



LOS ANGELES COUNTY
CONSUMER & BUSINESS AFFAIRS

Board of Supervisors

May 10, 2024

Hilda L. Solis
First District

Holly J. Mitchell
Second District

Lindsey P. Horvath
Third District

Janice Hahn
Fourth District

Kathryn Barger
Fifth District

To: Supervisor Lindsey P. Horvath, Chair
Supervisor Hilda L. Solis
Supervisor Holly J. Mitchell
Supervisor Janice Hahn
Supervisor Kathryn Barger

Director
Rafael Carbajal

From: Rafael Carbajal
Director

Chief Deputy
Joel Ayala

REPORT ON ESTABLISHING RIGHT TO COUNSEL AND SUSTAINABLY EXPANDING EVICTION DEFENSE SERVICES IN LOS ANGELES COUNTY (ITEM NO. 14, AGENDA OF JULY 11, 2023)

On July 11, 2023, your Board adopted a motion¹ directing the Department of Consumer and Business Affairs (DCBA) to return to the Board with a written reassessment and plan to phase in the implementation of a Universal Access to Legal Representation program for eviction defense services in the County of Los Angeles (County). This reassessment report was directed to include a plan to expand coverage of existing legal representation and support services—delivered through Stay Housed LA (SHLA)—to additional non-City of Los Angeles incorporated cities as DCBA scales up program capacity to achieve Universal Access to Legal Representation Countywide by Fiscal Year (FY) 2030-31.

Your Board requested that the following sub-directives be addressed in the report back:

- DCBA should work with non-City of Los Angeles incorporated cities to develop funding models for cities to contribute to SHLA in order to support standing up services within each jurisdiction interested in providing the SHLA program to their residents.
- DCBA should continue to engage key stakeholders, such as incorporated cities, tenants, private and nonprofit housing providers/landlords, and community-based organizations, to inform this plan.

¹ <https://file.lacounty.gov/SDSInter/bos/supdocs/182295.pdf>



The following report responds to your Board's directives which covers:

- Updates to DCBA's implementation and phase-in plan for expanding eviction defense services in the County.
- Updates on leveraging existing programs, systems, and partnerships to enhance eviction defense services.
- Key takeaways from additional stakeholder engagement sessions held for representatives from incorporated cities and rental property owners.
- Updates on SHLA funding sources, allocations, and budgets.
- Recommended next steps.

INTRODUCTION

On April 8, 2023, DCBA filed a *Report on Sustainably Expanding Eviction Defense Services in Los Angeles County* (April 2023 Report),² which outlined an implementation framework to make SHLA a permanent, Countywide Universal Access to Legal Representation program by calendar year 2030. The April 2023 Report provided an overview of the SHLA program, key outcome metrics, budget and performance projections, strategies for enhancing eviction defense services in the County, and recommendations for establishing a Right to Counsel (RTC) ordinance for the unincorporated areas of the County. In response to the recommendations outlined in this report, your Board approved the July 11, 2023, motion directing DCBA to reassess and update the proposed implementation framework to account for the expected approval of a RTC ordinance by July 2024 and a program launch in January 2025.

In August 2023, Strategic Action for a Just Economy (SAJE) released a Report³ on the potential benefits of implementing a RTC ordinance in the County. The report showed that, as of June 2023, eviction filings were 74 percent higher than they were at the same time in 2022 and higher than they have been for nearly a decade, reversing a trend of steady decline observed in the years preceding the COVID-19 pandemic. In addition, according to the Household Pulse Survey administered by the U.S. Census Bureau, an estimated 278,020 households in the County, are behind on their rent, owing an average of \$3,500 in rental debt.⁴ Expectedly, the number of unhoused residents increased in the County by nine percent and the City of Los Angeles (City) by 10 percent over the past year.⁵ The SAJE report argues that adoption of strong RTC policies throughout the County are opportunities to decrease the number of evictions filed as well as the number of default judgments against renters. This would mean fewer renters driven into homelessness and fewer units loosened from rent-control restrictions because of

²https://file.lacounty.gov/SDSInter/bos/bc/1140019_2023-04-08_ReportBackonExpansionofEvictionDefenseServices_rc.pdf

³ <https://www.saje.net/wp-content/uploads/2023/08/SAJE-RTC-Report.pdf>

⁴ Ibid

⁵ Ibid

evictions.⁶ Continued investments into and expansion of SHLA programming, coupled with the anticipated adoption of a County RTC ordinance in July 2024, are critical to achieving the Board's goal of providing Universal Access to Legal Representation to all eligible County tenants by 2030.

UPDATES TO DCBA'S IMPLEMENTATION AND PHASE-IN PLAN FOR EXPANDING EVICTION DEFENSE SERVICES IN THE COUNTY

Since filing the April 2023 Report, DCBA has taken the following actions to implement and update the phase-in plan outlined in that report to achieve Universal Access to Legal Representation in the County by 2030.

Prioritization of Eviction Defense Services

In September 2023, SHLA achieved the attorney capacity necessary to provide legal assistance to all eligible tenants that live in unincorporated areas of the County and select high-need zip codes in incorporated cities (estimated at 1,600 households per year) that may seek such services—well in advance of the anticipated adoption of a RTC ordinance for unincorporated areas of the County. The program also began phasing-in the prioritized delivery of SHLA legal services, in accordance with the plan outlined in the April 2023 Report, in the following cities: Bell, Bell Gardens, Cudahy, Compton, El Monte, Glendale, Hawaiian Gardens, Huntington Park, Inglewood, Lynwood, Maywood, Norwalk, Paramount, Pasadena, Pomona, South El Monte, South Gate, and Watts.

Recruitment and Retention of Eviction Defense Attorneys

On December 6, 2023, DCBA staff and SHLA coordinators from the Legal Aid Foundation of Los Angeles (LAFLA), the lead SHLA County contractor/partner, and the Liberty Hill Foundation (LHF), a key SHLA subcontractor/partner tasked with coordinating outreach and education efforts, began a series of discussions on how to develop and implement better strategies to recruit and retain SHLA attorneys and outreach/education staff. As a result of these discussions, DCBA and its partners identified the following as potential strategies for implementation to improve the SHLA attorney recruitment and retention pipeline: offering retention/recruitment bonuses; partnering with a workforce development partner and/or consultant; and developing a formalized pipeline with law schools to recruit recent law school graduates. As a first step to move into implementation, DCBA entered into an agreement with a strategic consulting firm, ArroyoWest, in April 2024, to assist in the refinement and adoption of these recommendations. Additional discussions will be held in the following three months with ArroyoWest and the SHLA partners to assess their feasibility and to develop action plans for adopting and scaling these strategies.

⁶ Ibid

Updated Stay Housed L.A. Website and New Hotline

The SHLA website⁷ has been a critical resource for those who find themselves facing an eviction. On June 27, 2023, a new and improved version of the website went live to the public. Through this updated website, tenants can apply for legal help if they have received a summons from the courts; access an expansive body of self-help resources that provide step-by-step guidance on the eviction process; and locate tenants' rights, small claims, and eviction trial preparation workshops in their area. The updated website also includes the following new features:

- **Integrated mapping tool** – Tenants can view personalized information on tenant protections and workshops/clinics based on the address they enter.
- **Updated notification and communication efforts** – Tenants now have the option to receive tailored text messages regarding updates to their application, information on steps to take while waiting on the initial contact, and reminders about workshops or clinics. In addition, when a tenant selects a language other than English when enrolling into a workshop, an e-mail will automatically be sent to organizers notifying them that an interpreter will be needed for the event.
- **Self-help resources** – The updated website provides detailed steps on how to file a formal answer to an Unlawful Detainer (UD) action (eviction) and directs the user to the Tenant Power Toolkit website.⁸ This Tenant Power Toolkit website provides tenants access to an Answer Tool to aid them in generating a formal written answer (response) to an UD action and provides details on how to enroll in the Eviction Defense Network's (EDN, a key SHLA partner) Tenant Empowerment Program. EDN administers the Tenant Empowerment Program (TEP), which is a comprehensive initiative that educates tenants on how to represent themselves in court. This program offers a series of in-depth workshops/classes and personalized assistance from attorneys with assembling a defense against an unlawful detainer action.
- **Coming Fall 2024** – The Tenant Power Toolkit will be translated into County access languages, which will include: Armenian, Cambodian/Khmer, Chinese, Farsi, Hindi, Japanese, Korean, Russian, Spanish, Tagalog/Filipino, Thai and Vietnamese.

Additionally, SHLA set up a hotline associated with the Tenant Power Toolkit where tenants can receive assistance filling out formal written responses to UD filings, helping to close a key service delivery gap as the program expands its reach.⁹

⁷ <https://www.stayhousedla.org/>

⁸ <https://abolition-tools.debtcollective.org/run/eviction>

⁹ <https://tools.debtcollective.org/run/eviction/#/1>

Outreach and Education Strategy

DCBA has continued to work with its service delivery partners to better target outreach efforts in high-need communities by regularly reviewing its outreach metrics and refining its outreach strategies to ensure the program is effectively reaching vulnerable communities, particularly in the unincorporated areas of the County. DCBA's primary outreach and education partner, LHF, developed an updated plan for outreach and education efforts for the remainder of FY 2023-24 to coincide with the anticipated adoption of a Right to Counsel ordinance for the unincorporated areas of the County. This updated strategy included the onboarding of three additional community-based organization (CBO) partners in areas of the County that currently lack the presence of a strong tenant-oriented organization that conducts outreach and education—with a particular emphasis on bringing on CBOs that serve the unincorporated areas of the County. The three CBOs partners that were onboarded are the Armenian Relief Society, Koreatown Immigrant Workers Alliance (KIWA), and Paving the Way Foundation. The key criteria that were considered for selecting these new SHLA partners include the capacity to serve tenants in multiple languages, ability to serve geographically isolated unincorporated areas of the County, and capacity to conduct extensive in-person outreach. While the onboarding process takes place for these new partners, existing partner organizations will continue to conduct the outreach, education, tenant navigation, and administration necessary to increase public awareness within the priority ZIP codes being phased in as part of DCBA's implementation plan for calendar year 2024.

Lastly, a select group of SHLA CBO partners began utilizing a new data collection system to increase the timeliness and accuracy of geographic information collected during in-person outreach and canvassing. The collection of spatial data and utilization of geographic information system (GIS) technology will assist partners in the identification of geographic areas and populations where SHLA can have the greatest impact and can reveal opportunities to improve workflows and outreach methods.¹⁰ In addition, DCBA and its partners will leverage existing data tools to cross reference and help refine targeted areas for outreach to vulnerable tenant populations, such as the County's Equity Explorer/COVID-19 Vulnerability Recovery Index, LACDA's TRACT tool, and SAJE's Organizers' Warning Notification and Information for Tenants (OWN-IT) application. DCBA is working with its partners to have all SHLA CBO partners utilizing the new GIS tools by July 2024.

Lawyer for the Day/Eviction Diversion Initiative

In its April 2023 Report, DCBA highlighted Lawyer for the Day programs from across the country—where tenants are connected with attorneys and legal services at courthouses where UD proceedings take place—as a potential County strategy to enhance eviction

¹⁰ <https://survey123.arcgis.com/>

defense efforts locally. During Lawyer for the Day interventions, which typically occur on the day of an eviction proceeding, tenants receive immediate legal assistance and, depending on the model, financial assistance to help reach mediated settlements.

Since the filing of the April 2023 report, DCBA has engaged with the Los Angeles Superior Court (LASC) on the development and implementation of an eviction diversion program that would incorporate elements of Lawyer for the Day models from other jurisdictions to help litigants resolve eviction proceedings through day-of-trial third-party mediation, financial assistance, and other eviction diversion interventions conducted prior to the day-of-hearing. DCBA will continue to engage and collaborate with LASC on the development and implementation of an eviction diversion program that will complement and support SHLA services with a target launch date in the fall of 2024.

Collection of Eviction Data and Update on California Assembly Bill 875

A major challenge DCBA and its service delivery partners face in effectively targeting program services is the lack of access to UD (eviction) filing data from the LASC system. As directed by your Board via the motion from September 27, 2022,¹¹ DCBA worked with the CEO Legislative Affairs and Intergovernmental Relations office (CEO-LAIR) to advance California Assembly Bill 875 (AB 875)¹² in the state legislature. AB 875 was a County sponsored bill authored by Assemblymember Jesse Gabriel that would have required local courts to share UD data with local government entities that implement eviction defense programs. AB 875 was passed by both houses of the State legislature but was vetoed by the Governor on October 8, 2023, due to the state's budget deficit. Despite this set back, DCBA and the County's Superior Court reached an informal agreement that would facilitate the sharing of anonymized UD filing data on a regular basis for all zip codes within the County, which includes the sharing of some case outcome data. DCBA will continue to work with LASC on the regular transmission of this data to the County to assist in the refinement and prioritization of SHLA services to the most vulnerable and highest needs communities in the County.

Drafting of a County Right to Counsel Ordinance

As directed by your Board in the July 11, 2023, motion,¹³ DCBA has been working with County Counsel to draft a Right to Counsel (RTC) Ordinance for tenants living in unincorporated areas of the County with a target date for Board adoption in July 2024 and implementation of the ordinance to commence in January 2025. DCBA will continue to work with County Counsel to return a draft of the RTC Ordinance to the Board for adoption and for the public's review by July of this year.

¹¹ <https://file.lacounty.gov/SDSInter/bos/supdocs/172955.pdf>

¹² https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=202320240AB875

¹³ <https://file.lacounty.gov/SDSInter/bos/supdocs/182295.pdf>

City of Los Angeles RTC Ordinance

Since the formal launch of SHLA in September of 2020, the City has been an instrumental partner in the delivery of eviction defense services in the County. The City, through its Los Angeles Housing Department (LAHD), has administered their own branch of SHLA since July of 2021 utilizing the same general program requirements, branding platform, and service delivery partnerships as the County for delivery of services within its own jurisdiction to maximize program alignment and build economies of scale. On October 6, 2023, LAHD submitted a report¹⁴ to the Los Angeles City Council (City Council) detailing recommendations for the development of a Right to Counsel (RTC) ordinance and program for the City. Subsequently, on December 12, 2023, the City Council directed the City Attorney to draft an RTC ordinance for City Council adoption sometime in 2024 based on the framework outlined by LAHD in their report from October 6, 2023.¹⁵ Key requirements of the City's proposed RTC ordinance and program include the following:

- Provide legal service to qualifying tenants at or below 80 percent of Area Median Income (AMI) who reside in the City.
- Provide legal representation to qualifying tenants for any judicial or administrative proceedings to evict or terminate a renter's tenancy or housing subsidy.
- Require landlords to notify tenants of the RTC Program at the onset of a tenancy and attach to any termination of tenancy notice in the tenant's primary language.
- Provide that the RTC program shall be established and operated "subject to appropriation" of necessary funds.
- Disallow services for tenants who reside in the same dwelling unit with their landlord or master tenant to avoid potential conflict with other statutes.

In addition to approving LAHD's recommended framework for the City's proposed RTC ordinance and program on December 12, 2023, the City Council also approved LAHD's request for five new, permanent positions to oversee the implementation of the proposed RTC ordinance and program. The new staff include positions responsible for administrative and technical work; communications; contract monitoring and clerical duties.

On April 19, 2024, the City Attorney filed with the City Clerk a draft RTC ordinance for consideration by the City Council, which was subsequently referred to the City Council's Housing and Homelessness Committee.^{16,17} As of the date of this report, no hearing date has been set by the Housing and Homelessness Committee to advance the draft ordinance for the full council's review.

¹⁴ https://clkrep.lacity.org/onlinedocs/2018/18-0610-S3_misc_10-11-23.pdf

¹⁵ <https://lacity.primegov.com/Public/CompiledDocument?meetingTemplateId=123599&compileOutputType=1>

¹⁶ <https://cityclerk.lacity.org/lacityclerkconnect/index.cfm?fa=ccfi.viewrecord&cfnumber=18-0610-S3>

¹⁷ https://clkrep.lacity.org/onlinedocs/2018/18-0610-S3_ord_DRAFT_04-19-24.pdf

The County aims to mirror its own draft RTC ordinance with the City, to the extent practical and feasible, to maintain cost efficiencies and maximizing the benefit of our shared program. DCBA will continue to collaborate with the City and the SHLA service delivery partnership to coordinate and align efforts if and when the County's and City's respective RTC ordinances are adopted by their governing bodies.

UPDATES ON LEVERAGING EXISTING PROGRAMS, SYSTEMS, AND PARTNERSHIPS TO ENHANCE EVICTION DEFENSE SERVICES

County Rent Registry

The Rent Stabilization and Tenant Protections Ordinance (RSTPO) and the Mobilehome Rent Stabilization and Mobilehome Owner Protections Ordinance (MRSMOPO) require rental property and Mobilehome park owners in the unincorporated areas of the County to register their rental units and rented Mobilehome spaces on an annual basis in the County's Rent Registry system (Rent Registry).^{18,19} As part of DCBA's efforts to effectively monitor trends and connect tenants at risk of eviction to County resources, DCBA created an internal dashboard to track Notices of Termination submitted to DCBA by rental property owners (as obligated by the County's rent stabilization ordinances). DCBA continues to leverage this requirement to send unincorporated County tenants SHLA literature, connecting them to legal services, and related resources offered by the County.

Additionally, DCBA is in the process of creating an evictions dashboard utilizing LASC UD filing data. This will enable us to better understand where potential displacement is occurring in the unincorporated areas of the County and how they compare to the notices of termination we receive.

Collaboration with External Agencies and Incorporated Cities

As directed by your Board, DCBA has continued to engage and collaborate with other County departments, non-County agencies, and non-City of Los Angeles incorporated cities to expand and enhance eviction defense services provided through the SHLA partnership. The following are new collaborations or updates to existing collaborations to further develop the SHLA program and the funding models necessary to stand up eviction defense services in jurisdictions seeking to provide these services to their residents.

¹⁸ <https://dcba.lacounty.gov/rentstabilizationprogram/>

¹⁹ <https://www.rentregistry.dcba.lacounty.gov/#/homepage>

Local Initiative Health Authority for the County (L.A. Care)

On November 14, 2023, DCBA submitted a \$3 million grant proposal to the County's Local Initiative Health Authority (L.A. Care), which administers the country's largest publicly operated health plan, for a California Housing and Homelessness Incentive Program grant to continue implementation of eviction defense services in the County. DCBA met with L.A. Care staff to discuss collaboration in hosting outreach/education events at their Community Resource Centers and housing SHLA staff at the centers for the provision of in-person assistance. In March 2024, L.A. Care informed DCBA that it had been tentatively selected to receive the \$3 million grant pending successful execution of a grant agreement by June 2024.

Chief Executive Office Homeless Initiative

In their report back dated January 23, 2023,²⁰ the Chief Executive Office Homeless Initiative (CEO-HI) outlined recommended strategic priorities and three missions for the County's response to the Proclamation of a Local Emergency for Homelessness in the County: 1) Encampment Resolution; 2) Housing; and 3) Mental Health and Substance Use Disorder Services. This framework was subsequently adopted by your Board on February 7, 2023, and further expanded on October 3, 2023, with your Board's addition of homelessness and eviction prevention as the fourth PEH mission. SHLA has been identified as a critical homelessness prevention program in clear alignment with the fourth PEH mission. As such, DCBA has been working with CEO-HI on strategies for expanding the reach of SHLA, developing a more intergovernmental approach to referrals, and providing increased wraparound services to tenants to prevent homelessness.

Los Angeles Homeless Services Authority (LAHSA)

LAHSA administers the Homelessness Prevention Program,²¹ which provides people with short-term rental and legal assistance to maintain their housing or find new housing to avoid entering the emergency shelter system. DCBA engages and collaborates with LAHSA via monthly meetings with representatives of their Homelessness Prevention Program to share SHLA updates, discuss challenges that arise in program implementation, and to discuss opportunities to better connect individuals at risk of homelessness with SHLA resources. DCBA and LAHSA have recently begun joint collaboration efforts with the CEO-HI team to better align service delivery to individuals at risk of homelessness, streamline or eliminate administrative processes to increase efficiencies, and encourage more departmental collaborations to expand the reach of SHLA services.

²⁰

https://file.lacounty.gov/SDSInter/bos/bc/1136409_BM_14DayReportonHomelessEmergencyDeclaration_012323.pdf

²¹ <https://www.lahsa.org/documents?id=7169-2023-homeless-prevention-program.pdf>

City of Long Beach

Since February 2021, the County has maintained a formal, funded partnership with the City of Long Beach to provide enhanced education, outreach, and legal services offered by SHLA within the boundaries of the City of Long Beach. The City of Long Beach, since the inception of this partnership, has allocated \$2,130,400 to DCBA, which in turn has contributed to the provision of legal assistance/representation to 1,489 tenant households and outreach/education services to over 100,000 residents of the City of Long Beach.

Permanent Local Housing Allocation (PLHA) Funded Incorporated Cities

In August 2021, DCBA received \$7.4 million in California PLHA grant funds to pay for the provision of eviction defense services to tenants that earn up to 30 percent of the AMI and live in unincorporated areas of the County or participating cities that have contributed their PLHA allocations for the implementation of SHLA. These cities include:

Agoura Hills	Arcadia	Avalon	Azusa	Bell	Bell Gardens
Beverly Hills	Calabasas	Claremont	Commerce	Cudahy	Culver City
Diamond Bar	Duarte	El Segundo	Hawaiian	Gardens	Hermosa Beach
Hidden Hills	Irwindale	La Cañada Flintridge	La Habra Heights	La Mirada	La Puente
La Verne	Lawndale	Lomita	Malibu	Manhattan Beach	Maywood
Monrovia	Rancho Palos Verdes	Rolling Hills Estates	San Dimas	San Fernando	San Gabriel
San Marino	Santa Fe Springs	Sierra Madre	Signal Hill	South El Monte	South Pasadena
Temple City	Walnut	West Hollywood	Westlake Village		

Although County allocated PLHA funds are expected to be exhausted or set to expire on June 30, 2024, DCBA will continue to engage and collaborate with PLHA funded cities that have high proportions of vulnerable tenants to target and deliver eviction defense services within their jurisdictions.

STAKEHOLDER ENGAGEMENT SESSIONS

Key Feedback from Representatives from Incorporated cities

As directed by your Board in its approved motion from July 11, 2023, DCBA hosted stakeholder engagement sessions on November 8 and 16, 2023 for representatives from incorporated cities to solicit feedback on the development and implementation of a RTC ordinance/program for the unincorporated areas of the County and the phasing in of a

Universal Access to Legal Representation program in the County by 2030. Marketing materials for these feedback sessions were e-mailed to distribution lists maintained by DCBA, CEO-HI and CEO-LAIR that contain stakeholder contacts from all 88 jurisdictions in the County, SHLA service partners, and Board deputies from each Supervisorial District. Marketing materials were also posted on DCBA’s social media channels and website. The meetings were held on the Microsoft Teams platform and were interactive, allowing attendees to ask live questions and provide comments or submit questions via the Question-and-Answer chat function.

The tables below provide a listing of the participants of these sessions and the major themes that emerged from the feedback collected during these meetings.

Participating Cities					
Burbank	Claremont	Cudahy	Culver City	Long Beach	Los Angeles
Maywood	Pasadena	Pomona	Santa Monica	South El Monte	West Hollywood

Summary of Feedback
<ul style="list-style-type: none"> • Tenants in incorporated cities located in the eastern areas of the County lack adequate access to SHLA services. • There is a need to increase in-person events and lessen SHLA’s emphasis on virtual outreach and education. • DCBA should collaborate with other internal and external agencies to improve delivery of wraparound services, promote eviction defense services, and create a warm referral process. • Detailed information on alternative eviction defense services should be provided to tenants in non-prioritized zip codes that cannot receive SHLA services. • Eviction defense services should be more readily available upon a tenant’s first notification of a possible UD. • SHLA should work with law schools to increase recruitment of attorneys that provide eviction defense services. • SHLA attorneys should be provided with additional bonuses, stipends, or loan forgiveness to promote retention. • Services and resources should be translated and made available in languages other than English and Spanish. • SHLA program should build capacity in technology and service integration which would make information more accessible and facilitate streamlined data input for tenants who are time poor. • DCBA mediation services should have an increased number of staff to decrease wait times and property owners should be encouraged to participate in mediation with tenants. • Incorporated cities should be provided with access to UD data to gain a better understanding of where evictions are occurring in their cities. • More expansive eviction defensive services should be available to undocumented individuals.

Feedback from Rental Property Owners

On December 14, 2023, CEO and DCBA hosted a Rental Property Owner Roundtable, in response to direction from your Board to collect feedback from property owners on the proposed implementation of a RTC ordinance, to share updates on SHLA implementation and resources available to rental property owners, and to solicit feedback on the proposed expansion of the program. Flyers advertising the feedback session were e-mailed to relevant rental property owner organizations and housing Board deputies for dissemination to interested parties. Similar to how the stakeholder engagement sessions were hosted for incorporated cities, the Rental Property Owner Roundtable was held on the Microsoft Teams platform and was interactive, allowing attendees to ask live questions and provide comments or submit questions via the Question-and-Answer chat function.

The key takeaways from this stakeholder engagement session are as follows:

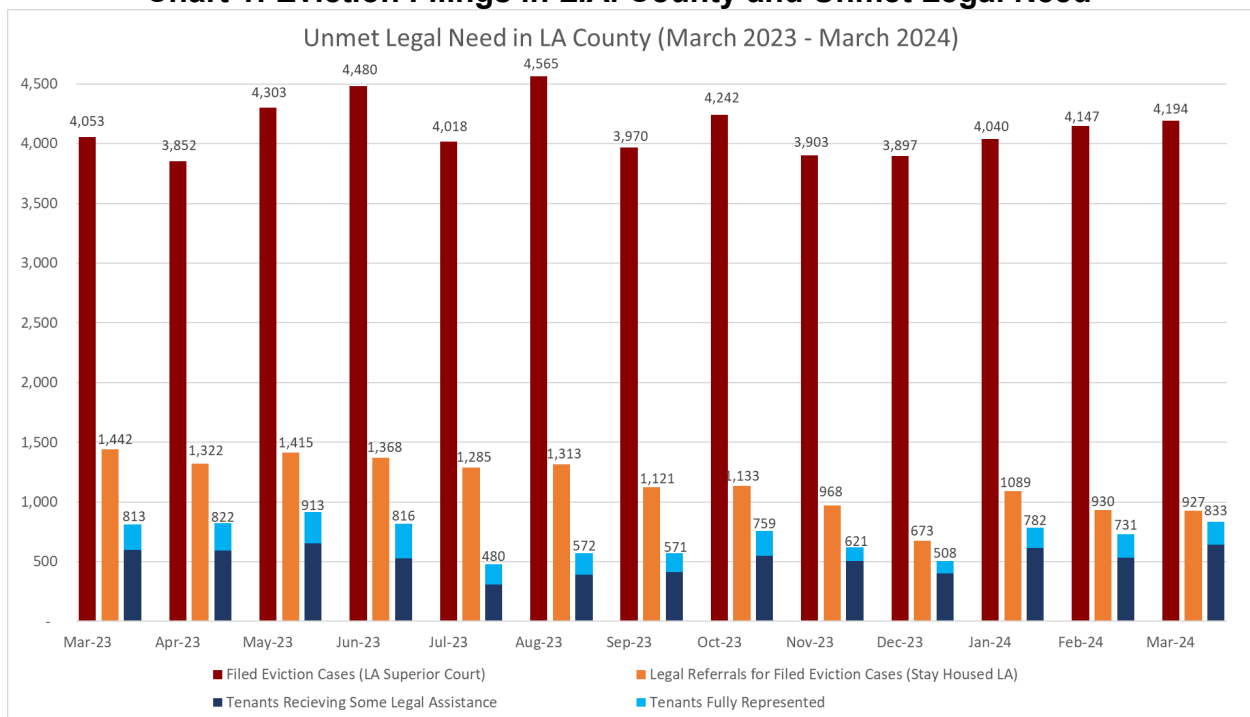
Summary of Feedback
<ul style="list-style-type: none">• Direct financial assistance should be made available to property owners, especially to those who were unable to collect rent during the pandemic to encourage the preservation of non-corporate rental property ownership.• Offer additional supportive services to property owners, including but not limited to legal support for smaller landlords.• Conduct more outreach and education specifically targeting rental property owners to help them navigate the changing landscape of tenant protection laws in the region.• Provide alternative financial assistance to tenants in the form of rent subsidies that are unable to afford rental payments.• Update the County definition of 'mom and pop' landlord to include property owners with more than four units.• Increase affordable housing or government funded housing options for tenants unable to afford traditional rent payments.• Offer and provide free mediation services to tenants and rental property owners prior to the filing of a UD.• Create a website similar to the current SHLA site where property owners can view their rights and responsibilities based on the city their properties are located in.• Conduct additional research and analysis to evaluate the long-term benefits of SHLA that would inform how the program is funded in the future.• Establish a collaborative system between county, city, state, and federal agencies to ensure there is not an over utilization of eviction defense services.

UPDATES ON DEMAND FOR SERVICES, CURRENT FUNDING, AND PROJECTED PROGRAM BUDGET AND CAPACITY

Demand for SHLA Services

DCBA’s April 2023 Report highlighted an upward trend in the total number of eviction cases filed per month in the County that has continued to rise and hover around 4,000 cases in recent months (see Chart 1 below).

Chart 1: Eviction Filings in L.A. County and Unmet Legal Need²²



As illustrated above, the total number of UDs filed in the previous 12 months continues to far exceed the number of tenants that received some type of legal assistance through SHLA. As such, the need to expand eviction defense services and continue investing in permanent program infrastructure remains a top priority for DCBA.

Although the number of eviction filings have steadily grown since the low monthly filing numbers observed during the height of the COVID-19 pandemic in 2020, the rate of growth in filings has seemed to plateau in the last year. Given this recent leveling-off of

²² The figures outlined in this chart are Countywide figures which include all 88 cities and unincorporated areas of the County. Legal assistance figures are inclusive of data from the City’s eviction defense program, which utilizes the shared Stay Housed LA branding platform.

eviction filings, DCBA anticipates that demand for services will remain constant in the next two FYs for the purposes of projecting future budgets and program capacity to meet demand for legal services.

Current Funding Sources and Allocations

On July 11, 2023, your Board adopted a motion directing CEO, in consultation with DCBA, Los Angeles County Development Authority (LACDA), and Los Angeles County Affordable Housing Solutions Agency (LACAHS), to report back within 120 days on the feasibility of identifying a sustainable funding source to implement the RTC ordinance and Universal Access program under the SHLA umbrella. In response, CEO filed its report on January 4, 2024²³ where it identified a combined \$44.5 million, consisting of American Rescue Plan Act (ARPA), Emergency Rental Assistance Program (ERAP), and the City of Long Beach General Funds, to continue funding SHLA in FYs 2022-23 and 2023-24 and ramp up SHLA to implement the RTC ordinance in FY 2024-25. CEO's report also highlighted that, although CEO had worked with DCBA to identify \$23 million in one-time ARPA dollars to fund the first year of RTC implementation during FY 2024-25, more work needed to be done to identify and secure ongoing and sustainable funding for SHLA in FY 2025-26 and subsequent program years.

CEO consulted with LACDA on the identification of sustainable long-term funding for SHLA/RTC, but LACDA indicated that it was not aware of any funding sources that the County could tap into for this effort. LACAHS, because of its relatively short existence, was not yet positioned to assist the County in securing funds for this effort—so, the CEO would need to circle back with LACAHS once its funding structures were more developed. As such, CEO and DCBA will work with LACDA and LACAHS in the future to continue to research and gather relevant SHLA program information, monitor implementation of the pending RTC ordinance, and assess program capacity to identify potential ongoing funding source(s) for FY 2025-26 and beyond.

Table 1 below summarizes the current funding allocations for SHLA through FY 2024-25, including new allocations approved by the Board and other funds sought out and secured by DCBA within the last 12 months—such as the L.A. Care grant.

23

https://file.lacounty.gov/SDSInter/bos/bc/1154302_EstablishingRighttoCounselandSustainablyExpandingEvictionDefense-BM.pdf

Table 1
Updated Funding Allocations for Stay Housed L.A.

Current Funding Allocations for Stay Housed L.A.			
Fiscal Year	FY 2022-23	FY 2023-24	FY 2024-25
RTC Project Year	-	Year 0	Year 1
Funding Source			
American Rescue Plan Act (ARPA)Tranche I	\$ 12,000,000	\$ -	\$ -
American Rescue Plan Act (ARPA)Tranche II	\$ -	\$ 18,000,000	\$ 14,800,000
Permanent Local Housing Allocation	\$ 7,397,773	\$ -	\$ -
Supplemental ARPA Tranche I (Rental Assistance)	\$ 2,000,000	\$ -	\$ -
Emergency Rental Assistance Program (ERAP) II	\$ 1,224,611	\$ -	\$ 2,000,000
L.A. Care/ California Department of Healthcare Services Housing and Homelessness Incentive Program Grant	\$ -	\$ -	\$ 3,000,000
City of Long Beach Memorandum of Understanding	\$ -	\$ 200,000	\$ 1,000,000
Total	\$ 22,622,384	\$ 18,200,000	\$ 20,800,000

Updated Program Budget and Capacity

In DCBA’s April 2023 Report, DCBA included projected FY 2024-25 and FY 2025-26 funding (budget) needs of approximately \$23 million and \$25.4 million, respectively.²⁴ However, based on an analysis of SHLA operations within the last year, various operational challenges, and necessary program modifications that will impact future program capacity, the projected budgets for the next two FYs have been updated as follows:

²⁴ https://file.lacounty.gov/SDSInter/bos/bc/1140019_2023-04-08_ReportBackonExpansionofEvictionDefenseServices_rc.pdf

**Table 2:
 Projected Budget for Phased-in Implementation of a County RTC Ordinance and
 Universal Access to Legal Representation Program (FYs 2024/25 and 2025/26)**

Projected Funding Needs for Phased-in Implementation of an RTC and Universal Access Program (FY 2024/25 – FY2025/26)				
	Old Projections		New Projections	
Fiscal Year	FY 2024-25	FY 2025-26	FY 2024-25	FY 2025-26
RTC Program Year	Year 1	Year 2	Year 1	Year 2
Projected Demand (by # of UD filings) *	15,300	13,800	15,300	13,800
Projected Capacity (# of represented UD cases) **	3200	3600	1,800	2,300
Legal Services	\$16,051,300	\$17,964,000	\$13,400,000	\$16,750,000
Outreach/Education	\$3,210,300	\$3,592,800	\$3,500,000	\$3,500,000
Rental Assistance	\$3,600,000	\$3,600,000	\$4,000,000	\$4,000,000
Facilities	\$159,000	\$233,700	\$159,000	\$233,700
Total	\$23,020,600	\$25,390,500	\$21,059,000	\$24,483,700
<p><i>*Annual projections assume a 10% reduction in demand for legal services due to the positive effects of SHLA in reducing eviction filings</i></p> <p><i>**Number of represented UD cases during Years 1 and 2 are the number of cases expected from ZIP codes in the unincorporated areas and select cities</i></p>				

As noted above, the projected total budgets are now \$21 million for FY 2024-25 and \$24.5 million for FY 2025-26, which are reductions of \$1.96 million and \$907,000 for each respective year. These projected reductions are based on multiple factors, such as the leveling off of eviction filings, that although are higher than pre-pandemic levels, have now plateaued. Additionally programmatic and operational changes have resulted in efficiencies and cost savings that include serving a larger number of tenants via limited scope legal services and tenant navigation services—which often do not require the intervention of licensed attorneys and are less time-intensive and costly than full scope cases.

While SHLA expects to take on less full scope UD cases in the next two FYs than initially projected, the program **will maintain the capacity necessary to provide legal services to all eligible tenants that may apply for such services in the unincorporated areas of the County**. Additionally, SHLA aims to ramp-up outreach and education and rental assistance efforts in anticipation of the implementation of a County RTC ordinance, which

would begin in January 2025. As indicated above, the projected line-item budget for outreach and education will go up by approximately \$290,000 in FY 2024-25 but will remain level in FY 2025-26. The projected rental assistance budgets in both FY 2024-25 and FY 2025-26 will go up by \$400,000 to account for higher demand for rental assistance in recent months and to incorporate additional rental assistance funding that was secured by DCBA. The projected increases to outreach, education, and rental assistance efforts will better position the program to continue to expand and work towards achieving Universal Access to Legal Representation by 2030, while attempting to eliminate the unmet need for legal services in the County highlighted earlier in this report (reference Chart 1).

Lastly, when comparing the updated total funding allocations in Table 1 for FYs 2024-25 and 2025-26 (\$18.2 million and \$20.8 million) to the projected budget totals for those same years in Table 2 (\$21 million and \$24.5 million), there are noteworthy shortfalls of \$2.8 million and \$3.7 million to the actual funding allocations in each respective FY. However, this collective expected shortfall of \$6.5 million over the next two FYs will be offset by expected carryover of FY 2023-24 ARPA funds from existing service delivery contracts and with Affordable Housing Trust Fund (Net County Cost) dollars allocated to DCBA in FY 2023-24 to support tenant protection and homelessness prevention work carried out by DCBA.

CONCLUSION AND RECOMMENDED NEXT STEPS

The reassessment and updates outlined in this report to the Universal Access to Legal Representation plan presented to your Board in April 2023 highlight the critical need to continue to invest in the sustainable expansion of SHLA to meet the ever-growing demand for eviction defense services in the County. Current approved funding levels for FYs 2023-24 and 2024-25 reflect a commitment by your Board to ensure the continued operations and expansion of SHLA and the anticipated adoption and implementation of a County RTC ordinance. As such, DCBA plans to take the following actions within the next six months to continue the successful implementation and expansion of the SHLA program and execution of the directives outlined in the approved Board motion from July 11, 2023:

- Continue to work with County Counsel to present a draft RTC ordinance for Board adoption by July 2024.
- Provide support to the Department of Economic Opportunity on their draft report detailing resources and programs for 'mom-and-pop' rental property owners and recommendations for an official County definition of 'mom-and-pop' property owners.
- Execute a contract to launch the delivery of services tailored to rental property owners including informational workshops and offer 1:1 technical assistance.

Each Supervisor

May 10, 2024

Page 18

- Identify and enter into an agreement with a consultant that will conduct a program evaluation of the SHLA program to-date and provide recommendations on how to improve service delivery efforts carried out by the program.
- Continue working with its consultant, ArroyoWest, and SHLA partners on the development and implementation of strategies to increase the recruitment and retention of eviction defense attorneys and outreach staff to meet the growing demand for SHLA services across the County.

Lastly, DCBA recommends that it continue to, in coordination with CEO, LACDA, and LACAHS, explore options to identify permanent, sustainable funding sources for the expansion of the SHLA program and the implementation of a Universal Access to Legal Representation program Countywide by FY 2030-31.

Should you have any questions, please contact me or Dana Pratt, Deputy Director, at (213) 634-5923 or dpratt@DCBA.lacounty.gov.

RC:JA:DP:CO

MR:SH:EV:ph

c: Executive Office, Board of Supervisors
Chief Executive Office
County Counsel
Los Angeles County Development Authority