

# TO

The Honorable President and Members of the City Council City Hall, Room 400 July 9, 2021

### **Position: Favorable**

The Mayor's Office of Children and Family Success (MOCFS) has been asked to respond to City Council Resolution 21-0036R introduced by Councilmembers Ramos, Bullock, Porter, Middleton, Glover, Conway, Torrence, Burnett, Cohen, Dorsey, and Stokes.

### A national crisis

The eviction crisis is an outgrowth of the nation's longstanding housing availability and affordability crisis, and it is expected to worsen significantly following the pandemic.

- On June 23, 2021, the *Eviction Crisis Act of* 2021 was introduced in the U.S. Senate to address the housing crisis impacting millions of families
- On June 24, the CDC extended its June 30 eviction moratorium to July 31...
- Also on June 24, the Department of Justice issued guidance to state courts to leverage eviction diversion strategies to resolve tenant-landlord and arrearages disputes without formal adjudication to, in turn, increase the chance that tenants can stay in their homes.

### The national challenge

Congress allocated \$46 billion from December to March to support tenants who have fallen behind on rent during the pandemic. But little of that funding has reached landlords or tenants. The biggest reason: The funding comes with the requirement that local governments stand up and implement their own programs. Yet the complexity of that task—starting a huge pop-up program that reaches hundreds, thousands, millions of tenants, verifies their debts and satisfies landlords—is daunting. Nationwide, eviction prevention programs are struggling to keep pace with demand.

### Baltimore's challenge

Baltimore City has historically faced a housing stability crisis due to disproportionate rates of concentrated poverty and structural racism. In any given month leading up to the pandemic, 1 in 10 Baltimore tenants were behind on rent.

COVID-19 exacerbated the crisis, quickly pushing those numbers higher: By April, the number of tenants behind on rent had gone from 1 in 10 to 1 in 5. By June, the number of tenants behind on rent was nearly 1 in 3.

By fall 2020, the arrearages accelerated. The Department of Housing and Community Development estimated that between October 2020 and March 2021, the number of households in arrears had nearly tripled, from 11,000 to 28,000.

And all of this was compounded by the fact that despite national and state eviction moratoriums, Baltimore tenants were being evicted.

#### Baltimore's response

In June 2020, Baltimore launched Temporary Rent Support, a short-term initiative with limited reach. In November, and in order to meet growing and continued demand, the city combined homelessness prevention and rental assistance efforts across agencies to launch its Eviction Prevention Program.

The program has been a multi-agency collaboration between the Department of Housing and Community Development, the Mayor's Office of Homeless Services and the Mayor's Office of Children & Family Success—with the Baltimore City Community Action Partnership in MOCFS taking the lead on building the program and implementing it.

### **Eviction Prevention Program: Funding**

Funding for the program is a mix of multiple federal, state and local grants, each with its own distinct spending timeline and eligibility requirements. Collectively, these grants total \$37,772,997 to date.

In addition, \$16,220,484 in state funds have been allocated to the United Way of Central Maryland to administer the landlord bundle portion of the city's eviction prevention program. And the city anticipates receiving an additional \$24,330,727 in state funds and \$23,127,929 in federal funds before the end of the calendar year.

### **Eviction Prevention Program supports**

This past winter and into spring, Baltimore's Eviction Prevention Program focused on back-rent recovery. With a low-barrier first round of federal COVID relief funds, the city sought to support all households that were negatively impacted by COVID and behind on rent—resulting in high numbers of applications out of the gate.

Starting this summer, the city's focus has shifted to a broader housing stability effort. Leveraging multiple funding sources, it not only continues to provide back-rent assistance, but is also now providing relocation, legal, utility, security deposit and case management assistance. And to focus fully on supporting this more comprehensive housing stability effort, it is outsourcing the bulk processing of multifamily property applications it had previously administered in-house.

### **Eviction Prevention Program partners**

Critical to the launch and ongoing success of the city's Eviction Prevention Program is the partnerships MOCFS/BCCAP have entered into with local community partners:

- United Way of Central Maryland
  - o bulk back-rent, relocation, case management
- South East CDC & CASA de Maryland
  - ongoing feedback for program improvements, support expanding reach in Latinx community
- Public Justice Center
  - $\circ$   $\;$  feedback, assistance securing local funding  $\;$
- Collaborators' Council

- o monthly meetings since fall 2020
- Baltimore City Sherriff's Office
  - o legal services/financial aid flyers

## **Eviction Prevention Program distribution**

As of June 25, 2021, last week in FY2021, Baltimore City had distributed \$18,297,987 in backrent payments to landlords on behalf of tenants who had fallen behind on rent. In this initial, back-rent recovery phased of the program, the city processed both individual tenant applications (the majority) and bundles of applications from landlords of multifamily properties with multiple tenants in arrears. The \$18,297,987 distribution—which amounts to 48.4% of total funds to date—breaks down accordingly:

- \$13,519,564 in individual tenant applications
- \$4,778,423 in landlord bundles

And across these 4,000 households, all 14 City Council districts were represented.

As of July 2, total distribution was \$19,115,515.

### **Eviction Prevention Program strengths**

- Customer service and communication
- Call center
- Designated constituent services team
- Weekly tenant/landlord text/email updates
- Communication with tenants/landlords in native language
- Steps to ensure access within Latinx community
- Alternative IDs and documents
- Self-reporting
- Bilingual communications, including Spanish video tutorial
- Expedited applications w/eviction notices
- Networks to leverage regional, national best practices

### **Eviction Prevention Program challenges**

- Disproportionate demand pre-COVID
- Immediate surge in demand March 2020
- Digital system to support high-touch work
- Multiple funding sources, requirements
- Document collection
- Initial focus on low-barrier eligibility
- Court-ordered evictions despite moratoria

Together, these challenges have fueled varied application processing times and an inability to keep pace with demand.

### Moving forward: growing current momentum

- Building housing stability component of Eviction Prevention Program
  - Relocation assistance
  - Security deposit support
  - Shelter diversion partnership with Mayor's Office of Homeless Services
  - o Partner with Baltimore Children's Cabinet to reduce youth homelessness
  - Disaster support to families needing relocation
  - Local Care Team

- Committed to partnering with district court and community organizations to develop <u>eviction diversion strategies</u>—an early step toward building comprehensive housing stability infrastructure
- Continued, growing <u>communications campaign</u> to promote assistance

The Mayor's Office of Children and Family Success thanks the Economic and Community Development Committee for the opportunity to respond to Council Resolution 21-0036R and stands ready to answer any questions the committee may have.

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