

Greensboro's Eviction Crisis

A research brief from the Center for Housing and Community Studies

4/13/2018

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Greensboro Is Facing an Eviction Crisis

Many cost-burdened renters in Guilford County are one car-repair, one hospitalization, or one high-utility bill away from being evicted from their homes. Greensboro ranks #7 in the country for evictions. Housing instability has been shown to affect health outcomes, children's academic achievement, employment, and neighborhood vitality.

Data from the newly released Eviction Lab, the first national database of evictions, shows Greensboro as having the highest eviction rate of large cities in the state and the 7th highest eviction rate of large cities in the nation. In 2016, the eviction rate was 8.4 percent.¹ This means that for every 100 renting households in Greensboro, 8.4 experienced an eviction. On any given day in 2016, around 13 families were evicted from their homes.² By contrast, Winston-Salem and High Point have, respectively, around 8 and 3 evictions daily.³ In total, Greensboro households experienced 4,948 evictions in 2016.⁴

Unfortunately, these numbers for 2016 *underestimate* the number of evictions in Greensboro. All of the evictions tracked in Eviction Lab are *formal evictions* - all going through the long process of legally removing a tenant. As Matthew Desmond, the Principal Investigator at the Eviction Lab, writes *informal evictions* are perhaps more common than formal evictions. An informal eviction could be a landlord padlocking the door while the tenant is at work or a landlord threatening a tenant if they do not leave their home.

The Center for Housing and Community Studies (CHCS) found that in 2016, there were 16,601 summary ejectment filings by landlords in Guilford County. This is the civil claims proceeding that may lead to a formal eviction. CHCS staff compiled a database

¹ Eviction Lab, Princeton University, www.evictionlab.org.

² Ibid.

³ Ibid.

⁴ Ibid.

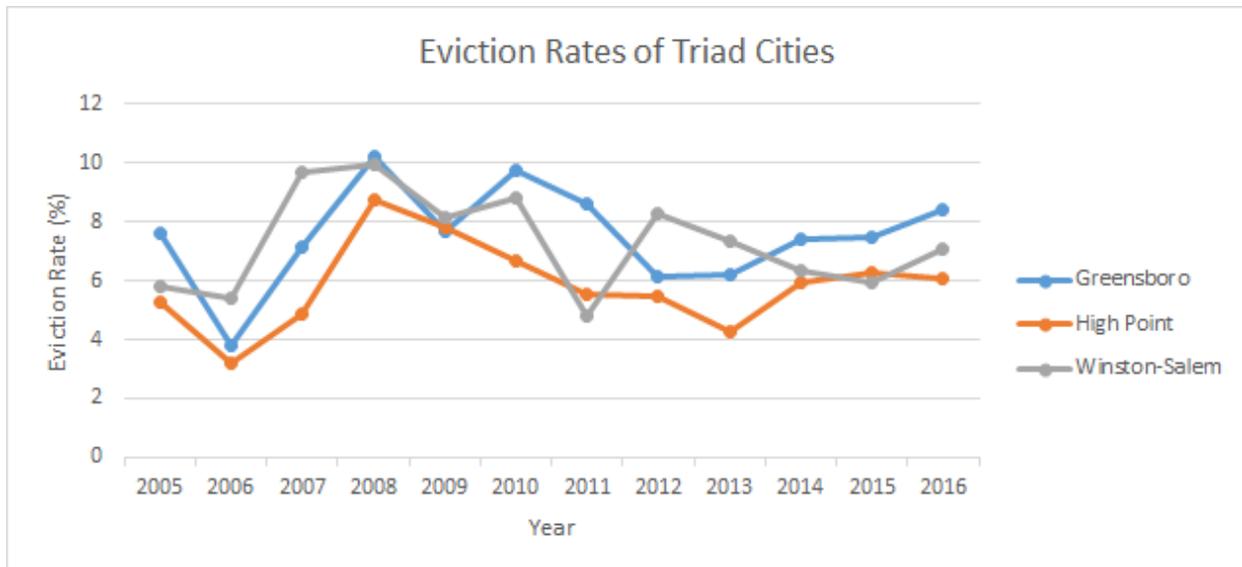


Figure 1 - Eviction Rates 2005-2016 Piedmont Triad Large Cities, CHCS Analysis of Eviction Lab Data 2018

of one month of Greensboro evictions from court records (over 1,200 filings), releasing a report in 2017 that found a small number of landlords accounted for more than half of filings and that most evictions were concentrated in neighborhoods that are most impacted by poverty.⁵

UNCG researchers followed up with 20 tenants evicted in 2016 and found that they were evicted due to job loss, employment stability issues, or loss of income. More than half of those interviewed experienced some form of homelessness in the period following the eviction. One respondent explained: "I lived in a tent in the woods with my dogs for about two months before a woman gave me some money to get a hotel for a while. When the money ran out, I was back and forth in between the woods and living in a hotel whenever I had the money." Another said: "I was homeless for a week, lived in my SUV. After that, my mother didn't want me living like that so I moved to Virginia with family for about a year. It caused problems and separated me from my fiancée for a long time." Finally, a third explained: "I was homeless for over a year after that eviction staying on different people's couches. I just recently got an apartment. I had to put the apartment in someone else's name in order to get one."

⁵ <https://chcs.uncg.edu/wp-content/uploads/2017/07/Evictions-DRAFT-7-25-2017-SILLS.pdf>

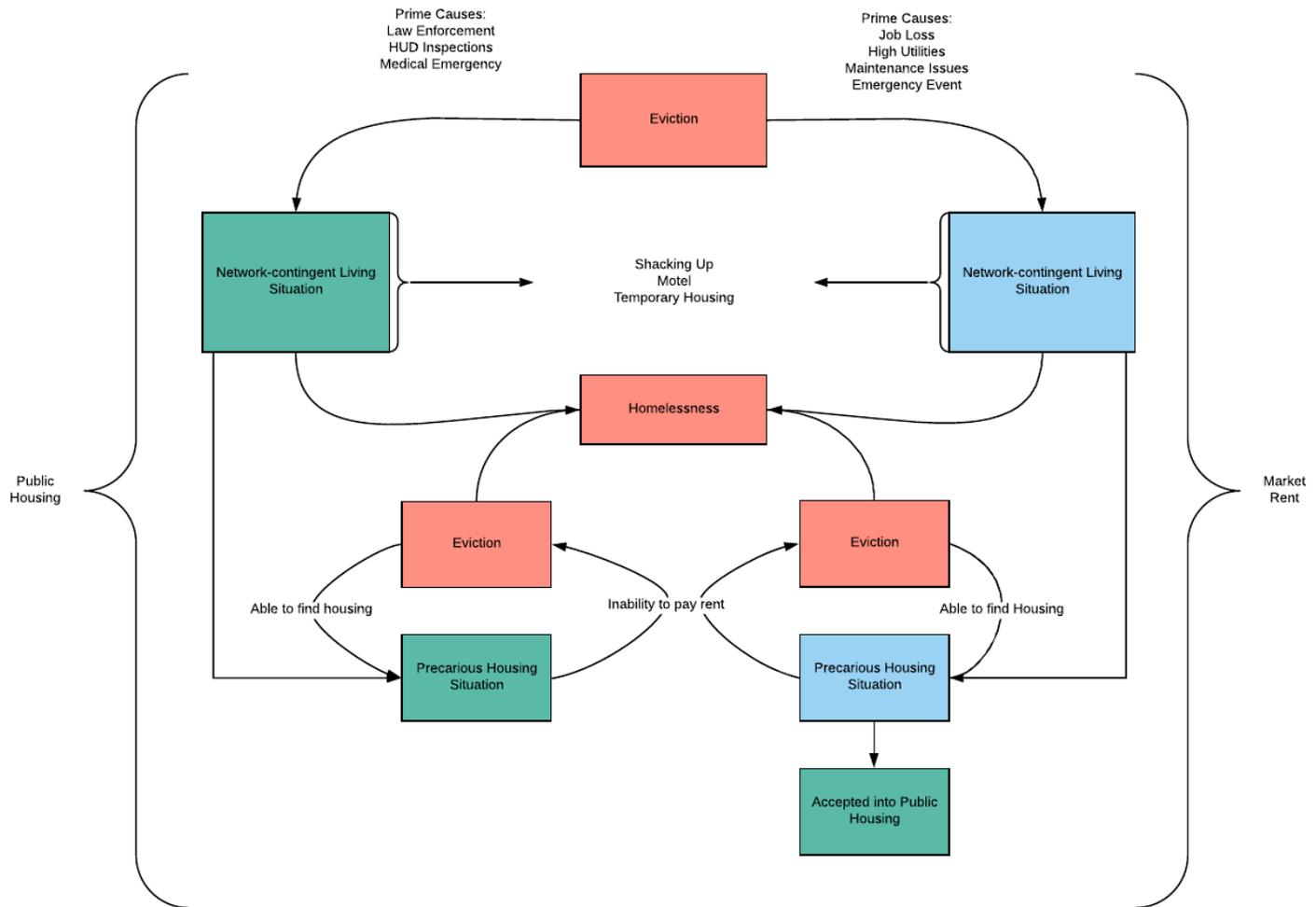


Figure 2 - Eviction Cycle Market Rate vs. Public Housing, CHCS 2018

Impact of Evictions

Eviction, or even the threat of eviction, has been shown to affect mental and physical health. Mental health issues resulting from eviction can range from anxiety and depression to, tragically, suicide. Tenants who are forced to relocate to poorer housing conditions may face the possibility of increased emergency room visits resulting from lower standards of living and causing further economic hardship for the household. Some researchers have suggested that these health effects are large enough to constitute a public health crisis.

Eviction touches the lives of Greensboro's youngest residents. School performance tends to decrease when students are in unstable housing situations. Parents who are

working multiple jobs or worrying about eviction may not have the time to take an active role in their child's education. One mother who was interviewed by CHCS reported that her daughter became anxious when her mother paid any bill late, not just the rent. In another interview, a different mother said that her daughter repeatedly asked her "where her room went."

We have learned from focus groups with landlords that evictions cost landlords thousands of dollars. According to our research in Greensboro, the average back rent owed to landlords was \$998.52. Additionally, landlords must pay fees for padlocking doors and other various court fees. After evicting a tenant, landlords lose months of rent as they "flip" the unit for the next tenant. One landlord reported losses of nearly \$4,000 from each eviction.

In order to stay afloat, landlords pass these costs to other tenants, meaning tenants are made to pay more on their rents. Greensboro's affordable housing crisis is intimately linked with its eviction crisis. When asked to comment on the costs of eviction, one tenant in Greensboro reported that "Every time I'm late, which is almost every month, they file the eviction papers and I get charged the late fee and the court fee. *That's an extra \$200 a month.*" These findings illustrate one of many hidden costs people who are poor pay in America.

All of the effects of eviction come with a societal cost. Increased visits to the emergency room put a strain on the medical system. Extremely low-income residents are more likely to use public services, affecting the city budget. In New Orleans - a city of similar population to Greensboro, but with a much lower eviction rate (1.66 percent⁶) - researchers from the Urban Institute estimated that family financial insecurity resulting from eviction, unpaid property taxes, and utility bills costs the city anywhere from \$8 to \$18 million⁷.

⁶ Eviction Lab, Princeton University, www.evictionlab.org.

⁷ Retrieved from: https://www.urban.org/sites/default/files/publication/87721/new-orleans-cost-eviction-and-unpaid-bills-financially-insecure-families-city-budgets_1.pdf.

Addressing the Issue: Greensboro Eviction Diversion Research Project

Greensboro's designation as one of the top ten evictors in the nation has been a call to action for county officials, community members, UNCG researchers, and the private and nonprofit sectors to work together to create innovative solutions to keep people housed. Among the most crucial ways to ensure housing stability in this community is the provision of eviction prevention services to minimize the trauma and disruption to families and the economic costs to landlords of evictions, and to maximize the utilization of existing affordable housing.

In our current collaborative effort to address this issue, UNCG Center for Housing and Community Studies (CHCS), UNCG Economics Department, UNCG Computer Sciences Department, and the UNCG Center for Youth, Family, and Community Studies have been working with the Greensboro Housing Coalition, the NC District Courts, local philanthropy, tenants, landlords, and Guilford County Government (through our MetroLab⁸ partnership) to develop a pilot program that will divert potential eviction cases from adjudication into mediation and case management, keeping tenants in their homes while addressing both landlord and tenant concerns. The program is being developed with tenants and landlords as Co-Investigators to provide emergency financial assistance to avoid evictions due to inability to pay utilities or rent owed in a crisis situation, landlord-tenant mediation to defuse situations potentially leading to eviction, and Landlord and Tenant Education services to help both parties understand obligations and ensure that people remain successfully housed.

The program will be analyzed for cost-effectiveness and Social Return on Investment. We will also develop a tenants' rights educational campaign to inform those facing possible evictions of the legal process and their rights and responsibilities. In this manner, we hope to begin reducing this high number of evictions in our community in the most cost-effective manner while addressing the needs of all involved in the process.

⁸ <https://metrolabnetwork.org/>

