

Preventing Eviction for Low-Income Delawareans

Delaware State Housing Authority

Special Needs Housing: Combating Homelessness

HFA Staff Contact

Jessica Eisenbrey

jessica@destatehousing.com

HFA: Delaware State Housing Authority
Entry Title: Preventing Eviction for Low-Income Delawareans
Category: Special Needs Housing
Subcategory: Combatting Homelessness

Preventing Eviction for Low-Income Delawareans

As evictions surge around the country, Delaware faces a particularly high impact. In Delaware, over 5% of renters are evicted annually and there is an average of 14 eviction court filings per day.¹ This means that roughly 16% of Delaware renters face an eviction filing per year.² That's nearly 1 out of every 6 renter households. When faced with court proceedings and the prospect of losing their home, *only 2% of Delaware tenants have legal representation.*³

Without the benefit of legal representation in court, many tenants do not know their rights or understand how to assert them in a judicial setting. Many tenants, already facing the stress of poverty, are unable to defend against inappropriate filings, assert substantive defenses, or engage in good faith negotiations with their landlords. In Delaware, over 70% of possession judgments awarded by the court are the result of a default because the tenant did not attend the hearing.⁴

Leveraging DSHA's unique partnership with the Federal Home Loan Bank of Pittsburgh (FHLB), Delaware's Legal Aid organizations receive funding through DSHA and FHLB's homelessness prevention tool, Home4Good, to support the Eviction Defense Program (EDP). The EDP directly addresses the justice gap many low-income Delawareans encounter when facing eviction. The Home4Good program funds four core areas addressing homelessness: Prevention; Rapid Rehousing; Diversion; and Innovation. Since Home4Good's inception, the EDP has successfully applied for and received \$400,000 of funding in the Innovation category. Using that funding, the Legal Aid organizations provide civil legal services to some of the 98% of unrepresented tenants facing eviction in our state. Uniquely, in addition to expanding access to counsel, the EDP also includes funding to pay rent and utility arrearages, directly addressing what is often an underlying cause of eviction. This additional funding for rent and utility arrears is a unique aspect of DSHA's EDP.

Responding to an Important State Housing Need

The relationship between forced displacement caused by eviction, housing instability, and the experience of homelessness has been on the minds of the housing community for a long time.⁵ Recently, Matthew Desmond's groundbreaking book, Evicted, compellingly presented decades of national research in combination with detailed ethnographic study demonstrating how eviction causes homelessness and poverty.⁶ In Delaware, the number of individuals experiencing homelessness who

¹ Eviction and Legal Representation in Delaware – An Overview; A. Guterbock, S. Metraux; University of Delaware, Joseph R. Biden, Jr. School of Public Policy and Administration, Center for Community Research and Service; April 20, 2020, at 1. *Attached hereto.*

² *Id.*, at 1.

³ *Id.*, at 2.

⁴ *Id.*, at 3

⁵ Protect Tenants Prevent Homelessness; National Law Center on Homelessness and Poverty; 2018; at 7. *Available at*, <https://nlchp.org/wp-content/uploads/2018/10/ProtectTenants2018.pdf> .

⁶ Evicted: Poverty and Profit in the American City; M. Desmond; 2016.

HFA: Delaware State Housing Authority
Entry Title: Preventing Eviction for Low-Income Delawareans
Category: Special Needs Housing
Subcategory: Combatting Homelessness

were evicted in the immediately preceding 12 months is over 20%.⁷ In addition to being an immediate cause of homelessness – evicted to the street – eviction is a proximate cause. The number of individuals experiencing homelessness who have *ever* been evicted is certainly significantly larger.

Evictions create long-lasting repercussions to housing stability that contribute to incidence of homelessness. These collateral consequences include displacement to communities where households lack social ties, school disruptions for children, negative health and employment outcomes, and a court record that creates a significant barrier to finding housing in the future.⁸ The EDP combats homelessness by providing rapid, targeted, and effective upstream intervention to prevent evictions.

An Innovative and Cost-Effective Initiative

Legal representation prevents eviction.⁹ In a randomized control study in Massachusetts, researchers found an over 50% decrease in evictions when tenants received full legal representation.¹⁰ Legal representation is often outcome determinative and results in displacement prevention or delay. Even when legal representation cannot prevent an eviction, counsel can often help tenants navigate the move-out process in order to avoid the costly and traumatic occurrence of a sheriff-enforced physical eviction. In addition to providing funds to cover utility and rental arrears, which addresses and remedies the cause for eviction in many circumstances, the legal representation provided by EDP prevents or addresses evictions in at least five ways by¹¹:

- (1) Allowing tenants to more effectively negotiate with landlords *before* action is taken, preventing eviction court filings in the first place;
- (2) Allowing tenants to more effectively negotiate with landlords after eviction court filings, often resulting in withdraw due to negotiated settlement;
- (3) Ensuring procedurally and or substantively unjustified eviction court filings will be dismissed;
- (4) Drastically reducing or eliminating default judgments, ensuring tenants have their day in court to present any procedural or substantive defenses;
- (5) Helping tenants navigate the move-out process in the event of an award of possession from the court, often avoiding a physical eviction conducted by a sheriff.

The Home4Good EDP offers measurable benefit to both the nonprofit organizations and the households served by the program. A detailed Social Return on Investment (SROI) study on the Home4Good EDP found that in the very first year of EDP's funding, "approximately 71 evictions were prevented as a result

⁷ Delaware Point In Time Summary; Housing Alliance Delaware; 2019. *Attached hereto*.

⁸ Understanding Eviction in Delaware Maryland and Pennsylvania; a presentation generated by The Eviction Lab at Princeton University; June 4, 2020; at 4. *Attached hereto*.

⁹ The Limits of Unbundled Legal Assistance: A Randomized Study in a Massachusetts District Court and Prospects for the Future; D.J. Greiner, C. Wolos Pattanayak, and J. Hennessy; 126 Harvard L. Review 901; Feb. 2013.

¹⁰ *Id.*; at 927.

¹¹ Eviction in Delaware, Guterbock, *et. al.*, at 3-4.

HFA: Delaware State Housing Authority
Entry Title: Preventing Eviction for Low-Income Delawareans
Category: Special Needs Housing
Subcategory: Combatting Homelessness

of [Home4Good's EDP] funding."¹² The EDP is a cost-effective program that minimizes or eliminates the collateral consequences of eviction for impacted households and mitigates the negative externalities evictions have on the surrounding neighborhood and community. The SROI evaluated the first year of the EDP and found that every \$1 Home4Good invested in the EDP produced \$2.61 of benefit. The study also found that a prevented eviction in Delaware results in an average combined social benefit of \$7,777.¹³

The EDP also provides significant cost savings for the organizations who receive funding. At a January 28, 2019 funding announcement event, Laura Graham, Deputy Director of the Delaware Community Legal Aid Society, Inc. (CLASI), said when a family facing eviction is assisted by CLASI, it costs the organization about \$1,500 to advocate legally for them. If that family was forced to go to a shelter, it would cost more than \$20,000 to house them, to make up for missed work, wages, and school and to account for the emotional costs of the family experiencing homelessness.

A Collaborative Effort

From funding to program implementation, the EDP is built on partnership. The Home4Good funding structure itself is based on a partnership between FHLB Pittsburgh and DSHA with a critical community input component in partnership with Delaware's Continuum of Care (CoC). The EDP also leverages the collaborative relationship between Delaware's three legal aid organizations: CLASI; Legal Services Corporation of Delaware; and Delaware Volunteer Legal Services. CLASI is the lead applicant of the Home4Good EDP and coordinates services to maximize efficiency and prevent redundancy.

A Replicable Program

One of Desmond's primary recommendations in Evicted is the expansion of civil legal services to prevent evictions. Although legal aid organizations have been providing eviction defense services for decades; the EDP is an innovative approach to combating homelessness. The EDP recognizes the immediate and proximate link between eviction and homelessness and provides direct funding for civil legal services through a public private funding partnership focused on homelessness. The EDP builds on the powerful collaboration between Delaware's legal services organizations and amplifies the effectiveness of legal representation by making funding available to the organizations to deploy directly to clients.

Tenants are underrepresented in eviction proceedings in *every jurisdiction*. Legal aid exists and is underfunded in *every jurisdiction*. Providing funding to connect civil legal eviction defense services to the homelessness community through existing partnerships is not just an innovative cross sector collaboration but presents the potential for transformative scalability and replicability at other HFAs across the country.

¹² Home4Good Social Return on Investment of Eviction Prevention; J. Teufel; April 5, 2020, at 11. *Attached hereto.*

¹³ *Id.*; at 10. *Attached hereto.*

HFA: Delaware State Housing Authority
Entry Title: Preventing Eviction for Low-Income Delawareans
Category: Special Needs Housing
Subcategory: Combatting Homelessness

Visual Aids

1) Photos from the first Home4Good funding announcement in January 2019:



Rob Gurnee, executive director of Lutheran Community Services, is pictured with Fred Manuelos and Peter Knight of the Federal Home Loan Bank of Pittsburgh at the January 28 event. Lutheran Community Services received \$115,000 from the Home4Good program to provide homelessness prevention services in Delaware.



Laura Graham, Deputy Director of Community Legal Aid Society, Inc., speaks at the January funding announcement event about the benefits the Home4Good program will provide her organization. The organization received \$225,000 in Home4Good funding to provide legal aid for eviction defense.

HFA: Delaware State Housing Authority
Entry Title: Preventing Eviction for Low-Income Delawareans
Category: Special Needs Housing
Subcategory: Combatting Homelessness



Jean Washington, a social worker at Lutheran Community Services, speaks on the benefits of the Home4Good program funding provided to the organization.



Katherine Banks, a client of Lutheran Community Services, speaks to those in attendance at the Home4Good funding announcement event about how her family received assistance from Lutheran Community Services when they were facing homelessness.

HFA: Delaware State Housing Authority
Entry Title: Preventing Eviction for Low-Income Delawareans
Category: Special Needs Housing
Subcategory: Combatting Homelessness

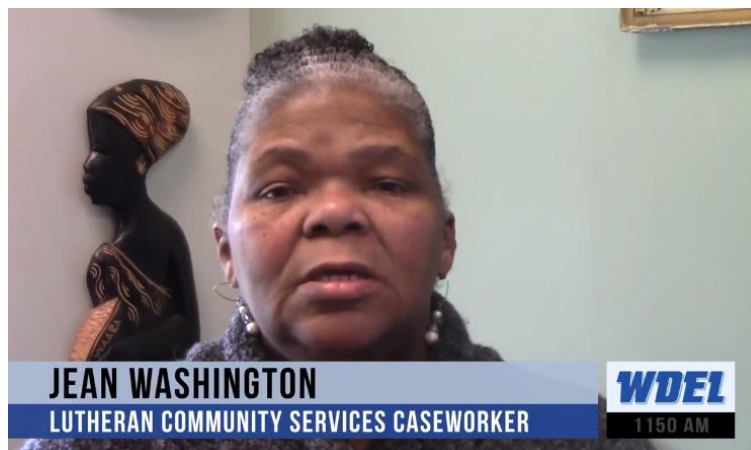


Representatives of organizations receiving Home4Good funding are pictured with U.S. Congresswoman Lisa Blunt Rochester, U.S. Senator Tom Carper, DSHA Director Anas Ben Addi, and Delaware Governor John Carney at the January funding announcement event.

2) Selected media coverage of the January Home4Good funding announcement from WDEL (radio); WHYH (radio); and Delaware Business Now (online news publication)

Home4Good looks to keep Delawareans from going homeless and help those who do

Mark Fowser, Jan 28, 2019 https://www.wdel.com/news/video-home-good-looks-to-keep-delawareans-from-going-homeless/article_ed1be7d8-2337-11e9-9768-53675aa07990.html



HFA: Delaware State Housing Authority
Entry Title: Preventing Eviction for Low-Income Delawareans
Category: Special Needs Housing
Subcategory: Combatting Homelessness

Delaware is looking to keep more of its people from going homeless, and a new influx of funding will assist a total of ten organizations that are involved in assisting the homeless.

They are involved in prevention of homelessness, rapidly rehousing those who go homeless, and coming up with innovative strategies.

On a given night, about 1,000 people in Delaware go homeless according to Delaware State Housing Authority Director Anas Ben Addi. The DSHA and Federal Home Loan Bank of Pittsburgh are making a total of \$1.2 million available in Home4Good funding.

"All of the organizations receiving funding through Home4Good are doing worthwhile work to address this important issue in our state, and we are proud to support their efforts," Ben Addi said.

Governor John Carney, Congresswoman Lisa Blunt Rochester and Senator Tom Carper took part in Monday's announcement.

"Homelessness is a really complicated and difficult problem," Carney said.

The announcement of the funding occurred at Lutheran Community Services, which was already dealing with a wave of calls for assistance Monday morning.

Jean Washington, a caseworker at LCS, said one important concern is to provide one place where someone facing homelessness can go, rather than go to several different places for small amounts of assistance.

"If we need help, it is nice to know that we can call on other agencies, that we can call on other churches, to allow a family to sustain in a home," Washington said.

Some of the money is going toward innovative programs, such as one run by Community Legal Aid Society. According to its Deputy Director Laura Graham, it costs about \$1,500 to advocate legally for someone facing homelessness.

"However, it costs us \$20,000 as a community to care for a family in shelter, to house them, to make up for their missed work, wages, school... the emotional costs," Graham said.

Katherine Banks, who had a brush with homelessness and work with LCS to get back under a roof of her own, said someone in her situation should not hesitate to ask for help.

"There's nothing new under the sun. Always remember that," Banks said. "What you think you're going through, somebody's already been through it, and there is somebody to help you."

\$1.2 million in grants to help combat Delaware homelessness

By Mark Eichmann

January 28, 2019 <https://why.org/articles/1-million-in-grants-to-help-combat-delaware-homelessness/>

HFA: Delaware State Housing Authority
Entry Title: Preventing Eviction for Low-Income Delawareans
Category: Special Needs Housing
Subcategory: Combatting Homelessness



Katherine Banks discusses how Lutheran Community Services helped her avoid homelessness at the LCS office in Wilmington Monday morning. (Mark Eichmann/WHYY)

Every night in Delaware, about 1,000 people are homeless. About 3,000 people, including children, will be homeless at some point throughout the year, according to the Delaware State Housing Authority.

As part of an ongoing effort to reduce those numbers, state leaders unveiled plans to spend \$1.2 million in funding from the Federal Home Loan Bank of Pittsburgh and the authority.

The money will help people like Katherine Banks, who was facing the prospect of becoming homeless when her husband was imprisoned. Banks received aid from Lutheran Community Services, which provides guidance and financial assistance to keep people off the streets. “Everybody needs each other, I’m grateful,” Banks said during an event announcing the new funding at the LCS office in Wilmington.

FHLBank Pittsburgh will provide \$700,000 through the [Home4Good](#) initiative, and the Delaware State Housing Authority will contribute \$500,000 to the effort. The money will fund rapid rehousing efforts as well as homelessness diversion and prevention programs.

“Homelessness is a really complicated and difficult problem,” said Gov. John Carney. “We want to end homelessness for everyone, but it is difficult, and every situation is complicated, so it doesn’t lend itself to specific, global visionary kinds of programs to address every single one.”

In addition to helping shelters assist those facing homelessness, \$225,000 will go to the Community Legal Aid Society, Inc. to represent those facing eviction in court. CLASI’s Laura Graham says providing lawyers to keep tenants in their homes is much more cost effective than providing services for those who are evicted.

HFA: Delaware State Housing Authority
Entry Title: Preventing Eviction for Low-Income Delawareans
Category: Special Needs Housing
Subcategory: Combatting Homelessness

“It costs us about \$1,500 per case to prevent an eviction, however, it costs us \$20,000 as a community to care for a family in shelter, to house them, to make up for their missed work wages, their school, and the emotional cost,” Graham said.

Delaware State Housing Authority director Anas Ben Addi said the funding could be renewed for three years. “There is a soft commitment of three years depending on the earnings, so our hope is that this is not one time [funding],” Ben Addi said.

The FHLBank Pittsburgh is a collection of banks from Delaware, Pennsylvania and West Virginia. Using private money, the bank helps lenders provide affordable housing options in the communities where its branches operate. FHLBank uses 10 percent of its net income for affordable housing grants. The cooperative launched the Home4Good program last year.

State, Home Loan Bank announce \$1.2 million in grants aimed at reducing homelessness

By **Delaware Business Now** - January 29, 2019 <https://delawarebusinessnow.com/2019/01/state-home-loan-bank-announce-1-2-million-in-grants-aimed-at-reducing-homelessness/>

Delaware State Housing Authority and Federal Home Loan Bank of Pittsburgh (FHLBank Pittsburgh) announced \$1.2 million in Home4Good funding awarded to programs across the state working to reduce homelessness. DSHA provided \$500,000 toward the effort, and FHLBank Pittsburgh provided \$700,000.

The funding will be used to address four key areas: homelessness prevention, homelessness diversion, rapid re-housing and innovation. Thirteen programs from 10 organizations in the state received funding.

“We are privileged to partner with DSHA and our member institutions to provide these much-needed funds to programs working to end homelessness in Delaware,” said Winthrop Watson, FHLBank Pittsburgh’s CEO. “This is part of a comprehensive initiative in which more than \$7 million in Home4Good grants have been awarded to support 80 programs across Delaware, Pennsylvania and West Virginia.”

Home4Good was created by FHLBank Pittsburgh and is being administered by DSHA. The funding is being distributed as grants to organizations that help individuals retain or find housing, provide supportive services to those facing homelessness or address other unmet needs within the existing homeless provider network.

HFA: Delaware State Housing Authority
Entry Title: Preventing Eviction for Low-Income Delawareans
Category: Special Needs Housing
Subcategory: Combatting Homelessness

“DSHA is pleased to be a part of this initiative to reduce homelessness in Delaware,” said DSHA director, Anas Ben Addi. “All of the organizations receiving funding through Home4Good are doing worthwhile work to address this important issue in our state, and we are proud to support their efforts.”

Lutheran Community Services, the host of Monday’s announcement event in Wilmington, received \$115,000 in Home4Good funding for their work to prevent homelessness in New Castle County. The funding will be used to provide financial assistance to low-income Delawareans facing eviction and will help individuals and families pay utility bills, rent, mortgages, or security deposits.

“Sometimes a single payment is all that stands between a family staying in their home and being homeless,” said Rob Gurnee, executive director of Lutheran Community Services. “We are thankful for the funding under this program to help prevent homelessness for those who are most vulnerable.”

U.S. Senator Tom Carper added, “The work being done by DSHA, FHLBank Pittsburgh and the many Delaware financial institutions and service organizations involved in the Home4Good program is a testament to the power of partnership in focusing energy and resources toward a common good.”

Governor John Carney praised the organizations receiving Home4Good funding for their work to help individuals and families find and retain housing in Delaware. “I commend these organizations for their commitment to addressing this important issue in our state with programs that are effective and innovative. The funding announced today will go a long way to benefit Delawareans who are facing homelessness.”

Senator Carper and Governor Carney were joined by Congresswoman Lisa Blunt Rochester at today’s event announcing the Home4Good funding awards.

Information about Home4Good is available at www.fhlf-pgh.com and at www.destatehousing.com. Organizations interested in future participation in the program can contact Kate Swanson at kate.swanson@fhlf-pgh.com or Jessica Eisenbrey at jessica@destatehousing.com for details.