

REPORT FROM

OFFICE OF THE CITY ADMINISTRATIVE OFFICER

Date: November 27, 2023

CAO File No. 0220-00540-1680

Council File No. 18-0610-S3

Council District: all

To: The Mayor
The Council

From: *for* Matthew W. Szabo, City Administrative Officer 

Reference: Los Angeles Housing Department transmittal dated October 6, 2023; Received by the City Administrative Officer on October 11, 2023; Additional information received through November 16, 2023

Subject: **LOS ANGELES HOUSING DEPARTMENT REPORT BACK ON THE
ESTABLISHMENT OF A RIGHT-TO-COUNSEL PROGRAM FOR LOW-INCOME
TENANTS FACING EVICTION**

RECOMMENDATION

That the Council, subject to the approval of the Mayor:

1. Note and file the Los Angeles Housing Department (LAHD) transmittal, dated October 6, 2023, relative to establishing a Right to Counsel program for low-income tenants facing eviction;
2. Adopt the recommended Right to Counsel five-year phase in plan, which will expand the City's existing Eviction Defense Program (EDP);
3. Request the City Attorney, with the assistance of LAHD, to draft a Right to Counsel (RTC) Ordinance to:
 - a. Provide legal services to qualifying tenants who are at or below 80% of Area Median Income residing within City limits;
 - b. Provide legal representation to qualifying tenants for any judicial or administrative proceedings to evict or terminate a renter's tenancy or housing subsidy;
 - c. Require landlords to notify tenants of the RTC program at the onset of a tenancy, and attach RTC program information to any termination notice in the tenant's primary language;

- d. Disallow services for tenants who reside in the same dwelling unit with their landlord or master tenant in order to avoid potential conflict with other statutes; and
 - e. Provide that the RTC program shall be established and operated subject to appropriation of necessary funds by Mayor and Council.
4. Authorize resolution authority for the following new positions to support the implementation and administration of the RTC program, subject to allocation by the Board of Civil Service Commissioners and subject to pay grade determination by the City Administrative Officer (CAO):

| Class Code | Class Title | No. of Positions |
|------------|---|------------------|
| 8504 | Housing Planning and Economic Analyst | 1 |
| 1461 | Communications Information Representative | 1 |

5. Request the City Controller to:

- a. Transfer \$178,952.87 within the House LA Fund No. 66M/43 from Account No. 43Y00B, Administration to the following accounts:

| Account No. | Account Title | Amount |
|--------------|-------------------------------|---------------------|
| 43Y143 | Housing Department | \$106,820.99 |
| 43Y299 | Reimburse to the General Fund | \$72,131.88 |
| Total | | \$178,952.87 |

- b. Increase appropriations in the amount of \$106,820.99 for the following accounts within LAHD Fund 100/43:

| Account No. | Account Title | Amount |
|--------------|-------------------|---------------------|
| 001010 | Salaries, General | \$92,887.82 |
| 006030 | Leasing | \$13,933.17 |
| Total | | \$106,820.99 |

- c. Expend funds not to exceed \$178,952.87 upon proper written demand of the LAHD General Manager, or designee.
6. Direct the General Manager of the LAHD, or designee, to:
- a. Develop a plan that will guide the Right to Counsel (RTC) program implementation and allow for service level adjustments based on available funding;

- b. Administer, implement, and monitor the expanded RTC/EDP program, including:
 - i. Work with designated community groups to engage and educate tenants about their rights and provide tenants with navigation services;
 - ii. Provide a plan to implement the five-year phase in plan that prioritizes vulnerable tenants based on zip codes or criteria developed by LAHD in collaboration with legal service providers and community-based organizations;
 - iii. Report back on the number of tenants serviced with legal assistance, case outcomes, and education efforts to assist renters facing eviction;
 - iv. Report back with a detailed annual spending plan for the program, subject to available funding;
- c. Prepare Controller instructions and make necessary technical adjustments consistent with the Mayor and Council actions, subject to the approval of the CAO, and request the Controller to implement these instructions.

SUMMARY

In its transmittal dated October 6, 2023 (Report), the Los Angeles Housing Department (LAHD) requests authority for various actions related to the creation of a Right to Counsel (RTC) program through the expansion of the City's existing Eviction Defense Program (EDP). This includes requests for the Council and Mayor to: 1) approve the proposed five-year phase in plan of the EDP; 2) request that the City Attorney, with assistance from the LAHD, prepare an ordinance codifying the RTC program; 3) instruct the LAHD to administer the expanded EDP/RTC program; 4) authorize five resolution authority positions to administer the expanded EDP/RTC program; and 5) authorize the Controller to transfer and increase appropriations in the amount of \$178,952.87 from the Administration account within the House LA Fund to LAHD to fund these positions.

The LAHD launched the EDP on July 1, 2021 to provide legal assistance and information to renters facing eviction in the City of Los Angeles. Council has approved \$63,576,824.20 in one-time funds for EDP, delivered by the Legal Aid Foundation of Los Angeles (LAFLA), at its current level through June 30, 2025. The United to House LA (ULA) measure, approved by voters in November 2022, provides a permanent source of funding for LAHD to expand EDP to eventually provide legal services to all eligible renters facing eviction citywide. The LAHD Report provides a framework for this expanded program, including an ordinance that would provide the right to counsel for qualified tenants, a five-year phase in plan to roll out services citywide, and additional LAHD staffing to administer and monitor the program.

Phase-in Plan

The proposed phase-in plan would gradually expand program capacity over five years, adding attorneys until LAFLA is able to provide legal representation for all eligible renters facing eviction

proceedings. In the first year of the program, LAHD estimates it could represent 2,500 tenants facing eviction, and could meet the expected demand of 10,000 cases by the last year of the phase in. LAHD proposes rolling out the RTC program to the most vulnerable zip codes over the first three years. The LAHD projects the cost of delivering RTC through LAFLA as follows:

| | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 |
|----------------------------|----------------|----------------|----------------|----------------|----------------|
| LAFLA costs | \$21,386,998 | \$27,412,591 | \$36,364,064 | \$52,268,650 | \$67,844,650 |
| Full City staffing* | \$757,694 | \$757,694 | \$757,694 | \$757,694 | \$757,694 |

**Based on 2023-24 Wages and Count and Related Costs. Does not take into account cost of living or any other increases.*

Based on anticipated revenue, the 2023-24 Budget appropriated \$671,790,000 in ULA Funds, 10 percent of which is dedicated to EDP. However, due to various factors such as rising interest rates, actual revenue to date is substantially lower. Total revenue through October 2023 is \$84,167,123.66. If this revenue trend continues, there may be insufficient allocated ULA funds to fully offset the RTC program in future years.

Similar to other jurisdictions that provide this type of program, the right to counsel would be implemented only if sufficient funds are appropriated. The LAHD is unaware of any jurisdiction that has withdrawn a right to counsel program after such services have been offered. The ULA implementation plan sets aside 10% of funding for eviction defense and prevention. However, if ULA revenues continue to be lower than anticipated or become unavailable, LAHD should have a plan to adjust the service levels of the RTC program with options for targeting fewer zip codes, offering reduced services, or other options as needed.

Staffing

The LAHD requests five new positions to administer, implement, and monitor the program as follows: one (1) Housing Planning and Economic Analyst, one (1) Communications Information Representative, one (1) Management Analyst, one (1) Senior Administrative Clerk, and one (1) Administrative Clerk. The LAHD intends to begin recruitment in the second half of Fiscal Year 2023-24 and does not expect all positions to be filled until the following fiscal year. This office concurs with the recommendation to authorize one (1) Housing Planning and Economic Analyst and one (1) Communications Information Representative at this time. The LAHD has several vacancies in the Management Analyst, Senior Administrative Clerk, and Administrative Clerk classifications that can be used for this program on the interim. Any other position request should be addressed through the annual budget process.

Eligibility

The LAHD Report recommends that RTC services be available to all eligible tenants. The LAHD has clarified that eligibility is determined by three factors: meeting the household income requirement of earning at or below 80 percent of the Area Median Income, residing within the City of Los Angeles, and, during phase in, residing within one of the designated zip codes. The program would be available to individuals and households who meet the requirements.

FISCAL IMPACT STATEMENT

There is no impact to the General Fund at this time. The actions recommended in this report will be funded by Measure United to House LA (Measure ULA) revenues. Should Measure ULA revenues come in lower than anticipated or become unavailable, the General Fund may be obligated to cover any spent funds. In future years, service levels may need to be adjusted based on Measure ULA funding availability to curb potential impact to the General Fund.

FINANCIAL POLICIES STATEMENT

The recommendations stated in this report are in compliance with the City's Financial Policies in that ongoing revenues will be used to fund ongoing expenditures.

MWS:YC:EAB:02240033

Ann Sewill, General Manager
Tricia Keane, Executive Officer

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City of Los Angeles



Karen R. Bass, Mayor

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October 6, 2023

Council Files: 18-0610-S3
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Honorable Members of the City Council
City of Los Angeles
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200 N. Spring Street, Room 395
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**COUNCIL TRANSMITTAL: LOS ANGELES HOUSING DEPARTMENT REPORT BACK ON
THE ESTABLISHMENT OF A RIGHT-TO-COUNSEL PROGRAM FOR LOW-INCOME
TENANTS FACING EVICTION**

SUMMARY

The General Manager of the Los Angeles Housing Department (LAHD) respectfully submits this report in response to a motion dated February 14, 2023 (C.F. No. 18-0610-S3), which instructs LAHD with the assistance of the City Attorney and other City departments, to report back with recommendations for the establishment of a Right to Counsel (RTC) ordinance and program for tenants facing eviction in the City of Los Angeles. Through this transmittal, LAHD provides background and recommendations for the framework, implementation, and cost breakdown for expanding the existing Eviction Defense (EDP) program and the potential codification of an RTC program.

This report builds upon the LAHD report back, dated November 1, 2019, relative to recommendations for an Eviction Defense Program (EDP), reviews lessons learned and key takeaways concerning the implementation of the Eviction Defense Program. Voter approval of the United to House LA measure in November of 2022, puts the City in a position to expand the reach of the EDP (also known as Stay Housed LA - SHLA) to prevent displacement and homelessness by increasing the availability of legal representation services for low-income renters facing eviction citywide. The report also discusses a framework for implementing a phased-in EDP/RTC program citywide.

Adoption of an RTC ordinance would establish EDP/SHLA as a permanent program, codify services, and ensure that eligible tenants living in the City have a right to access critical legal

defense services. Eviction defense services have proven to be a critical resource for vulnerable tenants during the pandemic and an effective tool that prevents homelessness.

LAHD will continue monitoring the EDP services, as currently implemented, and prepare to scale up operations when continued ULA funding is assured. LAHD will improve EDP/SHLA services by (1) leveraging existing City programs, expanding on tenant outreach and legal assistance programs to widen the programs' reach and effectiveness further, and (2) building strategic partnerships with community-based organizations to expand the education and awareness campaign on tenant rights in the City of Los Angeles. Lastly, as requested in the Council motion, LAHD recommends an annual reporting requirement on the households/individuals served, case outcomes, and engagement/educational efforts.

RECOMMENDATIONS

That the City Council, subject to the approval of the Mayor:

- A. ADOPT the recommended Right to Counsel 5-year phase-in plan through the expansion of the Eviction Defense Program.
- B. REQUEST the City Attorney, with the assistance of LAHD, to draft a Right to Counsel Ordinance, contingent on the availability of funding, to:
 - i. Provide legal service to qualifying tenants at or below 80% of Area Median Income (AMI) who reside in the City of Los Angeles;
 - ii. Provide legal representation to qualifying tenants for any judicial or administrative proceedings to evict or terminate a renter's tenancy or housing subsidy;
 - iii. Require landlords to notify tenants of the Right to Counsel Program at the onset of a tenancy and attach to any termination of tenancy notice in the tenant's primary language;
 - iv. Provide that the Right to Counsel program shall be established and operated "subject to appropriation" of necessary funds;
 - v. Disallow services for tenants who reside in the same dwelling unit with their landlord or master tenant in order to avoid potential conflict with other statutes.
- C. INSTRUCT the LAHD to administer, implement, and monitor the expanded EDP/RTC program, including:
 - i. Work with designated community groups to engage and educate tenants about their rights and provide tenants with navigation services;
 - ii. Provide a five-year implementation timeline prioritizing vulnerable individuals based on zip codes or criteria developed by LAHD in collaboration with legal service providers and community-based organizations;
 - iii. Report back on the number of individuals served with legal assistance, case

- outcomes, and education efforts to assist the public-facing eviction;
- iv. Report back with a detailed yearly spending plan for the implementation of the program subject to the availability of funding.

D. Authorize resolution authority for the following new positions to support the implementation and administration of the Right to Counsel Program, subject to allocation of the positions by the Board of Civil Service Commissioners and subject to pay grade determination by the City Administrative Officer (CAO):

| Class Code | Class Title | No. of Positions |
|-------------------|---|-------------------------|
| 8504 | Housing Planning and Economic Analyst | 1 |
| 1461 | Communications Information Representative | 1 |
| 9184 | Management Analyst | 1 |
| 1368 | Sr. Administrative Clerk | 1 |
| 1358 | Administrative Clerk | 1 |

E. Authorize the City Controller to:

- i. Transfer \$413,657.29 within the LAHD United LA Fund No. 66M/43, from Account No.43Y00B, Administration to the following accounts:

| Account No. | Account Title | Amount |
|--------------------|-------------------------------|---------------|
| 43Y143 | Housing Department | \$246,921.34 |
| 43Y299 | Reimburse to the General Fund | \$ 166,735.95 |
| Total | | \$ 413,657.29 |

- ii. Increase appropriations in the amount of \$246,921.34 for the following accounts within LAHD Fund 100/43:

| Account No. | Account Title | Amount |
|--------------------|----------------------|---------------|
| 001010 | Salaries, General | \$ 214,714.21 |
| 006030 | Leasing | \$ 32,207.13 |
| Total | | \$ 246,921.34 |

- iii. Expend funds not to exceed \$413,657.28 upon proper written demand of the LAHD General Manager, or designee.

- F. AUTHORIZE LAHD General Manager, or designee, to prepare Controller instructions and make necessary technical adjustments consistent with the Mayor and Council actions, subject to the approval of the CAO, and instruct the Controller to implement these instructions.

BACKGROUND

Overview of Eviction Defense Program and Funding:

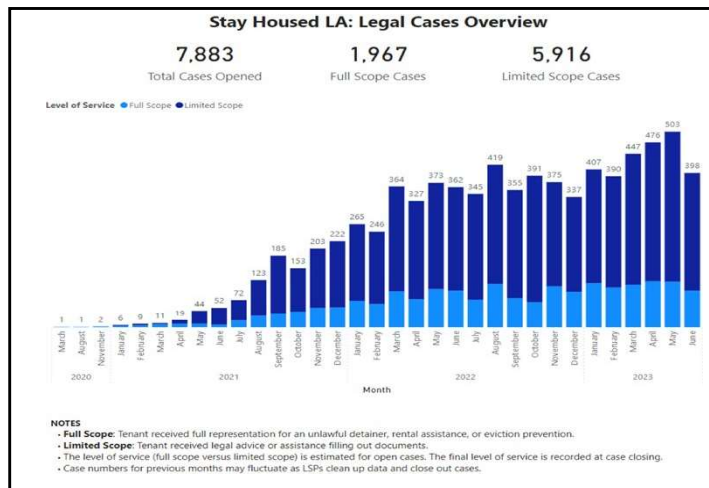
- On August 17, 2018, the City Council directed HCIDLA to work with the Chief Legislative Analyst (CLA) and the City Attorney to develop recommendations, including prospective costs and funding sources, for a City of Los Angeles "Right to Counsel" ordinance and/or a program to ensure that tenants have access to the information and representation when facing landlord harassment, rental agreement and lease issues, and eviction (CF No. 18-0610). On February 13, 2019, Councilmember Koretz introduced an additional motion directing the Office of the CAO, the Mayor's Office, and the City Council to identify \$10 million for a Right to Counsel Program (CF No. 18-0610-S1). Ultimately, the FY 2019-20 Consolidated Plan included \$937,000 for the Right to Counsel.
- During the 2019 City Council Budget Hearing meetings, the City Council allocated an additional \$2 million from the City's General Fund for an Eviction Defense Program - resulting in a total of \$3.087 million dedicated to assisting tenants with eviction prevention and eviction response services in FY 2019-20.
- HCIDLA's Eviction Defense Program's November 2019 report (CF No. 18-0610) was adopted at the special joint Housing and Personnel and Animal Welfare Committees on December 11, 2019, and waived out of the Budget & Finance Committee in May 2020. The item was pending scheduling for City Council review. Concurrently, HCIDLA developed program amendments that were awaiting Council consideration.
- On September 1, 2020, the Mayor and the City Council instructed the LAHD to develop a COVID-19 Emergency Eviction Defense Program (EDP) to mitigate the potential disproportionate eviction impact on low-income communities after tenant eviction moratoriums expire (C.F. No. 20-1084). The approved motion authorized \$7,114,510 in federal CDBG-CV funds to support the Program and approved a sole-source contract with the Legal Aid Foundation of Los Angeles (LAFLA), for a period of one year, executed effective April 26, 2021.
- The EDP was officially launched and began providing services on July 1, 2021. The City of Los Angeles partnered with Los Angeles County, as well as local community and legal service providers to keep City residents in their homes by providing information and resources through the Stay Housed L.A. (SHLA) platform, which can be accessed at <https://www.stayhousedla.org>. The Stay Housed L.A. platform provides referrals and information about tenant rights in the City of Los Angeles, available legal assistance, and educational workshops.

Since its inception, the EDP has been supported with various one-time funding sources, each with different eligibility criteria. The table below summarizes the approved funding sources and amounts that support the Eviction Defense Program services.

| Legal Aid Foundation of Los Angeles (Contractor) Agreement Number (C-138260) | | | | |
|---|---|--|---------------------------------|------------------------|
| Council File No. | Funding Source | Contract Activity | Contract Term | Contract Amount |
| C.F. No. 20-1084 | CDBG-CV | Initial Contract | April 26, 2021 - April 25, 2022 | \$7,114,510 |
| C.F. No. 20-0600-S83 | General City Purposes Fund Council District 10 | First Amendment | April 26, 2021 - April 25, 2022 | \$500,000 |
| C.F. No. 22-0414 | General City Purposes Fund Council District 11 | Second Amendment | April 26, 2021 - June 30, 2024 | \$153,000 |
| C.F. No. 20-1084-S1 | Emergency Renters Assistance Program (ERAP1) | Third Amendment | April 26, 2021 - June 30, 2024 | \$1,638,637 |
| C.F. No. 20-1084-S1 | Year 1 Permanent Local Housing Allocation (PLHA) / Senate Bill 2 (SB-2) | Third Amendment | April 26, 2021 - June 30, 2024 | \$1,247,002 |
| C.F. No. 22-0414-S1 | General City Purposes Fund Council District 11 | Fourth Amendment | April 26, 2021 - June 30, 2024 | \$100,000 |
| C.F. No. 20-1084-S3 | Year 2 Permanent Local Housing Allocation (PLHA) / Senate Bill 2 (SB-2) | Fourth Amendment | April 26, 2021 - June 30, 2024 | \$1,872,717.20 |
| C.F. No. 20-1084-S3 | Emergency Renters Assistance Program (ERAP2) | Fourth Amendment | April 26, 2021 - June 30, 2024 | \$5,000,000 |
| C.F. No. 20-1084-S3 | General City Purposes Fund, Homeless Prevention and Eviction Defense | Fourth Amendment | April 26, 2021 - June 30, 2024 | \$9,950,958 |
| C.F. No. 20-1433-S2 | American Rescue Plan Act for HOME programs (HOME-ARP) | Fifth Amendment | April 26, 2021 - June 30, 2025 | \$10,000,000 |
| C.F. No. 23-0038 | United to House LA (Measure ULA) | Sixth Amendment (pending contract amendment execution) | April 26, 2021 - June 30, 2025 | \$26,000,000 |
| Total | | | | \$63,576,824.20 |

Eviction Defense Program Outcomes

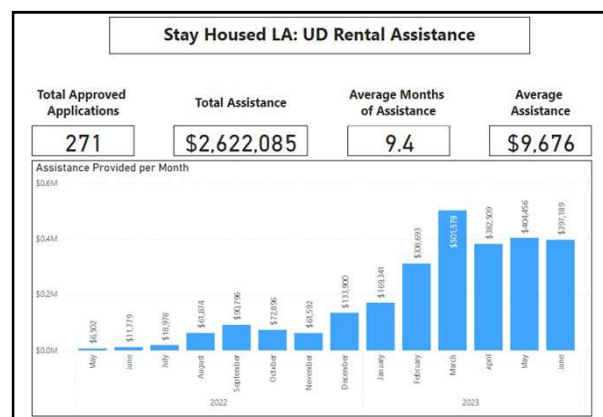
Legal Services - From the start of the program in 2021 through June 2023, the EDP has provided legal services to 7,883 households, consisting of 1,967 full-scope legal representation and 5,916 cases supported with limited-scope representation. The reported outcomes indicate that of the 715 closed full-scope legal cases, 632 cases (88%) resulted in positive outcomes for the households through staying in their homes, receiving time and money to move out, or getting a waiver of back rent.



The reported economic benefits of the closed full-scope cases indicate that the societal gains of this program over a one-year period range from \$8,120,941 in short-term benefits (court fee waivers, waived back rent, and relocation assistance) to \$4,614,565 in long-term economic benefits (the savings to the tenant over three years due to *not* moving, calculated as the difference between the tenant's rent and the Fair Market Rent over 36 months, plus \$2,000 in relocation expenses).

Rental Assistance/Negotiated Rent Debt Settlements

Data on the emergency rental assistance for negotiated settlements component of the EDP indicate that the total assistance paid out to City of LA tenants facing an unlawful detainer is \$2,622,085 for 271 approved applications through June 2023. The average household assistance provided is \$9,676, with an average of 9.4 months of assistance.



Program Need - The first 2 years of the implementation of the Los Angeles City COVID-19 Response Eviction Defense Program (EDP) spotlight the program's effectiveness and identify opportunities for strengthening and further development:

- Demand for Services: The demand for eviction defense services is on the rise due to the urgent needs of low-income tenants, successful outreach efforts, and the expiration of the City's COVID-19 Tenant Protections. Changes in federal and state law and local policies related to tenant protections have led to a significant increase in the demand for services.
- Capacity: The program's capacity is limited and the demand for EDP services is significantly greater than the resources allocated. To bridge this gap, additional funding, and an increased supply of attorneys engaged in tenant legal defense will be necessary.
- Eviction Data: Access to accurate eviction data at the ZIP code level is crucial to the success of the EDP. Unfortunately, obtaining reliable, representative, and timely eviction data has been challenging, resulting in alternative methods to estimate where evictions are likely to occur. The adoption of the Just Cause Ordinance (JCO) # 187737, requiring that all notices to terminate a tenancy for all rental units subject to the City's Rent Stabilization Ordinance (RSO) and the Just Cause Ordinance (JCO) be filed with the LAHD within three (3) business days of service on the tenant will assist in providing data and metrics. In response, the LAHD has developed and implemented the Eviction Filing System and has received approximately 56,000 eviction notices. The data and information obtained will assist in the assessment and allocation of services to communities most affected by eviction filings.

Jurisdictions with Right-to-Counsel Programs

New York City, San Francisco, Newark, Cleveland, and Philadelphia are some of the larger jurisdictions that have established the civil right to legal representation for tenants. Early data from those jurisdictions that have enacted RTC legislation have shown significant results.

The New York RTC offers full representation for income-eligible tenants who are at or below 200% of the federal poverty line while offering brief assistance to other tenants. A covered individual includes any tenant in a building, including one that is operated by the New York City Housing Authority. Their RTC legal assistance begins no later than the first scheduled appearance or as soon thereafter as is practicable. The New York City RTC has been highly effective at keeping tenants in their homes. The law provides tenants at or below 200 % of the federal poverty line with access to counsel in housing court reporting that 84% of the represented tenants have remained in their homes. In comparison, the filing and default rates have decreased by 30%.

In San Francisco, voters passed Prop F, or the "No Eviction Without Representation Act", providing tenants who received an eviction notice or had been served with an unlawful detainer lawsuit (not living with their landlord) a right to a free attorney. The San Francisco RTC does not have an income eligibility requirement, provides full legal representation for all tenants within the City and County who are faced with eviction, including tenants involved in housing subsidy terminations, and exempts tenants who reside in the same dwelling with the landlord. The San Francisco RTC legal assistance begins 30 days after the tenant is served with the eviction notice or upon service of unlawful detainer complaint, whichever comes first. The representation lasts until judgment or the case is withdrawn or dismissed. The latest data from San Francisco's RTC

program, covering March 2020 - December 2021, reports that 59% of the fully represented tenants were able to remain in their homes, and of the 30% who did not remain in their unit, 70% received a favorable settlement like move-out money with sufficient time to locate new housing.

LAHD reviewed the [National Coalition for a Civil Right to Counsel \(NCCRC\) Model Legislation](#) in the preparation of this report as a point of reference for the development of a City of Los Angeles Right to Counsel Ordinance, and LAHD staff participated in the [National Coalition for Civil Rights to Counsel \(NCCRC\)](#) a national 8-week program that focused on [Advancing Housing Justice: Right to Counsel Sprint Program \(Sprint Program\)](#). The NCCRC has led efforts on the right to counsel for low-income tenants, including successful campaigns in 17 cities, 4 states, and 1 county where RTC legislation has been enacted. The Sprint Program was organized by Results for America and led by the National Coalition for Civil Right to Counsel (NCCRC), PolicyLink, Heartland Center for Jobs and Freedom, and Red Bridge Strategies. Participants received guidance and strategies on how to design, implement, and sustainably grow eviction defense programs, including:

- Formulating plans of action that address the needs of vulnerable populations
- Budgetary and fiscal considerations for the adoption of a right-to-counsel ordinance
- strategies for expanding education on tenant's rights and services
- improving existing partnerships with legal providers and community-based organizations.

The NCCRC's work in supporting tenant right-to-counsel campaigns provides model legislation language for city and state RTC legislation. The [NCCRC Tenant Right to Counsel - Quick Reference Guide](#) provides a summary of jurisdictional parameters where a right to counsel is enacted along with the eligibility requirements, type of representation, and funding source.

Framework for Expansion of the Eviction Defense Program

LAHD recommends that expansion of the EDP be phased in to provide legal representation for Los Angeles City tenants whose household income is at or below 80% Area Median Income, subject to appropriation of necessary funding. Priority for full legal representation should be phased in for tenants in identified high-needs areas of displacement vulnerability. Full legal representation means ongoing legal representation by a legal service provider encompassing legal advice, advocacy, and assistance, including representation for any judicial or administrative proceedings to evict or terminate a tenancy. Similar to San Francisco, the City should adopt an exception for tenants who reside in the same dwelling unit with their landlord or master tenant in order to avoid potential conflict with other statutes.

LAFLA, the City's lead for the EDP as well as a member of the Right to Counsel coalition, has created a phase-in plan for a "Right to Counsel" in the City of Los Angeles, which can also serve as a blueprint to expand the existing eviction defense program with the available UHLA funding. The proposal phases in services by ZIP codes and is prioritized based on vulnerability, eviction filing data, and EDP/SHLA program capacity. On July 11, 2023, the Los Angeles County Board of Supervisors approved a motion to establish a Right to Counsel ordinance and universal access to legal representation through the Stay Housed L.A. initiative.

Both the County and the City of Los Angeles face challenges in developing accurate projections of eviction filing to assess and prepare for the demand for eviction defense services. This quandary is due in large part to the lack of publicly available disaggregated eviction filing data. Eviction filing data in Los Angeles County is only available in aggregated form at the courthouse level, presenting a challenge for ZIP code-level projections.

- To estimate the number of filings, zip code level lock-out data from 2018 was assessed with a 25% increase assumption in filings to predict filings in 2023. This estimate assumes that filings will return to pre-pandemic levels, plus an initial spike due to pandemic-era eviction protections ending. This results in an estimate of 50,000 eviction filings in 2023 across the entire county and approximately 25,000 in the City of LA.
- To estimate the number of tenants facing eviction who come to the EDP/SHLA program, a reduction is applied to the 2023 estimated filings by 40%. This reduction accounts for defaults, move-outs, ineligible tenants, and tenants who otherwise do not come to Stay Housed LA. This results in an estimated 30,000 eviction filings coming to Stay Housed LA in 2023, with approximately 15,000 from the City of LA.

| SHLA Service Needs Projection | | | | | | |
|-------------------------------|------------|------------|------------|------------|------------|------------|
| | Year 0 | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 |
| | FY 2023-24 | FY 2024-25 | FY 2025-26 | FY 2026-27 | FY 2027-28 | FY 2028-29 |
| LA City | 14,910 | 14,910 | 13,419 | 12,077 | 10,869 | 9,782 |
| Unincorporated | 2,557 | 2,557 | 2,301 | 2,071 | 1,864 | 1,677 |
| Incorporated Cities | 12,751 | 12,751 | 11,476 | 10,328 | 9,295 | 8,366 |
| County Only (Not LA City) | 15,308 | 15,308 | 13,777 | 12,399 | 11,159 | 10,043 |
| Grand Total | 30,218 | 30,218 | 27,196 | 24,476 | 22,029 | 19,826 |

10% yearly reduction in eviction filings due to effect of RTC

The chart below represents the UD filing projections and the resulting need for staff lawyers for the City of Los Angeles, through the five-year phase-in period:

| Right to Counsel Phase-In: City of Los Angeles | | | | | | | |
|--|------------------------------|------------|------------|------------|------------|------------|------------|
| | | Year 0 | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 |
| | | FY 2023-24 | FY 2024-25 | FY 2025-26 | FY 2026-27 | FY 2027-28 | FY 2028-29 |
| Capacity | Estimated UD Filings to SHLA | 14,910 | 14,910 | 13,419 | 12,077 | 10,869 | 9,782 |
| | Represented UDs | 1,654 | 2,534 | 3,504 | 4,943 | 7,500 | 10,000 |
| | Number of Attorneys Needed | 33 | 51 | 70 | 99 | 150 | 200 |

At the end of the five-year phase-in period, 10,000 annual UD filings are projected in the City of LA against tenants who need representation. While additional funding and capacity are achieved, LAHD and its EDP partners will continue working with the community-based organizations to inform and educate tenants about their legal rights and assistance available, including workshops, clinics, presentations, town halls, tabling efforts at public outreach events, door-to-door canvassing in apartment buildings, flier distribution to essential businesses, and through social media.

In anticipation of a challenge in service capacity due to the shortage of legal aid attorneys available and willing to provide legal representation for eviction defense, the EDP lead agency and legal partners have created a recruitment pipeline to offer stipends to law school students, post-graduate fellowships, and are evaluating the feasibility of working with private attorneys to increase further capacity to provide legal representation to tenants. The EDP staffing goal for Fiscal Year 2023-2024 is to hire 33 lawyers to assist City of Los Angeles renters and surge forward in preparation for the ULA implementation and future staffing needs.

Factors Calculating Vulnerability Score and Zip Code Selection

ZIP codes were selected according to displacement vulnerability. The vulnerability score is derived from calculating the displacement vulnerability for each ZIP code as a single composite score which includes: the renter population score, non-white renter population score, renter cost burden score, owner cost burden score, median income score, and unemployment score. The table below lists by phase-in the earliest priority in years 0-3 for the most vulnerable ZIP codes.

Displacement vulnerability is used as the primary criterion to ensure that tenants most likely to fall into homelessness have first access to attorneys. This method also ensures that the EDP will have the capacity to address the projected number of evictions each year without overloading the program capacity. The design also included at least one ZIP code in each Council district by FY 2024-25. Where there is an overlap between the City and County for a particular zip code, that zip code was phased in during the same year. EDP will assess the zip code priorities periodically to see if any adjustments are necessary. After FY 2026-27, program need and capacity will be reassessed and a phase-in plan for the remaining ZIP codes will be created.

| City of Los Angeles: Right to Counsel Phase-In | | | | |
|--|---------------------|--------------|-----------------------------------|---------------------|
| Council District | FY 2023-24 | FY 2024-25 | FY 2025-26 | FY 2026-27 |
| 1 | 90006 | | | 90057, 90031, 90012 |
| 2 | 91605 | | | |
| 3 | | 91306 | | |
| 4 | 91411 | | | 91316 |
| 5 | | 90004 | | 90005, 90025 |
| 6 | 91605, 91411, 91402 | | 91331 | 91316 |
| 7 | | 91343 | 91331 | |
| 8 | 90044, 90002 | 90061 | 90047, 90043, 90059, 90003, 90007 | 90062, 90037, 90018 |
| 9 | 90001, 90011, 90044 | | 90003, 90007 | 90037 |
| 10 | 90006 | | | 90005, 90018 |
| 11 | 90056 | | | 90025 |
| 12 | | 91343 | | |
| 13 | | 90004, 90029 | | 90057 |
| 14 | 90063 | 90023 | | 90033, 90031, 90012 |
| 15 | 90502, 90002, 90059 | 90061 | | 90710, 90813, 90744 |

Cost Benefit Analysis

Studies from around the country have evaluated the impact of tenant representation in eviction cases. The 2017 [Evaluation of the Sargent Shriver Civil Counsel Act \(AB590\) Housing Pilot Projects](#) found that of clients who received full representation, 95% faced an opposing party with legal representation and 1% did not. Among full representation cases of the Los Angeles housing pilot project, 89% resulted in positive outcomes that supported tenants' longer-term housing stability. Among full representation cases in which the tenants did have to move: 71% had their move-out dates adjusted, 79% had their rental debts reduced or waived, 45% retained their housing subsidies (e.g., Housing Choice Voucher), 86% had their unlawful detainer cases masked from public view, and 54% had their credit protected.

The Cost-Benefit Analysis of Providing a Right to Counsel to Tenants in Eviction Proceedings, [2019 Stout Risius Ross, LLC \(Stout\) publication](#) provided a cost-benefit analysis. Stout found that unrepresented tenants are likely experiencing disruptive displacement in 99 percent of eviction proceedings. Stout analyzed case information from four Los Angeles civil legal aid providers and found that when tenants are represented, they are able to avoid disruptive displacement in 95 percent of cases.

The [2019 Stout Risius Ross, LLC \(Stout\) publication](#), provides a cost-benefit analysis report for the Los Angeles Right to Counsel Coalition on their proposed Right to Counsel (RTC) program for the City and County of Los Angeles. The Stout report estimated the cost of a fully implemented RTC for the City of Los Angeles at \$35 million a year, of which \$10.7 million would be allocated for prevention and pre-litigation services. In that report, the estimated number of income-eligible households expected to accept full representation through the RTC is 13,785, with an estimated cost of full legal representation per household being approximately \$5,000.

The report also estimates the return on investment of an RTC program for the City. Stout estimates that the City could realize approximately \$3.48 for every \$1 invested in the RTC program. Stout's cost-benefit methodology quantified the potential costs avoided by the City and County of Los Angeles and highlighted other benefits, which include:

- More favorable outcomes for tenants;
- Decreased likelihood of shelter entry or living unsheltered;
- Increased housing stability and ability to re-rent, if necessary;
- Decreased impact on employment, credit score, and eviction record;
- Decreased impact on the physical and mental health of people in eviction proceedings;
- Decreased negative impact on children, including their health, education, and potential future earnings;
- Increased family and community stability;
- Decreased impact on law enforcement; and Increased trust in the justice system and civic engagement.

Cost Breakdown and Spending Plan

In line with assessing the cost of expanding the current City EDP, LAFLA provided their funding estimate for an EDP Expansion/Right to Counsel Phase-In Budget below. The FY 2023-2024 figures have been fully allocated in the current EDP contract. The figures for FY 2024 - 2029 below provide a 5-year phase-in funding estimate.

| City | 2024-2025 | 2025-2026 | 2026-2027 | 2027-2028 | 2028-2029 |
|---------------------------------|----------------|----------------|----------------|----------------|----------------|
| Capacity | 2,500 | 3,500 | 5,000 | 7,500 | 10,000 |
| Selected | 2,534 | 3,504 | 4,943 | 7,500 | 10,000 |
| Estimated Attorneys | 51 | 70 | 99 | 150 | 200 |
| City | | | | | |
| Legal Services (\$5k/UD) | \$12,668,748 | \$17,517,535 | \$24,715,512 | \$37,500,000 | \$50,000,000 |
| Outreach/Ed (sep fund) | \$2,533,750 | \$3,503,507 | \$4,943,102 | \$7,500,000 | \$10,000,000 |
| Rental Asst. + Admin (sep fund) | \$6,000,000.00 | \$6,000,000.00 | \$6,000,000.00 | \$6,000,000.00 | \$6,000,000.00 |
| Facilities | \$184,500 | \$391,550 | \$705,450 | \$1,268,650 | \$1,844,650 |
| Flexible Hiring* | | | | | |
| Total | \$21,386,998 | \$27,412,591 | \$36,364,064 | \$52,268,650 | \$67,844,650 |

Recommendations for Adoption of a Right to Counsel Ordinance

Under the United to House Los Angeles (ULA) measure approved by City voters in November 2022, 10% of receipts from the transfer tax under ULA receipts is reserved for eviction defense and prevention services. While the transfer tax began on April 1, 2023, the measure is currently under legal challenge. However, the implementation of the measure has not been enjoined, and the City remains obligated to fulfill the mandates of ULA. Given the pending litigation and a ballot measure challenging Measure ULA's validity, the City's approved FY 2023-24 Budget authorizes an expenditure of up to \$150 million and limits spending to six designated program categories, including Eviction Defense/Prevention.

On August 29, 2023, the City Council authorized a contract amendment with the Legal Aid Foundation of Los Angeles to increase the EDP contract by \$26,000,000 to perform both eviction defense/prevention services and tenant outreach and education programs. This will bring the total contract amount approved for EDP to approximately \$66.8 million through June 30, 2025. Should the City not prevail in the legal challenge to the ULA measure, another funding source would need to be identified for the program and funds already expended for the program would need to be covered by the City's General Fund.

As the City enters the post-COVID-19 era where temporary and emergency tenant protections have expired, proponents of the RTC represent that codification of the program would serve a critical function in preventing gentrification and displacement, stemming homelessness, preserving affordable housing, and saving the City money in the long term.

As envisioned, a 5-year Phase-In of an RTC program would be contingent on a funding allocation and carefully managed program expansion commensurate with legal service capacity.

The RTC outcomes in large metropolitan areas of the country described in the NCCRC report provide a reference point and a path to keep Los Angeles renters housed, through intentional ordinance drafting, sourcing the legal community to address the capacity needs and demand for services. LAHD recommends that the City Council consider the adoption of a Right to Counsel ordinance for the City of Los Angeles renters, subject to continued allocation of funding. Approval of these recommendations represents a significant step toward implementing a phased-in citywide universal access to eviction defense legal services for eligible tenants, with a goal of full implementation by 2028.

LAHD Staff Resources for RTC Implementation

As discussed earlier in this report, the EDP was implemented incrementally utilizing one-time funding sources as the City expanded tenant protections in response to the COVID-19 pandemic. Consequently, up until now, LAHD has not obtained the necessary staff resources to oversee and coordinate these services, which have grown to a \$64+ million program, involving multiple contracts, subcontracts and coordination with City and County agencies. With the voter approval of the ULA measure which allocates 10% of the annual revenue for this program, adequate City staff resources are needed to coordinate and monitor this comprehensive package of eviction prevention services. LAHD is requesting approval for staff five (5) positions through resolution authority to ensure the effective implementation of the program:

- 1 Housing Planning and Economic Analyst (Class Code 8504)
 - Performs responsible administrative and technical work in the preparation of economic research and effectiveness of program, prepares technical reports and feasibility studies related to EDP/RTC implementation and program evaluation.
- 1 Communications Information Representative (Class Code 1461)
 - Handles incoming eviction defense program calls from the public and provides referrals as appropriate; routes telephone calls to the proper stations; enters and retrieves data from a computer-based system; relays messages received orally and in writing; researches and assigns/routes work; provides clerical support work and customer follow-up.
- 1 Management Analyst (Class Code 9184)
 - Performs contract monitoring for EDP/RTC contracts, researches, assembles, analyze and interprets data, prepares correspondence and reports with recommendations to management, assists with outreach activities and maintenance of EDP/RTC information on LAHD website, supervises or acts as a lead worker to RTC clerical staff, assists with coordination with community agencies involved in eviction defense.
- 1 Sr. Administrative Clerk (Class Code 1368)
 - Assists EDP/RTC team and performs difficult clerical work of a responsible nature requiring frequent exercise of independent judgment and a good knowledge of the program case management process, including word processing, supervises clerical employees, assists with coordination of outreach projects.

1 Administrative Clerk

(Class Code 1358)

- Performs general office clerical work, which may include customer service, basic word processing, data entry, filing and organizing, mail-outs, assists with community events.

LAHD is requesting authorization for the five positions above, which will be filled in phases over the fourth quarter of this fiscal year and in FY 2024-25.

FISCAL IMPACT STATEMENT

There is no impact to the General Fund at this time. The actions recommended in this report will be funded by the United to House LA (Measure ULA) allocation in the FY 2023-24 budget.

Approved By:



ANN SEWILL

General Manager

Los Angeles Housing Department