MOTION BY SUPERVISORS HOLLY J. MITCHELL AND HILDA L. SOLIS

July 11, 2023

<u>Establishing Right to Counsel and Sustainably Expanding Eviction Defense</u> <u>Services in Los Angeles County</u>

On May 21, 2019, the Los Angeles County (County) Board of Supervisors (Board) approved the motion, "Expanding Eviction Defense Services in Los Angeles County." The motion directed the Department of Consumer and Business Affairs (DCBA) and the Chief Executive Officer (CEO) to create a program providing legal representation to tenants in the County who are facing eviction. DCBA and CEO prepared a report that recommended expansion of the Eviction Defense Program (EDP) over time. In response to the DCBA/CEO report, on September 10, 2019, the Board allocated \$2 million in Measure H dollars for Fiscal Year (FY) 2019-2020 and directed DCBA and the CEO to report back with a plan to implement and evaluate an initial phase of the County's EDP. In September 2020, with the \$2 million Measure H funds and an additional \$8.7 million allocation in Net County Cost (NCC) dollars from the Affordable Housing Trust Fund, DCBA, in partnership with Liberty Hill Foundation and the Legal Aid Foundation of Los Angeles, formally launched the Stay Housed LA County (SHLA) program. SHLA became the County's comprehensive EDP that incorporates outreach, education, limited and full-scope legal services, and short-term rental assistance, which continues to help County residents today.

On September 27, 2022, the Board approved the motion, "Sustainably Expanding Eviction Defense Services in Los Angeles County," which directed DCBA to engage

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property owners, tenants, and other relevant stakeholders, and report back with an implementation plan to make SHLA a permanent DCBA program that meets the growing need for Countywide eviction defense services over the next seven years. On April 8, 2023, DCBA submitted a report in response to the motion that provided two recommendations to provide legal representation to tenants. The first recommendation is for the adoption of a Right to Counsel (RTC) ordinance for the unincorporated areas of the County by FY 2024-2025 to guarantee legal representation to eligible tenants when facing eviction. The RTC ordinance would make the SHLA program permanent and allow the County to strengthen its prevention strategies to minimize tenant displacement and in-flow into homelessness. DCBA's second recommendation is to use a phased-in approach for the SHLA program to achieve universal access to legal representation for all tenants across the County by FY 2030-2031. Universal access means that any tenant who lives in unincorporated Los Angeles or in a non-City of Los Angeles (LA) incorporated city, regardless of income, would have access to legal services when facing eviction. For tenants who meet eligibility requirements, these services would be available to them at no-cost. To reach this goal, DCBA would need to expand partnerships with cities across the County to implement a coordinated program at scale.

Since the launch of the first iteration of the program in July of 2020, SHLA has reached several critical implementation milestones and demonstrated success at achieving key goals. The SHLA program has reached more than 700,000 individuals or households via direct outreach and education efforts, including 974 virtual "Know Your Rights" workshops, webinars, legal clinics, and in-person outreach events. Furthermore, the SHLA program has provided limited legal services and assessments to over 15,720 tenant households, and full-scope legal representation to over 2,401 tenant households. Finally, the SHLA program has distributed about \$1.2 million in short-term rental assistance to over 143 tenant households.

According to DCBA, in calendar year 2022, the average number of unlawful detainers filed per month in the County Superior Court system grew to 2,867, up from 1,054 average filings per month during calendar year 2021. Between 2013 and 2022, an average of 40,000 unlawful detainers were filed per year in the County. This number is likely skewed lower, due to the COVID-19 Emergency Tenant Protections in place in

2020-2021. The Center for American Progress estimates that nationally, only 10 percent of tenants facing eviction in the County have legal representation, compared to 90 percent of landlords. Furthermore, according to the recently released, "State of Black Los Angeles County" report, Black and Latino people are more likely than every other racial group in the County to be rent-burdened, at 62% and 56% respectively, compared to White Angelenos at 51%. Additionally, Black, and Latino Angelenos experience the highest rates of eviction compared to other racial groups. Providing access to legal representation for tenants facing eviction in unlawful detainer cases is critical to ensuring that they have equitable access to justice and would promote the fair and efficient resolution of legal disputes.

SHLA is the first line of defense for tenants facing eviction, but it is currently oversubscribed. In other words, demand is higher than the service capacity. DCBA projects that in FY 2023-24, 15,300 residents who live in the unincorporated County and in non-City of LA incorporated cities will seek SHLA services. However, the County will only have capacity to serve 2,450 individuals. The expiration of the emergency tenant protections resolution with the end of the COVID-19 emergency, will undoubtedly have additional impact on the rate of evictions filed in the County, which have already surged back to pre-pandemic levels.

A permanent SHLA program would allow the County and its partners to develop multiyear planning and build the requisite capacity to meet demand. For example, this would enable contracted legal service providers to intentionally scale their workforce with a clear projection of funding and need. Additionally, a permanent SHLA program would allow for consistent communications with landlords and tenants to improve awareness of resources available. Finally, a permanent SHLA program could deter bad actor landlords, who might otherwise pursue frivolous or illegal evictions if they know their tenants would have legal representation.

The DCBA report also obtained feedback from small mom-and-pop landlords. Small mom-and-pop landlords provide opportunities for community centered housing options, tend to be the landlords with the strongest relationship with their tenants, and provide fair rent increases to sustain their property. Many small landlords lack the support and technical knowledge to navigate complex housing laws and require assistance.

Therefore, it is important that DCBA and the Department of Economic Opportunity collaborate to provide resources for outreach and legal assistance for mom-and-pop landlords as well.

DCBA's April 8, 2023, report includes cost projections of \$22 million for the first year of RTC implementation for all eligible unincorporated County residents, as well as for serving a small number of eligible, non-City of LA incorporated city residents. The projection includes the cost of providing necessary wraparound services. The CEO and DCBA will need to identify an ongoing source of funding to effectively implement RTC and SHLA. DCBA identified the newly formed County Affordable Housing Solutions Agency as a potential key partner in developing funding mechanisms for a codified RTC for the unincorporated areas. Additionally, the Care First Community Investment stakeholders have raised housing as a top issue they wish to support with allocated funding — so there may be opportunities for greater coordination of homelessness prevention resources.

In addition to supporting RTC as part of the County's tools to sustain housing, it is important to sustain and fully fund the Public Defender (PD) and Alternate Public Defender (APD) whose work is critical in supporting our County residents who face criminal charges. Every person living in the United States has a right to receive effective assistance from an attorney when their life or liberty is at stake. According to an APD report submitted on April 5, 2023, public defense services continue to be understaffed, despite the County's legal obligation, inherent in our Constitution, to provide indigent defense services. The County Budget may be further strained with Care Court where our PD and APD may be obligated to represent individuals who are being evaluated for a grave disability and as a result are being held involuntarily. Increasing access to legal representation for tenants with unlawful detainer cases must not come at the cost of reduction or rerouting of funding for constitutionally required representation or other critical legal programs.

Given the significant challenges that low-income tenants face in unlawful detainer cases, it is essential to establish an RTC program in the County to ensure that all tenants have access to legal representation. By doing so, the County can promote equal access to justice, protect vulnerable communities, and ensure that our legal system works for

everyone.

WE THEREFORE MOVE THAT THE BOARD OF SUPERVISORS:

- 1. Direct County Counsel, in coordination with the Director of the Department of Consumer and Business Affairs (DCBA) to return to the Board within 10 months with a Right to Counsel ordinance for adoption that will codify legal representation to eligible tenants who have received an unlawful detainer in unincorporated Los Angeles County, to be fully effective for all eligible tenants by Fiscal Year (FY) 2024-25, contingent upon securing the funding. The ordinance should determine eligibility criteria, and provision of legal services based on eligibility (per Recommendation 1a as outlined in DCBA's April 8, 2023 report).
- 2. Direct the Director of DCBA to return to the Board in 180 days with a written reassessment and plan to phase in the implementation of a Universal Access to Legal Representation program for eviction services to expand coverage of legal representation services and wraparound services to additional non-City of Los Angeles (LA) incorporated cities as DCBA scales up program capacity, to achieve universal access Countywide by FY 2030-31.
 - a. DCBA should work with non-City of LA incorporated cities to develop funding models for cities to contribute to Stay Housed LA (SHLA) in order to support standing up services within each jurisdiction interested in providing the SHLA program to their residents.
 - b. 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. (per Recommendation 1b as outlined in DCBA's April 8, 2023 report)
- 3. Instruct the Director of the Department of Economic Opportunity, and County Counsel in collaboration with the Director of DCBA, to provide a written report back in 180 days that includes resources and programs available to mom-and-pop rental property owners and recommendations for a policy defining mom-and-pop rental property owners, including potential eligibility criteria for a legal advice and representation program, and the feasibility of expanding and/or implementing new

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programs for mom-and-pop rental property owners who do not have the means or

resources for legal advice and representation.

4. Direct the Chief Executive Officer (CEO), in consultation with the Director of DCBA,

Los Angeles County Development Authority, and Los Angeles County Affordable

Housing Solutions Agency, 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, starting as early as FY 2024-

25, to eligible tenants Countywide.

5. Direct the CEO's division of Legislative Affairs and Intergovernmental Relations, in

collaboration with the Director of DCBA to support State and Federal level

legislative budget proposals that would support funding sources for RTC and/or

expansion of SHLA.

6. Authorize the Director of DCBA to enter into agreements, partnerships, and seek

funding opportunities, including but not limited to philanthropic entities, as

necessary to execute the directives of this motion, all in a form to be approved by

County Counsel.

WE FURTHER MOVE THAT THE BOARD OF SUPERVISORS:

1. As recommended by the CEO in their June 26, 2023, report to the Board, direct

the CEO, as part of the 2023-24 Supplemental Budget phase, to allocate \$5 million

from the Affordable Housing Trust Fund in the Affordable Housing Programs

budget unit to DCBA to supplement the SHLA budget and other eviction prevention

services to address service delivery gaps.

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