

# The Housing Crisis in Arkansas

Part of a series exploring issues from  
the Community Foundation's  
*Aspire Arkansas* report.

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## Making “Home Sweet Home” a possibility for more Arkansans



Homeownership is an important factor for neighborhood stability and civic participation. A home is a vital financial asset for a family and an investment in both the local neighborhood and surrounding community. In Arkansas, homeownership is only a dream for many.

The data from [AspireArkansas.org](http://AspireArkansas.org) — Arkansas Community Foundation’s source of online data on education, healthcare, families and communities — tells us that the homeownership rate in Arkansas is 66% and trending down since COVID. The data also shows us that homeownership rates vary across racial and ethnic groups: 71% for whites, compared to 44% for Blacks and 52% for Hispanics. These disparities also continue to increase since COVID.

ALICE families (Asset Limited, Income Constrained, Employed) are the most affected by systemic barriers to homeownership. Since ALICE households generally have lower wages and wealth accumulation, they have fewer resources for down payments and higher debt to income ratios. With lower credit scores, they are less likely to qualify for mortgages. ALICE households, especially those in the Black and Latino communities, may lack information about the home buying process.

But there is hope for those with the dream to own a home. In this issue, we explore personal stories of hardworking Arkansans and their barriers to homeownership. We also highlight solutions and emerging movements working to make safe, affordable housing available to all Arkansans.

Best regards,

A handwritten signature of Heather Larkin.

Heather Larkin  
President and CEO



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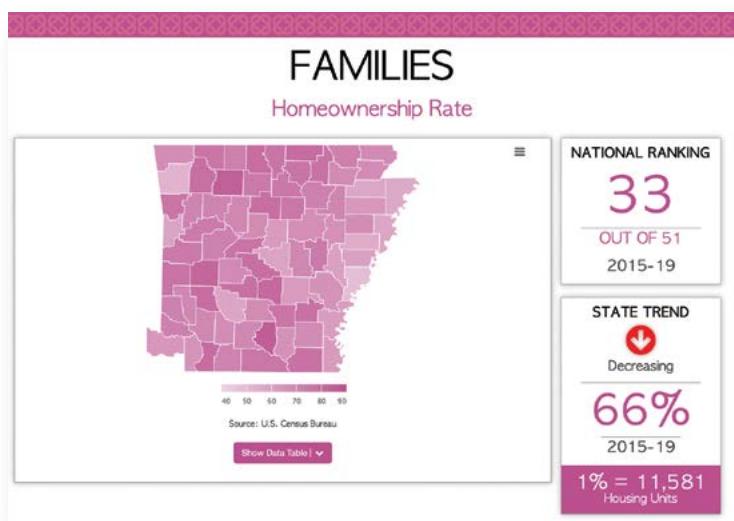
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*On the cover: Samantha Schilling of North Little Rock has been fighting eviction since last fall. She hasn't received clearance from her doctor to work after an injury. She worries for the future of her sons, ages 10 and 11, if she can't get approved for disability benefits or find another source of income.*



# The Face of Arkansas' Housing Crisis

By Kimberly Dishongh



*Kimberly Kelley has recently moved out of this Heber Springs rental home, where she says mold and sagging floors put her health at risk. She and her daughter had been sleeping in the living room to avoid the bathroom and adjacent bedrooms because that's where most of the mold was growing.*

Kimberly Kelley likes to crank up the music and dance around the kitchen while cooking Southern or Mexican dishes for her daughter.

"I can pull out one of my mama's old church recipe books, or my own Betty Crocker books and make whatever sounds good," said Kelley.

"But I don't do any of that much anymore. It's just challenging because of the floor in this kitchen, and I just don't feel well enough. It's hard to breathe. It's hard to think."

The floor in the kitchen of the Section 8 home she's renting in Heber Springs is uneven, and she wonders how long it might be before the whole thing gives way under the weight of the refrigerator. The mold that has taken hold in the bathroom and spread into adjacent bedrooms is affecting her health.

Kelley and her 19-year-old daughter sleep in the living room, as far as possible from the mold, and they only go into the bathroom when absolutely necessary.

"You have to bathe in just a few minutes because you can't breathe in there," she said.

Kelley asked her landlord to address the problems, and he sent someone to install ventilation.

"This is a 50-year-old home, and it had never been ventilated," she said. "It has shifted on its foundation, and it's in really bad shape. I was trying to educate him through the health department about how to remedy black mold, and that kind of gets too late to just put a vent in. Black mold is growing in the walls, and that's where the problem needs to be taken care of."

To make matters worse, a repairman she has since learned is on the sex offender registry used a debit card to unlock her door while she was at home, so she doesn't feel safe inside.

Kelley has tried to find another rental in her area but has so far been unsuccessful.

Raquel Holloway of Little Rock is moving out of her rental without a clear plan for where she'll go.

*continued on page 3*

"I just can't stay here," said Holloway, who discovered a flea infestation upon moving into what she thought was a charming two-story house last year.

"Whenever you came to the front door, you would have

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I'm either going to end up in a homeless shelter or, worse, my children in DHS custody. I don't want that to happen. It's quite terrifying.

— Kimberly Kelley

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them all over your legs," said Holloway. "It had roaches really bad, too, and spiders."

Her landlord, a realty company, said she waited too long to ask for help with the problem and had to deal with it herself. She used pesticide bombs and sprays and deep cleaned, but as more cracks formed in the foundation more pests found ways inside. She sealed what she could with spray foam.

On May 25, a storm blew down a tree limb that knocked the meter base off the home's back wall. Entergy couldn't reconnect her power until her landlord hired an electrician to repair the base. That took until the week of June 17.

There were numerous heat advisories during the weeks she was without power, and Holloway showered to cool down in the evenings so she could sleep — but then sewage backed up into her only bathtub and that option was out, too.

Act 1052 of 2021 allows renters who signed a lease after Nov. 1, 2021, to move without penalty, security deposits intact, if landlords don't meet basic requirements — hot and cold potable drinking water; electricity; functioning walls, roof, doors and windows; sanitary sewage and plumbing; and an HVAC system that works at least as well as it did when the lease was signed.

HB 1563, filed in 2021 by Rep. Jimmy Gazaway (R-Paragould), would have required landlords to provide pest control and smoke and carbon monoxide detectors as well, and would have allowed renters to make repairs and deduct the cost from their rent.

"The vast majority of landlords already provide those things," said Gazaway, who owns rental property himself. "But we know that there are some out there who don't, and it puts the tenants' health and safety in jeopardy."

Vicki Koenig testified before the House Insurance and Commerce Committee on behalf of Gazaway's bill, sharing the story of her son, 34-year-old Alec Lisko, who died of



*Kimberly Kelley points out a hole in the wall of her rental home in Heber Springs that her landlord addressed by nailing a board over it.*



*There are nails protruding from the rotting wooden steps leading to the home's front door of Kelley's home.*

carbon monoxide poisoning in February 2021 in his Little Rock apartment.

Autumn Rains was a friend of Lisko's since they were students at the residential Arkansas School for Mathematics and Sciences in Hot Springs.

"To think, if Alec's apartment had had a \$20 carbon monoxide detector, he would still be here," said Rains, a chemical engineer who worked for a company that makes carbon monoxide detectors before moving from Colorado to Arkansas. "I'm going to do everything I can to educate people about the importance of this."

HB1563 also would have overhauled the state's eviction codes and provided tenants with a more manageable appeals process.

Samantha Schilling of North Little Rock has faced eviction three times since August but was able to avoid it by using the expanded child tax credit that expired in December toward her rent.

Schilling is waiting for a disability hearing following an injury, but she worries for her children, ages 10 and 11, if she gets evicted before she can find another source of income.

"I won't have anywhere to go," she said. "I'm either going to end up in a homeless shelter or, worse, my children in DHS



*Samantha Schilling says she and her partner have been in regular contact with the landlord of the home they are renting in North Little Rock as they try to avoid eviction.*

custody. I don't want that to happen. It's quite terrifying."

Kelley, too, worries for her child's future.

Her daughter draws anime characters and dreams of being a graphic artist or maybe a fashion designer. She had to leave her part-time job recently because of health issues.

"I like to garden. I like to keep my home clean. I enjoy being a mom. I like helping my daughter grow and discover life," said Kelley. "We haven't had that here though."

She is attempting to "port" her Section 8 voucher to another region of the state so she can look for housing outside Heber Springs, but that takes time. She worries about what she'll lose when she goes.

"This will take from my daughter's opportunities. There goes another semester of college, and we may not even have a place to sleep," she lamented.

She isn't even sure what they can take with them. Her furniture, she worries, may harbor mold spores, and she doesn't want to risk spreading them.

"I have a minivan, so we're just going to take our most prized possessions, whatever we can fit in there," she said. "We'll have to leave the rest behind."



*Stains remain from black mold that Kimberly Kelley tried to clean on the kitchen cabinets of her rented home.*

# Helping Hands: Inspiring Young Volunteers to Help Improve Homes

By Kim Dishongh



*Ailverline Gray of Colt stands on the porch of her home, surrounded by Ozark Mission Project volunteers who were there to build a wheelchair ramp to make it easier for her to access her front door.*

Ailverline Gray worried about how she would replace the wheelchair ramp that makes it possible for her to get in and out of her home, especially when her chronic health issues flare up.

"I have a ramp on the back of my house, but I didn't have one on the front. The one on the back is really deteriorating," said Gray, who was a family outreach specialist in a health program before she had to retire because of her illness.

Gray, who lives in Colt, population 325 in St. Francis County, was elated when a crew of Ozark Mission Project volunteers stepped in.

"They are just wonderful. They have power saws; they have drills, extension cords... and they are very polite," she said. "I wasn't sure how I was going to get that done so this is a big help."

Ozark Mission Project (OMP) is a faith-based nonprofit organization that brings together volunteers, mostly high school and college students, from all over the state, assigning them to teams balanced with those who have

experience and those who are learning, to build or repair homes for people who need help. About 40 OMP volunteers spent the last week of June completing projects in the Wynne area.

"They're going to spend the entire week just doing different things at people's houses, everything from building new porches and steps to wheelchair ramps, installing shower handles and bathtub aid stuff," said Matt Carter, pastor at First United Methodist Church in Wynne, before they arrived. "They're going to be painting, screening porches, doing soffit repair, yard work... things that help people out when they can't afford it or aren't able to get it done themselves."

Charles Kinslow of Cherry Valley was another homeowner this group served.

"My porch was about to fall in," said Kinslow, a retired truck driver.

Volunteers replaced his porch and built a new wheelchair ramp as well.

Cross County Community Foundation awarded a \$35,000 grant to Ozark Mission Project for supplies dedicated to homes in Cross County from their housing fund.



Joy Shepherd, who serves on the Foundation board in Cross County, said the organization had been searching for the best way to support home improvement.

"This was a perfect fit," said Shepherd, who grew up in Wynne, explaining that the bulk of the grant can be used to cover the cost of supplies, with labor being completed by skilled volunteers.

Carter said OMP places top priority on making homes more accessible for residents, thus prolonging the time people can safely live in those homes.

"We also try to give people something to be proud of in their home," he said. "Instead of just having four walls and a roof, we want them to have a nice area, so we just try to improve the quality of life, not only in functionality but also aesthetically when we can."

Bailey Faulkner, Ozark Mission Project's executive director, said the organization gets several requests for the construction of wheelchair ramps.

"There are all these different organizations that will take people to the doctor, but for insurance purposes they aren't able to help a client with lifting a wheelchair," Faulkner said.

Requests for help increase every single year, as more people become aware of the program, Carter said.

"We try to look at every single one of them," he said. "Then we try to organize based on what we can do timewise as well as ability-wise."

Carter said they try to get through as many projects as possible during the week while the campers are on site; tasks that can't be finished during that time will be completed by church members or weekend volunteers. "Our goal is to make it where everybody who has asked for assistance can get it," he added.

The number of campers has declined, however, with possible causes including schedules changed because of COVID-19 and an increasing extracurricular load for many kids.

Jamie Andrews of Forrest City said a Department of Human Services representative helped connect her family to OMP because they needed a wheelchair ramp for their son, Jake, 4, who has cerebral palsy and microcephaly.

"Everything is so expensive right now," said Andrews. "There's just no way we could afford to do it, especially with COVID and being off work — we're still playing catch-up from all that. These kids have taken time out of their summer to do this, and I know when I was their age, I just wanted to be in the pool, so it is huge that they're here doing this."

She and her husband, Tyler, are proud of their daughter, Arya, who has kept a close eye on the workers at their house and said she wants to participate in OMP as well.

"She said, 'Mom, I really want to do this. I really want to help.' She's been showing them where the water hose is, where the plug-in is," said Andrews. "So this is not only something that is helping us, it's not a one-and-done. This is inspiring other people as well."

Arkansas Community Foundation has made more than \$40,750 in grants to Ozark Mission Project in fiscal year 2022 for their program efforts statewide. For more information about their work, visit [www.ozarkmissionproject.org](http://www.ozarkmissionproject.org)



Ozark Mission Project volunteers built a wheelchair ramp for the Andrews family in Forrest City during the last week of June. Jamie Andrews says her daughter, 10-year-old Arya, was inspired by the volunteers' efforts to help her son, 4-year-old son, Jake.

# Disparities for Minorities in Arkansas

By Kim Dishongh

The homeownership gap between minorities and whites in the state began widening even before the COVID-19 pandemic, and it has only gotten bigger since.

The gap in Arkansas is 26.3 percent, according to the Hope Policy Institute, based in Jackson, Miss., just below the national average of 30 percent but still higher than in 2009 when it was 25.4 percent. According to *Aspire Arkansas*, 44 percent of Black own their homes, compared to 71 percent of white Arkansans.

"There was already a racial wealth gap that has only been magnified by what has happened in the last two and a half years," said Janie Ginocchio, Southern Bancorp's director of public policy and advocacy.

Hope Policy Institute completed research supported by the Winthrop Rockefeller Foundation in November 2021, outlining housing policies that have exacerbated the wealth gap between whites and minorities over much of the last century. In fact, the homeownership gap is, wider today than it was when the federal Fair Housing Act was established in 1968, outlawing redlining and other discriminatory practices.

Don Jackson, vice president of mortgage business development at Hope Federal Credit Union in Biloxi, Miss., said their institution bolsters homeownership potential by offering ways for people who are unbanked or underbanked build credit, like allowing them to borrow \$200 or \$300 and pay it back incrementally.

"It helps them build their credit score, and it helps build trust among the banking institution," said Jackson. "We have an affordable housing product, which is a portfolio loan, meaning that we will keep this loan in-house. There is no down payment up to \$200,000, and there's no mortgage insurance, which can all be barriers to homeownership."

Homeowners, Jackson said, are more likely to be engaged civically, which affords them more opportunity to influence the policies that govern their lives. "The premise is that homeowners tend to be more responsible people," Jackson said. "They're invested."

An Arkansas Community Foundation-funded survey by Southern Bancorp conducted last year showed that the Department of Housing and Urban Development certified housing counseling agencies around the state offer widely differing levels of services for aspiring home buyers. The agencies' budgets range from \$13,000 to \$700,000.

"When you see that wide of a funding variation, then you know there's a very wide variation in their capacity and their ability to serve various clients in their geographic footprint," said Ginocchio.

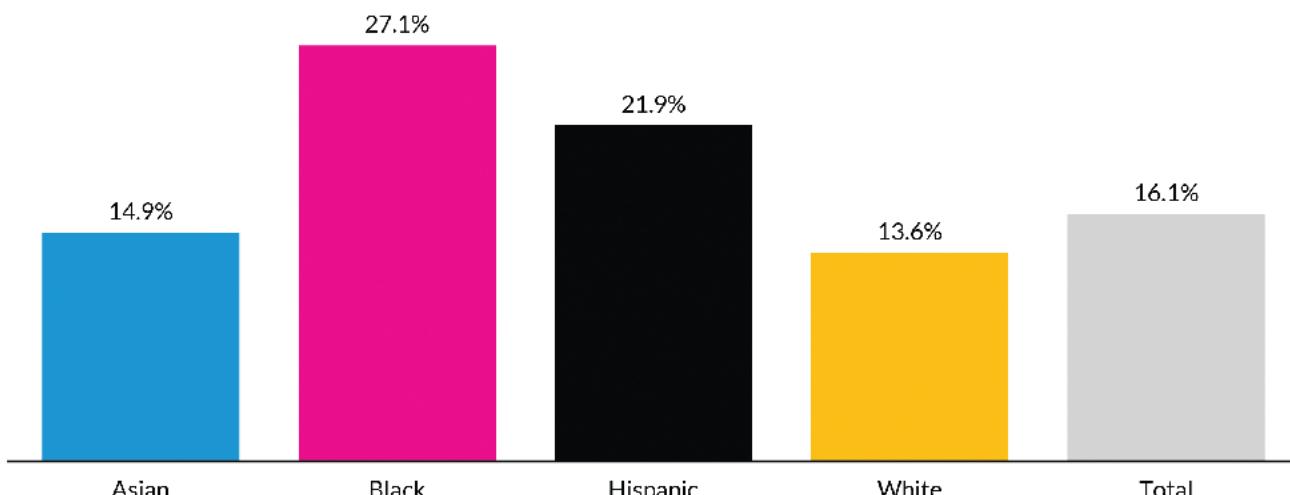
Leveling the playing field by a permanent funding source for the Arkansas Housing Trust Fund, established in 2009 to address the need for affordable housing in Arkansas, could boost access for Arkansans in underserved areas, Ginocchio said, especially those without reliable transportation or internet access for online credit counseling.

Jackson said the path to homeownership sometimes starts with a state of mind. "Pay your debt on time, save some money and prepare yourself for homeownership," he said. "I think the biggest barrier that creates a disparity for Black and people of color who don't own homes, is that they just feel like it's not something they can achieve. They don't realize that nothing could be further from the truth."



Janie Ginocchio

## Mortgage Denial Rate Comparison, by Race or Ethnicity





# Coming Together to Address Arkansas' Housing Crisis

By Adena J. White

In Arkansas, the lack of stable and equitable housing has begun outpacing the national average. This is due largely in part to housing issues often not rising to the top of elected officials' minds. But one group plans to do its part to restructure the system.

ACHANGE — the Arkansas Coalition of Housing and Neighborhood Growth for Empowerment — was created in 2005 to bring a united voice to address housing issues in Arkansas. This coalition of nonprofit organizations, governmental entities, corporations, municipalities, and individuals work to promote quality, affordable housing throughout the state of Arkansas.

Martie North, one of the founders of ACHANGE, has worked in community development for nearly 20 years.

"At times, I was housing insecure growing up," she said. "I have a unique sensitivity to this issue, and want to limit the number of people who have to live that experience."



ACHANGE hosts regular convenings to identify issues related to housing and to develop solutions. One of the organization's priorities is to pursue and support responsive public policy. To accomplish this, ACHANGE is reinstating its Public Policy Committee, which was instrumental in advocating for the enabling legislation to create the Housing Trust Fund in 2009.

The Housing Trust Fund was designed to generate state funding for affordable housing that would supplement money provided from the U.S. Department of Housing and Urban Development. Because these federal funds are based on population size, Arkansas does not receive funding at a level that aligns with the level of need in the state.

"Our state's population of roughly 3 million people is smaller than a lot of major metropolitan areas," North said. "So the dollars go primarily to the population centers, even though we also have so much need here in Arkansas."

More than a decade later, the Housing Trust Fund remains unfunded by the state.

"'Fund the Fund' is an ongoing effort and priority for ACHANGE," North said. "We still have zero dedicated funding at the state level despite a surplus, but our Public



Martie North

Policy Committee is working to bring together groups that are starting to see the nexus between housing and workforce development, public safety, health care, and children's wellbeing."

Public policy is challenging for ACHANGE because unlike most state legislatures, Arkansas does not have a committee dedicated to housing. This means there is no consistent place for bills to land when a representative introduces a piece of legislation, nor is there an opportunity for lawmakers to discuss housing-related issues in a single committee.

"Our state legislature needs a committee so that all housing-related bills and amendments — as well as dealings with the Arkansas Development Finance Authority — come before the same place," North said.

Another housing-related public policy issue is the lack of tenant rights and protections. Arkansas is the only state where a tenant can be faced with criminal charges for not paying rent. ACHANGE would advocate for the implementation of a statewide eviction diversion program to ensure courts in all 75 counties handle eviction cases in a uniform way.

North said while there are big challenges, she is optimistic that Arkansans can come together to solve them. ACHANGE is collaborating with the Winthrop Rockefeller Foundation's Housing Care and Connectivity Action Network and the Arkansas Asset Funders Network to plan a statewide housing convening this fall.

"By working together, we could set an example in Arkansas that places in other parts of the country can learn from and replicate," she said. "Because if you can fix it here, you can fix it anywhere."

## Habitat Central Arkansas is Making Home Ownership a Reality

By Jessica Ford



Daryl Walker, U.S. Army veteran and Habitat homeowner, at his home's building site in Little Rock.

"We are working to create a world where everyone has a decent place to live," said Kelly Fleming, executive director of Habitat for Humanity of Central Arkansas. "We know that home ownership creates multiple positive impacts on people and whole communities. Most of all though, homes build hope."

According to Fleming, the benefits of homeownership extend well beyond one person getting a new house: education outcomes for children improve, stress levels decrease, health outcomes improve, people are more inclined to vote, generational wealth can start to develop and local economies benefit when more local residents are homeowners.

"A misconception about Habitat is that we give away homes. We don't. We make home ownership possible," said Kelley Sims, director of programs and operations for Habitat. "We check income, credit levels, and require potential homebuyers to provide 300 hours of 'sweat equity' before

they can get a new home. They are required to pay their own closing costs, help with the construction and make monthly mortgage payments."

Habitat for Humanity of Central Arkansas is active in Pulaski and Lonoke counties. The homes being built by Habitat follow a model implemented nation-wide by Habitat to build safe, decent and affordable housing.

Porter Cove is a new pocket community started by Habitat in North Little Rock. "We learned that building pocket communities, or multiple houses in one area, has an exponentially larger impact for families and neighborhoods," said Fleming. "We closed on nine homes in Porter Cove. We also gave each family a computer; all the kids got bikes; we added sidewalks, and the local neighbors volunteered to help with construction."

Families in Habitat homes get to feel many "firsts" with home ownership: things like fenced-in backyards, having a pet for the first time, a yard to play in, a basketball goal, getting to plant flowers or have their own garden. But most of all, many homeowners say they truly feel safe for the first time in their lives.



"We start working in neighborhoods months before a build even starts," said Fleming. "We attend community meetings, recruit local volunteers and work hard to make sure that the presence of a Habitat home isn't perceived as a negative thing for a neighborhood."

Habitat for Humanity has recently established new design standards for all their houses. The goal is to enhance and beautify the exterior design of all new homes and simplify the interior spaces. The benefit of improving the outside of the houses is to improve curbside appeal. Simplifying interiors allows the homeowners to do their own upgrades, if desired, over time which are often less expensive. These standards will be fully implemented by 2024.

"Our homes are beautiful. The details for the exteriors are carefully planned and incorporate the aesthetic of the neighborhood, including landscaping," said Fleming. "If a client wants to upgrade something on the inside, they can at their own pace. We have one homeowner named Terri who added a backsplash in her kitchen and wallpapered her laundry room by using YouTube tutorials."

Habitat continues to thrive in central Arkansas, but the need is still great. Like every other sector, costs are rising, and staffing is a challenge. Anyone wanting to help Habitat meet its mission can donate directly, shop at its ReStore shop on South University, donate new building supplies, or volunteer to help build — no specific building skills are required.

"There is such a lack of affordable housing in Arkansas. Our queue is completely full, and we can't take any more applications right now," said Sims. "The hardest part about my job is turning people away who call for help."

Arkansas Community Foundation has made more than \$18,768 in grants to Habitat for Humanity Central Arkansas in fiscal year 2022. For more information about their work, visit [www.habitatcentralar.org](http://www.habitatcentralar.org).



*Kelly Fleming, executive director of Habitat for Humanity of Central Arkansas said that while the pandemic posed many challenges and continues to slow construction, the organization is still making high quality homes a reality for first time homeowners.*



*Details for the exteriors of Habitat homes are carefully planned and incorporate the aesthetic of the neighborhood, including landscaping.*

## The Homes at Willow Bend — A New Model in New Hands

By Jessica Ford



*Monique Pierre works to create affordable communities in Northwest Arkansas.*

"A common denominator since the beginning of time is that everyone that has ever existed has needed a place to live," said Monique Pierre, CEO of Partners for Better Housing. "Our intention is to make it easier by creating quality attainable housing and reasonably priced well designed rental housing."

Partners for Better Housing (PfBH) is a nonprofit housing and community development organization in Northwest Arkansas (NWA) focused on developing attainable workforce housing for modest- and moderate-income households in the rapidly growing NWA region.

"We are not building cheap houses," said Pierre. "Homeownership is one of the best tools to build generational wealth, so we are developing quality mixed-income communities that are beautiful, energy efficient and safe."

The key to resolving the housing shortage is partnership," said Pierre. "In my 25 years of working in housing, I have never seen the level of collaboration that exists here in

Northwest Arkansas. What I see is coordination, not competition, which allows us to come together and have impact. By working together and sharing information, we avoid unintended consequences of solving one problem, only to create five more — which often happens in this sector."

Our goal is to improve the quality of life here and create a model that can be replicated nationally. We are problem solving and learning alongside local lenders, developers, city leaders, community members, philanthropists, and nonprofits. The positive energy is helping us build momentum and a 'deep bench' of local knowledge so this work can be sustained."

The flagship project for PfBH is the Homes at Willow Bend, a neighborhood in south Fayetteville. The neighborhood consists of 81 homes. This is a mixed-income community where 27 of the homes are intended for purchasers earning an income under 80 percent of the Median Family Income (MFI). Buyers under 80 percent MFI will be eligible for subsidies to close the gap between the mortgage amount their lender has approved and the purchase price of the home. All homes are developed to the same high standards.



"We are creating opportunities for modest income purchasers to buy the same quality homes as market-rate buyers," said Pierre.

The subsidies keep monthly payments reasonable. PfBH also retains the first right of refusal to repurchase the assisted homes when they are placed for sale, thereby recycling the subsidy and passing on the savings to another eligible family. Ultimately, homeowners build equity and assets, but homes are protected from the price inflation that is pricing so many potential homebuyers out of the market right now.

The Homes at Willow Bend are built with intentionality and smart design. Instead of garages, the homes have front porches facing the street to create a greater sense of openness. Landscapes have more natural growth versus hyper-manicured yards. All the homes are close to green spaces, public parks, a bike path and amenities like grocery stores, public transportation and a Head Start center.

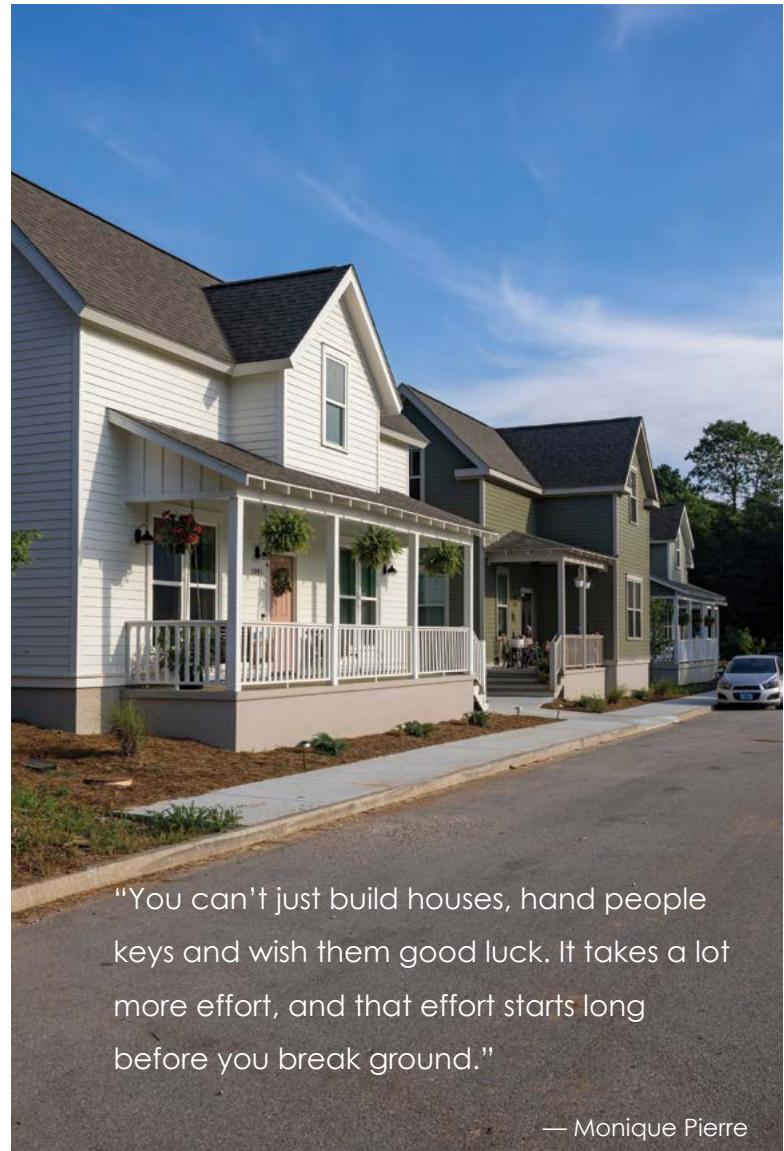
"You can't just build houses, hand people keys and wish them good luck," said Pierre. "It takes a lot more effort, and that effort starts long before you break ground."

The PfBH approach includes a rigorous homebuyer education program, pre- and post-purchase support and down payment assistance. "We teach participants how to understand their finances, credit scores and the nuances of mortgages and insurance. They come to us with what they can afford, and we bridge the gap," said Pierre. "Once they move in, we continue to support them to make sure they remain stable. For example, riding out a possible economic downturn. We offer counseling and one-on-one help and if at any point they decide to sell, we will assist with that transition."

Partners for Better Housing relies on grants and donations to do their work. They have multiple funding sources and committed leadership, but they are always looking for new partners, donors and anyone that will bring their passion for housing to the table.

"We aren't trying to be the new Denver or Austin; we are Northwest Arkansas and unique in our own right," said Pierre. "Helping PfBH do this work is a generational investment in the quality of life families enjoy here in Northwest Arkansas."

Through impact investments, Arkansas Community Foundation has loaned Partners for Better Housing \$400,000 with a \$1.1 million guarantee. For more information about their work, visit [www.partnersforbetterhousing.org](http://www.partnersforbetterhousing.org).



"You can't just build houses, hand people keys and wish them good luck. It takes a lot more effort, and that effort starts long before you break ground."

— Monique Pierre



# As COVID-era Rental Assistance Programs Expire, What's Next for ALICE Families?

by Adena J. White

In 2020, a temporary federal eviction moratorium issued by the Centers for Disease Control and Prevention helped keep families in safe and stable housing during the COVID-19 pandemic. During that time, CARES Act funds were distributed at the federal and state levels to help renters in need of assistance. With the end of the eviction protection, rising inflation, and dwindling government funding, many entities and people, especially nonprofit organizations, are wondering what's next for ALICE families who face the possibility of losing their homes due to an inability to pay rent.

Arkansas Community Action Agencies Association (ACAAA) is a statewide association for the 15 community action agencies in Arkansas. These agencies are part of a historic network of community-based nonprofit organizations that provide assistance to low- to-moderate-income individuals across the U.S.

As a result of the pandemic, and in response to rising evictions due to job loss, ACAAA received a total of \$10 million from the Arkansas Economic Development Commission and the Arkansas state legislature's CARES Act steering committee to develop the Arkansas COVID-19 Fresh Start Housing Stabilization Program.

Distributed through the 15 community action agencies across the state, the Fresh Start program launched in early November 2020 to provide emergency rental assistance for up to two-and-a-half months of rental arrearage.

The website received more than 25,000 hits the first day it launched, causing it to crash momentarily.

"That's pretty amazing in a state the size of Arkansas," said ACAAA executive director Terry Bearden. "We got things back up and running, and the agencies were able to help thousands of Arkansas households through the program. But it proved how drastic the problem is."

By the time the first state funding expired on December 31, 2020, the community action agencies had provided around \$4 million worth of assistance in a matter of weeks. Bearden said some of the agencies saw robust use of the program and exhausted their funding fairly quickly, while other agencies serving primarily rural areas still have money available from the second round of funding and continue to provide services.

Although there is other funding available through federal programs, many of these resources have much lower income requirements than Arkansas Fresh Start and other rental assistance programs that began in response to the



COVID-19 pandemic.

"Part of the challenge is that the existing resources are really targeted for extremely low-income households," Bearden said. "That leaves working families who are struggling to get by with very limited resources."

Bearden said ACAAA community action agencies received additional funding from the CARES Act, but that funding is coming to an end on September 30.

"Honestly, I don't have real good news in terms of what kind of supportive services are going to be available for the rank-and-file working Arkansan in the near future."

Bearden added that part of the solution is to increase the income eligibility for federal programs, as most of the current thresholds were set 50 years ago when food — rather than childcare and housing — was the highest expense for a household.

"I believe that if we can find ways to have consistent funding for rent assistance when people fall behind, it can be a win-win situation for both families and the 'mom and pop' landlords," Bearden said. "There's a lot of education that needs to be done about just how much need there is and how unaffordable basic living expenses are for so many working families."



Terry Bearden



# Arkansas — We Can Do Better

Op-ed by Lynn Foster



Lynn Foster

Housing has been in the national news since the spring of 2020, when the COVID pandemic arrived in the United States and caused so much upheaval. But decent housing and tenants' rights have long been issues in Arkansas, to the extent that Arkansas tenants have significantly fewer rights than do those in other states.

Arkansas is the only state without an implied warranty of habitability in residential leases.

"Implied" means that the law inserts it into every lease, whether the lease mentions it or not. "Warranty of habitability" means that the landlord promises that the premises will be habitable, for example supplying working plumbing and electricity.

In 2021, the Arkansas General Assembly enacted Act 1052. Some call it an implied warranty of habitability. Unfortunately, it is not. It does "require" rental housing to meet certain standards. However, the only remedy that a tenant has is to move out. This means that landlords really don't have any kind of duty to provide habitable premises. A landlord can't be compelled to repair in Arkansas. He or she can simply refuse and wave goodbye to a complaining tenant. But most tenants don't want to leave; they just want repairs. In addition, Arkansas law, unlike that of more than 40 states, does not protect tenants who seek repairs from

retaliation by landlords. And this is a huge concern of tenants, who fear such retaliation, in many cases with good cause.

A second way in which our landlord-tenant law differs from all other states is our failure to vacate statute, which criminalizes the eviction process. Under this statute, if a tenant is late with the rent (even by one day), the law essentially cancels the rest of the lease term. A landlord can then give the tenant a ten-day notice to vacate. If the tenant is not gone after ten days have passed, the tenant is guilty of a criminal offense and is liable for a daily fine for each day he or she holds over.

Most Arkansas counties do not try violations of this statute, perhaps because of concerns about its constitutionality. Nonetheless, some do, most notably Garland County, which hears hundreds of these cases each year.

It is my opinion that failure to pay rent is not "theft," but a breach of a contract, and our legal system does not criminalize breach of a contract, absent fraud. The proper solution for landlords is to file an eviction action in civil court.

What is needed? Amendment of Act 1052 to make it a real law. Tenants need additional remedies. A court should be able to order a landlord to make repairs. Second, our legislature needs to repeal the failure to vacate law. Before you cast your vote in November, ask your candidates whether they support these common-sense and much-needed changes. Arkansas landlord-tenant law is out of balance. It's past time to adjust the scales.





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## Three Generations of Hands-On Helping

"My parents started an endowment at Arkansas Community Foundation in 1996, around when the Texarkana affiliate first started," said Brian Goesl. He and his siblings help manage the Andrew G. Goesl, M.D. and Sarah S. Goesl Endowment, named for their parents. "They wanted to be able to make a difference for this area long after they were gone."

Since the fund was created, the Goesl family has made more than \$465,000 in grants to Texarkana area nonprofits. "My parents modeled philanthropy for us and gave generously to many causes, especially those around quality-of-life," said Goesl. "It was important for us to continue supporting many of the same causes our parents did, but we've added new ones, too."

The fund has granted to organizations like Habitat for Humanity, Hospice of Texarkana, local hospitals, Arkansas Single Parent Scholarship Fund and Ozark Mission Project, among dozens of others in the region.

"Ozark Mission Project (OMP) is particularly special to my family. My children, Cecelia and Benjamin, got involved with OMP through our church, and it inspired our whole family. They learned how to build ramps for people who couldn't climb stairs, clear brush and use power tools - so many new things," said Goesl. "When Ben and Cecelia came home after these projects, you could tell it touched their hearts. They felt the work had really made a direct impact on

people's lives. Through OMP, they learned 'hands-on' skills. But more importantly, the greatest skill that was cultivated was caring so deeply for others. Now they continue to volunteer. As a parent, you can't ask for much more than that."

Through the power of endowment and a deep commitment to helping people, the fund started by the late Dr. Andrew and Sarah Goesl can continue making an impact in Texarkana and surrounding areas for generations.

"While there is no silver bullet for the housing issues in Arkansas, there are ways to help," said Goesl. "It takes collaboration, volunteerism and grassroots efforts. We've also made grants to Habitat for Humanity, for that hands-on work to make a difference. Helping someone have a safe, happy home is one of the best things you can do. It is the keystone for a good life."



Brian Goesl

