



Memorandum

TO: COMMUNITY AND ECONOMIC
DEVELOPMENT COMMITTEE

FROM: Erik L. Soliván

SUBJECT: SEE BELOW

DATE: June 13, 2024

Approved

Date

6/14/24

**SUBJECT: HOUSING STABILIZATION AND EVICTION PREVENTION STATUS
REPORT**

RECOMMENDATION

Accept the status report on housing stabilization and eviction prevention efforts to resolve active and potential unlawful detainer (eviction) court cases by preventing unnecessarily forced evictions involving unpaid rent and promoting housing stability.

BACKGROUND

The purpose of this memorandum is to provide a status report on housing stabilization and eviction prevention efforts to resolve active and potential unlawful detainer (eviction) court¹ cases by preventing unnecessarily forced evictions involving unpaid rent and promoting housing stability.

In August 2021, the Housing Department launched the Eviction Help Center Program (EHC). The EHC aimed to prevent evictions by providing tenants and housing providers with federal emergency rental assistance and other resources. Initially, the EHC's primary functions were the following:

1. Assist thousands of residents and property owners in accessing billions of dollars of federal rent relief funds; and
2. Provide legal consultations to tenants concerned about eviction.

Since the last Community and Economic Development Committee update on February 27, 2023, the Housing Department has continued to operate the EHC with service offerings in partnership with the Law Foundation of Silicon Valley and Bay Area Legal Aid. The partnership provided

¹ A housing provider seeking to evict a tenant must initiate a court action after serving the proper initial notice on a tenant. The type of legal filing to remove someone from a property is called an unlawful detainer action or case.

legal consultations to tenants and housing providers on the eviction process on-site at EHC locations and virtually four days a week through March 31, 2024.

The EHC's primary objective is to reduce disparities in legal representation and enhance renter rights education. The goal of the EHC's efforts is to better outcomes for tenants and housing providers and prevent more families from experiencing homelessness. Between quarters one through three (July 1, 2023 through March 31, 2024), EHC staff responded to 4,802 eviction concern inquiries by phone, email, and in person and processed 844 legal intake forms from tenants with eviction concerns seeking legal consultations. From the start of Fiscal Year 2023 – 2024 to date, the number of eviction concern inquiries has stayed steady in each of the three quarters, suggesting the number of households concerned about eviction is not decreasing.

Post-pandemic, the EHC evolved into the Eviction Prevention Program (EPP) and expanded to include coordination with the Santa Clara County Superior Court. Under the EPP, staff works to help tenants and housing providers access resources and achieve joint resolutions to divert evictions from judicial proceedings.

In the summer of 2023, the EPP was integrated with the Housing Department's Rent Stabilization Program to achieve the goals of identifying and connecting with residents most at risk of displacement or housing instability. A resident most at risk of displacement is defined as "a resident who will likely experience homelessness if they are evicted from their unit due to their exigent financial conditions." The primary functions of the EPP during the past year have been the following:

1. Staffing the EPP at the Santa Clara County Superior Court and other locations to connect residents and housing providers to legal and financial resources;
2. Assisting residents who contact the EPP by phone, email, or in person;
3. Connecting tenants facing imminent eviction with legal consultations (the legal consultation services portion of this program ended March 31, 2024); and
4. Securing further funding for the Eviction Diversion and Settlement Program (EDS).

The EPP operated at various locations, and with remaining pandemic federal funds expended, the last location aside from City Hall closed on March 31, 2024. The EPP staff continue to assist the public daily by phone, email, and in person at City Hall.

The EDS continues to operate at the Santa Clara County Superior Court. The Housing Department requested (and was awarded) a State of California earmark of \$2 million for eviction diversion. The state funds will be invested in City-county-private partnership for the EPP through Fiscal Year 2024-2025.

ANALYSIS

The EPP and EDS programs are administered at three separate locations, detailed in **Table 1**

below. From July 2023 through March 2024, the programs combined served over 5,000 residents.

Table 1: EPP and EDS Program Services

Program	EDS	EPP	Weekly EPP Courthouse Clinic
Locations	<ul style="list-style-type: none"> ▪ Santa Clara County Superior Court during eviction trial calendar ▪ By referral 	<ul style="list-style-type: none"> ▪ City Hall ▪ Lion Plaza, Story Road, and King Road* <i>*Until October 2023</i> ▪ Educare Resource Center, Santee Drive** <i>**Until March 2024</i> 	Santa Clara County Superior Court Courthouse, Department 14
Tenants and Housing Providers Served in Quarters 1-3 of Fiscal Year 2023-2024	124	4,802	146

Weekly EPP Courthouse Clinic

The objective of the EPP Courthouse Clinic partnership is to connect parties to resources that will help them resolve their disputes and, ideally, avoid evictions. Housing Department staff continues its participation in the EPP Courthouse Clinic at the Santa Clara County Superior Court. Staff provides counsel to tenants and housing providers on the court’s eviction calendar two to three days a week. On Wednesday mornings, Housing Department staff manages the EPP Courthouse Clinic in partnership with Santa Clara County Superior Court Self-Help Center and Sacred Heart Community Service, which offers a broad spectrum of complimentary resources that add capacity to serve more tenants and housing providers. Between July 2023 and March 2024, the partnership assisted 270 tenants and housing providers.

EDS Program

The objective of the EDS is to intervene in pending evictions based in whole or in part on unpaid rent amounts, allowing the tenant household to pay rent going forward and remain stably housed.

At the beginning of Fiscal Year 2023-2024, the EDS set a goal of serving 130 households with the approximately \$1.8 million of Measure E funding appropriated in the Fiscal Year 2023-2024 budget for the EDS and \$250,000 of re-allocated Community Development Block Grant COVID-19 pandemic funds. Between July 2023 and March 2024, at least 181 households were evaluated for eligibility for the EDS of which 143 households qualified and were able to remain

stably housed. A total of \$1,597,906 was paid out to property owners on behalf of the 143 households with an average payment of \$11,174 per case.

The EDS works with property owners, tenants, mediators, and attorneys to cover unpaid rent and stop pending eviction proceedings. To qualify, a tenant must be able to pay rent going forward, and the property owner must agree to reinstate the tenant and dismiss the eviction court action. The tenant household must be low-income; however, the EDS prioritizes households earning less than 50% of the area median income (AMI) for Santa Clara County² and households with minor children, seniors, or disabled household members.

The EDS benefit recipients came from a diversity of backgrounds, with 54% identifying as female and a majority being Black, Indigenous, and People of Color (BIPOC). Demographic data about the households served by the EDS are shown in **Table 2 through Table 6** below.

Table 2: Primary Languages of Households Served

Language	Households Served
English	106
Spanish	34
Vietnamese	0
Chinese	0
Other	3
Not Reported	0

Table 3: Household Incomes by Santa Clara County AMI Levels

Income Level	Households Served
Extremely Low-Income (<30% AMI)	73
Very Low-Income (<50% AMI)	50
Low-Income (<80% AMI)	20

² Current Santa Clara County AMI levels for households of four are: Low-income (80% AMI) is an annual income less than \$146,100; Very low-income (50% AMI) is an annual income less than \$92,150; and Extremely low-income (30% AMI) is an annual income of less than \$55,300. For perspective, the latest data collected from the San José Rent Registry for apartments covered by the Apartment Rent Ordinance shows the average monthly rent for a one-bedroom unit to be \$1,865 and \$2,262 for a two-bedroom unit. Units covered by the Apartment Rent Ordinance are in buildings built before 1979 with three units or more.

Table 4: Household Members

Household Members	Households Served
Includes minor children	92
Includes seniors	9
Includes a disabled person	18

Table 5: Ethnicity of Benefit Recipient

Household Members	Households Served
Non-Hispanic/Non-Latinx	37%
Hispanic/Latinx	63%
Other	0%

Table 6: Race of Benefit Recipient

Race	Households Served	%
American Indian	1	0.7%
Asian	5	3.5%
Black or African Ancestry	26	18.2%
Native Hawaiian or Other Pacific Islander	4	2.8%
White	32	22.4%
Other	74	51.7%
Not Reported	1	0.7%

Housing Department staff projects that the EDS will likely support over 40 additional households before the end of Fiscal Year 2023-2024.

EDS Program Survey

To assess the effectiveness of the eviction diversion initiative, Housing Department staff conducted surveys with tenants and housing providers participating in the EDS during Fiscal Year 2023-2024 to understand outcomes and evaluate the effectiveness of the EDS in keeping families stably housed. The results of that survey will inform future iterations of the EDS as it continues into Fiscal Year 2024-2025.

The **Attachment – Results of Eviction Diversion and Settlement Program Survey** details the responses to the survey questions. Notably, 83% of the program-participating households surveyed were still residing in their units three to six months after participating in the EDS, and 53% of the tenants reported intending to stay in the unit for more than six months or as long as

they could. This indicates that the current iteration of the EDS is achieving the intended outcome of stabilizing the participant’s housing.

In addition, the EDS survey results also suggest that the primary reason some households lost their housing after participating in the EDS was that the household did not meet the obligations of the agreement that would have dismissed their eviction action. Staff is revising EDS guidelines to ensure that the terms in the court agreements between tenants and housing providers are tethered to realistic implementation for all parties to comply before accepting the case.

For the City’s Fiscal Year 2024-2025 budget, the EDS will leverage \$250,000 of Measure E funds along with the \$2,000,000 award from the state earmark awarded to the City last year to fund EDS for Fiscal Year 2024-2025. The expected outcomes will result in serving at least 90 additional EDS cases during Fiscal Year 2024-2025.

Eviction Data

Gathering comprehensive and up-to-date eviction data is a challenge due to restrictions in state law and technology limitations in the county superior court system. Despite these challenges, Housing Department data shows that during the past 15 months, evictions decreased slightly. The City’s Tenant Protection Ordinance requires housing providers to submit a copy of any eviction lawsuit filed against a tenant of a covered unit to the Housing Department. The Housing Department then collects and analyzes data from these submissions to provide insights on the common causes of evictions within the City.

Figure A below shows the number of eviction lawsuits received by the Housing Department during each quarter. The different colors in the bar graphs represent the just causes the unlawful detainer lawsuits were based on. For example, the total number submitted between January and March 2023 (quarter 3 of Fiscal Year 2022-2023) was 462, and the total number between January and March 2024 was 426.

Figure A: Evictions by Quarter

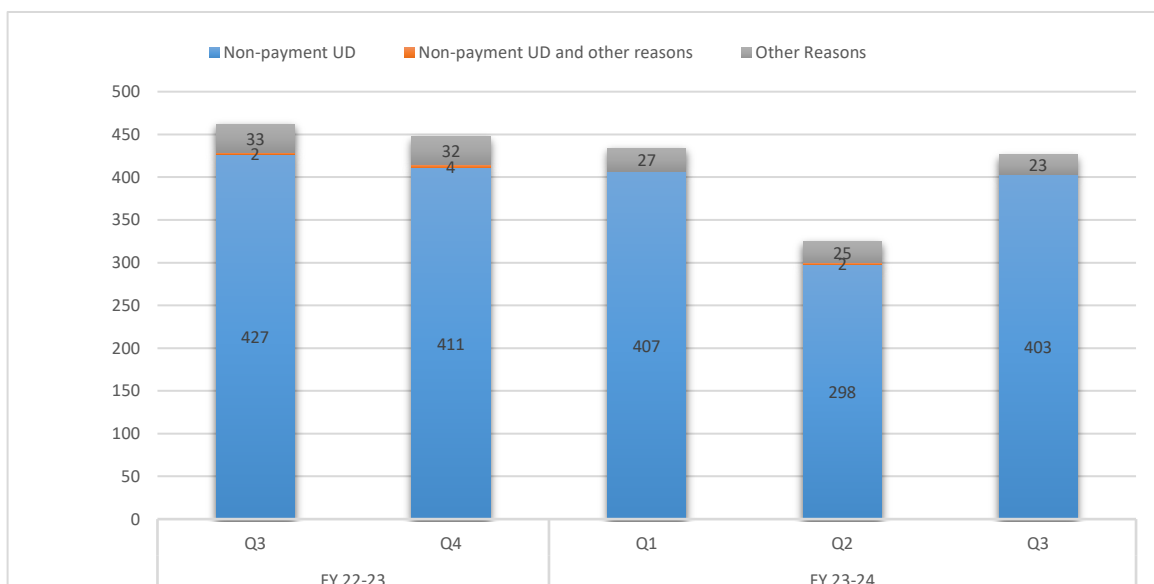
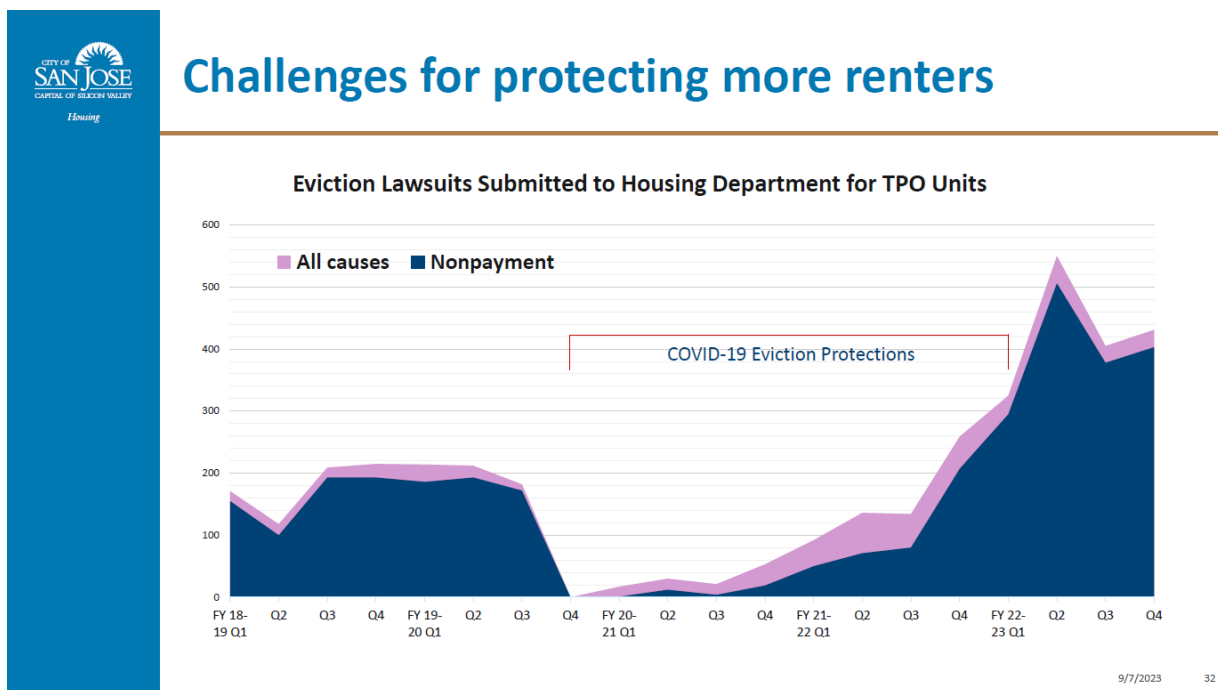


Figure B³ below helps to demonstrate the trend over time, particularly pre-pandemic, of evictions based on nonpayment of rent. The graph depicts the unlawful detainers submitted to the Housing Department from July 2018 through July 2023. Prior to shelter-in-place public health orders in March 2020, the number of unlawful detainer submissions hovered at just over 200 during each quarter. There was an anticipated spike of unlawful detainer submissions when COVID-19 pandemic eviction protections ended; the number of filings has not decreased significantly since the COVID-19 pandemic eviction protections ended. Given most of the evictions are based on nonpayment, this suggests that many San José households are struggling to keep up with rent even more so than before the COVID-19 pandemic.

Figure B: Eviction Lawsuits



The Housing Department continues to refine its programs to support tenants and housing providers in avoiding unnecessary evictions and mitigating displacement with a goal of reaching tenants further upstream before the eviction lawsuit is filed. These efforts involve not only providing resources and information to community members with eviction concerns but also further supporting and coordinating with outside partners who are addressing the root causes of homelessness and extreme rent burden. This includes working with the Santa Clara County Housing Authority to help educate tenants and housing providers about the benefits and responsibilities of housing vouchers and supporting the Santa Clara County Homelessness Prevention System.

³PowerPoint slide from the September 7, 2023 City Council Study Session on Affordable Housing Strategies: Production, Preservation, and Protection <https://sanjose.legistar.com/View.ashx?M=F&ID=12274028&GUID=178161D7-5CE7-48F1-AC3A-89E083846D41>

June 13, 2024

Subject: Housing Stabilization and Eviction Prevention Status Report

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PUBLIC OUTREACH

This memorandum will be posted on the City's website for the June 24, 2024, Community and Economic Development Committee meeting.

COORDINATION

This memorandum has been coordinated with the City Attorney's Office.

/s/
ERIK L. SOLIVÁN
Housing Director

The primary author of this memorandum is Emily Hislop, Division Manager, Rent Stabilization Program. For questions, please contact Emily Hislop at Emily.Hislop@sanjoseca.gov.

Attachment:

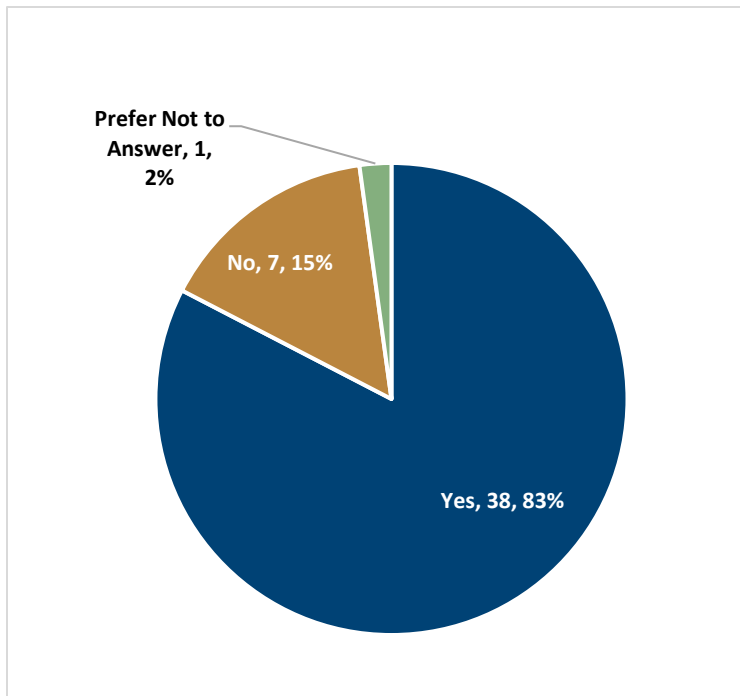
Results of Eviction Diversion and Settlement Program Survey

Attachment
Results of Eviction Diversion and Settlement Program Survey
(Participants between August 2023 – February 2024)

Housing Department staff surveyed **69** households that participated in the Eviction Diversion and Settlement Program (EDS) between August 2023 and early February 2024. The primary objective of the survey was to learn if, after three to six months since payment was made and the underlying eviction was dismissed, the household continued to live in their unit. Results provide staff an indication of how eligibility requirements should be refined to ensure the EDS achieves its objective of stabilizing the households that participate for some period of time. The survey results are as follows:

1. Surveys were completed relating to **46** households, comprised of 39 tenants and 15 housing providers⁴.
2. **20** tenants were unreachable.
3. **2** tenants declined to participate in the survey.
4. **8** households have not been reached as of the date of this status report.

Figure A: Response to “Is the tenant household still residing in the unit?”



⁴ Both tenants and housing providers (property owners/managers) were contacted which resulted in survey results from both parties in eight EDS cases.

Table 1: Responses to “Reasons for move out?” for Seven Households

Reason for Moving Out	Number of Households
Failed to fulfill a Stipulation* requirement	4
Failed to fulfill a Stipulation* requirement AND could not pay the rent	1
Could not pay the rent	1
Prefer not to answer	1

**A Stipulation is the agreement entered into by the parties that lays out what the tenant must do for the unlawful detainer (eviction) court action to be dismissed. Housing Department staff works with the mediator, tenant, and attorney or housing providers to include the portion paid by EDS. A requirement of the EDS is for the tenant to pay at least one month’s rent as part of the Stipulation. A housing provider may negotiate other requirements if there were other issues with the tenant. If a tenant breaches the Stipulation, the housing providers can request the court to enter judgment against the tenant.*

Figure B: Responses to “Has the household been paying rent on time?”

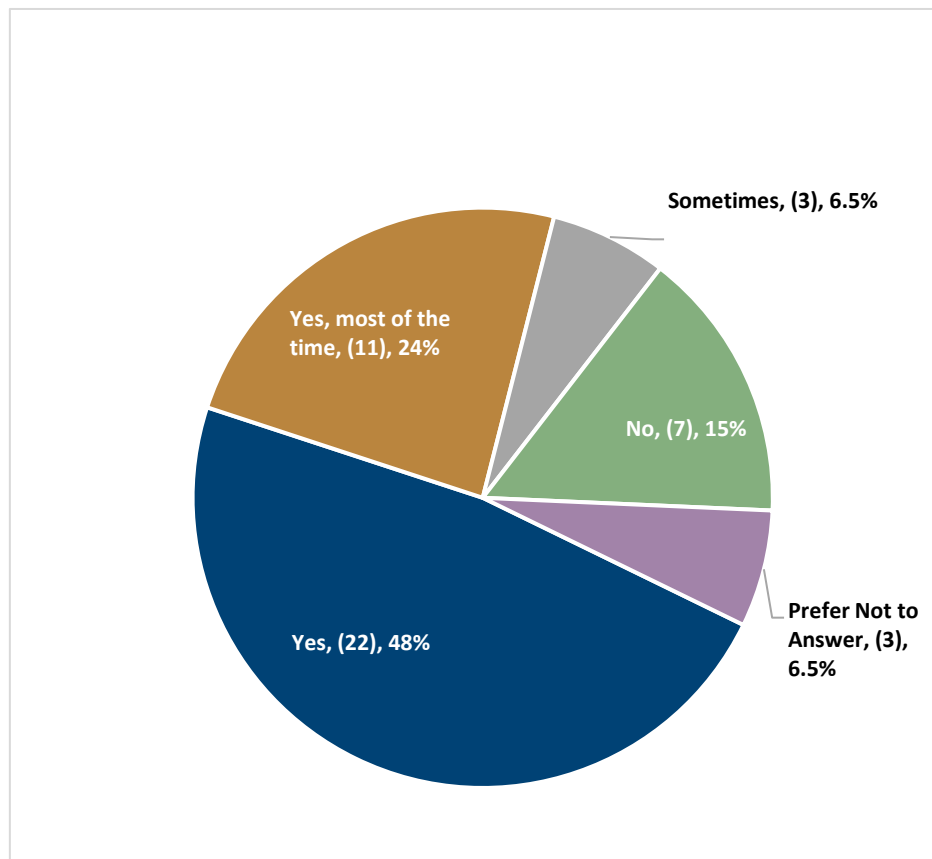


Figure C: Responses from 34 households still in their unit to “Is your intention to stay long-term or short-term in the unit?”

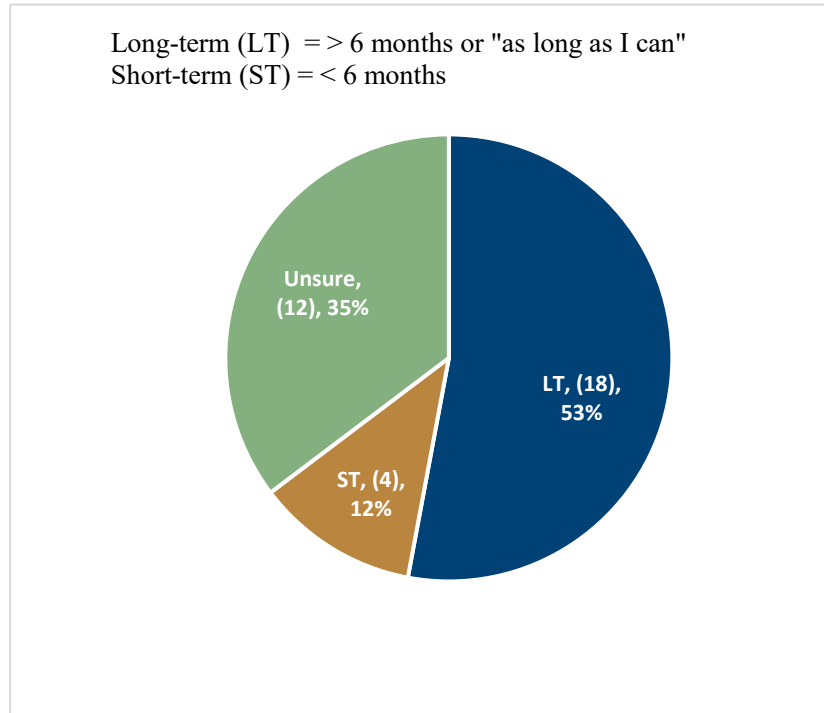


Figure D: Responses from 39 Tenants to “What resources are you interested in?”

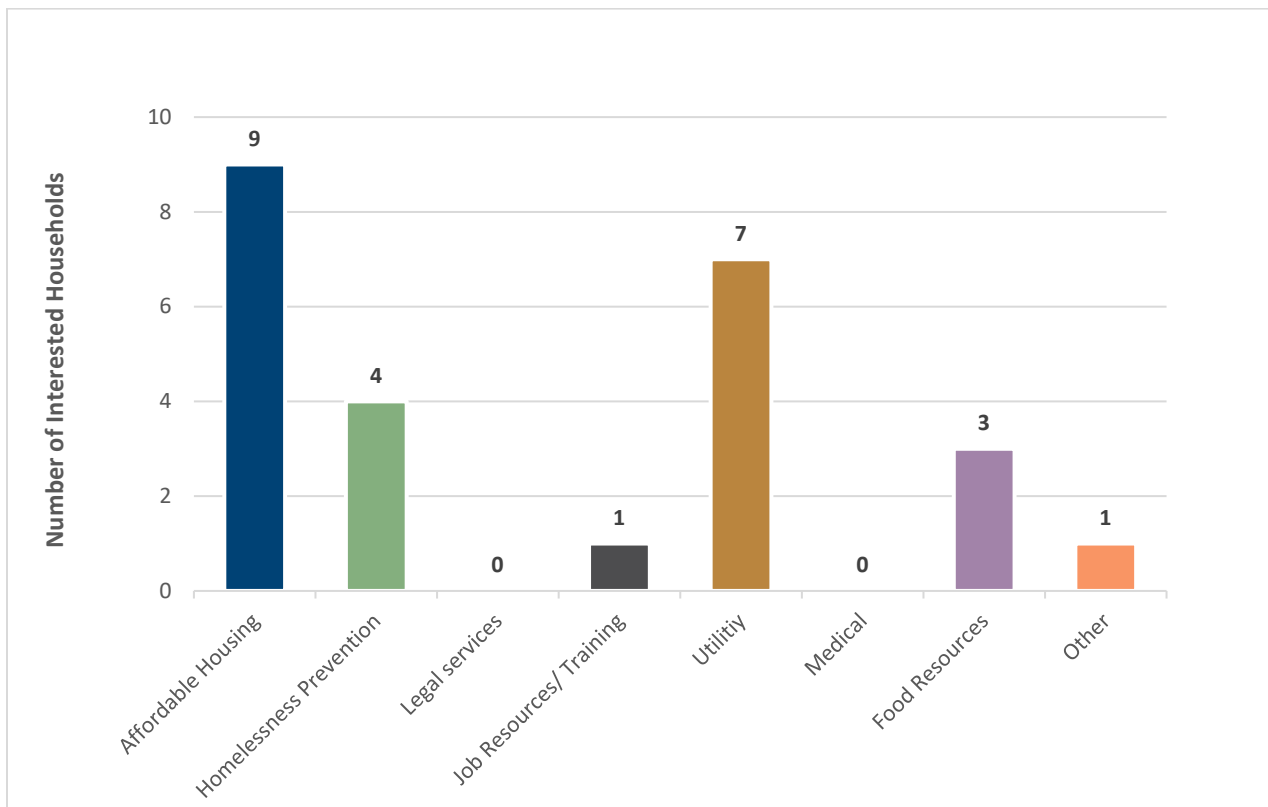


Figure E: Responses from All Survey Respondents “How helpful was the Eviction Settlement and Diversion Program in assisting you?”

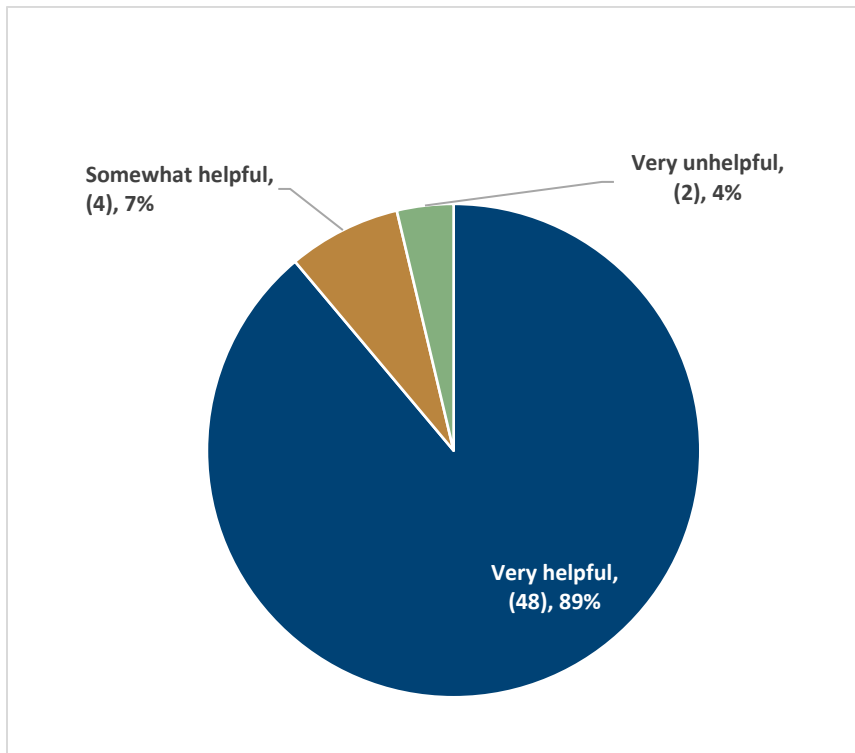


Table 2: Breakdown of Responses to “How helpful was the Eviction Settlement and Diversion Program in assisting them?” by Tenant and Housing Provider

Response	Tenants	Housing Providers
Very Helpful	34	14
Somewhat Helpful	3	1
Neither Helpful nor Unhelpful	0	0
Somewhat Unhelpful	0	0
Very Unhelpful	2	0
Prefer Not to Answer	0	0