<u>REVISED</u>

AGN. NO.

MOTION BY SUPERVISOR LINDSEY P. HORVATH

February 18, 2025

Keeping Wildfire Impacted Workers Housed

On January 7, 2025, the Chair of the Los Angeles County Board of Supervisors ("Board") proclaimed the existence of a local emergency for the January 2025 Windstorm and Critical Wildfire Events ("Proclamation of Local Emergency") for the multiple devastating fires throughout Los Angeles County ("County"), which would grow to include the Palisades Fire, Eaton Fire, Hurst Fire, Kenneth Fire, Hughes Fire, and more. This catastrophic natural disaster has caused loss of life, destruction of entire communities, and required the evacuation of over one hundred thousand residents.

The Board affirmed the Proclamation of Local Emergency on January 14, 2025, and took swift action to protect renters who were giving shelter to people or their pets who were fleeing the fires, and to affirm its support to protect renters from price gouging. The Board has taken subsequent action to increase penalties and enforcement for price gouging, support statewide legislation for a rent freeze, and establish a \$32 million dollar fund to support people who have lost their homes, businesses, or employment due to the wildfires. But more must be done quickly to protect people from falling into homelessness.

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More than 16,000 structures were destroyed, many of them residential, sending thousands of additional households into the rental market, while at the same time, thousands more Angelenos have lost their jobs or their businesses and will be struggling to pay rent. Preliminary data from the Department of Economic Opportunity estimates that over 20,000 businesses and over 125,000 employees have been impacted, in addition to independently employed landscapers, housekeepers, or child caregivers. These workers live throughout the County, including in our unincorporated areas, not just in the communities in or near the fires. While unemployment insurance, FEMA, or other government assistance, insurance, or philanthropic funds will be available for many, it will take time to access that funding. We must ensure that more residents aren't at risk of losing their housing in the meantime.

Los Angeles has consistently been one of the most unaffordable housing markets in the country, with the majority of its tenants rent-burdened, and an unhoused population of over 75,000 people. With thousands of displaced families adding pressure to the rental market, it's critical that we do everything we can to keep people in the housing they are currently in.

- I, THEREFORE, MOVE that the Board of Supervisors direct County Counsel, in collaboration with Department of Consumer and Business Affairs (DCBA), to return to the Board at the February 25, 2025, meeting with a Resolution to:
 - Protect each qualifying, income eligible tenant residing in Los Angeles County from eviction for non-payment of rent originally due between February 1,
 2025, and January July 31, 20256, as may be revised, renewed, or repealed by the Board ("protection period"), where the tenant has been directly

financially impacted by the January 2025 Windstorm and Critical Wildfire Events (the "wildfire emergency") by providing the tenant an affirmative defense against such unlawful detainer actions.

a. The tenant must:

- i. Have resided in their rental unit since before January 7, 2025;
- ii. Have a 2024 household income equal to or less than 150% of the Area Median Income;
- iii. Be enrolled in or have applied to a wildfire relief program; applied for unemployment benefits or other qualifying income assistance program; or be actively seeking employment; and
- iv. Inform their landlord in writing, within 7 days of rent being due for each month that rent is unpaid during the protection period, or 7 days after the Resolution going into effect for rent due for February 2025, that they are unable to make their rent payment due to a direct financial impact as a result of the wildfire emergency, and shall attest, under penalty of perjury, to their income eligibility, direct financial impact, and income replacement efforts.
 - DCBA shall within 14 days draft and make publicly available a sample attestation form for tenants and landlords to use. DCBA shall solicit feedback from Stay Housed LA and landlord representatives, where available, on details to be included in such a form.

- b. Financial impacts mean a qualifying, income eligible tenant's loss of monthly income of at least ten percent (10%). Income replaced through unemployment insurance, emergency benefits, or any other source shall be considered when calculating financial impact.
- c. "Direct" financial impact means that the qualifying income eligible tenant's place of employment or business was destroyed or rendered uninhabitable due to the wildfire emergency and resulted in actual loss of wages; the economic impact of the fires resulted in their employer laying the qualifying income eligible tenant off or reducing their work hours; or, a loss of the qualifying income eligible tenant's clients who were located in the fire impacted areas resulting in a loss of income.
- d. A qualifying income eligible tenant shall repay any rental debt incurred during the protected period within twelve (12) months of the expiration or termination of the protected period.
- e. Any rental debt incurred during the protected period as a result of the tenant being financially impacted by the wildfire emergency shall be an affirmative defense to an unlawful detainer action but shall be recoverable by filing a breach of contract or other civil action.
- f. Prohibit landlords from imposing late fees, interest, or other charges on rental debt incurred by a qualifying tenant who has properly asserted the eviction protections.
- g. Permit a landlord to challenge the factual basis for a tenant's claim of a direct financial impact, without penalty, by filing an unlawful detainer

- action if a landlord reasonably believes that the tenant's attestation is materially false, incorrect, or fraudulent.
- 2) These protections, except as otherwise indicated, shall remain in effect through January July 31, 20256, unless revised, renewed, or repealed by the Board of Supervisors, or its designee.

I, FURTHER, MOVE that the Board of Supervisors:

- 1) Direct the CEO in coordination with DCBA and DEO, to seek philanthropic dollars and, report back to the Board in 15 30 days on the development of the financial parameters of a fund to be managed by a third party fiscal sponsor to provide flexible spending that supports impacted tenants and landlords, which may include options to partner with philanthropy like the Mayor's Fund, receive private sector donations and provide relief and support to those impacted by the windstorm and critical fire events and cannot pay their rent, due to lost wages. The report should include additional "Plan Z" funded programming currently allocated to departments by program category and a list of unspent funding currently with departments that could potentially be directed to those impacted by the fires, or other funding that could cover potential administrative costs that could be born by the County. redirected to the program. Funding shall be a minimum of \$10 Million.
- 2) Direct DCBA to report back in 60 30 Days on program design to include:
 - a. An estimate of the number of potentially impacted households, both tenants and landlords, including an estimate of the number of households which may not be eligible for other forms of assistance. DCBA is

- encouraged to seek research support from external philanthropic, research, academic institutions, or others as needed.
- b. Information on alternative programs potentially available for households struggling with job loss and economic security, and resources that may be available for landlords, as a result of the wildfire emergency and generally.
- c. Recommended guidelines for prioritization for rental debt relief modeled on the COVID 19 Rent Relief Programs including but not limited to:
 - i. Landlords and tenants located in the high and highest need geographies as defined and identified in the LA County Equity Explorer within the unincorporated areas of LA County;
 - ii. Landlords or tenants whose household income is 80% or below of LA County Area Median Income;
 - iii. Landlords and tenants for which the rent relief grant will fully satisfy tenants' rental debt; and
 - iv. Landlords who own no more than four rental units.
- d. <u>Takes into account lessons learned from previous rent relief programs.</u>
- e. All funds shall be provided to landlords of behalf of a tenant.

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