As benefits expire, will Moabites make their rent?

by Maggie McGuire Moab Sun News
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Business closures and reduced tourism have hit Grand County’s economy hard, with unemployment rates among the highest in Utah. Lost wages, added to the region’s high cost of housing, led many to worry about covering their rent beginning in April. For many in the community, federally boosted unemployment checks and local advocacy has filled that gap.

However, with a local rent support fund running dry and federal aid scheduled to expire, will Grand County see a wave of evictions as renters lose that income?

Aid keeps families afloat

Tens of millions of out-of-work Americans have received expanded unemployment benefits of an extra $600 a week on top of regular state unemployment payments, helping more than 94% of renters pay at least part of their rent in April, May and June, according to the National Multifamily Housing Council.

However, without action from Congress, those benefits are scheduled to expire at the end of July.

A moratorium on evictions from homes with federally backed mortgages is set to expire this week, putting millions of households at risk of eviction as the economy continues to struggle under coronavirus shutdowns. Utah’s statewide eviction moratorium ended over two months ago.
There are 1,413 rental households in Grand County, according to the National Low Income Housing Coalition. In Moab, community members created the COVID-19 Housing Relief Fund in April to aid local families who struggled to make ends meet and who may not have qualified for unemployment.

The rent relief fund covered an entire month’s worth of rent for 61 households with an average distribution of $710 per applicant for rent relief, according to Housing Authority of Southeastern Utah Program Director Jenna Whetzel.

For Moab Valley Multicultural Center Executive Director Rhiana Medina, a member of the group administering the fund, the effort was a huge success.

“I never imagined that so many people would receive rental assistance; we have a very generous community,” she said. Over 82 donors contributed to the fund.

“It made a huge impact on mental health. Being behind on basic expenses like rent is very stressful,” Medina commented.

However, Whetzel said that donations to the fund have declined in recent weeks and the disbursement committee has decided to disband.

“Unemployment benefits will run out, but without consistent funds rolling in, we can’t provide at least one month’s rent to each applicant, which is the goal of the fund,” said Whetzel, who noted that applications for the fund had also decreased.

“The timing of the closing of the project may not seem ideal to some folks,” said Medina. “Those of us who are working on the ground will be able to gauge whether that will be necessary in the future or not.”

Both Whetzel and Medina reported that if the group sees an uptick in evictions, the fund will reopen for donors to support their neighbors. The group’s last disbursement was on July 9.

After weeks of political wrangling regarding enhanced unemployment benefits, Congress is reportedly negotiating a compromise to include in the next coronavirus stimulus package. It’s unclear what form this may take, from a lower unemployment benefit, another round of $1,200 stimulus checks or funds directly earmarked for rental assistance.
“For families who will soon return to full employment, rental assistance will help to lessen the threat of eviction once back-rent is due,” wrote Diane Yentel, president of the National Low Income Housing Coalition, in an op-ed for the New York Daily Mail, “but for the vast majority of the public that remain unemployed, Congress must act quickly to keep them in their homes.”

For now, Medina said that the MVMC is referring local families having difficulty making their rent to Renee Raso at the Southeastern Utah Association of Local Governments, a regional government entity that represents Carbon, Emery, Grand, and San Juan counties. Aid and guidance can also be found through the Utah Housing Coalition at www.utahhousing.org.

Experts warn of evictions as unemployment benefits, local aid dries up