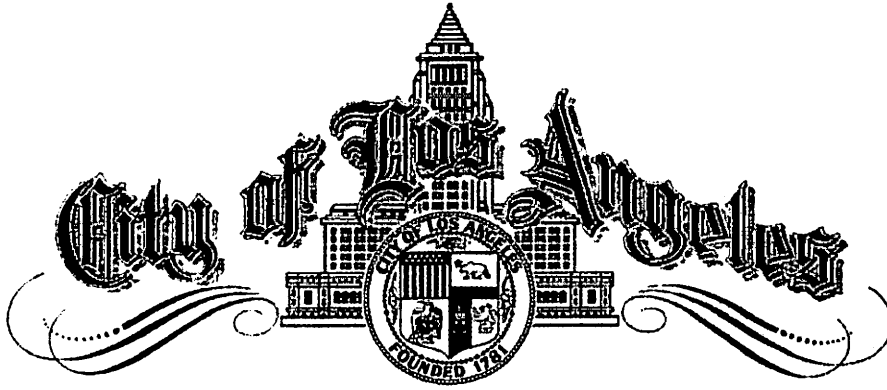


This document is an extract of a larger publication.

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KAREN BASS
MAYOR

October 6, 2023

Samantha P. Jessner
Presiding Judge
Superior Court of California, County of Los Angeles
Clara Shortridge Foltz Criminal Justice Center
210 W. Temple Street, Thirteenth Floor, Room 13-303
Los Angeles, CA 90012

**Re: Housing Vouchers For Low Income and Homeless Angelenos
Report by the 2022-2023 Los Angeles County Civil Grand Jury**

Dear Honorable Judge Samantha P. Jessner:

The City of Los Angeles acknowledges receipt of the 2022-2023 Los Angeles County Civil Grand Jury Report regarding Housing Vouchers for Low-Income and Homeless Angelenos, its findings and recommendations. The City respectfully submits Attachment A as the City's formal response.

For additional questions or comments, your staff may contact Jenna Hornstock, Deputy Mayor of Housing, at jenna.hornstock@lacity.org.

KAREN BASS
Mayor

PAUL KREKORIAN
City Council President

CITY OF LOS ANGELES RESPONSE TO THE CIVIL GRAND JURY FINAL REPORT

**Subject: 2022-2023 Civil Grand Jury Recommendations For:
Housing Vouchers For Low Income and Homeless Angelenos**

Recommendation 1.20 HACLA's and LACDA's HCV and EHV programs should be administered by one agency by agreement among the Board of Supervisors, the Los Angeles City Council and Mayor, HACLA, and LACDA. This will eliminate unnecessary duplication of effort and expense, enable Los Angeles residents to use an agency with a demonstrated excellent track record and promote efficiency. This recommendation relates to Findings 20, 21, and 22, and each of them.

The City shares the interest of the Grand Jury in seeing that all Housing Choice Voucher (HCV) and Emergency Housing Voucher (EHV) programs be administered as effectively and efficiently as possible. The City finds that, while good intentioned, the Grand Jury's recommendation that these programs be administered by one agency, specifically, the Los Angeles County Development Authority, appears to be based on an incomplete analysis that did not consider a number of factors. The analysis does not take into account recent steps that HACLA has taken to better ensure that EHV's are processed more quickly and fully utilized prior to September 2023. This response is in two parts: (1) A summary of the actions not included in the Civil Grand Jury's analysis and (2) A brief review of the Grand Jury's analysis and findings, which led to their recommendation. Note that HACLA's response provides more detail on the report.

Actions that HACLA has taken to expedite issuance and placement of EHV's

Ensuring that HACLA's EHV's are allocated and that recipients are placed in housing is a priority for the City. In response to discussions with the City, HACLA has:

- In February 2023, contracted with Nan McKay and Associates, an experienced voucher program administrator, to assist with processing the lease up PBV (and EHV) units. They will complete the entire leasing process for clients from referral receipt to contract execution, supplementing existing staff to reduce processing timelines. HACLA has brought on 17 contract staff positions through this process;
- Created a team of Housing Support Specialists. This team will support voucher holders by connecting them to available rental units before the voucher expires. HACLA has hired 4 team members and is seeking two more. Specifically, the HSS team will:
 - Provide rental search assistance.
 - Conduct telephonic banking (and email).
 - Provide information related to and process requests for voucher extensions, when appropriate.
 - Supplement the efforts of HACLA's brokerage firm Gray Rose by conducting landlord outreach and provide cash incentive information and other benefits associated with leasing to a voucher holder.
- Contracted with OPC -Overland, Pacific & Cutler, LLC for professional housing locator services. This is an experienced housing relocation and locator vendor

already doing business in our community. The contract will assist approximately 1,900 voucher holders. OPC's work will include:

- Rental search assistance.
- Locate and expand available rental listings in the Housing Authority's jurisdiction.
- Provide individual and/or group coaching sessions on presentation and interview techniques to prepare for landlord screening.
- Provide assistance with completing rental applications.
- Provide transportation services for referred voucher/certificate holders, individually or in groups.
- Expedite the leasing process by assisting landlords with the completion and submittal of Requests for Tenancy Approval Forms (RFTA) to HACLA
- Support partner agencies holding housing fairs

Beyond the EHV process, HACLA has been working with an outside consulting firm, Guidehouse Inc, to do a systems analysis of its operations to identify ways to improve The processes. They have done similar work with the New York City Housing Authority.

The Civil Grand Jury Analysis

- The analysis is based on a limited number of interviews and conversations and appears not to address all of the input HACLA provided to the Grand Jury, in particular recent developments in their work to more efficiently place vouchers.
- The analysis is focused on the Emergency Housing Voucher program which is a one-time program, and the analysis does not address the Housing Choice Voucher Program. The recommendation appears to conflate these programs and recommend one entity take over these programs.
- The analysis does not directly address, nor do the findings and recommendations take into account, the difference in the number of vouchers and people served by the County versus the City of Los Angeles. This is alluded to in the report showing that the City has 3,365 EHVs and the County only 1,964 but it is not discussed. Nor does the analysis discuss the relative number of HCVs each entity processes.
- The analysis finds nearly identical challenges for both HACLA and LACDA. The two main differences in the Grand Jury's findings are that (1) LACDA's work flow is team based and HACLA's is more individualized and (2) LACDA overcommitted its EHV which caused better utilization rates. However there are issues with the depth of exploration in these findings:
 - HACLA has clarified that the analysis of the Grand Jury is incorrect and HACLA does in fact have specialized teams assigned to manage the voucher process
 - HACLA's utilization rate for vouchers was inaccurate as of the date of the report, and HACLA has instituted other measures to increase utilization which are discussed in another section of this response. As of July 21, HACLA has placed 2,325 families with EHVs, out of 3,365 total, a utilization rate of 69%.
 - HACLA did overissue its EHVs and expects to use 100% of the EHVs by the end of calendar year 2023

- The Grand Jury cites that HACLA returned funding; however, it was not HCV nor EHV funding returned but Continuum of Care (COC) funding, a wholly different program that has its own set of implementation challenges for a host of housing authorities. This fact should not have any bearing on the final recommendation and it should be noted that LACDA also returned COC funding.
- The findings note that LACDA, like HACLA, has challenges finding and retaining staff. Yet there is no discussion of how merging the two programs would impact staffing at LACDA nor how LACDA could absorb the excess work with the staffing challenges it faces; the recommendation is to move a program that requires significantly more capacity to a program with less staffing and the same challenge hiring staffing.



July 20, 2023

TO: Each Supervisor

FROM: Emilio Salas, Executive Director

A handwritten signature in black ink, appearing to read "Emilio Salas", is written over the "FROM:" line of the memo.

SUBJECT: RESPONSE TO THE 2022-2023 LA COUNTY CIVIL GRAND JURY FINAL REPORT

Attached please find the response prepared by the Los Angeles County Development Authority to the findings of the 2022-2023 LA County Civil Grand Jury Final Report. Specifically, the agency's response addresses the findings found in the Housing Vouchers for Low-Income and Homeless Angelenos section of the Final Report.

If you have any questions, please contact me at (626) 586-1505.

Attachment

c: Cheri Thomas, Senior Manager, Chief Executive Office

RESPONSE TO THE CIVIL GRAND JURY FINAL REPORT

COUNTY OF LOS ANGELES
LOS ANGELES COUNTY DEVELOPMENT AUTHORITY (LACDA)

2022-2023 CIVIL GRAND JURY RECOMMENDATIONS FOR HOUSING VOUCHERS FOR LOW-INCOME AND HOMELESS ANGELENOS

RECOMMENDATION NO. 1.13

LACDA should explore recruiting temporary workers to perform routine tasks and process paperwork that involve little or no client interface. It should also explore hiring non-traditional employees such as retired people.

RESPONSE

LACDA disagrees with this finding. This recommendation has been implemented and has been part of the agency's current practice.

If the recommendation intended to state that LACDA should hire individuals working for temporary agencies to fill some of its regular positions, this is already current practice. Individuals hired through temporary agencies often acquire experience and program knowledge making them strong candidates to fill regular positions within the agency. However, if the recommendation intended to state that LACDA should hire temporary workers only for lower level jobs that involve little or no client interface, LACDA disagrees with this recommendation and will not implement it. The agency uses temporary workers to fill a temporary need not based on the complexity of the assignment.

With respect to the hiring of non-traditional employees such as retired people, the agency's current practice is to explore the hiring of non-traditional employees including retired people and public housing residents.

RECOMMENDATION NO. 1.14

LACDA's Section 8 application forms and instructions should be shortened and simplified.

RESPONSE

LACDA agrees partially with this finding. This recommendation has been implemented to the extent possible under Federal regulations.

The agency aims to simplify the application process for applicants wherever possible. For example, LACDA has streamlined its annual recertifications, income, and asset forms, such that participants with a fixed income only need to provide these documents every three (3) years. Additionally, the creation of the agency's online Rent Café Portal has made it easier for participants to complete their annual certification or to submit income changes.

However, the Section 8 program is a Federally-funded program with requirements set forth by the U.S. Department of Housing and Urban Development (HUD) to which the agency must adhere. As a result, there are limits to the number of documents and processes that LACDA is able to shorten or simplify, and therefore, LACDA cannot fully implement this recommendation. It should be noted that LACDA has fiercely advocated for changes to the Section 8 program that will reduce barriers to access as evidenced by the agency's recent waiver requests and Federal advocacy efforts that specifically asked legislators to make changes to simplify the application and eligibility determination process, as well as to the HUD Secretary to waive burdensome processes that are within their jurisdiction to approve.

RECOMMENDATION NO. 1.15

LACDA should give applicants forms and instructions, along with appropriate assistance, in time so that the applications can be ready for filing and review at the earliest possible time, well before their names come up for vouchers.

RESPONSE

LACDA disagrees with this finding. This recommendation will not be implemented.

This recommendation reflects the lack of understanding of the CGJ in regard to Federal program requirements. Federal regulations require that applicants have current documentation such as income verification forms, not older than 60 days, at the time of voucher issuance. Providing applicants with forms months in advance would nullify the process. Moreover, oftentimes an applicant's circumstance may change from the time their name is placed on the waiting list to the time their name comes up for a voucher, requiring a modification in the application. In addition, reissuing paper applications would be costly for the agency. As such, LACDA cannot implement this recommendation.

RECOMMENDATION NO. 1.16

LACDA should partner or leverage outside housing specialists to assist clients in navigating the complex process of applying for Section 8 vouchers.

RESPONSE

LACDA disagrees with this finding. This recommendation has been implemented and has been part of the agency's current practice.

The agency's current practice is to work with outside case managers from a number of community-based organizations with whom it partners, as well as with internal Housing Navigators, who provide wrap-around services including assistance with completing voucher applications, obtaining required identity and income documents, housing navigation and search, and facilitating move-ins.

It is unfortunate that the CGJ did not confirm the agency's current practice prior to making this recommendation.

RECOMMENDATION NO. 1.17

LACDA should creatively use HUD service fees as landlord incentives, including housing search assistance, application fees, utility hook-up charges, security deposit assistance, and landlord mitigation fund.

RESPONSE

LACDA disagrees with this finding. This recommendation has been implemented and has been part of the agency's current practice.

If the recommendation intended to reference the Emergency Housing Voucher (EHV) program, current practice is for LACDA to utilize HUD service fees for landlord incentives including housing search assistance, application fees, utility hookup charges, security deposit assistance, and a landlord mitigation fund. If the recommendation intended to reference the Housing Choice Voucher (HCV) program, the CGJ should have been aware that HUD does not provide special service fees for the Section 8 program for this use. However, the agency utilizes local County funding to fill this gap and provide these landlord incentives and has done so for the past eight years. In either instance, the agency is using funding creatively to provide this type of assistance and as such, current practice incorporates this recommendation.

RECOMMENDATION NO. 1.18

LACDA should provide easy to read and understand written information about FEHA's anti-discrimination provisions to landlords and tenants and should schedule seminars and/or webinars to educate the public on this topic.

RESPONSE

LACDA disagrees with this finding. This recommendation has been implemented and has been part of the agency's current practice.

The agency's current practice is to provide easy to read and understand written information about the Fair Employment and Housing Act's (FEHA) anti-discrimination provisions to landlords and tenants; the agency also schedules seminars and webinars to educate the public on this topic. For example, LACDA contracts with the Housing Rights Center (HRC) to provide tenant/owner workshops and includes notices in its monthly newsletters to tenants. The agency also provides HUD's fair housing form in all voucher packets; these forms are also available in the agency's lobbies. Additionally, LACDA refers applicants to the Housing Resource Center and Legal Aid, as needed. Finally, during the height of the pandemic, in partnership with the County's Chief Executive Office, Homeless Initiative (CEO-HI) staff, the agency convened monthly "COVID Tenant Protections" and "COVID Rental Property Owner" roundtable meetings in alternate months, with the County's Department of Consumer and Business Affairs staff present at all meetings to inform participants about COVID-19 Tenant Protections and the Stay Housed LA resource. As such, current practice incorporates this recommendation.

RECOMMENDATION NO. 1.19

LACDA caseworkers and supervisors should be taught about FEHA and related local ordinances and should be trained on how and when to make referrals to the Los Angeles County Counsel or to HRC.

RESPONSE

LACDA agrees partially with this finding. This recommendation has been partially implemented as part of the agency's current practice and will be fully implemented in the future.

The agency's current practice is to provide annual training to both caseworkers and supervisors on Fair Housing, which is ongoing as the agency is notified of updates. As such, current practice incorporates this recommendation.

With respect to training for caseworkers and supervisors on how and when to make referrals to the Los Angeles County Counsel or to HRC, LACDA has provided training for caseworkers to make referrals to the HRC. In fact, LACDA provides funding to the HRC specifically to provide source of income discrimination information to both landlords and tenants and to follow up accordingly with landlords that are found to be in violation of this statute. To the extent that the Civil Grand Jury spoke to individuals who stated they were unaware of these protocols, then it is imperative upon LACDA to ensure training efforts are bolstered. As such, LACDA will increase its efforts to provide this ongoing training.

RECOMMENDATION NO. 1.20

HACLA's and LACDA's HCV and EHV programs should be administered by one agency by agreement among the BOS, the Los Angeles City Council and Mayor, HACLA and LACDA. This will eliminate unnecessary duplication of effort and expense, enable Los Angeles residents to use an agency with a demonstrated excellent track record and promote efficiency. This recommendation relates to Findings 20, 21 and 22, and each of them.

RESPONSE

LACDA disagrees with this finding. This recommendation will not be implemented.

LACDA enjoys a close working relationship with the City of Los Angeles as well as the 17 other public housing agencies operating within the County. LACDA has taken a regional approach to align its policies and in the implementation of its programs. To that end, LACDA works very closely with these agencies; especially with the HACLA to address utilization, interagency Memorandum of Understanding agreements to streamline lease-up and reduce barriers to access, and the creation of a universal housing application. In fact, both LACDA and HACLA often attend landlord recruitment and education events together to demonstrate their collaborative relationship.

It is disheartening that the CGJ came to this conclusion without recognizing the level of coordination and collaboration that exists today between the two agencies. In fact, many of the landlord incentive programs that LACDA was credited for in this

report are also operational within HACLA and have been for many years. LACDA remains steadfast in its partnership and in its mutual aspirational goal to end homelessness within our City and County.