

MOTION

HOUSING HOMELESSNESS

The Los Angeles homeless services workforce, particularly frontline staff such as outreach workers, case managers, housing navigators, and peers, play a critical role in preventing and ending homelessness in the City. Unfortunately, very high rates of staff turnover are leading to fractured service delivery to a high-needs population, and are exacerbating hiring challenges and staff shortages among both government and nonprofit service providers.

There are many reasons for turnover. Low salaries are a major factor: a May 2023 RAND report<sup>1</sup> about the homeless sector workforce in Los Angeles County estimated that frontline staff in the homeless services sector often earn between about \$40,000 and \$60,000 annually. The same report estimates that for a worker to rent a one-bedroom home in the County without being housing burdened, they need to earn at least \$64,160 annually. The homeless sector workforce earns so little that many struggle to pay their own rent and some are experiencing homelessness themselves.

The demanding nature of these positions, both physically and emotionally, also contribute to burnout. Adding to these challenges, frontline staff position responsibilities and performance metrics are not uniform across organizations, causing confusion regarding expectations for this body of workers as a whole.

The City relies on a mix of public agencies and private nonprofit agencies to provide services to people experiencing homelessness. This includes both direct contracts between the City and nonprofit services providers, and funds that go to the Los Angeles Homeless Services Authority (LAHSA) for programs that are either directly implemented by LAHSA staff or contracted by LAHSA. In some cases, to improve staff retention and performance, homeless service providers have increased wages even when these increases are not supported by their existing contracts.

To grow the capacity of the homeless services sector as a whole, there must be a review of what is in the City's purview to address, including addressing cost-of-living wage increases and contractual gaps, when applicable. Addressing compensation challenges is a vital component to growing the overall capacity and effectiveness of the homeless services workforce, which is ultimately needed to meet the City's homelessness goals.

**I THEREFORE MOVE** that City Council request the City Administrative Officer, the Chief Legislative Analyst, LAHSA, and the City Attorney work together to prepare the following:

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<sup>1</sup> [https://www.rand.org/pubs/research\\_reports/RRA2266-1.html](https://www.rand.org/pubs/research_reports/RRA2266-1.html)

- A review of direct City contracts related to homelessness and LAHSA contracts that use City funds across the homeless services spectrum, to determine which contracts include regular staff and operational cost-of-living adjustments as part of contract terms;
  - For contract renewals that have not included a cost-of-living increase in the past three fiscal years, an analysis of the funding and policy changes necessary to provide a cost-of-living adjustment in future contract cycles;
  - For existing contracts, an analysis of the funding, policy, or process changes that could comprehensively raise and standardize living wage rates across the homeless services sector for a variety of frontline staff, whether stipulated in contract terms, adjusting contractual expectations or funding levels, or other solutions, such as establishing a baseline “floor” minimum wage;
- An analysis of the cost of implementing current homelessness programs pursuant to direct City contracts, or LAHSA contracts that use City funds, and an estimate of the gap between contracted amounts and the full costs of operating these programs currently borne by providers, including administrative costs;
- An estimate of the potential improvements in client continuity of care, contractual outcomes, retention, and productivity if the City increases compensation to frontline homeless services staff. This could include listening sessions with homeless services staff and management regarding the impacts of staff turnover on client care;
- Recommendations for contracting standards in direct City contracts related to homelessness and LAHSA contracts that use City funds that include best practices in employee relations policies; and
- Recommendations for clarifying accountability across service provider contracts with the City and with LAHSA, including:
  - Regular performance evaluations;
  - Data and reporting requirements;
  - Metrics about client outcomes.

PRESENTED BY: *Nithya Raman*  
 NITHYA RAMAN  
 Councilmember, 4th District

SECONDED BY: *[Signature]*

**ORIGINAL**