

**LEGAL SERVICES TRUST FUND COMMISSION**

**BANK GRANTS COMMITTEE MEETING**

**Meeting Summary and Action Items**

Wednesday, February 24, 2021, 10:00 a.m.–12:00 p.m.

State Bar of California (Conference Call via Zoom)

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Roll Call		
<b>Members Present</b>	<b>Advisors</b>	<b>Staff</b>
Chair Kim Savage	None	Christine Holmes
Jeffrey Ball		Judi McManigal
Herman DeBose	<b>Liaisons</b>	Doan Nguyen
James Meeker	None	-----
Bob Planthold		<b>Members Absent</b>
	<b>Public Members</b>	Amin Al-Sarraf
	None	Richard Reinis

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**OPEN SESSION**

Chair Kim Savage called the meeting to order at 10:02 a.m.

**I. ROLL CALL**

Roll call was taken, and quorum was established.

**II. CALL FOR PUBLIC COMMENT**

Chair Kim Savage invited members of the public to comment on any items on the agenda. No public comment was made.

**III. CONSENT**

**A. Approval of Meeting Summary and Action Items from November 13, 2020 Meeting**

The Bank Grants Committee (Committee) approved the November 13, 2020 meeting summary and action items by unanimous roll call vote (Meeker moved, Savage seconded).

**IV. BANK COMMUNITY STABILIZATION AND REINVESTMENT (BCSR) GRANTS**

**A. Discuss and Approve Late 2020 Budget Revisions and Carryover Requests for Recommendation to the Legal Services Trust Fund Commission**

Program Manager Doan Nguyen provided a summary for newer members, explaining that Bank Grants must go to foreclosure prevention or community development projects. Community development includes a broad interpretation of projects that utilize legal services and community partners to impact systemic conditions.

Senior Program Analyst Christine Holmes provided an overview of Watsonville Law Center's (WLC) 2020 late carryover request. WLC explained that COVID-19 impacted their staff and partners that provide general administrative support which is why they missed the submission due date. For informational purposes only, Holmes also shared that approved Legal Aid of Santa Barbara County's additional budget revision request since the time of their timely budget revision in November 2020. A motion to approve Watsonville Law

Center's 2020 late carryover request was passed by unanimous roll call vote (Ball moved, Planthold seconded).

## **B. Discuss and Approve Timing of Final Bank Settlement Funds Request for Proposal (RFP)**

Holmes provided a summary of Bank Grant disbursements. To date, the State Bar, through the Legal Services Trust Fund Commission (LSTFC), has allocated approximately \$47.3 million to fund 141 community redevelopment and foreclosure prevention projects. There is approximately \$4.8 million remaining. This committee previously recommended to LSTFC that funds be reserved for emergency legal services in response to natural disasters.

Staff and Committee members discussed reasons for supporting a later release of the remaining funds:

- Preliminary feedback from the Legal Aid Association of California's board indicated that 2/3 of the respondents support a later release.
- Delay would allow organizations to spend down Homelessness Prevention, IOLTA and EAF carryover funds.
- There are still many unknowns at the current time regarding the COVID-19 pandemic.
- Delay would provide time to identify projects that respond to a post-pandemic "new normal."
- There are some eviction protections currently in place under the CARES Act; need may be greater once these end.
- These funds can support a future anticipated drop in IOLTA funding due to falling interest rates.
- More than 90% of funds have been disbursed; this final release is a small portion, only about 10%.

Staff recommends monitoring legal services community feedback, major developments, and emerging legal issues to best develop the final RFP. The remaining funds could be used to leverage:

- projects and initiatives that proactively plan for emergency legal services in response to natural disasters;
- technology-based approaches to "new normal" services; and
- projects and initiatives that address a potential spike in foreclosures.

Chair Savage added that, since the funds do not have to be distributed by RFP and only a small amount remains, the Committee should consider whether to use a formula approach with minimum and maximum amounts to distribute the final portion.

A motion to recommend not releasing an RFP in 2021 for funding to commence in January 2022 was passed by unanimous roll call vote (Planthold moved, Ball seconded).

## **V. NEXT STEPS**

### **A. Schedule Next Committee Meeting**

Nguyen confirmed that the Committee's next standing meeting is in November for any

carryover or budget revision requests. Senior Program Analyst Judi McManigal is preparing a report of Bank Grants results for the first several years of the program. When ready, an ad hoc meeting may be called to review the aggregated data; if the report is ready fairly close to November, the Committee will review the report at the November meeting.

**VI. ADJOURN**

There being no other business, the meeting was adjourned at 11:15 a.m.

DRAFT