

Regulating Landlords: Unintended Consequences for Poor Tenants

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This paper explores “hidden” ways by which cities may inadvertently undermine access to decent, stable, affordable housing—especially for vulnerable renter households—through regulations that sanction landlords for tenant activities on their property. In-depth semistructured interviews and ethnographic observations with 57 small- and medium-sized landlords in Cleveland, followed over 28 months, show that perceptions of risk, flowing specifically from “nuisance” and water regulations that rendered landlords accountable for tenant activities over which they perceived little control, were common. To manage perceived precarity, landlords reported measures that undermined tenants’ housing security—including excessive screening, hassling, elevated rent amounts, proclivity to evict, and divestment from the lower end of the housing market whose stock continues to dwindle across many cities. City regulations—meant to bolster housing security, community vitality, and infrastructure—appear to be understudied factors that paradoxically reinforce problems of housing insecurity and community decline many vulnerable tenants, and cities, continue to face.

INTRODUCTION

Housing insecurity—lack of access to decent, stable, affordable housing—is arguably higher than it ever has been in the United States, given rapidly rising rents, stagnant wages, and foreclosures due to the great recession that have contributed to or deepened community blight (Desmond 2016; Edin and Shaefer 2015; Ford et al. 2013; Joint Center for Housing Studies 2015; Schwartz 2014). Recent studies have underscored a vicious cycle of housing insecurity—especially for lower income households—that is difficult to interrupt. Extant research shows that evictions and other “push factor” moves—which are more common among lower income and minority households than their more advantaged counterparts—frequently result in even less stable housing situations in less desirable neighborhoods over time (DeLuca et al. n.d.; Desmond 2016; Harvey et al. n.d.). In recent years, scholars have begun to uncover how this cycle is perpetuated by landlord screening practices that undermine access to housing among minority, lower income, and other stigmatized populations (Desmond 2016; Greif and Edin n.d.; Rosen 2014). Yet, this study indicates that policies and laws meant to benefit poor and marginalized renters and

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their communities can paradoxically undermine them, due to the costs—perceived and real—incurred by landlords.

Desmond and Valdez (2012) revealed the impact of one city ordinance in Milwaukee that imposed sanctions on landlords for “excessive” tenant 911 calls (often for domestic violence)—notably, heightened risk of eviction, especially among women in predominantly black communities, with devastating consequences for future housing security, employment opportunities, mental health, and children’s school achievement. However, Desmond and Valdez’s account, which relies on survey results and city records, renders the landlord’s voice silent. By deploying in-depth interviews with a heterogeneous group of landlords, the current study explores the processes and mechanisms by which such ordinances shape landlord perceptions and behaviors. It shows the importance of other city regulations that sanction landlords for tenant activities, and provides indications that resulting landlord practices may reduce access to decent, stable, affordable housing for marginalized households, and contribute to blight.

It draws upon in-depth semistructured interviews and ethnographic observations with 57 small- (<5 properties) and mid- (>5 but fewer than 50) sized landlords in the Cleveland metropolitan area, followed over 28 months’ time. Findings show that perceptions of risk—flowing specifically from nuisance and water regulations that rendered landlords accountable for tenant activities over which they perceived little control—were common. To mitigate perceived risk, many landlords screened tenants based on characteristics they associated with high water bills or nuisance violations—including unemployment, large household size, and housing subsidies—which have been associated with lack of access to stable housing (Desmond 2016; Rosen 2014).

Other deleterious landlord practices that undermined housing quality and stability were also common, including excessive surveillance, hassling and threats, and unwillingness to make needed repairs in order to conserve resources. Divestment was a further strategy employed by some landlords—notably those who operated in lower income communities, where affordable rental housing is becoming increasingly scarce. Accordingly, it is vital that cities reassess the utility of regulations and ordinances that are meant to support vulnerable residents and distressed communities, yet appear to inadvertently deepen their existing crises.

BACKGROUND

An emergent body of literature documents that landlords play key roles in shaping housing security—residents’ access to decent, stable, affordable housing (Desmond 2016; Desmond and Shollenberger 2015; Rosen 2014). Through their screening practices, rents charged, and flexibility extended when tenants experience negative income shocks, landlords influence whether households will experience a range of disadvantageous outcomes—including lack of housing access, formal evictions, and involuntary residential mobility (Boyd et al. 2010; DeLuca et al. n.d.; Rosen 2014; Desmond 2016; Desmond et al. 2015; Desmond and Shollenberger 2015; Harvey et al. n.d.). Landlords also influence community vitality and renters’ access to decent housing through their practices regarding property maintenance and investment. Subpar property maintenance creates unsafe housing conditions for tenants, and contributes to community crime, blight, loss of viable housing stock, and lower property values (Mallach 2010; Sampson 2012; Ford et al. 2013).

CITY WATER AND NUISANCE REGULATIONS AND PERCEPTIONS OF RISK

Cities implement a range of policies to best utilize limited city resources and other tools at their disposal to support residents' access to decent, stable, affordable housing in safe, resource-rich neighborhoods (Mallach 2010; Ford et al. 2013; Dewar et al. 2015; Rosenman and Walker 2016). Nuisance ordinance laws first began to permeate cities in large numbers beginning in the 1980s—triggered by mounting national alarm to drug use. They are meant to deter any activity on private property (e.g., noise, unmown lawns, debris) that may endanger others' safety or health, or contribute to community decline, to which the city must respond (Swan 2015).

Alongside the rise in reliance on nuisance violations to insure communities' quality of life, many older cities saddled with deteriorating infrastructure, especially water and sewer, pass the cost on to residents—homeowners and landlords—through hikes in water costs. On average, cities raised the price of water by 41 percent between 2010 and 2015 alone (circleofblue.org). Ironically, city shortfalls in water revenue have been exacerbated by conservation efforts by households (circleofblue.org). Water is distinct from other public utilities (e.g., gas and electricity) in that bills are the responsibility of the property owner, not the tenant. Though property owners can attempt to pass on water and sewer bills to tenants, it is the landlord who faces financial penalties, property liens, and property seizure if water bills go unpaid.¹

Both nuisance laws and those governing who is responsible, ultimately, for charges related to water and sewer therefore have special salience to landlords, who must insure that their tenants comply or else face city sanctions, including fines and criminal charges (Fais 2008; Kastner 2015; Swan 2015; Desmond 2016). These patterns may evoke circumstances of “moral hazard,” first introduced by health economists in regard to the insurance market. According to moral hazard principles, the “insured” may be more likely to engage in activities that incur costs or “risk” when they are covered by “insurers” (Ericson et al. 2000). In response, insurers may “segment the market,” deeming certain clients as more or less desirable due to heightened perceptions of risk and mistrust, often based on faulty and unreliable information (Ericson et al. 2000; Ericson and Doyle 2006).

Water and nuisance regulations appear conducive to moral hazard, with negative repercussions for tenants. For example, landlords may be motivated to screen tenants based on characteristics they assume may be associated with higher water usage or nuisance activities. Perceived risk associated with current tenants' water usage and “nuisance” activities could also motivate hassling or excessive tenant monitoring. Perceived risk associated with water and nuisance costs that may be perceived as unpredictable or uncontrollable may evoke landlords' measures to conserve resources in other ways when possible, including through subpar property maintenance—with implications not only for current tenants' safety, but property values and blight of the surrounding community. In many cities, abandonment has plagued lower income communities when owners perceive properties as unprofitable, consequently deepening existing problems of blight and declining property values (Mallach 2010; Ford et al. 2013; Griswold et al. 2014; Spader et al. 2015). Abandonment in the context of water regulations may be propelled by common city practices of attaching unpaid water bills to property tax bills, which poses obstacles to the legal transfer to third parties (e.g., private investors, non-profit developers, or land banks) who would be forced to assume these additional costs.

DATA AND METHODS

This analysis draws on in-depth semistructured interviews and ethnographic observations with 57 landlords in the Cleveland metropolitan area from May 2013 through July 2015. It focuses on small- (<5 properties) and mid- (>5 but fewer than 50) sized landlords, as they may be playing a critical role in the provision of affordable housing in that they provide the majority of rental housing in most locales (Ellen et al. 2013).² It also employs interviews and observations with other key actors in the housing market: Cleveland Housing Court judges, magistrates, housing court specialists, mediators, and bailiffs; elected city council members; representatives of the Cuyahoga Metropolitan Housing Authority (CMHA); Housing Choice Voucher (HCV) inspectors; a representative of Cleveland's largest nonprofit provider of rental housing; and the head of a tenants' rights group. We observed some of these individuals on the job, and in some cases interacted with them closely over the course of several days. These interactions were aimed at testing and providing context for landlords' claims, and gave insight into the institutional context within which landlords operate.

Cleveland is an ideal setting for this study, in that it is similar to other post-industrial "rustbelt" cities (e.g., Milwaukee, Baltimore, Detroit) in its high levels of poverty, unemployment, crime, and blight in many neighborhoods (Kneebone and Holmes 2016). A growing stock of vacant and blighted homes has greatly reduced market values of homes in the region, which has allegedly fueled disorder and crime (Ford et al. 2013; Spader et al. 2015). However Cleveland also shows meaningful economic variation across its neighborhoods, seen by its rapidly revitalizing downtown, gentrification in nearby communities, and array of middle-class suburbs (Cleveland City Planning Commission; Ford et al. 2013).

A team of trained and experienced qualitative researchers—consisting of trained graduate students, undergraduates, postdoctoral researchers, and faculty collaborators—were involved in data collection. Together, we recruited participants, conducted interviews, and wrote field notes. The majority of the landlord interviews derived from a stratified random sample of rental property listings. In constructing the sampling frame, listings from three months of the most common online rental listing websites (gosection8.com, craigslist.com, and housingcleveland.org) were identified, and addresses from these listings were geocoded.³ Stratification was based on the tract level poverty of the location (above or below 20 percent poor) as well as the racial composition of the tract (black/white). This sampling approach was used to ensure heterogeneity among the landlord sample.⁴ The phone number associated with the listing was used to contact potential participants, and if they indicated that they were a landlord or property manager, they were invited to participate in a research study on the experiences of landlords in Cleveland. At that time (and subsequently prior to the start of the interview), individuals were informed about confidentiality and compensation (\$50). If they agreed to be interviewed, a convenient time and location was determined. Interview sites included landlords' offices and properties, personal homes, restaurants, and coffee shops.

This random sample was also supplemented by a snowball field sample in order to include landlords who may not have been identified by the random sampling approach, due to lack of current or public listing, or hesitance in participating in the study. From landlords contacted from a stratified random sample of online rental listing websites,

57 percent of those with whom we spoke agreed to be interviewed, resulting in 36 interviews. For landlords whose contact information was provided by other landlords, 100 percent of those invited to participate agreed to do so, resulting in 21 interviews.

Semistructured interviews with landlords lasted approximately two to three hours. In these interviews, we focused on how and why respondents became landlords, how they acquired and managed current and past residential properties, and their experiences and decision-making regarding rent collection and evictions, unit inspections, repairs and maintenance, and participation in housing subsidy programs. We engaged in ethnographic observations with eight landlords, accompanying them on their daily rounds, including court hearings, property inspections, meetings with city officials, and unit showings. We also observed these landlords' properties and had extensive interactions with their tenants, and when applicable, their maintenance staff. Interviews were recorded verbatim, and field notes captured our informal ethnographic observations. Data were logged, transcribed, coded, and analyzed for key themes. All respondents were assigned pseudonyms, and other identifying information has been changed.

We coded landlords' perceptions of water- or nuisance-based financial precarity as either "low" or "moderate-to-strong," based on our analysis of the content of their statements. Landlords who made statements indicative of a perceived association between water or nuisance regulations and undesirable financial outcomes (e.g., perceptions of insufficient or unsatisfactory profit, reported difficulty managing business costs so as to maintain satisfactory profit) were coded as having "moderate-to-strong" perceptions of water- or nuisance-based financial precarity. Landlords who did not report a perceived association between water or nuisance regulations and undesirable financial outcomes were coded as having "weak" water- or nuisance-based financial precarity.

FINDINGS

WATER BILLING REGULATIONS

Nearly two-thirds of respondents discussed moderate-to-strong perceptions of financial precarity in regards to water regulations. These responses largely emerged from our broad queries about topics including property purchases, tenant screening and interactions, maintenance, and rent and lease terms. That 89 percent of landlords who indicated moderate-to-strong perceptions of water-based financial precarity did so spontaneously was an indication of the salience of this issue for many, further punctuated by their vivid language evocative of conflict.⁵ Tenants' water bills had reportedly become a "nightmare" for Sid, who owns eight properties in a middle-class community, a "monster" for Trevor, who owns and manages several dozen properties in lower income and working-class communities, and a "killer" for Abe, with 20 properties in mostly lower income communities. Dennis, with two properties in lower- and middle-income communities, lamented: "The business is not really profitable right now because the water bill is so high. . . . It's unbelievable. . . . It's killing me. I don't see how anybody can be profitable except if the tenant paid the water." Max, with 20 units across two properties in middle-income communities, came to perceive that water "does the most damage" after he received a \$10,000 water and sewer bill for his building, nearly three times its typical quarterly cost. He recalled

the shock of opening the bill, upon which he immediately concluded: “We’re going to go bankrupt.” Soon after, he uncovered the source of the costly bill:

[One tenant] tore the handle off the faucet in the kitchen and the water had been running and running. And he came out and says, “Oh, I’ve got a problem with my sink.” I go in and said, “How long has this been going on?” [He responded] “I don’t know.” I flipped my lid because I knew damn well that’s where all my money was. It was a nightmare. I literally sat on the couch and cried. I was crying.

Some landlords perceived that tenants explicitly made use of water billing arrangements to achieve personal goals—including financial benefit and retaliation. Mark, with one remaining property in a lower income community, reported he was irate upon uncovering the source of recent tenants’ atypically high water bills, which he pays according to the lease agreement: “They were washing everybody’s clothes. Everybody would come over and they’d have their baskets and they’d come over and they were washing their clothes here instead of in a Laundromat.” Sid attributed some unexpectedly high water bills to retaliation upon eviction:

When you’re evicting a tenant they run the water. . . . The water department knows that the families are running the water. . . . Because they’re mad at you. You’re kicking them out. . . . Eviction process is going to take the whole damn month. That whole month they can run your water out. I pay an \$1,800 water bill for this now.

Sid’s matter-of-fact presentation belied a perception that excessive water usage upon court-ordered eviction was relatively typical tenant behavior. Quinn, with five properties in an economically distressed East Cleveland community, also intimated that tenants’ retaliatory water use was a common practice. He expressed, “My big fear, every time I go into a vacant apartment, is that they just turned the faucets on and walked away.” Yet Quinn later conceded that he had never personally experienced this scenario. Other landlords—who also had never experienced retaliatory water usage—were keen to share with us what had clearly become a myth passed around landlords, experienced by few but talked about by many. These “atrocious tales”—accounts of perceived or real flagrant violations of cultural norms—served to deepen and justify landlords’ widespread mistrust of tenants that we observed (Shupe and Bromley 1981; Bryant and Cox 2003).

NUISANCE REGULATIONS

Nearly one-third of landlords expressed perceptions of moderate-to-strong financial precarity in regards to nuisance ordinances, most notably those pertaining to waste container set outs. Several city officials with whom we spoke, as well as a Cleveland Municipal Housing Court Report, affirmed dramatic increases in fines pertaining to trash-related “nuisance activity.” Landlords may receive fines of \$100—or \$500 when the business is registered as a limited liability corporation (LLC)—if tenants set waste containers out too early prior to the regular pick up date, leave them out too long in the street after pickup, or improperly store waste (e.g., lids ajar). Nelson, with nearly 30 units in primarily lower income communities, reported receiving scores of waste-related fines throughout his fifteen years in the business. He insisted they were, “just so excessive, I don’t know how anyone can justify it,” and reported:

If [tenants] put their garbage out wrong, I get fined, if they don't cut their grass I get fined, if they have litter there I get fined. . . . They put too much garbage in and the lid was sticking up like this much (gestures about an inch), \$100 fine. . . . You're talking about people that can barely pay their rent. You're never gonna get that money, so you just eat it.

Recent increases in waste-related nuisance violations in Cleveland were also attributable to the introduction of a high-tech city recycling program, which uses electronic chips in waste containers to determine whether they contain more than ten percent recyclable material—grounds for a \$100 fine for property owners (Gillispie 2010). Sarah, who owns seven single- and two-family homes in working-class neighborhoods along with her husband, appeared weary as she explained:

So I'm supposed to drive around on trash day and see how my tenants are putting the trash out. I mean seriously. . . . I'm not even allowed in [the property]. Now I'm supposed to regulate what they're putting in the trash can. . . . We send a letter [to tenants] and say if we get these fines, we're going to just force it [on] to you, but it's hard enough to get the rent.

Many landlords also reported cynicism toward city courts, elected officials, and inspectors for enforcing water and nuisance regulations for tenant activities, over which they perceived little control. Laurence, with several dozen units in lower-income communities, puzzled that: “Now a landlord can't be there with a tenant every day. . . . If you renting from me I can't come over to your house and say. . . . Hey, you know what? You got to put your garbage out. You know, a couple of hours before.” Abe described a situation where he perceived his “hands were tied,” caught between seemingly incongruous city and court regulations that eventually culminated in large financial sanctions. He reported receiving persistent calls from his councilman and neighbors to immediately abate disruptive behavior by a “squatter” tenant who had moved into his vacant property without his knowledge. Yet, court eviction procedures required that landlords provide 30 days' notice—as opposed to typical 3 days—for tenants without signed leases. He mused:

He's doing all of these things to incite the neighborhood. Yet there's nothing I can do to get him out. I have to give him thirty days' notice and I can't do anything. He's protected. Not me. He moved into a place without my permission. . . . I gave him a thirty-day notice because [city] rules require the thirty day notice. . . . so what am I supposed to do during those thirty days? I get fined for what he does.

Some landlords intimated that their accountability for city water bills and nuisance violation costs facilitated complacency by city government institutions in undertaking measures to lessen the city's financial burden—in essence a moral hazard argument. Laurence surmised: “I think on the political side, where Cleveland don't have the tax dollars coming in from the business that they used to, they focusing more on the landowners.” As of 2015, \$578 million in delinquent property taxes was owed to Cuyahoga County, a result of severe staffing cuts in recent years (Vacant and Abandoned Property Action Council 2015). Abe implored:

Go look at the tax records on some of these properties. They [property owners] don't pay. . . . I'm just hung up on people that can get away with not paying all those taxes. . . . The city can't collect the property taxes, which fund the schools, which fund the garbage cans for the garbage men. . . . there's no money. . . . they have to get it from somewhere.

Overall, water and nuisance regulations evoked landlords' perceived financial precarity and, relatedly, mistrust toward tenants and city regulatory institutions. However these processes unfolded somewhat differently across these sets of regulations, attributable to disparities in actual or perceived risk of financial losses; further legal and financial sanctions associated with nonpayment of water bills or nuisance violation tickets, or failure to abate nuisances; landlords' attributions for tenant activities that incur water and nuisance costs; landlords' perceptions of their own agency to minimize water and nuisance costs; and the primary city institutions that oversee these regulations' implementation and sanctions.

Water costs were especially relevant to landlords' perceived financial precarity, for a number of reasons. First, water costs were highly salient for landlords in that all households use water and subsequently water bills arrived regularly—monthly or quarterly. However landlords may not be alerted to unusually high water usage—whether due to infrastructural problems (e.g., leaks) or higher consumption—until the receipt of an unexpectedly large city bill. In contrast, nuisance violations were less routine, and landlords generally learned of them soon after their occurrence, and could deter additional city costs by promptly paying subsequent fines or abating the nuisance. Water bills also appeared to induce greater mistrust toward tenants, in that some landlords perceived that tenants did, or could, use water billing arrangements for self-serving purposes—whether for financial gain (e.g., doing nonresidents' laundry in exchange for money) or as an emotional outlet (e.g., in response to eviction). Landlords less often perceived tenants' activities deemed city “nuisances” (e.g., unmown lawns, noise, “excessive” calls to the police for assistance) as explicitly driven by self-interest, and more often expressed cynicism toward city officials for implementing and enforcing legal and financial sanctions for tenant activities over which they perceived relatively little control. Further, delinquent water bill payment falls in the purview of the city auditor, and may eventually result in property liens and repossession—though generally not criminal charges. Yet, nuisance violations are generally uncovered by city housing inspectors and prosecuted by the Cleveland Municipal Housing Court as criminal violations, and may result in misdemeanor convictions and a range of other sanctions, and in extreme cases, jail time. Several landlords reported that attending criminal court as a “defendant” for activities over which they perceived little control evoked a sense of indignation and perceived injustice. Institutional cynicism served to discredit the regulatory system, and to justify unscrupulous landlord practices that ultimately served to penalize those most vulnerable—their tenants.

CONSEQUENCES FOR TENANTS AND COMMUNITIES

Water and nuisance regulations appeared to undermine many landlords' “ontological security”—a sense of trust and certainty in the world (Giddens 1984). This loss of managed certainty arose not only from perceived risk of unpredictable costs and sanctions, but from perceived injustice and lack of representation from regulatory institutions. Abe perceived that costly city sanctions resulting from his “squatter's” nuisance activity—which he could not immediately abate given court eviction procedures for tenants without signed leases—were imposed because, “[The councilman] wasn't looking out for me . . . because I didn't live in his district. I just owned a property there.” Quinn bitterly stated his perception that city nuisance citations were doled out based on residential sta-

tus, as: “A homeowner is a constituent . . . a landlord is just some asshole that’s trying to make money here.” Subsequently landlords reported devising and pursuing their own measures to diminish perceived financial and ontological insecurity. *One in four* landlords reported adjusting their business practices in ways that were disadvantageous to tenants’ housing security and the communities where their properties were located—in direct response to perceptions of risk and uncertainty arising from city water and nuisance regulations.

SCREENING AND LEASES

Landlords directly determine access to stable housing through their screening practices. Certain tenant characteristics were especially salient to landlords’ assessment of tenant desirability—including employment status, previous evictions, housing subsidies, household size, and presence of children. Landlords commonly perceived prospective tenants who experienced unemployment or previous evictions as “riskier”—more likely to default on rent payment and incur subsequent costs for landlords (e.g., eviction court fees, missed rent during subsequent vacancy, repairs to make units move-in ready for new tenants). Moreover, landlords expressed preferences for households perceived as less likely to incur wear-and-tear on the property and subsequent repair costs—notably those with fewer members and without children. These commonly reported screening criteria disproportionately jeopardize access to housing among lower income and minority households, which are more likely to experience unemployment, hold housing subsidies, have histories of eviction, and contain more members (Pager and Shepherd 2008; Desmond 2012; Desmond 2016). Yet, findings here also show that perceived risk of water- or nuisance-based costs and sanctions permeated landlords’ perceptions of tenant desirability, and relatedly, screening criteria—in ways that deepened these marginalized households’ access to affordable housing.

Tenants’ employment status was especially salient to landlords’ screening process for reasons beyond perceived association with ability to pay rent—through its assumed correlation with more time spent on the property, and subsequently higher water usage and bills. Unemployment therefore exacted a “double penalty” on disadvantaged households’ access to stable housing—lowering their desirability as prospective tenants through landlords’ assumptions about their lifestyle as well as their capacity to pay rent. Moreover, some landlords erroneously conflated unemployment with housing subsidies, which appeared to be an unexplored factor that deepened landlords’ aversion to accepting subsidized tenants. Herman, a landlord with a dozen properties in mostly lower income communities, insisted that he was avoidant of tenants who: “Get some free money, sitting home all day, using up all the water.” Max’s \$10,000 water bill was incurred by a tenant subsidized by the federal Shelter Plus Care program that supports formerly homeless people with physical or mental illness, which prompted him to decide: “I no longer put any Shelter Care in there because those guys sit around and drink all day and they have nothing to do but destroy my place.”

Family structure and relationships also took on particular importance as landlords sought to screen out tenants who they perceived could incur greater risk of water or nuisance costs for them. Gabriel, who owns and manages several dozen units across lower- and middle-income communities, reported that in screening prospective tenants, “We

ask two things. Number one, if you have eviction on your background, or if you have any domestic violence . . . domestic violence can be very costly for the landlord. [The city] charges \$500 to the landlord. . . . I can't afford it."⁶ Thus, histories of domestic violence may not only undermine vulnerable populations' housing stability through landlords' decisions about eviction (Desmond and Valdez 2012), but also undermine their *access* to stable housing through landlords' screening practices. Will, with seven properties in lower- and middle-income communities, also considered whether prospective households had a member who was physically capable of maintaining the lawn so as to avoid nuisance violation fines. He explained, "Because they have to cut my grass, I have to see if they have the ability to work a lawnmower, or if they have a child that's old enough that they can manage to cut the grass." For some landlords, household size was relevant to the screening process, through assumptions about its association with water usage. Nelson mulled, "One person and then the water bills are low. You know if you get the right people, that's the thing. You have to try to find the people you think aren't gonna have a bunch of people."

Lease adjustment was another strategy landlords employed to deter financial losses associated with tenant activities over which they perceived little control. Specifically, some reported converting leases from year-long to short-term ones in order to provide a "safety hatch" to remove tenants perceived to use undue amounts of water, face obstacles to paying water bills, or engage in nuisance activities that could incur city sanctions. Donald, with a dozen units in working-class communities, reported that he changed his leasing policy soon after receiving an \$800 water bill—more than double the typical amount for this property. He explained, "It's part of the business. I have to pay it . . . [but now] everybody's on a month-to-month lease. That's a big thing I learned right away." Short-term leases may be desirable to renters seeking flexibility. However, these leases may also prove disadvantageous to residents seeking more stable living situations, in that they permit landlords to terminate leases without cause, generally with 30 days' notice, and to increase rent amounts more frequently. Moreover, landlords with multiunit properties—who cannot bill units separately for water usage—reported incorporating estimated water costs into all tenants' rent amounts, or including an explicit flat water fee in the lease for which tenants were responsible, separate from the regular rent amount. These arrangements may disadvantage tenants who use relatively little water and would receive water bills lower than a landlord's flat water fee.

THREATS AND SURVEILLANCE

Perceptions of mistrust—the cognitive habit of perceiving others' intentions and behavior as self-seeking and dishonest—flourish under circumstances where resources are perceived as under threat or scarce, and when individuals perceive they cannot spare to part with the scant resources they may have (Ross 2011). Landlords who operate in a weak housing market, characterized by high vacancies and low rents, may be especially prone to develop perceptions of mistrust toward tenants under circumstances of moral hazard and/or those that stoke ontological insecurity. Tenant mistrust was evidenced by landlords' reports of monitoring and surveillance practices meant to thwart water and nuisance sanctions and costs. Sarah satisfactorily shared how she "caught" a tenant washing his car, as prohibited by her lease:

We knew he was washing his car, because we'd go over there . . . the driveway would be wet and it hadn't rained for a few days. And the water bills were outrageous. . . . [The tenant said] "Oh, I don't wash my car, I don't wash my car." . . . I downloaded Google Earth, and on Street View . . . I'm looking at all the properties, and there he was, washing his car in Google Street View. We caught him red handed.

Some landlords reported more aggressive tactics upon learning that tenants had violated lease terms intended to minimize city water and nuisance sanctions. Nelson coached his crew of tenants, who exchange labor for partial rent forgiveness, to monitor his other renters' activities, by instructing them: "Keep your eyes open. . . . If [waste containers] are left on the curb too long after city waste collection I tell my people to watch for that, yell at 'em and whatever." Gary, with nearly 20 properties in mostly lower income communities, explained his approach for when tenants violated his lease terms that prohibited washing machines in the unit:

If I see washers and multiple people in there or people washing their clothes in this person's washing machine, which is very common . . . my first step would be to go down there and say, "You've got to take that washing machine out." . . . Or "I'm going to cut your water supply to the point where it's next to nothing, or raise your rent through the roof."

Such harassment over water and nuisance costs may evoke tenants' perceptions of unsafe or unstable housing conditions, which may prompt "involuntary mobility" that often culminates in even less desirable housing and neighborhood environments (DeLuca et al. n.d.).

EVICTION

Some landlords reported employing a more extreme tactic—eviction—to deter risk associated with city regulations, most notably for nuisance violations. Gabriel explained his proactive—and illegal—approach to dodging nuisance violations:

If any tenant selling [drugs], they can arrest landlord. Without warning. That's why we tell the neighbors, if you see crap going on, please call us. . . . We can kick them out. Not pay the court cost, and get stuck with the city. . . . Easier to just kick them out.

Gary rationalized, "You have to weed out the bad eggs as quickly as possible. . . . If somebody's creating problems in a neighborhood, you get rid of them. If the police are there two, three times a week because of quarrels . . . you get rid of them." Katie, who owns several dozen properties in lower- and middle-income communities, adopted a similar stance for such circumstances:

For one tenant the police were repeatedly called to my [unit]. So then the police said if we have to come there again, we're going to start fining you. . . . So I'm telling my tenant, knock it off. And lo and behold, I have two more reports, noise and domestic violence. I had to evict them.

Some landlords' "tizzy" about water and nuisance regulations rendered them unduly agitated and unsympathetic toward tenants, and more prone to evict for nuisance violations that did not involve the police. Will expressed his mounting anxiety about lawn maintenance for a current tenant, whose physical handicap rendered her reliant on her teenage son to do the work: "Her son is thinking of going to college. . . . I love the fact

he's going to college, but I'm thinking about the community which looks at me to say, 'we want this grass cut.'" He had conjured a narrative that entailed this tenant's unmown lawn, a subsequent \$260 bill sent from the city for mowing his lawn, and her eventual eviction. He plotted, "I'll have to come and ask for \$260. Okay, and now we have an argument because you're not going to pay me \$260, and here I got to look forward to evicting you out the unit because of lack of payment."

PROPERTY DISREPAIR, DIVESTMENT, AND DEVIANCE

Perceived financial precarity and unpredictability surrounding rising water rates and accountability for tenants' water bills evoked deep concern among some landlords about the sustainability of providing affordable rental housing to lower income tenants. Some reported subsequently contemplating exiting the business or even illegally abandoning their properties—potentially contributing to ongoing problems faced by Cleveland and other cities, including declining availability of affordable rental housing stock and the persistence of blight and disorder in lower income communities (Ford et al. 2013). Quinn perceived:

They raised our taxes, they raised our water . . . and now all of a sudden these properties that seemed like you would make 200 or 300 bucks a month, you end up making nothing. . . . Well, why the hell do I have this place? I can't make the mortgage. It's worth a third what I paid for it. I paid way too much. Fuck it. I'm gone. That's what everybody did. That's how we got to where we are.

Nelson confessed, "A leaking toilet, you get the bill and it's like, five hundred dollars for water instead of two hundred, it's a killer. It's almost like, I don't even want this [job] anymore." Abe was even more resolute:

It's almost to the point where you know water bills go up a little bit more, I'm done. . . . I'm real close. I don't have an exact number but even if I can continue to pass along in the rent, I can't. You know, rents have gone up a little bit the last couple of years, but they haven't gone up as much as the water bills have.

Several other landlords expressed explicit, looming plans to exit the business prompted by perceived financial uncertainty that arose from a range of sources, notably water costs. Marie, who owns a mid-sized apartment building in a working-class community with her husband, perceived that adult relatives "doubling up" in her property—one consequence of the recent housing market crash and recession—contributed to mounting water bills. A combination of high taxes and water costs led the couple to determine they should cease investing in maintaining their building, and they recently decided: "We're gonna sell it . . . the water is too much."

Deviant practices—which drained the city of vital tax dollars—were also reported by landlords looking to skirt responsibility for unexpectedly high water bills. Trevor unabashedly explained his strategy to avoid paying an unusually large water bill of \$4,000 for one of his properties:

One house I had to deed it. . . . Like my company's name into my personal name. If you change the name on the deed, you get a fresh start. Just like we just bought the house. . . . So

say like my company owns the house and the water bill's \$4000, which happened. And I just, you know, get a deed made up. . . . Now the house is in [my] name. Fresh start.

CONCLUSION

Cleveland and other cities nationwide continue to face affordable housing crises, fueled by weak economies, abandonment, and blight, and subsequent loss of available housing stock. This study uncovered that some of the very practices meant to support distressed cities and vulnerable residents may inadvertently deepen existing crises. Specifically, findings provide a unique contribution to existing literature by pointing to the salience of the larger regulatory context for landlords' practices that perpetuate and deepen housing insecurity. City regulations that sanction landlords for tenant activities ultimately serve to sanction tenants—not only through eviction (Desmond and Valdez 2012), but screening, disadvantageous lease and rent terms, harassment, and the loss of an already dwindling affordable rental stock through divestment.

These city regulations disproportionately undermined access to stable housing among marginalized populations, amounting to a “double penalty.” Specifically, associated perceptions of precarity served to evoke and justify landlords' stereotyping and screening out certain populations based on characteristics (e.g., voucher subsidies, unemployment, large families, domestic violence experiences) that have been assigned stigma that render them “hard to house.” To be certain, I do not posit that these findings “explain away” the powerful role of deeply rooted, irrational prejudices in perpetuating vulnerable groups' lack of access to decent, stable, affordable housing (Krysan 2002; Pager and Shepherd 2008). Instead, a primary goal of this work is to draw attention to simultaneous processes that may perpetuate some vulnerable populations' obstacles to housing security. It is plausible that landlords may have invoked perceived risk surrounding water and nuisance regulations to conceal or justify discrimination based on race- and class-based biases. It is also important to note, however, that landlords who reported moderate-to-strong perceptions of precarity surrounding water and nuisance regulations primarily did so unprompted, perhaps an indication of its distinct salience. While landlords' perceived association between certain stigmatized tenant characteristics and risk of city water and nuisance costs may appear irrational or unfounded, these perceptions may be highly consequential in shaping their actions (Thomas 1923). Accordingly, it is essential to closely scrutinize all possible sources of landlords' perceptions that evoke morally dubious and indefensible business practices that perpetuate housing insecurity.

Landlords' perceived precarity in regard to nuisance and water regulations prompted practices that not only undermined access to housing for some households, but also the stability and affordability of rental housing that they secured. Some landlords reported monitoring and harassing tenants—including threats to raise rents—in order to lessen perceived risk associated with water or nuisance costs. In more extreme cases, landlords undertook evictions to rid themselves of tenants who they perceived incurred unwieldy water or nuisance costs. These practices may contribute to tenuous and unstable housing circumstances for tenants, by increasing housing costs and heightening their perceptions of unsafety, which may trigger involuntary mobility that often results in even less stable or desirable housing circumstances (DeLuca et al. n.d.).

Some landlords' preoccupation with the significance of nuisance and water regulations for profitability appeared to distract them from reflecting on the significance of their own decision-making for their financial outcomes. Landlords' margins are affected by a range of factors aside from water and nuisance costs, including neighborhood location, number of properties, purchase price, and unit condition—all of which derived from their individual business models. Notably, a meaningful number of landlords in the sample had purchased at least some of their properties prior to the housing market crisis in once-vital neighborhoods that had spiraled into decline, and faced significant obstacles—including underwater mortgages—to exiting the business without incurring unwieldy costs. Paradoxically, some landlords' practices meant to minimize perceptions of financial precariousness appeared, in some instances, to have deepened them. For example, narratives of tenants' "excessive" water use motivated some landlords to adjust lease terms to screen out "undesirable" tenants, but in doing so no doubt lost "desirable" ones. Donald—having switched to month-to-month leases for tenants after a sizeable water bill—reported losing at least one "good" tenant after doing so. He recalled, "I had one tenant who—great girl, too, for some reason, she just did not feel comfortable [with a month-to-month lease]. She thought that I might up and kick her out."

The rapid rise of water costs nationwide—having increased 41 percent since 2010 (circleofblue.org)—may increasingly heighten the salience of water costs for landlord practices uncovered here that disadvantage marginalized tenants and communities. Amidst a discussion of the implications of city water regulations for housing security and community vitality, it is essential to ask: *Is water a right?* City regulations that prohibit landlords from cutting tenants' water service regardless of water or rent payment belies a stance that water is a public good. Given federal subsidy programs that assist lower income households with housing, food, and medical care, a federal water assistance program is also in order. Cities including Cleveland, Baltimore, and Detroit have enacted or proposed water assistance programs to lessen water costs for lower income households, and to provide cash assistance to prevent water shut-offs. Ironically, Detroit's Water Residential Assistance Program (WRAP) only emerged in response to the city water department's controversial move to begin cutting water service for thousands of delinquent residential and commercial properties, in an effort to cope with its financial crisis. A federal water subsidy program to assist vulnerable residents in all cities—including those not in the midst of a citywide financial crisis—is a vital next step. Codified assistance programs would benefit households not only by providing water service and preserving valuable funds for other vital costs, but as findings here suggest, by ramping down landlords' screening and mistrust toward tenants based on faulty stereotypes that perpetuate cycles of poverty and disadvantage. Moreover, channeling federal and state resources to assist cities as they update their antiquated water infrastructure—a primary cause of skyrocketing water rates—would serve to lower water costs for all residents.

The effectiveness of an existing federal program to support access to decent, stable, affordable housing among low-income households—the HCV program—may benefit from codified water assistance programs. Perceptions of voucher tenants' higher water usage, and inability to pay for water bills, may be an additional, unexplored factor that contributed to some landlords' aversion to the HCV program. Many landlords who accepted housing vouchers reported their decision was rooted in at least one key reason—guaranteed rent payment from the government—which is especially valuable in a context where high rates of poverty and unemployment posed obstacles to tenants' consistent

rent payment (Rosen 2014). However, the HCV program does not cover water bills apart from the rent. Thus, for subsidized tenants for whom most, if not all, of the total rent amount is paid directly to the landlord by the government (such as tenants with little-to-no income), water costs may be the primary currency exchanged with their landlords. As water rates continue to rise nationwide, so too might landlords' perceived risk of housing subsidized tenants. Accordingly, pairing distinct water bill subsidies along with rent subsidies could significantly improve the effectiveness of the HCV program in supporting lower income renters' access to decent, stable, affordable housing.

Cities should also closely weigh the utility and consequences of local nuisance ordinances for residents' safety and housing security, as well as for community vitality. Eliminating nuisance sanctions associated with tenants' calls for emergency assistance would support vulnerable residents' safety and housing security, by removing fear that requesting city assistance for certain emergencies would culminate in new ones—notably eviction. Reduced penalties for other select “nuisance” violations, such as improper waste container set outs, could deter some landlord practices—including tenant harassment—that trigger involuntary mobility, which often culminates in less secure or desirable housing circumstances (DeLuca et al. n.d.).

In sum, these findings point to the significance of city institutions and organizations in shaping housing and neighborhood patterns. Availability and access to safe, stable, affordable rental housing stock is a valuable and increasingly rare commodity in many cities and communities, brokered by landlords operating in a complex institutional system. Small- and medium-sized landlords may be key assets for communities—providing the majority of units to lower-income tenants nationwide—yet may also be prone to perceptions of precarity, lessening their utility for cities and perhaps even deepening existing problems. Hence, housing scholars and city government institutions nationwide would benefit from a closer consideration of the paradoxical repercussions of well-intentioned city regulations.

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Notes

¹In Cleveland and other cities, landlords with multiunit properties are directly accountable to the city for tenants' water service, though for single-unit properties landlords may request clear, unambiguous provisions in lease agreements assigning water costs to tenants. For tenants to transfer water accounts to their names, they

must submit a security deposit—up to several hundred dollars—to the city water department, which is returned to tenants after a full year of timely water bill payment. However, when water bill amounts exceed this security deposit and remain unpaid by tenants, the water account is turned back to the landlord, who may face financial penalties, property liens, and repossession for unpaid water bills (Clevelandwater.com).

²Small- and mid-sized landlords' properties are also less likely to be condemned, demolished, or tax delinquent relative to those owned by landlords who own more than 50 properties (Ford et al. 2013).

³These websites were identified by a parallel study of a randomly selected sample of parents with young children, with an oversample of low- and moderate-income families (who are more likely to be renters). These families were asked about previous methods they had used to search for housing, as well as any methods they would not use if they had to search for new housing in the near future.

⁴This sampling strategy may omit certain landlord populations, including those who do not currently have a property for rent, or who secure tenants primarily through word of mouth recommendations. One such example is the largest nonprofit provider of rental housing, the Cleveland Housing Network. An interview with a representative from that organization indicated that they only advertise through word of mouth.

⁵After earlier interviews indicated the salience of water regulations for landlords, we began to inquire about them in later interviews if landlords did not explicitly mention them first. Accordingly eleven percent of landlords who indicated “moderate-to-strong” financial precarity associated with water did so in response to our queries.

⁶City sanctions associated with tenants' “nuisance” activities vary based on the circumstances (e.g., number of calls, time until nuisance is abated), and this landlord's reported \$500 cost was based on his reported experience.

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