

REPORT FROM

OFFICE OF THE CITY ADMINISTRATIVE OFFICER

Date: June 5, 2025

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Council File No.

Council District: All

To: The City Council

From: Matthew W. Szabo, City Administrative Officer



Subject: **HOMELESS HOUSING, ASSISTANCE, AND PREVENTION PROGRAM
ROUND 6 (HHAP-6) APPLICATION**

SUMMARY

The State of California Homeless Housing Assistance, and Prevention Program (HHAP) program is a block grant program designed to provide jurisdictions with one-time grant funds to support regional coordination and expand or develop local capacity to address immediate homelessness challenges. The City of Los Angeles anticipates receiving a total HHAP-6 allocation of \$143,640,000. The application process requires the continued development of the Regionally Coordinated Homeless Action Plan (RCHAP), which was developed as part of the HHAP-5 application, a Memorandum of Understanding (MOU) and the establishment of a funding plan that includes funding categories. The signed MOU commits each signatory to comply with the RCHAP and must accompany the application. The participating entities are the County of Los Angeles, the Los Angeles Homeless Services Agency (LAHSA), and the Cities of Los Angeles, Long Beach, Pasadena and Glendale. The County of Los Angeles is leading the effort to consolidate the individual entities' responses and prepare the final application. The deadline to submit the regional application is August 29, 2025.

RECOMMENDATION

That the City Council, subject to the approval of the Mayor:

1. AUTHORIZE the City Administrative Officer (CAO) to develop the HHAP-6 application and report back to the City Council with a draft application that includes the regionally coordinated homeless action plan, eligible uses, funding

plan and recommendations as part of the HHAP Round 6 application prior to the application deadline of August 29, 2025; and

2. AUTHORIZE the CAO to work with the Chief Legislative Analyst (CLA) and the City Attorney in reviewing the memorandum of understanding (MOU) in connection with the HHAP Round 6 application and report to City Council for approval of the MOU prior to the application deadline of August 29, 2025; and
3. AUTHORIZE the CAO to take all actions necessary to document and effectuate the submission of the HHAP Round 6 application with the County and other regional co-applicants to meet the August 29, 2025 deadline.

BACKGROUND

The State of California Homeless Housing, Assistance, and Prevention Program (HHAP-6) program is a \$1 billion block grant program designed to provide jurisdictions with one-time grant funds to support regional coordination and expand or develop local capacity to address immediate homelessness challenges. This sixth round of HHAP was authorized by Assembly Bill 166 and signed into law by Governor Newsom on July 2, 2024. The funds received from the HHAP-6 award will primarily be applied towards continuing shelter interventions, outreach, hygiene services, supportive services, systems support, and administration costs; which will also support the RCHAP, which was developed as a requirement of the HHAP-5 application. The Regionally Coordinated Homelessness Action Plan (RCHAP) is a comprehensive, collaborative planning document that eligible entities that have been identified as a region by the State, must develop and submit as part of their HHAP application to receive state funding. Its purpose is to align regional efforts to prevent and reduce homelessness, particularly unsheltered homelessness, by coordinating housing and service strategies across jurisdictions within a region.

NEW HHAP-6 APPLICATION COMPONENTS

HHAP-6 shifts the focus toward preventing and reducing unsheltered homelessness, unlike HHAP-5, which emphasized permanent housing and imposed limits on new interim housing without prior state approval. It also requires regions to not only propose new housing efforts but to demonstrate how they will sustain both interim and permanent housing portfolios over the grant term.

HHAP-6 mandates a public stakeholder engagement process with at least three public meetings, whereas HHAP-5 encouraged stakeholder involvement but did not prescribe a minimum standard. Moreover, HHAP-6 requires applicants to track and report on

California System Performance Measures (SPMs), including metrics related to reducing unsheltered homelessness and increasing placements into permanent housing. Every funded activity must be linked to these performance goals and demonstrate how it will improve equity, particularly for populations disproportionately impacted by homelessness. The six SPMs, which were established in the HHAP-5 applications, are:

- SPM 1.** a) Number of people accessing services who are experiencing homelessness.
b) Number of people experiencing unsheltered homelessness on a single night.
- SPM 2.** Number of people accessing services who are experiencing homelessness for the first time.
- SPM 3.** Number of people exiting homelessness into permanent housing.
- SPM 4.** Average length of time that people experienced homelessness while accessing services.
- SPM 5.** Percent of people who return to homelessness within 6 months of exiting the homelessness response system to permanent housing.
- SPM 6.** Number of people with successful placements from street outreach projects.

Interim housing remains an eligible use in both rounds: however, unlike HHAP-5, which required prior state approval for new interim housing developments, HHAP-6 allows regions to fund new interim housing provided that they can demonstrate long-term sustainability, including capital and operating funding for the duration of the grant term. HHAP-6 further details how interim housing funds may be used, such as covering costs for the construction or conversion of non-congregate shelter sites, youth transitional housing, or clinically enhanced shelter spaces.

Both HHAP rounds permit the use of funds for capital expenditures and operating subsidies, but HHAP-6 provides more detailed guidance and applicants are allowed to create operating reserves to support the sustainability of housing over multiple years. These aspects are meant to support a long-term approach which is consistent with the State's broader goal of ensuring stability and permanence in housing investments.

DISCUSSION

Applications must demonstrate that sufficient resources have been committed to sustain existing interim and permanent housing portfolios. If regions apply to fund new interim housing or non-housing services, they must first show that existing housing stock will

remain financially viable over the grant period. Upon submission, the California Department of Housing and Community Development reviews applications on a rolling basis. If necessary, applications may be returned with requested amendments, and applicants are given 30 days to revise and resubmit. Once approved, contracts are executed with the designated Administrative Entities, and 50% of funds are disbursed. The HHAP-6 application must include the following components:

- Regional Identification and Contracting Information – Specifies which entities will receive and administer funds.
- Stakeholder Engagement Documentation – Evidence of outreach and engagement with required stakeholder groups.
- Regionally Coordinated Homelessness Action Plan – Including partner roles, system performance goals, encampment policies, housing law compliance, and strategies for addressing racial equity.
- HHAP-6 Funding Plan – Budgets tied to eligible uses, housing portfolio sustainability, and youth set-aside requirements.
- Regional Memorandum of Understanding (MOU) – A formal agreement among regional partners committing to the shared plan and Housing First principles.

This Office is engaging with regional partners to develop a draft application and will report back to Council with a draft application, which includes the regionally coordinated homeless action plan, eligible uses and funding plan and the MOU, prior to the final submission on August 29, 2025.

FISCAL IMPACT STATEMENT

There is no impact to the General Fund at this time as a result of the recommendations in this report. The City expects to receive \$143,640,000 from the State through the HHAP-6 grant program to support the implementation of the RCHAP. If the City does not receive these funds, or does not receive additional funding beyond Round 6, there may be a potential impact to the General Fund at such time.

FINANCIAL POLICIES STATEMENT

The recommendations in this report comply with the City's Financial Policies.