

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE


0220-06083-0016

Date: February 29, 2024

To: Paul Krekorian, Council President
City Council

Nithya Raman, Chair
Housing and Homelessness Committee

Bob Blumenfield, Chair
Budget, Finance and Innovation Committee

From: Matthew W. Szabo, City Administrative Officer 
Office of the City Administrative Officer

Subject: **HOMELESSNESS EMERGENCY ACCOUNT - GENERAL CITY PURPOSES
FUND TWELFTH STATUS REPORT (C.F 22-1545) AS OF FRIDAY, FEBRUARY
16, 2024**

On January 18, 2023, the City Council and Mayor approved the motion (C.F. 23-0033) to establish the Homelessness Emergency Account (HEA) to address the City's homelessness crisis and approved the transfer of \$23,462,698.25 from the COVID-19 Emergency Response account and \$26,537,301.75 from the Additional Homeless Services - General City Purposes account for a total of \$50,000,000. The City Council and Mayor also authorized the City Administrative Officer to spend the funds as directed by the Mayor, and to provide reports to Council on the expenses incurred and purposes for which the funds were used.

During the annual budget process for FY 2023-24, the Council and Mayor approved a \$1.3 billion budget for homeless-related expenditures, of which \$250 million in funding was allocated to continue implementation of the Inside Safe Initiative. An initial allocation of \$65.7 million was appropriated at the beginning of the fiscal year to the HEA with the remaining balance appropriated to the Inside Safe Reserve Fund account. If the available uncommitted balance in the HEA is below \$25 million during the fiscal year, the CAO is instructed to provide a memo to the Mayor, Council, and Controller requesting the Controller to effectuate a transfer within 10 calendar days of receipt. A transfer of \$25 million from the Inside Safe Reserve Fund account will be completed until the \$184.3 million has been allocated to the HEA. The Council may change this transfer instruction with a majority vote, subject to the Mayor's veto. Regular reporting is required to continue the automatic transfer of funds from the Inside Safe Reserve Fund account

for this fiscal year.

On January 25, 2024, a motion (Blumenfield/Raman, Krekorian/Rodriguez) was approved by Council and Mayor to amend the budget instructions to direct that the City Administrative Officer (CAO) will provide written notification to the Mayor, Council and Controller any time the balance of the Homelessness Emergency Account is anticipated to be reduced to below \$25 million. The CAO will provide notice 14 days prior to the request to the Controller to effectuate the transfer. The Council may change this transfer instruction with a simple majority vote, subject to the Mayor's veto.

DISCUSSION

From July 1, 2023, through February 16, 2024, a total of \$84,830,496.79 has been expended for FY 2023-24 and \$3,512,095.25 for prior fiscal year costs. The paid FY 2023-24 costs primarily fall within two budget categories: Acquisition and Interim Housing. The Acquisition expenses of \$58,512,370 are associated with the Mayfair Hotel's capital costs related to acquisition, renovation, and operation. Of this amount, \$42,879,270 was in cash flow loans which are in the process of being fully reimbursed to the HEA. The Interim Housing expenses of \$24,401,376.68 consist of hotel and motel invoices encompassing 49 hotels inclusive of approximately 1,636 rooms that serve as interim housing for Inside Safe participants. Attachment 1 provides a summary of actual and projected balances through March 31, 2024, for the Homelessness Emergency Account.

The Mayor's Office of Housing and Homelessness Solutions (MOHHS), through the adopted budget, received \$250,000,000 for FY 2023-24 to address the homelessness emergency and continue the implementation of Inside Safe. This funding is meant to support expanded and enhanced outreach, engagement, and critical services. Additionally, \$21,889,489.02 is available for current year commitments from FY 2022-23 rollover funding. A total of \$42,879,270 is expected in loan reimbursements for the acquisition of the Mayfair. With these adjustments, the total available funding for FY 2023-24 is \$314,768,759.02. The total commitments for the HEA funding is \$300,114,528. Attachment 2 provides details of these commitments.

In January 2023, the Mayor's Office approved an initial contract amount for the Los Angeles Homeless Services Authority (LAHSA) in an up-to amount of \$50 million. This initial up to contract amount allows the flexibility for funding to be quickly added for service providers as operations are planned and budgets are approved by the Mayor's Office. Currently, extensions and additional funding for LAHSA and Service Providers have been approved for service through December 31, 2023. The Mayor's Office and LAHSA are working together to project individual service provider costs through June 30, 2024. Additional programmatic planned expenditures will be included in future reports as they are identified.

Transfers from the Inside Safe Reserve Account

On November 27, 2023, the balance within the HEA fell below the \$25 million threshold. Subsequently on November 28, 2023, the CAO released a memo requesting the Controller's

Office to effectuate the first transfer from the Inside Safe Reserve Account, which was completed on November 30, 2023. In accordance with Council motion (C.F. 23-0600-S114), the CAO released the first 14 Day Notice on January 30, 2024, identifying that the balance had again dropped below the \$25 million threshold. After the 14 day period, the CAO submitted a request to the Controller's Office on February 13, 2024, to implement the second transfer from the Inside Safe Reserve Fund. As of February 16, 2024, the second transfer is still in process. Based on known obligations to date and taking into consideration the second Inside Safe Reserve Fund transfer in February and the CDBG reimbursement, the HEA is anticipated to have an unencumbered balance below \$25 million by the end of March and will need at least one more transfer from the Inside Safe Reserve Fund prior to the end of March. These projections can be found in Attachment 1. It is important to note that the cash balance and projections are based only on information provided to the CAO's Office as of February 16, 2024, and is subject to change due to actual expenses. The CAO will continue to monitor the HEA to ensure sufficient cash flow for MOHHS citywide homelessness and housing obligations outlined in Attachment 2.

Attachment 2 provides a summary of FY 2022-23 expenditures, budgeted categories for the \$250 million approved in the FY 2023-24 budget, interim budget increases as well as incurred and projected costs through June 30, 2024, and future year cost options such as those related to the invoice management platform.

Inside Safe Metrics

Regular reporting on the outcomes achieved through the use of funds related to housing individuals is required and is included in this report. The Los Angeles Homeless Services Authority (LAHSA) has developed a data module within the Homelessness Management Information System (HMIS) to track key metrics for Inside Safe. Attachment 3 includes a one-page summary of Inside Safe outcomes as of February 16, 2024, prepared by LAHSA as well as additional breakdowns of the participant status by Council Districts and other pertinent metrics. Since the beginning of the program, a total of 37 Inside Safe operations were completed and 2,139 individuals voluntarily accepted to move into safe interim housing and connect to services. Further details are provided in Attachment 3. The current housing retention rate of the program is estimated to be 78 percent. These numbers may change as LAHSA continues to work on further reconciling service provider data with HMIS entries to resolve duplicate placements and other discrepancies as well as refining the Inside Safe data module. It is noted that the information related to operations that have been carried out to address repopulation of encampments is now included in LAHSA's dashboard. Additional information regarding the new operations that occurred during the reporting period are available in Attachment 4.

The Mayor's Office reports that during the reporting period from January 20, 2024, to February 16, 2024, two Inside Safe operations were completed and the number of Inside Safe participants who transitioned from interim to permanent housing solutions increased by 60.

Inside Safe Motel/Hotel Invoicing and Contracting

As of February 16, 2024, the motel invoices received to date include 1,408 invoices from 50 total

individual hotels, totaling 236,505 hotel room nights since the beginning of the program. Hotels that were newly occupied just prior to this report's cut off date are not represented in this data. The current hotel room interim housing stock based on invoices received through February 16, 2024, is 981 rooms, which is inclusive of rooms for service providers' offices and security. It does not account for two or more occupants sharing a room. A total of nine hotels have been demobilized and are no longer in use since the beginning of the program. The total hotel room interim housing stock is 1,462 rooms, inclusive of the 481 rooms in the LA Grand. Per LAHSA, there are currently 1,145 people residing in hotels (Attachment 3). Including the LA Grand residents (442), a total of 1,587 are residing in Inside Safe hotels. The total amount billed for nightly room stays since July 1, 2023, through the cut off date of this report, is \$20,832,714.20, with an average nightly rate of \$116.72, with the exception for the LA Grand, which has a nightly rate of \$125 plus \$29 per person for meals (total \$154 for single occupancy and \$183 for double occupancy, inclusive of food costs).

The invoice process for motels (excluding LA Grand, which is managed by the General Services Department) involves sites submitting invoices to the CAO's Office for review by both Service Providers and CAO staff. Once the review is complete, the CAO submits the invoice to the Mayor's Office for payment approval and subsequently to the City Clerk for payment processing. If payments exceed a certain amount, the City Attorney's Office will review as well; however, this step is not necessary if there is a booking agreement or occupancy agreement (i.e. contract) with the hotel location. Once an agreement is executed with a hotel owner, payment processing is completed quicker than when an agreement is not in place. The Mayor's Office and the General Services Department (GSD) are the leads for executing agreements and exercising options to extend with the City Clerk's Office completing the entries into the City's Financial Management System (FMS). Finally, the Controller's Office remits payment to the motel owners. The CAO continues to utilize its internal approval system to help streamline submissions for payment approval and processing.

As of February 16, 2024, there are 33 executed booking agreements with active motels and nine executed occupancy agreements. A booking agreement is executed with a hotel that confirms a fixed nightly rate, but hotel rooms may fluctuate given the number of participants at a location and room availability at a given time. An occupancy agreement includes a fixed nightly rate as well as a guaranteed number of rooms regardless if they are filled or not. The nine occupancy agreements represent a 367 room capacity with nightly costs ranging from \$110 to \$165 per night, with one service provider 2-bedroom office room cost at \$220 per night. These rates are similar to comparable motels in the same geographic locations throughout the City. The term of the occupancy agreements range from one to two years, with up to one year extension options. The total leasing costs for the multi-year occupancy agreements is estimated to be \$32,145,200.20. If the extension options are executed, there would be an additional projected cost of \$16,922,415.70 for a total cost of \$49,067,615.90. This strategy provides stable units in high-need areas to support Inside Safe Operations, including multi-district regional operations. The Mayor's Office is working with Service Providers and hotels/motels to ensure that rooms are consistently filled and closely monitored to ensure that vacant rooms are minimal and rapidly filled.

Facility expenses incurred since the beginning of the program total \$91,903.45. These costs include property improvements, repairs/damages, and valuation reports.

FORWARD INSIDE SAFE Centralized Client and Housing Management Platform

CAO began communication with FORWARD on a proposal on a custom solution to more efficiently handle the administrative workflow associated with the Inside Safe Program. The Mayor's Office and the CAO are working on a contract to launch the FORWARD INSIDE SAFE Centralized Client and Housing Management Platform as an innovative solution to streamline the motel invoicing and verification process. Currently, motel sites and Service Providers have their own individual forms and procedures for submission and verification for room stays related to Inside Safe participants, which can cause delays in the initial review of motel invoices. Although several efficiencies have been implemented, standardized submissions are still a challenge across the nightly motel room portfolio. The new platform will aim to provide a comprehensive solution through centralizing housing management and care delivery, fortifying data accuracy, expediting motel payments, and providing real-time data dashboards and reports. The platform can also integrate into LAHSA's new and legacy systems, including HMIS. The estimated annual cost of this platform is \$2,580,000. The contract term is expected to be one year with a one year option to extend.

FORWARD will further streamline the invoicing process by completing reconciliation of 151 monthly invoices, on average, providing customer service and training, and remitting payment once City has approved. This will significantly decrease the workload to City staff by not only decreasing the number of vendors the City is obligated to pay, but also removing the initial verification of over one thousand rooms on a weekly basis. In addition, through this platform, participating Service Providers will be able to create a more uniform motel intake process with daily check-ins with motel clients to eliminate data gaps and inaccuracies.

LA Grand Hotel

On February 24, 2023, the CAO released the Revised Sixteenth Roadmap Report (C.F. 20-0841-S31), which authorized the extension of the LA Grand Hotel lease from February 1, 2023, through February 1, 2024, for use as interim housing. Subsequently, on December 1, 2023, the CAO released the Twenty-First Roadmap Report (C.F. 20-0841-S40), which authorized the extension of the LA Grand lease from February 1, 2024, through July 31, 2024. This secondary lease extension will allow for a seamless transition for those participants that are going to be relocated from the Grand to the Mayfair while the Mayfair completes its renovation plans. Regular reporting on the demobilization plan that ensures all residents continue on their housing solution path are to be provided to Council in a separate report.

The lease covers a total of 481 rooms with a rate of \$154/night, which includes meals. Lease costs billed through February 29, 2024, are \$24,657,590.83. The estimated lease cost for the secondary extension of LA Grand from February 1, 2024, through July 31, 2024, is \$11,327,909.69. This amount has been updated from the previous report to consider current occupancy, anticipated ramp down, and lease terms. As of February 16, 2024, the LA Grand is at

approximately a 90 percent occupancy, consisting of 435 rooms, which includes 427 rooms with participants and 8 rooms used by staff. This also includes 442 individuals as referenced in Attachment 4. The City is obligated to pay a minimum monthly cost based on an occupancy rate of 85 percent, which is equivalent to approximately 409 rooms or 12,266 room nights per month. During the demobilization process, the City is obligated to pay for a minimum of 10,000 room nights for the final two months, which averages around a 70 percent occupancy during this time frame and is less than the standard minimum.

Mayfair Hotel

On August 18, 2023, Council approved the acquisition and rehabilitation of the Mayfair Hotel for use as interim housing for Inside Safe. The site has 294 rooms with a three-level 183 parking space garage which is located in Council District 1. It was previously used as a part of Project RoomKey (PRK). A cash flow loan of \$42,879,270 was authorized from the HEA for reimbursement from the Community Development Block Grant (CDBG) Fund (\$27,687,000), Proposition HHH Fund (\$5,192,270), and the Municipal Housing Finance Fund (MHFF) (\$10,000,000). As of November 10, 2023, \$15,192,270 of the Proposition HHH and MHFF fund loans have been transferred back into the HEA. The reimbursement of the CDBG loan is expected to be completed through the Mid-Year Financial Status Report (FSR) by the end of March. Non-reimbursable costs from the HEA total \$15,633,100 and include costs transferred to the General Services Department (GSD) for escrow (\$1,000,000), CBRE contracted costs for due diligence and project management (\$266,100), first year of operations costs, which includes utilities, facility management, and other associated expenses for building upkeep (\$5,067,000), and rehab costs and associated project management (\$9,300,000). Currently, all of these expenses have been transferred to the appropriate department for spending.

In a recent Municipal Facilities Committee Report released on January 29, 2024 (C.F. 23-0792-S2), additional costs have been identified to complete the rehabilitation of the Mayfair by approximately April 15, 2024. These costs include a construction shortfall of \$8,942,270, of which \$5,793,470 will be supported by the HEA.

LAHSA Service Provider Contracts

The Inside Safe initiative relies upon the work of the Los Angeles Homeless Services Authority (LAHSA) and service providers in conducting assessments, providing services which include case management services, street engagement, food programming, and resident monitors. The Mayor's Office is working with LAHSA to assess and project service provider budgets. The current budget provides authority for up to \$14,160,713 for service provider reimbursements tied to the Inside Safe initiative from the beginning of the program through September 30, 2023. To date, three supportive services-specific invoices have been submitted to the City for reimbursement from the Homelessness Emergency Accountant. The Mayor's Office and LAHSA have been meeting regularly to understand the needs associated with Inside Safe specific services and a corresponding finalized Scope of Required Services (SRS). An additional up to budget amount of \$15,758,380 for the current 10 service providers was approved by the Mayor's Office beginning October 1, 2023, through December 31, 2023, at a daily bed rate of \$110/person

for an estimated 2,155 clients to be served. Fourteen new qualified service providers were identified as a result of the procurement LAHSA released that closed November 22, 2023, which is expected to increase service levels. The Mayor's Office and LAHSA continue to meet regularly to discuss allocations for the remainder of the fiscal year.

Since June 1, 2023, Weingart has been providing services at the LA Grand, with an initial service period through January 31, 2024. The negotiated amount for this period was \$9,019,449. Weingart has been selected to continue providing services during the six month extension of the LA Grand lease, continuing through July 31, 2024. An updated Weingart services budget for the LA Grand extension is currently under review for the proposed amount of \$6,109,283. This is less than the previously estimated cost of \$6,830,831 for the current six month extension as it takes into consideration the demobilization and ramp down of the LA Grand.

Beginning May 1, 2024, Weingart will begin providing services at the Mayfair Hotel for occupants transitioning from the LA Grand. The proposed first year budget includes \$111,451.05 for ramp up costs and \$11,925,697 for 12 months of services for a total amount of \$12,037,148.05. Weingart is anticipated to provide services for two years to coincide with the City and County's joint Encampment Resolution grant award from the State. Attachment 2 accounts for one year of funding within this fiscal year's allocation of the HEA.

The Inside Safe program model began with housing fairs, which provide staffing, necessary materials, and Uber rides to clients to visit different housing options. A total of \$20,000 was approved by the Mayor's Office for the 17 housing fairs to date. Currently, the County-City co-host Service Connection Days one or two weeks after Inside Safe operations to get people document-ready and provide participants an opportunity to connect with County services directly to initiate additional care. Participating departments include: Department of Motor Vehicles, Housing for Health Mobile Clinics, Department of Mental Health, Department of Public Social Services, Office of Immigrant Affairs and Department of Military and Veterans Affairs.

LAHSA continues to work with providers to ensure all exit data is entered into HMIS and is up to date and has committed to providing reconciled and verifiable exit data for Inside Safe regular reporting.

City Department Costs

The Los Angeles Police Department (LAPD) has submitted for reimbursement a total of 437.2 overtime hours related to Inside Safe since the beginning of the fiscal year through December 31, 2024, for a total of \$41,782.57. The projected costs based on submissions to date for the remainder of the fiscal year are approximately \$83,565. Primarily, LAPD has been providing support for, and ensuring the safety of, City staff and Inside Safe participants. To date, there have been zero arrests during the initial phase of operations.

Additionally, the Mayor's Office has approved LAPD's requested amount of \$250,000 to support the initial phase of the new Vehicle Recycling Program (VRP) with the provider, SA Recycling. The funding will be used to authorize the dismantling and recycling of Recreational Vehicles that

have been impounded and are unclaimed, in grave disrepair, or are an environmental hazard. Initial funding will allow Official Police Garages (OPGs) to recycle vehicles awaiting salvage so that space can be created for implementation of the Mayor's Inside Safe initiative to address unsafe and unsanitary vehicle dwellings and move displaced Angelenos into housing.

Should you require any additional information, please contact Kendra Leal, Senior Administrative Analyst II, at kendra.leal@lacity.org, or Sandy Li, Administrative Analyst, at sandy.li@lacity.org.

RECOMMENDATION

Note and file.

cc: The City Council
 The Honorable Karen Bass, Mayor
 Lourdes Castro Ramírez, Office of the Mayor
 Sharon Tso, Chief Legislative Analyst
 Kenneth Mejia, City Controller
 Hydee Feldstein Soto, City Attorney
 Dr. Va Lecia Adams Kellum, Chief Executive Officer, LAHSA

Attachments:

1. FY 2023-24 Homeless Emergency Account Actual and Projected Balances through February 29, 2024
2. Inside Safe Summaries by Fiscal Year, Budget Categories, and Future Projections
3. Inside Safe Program Metrics as of February 16, 2024
4. Appendix from Mayor's Office of Housing & Homelessness Solutions

Attachment 1: FY 2023-24 Homeless Emergency Account Actual and Projected Balances through February 29, 2024

2023-24 Funding Authority & Reserve Balance		
2023-24 Adopted Budget	\$250,000,000.00	
	Homelessness Emergency Account	Inside Safe Reserve Account
Initial Appropriation (as of July 1, 2023)	\$65,700,000.00	\$184,300,000.00
Transfer #1 to Homelessness Emergency Account from Inside Safe Reserve Account (November 30, 2023)	\$25,000,000.00	(\$25,000,000.00)
Available Balances	\$90,700,000.00	\$159,300,000.00

Available Cash - Homelessness Emergency Account	
Initial Appropriation of Current Year (2023-24) Funds	\$65,700,000.00
Reappropriation of Cash Balance Remaining from Prior-Year (2022-23) Inside Safe Program Funds	\$31,856,857.11
Prop HHH ¹ Reimbursement (for Mayfair Acquisition Loan)	\$5,192,270.00
MHFF ² Reimbursement (for Mayfair Acquisition Loan)	\$10,000,000.00
Transfer #1 from Inside Safe Reserve Account (November 30, 2023)	\$25,000,000.00
Total Transfers- In: (current and prior-year funding)	\$137,749,127.11
Less Total Current Year Expenditures (see Table 1 for details)	(\$116,680,167.14)
Adjusted Cash Balance as of February 16, 2024:	\$21,068,959.97

¹ Proposition HHH Fund

² Municipal Housing Finance Fund

Attachment 1: FY 2023-24 Homeless Emergency Account Actual and Projected Balances through February 29, 2024

Table 1: Detailed Current Year Expenditures	February 16, 2024
Mayfair Acquisition Loan (for CDBG ³)	\$27,687,000.00
Mayfair Acquisition Loan (for Prop HHH ¹)	\$5,192,270.00
Mayfair Acquisition Loan (for MHFF ²)	\$10,000,000.00
Mayfair Escrow (for GSD)	\$1,000,000.00
Mayfair Operation Costs (for GSD)	\$5,067,000.00
Mayfair CBRE (for GSD)	\$266,100.00
Mayfair Rehabilitation Costs (for BOE)	\$9,300,000.00
2022-23 Motel Invoices Paid	\$3,492,450.88
2023-24 Motel Invoices Paid	\$11,928,858.68
2023-24 Facility Expenses	\$1,547.79
LA Grand Lease Paid	\$12,472,518.00
LAPD RV Dismantler	\$250,000.00
2022-23 LAPD Overtime	\$19,644.37
2023-24 LAPD Overtime	\$28,976.00
2023-24 LAHSA Service Provider Costs	\$1,636,226.32
Long Term Motel Obligations (Encumbered) ⁴	\$28,337,575.10
Total	\$116,680,167.14

¹ Proposition HHH Fund

² Municipal Housing Finance Fund

³ Community Development Block Grant

⁴ Long Term Motel Obligations (Encumbered) decreased from last report due to payments made and is reflected as part of the increase in 2023-24 Motel Invoices Paid.

Attachment 1: FY 2023-24 Homeless Emergency Account Actual and Projected Balances through February 29, 2024

Projected Cash and Liabilities/Expenses through March 31, 2024	
Anticipated Deposit(s)	
Transfer #2 from Inside Safe Reserve Account (Anticipated By End of February 2024)	\$25,000,000.00
Transfer #3 from Inside Safe Reserve Account (Anticipated By Mid-March 2024) ⁵	\$25,000,000.00
CDBG Reimbursement ⁶ (for Mayfair Acquisition Loan, Anticipated By End of March)	\$27,687,000.00
<i>Subtotal</i>	<i>\$77,687,000.00</i>
Adjusted Cash Available	\$98,755,959.97
Less Projected Liabilities/Expenses	March 31, 2024
LA Grand Lease (est.)	\$7,516,912.00
LAPD Overtime (est.)	\$40,661.96
LAHSA Service Providers	\$16,473,060.00
Long Term Motel Obligations (Pending Encumbrance)	\$1,103,599.80
Short Term Motel Nightly (est.)	\$7,538,010.00
Homelessness & Housing Solutions Support (Mayor's Office)	\$7,200,000.00
Project Homekey 3 Match	\$31,567,800.00
Mayfair - Renovation Shortfall ⁷	\$5,793,470.00
<i>Subtotal</i>	<i>\$77,233,513.76</i>
Projected Cash Available ^{5 8}	\$21,522,446.21

⁵ Based on known obligations as of February 16, 2024, at least one additional transfer may be needed prior to the end of March 2024.

⁶ Fund loan reimbursement from CDBG pending transfer into HEA. The necessary instructions to effectuate this transfer have been included in the Mid-Year FSR. Transfer is anticipated to occur by the end of March 2024.

⁷ Pending confirmation of actual costs.

⁸ This is an estimate, which is subject to change due to actual expenses. The CAO will continue to monitor the HEA uncommitted balance to notify Council 14 days before the need to effectuate a transfer if the total falls below \$25M.

Attachment 2: Inside Safe Summaries by Fiscal Year, Budget Categories, and Future Projections

FY 2022 - 23 Expenditure Breakdown			FY 2022-23 Budget	\$50,000,000.00
Expense Type	FY 2022-23 Expenses Paid by June 30, 2023	FY 2022-23 Expenses Paid after July 1, 2023	FY 2022-23 Incurred Expenses: Pending Payment	Total Expenses
Interim Housing				
Private Motels	\$2,985,459.16	\$3,492,450.88	\$5,500.00	\$6,483,410.04
Contracted Motel (LA Grand)	\$8,749,680.83	\$0.00	\$0.00	\$8,749,680.83
Facility Expenses	\$25,586.00	\$0.00	\$5,617.00	\$31,203.00
<i>subtotal</i>	<i>\$11,760,725.99</i>	<i>\$3,492,450.88</i>	<i>\$11,117.00</i>	<i>\$15,264,293.87</i>
Service Provider Support Services				
LAHSA Service Providers ¹	\$5,195,789.50	\$1,636,226.32	\$4,807,929.18	\$11,639,945.00
<i>subtotal</i>	<i>\$5,195,789.50</i>	<i>\$1,636,226.32</i>	<i>\$4,807,929.18</i>	<i>\$11,639,945.00</i>
City Departments				
LADOT ²	\$54,921.57	\$0.00	\$0.00	\$54,921.57
Personnel	\$976,591.29	\$0.00	\$0.00	\$976,591.29
LAPD	\$127,945.28	\$19,644.71	\$0.00	\$147,589.99
City Clerk - DSW Oversight	\$27,169.26	\$0.00	\$0.00	\$27,169.26
<i>subtotal</i>	<i>\$1,186,627.40</i>	<i>\$19,644.71</i>	<i>\$0.00</i>	<i>\$1,206,272.11</i>
FY 2022 - 2023 Expenses Paid by June 30, 2023	\$18,143,142.89			
FY 2022 - 2023 Rollover to FY 2023 - 2024	\$31,856,857.11			
FY 2022 - 2023 Expenses after July 1, 2023 (Paid/To be Paid from Rollover Amount)		\$5,148,321.91	\$4,819,046.18	
			FY 2022 - 2023 Total Expenses	\$28,110,510.98
			Remaining Cash Available	\$21,889,489.02

¹ Increased FY 2022-23 LAHSA Service Providers costs based on recently received YTD actual expenditures.

² Due to the timing of invoice payments, LADOT's outstanding costs of \$26,863.67 for FY 2022-23 transportation expenses will be absorbed by its FY 2023-24 allocation for Inside Safe Transportation.

FY 2023 - 24: \$250 Million Budget and Expenditure Breakdown

Budget Category	Comments	FY 2023-24 Budget	Interim Budget Adjustments	FY 2023-24 Expenses Paid	FY 2023-24 Incurred Expenses Pending Payment	FY 2023-24 Projected Expenses	FY 2023-24 Total Expenses (Paid, Pending Payment, Projected)	Future Fiscal Years Obligations under HEA	Total Expenses	Difference between Budget and Total Expenses
Grand Totals by Column		\$250,000,000	\$64,768,759	\$83,194,270	\$30,986,710	\$127,133,882	\$241,314,862	\$58,799,666	\$300,114,528	\$14,654,231
FY 2023-24 Funding Authority										
Homelessness Emergency Account		\$65,700,000	\$25,000,000	\$0	\$0	\$0	\$0	\$0	\$0	\$90,700,000
Inside Safe Reserve		\$184,300,000	-\$25,000,000	\$0	\$0	\$0	\$0	\$0	\$0	\$159,300,000
<i>subtotal</i>		<i>\$250,000,000</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>\$250,000,000</i>
FY 2022-23 Rollover										
Rollover of FY 2022-23 available Cash		\$0	\$21,889,489	\$0	\$0	\$0	\$0	\$0	\$0	\$21,889,489
<i>subtotal</i>		<i>\$0</i>	<i>\$21,889,489</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>\$21,889,489</i>
Interim Housing										
	Booking Agreements	\$92,000,000	\$0	\$9,224,833	\$5,897,878	\$14,652,756	\$29,775,468	\$0	\$29,775,468	\$4,884,272
	Occupancy Agreements ¹		\$0	\$2,704,025	\$3,005,977	\$7,431,887.4	\$13,141,890	\$19,003,310	\$32,145,200	
	LA Grand monthly lease costs through February 1, 2024, and six month renewal through July 31, 2024. ²		\$0	\$12,472,518	\$3,435,392	\$7,691,363	\$23,599,273	\$1,595,787	\$25,195,060	
Motel Nightly Rentals			\$0	\$12,472,518	\$3,435,392	\$7,691,363	\$23,599,273	\$1,595,787	\$25,195,060	
Operating Expenses	Includes insurance, damage mitigation, incidental, furnishings.	\$18,000,000	\$0	\$1,548	\$59,153	\$67,733	\$128,433	\$0	\$128,433	\$17,871,567
FORWARD INSIDE SAFE Centralized Client and Housing Management Platform	Platform to streamline the administrative workflow associated with motel nightly rental through support in data processing, dashboards, and payment support. Contractual costs estimated for two years.	\$0	\$0	\$0	\$0	\$860,000	\$860,000	\$4,300,000	\$5,160,000	-\$5,160,000
<i>subtotal</i>		<i>\$110,000,000</i>	<i>\$0</i>	<i>\$24,402,924</i>	<i>\$12,398,400</i>	<i>\$30,703,739</i>	<i>\$67,505,063</i>	<i>\$24,899,097</i>	<i>\$92,404,161</i>	<i>\$17,595,839</i>
Service Provider Support Services										
Street Engagement	Staff costs: long-term, on-going/pre-operation outreach efforts to build relationships with PEH prior to coming indoors	\$6,000,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$6,000,000
Case Management ³	Staff costs: includes individual case management in motels as well as housing navigators	\$16,000,000	\$0	\$0	\$808,099.36	\$2,744,754.01	\$3,552,853.37	\$0.00	\$3,552,853	\$12,447,146.63
Indirect (LAHSA and Service Providers) ³	Overhead to include support staff, facility costs (rent, utilities)	\$16,000,000	\$0	\$0	\$3,595,167.00	\$15,168,201.05	\$18,763,368.05	\$0.00	\$18,763,368	-\$2,763,368.05
Resident Monitors ³	Each motel has resident monitor to support PEH and liaise with motel staff	\$10,000,000	\$0	\$0	\$2,337,469.32	\$7,939,343.41	\$10,276,812.73	\$0.00	\$10,276,813	-\$276,812.73
Food ³	\$21 per person, per day (meal delivery services, grocery store gift cards)	\$13,000,000	\$0	\$0	\$3,202,796.71	\$10,878,475.61	\$14,081,272.32	\$0.00	\$14,081,272	-\$1,081,272.32
Storage ³	Includes storage rental for PEH to surrender belongings	\$1,000,000	\$0	\$0	\$39,467.61	\$134,053.92	\$173,521.53	\$0.00	\$173,522	\$826,478.47
Housing Fairs		\$0	\$0	\$0	\$20,000.00	\$0.00	\$20,000.00	\$0.00	\$20,000	-\$20,000.00
LA Grand - Services Cost ^{3 4}	Service costs provided by Weingart for the LA Grand extensions from July 1, 2023 to January 31, 2024, and February 1, 2024 to July 31, 2024.	\$0	\$0	\$0	\$8,572,503.00	\$5,068,691.24	\$13,641,194	\$1,040,592.24	\$14,681,786	-\$14,681,786
Mayfair - Services Cost ⁴	Service costs provided by Weingart for the Mayfair from May 1, 2024 to April 30, 2025, and May 1, 2025 to April 30, 2026.	\$0	\$0	\$0	\$0	\$2,104,512.74	\$2,104,512.74	\$9,932,635.31	\$12,037,148	-\$12,037,148.05
<i>subtotal</i>		<i>\$62,000,000</i>	<i>\$0</i>	<i>\$0</i>	<i>\$18,575,503.00</i>	<i>\$44,038,031.98</i>	<i>\$62,613,534.98</i>	<i>\$10,973,227.55</i>	<i>\$73,586,762.53</i>	<i>-\$11,586,762.53</i>
Permanent Stay										
Move-In Support	Includes landlord incentive, security deposit, furnishing, utility deposit, and other move-in costs	\$13,000,000	\$0	\$0	\$0	\$1,203,434	\$1,203,434	\$11,796,566	\$13,000,000	\$0
Rental Assistance	2-year Time-limited subsidies (\$1,833 per month) for 400 people transitioning from motels to PSH pipeline	\$18,000,000	\$0	\$0	\$0	\$6,585,625	\$6,585,625	\$11,130,775	\$17,716,400	\$283,600

Attachment 2: Inside Safe Summaries by Fiscal Year, Budget Categories, and Future Projections

Budget Category	Comments	FY 2023-24 Budget	Interim Budget Adjustments	FY 2023-24 Expenses Paid	FY 2023-24 Incurred Expenses Pending Payment	FY 2023-24 Projected Expenses	FY 2023-24 Total Expenses (Paid, Pending Payment, Projected)	Future Fiscal Years Obligations under HEA	Total Expenses	Difference between Budget and Total Expenses
<i>subtotal</i>		\$31,000,000	\$0	\$0	\$0	\$7,789,059	\$7,789,059	\$22,927,341	\$30,716,400	\$283,600
Acquisition										
Motel Acquisition	The \$47M supports a portion of the acquisition and renovation costs for the Mayfair Hotel (\$10.3M) for 294 rooms and provides \$31M as matching funds to leverage Project HomeKey3 (PHK3) funding for the acquisition of 2 motels ⁵ totaling 186 IH units.	\$47,000,000	\$0	\$15,633,100	\$0	\$31,567,800	\$47,200,900	\$0	\$47,200,900	-\$200,900
Mayfair - Fund Loans	A cash flow loan was authorized from the HEA for reimbursement from the Community Development Block Grant (CDBG) Fund (\$27,687,000), Proposition HHH Fund (\$5,192,270), and the Municipal Housing Finance Fund (MHFF) (\$10,000,000).	\$0	\$0	\$42,879,270	\$0	\$0	\$42,879,270	\$0	\$42,879,270	-\$42,879,270
Mayfair - Loan Reimbursement ⁶	Repayment of cash flow loan	\$0	\$42,879,270	\$0	\$0	\$0	\$0	\$0	\$0	\$42,879,270
Mayfair - Renovation Shortfall ⁴		\$0	\$0	\$0	\$0	\$5,793,470	\$5,793,470	\$0	\$5,793,470	-\$5,793,470
<i>subtotal</i>		\$47,000,000	\$42,879,270	\$58,512,370	\$0	\$37,361,270	\$95,873,640	\$0	\$95,873,640	-\$5,994,370
City Departments										
Los Angeles Police Department Overtime	Support for, and ensuring the safety of, City staff and Inside Safe participants.	\$0	\$0	\$28,976	\$12,807	\$41,782.56	\$83,565	\$0	\$83,565	-\$83,565
Homelessness & Housing Solutions Support (Mayor's Office) ⁷	Includes the City's response to the emergency declaration on homelessness, executive directives to lead a citywide increase in affordable housing production, and the Inside Safe Initiative. Also allows for the direct hiring of 13 outreach teams to be trained and deployed in support of the Inside Safe Initiative.	\$0	\$0	\$0	\$0	\$7,200,000	\$7,200,000	\$0	\$7,200,000	-\$7,200,000
Los Angeles Police Department - Vehicle Recycling Program	Support for the dismantling and recycling of RVs that have been impounded and are unclaimed, in grave disrepair, or are an environmental hazard.	\$0	\$0	\$250,000	\$0	\$0	\$250,000	\$0	\$250,000	-\$250,000
<i>subtotal</i>		\$0	\$0	\$278,976	\$12,807	\$7,241,783	\$7,533,565	\$0	\$7,533,565	-\$7,533,565
Grand Totals by Column		\$250,000,000	\$64,768,759	\$83,194,270	\$30,986,710	\$127,133,882	\$241,314,862	\$58,799,666	\$300,114,528	\$14,654,231
	Total Cash Available	\$314,768,759.02								
						<i>FY 2023 - 24 Year End Projected Balance</i>	\$73,453,896.77	<i>Projected Balance with Future Fiscal Year Obligations</i>		\$14,654,230.61

¹ This does not include projected costs for Occupancy Agreement extension options. If the extension options are executed, there would be an additional projected cost of \$16,922,415.70 for a total cost of \$49,067,615.90.

² Updated projections for the six month renewal through July 31, 2024 to reflect LA Grand demobilization and ramp down.

³ Service Provider costs updated to reflect actuals reported by LAHSA as of February 6, 2024.

⁴ Updated as reported by the Mayor's Office, pending final budget.

⁵ Multiple funding sources support the PHK3 Matching Funds: \$31,567,800 from HEA, \$15,000,000 from HHAP Round 3, and \$12,940 in HOME-ARP funds. The level of support has been revised based on award letters that have been issued for projects. This funding will provide 186 units of interim housing and two manager units.

⁶ CDBG loan reimbursement pending transfer to the Homelessness Emergency Account.

⁷ Per the Nondepartmental Footnotes of the adopted FY24 Budget Resolution, \$7.2M is to be transferred to the Mayor's Office for homelessness and housing support.

Inside Safe

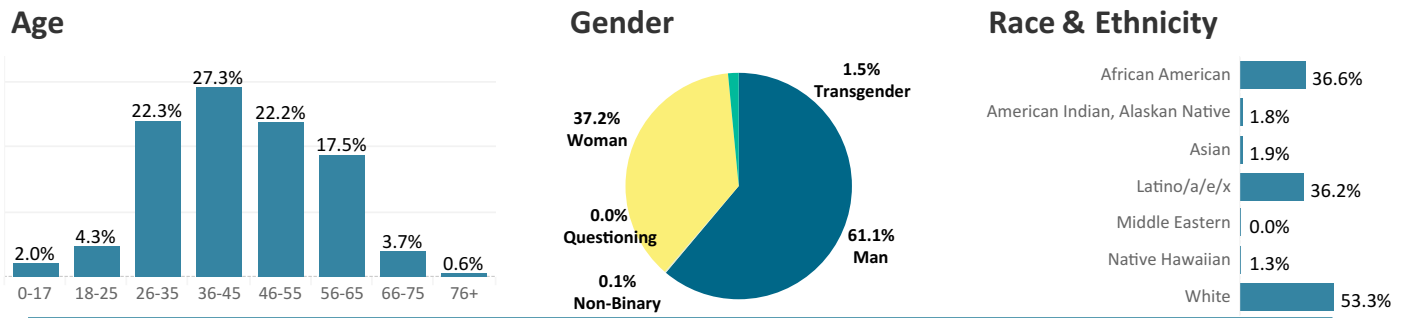
Los Angeles Homeless Services Authority Report Updated February 16, 2024. Please disregard all previous reports.

37 Encampment Operations	2,139 Entered Interim Housing	78% Housing Retention	24% Permanently Housed
------------------------------------	---	---------------------------------	----------------------------------

Current Status of Clients Who Entered Interim Housing

389 Currently Permanently Housed	<table border="1"> <tr> <td>Permanent Housing</td> <td>Time Limited Subsidy</td> <td>236 (11.0%)</td> </tr> <tr> <td></td> <td>Permanent Supportive Housing</td> <td>43 (2.0%)</td> </tr> <tr> <td></td> <td>Reunified</td> <td>12 (0.6%)</td> </tr> <tr> <td></td> <td>Exited to Subsidized Housing</td> <td>93 (4.3%)</td> </tr> <tr> <td></td> <td>Exited to Unsubsidized Housing</td> <td>5 (0.2%)</td> </tr> </table>	Permanent Housing	Time Limited Subsidy	236 (11.0%)		Permanent Supportive Housing	43 (2.0%)		Reunified	12 (0.6%)		Exited to Subsidized Housing	93 (4.3%)		Exited to Unsubsidized Housing	5 (0.2%)
Permanent Housing	Time Limited Subsidy	236 (11.0%)														
	Permanent Supportive Housing	43 (2.0%)														
	Reunified	12 (0.6%)														
	Exited to Subsidized Housing	93 (4.3%)														
	Exited to Unsubsidized Housing	5 (0.2%)														
1,252 Currently in Interim Housing	<table border="1"> <tr> <td>Interim Housing</td> <td>Motel</td> <td>1,145 (53.5%)</td> </tr> <tr> <td></td> <td>Tiny Home</td> <td>24 (1.1%)</td> </tr> <tr> <td></td> <td>ABH</td> <td>22 (1.0%)</td> </tr> <tr> <td></td> <td>Other IH</td> <td>61 (2.9%)</td> </tr> </table>	Interim Housing	Motel	1,145 (53.5%)		Tiny Home	24 (1.1%)		ABH	22 (1.0%)		Other IH	61 (2.9%)			
Interim Housing	Motel	1,145 (53.5%)														
	Tiny Home	24 (1.1%)														
	ABH	22 (1.0%)														
	Other IH	61 (2.9%)														
498 Program Exits	<table border="1"> <tr> <td>Returned to Homelessness</td> <td>298 (13.9%)</td> </tr> <tr> <td>Returned to Homelessness - Working with Providers</td> <td>137 (6.4%)</td> </tr> <tr> <td>Incarcerated</td> <td>28 (1.3%)</td> </tr> <tr> <td>Medical or Psychiatric facility</td> <td>4 (0.2%)</td> </tr> <tr> <td>Substance Abuse Facility</td> <td>1 (0.0%)</td> </tr> <tr> <td>Deceased</td> <td>30 (1.4%)</td> </tr> </table>	Returned to Homelessness	298 (13.9%)	Returned to Homelessness - Working with Providers	137 (6.4%)	Incarcerated	28 (1.3%)	Medical or Psychiatric facility	4 (0.2%)	Substance Abuse Facility	1 (0.0%)	Deceased	30 (1.4%)			
Returned to Homelessness	298 (13.9%)															
Returned to Homelessness - Working with Providers	137 (6.4%)															
Incarcerated	28 (1.3%)															
Medical or Psychiatric facility	4 (0.2%)															
Substance Abuse Facility	1 (0.0%)															
Deceased	30 (1.4%)															

Demographics



Individuals included in report: Includes clients who were engaged on the day of the encampment resolution and in repopulations efforts. Inside Safe also includes clients who were living in other ad hoc encampments throughout the city since January 2023 and clients that were living in the LA Grand on Feb 1, 2023, when transition from a PRK site. The nonspecific encampment-based clients comprise 318 individuals.

Entered Interim Housing: Includes only clients who entered interim housing. This cohort is the basis for all reporting.

Housing Retention: The percentage is calculated by dividing the sum of people who are Currently Permanently Housed and Currently in Interim Housing by the number of people who entered Interim Housing. This figure excludes clients that have passed away as they did not voluntarily exit the programs.

Returned to Homelessness- Working with Providers: This includes clients who have left interim or permanent housing, but who are currently still engaging with outreach and housing programs.

Returned to Homelessness: Clients who have left the program and are not active in any other homeless services program in HMIS.

Data Quality:
The report includes only data that providers have entered into HMIS. Providers have up to 72 hours after an interaction with, or a change in status of, a client to make a record in HMIS. Due to the dynamic nature of the program and its participants, this process may take longer than 72 hours. There may also be additional activities that have yet to be captured in HMIS. LAHSA and service providers strive for complete, accurate, and timely data in HMIS. The Data Management team at LAHSA is actively collaborating with providers to resolve any data discrepancies. The identified data discrepancies we are currently working to resolve included discrepancies in total clients served at winter shelter sites and 11 clients who have rental assistance recorded, but no move in date or address recorded. These individuals will not be counted as permanently housed until a move in date is recorded.

Percentage Permanently Housed: Calculated from all clients who entered interim housing who have not exited from program.

Duplicative Clients: As a note there have been 33 clients who have been involved in more than one resolution. They are deduplicated in the total count.

Attachment 3: Inside Safe Program Metrics as of February 16, 2024

Table 1. Inside Safe Participant Breakdown by Council District as of February 16, 2024 ¹

CD	Total Participants ²	Motels + LA Grand	ABH	THV	Other Interim Housing	Permanent Placements	Other Exits, dispositions, or in Data Reconciliation
1	81	72	0	0	0	1	8
2	44	5	1	14	1	7	16
3	121	96	1	1	0	5	18
4	73	52	0	0	8	6	7
5	69	26	0	0	1	23	19
6	52	28	0	2	4	6	12
7	55	39	0	0	1	5	10
8	143	90	0	0	1	37	15
9	155	65	1	0	2	61	26
10	41	26	0	0	0	12	3
11	160	51	3	0	4	43	59
12	91	77	1	0	0	7	6
13	140	95	0	0	6	20	19
14	298	149	1	0	11	46	91
15	119	44	1	1	0	36	37
1,10,13	116	92	2	0	0	0	22
1,14	10	9	0	0	0	0	1
5,11	68	38	5	0	0	1	24
5,13	38	32	0	0	3	1	2
N/A	298	81	6	6	21	77	107
Total ¹	2,172	1,167	22	24	63	394	502

¹ This information may change pending further updates from LAHSA. Table only used for diagnostics.

² Table includes 33 duplicative clients as noted by LAHSA.

Attachment 3: Inside Safe Program Metrics as of February 16, 2024

Table 2. Inside Safe Program Metrics as of February 16, 2024

Number of Encampment Operations	37
Number of Targeted Inside Safe Efforts ¹	7
Number of Council Districts	15
Number of Initial Placements ²	2,139
Number of Arrests During Initial Encampment Operations	0
Number of Housing Fairs To Date	17
Pounds of Waste Removed	547,200

¹ Includes scattered encampment relief efforts to move PEH into hotel rooms as well as transitioning Augmented Winter Shelter and Project Roomkey transfers into Inside Safe.

² This amount may change pending further updates from LAHSA.

Attachment 3: Inside Safe Program Metrics as of February 16, 2024

Table 3. Inside Safe Encampment Operations by Council District as of February 16, 2024

Council District	No. of Operations
Joint Operation: Council District 1, 10, 13	1
Joint Operation: Council District 1, 14	1
Joint Operation: Council District 5, 11	1
Joint Operation: Council District 5, 13	1
Council District 1	1
Council District 2	1
Council District 3	3
Council District 4	2
Council District 5	2
Council District 6	1
Council District 7	1
Council District 8	5
Council District 9	3
Council District 10	1
Council District 11	3
Council District 12	2
Council District 13	3
Council District 14	3
Council District 15	2
Total Operations as of February 16, 2024	37

MEMORANDUM

TO: Paul Krekorian, Council President, City Council
Nithya Raman, Chair Housing and Homelessness Committee
Bob Blumenfield, Chair Budget, Finance and Innovation Committee

FROM: Lourdes Castro Ramírez, Chief Housing and Homelessness Officer

RE: Mayor's Office of Housing and Homelessness Solutions Monthly Supplement, HEA Report

DATE: February 26, 2024

The Mayor's Office of Housing and Homelessness Solutions' (MOHHS) mission is to work in partnership with all Council Offices to urgently bring people inside from the streets, building a housing and services continuum that includes expanding interim housing infrastructure, accelerating the construction of permanent affordable housing, cutting through red tape to move people to permanent housing faster, and locking arms at all levels of government and in partnership with local nonprofits and the private sector to ensure people stay housed.

The Mayor's Office submits this appendix to supplement the CAO's HEA report and provide additional information on the citywide housing and homelessness response. The update reflects efforts carried out in partnership with City Council, CAO, City departments, Los Angeles County partners, and other stakeholders. Updates reflect activity from January 20, 2024 - February 16, 2024.

Federal Coordination Updates

As part of the Federal Initiative All INside MOU between the City of Los Angeles and the U.S. Interagency Council on Homelessness (USICH), new Los Angeles Federal Team Lead Robert Adams has joined the City team to strengthen and accelerate efforts to help Angelenos move off the streets and into homes. In the immediate future, the scope of work will focus on finalizing the emergency response plan for unhoused Angelenos, and coordinating efforts with federal partners like Housing and Urban Development, Social Security Administration, Substance Abuse and Mental Health Services Administration, and Veterans Affairs.

Thanks to the strong coordination between CAO and the Mayor's office, \$60 million of the outstanding total of \$180 million Project Homekey COVID-19 emergency response reimbursement costs from FEMA has been recently sent to the State and is on its way to Los Angeles. The All INside team will continue to support the CAO's efforts to secure outstanding reimbursements for the remaining \$120 million Project Roomkey balance, as well as other COVID-19 emergency response costs.

Attachment 4: Appendix from Mayor's Office of Housing & Homelessness Solutions

INTERIM HOUSING AND SERVICES

Project Homekey Round 3 (PHK-3) Funding

During this reporting period, the City of Los Angeles, in partnership with Hope the Mission, was awarded \$7,158,774 to repurpose an existing Encino motel into a 26-unit interim housing community to serve youth experiencing or at risk of homelessness. This funding brings the total PHK-3 award amount to \$105.8 million to fund a combined 364 interim and permanent housing units for people experiencing homelessness or at risk of homelessness. The Mayor's Office is working with the CAO to confirm eligibility and capture these units toward the housing milestones under the LA Alliance settlement.

When combined with the Mayfair Hotel (294 long-term interim units), leveraged HEA funds have now acquired or facilitated the acquisition of 658 interim housing units that may be applied to the settlement milestones.

LA Grand Hotel

The City Council authorized the extension of the lease on the LA Grand through July 31, 2024, retaining 481 units for interim housing, with augmented services provided by the County through a State Encampment Resolution Fund (ERF-2) award. The Mayor's Office, DHS-Housing for Health Division, and Weingart Center continue to utilize CA Encampment Resolution Fund-2 grant funds to implement the Skid Row Action Plan and provide services and interim and permanent housing for Skid Row residents.

According to the Weingart Center, as of February 16, 2024, there are 442 participants enrolled in the LA Grand program with 302 participants qualifying for expanded services under the CA ERF-2 program. 140 lower-acuity and non-Skid Row residents currently reside at the LA Grand and are also supported by HEA funds but do not qualify for inclusion in the CA ERF-2 program. LAHSA and the Weingart Center will continue to lead work with the Mayor's Office and Housing Navigation Service Providers to create connections and transition participants into permanent housing, or alternate interim housing destinations before the LA Grand lease expires. The Mayfair Hotel is undergoing renovations and will be open for interim housing transfers from the LA Grand and Skid Row in May 2024.

According to LAHSA, the LA Grand demobilization process has been divided into three phases. The first of these phases, which began on February 7, 2024, is focusing on the placement of participants with existing housing connections, including Time-Limited Subsidies (TLS) and housing navigation. The second phase will begin April 8, 2024 and will focus on interim housing transfers for those who do not have existing housing linkages and are not moving to Mayfair. Finally, the third phase will begin on May 1, 2024 as participants transfer to the Mayfair.

LAHSA service contracts are based on a cost-reimbursement model. According to LAHSA, this has the following impact: as they demobilize floors, Weingart will either downsize those staff or shift them to the Mayfair or other programs. As a result, Weingart will eliminate those costs at the Grand and only pay for them at the Mayfair.

Attachment 4: Appendix from Mayor's Office of Housing & Homelessness Solutions

Emergency Housing Vouchers

As a part of the federal government's COVID-19 response through the American Rescue Plan, HACLA was allocated 3,365 emergency housing vouchers (EHV). Following concerns last year that HACLA would lose those vouchers to expiration, HACLA dedicated extra staff and resources to ensuring full utilization. As of January 31, 2024, HACLA has fully utilized their EHV allocation.

The City currently has over 2,000 EHV applications that HACLA has not been able to process because the program is oversubscribed. The Mayor's Office has asked President Biden and the U.S. Department of Housing and Urban Development (HUD) to provide the City of Los Angeles with 800 additional Section 8 EHV's from their supply of underused vouchers by other cities.

MOVING UNHOUSED ANGELENOS INSIDE

Inside Safe Operations Update

Inside Safe was launched in December 2022 to house Angelenos living in encampments, connect them to services and housing, and prevent their return to the street. As of February 16, 2024, the Mayor's Office, in partnership with Council Offices, has completed a total of 37 encampment resolutions citywide, and 2,139 people experiencing homelessness (PEH) have voluntarily come inside to engage in enhanced services and begin a housing journey to stability and permanence. Additionally, street corners, freeway underpasses, parks, businesses, and both residential and main thoroughfares have returned to their intended purpose. At least 1 Inside Safe operation has been completed in every Council District.

At the beginning of 2024, our Inside Safe team shared a portal that allows Council Offices to submit online requests for Inside Safe encampment resolutions in their district. During the January 20, 2024 - February 16, 2024 reporting period, 11 Council Districts submitted a total of 53 priority encampment locations. Once requests are received, the Inside Safe Field Intervention Team (FIT) performs an assessment of Council Office priority encampments. The assessment includes a review of factors to determine need and resource availability including service provider capacity, inventory of available interim housing, public health and community safety issues, the proportion of the City's homelessness population, access to partners, equitable distribution of resources, and the makeup of the encampment (eg. cars, tents, makeshifts, RVs). Since the inception of Inside Safe, an Inside Safe operation has been completed in every council district.

During the reporting period ending February 16, 2024, 2 Inside Safe operations were completed and the number of Inside Safe participants who transitioned from interim to permanent housing solutions increased by 60.

RV Solutions

The Mayor's Office of Housing and Homelessness Solutions convened an RV Solutions Task Force with the CAO, Council Districts, and other City staff and departments to develop a comprehensive citywide strategy. Based on findings from the Task Force, the Mayor's Office team is negotiating leases with Metro to create additional RV Storage lots. A draft RV strategy document has been shared with the RV Task Force. The Task Force is currently reviewing the findings and anticipates finalizing this document within the next 30-60 days.

Attachment 4: Appendix from Mayor's Office of Housing & Homelessness Solutions

PERMANENT HOUSING ECOSYSTEM

The Mayor's Office has collaborated with Council as well as City departments and County agencies to accelerate construction of permanent affordable housing units in the City.

Executive Directive 1

The Mayor's Executive Directive 1 (ED1) accelerated the review of more than 14,121 affordable housing units. Permits that previously took 6-9 months to secure now only take an average of 43 days. In total, 177 affordable housing projects have applied for ED1 with the Department of City Planning, and 75 project cases have received entitlements. In 2024, 27 City-financed Supportive Housing projects are expected to open, totaling 1,916 units. The Mayor's Office is working with the Planning and Housing Departments to evaluate the impact of ED 1 and draft a permanent ordinance that includes stronger tenant protections and parameters for waivers of development standards.

Proposition HHH

In November 2016, the voters of Los Angeles overwhelmingly voted in favor of Proposition HHH (Prop HHH, HHH). HHH created a \$1.2 billion General Obligation (GO) Bond to serve as a locally-generated, dedicated source of funding for the development of permanent supportive housing (PSH) between 2016-2026. As of December 2023, nearly all HHH funds have been obligated, with \$1,128,343,281 committed to projects that are either completed, in construction, or in predevelopment. There are currently 132 total projects in the HHH pipeline, with 8,764 total units. Of those, 7,262 are supportive housing units. The breakdown of HHH project status is as follows:

- 71 projects with 3,531 units are open and in service
- 39 projects with 2,192 units are under construction
- 22 projects with 1,539 units are in predevelopment

The Mayor's Office is working closely with LAHSA, LAHD, HACLA and County's Homeless Initiatives Office to develop a comprehensive plan for ensuring these units are matched expeditiously with City interim housing residents, and focused on increasing throughput from interim to permanent housing.

PREVENTION AND TENANT PROTECTIONS

A keystone in the City's work to address the Los Angeles homelessness emergency is the effort to prevent Angelenos from falling into homelessness in the first place. This year, Los Angeles experienced a wave of eviction notices due to expiring COVID-19 renter protections. In response, the City acted swiftly to provide critical resources for those at risk of losing their homes. In addition to Council-led efforts to expand tenant protections in 2023, the City Council approved the Measure ULA Expenditure Plan, made possible after voters passed Measure ULA in November 2022. In addition to \$30,400,000 for the Short-Term Emergency Assistance Program, which also included assistance for small landlords, the plan includes \$23,000,000 for the Eviction Defense/Prevention Program; \$5,520,000 for a tenant outreach and education program;

Attachment 4: Appendix from Mayor's Office of Housing & Homelessness Solutions

\$11,219,694 for the Protections from Tenant Harassment Program; \$11,000,000 to provide rental subsidies and move-in assistance to low income seniors and people with disabilities; and \$56,860,306 for development of multi-family affordable housing.

Eviction Filings

From February 3, 2023 to February 16, 2024, the Los Angeles Housing Department received 87,626 at-fault eviction notices filed by landlords, 82,662 of which were for non-payment of rent.

February 1 Rental Arrears

February 1, 2024 was the deadline for tenants to repay owed rent between October 1, 2021 and January 31, 2023, as well as the date that a rent increase of up to 4% for housing units under the Rent Stabilization Ordinance (RSO) takes effect. The Mayor's Office coordinated with LAHD, CIFD, and various Council offices to develop fact sheets and a coordinated response to calls and requests for assistance. The focus is to ensure that tenants know their rights, that they do not self-evict, and that they seek assistance from city-funded and other resources. Those resources include but are not limited to:

- Assistance through Stay Housed LA at (888) 694-0040
- Assistance through City Council offices
- Direct assistance at public counters Citywide through LAHD (to see a full list of locations and make an appointment, visit <https://housing2.lacity.org/about-us/public-counters> or call (866) 557-7368)

MOHHS is working closely with LAHD and the Mayor's Fund, and is currently hiring for a Director of Housing Stability to assist with the development and implementation of programs to strengthen tenant protections, prevent households from evictions and displacement, and expand housing stability citywide.