



Community
Foundation
of Greater
Chattanooga

EVICTIION PREVENTION INITIATIVE
CITY OF CHATTANOOGA
AMERICAN RESCUE PLAN GRANT



OCTOBER 2021 – SEPTEMBER 2023



Eviction Prevention Initiative Partner Organizations

City of Chattanooga



Mayor Kelly’s One Chattanooga strategic plan for the City of Chattanooga includes an overarching goal to ensure accessible housing choices for all Chattanoogaans. As a priority within this goal, the Kelly Administration will seek to support both tenants and housing providers with housing security and eviction prevention resources. As the first actionable step towards this key priority, the City of Chattanooga partnered with nonprofit agencies and allocated a portion of American Rescue Plan funding for the prevention of evictions and reduction of homelessness in Chattanooga.

Chattanooga Regional Homeless Coalition (CRHC)



The Chattanooga Regional Homeless Coalition strives to lead the community in making homelessness rare, brief, and nonrecurring. The Coalition exists to lead, coordinate, and strengthen efforts to prevent and end homelessness throughout Southeast Tennessee.

Community Foundation of Greater Chattanooga



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Chattanooga

The Community Foundation of Greater Chattanooga (CFGC) is a nonprofit organization committed to the vision of a vibrant community where everyone has the resources, opportunities, and relationships needed to achieve their full potential and thrive regardless of place, race or identity. Together with community and partners, CFGC transforms generosity into lasting change toward a prosperous and just Chattanooga where all can thrive and achieve their full potential. In 2021, CFGC developed a cross-collaborative partnership with local nonprofits, the City of Chattanooga, and private consultants designed to prevent evictions and support housing stability in Chattanooga.

Emily O’Donnell Law



EMILY O’DONNELL LAW

Emily O’Donnell has practiced law in Chattanooga since 2008. After earning her JD with Highest Pro Bono Honors from Georgia State University College of Law, Emily served as staff attorney at Legal Aid of East Tennessee for almost 8 years. While at Legal Aid, Ms. O’Donnell represented low-income clients in 12 counties. Working deeply in eviction defense and Fair Housing, Emily found an unexpected love for housing issues. In 2013 she was awarded the New Advocate of the Year award by the Tennessee Alliance of Legal Services. She has worked in nonprofits, private law practice, and government. In 2020, while courts were closed because of the pandemic, she co-founded the Eviction Prevention Initiative with several colleagues and community partners. In 2021, Mayor Kelly and the Chattanooga City Council appointed Ms. O’Donnell as City Attorney, the first woman to hold the title. She now serves as a consultant to Legal Aid of East Tennessee on the Eviction Prevention Initiative and to the Community Foundation of Greater Chattanooga on several Strategic Initiatives.



Eviction Prevention Initiative Partner Organizations



Habitat for Humanity of Greater Chattanooga Area

Habitat for Humanity of Greater Chattanooga Area, Inc. is an ecumenical Christian nonprofit housing organization working in partnership with God's people in need to build simple, decent, and affordable homes. Recently, the organization added a fulltime social worker focused on promoting housing stability for local households.



Legal Aid of East Tennessee (LAET)

LAET provides high-quality legal services free of charge for qualifying individuals needing assistance with civil legal matters, such as housing access and stability. LAET currently has two fulltime attorneys dedicated to preventing evictions and promoting housing stability in Hamilton County.



Smartt Strategies

Smartt Strategies is a decision-making firm focused on providing civic education and policy analysis to 501(c)(3)s, individuals, and the public sector to better navigate the legislative process and broader political landscape. Smartt Strategies provides clients with comprehensive information necessary for multi-level decision-making on public policy. Smartt Strategies is run by Lesley Brock, a Chattanooga native with a Master's in Public Health from the Harvard T.H. Chan School of Public Health; and a Master's in Public Policy Decision-Making from the Fletcher School of International Affairs at Tufts University.



“THE HOME IS THE CENTER OF LIFE...THE HOME IS THE WELLSPRING OF PERSONHOOD. IT IS WHERE OUR IDENTITY TAKES ROOT AND BLOSSOMS, WHERE AS CHILDREN, WE IMAGINE, PLAY, AND QUESTION, AND AS ADOLESCENTS RETREAT AND TRY...CIVIC LIFE TOO BEGINS AT HOME, ALLOWING US TO PLANT ROOTS AND TAKE OWNERSHIP OVER OUR COMMUNITY.”

MATTHEW DESMOND

The COVID-19 pandemic and an expected wave of evictions brought increased attention to the impact of evictions at the national and local levels. Policymakers recognized that eviction increased risks not only to the health of evicted tenants but also to public health across communities. In addition, they recognized that eviction judgments threaten a tenant’s long-term housing stability by limiting future housing options. Consequently, federal, state, and local governments and state and local courts adopted changes, including increased emergency rental assistance, eviction prevention and diversion programs, and improved court procedures to increase fair and equal access to justice. Chattanooga and Hamilton County are among those communities leading these efforts across our nation. These programs not only help keep tenants housed, they also allow landlords to receive relief payments to mitigate the financial impacts of the pandemic on their businesses.

In March 2021, The American Rescue Plan (ARP) was signed into law by President Biden. The \$1.9 trillion economic stimulus bill intends to bring relief to Americans, protect the American economy, and combat the pandemic. The ARP provides funds directly to state and local governments, with \$39 million allocated directly to the City of Chattanooga. In September 2021, the Chattanooga City Council approved the city budget for FY 2021-22, which included a \$500,000 allocation to the Community Foundation of Greater Chattanooga (CFGC) “for the prevention of evictions and to reduce homelessness in our community resulting from the pandemic.”

**PROJECT
BACKGROUND**



PROJECT BACKGROUND (CONT.)

Through this allocation, CFGC expanded the Eviction Prevention Initiative (EPI) pilot program it had launched with partners at the height of the pandemic in June 2020. EPI is a cross-sector partnership between the City of Chattanooga, Legal Aid of East Tennessee, CFGC and its donors, Habitat for Humanity of Greater Chattanooga, Chattanooga Regional Homeless Coalition, local foundations, and consulting partners.

The primary goals of EPI are: (1) to prevent evictions and increase stability through legal representation, case management, and access to coordinated funding, and (2) to collect and share data to inform the scope of the current eviction crisis and understand policy solutions. The program also works to increase community education and awareness around housing issues and affordability in our community.

EPI serves renters who seek legal assistance during an eviction case and coordinates resources that make landlords financially whole while supporting housing stability for the tenant. The program provides legal counsel and case management to tenants at risk of losing their homes. In addition, EPI attorneys and social workers help secure federal relief on behalf of landlords and tenants and leverage a pool of flexible funding (from private donors) to pay court costs and fees and negotiate settlements on behalf of tenants whose households are below 200% of the Federal Poverty Level and who demonstrate the opportunity for housing stabilization.





PROJECT PURPOSE

The long-term impacts of eviction create significant obstacles to housing and family security and economic mobility. Evidence suggests that eviction is not merely a symptom of poverty, but also a cause of it. People who experience eviction are more likely to lose their jobs, experience depression, and rate their health as fair or poor. Households that move as a result of an eviction, rather than by choice, move to poorer, higher crime neighborhoods and are more likely to experience problems with their new housing like broken appliances, exposed wires, or lack of heat. This is due in large part to the fact that once a judgment is entered against them it is difficult to secure future housing (Collinson and Reed, 2018)[i].

The housing market in Chattanooga has changed substantially in the past two years and rising home prices reflect a growing interest in our city from outside investors. In 2022 the area median home sales price was \$305,000. This represents a 15.1% increase over the 2021 median and an almost 135% increase over the 2010 median home sale price of \$130,000. The median home price in August 2023 had already increased to \$330,000 (Greater Chattanooga Realtors) [ii]. As a result of this “seller’s market”, small “mom and pop” landlords may be incentivized to sell their property to a high bidder, or otherwise raise rents on properties that may be a source of relied-upon income.

Despite rising costs, many working families have not seen an increase in wages. The 2022 5-year American Community Survey data shows that the median Chattanooga household annual income was \$57,703. Recent data on families that fall into the classification of ALICE (Asset Limited, Income Constrained, Employed) show that 26% of Hamilton County residents struggle to pay for basic living expenses such as groceries and utilities[iii].



[i] Collinson, Robert, and Davin Reed. "The effects of evictions on low-income households." Unpublished Manuscript.[Google Scholar] (2018): 1-82.

https://www.law.nyu.edu/sites/default/files/upload_documents/evictions_collinson_reed.pdf

[ii] "Annual Report on the Greater Chattanooga Housing Market." Greater Chattanooga Realtors. (2022). PDF. https://www.gcar.net/images/uploads/subpage/GCAR-TN_ANN_2022.pdf

[iii] "ALICE in the Crosscurrents." United for ALICE. (2023). PDF. https://www.gcar.net/images/uploads/subpage/GCAR-TN_ANN_2022.pdf



PROJECT PURPOSE (CONT.)

Tenants experience increased difficulty finding and maintaining affordable rental units. In February 2022, the Chattanooga Times Free Press reported a 15.2% year-over-year increase in rental rates for a two-bedroom [iv]. Rates increased 18.3% between 2022 and 2023 as reported by the TFP in August 2023, for an average of \$1,550 at the time [v]. The Department of Housing and Urban Development (HUD) considers households spending more than 30% of their monthly income (\$1,443 per month in looking at the median Chattanooga household income) on housing expenses including rent and utilities to be “housing cost-burdened”.

By connecting tenants with attorneys and social workers and utilizing coordinated funding to the benefit of both tenants and landlords, EPI is helping community members navigate a difficult housing landscape and easing the economic impact of housing prices and inflation increases.

[iv] *"The effects of evictions on low-income households."* Chattanooga Times Free Press. (2022): <https://www.timesfreepress.com/news/2022/feb/23/rental-rates-chattanooga-jump/>

[v] Flessner, Dave. *"Chattanooga rent increases outpace most cities."* Chattanooga Times Free Press. (2023): https://www.law.nyu.edu/sites/default/files/upload_documents/evictions_collinson_reed.pdf

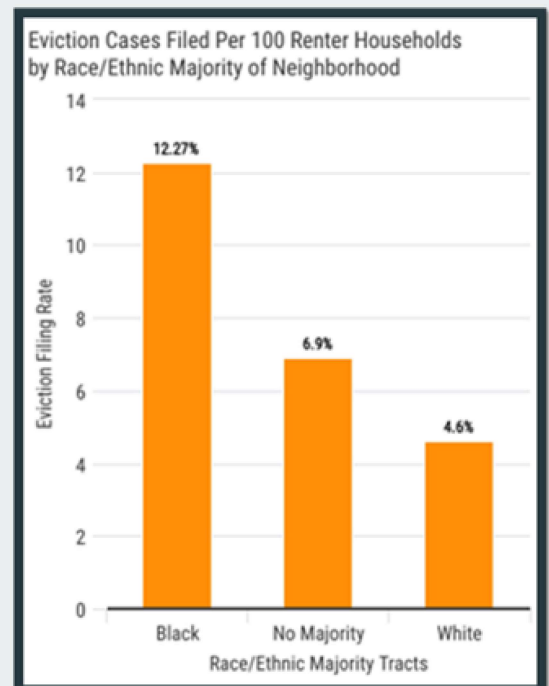
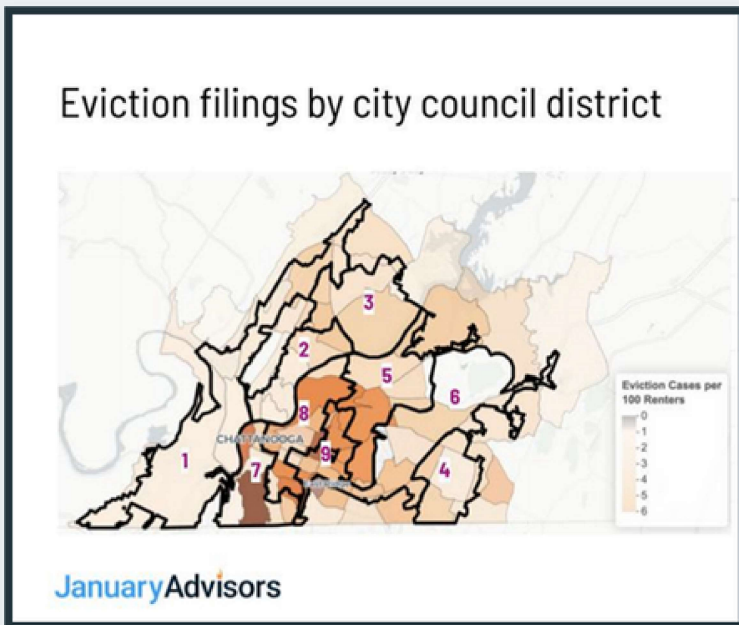




EVICTON FILINGS

Pandemic interventions, including eviction moratoria and emergency rent relief, appear to have decreased eviction filings in 2020 and 2021 in Hamilton County. However, mean eviction filings per month in 2022 increased by 34% over 2021. A review of monthly data throughout 2023 shows that eviction filings reached pre-pandemic levels with more than 273 filings per month, on average.

The annual average eviction cases filed from 2016–2022 show that more eviction cases tend to be filed in areas with majority Black/minority census tracts and areas with higher rates of poverty. These factors often, but do not always, overlap for a variety of reasons. [vi]



[vi] "Analysis of Annual Average of Eviction Filings for 2016–2022 performed by January Advisors and Provided on 5/19/23

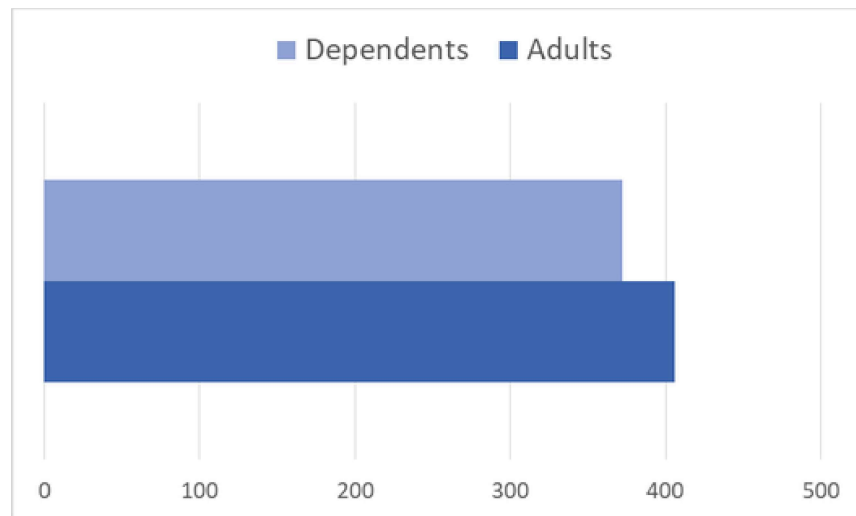


PROGRAM OUTCOMES: OCTOBER 2021 – SEPTEMBER 2022

LEGAL AND HOUSING OUTCOMES

During the grant period (October 2021 – September 2023), EPI helped 334 households both inside and outside of court to **avoid having an eviction on their records** by providing legal representation and access to funding. These households included at least 406 adults and 372 children who avoided the negative health, educational, financial, and social impact of forced displacement.

FOR THE GRANT PERIOD OF OCTOBER 1, 2021 – SEPTEMBER 30, 2023, EPI ASSISTED A TOTAL OF 334 HOUSEHOLDS, INCLUDING 372 CHILDREN AVOID AN EVICTION.



Did you know?

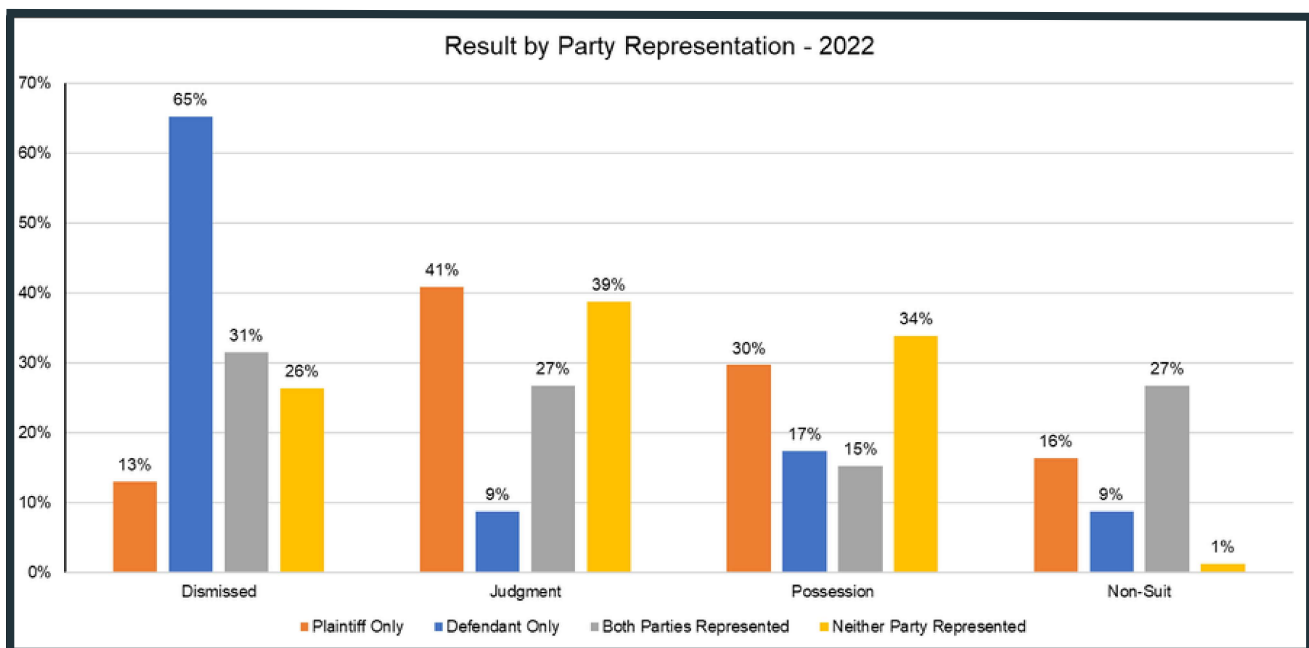
Under Tennessee law, when a landlord wins an eviction case in court, tenants have 10 days to move. The judge has no discretion to extend the time.



IMPACT OF LEGAL REPRESENTATION

Through the ongoing Court Watch component of EPI, we have gathered data that shows the importance of having legal representation in eviction cases. We're often confronted with the narrative that the tenant can't win in eviction cases, which may help contribute to the number of cases in which the tenant doesn't come to court for their eviction hearing.

The graph below shows the outcomes for cases broken down by party representation. Generally speaking, the "Judgment" and "Possession" outcomes would be in favor of the Plaintiff and the "Dismissed" and "Non-Suit" would be in favor of the Defendant.



Looking at the chart above we see that in 74% of cases where only the Defendant had an attorney, the case resolved in the Defendant's favor. In 71% of cases where only the Plaintiff had an attorney, the case resolved in favor of the Plaintiff. In other words, local data collected throughout 2022 show that legal representation significantly impacts the outcome of a case.

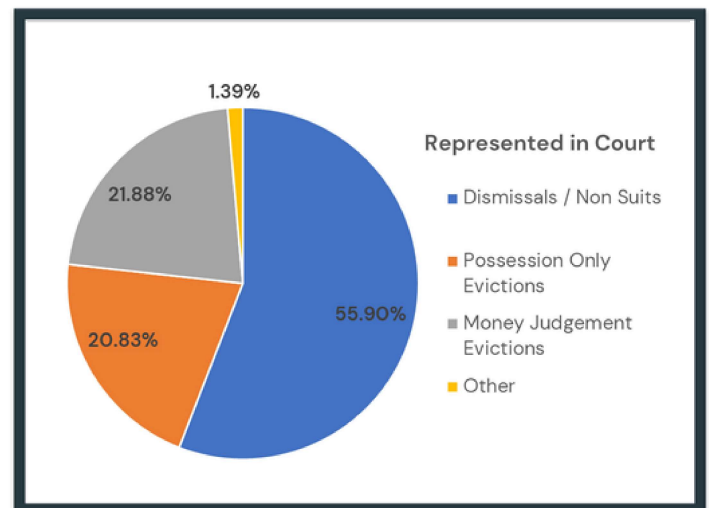
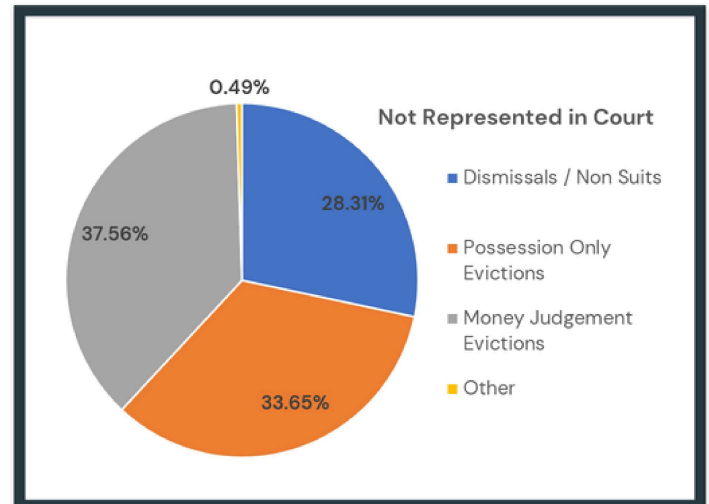




IMPACT OF LEGAL REPRESENTATION

Of the cases observed and recorded through the Court Watch program during the grant period (October 2021 – September 2023), 288 households received legal assistance at court. This number includes households not served by EPI, but is limited to those cases observed by Court Watch. Of these represented households, approximately **56%** avoided a judgment on their records. Of the households that did receive a judgment (43% of the total cases observed and recorded), approximately **97%** had improved outcomes in their cases because of legal advocacy. EPI codes the following as improved outcomes: additional time in the unit or a reduced amount of judgment.

Each of these improved outcomes is significant. Additional time in the home allows families to find alternate housing, pack belongings, minimizing risk of homelessness and property loss. Negotiating a reduced judgment increases the likelihood that a family will be able to satisfy the debt they owe and reduces the accrual of post-judgment interest.



IMPACT OF LEGAL REPRESENTATION ON EVICTION. BASED ON OUTCOMES FROM COURT WATCH DATA COLLECTION PROCESS (OCTOBER 2021 – SEPTEMBER 2023).





IMPACT OF CASE MANAGEMENT

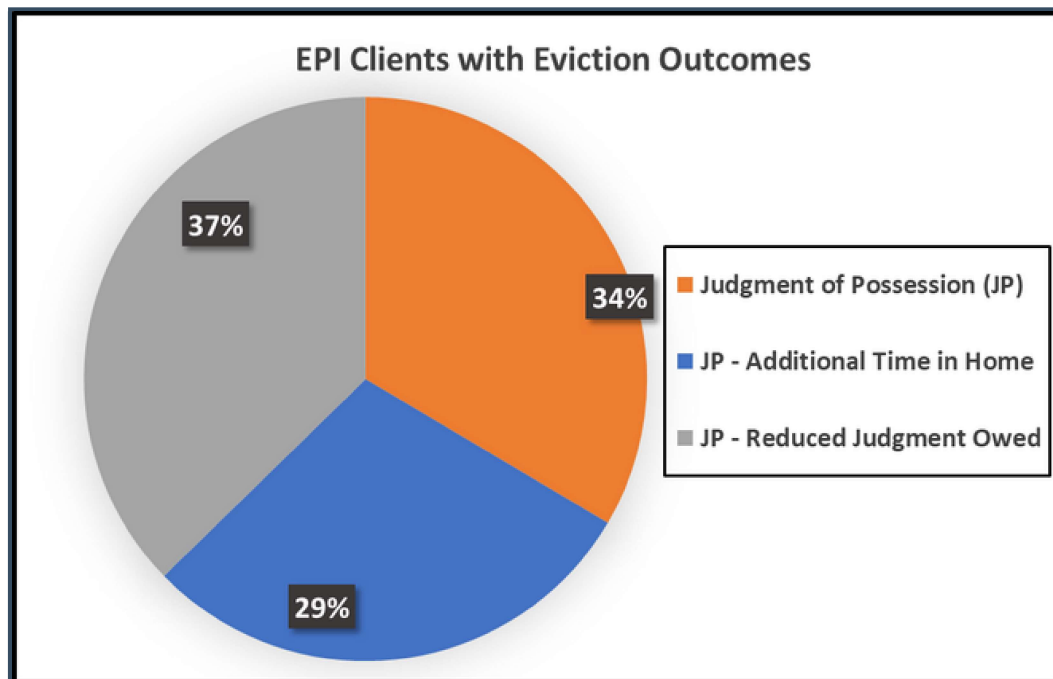
In addition to legal representation, EPI also provides case management to clients who need ongoing support to secure stability. This is provided by full-time social workers, employed by EPI partner, Habitat for Humanity.

From October 2021 – September 2023, 106 households graduated from case management. Of the 106 households, 96 households avoided homelessness. If unable to stay in their homes, they were either successfully rehoused or placed into transitional living. There were 10 households which withdrew from case management and for which we do not have housing outcomes.

NUMBERS TO KNOW

OCTOBER 2021 - SEPTEMBER 2023

The following numbers represent real life impact and benefit to hundreds of households served by EPI during the grant period of October 1, 2021 through September 30, 2023. During this period of time, the Community Foundation of Greater Chattanooga administered the ARP grant provided by the City of Chattanooga.





NUMBERS TO KNOW (CONT.)

OCTOBER 2021 - SEPTEMBER 2023

334

households avoided
eviction through legal
representation

106

households assisted
by a social worker

96

households avoided
homelessness through
case management

519

households that
received legal
representation

652

adults that
received legal
representation

564

children that
received legal
representation

\$335,685

in federal funds
accessed*

154

EPI households that have
accessed state, federal,
or local rent relief funds

\$339,424

utilized from local flex fund

127 of 185

evicted households had
improved legal outcomes

*This includes only clients who received legal representation and/or case management. Many individuals were assisted with THDA applications who are not included in this figure



MEETING A NEED MAKING CHANGE

The Eviction Prevention Initiative was launched in response to an imminent crisis that would affect hundreds of community members. The response needed to be collaborative, agile, and immediate. Since the launch in June 2020, the EPI partners have been able to refine aspects of the Initiative, add capacity, and increase success. In that time, there has also been an opportunity to build towards the long-term sustainability of the Initiative and explore more systemic solutions to the problem of housing instability in our community.

PROGRAM MANAGEMENT

At its core, EPI is about attorneys delivering effective legal representation to prevent evictions. The Community Foundation of Greater Chattanooga has been proud to serve as the incubator and backbone organization for this collaborative effort since June 2020. However, as the final year of ARP funding approached, Initiative leaders recognized the time was right for Legal Aid of East Tennessee to assume management of EPI and provide the Initiative a permanent home. Legal Aid will continue to work with Habitat for Humanity and their social workers, the Chattanooga Regional Homeless Coalition will administer the flexible funding source, and EPI founder Emily O'Donnell will remain as the legal consultant through the duration of the ARP grant. The Community Foundation will continue to provide thought partnership and financial support, including funding and fundraising.

**"THE SYSTEM IN CHATTANOOGA IS
SUPER UNIQUE AND INNOVATIVE. I
TELL PEOPLE IN OTHER
JURISDICTIONS ABOUT IT ALL THE
TIME."**

— STOUT RESEARCHER



MEETING A NEED MAKING CHANGE (CONT.)

RESEARCH AND ANALYSIS

At the end of 2022 with support from the Maclellan Foundation, the Community Foundation contracted with Stout and Southern Adventist University (SAU) to complete a cost-benefit analysis to understand the financial impact of preventing evictions. Stout and SAU are performing quantitative analyses of the types of interventions that EPI provides, such as access to counsel, and reviewing qualitative data gathered through stakeholder conversations. Stout has been reviewing a budgeting matrix, conducting interviews with local service providers who come into contact with community members experiencing housing instability (educators, pastors, law enforcement, housing and homeless services, etc.), and compiling other local and national research. Meanwhile, SAU has been interviewing EPI clients, landlords, and attorneys to reach beyond the numbers and to better understand the story and experience of those individuals going through the eviction process. The report will be released in the coming months and will provide a framework to better understand what opportunities might exist for systemic changes in our eviction process which can be beneficial to the whole Hamilton County community.

DEFENDANT NOTICE

In May of 2023, the EPI partners designed, printed, and began mailing postcards to all addresses of Hamilton County residents against whom an eviction had been filed with the Court. The postcards provide information about EPI and encourage recipients to contact the program to have their case reviewed by an attorney free of charge. This effort was intended to increase the number of people facing eviction who contact EPI for assistance with hopes that this would help reduce the default judgment rate (judgments against people who fail to appear in court). Data indicate the default rate in Hamilton County is more than 50% for eviction cases. From the start of the effort and through September 2023, the team sent more than 1,500 postcards.





MEETING A NEED MAKING CHANGE (CONT.)

Call volume to the EPI hotline and community members arriving at their court date with postcards in hand indicates that the effort is making headway to ensure that more of our neighbors are aware of the Initiative and seeking help. EPI will continue to track the default judgment rate through our Court Watch program to determine the effectiveness of this intervention.

In addition to mailed notifications such as these postcards, there is an opportunity to explore text notifications and other manners of ensuring that defendants are notified and reminded of their court date and of opportunities to connect with support. Already, the Hamilton County Civil Court Judges have allowed EPI attorneys to make an announcement at the start of weekly eviction dockets to notify tenants of assistance that may be available to them. Additionally, we have seen an increase in landlords telling their tenants about the support that EPI may be able to provide.



CELEBRATIONS

No matter the outcome of an eviction case, the process is stressful for everyone involved. From the judges who oversee the cases to other court personnel, attorneys, tenants, and landlords – no one wants to be there. However, in the summer of 2023, EPI partners heard from one Hamilton County court official that the “sense of stress was palpably different than it normally has been.” Rather than tear-filled arguments at the bench, tenants and landlords and attorneys for each are increasingly negotiating in the court hallways. The official noted that this change was also observed by colleagues, and they credited this improved atmosphere to the work of EPI and the court-based Eviction Diversion Initiative.

**“THE SENSE OF STRESS WAS
PALPABLY DIFFERENT THAN IT
NORMALLY HAS BEEN.”**
—HAMILTON COUNTY COURT OFFICIAL

In April 2023, Legal Aid attorney Anne Boatner was honored as the Ashley Wiltshire Public Service Attorney of the Year for her dedicated service, including crucial work with EPI. In August 2023, the Community Foundation was awarded one of the inaugural “One Chattanooga” awards for work “advancing Mayor Tim Kelly and the City of Chattanooga’s mission of unifying our city and building One Chattanooga.” This award was presented during the annual State of the City address in honor of the work of the Eviction Prevention Initiative.

The work of EPI not only helps restore lost funds to individual landlords and stabilize individual tenants. It also has implications for the issue of housing and homelessness across our region. The City of Chattanooga announced in April 2023 that it had seen a nearly 40% decrease in unsheltered homelessness in the past year. This was determined through the Point in Time Count facilitated by the Chattanooga Regional Homeless Coalition.



CELEBRATIONS (CONT.)

The Kelly Administration recognized EPI's efforts to avoid individual and family displacement by preventing eviction as a critical strategy in decreasing the number of people who become homeless. The decrease was lauded by the Senior Advisor for Housing and Services for the Department of Housing and Urban Development, Richard Cho, who has that it was "maybe the greatest turnaround story" he'd heard in our nation's response to homelessness.

In December 2022, the Community Foundation began discussion with The Tennessee Housing Development Agency (THDA) about the potential of local administration of federal rent relief funds that had previously been administered through Nashville. In April, the CRHC and Chattanooga Neighborhood Enterprises were each awarded \$500,000. The \$500,000 awarded to CRHC has been distributed to the EPI flex fund to continue providing this critical resource to community tenants and landlords. When THDA indicated that there would be a delay in funding distribution, the Community Foundation was able to provide grant funding and also successfully advocate for another, expedited batch of THDA funding to help bridge the gap.

Finally, we celebrate with the City of Chattanooga which has committed to mobilizing \$100 million in affordable housing over the next five years including an allocation in the FY 23-24 budget of \$33 million. We know that this will be a critical component in addressing housing stability across our community.

**"THIS IS MAYBE THE GREATEST TURNAROUND
STORY I'VE HEARD IN THE NATIONAL RESPONSE
TO HOMELESSNESS"**

**-RICHARD CHO, SENIOR ADVISOR FOR HOUSING
AND SERVICES, HUD**



THANK YOU

The Community Foundation of Greater Chattanooga considers it a great privilege to have been able to work with each of the partners of the Eviction Prevention Initiative over the last three years and to administer the ARP grant over the last two years.

In the 24 months following the ARP award in October 2021, our collaborative efforts helped 1,216 community members and \$675,109.49 was been distributed to landlords. We are excited about this next phase of the Eviction Prevention Initiative and the tenants, landlords, and other community members who will be served.



CFGC.org