A. Describe Request

This request is for $250,000 in total funding for initiatives related to the tenants' rights ordinance introduced to the City-County Council in January 2020. The ordinance itself will require landlords to provide all tenants with a Notice of Tenant Rights and Responsibilities (the “Notice”) for their signature at the outset or renewal of a lease. Failure to do so will subject the landlord to a $500 penalty. The Notice will list tenants’ basic rights with respect to conditions of housing, privacy, and non-discrimination, and will provide tenants with the phone number for a Tenant Information Hotline, which in turn will refer them to the legal assistance project described below. The ordinance will also contain an anti-retaliation provision imposing penalties of $2500 ($7500 for successive violations) on landlords who take adverse action (such as eviction) against a tenant who attempts to exercise their rights by obtaining legal assistance, seeking a health department inspection, or contacting BNS about the landlord registry.

The majority of the funding requested as part of this initiative ($210,000) will go to a contract with Indiana Legal Services (ILS), which will launch the Tenant Legal Assistance Project. This project will take referrals from the Tenant Information Hotline and will provide all referred tenants with a brief consultation, which will enable them to answer questions about their rights and their options. For certain tenants who may have viable claims against a landlord, ILS will, together with a network of volunteer attorneys, represent tenants in legal actions. A portion of the contract with ILS will also be dedicated to expanding the work of ILS’s existing Eviction Avoidance Project, which provides representation to tenants defending against eviction actions. Finally, with this funding, ILS also plans to pilot an in-court legal assistance clinic in one or more small claims courts.

The remainder of the funding requested ($40,000) will go to setting up and running the Tenant Information Hotline. Call center staff will conduct brief screening interviews with tenants, and if they are calling about legal issues, get the callers set up in ILS’s intake system. If tenants call into the Hotline about non-legal issues, call center staff will connect them with other resources, if applicable.

C. Justification or Cost-Benefit Analysis

This initiative is intended to help address the related problems of eviction and substandard housing conditions. Recent data show that as of 2016, courts in Marion County courts issued adverse possession orders in 11,570 cases where a landlord was seeking possession of property for nonpayment of rent or for other reasons—ranking the city 2nd in the nation in absolute terms, behind only New York City, a city with nearly 10 times the population.\(^1\) Another survey showed that the Indianapolis metro area had the 4th highest eviction rate of major American cities in the period 2015 through 2017.\(^2\)

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Eviction can have an immediate and catastrophic effect on individuals and families: it often starts, or perpetuates, a cycle of housing instability and economic stress from which many tenants find it difficult to recover. It can also create a cascade of other consequences, both economic and non-economic. It affects future eligibility for public housing, depresses credit scores, and can harm job prospects; studies also show that it can have lasting effects on mental health, physical well-being, and family unity.

Many Indianapolis tenants also live in rental housing that is below the minimum standards the law guarantees to all our residents. Tenants in this City have a right to live in rental units that are secure and sanitary, have adequate plumbing, electricity, and heating, and are free from safety hazards. They have a right to a some measure of privacy in their home – not to be locked out without a court order, and not to have a landlord enter their home without good reason or advance notice. Tenants often feel they have no choice but to accept these poor conditions, because they are not fully aware of their rights or fear they will be evicted if they raise complaints. Living in housing that fails to comply with the requirements of state law and the Marion County health and housing code is associated with health issues including respiratory infections, asthma, lead poisoning, and injuries; it is also associated with wider-ranging consequences including high turnover, deterioration of community fabric, and decreased quality of life for neighbors.

The City therefore has a powerful interest in ensuring that tenants are better equipped to assert their rights to safe, livable housing and to avoid eviction. The tenants’ rights ordinance and $250,000 in related initiatives represent a step toward that goal, in two important respects. First, the Notice that the ordinance will require to accompany all Marion County leases will place accurate, concise information in the hands of tenants and will empower them to make informed decisions—and dissuade them from counterproductive decisions under Indiana’s legal landscape such as attempting to withhold rent to force landlord repairs to their apartment. The Tenant Information Hotline funded by this fiscal ordinance will provide the vital link between tenants and the Tenant Legal Assistance Project that can provide them information and advice. Second, the Tenant Legal Assistance Project and Eviction Avoidance Project will connect more tenants than before with legal counsel, whether to defend against an eviction or to take legal action that helps vindicate their right to housing conditions that comply with the law. Data show that tenants who have legal representation have significantly higher chances of obtaining successful results in landlord-tenant legal actions, across multiple categories.³