



What does the end of the eviction moratorium mean for Michigan tenants?

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In the early days of the pandemic, there were an estimated [80,000 Michigan residents at risk of eviction](#). A year and a half later, the federal eviction moratorium has ended and local legal aid funds are still sorting through a backlog of cases. The U.S. Supreme Court on Thursday, Aug. 26 ruled to end the federal eviction moratorium first enacted by the Centers for Disease Control and Prevention in response to the COVID-19 pandemic. The moratorium was extended multiple times since September 2020.

In that time, the U.S. Treasury paid \$25 billion to states and local governments for COVID Emergency Rental Assistance (CERA).

In Michigan, a total of \$181,821,906 has been paid out to residents from May to August, according to the Michigan State Housing Development Authority.

The pace of the disbursements quickened each month, starting at \$700,000 in May and growing to more than \$60 million in August. The trend will likely continue into September, said Katie Bauch, MSHDA communications director.

The distribution of funds has differed state to state and even county by county. In West Michigan, administering rental assistance has been a slow but effective process, said Karen Merrill Tjapkes Director of Litigation at the Legal Aid of Western Michigan.

Tjapkes estimates applicants are waiting one to two months before receiving a check, but the moratorium provided enough time to handle the [“eviction tsunami”](#) that was predicted in the spring.

“Michigan as a state, and especially in the counties where I work most closely, has hit the point with the rental emergency funds that we have turned back the tsunami,” she said. “In May, there would have been a tsunami.”

In Kent County, 2,087 households were approved for CERA funding totaling \$13,061,306, making it the county with the fifth largest assistance sum, according to MSHDA data.

In Wayne County, which had the most approved funding, 5,754 households were approved for a total of \$46,967,017. However, only 26% applications have been processed, with 19,954 still in progress as of August.

Comparatively, Oakland County, which lands at number two for most aid approved, has a processing rate of 72%.

The lag between counties is frustrating to Matthew Paletz, an attorney representing landlords across Michigan and Ohio. While he agrees that CERA has been a solution for the majority of his clients, he feels the moratorium extensions caused more harm than good in the end.

“If there was rental assistance available, and there were protections within that, then what do we need an additional moratorium for?” he said. “All the moratorium did was disincentivize individuals from participating in these rental assistance programs.”

Paletz’s clients are fighting for unpaid rent totaling \$10,000 to \$25,000, he said. Paletz says landlords have been “demonized unfairly” in news media and their debts are not being recognized as serious threats to their businesses.

“[Headlines] depict my clients as these unsympathetic individuals who just want to evict people — that’s not what this is about,” he said. “Tenants need to be part of the process, they need to go for these government assistance programs.”

Attorney Tonya Myers Phillips pushes back on that narrative, saying it’s a two-way street.

Phillips acts as the public policy advisor for Michigan Legal Services on housing policies for low-income families and the project lead for ERASE (End Rental Arrears to Stop Evictions)’s “Keeping Detroiters in their Homes” initiative.

Michigan Legal Services is among five Detroit nonprofits that received a one-year, \$80,000 grant from the CDC to work together on eviction prevention.

Part of the logjam in getting rental assistance to Detroit tenants is the educational aspect. Many facing eviction don’t know aid is an option or face an added hurdle of the digital divide, she said. She fears landlords will take advantage of tenants not knowing their rights or growing impatient with the learning curve.

“A lot of tenants are coming into court not represented or don’t know their legal rights and are basically getting steamrolled by landlord attorneys,” she said.

While the CERA program can be a win-win for both tenants and landlords, it’s not mandatory for landlords to comply. Tenants can still receive funds even if a landlord does not participate, but funding lag times leave open a window where landlords can pursue eviction.

In July, The Michigan Supreme Court ruled that if a tenant applies for CERA, their eviction case can be temporarily paused for 30 days to allow for the application to be processed. After the application has been processed, there is a 15-day period for a payment to be made.

Judges are also required to notify both the tenant and landlord about CERA so that if the tenant hasn’t yet applied, they can do so and the case will be paused for the 45-day time period.

However, that pause is lifted if any of the follow occurs: the tenant is not eligible for CERA within 30 days of a pretrial hearing, the tenant is not eligible for all rent owed or the landlord does not receive full payment from CERA within 45 days of the pretrial hearing.

“It’s better than what we had before,” Phillips said. “But at the end of the day, we still don’t have a systemic safety net in place that really protects people at this time.”

The rate of eviction across the state was 13% for the month of August, according to [Michigan Courts data](#). That’s a slight increase from June and July rates that remained at 11%.

Annual data shows the current eviction rates are still lower than pre-pandemic rates. This year, the eviction rate thus far is 13% and 2020 recorded a 20% eviction rate. Comparatively, 2019’s eviction rate was 29%.

That highlights a larger area in need of reform, Phillips said. While emergency triage is happening currently to slow prevent a wave of homelessness, a long-term look is needed to address the ongoing affordable housing crisis, she said.

“We’re looking at those systemic issues and not kicking the can down the road saying ‘When this crisis is over, everything will be fine,’” she said. “It won’t. It wasn’t before.”