

Federal Rental Assistance Funding Belongs to the Millions Facing Evictions

Distribution of CERA monies remains mired in bureaucratic entanglements while the economic crisis deepens in the United States

By <u>Abayomi Azikiwe</u> Global Research, October 12, 2021 Region: <u>USA</u> Theme: <u>Law and Justice</u>

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Since March 2000 the economic situation in the United States has taken a sharp turn for the worst with an estimated 20 million losing jobs in various sectors of the economy.

Due to the COVID-19 pandemic which is still very much in evidence during the final quarter of 2021, many industries including manufacturing, education, healthcare, construction, entertainment, agriculture, etc. have not returned to their same levels of production and operations prior to the spring of last year.

With the collapse of an estimated 200,000 small and medium-sized businesses where the bulk of job growth has occurred since the previous recession beginning in 2007-2008, workers have been scrambling to meet their monthly expenses. Enhanced unemployment benefits authorized under the previous administration of President Donald Trump and continued under his predecessor, Joe Biden, have now been suspended placing millions in an even more unstable social situation.

The COVID Emergency Rental Assistance (CERA) program was enacted in 2021 to provide direct payments to landlords and utilities firms for tenants unable to meet their obligations under lease and usage agreements since the advent of the pandemic. CERA monies can be granted to cover delinquent rent payments up to 18 months in arrears. The U.S. Treasury says that \$46 billion has been allocated for the program under two separate bills. (See <u>this</u>)

Despite these stated objectives by the federal government, state and local agencies in many municipalities have failed to implement the program in a timely fashion. Many renters and landlords complain that they do not have access to information on how to apply for funding.

Moreover, for those who have managed to apply, delays in being notified about their

eligibility could take many months. Local authorities and agencies in some cases have attached additional requirements for eligibility over and above those mandated by the federal government.

The urgency of the situation was magnified when the U.S. Supreme Court issued a judgment in late September claiming that the House of Representatives and the Senate would need to pass additional legislation to extend a moratorium on eviction due to a public health crisis, the most severe in more than a century. Dominated by conservative jurists, three of whom were appointed by Trump, the highest court has consistently turned its back on the working class and oppressed.

In many urban areas the rising costs associated with housing, utilities, water services, food and transportation has continued at a rapid rate. Even mainstream economists are warning of escalating inflation which can further complicate any purported economic recovery in the U.S.

When the Supreme Court struck down the previous moratorium extension and the Democratic majority in both legislative branches failed to act, these decisions will inevitably have a disproportionate impact on African Americans and other people of color communities. Many are already being priced out of apartments and homes in major cities due to the phenomenon of rising rents and the inherent racism within the mortgage industry.

An article published by the Brookings Institution during September emphasized: "In the Supreme Court's latest decision that will disproportionately hurt Black Americans, the justices heard arguments from Alabama landlords who had previously petitioned to lift the CDC's eviction moratorium and were denied. They returned to federal court in early August, requesting an order that would allow evictions to resume. Led by the Alabama Association of Realtors, they argued that the CDC exceeded its authority when it instituted an eviction moratorium to assist renters during the pandemic. This time, the court agreed—deciding against tenants' rights to protection from the COVID-19 pandemic, and in favor of landlords' profit." (See this)

Therefore, Alabama landlords were able to overturn a moratorium which has proven to be a life-saving measure for millions. Such decisions follow a pattern of the Court since 2013, when the Shelby v. Holder decision, also emanating from Alabama, essentially nullified the enforcement provisions of the Voting Rights Act of 1965. The Supreme Court in recent months has also upheld voting restrictions passed into law in Arizona which are clearly aimed at restricting access to the franchise.

Moratorium NOW! Coalition Wages Campaign to Ensure CERA Funds Are Distributed

In Detroit since September 1, the Moratorium NOW! Coalition working in conjunction with other housing advocacy organizations, such as Detroit Eviction Defense, Detroit Action and the Detroit Will Breathe youth-led movement, have intensified mass pressure on the city administration officials to ensure that the CERA funding is distributed and that no one is evicted due to the current public health and consequent economic crises. Two press conferences and rallies held on September 1 and 8 drew considerable attention from the corporate media which covered the events.

Points which have been articulated include the fact that many people in the area are not

even aware of the CERA funding and how to access the assistance. Secondly, the administration of corporate-imposed Mayor Mike Duggan has not waged a public relations and marketing campaign to raise awareness about the potential for people to remain in their homes.

Despite the press conference held by Duggan on September 17 saying that the City of Detroit has money, over \$100 million of course provided by the federal government, to assist people in avoiding evictions and homelessness, nothing beyond what Moratorium NOW! Coalition and other groups have repeatedly stated as it relates to what must be done to avert an even deeper social calamity in the city has been realized. Moratorium NOW! Coalition and its allies have assertively engaged the relevant authorities in control of the pandemic relief funding to demand that the resources get to the people who need them.

In a draft of a letter sent to the Mayor's Office and each member of the eight-person City Council, Moratorium NOW! Coalition noted for the record that:

"IN THE WAKE OF THE SUPREME COURT OVERTURNING THE MORATORIUM ON EVICTIONS, PEOPLE NOW FACE EVICTIONS WHILE STRUGGLING TO SURVIVE A GLOBAL PANDEMIC. OUR LOCAL OFFICIALS DID NOT EFFECTIVELY COMMUNICATE THE INFORMATION ABOUT CERA FUNDS OR DISTRIBUTE THEM TO THE PEOPLE WHO NEED HELP NOW. WE DEMAND THAT DETROIT'S MAYOR AND CITY COUNCIL MEMBERS: PLACES A MORATORIUM ON RENTAL EVICTIONS DUE TO NON-PAYMENT OF RENT DURING THIS ACTIVE PANDEMIC; IMMEDIATELY MOUNT A MASS MEDIA CAMPAIGN TO INFORM DETROIT RESIDENTS ABOUT THE CERA PROGRAM; PROVIDE RESIDENTS THEIR APPLICATION STATUS WITHIN 3 BUSINESS DAYS OF RECEIPT BY A CERA PARTNER. IF THIS IS NOT POSSIBLE WITH THE LEVEL OF PARTNERS/STAFF THE CITY OFFICIALS WILL ENGAGE MORE PARTNERS AND/OR STAFF TO ENSURE DETROITERS IN NEED OF RENTAL ASSISTANCE RECEIVE HELP IN A TIMELY MANNER."

Although there has not been any direct response to the letter from the City's administration's bank-compliant political leadership, there has been some positive developments in the struggle to halt evictions in Detroit. The 36th District Court has adjourned eviction hearings pending the outcome of approval for CERA funds. The Right to Counsel coalition has worked to provide legal assistance to those working through the complicated maze of the local legal system.

Moratorium NOW! Coalition attached to the letter sent to the Mayor and City Council provisions within the existing municipal charter providing for the authorities to exercise emergency measures amid a public health crisis or otherwise. These are politically charged demands which penetrate the dilemma facing the majority African American population of Detroit. The city's residents have no say in the actual governance of the municipality while billions in their tax dollars are routinely funneled to the multinational corporations and banks who in effect dictate the operations of local government.

Residents Stage Civil Disobedience Demanding an End to the Status Quo

Detroit grassroots community organizations staged a rally and street blockage on Friday October 8 at Grand Circus, the main entrance into downtown Detroit from the north. The action was called by Charlevoix Village Association (CVA) based on the east side. Other groups heeded the call including Detroit Will Breathe, Moratorium NOW! Coalition, among others. These activists marched into the center of Woodward Avenue impeding traffic for two hours while over 25 police cars stood nearby. The organizations demanded the repayment of in excess of \$600 million in property taxes overpayments which extend back to the Great Recession.

Other demands included an end to evictions and property tax foreclosures calling for federal COVID assistance funding to be utilized to strengthen legacy residents, which included senior citizen, some of whom living with disabilities were present in the direct action on October 11. Later in the month, more demonstrations are planned to protest the opening of an office by the World Economic Forum (WEF) in Detroit, which they are touting as a "model" for urban revitalization.



Detroit demonstration closes entrance to downtown on Oct. 8, 2021 (Source: Abayomi Azikiwe)

On October 29, there will be an action to demonstrate against a \$500-a-plate breakfast at the Detroit Athletic Club as a fundraiser for the mayor in his campaign for re-election on November 2. The corporate-controlled media in the city has in obvious collaboration with the administration and its billionaire backers such as Dan Gilbert and Illitch Holdings, totally ignored that there is even a municipal election coming up in a matter of weeks.

The situation in Detroit mirrors other urban areas throughout the U.S. All of the major cities require political interventions from the representatives of the working class and nationally oppressed to organize for fundamental social transformation of their areas as well as the country as a whole.

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Featured image: Detroit demonstration engaged in civil disobedience along Woodward Ave. on Oct. 8, 2021 (Source: Abayomi Azikiwe)

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