

Cleveland Eviction Right to Counsel Annual Independent Evaluation January 1, 2022 to December 31, 2022

Prepared for: Cleveland City Council

January 31, 2023

Section I-Executive Summary

In September 2020, Stout was engaged as the three-year evaluator of Cleveland’s Eviction Right to Counsel (RTC-C). Over the past two-and-a-half years, Stout has worked with United Way of Greater Cleveland (United Way) and The Legal Aid Society of Cleveland (Cleveland Legal Aid) to collect and analyze data, learn from the experience and expertise of Cleveland eviction ecosystem stakeholders including Cleveland Legal Aid staff attorneys, paralegals, and attorneys representing rental property owners, and develop an iterative approach to evaluation.

Key Findings

The second full year of RTC-C occurred amidst a variety of economic and labor market challenges including significant inflation, a tight rental housing market, ongoing impact from the COVID pandemic, and increased demand for workers, including attorneys. Cleveland Legal Aid has continued its commitment to assist RTC-C clients in achieving their goals and collecting data to demonstrate the impact of its services. Data and metrics in this evaluation report cover three primary time periods:

- July 1, 2020 through December 31, 2022 (i.e., the launch of RTC-C through the most recent data reporting available from Cleveland Legal Aid)
- January 1, 2021 through December 31, 2021 (i.e., the first full year of RTC-C implementation)
- January 1, 2022 through December 31, 2022 (i.e., the second full year of RTC-C implementation)¹

When appropriate and material, this evaluation report compares metrics from these time periods to demonstrate changes over time or impacts since the launch of RTC-C.

Cleveland Legal Aid Attorneys Were Overwhelmingly Able to Assist Clients in Achieving Their Eviction Case Goals

Since RTC-C began in July 2020, Cleveland Legal Aid has helped clients achieve 86% of all client case goals. Figure 1 shows the five most common RTC-C client case goals with the frequency of the goal being achieved, the number of clients with the goal, and the percentage of clients with that goal.

¹ Certain metrics using Cleveland Municipal Court data may be through November 30, 2022, and certain metrics using Cleveland Legal Aid data may be through December 15, 2022. No material difference is expected in these metrics if they were calculated through December 31, 2022.

Client Goal	Since July 2020		
	Frequency Goal was Achieved	# of RTC-C Clients with Goal [a]	% of RTC-C Clients with Goal [b]
Prevent eviction judgment or involuntary move	90%	1,687	83%
Secure time to move (30 days or more)	91%	622	41%
Secure rent assistance	79%	773	38%
Mitigate damages	94%	548	27%
Secure monetary relief	94%	225	11%

[a] Clients can have multiple goals for their case.
 [b] Total will be greater than 100% because clients can have multiple goals for their case.

Figure 1

When RTC-C clients discuss their goals with Cleveland Legal Aid during the intake interview, the client is asked whether they want to stay in their home. Approximately 56% of RTC-C clients indicated that they wanted to stay in their home, approximately 43% indicated that they did not, and approximately 1% indicated they had already left their home.² In instances where RTC-C clients do not want to stay in their home, Cleveland Legal Aid attorneys assist with securing an appropriate amount of time for them to move, minimizing the impact of abrupt moving.

Cleveland Legal Aid Significantly Increased Access to Legal Representation

From 2011-2019, the Cleveland Municipal Court docket data indicates approximately 1%-2% of all tenants in eviction proceedings were represented. In 2020, when RTC-C was available for six months of the year, approximately 10% of all tenants were represented. In 2021, approximately 17% of all tenants in Cleveland were represented, and in 2022 (through September 30, 2022) approximately 16% of all tenants were represented.³ The significant increase in tenant representation rates is a direct result of RTC-C.

Due to RTC-C eligibility requirements, which are the most restrictive in the United States among jurisdictions with eviction right to counsel programs, (household income of 100% or less of the Federal Poverty Level (FPL) and at least one child in the household), it is important to understand the likely percentage of tenants *eligible* for RTC-C who are represented in contrast to the percentage of *all* tenants who are represented (i.e., the metrics stated in the previous paragraph).

² During the fourth quarter of 2022, Cleveland Legal Aid began collecting data to indicate whether the client remained in their home at the end of the case. As of December 31, 2022, there were fewer than 100 responses were recorded. Stout will begin analyzing this data point in the first quarter of 2023 as more cases are closed and this information is recorded.

³ The 16% defendant representation rate does not include cases from October 2022 through December 2022. These cases were excluded from the defendant representation rate because the docket data may not yet reflect representation by counsel and may significantly understate the defendant representation rate if included.

Stout analyzed emergency rental assistance application data from CHN Housing Partners, the number of eviction filings in Cleveland, and the number of RTC-C cases to estimate the representation rate for RTC-C eligible tenants. Data available from Cleveland Municipal Court related to eviction filings does not include data regarding household income or the presence of children in the home. Therefore, the number and percentage of households that may be eligible for representation through RTC-C must be estimated.

Based on its analysis, Stout estimates that in 2022, Cleveland Legal Aid has represented approximately 79% of all Cleveland households facing eviction and likely eligible for RTC-C. In 2021, Stout estimates Cleveland Legal Aid represented approximately 60% of all households likely eligible for RTC-C. The estimated representation rate of eligible RTC-C households increased 19 percentage points from 2021 to 2022.

RTC-C Clients Identify Disproportionately as Female and Black Compared to Cleveland's Population

Approximately 81% of RTC-C clients identified as female, and approximately 72% of RTC-C clients identified as Black. This compares to Cleveland's population which is 52% female and 47% Black. Eviction Right to Counsel clients in Milwaukee County and Connecticut are also disproportionately female and Black or African American. Furthermore, Cleveland eviction filings in 2022 (through November 30, 2022) were concentrated in census tracts with non-white majority populations. Approximately 43% of all eviction filings in Cleveland were in majority Black or African American census tracts; approximately 37% were in census tracts with no racial/ethnic majority.

RTC-C Clients Are Experiencing Substantive Legal Issues Beyond Non-Payment of Rent

Stout's evaluation found that while most eviction filings in Cleveland, (and throughout the country) are brought for non-payment of rent, there are often substantive legal issues or procedural deficiencies with how the case was brought. Tenants seeking representation through RTC-C often do so because they want an attorney to assist them with substantive legal issues with their case, potential defenses, or they are experiencing challenges within the household exacerbating the trauma of the eviction process. In jurisdictions where Stout has conducted evaluations of eviction right to counsel/eviction defense programs, attorneys representing tenants in eviction proceedings have communicated (and the data collected has shown) that tenants are often trying to navigate complex situations related to their eviction. Stout analyzed data from the client intake interview to determine the frequency with which RTC-C clients who received extensive service indicated they were experiencing at least one complex case criteria (82% are experiencing defective conditions, for example). In 2022, approximately 86% of RTC-C clients were experiencing at least one complex case criteria, and in 57% of RTC-C cases, clients were experiencing multiple complex case criteria. Stout's evaluation of Connecticut's and Milwaukee's eviction right to counsel program found 100% and 86% (respectively) of closed extensive service cases had at least one complex case criteria. Additionally, approximately 56%

of RTC-C clients in 2022 had potential legal defenses in their cases, and of the 56% with potential legal defenses, approximately 69% had potential affirmative legal defenses or local rule violations in their cases.

RTC-C Creates Economic and Fiscal Benefits

Stout estimates that between July 1, 2020 and December 31, 2022, Cleveland or Cuyahoga County likely realized economic and fiscal benefits of between \$11.8 million and \$14 million as a result of RTC-C.⁴ Over the same period, the total investment in RTC-C was \$4.5 million, resulting in an estimated return on investment between \$2.62 and \$3.11.⁵ The estimated benefits Stout quantified were related to:

- Economic value preserved by retaining residency in Cleveland or Cuyahoga County - \$4.3 million to \$5.1 million
- Cost savings related to housing social safety net responses - \$2.9 million to \$3.5 million
- Sustained education funding for children in CMSD schools - \$2.4 million to \$2.9 million
- Out-of-home foster care placements - \$1.7 million to \$2 million
- Cost savings related to Medicaid spending on health care - \$400,000 to \$500,000.

Stout's preliminary estimate of fiscal impact is likely significantly understated. Included in the calculation are benefits of RTC-C that can be quantified based on currently available data. However, Cleveland or Cuyahoga County (as well as Ohio) would likely realize additional benefits that are not currently quantifiable based on available data. These benefits that are not currently quantifiable include but are not limited to:

- The education costs, juvenile justice costs, and child welfare costs associated with children experiencing homelessness
- The effects of stabilized employment and income, and the economic and tax benefits to the state associated with consumer spending
- The negative impact of eviction on tenants' credit score, ability to re-rent, and the potential loss of a subsidized housing voucher

⁴ The fiscal impacts of RTC-C only apply to RTC-C cases, and only a portion of RTC-C clients are expected to require a social services response if they were to be forced to move without legal assistance. For example, only 16% of RTC-C clients indicated that if they were forced to move, they would enter emergency shelter. It is important to appreciate that RTC-C clients are significantly more likely to experience the type of disruptive displacement that increases the likelihood of needing a social services response. Stout does not assume all RTC-C clients would require a social services response if they were not represented through RTC-C. Rather, Stout expects that – based on its research and work with legal aid organizations and community-based organizations throughout the country – without legal representation there is a greater risk of disruptive displacement for RTC-C clients.

⁵ The City of Cleveland provided \$500,000 in funding for RTC-C.

- The cost of providing public benefits when jobs are lost due to eviction or the eviction process
- The cost of mental health care
- Certain additional costs associated with homelessness, such as additional law enforcement and incarceration costs
- The cost of family, community, and neighborhood instability
- Preservation of financial and personal assets
- A reduction, over time, in the number of eviction cases filed resulting in improved use of Cleveland Municipal Court resources.

Feedback from the Rental Property Owner Community Can Inform Opportunities to Refine RTC-C and Create New, Impactful Programs Complementary to RTC-C

Feedback about eviction right to counsel from the rental property owner community and their counsel (in Cleveland and throughout the country where Stout is working) has often centered on several key themes: (1) rental property owners and their counsel appreciate that there are circumstances where it is important that tenants have legal representation in eviction cases; (2) rental property owners believe pre-filing eviction diversion, mediation, and sustained, efficient emergency rental assistance are essential complements to eviction right to counsel programs and the ability to promptly resolve eviction cases, although there are frustrations with prior administration of emergency rental assistance programs; and (3) rental property owners may adopt more stringent and robust tenant screening requirements, not necessarily as a direct response to eviction right to counsel programs, but rather in response to their experiences throughout the COVID-19 pandemic and various other renter protections, court processes and changes to rental housing markets. Feedback from the rental property owner community can be helpful to inform the effective implementation of eviction right to counsel programs, as well as to assist in identifying, designing and implementing programs that may be complementary to eviction right to counsel programs and provide pathways to the early and effective resolution of eviction cases and, when possible, the prevention of eviction cases altogether.

Cleveland Legal Aid Has Made a Significant Commitment to Data Collection and Iterative Evaluation

Cleveland Legal Aid's dedication to data collection has been critical for developing a data-oriented approach to the RTC-C evaluation over the past two and a half years. In late 2020, Cleveland Legal Aid expanded its data collection, investing significantly in a comprehensive client interview process to understand clients and their circumstances more deeply. Based on the data collected by Cleveland Legal Aid, Stout evaluated the client goals achieved, analyzed client household demographics and case characteristics (including case complexities), and estimated the preliminary fiscal impacts of RTC-C. These quantitative analyses were combined with and informed by qualitative feedback from Cleveland Legal Aid, rental property owners, tenants, and other Cleveland eviction ecosystem stakeholders.

Throughout 2022, Cleveland Legal Aid worked to refine data collection by creating structured data elements for attorneys' case closing memos. Case closing memos contain valuable information regarding what happened in the case, for example, the amount of time secured to move (if the client moved), whether counterclaims or affirmative cases were filed, how the first causes (eviction claim) and second causes (claim for money damages) resolved, and whether the client owed less than they would have if they were not represented. Stout will begin analyzing these data points as more RTC-C cases are closed in early 2023.