

COVID-19 Housing Stability Task Force Bi-weekly Update

Sept 25, 2020



LSC
HOUSTON

Rental Assistance: Work Group

Work Group Members:

- Maria Verdeja
- Mark Thiele
- Elena White
- Diana Zarzuelo
- Zoe Middleton
- Celeste Arredondo
- John Boriack
- Mary Lawler
- Chrishelle Palay
- Howard Bookstaff
- Claudia Aguirre
- Cynthia Colbert
- Jeff Reichman
- Ana Raush
- Sharon Zachary (ACAM)
- Sonja Gee (MAM)

Work Group Facilitator:

- Martha Macris

- The Rental Assistance WG meets every other Friday.

Rental Assistance Work Group Recap

August 14th

August 28th

September 11

September 18

Week #5

Week #6

Week #7

Week #8

Week #9

Rental Assistance Work Group Meeting # 2, August 21

Update to Task Force

Rental Assistance Work Group Meeting # 3, Sept 4

Rental Assistance Work Group Meeting # 4, Sept 18th

- **Presentation on Connective's Focus Groups with Tenants and Landlords.**

- Shared how the activities of the WG resulted in a better alignment of the City and County Rental Assistance program.

- **Presentation on Catholic Charities /Harris County Direct Assistance Program and Summary of CDC Temporary Eviction Moratorium order.**

- Provided feedback to Catholic Charities on program accessibility and outcomes.
- Reacted to the CDC Order and what the impact might be in Houston and Harris County

- Small Group discussion to elicit suggestions for evaluation criteria for Baker Ripley program.

- Work Group members shared the work they are currently doing related to Housing Stability and Direct Assistance.
- Rene Solis presented preliminary data on the City and County Rent Assistance Program.
- Cynthia Colbert with Catholic Charities provided an update on the Direct Assistance Program.

Rental Assistance: Work Group

Comments and recommendations for discussion about the CDC Moratorium on evictions:

- The WG agreed that the moratorium alone is inadequate to address our housing instability crisis and will need to be supplemented by local City and County action.
- Concerns about the CDC Moratorium order include:
 - Lack of clear guidance to both tenants and landlords about what the order covers and requires.
 - The order may mistakenly lead tenants to believe they don't need to pay rent.
 - Lack of clear guidance to landlords about rent collection during the order.
 - The order does not state a cap on late fees, and Texas does not currently have one. This will add to the debt tenants accumulate during the moratorium.
 - The moratorium is not tied to rent relief measures this will result in:
 - future tenant displacements
 - unstable rental properties.

Rental Assistance: Work Group

Comments and recommendations for discussion about the CDC Moratorium on evictions:

- The WG recommends that the Task Force develop a set of solutions for each of these concerns ahead of January and we should monitor the effects of the moratorium as it is operationalized in Houston and across the country.
- The WG offered several potential solutions including:
 - A combination of rent assistance and landlord capital made available throughout the period of the moratorium that will insulate both landlords and tenants from bankruptcy at the expiration of the moratorium.
 - The City and the County undertake a strong public education campaign to:
 - (1) advise tenants that rent obligations are still due, encourage tenants and landlords to communicate to each other in writing throughout the moratorium, workout payment plans and re-negotiate leases.
 - (2) Advise landlords to get familiarized with the order and inform landlords that this moratorium applies to all residential landlords and it is NOT an optional program.

Rental Assistance: Work Group

Rent Assistance Auction for Landlords:

- Texas Policy Lab is working on a Pilot Proposal for a (reverse) auction, in which landlords submit bids for specific tenants who owe rent. A bid is the value of the payment that a landlord would be willing to receive in exchange for all due rent for a specific tenant. This would provide payments to landlords whose tenants owe past rent. In exchange for these payments, landlords agree to forego the due rent payments.
- Organizing the program as an auction reduces the necessary payment to settle the tenants' account, and allows the available funds to be used to reduce the risk of eviction for a larger number of tenants. The auction would take all the bids submitted by eligible landlords and select the lowest ones until the available funds have been exhausted.

- **The Rental Assistance Work Group will review and discuss the proposal during the next meeting.**

Access to Justice: Work Group

Work Group Members:

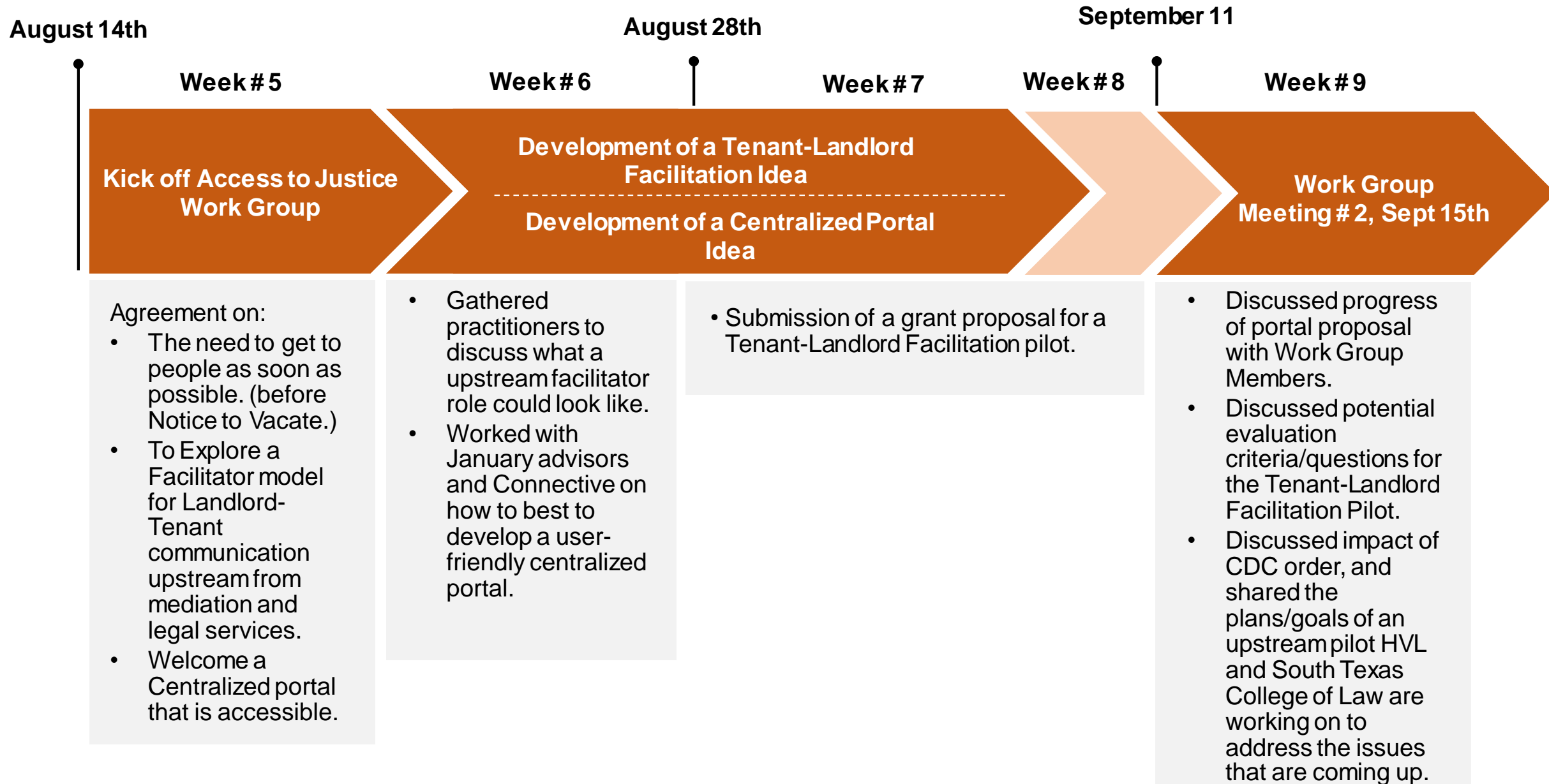
- Curtis Davis
- Dana Karni
- Diana Zarzuelo
- Guadalupe Fernances
- Jay Malone
- Howard Bookstaff
- Marcia Johnson
- Margaret Oser
- Zoe Middleton
- Ann Chandler (Houston Volunteer Lawyers)
- Nick Hall (Dispute Resolution Center)

Work Group Facilitator:

- Jeff Stys

- The Access to Justice WG meets monthly.

Access to Justice Work Group Recap:



Aligning Rent Assistance and Legal Services

Opportunity to Provide Facilitation Services based on Landlord/Tenant Focus Groups

- Tenant-Landlord Facilitation is intended to occur upstream from the legal eviction process. It is meant to supplement options available to landlords and tenants; not to replace formal mediation or legal representation.

Levels under Consideration

- Level 1 (Coaching): Helping the tenant prepare for a conversation with the landlord around their specific circumstances
- Level 2 (Facilitation): Involvement in a direct conversation between the tenant and the landlord
- Level 3 (Negotiation): Speaking with each party separately and working to get agreement between both parties

Working in a continuum for Facilitated Tenant/Landlord Conversations, Mediation and Representation

- Worked with ACAM, MAM, Dispute Resolution Center and HVL on the development of the concept.
- Focus on providing support prior to Notice to Vacate with the goal of reducing the amount of tenants going through the Eviction Legal process.

Aligning Rent Assistance and Legal Services

Process:

- Invited to apply and submitted a grant proposal on September 9th for a grant from the local COVID-19 Relief Fund
- We will work with both the Rent Assistance and the Access to Justice WG's to further refine the proposed pilot project for "Tenant-Landlord Facilitated Conversations"
- Working on analysis on how the grant request matches the Task Force Guiding Principles

- **Grant Application for the pilot project was approved on September 23rd**

Aligning Rent Assistance and Legal Services

Pilot Project Description:

- What is it? Upstream intervention of Facilitated Conversations between Tenants and Landlord lead by CBO's that currently provide rent and direct financial assistance.
 - Three Levels of Facilitated conversations between landlords and tenants
 - Accompanied by rental assistance that can be used to bridge the gap that may exist between the landlord and the tenants
 - Assisted Referrals to legal and rehousing assistance

Proposed Outcomes:

- Reduced number of evictions filed in pilot areas
- Cost-burdened tenants will have an additional option when struggling to pay rent
- Reduced burden on service providers and legal aid staff, which translates into increased capacity to address the most critical cases
- Increased housing stability for tenants and improved tenant-landlord relationship

Evaluation:

- Planning to engage the Texas Policy Lab for the Evaluation of the pilot project.

Landlord-Property Stabilization Work Group

Landlord-Property Stabilization Work Group

Overview

- It is assumed that Small/Medium sized landlords (to be defined) in our region are experiencing profound economic impacts during the COVID-19 crisis.
- It is assumed that a significant number of the affordable rental units in the area are owned by many different types of landlords. The variety of landlord types, and the associated impacts will also need to be defined.
- It is assumed that many of the properties owned by medium/small landlords are financially insecure and potentially at risk of financial insolvency.

Goal

- Create a model of optimal program design for Landlord Support/Property Stabilization for our metropolitan area with potential projects, policy recommendations and initiatives.

How do we intend to work?

- Define type and size of small to medium sized affordable rental properties.
- Define and confirm key COVID-19 challenges for small/medium sized landlords.
- Build common knowledge and shared understanding of existing local financial support structures and systems for small/medium landlords.
- Provide evidence-based recommendations to influence financial products and needed support for landlord assistance and property stabilization.

Landlord-Property Stabilization Work Group

Knowledge Building Process of the Work Group

- Data collection based on small landlord focus group discussion to establish critical questions of concern
- Scan of traditional and non-traditional data sources
- Review of National Best Practices
- Impact Projection Analysis: Market Responses, Property Owner Actions

Potential Initiatives (Prioritize the most effective initiatives)

- Rental arrearage payment agreement guarantees feasibility pilot & assessment program(s)
- Innovative Financing Solutions
- Landlord-local government program for temporary rehousing of evicted households
- NOAH Preservation
- Rental Housing Inventory/Registry

Landlord/Property Stabilization: Work Group

Work Group Members:

- Lending Institutions
- Real Estate Brokerage & Consultant Community
- Real Estate and Small Business Associations
- Non-Profits and Advocacy Groups
- Local Governmental and Quasi-Governmental Departments and Organizations
- Philanthropic / Academic Policy Development Organizations / Institutions

Work Group Facilitator:

- Curtis Davis

Questions? Comments?