

**CITY OF LOS ANGELES**  
INTER-DEPARTMENTAL CORRESPONDENCE

0220-06083-0005

Date: August 31, 2023

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 FY 2022-23 YEAR-END STATUS REPORT (C.F 22-1545)**

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.

**DISCUSSION**

The primary expenses paid by the Homelessness Emergency Account (HEA) for FY 2022-23 were hotel and motel invoices, lease and operating costs of the LA Grand Hotel, Los Angeles Police Department (LAPD) charges for encampment cleanup support, Los Angeles Department of Transportation (LADOT) expenses for transportation of Inside Safe participants, and costs provided by the Los Angeles Homeless Services Authority (LAHSA) related to service provider budgets for encampment resolution. Additionally, partial costs for 17 housing fairs (which helped move people to permanent housing) are included in these expenses. The CAO has received final costs from hotel and motel owners, and City departments for services through June 30, 2023. LAHSA has also provided costs through June 30, 2023; the Mayor's Office is working with LAHSA leadership to ensure all obligations have been accounted for. City departments and

LAHSA were requested to leverage existing funding for Inside Safe activities last fiscal year, if eligible. This report includes those expenses that were not eligible for other funding sources and were obligated by the HEA. Attachment 1 shows a visual of the total \$26,460,952.88 obligated (paid and pending payment) for FY 2022-23. Of this amount, the remaining unpaid commitments (invoices that are pending payment) for prior fiscal year's services are \$6,220,364.69. After accounting for all paid and unpaid obligations, the remaining unobligated HEA funds at year end is \$23,539,047.12. The balance of prior year unencumbered funding (including obligated expenses) will roll over to the current fiscal year's appropriation so that it may pay for outstanding commitments.

LAHSA identified the following costs for leveraged funds through June 30,2023: Service Providers have leveraged \$206,200.55 in Housing Navigation for 485 Inside Safe clients and \$251,972 in Time-Limited Subsidies for 473 Inside Safe clients. For initial hotel nightly costs and for hotels making the transition from LAHSA to direct City payments from the HEA, \$1,083,766 in hotel/motel vouchers were used. The breakdown of funding sources for these services is included in Attachment 2.

Based on information provided by LAHSA and motel invoices received by the CAO's Office, the approximate cost per person per day once an individual is placed in a hotel room is \$164.40. This includes costs administered by Services Providers to clients staying in hotels, such as food, participant monitoring, 24 hour security, etc., and nightly hotel charges.

The Mayor's Office is planning a cost benefit analysis of City resources for Inside Safe.

Should you require any additional information, please contact Kendra Leal, Senior Administrative Analyst II, at [kendra.leal@lacity.org](mailto:kendra.leal@lacity.org).

## **RECOMMENDATION**

Note and file.

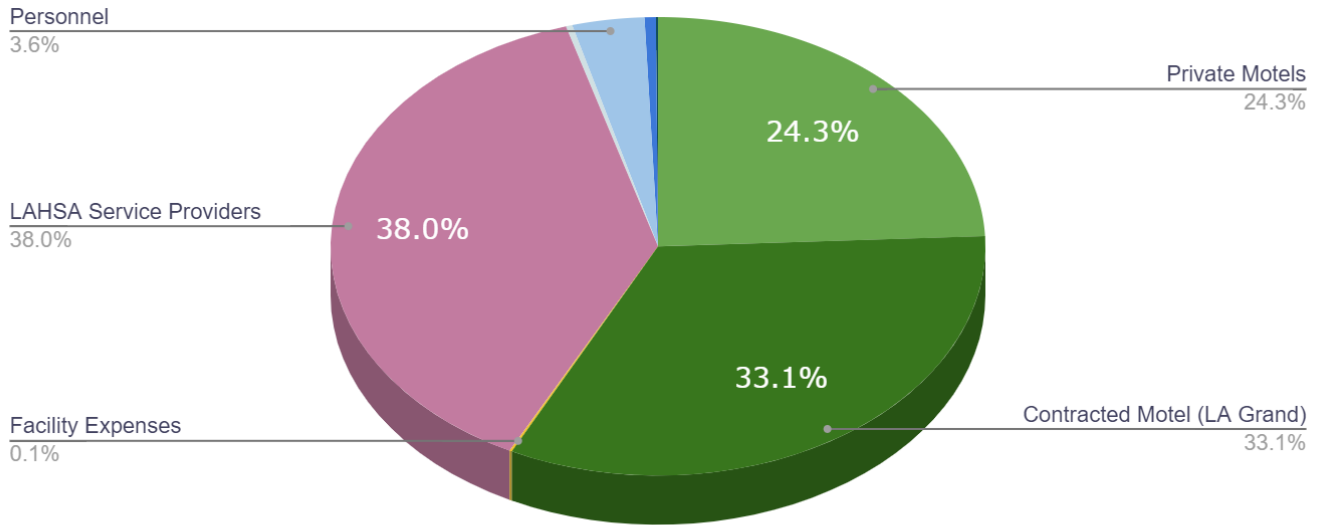
cc:           The City Council  
              The Honorable Karen Bass, Mayor  
              Mercedes Márquez, Office of the Mayor  
              Sharon Tso, Chief Legislative Analyst  
              Kenneth Mejia, City Controller  
              Hydee Feldstein Soto, City Attorney  
            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

Attachments:

1. Inside Safe FY 2022-23 Expenses
2. Inside Safe FY 2002-23 Leveraged Funding

Attachment 1: Inside Safe FY 2022-23 Expenses

FY 2022-2023 Expenses

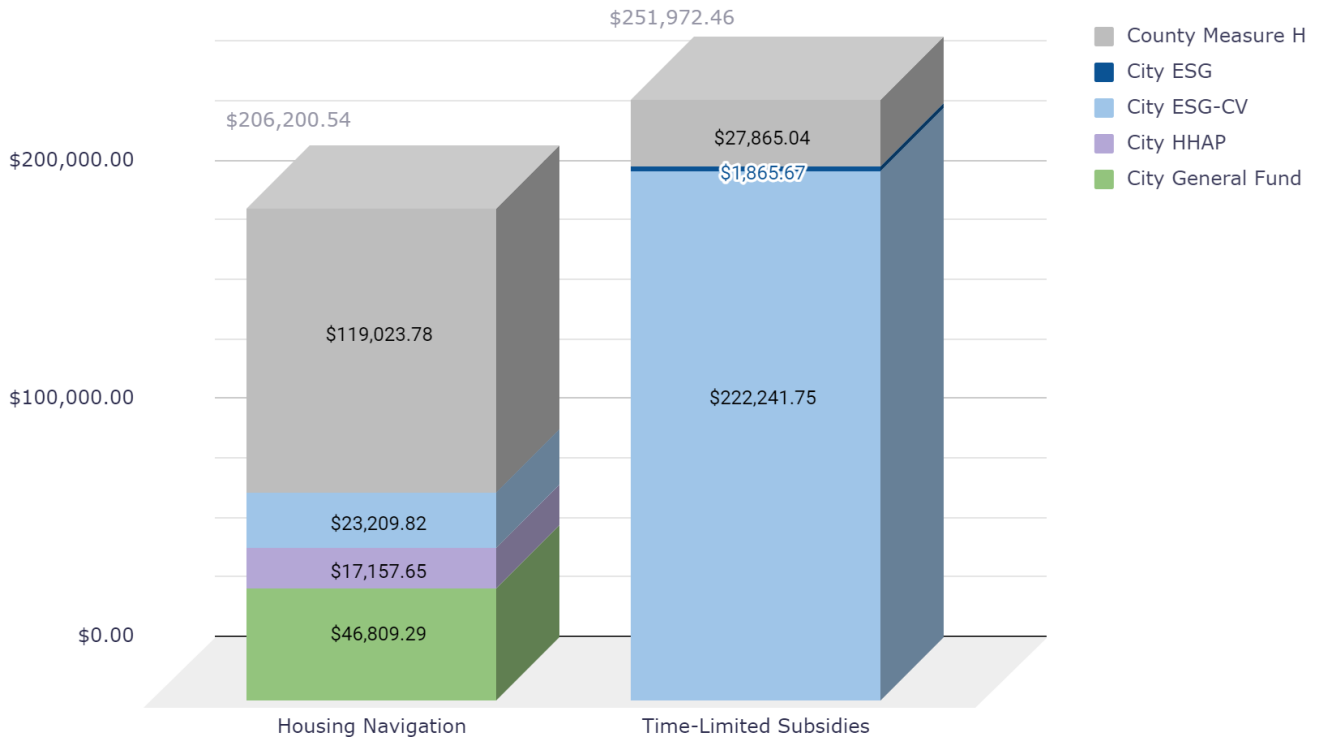


Total Expenses : \$26,460,952.88

- Private Motels - \$6,429,413.04
- Contracted Motel (LA Grand) - \$8,749,681
- Facility Expenses - \$31,203
- LAHSA Service Providers - \$10,050,275.74
- LADOT - \$81,785.24
- Personnel - \$943,835.61
- LAPD - \$147,589.99
- City Clerk - DSW Oversight - \$27,169.26

# Attachment 2: Inside Safe FY 2022-23 Leveraged Funding

## Leveraged Funds - Housing Navigation and Time-Limited Subsidies



## Leveraged Funds - Hotel/Motel Vouchers

