



United Against
**The Poverty
Pandemic**



**Defusing the Eviction
Time Bomb**

Declaring 2021 a Year of Jubilee for the 14,000 families that are at imminent risk of homelessness because of the COVID-19 shutdown



Healing Grove
Health Center

OCTOBER 2020

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Healing Grove
Health Center

Healing Grove Health Center's mission is to share the love of Jesus through health care, soul care, and culture care, bringing "the healing of the nations" to our community.

United Against the Poverty Pandemic

The threat of the viral pandemic looms large, appropriately demanding an enormous response to protect the health & safety of our community. But in the process, we've lost track of the profound impact of the Poverty Pandemic.

October 2020

Key Findings

- Fields that employed low-income people experienced very significant employment losses starting in April.
- Jobs that employed wealthy professionals have seen minimal job losses throughout the pandemic.
- 58,000 families in Santa Clara County made just \$15,000 to \$35,000 before the shut-down, paying an average rent of \$18,000.
- Extremely Low Income (ELI) families made just \$220 per month on average in April and May and only \$950 per month in August and September.
- 36,200 ELI households in Santa Clara County have a rent debt they can't repay due to the COVID shutdown. That number includes 63,000 children and 133,000 individuals in total.
- 14,600 households in Santa Clara County are at imminent risk of homelessness when the eviction moratorium expires in 2021 because of an inability to pay rent.
- The total rent debt of ELI households due to the COVID shutdown exceeds \$117 million.
- There is hope! By banding together in love, we can support families stuck in poverty and prevent mass displacement!
- If the 160,000 households in Santa Clara County that make more than \$200,000 per year gave just \$730, we could erase the \$117 million rent debt of ELI families.

Executive Summary

The COVID-19 pandemic has led to unprecedented job losses in Santa Clara County. Unlike prior recessions, those job losses were not evenly distributed across socioeconomic tiers. The vast majority of job losses were concentrated in sectors that employ families already living in poverty, greatly exacerbating already out-of-control economic inequality. Healing Grove Health Center commissioned a phone survey reaching more than 300 impoverished Spanish-speaking immigrant families in San Jose who made \$15,000 to \$35,000 annually pre-COVID. Healing Grove's 15 years of building community trust facilitated a 95% participation rate among families reached for the survey, in a demographic that traditionally has a very low response rate.

The results demand action. Pre-COVID census data suggest that there were 58,468 households in Santa Clara County making \$15,000 to \$35,000 per year, families which are classified as "ELI." Our survey data indicate that those families pay \$18,661 in rent per year, causing them to perpetually live paycheck-to-paycheck. The COVID economic shutdown hit these families hard. As of the beginning of September, surveyed families owed an average of \$2,000 in back rent and utility bills. One-third of families we surveyed had very little debt. One-third of families had moderate debt that they believed they could repay. The final one-third of families we surveyed indicated both quantitatively and qualitatively that they could not repay their rent and utility debt. Our analysis indicates that more than 14,000 families in Santa Clara County will not be able to pay back their rent debt, and will face eviction and civil court suits when the eviction moratorium expires in 2021. The combined rent debt of ELI families in Santa Clara County is more than 110 million dollars.

It's a critical situation, with the potential of 14,000 families becoming displaced or homeless. Families who were already living in poverty accumulated more than a hundred million dollars in rental debt. It seems like an insurmountable problem. However, there are more than 160,000 households in Santa Clara County who earn more than \$200,000 per year. If each of those families donated just \$730, we could erase the rent debt of Santa Clara County's ELI families!

This work builds on "The Eviction Time Bomb" report, written in July 2020 by Working Partnership and The Silicon Valley Law Foundation.

Pre-COVID, there were 58,468 families making \$15k-\$35 per year.

1/3 of ELI families won't be able to pay back their rent debt.

More than 14,000 families could face eviction and homelessness in 2021.

United Against the Poverty Pandemic

What Leaders are Saying



"I'm honored to join this grassroots effort to combat the Poverty Pandemic, and am grateful to the community leaders who have taken up the most urgent fight of our generation. This is a 'Where were you?' moment in our nation's history—please join us!"

- Sam Liccardo, Mayor of San Jose



"The pandemic is having its most severe impact on our lowest-income and most vulnerable neighbors and the tens-of-thousands of families who were just scraping by before the pandemic hit now find themselves in financial crisis. We must come together to help ensure that our economic recovery includes our entire community."

- Jennifer Loving, CEO of Destination:Home.



"Loving our neighbors is an integral value of our church and our discipleship here at WestGate Church. Now is a critical time to bring faith leaders, government, employers and nonprofits to work together to love our neighbors. The United Against the Poverty Pandemic campaign is a platform to do just that."

- Steve Clifford, Lead Pastor Westgate Church



"Now is a critical time to bring faith leaders, government and employers together to fight the Poverty Pandemic. Each one brings something unique to the equation, a powerful synergy that can take on and take down this giant."

- Ken Foreman, Lead Pastor Cathedral of Faith



"The complexities around solving poverty, hunger, and homelessness needs key partners, volunteers, and community supporters united together to make a more lasting difference right here in our own community. Facing the Poverty Pandemic head-on together through compassionate service, innovative generosity, and wide-ranging collaboration creates such a tangible expression of how each of us can share God's redemptive and unconditional love with our neighbors in need."

- Glen Peterson, President, CityTeam

United Against the Poverty Pandemic

What Leaders are Saying



“COVID-19 has impacted every member of our community, but low-wage workers, people of color, and our most vulnerable residents have shouldered a disproportionate share of both the health and economic burden. We are all called upon to work together in our spheres; government, business, faith leaders and neighbors to support each other through this crisis and build a stronger future.”

- Susan Ellenberg, County Supervisor



“The government cannot solve the problem of poverty on its own. Faith communities, business, non-profits, and government united together in compassion can be more effective at providing the hand-up that our most vulnerable residents need.”

- Johnny Khamis, Councilmember, District 10



“It’s exciting to see our community coming together to fight the Poverty Pandemic. Long before COVID-19 we were faced with growing income inequality and the pandemic has only exacerbated those impacts. Focusing and working together is the only way we can win this fight.”

- Raul Peralez, Councilmember, District 3



“Both COVID and the economic devastation have hit low income communities of color hardest—these are also our essential workers putting their lives on the line. The United Against the Poverty Pandemic campaign with faith leaders, government, employers, and residents can make the difference in helping hard working people face this unprecedented crisis in our communities.”

- Maya Esparza, Councilmember, District 7

The State of Poverty in Santa Clara County

COVID shutdown resulted in explosive inequality

Economic inequality exploded within the first weeks of the Shelter-in-Place ruling. Professionals who could telecommute to work maintained steady income, but low wage workers in hospitality, construction, and food service were ordered to stay home without pay. Tens of thousands of families worked security for concerts and football games or cleaned entertainment venues; those industries have closed and have not come back, leaving families in abject poverty with little hope for employment or income.

Economic inequality exploded within the first weeks of the Shelter-in-Place ruling.

% Change in Low Income & Middle Income Jobs

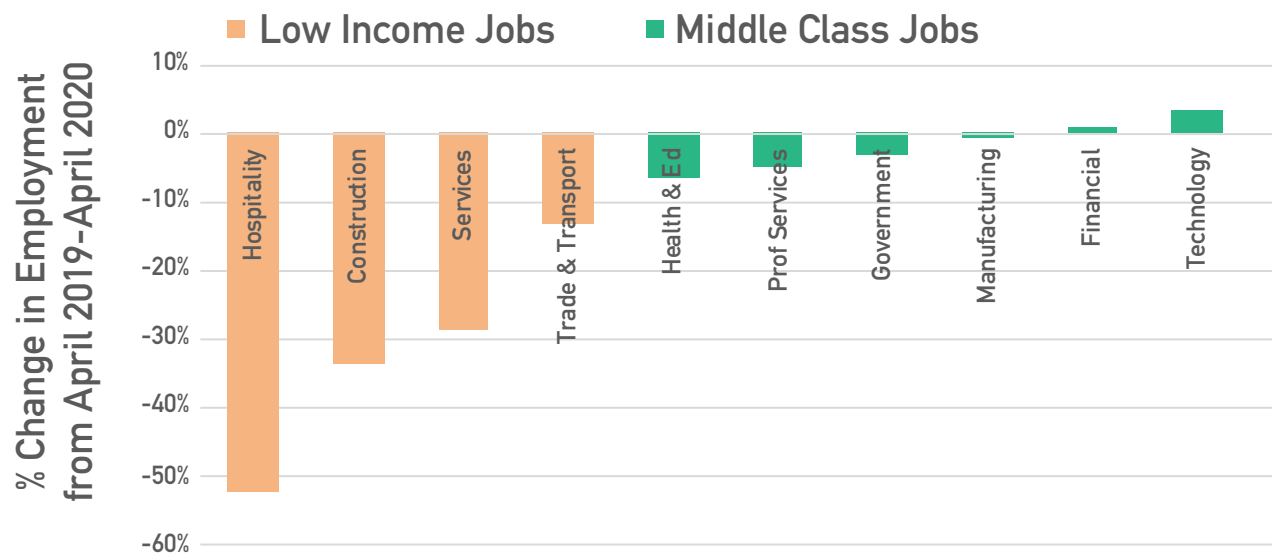


Figure 1 - Source: US Bureau of Labor Statistics, San Jose-Sunnyvale-Santa Clara, CA region. Snapshot taken in June 2020. https://www.bls.gov/eag/eag.ca_sanjose_msa.htm

The chronic housing crisis collided with the acute COVID-19 pandemic crisis

Healing Grove’s survey data indicates that tens of thousands of minimum-wage-earning families lived paycheck-to-paycheck before COVID, making only \$27,500, while paying \$18,600 in rent. Santa Clara County’s Poverty Pandemic is due to the collision between the cost-of-housing crisis and the COVID-related shutdown.

Families, on average, paid 2/3 of their income on rent.

Income During COVID Insufficient for Housing Expense

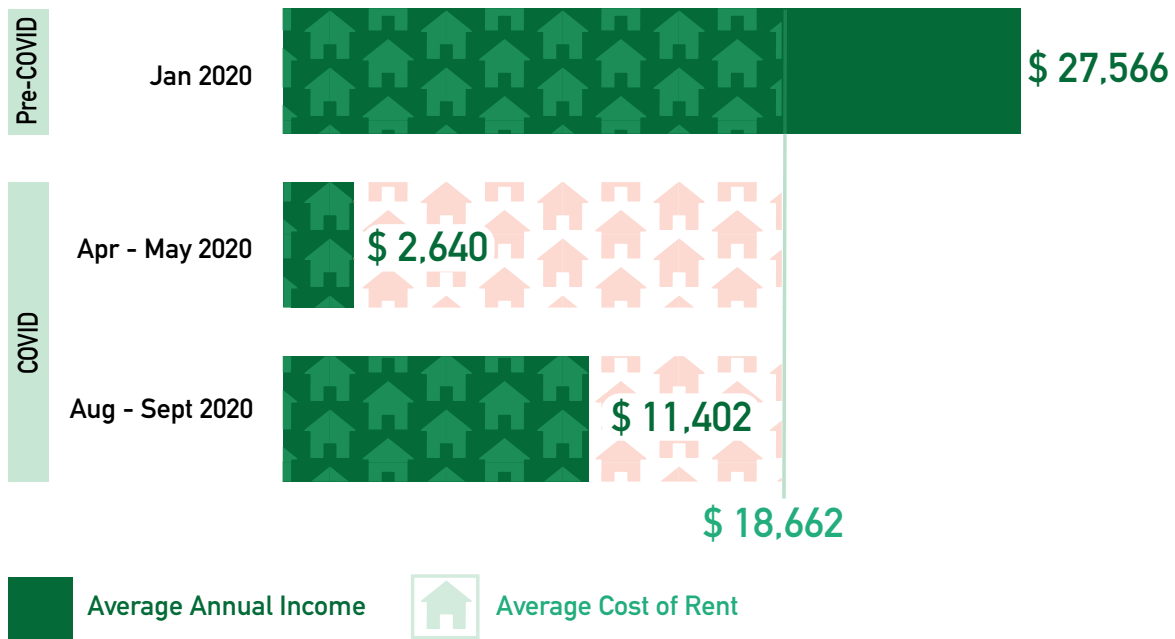


Figure 2 Source: US Bureau of Labor Statistics, San Jose-Sunnyvale-Santa Clara, CA region. Snapshot taken in June 2020. https://www.bls.gov/eag/eag.ca_sanjose_msa.htm

Many affected families lack documentation. There are an estimated 140,000 undocumented immigrants in the San Jose-Sunnyvale-Santa Clara, CA metropolitan area. Undocumented families don’t qualify for the stimulus check or unemployment benefits. Undocumented workers are often employed in the restaurant, hospitality, service and construction industries, which were hardest hit by COVID. Their families also struggle with connectivity issues for online learning, and lack adequate childcare for shelter-in-place schooling. Low-income Latinos are disproportionately affected by COVID illness. Healing Grove’s COVID testing among low-income Latino patients has seen positivity rates ranging from 15% to 25%, 4 to 6 times the county-wide average.

It’s time to work on fixing the structural causes of poverty that preceded the pandemic. You can learn more about those efforts at siliconvalleystrong.org/roundtable/

Number of Households with Risk of Displacement

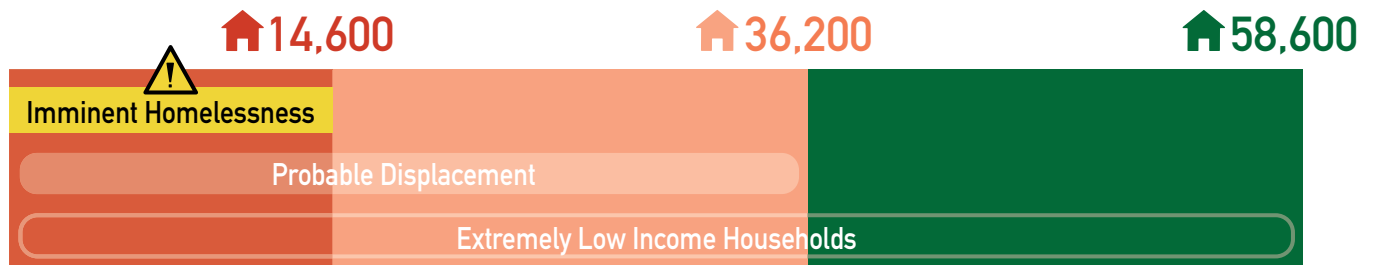


Figure 3 - Source: Healing Grove Health Center phone survey and US Census Data (ACS 2018 5yr estimates, table #S1901)

Imminent risk of homelessness for more than 14,000 families

For this study, Healing Grove surveyed 308 representative low-income families (see appendix for more details). Based on these data, we're able to estimate the number of families facing displacement in Santa Clara County. Pre-COVID, there were 58,600 households in Santa Clara County making \$15,000 to \$35,000, categorized as ELI households. Just over one-third of those households had sufficient savings and job opportunities to weather the crisis. A little over one-third of those households are carrying moderate rent debt they will struggle to repay. Nearly a third of households have rent and utilities debt that they are very unlikely to ever be able to repay. California's eviction moratorium expires on January 31st, when tenants must pay 25% of rent debt that accumulated between September and January. We believe that without intervention these 14,600 families in Santa Clara County are at very high risk of homelessness. Those 14,600 households represent 53,600 individuals in total, including 25,400 children. The risk of homelessness increases the chances that these 25,000 children could experience domestic violence, displacement, drug abuse and other Adverse Childhood Events (ACEs).

Without intervention, 25,000 children in Santa Clara County could become homeless in 2021.

United Against the Poverty Pandemic

The poverty pandemic is not an insoluble problem. By gathering together in a profound expression of collective generosity, we can release the poor from their situation of unfair financial bondage. The situation is critical; without action we will face an enormous crisis of human suffering. There is hope, however! We have the resources to defuse the eviction time bomb!

Erasing the Debt in Santa Clara County

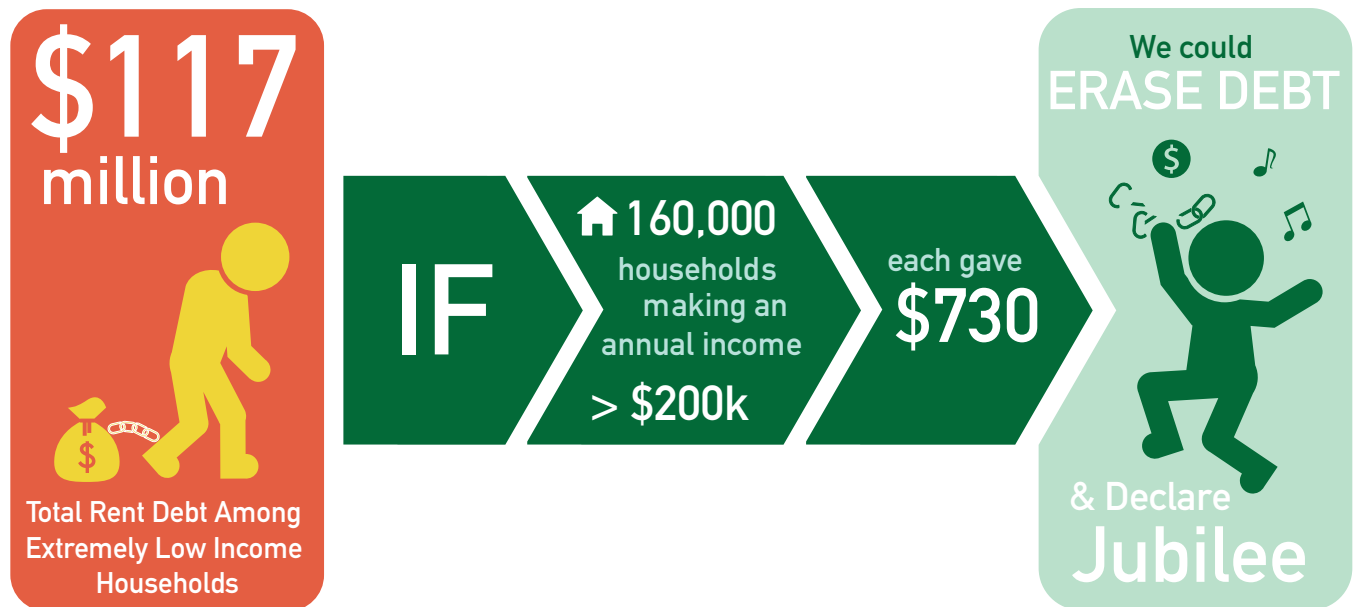


Figure 4 - Source: Healing Grove Health Center phone survey and US Census Data (ACS 2018 5yr estimates, table #S1901)

ELI families owe a \$117 million rent debt they cannot repay.

Healing Grove's phone survey suggests that each one of the 60,000 ELI families in Santa Clara County owes an average of \$1,950 in rent and utility debt. Collectively, the ELI families of Santa Clara County owe \$117 million in back rent and utility debt.

For \$730/family we can erase the debt and declare 2021 the Year of Jubilee

Although \$117 million sounds like an insurmountable sum of money, in Santa Clara County, we have the resources to meet the need. US Census data indicate that there are more than 160,000 households in Santa Clara County which make more than \$200,000 per year (see appendix). If each of those families donated just \$730 we could completely erase the rent and utilities debt for poor families in Santa Clara County.

\$730/Family would erase the rent debt.

Defusing the eviction time bomb; collective action due by January 31, 2021

A complex set of municipal, county, state, and federal eviction moratoriums provide temporary relief for renters. However, none of these ordinances provide rent forgiveness; they only delay the due date. The most comprehensive protections are provided by the California State Eviction Moratorium, AB3088. Under this law, unpaid rent between March and August 2020 accumulates, but cannot result in an eviction. Twenty-five percent of the rent between September 2020 and January 2021 must be repaid by January 31st; otherwise the tenant is at risk of eviction. Starting in February 2021, back rent will become due. Unpaid back rent will convert to civil debt. Landlords can collect debt in small claims court or use collection agencies. Landlords will be able to garnish tenants' wages, repossess assets, etc. in order to collect on debts owed.

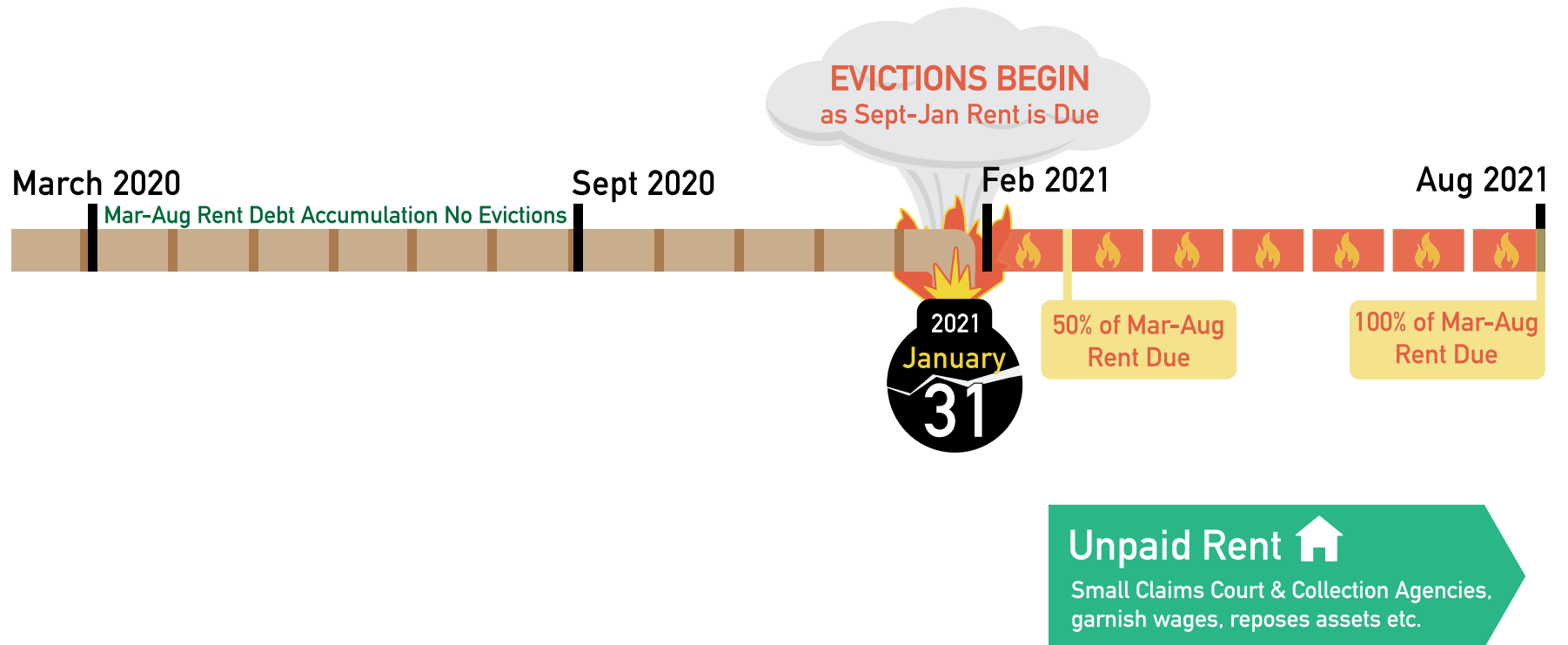
Declaring 2021 the Year of Jubilee

The viral pandemic and poverty pandemic have created a crisis like we haven't seen in generations. Our modus operandi is to devolve into partisan finger-pointing with expectations that Sacramento or Washington D.C. should solve our problems. We would like to cast a vision for a different path forward, a path where we look not to others to solve our problems but rather within our own communities. Santa Clara County: we can defeat the Poverty Pandemic. In the Torah, God provides a compelling model: The Year of Jubilee.

We can defeat the Poverty Pandemic in Santa Clara County!

The Year of Jubilee is an ancient Hebrew tradition recorded in Deuteronomy 15 and Leviticus 25. Every 49 years, the nation of Israel was to sound the trumpet and declare the Day of Atonement. No reaping and no sowing was to happen in this Sabbath year. More importantly, the Israelites were to cancel their debts and erase poverty.

Timeline for Eviction Time Bomb



Source: Adapted from Silicon Valley Law Foundation. Based on California AB3088 and Santa Clara County "Urgency Ordinance No. NS-9.287. Note that the CDC has an additional eviction moratorium that expires on Dec 31, 2020.

You must cancel any debt your fellow Israelite owes you. However, there need be no poor people among you, for in the land the Lord your God is giving you to possess as your inheritance, he will richly bless you, if only you fully obey the Lord your God and are careful to follow all these commands I am giving you today. For the Lord your God will bless you as he has promised.

- Deuteronomy 15

The Year of Jubilee was a reminder of who truly owned the land:

The land must not be sold permanently, because the land is mine and you reside in my land as foreigners and strangers.

- Leviticus 25

Christians see the Year of Jubilee as a foreshadowing of the work of Jesus on the cross. The Christian tradition teaches that by dying on the cross, Jesus erased the whole world's debt to sin, effectively declaring a permanent Year of Jubilee.

In this season we call on the entire community to declare a Year of Jubilee for our poorest friends and neighbors who are being crushed under a mountain of rent debt.

We are United Against the Poverty Pandemic, working towards the vision that apostles of Jesus cast in the book of Acts:

All the believers were one in heart and mind. No one claimed that any of their possessions was their own, but they shared everything they had. With great power the apostles continued to testify to the resurrection of the Lord Jesus. And God's grace was so powerfully at work in them all that there were no needy persons among them. For from time to time those who owned land or houses sold them, brought the money from the sales and put it at the apostles' feet, and it was distributed to anyone who had need.

- Acts 4

Our goal is to declare 2021 the Year of Jubilee. In doing so, we admit that ultimately we are not the owners of our homes, our land, our paychecks, our bank accounts, or our assets. 2021 could be the year that we declare that "There were no needy persons among them!" Doing so requires sacrifice. It requires a new sense of purpose and unity in a world that increasingly seems divided and hopeless. We can do this!

In this season we call on the entire community to declare a Year of Jubilee.

Ultimately we are not the owners of our homes, our land, our paychecks, our bank accounts, or our assets.

2021 could be the year that we declare that "There were no needy persons among them!"

Pray, Give, & Employ: Implementing the Vision

With a hopeful attitude, we are calling on the faith community, business community, individuals, and families to (1) Pray for Boldness, (2) Give with Radical Generosity, and (3) Employ in their Homes and Businesses.

Pray for boldness

Fear abounds as the pandemic death toll increases every day, but we do not have to be mastered by fear. In Santa Clara County, we have been successful in flattening the curve. We have made enormous progress in testing our residents. We have not defeated the virus, but there is no question that we have made huge strides in protecting people from it. This is a new season where we can step out in boldness to meet the enormous challenges in our community. We encourage you to spend some time praying for boldness so that you might find a new ability to fight both the viral and poverty pandemics.

Fear abounds, but we can pray for boldness

Give with radical generosity for immediate relief

We have already shown that through collective action, we can end the Poverty Pandemic and get poor families on the road to recovery. Are there programs that you can confidently give to?

[Destination: Home](#) (DH) is a public-private partnership serving as the backbone organization for collective impact strategies to end homelessness in Santa Clara County. DH has led three phases of economic relief during COVID. By partnering with more than 50 Community Based Organizations (CBOs), DH has been able to distribute more than \$20 million in direct financial assistance to families impoverished by the COVID-19 shutdown.

[Healing Grove Health Center](#) (HGHC) is a Christian clinic in San Jose that provides healthcare as well as poverty relief. In partnering with DH, HGHC distributed over \$500,000 to more than 400 families. HGHC has implemented a number of best practices in financial aid distribution, improving their practices through each of the three phases. HGHC efficiently provides immediate relief to suffering families. The mission of Healing Grove Health Center is to share the love of Jesus through Health Care, Soul Care, and Culture Care, in order to bring “the healing of the nations” to our community.

Organizations already making a difference



DESTINATION: **HOME**



Healing Grove
Health Center

Healing Grove is accepting donations of funds to directly support impoverished families. In addition to health care and financial assistance, Healing Grove offers spiritual care for people who need prayer or who want to grow in their faith. You can make a donation at <http://povertypanemic.org/>.

Employ in your home & business for long term transformation

Short-term relief is required to get families through this crisis. However, we need to also pay attention to the long-term situation. We want to ensure that a short-term bailout will lead to long-term stability for poor families in Santa Clara County.

Hundreds of thousands of low-income workers have lost their jobs during the pandemic, as we are not eating out, we are not using our office spaces, and we are not going to sporting events & concerts. By not participating in many of these activities, many people have additional disposable income. We encourage people to think about generous giving both by making donations and by creating employment opportunities.

If you are a business owner, we would encourage you to think about creative ways to employ low-income workers in your business.

If you are a homeowner, please consider hiring a housekeeper, gardener, or handyman to create local employment opportunities for low-income workers.

We are also highlighting two programs, Work2Future and CityTeam that have a proven track record of employment training. You can learn more at <http://povertypanemic.org/>.

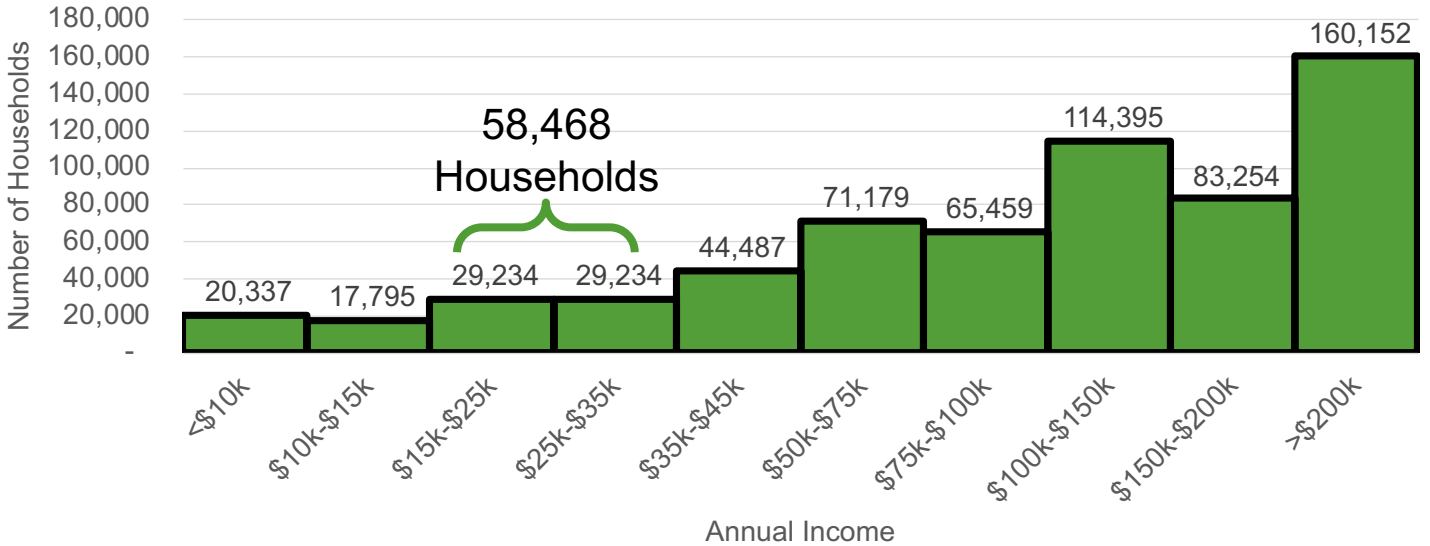


In summary, the COVID-19 pandemic and Shelter-in-Place regulations have brought about a Poverty Pandemic which imminently threatens the basic human rights of thousands of people right here in Santa Clara County. This presents a tremendous opportunity for residents to respond with radical generosity and creative employment creation, which could result in a Year-of-Jubilee-style erasure of debt. This could protect our most vulnerable neighbors from unimaginable suffering and could allow them the chance to pursue fullness of life.

Consider employing
in your home in the
fight against the
Poverty Pandemic

Appendix

Income distribution in Santa Clara County



Source: US Census data, ACS survey. 2018 5 year sampled estimates for Santa Clara County. <https://data.census.gov/cedsci/table?q=United%20States&t=Income%20and%20Earnings&g=0500000US06085&tid=ACST5Y2018.S1901&hidePreview=true>

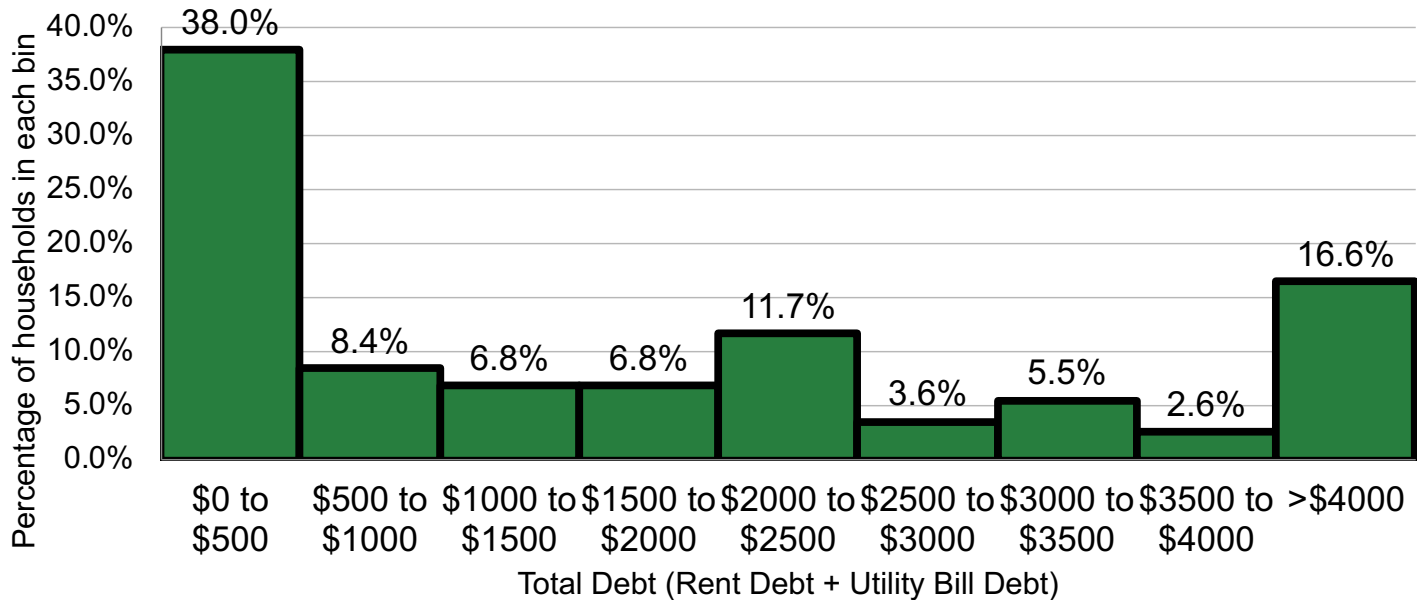
% of Households vs. Monthly Incomes Before & During COVID



Source: Healing Grove Health Center phone survey, n=308. Pre-COVID data confirmed with physical paystubs & bank statements. Aug-Sept Income and rent provided verbally in phone survey.

Household debt burden (Rent + Utilities)

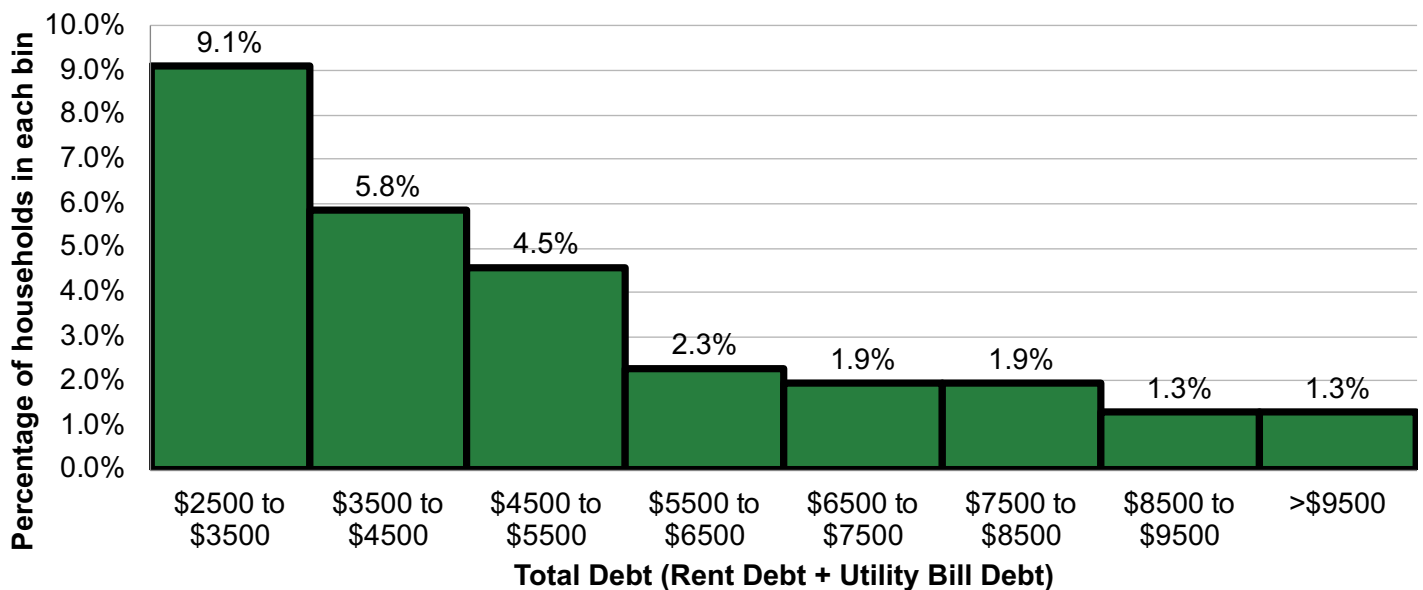
Total Debt (Rent Debt + Bill Debt)



Source: US Census data, ACS survey. 2018 5 year sampled estimates for Santa Clara County. <https://data.census.gov/cedsci/table?q=United%20States&t=Income%20and%20Earnings&g=0500000US06085&tid=ACST5Y2018.S1901&hidePreview=true>

Household debt burden (Rent + Utilities) for families with more than \$2500 in debt

[detail] -- Total Debt (Rent Debt + Bill Debt)



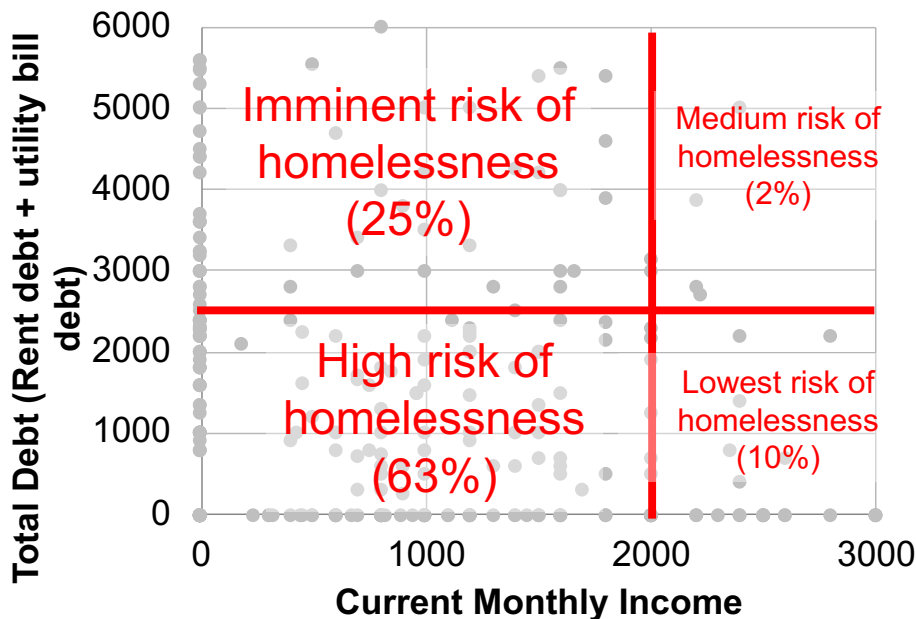
Source: Healing Grove Health Center phone survey. 308 Phone Surveys completed between 8/27/2020 and 9/11/2020. Debt estimates were provided verbally by participating families.

How many months behind in rent are you?



Source: Healing Grove Health Center phone survey. 308 Phone Surveys completed between 8/27/2020 and 9/11/2020. Debt estimates were provided verbally by participating families.

Scatter Plot of Current Monthly Income



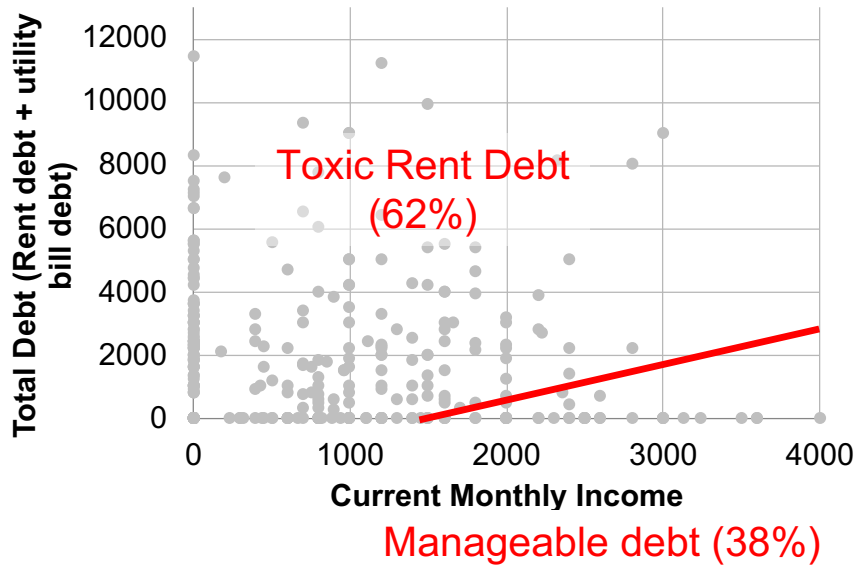
	Income <=\$2000	Income >\$2000
Debt > \$2500	25%	2%
Debt <= \$2500	63%	10%

Measure #1:

Highest Risk: Household makes less than \$2,000/mo and has more than \$2,500 in rent+bill debt

Source: Healing Grove Health Center phone survey. 308 Phone Surveys completed between 8/27/2020 and 9/11/2020. Debt & income estimates were provided verbally by participating families.

Scatter Plot of Current Monthly Income



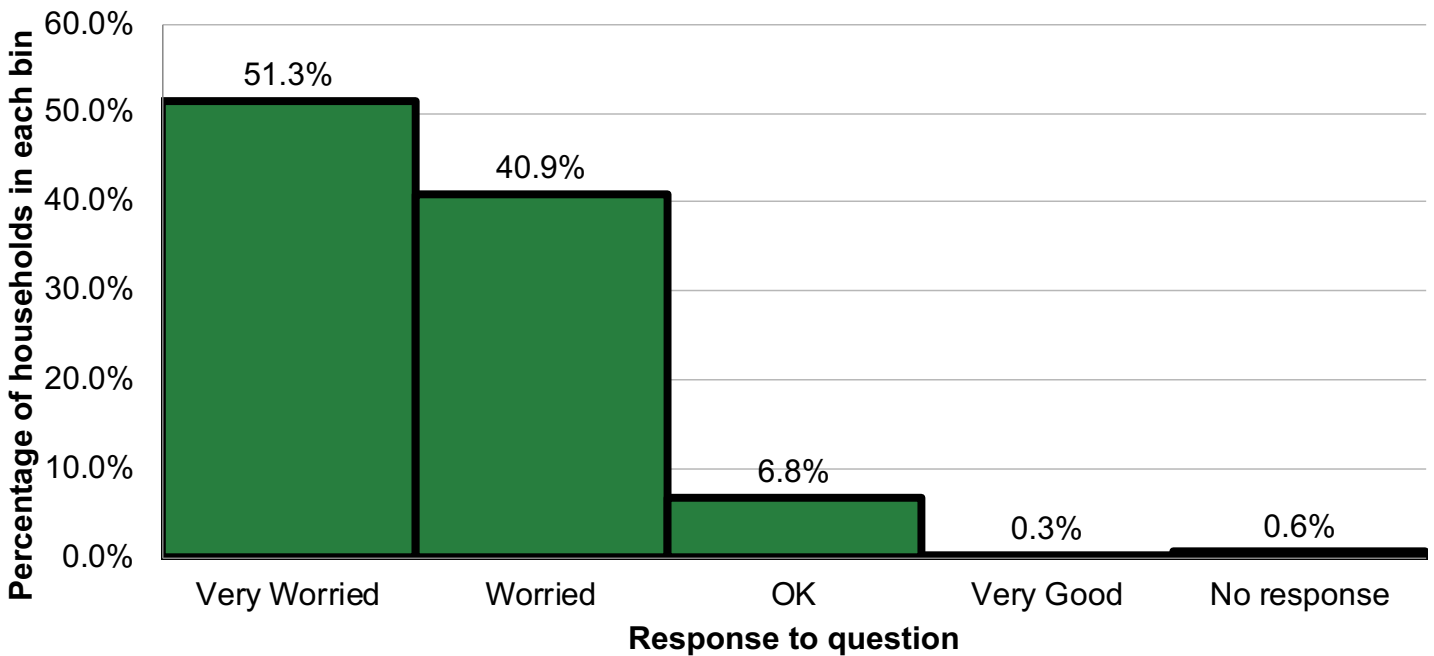
	Toxic?
Toxic	62%
Non-toxic	38%

Measure #2: Toxic debt
Household's rent debt + bill debt exceeds what can be repaid, assuming they commit 20% of post-rent income to repayment for 6 months

Source: Healing Grove Health Center phone survey. 308 Phone Surveys completed between 8/27/2020 and 9/11/2020. Debt & income estimates were provided verbally by participating families.

Household's financial situation

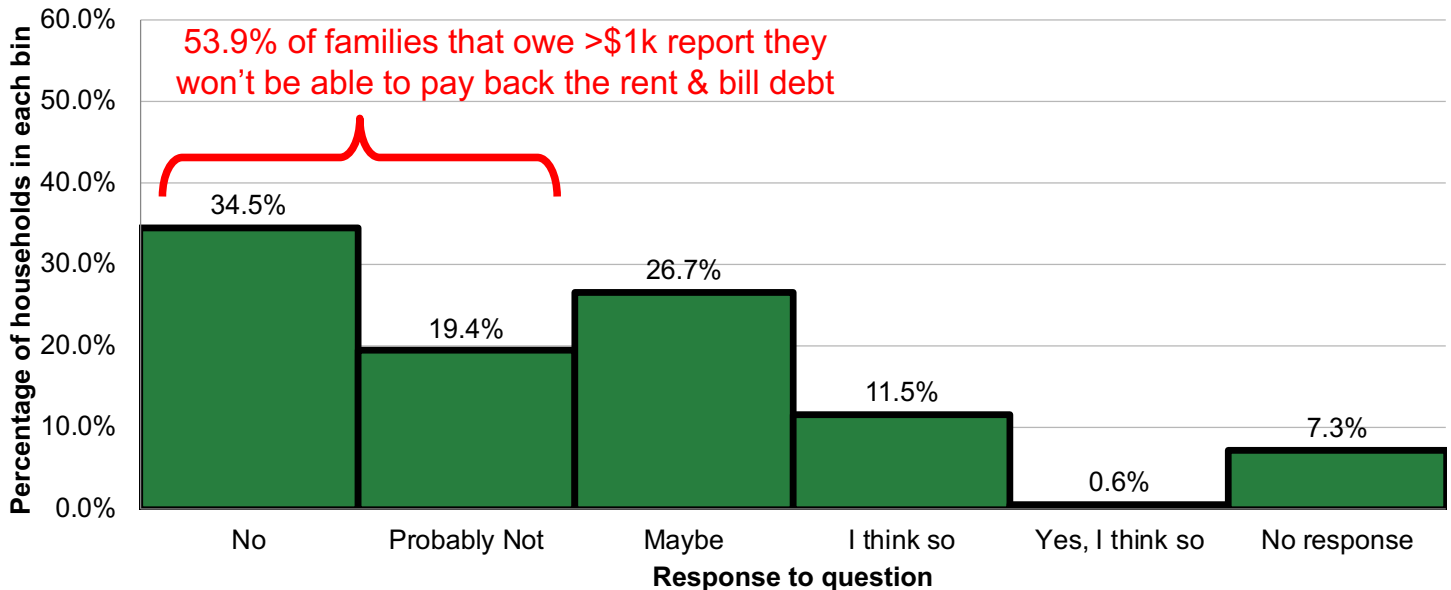
How do you feel about family's financial situation



Source: Healing Grove Health Center phone survey. 308 Phone Surveys completed between 8/27/2020 and 9/11/2020. Respondents picked between 4 qualitative possibilities listed above

Household's ability to repay debt for those that owe >\$1k

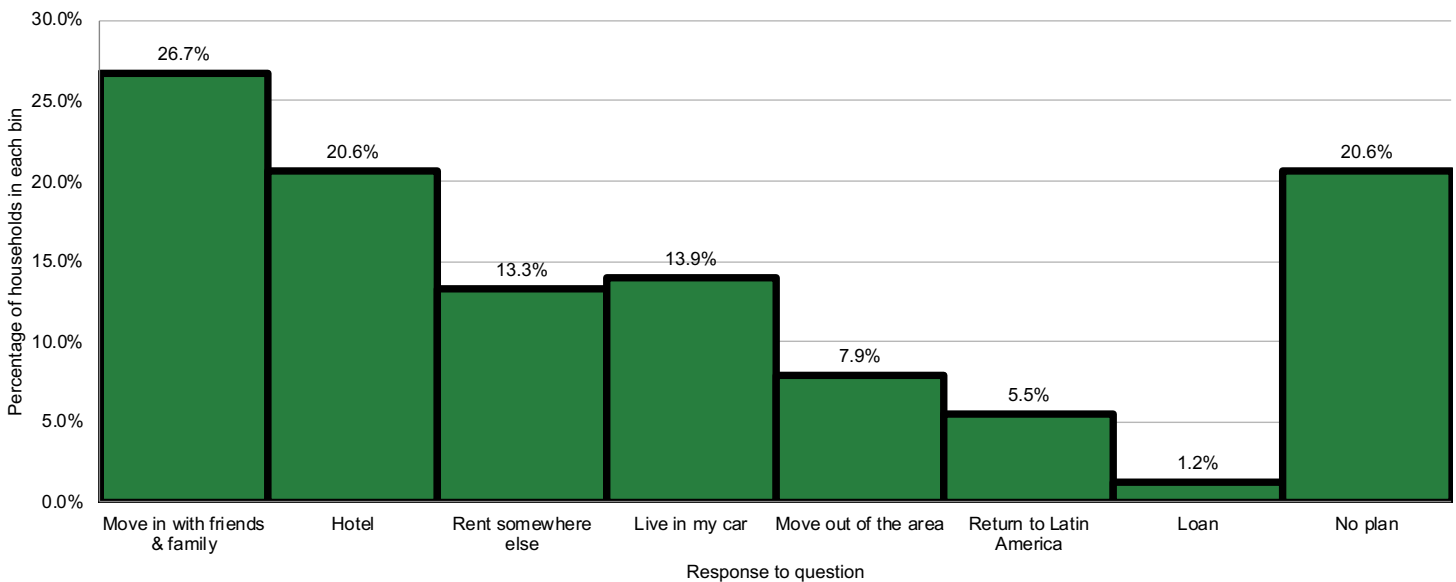
Do you think you can back your rent debt?
(For the 54% of respondents who owe > \$1,000)



Source: Healing Grove Health Center phone survey. 308 Phone Surveys completed between 8/27/2020 and 9/11/2020. Respondents picked between 5 qualitative possibilities listed above

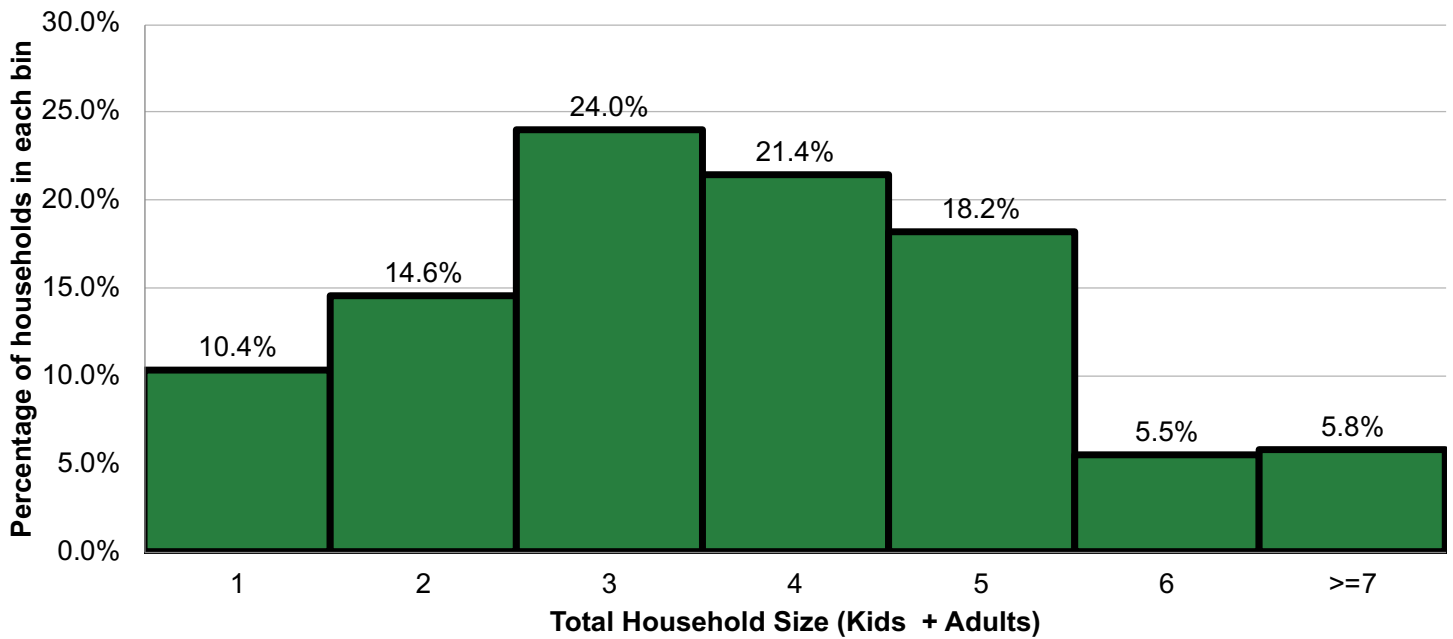
Homelessness plan for those that owe >\$1k

What will you do if you can't repay your rent?
(For the 54% of respondents who owe >\$1,000)



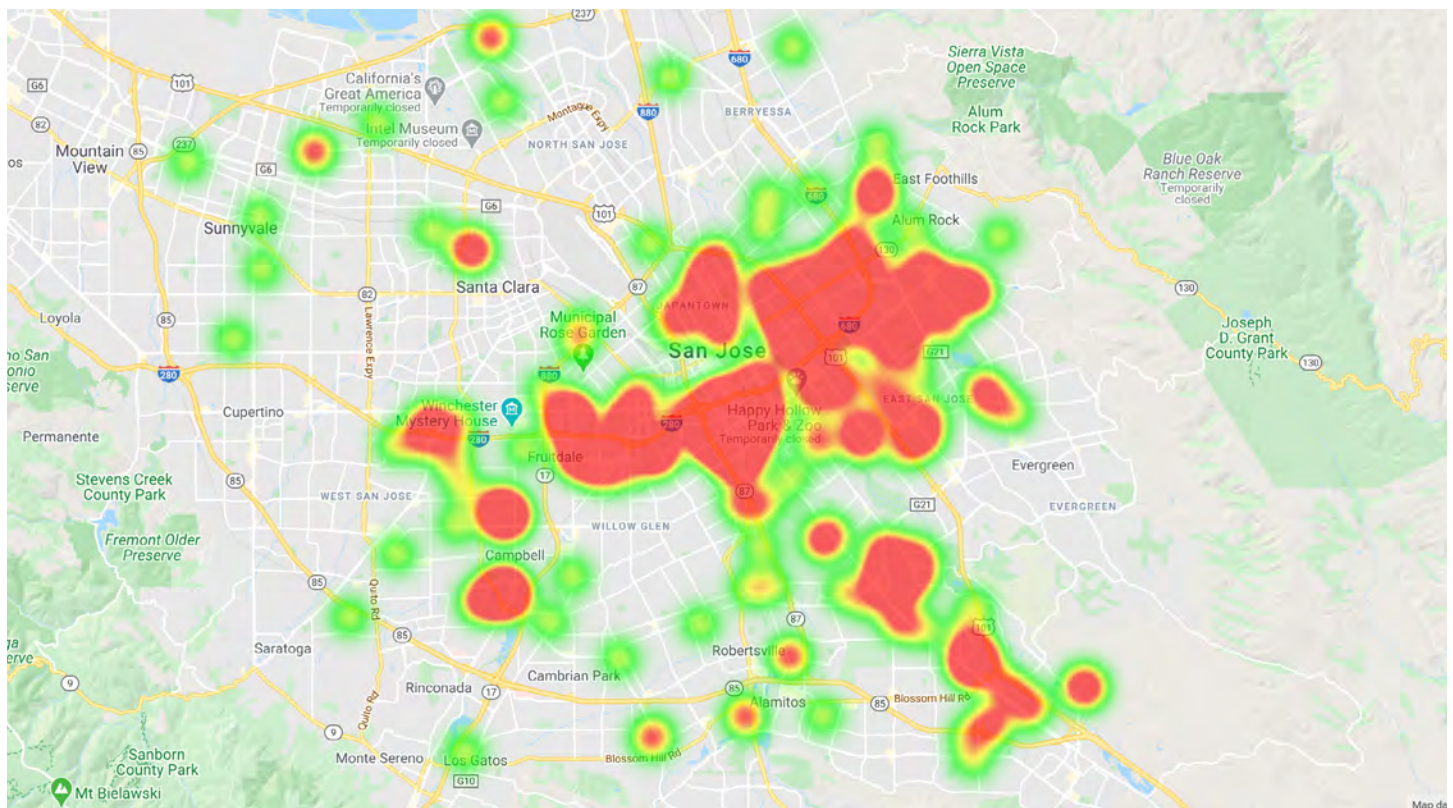
Source: Healing Grove Health Center phone survey. 308 Phone Surveys completed between 8/27/2020 and 9/11/2020.

Total Household Size



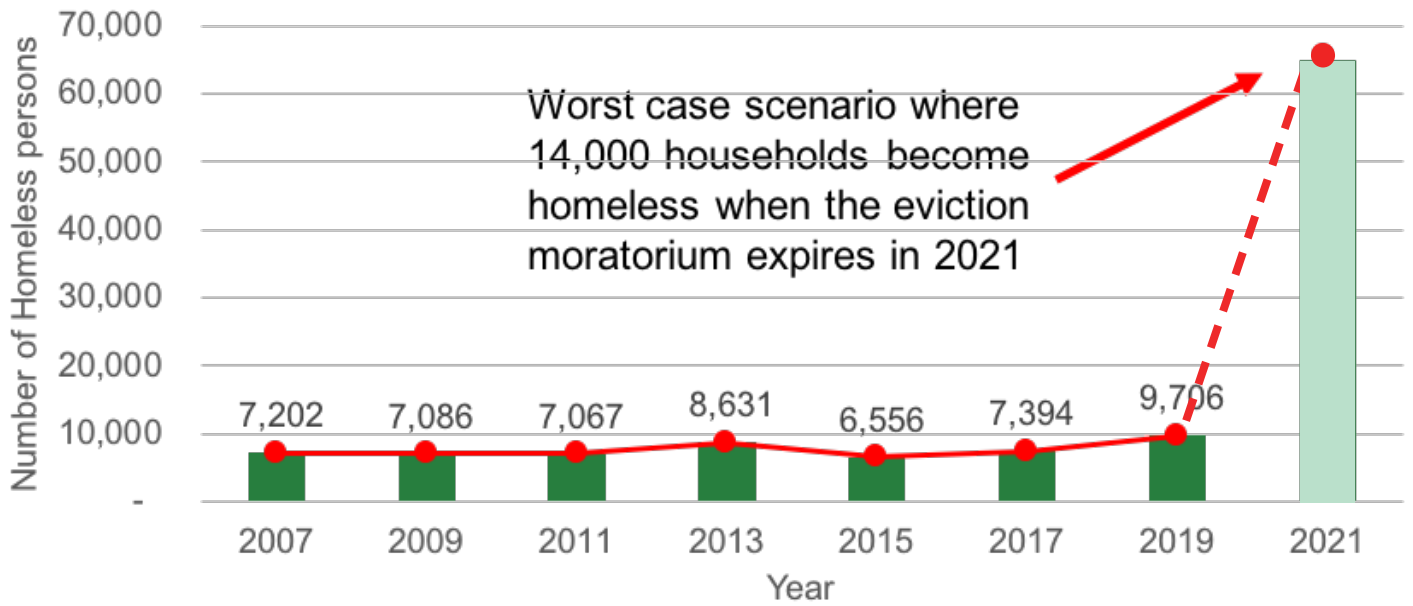
Source: Healing Grove Health Center phone survey. 308 Phone Surveys completed between 8/27/2020 and 9/11/2020.

Heatmap of Households Surveyed



Source: Healing Grove Health Center phone survey. 308 Phone Surveys completed between 8/27/2020 and 9/11/2020.

Homelessness in Santa Clara County



Source: Healing Grove Health Center phone survey. 308 Phone Surveys completed between 8/27/2020 and 9/11/2020. Debt estimates were provided verbally by participating families. Santa Clara County data based on 2018 5yr ACS data. Homelessness data from HUD PIT count on odd years