes to reducing evictions. The conference advocated for "government agencies ensuring that rental housing is safe and habitable and that landlords adhere to fair housing laws, and avoid abusing the eviction court system" (*Eviction Prevention Strategies To Promote Housing Stability*, 2022). However, despite its frequent recommendation, no evidence-based studies currently examine whether greater HUD oversight of public housing programs decreases evictions.

While no studies show evidence that greater HUD oversight decreases evictions, literature evaluates that it could decrease evictions because of HUD's ability to apply uniformity and nationalization of enforcement of tenant rights, increased accountability, and increased transparency. In addition, recent research on evictions from public housing in the U.S. suggests that "clear and uniform policies governing tenant dispute resolution, lease terminations, and eviction actions could reduce variation in eviction filing risk across" public housing authorities (Gromis et al., 2022, p. 11).

Improving the Collection of Eviction Data

The Congressional Research Service reported that currently "there is no single comprehensive source of nationwide data on the prevalence or characteristics of evictions" (Perl & McCarty, 2022, p. 3). They attribute "in part to records of formal evictions being maintained at the state and local level" and informal evictions needing to be better captured (Perl & McCarty, 2022, p. 3). Other research finds that "the U.S. government collects almost no eviction data", and one-third of all U.S. counties have no data on annual eviction rates (Lowery et al., 2021; Pan et al., 2021, para. 3). Further, "HUD does not track evictions across [converted] properties, nor across any other subsidy program, including conventional public housing properties" (Gandour, 2022a, p. 29). In addition HUD found that the "the lack of comparable data available nationwide hampers the ability of federal, state, and local governments, as well as non-governmental agencies to track the prevalence of evictions and to target resources effectively for eviction prevention and diversion activities" (U.S. Department of Housing and Urban Development, 2021). Faced with no national eviction data published by the federal government, non-governmental agencies have developed to provide national eviction data in the last several years. Prominent examples include the Eviction Lab at Princeton University, which started in 2017, and the Anti-Eviction Mapping Project (Anti-Eviction Mapping Project, n.d.; *The Eviction Lab*, n.d.).

Several pieces of literature stress the need for better data collection and creating a national eviction database (Hartman & Robinson, 2003). An academic paper stressed the importance of "national eviction data from public housing is vital in establishing a complete picture of residential instability from subsidized public housing" (Gromis et al., 2022, p. 11).

Emergency Rental Assistance

In order to "support housing stability throughout the COVID-19 pandemic", Congress established two separate Emergency Rental Assistance (ERA) programs, referred to respectively as ERA1 and ERA2 (U.S. Department of the Treasury, 2023c, para. 1). ERA1 was authorized by the Consolidated Appropriations Act of 2021 in December 2020. It provided $25 billion to assist eligible households, with at least 90% of the funds used for direct financial assistance and the remainder for housing stability services (U.S. Department of the Treasury, 2023b). ERA2 was authorized by the American Rescue Plan Act of 2021, passed in March 2021. It provided $21.55 billion to cover the costs for other affordable rental housing and eviction prevention activities in addition to the duties of ERA1 (U.S. Department of the Treasury, 2023c). ERA funds were provided directly to states, U.S. territories, and local governments by a per capita formula allocation (U.S. Department of the Treasury, 2023c).

> To be eligible, a household must be obligated to pay rent on a residential dwelling and the grantee must determine that: i. one or more individuals within the household has qualified for unemployment benefits or experienced a reduction in household income, incurred significant costs, or experienced other financial hardship due, directly or indirectly, to the COVID-19 outbreak; ii. one or more individuals within the household can demonstrate a risk of experiencing homelessness or housing instability; and iii. the household has a household income at or below 80% of area median income (U.S. Department of the Treasury, 2021, p. 1).

In 2022, the average months of rental assistance administered across all localities were 2.5 months, with an average total assistance payments to households of $4,188 (U.S. Department of the Treasury, 2023c). The length of ERA1 assistance was limited to 12 months, with the possibility of a three-month extension (Congressional Research Service, 2023). Following the implementation of ERA2, recipients were limited to receiving up to 18 months of assistance, with ERA1 still limited to 15 months (Congressional Research Service, 2023).

Policy Alternatives

The following policy alternatives were chosen based on the evidence of potential solutions to decreasing evictions in public housing. A status quo was not included as an alternative since market forces are unlikely to mitigate evictions within a government-funded and provided public housing program.

Alternative 1: Department of Housing and Urban Development Takes Over Public Housing Administrative Duties & Oversight

Alternative 1 would eliminate the current structure of HUD delegation of oversight responsibilities over tenant protections to public housing authorities. Instead, HUD would overtake these administrative duties, including monitoring housing conditions, management responsiveness, and ensuring that the conversion process does not violate tenants' rights. To do so, HUD would "continue to renew these contracts and take time to build up its own staffing capacity, likely under the umbrella of its Office of Multifamily Housing" over three years (Rockett, 2021, p. 304). This office is subdivided by region, with individual offices for each subdivision region (U.S. Department of Housing and Urban Development, n.d.). Further, "each region also has an Asset Management subdivision, which oversees a team of Account Executives responsible for overseeing" specific public housing developments (Rockett, 2021, p. 304). These teams would be retained and supplemented/expanded with new hires. Finally, after gradually staffing up, after three years, HUD would "choose not to renew its contracts… and offer no new contracts going forward," resulting in HUD entirely replacing public housing authorities as a direct overseer of the contracts with private owners (Rockett, 2021, p. 304).

Alternative 2: Capacity-building Grants to States to Create Eviction Databases

Alternative 2 would implement HUD awarding "capacity-building grants via a competitive program to states to support and incentivize creating their eviction databases. States would apply for these grants by submitting a formal needs assessment and proposal for collaboration with HUD and relevant stakeholders" (U.S. Department of Housing and Urban Development, 2021, p. 57).

The following is taken directly from HUD's report on an eviction database feasibility:

> State eviction databases should: 1) collect standardized data on court-ordered evictions in the entire state, including case number or case name, plaintiff's name, defendant's

> name, addresses, dates, and judgment, 2) be exportable in a tabular format, and, if possible, 3) store digitized court records that could be later shared with stakeholders for research and analysis in a manner that does not compromise data privacy (U.S. Department of Housing and Urban Development, 2021, p. 57).

A pilot program was specifically proposed by HUD in order "to begin to build state capacity while also learning about how the federal government could most effectively incentivize states to make the reforms to their court systems and/or data collection methods needed to build the federal dataset" (U.S. Department of Housing and Urban Development, 2021, p. 56). As proposed in their feasibility report, the pilot program would begin with five states for the first 36 months. After those initial rollouts, the pilot program results would be evaluated. The purpose of the alternative is to "enable states to build capacity to systematically track eviction cases and provide data for a national dataset, while informing HUD of the level and type of resources the federal government could provide to incentive this work nationally" (U.S. Department of Housing and Urban Development, 2021, p. 57).

Alternative 3: Emergency Rental Assistance Program

Alternative 3 implements a permanent national emergency rental assistance "grant program administered by the Department of Housing and Urban Development (HUD), with input from the Departments of Treasury, Health and Human Services (HHS), and Agriculture (USDA)" (Eviction Crisis Act, 2021). This emergency fund would provide financial assistance and housing stability-related services to eviction-vulnerable tenants. The goal of this fund is to reduce preventable evictions.

The basis for Alternative 3 comes from the Eviction Crisis Act of 2021 that was introduced in Congress.

> Eligible grantees include state, local, tribal, and territorial governments, and initial funding eligibility would be based on the number of extremely low-income renter households experiencing severe housing cost-burdens or overcrowding, a jurisdiction's unemployment rate, the prior performance of the grantee, geographic diversity, and other factors (*Bipartisan Eviction-Prevention Legislation Reintroduced in Senate*, 2021, p. 1).

The emergency rental assistance program protects households most at-risk of short-term financial hardship from "the risk of eviction, housing instability, and homelessness" (Adams, n.d.). The Eviction Crisis Act specifies that "eligibility would be limited to households below the federal poverty line–$26,500 for a family of four–or below 30% of the Area Median Income, an amount under

$40,000 even in the most expensive cities such as New York and San Francisco" (Adams, n.d.). The income limit establishes that federal funds are spent on the most vulnerable households. Additionally, assistance is limited to three months. Similarly, this establishes that federal funding addresses the short-term housing vulnerability faced by households.

Evaluation Criteria

Effectiveness

The effectiveness criteria will measure each alternative's estimated effect on decreasing evictions. The alternatives will start with a baseline ranking of low effectiveness (score of 1). Then, the rankings will be evaluated as follows from most favorable to least favorable:

- (3) High Effectiveness: more than four evidence-backed studies that implementing the alternative would likely decrease evictions
- (2) Medium Effectiveness: 2-4 evidence-backed studies that implementing the alternative would decrease evictions
- (1) Low Effectiveness: 0-2 evidence-backed studies that implementing the alternative would decrease evictions

Feasibility

The feasibility criteria will measure each alternative's likelihood of being supported by relevant actors and the ease with which it can be implemented. The alternatives will start with a baseline ranking of low feasibility (score of 1), given that each alternative considered requires implementation at the federal level and individual state and local coordination. Then, alternatives will receive a .5 increase in score for each of the following submatrices it meets.

- (+ .5) Presidential Support: evidence of White House support for the alternative considered
- (+ .5) Congressional Support: evidence of bipartisan congressional support
- (+ .5) HUD Support: evidence that HUD supports implementing the alternative
- (+ .5) Administrative Burden: evidence of the alternative or a similar intervention being implemented before

The rankings will be evaluated as follows from most favorable to least favorable:

- (3) High Feasibility: meets all four of the submatrices of presidential support, congressional support, HUD support, and administrative burden
- (2.5) Medium-High Feasibility: meets 3 out of the four submatrices
- (2) Medium Feasibility: meets 2 out of the four submatrices

- (1.5) Low-Medium Feasibility: meets 1 out of the four submatrices
- (1) Low Feasibility: baseline, meets 0 out of the four submatrices

Cost

The cost criteria will evaluate each alternative's estimated total cost over three years. To calculate the cost, this report uses the Congressional Budget Office's inflation estimates for the years 2024-2026, which are as follows: 3%, 2.2%, and 2.1% (*The Budget and Economic Outlook: 2023 to 2033*, 2023). A discounting rate of 5 percent will be used to calculate each alternative's net present value. This rate was chosen as average given that government agencies typically discount between 3 and 7 percent (Council of Economic Advisors, 2017). Sensitivity analysis for each alternative using discount rates of 3 and 7 percent are in Appendix A, B, and C. The sensitivity analysis found no change to the ranking for any alternative.

The rankings will be evaluated as follows from most favorable to least favorable:

- (3) Low Cost: Total three-year cost between $0 and less than $250 million
- (2.5) Low-Medium Cost: Total three-year cost between $250 million and less than $500 million
- (2) Medium Cost: Total three-year cost between $500 million and less than $750 million
- (1.5) Medium-High Cost: Total three-year cost between $750 million and less than $1 billion
- (1) High Cost: Total three-year cost of $1 billion or more

Evaluating Alternatives

Alternative 1: Department of Housing and Urban Development Takes Over Public Housing Administrative Duties & Oversight

Effectiveness: Low (1)

No evidence-based studies show that HUD taking over contract administrative duties would directly decrease evictions. Further, literature discussing the potential outcome of this alternative finds the effectiveness of HUD's oversight and enforcement of public housing to be ambiguous and uncertain. Therefore, alternative 1 is ranked as having low effectiveness with a baseline score of 1.

While the literature outlines advantages to HUD becoming the contract administrator over local public housing authorities, the overall effectiveness is ambiguous when considering HUD's constraints and contrary incentives on enforcement of oversight. HUD can apply "uniformity and nationalization of enforcement and compliance standards," given that tenants in "Section 8 housing are subject to the same nationwide federal regulations" (Rockett, 2021, p. 306). Further, " Deloitte report commissioned by HUD acknowledges that much of the contract administration work could benefit from 'cross-cutting national oversight'" (Deloitte, 2016; Rockett, 2021, p. 306). Another significant advantage to HUD overseeing all administrative responsibilities "is that HUD is subject to rigorous disclosure requirements that do not apply to private actors" (Rockett, 2021, p. 307). However, "HUD may not demonstrate any more motivation or excitement to enforce tenants' rights rigorously and monitor compliance aggressively than" the current authorities (Gilman, 2001; Rockett, 2021, p. 309). Also, HUD would still be limited by the same enforcement options as private owners, leading to failures to comply with tenants' rights regulations (Boyack, 2019). In addition, HUD's ability "to sanction noncompliant owners are limited by HUD's competing interest to keep private owners as participants" in the housing program (Lee, 2015; Rockett, 2021, p. 309).

Feasibility: Low (1)

Alternative 1 remains at a baseline ranking of low feasibility with a score of 1, given that it meets zero of the following submatrices.

Presidential, Congressional, or HUD Support: 0

Since its creation in 2012, the public housing conversion program has seen expansion and praise from the White House, Congress, and HUD. It was enacted during the Obama Administration, saw growth during the Trump Administration, and continues to grow during the present Biden administration (Gandour, 2022b). In addition, HUD continues to see increases in the public housing conversion requests it receives (Gandour, 2022a). In response, since 2012, HUD had requested increases in the cap number of conversions allowed up until 2023, when HUD requested the cap to be entirely lifted. Each time Congress has approved raising the cap of conversions through its appropriations and budget approval of HUD. Overall, there is no indication of Presidential, congressional, or HUD support for a significant restructuring of the public housing conversion program, specifically replacing the contract administration program with in-house HUD staff.

Administrative Burden: 0

HUD has never been responsible for administering all public housing conversion contracts since the program's inception. Therefore, implementing Alternative 1 would be a significant programmatic change in the implementation and structure of the program at all levels of government. This demonstrates a significant administrative burden to implementing alternative 2; therefore, this submatrix of the previous implementation is unmet.

Cost: Low (3)

In a 2001 hearing concerning the emergence of the contract administration of public housing, Vice President of the National Alliance of HUD Tenants (NAHT), Geraldine Thomas, opposed the contracting out of HUD oversight functions. Instead, NAHT advocated for HUD to redirect the proposed 2001 $196 million cost of the program towards hiring 1000 new Multifamily Housing Staff for $115 million, arguing this was more than enough to do the same work in-house (*Exploring the Success of the "Multifamily Assisted Housing and Affordability Act of 1997" and the So-Called Mark-to-Market Legislation*, 2001).

Using this proposal as a basis for the cost of Alternative 1, this report converted the 2001 cost of the contract administration program to 2023 dollars, after conversion was $335 million (*Bureau of Labor Statistics Data*, n.d.). As of 2023, the current value of the contract administration program is $375 million (Department of Housing and Urban Development, 2023). Using a proportion of the 2023 program cost to the 2001 program cost in 2023 dollars and multiplying it by 1000 new hires, the report found the proportional amount of in-house staff needed in 2023 for HUD to take over the contract administration duties to be 1120. Detailed cost calculations are in Tables 1-6 in Appendix A.

This report assumed an average total compensation, assuming 30 percent fringe benefits, for each in-house staff to be $74,074.00 for level 5 GS-9 federal employees. Level 5 GS–9 employees is the average federal employee title for HUD employees (*GS-9 Pay - 2022 Federal GS Payscale*, n.d.). Accounting for inflation, and discounting, the three-year cost is estimated to be $231 million, ranking Alternative 1 as a low cost with a score of 3.

Alternative 2: Capacity-building Grants to States to Create Eviction Databases

Effectiveness: Low (1)

Fewer than two evidence-based studies show that implementing a pilot program or national eviction database would directly decrease evictions, leading to alternative 2 receiving a low effectiveness rating with a baseline score of 1. Overall, despite the broad support from experts and politicians that better eviction data is necessary to target eviction interventions, there is minimal evidence-backed support that doing so will directly decrease evictions. Further, the scope of the pilot program to only five states makes it very unlikely that the alternative will decrease evictions in large, significant numbers nationally. Therefore, the impact of creating eviction databases on decreasing eviction rates is ambiguous and uncertain.

Feasibility: Medium (2)

Alternative 2 is ranked as medium feasibility with a net score of 2. Starting from a baseline score of 1, it met the submatrices of Congressional and HUD support, adding a score of 1 to its total.

Presidential Support: 0
Despite the Biden Administration hosting three summits on eviction prevention in 2021, none of the press releases published by the White House mentioned the need for a national eviction database (The White House, 2022a). While President Biden has demonstrated that preventing homelessness and evictions is a political priority of his administration, he has not explicitly communicated his support for this alternative. If implemented, the White House would need to be lobbied on behalf of creating a national evictions database grant program administered by HUD. Therefore, Alternative 2 does not meet this metric support.

Congressional Support: .5
Creating a national evictions database has strong support from members of both political parties in Congress. This is evidenced by the bipartisan bills introduced in Congress in the last few years that

would enact a national evictions database. These include the Eviction Crisis Act introduced in Congress by Senators Michael Bennet (D-CO) and Rob Portman (R-OH) and the We Need Eviction Data Nw Act of 2021 introduced by Representatives Rosa DeLauro (D-CT) and Jake Auchincloss (D-MA), and the HELP Act of 2020 introduced by Representative Ayanna Pressley (Eviction Crisis Act, 2021; Rep. DeLauro, 2021). In addition, the 2021 Congressional Appropriations Act contained two direct mentions of investigating creating national eviction databases. These included "the Joint Explanatory Statement and the House Committee Report supporting the 2021 Appropriations Act directed the Department of Housing and Urban Development (HUD) to study the feasibility of creating an evictions database" and a similar request by House Committee Report H.R. 116-452 (Committee on Appropriations, 2020; U.S. Department of Housing and Urban Development, 2021).

HUD Support: .5
At the direction of Congress, HUD published the "Report to Congress on the Feasibility of Creating a National Evictions Database in 2021" (U.S. Department of Housing and Urban Development, 2021). Alternative 2 follows HUD's proposal within this report to implement a pilot program of capacity-building grants to states to create a national eviction database. Overall, the HUD report provides strong evidence of the likelihood and feasibility of further cooperation between HUD and Congress to implement a national eviction database soon.

Administrative Burden: 0
Alternative 3 does not meet the submatrix of a national evictions database or a similar intervention having already been implemented. In addition, as discussed earlier in evidence on potential solutions, the federal government has never had a system to measure the eviction crisis nationally, indicating that implementing alternative 2 imposes a significant administrative burden to implement.

Cost: Low (3)

The cost of Alternative 2 comes from HUD's "Report to Congress on the Feasibility of Creating a National Evictions Database." It reported that the HUD capacity-building grants to 5 states would cost $25 million for a 36-month pilot program. In addition, "HUD anticipates that building internal infrastructure to collect, store, analyze, and share eviction data could require $5 million in initial funding over 36 months" (U.S. Department of Housing and Urban Development, 2021). Accounting for inflation, and discounting, the three-year cost is estimated to be approximately $28.7 million, ranking Alternative 2 as having a low cost with a score of 3. Detailed yearly cost calculations are found in Tables 7-9 in Appendix B.

Alternative 3: Emergency Rental Assistance Program

Effectiveness: High (3)

Based on the evidence on potential solutions to the problem section, several strong evidence-backed pieces of literature show that direct rental assistance programs decrease evictions.

A recent study of the program found that emergency rental assistance is associated with substantial short-term benefits for housing stability, financial well-being, and mental health (Airgood-Obrycki, 2022). The results consistently showed that the average effect of receiving ERA is a significant 36 percentage point decrease in the likelihood of being behind on rent. In addition, Harvard's Joint Center for Housing Studies found that amongst households that were behind on rent, households that received assistance were 59 percent less likely to think that the risk of eviction was at least somewhat likely in the next two months than households who had applied for but did not receive assistance (U.S. Government Accountability Office, 2022).

Even before the rollout of the COVID-19 ERA program, studies found emergency rental assistance effective at preventing evictions. For example, a study conducted in Vermont that analyzed evictions in the state found that giving households the median amount owed to prevent eviction in the state, $4,000, would prevent up to 66 percent of future evictions (Beck, 2019). Another recent study found that "a monthly rental subsidy of $400 to households with total wealth below a threshold of $1,000" "reduces homelessness by 45 percent, the eviction filing rate by approximately 75 percent," and the eviction rate by 73 percent (Abramson, 2021, pp. 5, 45).

Since Alternative 3 has four evidence-based studies that emergency rental assistance programs decrease or prevent evictions, Alternative 3 is highly effective.

Feasibility: High (3)

Alternative 3 is ranked as having high feasibility with a net score of 3. Starting from a baseline score of 1, it met all four submatrices adding a score of 2 to its total.

Presidential Support: .5
There is strong Presidential support for the emergency rental assistance program. The White House has repeatedly reported the temporary Emergency Rental Assistance program's success during the COVID-19 pandemic (The White House, 2022a, 2022b, 2023).

Congressional Support: .5

There is evidence of Congressional support for a permanent emergency rental assistance program. Similar to Alternative 2, this is evidenced by the bipartisan bills introduced in Congress, including enacting a permanent emergency rental assistance program. These include the Stables Families Act of 2022, introduced by Representative Richie Torres (D-NY), and the Eviction Crisis Act introduced in Congress by Senators Michael Bennet (D-CO) and Rob Portman (R-OH) (Eviction Crisis Act, 2021; *Representative Ritchie Torres Introduces "Stable Families Act" to Create Permanent ERA Program*, n.d.).

HUD Support: .5

HUD continues to be engaged with information on the emergency rental assistance program. HUD releases press releases on new evaluations of the COVID-19 program (*FY 2022 Impact Evaluation of the Emergency Rental Assistance (ERA) Program*, n.d.). Given HUD's reporting on the program's successes, HUD support can be estimated for Alternative 3. In addition, HUD worked with the Department of Treasury to help Emergency Rental Assistance Program (ERA) "grantees connect tenants behind on rent and utilities with financial assistance" (*HUD Evictions Guidance*, 2021). Given their involvement and collaboration in the program's previous iteration, HUD will likely support implementing Alternative 3.

Administrative Burden: .5

The Emergency Rental Assistance programs implemented during the COVID-19 pandemic provide evidence of previous administrative and implementation capacity for creating a permanent emergency rental assistance fund. In addition, since the programs ended in 2022, government agencies and related organizations have evaluated the program's implementation and lessons learned to increase the ease with which a similar emergency rental assistance can be implemented. In light of this recent implementation of a similar emergency rental assistance program, alternative 3 meets this submatrix.

Cost: High (1)

The cost of Alternative 3 comes from the results of the 2021 Emergency Rental Assistance program Congress created in response to the COVID-19 pandemic. Congress authorized $25 billion for the temporary Emergency Rental Assistance program in the Consolidated Appropriations Act 2021. Ultimately, only $3.1 billion in the allocated funding was distributed to states (Congressional Research Service, 2023). In addition, the Eviction Crisis Act (S.2182) requested $3 billion in annual funding to implement a permanent emergency rental assistance fund (Eviction Crisis Act, 2021). Although the

COVID-19 pandemic eviction programs have ended, the level of evictions preceding and following the pandemic has remained significant. Therefore, using $3 billion as the annual cost of implementation, accounting for inflation and discounting, the three-year cost is estimated to be approximately $8.6 billion, ranking Alternative 3 as having a high cost with a score of 1. Further detailed yearly cost calculations are in Tables 10-13 in Appendix C.

In 2022, the temporary Emergency Rental Assistance program distributed an average assistance payment of $4,118 to individual households across all states, local governments, and U.S. territories (U.S. Department of the Treasury, 2023a). Assuming a permanent emergency rental assistance program would distribute an equal average payment of $4,118, Alternative 3 is estimated to serve 2.1 million individual households over its three-year implementation.

Evaluation Matrix

The outcomes matrix below provides a visual representation of the projected outcomes of each alternative across the array of selected criteria. Effectiveness, feasibility, and cost are equally weighted for the total projected outcomes score. Higher weighted total scores are the most favorable. Scores in parentheses depict raw scores, with the weighted criteria score italicized beneath. The light orange highlight shows the best alternative on each criterion. The bolded, outlined box highlights the alternative with the highest weighted total score.

Alternative	Effectiveness (33.33%)	Feasibility (33.33%)	Cost (2024-2026) (33.33%)	Weighted Total Score
1: HUD Takes Over Public Housing Administrative Duties & Oversight	**Low** (1) *Weighted: 0.33*	**Low** (1) *Weighted: 0.33*	**Low** (3) *Weighted: 1*	**1.67**
2: Capacity-building Grants to States to Create Eviction Databases	**Low** (1) *Weighted: 0.33*	**Medium** (2) *Weighted: 0.67*	**Low** (3) *Weighted: 1*	**2**

3: Emergency Rental Assistance Program	**High** (3) *Weighted: 1*	**High** (3) *Weighted: 1*	**High** (1) *Weighted: 0.33*	**2.33**

Recommendation

This report recommends Alternative 3, implementing a permanent emergency rental assistance fund authorized by Congress and distributed by the U.S. Department of Housing and Urban Development. Alternative 3 had the highest overall weighted total score of 2.33 across all criteria, compared to the weighted total scores of 1.66 and 2, for Alternative 1 and 2, respectively. In addition, Alternative 3 had the highest scores for effectiveness and feasibility, neither matched by Alternative 1 or 2. However, there is a significant tradeoff to consider in recommending Alternative 3. Alternative 3 had the highest cost by over $8.3 billion compared to Alternative 1, which had the second highest alternative cost. If cost were to be weighted to 43 percent, with a 28.5 percent weight each for effectiveness and feasibility, Alternative 2 would have the highest weighted total score overall, with a score of 2.145 compared to 2.14 for Alternative 3 and 1.86 for Alternative 1. Alternative weights outcomes matrix are in Table 14 of Appendix D.

Despite the significant cost tradeoff, Alternative 3 is still the best intervention to decrease evictions in public housing. Alternative 3 has several evidenced based studies that project its implementation is highly effective at preventing and decreasing evictions. In addition, it is projected to be the most feasible alternative to implement given its broad support across the White House, Congress, and HUD and previous implementation of the emergency rental assistance program during the COVID-19 pandemic.

Implementation

Successful implementation of Alternative 3 requires a thorough stakeholder engagement phase, incorporating best practices for program design and execution, mechanisms, and requirements for program evaluation and monitoring in order to avoid the potential risks of slow delivery of assistance or disproportionate distribution of assistance to those not in public housing.

Stakeholder Engagement

The initial next steps to implement Alternative 3 would be cultivating support amongst the critical stakeholders involved in adopting the program. Alternative 3 will only be able to be implemented with initiative and support from both HUD and Congress. The highest stakeholder at HUD is the Secretary of the U.S. Department of Housing and Urban Development, Marcia L. Fudge. Lobbying her office for support is crucial to its adoption. Conversely, although very similar bills have been introduced in Congress by representatives and senators of both parties, Alternative 3 will need support from the gatekeepers of Congress. These include the Speaker of the House of Representatives, Representative Kevin McCarthy (R-CA), Senate Majority Leader, Senator Chuck Schumer (D-NY), and Senate Minority Leader, Senator Mitch McConnell (R-KY), who all control the legislative agenda and priorities instrumental in putting this up for Congressional approval.

This stakeholder engagement will need to build a coalition of support amongst activists and organizations concerned with evictions and their effects. Advocates would be wise to enlist Democratic Senator Michael Bennet and Republican Senator Todd Young to reintroduce the Eviction Crisis Act in the current 118th legislation session. Further, they would jointly be able to work together to stress the bipartisan nature of this program to recruit bipartisan supporters.

Program Design and Evaluation

Promising practices of the COVID-19 pandemic emergency rental assistance program can be applied to an implementation of a permanent version of the program. For example, an evaluation of the program outlined the following best practices: direct-to-tenant assistance can improve program accessibility, transparent and timely program parameters can increase administrators' certainty in making decisions about program infrastructure and design, and sufficient and sustained funding is essential to building adequate infrastructure and capacity. In addition, flexibility in eligibility, documentation requirements, and targeted outreach are vital for program accessibility (Aiken et al., n.d.). As more evaluations and lessons from the previous temporary emergency rental assistance program become available, implementers should thoughtfully incorporate their recommendations into program design and execution.

Data collection, monitoring, and evaluation of the program should be required for the emergency rental assistance program. HUD should model the Department of the Treasury's transparency and reporting of the emergency rental assistance fund implemented during the COVID-19 pandemic.

Potential Risks

Pitfalls with the program are at risk if HUD's rollout does not implement the recommendations from the Department of the Treasury's findings and exacerbates problems in distributing funding. For example, studies have already found the successful speed of direct distribution of funds to tenants during the COVID-19 pandemic emergency rental assistance occurred in localities that targeted low-income tenants and partnered with nonprofit groups (Thrush & Dougherty, 2021). In addition, this study found that flexibility was crucial, as bureaucratic burden made the funds harder to distribute. Reducing them increased the pace of assistance delivery, such as relaxing application standards.

In addition, Alternative 3 implements a permanent emergency rental assistance program for all low-income and vulnerable tenants nationwide, not just those in public housing or the public housing conversion program. While the emergency rental assistance program is not targeted in scope to public housing or the converted privatized housing, public housing tenants will be eligible and likely still significantly impacted. However, suppose the program disproportionately distributes funds to those not in public housing or the conversion program. In that case, the impacts of this implementation may be minor and less significant than projected. The program design and subsequent evaluations outlined above can mitigate this potential implementation risk.

Conclusion

Overall, implementing Alternative 3, a permanent emergency rental assistance program, is essential because of its potential to decrease public housing evictions nationwide. Over three years, it is estimated to be able to serve 2.1 million individual households with emergency rental assistance. As the number of public housing conversions to programs funded by privatized subsidies increases, the number of tenants who will be impacted is expected to increase significantly. These tenants, and those already converted, are vulnerable to a potential loss of tenant protections and rights from a change to private management, oversight, and regulation. To mitigate the effects of conversion on tenant evictions, an emergency rental assistance program must be adopted and implemented to decrease the likelihood of evictions.

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Appendix

A. Cost Figures: Alternative 1

Table 1: Alternative 1 Consumer Price Indices

Month, Year	CPI
January, 2001	175.1
January, 2023	299.17

Source: U.S. Bureau of Labor Statistics Data, 2023

Table 2: Alternative 1 HUD Contract Administration Costs in 2001 and 2023

Contract Administration Costs	
2001 HUD Contract Administration Cost	$196,000,000
2001 Cost in 2023 Dollars	$334,879,041
2023 HUD Contract Administration Cost	$375,000,000

Sources: Exploring the Success of the "Multifamily Assisted Housing and Affordability Act of 1997" and the So-Called Mark-to-Market Legislation, 2001; U.S. Department of Housing and Urban Development, 2023

The January 2023 CPI and January 2021 CPI detailed in Table 1 were used to convert the 2001 cost of the HUD contract administration to 2023 dollars:

(299.17 / 175.1) * ($196,000,000) = $334,879,041

Table 3: Alternative 1 Yearly Cost Calculations

Staff Cost Calculation	
2001 Number of Staff Proposed*	1000
2023 Number of Staff Needed	1119.81
Employee Salary**	$55,564.00
Employee Fringe Benefits***	$16,669.20
Yearly Cost Per Employee	$72,233.20
Total Yearly Cost	**$80,887,265.91**

Sources: 2023 Federal GS Payscale

**Assumes that hiring 1000 in house staff is sufficient to take over the entire contract administration of public housing contracts. **Assumes that the employees will be hired at step 5 of level GS–9 of the federal employee titles. ***Assumes fringe benefits to employees will be 30 percent of salary.*

To estimate the number of in-house HUD staff needed in 2023, the number of in-house HUD staff proposed in 2001 was multiplied by a ratio of 2023 contract administration costs to 2001 contract administration costs, detailed in Table 2:

$$(1000) * (\$375{,}000{,}000 / \$334{,}879{,}041) = 1119.81$$

To get the total yearly cost per employee, the employee salary and employee fringe benefits were added together:

$$\$55{,}564.00 + \$16{,}669.20 = \$72{,}233.20$$

To get the estimated total yearly costs, the yearly cost per employee was multiplied by the 2023 number of staff needed:

$$(\$72{,}233.20) * (1119.18) = \$80{,}887{,}265.91$$

Table 4: Alternative 1 Cost Calculations

Alternative 1: HUD Oversight			
	Cost	**Inflation**	**Present Value (r =0.05)**
2024	$80,887,266	$83,313,884	$79,346,556
2025	$80,887,266	$85,146,789	$77,230,648
2026	$80,887,266	$86,934,872	$75,097,611
3 Year Cost	$242,661,798	$255,395,545	**$231,674,815**

Source: The Budget and Economic Outlook: 2023 to 2033, 2023

Table 5: Alternative 1 Cost Calculations Sensitivity Analysis using a 3% Discount Rate

Alternative 1: HUD Oversight			
	Cost	**Inflation**	**Present Value (r =0.03)**
2024	$80,887,266	$83,313,884	$80,887,266
2025	$80,887,266	$85,146,789	$80,259,015
2026	$80,887,266	$86,934,872	$79,557,723
3 Year Cost	$242,661,798	$255,395,545	**$240,704,004**

Source: The Budget and Economic Outlook: 2023 to 2033, 2023

Table 6: Alternative 1 Cost Calculations Sensitivity Analysis using a 7% Discount Rate

Alternative 1: HUD Oversight			
	Cost	**Inflation**	**Present Value (r =0.07)**
2024	$80,887,266	$83,313,884	$77,863,443
2025	$80,887,266	$85,146,789	$74,370,503
2026	$80,887,266	$86,934,872	$70,964,751
3 Year Cost	$242,661,798	$255,395,545	**$223,198,698**

Source: The Budget and Economic Outlook: 2023 to 2033, 2023

B. Cost Figures: Alternative 2 Capacity-building Grants to States to Create Eviction Databases

Table 7: Alternative 2 Cost Calculations

Alternative 2: Capacity-building Grants to States to Create Eviction Databases					
	Cost	**Initial Funding**	**Total Yearly Cost**	**Inflation**	**Present Value (r =0.05)**
2024	$8,333,333	$5,000,000	$13,333,333	$13,733,333	$13,079,365
2025	$8,333,333	$0	$8,333,333	$8,772,167	$7,956,614
2026	$8,333,333	$0	$8,333,333	$8,956,382	$7,736,860
3 Year Cost	$25,000,000	$5,000,000	$30,000,000	$31,461,882	**$28,772,838**

Source: 2021 "Report to Congress on the Feasibility of Creating a National Evictions Database", U.S. Department of Housing and Urban Development; The Budget and Economic Outlook: 2023 to 2033, 2023

Table 8: Alternative 2 Cost Calculations Sensitivity Analysis using a 3% Discount Rate

Alternative 2: Capacity-building Grants to States to Create Eviction Databases					
	Cost	**Initial Funding**	**Total Yearly Cost**	**Inflation**	**Present Value (r =0.03)**
2024	$8,333,333	$5,000,000	$13,333,333	$13,733,333	$13,333,333
2025	$8,333,333	$0	$8,333,333	$8,772,167	$8,268,608
2026	$8,333,333	$0	$8,333,333	$8,956,382	$8,196,358
3 Year Cost	$25,000,000	$5,000,000	$30,000,000	$31,461,882	**$29,798,300**

Source: 2021 "Report to Congress on the Feasibility of Creating a National Evictions Database", U.S. Department of Housing and Urban Development; The Budget and Economic Outlook: 2023 to 2033, 2023

Table 9: Alternative 2 Cost Calculations Sensitivity Analysis using a 7% Discount Rate

Alternative 2: Capacity-building Grants to States to Create Eviction Databases					
	Cost	**Initial Funding**	**Total Yearly Cost**	**Inflation**	**Present Value (r =0.07)**
2024	$8,333,333	$5,000,000	$13,333,333	$13,733,333	$12,834,891
2025	$8,333,333	$0	$8,333,333	$8,772,167	$7,661,950
2026	$8,333,333	$0	$8,333,333	$8,956,382	$7,311,076
3 Year Cost	$25,000,000	$5,000,000	$30,000,000	$31,461,882	**$27,807,917**

Source: 2021 "Report to Congress on the Feasibility of Creating a National Evictions Database", U.S. Department of Housing and Urban Development; The Budget and Economic Outlook: 2023 to 2033, 2023

C. Cost Figures: Alternative 3 Permanent Emergency Rental Assistance Fund

Table 10: Alternative 3 Yearly Costs

Alternative 3: Permanent Emergency Rental Assistance Fund			
	Yearly Cost	**Inflation**	**Present Value (r =0.05)**
2024	$3,000,000,000	$3,090,000,000	$2,942,857,143
2025	$3,000,000,000	$3,157,980,000	$2,864,380,952
2026	$3,000,000,000	$3,224,297,580	$2,785,269,478
3 Year Cost	$9,000,000,000	$9,472,277,580	**$8,592,507,574**

Source: S.2182 Eviction Crisis Act of 2021; The Budget and Economic Outlook: 2023 to 2033, 2023

Table 11: Alternative 3 Cost Calculations Sensitivity Analysis using a 3% Discount Rate

Alternative 3: Permanent Emergency Rental Assistance Fund			
	Yearly Cost	**Inflation**	**Present Value (r =0.03)**
2024	$3,000,000,000	$3,090,000,000	$3,000,000,000
2025	$3,000,000,000	$3,157,980,000	$2,976,699,029
2026	$3,000,000,000	$3,224,297,580	$2,950,689,038
3 Year Cost	$9,000,000,000	$9,472,277,580	**$8,927,388,067**

Source: S.2182 Eviction Crisis Act of 2021; The Budget and Economic Outlook: 2023 to 2033, 2023

Table 12: Alternative 3 Cost Calculations Sensitivity Analysis using a 7% Discount Rate

Alternative 3: Permanent Emergency Rental Assistance Fund			
	Yearly Cost	**Inflation**	**Present Value (r =0.07)**
2024	$3,000,000,000	$3,090,000,000	$2,887,850,467
2025	$3,000,000,000	$3,157,980,000	$2,758,302,035
2026	$3,000,000,000	$3,224,297,580	$2,631,987,269
3 Year Cost	$9,000,000,000	$9,472,277,580	**$8,278,139,771**

Source: S.2182 Eviction Crisis Act of 2021; The Budget and Economic Outlook: 2023 to 2033, 2023

Table 13: Alternative 3 Individuals Served Over 3 Year Funding Calculation

Alternative 3	
3 Year Cost of Program	$8,592,507,574
Average Household Payment of COVID-19 ERA1 and ERA2 programs*	$4,118
Individuals Served over 3 Years	**2,086,572.99**

Source: U.S. Department of the Treasury, 2023

**Assumes that the alternative's payment amount will be the same as the average household payment of the COVID-19 pandemic ERA program.*

To calculate the projected number of individuals served over the 3 year program duration, the total 3 year cost of the alternative, detailed in Table 10, was divided by the average household payment of the COVID-19 ERA programs:

$8,592,570,574 / $4,118 = 2,086,572.99

D. Outcomes Matrix Variation in Weights

Table 14: Minimum Cost Weight Needed for Alternative 2 to Have the Highest Total Weighted Score

Alternative	Effectiveness (28.5%)	Feasibility (28.5%)	Cost (2024-2026) (43%)	Weighted Total Score
1: HUD Takes Over Public Housing Administrative Duties & Oversight	**Low** (1) *Weighted: 0.285*	**Low** (1) *Weighted: 0.285*	**Low** (3) *Weighted: 1.29*	**1.86**
2: Capacity-building Grants to States to Create Eviction Databases	**Low** (1) *Weighted: 0.285*	**Medium** (2) *Weighted: 0.57*	**Low** (3) *Weighted: 1.29*	**2.145**
3: Emergency Rental Assistance Program	**High** (3) *Weighted: 0.855*	**High** (3) *Weighted: 0.855*	**High** (1) *Weighted: 0.43*	**2.14**