Proposals to Avoid an Eviction Crisis: Urgent Action Needed

## Who we are



We have 17 dues-paying member institutions in Napa / Solano counties.

- Labor unions
- Religious Institutions
- Non-Profits

Our 17 institutions represent 16,000 families in Solano and Napa counties.

The purpose of Common Ground is to empower our members to improve their lives and those of their friends and families by participating in public life and the decisions that affect them.

We create public policy proposals by speaking with hundreds of community members, conducting research, and then advocating with elected representatives and government officials.

Last year, Common Ground teamed with allied organizations and worked with the Board of Supervisors to pass an eviction moratorium that provided a pathway for tenants to pay back rent without the threat of eviction. We also successfully advocated for double the rental assistance originally proposed from CARES act funds and helped mobilize a massive volunteer effort to distribute the funds.

### Four Elements of COVID Recovery (related to housing)

Rehousing the homeless

Homelessness Diversion Homelessness Prevention Long-term housing development

This is the area we are focused on today.

# A Potential Tidal Wave

Evictions are occurring--Legal Services are already overwhelmed with clients

- When the current protections end, housing experts expect a tidal wave of eviction proceedings
- Increased legal aid is needed as soon as possible to deal with the coming wave
- What about rental assistance?

Common Ground leaders have heard:

- > Many are ineligible for rental assistance:
  - Borrowed money to pay rent and are deeply in debt
  - Rent or sublet from family members
  - Relocated or moved in with friends and families

# Solano County Had an Eviction Crisis Before the Pandemic

- In 2016, both Vallejo and Fairfield eviction rates were in the top 10 of large California cities
- Suisun City had a similar eviction rate and was ranked in the top 10 for small CA cities
- Only about 5% of tenants have had legal representation in Solano County eviction proceedings

#### A Recent Case...

A landlord served a 3 day notice to pay rent or leave the property. The tenant couldn't pay rent because she lost her work as a housecleaner during the pandemic and couldn't leave the property within three days, because she had nowhere else to go and two children living with her. What she didn't know was that the notice she was served was invalid, and that she should not be evicted for failure to pay rent if she lost her job because of the pandemic. Legal Services of Northern California challenged the legality of the eviction and prevented the tenant and her children from losing her housing and falling into homelessness.

# Evictions devastate families, but are also a huge social and economic burden for the county

- Social costs are difficult to estimate but include: public health, mental health, child welfare, crime, ...
- Costs avoided by reducing evictions include: emergency shelters, housing programs, health care, foster care, ...
- Studies from other cities that have taken steps to reduce evictions show that each \$1 spent to reduce evictions saves an average of \$10 in other social services.

Legal Services are an investment in the community!

# Impact of Increased Legal Aid Has Been Studied--*It PAYS OFF more than 10 fold*

Stout was commissioned by the Philadelphia Bar Association to produce a report – <u>Economic Return on</u> <u>Investment of Providing Counsel in Philadelphia Eviction Cases for Low-Income Tenants</u> – which concluded that the benefits associated with providing attorneys to low-income tenants far exceed the costs. The study found that eviction-related costs to the City of Philadelphia are abundant and can be disastrous to low-income families already struggling to make ends meet and seeking stability.

Stout estimated that the return on investment to the City of Philadelphia would be over \$12 – that is, for every dollar Philadelphia spends on providing legal representation to low-income tenants, it will receive a benefit of more than \$12.



# From a recent "Marketplace" Story

While most landlords come to housing court with lawyers, tenants rarely do, according to <u>John Pollock</u>, with the National Coalition for a Civil Right to Counsel.

"Without counsel, tenants do not successfully argue for more time, they do not successfully argue for the eviction to not be entered permanently on their record and they wind up with much larger rent judgments," he said.

## Apartment Owners Support Increased Legal Assistance for Tenants

From 7/8/21 Marketplace article:

"Brett Waller represents landlords at the Washington Multi-Family Housing Association. Washington became the first state to pass the right to counsel this spring. He said his group actually supported the measure.

"Resolution is often easier when both parties are represented," he said, "because the tenant feels like they have someone in their corner and can help them get to that resolution quicker."

Not to mention that an eviction in Washington, he said, can cost landlords between \$5,000 and \$8,000"

# Common Ground Recommends a three-pronged approach for reducing evictions

- Increased Legal Assistance for low-income residents, including the undocumented
- Tenant-Landlord database to track cases
- Tenant-Landlord hotline to ensure people are connected to the resources they need, including rental assistance

County outreach to widely broadcast these services will be vital to the success of these programs!

# Legal Assistance Proposal Details

#### • Two-year program

- Pilot program to demonstrate benefits
- Two year minimum to aid in hiring attorneys
- Four attorneys
  - At least two will be eligible to work with undocumented residents
- Program and Database Manager
- An additional 800-1000 tenants per year could be served
- Cost for two years: \$1.05 million
- Estimated Savings \$12 Million

# Tenant-Landlord Hotline Details--Estimate from Fair Housing Napa Valley

- Two full time bilingual housing coordinators to staff the proposed tenant hotline, as well as in-office support staff (notably: 4 additional bilingual case managers/ intake staff and a program manager to oversee the project).
- This investment would provide capacity to serve 1500 residents annually
- Hotline resources can <u>prevent</u> disputes or communication issues from leading to eviction proceedings
- Hotline maximizes the impact of increased legal aid capability
- Cost for two-year program: \$457,000

## Public Infrastructure - To Be Discussed

- Funding for highly visible outreach (billboards, flyers, posters, etc.)
- Funding for face-to-face outreach (promotoras, to share with public health dept.)
- Many counties chose to create a patchwork of agencies to administer rental assistance rather than relying on one service provider. However, doing this would require a coordinator. We recommend that the county work with existing staff to increase support for coordination and outreach by hiring additional staff.

Next Steps: Find the Funding & Initiate the Programs

# Cost Estimates

# Legal Services Cost Estimate Details Total Annual Cost for 4 attorneys, support staff, and expenses (part 1)

			hourly rate,	
Item	FTE	Hours/year	\$/hr	Total, \$
Personnel				
Attorneys	4	7120	\$45.00	\$320,400
Legal Case Workers	0	0	\$24.00	\$0
Program Data Manager	1	1780	\$33.00	\$58,740
Supervising Attorney	0.25	445	\$65.00	\$28,925
Personnel Subtotal	5.25			\$408,065
Payroll taxes				\$40,807
Total Personnel				\$448,872

# Legal Services Cost Estimate Details Total Annual Cost for 4 attorneys, support staff, and expenses (part 2)

Annual Expenses	Monthly Rate		
Office Rent/Utilities, 5 staff @\$600/mo	\$3,000.00		\$36,000
Information System Database	\$1,200.00		\$14,400
Office Supplies	\$200.00		\$2,400
Cell phones	\$390.00		\$4,680
Postage, printing, subscription fees	\$55.00		\$660
Bar Dues (4)	Annual		\$1,500
Liability Ins.	Annual		\$3,900
Overhead, 5%	Annual		\$3,177
Startup Expense, \$5,000/person (office furniture, copeir, etc.)	One-time, year one only		\$25,000
Total Expenses			\$91,717
Total 1st Year cost, \$	(Personnel and Expenses		\$540,589
Total 2 year cost, \$			<mark>\$1,051,177</mark>

# Tenant-Landlord Hotline Cost Estimate Details

Total Annual Cost for 2 Fair Housing Coordinators to staff hotline, support staff, and expenses. (part 1)

Item	FTE	Hours/year	hourly rate, \$/hr	Total, \$
Personnel				
Fair Housing Coordinators (Dedicated to staffing hotline)	2	3560	\$28.00	\$99,680
Case Management Staff	0.25	445	\$28.00	\$12,460
Intake Staff	0.2	356	\$27.00	\$9,612
Program Manager	0.2	356	\$35.50	\$12,638
Executive Director	0.2	356	\$49.00	\$17,444
Fiscal Manager	0.1	178	\$35.00	\$6,230
Personnel Subtotal	2.95			\$158,064
Benefits and Payroll taxes				\$39,516
Total Personnel				\$197,580

# Tenant-Landlord Hotline Cost Estimate Details

Total Annual Cost for 2 Fair Housing Coordinators to staff hotline, support staff, and expenses. (part 2)

Annual Expenses	Monthly Rate		
Office Rent/Utilities, 8 staff @\$200/mo	\$1,600.00		\$19,200
Information System Database	\$100.00		\$1,200
Office Supplies	\$200.00		\$2,400
Phone Lines	\$150.00		\$1,800
Postage, printing, subsription fees (Language Line)	\$150.00		\$1,800
Liability Ins.	Annual		\$500
Overhead, 5%	Annual		\$1,345
Startup Expense, \$2,500/ new staff (office furniture, computers, etc.)	One-time, year one only		\$5,000
Total Expenses			\$33,245
Total 1st Year cost, \$	(Personnel plus expenses)		\$230,825
Total 2 year cost, \$			<mark>\$456,650</mark>

Any Questions?