

Displaced: Maricopa County

Every year, more than 5 million Americans lose their homes through evictions and foreclosures. These forced displacements are intensely traumatic financially, physically, and emotionally. Children have to switch schools, parents lose their jobs, families' possessions end up on the sidewalk, and suicide rates spike. Research links housing loss to a litany of adverse impacts, from financial ruin and increased obesity for adults, to educational attainment gaps and chronic homelessness for children.

And yet, as our nation braces for a tsunami of housing loss as the result of the economic fallout of the COVID-19 pandemic, we know very little about these life-changing events. Where is forced displacement most acute? Who is most at risk? Why does housing loss occur? And what happens to people after they lose their homes?

The Displaced in America report aims to answer these questions, and in doing so help municipal leaders better understand where the pandemic might exacerbate already established patterns of housing loss in their own communities.

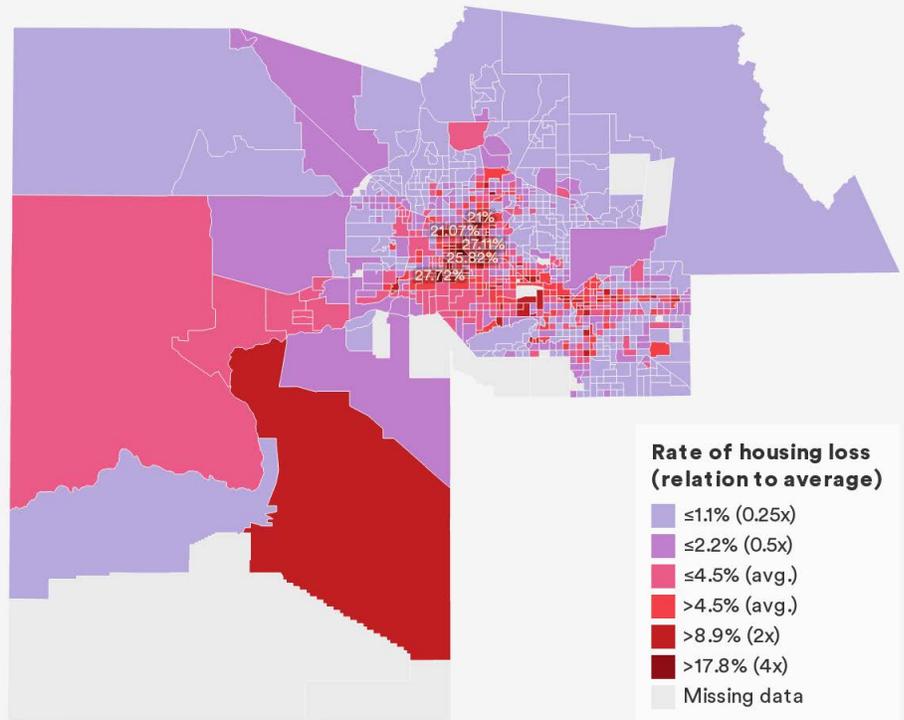
New America and its partners have visualized the scale and breadth of displacement across the United States through a National Housing Loss Index, which ranks U.S. counties based on their combined eviction and foreclosure rates. We also examined census tract-level displacement across three case study locations: Forsyth County, N.C. (Winston-Salem); Marion County, Ind. (Indianapolis); and Maricopa County, Ariz. (Phoenix, Tempe, Mesa).

Maricopa County

Maricopa County, Ariz. is the fourth most populous county in the United States. Sixty percent of Arizonans (about 4.5 million people) live in Maricopa County, which is home to Phoenix, Mesa, Glendale, Chandler, Gilbert, Scottsdale, and Tempe. In 2019, Maricopa was also ranked the [fastest growing county](#) in the United States, adding over 80,000 new residents. This influx of residents comes as many already living in the region face increasing levels of housing instability.

New America analyzed Maricopa County's eviction and mortgage foreclosure data, and interviewed government officials, housing advocates, real estate developers, journalists, lawyers, service providers, and community members. These interviews culminated in an accounting of how individuals are losing their homes, who is most at risk, and what happens after they are displaced.

Maricopa County Housing Loss Index (2014-2018)



Map: New America-Future of Property Rights (via DataKind) • Source: Maricopa County Justice Courts & Knowledge Exchange for Resilience at Arizona State University (via Information Market)

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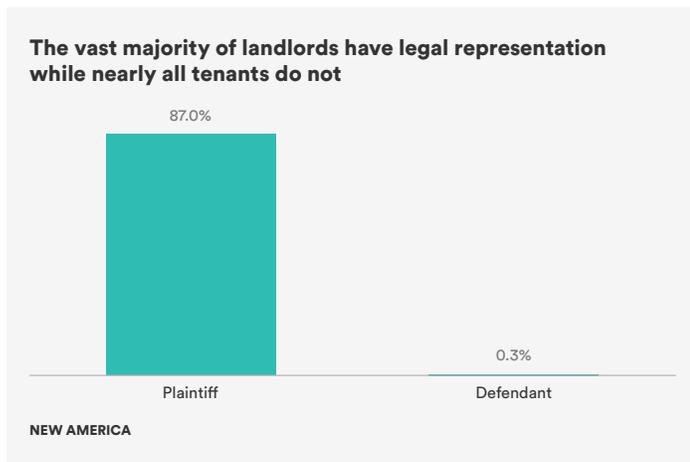
WHAT DOES HOUSING LOSS LOOK LIKE IN MARICOPA COUNTY?

To view the interactive data visualization visit <https://tinyurl.com/FPRMaricopaLoss3>

Maricopa County has the highest housing loss rate in Arizona. Maricopa County residents experience acute housing loss at a rate of 4.5 percent. Among our national dataset, Maricopa County had the 46th worst housing loss rate in the nation (of more than 2,200 counties measured). Based on our examination of data from 2014–2018:

- 182,425 households were evicted in Maricopa County, a **6.2 percent eviction rate**. This is despite the fact that one-third of eviction court records were incomplete and were not included in our calculations. As a result, we believe the county's true eviction rate is significantly higher.
- 17,541 of households were foreclosed upon in Maricopa County, a **foreclosure rate of 2.8 percent**.
- **Evictions spike in the summer months**. July had the highest average number evictions (4,253), a 52 percent increase over March, which had the lowest average number of evictions (2,809).
- **When evictions go to court, tenants lose**. Eighty-seven percent of landlords and only 0.3 percent of tenants had legal representation in court. Of cases with judgment information available, landlords win 99 percent of the time.

Legal Representation

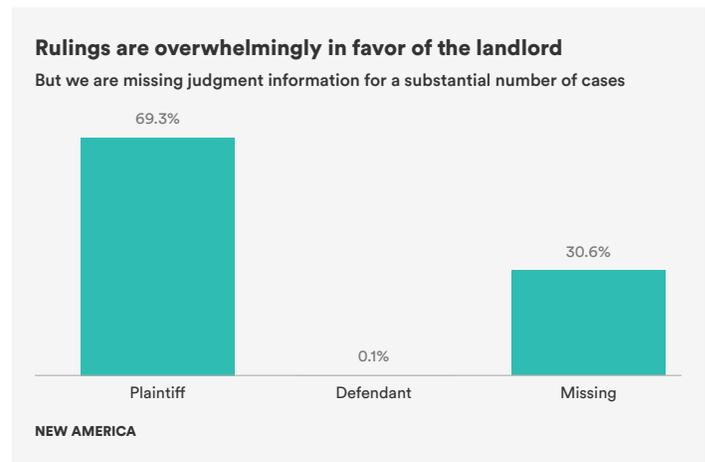


- **Mobile home park redevelopments are a significant source of housing instability**. **70,000 households** in Maricopa County live in mobile homes, and can be forced to move when investors purchase mobile home parks for redevelopment. According to the [Arizona Republic](#), investors have spent more than half of a billion dollars buying up mobile home parks in the region since 2017.
- **Westridge Park, South Phoenix, and two a census tracts in the Alhambra neighborhood between downtown Phoenix and Glendale, near Camelback road**, have among the highest rates of evictions and foreclosures combined.
- The **highest eviction rates** are concentrated near the center of Phoenix, notably the neighborhoods of Maryvale and Westridge Park. In these tracts, one in three renter households get evicted every year.
- Most Maricopa County census tracts have average **foreclosure rates** of less than 1 percent, however **foreclosure rates jump to 5-7 percent in the southeast and southwest portions of the county**, as well as those closer to the Phoenix city center. Neighborhoods around and to the west of Sky Harbor Airport have foreclosure rates as high as 7 percent.

HOUSING LOSS AND COVID-19

The COVID-19 crisis has hit Maricopa County hard, with 52 percent of households reporting that at least one person in their households has lost employment income since the pandemic began. The Bureau of Labor Statistics reported in June that Maricopa County had an unemployment rate of 9.7 percent, more than double the rate in June of 2019.

Housing Court Outcomes



We found that zip-codes with high job loss generally overlap with tracts of high housing loss, particularly in Buckeye; between Downtown Phoenix and Glendale; and South Phoenix, Guadalupe, and Tempe near Sky Harbor Airport. The hardest hit zip-codes, east of the airport, had between 7,000 and 10,000 unemployment claims between March 14th and July 30th, and also have eviction rates as high as 14 percent and housing loss rates more than double, and in some tracts four times the county average.

WHO IS MOST AT RISK?

Census tracts with predominantly Black or Latinx households had higher rates of eviction, foreclosure, and combined housing loss than census tracts with predominantly white households. However, **citizenship appears to be more strongly correlated with housing loss than race**: Census tracts with non-citizen households had substantially higher rates of housing loss.

Tracts with a lower median household income and low median property values had higher rates of housing loss. We also found higher rates of housing loss in census tracts where residents lacked health insurance, as well as higher rates of eviction in counties with high proportions of residents who rely on public transit to get to work.

WHY DO PEOPLE LOSE THEIR HOMES?

Low wages: [Wages in the county grew](#) 3.8 percent between 2018–2019, yet the [minimum wage](#) in Arizona is currently \$12/hour, [well below](#) the estimated need for many households with children. The [median rent](#) for an apartment in the county is \$1,079, almost double what minimum wage workers could afford. In [some census tracts](#), particularly south of Sky Harbor Airport, between 2011–2017, rental housing costs have increased upwards of 20 percent, while median incomes have decreased by over 20 percent.

Rising housing costs: During the last 10 years, home prices throughout the county have increased [83 percent](#). [Between 2017–2018](#) rents increased by over 5 percent and home prices by over 10 percent. As a result, 45 percent of households in the Phoenix metropolitan statistical area (MSA), and 40 percent of households across the county, are [rent-burdened](#).

Expensive utilities: Our research found that Arizona’s summer electric bills are the highest in the nation -- in August 2019, the average electric bill in the state was \$212 -- leaving some families facing a choice between A/C and rent.

State preemption: The [State of Arizona has prevented](#) local governments from adopting rent control measures that might help support lower-income households.

Fixed incomes: As rents rise, those dependent on fixed incomes (SSI, SSDI) are being displaced. Of the more than 1 million retirees in Maricopa County, many are [at risk for housing insecurity](#) as they age. It’s estimated that 23 percent of seniors in the county earn less than \$25,000, with 12 percent earning less than \$15,000.

Investment properties: Conversion of homes to vacation rentals contributes to housing shortages and drives up housing costs. Between 2014–2018, over [15 percent](#) of all home sales in Phoenix were investment properties. There are over [100,000 vacation homes](#) in the Phoenix MSA. At the same time, the Arizona rental market supplies only 26 affordable units per 100 extremely low-income rental households.

WHAT ARE THE CONSEQUENCES OF DISPLACEMENT?

Between 2019–2020, Phoenix’s homeless population [rose by 18 percent](#), requiring the city to direct over \$20 million in funding as a response. [Thirty seven percent](#) of those experiencing homelessness in Maricopa County are families. Responding to the mental and physical needs of homeless and displaced households puts additional strains on public funds and society at large. Housing instability also [impacts education](#), as children are often displaced from schools if their family loses their home.

POLICY RECOMMENDATIONS

- **Improve housing loss data** by creating public eviction, mortgage foreclosure and tax foreclosure databases and in particular improving quality of eviction data.
- **Increase wages** to keep pace with rising housing costs and **expand socioeconomic benefits** to reduce other household expenditures on healthcare, childcare and transit.
- **Expand affordable housing** options through voucher programs, trust funds and tax credit programs, and by supporting projects that rehabilitate blighted communities.
- **Increase parity between landlords and tenants** by expanding tenants’ legal rights, providing tenant representation in eviction court and increasing tenant education.
- **Reconsider state preemption** laws that limit local housing solutions such as inclusionary zoning, minimum wage laws, or even the right to regulate short-term vacation rentals like Airbnb.
- **Protect mobile home residents** for example by providing increased compensation for residents who are displaced as a result of mobile home park redevelopment, and supporting resident-owned communities.
- **Better regulate short-term vacation rentals** to ensure sufficient rental stock for county residents.