## VERMONT LEGAL AID, INC.

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To: Chair Tom Stevens, House Committee on General, Housing and Military Affairs From: Jean Murray, Team Leader, Court Cases Team, HELP (Housing for Everyone

Legal Project) Vermont Legal Aid, Inc. 802-839-1311, jmurray@vtlegalaid.org

Re: Status of Eviction in Vermont

Date: January 11, 2022

Dear Chair Stevens and Members of the Committee,

Vermont Legal Aid's Housing for Everyone Law Project has been providing legal assistance to tenants facing eviction in court, and tenants seeking help with the VERAP program since the spring of last year with a Housing Stability Services grant from AHS, as part of Vermont's allocation of Emergency Rental Assistance funds.

**VERAP has funds to make rental housing safe and healthy.** Vermont was allocated \$200,000,000 for rent assistance from ERA 1. Vermont was allocated \$152,000,000 in rent assistance from ERA 2 (ARPA). Ten percent of that can go for Housing Stability Services programs, but most of it can be used for rent assistance, and "other expenses related to housing." Other expenses related to housing can mean money for certain repairs to ensure housing instability is not caused by unsafe or unhealthy housing. Those funds can be granted to landlords in eligible tenant households by the VERAP program. So far, only \$78,637. has been asked for and granted. VERAP can grant up to \$30,000. per eligible tenant household under the other expenses related to housing repair program. Vermont has a lot of money that can be used to make rental housing safe and healthy. More people need to know about it, and VERAP should streamline the process. <a href="https://erap.vsha.org/health-and-safety-repairs/">https://erap.vsha.org/health-and-safety-repairs/</a>

How many are looking for housing? Last week VHCB put number of households being housed in motels at 1300. Those are households looking for permanent housing. Add to that number the number of tenant households who are being evicted. Court data does not tell us the number of landlords who have terminated tenancies and caused tenants to look for new places to live. Court data tells us a smaller number: tenants whose tenancies were terminated, and they were unsuccessful at finding a new place to live, and so the landlord had to go to court to get them out.

The number of people whose tenancies have been ended by landlords is at least two to three times the number of tenants taken to court for eviction.

719 new eviction cases have been filed in court since July 1<sup>st</sup>, and the court has disposed of 698 eviction cases in that time. That means since July 1<sup>st</sup>, a multiple of 700 currently housed tenant households are trying to find a place to rent.



Chart 1<sup>1</sup>

How many are at risk of homelessness or housing instability? The Vermont Housing Needs Assessment<sup>2</sup> said in 2020 that the number of rental households in Vermont is 76,000, and last week VERAP said that 15,069 have applied for rental assistance.<sup>3</sup> That is 20% of Vermont's renting population who are filling out applications and attesting they are at risk of homelessness or housing instability.

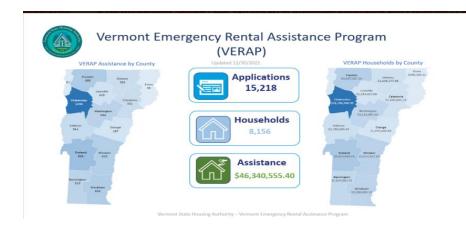
VERAP has struggled to set up systems to approve applications for the neediest tenant households, who often don't have access to the internet, or devices that facilitate the copying and uploading of documents; of the 15,069 VERAP applicants, 8133 applicants have been approved.<sup>4</sup>

<sup>&</sup>lt;sup>1</sup> Chart 1 was compiled by studying data sent weekly from the Vermont Judiciary to Vermont Legal Aid.

<sup>&</sup>lt;sup>2</sup> Vermont Housing Needs Assessment found at <a href="https://accd.vermont.gov/sites/accdnew/files/documents/Housing/VT%20HNA%202020%20Report.pdf">https://accd.vermont.gov/sites/accdnew/files/documents/Housing/VT%20HNA%202020%20Report.pdf</a>

<sup>&</sup>lt;sup>3</sup> VERAP Program Data, January 3, 2022, in response to Public Records Request from Vermont Legal Aid, Inc.

<sup>&</sup>lt;sup>4</sup> Id; graphic is from VERAP website dashboard as of 12/30/2021.



No landslide of evictions, but eviction rate is greater than vacancy rate. There is no doubt that 2020's rental assistance program, (RHSP funded with Cares Act funds) which helped over 6000 rental households, and 2021's VERAP program, which has approved applications of 8133 rental households, have helped to prevent a possible landslide of non-payment evictions. Both programs have had thousands of landlords participating, and helping tenants stayed housed.

In years before the pandemic, the yearly number of evictions was around 1700, or about 2% of renting households. Current eviction rates are about the same as before the pandemic. In 2021, in Vermont, rental vacancy rate has been about 1%<sup>5</sup>

Because of rental assistance, the court's eviction case numbers did not increase much from the average case numbers before the pandemic. But that is not what we expected. Based on data from eviction cases filed in 2016, we wrote a report<sup>6</sup>, concluding that if we had a robust rent assistance program, we could prevent 70 to 80% of all evictions, because the vast majority of evictions were filed because of non-payment of rent.

<sup>&</sup>lt;sup>5</sup> The data most often relied upon is US Census Bureau American Community Survey Data; it is a calculation based on small samples. Vermont does not keep data on rental housing providers. The closest approximation might come from the Tax Department's form LC-142, but not all landlords have to file those.

<sup>&</sup>lt;sup>6</sup> "Eviction a Closer Look" found at <a href="https://www.vtlegalaid.org/sites/default/files/Eviction-Report-VLA-3.18.19-web.pdf">https://www.vtlegalaid.org/sites/default/files/Eviction-Report-VLA-3.18.19-web.pdf</a>



Chart 2<sup>7</sup>

If rent is paid, why are there still so many evictions? This committee has heard about a history of new building not keeping up with deterioration of old housing stock. There is lots of information about booming real estate sales, increase in market value of dwellings. As they make other plans for property, landlords want tenants out.

A few landlords resort to less than legal methods to get tenants out. I have seen termination notices terminating for no cause and adding an illegal unenforceable threat: that if the tenant stays past the termination date, the landlord expects more rent such as: \$100 a day for every day after the termination. Those tenants would have a consumer protection act claim against landlords for that threat. From Vermont Legal Aid's case data, in FY 2021, and so far, this fiscal year, tenants calling for help with **lockouts** and landlord utility shut offs have doubled over the numbers from the previous two years. We talk to tenants everyday who feel harassed by landlords who want them out.

Eviction court case data shows that more landlords in this market are using "no cause" as a reason for termination of tenancy. We have heard landlords furious because tenants won't leave so they can sell buildings or get in tenants who can afford higher rents. In 2016, just 18% of tenancy terminations were for no cause. Tenants have virtually no defenses to termination for no cause. Evictions for non-payment can be ended by payment. Evictions for breach of landlord/tenant law or lease terms require the landlord to prove the breach. Evictions because of sale of property must be backed up by a purchase and sale agreement. We are seeing cases -- now over half the cases filed, where the tenant could be a tenant in good standing, rent is not behind, but the landlord is still evicting.

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<sup>&</sup>lt;sup>7</sup> Chart 2 was compiled by studying data sent weekly from the Vermont Judiciary to Vermont Legal Aid.

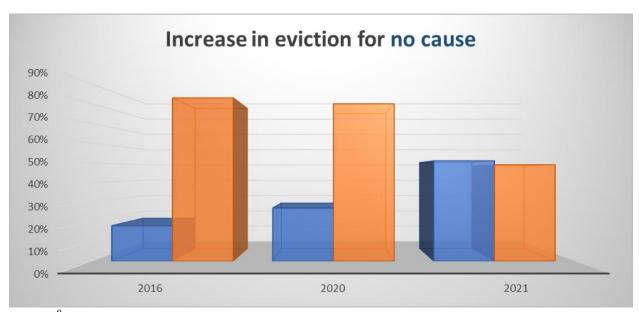


Chart 38

There is still a public health crisis. There is not enough housing. Allowing evictions for no cause does not seem like good housing policy now.

VERAP funds can be used to make repairs to units occupied by tenants, so tenants can have stable, safe, healthy housing.

<sup>&</sup>lt;sup>8</sup> Chart 3 uses data compiled for VLA's report, "Eviction a Closer Look" found at "Eviction a Closer Look" found at <a href="https://www.vtlegalaid.org/sites/default/files/Eviction-Report-VLA-3.18.19-web.pdf">https://www.vtlegalaid.org/sites/default/files/Eviction-Report-VLA-3.18.19-web.pdf</a> (2016) compared to cases filed in 2020 still active as of July 1, 2021, (2020) and new cases filed since July 1, 2021 through 12/31/2021 (2021).