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LOS ANGELES COUNTY

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September 8, 2021

TO: Supervisor Hilda Solis, Chair
Supervisor Holly J. Mitchell
Supervisor Sheila Kuehl
Supervisor Janice Hahn
Supervisor Kathryn Barger

FROM: Rafael Carbajal 
Director
Department of Consumer and Business Affairs

FIRST REPORT ON SUPPORTING UNHOUSED INDIVIDUALS IN FILING TAXES AND COLLECTING STIMULUS PAYMENTS (ITEM NO. 15, AGENDA OF MAY 18, 2021)

On May 18, 2021, your Board instructed the Director of the Department of Consumer and Business Affairs' Center for Financial Empowerment (DCBA), in collaboration with the Chief Executive Office, Los Angeles Homeless Services Authority (LAHSA), Department of Human Resources (DHR), County Counsel, and relevant stakeholders to report back on opportunities to help people experiencing homelessness receive unclaimed tax credits and stimulus payments. Specifically, DCBA was instructed to report back in 60 days with:

1. Plan to develop Volunteer Income Tax Assistance (VITA) partnerships with homeless service providers to increase tax filings for unhoused and formerly unhoused individuals, prioritizing meeting the deadline to receive federal and state stimulus checks. The plan should include:
 - a. Process for leveraging existing case management and navigation services to address the common barriers to tax filing for people experiencing homelessness including proper identification, open bank accounts, and mailing addresses.
 - b. Analysis on the feasibility of training existing homeless services staff as VITA volunteers and/or co-locating VITA volunteers in homeless shelters, housing sites, Project Roomkey and



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Homekey sites, and access centers to increase access to tax services for PEH and formerly unhoused individuals.

- c. Analysis by DHR, County Counsel and labor partners on the feasibility of recruiting County staff to serve as VITA volunteers.
2. Summary of tax filing deadlines to receive stimulus payments from CARES, ARP, the Golden State Stimulus and Governor Newsom's latest stimulus announcement, including opportunities to request extensions past those deadlines
3. Overview of any applicable costs and potential funding sources to execute directive one.

The attached report serves as our first report back on these directives.

The report also addresses your Board's directive requesting an analysis by DHR, County Counsel, and labor partners on the feasibility of recruiting County staff to serve as VITA volunteers.

DCBA will continue to work with relevant stakeholders to provide updates and recommendations to your Board to fully implement this motion.

Should you have any questions concerning this matter, please contact me or Azusena Favela, Deputy Director, at (213) 712-5494 or afavela@dcba.lacounty.gov.

RC:JA:AF
DS:ph

Attachment

c: Executive Office, Board of Supervisors
Chief Executive Office
County Counsel

- REPORT -
SUPPORTING UNHOUSED INDIVIDUALS IN FILING TAXES AND
COLLECTING STIMULUS PAYMENTS

I. BACKGROUND

The COVID-19 pandemic has been a threat to our physical health and financial wellbeing. The crisis found most individuals in already financially vulnerable positions as many grapple with low incomes, high levels of debt, and low levels of savings that would not sustain them through the crisis¹. Since the onset of the COVID-19 pandemic, federal and state governments enacted a series of fiscal relief bills in response to the economic downturn caused by the public health crisis. Economic impact payments, more commonly known as “stimulus checks,” have been a lifeline for struggling households. These direct payments provide financial relief to qualified individuals and families to help reduce the financial strain caused by the pandemic.

The payments helped millions of people pay for critical necessities such as housing costs and food, pay down debt or increase savings. People experiencing homelessness (PEH) are likely to miss out on these payments because one must file an income tax return or use the Child Tax Credit Non-filer Sign-up Tool, <https://www.irs.gov/credits-deductions/child-tax-credit-non-filer-sign-up-tool>, to access the funds. According to the Los Angeles Homeless Services Authority’s (LAHSA) Greater Los Angeles Homeless Count 2020, 66,436 people are unhoused in Los Angeles County (County), making the County home to the second largest homeless population in the nation². The 2020 Homeless Count represents a 13 percent increase in homelessness from the previous year. Furthermore, experts warn that a wave of evictions after the expiration of moratoria will put thousands more low-income residents on the brink of housing insecurity³.

For PEH in the County, filing taxes is not an easy endeavor. As noted in the motion preamble, many PEH do not have access to online or in-person filing services and lack a bank account to facilitate easy access to tax refunds and stimulus payments. Helping unhoused residents overcome these barriers and access untapped tax credits and unclaimed stimulus money, could help to put thousands of dollars into the hands of our most vulnerable residents.

¹ Murphy, Dan. Brookings. “Economic Impact Payment: Uses, Payment, Methods, and Costs to Recipients.” February 17, 2021 [Economic Impact Payments: Uses, payment methods, and costs to recipients \(brookings.edu\)](https://www.brookings.edu/research/economic-impact-payments-uses-payment-methods-and-costs-to-recipients/)

² LAHSA Greater Los Angeles Homeless Count 2020 presentation [2020 Greater Los Angeles Homeless Count Results \(lahsa.org\)](https://www.lahsa.org/2020-Greater-Los-Angeles-Homeless-Count-Results)

³ Sheeley, Kristen et. al. “The Making of a Crisis: A History of Homelessness in Los Angeles”. UCLA Luskin Center for History and Policy. January 2021 [LCHP-The-Making-of-A-Crisis-Report.pdf \(ucla.edu\)](https://www.lchp.ucla.edu/wp-content/uploads/2021/01/LCHP-The-Making-of-A-Crisis-Report.pdf)

To explore this issue, in addition to working with the LAHSA, DCBA Center for Financial Empowerment staff met with the following County departments: Department of Human Resources (DHR), County Counsel, and the CEO Homelessness Initiative. We also met with the following non-profit organizations: Koreatown Youth and Community Center; Bet Tzedek; Amador-Tuolumne County Community Action Agency; Kaimore; Chinatown Social Services; and Union Station Homeless Services. Additionally, we spoke with a representative from the Internal Revenue Service and received information from the Franchise Tax Board.

II. DEVELOP VITA PARTNERSHIPS WITH HOMELESS SERVICE PROVIDERS TO INCREASE TAX FILINGS FOR UNHOUSED INDIVIDUALS

Volunteer Income Tax Assistance Program (VITA)

The Internal Revenue Service (IRS) Volunteer Income Tax Assistance (VITA) program supports low-moderate income Americans, including those with limited means, disabilities and limited English proficiency, by providing free income tax preparation services. Most people consider filing taxes a complex process. It is difficult for everyday tax filers to stay updated on changes to the tax code and aware of credits and deductions they may be entitled to⁴. As such, the VITA program presents a reliable and effective alternative for low-moderate income households to accurately file their taxes.

VITA services are typically provided by community-based organizations (CBO), who leverage certified volunteer income tax preparers to provide the service. According to Prosperity Now, in 2019, tens of thousands of IRS-certified volunteers working at more than 3,700 VITA sites across the country prepared over 1.5 million tax returns, all while achieving a 98 percent accuracy rate—the highest in the tax preparation industry⁵.

Income tax refunds can make up as much as 30 percent of a low-income family's annual earnings. VITA protects these refunds from being diminished by costly preparation fees from private tax preparers (at an average of \$273 per tax return, according to the National Society of Accountants) and potentially predatory tax time financial products. As a result, VITA is critical to helping families maximize their refund and use the funds on what really matters: childcare expenses, transportation, household necessities, debt repayment, and savings⁶. The program is an important tool for ensuring that qualifying taxpayers claim vital, yet underutilized tax credits such as the Earned Income Tax Credit and are connected to other local asset building services.

⁴ Newville, David and Joann Ain. "Leveraging Tax Time for Working Families with VITA". Prosperity Now Federal Policy Brief. [Microsoft Word - VITA policy brief \(prosperitynow.org\)](#) July 2018

⁵ Prosperity Now Blog. "Huge News: Thanks to You, VITA Has Become Law!" [HUGE NEWS: Thanks to You, VITA Has Become Law! | Prosperity Now](#) June 18, 2019

⁶ Prosperity Now Blog. "After Providing Free Tax Prep for 50 Years, It's Time to Make the VITA Program Permanent" [After Providing Free Tax Prep for 50 Years, It's Time to Make the VITA Program Permanent | Prosperity Now](#) March 27, 2019

There is growing demand for VITA services given the need to file an income tax return to access stimulus funds. According to CBO's, Limited funding and challenges with volunteer recruitment and retention limit their ability to serve more qualifying individuals and families.

According to data received from the IRS Stakeholder Partnerships, Education and Communication division, there were 112 VITA sites in the County of Los Angeles during the 2020 tax season, which represents a 26 percent increase from 2018⁷.

Supervisory District	Number of VITA Sites per District	Number of VITA Sites in an Unincorporated Area
First	32	1
Second	20	2
Third	20	0
Fourth	19	3
Fifth	21	4
Total	112	10
VITA providers located in the City of LA	50	

Over 1 million people live in unincorporated areas of the County which covers more than 2,600 square miles⁸. VITA services are limited throughout the County but especially scarce in unincorporated communities. Furthermore, the service was further strained by COVID-19 and the need to reconfigure the program model to adapt to current conditions. Given the challenges of transitioning to a remote model, some sites opted to stop providing the service altogether.

Los Angeles Homeless Service Authority (LAHSA)

The County and City of Los Angeles created the Los Angeles Homeless Services Authority (LAHSA) as an independent, joint powers authority in 1993. LAHSA is the lead agency in the Los Angeles Continuum of Care, which is the regional planning body that coordinates housing and services for homeless families and individuals in the County. LAHSA coordinates and manages over \$800 million annually in federal, state, county, and city funds for programs that provide shelter, housing, and services to people experiencing homelessness⁹, which includes funding from Measure H¹⁰.

LAHSA's work is accomplished through partnerships and subcontracts with local organizations. Through LAHSA, funding, program design, outcomes assessment, and technical assistance are provided to more than 100 nonprofit partner agencies that assist

⁷ According to VITA data the IRS shared with DCBA in 2018.

⁸ LACounty.gov "About LA County" Statistics <https://lacounty.gov/government/geography-statistics/statistics/#1481130319359-d19956e6-ad46>

⁹ Los Angeles Services Authority website. About us page: <https://www.lahsa.org/about>

¹⁰ Measure H, a landmark ¼-cent sales tax approved by an overwhelming 70% of County voters in March 2017, provided a revenue source to finance Homeless Initiative strategies, supplemented by federal, state, and other local funds. Source: LA County Homeless Services Initiative: [Updated-Quarterly-Report-No.-19-Item-47-A-Agenda-of-2-9-16.pdf](https://lacounty.gov/Updated-Quarterly-Report-No.-19-Item-47-A-Agenda-of-2-9-16.pdf) (lacounty.gov)

people experiencing homelessness achieve independence and stability in permanent housing¹¹. In partnership with DCBA, LAHSA sent an engagement survey to all eight Service Planning Area Coordinated Entry Systems leads to access provider knowledge and use of the VITA program. The results of this survey will provide DCBA and LAHSA with key information on the level of training and capacity support that homeless service providers will need to assist unhoused individuals in filing their taxes and collecting stimulus payments. Additionally, LAHSA is exploring how best to capture data for this service provision. The Planning and Systems Department along with the Data Management Department are looking into how the Homeless Management Information System (HMIS) can best gather detail on how homeless service providers connect unhoused individuals to tax filing and stimulus payment resources through its current function or if additional metrics are needed.

Pilot: Supervisor Hilda L. Solis Care First Village

DCBA is in the process of piloting tax preparation services at Supervisor Solis' Care First Village to test the concept and identify the infrastructure that will be needed to bring this work to scale. Located on a 4-acre site near downtown Los Angeles, the Hilda L. Solis Care First Village facility provides 232 beds for people experiencing homelessness¹². The village, which opened in April 2021, marked a major milestone in creating a large number of housing units utilizing innovative construction methods, on an accelerated timeline, to support the County's most vulnerable population during the COVID-19 pandemic¹³.

DCBA is working in collaboration with Care First Village staff and two local non-profit providers to provide free income tax services at the site prior to the Golden State Stimulus deadline. A summary of the pilot successes and lesson learned will be provided in subsequent Board reports.

Analysis by DHR, County Counsel, and labor partners on the feasibility of recruiting County staff to serve as VITA volunteers

County employees have a long history of volunteering their time and skills to benefit local communities outside of their regular job duties. As established in Board Policy 9.100 – Volunteer Program Policy, all County departments are encouraged to promote volunteer programs that allow community members, County employees, and County retirees to donate their time to County services and programs. This past calendar year alone, County volunteers contributed over 875,000 hours to voluntary services, ranging from skilled professional services to assisting at one- day events.

At the Board's direction, staff from the Departments of Human Resources (DHR) and County Counsel convened several working sessions with the DCBA to determine the feasibility of establishing a voluntary program for County employees to support VITA efforts. In these initial conversations, the workgroup focused on three main questions: (1)

¹¹ Los Angeles Services Authority website. About us page: <https://www.lahsa.org/about>

¹² NAC Architecture [The Hilda L. Solis Care First Village, Los Angeles County](#)

¹³ "Hilda L Solis Care First Village Receives License Agreement to Initiate Operation". Hildsolis.org [Hilda L. Solis Care First Village Receives License Agreement to Initiate Operation – Supervisor Hilda L Solis](#)

what limits, if any, are placed on County employees volunteering their time?; (2) what operational considerations should DCBA account for when establishing an employee volunteer program?; and (3) what avenues are available to promote this volunteer opportunity to County employees?

1. Employee Volunteer Rules and Limitations

Board Policy 9.100 – Volunteer Program Policy establishes that while County employees are permitted and encouraged to volunteer in support of County services and programs, they may not be otherwise employed by the County to perform the ‘same type of services’ as required by the volunteer role. Explained more fully in the Volunteer Program Policy Manual, this means that County employees are only permitted to volunteer for activities that fall outside their scope of regular job duties. Furthermore, employees are not to serve as volunteers for any programs or services managed by their current department. This helps to ensure true separation of duties and remove any impression of direct or implied manipulation of fair compensation or coercion to participate. Departmental employees that support such program activities must be fully compensated as they would for all other work activities.

Employees are only permitted to participate in volunteer activities outside of their regularly scheduled work hours or on pre-approved time off. Should DCBA elect to hold VITA program orientation or mandatory training sessions during regular working hours, participating employees would need to obtain permission from their supervisor to attend and must be fully compensated for their time, as they would for all other work-related activities. This cost may be absorbed by the departments or reimbursed by DCBA.

2. Operational Considerations for Establishing a New Employee Volunteer Program

VITA is a well-established national program and multiple non-profit organizations throughout the County participate. Accordingly, DCBA has the opportunity to consider several models when developing the new employee volunteer program to best meet operational and service needs.

Option 1 – Volunteer Pipeline

First, the department may elect to recruit County employees to serve as volunteers with local nonprofit agencies that have established VITA volunteer programs. An example of a successful employee volunteer program that uses this model is the *County Employee Youth Mentoring Program*, managed by DHR. This model removes much of the fiscal and personnel impact from DCBA, as the partner agency is held responsible for the vetting, training, scheduling and management of all volunteers. The Department’s role is primarily reserved for coordinating with community organizations and promoting available volunteer opportunities to County employees. This model would not expand the reach of VITA services to communities where programs are not already established but would serve to bolster the capacity of existing programs.

Option 1: Operational Considerations

- Identify community organizations with established VITA programs;
- Develop memoranda of agreement (MOA) in collaboration with County Counsel, which outlines each agency's responsibilities, applicable costs, delegation of duties, insurance, and other relevant items;
- Develop system to collect, analyze and track employee volunteer data, as needed;
- Determine need for DCBA to develop volunteer orientation sessions for participating County employees;
- Determine personnel and funding needs; impact to departmental budget.

Option 2 – Establish a New County-Led Program

Alternatively, DCBA may elect to expand VITA services to new areas of the County by developing a new County-led VITA program. Through this model, DCBA would be responsible for all aspects of volunteer management and service delivery. This includes recruiting, vetting, training, and scheduling all volunteers; establishing, managing and troubleshooting VITA sites; marketing VITA services to the community; and tracking and reporting program outcomes. An example of a similar County-led volunteer program of this nature is the *County Election Worker Program*, launched by the Registrar-Recorder/County Clerk during each statewide election.

This model requires significant commitment from DCBA and would require DCBA to work closely with the Chief Executive Office (CEO) to determine the impact to personnel, budget and facilities.

Option 2: Operational Considerations

- Work with CEO to secure necessary program funding (personnel, database system, facilities, supplies) through budget allocation or grant funding;
- Meet all IRS requirements to operate as a VITA site (volunteer agreement forms, training requirements, record keeping, reporting);
- Recruiting, vetting and managing volunteers (live scan requirements, ensuring appropriateness of volunteer assignments, establishing County-specific volunteer agreements and documentation, establishing time commitments, tracking certifications);
- Determine volunteer training plan (establish training schedule, in-person vs. online training options, potential use of County time for training);
- Work with CEO to determine appropriate recruitment strategies (volunteer stipend, inclusion in department head MAPP goals, recognition opportunities).

3. Employee Outreach Resources

DHR's Workplace and Community Programs Division (Division) oversees the County Volunteer Program and provides ongoing support and resources to department-led volunteer programs and activities. One of the key areas in which the Division offers support is in the development of Countywide recruitment and promotional campaigns for the strengthening, maintenance and expansion of

County volunteer programs. To support this effort, DHR recently launched a new online platform, <https://volunteer.lacounty.gov>, that enables the centralized recruitment of volunteers across the County. This new website not only serves to quickly connect interested volunteers with County opportunities, but also serves as a searchable database to help departmental volunteer coordinators identify and track volunteers for various opportunities managed by their department.

Other traditional avenues for promoting volunteer opportunities to County employees include targeted articles in the County DIGEST publication, Countywide email blasts from the Director of Personnel or CEO, advertisements on the mylacounty.gov news carousel, and direct mailers to employees' home addresses. Past programs also show that support from the Board, through recognition of volunteer efforts at Board meetings, establishing County awareness days, and motions calling for Department Head support of specific programs, helps to greatly increase awareness of specific programs and buy-in from County leadership.

III. SUMMARY OF TAX FILING DEADLINES

To date, three sets of federal Economic Impact Payments, and one State level payment (more commonly referred to as stimulus checks) have been issued to eligible taxpayers as part of ongoing pandemic relief efforts. The guidelines for each payment are outlined below¹⁴:

¹⁴ Information compiled from the Peter G. Peterson Foundation: [What to Know About All Three Rounds of Coronavirus Stimulus Checks \(pgpf.org\)](https://www.pgpf.org/what-to-know-about-all-three-rounds-of-coronavirus-stimulus-checks); ftb.ca.gov and [IRS.gov](https://www.irs.gov)

Name	Source	Launch Date	Maximum Amount of Payment	Income Eligibility	Additional Qualifications	Deadline
Coronavirus Aid, Relief, and Economic Security Act (CARES Act)	Federal	April 2020	\$1,200 per adult \$500 per child	Single: \$99,000 HOH: \$136,500 Married: \$198,000	<ul style="list-style-type: none"> Be a U.S. citizen, permanent resident, or resident alien. Filer must have a valid SSN. Cannot be claimed as a dependent on someone else's tax return. 	May still qualify by claiming the 2020 Recovery Rebate Credit by filing a 2020 tax return
Consolidated Appropriations Act	Federal	December 2020-January 2021	\$600 per adult \$600 per child	Single: \$87,000 HOH: \$124,500 Married: \$174,000	<ul style="list-style-type: none"> Same as CARES and Alive on or after January 1, 2020 	May still qualify by claiming the 2020 Recovery Rebate Credit by filing a 2020 tax return
American Rescue Plan Act (ARP)	Federal	March 2021	\$1,400 per adult \$1,400 per child	Single: \$80,000 HOH: \$120,000 Married: \$160,000	<ul style="list-style-type: none"> Same as Consolidated Appropriations Act and ITIN filers who have children with a SSN qualify for the child payment 	
Golden State Stimulus (GSS)	State	February 2021	One-time payment of \$600 or \$1,200 (CalEITC & ITIN filer receive the \$1,200)	ITIN filer: \$75,000 CalEITC recipient: \$30,000	<ul style="list-style-type: none"> California resident Be 18 years or older as of December 31, 2020. File taxes Claim the CalEITC on the 2020 CA tax return or File your 2020 tax return with an ITIN and make \$75k or less 	To receive payment tax returns must be filed by: October 15, 2021

Golden State Stimulus II	State	Payments are anticipated to begin September 2021	<p>\$500 qualified for GSS 1 and claimed at least 1 dependent</p> <p>\$600 did not qualify for GSS 1 and did not claim a credit for 1 or more dependents</p> <p>\$1,100 did not qualify for GSS 1 and claimed a credit for at least 1 dependent</p> <p>\$1,000 ITIN user and qualified for GSS 1 and claimed at least 1 dependent</p>	Wages of \$75,000 or less for 2020 tax year	<ul style="list-style-type: none"> • California resident for more than half of 2020 • Be a California resident on the date payment is issued • File your 2020 tax return with a CA adjusted gross income of \$1 to \$75k 	To receive payment tax returns must be filed by: October 15, 2021
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According to the California Legislative Analyst Office, over the last year, most low- and middle-income Californians received three federal stimulus checks totaling \$3,200 per adult and \$2,500 per child¹⁵. For example, an eligible family of four received \$11,400 in federal stimulus payments over the past year. While federal payments have helped most Californians, undocumented individuals have largely been left out of these federal programs. In recognition of this, the State included payments for undocumented workers in the Golden State Stimulus program¹⁶.

On February 23, 2021, Governor Newsom signed a legislative relief package that authorized the Golden State Stimulus I to provide a \$600 payment to households with incomes below \$30,000 as well as undocumented workers who file taxes using an individual taxpayer identification number (ITIN). On July 12, 2021, the Governor signed Senate Bill 139 which authorized the Golden State Stimulus II, an expansion of the Golden State Stimulus designed to support more of California's low and middle-income families and individuals with incomes up to \$75,000. The Golden State Stimulus II provides \$600 to taxpayers that did not qualify for GSS I and an additional \$500 - \$1,000 if there is a dependent child for the 2020 tax year¹⁷. To receive payment, taxpayers must file a complete 2020 tax return by October 15, 2021, which is an extension of the May 17th deadline.

¹⁵ California Legislative Analyst Office. "The 2021-22 May Revision: Golden State Stimulus 2" [The 2021-22 May Revision: Golden State Stimulus 2 \(ca.gov\)](#)

¹⁶ California Legislative Analyst Office. "The 2021-22 May Revision: Golden State Stimulus 2" [The 2021-22 May Revision: Golden State Stimulus 2 \(ca.gov\)](#)

¹⁷ [California Cares - Stimulus for Qualified Californians | Golden State Stimulus](#)

IV. OVERVIEW OF APPLICABLE COSTS AND POTENTIAL FUNDING SOURCES

The Cares First Village pilot will help DCBA to better understand the funding needed to make this a long-term program. Anticipated costs include staffing, administrative cost to secure third party provider, stipend for volunteers, and equipment. DCBA will leverage American Rescue Plan funding to support this initiative.

V. NEXT STEPS

To further implement this work, DCBA will:

- Pilot VITA services at the Cares First Village;
- Continue working with DHR and County Counsel to develop a model to recruit and train interested County employees who want to serve as volunteers;
- Use the lessons learned from the pilot to inform ARP-funded tax preparation program; and
- Convene Bank On partners to discuss opportunities to bank the unhoused.



LOS ANGELES COUNTY

CONSUMER & BUSINESS AFFAIRS

Board of Supervisors

February 28, 2022

Hilda L. Solis
First District

Holly J. Mitchell
Second District

Sheila Kuehl
Third District

Janice Hahn
Fourth District

Kathryn Barger
Fifth District

To: Supervisor Holly J. Mitchell, Chair
Supervisor Hilda L. Solis
Supervisor Sheila Kuehl
Supervisor Janice Hahn
Supervisor Kathryn Barger

Director

Rafael Carbajal

From: Rafael Carbajal
Director

Chief of Staff

Joel Ayala

FINAL REPORT ON SUPPORTING UNHOUSED INDIVIDUALS IN FILING TAXES AND COLLECTING STIMULUS PAYMENTS (ITEM NO. 15, AGENDA OF MAY 18, 2021)

On May 18, 2021, your Board instructed the Director of the Department of Consumer and Business Affairs' (DCBA) Center for Financial Empowerment (CFE), in collaboration with the Chief Executive Office, Los Angeles Homeless Services Authority (LAHSA), Department of Human Resources (DHR), County Counsel, and relevant stakeholders to report back on opportunities to help people experiencing homelessness receive unclaimed tax credits and stimulus payments. The attached serves as our final report back on our most recent efforts in support of this motion.

Should you have any questions concerning this matter, please contact me or Dawnnesha Smith, at (213) 712-5517 or dsmith@dcba.lacounty.gov.

Attachment

RC:JA:AF
DS:EA:ph

c: Executive Office, Board of Supervisors
Chief Executive Office
County Counsel



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- REPORT -
SUPPORTING UNHOUSED INDIVIDUALS IN
FILING TAXES AND COLLECTING STIMULUS PAYMENTS

I. Pilot VITA services at the Care First Village

The Department of Consumer and Business Affairs' (DCBA) Center for Financial Empowerment (CFE) partnered with the Mexican American Opportunity Foundation (MAOF) and Kaimore, two local community-based organizations, to pilot free income tax preparation services at the Supervisor Hilda L. Solis Care First Village to help people experiencing homelessness (PEH) claim the Golden State Stimulus by the October 15, 2021 deadline and to help inform the long-term strategy for addressing the directives in the motion. MAOF provided comprehensive data and information on the pilot describing their efforts to successfully provide Volunteer Income Tax Assistance (VITA) services to the Care First Village residents. The following is an overview of the pilot.

Event Dates

MAOF and Kaimore worked with the Care First Village staff to hold two prescreening events for the residents on Friday, October 1, 2021 and Wednesday, October 6, 2021. The goal of prescreening was to assess how many residents needed services, and to provide education on VITA services and guidance on what is needed in preparation for their tax appointment. VITA services were provided to the residents on Saturday, October 9, 2021 and Wednesday, October 13, 2021. Appointments were made for the residents using "You Can Book Me," a scheduling assistant software that allows a VITA service provider to book multiple appointments in the same time slot and send automatic reminders to the clients for their appointments, if the client has access to this capability.

VITA Volunteers

Volunteers were recruited by Kaimore to provide services on the tax event dates. A total of four volunteers participated over 52 hours. Kaimore recognized the volunteers for their contributions by providing certificates of appreciation to them on October 15, 2021.

Outreach and Education

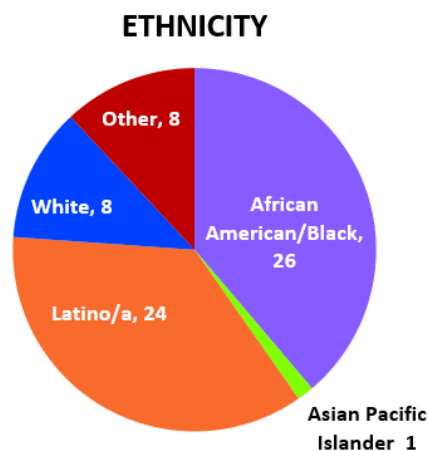
MAOF developed a flyer in English and Spanish to distribute to the residents and inform them of prescreening and tax event dates (Appendix A). The Care First Village staff assisted with distributing the flyers in the weeks leading up to the prescreening and tax events, and Kaimore provided information at the Care First Village's weekly residents meetings. Most of the residents who scheduled an appointment appeared on their scheduled date and time due to the efforts of the Care First Village staff who would provide reminders to the residents. MAOF and Kaimore also provided VITA services information to the Care First Village director and staff.

Care First Village Residents – Demographics and Tax Filing Stats

The Care First Village provides housing to approximately 200 residents. While some of the residents reported previously filing with a paid preparer, 67 participated in the prescreening and, of these, 58 had tax returns successfully filed (42 e-file and 16 paper) at the tax event dates. A total of \$75,049 in credits and refunds was claimed. If not for this project, these critical funds would have been left unclaimed by the eligible individuals.

The following data provides an overview of the residents and credits and refunds claimed.

DEMOGRAPHICS	
Veterans	2
Female	22
Male	45
English Preferred	63
Spanish Preferred	4
Banked	19
Unbanked	48



CREDITS & REFUNDS CLAIMED		
Type	Amount Claimed	# of Residents
EITC* Federal	\$248	1
EITC State	\$181	3
Golden State Stimulus <i>Average Amount Received: \$600</i>	\$34,800	58
Federal Stimulus <i>Average Amount Received: \$1,600</i>	\$33,600	21
Federal Refund	\$6,220	4
TOTAL CLAIMED	\$75,049	

**Earned Income Tax Credit*

Challenges

There are many challenges with providing VITA services. In our status report dated December 6, 2019¹, we highlighted the scarcity of VITA providers and the need to increase capacity to make the service more readily available in underserved communities. Generally, conducting outreach about refundable tax credits and free income tax preparation services is a challenge. The challenges include disseminating effective messaging about complex tax issues; trying to reach hard to reach populations such as

¹ Department of Consumer and Business Affairs. Status Report Regarding Implementing The County's Center for Financial Empowerment (Item No. 2 Agenda of May 21, 2019).
http://file.lacounty.gov/SDSInter/bos/bc/1065316_2019-12-06StatusReportRegardingImplementingtheCounty_sCenterforFinancialEmpowerment.pdf#search=%22financial%20empowerment%22

persons who are not required to file and people who may not consume mainstream communication and media sources; among other reasons. This challenge is magnified for PEH who, in addition to being unfamiliar with these resources, may lack the supporting documentation needed to file a return and engage with service providers who are often not versed in these areas. The intent of this project was to break down these barriers to ensure our residents receive the resources they are entitled to.

During this pilot project, it was confirmed that it is best to have the opportunity to prescreen the individuals so that they can be “appointment ready.” This requires ample time and planning to schedule the prescreening dates prior to the VITA services dates. Some residents suffered from mental health challenges and presented a limited capacity to understand the services offered or remember important information such as whether they had health insurance or already received stimulus payments. They also lacked required documents, i.e. identification cards, social security cards, tax documents, etc. Copies or replacements of these documents are difficult to obtain in a short amount of time.

Additionally, the residents had limited access to technology, e.g. no phone number or e-mail address to receive appointment reminders or additional information. The Care First Village staff made attempts to reach the residents in person; however, they were not always able to do so. Most of the residents were unbanked and/or did not have a safe address to receive their refunds and stimulus payments. Not having a bank account for direct deposit nor a stable address to receive paper checks opens the opportunity for theft and fraud, i.e. stolen checks or stolen identities. The Cares First Village agreed to allow the residents to use their address to receive these payments.

Lessons Learned for Future Opportunities

This pilot project was instrumental to developing best practices for providing VITA services to PEH. The following recommendations are offered:

- 1) Conduct outreach for both PEH and service providers as early as November, prior to the start of tax season in January. In order for PEH to take advantage of this critical service, it is imperative that PEH service providers understand what the program offers and how they can assist PEH with preparing for meeting with a VITA service provider. Equally important is ensuring that PEH are aware of the service and how and where to access it.
- 2) Develop partnerships between housing service providers and VITA service providers, as well as local agencies such as DCBA, to train and support their staff regarding these resources. Case managers can be trained to provide support to PEH so they can assist with obtaining required documents and be able to relay information on how to access these services. Any assistance service providers can offer PEH to obtain a low-cost mobile phone and set up an email account will facilitate PEH to receive appointment reminders and ongoing information about VITA services offered.

- 3) Offer VITA services year-round. Case managers can be an essential support in assisting PEH with preparing for VITA services. Both the case manager and unhoused individuals can work with VITA service providers throughout the year to guide and help the residents obtain the required documentation, so they are ready once tax season begins.

CFE is pleased to have had the opportunity to work with MAOF, Kaimore, and the Care First Village staff to provide VITA services to PEH, an often hard-to-reach and underserved population. Because of this support, qualifying Care First Village residents were able to claim federal Economic Impact Payments and the state and federal Earned Income Tax Credits, in addition to the Golden State Stimulus. Direct cash payments are arguably one of the best ways to provide immediate relief to people facing poverty. Please also see Appendix B for fact sheets we developed to provide an overview of the project.

II. Continue working with the Department of Human Resources (DHR) and County Counsel to develop a model to recruit and train interested County employees who want to serve as volunteers

CFE is currently collaborating with DCBA's volunteer coordinator to plan for engagement and recruitment of County employees who may be interested in serving as VITA volunteers. Recent discussions have centered on how best to advertise the volunteer opportunity, understanding the capabilities of the County Volunteer Portal, and developing the volunteer program profile that will be featured in the portal. DCBA's volunteer coordinator provides support by reaching out to DHR on the CFE's behalf for information, as needed. Discussions and planning are ongoing.

III. Use lessons learned from the pilot to inform American Rescue Plan Act (ARPA)-funded tax preparation program

Moving forward, CFE is committed to expanding VITA services throughout Los Angeles County so that more residents can take advantage of this critical resource. CFE is currently in the process of designing the VITA services program funded by the ARPA, set to launch in the 2022 tax season. The goal for this program is to target communities most impacted by COVID. We have utilized the information and results gathered from this pilot project to complete the first step in the program design process, the ARPA Project Design Form as required by the CEO's Anti-Racism, Diversity and Inclusion (ARDI) Initiative. We will continue to use the pilot project's best practices as we finalize our program design.

IV. Collaboration with the Los Angeles Homeless Services Authority (LAHSA)

CFE continues to discuss strategies with LAHSA for collaboration opportunities. We have established that Project Homekey and Project Roomkey sites are ideal locations to provide mobile VITA services. LAHSA has provided CFE with information about the existing Project Homekey sites and is providing regular updates on the status of Project Roomkey locations. CFE will continue to collaborate with LAHSA to launch VITA service delivery to locations identified as ideal for these services.

V. Next Steps

To continue implementing this work, DCBA will:

- Utilize the information gathered from the Care First Pilot to inform the final ARPA VITA program design, scheduled to launch in February 2022
- Finalize the model to train and recruit County employees as VITA volunteers
- Continue to collaborate with Bank On partners for opportunities to bank the unhoused
- Continue to collaborate with LAHSA for opportunities to provide VITA services to PEH

Appendix A – VITA Flyers Distributed to Care First Village Residents

**MISSING STIMULUS PAYMENTS?
NEED TO FILE YOUR TAXES?**

FREE!



**DON'T MISS OUT!
GET YOUR
MONEY!**

**Care First Village
Location:
Kitchen/Dining
Room**

Upcoming Events:

Eligibility Screening
Friday, October 1st, 9 AM - 1 PM
Wednesday, October 6th, 3 PM - 7 PM

Tax Filing Event
Saturday, Oct 9th, 9 AM - 1 PM
Wednesday, Oct 13th, 3 PM - 7 PM

**No appointment
necessary!**

**If you earned \$0 to \$30,000
in 2020, you may qualify to
receive \$600 or more!**

Please visit the **kitchen/dining room** to
be screened for these benefits by a
certified tax preparer:

- Federal Stimulus
- Golden State Stimulus
- Filing 2020 Tax Return






**¿LE FALTAN PAGOS DE ESTÍMULO?
¿NECESITA DECLARAR SUS IMPUESTOS?**

¡GRATIS!



**¡NO SE LO PIERDA!
¡RECIBA SU
DINERO!**

**Care First Village
Ubicación:
Cocina/comedor**

PRÓXIMOS EVENTOS:

Evaluación de elegibilidad
viernes, 1 de octubre, 9 AM - 1 PM
miercoles, 6 de octubre, 3 PM - 7 PM

Evento de Declaracion de Impuestos
sabado, 9 de octubre, 9 AM - 1 PM
miercoles, 13 de octubre, 3 PM - 7 PM

¡No se necesita cita!

**Si ganó de \$0 a \$30,000 en
2020, ¡puede calificar para
recibir \$ 600 o más!**

Visite la **cocina / comedor** para que un
preparador de impuestos certificado
evalúe si califica para estos beneficios:

- Estímulo federal
- Estímulo Golden State
- Declaración de impuestos del 2020






Appendix B – Care First Village Fact Sheets

One Page Fact Sheet

Care First Village VITA Pilot Project

BACKGROUND

The County of Los Angeles Department of Consumer and Business Affairs Center for Financial Empowerment partnered with the Mexican American Opportunity Foundation (MAOF) and Kaimore to provide in-person VITA tax filing services to residents at the Hilda L. Solis Care First Village in Los Angeles in time for the Golden State Stimulus deadline on October 15, 2021. Filing tax returns is extremely challenging for people experiencing homelessness as they face many barriers to accessing income tax preparation services. They may also believe that they are ineligible to file a tax return if they are unemployed.

WHAT IS VITA?

The IRS' Volunteer Income Tax Assistance (VITA) program offers free basic tax return preparation to qualified individuals, and has operated for over 50 years. VITA service providers offer free tax help to people who need assistance in preparing their own tax returns, including:

- People who generally make \$57,000 or less;
- Persons with disabilities; and
- Limited English-speakers.

CARE FIRST VILLAGE

Located on a 4-acre site near Downtown Los Angeles, the Hilda L. Solis Care First Village facility provides 232 beds for people experiencing homelessness. The Village, which opened in April 2021, marked a major milestone in creating a large number of housing units utilizing innovative construction methods, on an accelerated timeline, to support the County's most vulnerable population during the COVID-19 pandemic.

TAX EVENTS

MAOF and Kaimore, working with Care First Village staff, provided pre-screening and free tax preparation services for residents on the following dates:

Pre-screening

Friday, October 1, 2021

Wednesday, October 6, 2021

Tax Events

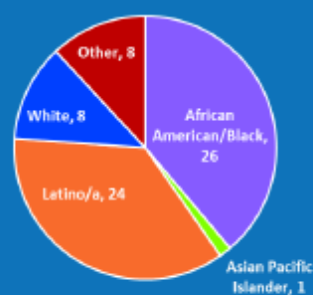
Saturday, October 9, 2021

Wednesday, October 13, 2021



Care First Village Residents Served

ETHNICITY



DEMOGRAPHICS

Veterans	2
Female	22
Male	45
English Preferred	63
Spanish Preferred	4
Banked	19
Unbanked	48

Tax Event Results - \$75,049 claimed!

Economic Impact Payments (EIPs) or "stimulus checks" have been a lifeline for many people with low incomes who have received them. Unfortunately, many people experiencing homelessness (PEH) may miss out on the payments because they need to take action to get them, either by filing a tax return (if they have a [filing requirement](#)) or submitting their information to [GetCTC.org](#).

The goal of this project was to reduce tax filing barriers by bringing in-person VITA services to PEH. While some of the residents reported previously filing with a paid preparer, 67 Care First Village residents participated in pre-screening and, of these, 58 had tax returns successfully filed (42 e-file and 16 paper). A total of \$75,049 in credits and refunds was claimed. If not for this project, these critical funds would have been left unclaimed by the eligible individuals.

CREDITS & REFUNDS CLAIMED

Type	Amount Claimed	# of Residents
EITC Federal	\$248	1
EITC State	\$181	3
Golden State Stimulus	\$34,800	58
Federal Stimulus	\$33,600	21
Federal Refund	\$6,220	4
TOTAL CLAIMED	\$75,049	



Los Angeles County Supervisor
HILDA L. SOLIS
First District



MAOF
MEXICAN AMERICAN OPPORTUNITY FOUNDATION



12/13/2021

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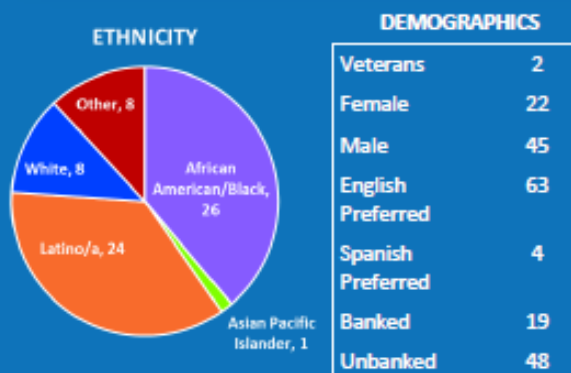
Wednesday, October 13, 2021



LOS ANGELES COUNTY
**CONSUMER &
BUSINESS AFFAIRS**
CENTER FOR FINANCIAL EMPOWERMENT



Care First Village Residents Served



Tax Event Results - \$75,049 claimed!

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12/13/2021

Care First Village VITA Pilot Project

Challenges

This project aimed to provide tax filing services by the October 15, 2021 deadline. Challenges experienced include:

- PEH required pre-screening to ensure they were “appointment ready”;
- Some individuals had limited capacity to remember important information, such as whether they had health insurance or had already received stimulus checks;
- Lack of required documents, i.e. identification cards, social security cards, tax documents, etc.;
- Limited access to technology, i.e. no phone number or email address to receive appointment reminders; and
- Most of the residents were unbanked; therefore, the shelter agreed to let the residents use their address to receive their refund and stimulus payment checks.

Lessons Learned for Future Opportunities

In order to host a successful event to serve PEH, the following recommendations are offered:

- Conduct outreach for both PEH and service providers, as early as October, prior to the start of tax season in January;
- Offer VITA services year-round;
- Support partnerships between housing service providers and VITA service providers, as well as local government agencies, to train and support their staff regarding this resource; and
- Train PEH case managers to provide support to clients so they can assist with obtaining required documents, and relay information on the availability of and how to access these services.

Looking Forward

The Center for Financial Empowerment (CFE) is pleased to have had the opportunity to work with MAOF, Kaimore, and the Care First Village staff to provide VITA services to PEH, an often hard-to-reach and underserved population. Because of this support, qualifying Care First Village residents were able to claim over \$75,000 in federal Economic Impact Payments, State and Federal Earned Income Tax Credits, and the Golden State Stimulus. Direct cash payments are arguably one of the best ways to provide immediate relief to people facing poverty.

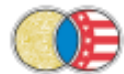
Moving forward, the CFE is committed to expanding VITA services throughout Los Angeles County so that more qualifying residents can take advantage of this critical resource. The CFE is currently in the process of designing a VITA services program funded by the American Rescue Plan Act (ARPA) set to launch in the 2022 tax season. The goal for this program is to target communities most impacted by COVID. The lessons learned from the Care First Village pilot project will be applied to the ARPA program design.



Los Angeles County Supervisor

HILDA L. SOLIS

First District



MAOF

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Kaimore

12/13/2021