

## Rental Assistance for Illinois Residents Who are Not Eligible for Federal Stimulus Relief

The COVID-19 pandemic has exacerbated the Housing crisis in many of parts of the country where affordable housing is already difficult to find. Even though stable housing is a necessary condition to contain the spread of Coronavirus, housing assistance is not available to everybody. Several marginalized communities have been excluded from federal relief assistance that could help people stay at home during the crisis. While all of these marginalized groups need housing assistance, this policy recommendation focuses on households with at least one undocumented member because they were excluded from the federal relief stimulus checks even though many of them contribute to state and federal tax funds as taxpayers.

In 2017, undocumented people in Illinois paid approximately, \$758,881,000 in state and local taxes.<sup>2</sup> *Yet, approximately, 237,000 households with at least one undocumented member in Illinois*<sup>3</sup> *did not qualify to receive the federal stimulus checks.* According to the Migration Policy Institute, there are approximately, 487,000 undocumented people living in Illinois with 40% of them living in owned homes and 60% in rental units.<sup>4</sup> We also know that most undocumented people in Illinois are Latinx (71% or 345,770) and 55% of them live below 200% of the poverty level. Given that many Illinois family households with at least one undocumented member face economic instability, they are more likely to be renters than homeowners. The median rent in Illinois is \$974 per month.<sup>5</sup> Since they did not receive a stimulus check, they need rental assistance to have housing stability during the pandemic.

We recommend that the Illinois Housing Development Authority (IHDA) coordinates with Counties and Municipalities to provide rental assistance to mixed-status families. They should use relief funds received through assistance programs for housing and homelessness such as Emergency Solutions Grants (ESG) and Community Development Block Grants (CDBG) grants to provide *emergency housing assistance* for rent, mortgage and utility payments.<sup>6</sup> Both CDBG and ESG grants have flexible funding and many emergency services funded through these grants are not included in the public charge determination. In fact, undocumented immigrants "are able to access emergency services and those provided by nonprofit charitable organizations."<sup>7</sup> The rental assistance funds could be distributed directly to landlords or to Welcoming Centers and other immigrant-serving organizations that already provide rental assistance for undocumented populations.

| Rental Assistance Amount per<br>Household | Total Rental Assistance Cost (assuming 237,000 households with at least 1 undocumented member) | Percent compared state and local tax contribution in 2017 (\$758,881,000) |
|-------------------------------------------|------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------|
| 1) \$487 (1/2 month)                      | \$115,419,000                                                                                  | 15%                                                                       |
| 2) \$974 (1 month)                        | \$230,838,000                                                                                  | 30%                                                                       |
| 3) \$1,948 (2 months)                     | \$461,676,000                                                                                  | 60%                                                                       |
| 4) \$2,922 (3 months)                     | \$692,514,000                                                                                  | 91%                                                                       |

While these rental assistance options seem costly, they are smaller compared to the \$758,881,000 contribution undocumented immigrants made to the state and local funds in one year alone. Moreover, this aid could be a one-time cash assistance payment which is not included in public charge determination.<sup>8</sup>

<sup>&</sup>lt;sup>1</sup> https://nlihc.org/resource/congressional-leaders-agree-coronavirus-response-package-funding-homelessness-and-housing

<sup>&</sup>lt;sup>2</sup> https://itep.org/wp-content/uploads/immigration2017.pdf

<sup>&</sup>lt;sup>3</sup> https://e2a3fb6c-c4a7-47af-b216-39bdbe5045b9.filesusr.com/ugd/aec63a 4ee78f0e8fde4de2a0b0c0f859a8855e.pdf

<sup>&</sup>lt;sup>4</sup> https://www.migrationpolicy.org/data/unauthorized-immigrant-population/state/IL

<sup>&</sup>lt;sup>5</sup> https://www.deptofnumbers.com/rent/illinois/

<sup>&</sup>lt;sup>6</sup> https://nlihc.org/sites/default/files/Housing-Instability-and-Homelessness Cares-Act.pdf

<sup>&</sup>lt;sup>7</sup> https://nlihc.org/sites/default/files/FAQs Eligibility-for-Assistance-Based-on-Immigration-Status.pdf

<sup>&</sup>lt;sup>8</sup> https://protectingimmigrantfamilies.org/immigrant-eligibility-for-public-programs-during-covid-19/