

12/10/20 Minutes

SAPC Committee for Social Justice

Meeting Participants:

Cindy Ingalls, Charlotte Sullivan, Lori Edwards, Mark LaMantia, Dustin Ingalls, Elizabeth Lusk, Sherry and Harry Hurd, Shelley Kane, John Fisher, Tom Cadwallader, Melissa Peacock, Jerry Perkins, Juan Ayala-Carmona, Lydia Menzel, Judy Ice, Karen Weber, Katie Hirscher, Mike Schley

*Note all comments paraphrased for conciseness, full meeting available on recording

<https://us02web.zoom.us/rec/share/f3uwtLfGt11W6nlxShdFMXa8h0oxxnBZ26Sd8UjcJlw3357F MVyvwWX4PkTXMdUYz.Ecxpp0H6V34TtSxG> Pass code 9G+U6xr1

7:00 Opened in prayer by Mike Schley

Guest speaker: Al Ripley Contact him at: al@ncjustice.org

Director of Consumer, Housing & Energy Project at the NCJustice Center

NC Justice Center

- 501(c)3 nonprofit organization
- non-partisan
- Topics for tonight: Energy issues and housing.

Before COVID we had a shortage of affordable housing

- firefighters, teachers and police cannot afford to live in Raleigh the area where they serve.
- Lack of available rental units
- ownership beyond the reach of many
- Lots alone cost \$300-400K, gentrification in many communities of color have been long-term problems
- Onset of COVID has magnified the problem
- Now 100s of thousands layed off or under employed

Some solutions are:

North Carolina Housing Trust Fund

- Administered by the NC Housing Finance agency and funded by the North Carolina General Assembly
- Uses tax incentives for low income housing tax credit program or LIHTCP
- Tax credits allow developers to rent to those that make <80% AMI
- maintain that for 15 years and then reapply
- currently funded at \$11M dollars
- principal policy objective would be to have \$60M dollars

Bonds

- \$100M bond passed in Wake County
- Durham housing passed one last year as well

Forbearance

- Puts a pause on loan payments for a specified time and then added to the end of the loan
- One foreclosure on block = 4% decrease value of surrounding homes
- Financial advantage for communities and banks to avoid foreclosure
- Less foreclosure stabilizes community
- Hoping congress will extend this option

Rental eviction moratorium and financial assistance

- 80% of landlords own 8 units or less
- Majority of tenants live in smaller developments.
- If landlords lose rent properties & go into foreclosure won't protect tenants
- CDC moratorium and Governor Cooper's executive order added protections but they will expire December 31st
- Imperative these moratoriums are extended into 2021
- Imperative a moratorium is complemented by financial assistance

Brief Q&A Period

Q: Jerry Perkins: How can we help cost-burdened renters paying more than 50% of income?

A: No one should be spending more than 40% on housing and utilities. But we need more units. It's a supply-and-demand issue. We simply don't have enough units an infusion into the funding trust fund would help get volume up.

Q: Harry Hurd: Is there a way to work with landlords to accept a decrease payment like \$0.80 on a dollar for rent?

A: There are some folks out there trying to do rental mediation like this but it does not have to be a formal process. Governor Cooper directed \$94M into the HOPE program but the money ran out in three weeks. Some landlords did not participate because by taking funds from HOPE they would be unable to evict. With the \$600 unemployment ending there will likely be an increase in filings.

Q: Is there a way to donate money to help?

A: There are charitable organizations that offer rental assistance you can donate and get a tax deduction as well. Recommend that you work through a nonprofit organization rather than working directly with clients.

Q: Mark LaMantia : Some organizations allow you to adopt a family but wasn't sure the name. If there is only deferment of rent and no waiver what is the solution at the end when all the money is due?

A: There are no statistics out on this yet. But making up for being 6 months' rent at the end of the moratorium only forstalls a crisis . In context of a pandemic it's a real health issue because evicted folks tend to go live with family or others entering into high density conditions. Begs for a federal solution with money and a moratorium.

Q:Are there forbearance available for landlords with business or commercial loans?

A: Not aware of any of these at this time but banks are vulnerable of a mass eviction because it will dilute property values. There needs to be a replacement of revenue. A two-prong forbearance approach could help. There are favorable interest rates now for lending which is a positive tool also available.

Assistance with utilities & shutoff moratorium similar to and just as important as housing issues

- Many jurisdictional dynamics that are not standardized across the state
- Previous moratorium allows people to pay arrears over 12 months time yet other areas give only 6 months. This is a hardship when regular bills are already too high
- If utilities shut off in cold weather folks leave their homes to live with others and have increased density conditions
- No water can't wash your hands in the midst of a pandemic
- Critical to ask for a shut off moratorium for low income as well as money
- Restrictive devices like those suggested by Wilmington are not an option as they reduce flow so much you cannot do laundry or take a shower
- NC Justice Center opposed this solution and the Wilmington board has delayed for 2 months for to review before implementing
- It is common in NC rental agreements that failure to maintain utilities is a breach of contract (Logical failure to pay no heat= frozen and broken water pipes, huge cost for landlord)

3 Other ways to help lower cost of utilities can help low income families

Encouraging policymakers to increase funds to support these areas will go a long way

- Energy Efficiency: ie: Using appliances that do same task with lower energy costs for example replacing an old water heater with a heat pump water heater. Light bulbs with LEDs
- Weatherization: Improves quality of housing decreases costs; ie: better insulation, seal ceilings, caulk windows
- Urgent repairs: Before upgrades can be implemented in the two areas mentioned above sometimes repairs need to be performed. IE: a hole in the roof repaired before a new AC unit can be installed

Brief Q&A

Q: Mike Schley: The state had bipartisan support of using CARES funds for the Hope program. Is that accurate and would it be the case with a second infusion of money?

A: HB1105 Enabled increase money to rent and utilities and mortgages. 2 weeks before the HOPE program began but the amount of arrears keeps rising \$400K to \$500K it was a partial fix and not enough money.

Q: Katie Hirscher: I read a News & Observer Today that there are billions not yet spent that will need to be returned to the US Treasury at the end of the month. Anything being done to allocate this money towards housing?

A: NC Justice Center has been calling daily begging to move the money to HOPE. It would be helpful if Congress extended CARES Act to allow more time to spend the funds. Important to ask that CARES money be directed to HOPE to pay rent and utilities

Q: Juan Ayala-Carmona: Are there any statistics on how many are actually evicted?

A: This is a very hard number to get. Eviction filings are tracked but not actual outcomes. Policies should be driven by data but it's difficult to know the numbers. Foreclosure filings are tracked by the AOC. Utility Commission reports how many are behind. But lots are under-reported for example tenants who leave a property because they feel they'll be evicted but there's never been a filing. People just pick up and leave to live in cars or with other people and there's nothing in the system to track this. I've heard numbers of 20K to 200K statewide 30 million number has been kicked around nationally regardless it's too many.

Mark LaMantia comments: Reason for evictions are not tracked oftentimes are dismissed and don't always mean people become homeless.

Mike Schley suggests stats can be found at National Low Income Housing Coalition

7:45 Presentation ended and thanks to Al Ripely for an informative talk

Discussion opened for proposed eviction crisis proclamation to be submitted to Session at meeting Dec 15,2020.

Motion made by Lori Edwards seconded by Mark LaMantia

Motion is unanimously passed.

Motion:https://drive.google.com/file/d/1_BV0rL5kaWmqBDek5EEAyYCqzgO9pZ-p/view?usp=sharing

Updates from sub groups :

Criminal justice subcommittee: Mark LaMantia

- Met with DA Lorrin Freeman and asked about ways we could help
- She suggests we work with NC Justice Center
- NC Session begins mid Jan
- She will inform us of upcoming legislative proposals
- TREC Task force will release 125 social justice reforms on December 14th
- Pretrial and special assessment tools will be forthcoming in more reforms
- Maybe important to write lawmakers to support particular legislation
- She agreed to a Zoom meeting with our group in Feb, March or later

Education: Judy Ice, Elizabeth Lusk

- Met with Reverend Susan Miller Director of Pastors for NC Children
- Rev Miller gave a broad overview of their service its system & impact
- May be a possible partnership in addition to other network churches working with education and equality

- Sue and Judy have scheduled a follow-up meeting to try to narrow our focus

Housing: Lori Edwards, Dustin Ingalls covered in tonight's topic

Special recognition and thanks for the work of Lori, Dustin, Mike, Katie for researching and crafting an action statement for the eviction crisis. Thanks also for those helping with edits and for all those interested and participating in this endeavor.

Upcoming

Next meeting Thurs. Jan 14, 2021 at 7:00pm.

At the January meeting we will have a special presentation by Daniel Bowes from NC Justice Center on criminal justice issues.

At the March meeting we will have a special presentation by John Semmes on Social Justice in Bible.

8:17 Meeting closed in prayer by Lori Edwards

Minutes respectfully submitted by Katie Hirscher