



## California Apartment Association

4401 Atlantic Ave. Suite 200

Long Beach, CA 90807

July 9, 2023

Chair Hahn and Supervisors  
County of Los Angeles  
VIA Email

### **Re: (Item 14) Right to Counsel - *More Consideration Needed***

Dear Chair Hahn and Supervisors:

The California Apartment Association (CAA) represents local housing providers, operators and suppliers along with business owners and real estate industry experts who are involved with a range of rental properties from those that offer single-family residences to large apartment communities. Our members help provide the majority of the obtainable housing throughout Los Angeles County.

We urge the County to further review this issue, conduct stakeholder feedback and a thorough economic analysis before making a final and informed decision.

### **Best Use of Dollars**

We urge the county to analyze the maximum use of available dollars. The Department of Consumer and Business Affairs (DCBA) cites the 2019 Stout study and its correlating homelessness impact cost-analysis as justification for a RTC program. However, **no cost-analysis is done against alternative programs that could stretch those dollars further and achieve better outcomes.**

A 2022 study from Columbia University found “that rental assistance lowers the likelihood that tenants default on rent, rather than making it harder to evict those who have already defaulted. The main result is that the policy reduces homelessness by 45 percent and the eviction filing rate by 75 percent.”<sup>1</sup>

As currently outlined by DCBA, rental assistance only accounts for 5% of the Stay Housed LA (SHLA) budget in projected years. The direct assistance dollars remain stagnant while legal funding is projected to increase by over 300% and consumes over 75% of the total projected budget of SHLA.

A new cost analysis should be conducted that reviews the best use of available dollars. It costs thousands of dollars to provide legal counsel for one case. Tax dollars can go much further through a direct rental subsidy, helping more of those in need, preventing a potential eviction and at lower cost per individual.

### **RTC Programs are Ineffective and Counterproductive**

RTC programs *are not* a housing strategy. The 2020 Sargeant Shriver study found that legal counsel was not effective in preventing the removal of a tenant from a unit. Overwhelmingly, whether a person was represented or unrepresented, the tenant was required to move out of the unit at the end of their case. *“Three quarters of cases in both study groups ended with possession of the property awarded to the landlord. That is, three out of four tenants, whether Shriver clients or not, had to move out of the unit at the end of their case.”*<sup>2</sup>

RTC programs do not achieve what their proponents claim. It comes at a high cost and demonstrates little success. RTC laws only delay an eviction and ultimately increase the costs of operations, making housing more expensive and harder to find.

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<sup>1</sup> [Boaz, A. \(2023\). The Welfare Effects of Eviction and Homelessness Policies.](#)

<sup>2</sup> [Judicial Council of California. \(2020\) Sargent Shriver Civil Counsel Act: Report to the Legislature. San Francisco, CA: Judicial Council of California](#)

Additionally, the Shriver study found that there was no significant difference in the rate of homelessness between represented tenants and unrepresented tenants. This was true both immediately after their case and one year later. The study found that 6% of represented tenants reported being homeless at the end of their case while 5% of unrepresented tenants did.

On the contrary, the Columbia University study found RTC policies resulted in an increase in homelessness of 15%. The current homelessness rates in cities with RTC laws coincide with this finding. New York City, San Francisco and Seattle, – cities that pay for this type of legal representation - have seen their homelessness rates increase significantly since enacting said laws.

Housing providers are not in the eviction business, but unfortunately, eviction is a necessary – and often singular – tool for addressing the most disruptive situations or when someone is no longer paying for service.

An emergency rental assistance program would assist in cases where tenants have an urgent, temporary financial gap and prevent the need for legal action. Direct assistance dollars likely go further and is a proven way to keep people in their homes. The pandemic relief efforts unequivocally demonstrated, direct rental payments work.

## **Lack of Stakeholder Input**

On September 27<sup>th</sup>, 2022 the board directed inclusion of property owner and stakeholder feedback. The County conducted no general outreach on an RTC program. DCBA representatives attended an eight-week program designed to promote and institute RTC programs, but highlight a single meeting on February 8<sup>th</sup>, 2023 with housing providers through the Rental Property Owner Roundtable.<sup>3</sup> The February 8<sup>th</sup> meeting was spent understanding and discussing the continued extension of the countywide eviction moratorium. The meeting was not a known RTC feedback session.

Further, the 2019 Stout study which advocated for an RTC program has several flawed metrics in its cost analysis. The cost-savings that are cited are based entirely on the idea that it will reduce homelessness and thus reduce the cost to the cities/counties providing homeless resources. This has not been sufficiently studied and as referenced above, there is data indicating the opposite. The Columbia University study found RTC policies resulted in an increase in homelessness of 15%.

Had a formal hearing taken place, these metrics could have been highlighted and questioned to ensure a fully informed board report. It is appropriate for a county program that could exceed \$60 million dollars in taxpayer funds to have formal feedback hearings. The April 8<sup>th</sup> DCBA report does not have an accompanying minority report or alternative consideration.

The Supervisors have had several discussions on the county's legislative process. Deliberation and fully reviewed items matter. Programs of this magnitude deserve more vetting before a fully informed decision is rendered.

## **Expand DCBA Education Outreach**

Part of the motion calls for making the Stay Housed LA program permanent. CAA fully supports robust education of housing laws. It is vital residents know their rights and responsibilities. We have concerns that some of the chosen outreach subcontractors do not represent a balanced perspective. Some of the contractors routinely advocate and lobby for housing policies that are proven to be anti-housing and place more regulations on housing providers. Groups are receiving direct funding from the county, yet do not appear to be registered lobbying entities as is required of other organizations.

The County should explore absorbing these duties through the Department of Consumer Affairs, a trusted arbiter of information.

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<sup>3</sup> Department of Consumer Affairs (2023). Report on Sustainably Expanding Eviction Defense Services in Los Angeles County


## **Support Housing Providers**

Housing providers have been struggling under government-imposed regulations. Some continue to face significant duress. The county should be doing everything it can to support rental operators and incentivize investment in this essential service. The present regulatory environment is making housing more expensive and harder to find in the region.

If there are alternative solutions that can achieve our shared goal of keeping people housed and produce better outcomes, it behooves the county to explore those options. CAA respectfully requests the Board study this issue further before rendering a final decision.

Thank you for your consideration.

Sincerely,

A handwritten signature in black ink, appearing to read "Fred Sutton". The signature is written in a cursive style with a long horizontal stroke extending to the right.

Fred Sutton  
California Apartment Association