Member, Board of Supervisors District 9



City and County of San Francisco

HILLARY RONEN

February 26, 2018

Ben Rosenfield, Controller City Hall, Room 316 1 Dr. Carlton B. Goodlett Pl. San Francisco, CA 94102 Via Email to: controller@sfgov.org; ben.rosenfield@sfgov.org CC: Barbara Carr and Members of the Ballot Simplification Committee Via email to: publications@sfgov.org

Dear Mr. Rosenfield:

I am in receipt of the MOHCD letter to the Ballot Simplification Committee regarding the No Eviction Without Representation Act, an initiative that will be on the June 2018 ballot. As the Board of Supervisors will have a role in overseeing and funding this measure if it should pass, I am writing to seek clarification regarding the projected costs of the program.

First, MOHCD's projection that a right to counsel will cost \$9.3 million dollars appears to rely on the assumption that 100% of people facing eviction will seek representation under this program. The only study on the topic, a 2014 Budget & Legislative Analyst report, shows that in San Francisco 38% of tenants default and do not respond to eviction proceedings or avail themselves of available services. While MOHCD may believe that default rates will go down if the ballot measure passes, and the ballot measure proponents may believe that overall eviction attempts will go down if the measure passes, the only data driven analysis suggests that any cost estimate should be based on a default rate in the range of 38%. That alone would reduce MOHCD's cost estimate for the program by over \$3 million.

Second, data available from other cities that have, as part of the Shriver Project been providing fullscope legal services in eviction cases, indicate that MOHCD may be unintentionally over-estimating the number of hours required per case, the caseload per attorney, and the overall cost of the proposed program. [See <u>Evaluation of the Sargent Shriver Civil Right to Counsel Act (AB 590) (2017).]</u> Advocates project that there may be some efficiencies to be gained through a full-coverage program and, consequently, a per-case reduction in cost.

Third, regarding the City's current investment in eviction defense, MOHCD writes: "The pilot program has since been funded by MOHCD and operated by the Justice & Diversity Center of the Bar Association of SF. In FY17-18, MOHCD awarded \$4,4000,000 in eviction-related legal services and \$2,000,000 in tenant counseling and education." The phrase "eviction-related services" is not defined; the phrase apparently includes many expenditures other than legal representation at issue here. Moreover, by placing it right after the reference to the pilot program at BASF, which has received around \$150-200K annually for its eviction defense program, the MOHCD letter mistakenly implies that MOHCD is already funding the eviction defense pilot in the amount of \$4.4 million. Some clarification on current City expenditures on eviction defense legal representation would be helpful to inform further analysis.

Fourth, MOHCD asserts that it cannot implement the program in a year, invoking New York to show that the one-year timeline is not doable: "As an example New York City plans to implement its program over the course of five years to overcome staffing and logistical challenges." [See <u>MOHCD letter to</u> <u>Ballot Simplification Committee</u>.] However, New York has exponentially more evictions annually than San Francisco. The longer phase-in there was needed to address over 200,000 evictions annually, a far cry from San Francisco's estimated 3,205 evictions filed last year. I am unclear why MOHCD believes it would not be able to implement this program in one year if required to do so by voters.

Finally, there is a substantial body of research showing that funds spent on eviction defense result in cost savings for the City by virtue of reduced homeless services and related costs. This has been well documented in numerous studies across the country. [See <u>Housing Help Program: South Bronx NYC</u> (Seedco 2012) (estimated cost \$450,000 and savings of \$737,000)]; <u>Funding Civil Legal Services to the Poor, Report to the Chief Judge NY Legal Services Project</u> (1998) (Providing lawyers to represent the indigent in an eviction prevention program in NYC saved approximately \$4 for every dollar of cost); and <u>Massachusetts Civil Counsel Cost Savings Report (2015)</u> (estimated that legal aid eviction and foreclosure defense saved the Commonwealth an estimated \$4,207,371 in shelter costs in FY12).] In San Francisco, cost savings from the pilot project were studied in 2014. [See <u>San Francisco Right to</u> <u>Counsel Pilot Program Documentation Report (2014)</u>] (finding that 609 tenants likely avoided homelessness, saving \$1,096,200). While there will be costs to launch a right to counsel program, these studies strongly suggest an overall net cost savings to the city from such a program. We hope these will be reflected in the Controller's analysis, and we look forward to learning the projected cost savings to the city from providing a right to counsel to tenants facing eviction.

Sincerely,

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Supervisor Hillary Ronen San Francisco Board of Supervisors

Cc: Ballot Simplification Committee Mayor's Office of Housing and Community Development