


CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

0220-06162-0000

Date: October 13, 2023

To: Paul Krekorian, Council President
City Council

Nithya Raman, Chair
Housing and Homelessness Committee

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

Subject: **HOMELESSNESS EMERGENCY DECLARATION - 2023-24 FIRST QUARTERLY REPORT**

SUMMARY

On December 12, 2022, the Mayor declared a local emergency on homelessness with a sunset of six months subject to renewal by the City Council. On July 7, 2023 the Mayor revised the local emergency declaration, which included the amendments to the reporting requirements. Per the Los Angeles Administrative Code 8.33 Local Housing and/or Homelessness Emergency, the City Administrative Officer, the Los Angeles Housing Department, and the Department of City Planning are to report to the City Council on the status and the progress of the emergency declaration. The City Council will then review the reports and determine if the emergency continues to exist. This report provides highlights on the metrics as reported by various agencies and attached memos from the Department of City Planning and the Los Angeles Housing Department on the status of shelter interventions relative to the Declaration. Lastly, this report provides an overview of the nine key performance indicators established by the Mayor in addressing the emergency, which the status is further discussed in this report for the performance period from December 12, 2022, through September 30, 2023.

RECOMMENDATION

Note and file.

BACKGROUND

The Mayor declared a local emergency on homelessness on December 12, 2022. The City Council continued to renew the declaration at least every 30 days for six months. On July 7, 2023, the Mayor reissued the housing and homelessness declaration as a homelessness crisis still remained, prompting an amendment to the Los Angeles Administrative Code (LAAC) to create a path for any Mayor of Los Angeles to streamline City processes and procedures to

address the crisis (C.F. 23-0652), to mobilize local resources, coordinate inter-agency response, accelerate procurement of housing units with the assistance of the City Administrative Office (CAO), Los Angeles Homeless Services Authority (LAHSA), Los Angeles Housing Department (LAHD), and the Department of City Planning (DCP). The Mayor is authorized to declare a Section 8.33 emergency on housing and homelessness if any one of three criteria are present:

1. Housing supply is projected to be at least 40 percent below the annual housing production goals as established in the City's Regional Housing Needs Assessment;
2. There exists more than twice the number of unhoused people in the City of Los Angeles than the number of interim beds; or
3. A citywide increase in unhoused individuals by more than 20 percent in a single year as reported in the annual point in time count (PIT).

Additionally, the LAAC 8.33 instructs the CAO, DCP, and LAHD to provide a status report on the homelessness emergency declaration on a quarterly basis. The CAO is responsible for coordinating the Mayor's Office with monthly reporting on the status of the Homelessness Emergency Account and the Inside Safe Initiative. The CAO's Office has continued to provide monthly reports to the City Council and Mayor on the status of the funds and program with the most recent report providing data as of September 15, 2023 (Attachment 1).

As part of the homelessness emergency declaration, the Mayor also issued Executive Directive No. 1 (ED 1) Expedition of Permits and Clearances for Temporary Shelters and Affordable Housing Types. The homelessness emergency declaration along with ED 1 allows housing projects to be reviewed and expedited by City departments such as the DCP (Attachment 2) and the LAHD (Attachment 3), whose status reports are hereby attached for reference. Additionally, in the Mayor's Declaration of Local Housing and Homelessness Emergency dated July 7, 2023, the Mayor established nine key performance indicators in addressing the emergency, which is further discussed in this Report for the performance period from December 12, 2022, through September 30, 2023.

DISCUSSION

As previously mentioned, the Mayor is authorized to declare a Section 8.33 emergency on housing and homelessness if any one of three criteria are present in the City. According to the Department of City Planning (DCP), the City is 60.3 percent below the annual production goal for the current eight-year Regional Housing Need Allocation cycle of 2021-2029, thus supporting the first declaration criteria in which the housing supply is at least 40 percent below the annual housing production goal. Secondly, the Los Angeles Homeless Services Authority reports that 17,600 interim beds are open and occupiable and the recently released Point-In-Time count reported that 46,260 unhoused individuals reside within the City, which is more than twice the number of interim beds, thus meeting the second declaration criteria in which the number of unhoused people are more than twice the amount of available interim beds. To measure the progress made by the emergency declaration, nine key performance indicators are further discussed below:

Key Performance Indicators

1. Decrease in the number and size of encampments

As of September 29, 2023, the Mayor's Office reports that the Inside Safe Initiative has held 26 operations across 14 council districts since the declaration. The 26 operations have placed 1,648 individuals in interim or permanent supportive housing. During the reporting period, the Inside Safe Field Intervention Team was established and has provided outreach and engagement services to Inside Safe participants throughout the entire process. Additionally, the City and County have partnered together to provide health-related services for participants.

2. Regulatory relief from other jurisdictions and within Los Angeles City agencies to create flexibility to address the crisis

Sole Source Contract

Per the Los Angeles Administrative Code 8.33, the Mayor may suspend competitive bidding restrictions for contracts entered into by City departments and offices in response to the emergency. As such, the City has entered into 36 booking agreements and four occupancy agreements with various motels to provide interim housing for Inside Safe participants.

Housing Production

The DCP reports that a total of 5,427 housing units were permitted by the Department of Building and Safety (DBS) from January 1, 2023, through September 30, 2023. Additionally, DCP notes that should current trends continue, an additional 1,809 units are projected to be issued permits through the end of the calendar year for a total of 7,236 units.

Expedited Approvals

Under Executive Directive 1, which aims to streamline the approval of all affordable housing development, there have been 97 cases for a total of 7,923 proposed affordable housing units submitted to DCP. Of the 97 cases, 43 cases have been completed for a total of 3,320 units approved. The average processing time for cases is approximately 47 days. The LAHD has prioritized coordinating with the DCP to streamline affordable housing projects and will submit reports to the DCP for future reporting.

3. Relaxation in the restraints that limit the ability of the City's proprietary departments to create flexibility to address the crisis

In order to support the implementation of ED 1, the Department of Water and Power (LADWP) launched Project Powerhouse to reduce the time and cost to deliver power to affordable housing projects. Project Powerhouse expedites the engineering and construction process, and fully covers the cost of electrical line extension. Since March 2023, LADWP reports that 37 projects that provide 2,199 affordable housing units have benefitted from expedited approvals for power connection, and 34 projects are benefitting from LADWP covering costs of public

right-of-way power improvements. The estimated savings to these projects is approximately \$15.2 million. Overall, LADWP has reported a decrease of eight percent in the development review, engineering, and construction timeline.

4. Increased housing placements

As previously noted, the Inside Safe Initiative has had 26 operations, in which 1,648 participants were connected to interim or permanent housing.

5. Increased starts on new affordable housing options

The DCP and LAHD collaborated on the City of Los Angeles 2022 Annual Housing Element Progress Report, which was submitted to the California Department of Housing and Community Development in April. The reporting period is from January 1, 2022 through December 31, 2022. As reported to the State, 3,280 affordable units were permitted, including 2,150 units for very low income households, 1,042 for low income households, and 88 for moderate income households.

6. An increase in temporary and permanent housing units

As previously noted, the Los Angeles Homeless Services Authority reports that the interim housing bed inventory has increased to 17,600 from the 16,521 that was previously reported in July 2023. The inventory includes interim housing beds, safe parking, and motel vouchers issued for Inside Safe participants.

As part of the Inside Safe Initiative, the Mayor's Office has partnered with 40 motels to provide temporary housing for participants. Under the Declaration, the Mayor's Office has executed 36 booking agreements with motels and four occupancy agreements. In relation to housing unit production, the DCP reports that a total of 5,427 housing units were permitted by the DBS from January 1, 2023, through September 30, 2023.

7. Increased outside aid through access to mental health and substance use beds

On July 31, 2023, the Mayor released the Opioid and Tobacco Settlement Funds Substance Use Disorder Pilot Program Proposal, which details the use of funds allocated in the FY 2023-24 Adopted Budget to assist people experiencing homelessness with substance use disorder. The pilot program will connect interim housing participants with substance use disorder to potential inpatient treatment programs with residential beds. The Mayor's Office will work with Council Offices, 16 services providers, five treatment centers, the Los Angeles Homeless Services Authority, and the Los Angeles County Department of Public Health for program implementation.

8. A decrease in the number of persons being evicted from existing housing units

As reported by the Mayor's Office, there have been 9,881 Unlawful Detainer Filings from June 1, 2023, through September 30, 2023. This data is confined to Unlawful Detainer/Residential and does not include substance abuse or wrongful eviction.

9. A decrease in the number of persons falling into homelessness

Performance data relative to the decrease in the number of persons falling into homelessness is still in process and will be addressed in a future report.

Attachments:

1. Homelessness Emergency Account - General City Purposes Fund Seventh Status Report
2. Quarterly Housing Production Report and Addressing the Local Housing and Homelessness Emergency
3. Los Angeles Housing Department Memorandum

cc: The City Council
The Honorable Karen Bass, Mayor
Mercedes Márquez, Office of the Mayor

FORM GEN. 160

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

0220-06083-0007

Date: September 27, 2023

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 SEVENTH STATUS REPORT (C.F 22-1545) AS OF FRIDAY, SEPTEMBER
15, 2023**

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 an additional \$250 million in funding. 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 business 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.

- 2 -

DISCUSSION

As of September 15, 2023, a total of \$54,796,726 has been expended for FY 2023-24 costs. The paid expenses for this fiscal year primarily consist of hotel and motel invoices as well as costs associated with the Mayfair Hotel acquisition, such as an escrow deposit, rehabilitation costs, and fund loans that will be reimbursed. Based on known obligations to date, the account is expected to have an unencumbered balance of \$27,548,219.19 by the end of the first quarter and is not expected to need a transfer from the Inside Safe Reserve Fund. It is important to note that the cash balance is based only on information provided to the CAO's Office as of September 15, 2023. Attachment 1 provides a summary of expenditures and anticipated obligations through September 30, 2023, for the Homelessness Emergency Account. Attachment 2 provides budgeted categories for the \$250 million approved in the FY 2023-24 budget.

The CAO's and Mayor's Offices are working with Los Angeles Homeless Services Authority (LAHSA) to project individual service provider costs through June 30, 2024. Additional programmatic planned expenditures will be included in future reports as they are identified.

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 September 15, 2023, prepared by LAHSA as well as additional breakdowns of the participant status by Council Districts and other pertinent metrics. The current housing retention rate of the program is estimated to be 84 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 new Inside Safe data module.

The Mayor's Office reports that one Inside Safe operation was completed between August 19 and September 15, 2023. Between September 12 and 13, an estimated 52 people from encampments along Aetna Street in Council District (CD) 6 were housed in Inside Safe motel rooms. The total for this reporting period is an estimated 52 people. Additional information is included in Attachment 4.

Inside Safe Motel and Hotel Invoicing

As of September 15, 2023, the motel invoices received to date include 676 invoices from 40 individual hotels, totaling 98,900 hotel room nights. The current hotel room interim housing stock based on invoices received through September 15, 2023 is 745 rooms, which includes rooms for service providers and security. It does not account for double or multiple occupants sharing a room. Including the 481 rooms in LA Grand, the total hotel room interim housing stock is 1,226 rooms. The number of individual hotels has more than doubled since the CAO's first report

- 3 -

ending March 31, 2023, from 17 to 40 hotels. The average increase in monthly invoices over the last few months is approximately 32.76%.

The invoice process 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 (i.e. contract) with the hotel location. Once a booking agreement is executed with a hotel owner, payment processing is completed quicker than when a booking agreement is not in place. As of September 15, 2023, there were 36 executed booking agreements and one executed occupancy agreement. 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 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 not empty for long periods of time. The Mayor's Office and the General Services Department (GSD) are taking the lead on this effort 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 has implemented an internal approval system to help streamline submissions to the Mayor's Office for approval and City Clerk for processing.

Facility expenses incurred to date total \$51,012.28, including property improvements, repairs/damages, and valuation reports.

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. The lease covers a total of 481 rooms with a rate of \$154/night, which includes meals. Lease costs expended through June 30, 2023, were \$8,749,680.83. Estimated remaining lease costs through February 1, 2024, are projected to be \$13,194,609.16, which may increase based on occupancy. The City is obligated to pay a minimum monthly cost based on an occupancy rate of 85 percent. The current occupancy is 318 individuals as of September 15, 2023.

Mayfair Hotel

On August 18, 2023, Council approved the acquisition of the Mayfair Hotel 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). Non-reimbursable costs from the HEA will total

- 4 -

\$15,633,100 and include escrow 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).

LAHSA Service Provider Contracts

The Los Angeles Homeless Services Authority (LAHSA) and the Mayor's Office are involved in ongoing assessments of service provider budgets, with an estimated total of \$16,088,774 allocated to twelve service providers (including LAHSA administrative costs) from the beginning of the program through September 30, 2023. Budgets for FY 2022-23 have been leveraged by LAHSA and service providers using other existing funds for homelessness services and LAHSA has reported this information per the CAO and Mayor's Offices' request. This information has been included in the recent year-end status report. To date, two 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 Service Provider budgets for the remainder of this fiscal year and plan to come to a consensus shortly. LAHSA is planning to release a procurement in the coming months to provide an opportunity for new service providers to participate in the Inside Safe Program.

Since June 1, 2023, Weingart has been providing services at the LA Grand and will continue through January 31, 2024. The negotiated amount for the Weingart contract is \$9,019,449.

The Inside Safe program model also includes housing fairs, which provide staffing, necessary materials, and Uber rides to clients to visit different housing options. No additional housing fairs occurred since the last report. So far, 17 housing fairs have been held, which cost approximately \$59,459.45 total to date. The Mayor's Office has approved \$20,000 from the HEA for these costs. Of the 17 events, four were considered mobile events that included county, state, and federal agencies to assist participants with obtaining birth certificates, Department of Public Social Services benefits (Cal-Fresh, General Relief, Medi-Cal, etc.), social security cards, and DMV identification readily available onsite. One housing fair has been held since the start of the fiscal year and is included in the stated total. The primary objective of these housing fairs is to simplify the process of moving someone into permanent housing by bringing together all the necessary resources under one roof. Services are offered to help individuals with lease up, such as obtaining an ID, birth certificate or social security card, or locating an apartment.

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.

- 5 -

City Department Costs

LAPD has submitted for reimbursement a total of 92.7 overtime hours related to Inside Safe since the beginning of the fiscal year, at the cost of \$8,162.74. The projected straight line costs based on last year's expenditures is approximately \$273,000. 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.

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

RECOMMENDATION

Note and file.

cc: The City Council
 The Honorable Karen Bass, Mayor
 Mercedes Márquez, 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 Expenses
2. FY 2023-24 Inside Safe Budget Categories and Breakdown
3. Inside Safe Program Metrics as of September 15, 2023
4. Appendix from Mayor's Office of Housing & Homelessness Solutions

MWS:ECG:SBL:KML 16240022

Attachment 1: FY 2023-24 Homeless Emergency Account Expenses

Current Assets	
Cash Available July 1, 2023	\$65,700,000.00
FY23 HEA Cash Reappropriation	\$31,856,857.11
Revised Cash Available	\$97,556,857.11
Less Liabilities/Expenses through September 15, 2023	
Mayfair Escrow	\$1,000,000.00
Mayfair Rehabilitation Costs	\$9,300,000.00
Mayfair CDBG Loan ³	\$27,687,000.00
Mayfair Prop HHH Loan ²	\$5,192,270.00
Mayfair MHFF Loan ²	\$10,000,000.00
FY24 Motel Invoices Paid	\$1,617,456.00
FY23 Motel Invoices Paid	\$2,810,961.88
Revised Cash Available	\$39,949,169.23
Less Anticipated Liabilities/Expenses through September 30, 2023 ¹	
LAPD Overtime (est.)	\$27,000.00
LA Grand Lease (est.)	\$8,019,479.00
LAHSA Service Providers	\$1,646,998.00
Motel Invoices (est.)	2,707,473.04
Anticipated Cash Available	\$27,548,219.19

¹ Project HomeKey 3 has \$31M budgeted; however, a transfer timeline has yet to be determined.

² Fund loans are anticipated to be reimbursed from Prop HHH and MHFF prior to September 30, 2023.

³ Fund Loan from CDBG is anticipated to be reimbursed in October 2023.

Attachment 2: FY 2023-24 Inside Safe Budget Categories and Breakdown

Interim Housing		Comments
Motel Nightly Rentals	\$92,000,000	\$150 per night estimate due to reaching capacity of 2-star motel inventory
Operating Expenses	\$18,000,000	Includes insurance, damage mitigation, incidentals, furnishings
<i>subtotal</i>	<i>\$110,000,000</i>	
Service Provider Support Services		
Street Engagement	\$6,000,000	Staff costs: long-term, on-going/pre-operation outreach efforts to build relationships with PEH prior to coming indoors
Case Management	\$16,000,000	Staff costs: includes individual case management in motels as well as housing navigators
Indirect	\$16,000,000	Overhead to include support staff, facility costs (rent, utilities)
Resident Monitors	\$10,000,000	Each motel has resident monitor to support PEH and liaise with motel staff
Food	\$13,000,000	\$21 per person, per day (meal delivery services, grocery store gift cards)
Storage	\$1,000,000	Includes storage rental for PEH surrender belongings
<i>subtotal</i>	<i>\$62,000,000</i>	
Permanent Stay		
Move-In Support	\$13,000,000	Includes landlord incentive, security deposit, furnishing, utility deposit, and other move-in costs
Rental Assistance	\$18,000,000	2-year Time-limited subsidies (\$1,833per month) for 400 people transitioning from motels to PSH pipeline
<i>subtotal</i>	<i>\$31,000,000</i>	
Acquisition		
Motel Acquisition	\$47,000,000	This \$47M would leverage \$31M in Project HomeKey 3 funding. The City could acquire 3-4 larger motels (154 rooms total) and fully fund 5 years of operations and maintenance.
Total	\$250,000,000	

Inside Safe

Los Angeles Homeless Services Authority Report

Updated September 15, 2023. Please disregard all previous reports.

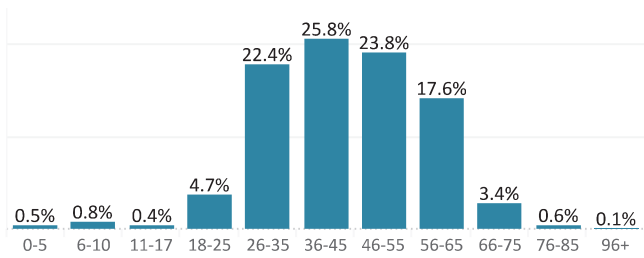
25 Encampment Operations	1,606 Individuals Served	1,574 Entered Interim Housing	84% Housing Retention	12% Permanently Housed
------------------------------------	------------------------------------	---	---------------------------------	----------------------------------

Current Status of Clients Who Entered Interim Housing

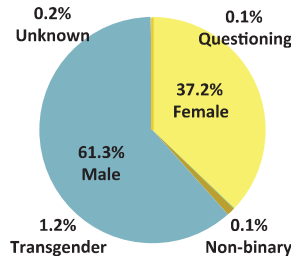
162 Currently Permanently Housed	Permanent Housing	Time Limited Subsidy	116 (7.4%)
		Permanent Supportive Housing	17 (1.1%)
		Reunified	8 (0.5%)
		Exited to Subsidized Housing	21 (1.3%)
1,149 Currently in Interim Housing	Interim Housing	Motel	1,030 (65.4%)
		Other Interim Housing	66 (4.2%)
		ABH	26 (1.7%)
		Tiny Home	27 (1.7%)
263 Program Exits	Returned to Homelessness		153 (9.7%)
	Returned to Homelessness - Working with Providers		90 (5.7%)
	Incarcerated		9 (0.6%)
	Medical or Psychiatric facility		3 (0.2%)
	Deceased		8 (0.5%)

Demographics

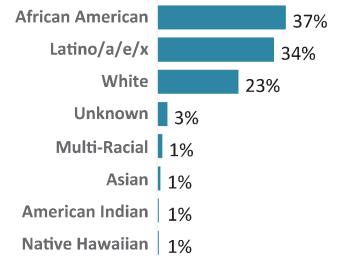
Age



Gender



Race & Ethnicity



Individuals Served: Includes all clients who were engaged on the day of the encampment. In addition to the encampment operations, 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 323 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 include Discrepancies in total clients served at winter shelter sites and 19 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 16 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 September 15, 2023

Table 1. Inside Safe Participant Breakdown by Council District as of September 15, 2023 ¹

CD	Total Participants ²	Motels + LA Grand	ABH	THV	Other Interim Housing	Permanent Placements	Other Exits, dispositions, or in Data Reconciliation
2	44	9	3	18	1	2	11
3	44	31	1	0	2	1	9
4	29	22	0	0	2	2	3
5	69	49	3	0	0	6	11
6	44	40	0	3	0	0	1
7	50	46	2	0	1	0	1
8	86	60	0	0	0	19	7
9	135	105	0	0	5	11	14
10	41	40	0	0	0	1	0
11	160	81	3	0	0	43	33
12	56	50	0	0	1	0	5
13	138	116	1	0	6	7	8
14	277	192	1	0	4	16	64
15	119	85	2	2	0	10	20
N/A	298	117	10	4	46	44	77
Total¹	1,590	1,043	26	27	68	162	264

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

² Table includes 16 duplicative clients as noted by LAHSA.

Table 2. Inside Safe Program Metrics as of September 15, 2023

Number of Encampment Operations	25
Number of Targeted Inside Safe Efforts ¹	7
Number of Council Districts	14
Number of Initial Placements ²	1,574
Number of Arrests During Initial Encampment Operations	0
Number of Housing Fairs To Date	17
Pounds of Waste Removed	340,968

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 September 15, 2023

Table 3. Inside Safe Encampment Operations by Council District as of September 15, 2023

Council District	No. of Operations
Council District 2	1
Council District 3	1
Council District 4	1
Council District 5	2
Council District 5	1
Council District 7	1
Council District 8	3
Council District 9	3
Council District 10	1
Council District 11	3
Council District 12	1
Council District 13	3
Council District 14	2
Council District 15	2
Total Operations as of September 15, 2023	25

Introduction

This appendix was created to provide programmatic and policy updates. This report provides additional information on Inside Safe and related matters.

Waivers from HUD to Bring Angelenos Inside Faster

With support from the Mayor’s Office, HACLA successfully petitioned the U.S. Department of Housing and Urban Development’s Public and Indian Housing and Community Planning and Development Departments, and the following waivers were implemented by HACLA in late August and early September: 1) tenant self-certification of Social Security Number, date of birth, disability, and income; and 2) landlord self-certification of initial inspection within the Continuum of Care program. They apply to all HACLA homeless assistance programs, including all Continuum of Care grants awarded to the agency.

Per HACLA, the waivers will help expedite the processing for tenant-based voucher issuance and permanent supportive housing project-based voucher leasing, effectively reducing the application processing time by two weeks to several months. Eligibility documentation is now valid for 120 days. In the Continuum of Care program, the landlord self-certification of initial inspection will allow those new contracts to be executed much more quickly, reducing the processing time for that phase of work for that group by similar time periods. The Mayor’s Office has been informed that cities across the country are looking to replicate this model.

In September, HACLA was notified that HUD also approved the Agency’s request for an increase in the voucher payment standard (VPS) for its tenant- and project-based voucher programs, allowing the VPS to be set at 120% of the new Fair Market Rents (FMRs) citywide. Comparable increases to Small Area FMRs (SAFMRs) for high opportunity areas were approved as well. The new VPS’s take effect October 1, 2023 for new housing contracts. The published rates are the maximum contract rent allowable if supported by a rent comparability study. Increased FMRs allow voucher holders to access a greater number of apartments and neighborhood markets. The adjusted citywide voucher payment standard is as follows:

BEDROOM(S)	VOUCHER PAYMENT STANDARDS
Studio	\$2,132
1	\$2,407
2	\$3,052
3	\$3,915
4	\$4,320
5	\$4,968
6	\$5,616

State Encampment Resolution Grant (ERF-2)/LA Grand Hotel Update

The Mayor's Office began work in January 2023 with the Housing for Health division of LA County Department of Health Services (DHS) on a joint application to the State of California's second round of Encampment Resolution Funding (ERF-2). In June 2023, the State announced the \$60M grant award, at which time the stakeholders began to prepare for the July 1, 2023 funding start date. City, County, Weingart Center and other stakeholders are utilizing awarded funds to fulfill the proposals of the Skid Row Action Plan to service high-acuity Skid Row residents over the next three years.

According to the Weingart Center, as of September 22, 2023, there are 317 participants enrolled in the LA Grand program. All residents have been assessed for acuity levels. 50% of residents qualify for inclusion in the ERF grant program based on the grant criteria, which include: 1) originating from Skid Row, and 2) a demonstrated high level of physical, mental, substance use disorder and/or behavioral need. These higher-acuity Skid Row participants will transfer to the Mayfair Hotel when renovations are completed. Given that the LA Grand has a 481-room capacity, we will fill remaining vacancies with Skid Row residents who match the ERF-2 grant criteria.

Lower-acuity and non-Skid Row residents who currently reside at the LA Grand but do not qualify for inclusion in the ERF grant program will transition to permanent housing or alternate interim housing destinations before January 31, 2024, when the LA Grand lease expires. Weingart Center, LAHSA, County DHS and the Mayor's Office are working together to establish a demobilization plan for these residents, with weekly demobilization planning calls to begin in October 2023.

Grants


Several new funding sources have been secured by the City of Los Angeles to aid in encampment resolution and the construction of affordable housing. At the end of August, LAHD was awarded \$156.9M in state grant funds under the Round 7 Affordable Housing and Sustainable Communities (AHSC) Program, marking the seventh year in a row that the LA Housing Department (LAHD) has received this funding. Over \$99.2M of these funds will go to the production of 466 units of affordable housing that will include the Peak Plaza Apts in CD 9, HHH New Hampshire and Crenshaw Crossing in CD 10, and the Downtown Women's Center Campus Expansion in CD 14.

Additionally, on August 25, 2023, HACLA was awarded \$35.7M from the Department of Housing and Community Development's Infill Infrastructure Grant Program, a program that supplies grants through an over-the-counter process to serve as gap funding in the development of infill housing. The funds secured by this grant will fund the construction of five multi-family rental projects and two homeownership opportunities, totaling 665 new units of affordable housing across the city.

CITY OF LOS ANGELES
 INTER-DEPARTMENTAL CORRESPONDENCE

DATE: October 5, 2023

TO: Matthew Szabo
 City Administrative Officer
 City Administrative Officer

FROM: Vincent P. Bertoni, AICP 
 Director
 Los Angeles City Planning

SUBJECT: QUARTERLY HOUSING PRODUCTION REPORT AND ADDRESSING THE LOCAL HOUSING AND HOMELESSNESS EMERGENCY

The purpose of this memorandum is to provide information on the City’s housing production as it relates to the annual production goals as established in the Housing Element. Additionally, it seeks to assess the progress in addressing the Local Housing and Homelessness Emergency pursuant to LA Administrative Code 8.33.

LA Administrative Code (LAAC) 8.33(b)(i) allows the Mayor to declare a Local Housing and Homelessness emergency when the City’s housing production is projected to fall short by at least 40 percent of its annual goals as established in the Housing Element. For the eight-year Housing Element planning period, the City’s total housing production goal, or Regional Housing Needs Assessment (RHNA) Allocation, as established in the City’s 2021-2029 Housing Element, is 456,543 units. On an annualized basis, the housing production goal is 57,080 units per year. To meet the 40 percent criterion, the City must produce a total of 34,248 units per year.

According to the most recent housing progress report, which was submitted to the California Housing and Community Development (HCD) on April 1, 2023, housing production during the current eight-year Housing Element planning period is as follows:

2021 (October 15 - December 31)	2022 (January 1 - December 31)	Annualized Average
4,014 units	23,422 units	22,705 units

The City’s current annual housing production averages 22,705 units per year. This production amount is 60.3 percent below the City’s annual goals established by the Housing Element, which exceeds the minimum 40 percent threshold that would allow the Mayor to declare the existence of a local housing and homelessness emergency.

The Department has received monthly permit data through the end of the third quarter (September) of the 2023 calendar year from Los Angeles Building and Safety (LADBS). According to the provided data, there were a total of 1,780 housing units permitted in the third quarter of 2023, bringing the total to 5,427 total units issued through the third quarter of calendar year 2023. If current trends persist, it is projected that permits for an estimated 7,236 units will be issued for CY 2023. The breakdown by quarter is as follows:

DBS Dwelling Units on Issued Permits (2023 YTD)	
2023 Q1	1,869
2023 Q2	1,778
2023 Q3	1,780
2023 Q4 (Estimated)	1,809
Estimate for 2023	7,236

In order to exceed the 40 percent housing production threshold stipulated in LAAC 8.33, permits for the year 2023 would need to see an increase of over 44 percent compared to the levels recorded in 2022. However, the reality is that there has been a substantial decline in permitting for new housing. Based on the available data, projections indicate that housing production in 2023 is expected to be less than one-third of what it was in 2022. Consequently, it is evident that the City is not on track to meet the housing production goals set forth by the LAAC and Executive Order.

With regards to the progress in addressing the emergency, City Planning is implementing the Mayor's Executive Directive 1 (ED 1) to streamline approvals of 100% affordable housing developments. The ED 1 has been effective in facilitating the processing of affordable housing. as of September 25, 2023, the planning case activity for ED 1 can be summarized as follows:

- There have been a total of 7,923 proposed affordable housing units, of which 3,320 units have been approved (it is not known whether any of these have received building permits and are therefore counted above).
- There have been 97 cases filed, out of which 43 cases have been successfully completed, leaving 54 cases pending.
- On average, the total processing time for these cases is 47 days.

For any questions regarding this matter, please contact Matt Glesne, Senior City Planner, at matthew.glesne@lacity.org.

c: Paul Krekorian, Los Angeles City Council President
 Jenna Hornstock, Deputy Mayor, Office of the Mayor Karen Bass
 Kevin Keller, Senior Advisor, Office of the Mayor Karen Bass
 Azeen Khanmalek, Director of Affordable Housing Production, Office of the Mayor Karen Bass
 Nene Ogbechie, Executive Officer of Housing, Office of the Mayor Karen Bass
 Edwin Gipson, Assistant City Administrative Officer, City Administrative Officer
 Kendra Leal, Senior Administrative Analyst, City Administrative Officer
 Mindy Pothongsunun, Administrative Analyst, City Administrative Officer

City of Los Angeles



Karen Bass, Mayor

Ann Sewill, General Manager
Tricia Keane, Executive Officer

Daniel Huynh, Assistant General Manager
Anna E. Ortega, Assistant General Manager
Luz C. Santiago, Assistant General Manager

LOS ANGELES HOUSING DEPARTMENT
1200 West 7th Street, 9th Floor
Los Angeles, CA 90017
Tel: 213.808.8808
housing.lacity.org

October 5, 2023

Matthew W. Szabo
City Administrative Officer
200 Main St., Suite 1500
Los Angeles, CA 90012

The Los Angeles Housing Department (LAHD) respectfully submits this memorandum, consistent with the requirements of the Mayor's Local Housing and/or Homelessness Declaration of Emergency, codified as Section 8.33 (f) of the Los Angeles City Charter. Since the issuance of the Mayor's Declaration and approval by Council, LAHD has worked closely with the Department of City Planning, as well as the CAO and other City departments, to expedite and monitor affordable and supportive housing development and production. LAHD will continue its collaboration and monitoring activities with these departments.

Moving forward, LAHD's reporting, relative to Section 8.33 (f), will be provided through the Department of City Planning.

Thank you,

Ann Sewill
General Manager
Los Angeles Housing Department

CC:

Mercedes Marquez, Chief of Homelessness and Housing, Office of the Mayor
Jenna Hornstock, Deputy Mayor of Housing, Office of the Mayor
Nene Ogbechie, Executive Officer of Housing, Office of the Mayor
Azeen Khanmalek, Director of Housing Production, Office of the Mayor
Kevin Keller, Senior Advisor, Office of the Mayor
Edwin Gipson, Office of the City Administrative Officer
Kendra Leal, Office of the City Administrative Officer
Mindy Pothongsunun, Office of the City Administrative Office