



August 26, 2009



## Rapid Rehousing – A Stimulus Program That Really Works

[Roger A. Grable](#)

**Manatt client, Families Forward, a nonprofit transitional homeless provider, has partnered with the owners of apartment communities to develop a program to assist families who find themselves on the brink of homelessness due to the extraordinary impact of the current economy on jobs. The program, in turn, provides some relief to private apartment community owners who are facing historically high vacancy rates.**

Local apartment communities report that their eviction rates have increased to over 18% in the past year. The number one cause - unemployment. In the City of Irvine alone, employers have reported 2,544 layoffs to the state Employment Department this year. These layoffs account for 40% of the total number of layoffs in Orange County cities.

This abrupt loss of income has meant that many families who have never had to ask for assistance are suddenly facing homelessness. Since May 2008, Families Forward has had a 173.7% increase in the number of phone calls for assistance and a 90.1% increase in food pantry clients. Increasingly, families are coming to Families Forward with greater and greater levels of debt and are in need of comprehensive assistance to avoid homelessness.

With funding from state and federal dollars allocated through the City of Irvine and the County of Orange, and partnerships with private apartment owners, Families Forward has endeavored to meet this increase in demand for assistance by expanding its Homeless Prevention Program to include a



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rapid rehousing component targeting families who have been specifically impacted by the current recession. Families in this program receive rent assistance in the form of discounted rents, coupled with case management, career coaching, if needed, and financial literacy services. The goal of the program is to help these families regain self-sufficiency as well as prevent future housing instability.

### **How the Program Works**

The program is designed for families who have a solid employment history, but due to unexpected financial crises, such as a job loss, divorce, or medical bills, are suddenly having difficulty making ends meet. Families Forward works with the families and apartment owners to place families in apartments, even if they have high debt, poor credit scores, or are not able to make the rental deposit. The leases are in the families name with the objective of having the families remain in the units, eventually paying full market-rate rent as their situations improve. This contrasts with the traditional transitional housing program, where the families must move to new housing upon completion of the program. The lack of affordable housing often places these families back at risk of homelessness. Depending on level of need, in addition to rent assistance provided by Families Forward and discounted rents provided by the apartment owner, families will receive food assistance and other services, such as counseling, life skills education, and career coaching, as requested. Families' rent begins at a set amount and increases at a graduated rate over the year, until the families are paying market rent. The difference between the amount of rent paid by the family and the market rent are split evenly by the apartment owner and Families Forward.

### **Program Benefits**

The program not only benefits the families in need, but also reduces the impact of high vacancy rates on the apartment owners. In addition, because the families eligible for the program have a solid employment background, both the families and the apartment owners benefit by ultimately obtaining a stable housing environment when, as the economy improves, the families will be able to remain in the units paying market rent.

While the program is in its early stages, the demand is high and prospects for success seem great. This is a program that deserves consideration by other communities and apartment owners.

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**Roger A. Grable** Mr. Grable's practice focuses on land use and entitlement law. He specializes in development processing, development agreements, CEQA, subdivision and vested rights issues. He has substantial experience in the area of affordable housing development and in negotiating school mitigation agreements. Mr. Grable also has expertise in the area of real estate transactions including the negotiation and drafting of purchase and sale agreements, options and commercial leases.

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