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**RICHMOND HAS
THE SECOND
HIGHEST EVICTION
RATE IN AMERICA.**

WHY?

**BREAKING DOWN THE ALARMING
TREND OF HIGH EVICTION RATES
IN THE CITY OF RICHMOND.**

Based on the work of Matthew Desmond and the National Building Museum's "Evicted" exhibit.



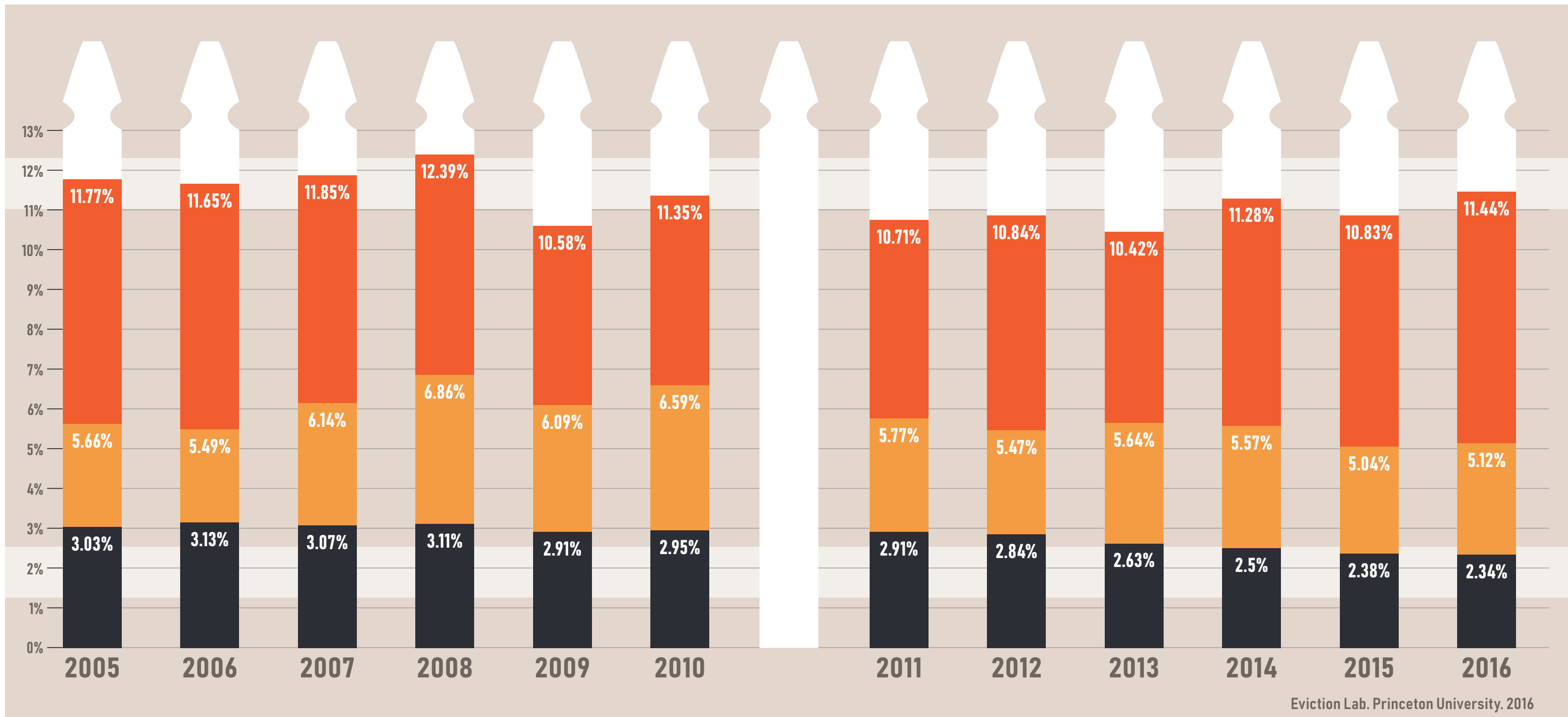
Presented by:
Housing Opportunities
Made Equal of Virginia

RICHMOND'S EVICTION RATES ARE **QUADRUPLE** THE NATIONAL AVERAGE

In April 2018, Princeton sociologist Matthew Desmond's work made the front page of the New York Times when he released a dramatic dataset revealing staggering statistics about evictions. Richmond, Virginia was highlighted as a community with an eviction crisis.

The graph below demonstrates the difference between the rates of eviction in the United States, Virginia, and the City of Richmond. The eviction rate is the number of evictions per 100 renter homes in a given year.

■ UNITED STATES ■ VIRGINIA ■ CITY OF RICHMOND

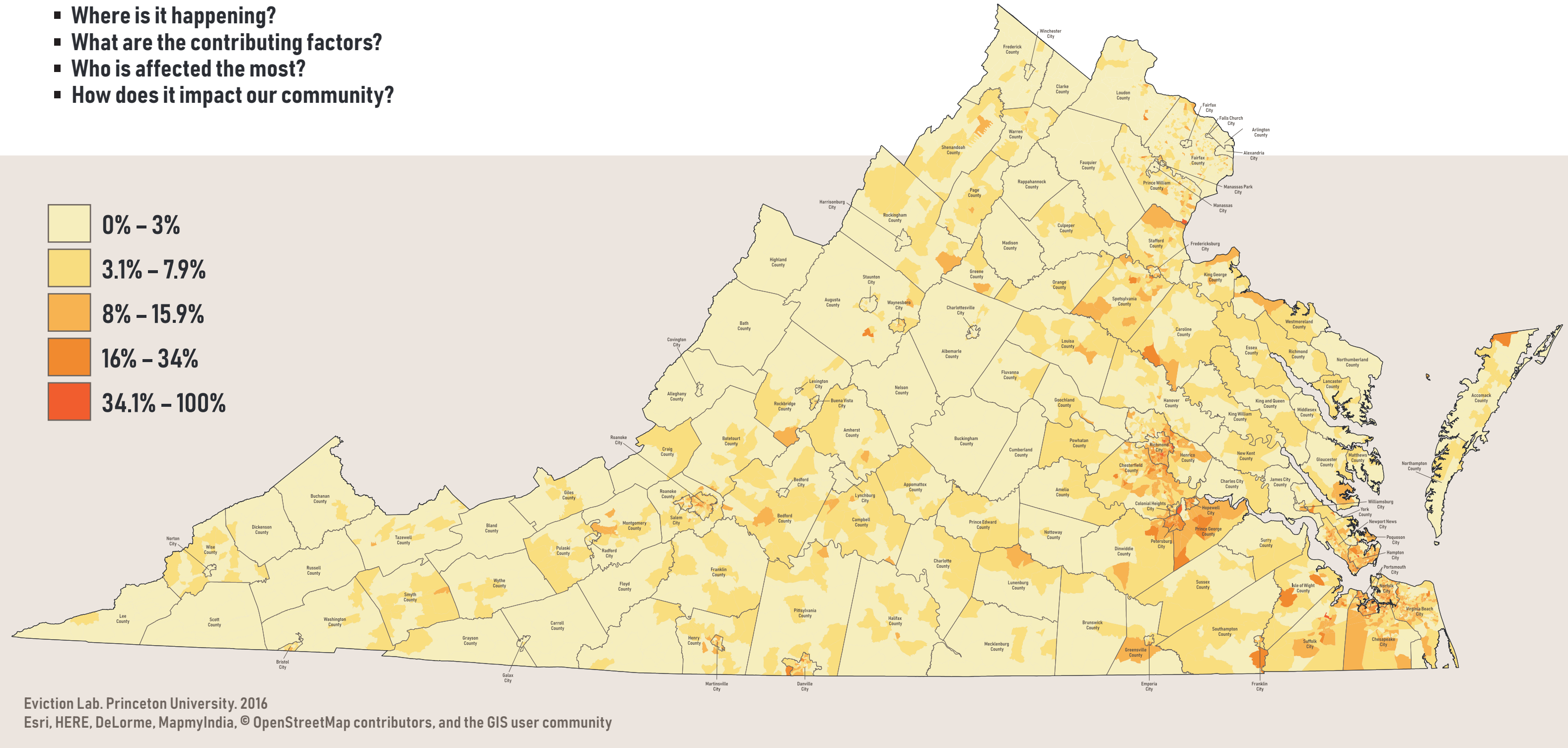


EVICTON RATES THROUGHOUT VIRGINIA

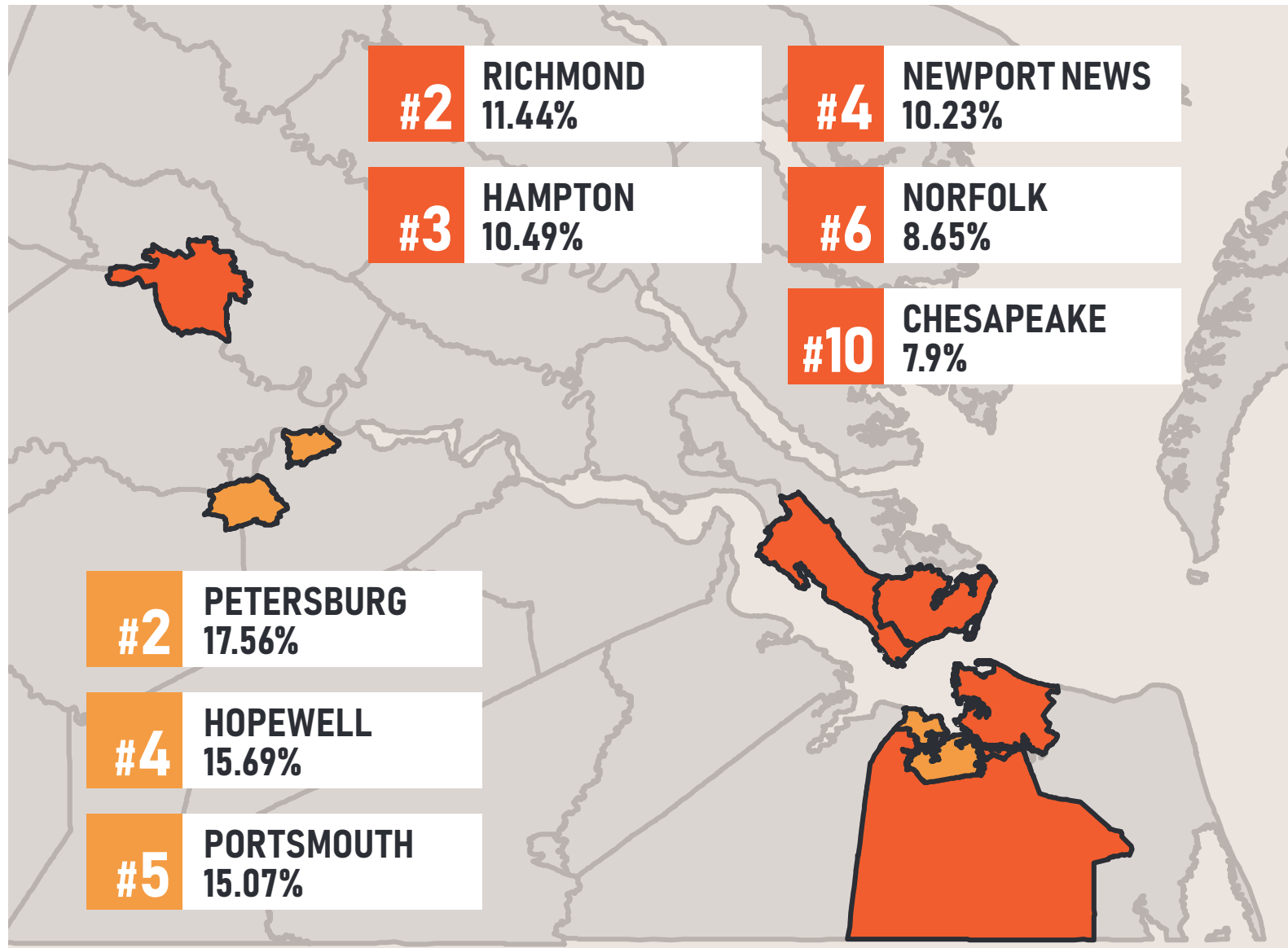
Shown on the map are the eviction rates of each census tract in Virginia in 2016. The majority of Virginia's evictions are concentrated in central and eastern regions where the population is denser, more diverse, and not in the areas with the highest housing costs.

In order to understand the full scope of the problem of eviction, we need to examine:

- Where is it happening?
- What are the contributing factors?
- Who is affected the most?
- How does it impact our community?

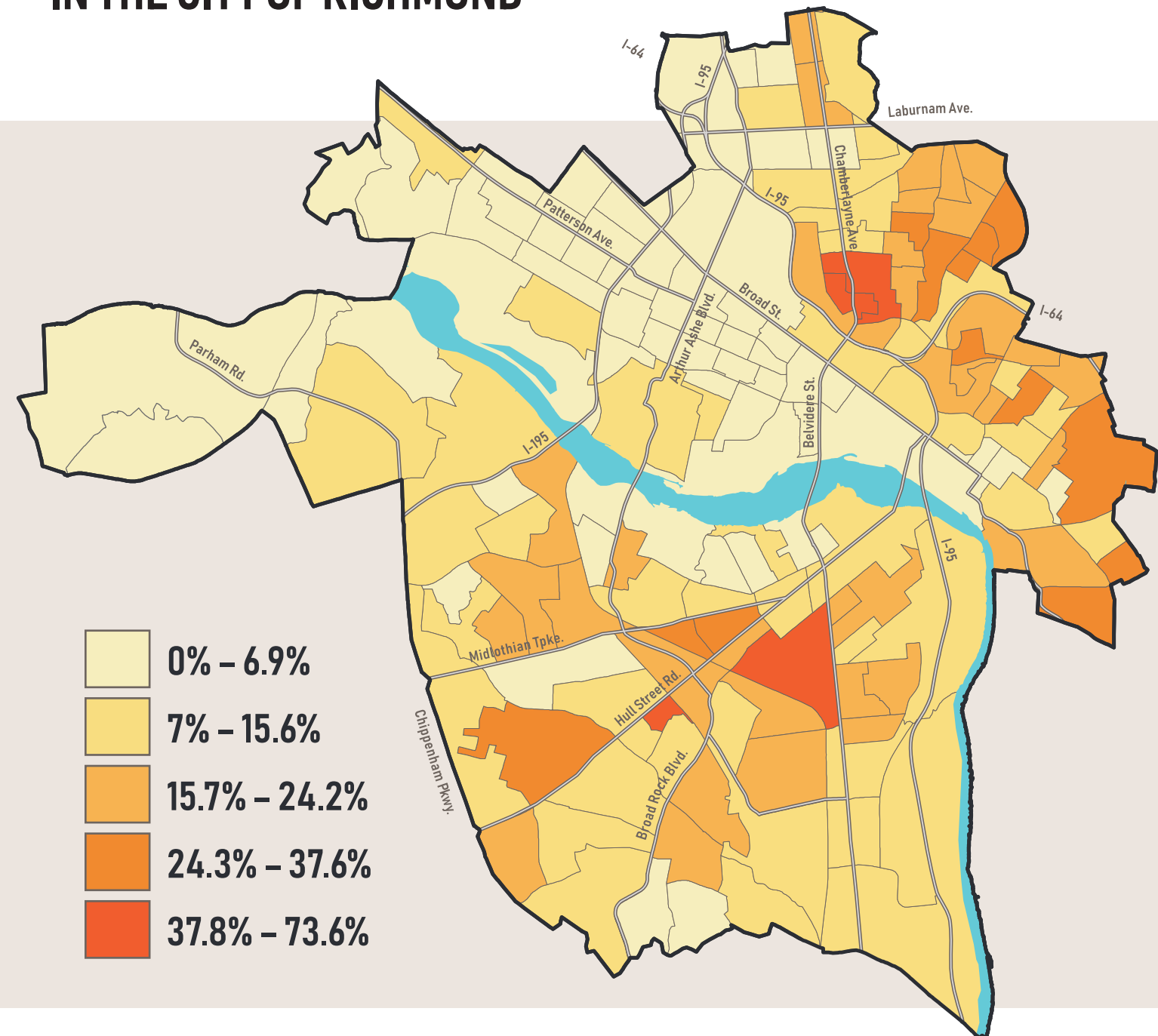


VIRGINIA HAS 5 OF THE TOP 10 HIGHEST EVICTION RATES AMONG LARGE U.S. CITIES



AND 3 OF THE TOP 5 HIGHEST EVICTION RATES AMONG MID-SIZE U.S. CITIES

EVICTION RATES IN THE CITY OF RICHMOND



IN 2016, AN AVERAGE OF **17.34 EVICTIONS OCCURRED PER DAY.**

**BETWEEN 2009 & 2017,
19,303 HOMES WERE SOLD IN
RICHMOND.**

**In neighborhoods with 75% or more
white residents,**

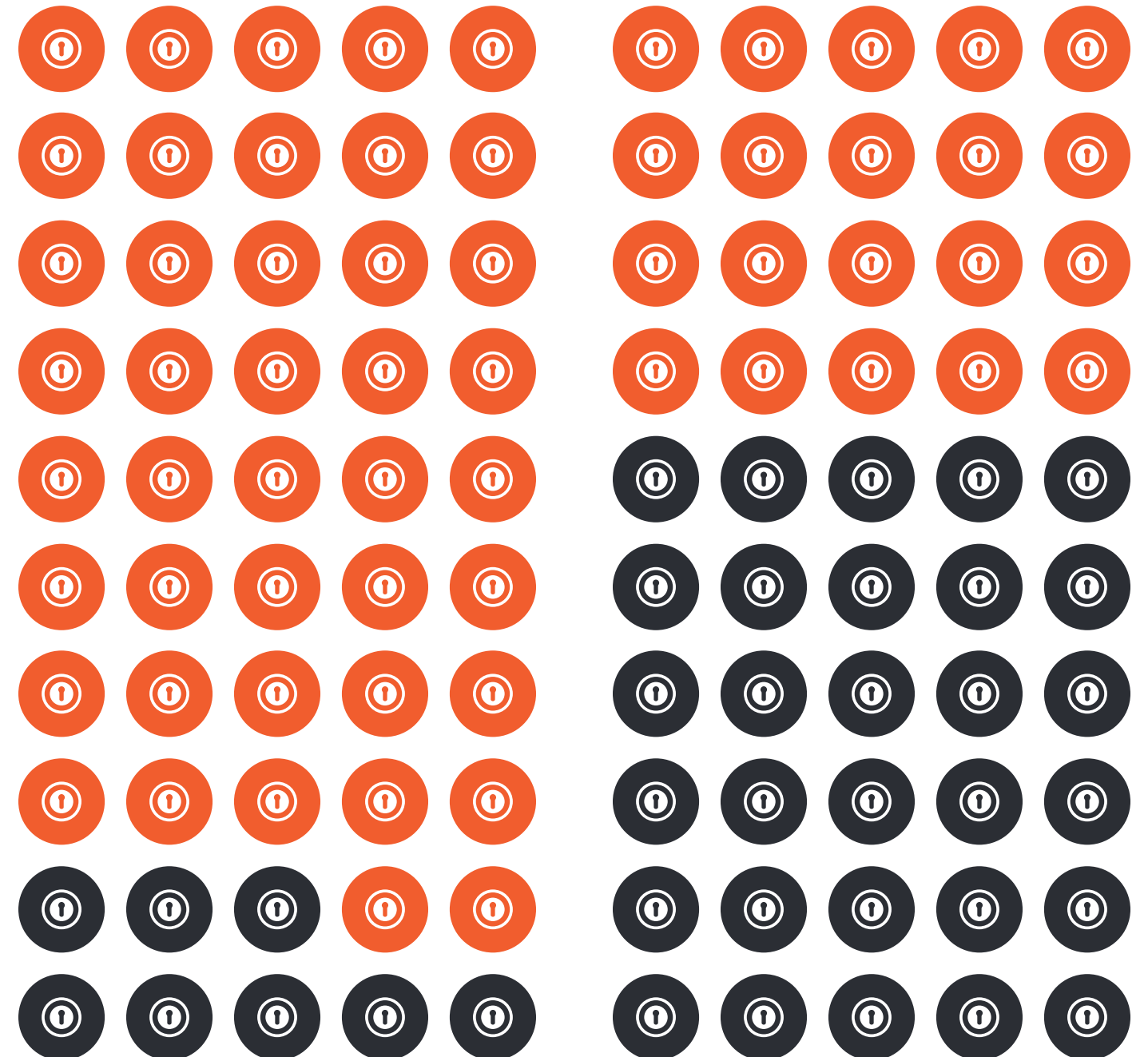
**16% OF SINGLE-FAMILY
HOMES WERE BOUGHT BY
INVESTORS.**

**In neighborhoods with 75% or more
Black residents,**

**60% OF SINGLE-FAMILY
HOMES WERE BOUGHT BY
INVESTORS.**

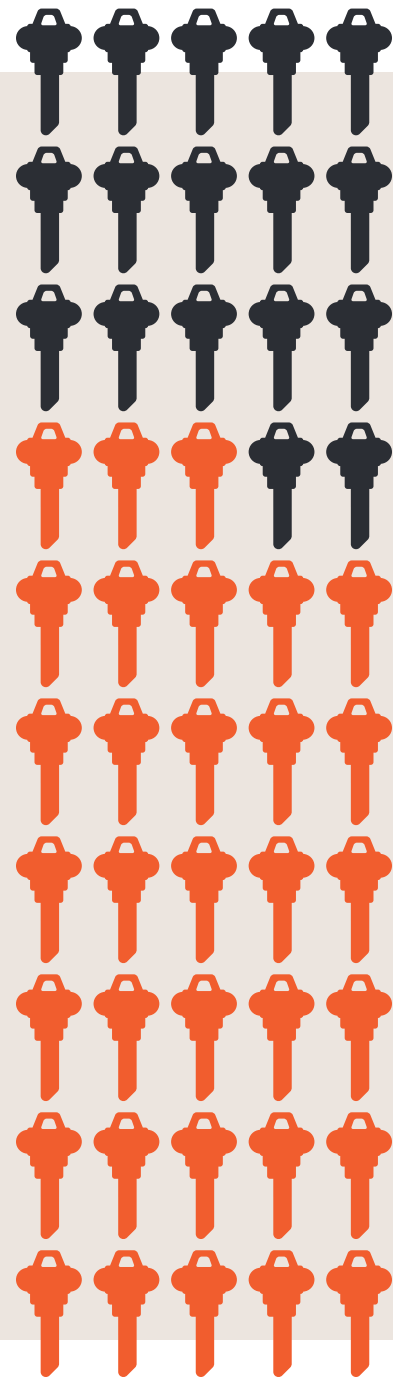
**34% OF WHICH WERE
BOUGHT BY INVESTORS,
NOT OWNER-OCCUPANTS.**

It is impossible to understand the eviction crisis in Richmond without examining the intersections between race, poverty, property ownership, and systemic racial discrimination. By taking a look at the demographics of the neighborhoods where investors choose to purchase rental properties, we begin to get a picture of affected renters.



42% OF HOUSEHOLDS IN RICHMOND OWN THEIR HOME.

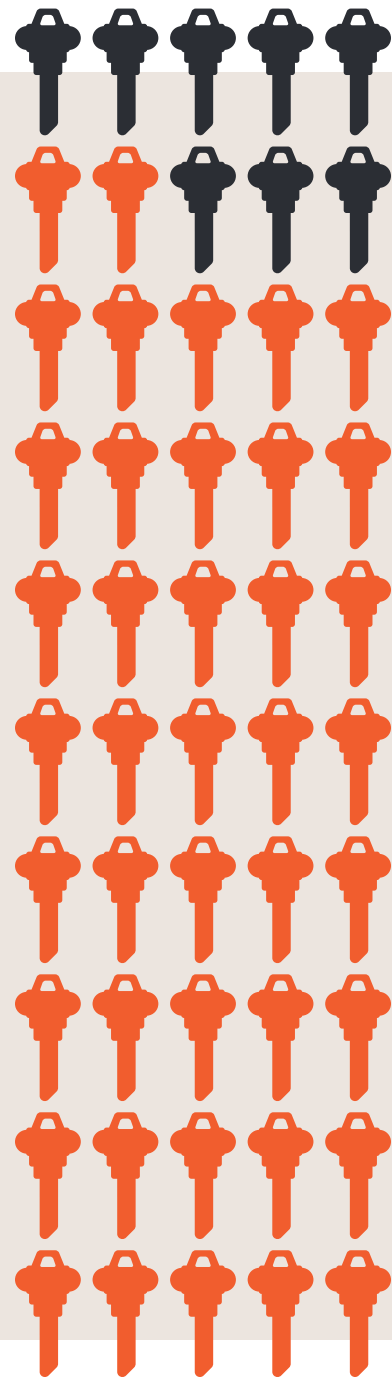
THE OTHER 58% ARE RENTERS.



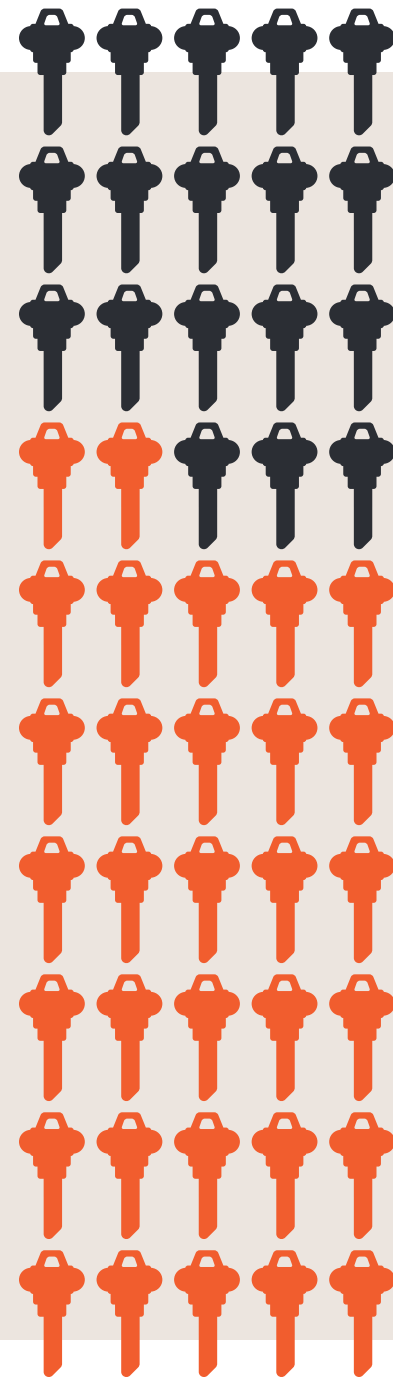
66% of Black residents are renters



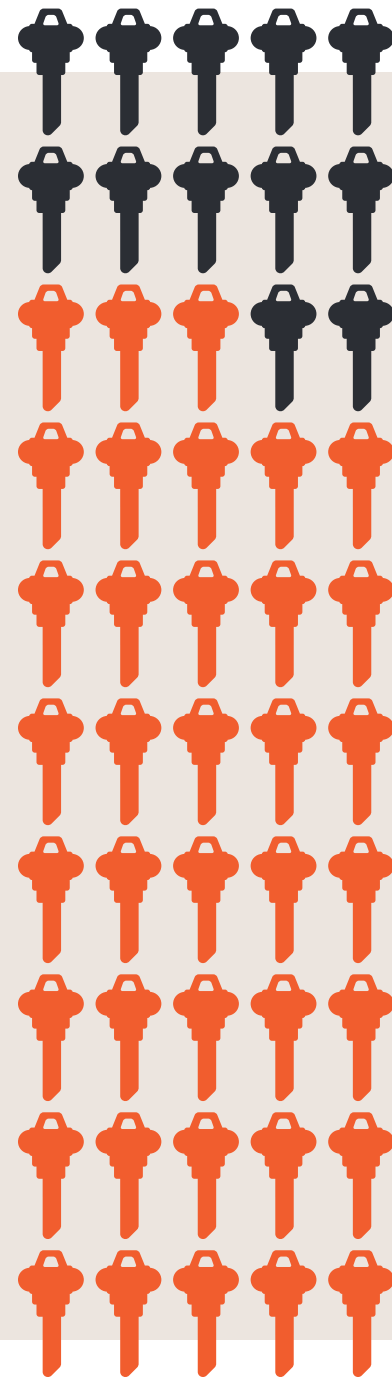
48% of white residents are renters



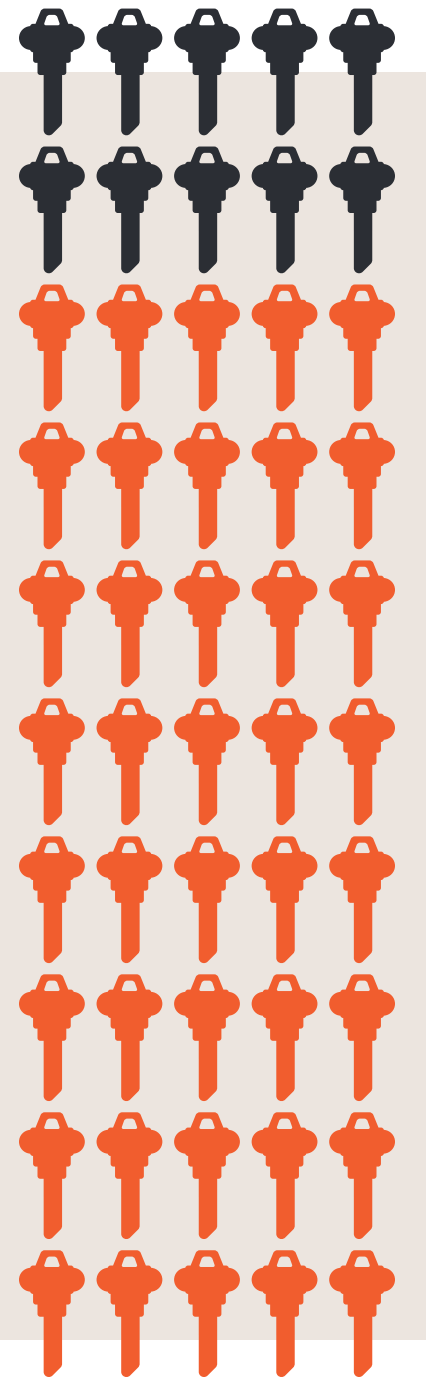
83% of Hispanic residents are renters



65% of Asian residents are renters



75% of multi-racial/ethnic residents are renters



80% of residents of other races/ethnicities are renters

53% OF RENTAL HOUSEHOLDS IN RICHMOND EXPERIENCE AT LEAST ONE OF FOUR HOUSING ISSUES.

OF THE 53%, **51% ARE:**

Cost Burdened

A household spends over 30% of their income on housing costs, including rent plus utilities. Severely cost burdened households spend over 50% of their income on housing costs.

THE OTHER 2% ARE:

Lacking Complete plumbing

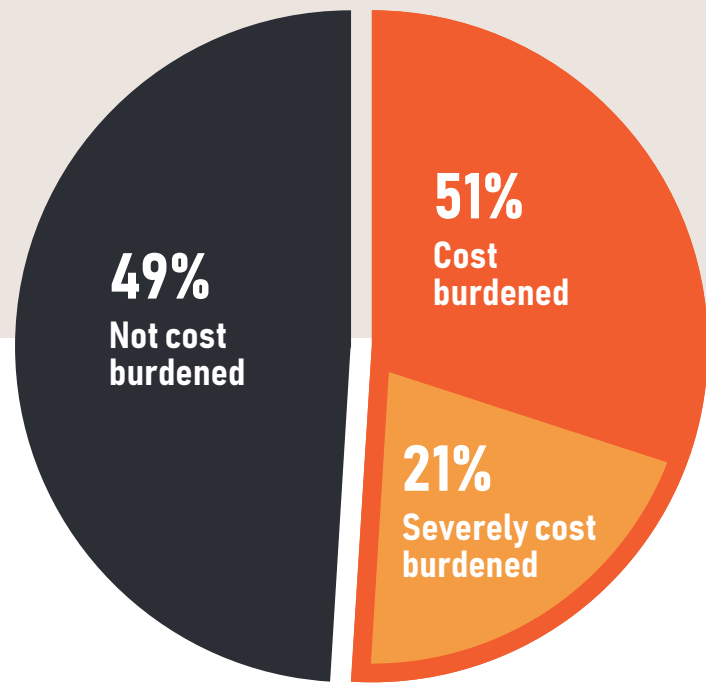
Lacking hot & cold running water, a flush toilet, or a bathtub or shower.

Lacking a complete kitchen

Lacking a sink with a faucet, a stove or range, or a refrigerator.

Overcrowded

There is more than one person per room living in the unit.



OVER HALF OF ALL RENTERS IN RICHMOND ARE COST BURDENED OR SEVERELY COST BURDENED.

HUD. Office of Policy Development and Research. Comprehensive Housing Affordability Strategy. 2012-2016.

HOME's analysis of building code violations in the City of Richmond revealed that of the 3,127 reported violations in 2017,

70% OF VIOLATIONS RELATED TO SINGLE-FAMILY HOMES WERE FOR INVESTOR-OWNED PROPERTIES.

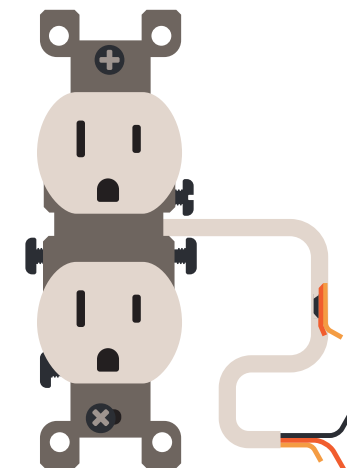
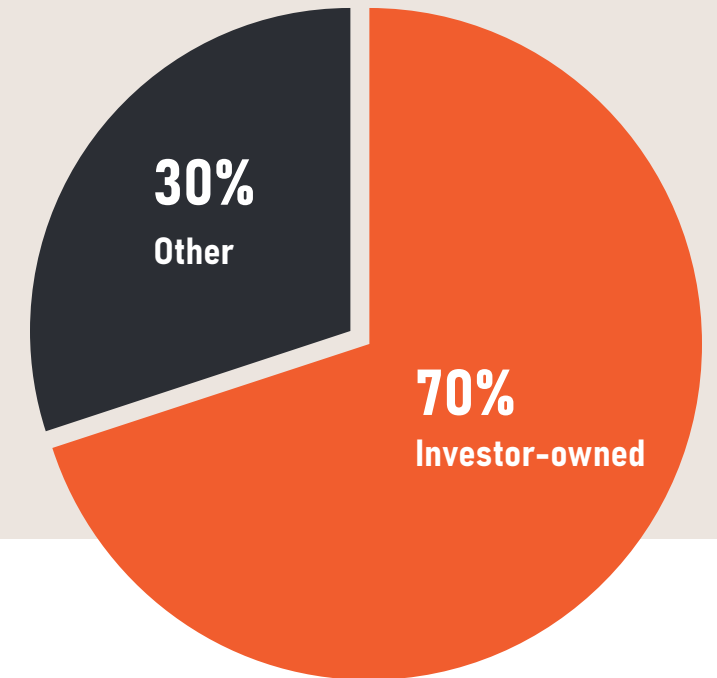
Common code violations related to the health and safety of residents include, but are not limited to:

Failure to maintain the premises to prevent accumulation of moisture and mold.

Failure to remedy visible mold.

Failure to maintain electrical, sanitary, plumbing, heating, ventilating, air-conditioning, and other facilities in safe working order.

Failure to perform yearly inspection to ensure smoke detectors are in working order.



Based on HOME's analysis of Code Enforcement Records from 2017.

THERE IS AN AFFORDABLE RENTAL HOUSING SHORTAGE IN VIRGINIA.

Virginia has a shortage of affordable and available rental homes for extremely low income households (ELI), whose incomes are at or below the poverty guideline or 30% of their area median income (AMI). Many of these households are severely cost burdened, spending more than half of their income on housing. Severely cost-burdened poor households are more likely than other renters to sacrifice other necessities like healthy food and healthcare to pay the rent, and to experience unstable housing situations like evictions.



VIRGINIA

- Extremely low-income renter households
- Affordable and available rental homes



Richmond



Hampton Roads



Northern Virginia

Source: <https://reports.nlihc.org/gap/2017/va> using data from American Community Survey (ACS) and ACS Public Use Microdata Sample (PUMS) of Richmond, VA, Virginia Beach-Norfolk Newport News, VA-NC, Washington-Arlington-Alexandria, DC-VA-MD-WV.

OUT OF ALL THE LEASE VIOLATIONS THAT CAN RESULT IN EVICTION, NON-PAYMENT OF RENT IS THE EASIEST TO EVICT FOR.

During just one month, from May to June 2019 in the John Marshall Court Building, out of the 1,665 cases that were heard, **95%** (1,557) of the landlords' claims for possession were based on past due rent.

1 NOTICE (PAY OR QUIT)

The rent is late 5 days after the rent is due. The landlord sends the tenant a written notice, called a "pay or quit." This notice gives tenants 5 days to pay unpaid rent, with the threat of eviction proceedings if the rent, or a portion of it, remains unpaid.

Many tenants misunderstand the "pay or quit" notice, interpreting it as requiring that they leave their homes immediately.

PAY BEFORE NOTICE PERIOD ENDS

The tenant can avoid being evicted from their home if they are able to pay the late rent and any late fee before the end of the 5 days is up.

2 UNLAWFUL DETAINER

If the rent remains unpaid after the 5 day notice period expires (as soon as 10 days after rent was due), the landlord files an unlawful detainer with the court. The tenant receives a summons for a court date, which is often about 3 weeks later.

AN UNLAWFUL DETAINER WILL GO ON THE TENANT'S RECORD.

This can harm their access to credit and future housing, even if they are not evicted.

PAY ON OR BEFORE THE COURT'S RETURN DATE

On or before the court's return date, the tenant can still avoid a judgment by exercising the "right to redeem," which requires paying all owed rent, late fees, court costs, and any attorney's fees.

3 RETURN DATE (AND TRIAL)

The tenant and landlord both go to court. If the tenant contests the amount owed, then the judge orders a trial.

Very few tenants are represented in court. A legal aid attorney is stationed in the courthouse, however, many tenants do not yet know this and few arrive in time to get legal guidance before entering the courtroom. If a tenant does not show up in court on their return date then a default judgment is issued for the landlord.

BRING REDEMPTION TENDER TO COURT

On the return date, the tenant can bring a "redemption tender," showing a written commitment from a local agency or nonprofit to pay all or part of the owed rent. The judge then postpones the case by 10 days to allow the tenant to come back with the full amount.

4 JUDGMENT OF POSSESSION

At either the return date – if the tenant admits to owing rent – or at the later trial date, the judge can grant the landlord a judgment for possession, giving the landlord the right to evict the tenant.

JUDGMENTS FOR THE LANDLORD GO ON THE TENANT'S RECORD.

In Virginia, there is one judgment for both rent owed and for possession, which incentivizes landlords to file unlawful detainers for rent owed even if they do not intend to take control of the property.

5 WRIT OF EVICTION

After winning the judgment for possession, the landlord may ask the court for a writ of eviction. The writ can be issued by the clerk immediately, but cannot be executed for at least 10 days. Sheriffs typically serve the writ within 5-10 days of its issuance, and execute it within 10-15 days of its service.

Writs grant landlords the power to evict tenants without further court proceedings even if tenants are able to pay the full amount owed.

6

SHERIFF'S NOTICE

The sheriff must give the tenant at least 72 hours advance notice of the eviction, and typically gives 5-7 days, depending on the season.

Even if tenants still manage to avoid an eviction by paying all amounts owed, The eviction is on the tenant's record.

EXTENDED RIGHT OF REDEMPTION

Passed by the Virginia General Assembly in 2019, the tenant can now pay everything owed up to 2 business days before the scheduled eviction date. The tenant can use a redemption, redemption tender, or extended redemption only once in any 12-month period.

7

SHERIFF'S EVICTION

The sheriff arrives, changes the locks, and forces the tenant to leave their home.

If the tenants are unable to secure new housing they often become homeless. If they cannot pay storage fees or rely on family or friends to store, they risk losing all of their belongings.

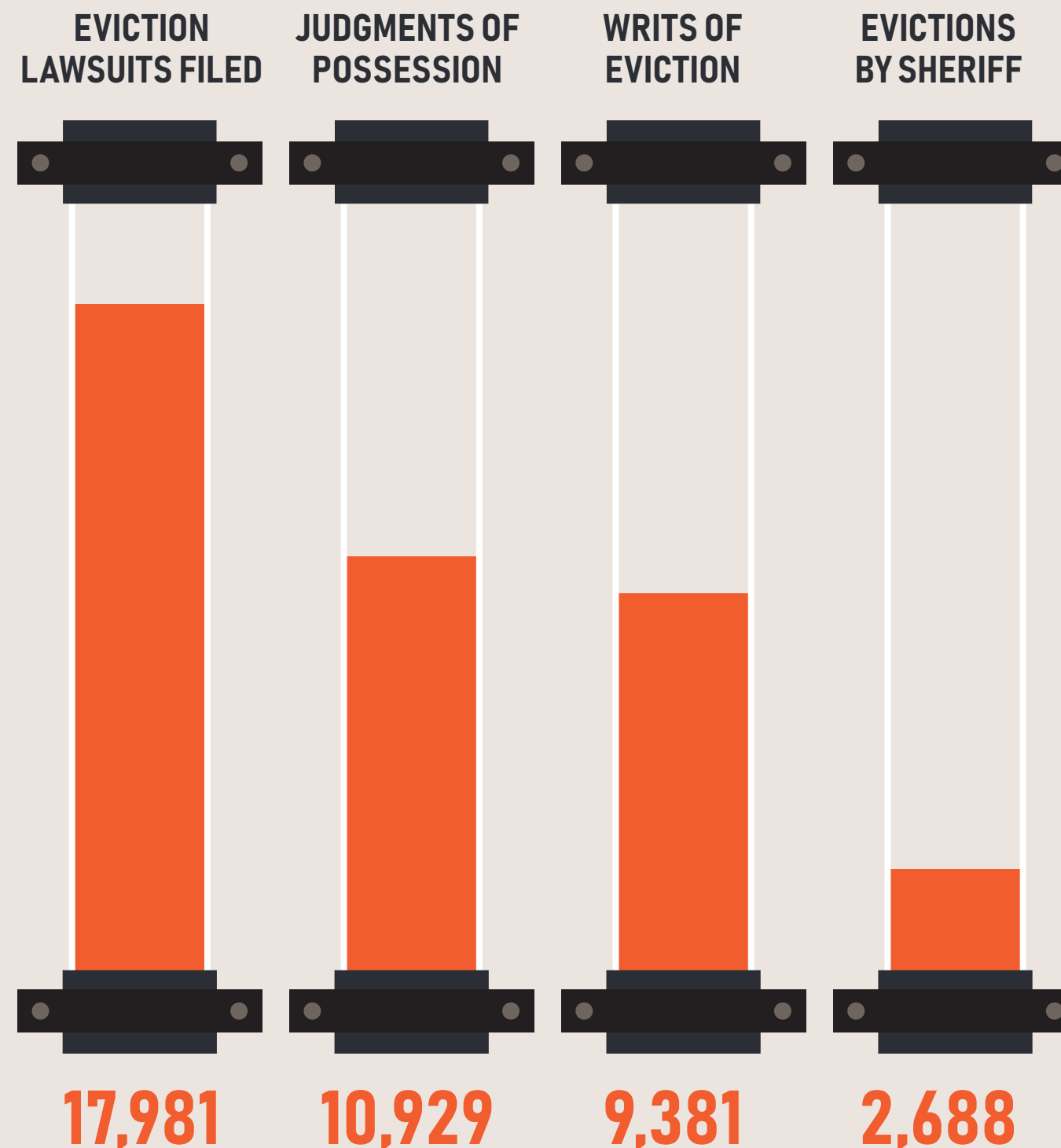
In Virginia, landlords are allowed to sell belongings left behind in an eviction.

FROM THE TIME THE RENT IS DUE TO THE SHERIFF'S EVICTION, THE ENTIRE EVICTION PROCESS CAN TAKE AS LITTLE AS **48 DAYS**.

Adapted from "Evictions in Richmond" by Talya Lockman-Fine and Olivia Rosenthal.

Approximate timeline based on HOME's and CVLAS's study from June 2019.

OUT OF THE **17,981** UNLAWFUL DETAINERS FILED IN 2017, **2,688** RESULTED IN EVICTION.



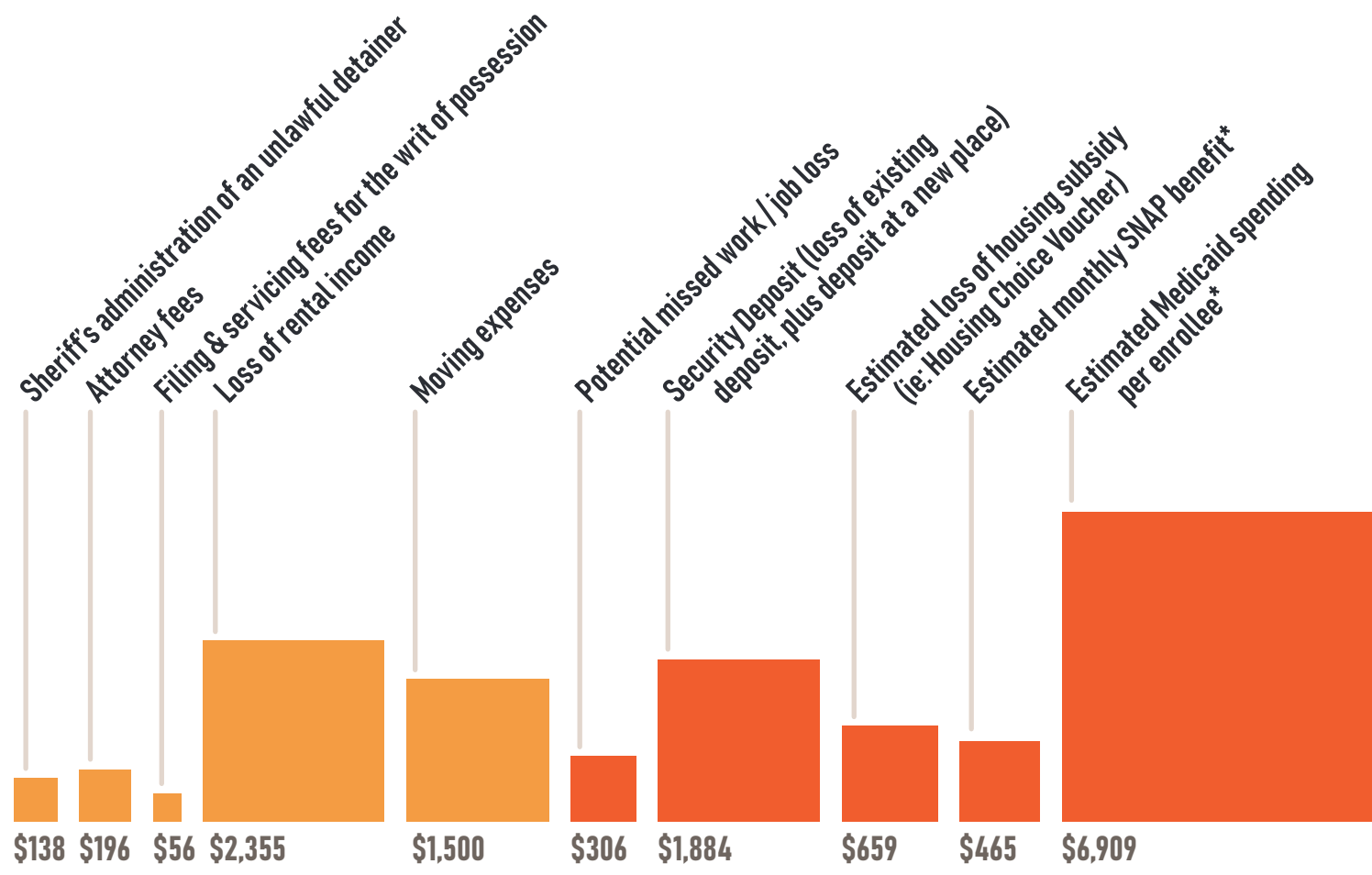
Campaign to Reduce Evictions 2017 statistics.

AN EVICTION GENERALLY HAS TWO OUTCOMES: ENTRANCE INTO THE HOMELESSNESS SYSTEM OR SELF-RESOLUTION.

In the first, the individual and their family become homeless and must seek services provided in the community. In the second, the individual and their family manage to make arrangements to stay somewhere new, either with family, friends, or in a new apartment.

Though both outcomes share costs such as court and associated fees, negative credit score impact, and greatly diminished ability to secure future stable housing, entrance into the homelessness system carries additional costs that must be borne by federal, state, and local government funding as well as generous donors. Homeward's most recent Point in Time (PIT) count found that 26.7% of people, in their annual survey of those experiencing homelessness, indicated that they had been evicted in the past three years.

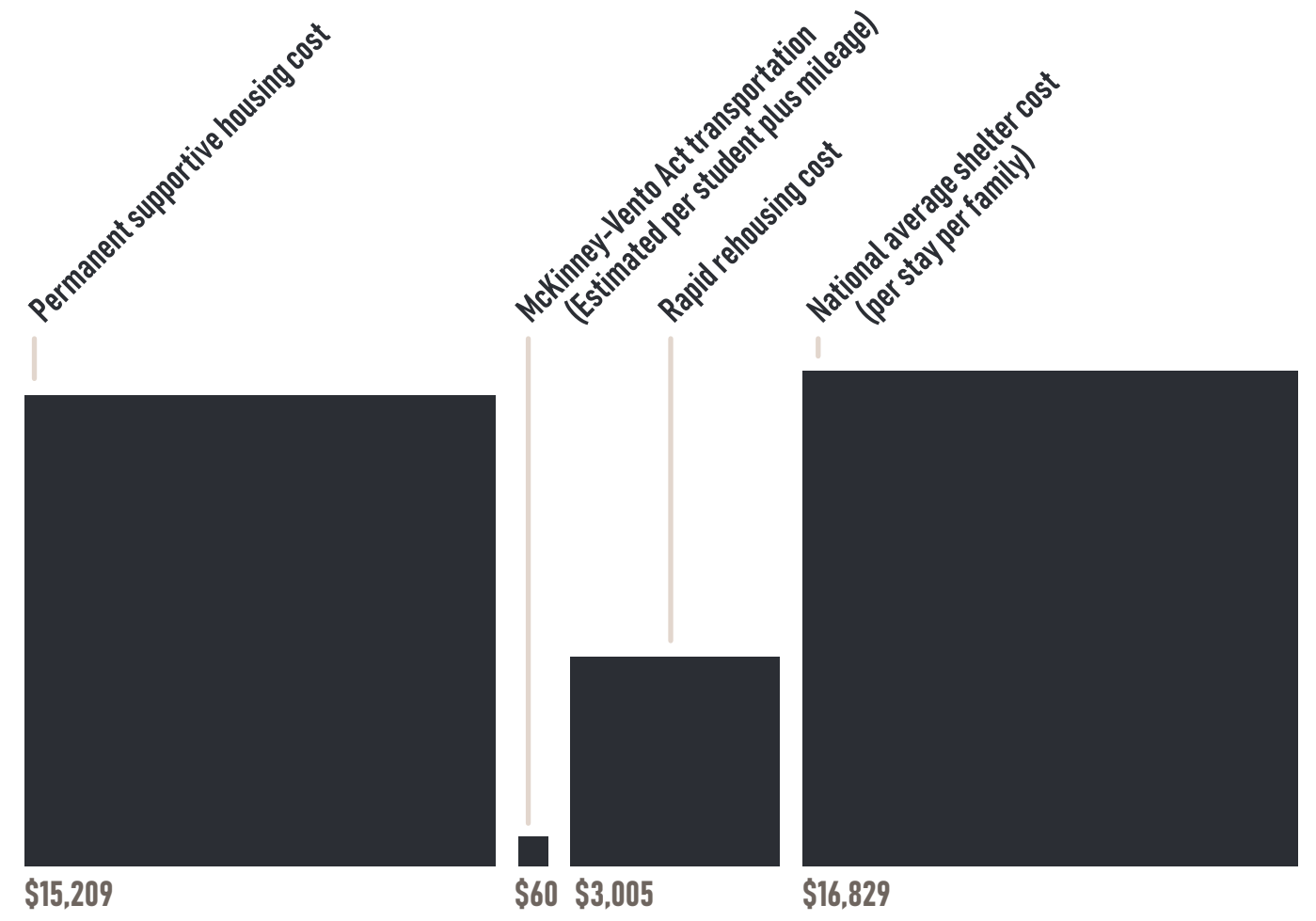
THIS ANALYSIS ATTEMPTS TO ASSOCIATE FINANCIAL COSTS WITH VARIOUS OUTCOMES OF EVICTIONS.



DIRECT COSTS: COURT, FILING, VACATING

POSSIBLE LOSS OF TENANT WAGES & SUBSIDIES

*WITHOUT A PERMANENT ADDRESS, BENEFITS RISK BECOMING LOST.



COSTS OF EVICTIONS RESULTING IN HOMELESSNESS

UNFORTUNATELY, MANY OF THE NEGATIVE IMPACTS OF AN EVICTION ARE DIFFICULT TO QUANTIFY DUE TO A LACK OF RESEARCH.

While the financial costs associated with eviction can be added and totaled, it is much harder to determine the impacts that evictions have on a family's health, education, job performance, and future housing stability.

AN EVICTION CAN AFFECT THE ABILITY TO ACCESS NECESSITIES SUCH AS:

FUTURE HOUSING

JOBS

SCHOOLS

HEALTH CARE

FOOD & GROCERIES

SAFE NEIGHBORHOODS

TRANSPORTATION

CHILDCARE

BANKS

THE EMOTIONAL STRESS CAN IMPACT:

CHILD'S GRADES

JOB PERFORMANCE

OVERALL HEALTH

THE FINANCIAL BURDEN CAN FORCE PEOPLE TO:

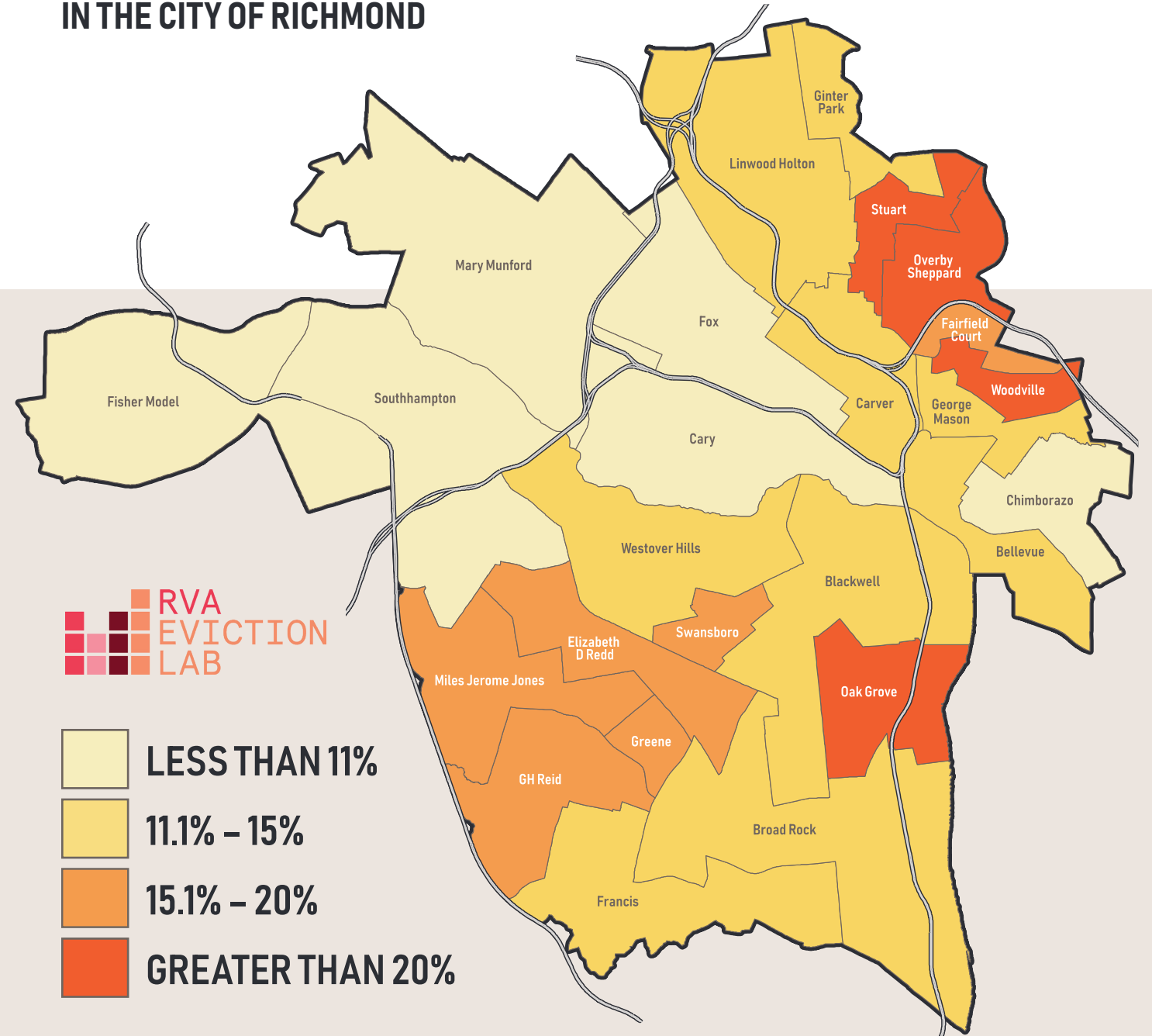
LOSE JOB

LOSE CHILDCARE

USE PAYDAY LENDERS

RELY ON CREDIT CARDS

EVICTION RATES BY ELEMENTARY SCHOOL DISTRICT IN THE CITY OF RICHMOND



The eviction crisis hits families with children the hardest. Nationally, households with children under 18 are 3 times more likely to be evicted than households without children. Kids who are evicted face high absenteeism and school mobility rates. Richmond census tracts with high eviction rates are home to 10 of the 14 unaccredited elementary schools.

FOR CHILDREN TO STAY IN SCHOOL AND THRIVE ACADEMICALLY, THEY NEED TO HAVE A STABLE HOME.

FIGHTING EVICTION REQUIRES RESOURCES

Oct 31, 2019. Richmond Times-Dispatch

KATHRYN HOWELL & BEN TERESA, RVA EVICTION LAB

Speaking to an audience of Virginia Commonwealth University students and other community members on Oct. 16, 2019, “Evicted” author Matthew Desmond detailed how eviction is both a result and a cause of poverty. Eviction harms not only individuals or families who are evicted, but it also destabilizes communities.

Desmond also acknowledged Richmond’s response to the crisis, but his praise for the city’s efforts reflects more the inaction of other, similarly impacted places rather than the notion that Richmond has solved the eviction problem. Advocates working on housing instability in Richmond, organizers in public housing communities, legal aid attorneys, educators seeing the impacts of eviction in their classrooms and social service providers were not surprised when Richmond ranked among the highest-evicting cities, according to data collected by Desmond and the Princeton Eviction Lab, because they have been working on the problem for years. The reality is that Richmond has made some noise on the eviction issue, but much hard work remains to be done.

There have been recent important developments at the city and state level, including an eviction diversion program through a partnership between Housing Opportunities Made Equal of Virginia and the city of Richmond, philanthropic support for attorneys and organizers at the Legal Aid Justice Center, and statewide requirements for written leases and the prohibition against serial eviction filings. Although these laws provide needed tenure protections for tenants, such reforms first appeared in other parts of the country 100 years ago. We have some catching up to do.

The eviction problem must be solved on multiple fronts, and the solutions will likely face opposition because the roots of the problem stem from the way our region developed during the 20th

century and who benefited from that development. Neighborhoods experiencing high rates of eviction have been impacted by urban renewal demolitions, highway projects and foreclosure that have systematically undermined housing stability.

We need to facilitate the hard work that grassroots organizers are doing in communities such as Six Points in North Side, our public housing communities on the East End, and the Bellemeade and Oak Grove neighborhoods in South Side to understand what the people most impacted need and how they contest neighborhood instability.

We also have an affordable housing shortage. According to the National Low Income Housing Coalition, Richmond has only 30 affordable units for every 100 households earning less than 30% of the area median income (AMI) — \$26,000 for a family of four — and 63 units for every 100 residents earning 50% of AMI (\$43,000). In our region, 78% of households earning less than \$43,000 pay more than 30% of their income for housing, as do almost 90% of households earning less than \$26,000. Families are living in housing they cannot afford because they have no other options. Paying too much for rent means a car repair, medical bill or an unexpected cut in hours can throw a family into a cycle of eviction that negatively impacts future housing, health, education and job outcomes.

Exacerbating the problem, our unsubsidized housing stock that is affordable is in poor condition and it is shrinking. At the same time we are not building to the need. Specifically, public housing, which should be our largest source of stable affordable housing, is under threat of demolition. What public housing needs is a cash infusion, not demolition.

Fifty years of federal disinvestment from public housing has led us to the current moment of crisis. While families in redeveloped public housing will



iStock.com/Piccaya

receive housing vouchers, nationally fewer than half of those leaving subsidized housing are able to use vouchers because of discrimination, poor housing conditions, payment standards and the time it takes to find housing.

For those who do find housing, they tend to relocate in poor and racially-segregated areas, and our own research indicates that Richmond public housing residents are most likely to resettle into the highest-evicting segments of the rental market. Sending public housing residents into the private market will completely overwhelm any progress we’ve made on reducing eviction.

There is attention to this issue now, but we are going to need to get uncomfortable before we can address this challenge. We need a commitment of resources — real money — for affordable housing that comes from a dedicated funding source, and we need to target those funds to serving those earning less than 50% of area median income. This is a complex problem, and if we do not step up, there might be a lot of noise but little to show for it.

CITY OF RICHMOND EVICTION DIVERSION PROGRAM

Ranking #2 in the country, Richmond is facing an eviction rate of 11.4% annually. A total of 30.9% of all renters in Richmond receive a notice of eviction in any given year. This data sparked a discussion between city officials, Central Virginia Legal Aid Society (CVLAS) and Housing Opportunities Made Equal of Virginia (HOME), and Firms in Service about establishing a program that would reduce evictions in the city.

In the fall of 2019, the City of Richmond, HOME, and CVLAS launched the voluntary eviction diversion pilot program. This program is available to city residents facing eviction after a five-day nonpayment notice, before or at the time of an unlawful detainer hearing, or after a judgment of possession and before the execution of the Writ of Possession.

The initial goal is to divert 300-500 evictions in the first year, with a budget of approximately \$400,000.

The City of Richmond Eviction Diversion Program is designed to stop the spiral downturn for tenants for whom their current housing is sustainable with a one-time assist. Tenants would get the benefit of a clean slate and financial literacy education, and landlords would get the rent owed and avoid the expense of the eviction and locating a new tenant. At its core, the main objective of the program is to prevent an eviction after the process has begun for tenants who will be able to continue to pay their rent.

VIRGINIA EVICTION DIVERSION PILOT PROGRAM

In the 2019 Virginia General Assembly session, House Bill 2655 was enacted to establish a new Virginia Eviction Diversion Pilot Program. It was recorded in the Code of Virginia Chapter 13.2 of Title 55 an article numbered 7, consisting of sections numbered 55-248.40:1 through 55-248.40:4.

Effective on July 1, 2020, a mandatory Virginia Eviction Diversion Pilot Program will be established within the existing structure of the general district courts for the cities of Danville, Hampton, Petersburg, and Richmond. The purpose of the Program is to encourage the development of consistent methods for resolving unlawful detainer actions and to reduce the number of evictions of low-income persons. Notwithstanding any other provision of law, no eviction diversion court or program shall be established except in conformance with this bill.

The program hopes to reduce the number of evictions of low-income persons for the failure to pay small amounts of money under the rental agreement, in particular when such persons have experienced an event that adversely affected financial circumstances such as the loss of employment or a medical crisis in their immediate family. It also helps to reduce the adverse consequences to children who are no longer able to remain in the same public school after eviction.

THIS EXHIBIT WAS MADE POSSIBLE THANKS TO THE SUPPORT OF

The Wells Fargo logo, featuring the words "WELLS" and "FARGO" in a bold, yellow, serif font, stacked vertically on a dark red rectangular background.

AND TO THE COOPERATING SUPPORT OF

Campaign to Reduce Evictions (CARE)

Central Virginia Legal Aid Society (CVLAS)

The Department of Housing & Community Development (DHCD)

The National Building Museum

Richmond Public Library

Virginia Commonwealth University (VCU)

VCU's RVA Eviction Lab





Housing Opportunities Made Equal of Virginia

HOME is a 501(c)3 non-profit. Since its founding in 1971, HOME has been fighting housing discrimination and furthering equality in housing. HOME ensures equal access to housing for all people through fair housing enforcement, housing counseling & education, statewide policy work, and research.

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