



County of Los Angeles

**Poverty
Alleviation
Initiative**

PATHWAYS TO THRIVE

**Stepping Up Together:
Co-Creating Paths to a Brighter Future**

One Year Update

**Los Angeles County
Poverty Alleviation Initiative
Chief Executive Office**

<http://ceo.lacounty.gov/pai>

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Executive Summary

Key PAI Accomplishments This Year

The Poverty Alleviation Initiative (PAI) worked with many partners to achieve the results below: Department of Children and Family Services (DCFS); Department of Consumer and Business Affairs (DCBA); Department of Public Social Services (DPSS); Department of Economic Opportunity (DEO); Internal Services Department; Aging and Disabilities Department; County Counsel; the Chief Executive Office's (CEO) Women and Girls Initiative; Strength Based Community Change; Los Angeles City; Koreatown Youth + Community Center; PHFE Women, Infants, and Children, a Program of Heluna Health; Economic Security Project; and Metro.

- ✧ Twenty-one resident-led groups across the County each received a one-year grant of \$135,000 to implement projects that address root causes and effects of poverty.
- ✧ Expanded Breathe - LA County's Guaranteed Income Program to provide 200 former foster youth between the ages of 21 and 23 with \$1,000 per month for two years.
- ✧ Increased the number of low-income tax filings within our network by 12,413 returns.
 - Increased the combined amount of Earned Income Tax Credit and Child Tax Credit claims by 1,636, resulting in residents receiving an additional total tax credit amount of \$3,207,614;
 - On average, each person received an almost \$2,000 cash boost in effective income, roughly a 7% increase; and
 - Applying the standard local multiplier (1.2 to 1.5) to this amount produces an estimated local economic impact of \$3,849,137 to \$4,811,421 spent in our under-resourced communities.
- ✧ Recruited 188 recipients from DPSS's General Relief program to attend one of several Metro bus driver hiring events, 21 of whom received a job offer.
- ✧ Won a National Association of Counties Achievement Award for the development and implementation of the PAI's strategic framework and partnership building.

Key Partner-Led Accomplishments This Year

- ✧ DCBA helped 184 employees collect \$365,020 in back wages and fines;
- ✧ Los Angeles City assisted 1,219 unique households with financial assistance exceeding \$1.5 million and prevented them from experiencing homelessness;
- ✧ DEO, the Department of Human Resources, and the Worker Education & Resource Center expanded the Preparing Los Angeles for County Employment program by placing an additional 100 participants into LA County jobs;
- ✧ DEO issued \$1,500 cash payments to 100 training program participants to cover services used while seeking employment; 25 of them secured permanent employment;
- ✧ DEO helped 51 youth secure employment, 20 of which are in high growth sectors; and
- ✧ DEO awarded more than 1,000 grants to microbusinesses, totaling over \$4 million.

Introduction

In July 2022, the Los Angeles County Board of Supervisors (Board) adopted the Poverty Alleviation Initiative's (PAI's) strategic framework for alleviating poverty, "*Stepping Up Together: Co-Creating Paths to a Brighter Future*." Numerous listening sessions were held involving 1,024 participants, including 643 residents and individuals with lived expertise, to ensure the resulting plan would reflect a collective vision for how the County and its partners should work together to alleviate poverty.

Four key strategies emerged from this process:

- ❖ **Invest In our Communities**
- ❖ **Strengthen Pathways to Opportunities**
- ❖ **Expand Access to Basic Supports**
- ❖ **Improve Our Service Delivery System**

In September 2022, the PAI prioritized actions across these strategies to begin its work. The following five priorities were chosen because of their level of relevance, readiness, impact, and commitment by partners to achieve them. They were strongly supported by residents and community-based organizations who participated in the listening sessions that drove the framework development.

Five priority actions to start:

- ❖ **Supporting grassroots community-led projects**
- ❖ **Maximizing guaranteed income resources available**
- ❖ **Increasing tax credit filings**
- ❖ **Developing a person-centered service delivery model**
- ❖ **Reforming General Relief (GR)**

If we are successful in implementing these strategies, we will expect to see a decrease in the number of Los Angeles County residents in poverty over time, as well as positive shifts in other outcome areas.

We believe that poverty as a systemic issue does not have to be thought of as overwhelming and intractable. It is time that we challenge assumptions that allow us to accept widespread poverty as a 'given,' and truly disrupt its cycle.

Progress Made This Year

One year after the Board adopted the PAI's strategic framework, *Stepping Up Together*, progress has been made on all five identified priorities. Progress was made on eighteen additional priorities from the framework that other partners stepped up to lead. As we believe that collection action is our only pathway toward achieving real success, the commitment demonstrated by our partners in implementing these other priorities is a strong example of early progress. In fact, the PAI won a National Association of Counties Achievement Award for the development and implementation of the PAI's strategic framework and partnership building.

PAI Strategic Framework Priorities

1) Supporting Grassroots Community-Led Projects

This purpose of this initiative is to provide a one-year grant to neighborhoods across Los Angeles County to develop a project that uplift their priorities and addresses either a root cause or effect of poverty; this initiative is being run in partnership with DCFS.

- ✦ 21 resident-led projects launched on July 1, 2023 and received a one-year grant of \$135,000 to implement their ideas for addressing roots causes and effects of poverty within their communities;
- ✦ Leveraged the DCFS Prevention and Aftercare Network for this work because of the network's focus on primary prevention community efforts, and its ability to engage residents in the decision-making and design process for these projects; and
- ✦ The initiative will be evaluated by the University of California, Los Angeles.

2) Maximizing Guaranteed Income Resources Available

Early research suggests that a guaranteed income program can provide households with financial stability during sharp economic swings to breathe a little easier, alleviate stress, and broaden recipients' horizons, allowing them the time to complete deferred education and job training, as well as plans to fully participate in their communities. Importantly, these programs come without the scrutiny and work requirements of certain public benefits.

While the benefits of guaranteed income programs have been documented, the County is interested in studying the effects of this type of program so that it can learn about the project's impact on the economic stability of participants, as well as its impact on participants' overall health and well-being.

❖ Breathe Expansion Program

The County's original program Breathe – Los Angeles County's Guaranteed Income Program launched in March 2021 and is providing 1,000 randomly selected residents with \$1,000 per month for three years. The program evaluation is being led by the University of Pennsylvania's Center for Guaranteed Income Research, with a subcontract to the University of California, Los Angeles. The program is being run in partnership with Strength Based Community Change; DCFS; DCBA; DPSS; the CEO's Center for Strategic Partnerships, Chief Information Office, and the Anti-Racism, Diversity, & Inclusion Initiative; Internal Services Department; Registrar-Recorder/County Clerk; and County Counsel. Philanthropic partners include the Conrad N. Hilton Foundation; First 5 LA; The California Endowment; The California Wellness

Foundation; The James Irvine Foundation; The Kresge Foundation; and the Weingart Foundation.

- ✧ Launched a program expansion in June 2023 to provide 200 former Los Angeles County DCFS foster youth between the ages of 21 - 23 with \$1,000 per month for two years.

❖ **Abundant Birth – Los Angeles**

- ✧ Secured funding from the California Department of Social Services, the Department of Mental Health (DMH), the County, and philanthropic partners to launch the Abundant Birth – Los Angeles program that will serve up to 400 pregnant people at the highest risk for adverse birth outcomes for whom economic hardship and social marginalization are daily realities. The partnership for this initiative includes the Department of Public Health, the African American Infant and Maternal Mortality Initiative, Department of Health Services, DMH, and First 5 LA.
 - Will provide a stipend of \$807 per month for 18 months to at-risk pregnant people, with priority given to former foster youth and/or those experiencing homelessness in downtown Los Angeles.
 - Targeting launch for November 2023.

3) **Increasing Tax Credit Filings**

Each year, Los Angeles County residents forego close to an estimated \$600 million in federal tax credits, either by not filing their tax returns or by not claiming these credits. Partnering with DCBA; DPSS; Department of Economic Opportunity (DEO); Aging and Disabilities Department; Los Angeles City; Koreatown Youth + Community Center (KYCC); PHFE Women, Infants, and Children, a Program of Heluna Health; Economic Security Project; and the CEO's Women and Girls Initiative to align messaging and media campaigns geared toward low-income residents, expand outreach to those who may not typically file taxes, create 'warm hand-offs' and stronger connections to free tax supports, and increase the capacity of free tax-preparation sites. The goal of this initiative is to increase direct income to those who are eligible.

The *Free Tax Prep LA* campaign launched by Los Angeles City, the County's DCBA, and KYCC was leveraged and expanded by this project.

❖ **Coordinated Countywide Efforts**

Comparing data from 2023 to 2021 yielded three significant results for this collaborative approach. (The 2022 filing year included a significant one-year-only spike in available Earned Income Tax Credits (EITC) and Child Tax Credits (CTC) that almost doubled those of other tax years, thus skewing the data; the number of low-income tax filers from 2022 to 2023 increased by almost 16,000, however, within our free tax-preparation network.)

- ✧ Increased the number of low-income tax filings within our existing free tax-preparation network by 12,413 returns.
- ✧ Increased the combined amount of EITC and CTC claims by 1,636, resulting in residents receiving an additional total tax credit amount of \$3,207,614.
 - On average, each person received an almost \$2,000 cash boost in effective income, roughly a 7% increase.

- ✧ Applying the standard local multiplier (1.2 to 1.5) to this amount produces an estimated local economic impact of \$3,849,137 to \$4,811,421 spent in our under-resourced communities.

Given the impact of these dollars spent locally, this project has already improved economic conditions for thousands of Los Angeles County residents and their communities.

4) Developing a Person-Centered Service Delivery Model

The PAI and DPSS are partnering to create customer service enhancements and improvements to their DPSS's public-facing services to increase recipients' experiences, as well as the number of eligible people seeking out and getting needed supports.

- ✧ Launching a survey that will be issued to DPSS recipients to collect data on their customer experience. For those who call the DPSS call center, a percentage of recipients will be randomly selected to complete a short, automated survey that is anticipated to be released the week of July 10, 2023; surveys will also be available to fill out in DPSS regional offices starting this summer.
 - The survey was developed in partnership with Service Employees International Union 721, DPSS employees, advocates, community partners and DPSS public benefits recipients.
 - Data will be collected monthly and shared with each DPSS regional office to drive departmentwide efforts to ensure every recipient receives the helpful service they deserve.

5) Reforming General Relief (GR)

DPSS's GR program is a 100% County-funded program that provides cash assistance and supportive services to single adults and couples who need financial support. The PAI, DPSS, and DEO are partnering to develop policy and practice reforms, including those addressing housing needs and sustainable jobs, that help participants gain greater financial stability.

❖ GR Reform

- ✧ Conducted a preliminary analysis of the California State Welfare and Institutions Code and Los Angeles County Code statutory provisions and identified barriers that limit meaningful service delivery to GR recipients.
- ✧ Listening sessions are being held with GR recipients to hear directly from them what they like about the program and where they believe changes should be made.
- ✧ Data from these efforts will be presented to a workgroup of public and private stakeholders that will develop policy and practice recommendations for the Board.
- ✧ Recruited 188 GR recipients to attend one of several Metro bus drivers hiring events, 21 of whom received a job offer, as a pilot program for this effort.

Additional DPSS Activities Include:

❖ GROW Redesign

- ✧ Implemented a new career assessment tool in DPSS district offices that more accurately determines participant's skills, strengths, and/or barriers to employment.

- ✧ Redesigned case management practices to increase participant engagement through coaching, goal setting, and developing career pathways.
- ✧ Exploring partnership opportunities with DEO to ensure participants receive training and skills development that make them competitive applicants.

❖ **Homeless Service Model**

- ✧ In the early stages of developing a stronger pathway to housing and other support services for unhoused recipients that is anticipated to launch in 2025; it is estimated that 70% of GR recipients are homeless.
- ✧ This model will be particularly useful for recipients who do not meet the U.S. Department of Housing and Urban Development's definition of "homeless" but who need housing services.

Partner-Led Strategic Framework Priorities

Listed below is the progress made on the eighteen additional priorities led by our partners.

Progress Made This Year

Department of Consumer and Business Affairs (DCBA)

❖ **Worker Protections**

This project is investigating allegations of wage theft through its Office of Labor Equity to ensure residents receive their full earned pay.

- ✧ Helped 184 employees collect \$365,020 in back wages and fines.
- ✧ Educated 317 business owners in the unincorporated areas of the County about existing worker protections.

Department of Economic Opportunity (DEO)

❖ **Worker Equity Fund**

The Worker Equity Fund provides \$1,500 in cash assistance to participants in any ARPA-funded DEO high-road workforce training program to help cover the costs of services participants access while trying to secure employment. The types of supportive services they can choose to use the funding for while searching for a job include transportation, child and dependent care, housing assistance, legal aid, and technological support.

- ✧ Received 138 referrals since launching in March 2023.
 - 100 high-road training program participants received \$1,500 cash payments to cover supportive services used while seeking employment.
 - 65 participants completed their training program and 25 of them secured permanent employment.

❖ **Youth@Work Elevate**

This program offers paid work experience in a high-growth sector or with an employer offering high-road jobs. It targets youth between the ages of 17 - 24 and residing in areas

most impacted by the pandemic; current or former foster youth; individuals experiencing homelessness; LGBTQ+ youth; and/or justice-impacted youth.

- ✦ Received 958 applications since launching its first cohort in September 2022.
 - 388 youth have enrolled in the program;
 - 240 have received subsidized work experience;
 - 357 youth completed personal enrichment training;
 - 266 attended group mentoring sessions;
 - 51 youth secured unsubsidized employment, 20 in high growth sectors; and
 - 3 youth entered post-secondary education or advanced training.
- ✦ Won a National Association of Counties Achievement Award.

❖ **Economic Opportunity Grant**

This program provides streamlined outreach and access to nearly \$58 million in grants from the American Rescue Plan Act and over \$12.6 million from the State's Office of Small Business Advocate. Grant sizes range from \$2,500 to \$25,000 to help small businesses, non-profit organizations, and microentrepreneurs recover, stabilize, and grow.

- ✦ Launched Phase 1 (State Microbusiness Grant) on January 25, 2023.
 - 27,507 applications received
 - More than 1,000 grants were awarded, totaling over \$4 million; and
 - 2,000 applications currently under review.
- ✦ Launched Phase 2 (ARP grant programs) on February 23, 2023
 - Over 52,000 applications received
 - 2,200 grants anticipated to be awarded this summer.

❖ **PLACE Program Expansion**

The Preparing Los Angeles for County Employment (PLACE) program, launched in October 2018, prepares and places people with employment barriers into entry-level permanent County jobs with a pathway into high road careers. The program is a partnership with the Department of Human Resources and the Worker Education & Resource Center.

- ✦ Placed an additional 100 participants into LA County employment; and
- ✦ Data shows an 80% hire rate for those who pass their exam, and a 94% rate of passing County probation.

Los Angeles City, Community Investment for Families Department (CIFD)

❖ Solid Ground Homelessness Prevention Program Expansion

This program was created in 2020 to stop the inflow into the homeless system by providing participants supportive services, temporary financial assistance, and financial coaching to help stabilize their living conditions. It was expanded to eight Los Angeles City FamilySource Centers in 2022.

- ❖ Expanded the program to 16 Los Angeles City FamilySource Centers.
 - Assisted 1,219 unique households with financial assistance exceeding \$1.5 million and prevented them from experiencing homelessness.
- ❖ Will be expanding the program to all 20 Los Angeles City FamilySource Centers in this next year and will be making nearly \$4 million available for direct financial assistance.

California State

❖ CalKIDS

The State launched a program in August 2022 to offer grant scholarships to newborns, eligible low-income students, and foster and homeless youth, that is invested in a mutual fund. Funds can be withdrawn tax-free for educational expenses.

- ❖ Los Angeles City is partnering with the County to launch a campaign across Los Angeles County this fall to encourage eligible people to register.

First 5 LA

❖ Increasing family, friends, and neighbors who provide child care

Launched a five-year initiative focused on supporting home-based child care, which is child care offered in a provider's home or the child's home. Not only is this the most common form of nonparental child care for infants and toddlers, it is also used the most by historically marginalized families.

- ❖ Released "*The Landscape of Home-Based Child Care in Los Angeles County: A Framework for Future Planning*" report, in partnership with the Child Care Alliance of Los Angeles

Key takeaways:

- Home-based child care is critical for families, especially when families need flexibility and support during non-traditional work hours.
 - Family child care and family, friend, and neighbor care are distinct, and support structures should be responsive to the diversity of needs across all provider types.
 - Home-based child care is particularly underpaid and undervalued. Any strategy to support home-based care must center a living wage.
- ❖ Will be developing and implementing strategies with partners over the next year to support home-based providers, starting with meeting child care provider's basic needs.

- ✧ Exploring launching a direct cash transfer program pilot for home-based providers in partnership with Home Grown, a national collaborative of funders committed to improving the quality and access to home-based child care.

Office for the Advancement of Early Care and Education (OAECE)

❖ \$1.5 Million in Financial Incentives for Early Educators

Workforce Pathways LA is a comprehensive workforce development model that supports early educators in their professional growth. The stipend program supports early educators in center-based care, family child care settings, and family, friends, and neighbors working to become licensed family child care providers.

- ✧ Processing \$1,536,250 million in financial incentives for 887 early educators who improved their qualifications.
 - 5 stipend awards were for obtaining a Family Child Care License;
 - 349 were for completing 21 hours of professional development;
 - 449 were for completing college courses;
 - 10 were for obtaining an initial child development permit; and
 - 74 were for achieving an associates or bachelor's degree.

Food Equity Roundtable

❖ Mapping Food Access and Food Deserts

The goal of this project is to map all food access locations by neighborhoods to identify areas vulnerable to food insecurity to inform future policy development and resource allocations.

- ✧ Developing a "Food Base LA Dashboard" that will provide a comprehensive picture of the Los Angeles County food ecosystem and include data on food insecurity, diet-related health indicators, food assistance resources, retail food outlets, demographic information, food benefits usage and gaps, and community vulnerability indices.
 - Completed the dashboard design, and currently incorporating the data into it; and
 - Developing use cases for partners who will use the data for program and policy implementation.
- ✧ Co-developed a systems-level map of the County's food system that identifies the sources of food and nutrition insecurity, including individual resources, community food environments, and industry and policy practices.
 - Developing an interactive version to assist practitioners and decision-makers in "whole-of-system" intervention and policy planning.
- ✧ Issued the "Improving Healthy Food Access in Four Eastside Los Angeles Neighborhoods" report that outlined food access issues and solutions in four neighborhoods traditionally characterized as "food deserts".

In Early Stages of Implementation

Department of Economic Opportunity (DEO)

❖ Economic Mobility Program

This project focuses on women, and black, indigenous, and people of color business owners to drive stability, mobility, and wealth generation in the most economically vulnerable communities of Los Angeles County. Key elements of program include an entrepreneurship academy, technical assistance, access to capital, mentorship, and networking.

- ❖ Launch is targeted for July 31, 2023
 - Executing a subrecipient agreement for both an employee ownership program and the Commercial Acquisition Fund.

Los Angeles City, Community Investment for Families Department (CIFD)

❖ LA City Emergency Fund

This program will provide 500 - 1,000 low-income households with emergency financial assistance to cover rent, utilities, and other needs in grants up to \$8,000 per household.

- ❖ Completing the program forms, policies, and procedures; securing contracts with service providers; and establishing the infrastructure needed for distributing the funds.

Department of Consumer and Business Affairs (DCBA)

❖ Wealth-Building and Estate Planning

This program will provide access to financial legal services that support the creation and retention of intergenerational wealth.

- ❖ Released a solicitation on January 3, 2023 to contract with community legal providers to offer estate planning and other legal services.
 - 8 proposals were received; and
 - Selection of the grant awardees is anticipated for July 2023.

❖ Green Line Home Program

This program will assist qualifying residents achieve homeownership through a conditional grant for first-time home buyers.

- ❖ Released a solicitation on February 16, 2023 to contract with a third-party administrator to disburse these grants.
 - 6 proposals were received; and
 - Selection of the grant awardees is anticipated for July 2023.

❖ **Healthy Food Kickstarter**

This program will distribute grants to launch or expand healthy foods access projects in food deserts.

- ❖ Launched the grant portal for community-based organizations and other entities to apply on April 3, 2023.
 - 180 applications were received; and
 - Selection of the grant awardees is anticipated for August 2023.

❖ **Mortgage Relief Program**

This program will provide up to \$30,000 in support to landlords to eliminate rental debt accrued during the COVID-19 pandemic for roughly 100 – 150 households.

- ❖ Launched the grant portal in June 2023 for landlords to submit grant applications.

❖ **Cash Grants to Survivors of Intimate Partner/Domestic Violence**

This program will provide 1,000 households with \$2,500 in cash assistance.

- ❖ Launched the grant portal in June 2023 for eligible households to submit grant applications.

❖ **Expansion of Financial Coaching**

This program will increase the network of ambassadors to provide financial coaching and debt avoidance.

- ❖ Executed contracts with two third-party administrators, one that will issue grants to community-based providers to train their staff in becoming financial coaches, and the other that will provide the financial coaching training to the identified staff;
- ❖ Launching the grant portal and the training academy in July 2023; and
- ❖ Anticipate disbursing the grants in fall 2023, after training hours have been completed.

Next Steps

While we are energized by the progress that has been made so far, we know we have only just begun.

Moving forward this next year, the PAI will continue to implement the five priorities outlined here. We believe they continue to be the right efforts to help to alleviate poverty for Los Angeles County residents because of their level of relevance, readiness, impact, and commitment by partners to achieve them.

A \$250,000 planning grant has been secured from a private foundation to design the components and measures for a five-year meta evaluation across all PAI priority initiatives. This analysis will be critical when making future recommendations for policy development, legislative advocacy, and resource allocations.