

LEGAL SERVICES TRUST FUND COMMISSION

EXECUTIVE COMMITTEE MEETING

Meeting Summary and Action Items

Wednesday, March 23, 2022, 1:00 p.m.–3:00 p.m.

State Bar of California (Conference Call via Zoom)

Roll Call

Members Present

Chair Kim Savage
Richard Reinis
Christian Schreiber
Christina Vanarelli

Members Absent

None

Liaisons

Lorin Kline (Legal Aid
Association of California)

Public Members

Pete Bennett

Staff

Brady Dewar
Danielle MacRae
Doan Nguyen
Dan Passamaneck

OPEN SESSION

Chair Savage called the meeting to order at 1:05 p.m.

I. ROLL CALL

Roll call was taken, and quorum was established.

II. CALL FOR PUBLIC COMMENT

Chair Savage invited members of the public to comment on any items on the agenda. The following comment was made: Pete Bennett of Contra Costa County commented regarding concerns about litigants and witnesses in various legal matters. Chair Savage explained that public comments before the Commission and its committees are limited to three minutes in length.

III. DISCUSSION AND ACTION ITEMS

A. Update on 2022-2024 Foreclosure Prevention Grants

Program Manager Doan Nguyen reported on ongoing meetings with the California Housing Finance Agency (CalHFA). CalHFA is subgranting \$12 million to the State Bar for distribution through a foreclosure prevention grants program open to all 2022 grantees. The contract is under review and should be ready within a few weeks.

B. Approval of 2022-2024 Foreclosure Prevention Grants Request for Proposal and Scoring Rubric

Senior Program Analyst Danielle MacRae provided background on the Request for Proposals (RFP) and scoring rubric. CalHFA is a state agency administering \$945 million. Funds to be distributed by the State Bar are restricted to legal services for foreclosure prevention and home retention; lobbying is prohibited. Grants will cover the thirty-month period from July 1, 2022, through December 31, 2024; grantees will also be allowed to back-bill for the quarter from April through June 2022. The commission has approved a timeline to release the RFP and application on March 30; applications will be due May 2 and the Executive Committee will meet in June to approve awards in time for grants to begin on July 1. The State Bar's administrative costs will be limited to eight percent of the grant amount and unspent administrative funding may be poured back into grants.

Grants will support services for individuals whose income is no more than 150% of Area Median Income (AMI). AMI varies by county and household size but will be higher than 200% of the federal poverty level in most or all of California, so grantees will need to track services that are provided to non-indigent clients for IOLTA/EAF eligibility purposes. CalHFA also requires that at least forty percent of the funds be spent to serve "Socially Disadvantaged Communities" (SDCs), determined either by reference to Qualified Census Tracts or by the areas rated "high" or "highest" on California's Owner Vulnerability Index (at highest risk of foreclosures). Grantees will report on services and expenditures quarterly, including reporting as to services provided specifically to SDCs, and the total amount of mortgage payments at issue. As these funds are federally sourced, they can also trigger the Single Audit requirement if a grantee spends more than \$750,000 of these funds in a year.

The proposed scoring rubric for these grants would be similar to that used for Partnership Grants, Provisionally Licensed Lawyer grants, and Homelessness Prevention III grants, using terminology drawn from the "streamlined" categories recommended by the Rules Committee. However, some rubric categories will be specific to CalHFA funding: outreach strategy to eligible homeowners; a focus on SDCs; and "special consideration" focus on service to traditionally underserved populations or populations disproportionately impacted by the COVID-19 pandemic. The rubric would be a tool to guide funding decisions, but final allocation determinations would remain in the committee's discretion.

During a webinar regarding this new funding, approximately fifty attendees representing 28 grantee organizations discussed proposed parameters for the ongoing development of the proposal and scoring rubric. Another webinar has been scheduled to review the final approved RFP and rubric.

Staff recommend the following revisions to the scoring rubric provided with the meeting materials:

- California's Owner Vulnerability Index's top tier is "highest," not "very high"
- The "special categories" should be inclusive, with an "and" between the phrases "traditionally underserved populations" and "populations disproportionately impacted by the COVID-19 pandemic," rather than an "or"

Staff further noted that the "DUNS" number previously required for proposals for federally sourced funds is now known as the "Unique Entity ID Number."

The committee requested that the examples in the definition of "traditionally underserved populations" be revised to include "people with disabilities."

Staff recommended a review process utilizing a scoring team of two or three staff and at least one commission member, to offer recommendations for discussion and approval by the Executive Committee in June. Chair Savage agreed to serve on the review team as the committee's representative; the committee discussed adding another commission member as a mentoring opportunity. Program Manager Nguyen agreed to prepare an email to commission members to solicit interest in this opportunity, for the Chair's review.

Following this discussion, the committee resolved by unanimous roll call vote the following resolution to approve the proposal as described and amended during the session (Vanarelli moved; Schreiber seconded).

RESOLVED, that the Legal Services Trust Fund Commission Executive Committee, acting on behalf of the commission under its delegated authority, approves the request for proposals, rubric and distribution plan for the 2022-2024 CalHFA Foreclosure Prevention Grants as described in staff's March 23, 2022, memorandum to the Executive Committee, with the following changes:

- References to "very high" ratings on the Owner Vulnerability Index will be edited to "highest";
- Special consideration will evaluate applicants' focus on, **and** history of, serving traditionally underserved populations and/or populations disproportionately impacted by the COVID-19 pandemic; and
- Traditionally underserved populations and/or populations disproportionately impacted by the COVID-19 pandemic, for the purposes of scoring "Special Consideration", will also include people with disabilities.

IV. **ADJOURN**

There being no other business, the meeting was adjourned at 2:00 p.m.