



Human Services Chamber
of Hamilton County

Recommendations for City of Cincinnati Eviction Prevention Program

Overview:

Families across the nation have experienced stagnant wages while the cost of housing has soared. A recent study from the National Low Income Housing Coalition found that a full-time worker in Hamilton County must earn at least \$14.04 per hour to afford a modest two-bedroom apartment without spending more than 30% of income on rent.¹ Meanwhile, seven of the ten most common occupations in the Cincinnati metropolitan area, representing almost 136,000 workers, pay median wages between \$9.16 and \$13.59 per hour.² This disparity between wages and housing costs has created a situation where many families are evicted from their homes due to a lack of affordable housing options and inability to pay the rent. Many households are one misfortune or emergency away from eviction.

Eviction is often a pivotal event that marks the beginning of a downward cycle into poverty. Evicted persons are between 11 and 22 percent more likely to lose their jobs.³ With an eviction on their record, finding alternate quality housing can be difficult. Many lose their household possessions, become ineligible for public housing benefits, lose their community ties, and some even become homeless. The impact on children can be particularly acute. Children from evicted families are often uprooted from their schools, which can have a negative effect on their mental health and education. Students with high rates of residential instability perform worse on standardized tests, have lower school achievement, and delayed literacy skills. Increased residential mobility also has been linked to higher rates of adolescent violence and children's health risks.⁴

In Hamilton County, over 6,000 evictions were ordered through the courts in 2017 (over 16 per day).⁵ More than 4,000 of those were in the City of Cincinnati, where the poverty rate is 25%. A study by the Community Building Institute at Xavier University found that there was a 40,000-unit shortage of affordable housing units in Hamilton County for households with annual incomes of less than \$25,000.⁶

Eviction is a cause, not just a condition, of poverty. The good news is that local governments can enact policies to prevent families from being evicted and falling into poverty. We believe the eviction prevention policies recommended here, along with significant investment in affordable housing, are essential to curbing poverty in our community.

¹ <http://www.nlihc.org/oor>

² Policy Matters Ohio, "Working for Less: Most Common Cincinnati Jobs Pay Too Little," <https://www.policymattersohio.org/files/assets/oesfactsheetscincinnati2018.pdf>.

³ "Housing and Employment Insecurity among the Working Poor," *Social Problems*, Volume 63, Issue 1, 1 February 2016, pages 46-67, <https://academic.oup.com/socpro/article/63/1/46/1844105>. Matthew Desmond, Carl Gershenson.

⁴ "Evicting Children," Matthew Desmond, Weihua An, Richelle Winkler, Thomas Ferris. 2013. https://scholar.harvard.edu/files/mdesmond/files/social_forces-2013-desmond-303-27.pdf.

⁵ www.evictionlab.org

⁶ https://www.xavier.edu/communitybuilding/documents/Housing_Affordability_Hamilton_Co_rev03.02.2017.pdf

Recommendations:

A. Emergency Rental and Utility Assistance Funding:

Rationale: Households with limited budgets may be evicted when they cannot pay their rent or utility bills due to an unexpected misfortune or emergency. Landlords will often evict tenants who cannot pay for utilities. Many tenants are one medical bill or car repair away from an eviction.

Recommendation: We recommend establishing a two-year pilot program to help tenants in the City pay their rent and/or utility bill when they face eviction due to an emergency or unexpected misfortune. Of the \$237,500 allotted this year for eviction prevention, we recommend that \$137,500 be dedicated to emergency rent and utility assistance.

1. **Program Administration:** The City will select a lead agency to manage the program through a request for proposals process. Once selected, the lead agency will:
 - a. Subcontract with partner agencies who will refer clients to the emergency rental assistance program. Any non-profit organization serving economically-disadvantaged city residents will be eligible to subcontract with the lead agency to refer their clients.
 - b. Maintain control of all funds and make all payments from the program directly to the landlord or utility company.
 - c. Track whether tenants receiving assistance have been able to maintain stable, affordable housing for a specified period.
2. **Assistance Amount:** Applicants would be eligible to receive one-time assistance⁷ of up to \$2,000. This maximum subsidy represents slightly more than two months' rent for the average cost of a 2-bedroom apartment in Hamilton County based on the HUD 2018 Fair Market Rent (\$845). Many families will benefit from assistance in amounts much less than the maximum. For example, the average amount of emergency rental assistance that St. Vincent de Paul currently provides tenants is \$350. However, clients represented in eviction court proceedings often need much more than \$350 due to back-rent and late fees. Depending on actual requested assistance amounts, we expect this amount would help at least 85 families⁸ avoid eviction.
3. **Application Process:** Eligible tenants may apply for emergency assistance through the lead agency or a partner agency. The partner agency will review the application and decide whether the applicant is eligible for assistance based on criteria developed by the oversight committee. To be eligible for assistance, a tenant must be a city resident who has received an eviction notice and whose household income is at or below 200% of the federal poverty line. Tenants must demonstrate that they are unable to pay their rent and/or utility bill due to an emergency or unexpected misfortune.
4. **Program Oversight:** To oversee the program, the City will establish an oversight committee comprised of representatives from organizations that are currently providing emergency rental and/or utility assistance.⁹ This committee will be responsible for (1) providing input on the RFP that the City issues to choose a lead agency to manage the program; (2) setting rules/policies on how funds are administered, including referral and prioritization criteria; (3) ensuring that funding is dispersed among multiple neighborhoods and racial groups; and (4) collecting outcomes data from the lead agency and periodically reporting those back to the City.

⁷ Eligible tenants may not receive assistance more than once every two years.

⁸ The projected number of families assisted assumes that assistance will average around \$1,175, which is the average between the cap of \$2000 and the average amount SVDP allocates (\$350).

⁹ Organizations currently providing emergency rental and/or utility assistance include: St. Vincent de Paul, Community Action Agency, Freestore Foodbank, Christ Church Cathedral, Our Daily Bread, and the Salvation Army.

B. Eviction Hotline:

Rationale: Many tenants do not know where to seek assistance when they cannot pay their rent due to an unexpected misfortune. As a result, their landlord files an eviction against them when the rent is not paid.

Recommendation: Given the limited amount of funding available for this year, we do not recommend establishing an eviction assistance hotline at this time. However, once funding is increased, we believe a hotline would be essential to ensure tenants facing eviction know how to seek help. The hotline would need to be strategically advertised to reach potential tenants who may benefit from the program.

C. Legal Counsel for Evicted Tenants:

Rationale: Tenants who are subject to an eviction filing in court do not have a right to legal counsel. A recent study by the University of Cincinnati found that only 2.5% of tenants in Hamilton County have legal counsel when they face an eviction in court, while 88% of the landlords have legal representation. With little or no access to counsel, many tenants simply do not show up to their eviction hearings because they know they will face opposing counsel. Tenants are unlikely to prevail in court when they do not have legal counsel. A tenant who loses an eviction case will have a record of eviction that will make it difficult to secure quality housing in the future.

Recommendation: Of the \$237,500 allotted for eviction prevention, we recommend funding in the amount of \$100K to provide legal counsel to assist tenants with their eviction proceedings in court. This amount would fund one lawyer who would be solely dedicated to representing eligible tenants (City residents at or below 200% of FPL). The Legal Aid Society currently prevents 350 evictions per year. Based on statistics provided by the Legal Aid Society, whose attorneys prevail in 80% of eviction cases, \$100K would prevent an additional 80 evictions (an increase of 23%). Legal Aid would partner with the lead agency chosen to administer the emergency rental assistance program so that the dedicated attorney could access emergency assistance funds to reach settlement with the landlord. The attorney could also direct clients to available support services related to the eviction, i.e. domestic violence support, employment support services, etc.

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