

Cost-Benefit Analysis of Providing a Right to Counsel to Tenants in Eviction Proceedings

Prepared for: The Los Angeles Right to Counsel Coalition

December 10, 2019

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Section I

Stout Profile and Qualifications

1. Stout Risius Ross, LLC (“Stout”) is a premier global advisory firm that specializes in Investment Banking, Valuation Advisory, Dispute Consulting, Management Consulting, and Transaction Opinions. In addition to these services, Stout’s professionals have expertise in strategy consulting involving a variety of socio-economic issues, including issues of or related to access to justice and the needs of low-income individuals and at-risk communities.
2. Under the direction of Neil Steinkamp, who leads Stout’s Transformative Change Consulting practice, Stout is a recognized leader in the civil legal aid community and offers the following services:
 - Economic impact assessments and policy research for civil legal aid initiatives;
 - Strategy consulting and action plan development for issues relating to access to justice;
 - Non-profit budget development, review, and recommendations;
 - Cost-benefit and impact analyses for non-profit initiatives and activities;
 - Data-driven program evaluation and implementation; and
 - Dispute consulting and damages analyses for low-income individuals.
3. Neil Steinkamp is a Managing Director at Stout in the firm’s New York City office. He has extensive experience providing a broad range of strategic, business, and financial advice to business and community leaders and their advisors.
4. Mr. Steinkamp has more than 15 years of experience covering many industries and matter types resulting in a comprehensive understanding of the application of strategic assessment, risk analysis, financial consulting, and other complex analyses. His work has involved complex problem solving involving large-scale industry and social issues. In certain matters, he has provided testimony during bench and jury trials, domestic and international arbitration, as well during city council hearings. He has also assisted parties in a variety of complex resolutions involving settlement negotiations, mediation, and facilitation.

Section II

Executive Summary

5. Stout was engaged by the Los Angeles Right to Counsel Coalition to perform an analysis of the cost and benefits associated with the Los Angeles Right to Counsel Coalition’s (“the Coalition”) Proposed Right to Counsel Program for Tenants (“RTC” or “right to counsel”) that Los Angeles County (“the County”) and the City of Los Angeles (“the City”) may realize.¹
6. **Key Finding.** With an annual investment of approximately \$47.3 million by the County and \$34.6 million by the City separately, the County and the City may avoid costs of approximately \$226.9 million and \$120.3 million, respectively. Additionally, Stout estimates the County may realize an additional benefit of approximately \$23.5 million annually related to people avoiding the high likelihood of disruptive displacement in the City who may have utilized County-funded resources. The total potential costs avoided for the County and City combined would be approximately \$370.8 million annually. Based on its analysis of potential costs and benefits, Stout estimates that the County may realize a return on its investment of \$4.80, and the City may realize a return on its investment of \$3.48 if the RTC were implemented. That is, for each dollar the County or City invested in RTC, it could receive \$4.80 and \$3.48, respectively, in costs avoided or revenue generated. The potential return on investment for the County and City combined is approximately \$4.53.
7. **Housing and Eviction Trends – National and Los Angeles.** Throughout the country, renters – especially low-income renters – have experienced increasing housing costs while their incomes have remained stagnant. According to the most recent American Housing Survey, approximately 2.7 million renter households were unable to pay all or part of their rent within the three months preceding the survey.² Unsurprisingly, rental affordability issues are most problematic for the lowest wage earners, for whom there is a significant shortage of affordable housing. Perhaps nowhere in the country though, is the affordable housing crisis as acute as in Los Angeles (County and City). A 2018 study published by the California Housing Partnership Corporation found that Los Angeles County is facing a shortage of 568,000 units that are affordable to the lowest income renters.³ According to the most recent American Housing Survey, approximately 93,000 renter households (4 percent of all renter households) in the Los Angeles metropolitan area were unable to pay all or part of their rent within the three months preceding the survey.⁴ Unsurprisingly, the inability to pay all or part of the rent varies based on household income. For renter households in the Los Angeles metropolitan area with incomes less than 50 percent of the

¹ For purposes of this report and Stout’s analyses, Los Angeles County is all jurisdictions within Los Angeles County except for the City of Los Angeles, which Stout analyzes separately.

² American Housing Survey. U.S. Census Bureau. 2017.

³ “Los Angeles County Annual Affordable Housing Outcomes Report.” California Housing Partnership Corporation. April 30, 2018.

⁴ American Housing Survey. U.S. Census Bureau. 2017.

Federal Poverty Level (FPL), more than eight percent were unable to pay all or part of the rent, and for renter households with incomes between 150 and 199 percent of the FPL, approximately six percent were unable to pay all or part of the rent.⁵ Between two and three percent of all renter households regardless of income were threatened with an eviction filing, and of the renter households that were threatened with an eviction filing, approximately 13 percent received a court ordered eviction notice.⁶ Of the renter households with incomes below 50 percent of the FPL who were threatened with an eviction filing, more than 75 percent reported receiving a court ordered eviction notice.⁷

8. **The Eviction Right to Counsel Movement.** For tenants facing eviction in cities across the country, having legal representation is often the difference between keeping their home or becoming homeless.⁸ New York City, San Francisco, Newark, Cleveland, and Philadelphia have all passed legislation guaranteeing counsel to tenants. Each right to counsel in these jurisdictions is customized to meet local needs and target certain populations (e.g., people living in public housing, households with children). Numerous other cities across the country are considering similar RTC legislation.
9. **Benefits of an Eviction Right to Counsel.** The benefits of having a right to counsel in eviction proceedings have been well documented by studies throughout the country. While the benefits are vast, they include, at a minimum:
 - 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 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.
10. **Stout's Analysis of Eviction Filings in the County and the City.** Stout analyzed docket information from publicly available eviction data through the Superior Court of California,

⁵ Ibid.

⁶ Ibid.

⁷ Ibid.

⁸ Brey, Jared. "How Cities Are Trying to Level the Playing Field for Tenants Facing Eviction." Spotlight on Poverty and Opportunity. October 18, 2017.

County of Los Angeles website.⁹ Stout's analysis showed that in unsealed eviction cases, approximately 97 percent of tenants were unrepresented, and landlords were unrepresented in 12 percent of unsealed case. Stout found that unrepresented tenants are likely experiencing disruptive displacement in 99 percent of eviction proceedings. Stout analyzed case information from four civil legal aid providers in Los Angeles who represent tenants in eviction proceedings and found that when tenants are represented, they are able to avoid the high likelihood of disruptive displacement in 95 percent of cases.¹⁰

11. **The Estimated Incremental Impact of RTC.** To estimate the incremental impact of RTC in the County and the City, Stout compared the number of households in each jurisdiction that could avoid the high likelihood of disruptive displacement if RTC were implemented and compared it to the number of households in each jurisdiction who are currently avoiding the high likelihood of disruptive displacement (i.e., without RTC). In the County, Stout estimates that 38,941 households would likely avoid the high likelihood of disruptive displacement if RTC were implemented compared to approximately 286 households currently avoiding the high likelihood of disruptive displacement. In the City, Stout estimates that 25,411 households would likely avoid the high likelihood of disruptive displacement if RTC were implemented compared to approximately 252 households currently avoiding the high likelihood of disruptive displacement. In total, Stout estimates that 63,814 households comprised of 191,442 people would have a high likelihood of avoiding disruptive displacement if RTC were implemented.
12. **The Cost of RTC.** According to the Los Angeles Right to Counsel Coalition, it expects the delivery of prevention and pre-litigation services to cost approximately \$21.4.¹¹ Stout has estimated that providing full representation will cost approximately \$36.6 million in the County and \$23.9 million in the City. Stout estimates a total RTC cost for both jurisdictions (i.e., the County plus the City) of \$81.9 million.
13. **The Benefits (Quantifiable Costs Avoided) of RTC.** With an annual investment of approximately \$47.3 million by the County and \$34.6 million by the City separately, the County and the City may avoid costs of approximately \$226.9 million and \$120.3 million, respectively. Additionally, Stout estimates the County may realize an additional benefit of

⁹ Stout calculated the sample size based on a 95 percent confidence level and a five percent confidence interval. The sample included approximately 4,200 residential eviction filings.

¹⁰ Stout received data from Bet Tzedek, HEART LA, Inner City Law Center, and Public Counsel, which included information for approximately 1,400 cases.

¹¹ The Los Angeles Right to Counsel Coalition. "RTC Cost Worksheet" November 25, 2019. Prevention and pre-litigation services include staffing for project managers, accountants, pre-eviction attorneys and eviction prevention specialists (and related facilities and equipment costs) as well as emergency rental assistance of \$10 million. For purposes of this analysis, all of the emergency rental assistance costs are included in the costs related to prevention and pre-litigation, though it is possible that during that certain residents with pending eviction cases would be able to utilize these funds.

approximately \$23.5 million annually related to people avoiding the high likelihood of disruptive displacement in the City who may have utilized County-funded resources. The total potential costs avoided for the County and City combined would be approximately \$370.8 million annually. Stout quantified potential costs avoided related to emergency shelter, housing programs, health care costs, and foster care. Additionally, Stout quantified additional streams of revenue that could be realized by Los Angeles County schools. The County and the City may also realize value in keeping tenants who are currently living in affordable or rent stabilized units in those units.

14. Stout's estimate of annual costs avoided or revenue generated for each jurisdiction may be significantly understated. Included in the calculation are benefits of RTC that are quantifiable and reasonably reliable with available data. However, if tenants experienced more stable housing, the County and the City would enjoy many benefits that are not at this time reliably quantifiable and therefore are not included in Stout's calculations. The costs that would be avoided and benefits that would be enjoyed by the City include, but are not limited to:

- The education costs, juvenile justice costs, and welfare costs associated with children experiencing homelessness;
- The negative impact of eviction on tenants' credit score, ability to re-rent, and the potential loss of a subsidized housing voucher;
- The cost of providing public benefits when jobs are lost due to eviction;
- The costs associated with homelessness, such as additional law enforcement and incarceration costs;
- The cost of family and community instability;
- Preservation of financial and personal assets¹²;
- Enforcement of rent laws and regulations; and
- A reduction, over time, of the number of eviction cases filed resulting in improved use of County and City court resources.

¹² When low-income tenants are evicted, it can have a significant detrimental financial impact in the form of moving expenses, loss of personal belongings, loss of security deposit, court fees, and fines from landlords. Low-income tenants already possess few financial assets, but when they are evicted these will likely be fully depleted, making their situation even more challenging. For example, if after being evicted, a low-income tenant needs a repair to his or her vehicle that is used for transportation to work and childcare, the financial assets that may have been available to pay for the repair may have been used for the expenses described above.

Section III

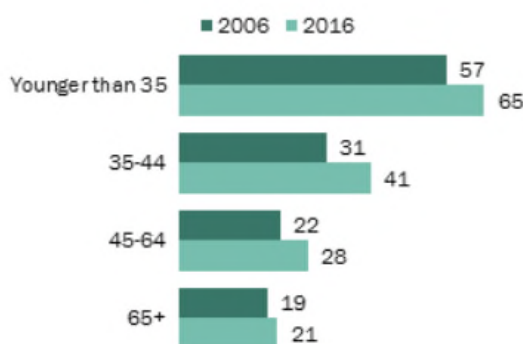
Housing and Eviction Trends

National Housing and Eviction Trends

15. A decade after the Great Recession and the bursting of the housing bubble in 2009, more Americans are now living in rental housing than has been reported since 1965.¹³ Between 2006 and 2016, the percentage of renters in the United States increased from 31 percent to 36 percent.¹⁴ Young adults, non-White households, and household with lower levels of education have historically been more likely to rent than others, and while rental rates have increased among these groups over the past 10 years, rental rates have also increased among groups that have historically been less likely to rent – Whites and middle-aged adults.¹⁵ Figures 1, 2, and 3 illustrate the increases in rental rates for different demographic groups.

About two-thirds of households headed by young adults are rentals

% of household heads who rent their home, by householder's age



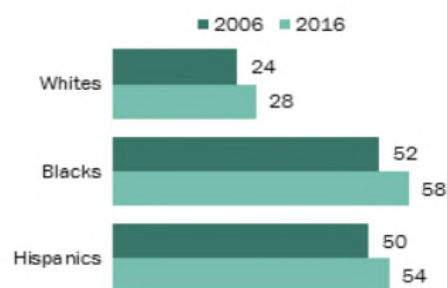
Note: Based on revised estimates.
Source: Pew Research Center analysis of Census Bureau estimates of housing inventory.

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Figure 1

Share of renting households increased for whites, blacks and Hispanics since 2006

% of household heads who rent their home, by householder's race/ethnicity



Note: Whites include only single-race non-Hispanics. Blacks include both the Hispanic and non-Hispanic components of the single-race black population. Hispanics are of any race. Annual rates calculated based on an average of quarterly rates.
Source: Pew Research Center analysis of Census Bureau estimates of homeownership rates.

PEW RESEARCH CENTER

Figure 2

¹³ Cilluffo, Anthony et al. "More U.S. households are renting than at any point in 50 years." Pew Research Center. July 19, 2017.

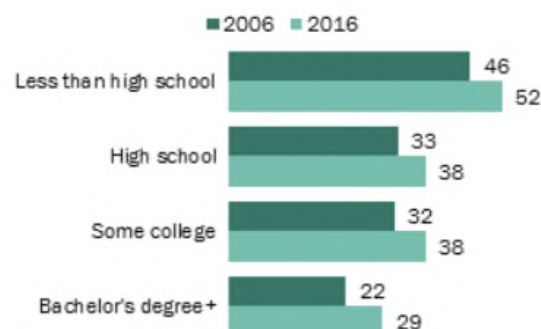
¹⁴ "Share of Renters Rise in Each of the 50 Largest U.S. Cities." Zillow. August 8, 2018.

¹⁵ Cilluffo, Anthony et al. "More U.S. households are renting than at any point in 50 years." Pew Research Center. July 19, 2017.

16. As shown in Figure 1, generational trends have contributed to the increased number of renters. Millennials, and more recently, Generation X and Baby Boomers are renting instead of owning. These generations are also choosing to live in urban areas, where renting is most common, more frequently than in the past.¹⁶ Approximately 82 percent of the U.S. population is currently living in urban areas compared to 64 percent in 1950.¹⁷ By 2050, approximately 90 percent of the U.S. population is expected to be living in urban areas.¹⁸ In many cities across the country, the increase in the number of people renting has contributed to a decrease in vacancy rates. The rental vacancy rate has decreased from nearly 10 percent to seven percent between the first quarters of 2011 and 2019, and the demand for rental units has increased 11 percent since last year.^{19,20} Annualized vacancy rates are lowest in the West and Northeast (approximately five percent), although vacancy rates decrease are observed in all regions.²¹ These supply and demand forces can create upward pressure on rental prices which culminates in an affordable housing crisis.

Households of all education levels are now more likely to rent their home

% of household heads who rent their home, by householder's educational attainment



Note: "High school" refers to those who have attained a high school diploma or its equivalent, such as a General Education Development (GED) certificate. "Some college" refers to those with an associate degree and those who attended college but did not earn a degree. Based only on those not living in group quarters. Source: Pew Research Center analysis of 2006 and 2016 Current Population Survey Annual Social and Economic Supplement (IPUMS).

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Figure 3

17. In 2017, the average renter's household income was approximately \$39,000 – the same as 16 years ago after adjusting for inflation – while median rental housing costs (i.e., rent and utilities) increased nearly 11 percent after adjusting for inflation.²² Figure 4 illustrates this trend.

¹⁶ Westcott, Lucy. "More Americans Moving to Cities, Reversing the Suburban Exodus." The Atlantic. March 27, 2014.

¹⁷ "U.S. Cities Factsheet." University of Michigan Center for Sustainable Systems. Referencing the United Nations World Urbanization Prospects. 2018.

¹⁸ Ibid.

¹⁹ "Quarterly Residential Vacancies and Homeownership, Second Quarter 2019." U.S. Census Bureau. July 25, 2019.

²⁰ Olick, Diana. "Apartment rental demand soars as more millennials believe it's cheaper than owning a home." CNBC. July 8, 2019.

²¹ "The State of the Nation's Housing 2019." Joint Center for Housing Studies of Harvard University. 2019.

²² Mazzara, Alicia. "Census: Renters' Incomes Still Lagging Behind Housing Costs." Center on Budget and Policy Priorities. September 13, 2018.

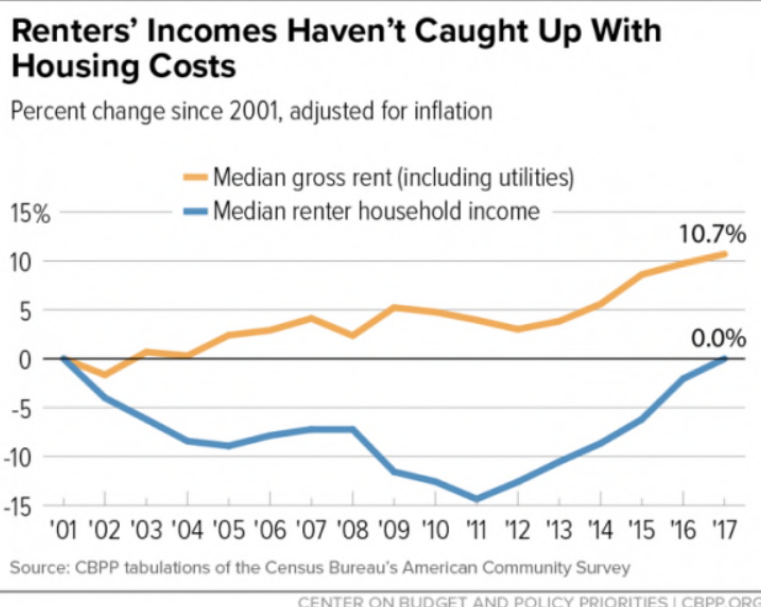


Figure 4

18. Median renter household income decreased significantly during the recessions that began in 2001 and 2007 before increasing again in 2012, approximately two years after the Great Recession ended.²³ Renter household income levels did not fully recover from the recessions until 2017, when renter household income returned to 2001 levels.²⁴ In 2017, the median renter household income increased two percent, but a portion of the income increase reflects an increase in the number of high-income households switching from owning to renting rather than household income increases for low- and moderate-income renter households alone.²⁵ Throughout the U.S. there is growing concern regarding rental affordability as income remains stagnant among low- and moderate-income renter households.
19. Unsurprisingly, rental affordability issues are most problematic for the lowest wage earners. Of the nation's 43.3 million renter households, approximately 11 million have extremely low incomes (i.e., having household income at or below the Federal Poverty Level or 30 percent of area median income "AMI," whichever is higher).²⁶ Assuming housing costs should be no more than 30 percent of household income ("the accepted standard" for housing affordability that evolved from the United States National Housing

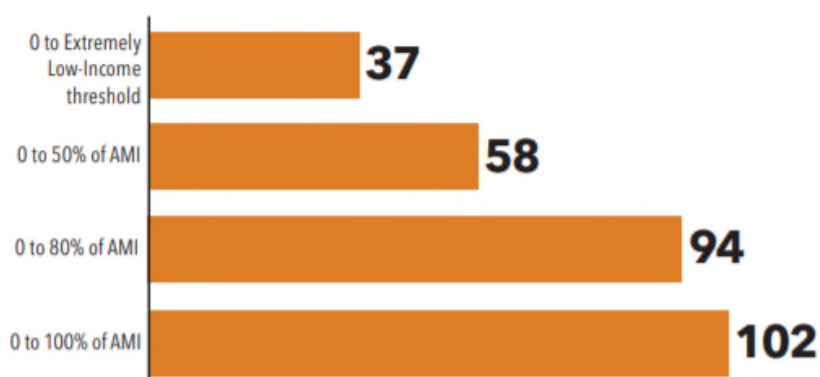
²³ Ibid.

²⁴ Ibid.

²⁵ Ibid.

²⁶ "The Gap: A Shortage of Affordable Homes." National Low Income Housing Coalition. March 2019.

Act of 1937²⁷), only 7.4 million rental homes are affordable to extremely low-income renters. This results in a shortage of 3.6 million affordable rental homes across the country.²⁸ The relative supply of affordable and available rental units increases as incomes increase.²⁹ For every 100 extremely low-income renter households, only 37 rental units are affordable and available.³⁰ Fifty-eight affordable and available rental units exist for every 100 low-income renter households, and 94 exist for every 100 middle-income households.³¹ For every 100 renter households earning 100 percent of the AMI, there are 102 affordable and available rental units.³² Figure 5 depicts these metrics.



Source: NLIHC tabulations of 2017 ACS PUMS data. AMI = Area Median Income

Figure 5

20. The gap between the demand for and supply of rental units, increasing rents, stagnated minimum wage-based incomes, and insufficient government assistance – only 25 percent of eligible households receive federal rental assistance³³ – has created not only an affordable housing crisis throughout the country but also an eviction crisis. The eviction crisis is compounded by a lack of representation for tenants, low filing fees (i.e., it is inexpensive to file an eviction case), insufficient inspection laws and processes, and unenforced fines.
21. According to the most recent American Housing Survey, approximately 2.7 million renter households were unable to pay all or part of their rent within the three months preceding

²⁷ Schwartz, M. and Wilson, E. “Who Can Afford to Live in a Home?: A look at data from the 2006 American Community Survey”. US Census Bureau. N.d.

²⁸ “The Gap: A Shortage of Affordable Homes.” National Low Income Housing Coalition. March 2019.

²⁹ Ibid.

³⁰ Ibid.

³¹ Ibid.

³² Ibid.

³³ Fischer, Will. “Research Shows Housing Vouchers Reduce Hardship and Provide Platform for Long-Term Gains Among Children.” Center on Budget and Policy Priorities. October 7, 2015.

the survey.³⁴ The same survey indicated that approximately 800,000 renter households were threatened with an eviction filing, and approximately 160,000 renter households received a court ordered eviction notice.³⁵ More than seven percent of all renters indicated that it was either “very likely” or “somewhat likely” that they would need to leave their apartment due to an eviction within the two months following the survey.³⁶ When asked where they would live in the event of an eviction, approximately 32 percent (14.2 million) of all renters responded that they would move in with family or friends, and approximately three percent (1.3 million) responded that they would enter shelter.³⁷ While there are limitations to these metrics (e.g., illegal or “out-of-court” evictions, no national evictions database, underreporting of threatened evictions for fear of retaliation), they can serve as a starting point for understanding the national eviction landscape.

Los Angeles County and City Housing and Eviction Trends

22. Los Angeles County and City’s affordable housing and eviction crises mirror national trends, but in many ways, are more acute. Local Consumer Price Index measures indicate rents in Los Angeles County are increasing faster than at any point in the past 12 years – at a pace that is nearly twice as fast as local inflation.³⁸ Average rent in the City of Los Angeles increased more than 10 percent since April 2019, according to an online rental housing search engine.³⁹ A report from the University of Southern California’s Lusk Center for Real Estate estimates that renters across Los Angeles will experience an average rent increase of four percent in 2020.⁴⁰ The continuous rent increases leave many renters, especially low-income renters, with few housing options. Figure 6 illustrates the changes in rent and renter incomes in Los Angeles County from 2000 to 2015.

³⁴ American Housing Survey. U.S. Census Bureau. 2017.

³⁵ Ibid.

³⁶ Ibid.

³⁷ Ibid.

³⁸ Cornfield, Greg. “Southern California’s Rent Is Growing Nearly Twice as Fast as the Inflation Rate.” Commercial Observer. September 19, 2019.

³⁹ “Rent Trend Data in Los Angeles, California.” Rent Jungle. 2019.

⁴⁰ Chiland, Elijah. “USC report: Average LA rents will go up by 2020.” Curbed Los Angeles. October 18, 2018. Referencing the Casden Multifamily Forecast report from the University of Southern California’s Lusk Center for Real Estate.

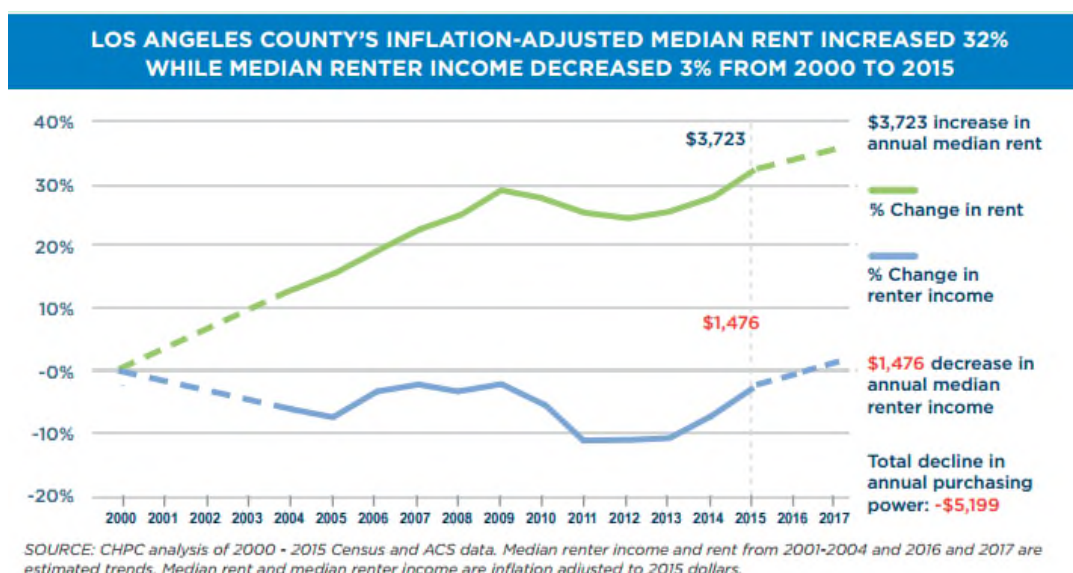


Figure 6

23. A 2018 study published by the California Housing Partnership Corporation found that Los Angeles County is facing a shortage of 568,000 units that are affordable to the lowest income renters.⁴¹ Figure 7 compares the number of renter households at three income levels to the number of affordable and available units for each income level.⁴² The income levels are used by the U.S. Department of Housing and Urban Development (“HUD”) to determine rent affordability and are Deeply Low-Income (“DLI”), Extremely Low-Income (“ELI”), and Very Low-Income (“VLI”).

⁴¹ “Los Angeles County Annual Affordable Housing Outcomes Report.” California Housing Partnership Corporation. April 30, 2018.

⁴² Ibid. For Figure 6.

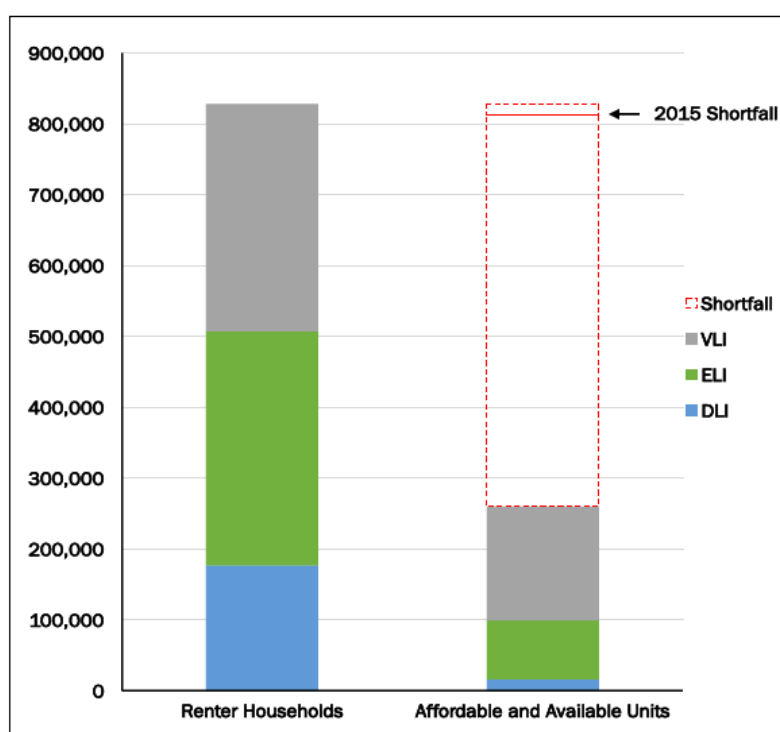


Figure 7

24. In 2016, approximately 93 percent of DLI households (i.e., four-person households having an annual income of approximately \$13,000) in Los Angeles County were severely housing cost-burdened, paying more than 50 percent of household income on housing costs.⁴³ During the same year, approximately 72 percent of ELI households and 43 percent of VLI households (i.e., four-person households having an annual income of approximately \$26,000 and \$43,000, respectively) in Los Angeles County were severely housing cost-burdened.⁴⁴ Across all renters in Los Angeles County, more than 58 percent were considered housing cost-burdened, paying more than 30 percent of their housing income in housing costs.⁴⁵ Of the more than 58 percent of renters who were housing cost-burdened in Los Angeles County, nearly 27 percent were moderately cost-burdened, spending between 30 percent and 50 percent of household income and more than 31 percent were severely cost-burdened.⁴⁶ Nationally, approximately 47 percent of renter households were housing cost-burdened (compared to 58 percent in Los Angeles County), and approximately 25 percent were severely cost-burdened (compared to 31 percent in Los Angeles County).⁴⁷ Figure 8 shows the percentage of severely housing cost-burdened

⁴³ Ibid.

⁴⁴ Ibid.

⁴⁵ Bennet, Sydney. "Rental Affordability Crisis: Where is Cost Burden Worst?" Apartment List. November 9, 2017.

⁴⁶ Ibid.

⁴⁷ "The State of the Nation's Housing 2019." Joint Center for Housing Studies of Harvard University. 2019.

households at different income levels. Figure 9 compares housing cost-burden in Los Angeles County to national housing cost-burden.

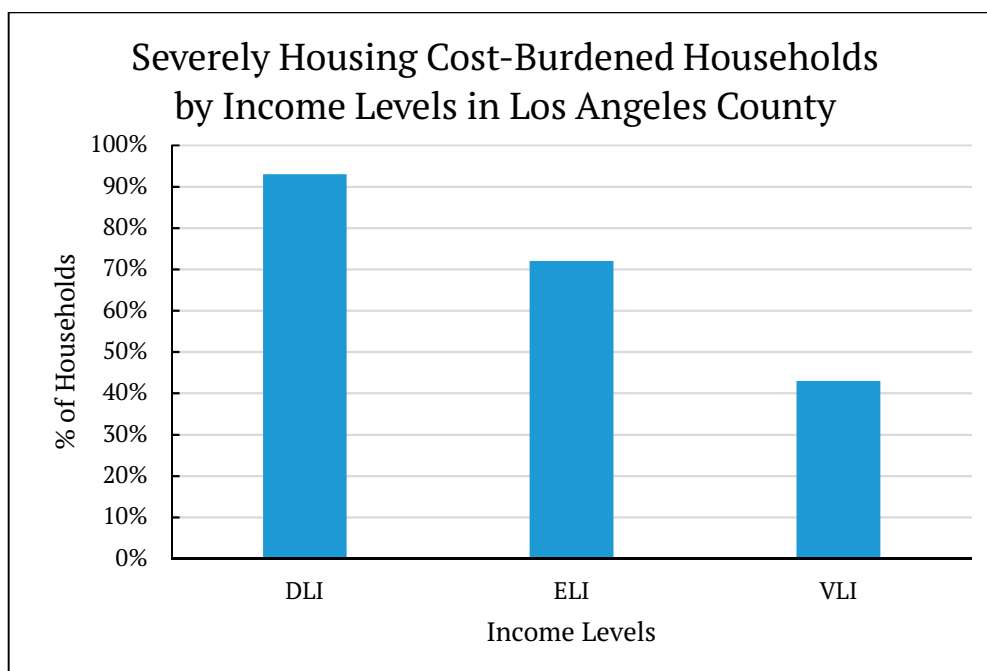


Figure 8

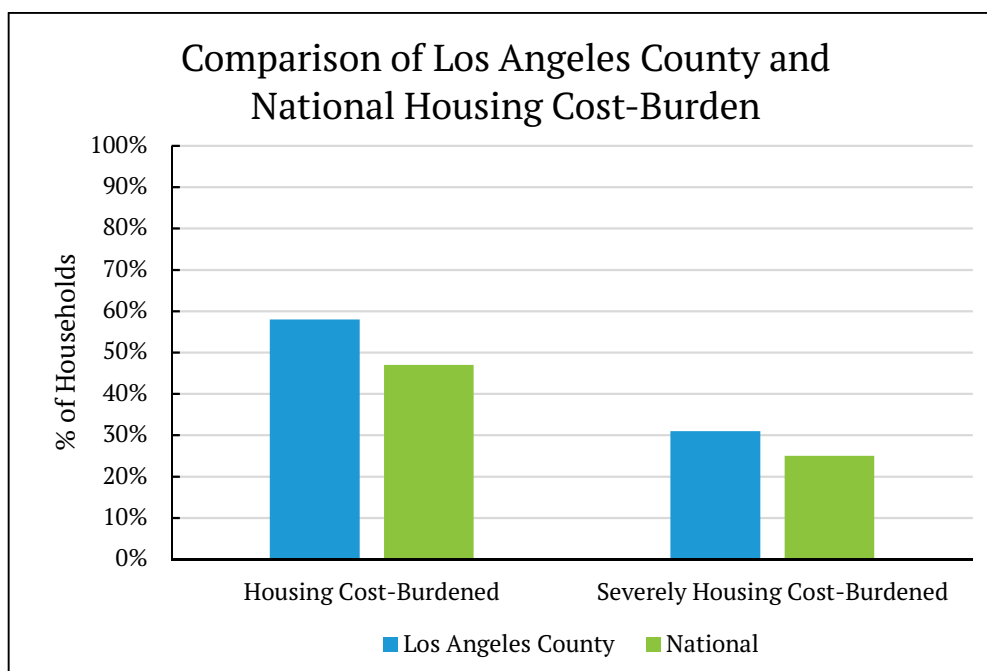


Figure 9

25. The shortage of affordable and available rental units coupled with the varying degrees of housing cost-burden in Los Angeles County are factors that are pushing more people into poverty and sometimes homelessness.
26. According to the U.S. Census Bureau, approximately 15 percent of people (more than 1.5 million) living in Los Angeles County are living in poverty.⁴⁸ The U.S. Census Bureau's methodology for measuring the poverty rate, however, does not account for other costs such as health care, child care, housing, and where people live.⁴⁹ If these factors were included when measuring poverty, more than 24 percent of people living in Los Angeles County would be living in poverty.⁵⁰ This supplemental poverty measure considers forms of government assistance such as housing subsidies and public benefits as well as income, so determining the significant difference between the two measures is difficult.⁵¹ However, researchers believe housing costs are likely a primary reason for the difference.⁵² Children in Los Angeles County are also living in poverty at higher rates than other areas of the California.⁵³ In Los Angeles County, more than 25 percent of children are living in poverty compared to 18 percent for California.⁵⁴
27. The number of people experiencing homelessness in Los Angeles County increased 12 percent since 2018, and the number of people experiencing homelessness in the City of Los Angeles increased 16 percent since 2018.⁵⁵ A 2018 study of homelessness in Los Angeles County, citing surveys conducted as part of recent homeless counts, stated that 40 percent of unsheltered adults in Los Angeles County indicated unemployment and lack of money, which encompassed inability to pay for shelter, as the reason for experiencing homelessness.⁵⁶ Approximately 11 percent of respondents indicated eviction, specifically, was the primary reason for experiencing homelessness.⁵⁷
28. According to the most recent American Housing Survey, approximately 93,000 renter households (4 percent of all renter households) in the Los Angeles metropolitan area were

⁴⁸ Population Estimates. U.S. Census Bureau. July 1, 2018.

⁴⁹ Chiland, Elijah. "Accounting for housing costs, California has nation's highest poverty rate." Curbed LA. September 14, 2018.

⁵⁰ Danielson, Caroline et al. "Poverty in California is High by Any Measure." Public Policy Institute of California. September 20, 2018.

⁵¹ Chiland, Elijah. "Accounting for housing costs, California has nation's highest poverty rate." Curbed LA. September 14, 2018.

⁵² Ibid.

⁵³ Austin, Paige. "More Than A Quarter of LA County Kids Live in Poverty." Patch. June 20, 2019. Referencing

⁵⁴ Ibid.

⁵⁵ 2019 Greater Los Angeles Homeless Count – Data Summary: Los Angeles County and City of Los Angeles. January 2019.

⁵⁶ Flaming, Daniel et al. "Escape Routes: Meta-Analysis of Homelessness in L.A." Economic Roundtable. April 2018.

⁵⁷ Ibid.

unable to pay all or part of their rent within the three months preceding the survey.⁵⁸ Unsurprisingly, the inability to pay all or part of the rent varies based on household income. For renter households in the Los Angeles metropolitan area with incomes less than 50 percent of the Federal Poverty Level (FPL), more than eight percent were unable to pay all or part of the rent, and for renter households with incomes between 150 and 199 percent of the FPL, approximately six percent were unable to pay all or part of the rent.⁵⁹ Between two and three percent of all renter households regardless of income were threatened with an eviction filing, and of the renter households that were threatened with an eviction filing, approximately 13 percent received a court ordered eviction notice.⁶⁰ Of the renter households with incomes below 50 percent of the FPL who were threatened with an eviction filing, more than 75 percent reported receiving a court ordered eviction notice.⁶¹ As previously discussed, these metrics have limitations but serve as a starting point for understanding evictions in Los Angeles.

29. Stout received a data file from a Coalition member containing the annual number of eviction filings in Superior Court of California, County of Los Angeles from 2009 to 2018.⁶² Over this 10-year period, there was more than 577,000 eviction filings, and the annual number of eviction filings has declined steadily. Figure 10 illustrates this trend.

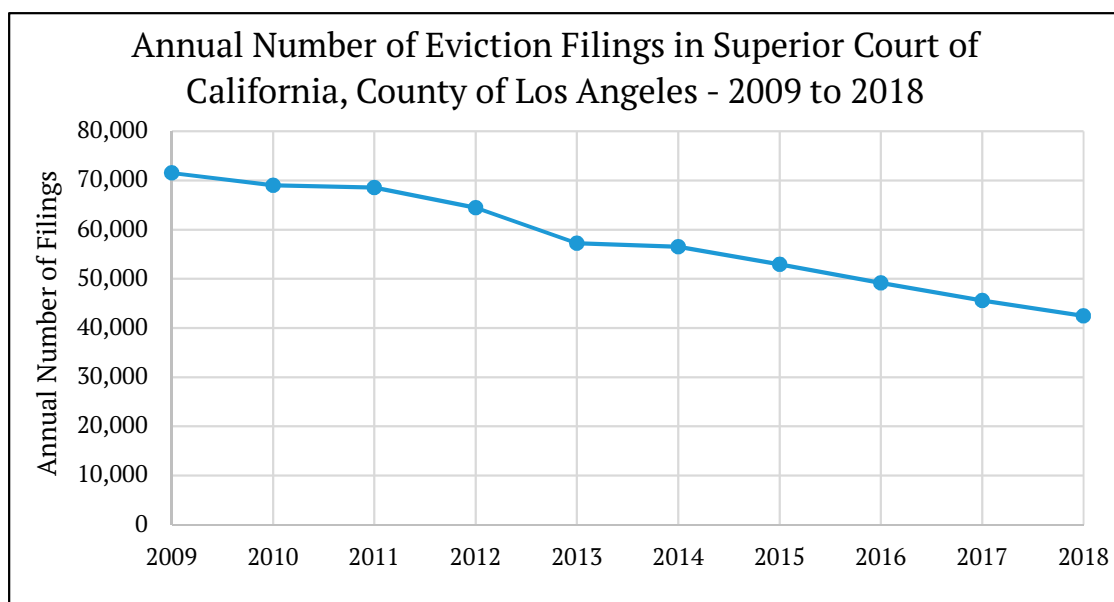


Figure 10

⁵⁸ American Housing Survey. U.S. Census Bureau. 2017.

⁵⁹ Ibid.

⁶⁰ Ibid.

⁶¹ Ibid.

⁶² Stout's understanding is that this file was based on information collected from the court docket and indicated the annual number of eviction filings by courthouse.

30. The annual number of eviction filings is helpful to understand general case filing trends, but more granular information about each eviction filing gives an in-depth view about specific eviction filings characteristics. To gather additional detail about individual eviction filings in Los Angeles County, Stout created an algorithm to collect key data points from a representative sample of eviction filings available on the Superior Court of California, County of Los Angeles website. The sample of 4,169 eviction filings collected by Stout was limited to unsealed cases as these were the only cases publicly available. Stout's sample constituted approximately 10 percent of total unsealed eviction cases available on the Superior Court of California, County of Los Angeles website.⁶³
31. Because sealing a case is one benefit of having representation (i.e., information about the case is not publicly available), Stout was unable to analyze the court-assigned outcomes for cases where the tenant was represented. To analyze these cases, Stout received case outcome data from four Los Angeles-based civil legal aid providers who represent clients in eviction cases. Stout's analysis of the case data indicated that in 95 percent of cases where the tenant was represented, the tenant had a high likelihood of avoiding disruptive displacement. Stout uses the phrase "disruptive displacement" to capture outcomes of cases beyond "winning" and "losing." For example, there may be circumstances where a tenant did not have a formal writ of possession executed against them but have experienced disruption in their lives because of the eviction filing. Additionally, there may be circumstances where a tenant loses possession of the apartment but was granted an extra 14 days to vacate the apartment. In this situation, disruptive displacement may have been avoided because of the additional time to find alternative, suitable housing.
32. Stout analyzed representation levels and court-assigned case outcomes for each case in the sample. Stout's analyses excluded eviction filings for commercial spaces and foreclosures. For residential eviction cases, defendants (i.e., tenants) were represented in three percent of cases, and plaintiffs (i.e., landlords) were represented in 88 percent of cases. Stated another way, tenants were unrepresented in 97 percent of unsealed cases, and landlords were unrepresented in 12 percent of unsealed cases. Stout's analysis of cases where the tenant was unrepresented indicated 76 percent of tenants lost by default, 16 percent of tenants received a court ordered judgment in favor of the landlord, seven percent of tenants entered into a stipulated judgment with the landlord, less than one percent of tenants received a judgment in their favor, and less than one percent of cases were dismissed in favor of the tenant.⁶⁴

⁶³ It is important to note that Stout's sample was limited to publicly available unsealed cases.

⁶⁴ For tenants who lost by default, Stout was unable to determine if they lost by default because they did not answer the complaint or lost by default because they did not appear in court. The publicly available data Stout used did not make a distinction between these two default scenarios. For purposes of Stout's analyses, losing by default encompasses both scenarios.

33. Stout's analysis of court-assigned case outcomes for unrepresented tenants indicated that 94 percent of unrepresented tenants had a high likelihood of experiencing disruptive displacement through the eviction process. Representation disparities and the impact of representation on the outcome of cases has been observed throughout the country. Recognizing this imbalance and seeking to create a fairer civil justice system, intergovernmental organizations like the United Nations and advocates in major U.S. cities are generating awareness of the issue and increasingly providing lawyers to tenants unable to afford one in eviction proceedings.

Section IV

Research Findings

The Eviction Right to Counsel Movement

25. For tenants facing eviction in cities across the country, having legal representation is often the difference between keeping their home or becoming homeless.⁶⁵ Civil legal services providers and pro bono attorneys often assist low-income tenants in eviction cases, but resource constraints exist for them that do not exist for landlords' counsel.
26. With something as important as shelter and family stability at stake, many legal advocates for the low-income population argue for a civil right to legal counsel, including in housing court.⁶⁶ They argue that a right to counsel, like the right that exists in Criminal Court, would ensure due process of law and procedural fairness in an area of vital interest to tenants, their families, and society.⁶⁷ Both international and national organizations as well as state and local governments have made commitments to ensuring equal access to the law and legal aid when necessary.
27. In 2012 the United Nations General Assembly crafted *The Declaration of the High-level Meeting on the Rule of Law* which states:

“the right of equal access to justice for all, including members of vulnerable groups, and the importance of awareness-raising concerning legal rights, and in this regard, we commit to taking all necessary steps to provide fair, transparent, effective, non-discriminatory and accountable services that promote access to justice for all, including legal aid.”
28. The American Bar Association (ABA) formally called for a right to counsel in eviction cases more than 10 years ago. ABA Resolution 112A, which was approved unanimously in 2006, reads:

“RESOLVED, That the American Bar Association urges federal, state, and territorial governments to provide legal counsel as a matter of right at public expense to low income persons in those categories of adversarial proceedings where basic human needs are at stake, such as those involving shelter, sustenance, safety, health or child custody, as determined by each jurisdiction.”

⁶⁵ Brey, Jared. “How Cities Are Trying to Level the Playing Field for Tenants Facing Eviction.” Spotlight on Poverty and Opportunity. October 18, 2017.

⁶⁶ Frankel, Martin, et al. “The impact of legal counsel on outcomes for poor tenants in New York City's housing court: results of a randomized experiment.” Law and Society Review. 2001.

⁶⁷ Ibid.

29. At the 2015 annual Conference of Chief Judges and Conference of State Court Administrators, both groups unanimously passed Resolution 5, *Reaffirming the Commitment to Meaningful Access to Justice for All*, which:

“supports the aspirational goal of 100 percent access to effective assistance for essential civil legal needs and urges their members to provide leadership in achieving that goal and to work with their Access to Justice Commission or other such entities to develop a strategic plan with realistic and measurable outcomes... and urges the National Center for State Courts and other national organizations to develop tools and provide assistance to states in achieving the goal of 100 percent access through a continuum of meaningful and appropriate services.”

30. Jurisdictions throughout the country have already taken steps to provide representation or legal information to low-income residents facing eviction.
31. **California.** June 2018: San Francisco becomes the second city to guarantee a right to counsel for tenants in evictions cases through a ballot referendum. San Francisco Mayor London Breed subsequently earmarked \$1.9 million for fiscal year 2018-2019 and \$3.9 million for fiscal year 2019-2020 to implement the new law.⁶⁸ During fiscal year 2018-2019, approximately 1,600 evictions were filed in San Francisco.⁶⁹ July 2018: Advocates in Concord released a report discussing housing affordability challenges, hazardous conditions, and tenants’ persistent fear of eviction. The report recommended a citywide right to counsel law.⁷⁰ Another tenant advocacy group in the area released a report calling for a statewide right to counsel bill, noting the increasing number of tenants facing eviction and the rapid pace of eviction proceedings.⁷¹ June 2019: Pro bono law firm, Public Counsel, and the University of California Los Angeles release a report advocating for reforms to landlord-tenant law, including establishing a right to counsel as a tenant protection.⁷² September 2019: Los Angeles County Board of Supervisors passes motions to advance several tenant protection measures, including an eviction defense program for

⁶⁸ Waxmann, Laura. “Tenant advocacy groups set to receive funding under ‘Right to Counsel’ program.” San Francisco Examiner. November 28, 2018.

⁶⁹ Brinklow, Adam. “Eviction notices in SF drop once again.” Curbed. April 2, 2019.

⁷⁰ “The Housing Crisis Hits Home in Concord.” 2018.

⁷¹ Inglis, Aimee and Preston, Dean. “California Evictions are Fast and Frequent.” Tenants Together. May 2018.

⁷² Bonett, Gregory et al. “How Permanent Tenant Protections Can Help Communities Prevent Homelessness and Resist Displacement in Los Angeles County.” Public Counsel and UCLA School of Law. June 2019.

low-income households facing eviction.⁷³ Initial proposed funding includes \$2 million for startup costs and \$12.5 million for implementation annually.⁷⁴

32. **Connecticut.** In 2019, Senate Bill 652 emerged from Connecticut that would create a statewide right to counsel for tenants making less than \$50,000. This bill stemmed from the work of a task force created in 2016 to explore a right to counsel in civil cases.⁷⁵
33. **Massachusetts.** January 2017: The mayor of Boston announces a five-bill package that will be submitted to the state legislature to assist with tenant displacement.⁷⁶ One of the bills would require a court-appointed attorney to represent low-income tenants in eviction proceedings.⁷⁷ January 2019: Throughout 2019, various bills were introduced to the Massachusetts State Legislature proposing a statewide right to counsel in eviction proceedings, creating a public task force, and promoting homelessness prevention.⁷⁸ July 2019: The Massachusetts Joint Judiciary Committee held a public hearing on the eviction right to counsel bills.⁷⁹
34. **Minnesota.** In March 2019, legislation establishing a right to counsel for public housing tenants facing eviction due to a breach of lease was introduced in the Minnesota Legislature.⁸⁰
35. **New Jersey.** In December 2018, Newark City Council passed a bill guaranteeing a right to counsel in eviction cases, becoming the third large U.S. city to do so.⁸¹
36. **New York.** July 2017: New York City becomes the first U.S. city to pass legislation guaranteeing a right to counsel for tenants in eviction proceedings.⁸² The legislation was spurred by strong grassroots movements by tenant organizers and advocates. Stout's cost-benefit analysis, which contributed to the legislation, found that the legislation would save

⁷³ Wenzke, Marissa and Burch, Wendy. "L.A. County Supervisors Vote 5-0 for Permanent Rent Control Measure Affecting 100,000 Tenants in Unincorporated Areas." KTLA5. September 2019.

⁷⁴ Motion by Supervisors Sheila Kuehl and Mark Ridley-Thomas. "Implementing Eviction Defense and Prevention Services in Los Angeles County." September 10, 2019.

⁷⁵ National Coalition for a Civil Right to Counsel. http://civilrighttocounsel.org/major_developments/1367

⁷⁶ Chakrabarti, Meghna and Bruzek, Alison. "Mayor Walsh Unveils Package of Anti-Displacement Bills." WBUR. January 13, 2017.

⁷⁷ Ibid.

⁷⁸ McKim, Jenifer and Serrano, Alejandro. "As rents soar in Boston, low-income tenants try to stave off eviction." Boston Globe. February 19, 2019.

⁷⁹ Schoenberg, Shira. "Tenants in eviction cases get powerful Beacon Hill ally in Boston Mayor Marty Walsh." MassLive. July 17, 2019.

⁸⁰ 2019 Bill Text MN H.B. 2593.

⁸¹ Brey, Jared. "Tenants' Right to Counsel on the Move, Next Stop Newark." Next City. January 10, 2019.

⁸² Capps, Kriston. "New York City Guarantees a Lawyer to Every Resident Facing Eviction." City Lab. August 14, 2017.

New York City \$320 million annually.⁸³ April 2019: City council members introduce bills to expand the income eligibility for the right to counsel.⁸⁴

37. **Ohio.** In September 2019, Cleveland’s city council passed legislation to provide a right to counsel for tenants who have incomes at or below 100 percent of the federal poverty guidelines and who have at least one child.⁸⁵
38. **Pennsylvania.** June 2017: Philadelphia city council allocates \$500,000 to expand legal representation for tenants facing eviction.⁸⁶ November 2018: Stout releases a cost-benefit analysis of right to counsel legislation in Philadelphia, finding that such a law would save the City of Philadelphia \$45.2 million annually.⁸⁷ May 2019: City council members introduce a bill to establish an ordinance for a right to counsel in eviction proceedings.⁸⁸ November 2019: Philadelphia City Council passes right to counsel legislation for tenants facing eviction, becoming the fifth U.S. city to do so.⁸⁹
39. **Texas.** In August 2019, San Antonio City Council earmarked funding for a right to counsel pilot for tenants in San Antonio.⁹⁰
40. **Virginia.** In July 2019, in response to data from the Eviction Lab showing that Richmond has one of the highest eviction rates in the country, Equal Justice Works launched its Housing Justice Program, which placed six fellows in Richmond to assist individuals and families facing eviction or experiencing housing instability.⁹¹
41. **Washington, DC.** In July 2017, city council enacted the Expanding Access to Justice Act of 2017, which included a proposal to expand representation in eviction cases.⁹²

⁸³ “The Financial Cost and Benefits of Establishing a Right to Counsel in Eviction Proceedings Under Intro 214-A.” Stout Risius Ross. March 16, 2016.

⁸⁴ Mironova, Oksana. “NYC Right to Counsel: First year results and potential for expansion.” Community Service Society. March 25, 2019.

⁸⁵ Hlavaty, Kaylyn. “Legislation passes to protect children in homes facing eviction by providing free legal help for low-income tenants.” News 5 Cleveland. October 1, 2019.

⁸⁶ Blumgart, Jake. “Philadelphia sets aside \$500,000 to help renters fight eviction.” WHYY. June 29, 2017.

⁸⁷ “Economic Return on Investment of Providing Counsel in Philadelphia Eviction Cases for Low-Income Tenants.” Stout Risius Ross. November 13, 2018.

⁸⁸ Blumgart, Jake. “Philly renters guaranteed lawyers in eviction court under new City Council bill.” WHYY. May 9, 2019.

⁸⁹ D’Onofrio, Michael. “Philly City Council passes right to counsel bill for low-income tenants.” Pennsylvania Capital-Star. November 18, 2019.

⁹⁰ “Right to Counsel Pilot receives funding through 2020 Budget to aid renters facing eviction.” City of San Antonio. August 30, 2019.

⁹¹ “Meet the Fellows in Our Housing Justice Program.” Equal Justice Works. August 29, 2019.

⁹² D.C. Act 22-130.

Impacts and Related Costs of Evictions to States, Cities, Counties, and Municipalities

42. Stout has reviewed numerous studies and the results of programs where representation was provided to tenants. Stout's research focused on: (1) the costs of eviction as they related to states, cities, counties, and municipalities and (2) the benefits associated with providing representation to tenants in eviction proceedings.
43. The impacts and costs of eviction to states, cities, counties, and municipalities are significant and multi-dimensional. Substantial reporting has documented the negative impact that evictions have on individuals, families, businesses, and communities. Many of these impacts are unquantifiable, but clear costs exist. This section details these costs to provide insight into how representation in eviction cases could mitigate these costs or assist in redirecting the funds to other efforts undertaken by the jurisdiction.
44. **Homelessness – Shelter Entry and the Likelihood of Disruptive Displacement.** While homelessness may not always be experienced immediately following an eviction, eviction is a leading cause of homelessness. A 2018 study of homelessness in Los Angeles County, citing surveys conducted as part of recent homeless counts, stated that 40 percent of unsheltered adults cited unemployment and lack of money, which encompassed inability to pay for shelter, as the reason for experiencing homelessness.⁹³ This factor was identified more than twice as often any other factor, and eviction or foreclosure was specifically identified as the primary reason for homelessness by 11 percent of unsheltered adults.⁹⁴ A 2018 study of shelter use in New York City suggests that evictions: (1) increase the probability of applying for shelter by 14 percentage points compared to a baseline probability of approximately three percent for households not experiencing an eviction; and (2) increase the number of days spent in shelter during the two years after an eviction filing by five percentage points, or about 36 days.⁹⁵ The researchers concluded that because the estimated effects persist long-term, avoiding eviction does not simply delay a period of homelessness, it leads to a lasting differences in the probability of experiencing homelessness.⁹⁶ A 2014 San Francisco study of an eviction defense pilot program, citing a recent survey of families experiencing homelessness, stated that 11 percent of families in San Francisco homeless shelters identified evictions (legal and illegal) as a reason for experiencing homelessness.⁹⁷ The Housing and Homeless Division Family and Prevention

⁹³ Flaming, Daniel et al. "Escape Routes: Meta-Analysis of Homelessness in L.A." Economic Roundtable. April 2018.

⁹⁴ Ibid.

⁹⁵ Collinson, Robert and Reed, Davin. "The Effects of Evictions on Low-Income Households." New York University Law. December 2018.

⁹⁶ Ibid.

⁹⁷ San Francisco Right to Civil Counsel Pilot Program Documentation Report. John and Terry Levin Center for Public Service and Public Interest, Stanford Law School. May 2014.

Services Program Manager in San Francisco has stated that the number of families experiencing homelessness as a result of an eviction is potentially over 50 percent – much higher than 11 percent – when considering the intermediate living arrangements made with friends and family before the families who have been evicted access the shelter system.⁹⁸ The 50 percent estimate is supported by the survey of families experiencing homelessness, in which 45 percent of respondents stated that the cause of their homelessness was being asked to move out.⁹⁹ Furthermore, a 2013 demographics report of adult shelters in San Francisco found that 36 percent of its population was living with friends or relatives before experiencing homelessness.¹⁰⁰ The Massachusetts Interagency Council on Housing and Homelessness analyzed a variety of reports generated by the state’s shelter system to determine that 45 percent of people experiencing homelessness or who are at risk of experiencing homelessness cite eviction as the reason for their housing instability.¹⁰¹ Similar statistics were observed in Hawai’i where 56 percent of families experiencing homelessness cite inability to afford rent as the reason for their experiencing homelessness.¹⁰² An additional 18 percent of families cited eviction specifically, as the reason for their experiencing homelessness.¹⁰³ In Seattle, a survey of tenants who were evicted revealed that nearly 38 percent were living unsheltered and half were living in a shelter, transitional housing, or with family and friends.¹⁰⁴ Only 12.5 percent of evicted respondents secured another apartment to move into.¹⁰⁵ The New York City Department of Homeless Services found that eviction was the most common reason for families entering city shelters between 2002 and 2012.¹⁰⁶ Robin Hood, a New York City-based non-profit organization that provides funding to more than 200 programs in New York City, estimates that 25 percent of tenants who are evicted enter homeless shelters.¹⁰⁷

45. **Homelessness – Recent Funding Allocations.** California Governor Gavin Newsom recently sent lawmakers a revised state budget that would provide cities and counties with

⁹⁸ Ibid.

⁹⁹ Ibid.

¹⁰⁰ Ibid, citing 2013 Demographics Report – San Francisco Single Adult Shelters.

¹⁰¹ “Regional Networks to End Homelessness Pilot Final Evaluation Report.” Massachusetts Interagency Council on Housing and Homelessness. February 15, 2011.

¹⁰² “Homeless Service Utilization Report.” Center on Family at the University of Hawai’i and the Homeless Programs Office of the Hawai’i State Department of Human Services. 2010.

¹⁰³ Ibid.

¹⁰⁴ “Losing Home: The Human Cost of Eviction in Seattle.” The Seattle Women’s Commission and the Housing Justice Project of the King County Bar Association. September 2018.

¹⁰⁵ Ibid.

¹⁰⁶ “The Rising Number of Homeless Families in NYC, 2002-2012: A Look at Why Families Were Granted Shelter, the Housing They Had Lived in and Where They Came From.” New York City Independent Budget Office. 2014.

¹⁰⁷ <https://www.robinhood.org/what-we-do/metrics/>

a one-time infusion of \$650 million.¹⁰⁸ The funding was earmarked for opening emergency shelters, providing rental assistance to low-income tenants, and underwriting the construction of permanent housing, among other things.¹⁰⁹ Of the \$650 million, \$275 million would be funneled directly to 13 of California's largest cities with the majority to Los Angeles.¹¹⁰ In 2018, a similar infusion of \$500 million was made by Governor Jerry Brown under the Homeless Emergency Aid Program ("HEAP").¹¹¹ As the largest city in California, Los Angeles received the largest share of HEAP funding, approximately \$85 million, but through March 2019, only \$2.8 million had been spent.¹¹² In April 2018, Los Angeles Mayor Eric Garcetti committed to building temporary shelters in each of Los Angeles's 15 council districts, committing \$30 million from the City of Los Angeles's budget to the "A Bridge Home" program.¹¹³

46. The City of Los Angeles also has funding through Proposition HHH, which is a \$1.2 billion voter-approved bond to build housing for people experiencing homelessness, while the county funds services such as rental subsidies, shelter beds, and mental health counseling for people experiencing homelessness through Measure H.¹¹⁴ Last year, the City of Los Angeles spent \$442 million from Proposition HHH funds to develop housing for people experiencing homelessness and affordable apartments, but none of the projects have opened, and the wait for permanent housing is an average of 215 days.¹¹⁵ The City of Los Angeles's \$77-million shelter expansion plan has resulted in two new facilities with space for less than 150 people.¹¹⁶ One Los Angeles-based organization assisting people experiencing homelessness estimated that the city spends an average of \$35,000 per person experiencing homelessness per year.¹¹⁷ If a person experiencing homelessness is incarcerated, the cost increases to an average of \$47,000.¹¹⁸

¹⁰⁸ Oreskes, Benjamin. "Even if California spends millions more on homelessness, here's why few will notice." Los Angeles Times. May 24, 2019.

¹⁰⁹ Ibid.

¹¹⁰ Ibid.

¹¹¹ Ibid.

¹¹² Ibid.

¹¹³ Ibid.

¹¹⁴ Holland, Gale. "L.A. spent \$619 million on homelessness last year. Has it made a difference?" Los Angeles Times. May 11, 2019.

¹¹⁵ Ibid.

¹¹⁶ Ibid.

¹¹⁷ Peters, Adele. "This Homeless Organization Says You Should Stop Donating To The Homeless." Fast Company. June 8, 2015.

¹¹⁸ Ibid.

47. **Homelessness – Shelter Costs.** A representative from the Los Angeles Homeless Services Authority (LAHSA) has provided more granular data on the cost of shelter in the Los Angeles County and the City of Los Angeles.
- For single adults in city or county crisis and bridge housing: \$60 per person per night
 - For families in city or county crisis and bridge housing: \$80 per family per night
 - For families needing city or county motel vouchers: \$105 per family per night
 - For individuals with more complex needs
 - County Department of Health Services
 - Stabilization housing: \$70-\$90 per person per night
 - Recuperative care: \$100-\$150 per person per night (includes health oversight)
 - County Department of Mental Health Interim Housing Program
 - Individuals: \$50-\$65 per person per night
 - Families: \$91-\$151 per family per night
48. The LAHSA representative providing this cost information cautioned that these per person/per family per night costs are likely understated as feedback from the shelter operators indicates that these metrics do not cover all costs.
49. The Massachusetts Housing and Shelter Alliance estimates that a homeless individual residing in Massachusetts creates an additional cost burden for state-supported services (shelter, emergency room visits, incarceration, etc.) that is \$9,372 greater per year than an individual who has stable housing.¹¹⁹ Each time a homeless family enters a state-run emergency shelter, the cost to the state is estimated at \$26,620.¹²⁰ The Central Florida Commission on Homelessness has reported that the region spends \$31,000 per year per homeless person related to law enforcement, jail, emergency room, and hospitalization for medical and psychiatric issues.¹²¹ The City of Boise, Idaho reported that costs associated with chronic homelessness are \$53,000 per person experiencing homelessness annually including day shelters, overnight shelters, policing / legal, jail, transportation, emergency

¹¹⁹ Wood-Boyle, Linda. “Facing Eviction: Homelessness Prevention for Low-Income Tenant Households.” Federal Reserve Bank of Boston. December 1, 2014.

¹²⁰ Ibid.

¹²¹ Santich, Kate. “Cost of homelessness in Central Florida? \$31k per person.” Orlando Sentinel. May 21, 2014.

medical services and drug and alcohol treatment.¹²² In contrast, providing homeless individuals with permanent housing and case managers would cost approximately \$10,000 per person annually.¹²³ By way of comparison, MaineHousing, the state agency providing public and private housing to low and moderate-income tenants in Maine, found that the average annual cost of services per person experiencing homelessness to be \$26,986 in the greater Portland area and \$18,949 statewide.¹²⁴ The services contemplated in the average annual cost were associated with: physical and mental health, emergency room use, ambulance use, incarceration, and law enforcement.¹²⁵ Investing in eviction prevention helps a community save valuable resources by stopping homelessness before it starts.¹²⁶ A three-year study by RAND Corporation found that providing housing for very sick individuals experiencing homelessness saved taxpayers thousands of dollars by reducing hospitalization and emergency room visits.¹²⁷ For every dollar invested in the program, the Los Angeles County government saved \$1.20 in health care and social service costs.¹²⁸

50. **Employment and Housing Instability.** Eviction can lead to job loss making it more difficult to find housing, further burdening an already struggling family. Matthew Desmond, author of *Evicted: Poverty and Profit in the American City*, describes how job loss and eviction can be interconnected. When an evicted tenant does not know where his or her family will sleep the next night, maintaining steady employment is unlikely. If the evicted tenant is unemployed, securing housing after being evicted may take precedence over securing a job. If the evicted tenant is employed, the instability created by eviction may affect work performance and lead to absenteeism, causing job loss.¹²⁹ The period before an eviction may be characterized by disputes with a landlord or stressful encounters with the court system.¹³⁰ These stressors can cause workers to make mistakes as they are preoccupied with non-work matters.¹³¹ After an eviction, workers may need to miss work to search for new housing, and because they now have an eviction record, finding a

¹²² Crossgrove Fry, Vanessa. “Reducing Chronic Homeless via Pay for Success, A Feasibility Report for Ada County, Idaho.” City of Boise. N.d.

¹²³ Santich, Kate. “Cost of homelessness in Central Florida? \$31k per person.” Orlando Sentinel. May 21, 2014.

¹²⁴ Acquisto, Alex and Rhoda, Erin. “The \$132k idea that could reduce Bangor’s eviction problem.” Bangor Daily News. September 24, 2018.

¹²⁵ Ibid.

¹²⁶ Ibid.

¹²⁷ Holland, Gale. “Study find L.A. County saves money by housing sick homeless people.” Los Angeles Times. December 4, 2017.

¹²⁸ Ibid.

¹²⁹ Desmond, Matthew and Tolbert Kimbro, Rachel. “Eviction’s Fallout: Housing, Hardship, and Health.” Social Forces. February 24, 2015.

¹³⁰ Desmond, Matthew and Gerhenson, Carl. “Housing and Employment Insecurity among the Working Poor.” Harvard University. January 11, 2016.

¹³¹ Ibid.

landlord willing to rent to them may increase the time it takes to secure new housing.¹³² Workers may need to live farther from their jobs, increasing the likelihood of tardiness and absenteeism.¹³³ A recent Harvard University study suggests the likelihood of being laid off to be 11 to 22 percentage points higher for workers who experienced an eviction or other involuntary move compared to workers who did not.¹³⁴ A similar analysis in Wisconsin, the Milwaukee Area Renters Study, found that workers who involuntarily lost their housing were approximately 20 percent more likely to subsequently lose their jobs compared to similar workers who did not.¹³⁵ Approximately 42 percent of respondents in the Milwaukee Area Renters Study who lost their job in the two years prior to the study also experienced an involuntary move.¹³⁶ Two tenants who had experienced eviction in a Greensboro, North Carolina study both lost their home businesses when they were evicted, stopping their primary source of income.¹³⁷

51. Eviction not only adversely affects unemployed and employed tenants' job prospects but also the potential future earnings of children. Robin Hood estimates a child's average future earnings could decrease by 22 percent if the child experienced juvenile delinquency, which can be associated with the disruption to families from eviction.¹³⁸ When families and children earn less (now or in future periods) the associated financial strains can result in various costs to the cities and communities in which they live. Research has shown that forced moves can perpetuate generational poverty and further evictions.¹³⁹ In addition, the reduction in earning capacity for these families can increase the demand on various social services provided by these cities and communities. Further, cities lose the economic benefit of these wages, including the economic stimulus of community spending and potential tax revenue. These impacts – potential earning capacity, generational poverty, and other economic consequences – are long-term and incredibly challenging to reverse.
52. **Ability to Re-Rent and Credit Score.** Stout understands that one of the many benefits of representation in unlawful detainer cases in Los Angeles is that attorneys can ensure their client's case is sealed. Having a case sealed means that information regarding a tenant's

¹³² Ibid.

¹³³ Ibid.

¹³⁴ Ibid.

¹³⁵ Desmond, Matthew. "Unaffordable America: Poverty, housing, and eviction." Institute for Research on Poverty. March 2015.

¹³⁶ Desmond, Matthew and Gerhenson, Carl. "Housing and Employment Insecurity among the Working Poor." Harvard University. January 11, 2016.

¹³⁷ Sills, Stephen J. et al. "Greensboro's Eviction Crisis." The University of North Carolina Greensboro Center for Housing and Community Studies. N.d.

¹³⁸ <https://www.robinhood.org/what-we-do/metrics/>

¹³⁹ Lundberg, Ian and Donnelly, Louis. "A Research Note on the Prevalence of Housing Eviction among Children Born in U.S. Cities." Princeton University, Woodrow Wilson School of Public and International Affairs, Center for Research on Child Wellbeing. 2019.

eviction filing is not publicly available, shielding them from landlords using an eviction record against them or an eviction impacting their credit score. However, unrepresented tenants are unlikely to either know this protection is available nor how to get their cases sealed. Tenants with an eviction case brought against them may have the case on their record whether they are ultimately evicted or not. Because of open record laws in many states, this information is easily accessible, free, and used to create tenant blacklists, making it difficult for tenants with eviction records to re-rent.¹⁴⁰ Data aggregation companies are now creating “screening packages” that landlords can use to select their tenants.¹⁴¹ These packages often include a full credit report, background check, and an eviction history report. Using data and technology to streamline and automate the screening process will only exacerbate the impact of eviction on tenants. One data aggregation company stated the “it is the policy of 99 percent of our [landlord] customers in New York to flat out reject anybody with a landlord-tenant record, no matter what the reason is and no matter what the outcome is...”.¹⁴² Many landlords and public housing authorities will not rent to tenants who have been recently evicted. Therefore, renters with an eviction on their record will often be forced to find housing in less desirable neighborhoods that lack adequate access to public transportation, are farther from their jobs, have limited or no options for child care, and lack grocery stores.¹⁴³ A University of North Carolina Greensboro study found that 45 percent of tenants who were evicted had difficulty obtaining decent, affordable housing after their evictions.¹⁴⁴ Additionally, evictions can have a detrimental impact on tenants receiving federal housing assistance, such as Section 8 vouchers. In some cases, court-ordered evictions may cause revocation of Section 8 vouchers or render the tenant ineligible for future federal housing assistance.¹⁴⁵ Landlords often view a potential tenant’s credit score as a key factor in determining whether they want to rent to the potential tenant or not. A low credit score brought about by a past eviction can make it difficult for renters to obtain suitable housing.¹⁴⁶ A tenant who was interviewed in the University of North Carolina Greensboro

¹⁴⁰ Desmond, Matthew. “Unaffordable America: Poverty, housing, and eviction.” Institute for Research on Poverty. March 2015.

¹⁴¹ Greene, Kimberly. “Online screening process gives landlords peace of mind.” Mortgage Professional America. November 12, 2019.

¹⁴² Kleysteuber, Rudy. “Tenant Screening Thirty Years Later: A Statutory Proposal To Protect Public Records.” The Yale Law Journal. 2007. Referencing Rogers, Teri Karush. “Only the Strongest Survive.” The New York Times. November 26, 2006 (quoting Jake Harrington, founder of On-Site.com).

¹⁴³ Desmond, Matthew and Tolbert Kimbro, Rachel. “Eviction’s Fallout: Housing, Hardship, and Health.” Social Forces. February 24, 2015.

¹⁴⁴ Sills, Stephen J. et al. “Greensboro’s Eviction Crisis.” The University of North Carolina Greensboro Center for Housing and Community Studies. N.d.

¹⁴⁵ Desmond, Matthew and Tolbert Kimbro, Rachel. “Eviction’s Fallout: Housing, Hardship, and Health.” Social Forces. February 24, 2015.

¹⁴⁶ An eviction itself is not reported to credit bureaus even if the landlord is successful in court, although money judgments are reported. The effects of the eviction may appear on a credit report if the tenant failed to pay rent

study stated, “it [eviction] affected by credit and it is hard to get an apartment...three landlords have turned me away.”¹⁴⁷ Damage to a renter’s credit score from an eviction can also make other necessities more expensive since credit scores are often considered to determine the size of initial deposit to purchase a cell phone, cable and internet, and other basic utilities.¹⁴⁸ Another tenant from the University of North Carolina Greensboro study stated, “I have applied for at least three different places and was turned down because of the recent eviction. The only people I can rent from now are slumlords who neglect their properties. The ones that don’t even care to do any kind of record check.”¹⁴⁹ In Milwaukee, tenants who experienced an involuntary move were 25 percent more likely to have long-term housing instability compared to other low-income tenants.¹⁵⁰ A 2018 survey of tenants who had been evicted in Seattle found that 80 percent of survey respondents were denied access to new housing because of a previous eviction, and one-third of respondents were not able to re-rent because of a monetary judgment from a previous eviction.¹⁵¹

53. **Health Impacts – Mental and Physical.** There is a growing body of research documenting the impact of housing instability on health. Researchers at Boston Medical Center have found that housing instability, including chronically late rent payment, can affect the mental and physical health of family members of all ages.¹⁵² Their study revealed that caregivers of young children in low-income unstable housing are two times more likely than those in stable housing to be in fair or poor health, and almost three times more likely to report symptoms of depression. Children aged four and under in these families had almost a 20 percent higher risk of hospitalization, and more 25 percent higher risk of developmental delays.¹⁵³ A recent study published by the American Academy of Pediatrics examining the effects of homelessness on pediatric health found that the stress of both

and the landlord sent the delinquency to a collection agency. While there is not a set timeframe for when this information appears on a credit report, the item is treated like any other delinquent debt. It will remain there for seven years from the date of delinquency, even if it is paid off. There are also screening reports that landlords use that report eviction data, criminal records, etc. See <https://aaacreditguide.com/eviction-credit-report/>.

¹⁴⁷ Sills, Stephen J. et al. “Greensboro’s Eviction Crisis.” The University of North Carolina Greensboro Center for Housing and Community Studies. N.d.

¹⁴⁸ https://www.investopedia.com/terms/c/credit_score.asp.

¹⁴⁹ Sills, Stephen J. et al. “Greensboro’s Eviction Crisis.” The University of North Carolina Greensboro Center for Housing and Community Studies. N.d.

¹⁵⁰ Desmond, Matthew. “Evicted: Poverty and Profit in the American City.” 2016.

¹⁵¹ “Losing Home: The Human Cost of Eviction in Seattle.” The Seattle Women’s Commission and the Housing Justice Project of the King County Bar Association. September 2018.

¹⁵² Butera, Candace. “The Burden of a Late Rent Check Can Harm the Health of Both Parents and Kids.” Pacific Standard. January 23, 2018.

¹⁵³ Ibid.

prenatal and postnatal homelessness was associated with increased negative health outcomes compared to children who never experienced homelessness.¹⁵⁴

54. Families who are evicted often relocate to neighborhoods with higher levels of poverty and violent crime.¹⁵⁵ Researchers at Boston Medical Center and Children’s Hospital found that homes with vermin infestation, mold, inadequate heating, lead, and in violent areas were connected to increased prevalence of respiratory disease, injuries, and lead poisoning in children.¹⁵⁶ Living in a distressed neighborhood can negatively influence a family’s wellbeing.¹⁵⁷ Moreover, families experiencing eviction who are desperate to find housing often accept substandard living conditions that can bring about significant health problems.¹⁵⁸ Data from the Third National Health and Nutrition Examination Survey estimated that 40 percent of children living with asthma are so because of their housing environments.¹⁵⁹ An Associate Professor of Pediatrics at Drexel University College of Medicine testified at a Philadelphia City Council hearing that, “science has shown that children who live in stressful environments, such as substandard housing, the threat of eviction, homelessness and poverty, have changes in their neurological system that affects their ability to learn, to focus, and to resolve conflicts.”¹⁶⁰ The Associate Professor also stated that this “toxic stress” affects many of the body’s critical organ systems resulting in an increased prevalence of behavioral issues, diabetes, weight issues, and cardiovascular disease.¹⁶¹ Furthermore, major life stressors have been found to increase rates of domestic violence.¹⁶² According to a nationwide survey of domestic violence shelters and programs, approximately 41 percent of respondents indicated evictions and home foreclosures as a driver of increased demand for domestic violence services.¹⁶³ In Seattle, approximately 38 percent of survey respondents who had experienced eviction reported feeling stressed,

¹⁵⁴ Sandel, Megan, et. al. “Timing and Duration of Pre- and Postnatal Homelessness and the Health of Young Children.” The American Academy of Pediatrics. September 2018.

¹⁵⁵ Desmond, Matthew and Tolbert Kimbro, Rachel. “Eviction’s Fallout: Housing, Hardship, and Health.” Social Forces. February 24, 2015.

¹⁵⁶ “Not Safe at Home: How America’s Housing Crisis Threatens the Health of Its Children.” The Doc4Kids Project, Boston Medical Center and Children’s Hospital. 1998.

¹⁵⁷ Desmond, Matthew and Tolbert Kimbro, Rachel. “Eviction’s Fallout: Housing, Hardship, and Health.” Social Forces. February 24, 2015.

¹⁵⁸ Ibid.

¹⁵⁹ Sandel, Megan and Desmond, Matthew. “Investing in Housing for Health Improves Both Mission and Margin.” The Journal of the American Medical Association. 2017.

¹⁶⁰ Taylor, Daniel R. Testimony Presented to City Council Committee on Licenses and Inspections and the Committee on Public Health and Human Services Regarding Resolution 160988. March 20, 2017.

¹⁶¹ Ibid.

¹⁶² Makepeace, J. “Life Events Stress and Courtship Violence.” Family Relations. January 1983.

¹⁶³ “Homeless Service Utilization Report.” Center on Family at the University of Hawai’i and the Homeless Programs Office of the Hawai’i State Department of Human Services. 2010. Referencing “Domestic Violence Counts 2009: A 24-Hour Census of Domestic Violence Shelters and Services.” National Network to End Domestic Violence. 2009.

eight percent experienced increased or new depression, anxiety, or insomnia, and five percent developed a heart condition they believed to be connected to their housing instability.¹⁶⁴ Among respondents who had school-age children, approximately 56 percent indicated that their children's health suffered "very much" as a result of eviction, and approximately 33 percent indicated that their children's health suffered "somewhat" for a total of 89 percent of respondents' children experiencing a negative health impact because of eviction.¹⁶⁵ A recent study by Case Western University found that approximately 21 percent of interviewed tenants facing eviction self-reported that they were experiencing poor health.¹⁶⁶ Forty-five percent of interviewed tenants reported that they had been mentally or emotionally impacted by the eviction process and that their children were also mentally or emotionally impacted.¹⁶⁷

55. A survey of approximately 2,700 low-income mothers from 20 cities across the country who experienced an eviction consistently reported worse health for themselves and their children, including increased depression and parental stress.¹⁶⁸ These effects were persistent. Two years after experiencing eviction, mothers still had higher rates of material hardship and depression than mothers who had not experienced eviction.¹⁶⁹ In a study of the effects of forced dislocation in Boston's West End, approximately 46 percent of women and 38 percent of men expressed feelings of grief or other depressive reactions when asked how they felt about their displacement.¹⁷⁰ A study on the effects of eviction in Middlesex County, Connecticut included interviews with individuals who had experienced an eviction. In almost every case, interviewees expressed that their eviction negatively impacted their physical and mental health.¹⁷¹ Approximately two-thirds of interviewees reported feeling more anxious, depressed, or hopeless during the eviction process.¹⁷² Individuals who had previously struggled with mental health issues reported that the stress from the eviction exacerbated their conditions with three interviewees reporting hospitalization for mental health issues following their evictions.¹⁷³ Inadequate sleep, malnourishment, physical pain, and increased use of drugs and alcohol were also cited by

¹⁶⁴ "Losing Home: The Human Cost of Eviction in Seattle." The Seattle Women's Commission and the Housing Justice Project of the King County Bar Association. September 2018.

¹⁶⁵ Ibid.

¹⁶⁶ "The Cleveland Eviction Study: Observations in Eviction Court and the Stories of People Facing Eviction." Center on Urban Poverty and Community Development, Case Western University. October 2019.

¹⁶⁷ Ibid.

¹⁶⁸ Desmond, Matthew and Tolbert Kimbro, Rachel. "Eviction's Fallout: Housing, Hardship, and Health." Social Forces. February 24, 2015.

¹⁶⁹ Ibid.

¹⁷⁰ Fried, Marc. "Grieving for a Lost Home: Psychological Costs of Relocation." The MIT Press. 1966.

¹⁷¹ Babajide, Rilwan, et. al. "Effects of Eviction on Individuals and Communities in Middlesex County." The Middlesex County Coalition on Housing and Homelessness. May 12, 2016.

¹⁷² Ibid.

¹⁷³ Ibid.

the interviewees.¹⁷⁴ As with many of the negative impacts of eviction, both physical and mental health issues can be long-term, difficult to reverse, and extremely costly to treat.

56. **Suicide.** In 2015, the American Journal of Public Health published the first comprehensive study of housing instability as a risk factor for suicide.¹⁷⁵ Researchers identified 929 eviction- or foreclosure-related suicides, which accounted for one to two percent of all suicides and 10 percent to 16 percent of all financial-related suicides from 2005 to 2010.¹⁷⁶ In 2005, prior to the “housing bubble” bursting, there were 58 eviction-related suicides.¹⁷⁷ At the peak of the housing crisis in 2009, there were 94 eviction-related suicides, an increase of 62 percent from 2005.¹⁷⁸ These statistically significant increases were observed by researchers relative to the frequency of all other suicides during the same period and relative to suicides associated with general financial hardships, suggesting that the increase in eviction- or foreclosure-related suicides was not only a part of a general increase in the number of suicides.¹⁷⁹ After the housing crisis, eviction-related suicides began to revert to pre-crisis levels. Approximately 79 percent of suicides occurred before the actual loss of housing, and 39 percent of people committing suicide experienced an eviction- or foreclosure-related crisis (e.g., eviction notice, court hearing, vacate date) within two weeks of the suicide.¹⁸⁰
57. Researchers in Seattle seeking to examine the most extreme consequences of eviction conducted a detailed review of 1,218 eviction cases in Seattle, finding four individuals with eviction cases died by suicide.¹⁸¹ In a Middlesex County, Connecticut report, a tenant experiencing eviction had shared with the interviewer that she “ended up having a breakdown, and I ended up in the hospital and I had a suicide attempt.”¹⁸²
58. **Impacts on Children.** When families are evicted, children experience a variety of disruptions that can negatively impact their education and behavior. Data from The National Assessment of Education Progress, known as “the Nation’s Report Card,” suggests that children who frequently change schools (i.e., more than twice in the

¹⁷⁴ Ibid.

¹⁷⁵ Fowler, Katherine A. et al. “Increase in Suicides Associated With Home Eviction and Foreclosure During the US Housing Crisis: Findings From 16 National Violent Death Reporting System States, 2005-2010.” American Journal of Public Health. February 2015.

¹⁷⁶ Ibid.

¹⁷⁷ Ibid.

¹⁷⁸ Ibid.

¹⁷⁹ Ibid.

¹⁸⁰ Ibid.

¹⁸¹ “Losing Home: The Human Cost of Eviction in Seattle.” The Seattle Women’s Commission and the Housing Justice Project of the King County Bar Association. September 2018.

¹⁸² Babajide, Rilwan et al. “Effects of Eviction on Individuals and Communities in Middlesex County.” The Middlesex County Coalition on Housing and Homelessness. May 12, 2016.

preceding 18 months) are half as likely to be proficient in reading as their stable peers.¹⁸³ A study of third grade students who frequently changed schools found that mobile students were approximately twice as likely to perform below grade level in math compared to non-mobile students.¹⁸⁴ Not only do mobile students perform worse in reading and math than their stable peers, they are also nearly three times more likely to repeat a grade, and the likelihood that they will graduate is reduced by more than 50 percent.¹⁸⁵ In Seattle, approximately 88 percent of survey respondents with school-aged children reported their children's school performance suffered "very much" because of the eviction the family experienced, and approximately 86 percent of respondents reported their children had to move schools after the eviction.¹⁸⁶ Figure 11 from the Kansas City Eviction Project Study of Student Mobility, Evictions, and Achievement shows a negative correlation between the test scores of third graders and the portion of students experiencing an eviction. That is, as the portion of students experiencing an eviction increases, test scores decrease.¹⁸⁷

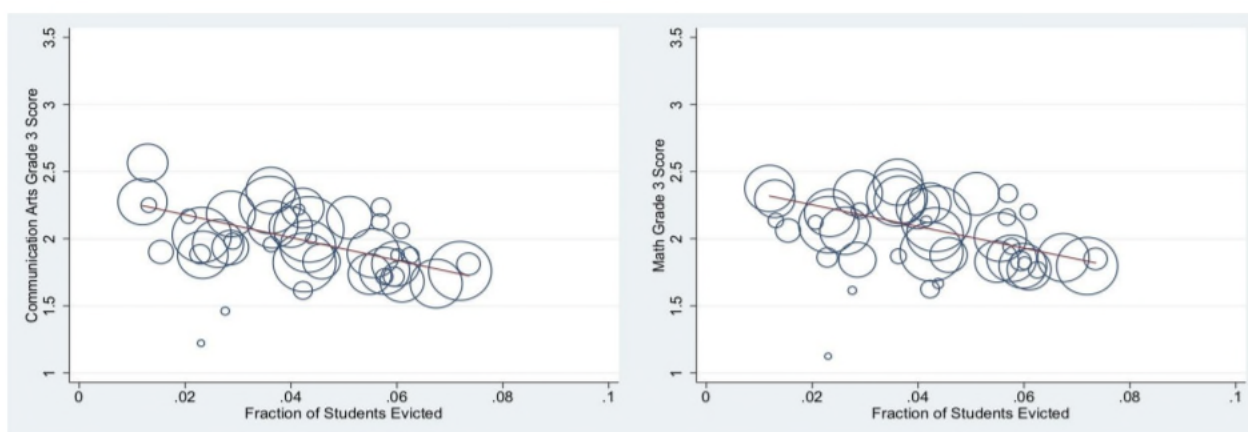


Figure 11

59. A University of Michigan study of the role of housing instability in school attendance found that 40 percent of students experiencing homelessness were chronically absent (i.e.,

¹⁸³ Isaacs, Julia and Lovell, Phillip. "The Impact of the Mortgage Crisis on Children and Their Education." First Focus. May 1, 2008., citing Rumberger, Russell. "The Causes and Consequences of Student Mobility." Journal of Negro Education. 2003.

¹⁸⁴ Isaacs, Julia and Lovell, Phillip. "The Impact of the Mortgage Crisis on Children and Their Education." First Focus. May 1, 2008., citing "Elementary School Children: Many Change Schools Frequently, Harming Their Education." United States General Accounting Office Report. 1994.

¹⁸⁵ Ibid. And Isaacs, Julia and Lovell, Phillip. "The Impact of the Mortgage Crisis on Children and Their Education." First Focus. May 1, 2008., citing Rumberger, 1993.

¹⁸⁶ Losing Home: The Human Cost of Eviction in Seattle." The Seattle Women's Commission and the Housing Justice Project of the King County Bar Association. September 2018.

¹⁸⁷ "Student Mobility, Evictions, and Achievement." Kansas City Eviction Project. January 24, 2018.

missing 10 percent or more of school days) in the 2016-2017 school year.¹⁸⁸ Students experiencing homelessness were chronically absent more than two-and-a-half times more frequently than students who were housed and more than four times as often as higher income students.¹⁸⁹ In Atlanta, there is an ongoing program that embeds housing attorneys and community advocates in high schools in neighborhoods where many residents are experiencing housing instability.¹⁹⁰ As a result of the program, the enrollment turnover rate decreased by 36 percent, and attorneys stopped 20 evictions and assisted with 81 other housing-related cases.¹⁹¹

60. According to estimates by California's Office of Attorney General, more than 12,500 students experiencing homelessness in Los Angeles County are chronically absent.¹⁹² Not only is missing school detrimental to a child's education, but absences decrease funding for schools. Each absence costs schools \$64 per day in funding, totaling approximately \$14.5 million in lost funding, according to the Los Angeles County Office of Education.¹⁹³
61. Children who frequently move are also more likely to experience behavioral issues. Researchers analyzed survey data from the Mothers and Newborns Study, a longitudinal birth cohort maintained by the Columbia Center for Children's Environmental Health, to ascertain certain characteristics of children born to approximately 500 mothers.¹⁹⁴ Researchers found that children who experienced housing instability were approximately twice as likely to have thought-related behavioral issues and were approximately one-and-a-half times more likely to have attention-related behavioral health issues than children who were stably housed.¹⁹⁵
62. **Family Instability – Child Welfare and Foster Care Systems.** Poverty, housing instability, and child welfare/foster care system involvement are connected. Low-income children of parents who are experiencing homelessness are four times more likely to become involved with the child welfare system than low-income, stably housed children.¹⁹⁶ Homelessness

¹⁸⁸ Erb-Downward, Jennifer and Watt, Payton. "Missing School, Missing A Home: The Link Between Chronic Absenteeism, Economic Instability and Homelessness in Michigan." University of Michigan Poverty Solutions. November 2018.

¹⁸⁹ Ibid.

¹⁹⁰ Starnes, Ashleigh and King, Katie. "Standing with Our Neighbors Featured on CBS This Morning." Atlanta Volunteer Lawyers Foundation. March 23, 2018.

¹⁹¹ Ibid.

¹⁹² Palta, Rina. "Child homelessness has economic costs for LA schools." 89.3KPCC. March 10, 2017., citing estimates from the state's Office of the Attorney General.

¹⁹³ Ibid.

¹⁹⁴ "Housing Instability Is Linked to Adverse Childhood Behavior." Urban Institute. May 8, 2019. Referencing Gaylord, Abigail et al. "Impact of Housing Instability on Child Behavior at Age 7 Years." International Public Health Journal. July 1, 2018.

¹⁹⁵ Ibid.

¹⁹⁶ Ibid.

not only increases the likelihood that a child will be placed in foster care, but also creates barriers to family reunification once a child is placed in foster care or with other family members.¹⁹⁷ According to U.S. Department of Health and Human Services, approximately 10 percent of children are removed from their homes because of housing issues.¹⁹⁸ This family separation is a lesser-known consequence of the affordable housing crisis throughout the country and in Los Angeles.¹⁹⁹ In 2016, the Los Angeles County Board of Supervisors approved \$3 million in funding for the Family Reunification Housing Program, which is aimed at assisting families who are otherwise eligible for reunification through housing support.²⁰⁰ The program launched on January 1, 2017 and by mid-2018, Los Angeles County had already saved an estimated \$2.5 million by helping prevent the cost of out-of-home foster care in these cases.²⁰¹ California spends approximately \$167 million annually in federal funds on foster care and services for children separated because of housing instability, but the state could save approximately \$72 million if it could use those funds to ensure housing was readily available when parents are eligible for reunification.²⁰²

63. In a survey of 77 families living in Worcester, Massachusetts shelters, approximately 19 percent of their children were placed in foster care compared to 8 percent of low-income, housed children in Worcester.²⁰³ Findings from a similar survey of families experiencing homelessness in New York City indicated that 35 percent of families had an open child welfare case and 20 percent had one or more children in foster care.²⁰⁴ A study of approximately 23,000 mothers living in Philadelphia found that approximately 37 percent of mothers experiencing homelessness became involved with child welfare services within the first five years of a child's birth compared to approximately 9 percent of mothers living in low-income neighborhoods and 4 percent of other mothers.²⁰⁵ The risk of child welfare services involvement at birth is nearly seven times higher for mothers who have ever experienced homelessness compared to mothers who have neither experienced homelessness nor are in the lowest 20 percent bracket of income.²⁰⁶ Children born into

¹⁹⁷ "Keeping Families Together." New Mexico Appleseed. 2013.

¹⁹⁸ "The AFCARS Report." U.S. Department of Health and Human Services, Administration for Children and Families. October 20, 2017.

¹⁹⁹ Abram, Susan. "How L.A.'s Housing Crisis Makes Family Reunification Much Harder." The Chronical of Social Change. October 30, 2018.

²⁰⁰ Ibid.

²⁰¹ Ibid.

²⁰² Ibid.

²⁰³ Bassuk, E.L., et al. "Homelessness in Female Headed Families: Childhood and Adult Risk and Protective Factors." American Journal of Public Health. 1997.

²⁰⁴ Nunez, R.D. "Hopes, Dreams, and Promise: The Future of Homeless Children in America." Institute for Children and Poverty, Homes for the Homeless Inc. 1994.

²⁰⁵ Culhane, Jennifer, et. al. "Prevalence of Child Welfare Services Involvement among Homeless and Low-Income Mothers: A Five-year Birth Cohort Study." Journal of Sociology and Social Welfare. 2003.

²⁰⁶ Ibid.

families that have experienced homelessness were placed into foster care in approximately 62 percent of cases compared to approximately 40 percent of cases involving low-income families.²⁰⁷

64. A first of its kind study in Sweden recently examined to what extent children from evicted households were separated from their families and placed in foster care. The study found that approximately four percent of evicted children were placed in foster care compared to 0.3 percent of non-evicted children.²⁰⁸ An American study, using a nationally representative longitudinal data set, explored the prevalence of housing inadequate housing among families under investigation by child welfare services agencies.²⁰⁹ Findings indicated that inadequate housing contributed to 16 percent of foster care placements among families under investigation by child protective services.²¹⁰
65. Physical and psychological aggression toward children has also been connected to housing instability.²¹¹ Mothers experiencing homelessness and mothers living “doubled-up” (i.e., with family and/or friends) reported higher levels of physically aggressive behaviors toward a child compared to other low-income, housed mothers – 29 percent, 18 percent, and 13 percent, respectively.²¹² Approximately 39 percent of mothers experiencing homelessness or mothers living “doubled-up” reported psychologically aggressive behaviors toward a child compared to 22 percent of other low-income, housed mothers.²¹³ Mothers who had experienced homelessness were approximately twice as likely to engage in a physical aggression toward a child compared to other low-income, housed mothers.²¹⁴
66. **Law Enforcement.** The Homeless Outreach and Proactive Engagement (“HOPE”) units in Los Angeles are comprised of law enforcement personnel (four sergeants and 38 police officers) and are assigned to four geographic areas.²¹⁵ In 2017, HOPE units had approximately 16,300 interactions with people experiencing homelessness, and nine percent of interactions resulted in a law enforcement action.²¹⁶ In the same year, law

²⁰⁷ Ibid.

²⁰⁸ Berg, Lisa. “Evicted children and subsequent placement in out-of-home care: A cohort study.” Centre for Health Equity Studies, Department of Public Health Sciences, Stockholm University. April 18, 2018.

²⁰⁹ Fowler, PJ, et. al. “Inadequate housing among families under investigation for child abuse and neglect: prevalence from a national probability sample.” American Journal of Community Psychology. 2013.

²¹⁰ Ibid.

²¹¹ Park, Jung Min et al. “Physical and Psychological Aggression towards a Child among Homeless, Doubled-up, and Other Low-Income Families.” Journal of Social Service Research. March 31, 2015.

²¹² Ibid.

²¹³ Ibid.

²¹⁴ Ibid.

²¹⁵ Beck, Charlie. “The Los Angeles Police Department’s 2017 Year-End Report on Homelessness.” The Los Angeles Police Department. March 6, 2018.

²¹⁶ Ibid.

enforcement officers responded to 24,133 requests for mental health evaluations by the Systemwide Mental Assessment Response Team.²¹⁷ Of these requests, more than a quarter involved a person experiencing homelessness, and more than half resulted in a 5150WIC commitment.²¹⁸ Between October 2014 and January 2015, more than 14 percent of people arrested by law enforcement were recorded as being “transient” or provided the address of a known homeless shelter when they were arrested.²¹⁹ Approximately seven percent of Los Angeles Fire Department ambulance transports were for people experiencing homelessness during the same period.²²⁰ In 2014, the Los Angeles Attorney’s Office spent an estimate \$2.9 million reviewing cases involving people experiencing homelessness and paying liabilities from cases involving people experiencing homelessness, among other things.²²¹ Jurisdictions with concentrations of people experiencing homelessness who are living unsheltered after spend public dollars on encampment clean ups and other public sanitation efforts. In fiscal year 2016-2017, approximately \$9.4 million was budgeted for healthy streets, public right-of-way clean ups, and related law enforcement support.²²² For the Clean Streets Los Angeles and HOPE programs, Los Angeles City spends an average of \$2,270 per homeless encampment clean up, which does not include indirect costs for benefits, administration, and supervision.²²³ Based on Operation Healthy Streets costs, a typical 8-hour workday can cost up to nearly \$9,000 for cleanups.²²⁴

67. **Community Instability.** Researchers have investigated how high eviction rates unravel the social fabric of communities. When evictions take place on a large scale, the effects are felt beyond the family being evicted; a social problem that destabilizes communities occurs.²²⁵ More than middle- and upper-income households, low-income households rely heavily on their neighbors. For example, individuals in low-income communities depend on each other for child care, elder care, transportation, and security because they cannot afford to pay for these services independently. Matthew Desmond has indicated through his work that eviction can account for high residential instability rates in neighborhoods with high levels of poverty, holding all other factors equal.²²⁶

²¹⁷ Ibid.

²¹⁸ Ibid.

²¹⁹ Santana, Miguel A. “C.F. 15-0211 (Cedillo-Bonin); Various Requests and Actions from the Council and Mayor Regarding Homelessness.” City Administrative Officer. April 16, 2015

²²⁰ Ibid.

²²¹ Ibid.

²²² Galperin, Rob. “Report on Homeless Encampments.” Los Angeles City Controller. September 27, 2017.

²²³ Ibid.

²²⁴ Ibid.

²²⁵ Blumgart, Jake. “To reduce unfair evictions tenants need lawyers.” Plan Philly. March 16, 2017

²²⁶ Johns-Wolfe, Elaina. “You are being asked to leave the premises: A Study of Eviction in Cincinnati and Hamilton County, Ohio, 2014-2017.” The Cincinnati Project. June 2018. Referencing Desmond, Matthew. “Community in Crisis: Understanding Housing Insecurity.” Northern Kentucky University. 2018.

68. **Burden on Court System.** Unrepresented tenants increase the administrative burden on courts that would not exist if the tenant was represented. Unrepresented tenants are not necessarily informed about the applicable law and court procedures, which poses significant demands on court staff and court resources.²²⁷ For example, when asked what types of resources they used, unrepresented tenants responded with “consultation of court staff” as one of their top three resources, according to a survey of unrepresented tenants.²²⁸ The researcher who administered the survey stated that incomplete or illegible court filings make it difficult for judges to determine what relief the litigant is requesting or if the claim has a legally cognizable basis.²²⁹ Additionally, the pervasive problem of tenants failing to appear for scheduled hearings causes uncertainty for the court staff about the number of cases to schedule on any given docket, leading to unnecessary delays for other cases in the court’s caseload.²³⁰

Benefits of Providing Representation

69. **More Favorable Outcomes for Tenants.** The *Gideon v. Wainwright* decision established that the Fourteenth Amendment creates a right for indigent criminal defendants to be represented by counsel. Although this decision explicitly applies to criminal law, housing law can be equally difficult for an unrepresented tenant to understand, and the consequences to the tenant can be severe, debilitating, and harmful. Studies from around the country have assessed the impact of tenant representation in eviction cases.
- Los Angeles, California – The Sargent Shriver Civil Counsel Act established pilot projects to provide representation to low-income litigants in certain civil case types, one of which was unlawful detainers.²³¹ For clients who received full representation, “95 percent faced an opposing party with legal representation and one percent did not (this information was missing or unclear for four percent of clients).”²³² Lawyers representing tenants achieved favorable outcomes for their clients in 89 percent of cases, including 22 percent remaining in their homes; 71 percent having their move-out date adjusted; 79 percent having back rent reduced or waived; 45 percent retaining their housing subsidy; 86 percent having their case sealed from public view; and 54 percent having their credit protected.²³³

²²⁷ Hannaford-Agor, Paula and Mott, Nicole. “Research on Self-Represented Litigation: Preliminary Results and Methodological Considerations.” *The Justice System Journal*. 2003.

²²⁸ *Ibid.*

²²⁹ *Ibid.*

²³⁰ *Ibid.*

²³¹ Jarvis, Kelly L. et al. “Evaluation of the Sargent Shriver Civil Counsel Act (AB590) Housing Pilot Projects.” NPC Research. July 2017.

²³² *Ibid.*

²³³ *Ibid.*

- New York City – Researchers conducted a randomized trial in New York City Housing Court where tenants were randomly selected to receive attorney advice or representation or be told that no attorney was available to assist them at that time.²³⁴ Both groups of tenants, those provided attorneys and those told assistance was not available, were followed through to the conclusion of their cases. The randomized trial found that tenants who were represented by attorneys were more than 4.4 times more likely to retain possession of their apartments than similar tenants who were not represented.²³⁵ A 2011 study of an eviction defense program in the South Bronx found that attorneys prevented an eviction judgment for approximately 86 percent of clients.²³⁶ The program also addressed other long-term client challenges and was able to prevent shelter entry for approximately 94 percent of clients.²³⁷ In August 2017, New York City Mayor Bill de Blasio signed into law landmark legislation that guarantees low-income tenants access to counsel in eviction proceedings. A 2018 report on the first year of implementation in New York City stated that 84 percent of tenants represented through New York City’s Universal Access Law remained in their homes.²³⁸
- San Francisco, California – Represented tenants were able to remain in their homes or reach a favorable move out agreement in approximately 98 percent of cases.²³⁹ Unrepresented tenants received a judgment for possession in approximately 91 percent of cases and a court judgment in approximately 73 percent of cases.²⁴⁰
- Philadelphia, Pennsylvania – Stout found that 78 percent of unrepresented tenants experience case outcomes that have a high likelihood of disruptive displacement.²⁴¹ When tenants are represented, they avoid disruptive displacement 95 percent of the time.²⁴²

²³⁴ Sandefur, Rebecca L. “The Impact of Counsel: An Analysis of Empirical Evidence,” *Seattle Journal for Social Justice*: Vol. 9: Issue 1, Article 3, p. 78. 2010.

²³⁵ *Ibid.*

²³⁶ “Housing Help Program Homelessness Prevention Pilot Final Report.” Seedco. June 2010

²³⁷ *Ibid.*

²³⁸ Universal Access to Legal Services: A Report on Year One of Implementation in New York City.” Office of Civil Justice, New York City Human Resources Administration. Fall 2018.

²³⁹ “San Francisco Right to Civil Counsel Pilot Program Documentation Report.” John and Terry Levin Center for Public Service and Public Interest, Stanford Law School. May 2014.

²⁴⁰ *Ibid.*

²⁴¹ “Economic Return on Investment of Providing Counsel in Philadelphia Eviction Cases for Low-Income Tenants.” Stout Risius Ross. November 13, 2018.

²⁴² *Ibid.*

- Hennepin County, Minnesota – Represented tenants win or settle their cases 96 percent of the time, and settlements made by represented tenants are significantly better than settlements made by unrepresented tenants.²⁴³ Represented tenants are nearly twice as likely to remain in their homes.²⁴⁴ If represented tenants agree to move, they are given twice as much time to do so, and nearly 80 percent of represented tenants do not have an eviction record as a result of the case compared to only six percent of unrepresented tenants.²⁴⁵
- Boston, Massachusetts – Represented tenants fared, on average, twice as well in terms of remaining in their homes and almost five times as well in terms of rent waived and monetary awards than unrepresented tenants.²⁴⁶ Represented tenants also created a lesser strain on the court system than those who were unrepresented.²⁴⁷
- Seattle, Washington – Represented tenants were approximately twice as likely to remain in their homes as unrepresented tenants.²⁴⁸
- Chicago, Illinois – Represented tenants had their cases resolved in their favor approximately 58 percent of the time compared to 33 percent of the time for unrepresented tenants.²⁴⁹ Represented tenants were also more than twice as likely to have their cases dismissed, and when tenants were represented, the rate of landlord summary possession awards decreased from approximately 84 percent to approximately 39 percent.²⁵⁰

²⁴³ Grundman, Luke and Kruger, Muria. “Legal Representation in Evictions – Comparative Study.” N.d.

²⁴⁴ Ibid.

²⁴⁵ Ibid.

²⁴⁶ “The Importance of Representation in Eviction Cases and Homelessness Prevention.” Boston Bar Association Task Force of the Civil Right to Counsel. March 2012.

²⁴⁷ Ibid.

²⁴⁸ Losing Home: The Human Cost of Eviction in Seattle.” The Seattle Women’s Commission and the Housing Justice Project of the King County Bar Association. September 2018.

²⁴⁹ Dukmasova, Maya. “New data reveals impact of being lawyerless in Chicago eviction court.” Reader. September 14, 2017.

²⁵⁰ Grundman, Luke and Kruger, Muria. “Legal Representation in Evictions – Comparative Study.” N.d. Referencing Birnbaum, Julian. “Chicago’s Eviction Court: A Tenants’ Court of No Resort.” Urban Law Annual. 1979.

- Denver, Colorado – Approximately 79 percent of unrepresented tenants are displaced due to an eviction.²⁵¹ Represented tenants avoid displacement in 80 to 90 percent of cases, depending on whether the housing is public or private.²⁵²
- Jackson County (Kansas City), Missouri – Approximately 72 percent of unrepresented tenants had eviction judgments or monetary damages entered against them compared to 56 percent of represented tenants.²⁵³
- Columbus, Ohio – The Legal Aid Society of Columbus provided representation to tenants through its Tenant Advocacy Project (TAP).²⁵⁴ One percent of TAP-represented tenants received a judgment against them compared to approximately 54 percent of non-TAP cases.²⁵⁵ Approximately 40 percent of TAP-represented tenants negotiated an agreed upon judgment compared to approximately 15 percent of non-TAP cases.²⁵⁶ TAP-represented tenants who negotiated agreements to remain in their homes more than twice as often as non-TAP cases, and TAP-represented tenants successfully negotiated an agreement to move and avoided an eviction judgment more than seven times as often as non-TAP cases.²⁵⁷

70. Disparities in outcomes, while perhaps the most concrete difference between represented and unrepresented tenants, are not the only challenge tenants face in court. A San Francisco Housing Court study observed how landlords’ attorneys can gain the upper hand even when the law does not support their case.²⁵⁸ Repeat players gain advantages from their developed expertise and knowledge including specialized knowledge of substantive areas of the law, experience with court procedures, and familiarity with opposing counsel and decision-makers.²⁵⁹ However, when tenants are represented, these power dynamics are more balanced. There are also ways that representation can create positive outcomes beyond “winning” a case. An attorney can help limit the collateral damage of being evicted.²⁶⁰ Attorneys can assist with filing a continuance, which would effectively stay the

²⁵¹ Hasvold, Aubrey and Regenbogen, Jack. “Facing Eviction Alone: A Study of Evictions, Denver, Colorado 2014-2016.” Colorado Coalition for the Homeless and Colorado Center on Law and Policy. N.d.

²⁵² Ibid.

²⁵³ “Evictions in the Courts: An Analysis of 106,000 Cases from 2006-2016 in Jackson County.” Kansas City Eviction Project. January 24, 2018.

²⁵⁴ “The Legal Aid Society of Columbus: Tenant Advocacy Project Evaluation.” Thoughtwell. 2018.

²⁵⁵ Ibid.

²⁵⁶ Ibid.

²⁵⁷ Ibid.

²⁵⁸ San Francisco Right to Civil Counsel Pilot Program Documentation Report. John and Terry Levin Center for Public Service and Public Interest, Stanford Law School. May 2014.

²⁵⁹ Ibid.

²⁶⁰ Ibid.

judgment until a trial date and allow the tenant time to find a new living space.²⁶¹ The tenant, with attorney assistance, could attempt to settle the case with the landlord without proceeding to trial.²⁶² The appearance of an attorney for either party has been shown to increase settlement rates from seven percent if neither party was represented to 26 percent if the defendant was represented and 38 percent if the plaintiff was represented.²⁶³ Additionally, an attorney might also help the tenant vacate the apartment without an adverse judgment impact the tenant's credit score and ability to re-rent.²⁶⁴

71. **Fewer Tenants Lose by Default.** When tenants do not file an answer or attend court for their scheduled hearing a default judgment is often entered in favor of the landlord if the landlord or landlord counsel is present.²⁶⁵ That is, tenants automatically lose if they do not attend their hearing and the landlord or the landlord's attorney does attend the hearing. In many jurisdictions, it is cumbersome to reopen cases that tenants have lost by default, and the specialized knowledge of an attorney is usually required. There are numerous reasons a tenant may lose by default, such as: (1) confusion and intimidation about the legal process; (2) the tenant has already vacated the apartment; (3) the tenant acknowledges that rent is owed and does not believe going to court will change the situation; and (4) the tenant does not realize there may be valid defenses to raise. Additionally, if tenants do not know their rights, they could lose the opportunity to reopen their cases even if they have meritorious defenses.
72. In its analysis of evictions in Philadelphia, Stout found that tenants who were represented were 90 percent less likely to lose by default than unrepresented tenants.²⁶⁶ Unrepresented tenants lost by default in approximately 58 percent of cases in Philadelphia.²⁶⁷ Similar default rates have been observed throughout the country. In Jackson County (Kansas City), Missouri approximately 70 percent of tenants lost by default.²⁶⁸ In Hawai'i, half of all eviction cases result in a default judgment in favor of the landlord.²⁶⁹ In Seattle, tenants lose by default in approximately 48 percent of cases.²⁷⁰ In a study of evictions in

²⁶¹ Ibid.

²⁶² Ibid.

²⁶³ Hannaford-Agor, Paula and Mott, Nicole. "Research on Self-Represented Litigation: Preliminary Results and Methodological Considerations." *The Justice System Journal*. 2003.

²⁶⁴ Ibid.

²⁶⁵ See footnote 64 for more information on Stout's consideration of default judgments.

²⁶⁶ "Economic Return on Investment of Providing Counsel in Philadelphia Eviction Cases for Low-Income Tenants." Stout Risius Ross. November 13, 2018.

²⁶⁷ Ibid.

²⁶⁸ "Evictions in the Courts: An Analysis of 106,000 Cases from 2006-2016 in Jackson County." Kansas City Eviction Project. January 24, 2018.

²⁶⁹ Geminiani, Victor et al. "Evicted in Hawai'i: Lives Hanging in the Balance." *Lawyers for Equal Justice*. N.d.

²⁷⁰ "Losing Home: The Human Cost of Eviction in Seattle." *The Seattle Women's Commission and the Housing Justice Project of the King County Bar Association*. September 2018.

Greensboro, North Carolina, more than 75 percent of tenants did not attend their hearing, losing by default.²⁷¹ As observed in Philadelphia, having representation significantly reduces the likelihood that a tenant loses by default. Even if the tenant is unable to attend the hearing, counsel can attend on the tenant's behalf, completely mitigating the consequences of losing the case by default.

73. **Connection to Other Services and Improved Housing Transitions.** Representation in an eviction case can be important not only for navigating the legal system, but also for providing tenants access to emotional, psychological, and economic assistance from other service providers.²⁷² Civil legal services attorneys and pro bono attorneys are often aware of additional resources within a community from which the tenant could benefit. These attorneys can connect tenants to emergency rent assistance programs and refer them to mental health providers or other social services they may need.²⁷³ Representation can also achieve an outcome that maximizes the tenant's chances of either staying in his or her home or finding another suitable place to live without disrupting, or working toward minimized disruption of, their well-being or family stability.²⁷⁴ According to a Chicago-Kent College of Law study, represented tenants experienced a clear advantage as their cases progressed through the court system even if the landlord prevailed.²⁷⁵ Represented tenants received continuances in 32 percent of cases compared to 13 percent of unrepresented tenants.²⁷⁶ Although the disposition was the same – eviction – legal representation allowed tenants more time to secure alternative housing.²⁷⁷ Interestingly, while the length of time between filing the complaint and a tenant being evicted from his apartment is longer for represented tenants, once represented tenants were ordered out of their apartments, the average time to move was 12.6 days, 2.2 days shorter than unrepresented tenants.²⁷⁸ This indicates that because of representation, tenants had the opportunity to find suitable living arrangements and to prepare better for leaving the premises, and thus did not require additional time to move. However, if tenants do require additional time to find alternative, suitable living arrangements, lawyers can often negotiate additional time for the tenant to do so. In its analysis of evictions in Philadelphia, Stout found that, on average, represented tenants had approximately 50 days to vacate

²⁷¹ Sills, Stephen J. et al. "Greensboro's Eviction Crisis." The University of North Carolina Greensboro Center for Housing and Community Studies. N.d.

²⁷² San Francisco Right to Civil Counsel Pilot Program Documentation Report. John and Terry Levin Center for Public Service and Public Interest, Stanford Law School. May 2014.

²⁷³ Savitch-Lew, Abigail. "City Tackles Toll-Out of Right to Counsel in Housing Court." City Limits. January 17, 2018.

²⁷⁴ Ibid.

²⁷⁵ "No Time for Justice: A Study of Chicago's Eviction Court." Chicago-Kent College of Law Class of 2004 Honors Scholar. December 2003.

²⁷⁶ Ibid.

²⁷⁷ Ibid.

²⁷⁸ Ibid.

their apartments when they agreed to do so compared to 35 days for unrepresented tenants.²⁷⁹

74. **Court Efficiency Gains.** Results from the San Francisco Right to Civil Counsel Pilot Program indicated that when tenants are represented cases move through the legal processes more efficiently than when tenants are unrepresented. The average number of days from filing the complaint to a judgment entered by the clerk decreased from 37 to 31.²⁸⁰ The average number of days from filing the complaint to a negotiated settlement decreased from 72 to 62.²⁸¹ The average number of days from the filing of the complaint to the entry of a court judgment decreased from 128 to 105, and the average number of days from filing the complaint to dismissal of the action decreased from 90 to 58.²⁸² When tenants are represented, landlords are less likely to bring unmeritorious claims, thus leading to a more efficient court process, a better use of court resources, and the expectation that the number of eviction cases will decrease over time. In 2017, the New York City Office of Civil Justice reported a significant decrease in evictions as a result of New York City's increased commitment to providing free legal services to tenants.²⁸³ Residential evictions have decreased approximately 27 percent over the last four years and approximately a five percent decrease from 2016 to 2017.²⁸⁴ Over the four-year period of 2014 to 2017, an estimated 70,000 New York City tenants have retained possession of their homes.²⁸⁵ Early indicators from New York City's implementation of Universal Access suggest that when eviction proceedings are filed and both sides are represented, time-consuming motion practice related to non-dispositive issues is reduced. Additionally, fewer orders to show cause to stay evictions and for post-eviction relief are being filed, indicating that better outcomes are being achieved under Universal Access. Judge Jean Schneider, the citywide supervising judge of the New York City Housing Court, has stated that the Court will continue to monitor any backlog or issues with efficiency as Universal Access continues to be phased in, but there have not been any major problems in the first year.²⁸⁶ In fact, she testified earlier this year at a hearing on New York State civil legal services that as a result of Universal Access implementation "our court is improving by leaps and bounds."²⁸⁷ At the same hearing, Judge Anthony Cannataro, the administrative

²⁷⁹ "Economic Return on Investment of Providing Counsel in Philadelphia Eviction Cases for Low-Income Tenants." Stout Risius Ross. November 13, 2018.

²⁸⁰ Sandefur, Rebecca L. "The Impact of Counsel: An Analysis of Empirical Evidence," Seattle Journal for Social Justice: Vol. 9: Issue 1, Article 3, p. 78. 2010.

²⁸¹ Ibid.

²⁸² Ibid.

²⁸³ "NYC Office of Civil Justice Annual Report and Strategic Plan." New York City Office of Civil Justice. 2017.

²⁸⁴ Ibid.

²⁸⁵ Ibid.

²⁸⁶ Clark, Dan M. "Increasing Tenants' Access to Counsel Has Raised Court Efficiency, Fairness, Judges Say." New York Law Journal. September 24, 2018.

²⁸⁷ Ibid.

judge of the civil courts in New York City, explained that judges have spent less time explaining housing rights and court processes to represented tenants who, without Universal Access, may have previously gone to court unrepresented.²⁸⁸ Lastly, as to efficiency, there is an increased likelihood that cases can be resolved out of court and before the first hearing when counsel is involved. While there were initial concerns regarding the potential for increased representation to slow court procedure, early observations from the implementation and expansion of Universal Access in New York City have indicated that significant benefits are being observed by the judiciary through improved motion practice, judicial experience, pre-trial resolution, and rulings providing increased clarity for landlord and tenant advocates.

75. **Trusting the Justice System and Civic Participation.** Evaluations of providing counsel are often focused on the outcome for the litigant. However, tenants are more apt to accept court decisions if they perceive that the law and court procedures were followed even if the tenant does not “win” his or her case.²⁸⁹ Whether court personnel treated the litigant fairly, whether the litigant was able to state his or her side of the story, and whether the decisions were based on facts are additional factors that increase whether tenants trust that the justice system can provide justice for them.²⁹⁰ The importance of providing legal representation is not limited to advocating in the best interest of the litigant, but also encompasses providing him or her with the peace of mind that someone is on their side and providing greater confidence in the justice system.²⁹¹

²⁸⁸ Ibid.

²⁸⁹ Hannaford-Agor, Paula and Mott, Nicole. “Research on Self-Represented Litigation: Preliminary Results and Methodological Considerations.” *The Justice System Journal*. 2003.

²⁹⁰ Ibid.

²⁹¹ San Francisco Right to Civil Counsel Pilot Program Documentation Report. John and Terry Levin Center for Public Service and Public Interest, Stanford Law School. May 2014.

Section V

Estimated Impact of Right to Counsel

76. Using the Superior Court of California, County of Los Angeles docket data for eviction cases and local eviction defense provider data referenced in paragraphs 30-33, Stout estimated: (1) the impact representation has on the outcome of an eviction case in Los Angeles, and (2) how many tenants in Los Angeles County and the City of Los Angeles have a high likelihood of avoiding disruptive displacement if provided with the variety of prevention mechanisms and representation, when needed, being contemplated by the Los Angeles Right to Counsel Coalition.

Analysis Overview

77. Los Angeles RTC involves a variety of stakeholders (e.g., lawyers, advocates, local government officials, community organizations) working together to identify and address tenants' needs.²⁹² The RTC includes tenant services that are aimed at preventing evictions, and when an eviction filing has either already occurred or cannot be prevented, free legal representation will be available. Because of the RTC's comprehensive nature, it was appropriate for Stout to consider all populations that would benefit from RTC, not only tenants with eviction filings against them or a scheduled court date.
78. RTC has two primary components: (1) prevention and pre-litigation services and (2) full representation. Prevention and pre-litigation services includes public awareness and rental assistance. These components and the number of tenants assisted by each can be visualized as a funnel as in Figure 12.

²⁹² The Los Angeles Right to Counsel Coalition. "Proposed Right to Counsel Program for Tenants." November 20, 2018.



Figure 12

79. The size of each funnel level is relative to the number of tenants who may receive that particular intervention. For example, the Coalition, in its Tenant Right to Counsel Policy Proposal states that as an element of prevention and pre-litigation services, “The City of Los Angeles, through their Housing and Community Investment Department will conduct a public education and Know Your Rights campaign in multiple languages including ads promoting the Right to Counsel.”²⁹³ Because of the breadth of the public education campaign, many more tenants would be exposed to it compared to the number of tenants who would receive full representation.
80. Each funnel level also serves as an “exit point” for tenants assisted through RTC. That is, at each funnel level, there will be tenants for whom that intervention assisted them in avoiding disruptive displacement and therefore do not need further assistance regarding housing instability or related housing concerns. For tenants who need further assistance with housing instability or other housing concerns, the subsequent funnel level is intended to do so. Additionally, tenants may “enter” the funnel at different levels. For example, some tenants may have received an unlawful detainer filing but had not yet been exposed to the public education and tenant outreach efforts. These tenants would likely “enter” the funnel at the full representation level.

²⁹³ “Proposed Right to Counsel Program for Tenants.” LA Right to Counsel Coalition. November 20, 2018.

81. To determine the impact of RTC, Stout estimated the number of people likely to avoid the high likelihood of experiencing disruptive displacement as a result of RTC and compared it to the estimated number of people likely to avoid the high likelihood of experiencing disruptive displacement without RTC.

Analysis of Right to Counsel

82. The first step in Stout’s analysis of RTC was to determine how many tenants would likely be served by RTC. Stout understands that RTC would be available to tenants in the County and the City who have household incomes at 80 percent of Area Median Income (“AMI”) or less (herein referred to as “income eligible”). As of last measure in 2017, there were approximately 673,338 renter households with incomes at or below 80 percent AMI in the County and approximately 439,395 in the City.²⁹⁴
83. **Effectiveness of Prevention and Pre-Litigation Services – Public Awareness.** Based on data from the American Community Survey-Delinquent Payments and Notices database, Stout estimates that six percent of income eligible households in the County and City are likely unable to pay all or a portion of their rent and could therefore be at risk of receiving a formal eviction complaint (i.e., a complaint filed with the court) from their landlords or be subject to an “informal” eviction.²⁹⁵ An important consideration for the prevention and pre-litigation services component of RTC is assistance given to tenants who may be experiencing landlord harassment, threats, illegal lockouts, or other tactics used by landlords to intimidate tenants. Stout refers to these situations as “informal” evictions because they are not adjudicated through the court system. However, tenants in these situations may leave their apartments, thus they could experience disruptive displacement without having a complaint filed in court against them. The prevention and pre-litigation services component aims to assist tenants in these situations before they either leave their apartments or receive a formal eviction complaint.
84. Stout expects that 41,214 households in the County and 26,895 households in the City would likely be targets for RTC’s prevention and pre-litigation services because of their increased likelihood of being disruptively displaced through either a formal or informal eviction. An element of RTC’s prevention and pre-litigation services is a public awareness campaign. Stout expects that six percent of income eligible households exposed to the public awareness campaign would avoid the high likelihood of disruptive displacement. Studies of the effectiveness of public education campaigns in the health care industry have

²⁹⁴ “Los Angeles County Annual Affordable Housing Outcomes Report.” California Housing Partnership. April 30, 2019. And U.S. Census Bureau. Population Estimates.

²⁹⁵ “American Community Survey-Delinquent Payments and Notices.” U.S. Census Bureau.

yielded similar results.²⁹⁶ These studies analyzed the effectiveness of public education campaigns for oral health, drinking, smoking, cardiovascular health, mammography, and sexual behavior.²⁹⁷ The average change in behavior stemming from these public education campaigns was six percent, which Stout believes is a reasonable expectation of the effectiveness of RTC's public awareness efforts. Stout's estimates 2,542 income eligible households in the County and 1,659 income eligible households in the City would avoid the likelihood of disruptive displacement as a result of RTC's public awareness efforts. The remaining 38,673 income eligible households in the County and the 25,236 income eligible households in the City still have a high likelihood of experiencing disruptive displacement.

85. **Effectiveness of Prevention and Pre-Litigation Services – Legal Advice and Limited Scope Representation.** Of the 38,673 income eligible households in the County and 25,236 income eligible households in the City still having a high likelihood of experiencing disruptive displacement, Stout estimates that half of households in each jurisdiction will not receive a formal eviction complaint but will be subject to an informal eviction. There is limited research on the topic of informal evictions. However, the research that does exist, suggests that approximately half of all evictions may be informal, occurring outside of the court system. The Milwaukee Area Renters Study, an in-depth survey and interview study of low-income tenants conducted in part by Matthew Desmond, found that 48 percent of forced moves experienced by survey respondents were informal evictions.²⁹⁸ A San Francisco-based renters' rights organization estimated that there were approximately 3,000 attempted evictions in 2016 while data from the City of San Francisco showed there were approximately 1,900 recorded evictions.²⁹⁹ In Fresno, California, the court orders more than 3,000 renters out of their homes, and thousands more informal evictions outside of the courtroom are estimated to occur.³⁰⁰ A statewide study of evictions in California states that "most" evictions are carried out through an informal process.³⁰¹ As discussed in paragraph 83, it is important to capture these informal evictions because one of the Program's goals is to prevent these disruptive displacements. In the County and the City, Stout expects 19,336 and 12,618 income eligible households, respectively, to have a high likelihood of experiencing an informal eviction.³⁰² Stout estimates that 85 percent of these

²⁹⁶ Snyder, Leslie B. et al. "A Meta-Analysis of the Effect of Mediated Health Communication Campaigns on Behavior Change in the United States." *Journal of Health Communication*. 2004.

²⁹⁷ *Ibid.*

²⁹⁸ Desmond, Matthew and Shollenberger, Tracey. "Forced Displacement From Rental Housing: Prevalence and Neighborhood Consequences." *Demography*. October 2015.

²⁹⁹ Brinklow, Adam. "How many people are really evicted in SF every year?" *Curbed San Francisco*. May 31, 2018.

³⁰⁰ Nkosi, Janine and Crowell, Amber. "Evicted in Fresno: A complex story of economic burden – and profit." *The Fresno Bee*. November 3, 2019.

³⁰¹ Inglis, Aimee and Preston, Dean. "California Evictions are Fast and Frequent." *Tenants Together*. May 2018.

³⁰² The number of income eligible households having a high likelihood of experiencing an informal eviction was estimated by using the studies referenced in this paragraph, which indicate that for every formal eviction, approximately one informal eviction occurs. Of the 38,673 and 25,236 income-eligible households in the County

income eligible households have a high likelihood of avoiding disruptive displacement as a result of RTC's prevention and pre-litigation services, specifically legal advice and limited scope representation. A non-profit in New York City whose purpose is to assist clients and prevent their issues from becoming legal actions reported that 85 percent of its clients agreed that the non-profit aided in the resolution of their issue.³⁰³ Because the prevention and pre-litigation services contemplated by RTC are similar to those provided by this non-profit, avoiding the high likelihood of experiencing disruptive displacement for 85 percent of these income eligible households is reasonable to expect. An estimated 16,436 income eligible households in the County and 10,725 in the City would avoid the high likelihood of disruptive displacement as a result of legal advice and limited scope representation.

86. Between the public awareness and the legal advice and limited scope representation elements of RTC, Stout estimates that 18,977 income eligible households in the County and 12,384 income eligible households in the City would avoid the high likelihood of disruptive displacement if RTC were implemented.
87. **Effectiveness of Full Representation – Informal Evictions.** The remaining 15 percent of income eligible households in the County and City that were not able to avoid the high likelihood of disruptive displacement through RTC's prevention and pre-litigation services would likely receive a formal eviction complaint, rendering them eligible for full representation. The number of income eligible households in the County and the City that received prevention and pre-litigation services but still received a formal eviction complaint are 2,900 and 1,893, respectively. These income eligible households would then be offered full representation through RTC. However, it is likely that a portion of tenants would not accept the offer of full representation, would not file an answer to the complaint, would lose their cases by default, and would have a high likelihood of experiencing disruptive displacement. Stout recognizes that not every tenant receiving an eviction complaint will accept the offer of full representation. Stout expects five percent of tenants to deny the offer of full representation. Of the 2,900 income eligible households in the County and the 1,893 income eligible households in the City that have now received a formal eviction complaint, Stout estimates that 95 percent have a high likelihood of avoiding disruptive displacement if they were to accept the offer of full representation. This amounts to 2,604 income eligible households in the County and 1,699 income eligible households in the City that received prevention and pre-litigation services but still received a formal eviction complaint and were able to avoid the high likelihood of disruptive displacement by accepting RTC's offer of full representation.

and City, respectively, that still have a high likelihood of experiencing disruptive displacement after the public awareness campaign, half may receive a formal eviction and half may receive an informal eviction.

³⁰³ "Annual Report 2017." Legal Hand. 2017.

88. **Effectiveness of Full Representation – Formal Evictions.** As discussed in paragraph 85, approximately half of all disruptive displacements may be related to a formal eviction complaint. After the execution of the public awareness campaign, an estimated 19,336 income eligible households in the County and 12,618 income eligible households in the City are still expected to receive a formal eviction complaint. Once a tenant receives a formal eviction complaint, they become eligible for full representation under RTC. However, as discussed in the preceding paragraph, not all tenants will accept the offer of full representation. Of the 19,336 and 12,618 income-eligible households in the County and the City receiving a formal eviction complaint, respectively, Stout again expects that five percent are likely to deny the offer of legal representation, and therefore have a high likelihood of experiencing disruptive displacement. Of the remaining 18,370 income eligible households in the County and 11,987 income eligible households in the City likely to accept the offer of full representation, approximately 95 percent have a high likelihood of avoiding disruptive displacement. As discussed in paragraph 31, Stout analyzed case outcome data from local Los Angeles civil legal aid providers and found that in eviction cases, lawyers providing full representation to tenants assisted 95 percent of tenants in avoiding a high likelihood of disruptive displacement. Stout’s finding is consistent with numerous studies of full representation from around the country (see paragraph 69) and is a reasonable estimate of the effectiveness of full representation in avoiding a high likelihood of disruptive displacement. Stout estimates that 17,359 income eligible households in the County and 11,328 income eligible households in the City who received a formal eviction complaint and accepted the offer of full representation avoided the high likelihood of disruptive displacement as a result of RTC’s full representation component.
89. **Income Eligible Households Avoiding a High Likelihood of Disruptive Displacement Through RTC.** With RTC fully implemented, Stout estimates that in the County, approximately 38,941 income eligible households in the County and 25,411 income eligible households in the City would avoid the high likelihood of disruptive displacement. Figure 13 shows how many income eligible households are expected to avoid the high likelihood of disruptive displacement by RTC component for each jurisdiction.

Income Eligible Households Avoiding the High Likelihood of Disruptive Displacement Through RTC		
Program Component	Los Angeles County	City of Los Angeles
Public awareness campaign	2,542	1,659
Prevention and pre-litigation services - informal evictions	16,436	10,725
Full representation - informal evictions	2,604	1,699
Full representation - formal evictions	17,359	11,328
Total households avoiding disruptive displacement	38,941	25,411

Figure 13

90. Based on the average household size of three people for both the County and the City, Stout estimates that 116,822 people in the County and 76,233 people in the City are likely to avoid the high likelihood of disruptive displacement through RTC.³⁰⁴

Analysis of 2018 Eviction Filings in Superior Court of California, County of Los Angeles

91. Stout analyzed residential eviction filings in the Superior Court of California, County of Los Angeles to estimate how many income eligible tenants have a high likelihood of avoiding disruptive displacement if RTC were not implemented (i.e., an estimate of the current number of income eligible tenants with a high likelihood of avoiding disruptive displacement). Stout conducted this analysis for the County and City separately.

Los Angeles County

92. In 2018, Stout estimate that there were 22,668 residential eviction filings in the Superior Court of California, County of Los Angeles against tenants living in Los Angeles County (excluding the City of Los Angeles).³⁰⁵ Of the 22,668 estimated residential eviction filings, an estimated 21,850 tenants were unrepresented.³⁰⁶ Of the 21,850 estimated residential eviction filings where tenants were unrepresented, approximately 76 percent resulted in a default judgment against the tenant, approximately 23 percent resulted in a judgment in favor of the Plaintiff, and approximately one percent resulted in either a dismissal in favor of the tenant or a judgment in favor of the tenant, according to publicly available data from the Superior Court of California, County of Los Angeles. Using these case disposition data field from the Superior Court of California, County of Los Angeles, Stout estimates that approximately one and a half percent of unrepresented tenants (approximately 315) living in Los Angeles County are currently avoiding the high likelihood of disruptive displacement without RTC.

³⁰⁴ U.S. Census Bureau. American Community Survey 5-Year Estimates. 2018.

³⁰⁵ Data provided by the Coalition, “UD FILINGS DATA – 10 YEARS.”

³⁰⁶ It is Stout’s understanding that the four providers of free eviction defense for low-income tenants from which Stout received aggregate case data are the primary providers of free eviction defense in Los Angeles. Stout received the number of eviction cases each provider closed in 2018 and used the total number of cases across providers as a reasonable estimate of the number of represented tenants in 2018. Stout subtracted the total number of cases closed by the four primary providers of free eviction defense for low-income tenants in Los Angeles from the total number of residential eviction filings in 2018 to estimate the number of unrepresented tenants in 2018. Stout understands that tenants may have been represented by private lawyers, bar associations, pro bono volunteer lawyers, or other lawyers not associated with the four primary providers of free eviction defense for low-income tenants in Los Angeles. However, it is Stout’s understanding that the number of tenants who are represented by a non-primary provider of free eviction defense for low-income tenants in Los Angeles is de minimis and would not materially impact the outcome of the analysis.

93. To estimate the portion of the estimated 315 households currently avoiding the high likelihood of disruptive displacement without RTC who would be income eligible for RTC, Stout utilized a New York City Housing Court study that examined the income levels of tenants in Housing Court.³⁰⁷ The New York City Housing Court study was based on income guidelines set in 1990. To account for wage growth, Stout adjusted the income guidelines by three percent per year for 29 years to account for wage growth among low-skilled workers.³⁰⁸ This study, adjusted for wage growth, suggests that 91 percent of households with a residential eviction filing in the Superior Court of California, County of Los Angeles have incomes of 80 percent AMI or less. Applying this metric to 315 households currently avoiding the high likelihood of disruptive displacement without RTC results in an estimated 286 income eligible households in the County currently avoiding the high likelihood of disruptive displacement without RTC.

City of Los Angeles

94. Stout received a map from a Coalition member that shows the location of each Superior Court of California, County of Los Angeles courthouse. Stout used this map and input from Coalition members to estimate at which courthouses landlords in the City of Los Angeles are most likely to file eviction complaints. These courthouses (“City of Los Angeles courthouses”) include Stanley Mosk, Van Nuys (East and West), and Santa Monica. While landlords in the City of Los Angeles may file eviction complaints in other courthouses, it is reasonable to estimate that most eviction filings in the City of Los Angeles will be at these courthouses because most City of Los Angeles zip codes are in their jurisdictions.
95. In 2018, there were 19,804 residential eviction filings in City of Los Angeles courthouses.³⁰⁹ Of the 19,804 residential eviction filings, an estimated 19,270 tenants were unrepresented. Stout estimated the number of unrepresented tenants in the City of Los Angeles courthouses using the same methodology as it did for its Los Angeles County calculation. Stout expects similar case dispositions in the City of Los Angeles courthouses to those observed in Superior Court of California, County of Los Angeles courthouses – one percent of unrepresented tenants avoiding the high likelihood of disruptive displacement without RTC. Using the same New York City Housing Court study of tenant income levels, Stout

³⁰⁷ “Housing Court, Evictions and Homelessness: The Costs and Benefits of Establishing a Right to Counsel.” Community Training and Resource Center and City-Wide Task Force on Housing Court, Inc. June 1993.

³⁰⁸ Federal Reserve Bank of Atlanta Wage Growth Tracker. Low-skilled workers are defined as being employed in: food preparation and serving; cleaning; personal care services; and protective services jobs. Stout assumed that most moderately or severely rent-burdened tenants would also be considered low-skilled workers according to this definition.

³⁰⁹ Data provided by the Coalition, “UD FILINGS DATA – 10 YEARS.”

estimates that 252 income eligible households in the City are currently avoiding the high likelihood of disruptive displacement without RTC.

The Estimated Incremental Impact of RTC

96. **Los Angeles County.** Stout calculated the incremental impact of RTC by taking the difference between the estimated number of income eligible households in Los Angeles County with a high likelihood of avoiding disruptive displacement if RTC were implemented (38,941) and the estimated number of income eligible households in the County currently avoiding a high likelihood of experiencing disruptive displacement without RTC (286). Based on this calculation, approximately 38,655 income eligible households in the County have a high likelihood of avoiding disruptive displacement if RTC were implemented. Based on the average household size of three people for the County, Stout estimates that 115,965 people in the County are likely to avoid the high likelihood of disruptive displacement through RTC.³¹⁰
97. **City of Los Angeles.** Stout calculated the incremental impact of RTC by taking the difference between the estimated number of income eligible households in the City of Los Angeles with a high likelihood of avoiding disruptive displacement if RTC were implemented (25,411) and the estimated number of income eligible households in the City currently avoiding a high likelihood of experiencing disruptive displacement RTC (252). Based on this calculation, approximately 25,159 income eligible households in the City have a high likelihood of avoiding disruptive displacement if RTC were implemented. Based on the average household size of three people for the City, Stout estimates that 75,477 people in the City are likely to avoid the high likelihood of disruptive displacement through RTC.³¹¹
98. The total incremental impact of RTC (County and City) is that an estimated 63,814 income eligible households comprised of an estimated 191,442 people would have a high likelihood of avoiding disruptive displacement if RTC were implemented.
99. The impact of RTC and the number of income eligible households and people avoiding the likelihood of disruptive displacement could be higher or lower based on the facts of any individual case. How RTC is implemented and communicated to tenants as well as how supportive policymakers and the judiciary are of RTC can also affect the impact of the RTC. In some cases, tenants simply cannot afford their rent and may experiencing disruptive displacement with or without RTC. However, RTC, especially the full representation component, can ensure tenants' rights are exercised, favorable judgment terms are negotiated, and sufficient time is given to tenants if they need to find new living

³¹⁰ U.S. Census Bureau. American Community Survey 5-Year Estimates. 2018.

³¹¹ Ibid.

arrangements. The benefits of RTC in these circumstances is less disruption to tenants' lives and therefore fewer costs to Los Angeles County and the City of Los Angeles.

Section VI

Estimated Costs and Benefits a Right to Counsel

100. Using publicly available research, studies, and data, Stout has estimated what the costs and benefits of RTC could be in Los Angeles County and the City of Los Angeles. Stout utilized County- and City-specific data when it was available. When it was not available, Stout utilized data from other jurisdictions that arrived at similar conclusions.
101. See **Exhibit A** for the costs avoided and economic return on investment summary for Los Angeles County, the City of Los Angeles, Los Angeles County costs avoided associated with City of Los Angeles avoided disruptive displacement, and these jurisdictions in total.

The Cost of RTC

102. **Prevention and Pre-Litigation Services.** According to the Los Angeles Right to Counsel Coalition, it expects the delivery of prevention and pre-litigation services to cost approximately \$21.4 million.³¹² The \$21.4 million will pay for eight teams of two pre-eviction attorneys, 100 eviction prevention specialists, one rental assistance project manager, and five rental assistance accountants, including related facilities, equipment and administrative costs.³¹³
103. **Full Representation.** Through its analysis of RTC and docket data, Stout estimates that 21,125 income eligible households in the County and 13,785 income eligible households in the City may accept the offer of full representation from RTC. According to the Los Angeles Right to Counsel Coalition each full representation case will cost approximately \$1,734.³¹⁴ Based on these estimates, providing full representation to the income eligible households accepting the offer of full representation would cost approximately \$47,311,000 in the County and \$34,583,000 in the City.
104. **Total Cost.** The estimated cost of prevention and pre-litigation services in both the County and the City is estimated to be \$10.7 million (\$21.4 million total). Stout estimates a total RTC for both jurisdictions (i.e., the County plus the City) of \$81,894,000.

105. See **Exhibit B** for the estimated cost of RTC when fully implemented for both jurisdictions.

Benefits [Quantifiable Costs Avoided] of RTC

106. See **Exhibit A** for a summary of benefits (quantifiable costs avoided) of RTC.

³¹² The Los Angeles Right to Counsel Coalition. “RTC Cost Worksheet.” November 25, 2019.

³¹³ Ibid.

³¹⁴ Ibid.

Estimated Annual Emergency Shelter and Housing Program Costs Avoided

107. The County and City have four primary types of housing for people experiencing homelessness: (1) emergency shelter; (2) transitional housing; (3) permanent supportive housing; and (4) rapid re-housing.³¹⁵ The annual total costs per person/household for these programs ranges from \$11,500 to \$29,200.³¹⁶ Stout used the annual total costs per person/household to estimate the per day cost of each program, applied the per day cost of each to program to the estimated duration of stay (in days) for each program, and calculated the estimated per person/household annual cost of each program based on the cost per day and the estimated duration of stay. Stout's estimated annual cost per person/household based on the estimated cost per day and estimated duration of stay for each program is:

- Emergency shelter - \$4,119
- Transitional housing - \$22,800
- Permanent supportive housing - \$15,000
- Rapid re-housing - \$5,671

108. See **Exhibit C.1** for details related to these calculations.

109. **Potential Emergency Shelter Costs Avoided Through RTC.** Stout estimates that 38,655 income eligible households in the County have a high likelihood of avoiding disruptive displacement because of RTC. Without RTC, approximately 25 percent of these income eligible households would have had a high likelihood of entering emergency shelter.³¹⁷ Using this metric, Stout estimates that 9,664 income eligible households in the County with a high likelihood of avoiding disruptive displacement because of RTC would have likely entered emergency shelter but for RTC. Stout has estimated that the annual emergency shelter cost per household living in emergency shelter to be \$4,119 (see Exhibit A). Applying this estimated annual emergency shelter cost per household with a high likelihood of entering emergency shelter without RTC, Stout estimates that the County may avoid emergency shelter costs of approximately \$39.8 million if RTC were implemented. Stout conducted the same analysis for the City and estimated that the City may avoid emergency shelter costs of approximately \$25.9 million if RTC were implemented. See **Exhibit C.2**.

³¹⁵ "Comprehensive Homeless Strategy." City of Los Angeles. 2015.

³¹⁶ Ibid.

³¹⁷ Robin Hood, a New York City based non-profit organization that provides funding to more than 200 programs across New York City, estimates that 25 percent of evicted tenants enter homeless shelters. See additional support for this metric in paragraph 44.

- Lack of Right to Shelter. Like nearly every other U.S. jurisdiction, residents of Los Angeles (County and City) do not have a formal, legislated right to shelter. Very few jurisdictions in the U.S. guarantee their most vulnerable a place to sleep. For example, New York City has an unconditional right to shelter while Massachusetts and Washington, D.C. have a right to shelter based on cold weather temperatures. While Stout uses Robinhood's estimate of approximately 25 percent of disruptively displaced households entering shelter, there are numerous studies in jurisdictions without a right to shelter that demonstrate a similar significant need for a social safety net response to housing instability. Emergency shelter costs are one form of a social safety net response to the desperate need for shelter, even in jurisdictions without a right to shelter and jurisdictions with people experiencing homelessness who are living unsheltered. Emergency shelter costs provide a proxy for costs jurisdictions bear (or are willing to bear) in response to severe housing instability. Furthermore, the incremental nature of shelter beds (i.e., the number of shelter beds increasing as the number of people experiencing homelessness increases) does not restrict the application of these costs to the households that are experiencing disruptive displacement because the costs may manifest in other ways, particularly if households are unable to enter emergency shelter and must use other County and City services to achieve housing stability. Regardless of actual emergency shelter entry by households experiencing disruptive displacement, emergency shelter costs can be a proxy for the other costs necessary to achieve housing stability for these households.

110. **Potential Housing Program Costs Avoided Through RTC.** This calculation estimates the potential costs avoided related to transitional housing, permanent supportive housing, and rapid re-housing. Stout estimates that 38,655 income eligible households in the County have a high likelihood of avoiding disruptive displacement because of RTC. Without RTC, approximately 25 percent of these income eligible households would have had a high likelihood of entering emergency shelter, which Stout believes is a reasonable expectation for entry into other housing programs.³¹⁸ Using this metric, Stout estimates that 9,664 income eligible households in the County with a high likelihood of avoiding disruptive displacement because of RTC would have likely entered a housing program but for RTC. Because the estimated annual cost per person/household based on the estimated cost per day and estimated duration of stay varies significantly by housing program, Stout applied the median cost of \$15,000 to the number of households likely to enter a housing program but for RTC. Stout estimates that the County may avoid housing program costs of approximately \$145 million if RTC were implemented. Stout conducted the same analysis

³¹⁸ Ibid.

for the City and estimated that the City may avoid housing program costs of approximately \$94.3 million if RTC were implemented.

111. **Total Cost.** Stout estimates that the County may avoid \$184.8 million in emergency shelter and housing program costs, and the City may avoid \$120.3 million in emergency shelter and housing program costs if RTC were implemented. Stout estimates the total emergency shelter and housing program costs that could be avoided for both jurisdictions (i.e., the County plus the City) to be approximately \$305 million. See **Exhibit C.2**.

Estimated Annual Los Angeles Unified School District Funding Lost

112. Stout quantified two streams of potential lost funding for Los Angeles Unified School District ("LAUSD"): lost funding related to chronic absences for students experiencing homelessness as a result of disruptive displacement and lost funding related to moderate absences for students experiencing homelessness as a result of disruptive displacement.
113. **Potential School Funding Lost due to Chronic Absences.** According to estimates from the California Office of Attorney General, there are 12,500 students in LAUSD schools who are chronically absent, missing at least 18 days of school each school year.³¹⁹ Approximately 25 percent of these students are likely experiencing homelessness due to disruptive displacement.³²⁰ Applying the 25 percent metric to the population of 12,500 students who are chronically absent from school and experiencing homelessness results in an estimated 3,125 students in LAUSD schools who may be chronically absent because of disruptive displacement. Multiplying 3,125 students in LAUSD schools who may be chronically absent because of eviction by the 18 minimum school days missed to be considered chronically absent results in 56,250 total school days missed by students who may be experiencing homelessness as a result of disruptive displacement. Each school day missed results in \$64 of lost funding for LAUSD schools.³²¹ At \$64 per missed day of school and 56,250 total missed school days by students who may be experiencing homelessness as a result of disruptive displacement, LAUSD schools may be losing approximately \$3.6 million in funding each year. See **Exhibit D.1**.
114. **Potential School Funding Lost due to Moderate Absences.** The California Department of Education reported that there were 50,507 students experiencing homelessness enrolled

³¹⁹ Palta, Rina. "Child homelessness has economic costs for LA schools." 89.3KPCC. March 10, 2017. Referencing estimates from the California Office of Attorney General.

³²⁰ Robin Hood, a New York City based non-profit organization that provides funding to more than 200 programs across New York City, estimates that 25 percent of evicted tenants enter homeless shelters. See additional support for this metric in paragraph 44.

³²¹ Palta, Rina. "Child homelessness has economic costs for LA schools." 89.3KPCC. March 10, 2017. Referencing estimates from the California Office of Attorney General.

in LAUSD schools in the 2017-2018 school year.³²² Approximately 25 percent of these students are likely experiencing homelessness due to disruptive displacement.³²³ Applying the 25 percent metric to the population of 50,507 students experiencing homelessness enrolled in LAUSD schools results in approximately 12,627 students experiencing homelessness because of disruptive displacement. An estimated 23 percent of students experiencing homelessness because of disruptive displacement are moderately absent from school, missing an average of 13 school days within a school year.³²⁴ Multiplying these metrics results in an estimated 38,098 school days missed by students experiencing homelessness because of disruptive displacement. At \$64 per missed day of school and 38,098 total missed school days by students who may be experiencing homelessness as a result of disruptive displacement, LAUSD schools may be losing approximately \$2.4 million in funding each year. See **Exhibit D.2**.

115. **Total Cost.** Stout estimates that LAUSD may be losing approximately \$6 million in funding related to chronically and moderately absent students who are absent because of homelessness spurred by disruptive displacement. Stout's estimate of potential lost school funding for LAUSD is a conservative estimate as it does not include potential funding lost related to children who are experiencing homelessness because of disruptive displacement and are absent from school but have not met the definition of chronically or moderately absent. Additionally, Stout's estimate does not include potential funding lost related to children who are experiencing homelessness because of disruptive displacement who are not enrolled in school – an estimated 12 percent of children experiencing homelessness.³²⁵

Estimated Health Care Costs Avoided

116. Stout quantified potential health care costs avoided by the County related to children and adults under age 65 if RTC were implemented. Because health care costs are paid for by the County but also utilized by people residing in the City, Stout also calculated health care costs avoided by the County arising from avoiding the high likelihood of disruptive displacement for children and adults under age 65 in the City. That is, the County may avoid health care costs if people living in the City can avoid the high likelihood of disruptive displacement through RTC.

³²² California Department of Education. 2017-2018 California Longitudinal Pupil Achievement Data System, Unduplicated Pupil Count.

³²³ Robin Hood, a New York City based non-profit organization that provides funding to more than 200 programs across New York City, estimates that 25 percent of evicted tenants enter homeless shelters. See additional support for this metric in paragraph 44.

³²⁴ "District of Columbia Attendance Report SY 2017-18." Office of the State Superintendent of Education, District of Columbia. November 30, 2018.

³²⁵ Palta, Rina. "Child homelessness has economic costs for LA schools." 89.3KPCC. March 10, 2017.

117. **Children.** Stout estimates that 11,683 children in Los Angeles County are experiencing homelessness as a result of disruptive displacement. Of these 11,683 children, an estimated 80 percent are enrolled in Medi-Cal, California's Medicaid program that pays for indigent health care.³²⁶ The average annual Medi-Cal expenditure per child enrolled is approximately \$2,836.³²⁷ A study by the U.S. Department of Housing and Urban Development found that Medicaid expenditures for children experiencing homelessness are approximately 26 percent higher than children who are not experiencing homelessness.³²⁸ This increase in Medicaid expenditures for children experiencing homelessness results in approximately \$33.4 million in additional health care costs. Los Angeles County funds approximately 20 percent of Medi-Cal, resulting in Los Angeles County spending an additional approximately \$6.7 million on health care expenses for children experiencing homelessness as a result of disruptive displacement. Stout conducted the same calculation for the estimated 7,604 children in the City experiencing homelessness as a result of disruptive displacement and estimates that the County may be spending an additional \$4.3 million on health care expenses for children experiencing homelessness as a result of disruptive displacement in the City. See **Exhibit E**.
118. **Adults Under Age 65.** Stout estimates that 9,664 adults under age 65 in Los Angeles County are experiencing homelessness as a result of disruptive displacement. Of these 9,664 adults, an estimated 80 percent are enrolled in Medi-Cal. The average annual Medi-Cal expenditure per adult is approximately \$3,913.³²⁹ A study by the U.S. Department of Housing and Urban Development found that Medicaid expenditures for 9,664 adults experiencing homelessness are approximately 78 percent higher than adults who are not experiencing homelessness.³³⁰ This increase in Medicaid expenditures for adults experiencing homelessness results in approximately \$53.8 million in additional health care costs. Los Angeles County funds approximately 20 percent of Medi-Cal, resulting in Los Angeles County spending an additional approximately \$10.8 million on health care expenses for adults experiencing homelessness. Stout conducted the same calculation for the estimated 6,290 adults in the City experiencing homelessness as a result of disruptive displacement and estimates that the County may be spending an additional \$7 million on

³²⁶ Cousineau, Michael. "How the Medicaid expansion has helped the homeless." Center for Health Journalism. June 1, 2018, referencing a recent study by clinics providing health care to people experiencing homelessness.

³²⁷ McConville, Shannon and Cha, Paulette. "The Medi-Cal Program." Public Policy Institute of California. April 2019.

³²⁸ Spellman, Brooke, et. al. "Costs Associated With First-Time Homelessness for Families and Individuals." U.S. Department of Housing and Urban Development, Office of Policy Development and Research. March 2010.

³²⁹ McConville, Shannon and Cha, Paulette. "The Medi-Cal Program." Public Policy Institute of California. April 2019.

³³⁰ Spellman, Brooke, et. al. "Costs Associated With First-Time Homelessness for Families and Individuals." U.S. Department of Housing and Urban Development, Office of Policy Development and Research. March 2010.

health care expenses for adults experiencing homelessness as a result of disruptive displacement in the City. See **Exhibit E**.

119. **Total Cost.** Stout estimates that the County may be spending an additional \$17.4 million on health care expenses for children and adults experiencing homelessness as a result of disruptive displacement in the County. Additionally, Stout estimates that the County may be spending an additional \$11.4 million on health care expenses for children and adults experiencing homelessness as a result of disruptive displacement in the City. The County may be spending an additional \$28.8 million on health care expenses for people experiencing homelessness as a result of disruptive displacement in the County and the City. See **Exhibit E**.

Estimated Foster Care Costs Avoided

120. Stout quantified potential foster care costs avoided, specifically maintenance payments and administrative expenses, by the County and City related to children who may be placed in foster care if their household experiences disruptive displacement.
121. **Los Angeles County.** Using data from the American Community Survey regarding delinquent rent payments and eviction notices, Stout estimated that 41,214 income eligible households in the County have a high likelihood of missing all or part of a rent payment, increasing the likelihood of disruptive displacement.³³¹ An estimated 62 percent of households experiencing disruptive displacement have children, and the average number of children per household with children is two, which leaves 49,828 children at risk of entering foster care due to disruptive displacement experienced by their household.^{332,333} Approximately 10 percent of children enter foster care because of a housing-related problem, and approximately 33 percent of children are unable to return home because of inadequate housing.³³⁴ The National Council for Adoption has estimated maintenance payments and administrative expenses per child in foster care per year to be approximately \$25,782.³³⁵ Approximately 44 percent of foster care expenses are paid by Los Angeles County.³³⁶ Using these metrics, Stout estimates that the County may avoid \$18.7 million in

³³¹ "American Community Survey-Delinquent Payments and Notices." U.S. Census Bureau.

³³² Desmond, Matthew et al. "Evicting Children." Social Forces. 2013.

³³³ U.S. Census. Average Number of Children per Family and per Family with Children by State. 2004.

³³⁴ "CW360: The Impact of Housing and Homelessness on Child Well-Being." Center for Advanced Studies in Child Welfare, University of Minnesota School of Social Work. Spring 2017. Referencing a Department of Health and Human Services report and the U.S. Greenbook 2016.

³³⁵ Zill, Matthew. "Better Prospects, Lower Cost: The Case for Increasing Foster Care Adoption." Adoption Advocate, National Council for Adoption. May 2011.

³³⁶ "Child Welfare Agency Spending in California." Child Trends. December 2018.

foster care expenses related to children whose households have avoided the high likelihood of disruptive displacement. See **Exhibit F**.

122. **City of Los Angeles.** Because foster care expenses are paid for by the County but also utilized by people residing in the City, Stout conducted the same calculation for the estimated 26,895 income eligible households in the City that have a high likelihood of missing all or part of a rent payment. Stout estimates that the County may avoid \$12.2 million in foster care expenses related to children whose households have avoided the high likelihood of disruptive displacement in the City. See **Exhibit F**.
123. **Total Cost.** Stout estimates that the County may avoid foster care expenses of approximately \$30.8 million related to children whose households have avoided the high likelihood of disruptive displacement in the County and the City. See **Exhibit F**.

The Preservation of Affordable Housing

124. Los Angeles County has a reported shortfall of approximately 568,000 affordable housing units.³³⁷ When a tenant is evicted from an affordable housing unit or a rent stabilized unit, the landlord is often permitted to re-rent that unit at a market rate, reducing the number of affordable or rent stabilized units, exacerbating the already severe shortage. The County and the City have demonstrated a commitment to building affordable housing through numerous programs and voter-approved measures.³³⁸ However, if RTC can keep tenants who are in affordable housing units or rent stabilized units, the County and City may not lose as many affordable units each year. The current planned investments in affordable housing units by the County or the City fall far short of the need. As such, the expected investments of the County or City in affordable housing unit may not change if the Right were able to prevent the loss of certain units. However, if RTC does prevent the loss of affordable housing units to the County and the City housing stock, there is certainly value provided to the County or the City by providing a mechanism to alleviate the ongoing erosion of affordable housing stock during a time when the County and City are investing in new affordable units to address the crisis.
125. Stout has estimated the potential costs avoided related to a reduced need for building affordable housing for people experiencing disruptive displacement. While Stout has calculated a dollar value, the costs avoided are not considered in its primary calculation because of the magnitude of the affordable housing shortfall described above.

³³⁷ “Los Angeles County Annual Affordable Housing Outcomes Report.” California Housing Partnership Corporation. April 30, 2018.

³³⁸ McGahan, Jason. “Will a Measure to Help L.A.’s Homeless Become a Historic Public Housing Debacle?” Los Angeles Magazine. March 8, 2019.

126. Stout estimates that 38,655 income eligible households in the County have a high likelihood of avoiding disruptive displacement because of RTC. Of these 38,655 income eligible households, approximately 28,991 have a high likelihood of experiencing disruptive displacement but not homelessness. An estimated 71 percent of income eligible households are likely living in affordable housing units or rent stabilized units.³³⁹ Stout estimates that 20,698 income eligible households with a high likelihood of avoiding disruptive displacement may have been living in affordable or rent stabilized units. The estimated cost to build a unit of affordable or rent stabilized housing is \$450,000.³⁴⁰ If 20,698 units needed to be built at an estimated cost of \$450,000 per unit, the County would spend approximately \$9.3 billion building affordable housing or rent stabilized units for people who had a high likelihood of experiencing disruptive displacement but for RTC. Stout conducted the same calculation for the City and estimates that it would spend approximately \$6 billion building affordable housing or rent stabilized units for people who had a high likelihood of experiencing disruptive displacement but for RTC. As a point of comparison, a goal of Proposition HHH was to build 1,000 affordable housing units annually for 10 years.³⁴¹ As previously noted, these costs are not necessarily cost savings to the County or the City, as both would be expected to continue to make the planned investments in affordable housing for the foreseeable future due the magnitude of the affordable housing shortage, regardless of whether RTC impacts the preservation of affordable housing. However, by providing a mechanism for the preservation of affordable housing during a time in which there is an affordable housing shortage crisis, RTC would be providing value to the County or the City reasonably measured by the replacement cost of units that would otherwise be lost.

Conclusion

127. Stout has quantified the estimated costs and benefits associated with RTC in the County, the City, and both jurisdictions combined. Stout has also calculated the return on investment for each jurisdiction.

³³⁹ According to the Los Angeles Housing and Community Investment Department, there are approximately 624,000 rent stabilized units in the City. The Southern California Association of Governments estimated that there are 1,382,970 households in the City, and an estimated 63 percent are renters. Applying 63 percent to 1,382,970 households results in a total of 874,037 renter households. Dividing the number of rent stabilized units (624,000) by the number of renter households (874,037), results in an estimated 71 percent of renter households living in rent stabilized units.

³⁴⁰ Kang, Inyoung. "Why It Costs So Much to Build Affordable Housing." The New York Times. November 7, 2019. Referencing a Turner Center for Housing Innovation at U.C. Berkeley report. Additionally, Woodyard, Chris. "\$700k for an apartment? The cost to solve the homeless crisis is soaring in Los Angeles." USA Today. August 20, 2019. states that the median cost to build a permanent housing for people experiencing homelessness is \$520,000 across the City.

³⁴¹ McGahan, Jason. "Will a Measure to Help L.A.'s Homeless Become a Historic Public Housing Debacle?" Los Angeles Magazine. March 8, 2019.

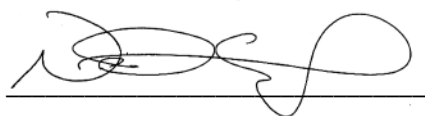
128. **Estimated Cost of RTC.** Stout has estimated the cost to fully implement RTC in the County and the City. In the County, a fully implemented RTC would cost approximately \$47.3 million, of which \$10.7 million would be allocated to prevention and pre-litigation services. In the City, a fully implemented RTC would cost approximately \$34.6 million, of which \$10.7 million would be allocated to prevention and pre-litigation services. The total cost of RTC for the County and the City combined would be approximately \$81.9 million, of which \$21.4 million would be allocated to prevention and pre-litigation services.
129. **Potential Benefits of RTC.** Stout has identified four primary areas where the County and the City may avoid costs or generate additional revenue if RTC were implemented: (1) emergency shelter and other housing programs; (2) school funding; (3) health care; and (4) foster care. Stout estimates potential costs avoided or additional revenue generated totaling approximately \$226.9 million annually in the County and approximately \$120.3 million annually in the City. Additionally, Stout estimates the County may realize an additional benefit of approximately \$23.5 million annually related to people avoiding the high likelihood of disruptive displacement in the City who may have utilized County-funded resources. The total potential costs avoided or additional revenue generated for the County and City combined would be approximately \$370.8 million annually.
130. **Potential Return on Investment.** Based on its analysis of potential costs and benefits, Stout estimates that the County may realize a return on its investment of \$4.80, and the City may realize a return on its investment of \$3.48 if the RTC were implemented. That is, for each dollar the County or City invested in RTC, it could receive \$4.80 and \$3.48, respectively, in costs avoided or revenue generated. The potential return on investment for the County and City combined may be approximately \$4.53. It is important to note that this estimate does not include the significant value contributed to the County and the City through the preservation of affordable housing.
131. Stout's estimate of annual costs avoided or revenue generated for each jurisdiction is likely significantly understated. Included in the calculation are benefits of RTC that are quantifiable and reasonably reliable with available data. However, if tenants experienced more stable housing, the County and the City would enjoy many benefits that are not at this time reliably quantifiable and therefore are not included in Stout's calculations. The costs that would be avoided and benefits that would be enjoyed by the City include, but are not limited to:
- The education costs, juvenile justice costs, and welfare costs associated with children experiencing homelessness;
 - The negative impact of eviction on tenants' credit score, ability to re-rent, and the potential loss of a subsidized housing voucher;
 - The cost of providing public benefits when jobs are lost due to eviction;

- The costs associated with homelessness, such as additional law enforcement and incarceration costs;
- The cost of family and community instability;
- Preservation of financial and personal assets³⁴²;
- Enforcement of rent laws and regulations; and
- A reduction, over time, of the number of eviction cases filed resulting in improved use of County and City court resources.

³⁴² When low-income tenants are evicted, it can have a significant detrimental financial impact in the form of moving expenses, loss of personal belongings, loss of security deposit, court fees, and fines from landlords. Low-income tenants already possess few financial assets, but when they are evicted these will likely be fully depleted, making their situation even more challenging. For example, if after being evicted, a low-income tenant needs a repair to his or her vehicle that is used for transportation to work and childcare, the financial assets that may have been available to pay for the repair may have been used for the expenses described above.

Assumptions and Limiting Conditions

132. Stout's conclusions are based on information received to date. Stout reserves the right to change those conclusions should additional information be provided.
133. Stout's review, research, and analysis was conducted on an independent basis. No one who worked on this engagement has any known material interest in the outcome of the analysis. Furthermore, Stout has performed this analysis on a pro bono basis and therefore without compensation.



Neil Steinkamp
Managing Director
Stout Risius Ross, LLC.

Exhibit A

Summary of Costs Avoided and Return on Investment

The Economic Impact of the Los Angeles Right to Counsel Coalition's Proposed Right to Counsel Program for Tenants
Exhibit A - Summary of Costs Avoided and Return on Investment

				Los Angeles County Estimated Costs Avoided Associated with City of Los Angeles Avoided Disruptive Displacements	Total
Cost Type	Los Angeles County	City of Los Angeles			
1 Estimated Annual Emergency Shelter Costs Avoided	\$39,802,570	\$25,905,908		N/A	\$65,708,478
2 Estimated Annual Housing Program Costs Avoided	\$144,956,250	\$94,346,250		N/A	\$239,302,500
Lost School Funding					
3 As a Result of Chronic Absences for Students Experiencing Homelessness as a Result of Disruptive Displacement	\$3,600,000	County-funded		N/A	\$3,600,000
4 As a Result of Moderate Absences for Students Experiencing Homelessness as a Result of Disruptive Displacement	\$2,438,276	County-funded		N/A	\$2,438,276
Health Care					
5 Children	\$6,679,881	County-funded		\$4,347,669	\$11,027,550
6 Adults Under Age 65	\$10,769,499	County-funded		\$7,009,438	\$17,778,938
7 Foster Care Maintenance Payments and Administrative Expenses	\$18,653,240	County-funded		\$12,172,536	\$30,825,776
8 Total Costs Avoided/Revenue Generated	\$226,899,717	\$120,252,158		\$23,529,643	\$370,681,518
9 Estimated Cost of RTC	\$47,311,685	\$34,582,994			\$81,894,679
10 Estimated Return on Investment ("ROI")	\$4.80	\$3.48			\$4.53

Exhibit B

Estimated Cost of RTC when Fully Implemented

The Economic Impact of the Los Angeles Right to Counsel Coalition's Proposed Right to Counsel Program for Tenants
Exhibit B - Estimated Cost of RTC when Fully Implemented

Estimated Cost of RTC - Fully Implemented			
	Total	Los Angeles County	City of Los Angeles
1 Estimated Cost of Prevention and Pre-litigation Services Contemplated in RTC [a]	\$21,355,357	\$10,677,678	\$10,677,678
2 Estimated Number of Income Eligible Households Expected to Accept Full Representation through RTC	34,910	21,125	13,785
3 Estimated Cost per Income Eligible Household Expected to Accept Full Representation through RTC [b]	\$1,734	\$1,734	\$1,734
4 Total Estimated Cost of Full Representation	\$60,539,322	\$36,634,007	\$23,905,315
5 Total Estimated Cost of RTC when Fully Implemented	\$81,894,679	\$47,311,685	\$34,582,994
[a] The Los Angeles Right to Counsel Coalition. "RTC Cost Worksheet" November 25, 2019. Includes Pre-eviction staffing, eviction prevention specialists, rental assistance of \$10M (and related personnel and administration costs).			
[b] The Los Angeles Right to Counsel Coalition. "RTC Cost Worksheet" November 25, 2019. Includes Legal Staffing, Facilities and Equipment. Adjusted for estimated cases in Stout analysis.			

Exhibit C.1

Estimated Annual Emergency Shelter and Housing Program Costs per Person/Household

The Economic Impact of the Los Angeles Right to Counsel Coalition's Proposed Right to Counsel Program for Tenants
Exhibit C.1 - Estimated Annual Emergency Shelter and Housing Program Costs per Person/Household

		Estimated Total Cost per Person/Household Annually [a]	Estimated Cost per Day [b]	Estimated Duration of Stay (in Days) [c]	Estimated Annual Cost per Person/Household Based on Estimated Cost per Day and Estimated Duration of Stay (in Days)
Housing Program					
1	Emergency Shelter	\$18,250	\$50	82	\$4,119
2	Transitional Housing	\$29,200	\$80	285	\$22,800
3	Permanent Supportive Housing	\$15,000	\$41	365	\$15,000
4	Rapid Re-Housing	\$11,500	\$32	180	\$5,671
[a] "Comprehensive Homeless Strategy." City of Los Angeles. 2015. [b] Based on 365-day year. [c] "Comprehensive Homeless Strategy." City of Los Angeles. 2015. And Comprehensive Homeless Strategy - Quarterly Performance Report Fiscal Year 2018-19 Fourth Quarter (April 1-June 30, 2010). Office of the City Administrative Officer. August 26, 2019. The cost of Permanent Supportive Housing was calculated for a one-year duration due to its nature of being a permanent, on-going housing outcome. This treatment is consistent with the 2015 Comprehensive Homeless Strategy report by the City of Los Angeles.					

Exhibit C.2

Estimated Annual Emergency Shelter and Housing Program Costs Avoided Through RTC

The Economic Impact of the Los Angeles Right to Counsel Coalition's Proposed Right to Counsel Program for Tenants
Exhibit C.2 - Estimated Annual Emergency Shelter and Housing Program Costs Avoided Through RTC

	Los Angeles County	City of Los Angeles
1 Estimated Number of Income Eligible Households with a High Likelihood of Avoiding Disruptive Displacement because of RTC [a]	38,655	25,159
2 Estimated Portion of Income Eligible Households with a High Likelihood of Avoiding Disruptive Displacement that Would Have Likely Entered Emergency Shelter But For RTC [b]	25%	25%
3 Estimated Number of Income Eligible Households with a High Likelihood of Avoiding Disruptive Displacement that Would Have Likely Entered Emergency Shelter But For RTC	9,664	6,290
4 Estimated Annual Emergency Shelter Cost per Household Living in Emergency Shelter [c]	\$4,119	\$4,119
5 Total Estimated Annual Emergency Shelter Costs Avoided through RTC	\$39,802,570	\$25,905,908
6 Estimated Number of Income Eligible Households with a High Likelihood of Avoiding Disruptive Displacement because of RTC [a]	38,655	25,159
7 Estimated Portion of Income Eligible Households with a High Likelihood of Avoiding Disruptive Displacement that Would Have Likely Entered a Housing Program But For RTC [b]	25%	25%
8 Estimated Number of Income Eligible Households with a High Likelihood of Avoiding Disruptive Displacement that Would Have Likely Entered a Housing Program But For RTC	9,664	6,290
9 Estimated Median Annual Cost of Housing Programs per Household [d]	\$15,000	\$15,000
10 Total Estimated Annual Housing Program Costs Avoided through RTC	\$144,956,250	\$94,346,250
11 Total Estimated Annual Emergency Shelter and Housing Program Costs Avoided through RTC	\$184,758,820	\$120,252,158
[a] Stout's calculation of the estimated number of income eligible households with a high likelihood of avoiding disruptive displacement because of RTC. [b] Estimated by Robin Hood. https://robinhoodorg-production.s3.amazonaws.com/uploads/2017/04/Metrics-Equations-for-Website_Sept-2014.pdf . Further supported by metrics cited in paragraph 44 of the report. [c] See Line 1 of Exhibit C.1. [d] The estimated median annual cost of housing programs per household is the median cost of the Transitional Housing (\$22,800), Permanent Supportive Housing (\$15,000), and Rapid Re-Housing programs (\$5,671). See Lines 2-4 of Exhibit A.1.		

Exhibit D.1

**Los Angeles Unified School District
Funding Lost as a Result of Chronic
Absences for Students Experiencing
Homelessness as a Result of Disruptive
Displacement**

Exhibit D.1 - Los Angeles Unified School District Funding Lost as a Result of Chronic Absences for Students Experiencing Homelessness as a Result of Disruptive Displacement

[b] Estimated by Robin Hood. https://robinhoodorg-production.s3.amazonaws.com/uploads/2017/04/Metrics-Equations-for-Website_Sept-2014.pdf. Further supported by metrics cited in paragraph 44 of the report.

Exhibit D.2

Los Angeles Unified School District Funding Lost as a Result of Moderate Absences for Students Experiencing Homelessness as a Result of Disruptive Displacement

The Economic Impact of the Los Angeles Right to Counsel Coalition's Proposed Right to Counsel Program for Tenants

Exhibit D.2 - Los Angeles Unified School District Funding Lost as a Result of Moderate Absences for Students Experiencing Homelessness as a Result of Disruptive Displacement

Cost Type	Children Experiencing Homelessness Enrolled in Los Angeles County Schools [a]	Portion of People Experiencing Homelessness Due to Disruptive Displacement [b]	Children Experiencing Homelessness as a Result of Disruptive Displacement	Children Experiencing Homelessness as a Result of Eviction Moderately Absent from School [c]	Average Days Missed by Children Experiencing Homelessness as a Result of Eviction Who Are Moderately Absent [c]	Total School Days Missed by Children Experiencing Homelessness as a Result of Eviction Who Are Moderately Absent	Cost per Absence per Day [d]	School Funding Lost as a Result of Children Experiencing Homelessness as a Result of Eviction Who Are Moderately Absent
Funding for Los Angeles Unified School District	50,507	25%	12,627	23%	13	38,098	\$64	\$2,438,276

[a] California Department of Education. 2017-2018 California Longitudinal Pupil Achievement Data System, Unduplicated Pupil Count.

[b] Estimated by Robin Hood. https://robinhoodorg-production.s3.amazonaws.com/uploads/2017/04/Metrics-Equations-for-Website_Sept-2014.pdf. Further supported by metrics cited in paragraph 44 of the report.

[c] "District of Columbia Attendance Report SY 2017-18." Office of the State Superintendent of Education, District of Columbia. November 30, 2018.

[d] Palta, Rina. "Child homelessness has economic costs for LA schools." 89.3KPCC. March 10, 2017. Referencing estimates from the California Office of Attorney General.

Exhibit E

Estimated Los Angeles County Health Care Costs Avoided

The Economic Impact of the Los Angeles Right to Counsel Coalition's Proposed Right to Counsel Program for Tenants
Exhibit E - Estimated Los Angeles County Health Care Cost Savings

Los Angeles County								
	Individuals Experiencing Homelessness as a Result of Disruptive Displacement [a]	Portion of Individuals Experiencing Homelessness as a Result of Disruptive Displacement Enrolled in Medi-Cal [b]	Individuals Experiencing Homelessness as a Result of Disruptive Displacement Enrolled in Medi-Cal	Average Annual Medi-Cal Expenditure per Enrollee [c]	Observed Increase in Medicaid Expenditures for People Experiencing Homelessness Compared to Statewide Average [d]	Estimated Annual Additional Medi-Cal Expenditures for People Experiencing Homelessness as a Result of Disruptive Displacement	Estimated Portion of Medi-Cal Funding Provided by the County [e]	Estimated Annual Additional Medi-Cal Spending by the County Related to People Experiencing Homelessness as a Result of Disruptive Displacement
Population								
Children	11,683	80%	9,347	\$2,836	26%	\$33,399,406	20%	\$6,679,881
Adults under age 65	9,664	80%	7,731	\$3,913	78%	\$53,847,497	20%	\$10,769,499
Total								\$17,449,381
Los Angeles County Estimated Costs Avoided Associated with City of Los Angeles Avoided Disruptive Displacements								
	Individuals Experiencing Homelessness as a Result of Disruptive Displacement [a]	Portion of Individuals Experiencing Homelessness as a Result of Disruptive Displacement Enrolled in Medi-Cal [b]	Individuals Experiencing Homelessness as a Result of Disruptive Displacement Enrolled in Medi-Cal	Average Annual Medi-Cal Expenditure per Enrollee [c]	Observed Increase in Medicaid Expenditures for People Experiencing Homelessness Compared to Statewide Average [d]	Estimated Annual Additional Medi-Cal Expenditures for People Experiencing Homelessness as a Result of Disruptive Displacement	Estimated Portion of Medi-Cal Funding Provided by the County [e]	Estimated Annual Additional Medi-Cal Spending by the County Related to People Experiencing Homelessness as a Result of Disruptive Displacement
Population								
Children	7,604	80%	6,083	\$2,836	26%	\$21,738,343	20%	\$4,347,669
Adults under age 65	6,290	80%	5,032	\$3,913	78%	\$35,047,191	20%	\$7,009,438
Total								\$11,357,107
[a] Stout’s calculation of people experiencing homelessness as a result of disruptive displacement adjusted for child and adult populations.								
[b] Cousineau, Michael. “How the Medicaid expansion has helped the homeless.” Center for Health Journalism. June 1, 2018, referencing a recent study by clinics providing health care to people experiencing homelessness.								
[c] McConville, Shannon and Cha, Paulette. “The Medi-Cal Program.” Public Policy Institute of California. April 2019.								
[d] Spellman, Brooke, et. al. “Costs Associated With First-Time Homelessness for Families and Individuals.” U.S. Department of Housing and Urban Development, Office of Policy Development and Research. March 2010.								
[e] McConville, Shannon, et. al. “Funding the Medi-Cal Program.” Public Policy Institute of California. March 2017								

Exhibit F

Estimated Foster Care Costs Avoided

The Economic Impact of the Los Angeles Right to Counsel Coalition's Proposed Right to Counsel Program for Tenants
Exhibit F - Estimated Foster Care Costs Avoided

Cost Type	Income Eligible Households Likely to Miss All or Part of a Rent Payment [a]	Estimated Portion of Households Experiencing an Eviction Filing with Children [b]	Estimated Number of Households Experiencing an Eviction Filing with Children	Average Number of Children per Household [c]	Portion of Children Entering Foster Care Because of a Housing-related Problem [d]	Portion of Children Unable to Return Home Because of Inadequate Housing [d]	Foster Care Cost per Child per Year [e]	Estimated Portion of Foster Care Costs Paid by the County [f]	Estimated Annual Foster Care Costs Paid by the County Stemming from Disruptive Displacement
1 Estimated Maintenance Payments and Administrative Expenses - Los Angeles County	41,214	62%	25,553	2	10%	33%	\$25,782	44%	\$18,653,240
2 Estimated Maintenance Payments and Administrative Expenses - City of Los Angeles	26,895	62%	16,675	2	10%	33%	\$25,782	44%	\$12,172,536
3 Total									<u><u>\$30,825,776</u></u>

[a] Stout's estimate using data from "American Community Survey-Delinquent Payments and Notices." U.S. Census Bureau.

[b] Desmond, Matthew et al. "Evicting Children." Social Forces. 2015.

[c] U.S. Census. Average Number of Children per Family and per Family with Children by State. 2004.

[d] "CW360: The Impact of Housing and Homelessness on Child Well-Being." Center for Advanced Studies in Child Welfare, University of Minnesota School of Social Work. Spring 2017. Referencing a Department of Health and Human Services report and the U.S. Greenbook 2016.

[e] Zill, Matthew. "Better Prospects, Lower Cost: The Case for Increasing Foster Care Adoption." Adoption Advocate, National Council for Adoption. May 2011.

[f] "Child Welfare Agency Spending in California." Child Trends. December 2018.