

# Facing Eviction

## Homelessness Prevention for Low-Income Tenant Households

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HOMESTART INC.

Homelessness prevention saves low-income people from trauma and upheaval while potentially saving property owners from the high costs of the eviction process.



Scarce affordable units and skyrocketing market rents have created a housing crisis for low-income individuals and families.

The National Low Income Housing Coalition estimates that a minimum-wage worker would need to work 140 hours per week, 52 weeks per year, to be able to reasonably afford a two-bedroom apartment in the Greater Boston area, for example.<sup>1</sup> After years of waiting and navigating a seemingly endless maze of bureaucracy, some low-income households may be lucky enough to receive an affordable rent subsidy (also known as subsidized housing), which allows tenants to pay no more than 30 percent of their monthly income to rent. However, even for low-income tenants residing in subsidized housing, keeping up with monthly rent payments can be a struggle.

### Who Gets Evicted

A disabled single mother with two children, for example, might receive \$800 per month in Social Security benefits. With an affordable housing subsidy, she is guaranteed a subsidized monthly rent of no more than \$240. That leaves \$560 for the three-person household's utility bills, food, clothing, transportation costs, school supplies, medication co-pays, and all other monthly expenses. It's easy to see how any unexpected expense—car repairs, a family member's funeral, an emergency-room visit—could throw a low-income household's monthly budget into chaos.

Each year, Boston Housing Court hears more than 5,000 eviction cases, and more than half of those cases (57 percent in 2011) are filed against tenants residing in subsidized housing.<sup>2</sup> Although their rent is intended to be affordable, such tenants are 60 percent more likely to face eviction in Boston Housing Court. (See "Tenants Facing Eviction in Boston Housing Court.")

Of subsidized housing tenants facing eviction, the vast majority (85 percent) are being evicted because of nonpayment of rent. Ap-

proximately 36 percent of the eviction cases will result in execution of eviction, which means that low-income tenants lose their housing and face imminent homelessness. The consequences of eviction and homelessness are particularly devastating for low-income tenants for whom finding an affordable market-rate apartment is a near impossibility. Additionally, these households are often excluded from the Commonwealth's safety net for the most vulnerable and at risk. A family evicted from subsidized housing may be barred from accessing the state emergency-shelter system for three years.<sup>3</sup>

Eviction-prevention programs can help keep such individuals and families in their homes, out of shelters, and off the streets. These programs work one-on-one with at-risk tenant households, providing case management to address the tenant's barriers to ongoing rent payment, linkages to public benefits and other income-maximization resources, landlord-tenant mediation, advocacy in housing court, and emergency grants of financial assistance toward the tenant's back rent. These services help create an agreement between landlord and tenant to stop the eviction and preserve the tenancy.

One example of a successful eviction-prevention intervention is HomeStart's Court Intervention Project (CIP), a program that works to prevent eviction and homelessness among Boston Housing Authority (BHA) public-housing tenants facing nonpayment eviction in Boston Housing Court.

In 2010, HomeStart received a four-year grant from the Oak Foundation with the goal of preventing 75 BHA public-housing-tenant evictions per year. From 2010 to 2013, HomeStart was able to vastly exceed that goal. CIP intervened to successfully prevent a total of 554 BHA public-housing tenant evictions, with more than 97 percent of tenants continuing to reside in their apartments one year later.

HomeStart chose to target BHA public-housing tenants for several reasons. At the time the program was implemented in 2010, BHA was the plaintiff in the single largest number of eviction cases filed in Boston Housing Court, and BHA public-housing tenants represented 15 percent of all subsidized housing eviction cases.<sup>4</sup> Additionally, targeting BHA public-housing tenants would allow HomeStart to assist a large number of tenants who were each being evicted by a single property owner.

This created an opportunity for HomeStart to work with BHA to ascertain the average cost to the housing authority per tenant eviction and to use the metrics to perform a cost-benefit analysis of the program's services. Working closely with BHA staff, HomeStart was able to identify a significant number of costs associated with forced eviction. (See "Costs Associated with Forced Eviction from Boston Public Housing.")

## Potential Savings

In comparison, HomeStart estimates that there are minimal costs associated with CIP. Including staff salaries, administrative and occupancy costs, and small grants of emergency rental assistance that are paid directly to BHA, HomeStart spends \$1,570 per BHA public-housing tenancy preserved, making CIP's eviction-prevention services 84 percent less expensive than forced eviction.<sup>5</sup> On the basis of these compelling results, BHA agreed in 2012 to partner with HomeStart to financially sustain the program going forward. The unprecedented commitment from BHA allowed CIP to continue operation after its original grant funding from the Oak Foundation.

Low-income tenants residing in Boston's subsidized housing units are facing high rates of nonpayment eviction in housing court. Eviction-prevention programs like HomeStart's Court Intervention Project provide great social and financial benefit. Low-income, at-risk households are saved from the trauma and upheaval of homelessness, and property owners are saved from the high costs of forced eviction and reoccupancy.

Eviction prevention also helps reduce the high cost of homelessness. The Massachusetts Housing and Shelter Alliance estimates that a homeless individual residing in Massachusetts creates an additional cost burden for state-supported services (homeless shelter, emergency room visits, incarceration, and the like) that is \$9,372 greater per year than for an individual in housing.<sup>6</sup> Each time a homeless family enters the state-run emergency-shelter system, the cost to the state is estimated at \$26,620.<sup>7</sup> Investing more resources in eviction prevention helps a community save on the high cost of homelessness by stopping homelessness before it starts.

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## Endnotes

- <sup>1</sup> See National Low Income Housing Coalition, *Out of Reach 2014*, <http://nlihc.org/sites/default/files/oor/2014OOR.pdf>.
- <sup>2</sup> This and all other data regarding the number of cases in Boston Housing Court come from Project Hope, "Boston Housing Court Eviction Report," [http://www.prohope.org/pdfs/Boston Housing Court Project combined FINAL.pdf](http://www.prohope.org/pdfs/Boston%20Housing%20Court%20Project%20combined%20FINAL.pdf).
- <sup>3</sup> State law bars from the emergency-shelter system those families who were evicted from any type of subsidized housing for nonpayment, other types of lease violations (such as criminal activity), or fraud. Because the state family-shelter system is perpetually over capacity, even with strict regulations in place, there's no real traction to change the regulations. See [www.mass.gov/hed/docs/dhcd/hs/a-8712sos-filing.pdf](http://www.mass.gov/hed/docs/dhcd/hs/a-8712sos-filing.pdf).

## Tenants Facing Eviction in Boston Housing Court in 2011

	All Boston renter-occupied housing units	Boston subsidized rental housing units
Number of units	144,100	50,900
Annual number of tenants facing eviction in Boston Housing Court	5,197	2,970
Percent of tenants facing eviction each year	3.6	5.8

Source: U.S. Census Bureau, "American Housing Survey for the Boston Metropolitan Area: 2007," <http://www2.census.gov/library/publications/2009/demo/h170-07-3.pdf>; and the Boston Housing Court Research Report.

## Costs Associated with Forced Eviction from Boston Public Housing

Grievance panel staff time spent at nonpayment hearings	\$11
Property management staff time spent at nonpayment hearings	\$11
Legal staff time spent at nonpayment hearings	\$30
Stipend for tenant panelist	\$23
Filing and service costs for court summons and complaint	\$181
Property management staff time spent preparing case and appearing in court	\$145
Legal staff time spent preparing case and appearing in court	\$200
Constable fee for move-out and storage	\$904
Refurbishment and reoccupancy of newly vacant unit	\$8,000
Loss of rent due to unit vacancy	\$266
Occupancy staff time spent screening prospective tenants for newly vacant unit	\$250
Total cost associated with forced eviction	\$10,021

Source: Boston Public Housing Authority

<sup>4</sup> The number of eviction cases filed in 2010 was self-reported to HomeStart by the Boston Housing Authority.

<sup>5</sup> HomeStart provides stabilization and support services but not additional financial assistance. The idea is that the tenant's rent is designed to be affordable, so if the crisis situation can be resolved, rent should be sustainable going forward. We did follow-up tracking on tenants served during the Oak pilot, and found that 97 percent of tenants remained in their apartments after one year and 95 percent remained after two years.

<sup>6</sup> Massachusetts Housing and Shelter Alliance, "January 2014 Home and Healthy for Good Progress Report," [http://www.mhsa.net/matriarch/DocumentViewDirect.asp\\_Q\\_PageName\\_E\\_HHG\\_Report\\_January2014](http://www.mhsa.net/matriarch/DocumentViewDirect.asp_Q_PageName_E_HHG_Report_January2014).

<sup>7</sup> Dennis P. Culhane, "Ending Family Homelessness in Massachusetts: A New Approach for the Emergency Assistance (EA) Program," <http://www.ppffound.org/documents/whitepaper.pdf>.

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