New Virginia Majority

Budget Request

Allocate an additional \$9 million to the Family Crisis Fund in the FY 2026 budget, with eligibility open to any adult aged 18 or older living in the City of Richmond, with or without children.

The Problem

Richmond has one of the worst eviction rates in the entire country.

- In 2023-2024, Richmond made headlines for the <u>second highest eviction rate in the U.S</u>, with 23
 evictions filed for every 100 renter households in the city.
- During 2023, there were over 13,000 eviction filings and about <u>5186 eviction judgments</u> in the city of Richmond.

Evictions in Richmond are a direct result of skyrocketing rents.

- The average Richmonder pays \$325 more in rent today than they did in 2020.
- <u>52% of Richmond renters</u> are now cost-burdened and pay over 30% of their income in rent a higher share than in New York City, Chicago, San Francisco, or Washington D.C.
- Most eviction filings in 2023 were due to rent owed. <u>The median rent owed at time of eviction</u>
 was \$1800.

The Solution

The Family Crisis Fund provides flexible financial assistance to struggling Richmond residents.

- From November 2023 through October 2024, <u>898 Richmond households</u> received support from the Family Crisis Fund, with an average amount of \$1,828.84 per household.
- While funds can be utilized for a variety of financial needs, including utilities, transportation, and medical payments, in 2023-24, 78% of clients sought support for housing costs.
- The fund is administered by HumanKind, and is open to Richmond residents aged 18+ experiencing a financial burden, without consideration for immigration status.
- However, Richmond's FY 2025 budget <u>allocates only \$1 million</u> for the Family Crisis Fund.

Expanding the Family Crisis Fund by \$9 million will enable the program to match the scale of Richmond's eviction crisis.

- With a <u>total budget of about \$3.6 million since it began in 2022-2023</u>, the Family Crisis fund has so far assisted 2370 households, 1810 of those through direct financial assistance.
- This amounts to a "cost per case" of roughly \$1500 to \$2000 per household served, inclusive of all program staffing and administrative costs.
- Scaling up the program by \$9 million in the FY 2026 budget could therefore assist an estimated **4500 additional low-income Richmond households.** This would more closely match the scale of the eviction crisis in Richmond, where over 5,000 eviction jud

