

LEGAL SERVICES TRUST FUND COMMISSION

EXECUTIVE COMMITTEE MEETING

Meeting Summary and Action Items

Monday, June 13, 2022, 2:00 p.m.–3:00 p.m.

State Bar of California (Conference Call via Zoom)

Roll Call

Members Present

(Co-Chair) Richard Reinis
(Co-Chair) Kim Savage
Christina Vanarelli

Liaisons

None

Members of the Public

Lorin Kline (LAAC)

Staff

Corine Chung
Shannon Crossley
Brady Dewar
Danielle MacRae
Chris McConkey
Doan Nguyen
Heidi Slater
Kim Warmsley

Members Absent

Christian Schreiber

OPEN SESSION

The chair called the meeting to order at 2:01 p.m.

I. ROLL CALL

Roll call was taken, and quorum was established.

II. CALL FOR PUBLIC COMMENT

The chair invited members of the public to comment on agenda items. There was no public comment.

III. DISCUSSION AND ACTION ITEMS

A. Approval of 2022-2025 CalHFA Foreclosure Prevention Grants

Senior Program Analyst MacRae presented about the California Housing Finance Agency (CalHFA) grants. CalHFA received \$945 million from the American Rescue Plan Act of 2021. This funding launched the California Mortgage Relief Program.

While the funding mainly provides help with late mortgage payments, some of it will fund legal aid. CalHFA will subgrant \$12 million to the Legal Services Trust Fund Commission (Commission) and State Bar to administer as legal aid foreclosure prevention grants. The Committee is meeting today to make these awards.

Award eligibility is limited to 2022 Interest on Lawyers' Trust Accounts (IOLTA) qualified legal services projects (QLSPs) and support centers. The funds must go to foreclosure prevention and home retention legal aid. This excludes lobbying.

The CalHFA grants will run for three years: July 1, 2022, to June 30, 2025. Grantees may, however, count spending retroactive to April 1, 2022. Up to eight percent of the funds may support the State Bar's costs to administer the program. That leaves at least \$11,040,000 available for awards.

Grantees must serve homeowners with incomes at or below 150 percent of area median income. Additionally, they must spend at least 40 percent of the funds on services to people from socially disadvantaged communities.

The Committee approved the scoring rubric on March 23, 2022. The request for proposals (RFP) provided guidance about the scoring criteria. The RFP notes that the rubric is a tool to guide—rather than determine—Committee evaluation of applications. The Committee may exercise discretion to make awards that best accomplish the goals of the federal program.¹

The State Bar received 22 applications seeking about \$26,300,000 combined. Twenty QLSPs and two support centers applied. Given the need to make awards by July 1, the Committee delegated authority to a commissioner-State Bar staff team to score submissions. The following commissioners and staff participated in scoring:

1. (Commissioner) Kim Savage, Executive Committee Co-Chair.
2. (Commissioner) Christina Vanarelli, Executive Committee Member.
3. (State Bar staff) Doan Nguyen, Program Director.
4. (State Bar staff) Chris McConkey, Program Supervisor.
5. (State Bar staff) Danielle MacRae, Senior Program Analyst.

CalHFA observed most scoring sessions and answered questions about the program's goals and parameters. The scoring team arrived at consensus scores for every proposal. The highest score was 88. The lowest score was 62. The average score was 77. The scoring team recommended the following applicants for funding:

Scoring Team Recommendations (Scores) (From Highest Score to Lowest Score)

¹ The scoring rubric, applicant scores, applications profiles, and scoring analyses are available at <https://board.calbar.ca.gov/docs/agendaitem/Public/agendaitem1000029211.pdf>.

Applicant	Score
Housing and Economic Rights Advocates	88
Legal Access Alameda	87
Public Counsel	87
California Rural Legal Assistance, Inc.	83
Legal Aid of Sonoma County	83
Senior Advocacy Network	83
California Advocates for Nursing Home Reform	82
Legal Assistance to the Elderly	82
National Housing Law Project	82
Legal Aid Society of San Diego	77
Legal Aid Society of San Bernardino	70

Nine of these applicants scored 80 points or higher. Two of them scored between 70 and 80 points but would serve otherwise un- or underserved areas. The scoring team also proposed funding amounts for each of the 11 applicants. In allocating the \$11,040,000 the team considered, among other factors:

- The proportionality of the project deliverables to the funding request.
- The degree of fiscal conservatism in the budget, given the narrative explanation.
- The applicant's capacity to implement an impactful project with less than the full amount it sought.

The recommended programs would receive, on average, 82 percent of their request. Staff asked each one whether it could implement the project with the following funding:

Scoring Team Recommendations (Award Amounts)
(From Highest Score to Lowest Score)

Applicant	Amount Requested	Recommended
Housing and Economic Rights Advocates	\$2,400,000	\$2,000,000
Legal Access Alameda	\$752,475	\$700,000
Public Counsel	\$1,850,579	\$1,190,000
California Rural Legal Assistance, Inc.	\$2,400,000	\$1,900,000
Legal Aid of Sonoma County	\$1,102,500	\$800,000
Senior Advocacy Network	\$750,000	\$750,000
California Advocates for Nursing Home Reform	\$451,678	\$450,000
Legal Assistance to the Elderly	\$902,791	\$900,000

Applicant	Amount Requested	Recommended
National Housing Law Project	\$807,750	\$750,000
Legal Aid Society of San Diego	\$2,400,000	\$800,000
Legal Aid Society of San Bernardino	\$1,000,005	\$800,000
Total	\$14,817,778	\$11,040,000

These grants are federally funded. Therefore, the State Bar must evaluate subrecipients' risk of noncompliance with federal law and grant terms/conditions. Staff administered a grant management assessment (GMA) to potential subrecipients. The GMA is a tool for assessing the amount of technical assistance and oversight a grantee might require. It looks at:

- Grant management staff and policies.
- Internal controls.
- Audit history and experience with federal grants.
- History of late submissions, large budget modifications, and carryovers.
- Monitoring visit findings.
- State Bar eligibility concerns.

Staff would provide individualized help to grantees with a medium or high GMA result. The recommended applicants had the following results:

GMA Results
(Alphabetical order)

Applicant	GMA Result
California Advocates for Nursing Home Reform	Medium
California Rural Legal Assistance, Inc.	Medium
Housing and Economic Rights Advocates	High
Legal Access Alameda	High
Legal Aid of Sonoma County	Medium
Legal Aid Society of San Bernardino	High
Legal Aid Society of San Diego	Medium
Legal Assistance to the Elderly	High
National Housing Law Project	Low
Public Counsel	Low
Senior Advocacy Network	High

All of the recommended projects presented a clear nexus to foreclosure prevention. They also proposed a strong impact, which their impact score indicates. Together, they would serve every county in California with both QLSP and support center interventions.

Commissioner and scoring team member Vanarelli noted that the scoring process worked well. Commissioner and scoring team member Savage agreed. She also noted that the number of reviewers—five—worked well. There were enough reviewers to spot the many factors that were relevant.

Program Director Nguyen reported that staff is looking at how to use the GMA for the Commission's other grants. Senior Financial Analyst Slater noted that if the Commission applied the GMA to state-funded awards, it might need to edit the tool. The federal government invites a detailed look at every award. Since the Commission makes hundreds of statutory formula awards each year, a scaled-back tool might be appropriate for that state funding.

Having reflected on the scoring process, the Committee unanimously passed the following motion (Reinis moved, Vanarelli seconded):

RESOLVED, that the Legal Services Trust Fund Commission Executive Committee approves the following 2022–2025 CalHFA foreclosure prevention grant recipients and amounts:

Award Recommendations

Applicant	Score	Request	Recommended
Housing and Economic Rights Advocates	88	\$2,400,000	\$2,000,000
Legal Access Alameda	87	\$752,475	\$700,000
Public Counsel	87	\$1,850,579	\$1,190,000
California Rural Legal Assistance, Inc.	83	\$2,400,000	\$1,900,000
Legal Aid of Sonoma County	83	\$1,102,500	\$800,000
Senior Advocacy Network	83	\$750,000	\$750,000
California Advocates for Nursing Home Reform	82	\$451,678	\$450,000
Legal Assistance to the Elderly	82	\$902,791	\$900,000
National Housing Law Project	82	\$807,750	\$750,000
Legal Aid Society of San Diego	77	\$2,400,000	\$800,000
Legal Aid Society of San Bernardino	70	\$1,000,005	\$800,000

IV. ADJOURN

There being no other business, the meeting adjourned at 2:31 p.m.