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Senate Bill 454

Real Property – Alterations in Actions for Repossession and Establishment of Eviction Diversion Program

In Senate Judicial Proceedings Committee on Feb. 9, 2021

Position: FAVORABLE

I urge you to support Eviction Diversion Bill (SB454). The ongoing pandemic has both highlighted and exacerbated the negative consequences of evictions and the inequities within the rent court system across Maryland. The state needs housing justice legislation to address the broader systemic problems of the state's rent court.

I am an affordable housing and community development practitioner with both experience in Baltimore and nationally. I was the Executive Director of Govans Ecumenical Development Corporation for 12 years and led the development of the Stadium Place affordable retirement community. Since 2010 I have worked for national organizations providing technical assistance about HUD programs and managed projects for cutting edge initiatives in the housing and community development field. I am now serving as Executive Director of a nonprofit association that supports asset managers of affordable housing across the country.

In the 1980s, I started my career as a property manager of subsidized housing. I took residents to rent court regularly and at the time took for granted that this was the only way to collect rents. I find it **appalling** that decades later the eviction process in Maryland and especially Baltimore City has not changed. We have perpetuated systemic inequities that have had impacts on multiple generations of low-income renters and people of color. This must change.

Around the country and in Maryland, affordable housing providers, both for-profit and nonprofit, have changed their approach on rental collections and resident well-being. They are committed to providing services and workouts with their residents to prevent and avoid evictions. COVID has accelerated financial hardships and providers have accordingly intensified their response to prevent resident evictions in the long and short term.

Here are examples of what is going on around the nation:

• A recent article in Shelterforce "Is the Pandemic Improving Affordable Housing Asset Management?" *Resident services has long been the first to be cut in hard times—but for some housing providers that may be changing*. <u>Link</u>

- WinnCompanies Announces National Housing Stability Program Designed to Cut Evictions in Half Within Five Years. *Company will make financial hardship evictions the last resort for 160,000+ people nationwide*. Link
- Social Impact Measurement of CommonBond's Eviction Prevention Activities. *When it comes to the impacts of a stable home, the SROI analysis estimates that for every \$1 invested in our eviction prevention work, \$4 in social benefit is generated.* Link

The legislation lays out major changes to the process that help residents and also landlords.

- Requires early resort to rental assistance before suing to evict
 - Affordable housing providers already provide referrals or direct services on-site. I urge you to seek input from nonprofit housing providers to ensure that the required process complements and does not deter from what they already offer and the trusting relationships they have built with their residents.
 - Sustained outreach efforts with training and technical assistance for both landlords and residents are needed – written in plain, non-legal terms with infographics and using multiple channels to communicate the messages.
 - There will need to be new resources for rental assistance and ways to access funds that are efficient so that tenants do not have to take off work to hunt down assistance.
- Establishes a formal two-phase proceeding and Eviction Diversion Program
 - Rent collection procedures have been driven by rent court timeline for as long as I have been in the business. Mediation and work out agreements will save landlords and tenants time and money, and be more effective.
- Delaying eviction in emergency situations
 - It is heartbreaking to see people evicted when providing a bit more time and resources would prevent homelessness. Many landlords will evict strictly by the court timeline rather than grant extensions that stabilize a person's housing situation and allow them to stay in their apartment.

Now is the time to fix Maryland's massive eviction system. SB 454 is part of that fix, creating a paradigm shift in the state's massive eviction dockets. I urge the Committee's FAVORABLE report on SB 454.

Thank you for your consideration of new laws that will mitigate against Maryland's eviction crisis.

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