



PIMA COUNTY

Eviction and Homelessness Prevention Task Force

December 2020 Report

Michael McDonald, Chair
Executive Director, Community Food Bank

Kent Batty

Interim Court Administrator,
Pima County Consolidated Justice Court

Bonnie Bazata

Program Manager,
Pima County Ending Poverty Now

Keith Bentele, PhD

Associate Research Professor,
Southwest Institute for Research on Women

Manira Cervantes

Program Manager,
Pima County Community Action Agency

Peg Harmon

CEO, Catholic Community Services

Steve Huffman

Board of Realtors

Peggy Hutchison

CEO, Primavera Foundation

Mary Kinkade

Manager, Pima County Health Department

Jeffrey Landon

Landon Management

Omar Mireles

President, HSL Properties

Michele Mirto

Executive Director, Step Up to Justice

Liz Morales

Director, City of Tucson Housing & Community
Development

Melanie Morrison

Retired, MED Management Services

Arnold Palacios

Director,
Pima County Community & Workforce
Development

Kristen Randall

Presiding Constable, Pima County

Lauren Romero

Association Executive,
Arizona Multihousing Association

Lisa Royal

Staff Assistant,
County Administration

Katy Scoblinc

Chief Clinical Director,
Old Pueblo Community Services

Dan Sullivan

Program Manager,
Pima County Community & Workforce
Development

Anthony Young

Executive Director,
Southern AZ Legal Aid

Jay Young

Executive Director,
Southwest Fair Housing Council

Marcos Ysmael

Program Manager,
Pima County Housing Center

TASK FORCE RECOMMENDATIONS

Preventing Evictions	Urgent	Policy or Leg	COT	Time	Cost
Arizona should prioritize at least \$50 Million additional Fed CARES funds	X	L		M	\$\$\$\$
Federal funding of \$100 Billion dedicated nationwide to rental assistance programs.	X	L		M	\$\$\$\$
Create a \$100M rental assistance fund to accompany future eviction moratorium		L		M	\$\$\$
Create a fund of at least \$50 million state rental debt retirement	X	L		M	\$\$\$
Prepare foreclosure prevention efforts to support property owners/landlords	X	P	X	I	\$\$
Eliminate unnecessary delays in processing rental assistance applications. Improve technologies to approve and distribute funds. Implement direct deposit to speed up payments.	X	P		I	\$
Create a Real-Time Statistical Dashboard to track key factors related to rental assistance				I	\$
Investigate alternative ways of distributing rent assistance	X			I	\$
Remove all caps on rental assistance to property owners and ensure adequate funding		P		I	\$
Rental applications filed in the wrong jurisdiction should be forwarded to the correct jurisdiction	X	P	X	I/M	
Recruit and train property management professionals to assist in processing rental assistance applications				I	\$
Broadly advertise rent and utility assistance and disseminate information related to future moratoriums.				I	\$
Engage in Aggressive Marketing Campaigns for rent assistance to those at risk of eviction or foreclosure				I	\$
Coordinate Eviction Resource Events	X			I	\$
Mitigate Consequences of Evictions & Housing Insecurity	Urgent	Policy or Leg	COT	Time	Cost
Explore options that limit the legal and financial penalties to tenants/renters		P/L		M	
Allocate a minimum of \$10M for rapid re-housing programs and staffing	X	L		I/M	\$\$\$\$
Promote Housing Choice Vouchers	X	L		I	\$\$\$\$
Develop a contingency plan for winter 2021 for safe housing	X	P		I	\$\$
Publicly encourage property owners to not consider COVID related evictions when renting to potential tenants	X			I	\$
Suspend the reporting of late payments to credit agencies to preserve a tenant's credit history through end of pandemic	X	L		I	\$

Time: I = immediate M = medium; L = longer term

COT = City of Tucson

TASK FORCE RECOMMENDATIONS (Con't)

Increase Affordable Housing	Urgent	Policy or Leg	COT	Time	Cost
Promote and increase transitional and low-barrier housing from existing federal funds	x	P	X	M	\$\$\$\$
Acquire vacant properties to preserve affordable housing		P	X	L	\$\$\$
Create a state low-income housing tax credit program		L		M	\$\$
Develop a Comprehensive Tucson-Pima Co. housing plan		P	X	L	\$\$\$
Create local bond fund initiative for affordable housing development		P	X	L	\$\$\$\$
Improve Delivery of Judicial Services					
Urgent	Policy or Leg	COT	Time	Cost	
Improve court services through distribution of pamphlets, enhanced websites, court forms, data sharing and consistent judicial orders	x			I	\$
Provide educational programs and resources for judges and staff	x			M	\$
Best practices should be shared at the statewide level	x			I	
Explore the creation of an Eviction Specialty Court		P		M	\$\$\$
Increase access to courts	x			I	\$
Utilize navigators to disseminate information to parties about the eviction process		P		M	\$\$
Extend the 5 day eviction notice to 15 days		L		L	
Provide legal representation to tenants/renters		P		L	\$\$\$
Require JP's to attend 15 hours eviction training annually	x			I	
Increase the time to appeal an eviction judgment		L		M	
Research and Evaluation					
Urgent	Policy or Leg	COT	Time	Cost	
Collect and distribute eviction statistics monthly	x			I	
Contract with SIROW to provide regular updates and eviction trends	x			I	\$
Include an evaluation component in any initiative to reduce evictions and homelessness				M	\$
Maintain a list of accumulated debt from unpaid rents				M	
Conduct a comprehensive study of the impact of evictions on Pima County				M	\$

Time: I = immediate M = medium; L = longer term

COT = City of Tucson

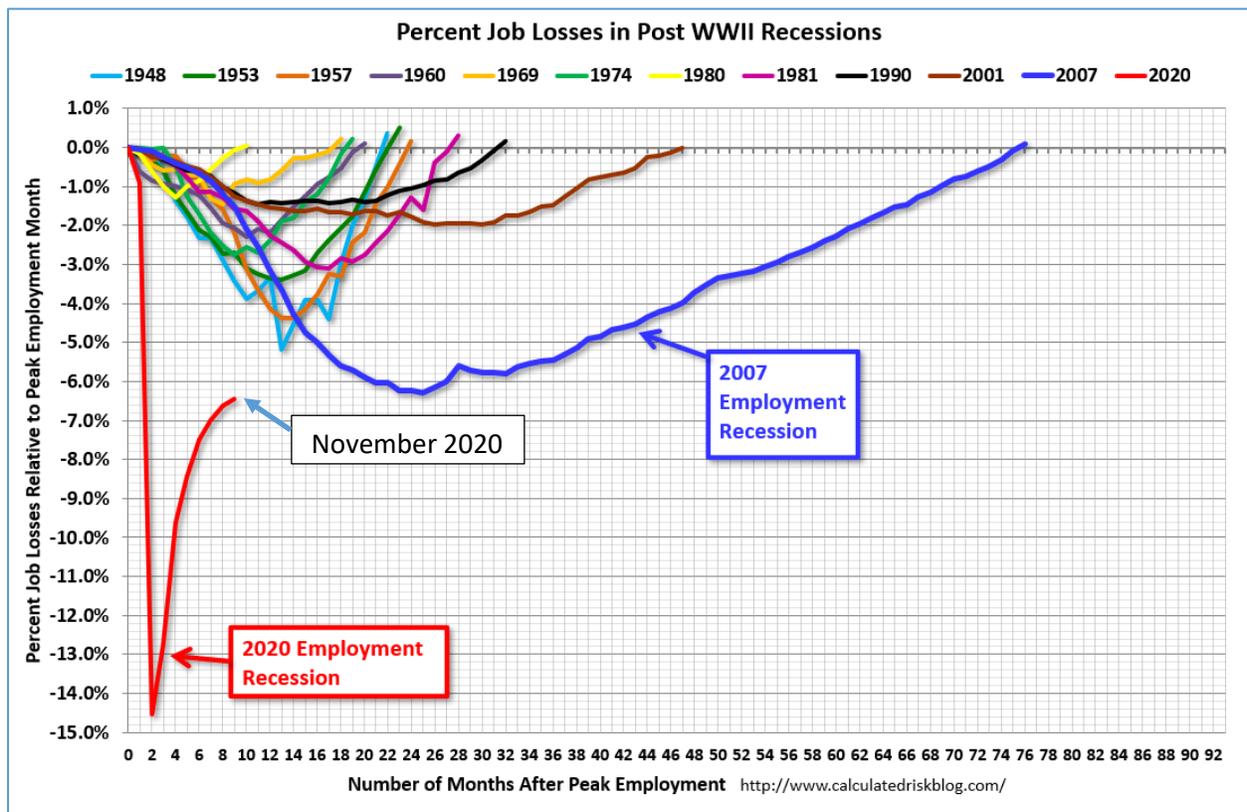
Table of Contents

The Eviction Crisis in Pima County	1
Equity and Racial Justice Concerns	7
The Task Force on Evictions and Homelessness Prevention.....	8
Recommendations to Prevent Evictions	8
Recommendations to Mitigate the Consequences of Evictions & Housing Insecurity.....	13
Recommendations to Increase Affordable Housing	14
Recommendations to Improve the Delivery of Judicial Services.....	16
Recommendations Related to Research and Evaluation	19

The Eviction Crisis in Pima County

In 2016, the national Eviction Lab produced a list of the 100 Top Evicting Large Cities in the United States. Tucson ranked 25th with a filing rate of 3% above the national average. In fiscal year 2020, there were over 10,000 evictions filed in the Pima County Consolidated Justice Court and approximately 96% of the filings were for non-payment of rent. The COVID-19 pandemic of 2020 induced an unprecedented economic recession surpassing the recession of 2008 and unique to anything we have ever encountered (see Figure 1). In April 2020, the Bureau of Labor Statistics reported the national unemployment rate was 17.1%. Employment initially bounced back quickly during the summer, but the rate of recovery has slowed substantially in recent months. As of November 2020, the proportion of jobs lost since March remains larger than the worst months of the 2007-2009 Great Recession. The current recession is widely recognized as the worst recession in the post-war era and substantially worse than the Great Recession. Eight hundred thousand jobs were eliminated in March 2009, during the height of the Great Recession; about 8.6 million jobs were lost in total during that entire recession.¹ And unfortunately, this recovery is vulnerable to further slowing, or even reversals, as the pandemic surges in the coming months. Prominent economists are now warning of a "double-dip" recession², and JPMorgan recently projected that first-quarter growth would be negative in 2021 as a consequence of the pandemic's resurgence³.

Figure 1.



¹ Hansen, Sarah. "Here's How the Coronavirus Recession Compares to the Great Recession." *Forbes*, May 8, 2020.

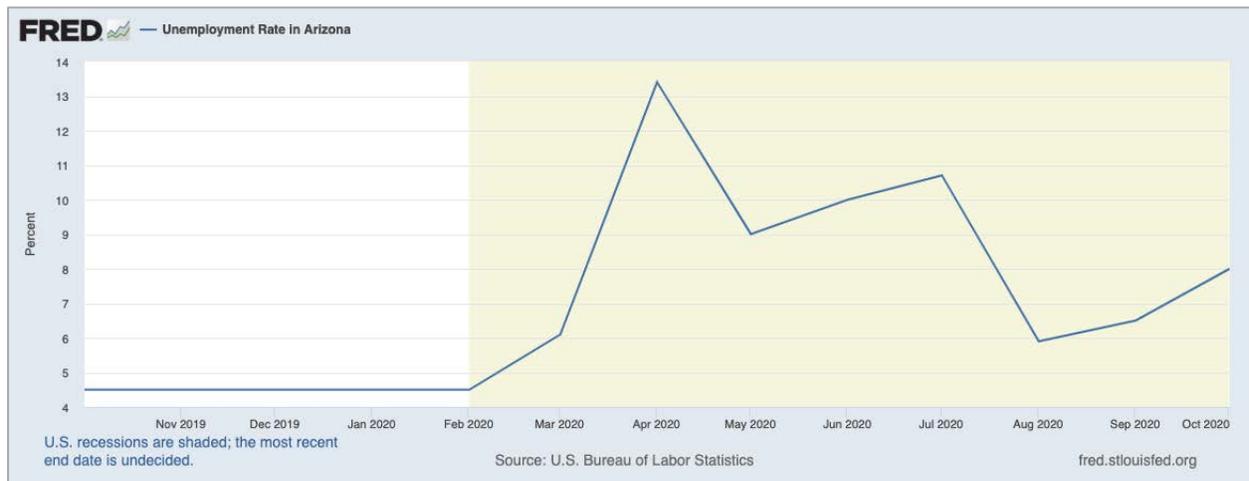
² Elis, Niv. "Fears of double-dip recession rise alongside COVID-19 cases." *The Hill*. November 15, 2020.

³ Domm, Patti. "JPMorgan becomes first major bank to say first-quarter GDP will decline because of Covid surge." *CNBC*. November 20, 2020.

The absence of a federal stimulus package, the expiration of supplemental federal extensions of unemployment benefits in December, reductions in state and local employment in response to business closures, and declining tax revenues will likely put additional drag on the speed of the economic recovery.

In Arizona, the unemployment rate had been declining since April 2020 but has ticked up in the last two months (see Figure 2). The reductions in unemployment we have experienced are a very positive development; however, it is important to consider that this reduction is not based solely on people returning to work. Of the large decline in unemployment between July and August, roughly 55% of this reduction was due to individuals no longer looking for work and being classified as out of the labor force. Many parents, mostly women, now need to stay home to school and care for their children⁴. If those individuals had remained in the labor force, our unemployment figures would be multiple percentage points higher. Unemployment increased in September due to labor force participation rebounding. Labor force participation then held steady between September and October. The consistency in labor force participation between these two months means that while much of the decline in unemployment between July and August was artificial (a consequence of declining labor force participation), the substantial increase in unemployment between September and October was driven primarily by job losses. In combination with pre-existing high rates of poverty and housing insecurity in Arizona, this level of continuing economic strain is likely to result in a substantial number of evictions and an increase in the number of homeless individuals.

Figure 2.



To address the looming crisis, Congress passed the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) in March 2020. This act imposed a temporary moratorium on evictions and provided Federal funding to states for rental and utility assistance through July 24, 2020. Governor Doug Ducey issued an Executive Order on March 24, 2020, temporarily postponing the enforcement of an eviction if a tenant/renter had a COVID-19 qualifying circumstance. He later extended the Order through October 31, 2020. And then, on September 4, 2020, the U.S. Center for Disease Control and Prevention (CDC) issued a nationwide order, temporarily postponing the enforcement of the eviction (writ of restitution), through December 31, 2020. Similar to Governor Ducey's Executive Order, the CDC order allows property owners/landlords to file and receive a judgment on an eviction action. With the spike in individuals

⁴ Gupta, Alisha Haridasani. "Why Did Hundreds of Thousands of Women Drop Out of the Work Force?" *The New York Times*. October 3, 2020.

contracting the coronavirus, this moratorium could potentially be reinstated by the CDC or the Biden Administration in January 2021, since the virus continues to surge.

Recent discussions in Congress have stalled over the passage of another stimulus package, but economists urge its passage to keep people and businesses afloat and prevent the economy from backsliding. Absent another stimulus package and extension of the eviction moratorium, there will be an unprecedented number of evictions filed beginning January 2021, which may have a devastating impact on the nation and Pima County.

An analysis by the international consulting firm Stout Risius Ross ([Appendix A – Statement of Methodology](#)) estimates that the range of potential eviction filings in Arizona upon the lifting of the CDC moratorium in January is on the order of 93,000 to 116,000 statewide⁵. Projecting these estimates onto Pima County, this suggests that roughly 20,000 to 26,000 households potentially at risk of an eviction filing in Pima County in January 2020⁶. Given an annual average of eviction filings in the Pima County Consolidated Justice Court for the past four years is just over 12,000, the dramatic depth of the current recession, and the eviction moratoriums in place for most of the year past March, this estimate of 20,000 to 26,000 potential evictions does not seem implausible. The justice court has jurisdiction over civil cases up to \$10,000. As a result of non-payment of rent accumulated over the months due to the moratorium, many cases may surpass the jurisdiction of justice court and require filing in Superior Court.

According to the University of Arizona's Innovation for Justice Program, the cost of evictions to Pima County could reach \$419M.⁷ ([Appendix B – Costs of COVID-19 Evictions](#)). It is worth noting that this cost estimate does not take into account the associated cost of the spread of the virus, which evictions will most likely accelerate, nor does it include the ameliorative impacts of rental assistance funding that has or remains to be distributed. The Arizona Multihousing Association has identified roughly \$100 million in funding dedicated to rental assistance, and the Arizona Housing Coalition has tracked approximately \$110 to \$130 million for rental assistance and eviction prevention statewide⁸. As a result of the ongoing distribution of these rental assistance funds, the actual number of eviction filings we are likely to see in January may be lower than these projections from Stout Risius Ross. The critical question is how many of these potential evictions will be prevented by currently allocated rental assistance resources. Stout Risius Ross's model estimates that the total statewide rental shortfall in January 2021 will range between \$464 million and \$544 million (and again, these estimates are not adjusted for the availability of rental assistance).

In the event of an eviction, not only does a household become displaced, but there are other serious ramifications. For example, there is an immediate risk of homelessness, loss of personal property, damaged credit that negatively impacts the individual's ability to re-rent or qualify for affordable housing. Crime is likely to increase due to trespassing, shoplifting, domestic violence, and substance abuse. Social support structures such as schools, neighborhoods and churches become broken, and family pets are often abandoned, placing a heavy burden on animal shelters. Of critical importance during the pandemic is the potential spread of the virus. Likely the areas already experiencing disproportionately high rates of

⁵ Stout Risius Ross. "Estimation of Households Experiencing Rental Shortfall and Potentially Facing Eviction and Needed Relief for Those Households." Retrieved November 12, 2020.

⁶ Bentele, Keith (2020). "Housing Insecurity Indicators and Homelessness Estimates for Arizona and Pima County – 5th Report". Tucson, AZ: University of Arizona, Southwest Institute for Research on Women.

⁷ IBID

⁸ This range from the Arizona Housing Coalition is a rough back-of-the-envelope estimate.

COVID-19 will be areas of increased evictions, exacerbating an already dangerous situation. Likely these will be areas with higher numbers of families of color and higher rates of poverty.

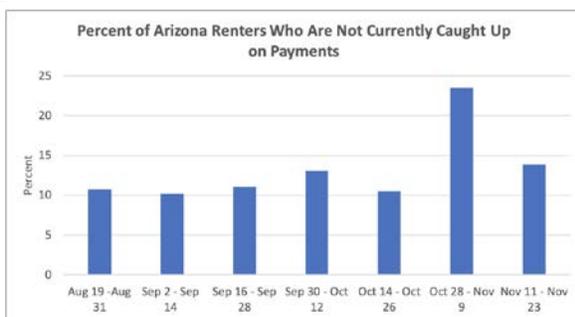
Forecasting the downstream impacts of evictions for outcomes like potential homelessness is an extraordinarily difficult task. We do not know how many evictions will be filed, how many evictions will be prevented by existing programs, or how many evictions that do occur will actually translate into an experience of homelessness. One study by researchers at Columbia University projected that the number of people experiencing homelessness nationwide could increase by 45% by the end of 2020⁹. A study from the University of Arizona forecasts a 29% increase in homelessness in 2021 in Arizona if the state reached an unemployment rate of 20%¹⁰. The lead author of this study now describes this estimate as misleadingly conservative. Taking the lower-end estimate of potential evictions in Arizona from Stout Risius Ross and assuming that only 4% of those households become homeless would nearly double the number of people experiencing homelessness statewide¹¹. If this 4% proportion is too conservative, then the number of individuals impacted by an experience of homelessness could be significantly larger. The annual street count in January 2020 in Pima County identified 1,328 individuals experiencing homelessness.

Acknowledging the large number of unknowns in this situation, there are several indicators of strain and some indicators suggesting that renters have been resourceful in staying on top of their rental payments.

Indicators:

- 23.5% of Arizona renter households reported not being current on their rent payments in early November, up from 10.5% in late October (see Figure 3)¹². It appears that many households managed to pay November’s rent by later in the month, but 13.9% still reported being not current as of mid-November.
 - Even taking the lower figure from late-October, 10.5% constitutes 97,416 renter households statewide and 18,451 renter households in Pima County.

Figure 3¹³.



⁹ Desai, Lisa, Yasmina Hatem, & Tam Hunt. “US Homelessness Could Shoot Up 45% by the End of the Year – But These Organizations are Helping Families Find Relief.” *Business Insider*. August 28th 2020.

¹⁰ Bentele, Keith, & Powell, Claudia. (2020). *Forecasting Homelessness in Arizona During the COVID-19 Crisis*. Tucson, AZ: University of Arizona, Southwest Institute for Research on Women.

¹¹ Bentele, Keith (2020). “Housing Insecurity Indicators and Homelessness Estimates for Arizona and Pima County – 5th Report”. Tucson, AZ: University of Arizona, Southwest Institute for Research on Women.

¹² Census Household Pulse Survey Weeks 17, 18, 19

¹³ Source: Census Household Pulse Survey – Weeks 13 – 18

- Of that 13.9% of renter households that are not current on their rent in mid-November, 7.1% think it is "very likely" that they will be evicted in the next two months¹⁴. An additional 29.2% of those not current on their rent think it is "somewhat likely" that they will be evicted in the next two months. Consequently, 1% of all renter households statewide think they are very likely to be evicted in the next two months and another 4.1% of all renter households think an eviction is somewhat likely.
 - This translates into 9,156 renter households statewide and 1,734 renter households in Pima County reporting that they are "very likely" to be evicted in the next two months.
 - The share reporting being "very likely" or "somewhat likely" to be evicted is dramatically larger, representing 46,813 renter households statewide and 8,867 renter households in Pima County.

- A very important potentially countervailing data point from the National Multifamily Housing Council (NMHC) is their data suggesting that nationwide between April and October 2020, monthly rent payments are only down 1.4% on average compared to the same months in 2019. In October 2020, 94.8% of renters paid their rent compared to 96.6% in October 2019 (see Figure 4). Representatives of the Arizona Multihousing Association (AMA), a trade association for the apartment industry, have consistently pointed to these indicators as evidence that the current situation is not as dire as the information provided above would suggest. They also report that the projected numbers of evictions and the estimated size of the total rental debt referenced above strike them as dramatically overinflated and not consistent with what they hear from their members (primarily property owners, landlords and property management companies). The discrepancy between these NMHC figures and the information available to the AMA, on the one hand, and the Census Household Pulse Survey data and the Stout Risius Ross estimates, on the other hand, may be due to multiple factors:
 - The Census survey may be representing some fraction of lower-income renters who are not captured in the NMHC figures. The professionally managed apartments that are overrepresented in these figures conduct background screenings and rent primarily to individuals with better credit scores. There is very likely a larger proportion of missed rent payments for units rented by smaller companies or individuals that are not captured in these NMHC figures¹⁵.
 - A household may not have paid rent at the beginning of the month and answered the Census survey accordingly, but that household manages to pay by the end of the month¹⁶.
 - The more recent NMHC figures are very likely capturing the positive impacts of rental assistance on households' ability to pay their rent. Consequently, they are not an ideal indicator of the degree of financial strain. However, these data suggest that rental

¹⁴ Ibid.

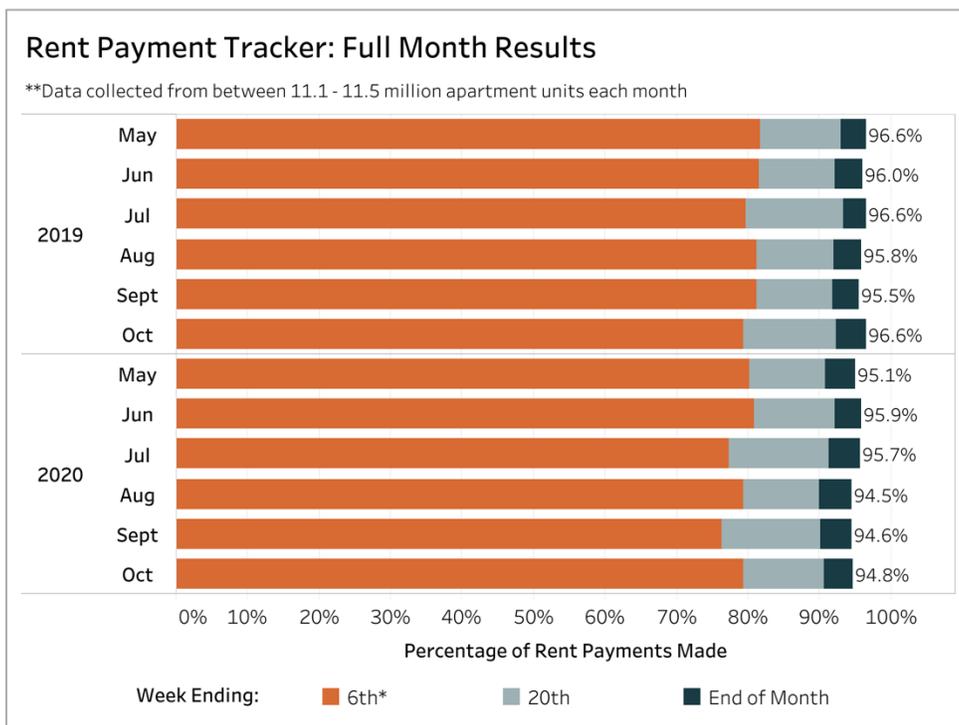
¹⁵ Willett, Greg. "More of the Same in September's Week 3 Apartment Rent Payments." *RealPage*. September 23, 2020.

¹⁶ Engelhardt, Gary V. and Michael Eriksen. "Housing-Related Financial Distress During the Pandemic." *Research Institute for Housing America*. September 2020.

assistance efforts so far appear to have been very successful in supporting households in paying their rents.

- Members of the Arizona Multihousing Association are likely to have tenants/renters with higher incomes and professions that so far have proven to be more resilient in this pandemic.

Figure 4¹⁷.



- Census Household Pulse survey data suggest that many low-income households are selling assets and spending down savings, borrowing money from friends and family, putting their rent on credit cards, and cutting into food budgets to pay their rent. These strategies are not sustainable in the long term (especially the shifting of a debt burden onto a credit card), and households that experience an eviction after exhausting their resources will be substantially more likely to struggle to secure housing.

While we would like to believe the NMHC and AMA are correct, a recent article published in the Washington post noted that, “Data from the Mortgage Bankers Association shows \$9 billion in rent wasn’t collected in the third quarter. Without that money, landlords are struggling to pay property taxes, insurance and other upkeep costs, adding more strain to the economy.” And from the same article, “Zandi predicts as much as \$70 billion in unpaid debt by January, a painful amount that renters, landlords and utility companies will have to sort out.”¹⁸

¹⁷ Source: National Multifamily Housing Council Rent Payment Tracker. Retrieved November 19, 2020.

¹⁸ Long, Heather. “Millions of Americans are heading into the holidays unemployed and over \$5,000 behind on rent.” *The Washington Post*. December 7, 2020.

Equity and Racial Justice Concerns

One additional consideration worth emphasizing is that the negative impacts of the pandemic and recession have not been borne equally across households. Lower-income households are reporting dramatically higher levels of financial strain and housing insecurity (see Figure 5). In early November, 42% of Arizona renter households with incomes below \$25,000 reported not being current on rent. The financial strains of this recession are disproportionately borne by the households with the least resources to mitigate these challenges. This applies to disproportionate impacts on households and communities of color. The following national figures (state-level samples of racial/ethnic minorities are too small to be reliable) indicate that Black and Latino households are more likely not to be current on their rent. This figure is particularly striking for Black renter households, with one-third of Black renter households reporting not being current on rent nationwide. **Figure 5¹⁹**.

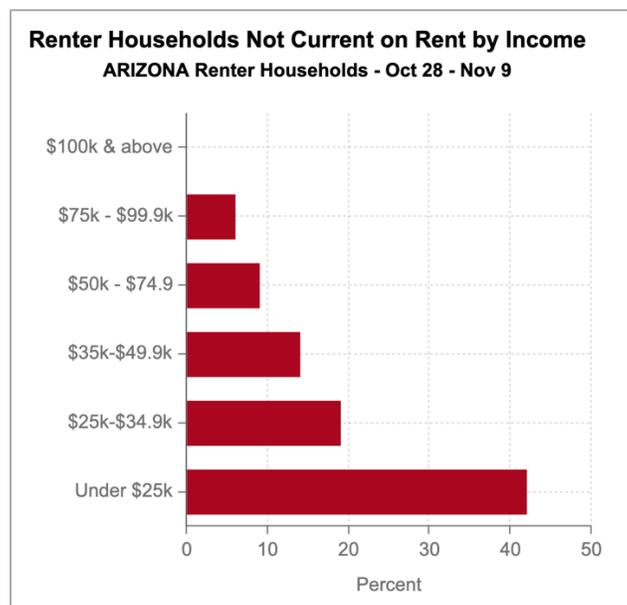
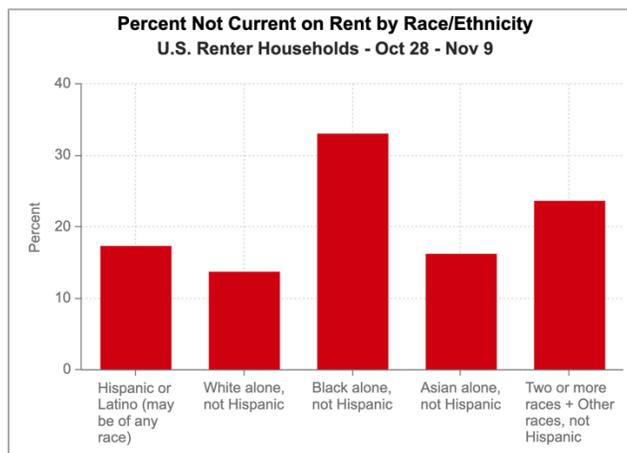


Figure 6.



¹⁹ Census Household Pulse Survey Week 18

Looking forward, Pima County faces a dramatic range of potential levels of economic strain in the very short term. The course of the pandemic and its impact on the local economy in the coming months, whether additional federal support is forthcoming, and the degree to which existing funding mitigates evictions will all shape the size of the challenge ahead. Assuming the eviction moratorium expires at the end of the year, Pima County may experience a large increase in evictions and their related negative consequences, including the virus's spread, in a very short time frame. In all likelihood, we will be facing both a housing and a public health crisis. Two recent articles in the *Arizona Daily Star* describe the “tsunami” that lies ahead ([Appendix C – story, story](#)). Given the unpredictability of the overall situation and the severe potential consequences of an inadequate response for both individuals and our local economy, it may be responsible to hope for the best and plan for the worst.

The Task Force on Evictions and Homelessness Prevention

In August 2020, the Pima County Administrator convened a 23-member community-based Task Force on Evictions and Homelessness Prevention. Chaired by Michael McDonald, CEO of the Community Food Bank of Southern Arizona, the Task Force was charged with developing recommendations that can be implemented by the County to reduce evictions and promote the economic stability of individuals or household units subject to eviction. It is intended that the work of the Task Force will be used to formulate appropriate policies that can be implemented by the County and the Board of Supervisors or through the Courts and includes the development of legislative proposals that will assist in eviction reduction.

The Task Force created four action teams: Affordable Housing, Court Services, Direct Services, and Legislation ([Appendix D](#)). Discussions and recommendations between the teams often overlapped. The recommendations are presented in the following categories:

1. Preventing Evictions: Rental Assistance
2. Mitigating Consequences of Evictions & Housing Insecurity
3. Affordable Housing (Preservation and Production)
4. Improving the Delivery of Judicial Services
5. Research and Evaluation

The recommendations include short-term and long-term strategic planning solutions to the current crisis. Members of the Task Force recognize that many of these recommendations require substantial funding. Throughout the state, many industries and education communities will be competing for financial assistance, each with their own compelling story. However, based on the charge given to the Task Force by the County, it would be irresponsible to ignore solutions based on financial implications. Recognizing that funds are limited, the Task Force has prioritized the recommendations in order of greatest need and greatest outcome. It is interesting to note that many of the recommendations are similar to those recently proposed by Wildfire AZ ([Appendix E](#)).

Recommendations to Prevent Evictions

1. Rental Assistance: Funding

The most recent Census Household Pulse Survey conducted November 11 - November 23, 2020, ([Appendix F](#)) revealed that 36% of renter households surveyed had slight to no confidence that they

would be able to pay next month's rent. Also, 1% of renter households responded that they were very likely to be evicted in the next two months, and 4.1% reported being either very likely or somewhat likely to be evicted²⁰.

As to property owner/landlords, what was once a reasonable investment has become risky. There is a likelihood that property owners/landlords will sell their properties in fear of future moratoriums and the potential of foreclosure. These properties could likely be purchased by outside investors, further depleting what is already a shortfall of affordable housing in Pima County.

There was agreement across the Task Force that adequate rental assistance is the first and most critical strategy to address eviction prevention. If tenants/renters and property owners/landlords know that rent assistance is coming (and coming in a timely fashion), then tenants/renters are much less stressed, and property owners/landlords aren't asked to carry the financial cost of the pandemic. Several recommendations were made to provide/increase adequate rent funding as follows:

- State Funding for Rental Assistance

Arizona should prioritize at least \$50 million additional federal CARES fund dollars to rental assistance to financially stabilize property owners/landlords and keep tenants/renters in their homes during this public health crisis.

Task Force members unanimously agree that this is the top priority to avoid the looming surge of evictions. The State of Arizona is reported to have \$1B in federal CARES funds that can, in part, be used for rental assistance. There was also significant discussion that programs that allowed the property owner/landlord to apply directly on behalf of their tenant/renter were much more efficient than programs that require the tenant/renter to apply directly. For example, from the Governor's relief funds, the state allocated \$5M to property owner/landlords and \$5M to tenant/renters. The property owner/landlord fund, known as the Property Owner Preservation Fund, was depleted within weeks because the application requirements are far less onerous and property owner/landlords have the resources to apply for funds. Future funds should be allocated to property owner/landlords or the application process should be streamlined for tenant/renters eliminating the barriers that delay the deployment of funds. Clearly the most rapid method in deploying funds is the best approach to keep tenant/renters in their homes and prevent mortgage foreclosures for property owner/landlords. The net amount of rental assistance currently available must be dramatically increased. It is inadequate relative to the need.

- Federal Funding for Rental Assistance

The CDC imposed the current eviction moratorium as a public health policy to prevent the spread of COVID-19 due to loss of safe housing. As such, it is entirely incumbent on both Federal and State governments to fully fund their public health policies by fully funding

²⁰ Bentele, Keith (2020). "Housing Insecurity Indicators and Homelessness Estimates for Arizona and Pima County – 7th Report". Tucson, AZ: University of Arizona, Southwest Institute for Research on Women.

eviction prevention/rental assistance programs. We support federal funding of \$100 billion dedicated nationwide to rental assistance programs.

- Require Rental Assistance to Accompany Any Extension of Eviction Moratorium
Pass legislation in the Arizona Legislature to require creating a \$100 million rental assistance/eviction prevention fund for any future eviction moratorium by Arizona Executive Order to take effect. The Arizona Executive Order should automatically be rescinded when the fund balance in the rental assistance/eviction prevention fund balance falls below \$10 million.

Some Task Force members suggested that this assistance fund should be created without the tie to an eviction moratorium. The wording of the above recommendation validates the existence and implementation of an eviction moratorium; no other industry has been asked to provide products or services without compensation. Additionally, as identified in this report, rental assistance/eviction prevention funds are a great need exclusive of a pandemic or moratorium period.

- Create State Rental Debt Retirement Fund
Create a fund of at least \$50 million for state rental debt retirement. Funds will be paid directly to property owners/landlords to cover accumulated rental debt during any period covered by an Arizona Executive Order regarding an eviction moratorium. The state should work out reasonable repayment terms with tenant/renters to include recapture of future income tax returns. Debt retirement will prevent eviction and the associated consequences of having an eviction on a credit report. A significant portion, for example, 50%, of these funds should be reserved and prioritized for households with incomes below 200% of the poverty line.
- Foreclosure Prevention Efforts
Prepare foreclosure prevention efforts to support Pima County property owner/landlords.

2. Rental Assistance – Qualifications/Streamlining and Improving Application Process

- Improve the Rental Assistance Application Process
Pima County should review the rental assistance application process and the application review and funding process to eliminate unnecessary delays in the processing and funding of rental assistance applications. Also, consider adopting the platform designed by Community Investment Corporation (CIC) that is very user-friendly for rental assistance applicants and provides a portal for property owners/landlords to initiate and contribute to the application. The County should undertake an internal review of the technologies used to approve and distribute funds and provide services to increase the speed of delivery of funds and increase both the efficacy and accessibility of services (e.g., direct deposits instead of a paper check). Any recommended changes should be adequately resourced.

Tenants/renters apply for rental assistance through the Arizona Department of Housing (ADOH) portal. The portal is far from user friendly and applicants have experienced difficulty submitting their application and uploading required documents through the portal.

ADOH contracted with 2-1-1 to assist applicants in completing the applications. Since March 2020, 2-1-1 received 45,390 requests from Pima County residents for service of which 56% were for rental and utility assistance. The County's Community Action Agency has significantly streamlined the application process and are deploying funds much more rapidly than when the application process first began. Regardless, thousands of applications remain in "draft" status in the ADOH portal. The County allocated over \$3M to Community Investment Corporation (CIC) to accept and process applications of those tenants/renters actually facing an eviction. CIC staff designed their own portal that has proven much easier to navigate than the ADOH portal. Since rapid deployment of funds is crucial in order to keep residence in their homes, it is recommended that the county streamline the application process to the greatest extent possible and utilize the portal that is the most advantageous moving forward. In the likelihood that more rental assistance funds will be allocated by the State, it is critical that they be distributed quickly.

- Create a Real-Time Statistical Dashboard

Pima County should create a dashboard to show in real-time the statistics related to rent assistance, including the amount requested and committed, similar to San Antonio, Texas. Pima County should consider tracking other key factors to better understand the impact of geography, populations, income, etc.

- Investigate Alternative Methods to Distribute Rental Assistance

The County should investigate alternative ways of distributing rent assistance. For example, Tempe's newly adopted program pays rent forward for tenants/renters who are demonstrably financially impacted by COVID-19.

- Modify Executive Order 2020-14 and 2020-49 to Allow Retroactive Rent Payments and Remove Caps

A tenant/renter or property owner/landlord who qualifies for eviction prevention under Arizona Executive Order 2020-14 or 2020-49 should:

- Qualify for rental assistance for the entire period the Executive Orders 2020-14 and 2020-49 are in effect to include retroactive payment of any rent due.
- Remove all rental assistance caps to property owner/landlords, including the \$50,000 per applicant cap, the \$2,000 monthly rental cap, and the 5-month maximum rental cap.

The Governor's Executive Orders (EO) expired October 31, 2020; however, in the event another EO is necessary, consideration should be given to allowing retroactive payments of any rent due. Imposing caps on rental assistance does not allow property owners/landlords who have multiple units to assist all of their tenant/renters. Consequently, many will not seek rental assistance to avoid operational and legal challenges of selecting who gets help and who does not.

- No Wrong Door Policy for Rental Assistance Applications

The City of Tucson rejected a number of rental assistance applications because the properties were located in the County. Where possible, all rental assistance applications should be transmitted to the appropriate agency for approval rather than just being denied for jurisdictional issues.

- Recruit and Train Property Management Professionals to Assist in Processing Rental Assistance Applications

Recruit multifamily owners and management companies to volunteer on-site staff to be trained to process housing assistance/eviction prevention applications through available programs. The training will lend expertise to the management professionals to successfully guide residents through the application process. This service will be provided by management professionals on a voluntary and pro bono basis and will help reduce the staffing cost burden on Pima County.

3. Rental Assistance – Community Outreach

- Broadly Disseminate Rent and Utility Assistance to the Community

In this unprecedented time of need during the pandemic, it is critical for Pima County leadership to have the best data available on current and future evictions. To that end, Pima County should make every effort to advertise the rent and utility assistance services along with information on the CDC or any future moratoriums to Pima County residents. As tenants/renters and property owners/landlords request assistance, this provides another critical data point about the extent of need in the community and the evidence needed to advocate for appropriate funding levels and staff to meet the demand. We recommend these approaches to disseminate information:

- Broad distribution electronically and in print and using existing organizational and social media networks.
- Radio and broadcast media.
- Property owner/landlord outreach.
- Virtual and in-person events giving those facing eviction access to financial, health, and other critical community resources, particularly in vulnerable areas of our community
- Continued updates of websites and the document, "What Tenants Need to Know During COVID-19".

- Engage in Aggressive Marketing Campaigns

The County should engage in an aggressive marketing campaign for available rental assistance and support for those at risk of foreclosure. This should be multi-pronged and innovative (ads on social media, bus benches, billboards, radio spots, etc.), and such marketing should be targeted to vulnerable communities (low income and communities of color), in multiple languages, and potentially involve explicit outreach efforts. Partnership with non-profit organizations may be considered as an additional source of financial support. Funding for this effort ideally should not draw resources from efforts to provide rental assistance.

- Coordinate Eviction Resource Events

With the expected surge in eviction filings in January 2020, the County should consider coordinating an Eviction Resource event, following CDC guidelines, to provide information on financial support, housing, pet shelter, court processes, and legal assistance. This event could be advertised with flyers and public service announcements.

Some Task Force members suggest that the above three recommendations will absorb a large proportion of any funding for Eviction Prevention through staff time and expenses related to materials/PSA. A greater emphasis should be placed on funding for rapid rental assistance processing and a No Wrong Door Policy to connect renters to funds quickly. At the previously held eviction fair the feedback from attendees was not that they didn't know funds existed, but rather that there was no response to their applications.

Recommendations to Mitigate the Consequences of Evictions & Housing Insecurity

- Limit Legal and Financial Impact on Tenants/Renters and Property Owner/Landlords
Pima County should explore options that limit the legal and financial penalties to tenants/renters who were evicted due to loss of income because of COVID-19 and property owners/landlords who may face foreclosure or other financial losses. The interests of both tenants/renters and property owners/landlords should be considered. This time period could be defined by the period covered by state and federal moratoriums.
- Allocate Funding to Rapid Re-Housing and Staffing Resources
The County (and city) should allocate a minimum of \$10M to meet the estimated need in rapid re-housing programs and provide staff, both navigators and caseworkers, and case management in preparation for an increase in housing insecurity in the winter of 2021. Include a reserve fund for property owners/landlords to recuperate repair costs attributed to referred tenant/renters.
- Promote Housing Choice Vouchers
In the very likely event of increased housing instability in the coming months, housing choice vouchers will be an effective tool available to assist in keeping low-income and financially struggling households housed. Unfortunately, voucher holders often encounter barriers to using the voucher or have difficulties finding a unit for which vouchers are accepted. Property owners/landlords are reluctant to accept vouchers because payments are often delayed for months. Reducing this issue should be a priority. In addition, the County and City should have sufficient caseworkers to staff the likely increase in the use of housing vouchers.

To increase the supply of property owners/landlords willing to accept housing choice vouchers, the Task Force recommends that the county and/or city develop a program on the model of the June 2020 “Operation Lease Up!” program ([Appendix G](#)). This program assisted tenant/renters with their housing search, including providing transportation to find a unit, reduced the time entailed in the application process, assisted tenant/renters with move-in costs if unable to pay, waived requirement of inspection before moving in, and decreased delays in payments to property owners/landlords (payments were issued in 30 days or less of receiving executed contract and lease). The county and/or city should also include mobility counseling as a component of this program.

- Develop a Contingency Plan to Address a Potential Surge of Homelessness in Early 2021
The expiration of the moratorium on December 31, 2020, is likely to bring a surge of evictions in Pima County. The relevant city and county agencies (law enforcement, public health, housing) and homelessness service providers (community agencies, non-profits, etc.) should develop a contingency plan for winter 2021 to provide safe temporary housing arrangements for individuals potentially displaced by evictions if such a plan is needed.
- Continue to Work to Stabilize the Housing Market following COVID-19
The State of Arizona should allocate adequate rent assistance after the COVID-19 crisis to ensure housing stabilization for Arizona residents.

- Encourage Property Managers to Consider COVID-19 Circumstances when Reviewing Rental Applications

An eviction negatively impacts a tenant/renter's credit and their ability to secure future rental opportunities. The County should issue a public statement encouraging property owners, landlords and property managers to not consider a COVID19-related eviction in their decisions about renting to potential tenants/renters.

- Suspend Reporting Late Rent Payment to Credit Agencies During the COVID Pandemic

Recommend legislation preventing property owners/landlords from reporting late rent payments to credit agencies for tenant/renters affected by COVID-19 until the end of the pandemic.

Some Task Force members suggest that credit exists for a reason. For rental property owner/landlords it allows them to evaluate the potential risk posed when transferring legal possession of their property to a tenant/renter and to mitigate losses due to bad debt. Lenders, financial institutions, credit card companies all use credit reporting for the same reasons. Removing a property owner/landlord's ability to mitigate their financial exposure further undermines the market. The best way to avoid all of this is to provide rental assistance to those in need.

Recommendations to Increase Affordable Housing

- Promote/Increase Transitional and Low-Barrier Housing

Promote and increase transitional and low-barrier housing using support from existing federal and private funds that allow for it, like the HUD HOME Program, AZ state housing trust fund & FHLB- AHP. Homeless service providers represented in the Task Force have stated that more transitional housing and low-barrier housing is needed to help homeless individuals transition from homelessness and shelter housing to permanent housing.

- Prevent Outside Investors from Acquiring Rental Property Purchases

In light of the concern that owners are leaving the rental business, the County should identify a means to acquire these properties before they are sold to out of state cash investors. The County should request \$30M from the Governor's COVID funds – or other Federal/State relief funds (should they be approved) to be made available to for-profit and non-profit, affordable housing developers, owners, and managers who can apply for these funds to acquire, renovate and preserve affordable rental homes, both subsidized and naturally occurring affordable housing properties being sold by owners.

Some Task Force members suggest that this recommendation is not fulfilling the Task Force's goal of preventing displacement. Any funding should be invested into resources for residents to remain in their homes (and property owner/landlords retaining their property). If the goal is an increase in affordable housing, then programs and tax credits should be explored to encourage rehabilitation for existing owners of aging housing and developers for new affordable housing projects.

Further, the County should not sponsor programs that benefit from distressed sales caused by government intervention. These owners have been forced to sell their rental properties because the government removed their ability to collect income.

- Create a State Low Income Housing Tax Credit Program (\$50M Statewide)

The City and County should support a state low-income housing tax credit program modeled after the federal Low Income Housing Tax credit as proposed recently by SB2732 ([Appendix H – Fact Sheet](#))

The federal tax credit program created by Congress in 1986 has been one of the more successful programs in creating affordable housing. It primarily targets investors who have a tax liability and provides a dollar-for-dollar tax credit for anyone who purchases an affordable housing unit. The tax credits are sold and the money that comes from the sale is used by the developer to build affordable housing that significantly reduces the mortgage they need to carry. Arizona builds 1,500-2,000 units per year with approximately \$20M allocation annually. Since inception of the program, close to 45,000 units have been created under the federal program.

The creation of a state program that mirrors the federal program would provide additional support and resources. Models indicate that a state level program, with an \$8M investment would fund another 1500-2000 units, doubling the production in the state. There would be minimal investment by the state because it is leveraging private capital with public investment. As of last year, 20 states have adopted a state level tax credit program and several more are considering it. The program has wide bipartisan support. This bill was almost passed by the Arizona legislature last year but was derailed by COVID. It is expected to be reintroduced in the upcoming session.

- Provide Permanent Sources of Funding for City and County Housing Trust Funds

Identify and adopt permanent sources of funding for the City of Tucson and Pima County Housing Trust Funds. These funds will be used to support affordable housing production and preservation with a priority for investment in long-term affordable housing using local community land trusts and other non-profit and for-profit developers committed to housing development that will remain affordable in perpetuity. (\$5M city/\$5M county)

- Develop a Comprehensive Tucson-Pima County Housing Plan

The City of Tucson and Pima County should have a housing plan that will:

- Streamline the development process for affordable and workforce housing. Consider some of the elements/changes adopted in the housing plan for the City of Phoenix ([Appendix I](#)). Phoenix is looking to reshape their zoning code and allowing entitlements by right and encouraging densities.
- Include a fair housing strategy/plan to promote affordable housing for low and moderate-income households in high opportunity areas (near employment/schools/services) to create more diverse communities and mitigate NIMBY-ism.
- Create a Housing Code for Pima County – A housing quality code, similar to the City's Neighborhood Preservation Ordinance, should be adopted by Pima County to help provide consistency with the City's Ordinance and to help prevent property owners/landlords from renting sub-standard and unsafe properties. Studies have shown that many renters will withhold rent because of repairs needed to the housing unit. This can lead to an eviction filing by property owners/landlords when tenant/renters do not provide written notice as required by the Arizona Landlord-Tenant Act.

Some Task Force members suggest that the Arizona Landlord and Tenant Act provides for habitable conditions that must be provided by the property owner/landlord to the tenant/renter and upheld by the courts. Creating a housing code in Pima County would place an additional funding burden on the county budget requiring it to be enforced which is erroneous given the current protections that already exist.

- Create Local Bond Fund Initiatives for Affordable Housing Development and Preservation
As the economy improves, create local bond fund initiatives (\$10M to \$30M) specifically for affordable housing development and preservation, building on recent successes in Austin and San Antonio. Change the Arizona Revised Statutes to allow counties to hold general obligation bond elections in May and November.

Recommendations to Improve the Delivery of Judicial Services

- Improve Court Processes

Continue to make court process improvements, enhancing access to court services, and promoting streamlined navigation of court process through:

- Public information through the wide distribution of pamphlets
- Up-to-date website postings
- Provisions of current court forms, instructions, and checklist
- Data sharing/availability
- Consistency in judicial orders

Develop informational pamphlets to explain the eviction process to help educate court users on how the process works and what to expect. Explore the option of having informational brochures created at the statewide level to ensure consistency of information provided to parties in eviction cases.

Ensure that public service announcements go out at the local and statewide level outlining changes that impact the court and parties involved in these cases.

Courts statewide should share with other justice courts forms, instructions, and checklists to ensure consistency among judicial orders. Explore the development of a model minute entry to ensure consistency among judges on how judicial orders are written. Courts should have eviction resources available in customer services areas and on their webpage. Resources should be made available in English and Spanish and shared with stakeholders and Specialty Courts participants.

- Provide Educational Programs & Resources for Judges & Court Staff
Judicial and staff training should continue to be offered at the statewide and local levels. The sharing of best practices should continue to ensure consistency in the processing of eviction cases. Judges and court staff should also be made aware of local and community resources available to parties.
- Implement and evaluate best practices by reference to Supreme Court directives, statewide policies and forms, and possible adoption of innovative programs in other justice courts.

Best practices should be shared at the statewide level with continuous review and evaluation. Supreme Court directives, policies, and forms can be shared with local agencies impacted by change so the stakeholders are aware of the change and can communicate changes to parties affected.

- Explore the Creation of an Eviction Specialty Court Diversion Program,
Bring stakeholders together to explore the costs and benefits of an Eviction Diversion Court in Pima County, drawing upon the experience of model programs in other states. Any diversion program should not incur additional expenses to the eviction process. Components of the program should include:
 - Pre-hearing collection of data
 - Mediation by law students or other volunteers
 - Coordination with Service Providers
 - Wrap-around services
 - Public Information and Education for parties in eviction cases

- Increase Access to Courts
Reduce the technology barriers for both tenants/renters and property owners/landlords in an eviction process by:
 - Working with the Pima County Library to develop a system of computer kiosks
 - Making staff available to give support for the use of Zoom technology
 - Providing training and support to library staff to give basic information to increase the understanding and ability of plaintiffs or defendants to engage in the hearing process
 - Informing people about rent assistance.

- Utilize Navigators to Disseminate Information about the Eviction Process
Explore the feasibility of a program that trains navigators to provide procedural information to tenant/renters and property owner/landlords in an eviction process. Engage with stakeholders with the necessary expertise to make the program efficient, effective, balanced, and fair for tenant/renters and property owner/landlords.

- Extend the current 5-day eviction notice to a 15-day notice
Recommend the state legislature change the current 5-day eviction notice to a 15-day notice. Prior to filing an eviction complaint, the property owner/landlord must give the renter/tenant a 5-day notice allowing them to “cure” the non-payment of rent. If the renter/tenant can pay the entire rent that is owed, then the property owner/landlord must accept that payment and may not continue to seek an eviction on non-payment grounds. The five-day notice does not allow sufficient time for the tenant/renter to seek rental assistance to cure the complaint.

Some Task Force members suggest that an extension of the current period by an additional 10 days opens up the length a property owner/landlord must carry a non-payment debt. The majority of non-payment eviction cases take 33-42 days, plus the requirement to hold possessions for another 14 days ([Appendix J - AMA Eviction Timeline](#)). An extension of the income loss potential could take it to 47-56 days. This extended income loss will have the unintended consequence of increasing security deposits and rents to offset the risk and lost rent.

- Provide Legal Representation to Tenant/Renters

Expand the Arizona Residential Landlord and Tenant Act to guarantee tenants/renters under 200% of poverty level right to counsel. According to the National Center for State Courts, plaintiffs in a wide variety of civil cases are twice as likely to win when only their side is represented by an attorney as they are when there is counsel on both sides.²¹ ([Appendix K](#))

Some Task Force members suggest that over 90% of eviction cases in Arizona are for non-payment of rent. There is no legal defense for the non-payment of rent. It is estimated that this proposal could cost the state anywhere from \$90-\$150 million annually. Providing legal counsel in cases where the outcomes likely will not change is counterproductive. Instead, the state and taxpayers would be better served using the \$90-\$150 million for direct rental assistance programs. This helps all parties by preventing evictions and preventing owners from losing their income.

- Provide Continuing Education to Pima County Justices of the Peace in the Area of Eviction Law

The Task Force heard on at least two occasions that Pima County Justices of the Peace (JP's) are not following eviction law correctly or consistently. While parties may disagree with the law itself, all parties should agree that the Courts should follow the law. There is no requirement in Arizona for Justices of the Peace to be lawyers. Yet, the judges are tasked with interpreting the law, including the rights, obligations, and remedies granted to property owner/landlords and tenants/renters under the Arizona Residential Landlord and Tenant Act.

In addition to the 16 hours of continuing education required by the Arizona Supreme Court, the JP's in Pima County should be required to attend 15 hours of continuing education annually, specifically in the area of the Arizona Residential Landlord and Tenant Act ("ARLTA"), Residential Mobile Home Property Landlord and Tenant Act, and the RV Property Landlord and Tenant Act.

- Increase the Time to Appeal an Eviction Judgment

Extend the time allotted to appeal an eviction judgment from 5 to 10 days and urge judges to waive the bond in non-payment of rent cases on appeal, where appropriate.

Some Task Force members suggest that an extension for an appeal on a non-payment just further extends the eviction period and similar to other Task Force proposals will increase the period the property owner/landlord must carry the unit without compensation. The unintended consequence of such an extension would be increased fees and rental rates.

²¹ J. Brian Charles. (June 2019). "Right to an Attorney? Most Tenants Face Landlords Without One." *Governing the Future of States and Localities*.

Recommendations Related to Research and Evaluation

- Collect and Distribute Statistics Related to Evictions Monthly
Monthly statistics produced by the justice court related to eviction filings, judgments, writs issued, and writs enforced has proven helpful in determining the need for rental assistance and wrap-around services for tenant/renters as well as the financial impact for the County. To that end, any additional information the court is able to report, such as CDC holds, contact information for the parties in the case, would also prove beneficial.
- Keep Up-to-Date with Local/National Statistics and Trends Related to Evictions and Homelessness
Pima County should invest in contracting with SIROW to continue providing regular updates and estimations around evictions and potential homelessness using national and local research and data through at least May 2021.
- Include an Evaluation Component in any Initiative to Reduce Evictions and Homelessness
Pima County should include an evaluation component in any initiative to reduce evictions and prevent homelessness that it implements. An external independent evaluator should conduct the evaluation. The assessment should include racial and economic equity measures to ensure that the most vulnerable members of Pima County are positively impacted.
- The Arizona Department of Housing Should Maintain and Regularly Disseminate a Report of Accumulated Rental Debt
Pima County should urge the Governor of Arizona to order the Arizona Department of Housing (ADOH) to compile a complete list of accumulated debt from unpaid rents statewide to date. ADOH should work with relevant local governments and agencies to compile this report. It should be presented to the Governor and the Legislature within 30 days and be updated and distributed every month.
- Conduct a Comprehensive Study of the Impact of Evictions on Pima County
The County should conduct a study aimed to create a comprehensive framework of costs incurred to tenants/renters, property owners/landlords and localities through the process of eviction. This study may also map service provision and utilization for previously evicted individual