


CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

0220-06083-0025

Date: May 31, 2024

To: Paul Krekorian, Council President
City CouncilNithya Raman, Chair
Housing and Homelessness CommitteeBob Blumenfield, Chair
Budget, Finance and Innovation CommitteeFrom: Matthew W. Szabo, City Administrative Officer 
Office of the City Administrative OfficerSubject: **HOMELESSNESS EMERGENCY ACCOUNT - GENERAL CITY PURPOSES
FUND FIFTEENTH STATUS REPORT (C.F 22-1545) AS OF FRIDAY, MAY 17,
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

The total available funding for the Mayor's Office of Housing and Homelessness Solutions (MOHHS) to address the homelessness emergency and continue the implementation of Inside Safe this fiscal year is \$315,381,054. This includes \$250 million from the FY 2023-24 adopted budget, \$22,501,784 from FY 2022-23 rollover funding, and \$42,879,270 in loan reimbursements for the acquisition of the Mayfair Hotel. Of this available funding, there is \$313,560,841 obligated for existing commitments, with \$1,820,213 remaining that is uncommitted. Attachment 2 provides details of these obligations. From July 1, 2023, through May 17, 2024, a total of \$136,209,986.19 has been expended for FY 2023-24 and \$9,091,947 for prior fiscal year costs. An additional \$44,774,658.64 is projected to be expended or encumbered by June 30, 2024 (Attachment 1). The estimated rollover of current FY 2023-24 funding is \$1,235,339.49 in the Homelessness Emergency Account and \$109,300,000 in the Inside Safe Reserve, for a total of \$110,535,339.49.

The paid FY 2023-24 costs primarily fall within three budget categories: Acquisition, Interim Housing, and Service Provider Support Services. The Acquisition expenses of \$78,984,170 are associated with Project Homekey3 Matching Funds (\$20,471,800) and the Mayfair Hotel's capital costs related to acquisition, renovation, and operation (\$58,512,370). Of this amount for the Mayfair Hotel, \$42,879,270 was in cash flow loans which have been fully reimbursed to the HEA. The Interim Housing expenses of \$37,718,900 consist of hotel and motel invoices encompassing 51 hotels and LA Grand lease costs inclusive of approximately 1,670 rooms that serve as interim housing for Inside Safe participants. In addition, Service Provider Support Services costs (\$19,201,130) encompasses case management, resident monitoring, food, storage, and administration to clients within nightly hotels and the LA Grand. Attachment 1 provides a summary of actual and projected balances through June 30, 2024, for the Homelessness Emergency Account.

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 services 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 due to the processing of LA Grand lease transfers to the General Services Department (GSD) as well as encumbering funds for the motel occupancy agreements. 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, which was completed on February 27, 2024. The CAO released the second 14 Day Notice on March 5, 2024 as the office received a funding request for the Project Homekey3 Matching Funds of \$20,471,800. The CAO submitted a request to the Controller’s Office on March 22, 2024, to implement the third transfer from the Inside Safe Reserve Fund, which was completed on March 28, 2024. Table 1 provides a summary and timeline associated with the Inside Safe Reserve Fund transfers.

Table 1: Timeline Summary of Transfers from the Inside Safe Reserve: \$25 Million Increments			
	14 Day Notice Release Date	Transfer Controller Instruction Release Date	Transfer Completion Date
First Transfer	Not required	November 28, 2023	November 30, 2023
Second Transfer	January 30, 2024	February 13, 2024	February 27, 2024
Third Transfer	March 5, 2024	March 22, 2024	March 28, 2024

Based on known obligations to date (included in Attachment 1 table entitled “Projected Cash and Liabilities/Expenses through May 31, 2024) and aforementioned transfers from the Inside Safe Reserve and CDBG, the HEA is anticipated to have an unencumbered balance below \$25 million by the end of June, with the uncommitted balance authorized to rollover for the next fiscal year. This office does not anticipate that a fourth reserve transfer will be requested prior to the end of this fiscal year. The large upcoming expenses include LA Grand lease costs, short term motel nightly invoices, transfer for MOHHS staff as approved in the current fiscal year budget, Mayfair renovation shortfall (as previously included in a separate report, see C.F. 23-0792-S2), and LAHSA Service Provider costs. It is important to note that the cash balance and projections are based only on information provided to the CAO as of May 17, 2024, and is subject to change due to actual expenditures. 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 May 17, 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 50 Inside Safe operations were completed and 2,728 individuals voluntarily accepted to move into safe interim housing and connect to services. This number includes all occupants residing at the LA Grand and operations that have been carried out to address repopulation of encampments. The current housing retention rate of the program is estimated to be 72 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. 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 April 13, 2024, to May 17, 2024, three Inside Safe operations were completed and the number of Inside Safe participants who transitioned from interim to permanent housing solutions since the beginning of the program is 506 (Attachment 4). This reflects an increase of 51 since the last report.

Inside Safe Motel/Hotel Invoicing and Contracting

As of May 17, 2024, the motel invoices received to date include 1,850 invoices from 52 total individual hotels, totaling 327,824 hotel room nights since the beginning of the program. The current number of interim housing hotel rooms available based on invoices received through May 17, 2024, is 1,109 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 ten hotels have been demobilized and are no longer in use since the beginning of the program. There are currently 1,884 hotel interim housing rooms located at hotels, inclusive of the 481 rooms in the LA Grand and 294 rooms in the Mayfair Hotel. Per LAHSA, there are currently 1,313 people residing in hotels (Attachment 3), which includes LA Grand occupants. The total amount billed for nightly room stays since July 1, 2023, through the cut off date of this report, is \$31,882,655, with an average nightly rate of \$118.17, 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 May 17, 2024, there are 36 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 one-year extension options. The total leasing costs for the multi-year occupancy agreements is estimated to be \$32,106,501. If the extension options are executed, there would be an additional projected cost of \$16,882,867 for a total cost of \$48,989,368. 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 \$168,003. These costs include property improvements, repairs/damages, and valuation reports.

Payment Enablement Services Platform

Our office was advised by the City Attorney that the City should release a request for proposal (RFP) to meet the high demand of reconciliation of 153 monthly invoices from Inside Safe motels. The RFP for a custom solution to streamline the motel invoicing and verification process associated with the Inside Safe Program was released on April 29, 2024. The deadline for submissions was May 13, 2024, by 5:00pm, and the received proposals are in the final stages of the evaluation process.

One of the challenges with the current process is that 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. Once a contractor is selected, the expectation is that a new platform will provide a comprehensive solution through centralizing housing management and care delivery, ensuring data accuracy, expediting motel payments, and providing real-time data dashboards and reports. The proposed platform should also integrate into LAHSA's new and legacy systems, including HMIS. The estimated annual cost of this platform is expected not to

exceed \$2,580,000. The contract term is expected to be one year with a one year option to extend.

The selected contractor will be expected to reconcile motel invoices with Service Provider verifications, provide customer service and training, and remit payment once the City has approved. By further standardizing invoice submissions and providing dedicated resources for this process, accuracy and speed of payments should increase. This is expected to 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 for over one thousand rooms on a weekly basis. In addition, through this platform, participating service providers may 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 once GSD completes the initial move-in phases (Phase 0, Phase 1A and Phase 1B) of the Mayfair renovation plans. Additional information regarding the Mayfair's renovation phases is provided in this report's next section entitled, "Mayfair Hotel." 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 April 30, 2024, are \$28,775,006.83. The estimated lease cost, considering current occupancy, anticipated ramp down, and lease term for the secondary extension of LA Grand from February 1, 2024, through July 31, 2024, is \$11,327,909.69. As of May 17, 2024, the LA Grand is at approximately 49 percent occupancy, consisting of 235 rooms, which includes 227 rooms with participants and 8 rooms used by staff. According to the service provider, Weingart, as of May 17, 2024, there were 238 individuals at LA Grand. Prior to the demobilization process, the City was 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, which opened and started accepting clients on May 1, 2024, has 294 rooms with a three-level 183 parking space garage and is located in

Council District 1. It was previously used as a part of Project RoomKey (PRK). According to Weingart, as of May 17, 2024, Mayfair was at approximately 63 percent occupancy with 184 participants. A cash flow loan of \$42,879,270 was authorized from the HEA to be reimbursed 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. As of April 25, 2024, \$27,687,000 of the CDBG fund loan was transferred back into the HEA. 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 Municipal Facilities Committee Report released on January 29, 2024 (C.F. 23-0792-S2), GSD provided supplemental information regarding the rehabilitation of the Mayfair Hotel. Renovation will be done in multiple phases. The goal of the initial move-in (Phase 0, Phase 1A and Phase 1B) is to complete major construction such as 294 room renovation, case management spaces, intake area build-out medical services area, and other code compliance items. Phase 2, which will start later in 2024 after participants move-in and last about 10 to 12 months, will include seismic strengthening, elevator modernization, façade repair, and roof repair. The previous report noted that \$8,942,270 in additional costs are needed to complete the Phase 2 rehabilitation of the Mayfair, of which \$5,793,470 will be supported by the HEA. Additionally, GSD is expected to submit a transfer request for HACLA's second year of Mayfair operations costs, which includes utilities, facility management, and other associated expenses for building upkeep (\$5,067,000).

Project HomeKey-3 Match

On June 30, 2023, the City Council and Mayor approved the CAO report relative to the Recommendations Related to the State of California Department of Housing and Community Development HomeKey Program, Round 3 Report (C.F. 21-0112-S3), which authorized the City to obligate City match and funding for three housing sites to be used as interim housing. Within this report, it is noted that an up to amount of \$31,567,800 of match funding would be used, subject to the approval of the Mayor's Office. A recent transfer of \$20,471,800 was authorized to the Los Angeles Housing Department (LAHD), as approved by the Mayor's Office, for capital costs associated with the Cheviot Hills - Shelby project. This project is expected to provide 75 interim housing units and one manager's unit. This funding is also leveraged for the Motel 6 - North Hills project, which is expected to provide 110 interim housing units and one manager's unit. An up to amount of \$11,096,000 for Cheviot Hills - Shelby operating costs are expected to be transferred at a later date, upon approval of the Mayor's Office.

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, housing navigation, street engagement, food programming, and resident monitors. The Mayor's Office finalized budget approvals for services between January 1, 2024, through June 30, 2024, and will continue to work with LAHSA to assess costs associated with work performed. The current budget provides authority for up to \$86,120,941 for service provider reimbursements (including Weingart and previous LA Grand contractors) tied to the Inside Safe initiative as well as LAHSA administrative oversight. Beginning the second quarter of FY 2023-2024, the service provider budget is based on a daily bed rate of up to \$110/person served by the current 10 service providers. To date, five supportive services-specific invoices have been submitted to the City for reimbursement and paid from the Homelessness Emergency Account. The Mayor's Office and LAHSA continue to meet regularly to understand the needs associated with Inside Safe specific services and a corresponding finalized Scope of Required Services (SRS). 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.

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. The updated Weingart services budget of \$6,109,283 for the LA Grand extension has been approved. This approved amount takes into consideration the demobilization and ramp down of the LA Grand.

On May 1, 2024, Weingart began 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 award from the State's Encampment Resolution Funding Program. 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 \$41,782.57 for costs related to 437.2 overtime hours associated with Inside Safe operations since the beginning of the fiscal year through February 29, 2024. The remaining projected costs are expected to be \$41,422, which are based on submissions to date. This would equal a total of \$83,204 paid from the HEA for LAPD overtime. 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, Management 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 June 30, 2024
2. Inside Safe Summaries by Fiscal Year, Budget Categories, and Future Projections
3. Inside Safe Program Metrics as of May 17, 2024
4. Appendix from Mayor's Office of Housing & Homelessness Solutions

Attachment 1: FY 2023-24 Homeless Emergency Account Actual and Projected Balances through June 30, 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)
Transfer #2 to Homelessness Emergency Account from Inside Safe Reserve Account (February 27, 2024)	\$25,000,000.00	(\$25,000,000.00)
Transfer #3 to Homelessness Emergency Account from Inside Safe Reserve Account (March 28, 2024)	\$25,000,000.00	(\$25,000,000.00)
Available Balances	\$140,700,000.00	\$109,300,000.00

Attachment 1: FY 2023-24 Homeless Emergency Account Actual and Projected Balances through June 30, 2024

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
Transfer #2 from Inside Safe Reserve Account (February 27, 2024)	\$25,000,000.00
Transfer #3 from Inside Safe Reserve Account (March 28, 2024)	\$25,000,000.00
CDBG Reimbursement ³ (for Mayfair Acquisition Loan)	\$27,687,000.00
Total Transfers- In: (current and prior-year funding)	\$215,436,127.11
Less Total Current Year Expenditures (see Table 1 for details)	(\$170,092,916.38)
Adjusted Cash Balance as of May 17, 2024:	\$45,343,210.73

¹ Proposition HHH Fund

² Municipal Housing Finance Fund

³ Community Development Block Grant

Attachment 1: FY 2023-24 Homeless Emergency Account Actual and Projected Balances through June 30, 2024

Table 1: Detailed Current Year Expenditures	May 17, 2024
Mayfair Acquisition Loan (for Prop HHH ¹)	\$5,192,270.00
Mayfair Acquisition Loan (for MHFF ²)	\$10,000,000.00
Mayfair Acquisition Loan (for CDBG ³)	\$27,687,000.00
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	\$3,497,950.88
2023-24 Motel Invoices Paid	\$21,810,990.48
2022-23 Facility Expenses	\$842.00
2023-24 Facility Expenses	\$14,003.52
LA Grand Lease Paid	\$15,907,910.00
LAPD RV Dismantler	\$250,000.00
2022-23 LAPD Overtime	\$19,644.71
2023-24 LAPD Overtime	\$41,782.57
2022-23 LAHSA Service Provider Costs	\$5,573,509.60
2023-24 LAHSA Service Provider Costs	\$19,201,129.62
Long Term Motel Obligations (Encumbered) ⁴	\$24,790,983.00
Project Homekey3 Matching Funds	\$20,471,800.00
Total	\$170,092,916.38

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 June 30, 2024

Projected Cash and Liabilities/Expenses through June 30, 2024	
Anticipated Deposit(s)	
<i>Subtotal</i>	<i>\$0.00</i>
Adjusted Cash Available	\$45,343,210.73
Less Projected Liabilities/Expenses	June 30, 2024
LA Grand Lease (est.)	\$7,477,416.00
LAPD Overtime (est.)	\$46,470.94
Short Term Motel Nightly (est. for payment and encumbrance)	\$11,523,514.30
Homelessness & Housing Solutions Support (Mayor's Office)	\$7,200,000.00
Mayfair - Renovation Shortfall ⁶	\$5,793,470.00
Mayfair - FY 2024-25 Operations & Management Costs ⁶	\$5,067,000.00
LAHSA Service Provider Costs (est)	\$7,000,000.00
<i>Subtotal</i>	<i>\$44,774,658.64</i>
Projected Cash Available ⁷	\$1,235,339.49

⁶ Pending confirmation of actual costs.

⁷ 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	\$3,497,950.88	\$0.00	\$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	\$842.00	\$4,775.00	\$31,203.00
<i>subtotal</i>	\$11,760,725.99	\$3,498,792.88	\$4,775.00	\$15,264,293.87
Service Provider Support Services				
LAHSA Service Providers ¹	\$5,195,789.50	\$5,573,509.60	\$258,350.90	\$11,027,650.00
<i>subtotal</i>	\$5,195,789.50	\$5,573,509.60	\$258,350.90	\$11,027,650.00
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>	\$1,186,627.40	\$19,644.71	\$0.00	\$1,206,272.11
FY 2022 - 2023 Expenses Paid by June 30, 2023	\$18,143,143			
FY 2022 - 2023 Rollover to FY 2023 - 2024	\$31,856,857			
FY 2022 - 2023 Expenses after July 1, 2023 (Paid/To be Paid from Rollover Amount)		\$9,091,947	\$263,126	
		FY 2022 - 2023 Total Expenses		\$27,498,216
		Remaining Cash Available		\$22,501,784

¹ FY 2022-23 LAHSA Service Providers costs based on recently received YTD actual expenditures. Incurred expenses represent billed costs still under review.

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.

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

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	\$65,381,054	\$136,209,986	\$23,716,336	\$72,728,485	\$232,654,807	\$80,906,034	\$313,560,841	\$6,887,213
FY 2023-24 Funding Authority										
Homelessness Emergency Account		\$65,700,000	\$75,000,000	\$0	\$0	\$0	\$0	\$0	\$0	\$140,700,000
Inside Safe Reserve		\$184,300,000	-\$75,000,000	\$0	\$0	\$0	\$0	\$0	\$0	\$109,300,000
<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	\$22,501,784	\$0	\$0	\$0	\$0	\$0	\$0	\$22,501,784
<i>subtotal</i>		<i>\$0</i>	<i>\$22,501,784</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>\$22,501,784</i>
Interim Housing										
	Booking Agreements ^{1, 2}	\$92,000,000	\$0	\$14,495,472	\$6,876,319	\$4,647,196	\$26,018,986	\$7,067,396	\$33,086,382	\$1,612,057
	Occupancy Agreements ³		\$0	\$7,315,518	\$3,195,346	\$2,635,306	\$13,146,170	\$18,960,331	\$32,106,501	
Motel Nightly Rentals	LA Grand monthly lease costs through February 1, 2024, and six month renewal through July 31, 2024. ⁴		\$0	\$15,907,910	\$4,117,416	\$3,573,947	\$23,599,273	\$1,595,787	\$25,195,060	
Operating Expenses	Includes insurance, damage mitigation, incidental, furnishings.	\$18,000,000	\$0	\$14,004	\$122,796	\$12,436	\$149,236	\$0	\$149,236	\$17,850,764
Payment Enablement Services	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	\$0	\$0	\$5,160,000	\$5,160,000	-\$5,160,000
<i>subtotal</i>		<i>\$110,000,000</i>	<i>\$0</i>	<i>\$37,732,904</i>	<i>\$14,311,877</i>	<i>\$10,868,885</i>	<i>\$62,913,665</i>	<i>\$32,783,514</i>	<i>\$95,697,179</i>	<i>\$14,302,821</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 ^{2, 5}	Staff costs: includes individual case management in motels as well as housing navigators	\$16,000,000	\$0	\$941,580	\$561,710	\$2,117,359	\$3,620,649	\$1,130,521.39	\$4,751,171	\$11,248,829.36
Indirect (LAHSA and Service Providers) ^{2, 5}	Overhead to include support staff, facility costs (rent, utilities)	\$16,000,000	\$0	\$5,004,721	\$4,128,174	\$10,601,091	\$19,733,986	\$6,247,545.57	\$25,981,532	-\$9,981,531.76
Resident Monitors ^{2, 5}	Each motel has resident monitor to support PEH and liaise with motel staff	\$10,000,000	\$0	\$2,723,570	\$1,624,775	\$6,124,572	\$10,472,916	\$3,270,091.79	\$13,743,008	-\$3,743,007.64
Food ^{2, 5}	\$21 per person, per day (meal delivery services, grocery store gift cards)	\$13,000,000	\$0	\$3,731,831	\$2,226,264	\$8,391,878	\$14,349,972	\$4,480,674.53	\$18,830,647	-\$5,830,647.02
Storage ^{2, 5}	Includes storage rental for PEH to surrender belongings	\$1,000,000	\$0	\$45,987	\$27,434	\$103,412	\$176,833	\$55,214.72	\$232,047	\$767,952.59
Housing Fairs		\$0	\$0	\$0	\$20,000.00	\$0.00	\$20,000	\$0.00	\$20,000	-\$20,000.00
LA Grand - Services Cost ^{5, 6}	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	\$6,227,313	\$790,432.75	\$6,623,448.43	\$13,641,194	\$1,040,592.24	\$14,681,786	-\$14,681,786
Mayfair - Services Cost ⁶	Service costs provided by Weingart for the Mayfair from May 1, 2024 to April 30, 2025	\$0	\$0	\$526,128	\$0	\$1,578,384.55	\$2,104,513	\$9,932,635.31	\$12,037,148	-\$12,037,148.05
Mayfair - Operations ⁶	Operation and Maintenance costs provided by HACLA for the Mayfair for FY 2024-25	\$0	\$0	\$0	\$0	\$0	\$0	\$5,067,000.00	\$5,067,000	-\$5,067,000.00
<i>subtotal</i>		<i>\$62,000,000</i>	<i>\$0</i>	<i>\$19,201,130</i>	<i>\$9,378,789</i>	<i>\$35,540,145</i>	<i>\$64,120,063</i>	<i>\$31,224,275.55</i>	<i>\$95,344,339.00</i>	<i>-\$28,277,339.00</i>
Permanent Stay										

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

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
Move-In Support	Includes landlord incentive, security deposit, furnishing, utility deposit, and other move-in costs	\$13,000,000	\$0	\$0	\$0	\$386,018	\$386,018	\$1,273,635	\$1,659,653	\$11,340,348
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	\$1,823,168	\$1,823,168	\$15,624,609	\$17,447,777	\$552,224
<i>subtotal</i>		<i>\$31,000,000</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>\$2,209,185</i>	<i>\$2,209,185</i>	<i>\$16,898,244</i>	<i>\$19,107,429</i>	<i>\$11,892,571</i>
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 7 totaling 185 IH units.	\$47,000,000	\$0	\$36,104,900	\$0	\$11,096,000	\$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	Repayment of cash flow loan	\$0	\$42,879,270	\$0	\$0	\$0	\$0	\$0	\$0	\$42,879,270
Mayfair - Renovation Shortfall ⁶		\$0	\$0	\$0	\$0	\$5,793,470	\$5,793,470	\$0	\$5,793,470	-\$5,793,470
<i>subtotal</i>		<i>\$47,000,000</i>	<i>\$42,879,270</i>	<i>\$78,984,170</i>	<i>\$0</i>	<i>\$16,889,470</i>	<i>\$95,873,640</i>	<i>\$0</i>	<i>\$95,873,640</i>	<i>-\$5,994,370</i>
City Departments										
Los Angeles Police Department Overtime	Support for, and ensuring the safety of, City staff and Inside Safe participants.	\$0	\$0	\$41,783	\$25,670	\$20,801.04	\$88,254	\$0	\$88,254	-\$88,254
Homelessness & Housing Solutions Support (Mayor's Office) ⁸	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>		<i>\$0</i>	<i>\$0</i>	<i>\$291,783</i>	<i>\$25,670</i>	<i>\$7,220,801</i>	<i>\$7,538,254</i>	<i>\$0</i>	<i>\$7,538,254</i>	<i>-\$7,538,254</i>
Grand Totals by Column		\$250,000,000	\$65,381,054	\$136,209,986	\$23,716,336	\$72,728,485	\$232,654,807	\$80,906,034	\$313,560,841	\$6,887,213
	Total Cash Available	\$315,381,054								
						FY 2023 - 24 Year End Projected Balance	\$82,726,247	Projected Balance with Future Fiscal Year Obligations		\$1,820,213

¹ FY 2023-24 Booking Agreement costs calculations have been adjusted due to actual expenses.

² Future Fiscal Years Obligations includes cost projections for Booking Agreements and Service Provider Costs for the first quarter of FY 2024-25.

³ 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 \$16,882,866.50 for a total cost of \$48,989,367.80.

⁴ Projections for the six month renewal through July 31, 2024 reflect LA Grand demobilization and ramp down.

⁵ Service Provider costs reflect actuals reported by LAHSA as of March 15, 2024.

⁶ Updated as reported by the Mayor's Office, pending final budget.

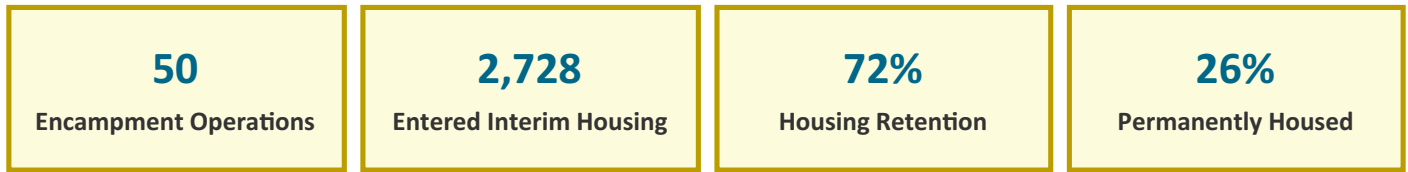
⁷ Multiple funding sources support the PHK3 Matching Funds: \$31,567,800 from HEA, \$15,000,000 from HHAP Round 3, and \$12,940 in HOME-ARP funds. The level of support has been revised based on award letters that have been issued for projects. This funding will provide 185 units of interim housing and two manager units.

⁸ 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. As reported by the Mayor's Office, an estimated \$4,320,000 will be carried over as part of the Mayor's Fund 100 operating accounts in the upcoming year.

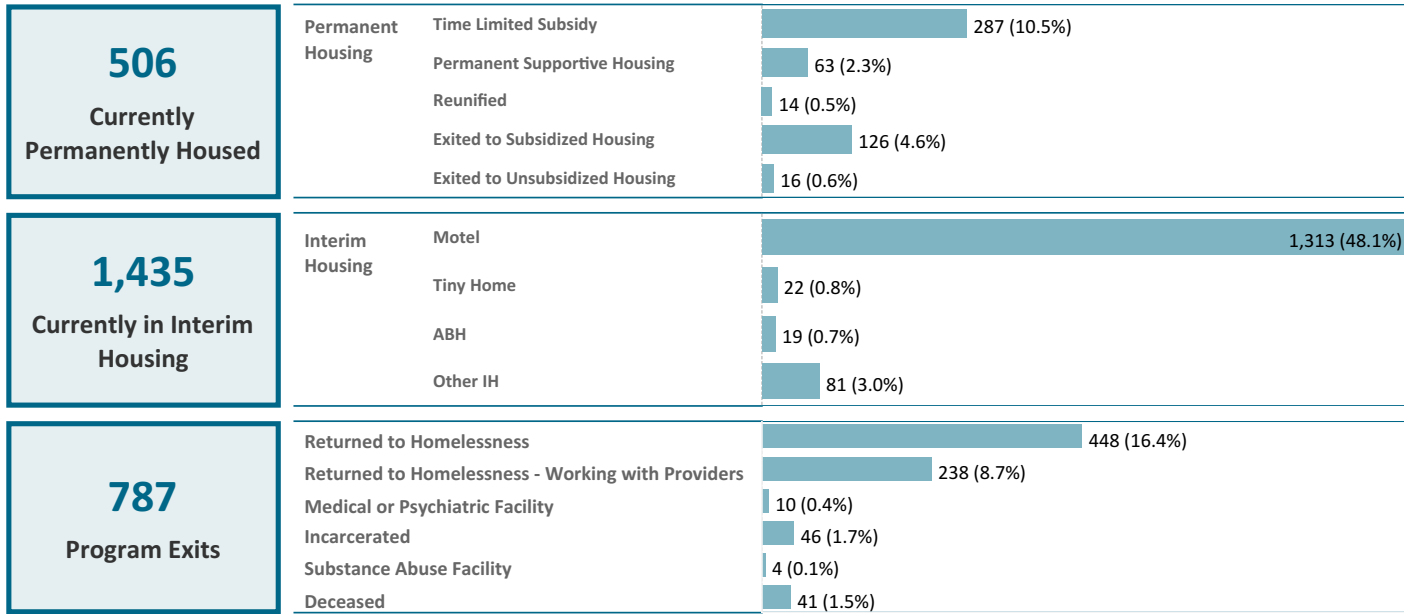
Inside Safe

Los Angeles Homeless Services Authority Report

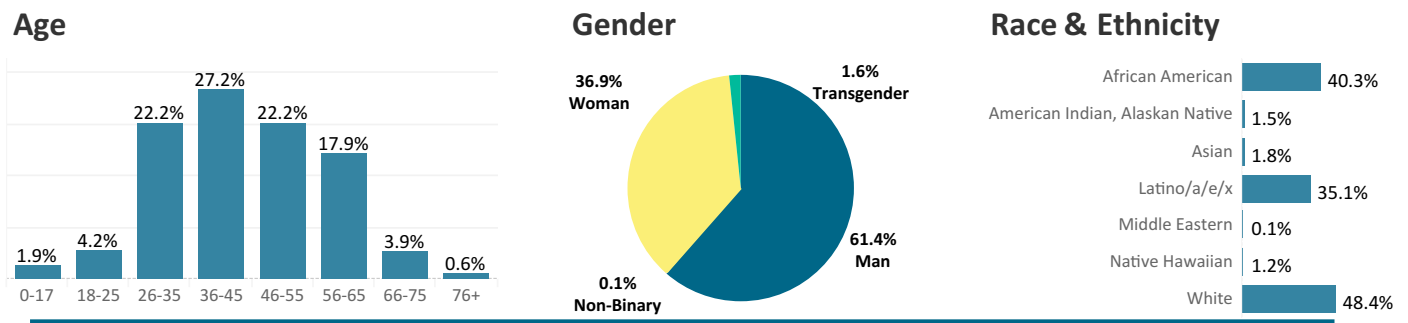
Updated May 17, 2024. Please disregard all previous reports.



Current Status of Clients Who Entered Interim Housing



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. It also include clients in the ERF LA Grand Program. The nonspecific encampment-based clients comprise 620 individuals.

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.

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

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 55 clients who have been involved in more than one resolution. They are deduplicated in the total count.

¹ There are 52 duplicative clients, not 55.



Attachment 3: Inside Safe Program Metrics as of May 17, 2024

Table 1. Inside Safe Participant Breakdown by Council District as of May 17, 2024 ^{1, 2}

CD	Total Participants	Motels + LA Grand	ABH	THV	Other Interim Housing	Permanent Placements	Other Exits, Dispositions, or in Data Reconciliation
1	89	60	1	0	0	1	27
2	56	19	0	11	1	10	15
3	130	98	0	0	0	7	25
4	97	53	0	0	8	10	26
5	69	18	1	0	1	27	22
6	62	31	0	0	2	6	23
7	78	49	0	0	1	10	18
8	195	136	0	0	1	35	23
9	197	85	0	0	1	73	38
10	84	59	0	0	0	11	14
11	166	45	1	0	8	38	74
12	94	51	1	0	0	18	24
13	165	87	1	0	8	31	38
14	298	100	3	5	17	62	111
15	170	80	1	1	0	48	40
1,10,13	116	71	1	0	0	2	42
1,14	10	8	0	0	0	0	2
5,11	68	26	3	0	1	7	31
5,13	40	28	0	0	2	2	8
N/A	597	239	6	5	31	114	202
Total ¹	2,781	1,343	19	22	82	512	803

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

² Table includes 52 duplicative clients as noted by LAHSA.

Attachment 3: Inside Safe Program Metrics as of May 17, 2024

Table 2. Inside Safe Program Metrics as of May 17, 2024

Number of Encampment Operations	50
Number of Targeted Inside Safe Efforts ¹	8
Number of Council Districts	15
Number of Initial Placements ²	2,728
Number of Arrests During Initial Encampment Operations	0
Number of Housing Fairs To Date	17
Pounds of Waste Removed	677,362

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 May 17, 2024

Table 3. Inside Safe Encampment Operations by Council District as of May 17, 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	2
Council District 2	2
Council District 3	3
Council District 4	2
Council District 5	2
Council District 6	2
Council District 7	2
Council District 8	6
Council District 9	5
Council District 10	2
Council District 11	4
Council District 12	2
Council District 13	6
Council District 14	3
Council District 15	3
Total Operations as of May 17, 2024	50

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 of Housing and Homelessness Solutions 

RE: Mayor's Office of Housing and Homelessness Solutions Monthly Supplement - HEA Report #15

DATE: May 23, 2024

The Mayor's Office submits this appendix to supplement the City Administrative Officer (CAO)'s monthly Homelessness Emergency Account (HEA) report and provide additional information on the citywide housing and homelessness response funded by the HEA. This update reflects efforts carried out in partnership with City Council, CAO, City departments, County partners, and other stakeholders. Updates reflect activity from April 13 - May 17, 2024.

MOVING 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 May 17, 2024, the Mayor's Office, in partnership with Council Offices, has completed a total of 50 Inside Safe operations citywide, and 2,728 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 one Inside Safe operation has been completed in every Council District.

At the beginning of 2024, our Inside Safe team launched a portal that allows Council Offices to submit online requests for Inside Safe encampment resolutions in their district. During the April 13 - May 17, 2024 reporting period, 2 Council Districts submitted a total of 3 new priority encampment locations to be added to our database. Once requests are received, the Inside Safe Field Intervention Team (FIT) performs an assessment, which includes a review of factors to

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

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). Once assessment is completed and all resources have been secured, Inside Safe moves to mobilize partners including notification of the respective Council Office.

During the reporting period ending May 17, 2024, 3 Inside Safe operations were completed in Council Districts 8, 11, and 13. The number of Inside Safe participants who are currently in permanent housing solutions is 506.

INTERIM HOUSING AND SERVICES

The Mayor's Office, in collaboration with City Council and the CAO, is working on strategic expansion of the city's interim housing portfolio, targeting efforts that are lowering the costs of housing, including renegotiating rates and engaging in master leasing that meets helps fulfill the obligations of the LA Alliance settlement, diversifying options with cost-effective, sustainable, equitable solutions to efficiently bring people experiencing homelessness inside, and strengthen service delivery and the pipeline to permanent housing.

City-County MOU

The Mayor's Office joined Council leadership, the City Attorney, CAO, and CLA in realizing a memorandum of understanding (MOU) between the City and County of Los Angeles in support of both the City's and County's commitments pursuant to the LA Alliance settlement agreement.

Mayfair Hotel

On May 1, 2024, the Mayfair Hotel opened its doors as the City's first permanent interim housing site. With support from the Homelessness Emergency Account, and thanks to the leadership of Mayor Bass and Council District 1, the City now has 294 rooms with onsite integrated services available to serve people experiencing homelessness. For the first two years, Weingart Center will be providing enhanced, wraparound services funded by the State ERF-2 grant, including on-site mental and physical healthcare resources, case management, substance abuse treatment, and housing navigation.

ERF-eligible Inside Safe participants who were previously housed at the LA Grand are currently in the process of transitioning to the Mayfair.

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

LA Grand Hotel

The Los Angeles Homeless Services Authority (LAHSA) is leading the demobilization of the LA Grand with support from the Mayor's Office ahead of the lease expiration on July 31, 2024. As demobilization progresses, LAHSA and the Weingart Center will continue to lead efforts with the Mayor's Office and housing navigation providers to create connections and transition participants into permanent housing or alternate interim housing destinations before the LA Grand lease expires.

State-funded Interim Housing Beds

With assistance from the Mayor's Office, the City has secured up to \$33,241,866 from the California Department of Health Care Services (DHCS) Behavioral Health Continuum Infrastructure Program (BHCIP) Emergency Stabilization Bed Grant Funding to support the development of up to 500 beds of interim housing citywide. The Mayor's Office is working with Council Offices, the CAO, and the City Bureau of Engineering (BOE) to identify and review sites. BOE is working to complete feasibility assessments and will then create Project Management Plans with site layouts, unit types, utility needs, cost estimates, timelines, California Environmental Quality Act (CEQA) pathways and, working with the CAO, a community engagement plan to be developed with the appropriate Council Offices.

PERMANENT HOUSING ECOSYSTEM

The Mayor's Office continues to work with City 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 18,195 affordable housing units. Permits that previously took six to nine months to secure now only take an average of 45 days. In total, over 223 affordable housing projects have applied for ED1 with the Department of City Planning, and 119 project cases have received entitlements. The Mayor's Office is working with the Planning and Housing Departments to evaluate the impact of ED1 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. 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)

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

between 2016-2026. As of the end of April 2024, nearly all HHH funds have been obligated, with \$1,117,776,661 committed to projects that are either completed, in construction, or in predevelopment. There are currently 130 total projects in the HHH pipeline, with 8,670 total units.

Of those, 7,210 are supportive housing units. The breakdown of HHH project status is as follows:

- 74 projects with 3,733 units are open and in service
- 39 projects with 2,210 units are under construction
- 17 projects with 1,267 units are in predevelopment

The Mayor’s Office is working closely with LAHSA, the Los Angeles Housing Department (LAHD), the Housing Authority of the City of Los Angeles (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.

HUD

The advocacy we are doing here in Los Angeles continues to reverberate across the nation. The U.S. Department of Housing and Urban Development (HUD) announced in early May that housing agencies in communities with significant or rising rates of homelessness can now request to accept self-certification of income to determine program eligibility for people experiencing homelessness – a policy first requested by Mayor Bass and instituted here in Los Angeles last year.

HUD recently granted HACLA an additional waiver which allows Public Housing Authorities to use “room for rent” comparables (rather than the standard pro-rata formula) to support the asking rent when using Housing Choice Vouchers for individual rooms in shared housing. Updating the comparable formula will increase available housing options for smaller size voucher households, reducing some voucher holder demand for the very limited supply of efficiencies and one-bedroom units. This will provide persons experiencing homelessness with a higher overall likelihood of housing search success, whether through the shared housing option or a regular unit.

PREVENTION AND TENANT PROTECTIONS

As of May 17, 2024, the latest data on the \$30.4 million ULA Emergency Rental Assistance Program available on the Los Angeles Housing Department’s dashboard reflects the following information. While Council has undoubtedly been tracking these vital funds as well, we wanted to highlight this work again here by sharing the following statistics about the program:

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

- Back rent claimed: \$473,481,008
- Average back rent: \$15,089
- Average monthly rent: \$1,903
- Tenant applications by AMI:
 - 80%: 367
 - 50%: 1,135
 - 30%: 27,826

The department reported that as of May 17, 2024, just under \$28 million has been paid or is in progress.

Eviction Filings

From February 3, 2023 to May 17, 2024, the Los Angeles Housing Department received 108,516 at-fault eviction notices filed by landlords, 102,133 of which were for non-payment of rent.