

Welcome

**Today's Webinar:
Discussing An Eviction Prevention Program**



THURSDAY

APRIL 18TH 2019

2 – 3 PM

“Housekeeping” for Today’s Webinar

- ❖ Phones will be muted, feel free to use the chat bar to ask questions.
- ❖ The PowerPoint will be emailed to all participants after the webinar
- ❖ The recording will be posted on the LISC website.

Today's Presenter: Barbara Geris

- ❖ Worked at Champlain Housing Trust for over 15 years.
- ❖ Program Manager for the Counseling and Education team
- ❖ Responsible for the creation and management of Ready, Set, Rent and On Track which serve CHT's rental tenants
- ❖ Attended University of Colorado for a Teaching Degree, then Georgia Southern University for a Social Psychology degree
- ❖ Prior to CHT worked as a psycho-social rehabilitation social worker for 8 years in a mental health agency



Today's Presentation: A discussion of Eviction Prevention Program (s)

The goal of this presentation is to share information about the value of operating an Eviction Prevention Program (EPP), to provide some basic information about program structure, examples of programs and insight into creating or revising an existing program.

This webinar and our discussion will focus on preventing evictions from the nonpayment of rent, and will not address evictions for lease violations or “cause.”

Quick to Evict?

**Why not just
kick 'em out?**



Why does CHT have an Eviction Prevention Program?



MISSION

To create and support safe & affordable housing



MONEY and MODALITY

Diversity of services can increase funding, decrease costs & create stability.



MESSAGE

Message to the community is that we are more than a landlord

Why have an Eviction Prevention Program?

- 1. Mission:** Investment in resident financial stability is core to the mission of many organizations
 - provides a tenant with a reprieve, which allows them to seek out options and support.
 - helps develop and implement better, workable repayment plans
- 2. Property stability:**
 - can decrease operational costs associated with rental arrears and evictions
 - retains tenants
- 3. Positive Cost / Benefit Analysis**
 - decreased vacancy loss and turnover costs
 - reputational gain in the community

Time is a valuable resource

- **Evictions cost time:** Property Managers time to show apartments, sign leases & orchestrate move-in, Administrative staff to answer inquiries, process mail, process applications, Finance and Accounting staff time, Management & Executive staff time...

Evictions have Financial & Social costs

- **Evictions have a financial cost:** vacancy loss & turnover costs, marketing & application processing, bad debt, certification processing, cost of sending notices, filing affidavits, court & legal fees, postage...
- **Evictions have a social cost:** In terms of the broader message to the community, can you afford the reputational risks resulting from multiple evictions?

Education is a Foundation

- **Evictions can be reduced and prevented** through meaningful intervention using education and counseling to develop a workable financial plan which can increase financial stability by exploring ways to increase income, decrease expenses and create a 'functional' budget with short and long term goals

Mission is Important

- **Preventing evictions sustains safe housing** for those in the greatest need, it reduces homelessness to those most at risk, and it supports and sustains communities.

What is Eviction?

AS A NECESSITY

- ❖ Process driven by state law
- ❖ Necessary to preserve property rights: it's a clear, deadline-driven legal process to regain property
- ❖ Tenant is put on notice that immediate action is required
- ❖ Duty to investors, organization and members to collect rent

AS A PROBLEM

- ❖ Blunt & legalistic object
- ❖ Provides no means of helping the tenant at a critical time
- ❖ Can create **panic** and cause the opposite of what we want to happen
- ❖ Runs afoul of mission to *preserve* safe, affordable and stable housing

What is an Eviction Prevention Program?

There is not ONE Eviction Prevention Program

- ❖ Programs will vary from organization to organization based on many factors, including the type, size and scope of the rental portfolio, existing resident services, the needs and resources available to support tenants with financial difficulties, and more.
- ❖ The first step of the process is exploration: seek out insight from a wide cross section of staff as well as community partners.
- ❖ A challenge is to reconcile the needs and priorities of the different stakeholders in a way that works reasonably well for all.

1

Exploration

2

Development

3

Launch

PROGRAM DESIGN

de·sign

[də'zɪn]

NOUN

a plan or drawing produced to show the look and function or workings of a building, garment, or other object before it is built or made:

"he has just unveiled his design for the new museum"

synonyms: [plan](#) · [blueprint](#) · [drawing](#) · [sketch](#) · [outline](#) · [map](#) · [plot](#) · [diagram](#) · [draft](#) · [more]

[representation](#) · [scheme](#) · [model](#)

Elements to consider in an EPP Design

1. Designate who needs to be on the team
2. Define the problem
3. Determine the target audience and timing
4. Define the program protocols
5. Delineate desired outcomes
6. Decide what resources are available to deliver services
7. Dive in and launch the program

On Track

An Eviction Prevention Program



Using A Financial Capability Approach To Prevent
Evictions and Increase Tenant Success

Champlain Housing Trust

**Property and Asset
Management**



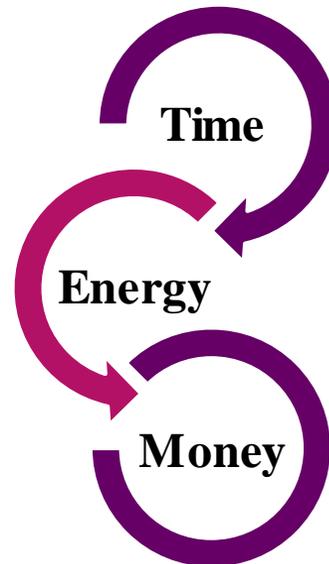
HomeOwnership Center

Community Development

Education and Counseling

Tenant / Resident Services

Homelessness Intervention



Shared Equity Program
Community Land Trust model

**Revolving Loan Fund /
Lending**

On Track

Bringing together rental with financial education and coaching

Property Management / Rental

- ❖ Open market apartments
- ❖ Subsidized apartments
- ❖ Commercial properties
- ❖ Co-ops
- ❖ And more



On
Track

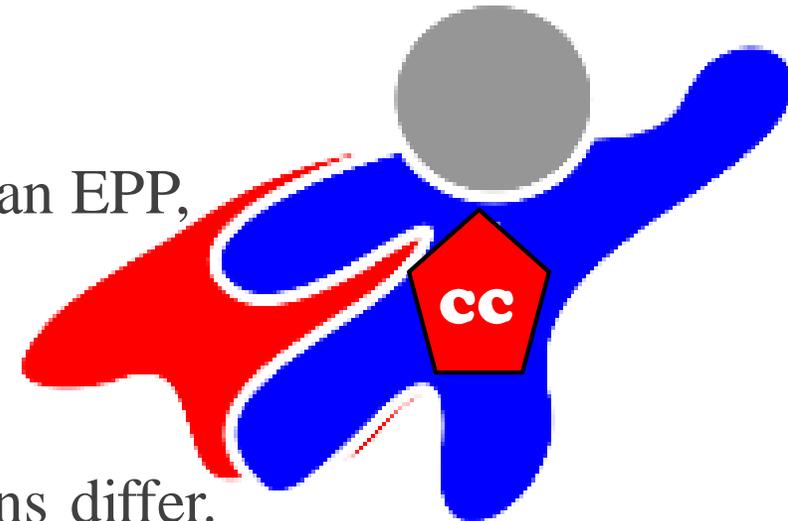
Home Ownership Center

- ❖ Shared Equity Program
- ❖ Home Education
- ❖ Loan Fund

Champions of Change

Development of an EPP can depend upon one or more staff members with the vision and commitment to “champion” the program.

Champions of Change are staff who are enthusiastic about an EPP, who can articulate the value to others, who can problem-solve effectively and work collaboratively with a myriad of others, even if opinions differ.



Champions lead discussions to clearly express the rationale and plan for the program.

Assessing the organization's Commitment & Capacity

Some questions that Champions can explore with colleagues:

1. What resident services and financial capability programs are already offered and what additional services will be needed for the EPP?
2. Are Managers and Department heads ready to invest in an EPP?
3. Are Property Managers likely to be receptive or resistant to new procedures and new responsibilities that come from an EPP?
4. Are there resources to invest into the EPP start-up?

Reviewing the Benefits and Risks

Regardless of who and where you are, in the ever-changing world of housing, a strength of vital importance is an openness to try new things and be innovative.

It is important to weigh the benefits and risks of innovation;

A few Benefits

Generated from an EPP training at Champlain Housing Trust

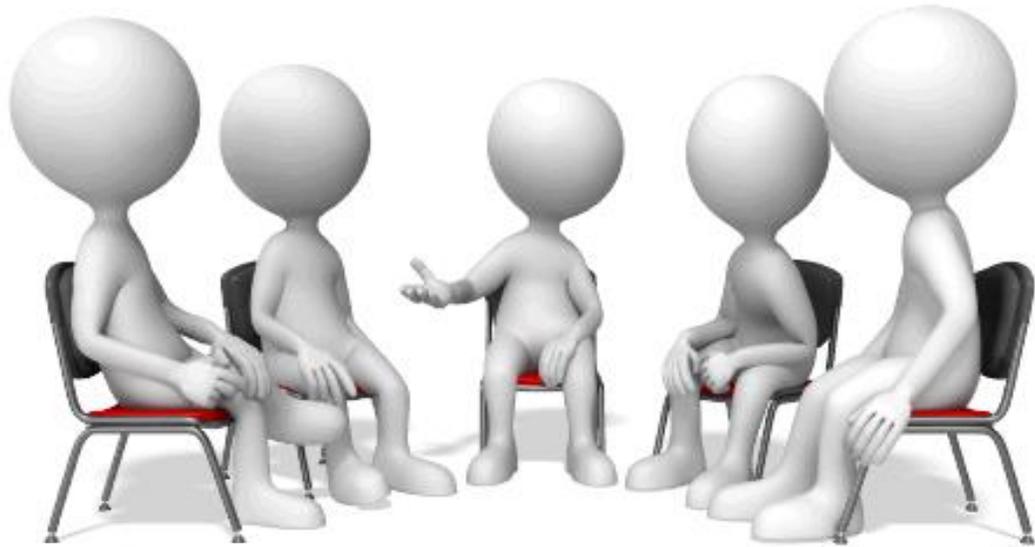
- ❖ Profit / Margins increase due to decreased costs and / or increased funding
- ❖ Helping tenants KEEP housing and avoid eviction could lead to increased job satisfaction among staff, increase retention
- ❖ Satisfy client / tenant needs through personalized support and services, maximizes positive outcomes
- ❖ Secures a strategic position through a new business line and/or create market opportunities
- ❖ EPP opens the door to more interdepartmental or inter-agency collaborations, opportunity for growth
- ❖ Product / Service diversification makes your organization stronger, more competitive
- ❖ The community has a targeted focus on homeless reduction, opportune timing with heightened community support for idea

A few Risks

Generated from an EPP training at Champlain Housing Trust

- ❖ New EPP might require a high investment that may not be paid back, or will take time to pay back
- ❖ Sabotage behaviors by staff who are not “on board” and who could undermine the program
- ❖ Concentration of resources & attention on the new EPP diminishes resources for existing business lines and services
- ❖ Not enough capacity to implement EPP well
- ❖ Different department / agency needs may be in conflict with one another
- ❖ Individuals (especially those in positions of power) are not supportive, oppositional with direct service staff
- ❖ EPP is not accepted in the community, or the format of the EPP is wrong in some way

What happens if things run off the rails?



As the CHT program matured we continued to look at what it means to “prevent eviction”

What is a success?

What is a failure?

What benchmarks would we establish?

Four Key Factors

- 1. Success will not exist in silos.** Integration of people and programs, of philosophies and systems, and of protocols and processes are vital.
- 2. Innovation is vital.** New programs that address existing issues in new and/or original ways can sustain or increase existing funding, as well as attract new sources of funding. Increased revenues allow organizations to optimize services and programs.
- 3. Outcomes are important.** In order to get and KEEP staff and stakeholders on board you must be sharing data, metrics and results with everyone. Many people will look at data quite differently. From these many perspectives, your organization will be able to identify and articulate the success in the EPP as well as identify what areas need fine-tuning.
- 4 Experience is a great teacher.** When beginning an EPP be prepared to learn through doing. There will never be a magic time when all the conditions are perfect. As the iconic phrase says, “build it and they will come.”



**WHAT HAS GONE WELL
WITH ON TRACK
And
LESSONS LEARNED**

What We Have Done Well

For our organization:

- ❖ Strengthened working relationships between Property Management and the HomeOwnership Center
- ❖ Strove to provide cutting-edge services to the populations we serve
- ❖ Shown funders that we can adapt to changing needs of those we serve

As process:

- ❖ Sought feedback about the program from participants, PMs, and HOC staff
- ❖ Adapted structure of program in response to feedback and outcomes
- ❖ Consistently included both PM and HOC staff in decision making about individual participants and about the overarching structure of the program

Positive Impact on FUNDING



Grants

In 2015, NWA gave CHT a grant to design and implement a pilot program to offer financial capability counseling to tenants facing eviction for non-payment.



Foundations

Community foundations, banks and credit unions and other funders seem willing to support Financial Capability programs such as On Track



Innovations

The increased focus on tenant services opened the door to more interdepartmental collaborations thus engendering the opportunity for innovations such as interdepartmental funding



Competitive

A diversified education and counseling portfolio allows programs to remain vibrant and vital, which allows them meet organizational and programmatic goals thus being more competitive for funding.



Mission is important

If we save time we save money, and have more of both for mission.

Positive Impact on Rent Payment and Arrears

1. Tenant signs a repayment agreement or pays in full to *initially* avoid eviction
2. Total past due amount remain less than it was before counseling
3. Tenant pays off arrears entirely after counseling and remains in good standing
4. If/when tenant **chooses** to move out, they leave with *\$0 balance* (M.O.W.O.B.)

Basically, is tenant paying rent “better” after On Track counseling?

What We Have Done Well from a Tenant's Perspective

Why are you here today J?

"Because I feel like I am floundering. There is so much chaos and I don't know how to organize it all."

Would you be willing to provide a testimonial about your experience with On Track?

"I would be honored! I could be your poster-child for On Track!!!! Thank you for asking me!"

I am very grateful for this program, and believe everybody deserves the opportunity to receive guidance!"

What We Have Done Well from a Counselor's Perspective

From a coaching
standpoint, what
is the value of On
Track?

“Our tenants usually don’t need mountains moved for them. They need a space to feel heard. They need help getting organized. They need a bridge to their community resources. We can do those things. We know how to do those things. And what we don’t know, we can learn.”

“Whatever platform we can create to help our tenants stabilize their lives, we should create. Whatever power we have, we should use.”

Kathryn Baudreau - A CHT Home Education Counselor

What We Have Done Well from a Property Manager Perspective

What are your thoughts on having an EPP?

Retention is the name of the game! I am not in the eviction business. I work here because I am in the housing business. I never want to evict anyone but we do have rules to follow, like the fact people have to pay rent.”

“A program that allows a household to remain housed means they’re not going to be homeless: because no one wants to see someone become homeless.”

How has it been working with counseling & education?

“On Track has been great! The Counselors and Education folks help bridge the gap between PM and the tenant, and every time we help a family to retain housing it’s phenomenal. We all win!!!”

Steve Vasseur - ACHT Property Manager (17 years)

**A whole new
world**

Trainings

Tools and

Techniques

NeighborWorks® America in partnership with JP Morgan Chase has recently developed an

Eviction Prevention Program Toolkit

TABLE OF CONTENTS

PREFACE

1. **Diving In: Preserving Affordable Housing and Protecting Tenants in Today's Housing Market**
 - a. Why have an Eviction Prevention Program?
 - b. What is an Eviction Prevention Program?
 - c. Who has an interest in the decision to create an EPP?
 - d. How do you assess the organization's commitment and capacity to deliver the services?
 - e. When do you evaluate the Program?
2. **Developing a Program**
 - a. Core design features and Optional features
 - b. Philosophies and Values of the EPP
 - c. Step-by-step program design
3. **Delivering an Effective Program**
 - a. A general outline for the program process
4. **Determining if it's working: Program Evaluation**
 - a. Who needs to Know What?
 - b. How will we Know that?
 - c. How and When will decisions be made?
 - d. Other metrics and measurements

Eviction Prevention Goal setting Workbook

The Virginia Center for Housing Research (VCHR) and NeighborWorks® (NW) designed a workbook to help NeighborWorks® Organizations (NWOs) consider the costs and benefits of eviction prevention programming. This workbook is intended to be used as a goal-setting or assessment tool for *new* eviction prevention programs. The tool prompts the user to consider

- initial, one-time program set-up costs;
- annual program costs;
- move-in and move-out costs associated with a typical resident; and,
- benefits related to avoiding evictions.

File

Home

Insert

Page Layout

Formulas

Data

Review

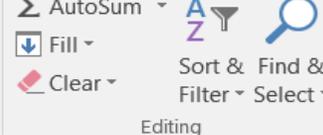
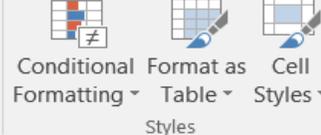
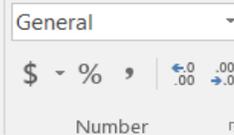
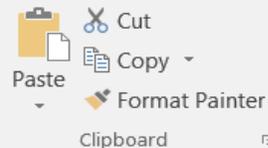
View

Add-ins

Tell me what you want to do...

Barbara Series

Share



D26

Eviction Prevention Program Annual Costs

Enter costs incurred each year to maintain the EPP program. You may enter costs by category or enter a total cost in the yellow, "Total Cost Override" box. If you enter a number in the "Total Cost Override" box, none of the numbers in the green boxes will be considered in the total annual costs calculated by the workbook and displayed in the black boxes below. Note that two annual cost numbers will be displayed. The first annual cost includes set-up costs entered in the previous tab, the second does not include set-up costs.

If you have not determined any EPP costs for your organization, NeighborWorks suggests using the following start-up guidelines, based on the actual experience of an NWO in **City, State**:

The initial launch and test of the program will require approximately one quarter of a single staff member's time. Program expansion to include financial coaching (classes and workshops) at 13 sites will cost approximately \$50,000.

3

4

5 Annual Costs:

6

7

- Staff time (*hint: Multiply the each staff member's annual salary by the percent of time that staff member devotes to EPP*)

8

9

Choose a staff division from the drop-down menu by clicking in this cell, an arrow for the menu will appear to the right.

\$ 50,708.00

10

11

Choose a staff division from the drop-down menu by clicking in this cell, an arrow for the menu will appear to the right.

\$ 10,000.00

12

13

◦ Other staff

\$ 5,000.00

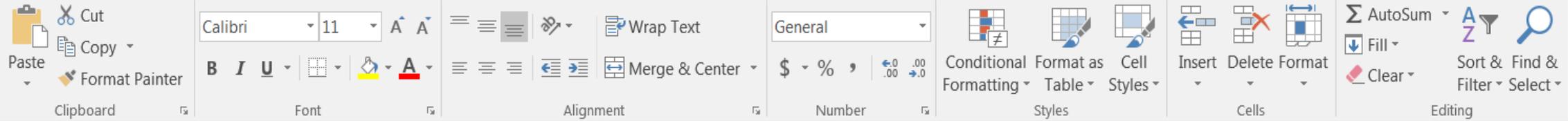
EPP Set-up Costs

Annual EPP Costs

Potential EPP Benefit

"Break Even" Strategy





L33

Eviction-related Costs Avoided or "Saved"

Please enter typical, non-eviction move-out costs and eviction related costs below. This information will be used to calculate

- the number of months of rent needed to recover unit prep (turn costs) and leasing costs for an average unit, and
- the difference between typical move-out costs and eviction-related move out costs.

Costs related to eviction, over and above typical move-out costs, will be counted as costs avoided for each successful participant of the eviction prevention program. The "break-even" calculation will assume that turn and leasing costs must be recovered before eviction costs avoided can be counted as "paying for" the eviction prevention program.

Data needed to establish *typical, non-eviction, move-out costs* (typical bad debt, typical physical turn costs, typical vacancy loss, and leasing costs) and to calculate potential benefits from reduced turnover:

| | | |
|-----|--------------------------------|---------------|
| C7 | Total number of units: | 1784 |
| C9 | Number of turns this year: | 293 |
| C11 | Average monthly rent per unit: | \$ 936.00 |
| C13 | Total vacant days this year: | 29873 |
| C15 | Total bad debt this year: | \$ 253,370.69 |

Clipboard: Cut, Copy, Paste, Format Painter

Font: Calibri, 14, Bold, Italic, Underline, Text Color, Background Color

Alignment: Wrap Text, Merge & Center

Number: General, Currency, Percentage, Decimals

Styles: Conditional Formatting, Format as Table, Cell Styles

Cells: Insert, Delete, Format

Editing: AutoSum, Fill, Clear, Sort & Filter, Find & Select

B2    Break-even Strategy

Break-even Strategy

Excluding eviction costs avoided, you will need to increase the average tenancy of your residents by 0.04 months per resident, 72.9 months total, or 1.22 months per referral to EPP to recover program costs. Based on the assumption that each eviction prevented saves \$6,443.84, the table below provides "break-even" scenarios. Note that it takes at least 3 months of rent paid to recover turnover and leasing costs per unit. If a resident has paid rent for less than 3 months, add these months to the tenancy extension requirement for this resident. If in any individual case you believe you are merely delaying eviction, rather than preventing it, add an additional 7 months of tenancy extension for that participant.

| Evictions Prevented | Tenancy extension required <i>per</i> eviction prevented | Total tenancy extension required |
|---------------------|--|----------------------------------|
| 1 | 67 months | 67 months |
| 2 | 30 months | 60 months |
| 3 | 18 months | 53 months |
| 4 | 12 months | 46 months |
| 5 | 8 months | 39 months |
| 6 | 6 months | 32 months |
| 7 | 4 months | 25 months |
| 8 | 3 months | 18 months |
| 9 | 2 months | 11 months |

Eviction Prevention Goal setting Workbook

The algorithm provides a relatively simple and standardized technique to calculate all of your costs and then link those costs to “evictions prevented”. You can then decide, based on the total evictions prevented and the total cost incurred, whether to and/or how to implement an EPP program.

For more information about the Workbook, including a template that you can use, contact Harold Nassau , NeighborWorks America, hnassau@nw.org

Other Resources

NEW RESOURCE: NeighborWorks America brief about financial capability in affordable rental housing:
https://neighborworks.org/Documents/TrainingandServices_Docs/Training_ProfDev_Docs/NW9-18-Financial-Capability-Brief-Final.aspx

ANOTHER NEW RESOURCE: Vermont Legal Aid produced a brief that examines eviction in Vermont. Eviction in Vermont: A closer look was produced in January 2019

<https://www.vtlegalaid.org/eviction-in-vermont>

AND YET ANOTHER RESOURCE: Common Bond's E&Y study on the impact of services and an Eviction Prevention Program

www.commonbond.org/SROI

GOOD READS: Evicted by Matthew Desmond, Nickel and Dimed by Barbara Ehrenreich



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attend the:*

CHAM Asset Management conference

[https://www.cham.us/2019-
annual-conference](https://www.cham.us/2019-annual-conference)

TUESDAY & WEDNESDAY

JUNE 18TH & 19TH 2019



Thank you!

**THANKS SO MUCH FOR YOUR TIME AND
ATTENTION!**