



Using TANF Funding to Provide Housing Assistance During the COVID-19 Pandemic

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The COVID-19 pandemic is imposing added hardships on low-income families and posing numerous challenges for the safety net programs that assist them. Along with the health dangers of the coronavirus itself, the resulting shutdowns have made it even more difficult for such families to meet their basic needs.

This brief is part of a broader study exploring how Temporary Assistance for Needy Families (TANF) programs across the country are using TANF funds to serve and support families experiencing or at risk of homelessness. The study did not aim to focus specifically on homelessness during the COVID-19 pandemic, but much of our fieldwork occurred during it (in summer and fall 2020).

In this brief, we describe housing-related challenges that families faced during the pandemic, both nationally and in the four communities we visited as part of this study (see adjacent textbox). We then focus on how the TANF agency in one of these communities, Boulder County, Colorado, responded to the housing needs of families in its community specifically at the beginning of the COVID-19 pandemic. We describe the shifts and the associated actions that Boulder County's TANF agency took in response to housing challenges posed by the pandemic.

With the pandemic ongoing at the time of writing, this brief does not provide a retrospective description of how TANF programs responded to the entirety of the COVID-19 pandemic. Instead, it describes the rapid shifts in policies and business processes that one agency implemented in the first months of the pandemic. This was a time of maximum uncertainty, necessitating swift alterations to the agency's usual approach. The challenges facing TANF agencies and the families they serve continue to evolve, and the approaches agencies implement will also continue to change.

About the Study *How TANF Agencies Support Families Experiencing Homelessness*

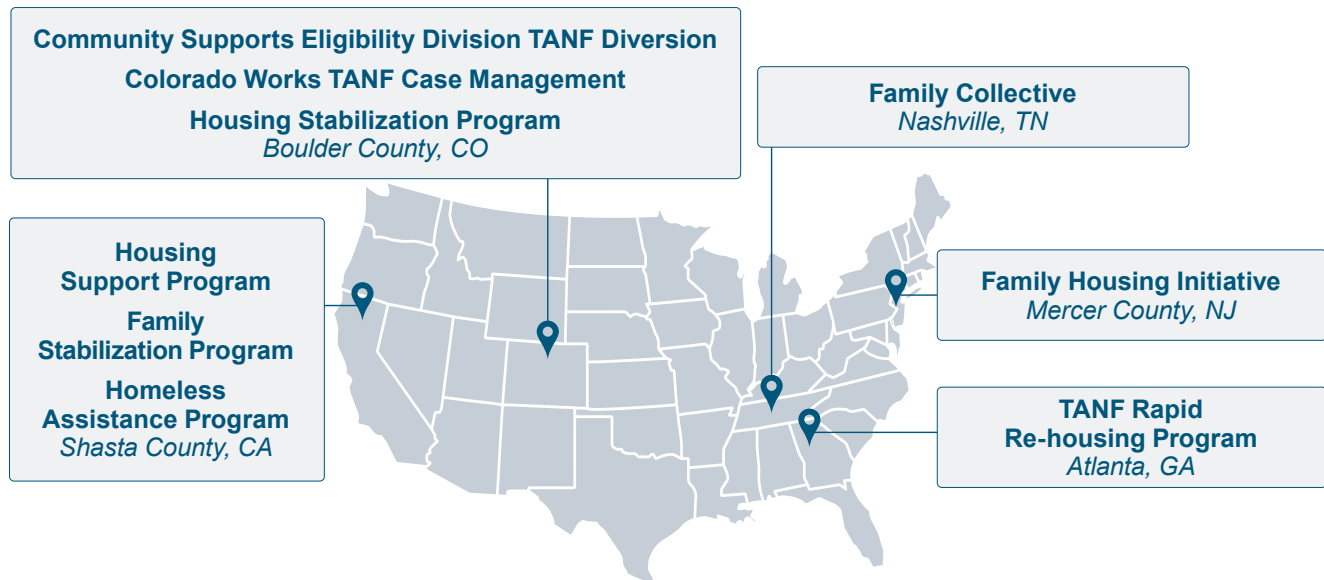
The U.S. Department of Health and Human Services (HHS), Administration for Children and Families (ACF), Office of Planning, Research, and Evaluation contracted with Abt Associates and its partner MEF Associates to conduct the study *How TANF Agencies Support Families Experiencing Homelessness*. The study examines how TANF agencies across the country are using TANF funds to serve and support families experiencing or at risk of homelessness.

In 2013, ACF's Office of Family Assistance issued an Information Memorandum ([TANF-ACF-IM-2013-01](#)) highlighting how TANF funds can be used to assist families experiencing or at risk of homelessness. The memorandum outlines allowable uses for TANF funds, details how TANF and maintenance of effort funds^a can be used to address housing needs and provide other supportive services, and provides examples of how state agencies used TANF to serve families experiencing homelessness.

To better understand state TANF agencies' overall philosophies and policies toward addressing family homelessness and the extent to which local TANF programs are implementing these policies, the study team conducted a scan of TANF agency practices in 2018 and 2019. We also conducted five site visits to collect more detailed, in-depth information. In November 2018, we made a pilot site visit to Mercer County, New Jersey. In September and October 2020, we made virtual site visits to Boulder County, Colorado; Nashville, Tennessee; Atlanta, Georgia; and Shasta County, California.

In all five sites, we interviewed program administrators, caseworkers, and key staff at partner agencies. In each case, these were communities using TANF funds to support families experiencing homelessness. In some sites the focal point of the visit was the TANF agency itself. In others, the focus was on a community-based organization that was receiving TANF funding to address homelessness.

^a As a condition of the TANF block grant, states are required to spend a certain amount of their own funds on TANF-allowable categories. These funds are called maintenance of effort (MOE) funds.

Site visit locations

Notes: Mercer County data is not included in this brief. During our pilot site visit in fall 2018, we collected general information about the New Jersey program, including availability of housing subsidies, but not on the County's response to COVID-19 or prior emergencies.

Housing-related Challenges Facing Families During the Pandemic

The pandemic has had numerous negative consequences for families living in poverty. Multiple safety net programs and government supports have helped to offset the large-scale job loss and income reductions many families are facing. However, many of those families continue to experience substantial economic hardship. Specifically, the pandemic exacerbated hardships faced by low-income households in the rental housing market. Below we describe some of the difficulties observed in Atlanta, Boulder County, Nashville, and Shasta County after the pandemic began. Conversations in all four sites underscored the economic and social difficulties that families in these communities were facing.

Income Loss and Debt Accumulation

Sporadic employment as a result of pandemic shutdowns as well as other factors reduced the income of many families, making it more difficult for households to pay their rent. Eviction moratoriums can help families maintain their housing, but these moratoriums do not stop the rising debt that accrues from unpaid rent.¹ Researchers estimated that by March 2021 some 1.8 million renter households (5.4 percent of all renter households and 15 percent of those experiencing some unemployment) would owe \$11 billion in rent, an average of \$6,100 each.² Now that the eviction moratoriums have expired in most communities many households will face rental payments again with limited income.

Availability of Housing Subsidies

Multiple public supports are available to increase housing security for low-income families. Among them are long-term housing subsidies, including public housing and housing vouchers that families can use in the private rental market, as well as policies that incentivize development of low-income housing in the private market.

¹ In response to income loss during the pandemic, the federal government and many states imposed restrictions on landlords, preventing them from evicting tenants for non-payment of rent.

² Federal Reserve Bank Philadelphia. *Household Rental Debt During COVID-19: Update for 2021*. (2021). Accessed at: <https://www.philadelphiafed.org/-/media/frbp/assets/community-development/reports/household-rental-debt-during-covid-19-update-for-2021.pdf>

For a more detailed discussion, see the brief *Approaches to Assisting Families Experiencing or At Risk of Homelessness with TANF Funds*.³

In each of the four sites visited during the pandemic, short-term rental subsidies were a key component of the program's strategy to transition participants to permanent housing. The sites used TANF funds to provide short-term rental subsidies, often lasting 3 to 12 months. Some sites offered a bridge to longer-term housing subsidies, such as vouchers, to ensure participants' rent remained affordable beyond the short-term assistance offered by TANF.

The Housing Choice Voucher program⁴ is an especially critical component of this strategy in two of the sites we visited. The amount a family with a voucher contributes to rent is tied to the family's income. Therefore, the costs of existing vouchers to public housing agencies increase during economic downturns as the income of voucher-holders decreases. Consequently, they often issue fewer new vouchers to families.

Site staff expressed concern that the increasing need for vouchers in their communities would reduce the available supply of vouchers and making it more difficult for households receiving short-term subsidies through TANF funding to transition to permanent housing.

Changes in the Rental Market

In normal circumstances, there is a certain amount of churn in the rental market. Vacancies arise when families, for example, move for a new job, need a more affordable unit, or seek a larger unit due to increased family size. Evictions result in available rental stock, too—though the availability of a new affordable unit through eviction comes at the expense of a newly homeless or housing-insecure family.

Staff at the four sites described how they felt the pandemic further limited availability of affordable housing units in their communities. They reported it had become even more challenging to identify housing units with affordable rents, especially in already tight housing markets with small numbers of affordable units.⁵ Site staff believed the decrease in evictions and the corresponding reduction in unit turnover played a role in the lack of affordable housing options.⁶

New Challenges for Families with Children

Site staff emphasized the difficulties faced by low-income families they work with in balancing work and other commitments versus the need to support their children in remote schooling. As for parents generally, difficulties include not having stable internet, the necessary electronic devices to access and complete school assignments, and the time and physical space to support children's learning. These issues are even more acute for families experiencing or at risk of homelessness. Moreover, housing insecurity may make it more challenging to comply with stay-at-home orders.

Staff in multiple sites also described limited availability of child care for families served by their program, especially in the early months of the pandemic. An audit by the HHS Office of the Inspector General found

³ Dunton, Lauren, and Cara Sierks (2021). *Approaches to Assisting Families Experiencing or At Risk of Homelessness with TANF Funds*, OPRE Report #2021-192, Washington, DC: Office of Planning, Research, and Evaluation, Administration for Children and Families, U.S. Department of Health and Human Services. <https://www.acf.hhs.gov/opre/report/approaches-assisting-families-experiencing-or-risk-homelessness-tanf-funds>

⁴ U.S. Department of Housing and Urban Development. *Housing Choice Vouchers Fact Sheet*. https://www.hud.gov/program_offices/public_indian_housing/programs/hcv/about/fact_sheet

⁵ This runs counter to national trends, which included slight reductions in rents as demand lessened, but that finding is more applicable for expensive units in higher-density urban areas. See, for example, https://www.jchs.harvard.edu/sites/default/files/interactive-item/files/Harvard_JCHS_State_of_the_Nations_Housing_2020_Key_Facts.pdf

⁶ Preliminary research about housing markets during the pandemic suggests that pauses in new construction of affordable units may also be a factor. https://www.jchs.harvard.edu/sites/default/files/interactive-item/files/Harvard_JCHS_State_of_the_Nations_Housing_2020_Key_Facts.pdf

that about 63 percent of child care centers and about 27 percent of family child care providers closed during the COVID-19 pandemic.⁷ A U.S. Census Bureau survey from July 2020 found nearly one in five working-age adults in the United States was not working because COVID-19 disrupted their child care arrangements.⁸ Loss of child care further increases economic pressures on low-income families as it makes it more difficult for parents to work while also ensuring their children are cared for.⁹

National Housing Insecurity Leading up to and During the COVID-19 Pandemic

Prior to the pandemic, low-income families faced a high risk of housing insecurity. This included people experiencing homelessness and severe rent burdens associated with a lack of affordable housing in many communities across the country. The number of families experiencing homelessness remained largely the same between 2019 and 2020, with 53,739 families experiencing homelessness on a single night in 2020.^a Another 37.1 million households were cost burdened in 2019, spending more than 30 percent of their incomes on housing. Of those households, 17.6 million were severely cost burdened, spending more than 50 percent of their incomes on housing. This large burden for housing put them at risk of experiencing homelessness.^b

The pandemic's ultimate effect on family homelessness remains difficult to quantify; however it will likely result in dramatic increases to the number of households experiencing homelessness.^c Moreover, even for families able to remain in their housing, the economic effects of the pandemic on housing will likely be striking. Nationwide, roughly 49 percent of renters and 36 percent of homeowners experienced employment income loss between March and September 2020. These effects are most pronounced for people of color; 23 percent of Black non-Hispanic and 20 percent of Hispanic renter households were behind on rent as of September 2020, compared to 10 percent of White non-Hispanic renter households.^d At this time, it is unclear how many families remain in their housing because of the temporary halt in evictions enacted by the Centers for Disease Control and Prevention.^e

a 2020 Annual Homeless Assessment Report, Part 1: <https://www.huduser.gov/portal/datasets/ahar/2020-ahar-part-1-pit-estimates-of-homelessness-in-the-us.html>

b The Joint Center for Housing Studies. *The State of the Nation's Housing 2020*. Accessed at: https://www.jchs.harvard.edu/sites/default/files/interactive-item/files/Harvard_JCHS_State_of_the_Nations_Housing_2020_Key_Facts.pdf

c Economic Roundtable. *Locked Out: Unemployment and Homelessness in the COVID economy*. Accessed at: <https://economicrt.org/publication/locked-out/>

d https://www.jchs.harvard.edu/sites/default/files/interactive-item/files/Harvard_JCHS_State_of_the_Nations_Housing_2020_Key_Facts.pdf

e CDC Eviction Moratorium: <https://www.cdc.gov/coronavirus/2019-ncov/covid-eviction-declaration.html>

⁷ <https://oig.hhs.gov/oas/reports/region7/72006092.pdf>. Relatedly, some 336,000 child care workers lost their jobs between March and April 2020, some of whom likely were themselves low-income parents, who lost their child care and also their income. https://www.bls.gov/news.release/archives/empst_05082020.pdf

⁸ <https://www.census.gov/library/stories/2020/08/parents-juggle-work-and-child-care-during-pandemic.html>. U.S. Census.

⁹ Federal Reserve Bank of Minneapolis (2020). *Why is Mommy so Stressed? Estimating the Immediate Impact of the COVID-19 Shock on Parental Attachment to the Labor Market and the Double Bind of Mothers*. Institute Working Paper 33. Accessed at: <https://www.minneapolisfed.org/research/institute-working-papers/why-is-mommy-so-stressed-estimating-the-immediate-impact-of-the-covid-19-shock-on-parental-attachment-to-the-labor-market-and-the-double-bind-of-mothers>

Responses to the Housing Challenges of the Pandemic: The Example of Boulder County

The COVID-19 pandemic has exacerbated the housing issues facing communities and alters the way public agencies and community organizations operate. In spring 2020, communities around the country took steps to mitigate the effects of the pandemic on families experiencing homelessness. One of these was Boulder County, Colorado. In the early months of the pandemic, the County's TANF program quickly pivoted to support the rapidly changing housing needs of its population.

In this section, we begin by describing Boulder's pre-pandemic model for serving homeless families, and then describe its service delivery adaptation in response to the pandemic.

Pre-Pandemic Approach to Addressing Homelessness in Boulder County

Boulder's Past Natural Disaster Response

Boulder's experience responding to natural disasters is relevant to their Department of Housing and Human Services' (DHHS) ability to rapidly respond to the effects of the pandemic. In 2013, Boulder County experienced devastating flooding and, in the past decade, multiple large wildfires. In response to each disaster, DHHS staff quickly enacted central one-stop disaster assistance centers to help residents access emergency resources. County staff cited their experience providing rapid assistance in the aftermath of these disasters as influential in their ability to respond quickly to the pandemic.

In 2009, Boulder County merged its Public Housing Authority and social services department into a single agency, the Boulder County Department of Housing and Human Services (DHHS). The department's director at the time believed that economic and health outcomes could be improved by coordinating across multiple safety net programs, including cash assistance, housing, food assistance, and employment services. Program leadership merged staff from the previously separate agencies and established an integrated service delivery model of care. DHHS leadership believed that housing security was critical to the long-term economic mobility of participants in the County's TANF program.

Shortly after the formation DHHS, Boulder County voters approved a new property tax to generate local funds to support housing stabilization programs and other supportive services, including the County's child care assistance program and mental health supports. Around the same time, the County also

started using TANF funds to support the case management associated with its housing stabilization efforts. By applying TANF funds for case management, it made more resources available for housing services. It also increased the awareness among TANF staff of available housing supports in the County.

Boulder County's Shift in Approach During the Pandemic

DHHS was well prepared to provide TANF-funded emergency rental assistance during the COVID-19 pandemic. Staff cited their multiyear experience providing integrated housing and human services as critical to their quick response. By 2020, housing and TANF case managers were accustomed to coordinating services in joint meetings with participants, communicating with one another, referring participants internally, and sharing data across teams.

In the early weeks of the pandemic, DHHS realized that COVID-19 would make it challenging for families to pay their rent. To provide immediate assistance, in early March 2020, DHHS established a housing telephone helpline for families. Boulder County residents could use the helpline to ask questions about their housing situation; learn about available assistance; and apply for housing services, including rental assistance to prevent homelessness. DHHS drew on existing relationships with community partners such as Family Resource Centers and Spanish-language community-based organizations to advertise the housing helpline and emergency rental assistance available to families.

DHHS offered two months of rental assistance for families already receiving TANF assistance.¹⁰ Because of stay-at-home orders and sudden shifts in the local labor market, DHHS projected that it would have unspent work-based-learning funds. As a result, it redirected those funds to meet the emerging homelessness prevention needs they observed in the early months of the pandemic.

After Colorado's governor enacted a disaster declaration on March 11, 2020,¹¹ DHHS also began using its TANF diversion funds to provide rental assistance. TANF diversion programs typically provide a lump sum payment to families who would otherwise qualify for TANF. A condition of receiving TANF diversion assistance is typically a period of ineligibility for TANF following receipt of the funds.¹² DHHS offered families two months of rental assistance.¹³ DHHS paid the full rental cost, capped at \$10,000 total per family. However, all Boulder County residents were eligible if they were at risk of experiencing homelessness.¹⁴ Boulder County staff noted that many of the applicants were families who did not have prior experience with DHHS programs and public benefit receipt. However, helpline staff found that after they explained the program requirements and necessary steps for applying, most families were able to navigate available services.

To quickly distribute the rental assistance, DHHS streamlined the eligibility standards, application approval, and disbursement process. A DHHS supervisor had to approve each request, making an assessment based on statements from the family about whether, absent this funding, the family would be unable to pay rent. Approved households received an Electronic Benefits Transfer card loaded with the funds, which they could use to pay their landlord.¹⁵

As of our interviews in fall 2020, Boulder County DHHS reported that some families requested a second round of diversion funds for rental assistance. DHHS fulfilled the requests when families provided a plan to pay rent in the future and had a defined date by which they expected to return to work. In many cases, DHHS referred additional requests to community partners that had received Coronavirus Aid, Relief, and Economic Security (CARES) Act funds to provide rental assistance.

In addition to quickly implementing new housing subsidies, DHHS and similar agencies around the country made operational shifts in response to the pandemic. The text box below summarizes some of the ways the four sites adapted their policies and operations in response to the changing circumstances of the pandemic.

¹⁰ Some families received three months of assistance to help them maintain stability, determined on a case-by-case basis.

¹¹ Colorado Division of Homeland Security & Emergency Management. Accessed on: <https://mars.colorado.gov/covid19-state-updates-resources>
<https://www.colorado.gov/pacific/mars/covid19-state-updates-resources>

¹² For a more detailed description of TANF diversion and state policies, see Urban Institute's *Urban Wire*, *Poverty, Vulnerability, and the Safety Net*. Accessed on: <https://www.urban.org/urban-wire/states-can-use-tanf-diversion-payments-provide-critical-support-families-crisis>

¹³ If a household member was already receiving Unemployment Insurance benefits, DHHS provided only one month of rental assistance.

¹⁴ The County did not attach any conditions to the receipt of these funds such as a period of ineligibility for TANF.

¹⁵ DHHS shifted from using TANF funds to using Coronavirus Aid, Relief, and Economic Security (CARES) Act funds to provide rental assistance. At the time of our site visit interviews, CARES Act funds had a December 30, 2020, deadline for use. DHHS staff were considering returning to using TANF funds following that deadline; their plans may have changed since.

Policy and Operational Shifts due to the COVID-19 Pandemic

We conducted virtual site visits with four programs in summer and fall 2020. In addition to more general information about their efforts to combat homelessness, staff described how the pandemic altered the way they provided services. Common themes emerged across the four sites. Below are only a small number of examples, and agency responses continue to evolve as the COVID-19 pandemic persists.

Providing services remotely

Staff described multiple ways they transitioned quickly to remote service delivery beginning in the early weeks of the pandemic. In all sites, staff began conducting assessments, workshops, and participant meetings virtually via videoconference or telephone. Staff in multiple sites acknowledged the difficulty in building rapport and strong relationships with participants using a virtual approach. Atlanta staff reported that not all families had access to the required technology to attend virtual meetings, and that the rapid re-housing provider in their community held a laptop drive to aid some of these families. In Nashville, staff reported meeting participants in outdoor spaces when virtual interactions were not feasible. Shasta County staff reported returning to home visits with appropriate personal protective equipment in summer 2020. They believed these visits were especially helpful for families with young children who had limited ability to leave their homes or find the dedicated time for virtual meetings.

Adapting TANF policy around participation requirements

Prior to the COVID-19 pandemic, TANF programs typically required participants to engage in work activities as a condition of benefit receipt unless they qualified for exemptions (e.g., because of a disability, children younger than a certain age). Participants who were not employed often met these requirements by participating in job readiness and job search activities. Shasta County TANF staff reported that COVID-19 office closures left them unable to provide the usual workshops and classes for participants. As a result, the agency exempted a large portion of TANF recipients from these work participation requirements and allowed greater flexibility in determining which activities counted toward them.

Prioritizing higher-risk populations

The lead organization for the Atlanta Continuum of Care adjusted its prioritization levels to include families at higher risk of contracting COVID-19 and families currently experiencing unsheltered homelessness.

Lessons Learned

Though case counts and deaths from COVID-19 have decreased dramatically since prior peaks on the pandemic, in late 2020 and early 2021, the pandemic persists as of the writing of this brief. Even prior to the pandemic, low-income families were experiencing homelessness or housing instability in growing numbers. Communities around the country continue to look for new approaches to reduce homelessness and help families secure affordable, permanent housing. This brief highlights the steps one county took in the first months of the pandemic and the ongoing challenges low-income families face and will likely continue to face because of the pandemic for some time to come.

Boulder County's efforts to prevent family homelessness in the early months of the pandemic may offer lessons to other communities in responding to future disasters or even streamlining usual services in times of heightened need. Its efforts built on a combination of longstanding organizational structures and community partnerships along with rapid policy and funding changes in response to the circumstances of the moment. Key lessons from Boulder County's experiences include:

Existing integration of housing with other social services at the county level supported a quick pivot in response to the pandemic. DHHS's centralized leadership structure allowed for efficient decision making, and existing staff competency made it easier to stand up the housing helpline.

Repurposing unspent TANF funds allowed DHHS to quickly address housing insecurity. Repurposed funds supported housing subsidies for families currently receiving TANF and for other families through TANF diversion funds. Previous experience using TANF funds to support emergency rental assistance allowed DHHS to streamline decision making around the viability of TANF as a funding source for housing supports.

Streamlining eligibility processes and distribution ensured families received funds quickly. This streamlining included requiring less documentation from applicants and reducing wait times for application approval and disbursement.

The pandemic created service needs among families not typically served by TANF programs. DHHS staff noted that many people who called its helpline required help navigating an unfamiliar system or identifying available supports. They found that callers could access the services themselves once they knew what steps they needed to take to connect with resources. Similarly, TANF diversion payments were a valuable support for first-time participants who needed one-time, short-term financial assistance in an emergency.

Community support raised awareness. DHHS's preexisting relationships with community organizations were a route to increase awareness of available supports, including among families who may not have previously received services from DHHS.

Office of Planning, Research, and Evaluation (OPRE), Administration for Children and Families, U.S. Department of Health and Human Services

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