

# Why the City Council Must Extend the Eviction Moratorium and Establish Tenant Right to Counsel

Presentation to Seattle City Council  
Sustainability and Renters Rights  
Committee

Chair: Kshama Sawant  
Jan. 26, 2021



SEATTLE CITY COUNCIL | DISTRICT 3  
COUNCILMEMBER KSHAMA SAWANT

# 2020: A tale of two (very different) worlds



# US billionaires saw their net worth rise by almost \$1 trillion between March and October — Jeff Bezos remains the richest, a study says

avcooper@businessinsider.com (Amanda Cooper) · 7 hrs ago



© Andrej Sokolow/picture alliance via Getty Images Amazon CEO Jeff Bezos. Andrej Sokolow/picture alliance via Getty Images

<https://markets.businessinsider.com/news/stocks/us-billionaires-wealth-rises-trillion-during-pandemic-amount-grow-bezos-2020-10-1029698554>



- ‘Record-shattering profit thanks to pandemic sales’
- April-June 2020: \$5.2 billion
- July-September: \$6.3 billion
- CEO Jeff Bezos net worth: \$191 billion, up 66% in just the last 10 months

<https://finance.yahoo.com/news/amazon-posts-record-shattering-profit-210412404.html> and <https://www.geekwire.com/2020/amazon-doubles-quarterly-profits-5-2b-crushes-wall-streets-expectations-highly-unusual-quarter/> and <https://www.geekwire.com/2020/amazon-crushes-q3-expectations-sets-record-96-1b-revenue-6-3b-profits/>



- Stock prices up 17.7% since before COVID
- CEO: “I could not be more pleased with our US sales recovery”
- Founder Howard Schultz: worth \$4.8 billion today, up 44% since 2016



- 43% growth in software revenue during beginning of pandemic (April-June)
- \$307 million profits last year
- Just paid \$440 million in cash for software startup Volterra

# Corporate landlords are doing very well

- Big corporate landlords and private equity firms dominate the US rental market, with 53% of the 48.5 million rental homes.

## Equity Apartments

- 9,400 apartments in Seattle area (79,000 nationally)
- **\$700 million profits**  
January – September 2020

## Essex Property Mgmt.

- 12,000 apartments in Seattle area
- Past high eviction rates
- **\$473 million profits**  
January – September 2020

# Mashvisor.com:



*“Seattle real estate investors are continuing to enjoy a good return on investment on rental properties. . . .*

***“Although affordability continues to be an issue for local residents, it does have a positive aspect for Seattle real estate investors. Owning a rental property in Seattle does mean high demand which translates into good occupancy rates and cash flow.”***

# December/January major real estate purchases in Seattle area

Blackstone makes \$175M multifamily play in South King County



Commercial Real Estate

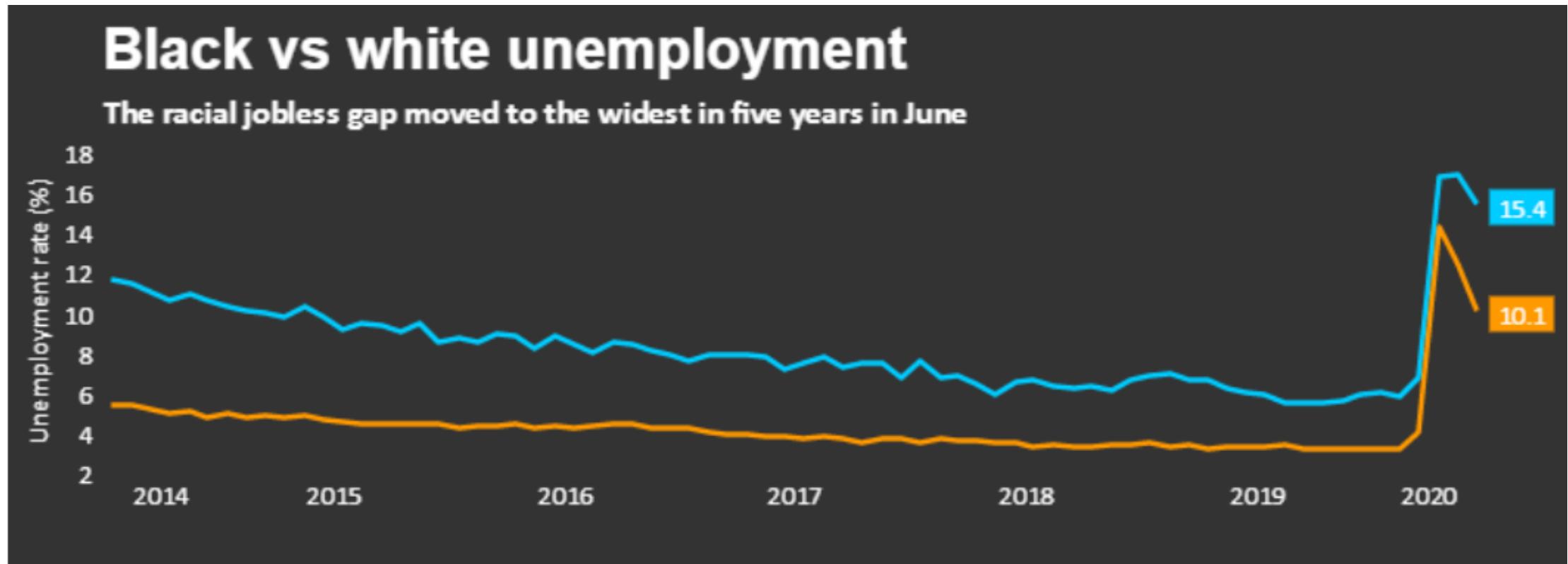
**Deutsche Bank division pays \$279M for mega-multifamily property near Microsoft HQ**

***Blackstone is the largest owner of single-family rental homes in the US; its CEO is worth more than \$21 billion***

<https://www.bizjournals.com/seattle/news/2021/01/21/deutsche-bank-division-buys-bellevue-property.html>, <https://www.bizjournals.com/seattle/news/2020/12/03/blackstone-buys-four-suburban-assets-for-175m.html>, and <https://www.forbes.com/profile/stephen-schwarzman/?sh=62efe880234a>

# What was 2020 like for working people?

- March-August: 57 million workers file for unemployment
- Disproportionate impact on Black community



<https://www.forbes.com/sites/jackkelly/2020/08/20/jobless-claims-574-million-americans-have-sought-unemployment-benefits-since-mid-march-over-1-million-people-filed-last-week/?sh=27ed03106d59> and <https://www.reuters.com/article/us-usa-economy-unemployment-race-idUSKBN2431X7>

# Disproportionate Impact on Women Workers



## All of the Jobs Lost in December Were Women's Jobs

BY CLAIRE EWING-NELSON

The most recent Bureau of Labor Statistics (BLS) monthly jobs report shows that **the economy lost 140,000 net jobs in December**, marking the first month of job loss since the economy started adding back jobs in May 2020.<sup>1</sup> **All of the jobs lost were women's jobs, with women losing 156,000 jobs and men gaining 16,000.**<sup>2</sup> With December's losses, more than 2 in 5 (44.4%) of the over 22.1 million jobs lost in March and April due to the COVID-19 crisis have not returned.<sup>3</sup> In December, 27,000 women entered the labor force after 863,000 exited in September.<sup>4</sup> However, 154,000 Black women left the labor force last month, marking the largest one-month drop in their labor force size since March and April 2020.<sup>5</sup> There were nearly 2.1 million fewer women in the labor force in December than there were in February, before the pandemic started.<sup>6</sup>

- **Women account for 55.0% of overall net job loss since the start of the pandemic**

<https://nwlc.org/wp-content/uploads/2021/01/December-Jobs-Day.pdf>

# Nationally, before COVID: 78% of US workers live paycheck-to-paycheck to make ends meet

- *More than half of minimum wage workers say they have to work more than one job to make ends meet*
- *Nearly 3 in 4 workers said they were debt - more than half thought they always would be*
- *Nearly 3 in 5 renters could not come up with \$400 in an emergency*

<http://press.careerbuilder.com/2017-08-24-Living-Paycheck-to-Paycheck-is-a-Way-of-Life-for-Majority-of-U-S-Workers-According-to-New-CareerBuilder-Survey> and  
<https://www.theatlantic.com/ideas/archive/2020/05/cancel-rent/611059/>



# The COVID-19 Eviction Crisis: an Estimated 30-40 Million People in America Are at Risk

AUGUST 7, 2020 • EMILY BENFER, DAVID BLOOM ROBINSON, STACY BUTLER, LAVAR EDMONDS, SAM GILMAN, KATHERINE LUCAS MCKAY, ZACH NEUMANN, LISA OWENS, NEIL STEINKAMP & DIANE YENTEL

**The United States may be facing the most severe housing crisis in its history.** According to the latest analysis of weekly US Census data, as federal, state, and local protections and resources expire and in the absence of robust and swift intervention, **an estimated 30–40 million people in America could be at risk of eviction in the next several months.** Many property owners, who lack the credit or financial ability to cover rental payment arrears, will struggle to pay their mortgages and property taxes and maintain properties. The COVID-19 housing crisis has sharply increased the risk of foreclosure and bankruptcy, especially among small property owners; long-term harm to renter families and individuals; disruption of the affordable housing market; and destabilization of communities across the United States.

**Moody's Analytics estimated that at the end of 2020, nearly 13 million renters nationally owed an average of \$5,400 in back rent (not including utilities).**

***"The tidal wave is coming. It's going to be really horrible for people."***

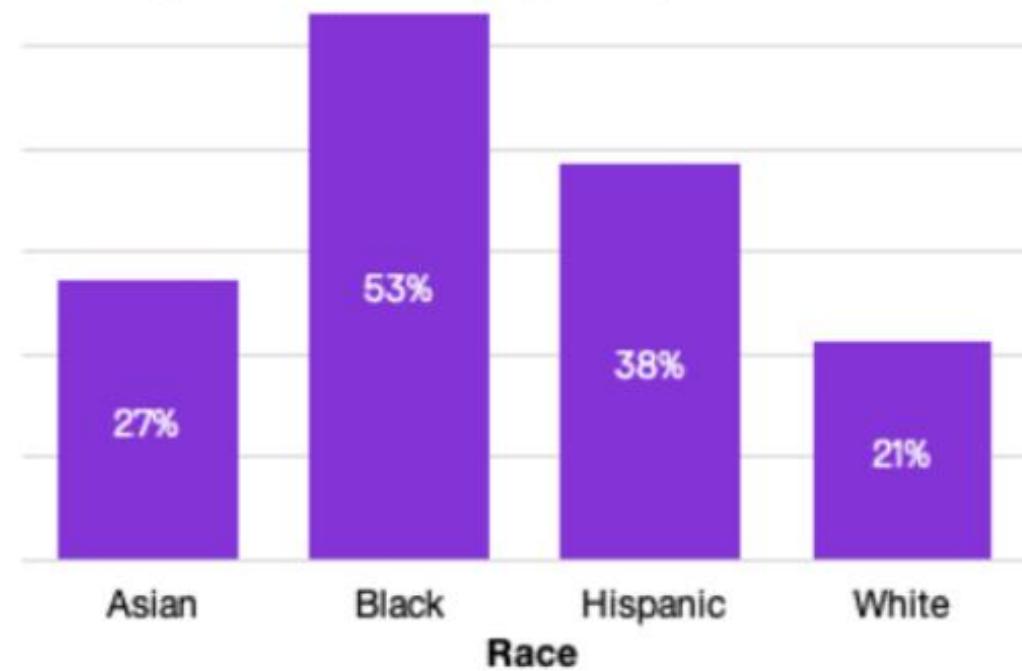
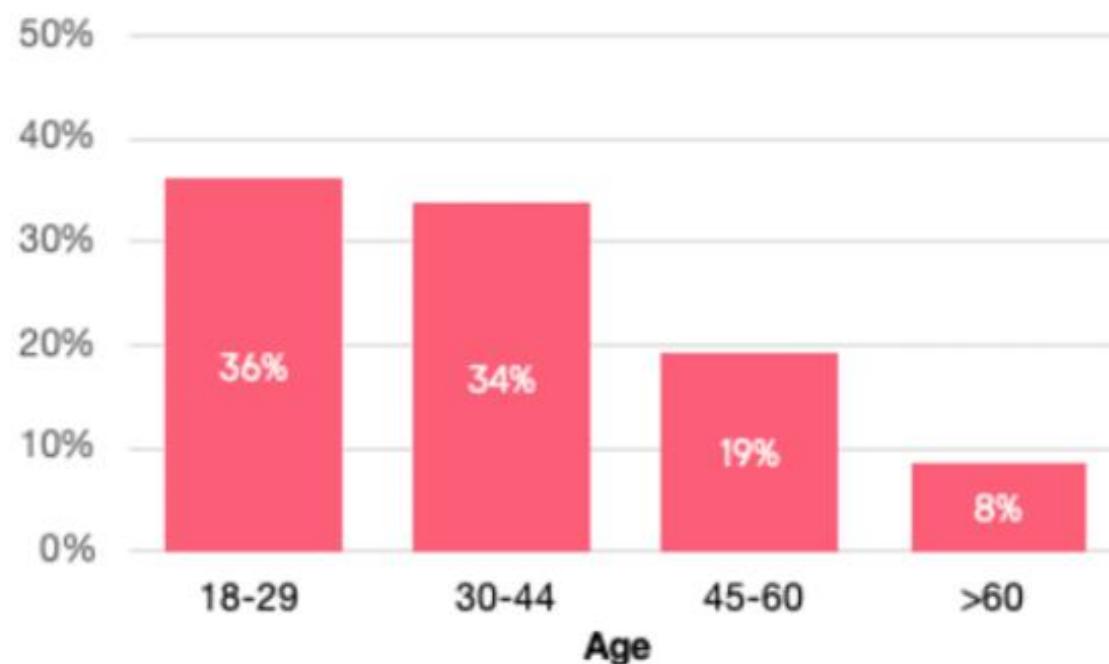
-- Charlie Harak, a senior attorney,  
National Consumer Law Center

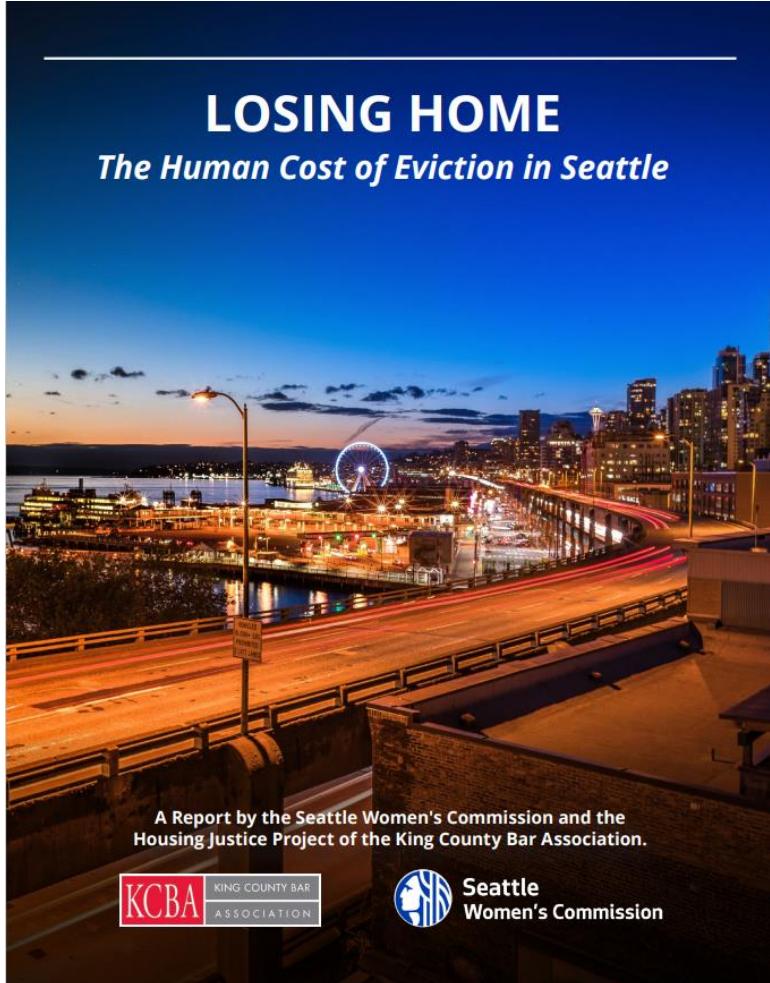


<https://www.moodysanalytics.com/-/media/article/2020/weekly-market-outlook-markets-avoid-great-recessions-calamities.pdf> and  
<https://www.washingtonpost.com/business/2020/12/07/unemployed-debt-rent-utilities/>

# Stopping evictions is a racial justice issue

**28 Percent of Renters Are Starting 2021 with Rent Debt**  
The percentage of renters with unpaid bills, by group

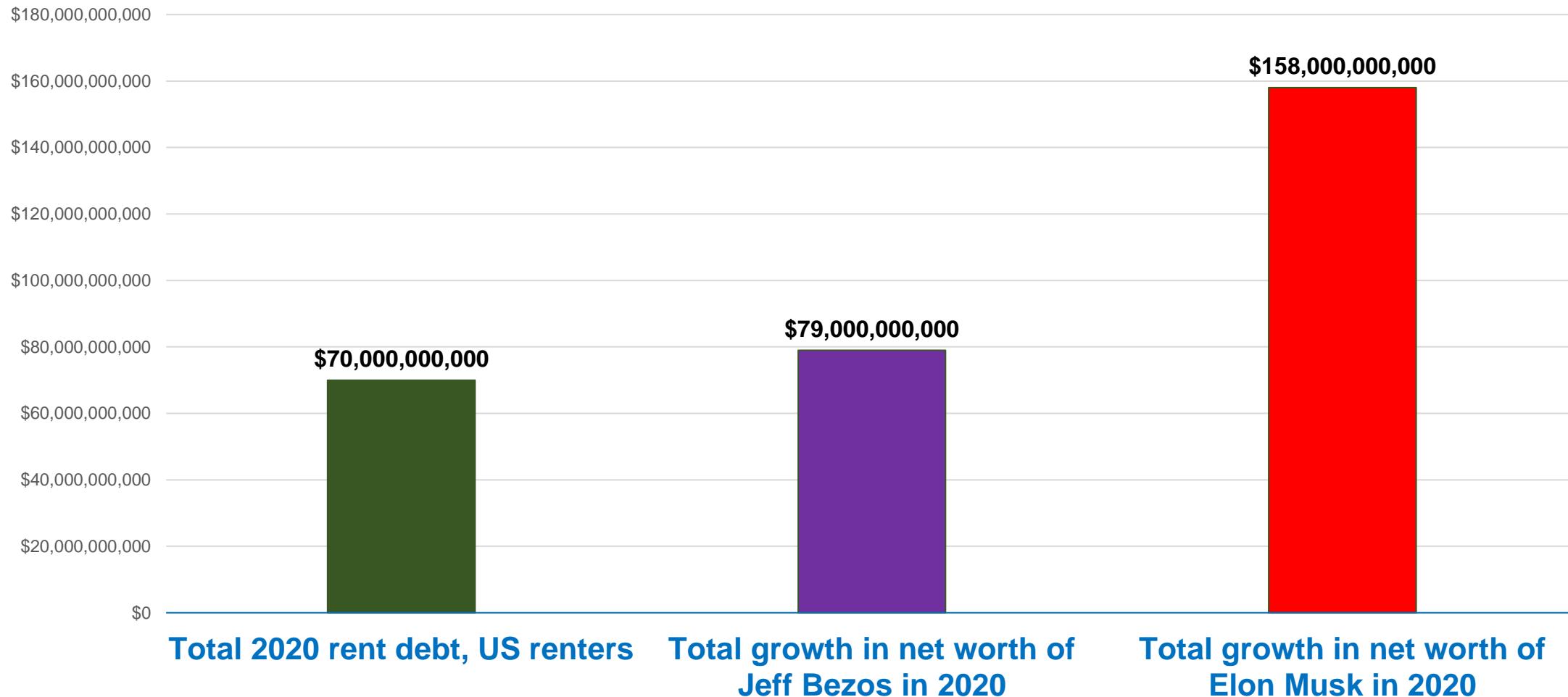


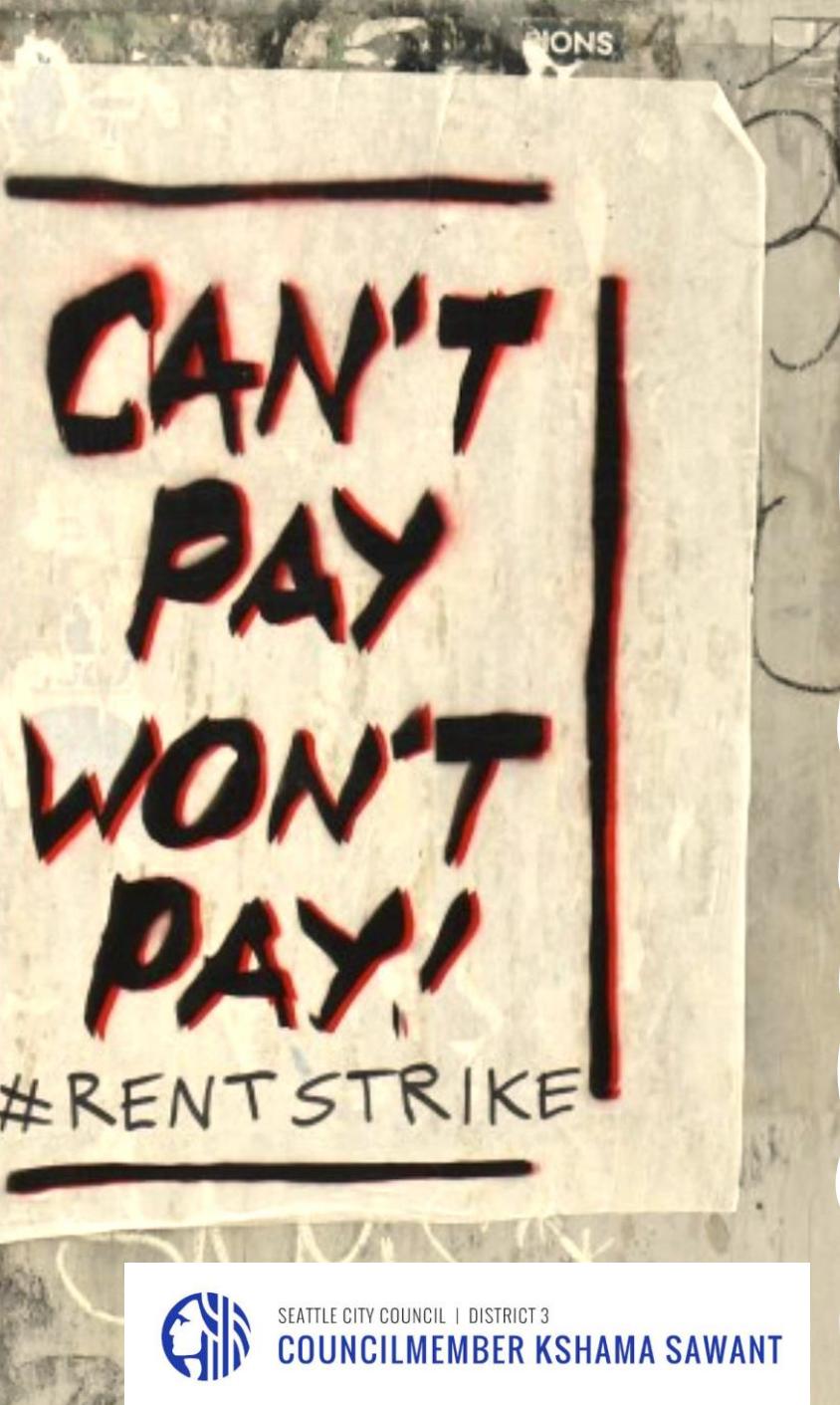


- “**51.7% of tenants in eviction filings were people of color; 31.2% were Black tenants**, experiencing eviction at a rate 4.5 times what would be expected based on their demographics in Seattle.”
- “**Most evicted respondents became homeless**, with 37.5% completely unsheltered, 25.0% living in a shelter or transitional housing, and 25.0% staying with family or friends. Only 12.5% of evicted respondents found another apartment or home to move into.”
- “**Ultimately, eviction pushed low-income tenants out of Seattle**: 43.5% of evicted respondents had to leave the city as a result.”

# 2020: A tale of two (very different) worlds

*In 2020, the wealth of two billionaires grew by more than the entire US renter debt*





# Renters' movement demands

- ✓ Extend the eviction moratorium through the end of the economic crisis (not just the health crisis)
- ✓ Establish tenant right to counsel for all tenants facing eviction
- ✓ Support the state and national **#CancelRent** and **#CancelMortgage** movements
  - Cancel debt for renters, working-class homeowners, struggling small businesses, and small landlords who have lost income due to COVID and the economic recession.
  - Demand that private lending institutions extend the same mortgage forbearance and foreclosure moratorium protections that homeowners with federally-backed loans have.
  - Big banks, corporate real estate, and Wall Street must pay for the crisis.