# **A JUDICIOUS INVESTMENT:**

Right to Counsel Is a Cost-Effective Way to Solve Los Angeles' Affordability Crisis and Keep Angelenos Housed

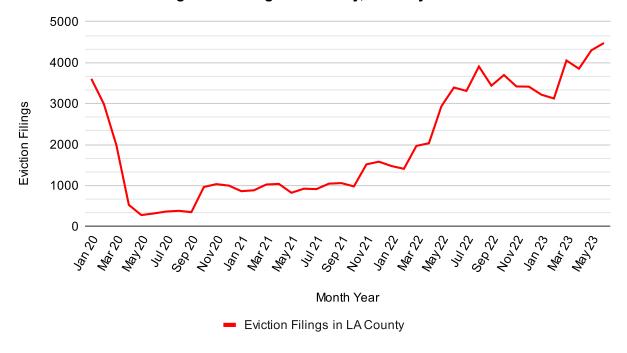
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## **INTRODUCTION**

Each year, more than 40,000 Los Angeles-area renters receive eviction notices. Just 3% of these renters have legal representation when they appear in eviction court, while 88% of landlords who sue for eviction are represented by attorneys.<sup>1</sup> This imbalance of resources and power has manifold effects on the lives of Angelenos: it exacerbates existing inequities in low-income, Black, and Latino communities, defangs hard-won tenant protections, worsens the region's affordable housing and homelessness crises, and costs Los Angeles city and county millions of dollars per year.

From March 2020 to March 2023, temporary COVID-19 tenant protections helped reduce evictions in the city and county of Los Angeles, successfully preventing a spike in homelessness during the pandemic.<sup>2</sup> Now that most of these protections have ended, the region faces an unprecedented eviction crisis fueled by rent debt, lost wages, and inflation. Without strong, permanent tenant protections, landlords will return to their longtime business strategy of displacing low-income renters through harassment and/or the threat of eviction in order to raise rents and maximize profit.

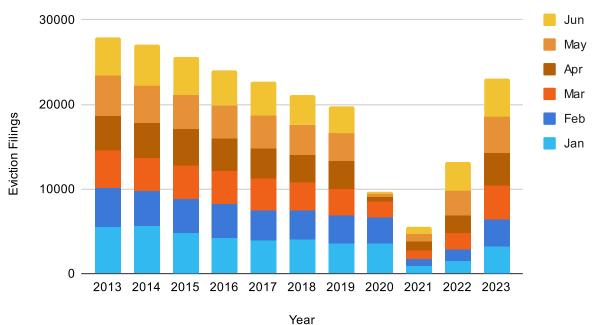


#### Eviction Filings in Los Angeles County, January 2020–June 2023

<sup>1 &</sup>quot;Cost-Benefit Analysis of Providing a Right to Counsel to Tenants in Eviction Proceedings," report prepared for the Los Angeles Right to Counsel Coalition, Stout Risius Ross, LLC, December 10, 2019, available at https://info.stout.com/hubfs/PDF/Eviction-Reports-Articles-Cit-ies-States/Los%20Angeles%20Eviction%20RTC%20Report\_12-10-19.pdf.

<sup>2</sup> Ruben Vives and Doug Smith, "Growth in L.A. County Homeless Population Slowed during Pandemic, Count Finds," Los Angeles Times, September 8, 2022, available at https://www.latimes.com/california/story/2022-09-08/l-a-county-homeless-count-shows-homelessness-grew-slightly-a-possible-sign.

As of June 2023, eviction filings were 74% 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. Furthermore, according to the Household Pulse Survey administered by the U.S. Census Bureau, an estimated 278,020 households in Los Angeles County, over half of which reside in the City of Los Angeles, are behind on their rent, owing an average of \$3,500 in rental debt.<sup>3</sup> It is not surprising, then, that the number of unhoused residents increased in Los Angeles County by 9% and the City of Los Angeles by 10% over the past year.



Monthly LA County Eviction Filing Trends, January-June, 2013-2023

Legislators must act quickly to codify a Renter's Right to Counsel (RTC) in unincorporated Los Angeles, the City of Los Angeles, and other jurisdictions throughout the county to guarantee tenants the right to a free lawyer to represent them during eviction proceedings. These RTC ordinances should also strengthen tenant outreach and education and fund emergency rental assistance for vulnerable Angelenos at risk of falling into homelessness. Strong RTC policies throughout the county would drive down the number of evictions filed as well as the number of default judgments against renters.<sup>4</sup> This would mean fewer renters driven into homelessness and fewer units loosened from rent-control restrictions because of evictions.

<sup>3</sup> United States Census Bureau's Household Pulse Survey Phase 3.8 results, 2023, available at https://www.census.gov/data-tools/demo/hhp/#/.

<sup>4</sup> Ingrid Gould Ellen, Katherine O'Regan, Sophia House, and Ryan Brenner, "Do Lawyers Matter? Early Evidence on Eviction Patterns After the Rollout of Universal Access to Counsel in New York City," Housing Policy Debate 31, nos. 3–5 (2021): 540–61.

## CORRECTING THE BALANCE OF POWER IN EVICTION COURT

Spend a morning in eviction court, and it is easy to see why attorneys are needed to successfully navigate the court system. Almost half of eviction court cases in Los Angeles end in default judgments, meaning thousands of tenants lose their homes each year because they do not properly respond to the paperwork or appear in court, and not because they are in violation of their rental agreements.<sup>5</sup> This is because many tenants don't have the knowledge, resources, or language skills to answer the lawsuit or to defend themselves in a courtroom if they do manage to successfully answer. According to the American Community Survey administered by the U.S. Census Bureau, 56% of households in Los Angeles speak a language other than English at home,<sup>6</sup> and 7.7% of households do not have internet access.<sup>7</sup>

Moreover, unrepresented tenants may not understand the complex patchwork of codified tenant protections, many of them brand new, that would help them win their case and allow them to stay in their homes. Los Angeles is one of the most progressive cities and counties in the country when it comes to tenant protections; recent laws include just-cause protections, limitations on evictions due to rent debt, and relocation assistance for tenants who receive large rent increases. But these protections are meaningless if tenants are unaware they exist or do not know how to assert them in court.

What does this imbalance of power look like in practice? As soon as court is called into session, most eviction court judges will ask the involved parties to try to settle before the case proceeds any further. So, while tenants still have the right to a trial, they must first engage directly with their landlord's lawyer in a settlement negotiation, which happens informally in a courtroom hallway or cafeteria. Tenants without legal representation often agree to bad settlements, mistakenly believing they have no rights or alternatives. As a result, they lose their homes without receiving anything in return, such as adequate time to move out, relocation assistance, or a sealed court record.<sup>8</sup>

Unrepresented tenants tend to fare no better at trial. Usually, they do not know they have a constitutional right to a jury trial or that they have legal defenses that entitle them to remain in their homes even if they owe back rent. And, if their cases take unpredictable turns, tenants may not understand or be capable of navigating legal processes such as filing motions and asserting effective defenses.<sup>9</sup>

## THE HUMAN COST OF EVICTION

Evictions can be devastating to tenants and their families and communities. Getting evicted makes it harder to find and keep a job, to vote, to access services like education and healthcare, and to provide a stable environment for children.<sup>10</sup> Children with eviction histories are more likely to need foster care, welfare, and juvenile justice services. Eviction also deepens racial inequality, limiting the socio-economic mobility of individuals and

<sup>5</sup> From Judicial Council data requested by the author, 2010–22.

<sup>6 &</sup>quot;Table S1606: Language Spoken at Home," from the United States Census Bureau's 2017-21 American Community Survey, available at https://data.census.gov/table?q=language+spoken+in+home+by+Los+Angeles+city,+California+in+2021&tid=ACSST1Y2021.S1601.

<sup>7 &</sup>quot;Table S2801: Types of Computers and Internet Subscriptions," in ibid., available at https://data.census.gov/table?q=internet+access+by+Los+Angeles+city,+California+in+2021&tid=ACSST1Y2021.S2801.

<sup>8</sup> Kyle Nelson, "Litigating the Housing Crisis: Legal Assistance and the Institutional Life of Eviction in Los Angeles." PhD dissertation, Department of Sociology, University of California, Los Angeles, 2022.

<sup>9</sup> Ibid., and Nelson, "The Microfoundations of Bureaucratic Outcomes: Causes and Consequences of Interpretive Disjuncture in Eviction Cases." Social Problems 68, no. 1 (2021): 152–67.

<sup>10</sup> Matthew Desmond and Rachel Kimbro, "Eviction's Fallout: Housing, Hardship, and Health," Social Forces 94, no. 1 (February 2015).

families for generations. Evictions disproportionately affect Black and brown renters; nationwide, Black renters make up 21% of all renters but 35% of all defendants in eviction cases,<sup>11</sup> and Black women have the highest eviction rates in the country.<sup>12</sup>

In addition, numerous studies have shown how evictions can lead to homelessness. A 2017 report by the Institute for Children, Poverty, and Homelessness found that eviction is the second-leading cause of homelessness in New York City among families with children.<sup>13</sup> A 2011 report on evictions in Boston found that 45% of households that entered the Massachusetts shelters gave eviction as the reason they were homeless or at risk of homelessness. And a 2001 national study found that nearly two out of five unhoused people who use homelessness assistance programs came to be unhoused through involuntary displacement from their housing. As eviction rates rise, housing and homelessness agencies, shelters and temporary housing, medical and mental-health services, and the law enforcement and incarceration tactics cities currently use to address homelessness become more expensive to run.<sup>14</sup>

## RIGHT TO COUNSEL PREVENTS EVICTIONS AND HOMELESSNESS

RTC should be a core element in a homelessness policy toolkit for Los Angeles, a preventative measure to reduce the number of unhoused Angelenos while saving taxpayers millions of dollars. As legal scholars have documented for decades, attorneys help tenants achieve good outcomes in eviction court, whether that means keeping their homes or securing "soft landings,"<sup>15</sup> where tenants get sufficient time to move and the return of their security deposit to use for first and last month's rent in their new apartment and avoid having an eviction on their credit record.

According to a recent study, 95% of represented tenants in Los Angeles avoided "disruptive displacement"<sup>16</sup> as a result of their eviction proceedings while 99% of unrepresented tenants were disruptively displaced.<sup>17</sup> Avoiding displacement has a range of societal benefits in addition to preventing homelessness. When tenants avoid eviction, their mental and physical health improves, their families and communities remain stable, and they have more trust in the civil justice system and civic engagement.<sup>18</sup>

Currently, Baltimore, Boulder, Minneapolis, Kansas City, New Orleans, Jersey City, and San Francisco have RTC programs that serve tenants at every income level. But even partial implementation has led to significant reductions in savings related to the cost of caring for unhoused residents as well as to evictions and homelessness.<sup>19</sup>

<sup>11</sup> Pam Fessler, "For Black Families, Evictions Are Still at a Crisis Point–Despite Moritorium," Morning Edition, National Public Radio, February 21, 2021, available at https://www.npr.org/2021/02/24/970190910/for-black-families-evictions-are-still-at-a-crisis-point-despite-moratorium.

<sup>12</sup> Peter Hepburn, Renee Louis, and Matthew Desmond, "Racial and Gender Disparities among Evicted Americans," Sociological Science 7 (December 16, 2022): 649-62.

<sup>13</sup> Protect Tenants, Prevent Homelessness," report by the National Law Center on Homelessness and Poverty, 2018, available at https:// homelesslaw.org/wp-content/uploads/2018/10/ProtectTenants2018.pdf.

<sup>14 &</sup>quot;Toward a New Understanding: The California Statewide Study of People Experiencing Homelessness," report by the Benioff Homelessness and Housing Initiative of University of California, San Francisco, 2023, available at https://homelessness.ucsf.edu/sites/default/ files/2023-06/CASPEH\_Report\_62023.pdf

<sup>15</sup> Barbara Bezdek, "Silence in the Court: Participation and Subordination of Poor Tenants' Voices in Legal Process," Hofstra Law Review 20, no. 3 (1992): 553–608. See also Russell Engler, "Connecting Self-Representation to Civil Gideon: What Existing Data Reveal About When Counsel is Most Needed," Fordham Urban Law Journal 37, no. 1 (2009): 37–92; and Desmond, Evicted: Poverty and Profit in the American City (New York: Crown, 2016).

 <sup>16</sup> For a definition of "disruptive displacement," see "Cost-Benefit Analysis of Providing a Right to Counsel to Tenants in Eviction Proceedings," report prepared for the Los Angeles Right to Counsel Coalition, Stout Risius Ross, LLC, 2019, 23, available at https://info.stout.com/hubfs/PDF/Eviction-Reports-Articles-Cities-States/Los%20Angeles%20Eviction%20RTC%20Report\_12-10-19.pdf.
17 Ibid., 10.

<sup>18</sup> Ibid., 9.

<sup>19</sup> Since many of these programs are new, having only been established since COVID-19 states of emergency, efforts to quantify the

**Cleveland** enacted Right to Counsel (RTC-C) in 2020 and realized significant cost savings in the process. According to one estimate, the City of Cleveland and Cuyahoga County saved \$11.8 million and \$14 million, respectively, between July 1, 2020 and December 31, 2022.<sup>20</sup> An initial \$4.5 million investment resulted in an estimated return of \$2.62 (city) and \$3.11 (county) per dollar invested.<sup>21</sup> RTC helped tenants prevent eviction judgments or involuntary moves in 90% of cases, secure time to move in 91% of cases, and secure rental assistance in 79% of cases, among other outcomes.<sup>22</sup>

**New York** enacted a Universal Access to Counsel (UAC) program in 2017 for tenants at or below 200% of the federal poverty line. In 2022, UAC helped 78% of NYC tenants stay in their homes.<sup>23</sup> Likewise, the implementation of the UAC program was associated with increases in legal representation, decreases in eviction filings, and a reduction of default rates in targeted zip codes and beyond.<sup>24</sup>

**Milwaukee** enacted Eviction Free Milwaukee (EFM) in September 2021. Between September 1, 2021, and December 31, 2022, EFM helped tenants prevent an eviction judgment in 76% of cases, seal their records in 72% of cases, prevent involuntary moves in 70% of cases, secure rent assistance in 47% of cases, and secure additional time to move in 42% of cases.<sup>25</sup> EFM cost \$3 million, but saved the city an estimated \$9 million, a return on investment of approximately \$3.00 per dollar spent.<sup>26</sup>

Other cities that have adopted RTC programs identified similar cost savings.27

An RTC program in **Baltimore** will save the city approximately \$17.5 million in costs related to emergency shelter, temporary housing programs, mental/physical health institution housing, and health care, among others. Specifically, Stout Risius Ross estimates that an initial \$5.7 million investment could result in an estimated return of \$3.06 for every dollar spent.<sup>28</sup>

An RTC program in **Detroit** would cost an estimated \$16.7 million, but will save the city approximately \$58.8 million in costs related to its "housing social safety net," healthcare, and welfare, among others. The city could see a return of \$3.52 for every dollar spent on RTC.<sup>27</sup>

An RTC program in **Philadelphia** will save the city approximately \$45.2 million in costs related to education, juvenile justice, and welfare, among others. An initial \$3.5 million investment could result in an estimated return of \$12.74 for every dollar spent.<sup>30</sup>

effects on eviction and homelessness rates are ongoing. This is partially due to the fact that federal, state, and municipal efforts to limit eviction filings during the pandemic were successful.

<sup>20 &</sup>quot;Cleveland Eviction Right to Counsel Annual Independent Evaluation: January 1, 2022 to December 31, 2022," report prepared for the Cleveland City Council by Stout Risius Ross, LLC, 2023, 7.

<sup>21</sup> Ibid. 22 Ibid. 27.

<sup>22</sup> Ibid., 27.

<sup>23 &</sup>quot;Universal Access to Legal Services: A Report on Year Five of Implementation in New York City," New York City Office of Civil Justice (2022), 22, available at https://www.nyc.gov/assets/hra/downloads/pdf/services/civiljustice/OCJ\_UA\_Annual\_Report\_2022.pdf.

<sup>24</sup> Ingrid Gould Ellen, Katherine O'Regan, Sophia House, and Ryan Brenner, "Do Lawyers Matter? Early Evidence on Eviction Patterns After the Rollout of Universal Access to Counsel in New York City," Housing Policy Debate 31, nos. 3–5 (2021): 540–61.

<sup>25 &</sup>quot;Eviction Free Milwaukee: Annual Independent Evaluation, September 1, 2021 to December 31, 2022," report prepared for United Way of Greater Milwaukee & Waukesha County by Stout Risius Ross, LLC, 2023.

<sup>26</sup> Ibid., 77.

<sup>27</sup> Cost-benefit analyses are conducted by financial advisory firm Stout Risius Ross.

<sup>28 &</sup>quot;The Economic Impact of an Eviction Right to Counsel in Baltimore City," report prepared for the Public Justice Center by Stout Risius Ross, LLC, 2020, 11–12.

<sup>29 &</sup>quot;The Estimated Economic Impact of an Eviction Right to Counsel in Detroit," report prepared for Rocket Community Fund by Stout Risius Ross, LLC, 2022, 129–31.

<sup>30 &</sup>quot;Economic Return on Investment of Providing Counsel in Philadelphia Eviction Cases for Low-Income Tenants," report prepared for the



In Los Angeles, RTC would save the city and county hundreds of millions of dollars across policy domains from emergency shelter and housing programs to educational funding, healthcare, and foster care, among others.<sup>31</sup> Specifically, Stout Risius Ross estimates that RTC could save the City of Los Angeles \$120.3 million and Los Angeles County \$226.9 million each year.32

COST TYPE	LA CITY (2019)	LA CITY (ADJUSTED FOR INFLATION)	LA COUNTY (2019)	LA COUNTY (ADJUSTED FOR INFLATION)	
Estimated Annual Emergency Shelter Costs Avoided	\$25,905,908	\$30,905,748	\$39,802,570	\$47,484,466	
Estimated Annual Housing Program Costs Avoided	\$94,346,250	\$112,555,076	\$144,956,250	\$172,932,806	
Lost School Funding Due to Absences for Students Experiencing Homelessness	County-funded	County-funded	\$6,038,276	\$7,203,663	
Health Care	County-funded	County-funded	\$17,449,380	\$20,817,110	

#### Table 1: Estimated RTC Cost Savings for Los Angeles City and County<sup>33</sup>

Philadelphia Bar Association's Civil Gideon and Access to Justice Task Force by Stout Risius Ross, LLC, 2018, 8.

 <sup>&</sup>quot;Cost-Benefit Analysis of Providing a Right to Counsel to Tenants in Eviction Proceedings."
Ibid., 10-11, 81-93.
"Cost-Benefit Analysis of Providing a Right to Counsel to Tenants in Eviction Proceedings."

## STAY HOUSED LA: A CASE STUDY OF THE EFFICACY OF RIGHT TO COUNSEL

Currently, the Stay Housed LA (SHLA) program provides most of the elements that advocates say characterize ideal RTC programs. SHLA was established in August 2020 to help prevent evictions due to COVID-19 illness and job loss. The program is funded by Los Angeles city and county, and it runs in partnership with community-based organizations and legal service providers. For the past three years, SHLA has helped tenants vulnerable to or facing eviction through virtual and in-person outreach, workshops, and training to ensure they understand their rights. The program offers one-on-one support to help tenants navigate the eviction process and offers limited and full-scope legal representation for those who must appear in eviction court.<sup>34</sup> SHLA also provides rental assistance to help prevent evictions and facilitate favorable settlements for tenants who are behind on their rent, though it is worth noting that many evictions are not based on rental debt.

When tenants received legal representation through SHLA to fight their eviction case, nearly half were able to stay in their homes. Approximately 40% were able to negotiate a "soft landing" that prevented homelessness, which includes landlords waiving rental debt, providing relocation expenses, and allowing tenants extra time to move out. Ten percent of cases received additional assistance with enforcing specific tenant rights.

The majority of SHLA clients are very-low-income and especially vulnerable to eviction:

- » 81% are extremely low-income (< 30% AMI, defined as less than \$37,850 for a family of four)<sup>35</sup>
- » 81% are non-white, 29% are Black, and 37% are Latino
- » 64% are women and 51% are women of color
- » 28% have a disability
- » 26% are families with children
- » 21% live in a rent-stabilized units
- » 12% are seniors (65+)

From August 2020 and to June 2023,<sup>36</sup> SHLA has:

- » Reached 1,426,394 tenants in Los Angeles County, including 506,476 tenants in the City of Los Angeles
- » Hosted 1,113 tenant rights and eviction workshops attended by 22,703 tenants in Los Angeles County, including 449 workshops attended by 7,889 tenants in the City of Los Angeles
- » Supported over 18,007 tenants navigate the eviction process
- » Provided legal services to over 20,000 tenants
- » Provided \$4,052,115 in rental assistance to 442 households

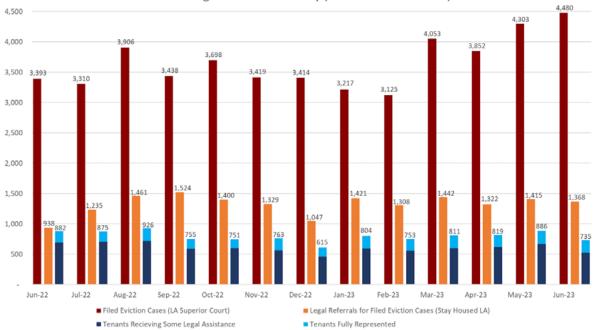
Despite SHLA's successes, the number of evictions filed in Los Angeles each month far outpaces the number of tenants the program's lawyers and organizers can support.

<sup>34</sup> Full-scope representation means that lawyers are available to support tenants from the beginning of the legal eviction process and support tenants throughout the entire process, from preparing filings to arguing cases at trial. Limited scope representation, on the other hand, typically means that lawyers are available for discrete tasks like assisting tenants with filing answers or representing tenants in select hearings.

<sup>35 &</sup>quot;2023 State Income Limits," memo from the State of California Department of Housing and Community Development's Division of Housing Policy Development, June 6, 2023, available at https://www.hcd.ca.gov/sites/default/files/docs/grants-and-funding/income-limits-2023. pdf.

<sup>.</sup> 36 Data provided by Stay Housed LA, 2023.

### Figure 3: Stay Housed LA: Unmet Legal Need in Los Angeles County<sup>37</sup>



Unmet Legal Need in LA County (June 2022 - June 2023)

There are growing disparities between the total eviction filings across Los Angeles County (red), the number of tenants who apply for legal assistance from SHLA (orange), and the number of tenants SHLA is able to assist (blue). Based on historical data and preliminary reports from municipal agencies, advocates expect monthly filings to continue to increase. From February to mid-July 2023, the Los Angeles Housing Department received over 38,813 landlord notices, the majority for non-payment of rent exceeding a total of \$152 million.<sup>38</sup> Despite this initial investment in legal services, there are as few as 50 lawyers focused on eviction defense in a county of over five-million renters.<sup>39</sup> By funding RTC in LA City and County, policymakers can close this access to justice gap and ensure that no tenant goes to court alone.

## RECOMMENDATIONS FOR ESTABLISHING A RIGHT TO COUNSEL ORDINANCE IN LOS ANGELES CITY AND COUNTY

There has never been a more favorable political environment for enacting tenant protections across jurisdictions. Los Angeles Mayor Karen Bass's State of Emergency to address homelessness opens the door for local coordination to create compatible RTC policies that have proven effective in other cities. While Stay Housed LA is a necessary foundation for an RTC pilot program, RTC must be codified into a right and SHLA must expand accordingly with permanent funding to hire, train, and retain the staff needed to ensure successful implementation.

We recommend that the County and City of Los Angeles take the following approach to instituting RTC for all tenants who earn 80% of the area median income or less:

38 Email to the author from the Los Angeles Housing Department, May 22, 2023. In the City of Los Angeles it is required by law that landlords inform the LAHD of their intent to file an eviction case. These figures significantly undercount the number of notices and volume of rental debt because LAHD has not had the capacity to analyze a high volume of paper notices.

<sup>37</sup> Data provided by Stay Housed LA, 2023.

<sup>39</sup> Gary Blasi, UD Day: Impending Evictions and Homelessness in Los Angeles (Los Angeles: UCLA Luskin Institute on Inequality and Democracy, 2020), 11.



- 1. RTC should have three elements:
  - » Eviction Prevention: SHLA is already providing eviction protection services for tenants in the form of outreach and education and legal advice for Los Angeles city and unincorporated county renters. As part of codifying a Right to Counsel, SHLA should be made permanent and resourced according to current need to lead the outreach and education so residents know about Right to Counsel and can proactively address any other housing related issues.
  - Emergency Rental Assistance: RTC needs emergency rental assistance to help income eligible tenants settle or resolve pending eviction lawsuits. Separately, jurisdictions should consider setting up rental assistance funds to help tenants prevent evictions altogether through early interventions.
  - » The Right to an Attorney: Tenants who earn 80% of the area median income (AMI) or less—virtually all tenants in Los Angeles—should have the right to free legal representation during eviction proceedings.
- 2. RTC should roll out on a five-year implementation plan to build a strong infrastructure of well-trained eviction defense attorneys who can provide quality representation for tenants:
  - » Need would be prioritized based on displacement vulnerability, with a focus on senior, disabled, and very low-income tenants.
  - » Five years allows for sufficient time to hire and train enough attorneys for the program, which we estimate at around 200 attorneys for the City of Los Angeles.
  - At the end of the five years, the program would serve all tenants who earn 80% of the area median income or less.

## PHASE-IN AND FUNDING FOR A RIGHT TO COUNSEL

We call on Mayor Bass and the Los Angeles City Council to join the Los Angeles Board of Supervisors in committing to funding RTC. In its first year, the LA Renters' Right to Counsel Coalition estimates that RTC will cost the city \$22 million and, by the time it is fully implemented, \$68 million, while realizing significant cost savings. Los Angeles County has already committed to funding RTC for \$24 million beginning in fiscal year 2024–25 while committing up to \$66 million annually. The coalition estimates that it will take five years for the city and seven years for the county to scale up to full capacity.<sup>40</sup>

Table 2: Projected RTC Budget:Legal Services, Outreach and Education, and Limited Rental Assistance41										
	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31		
City of Los Angeles	\$15M	\$22M	\$28M	\$37M	\$53M	\$68M				
Los Angeles County	\$19M	\$24M	\$26M	\$29M	\$35M	\$46M	\$56M	\$66M		

To ensure that tenants facing eviction throughout Los Angeles have access to lawyers to represent them, the RTC coalition calls on the Los Angeles City Council to join the Los Angeles County Board of Supervisors in making a financial commitment to funding an RTC program for Los Angeles. Currently, the City of Los Angeles is spending \$3.2 billion on policing and \$1.3 billion on homelessness.<sup>42</sup> In spite of this, according to a recent report by the Los Angeles Homeless Services Authority, the population of unhoused residents grew by 10% in the city and 9% in the county in 2023.<sup>43</sup> In this context, allocating \$68 million to a program that is proven to prevent homelessness is a relatively small investment that will both save the city money and help ease the current housing and homelessness crisis.

Furthermore, in November 2022, voters in the City of Los Angeles overwhelmingly approved Measure ULA, a real estate transfer tax on properties that sell for more than \$5 million. This tax was specifically designed to raise money for the preservation and development of affordable housing and is expected to generate hundreds of millions of dollars in revenue for the city annually.<sup>44</sup> A portion of this money is intended to fund a robust RTC program, including legal representation, outreach and education, and financial assistance for renters who face eviction.

<sup>40</sup> The Los Angeles County budget assumes RTC in unincorporated Los Angeles County by 2024-25 and universal access to unincorporated areas by 2030-31.

<sup>41 &</sup>quot;Report on Sustainably Expanding Eviction Defense Services in Los Angeles County, item no. 29, Los Angeles County Board of Supervisors agenda, September 27, 2022, 24.

<sup>42</sup> David Zahniser, Julia Wick, and Dakota Smith, "Mayor Karen Bass' First Budget: More Cops, More Hotel Rooms for L.A.'s Homeless Population, Los Angeles Times, April 18, 2023, available at https://www.latimes.com/california/story/2023-04-18/la-mayor-karen-bass-bud-get-calls-for-200-retired-cops-to-return.

<sup>43</sup> Doug Smith and Rubin Vives, "Homelessness Continues to Soar, Jumping 9% in L.A. County, 10% in the City," Los Angeles Times, June 29, 2023, available at https://www.latimes.com/california/story/2023-06-29/la-county-homelessness-unhoused-population-count-jumps-in-crease.

<sup>44</sup> Peter Dreier et al. "An Analysis of Measure ULA, a Ballot Measure to Reform Real Estate Transfer Taxes in the City of Los Angeles," UCLA Lewis Center for Regional Policy Studies, University of California, Los Angeles, September 2022, available at https://www.lewis.ucla.edu/ wp-content/uploads/sites/17/2022/09/ULA-White-Paper.pdf.