

REPORT FROM

OFFICE OF THE CITY ADMINISTRATIVE OFFICER

Date: May 20, 2021
To: The City Council
From: Richard H. Llewellyn, Jr., City Administrative Officer
Reference: COVID-19 Homelessness Roadmap
Subject: Sixth Report: COVID-19 Homelessness Roadmap Funding Recommendations

CAO File No. 0220-05734-0019
Council File No. 20-0841
Council District: All



SUMMARY

On September 9, 2020, the City Council approved funding for initial projects under the COVID-19 Homelessness Roadmap (Roadmap) and directed the City Administrative Officer to submit funding recommendations for projects via reports. This is the sixth funding report related to the Roadmap. This report recommends funding for two (2) new interim housing sites in Council Districts 13 and 14 with 202 beds.

The report also proposes changes to the Rapid Rehousing/Shared Housing Program and recommends funding to continue operations/services in Fiscal Year (FY) 2021-22 for 1,995 Roadmap homeless interventions at 39 sites. Funding is also added to address increased rehabilitation costs at the previously approved Panorama Inn Project Homekey site. Funding to continue Roadmap outreach services in FY 2021-22 is also provided.

Lastly, this report includes recommendations to reappropriate up to \$11,101,402 and place items on the first regular Council meeting on July 1, 2021, or shortly thereafter, to ensure continued funding availability and expenditure authority for all Roadmap sites in FY 2021-22.

Adoption of the recommendations in this report will fund the capital and operations/services needs for all approved Roadmap interventions through June 30, 2022.

RECOMMENDATION

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

1. DETERMINE the Crisis and Bridge Housing facilities located on 2301 West 3rd Street and,

7570 North Figueroa Street, which allow for leasing, minor improvements, and the operation as temporary homeless shelters for those experiencing homelessness, are statutorily exempt under Public Resources Code Section 21080(b)(4) as specific actions necessary to prevent or mitigate an emergency as also reflected in CEQA Guideline Section 15269(c); Public Resources Code section 21080.27 (AB 1197) applicable to City of Los Angeles emergency homeless shelters; and, because the projects use, "Homeless Housing, Assistance and Prevention Program funds," they are exempt under Governor's order N-32-20;

2. APPROVE \$4,974,900 for the construction of a Tiny Home Village with 109 beds at 2301 West 3rd Street in Council District 13;
3. APPROVE \$3,808,637 for the construction of a Tiny Home Village with 93 beds at 7570 Figueroa Street in Council District 14;
4. TRANSFER \$4,974,900 for the construction of a Tiny Home Village with 109 beds at 2301 West 3rd Street in Council District 13 from the following accounts:
 - a. \$10,000 from HHAP Grant Special Fund No. 62Y, Account No. 10S650, HHAP Category 1 - A Bridge Home Capital to the Fund No. 62Y, Department No. 10, account number to be determined; and
 - b. \$4,964,900 from the Additional Homeless Services General City Purposes Fund No. 100/56, Account No. 000931 to Capital Improvement Expenditure Program Fund No. 100/54, a new account entitled, "CD 13 3rd Street Pallet Shelters;"
5. APPROVE \$1,901,735 from the Homelessness Efforts - County Funding Agreement Fund No. 63Q, Department No. 10, Account 10T618 and transfer to Fund No. 63Q, Department No. 43, account numbers to be determined, for leasing and operating costs to establish a Tiny Home Village with 109 beds at 2301 West 3rd Street in Council District 13:
 - a. APPROPRIATE up to \$85,000 General Services Department Fund No. 100/40, Account No. 006030 for leasing costs through June 30, 2022;
 - b. RESERVE up to \$306,000 for leasing costs from July 1, 2022 through June 30, 2025; and
 - c. APPROPRIATE up to \$1,510,735 for the cost of furniture, fixtures, and equipment (\$5,990) and operations/services through June 30, 2022 (\$1,504,745);
6. TRANSFER \$3,808,637 for construction of a Tiny Home Village with 93 beds at 7570 Figueroa Street in Council District 14 from the following accounts:
 - a. \$10,000 from Homeless Housing, Assistance, and Prevention Program (HHAP) Grant Special Fund No. 62Y, Account No. 10S650, HHAP Category 1 - A Bridge Home Capital to the Fund No. 62Y, Department No. 10, account number to be determined;
 - b. \$354,280 from the Federal Coronavirus Relief Fund No. 63M, Department No. 10, Account No. 10T695 to the Fund No. 63M, Department No. 10, account number to be determined; and
 - c. \$3,444,357 from the Additional Homeless Services General City Purposes Fund No. 100/56, Account No. 000931 to Capital Improvement Expenditure Program

Fund No. 100/54, a new account entitled, "CD 14 Figueroa Pallet Shelters:"

7. APPROVE \$1,288,934 from Homelessness Efforts - County Funding Agreement Fund No. 63Q, Department No. 10, Account No. 10T618 and transfer to Fund No. 63Q, Department 43, account number to be determined, for the cost of Furniture, Fixtures and Equipment (\$5,069) and operations/services through June 30, 2022 (\$1,283,865) to establish a Tiny Home Village with 93 beds at 7570 Figueroa Street in Council District 14;
8. REDUCE the Emergency Shelter Grant (ESG) - COVID allocation for Rapid Rehousing and Shared Housing from \$97,165,429 to \$82,285,920 and reduce the number of approved placements 3,000 to 2,000 for up to 24 months;
9. APPROVE an increase in expenditure authority for the Los Angeles Homeless Services Authority from \$30,000,000 to \$38,785,035 for up to 2,000 enrolled households through December 31, 2021;
10. REPROGRAM 14,879,509 from Emergency Shelter Grant (ESG) - COVID Fund No. 517, Account No. 43TCV1, LAHSA Rapid Re-Housing and Shared Housing-CV19 to:
 - a. \$7,352,901 to Fund No. 517, account number to be determined, for operating costs to continue Roadmap interventions;
 - b. \$3,371,081 to Fund No. 517, Account No. 43TA43, Homekey Rehab; and
 - c. \$4,155,527 to Fund No. 517, Account No. 43TCV2, LAHSA Outreach-CV19;
11. APPROVE up to \$36,145,519 for operating costs to continue Roadmap interventions from July 1, 2021 through June 30, 2022, as outlined in Attachment 1;
 - a. \$28,792,618 from the Homelessness Efforts - County Funding Agreement Fund No. 63Q, Department No. 10, Account No. 10T618 to Fund No. 63Q, Department No. 43, account numbers to be determined;
 - b. \$7,352,901 from Emergency Shelter Grant (ESG) - COVID Fund No. 517, account number to be determined, for operating costs to continue Roadmap interventions;
 - c. \$1,140,743 from the Additional Homeless Services General City Purposes Fund No. 100/56, Account No. 000931 to the Housing and Community Investment Fund No. 10A/43, account number to be determined; and
 - d. \$3,164,986 from the reprogrammed funds in General City Purposes Fund No. 100/56 to the Housing and Community Investment Fund No. 10A/43, account number to be determined;
12. APPROVE \$100,164 from the Homelessness Efforts - County Funding Agreement Fund No. 63Q, Department No. 10, Account No. 10T618 to the General Services Department Fund No. 100/43, Account No. 003180, Construction Materials for rental costs for modular trailer buildings at the El Pueblo A Bridge Home site, July 1, 2021 through June 30, 2022;
13. REPROGRAM \$217,390 allocated to Los Angeles Homeless Services Authority to Homelessness Efforts - County Funding Agreement Fund No. 63Q, Account No. 10T618, from the following infeasible Safe Parking sites:
 - a. \$163,042 from 11000 National Boulevard in Council District 5; and

- b. \$54,348 from 2444-2450 Crenshaw Boulevard in Council District 10;
14. APPROVE up to \$3,371,081 from Emergency Solutions Grant (ESG) - COVID Fund No. 517, Account No. 43TA43 for additional rehabilitation costs for the Project Homekey Panorama Inn site, pending the outcome of City's application to the State of California Project CDBG-CV Homekey Notice of Funding Availability as follows:
 - a. APPROPRIATE \$871,081 from Emergency Solutions Grant (ESG) - COVID Fund No. 517, Account No. 43TA43 to the Los Angeles Homeless Services Authority for life safety and accessibility rehabilitation; and
 - b. If State of California Community Development Block Grant (CDBG)-CV Project Homekey Notice of Funding Availability funds are not awarded, APPROPRIATE the remaining approved amount of up to \$2,500,000 from Emergency Solutions Grant (ESG) - COVID Fund No. 517, Account No. 43TA43 to the Los Angeles Homeless Services Authority for life safety and accessibility rehabilitation;
 15. APPROVE \$347,000 in Federal Coronavirus Relief Fund No. 63M for:
 - a. \$97,000 for the Housing Authority of the City of Los Angeles for Project Homekey real estate services provided under C-137315; and
 - b. \$250,000 in additional funding to effectuate the ownership transfer of the Woodman Homekey Site in CD6 to the National Health Foundation;
 16. REPROGRAM \$347,000 from Federal Coronavirus Relief Fund No. 63M, Department No. 10, Account No. 10T695 to the Fund No. 63M, Department No. 10, Account No. 10T617;
 17. REQUEST that the Los Angeles Homeless Services Authority change the previously approved operator and enter into a sole source contract with First to Serve for \$2,007,500 in Emergency Solutions Grant - COVID funding to operate 100 beds of interim housing at 1300-1332 West Slauson Avenue, Los Angeles, CA 90044, in Council District 9, July 1, 2021 through June 30, 2022;
 18. APPROVE \$4,155,527 in Emergency Solutions Grant (ESG) - COVID Fund No. 517, Account No. 43TCV2 for the Los Angeles Homeless Services Authority Roadmap Outreach Teams for outreach to the Roadmap's target population, July 1, 2021 through June 30, 2022;
 19. APPROVE \$199,175 to augment the existing letter of agreement (C-137223) between the Los Angeles County Department of Health Services and Office of the City Administrative Officer for real estate services;
 20. APPROVE \$199,175 from HHAP Category 7 - Administrative Costs to General Fund No. 100, Department 10, Account No. 003040, Contractual Services for the City Administrative Officer to augment the existing letter of agreement (C-137223) between the Los Angeles County Department of Health Services and Office of the City Administrative Officer for real estate evaluation and architectural services, July 1, 2021 through June 30, 2022;
 21. AUTHORIZE the Office of the City Administrative Officer to amend its letter of agreement

(C-137223) with the Los Angeles County Department of Health Services for real estate services to authorize the addition of three (3) one-year extensions;

22. TRANSFER \$171,100 from Capital Improvement Expenditure Program Fund No. 100/54, Account No. 00S705, Bridge Housing - Lafayette and Western to Bureau of Engineering Fund No. 100/78, Account No. 001010, Salaries General for reimbursement of salary expenses incurred during construction of the Lafayette and Western A Bridge Home sites;
23. REPROGRAM \$3,164,985.90 in savings to the Additional Homeless Services General City Purposes Fund No. 100/56, Account No. 000931 to reserve for construction costs for future COVID-19 Homelessness Roadmap sites from:
 - a. \$1,361,482.78 from the Capital Improvement Expenditure Program Fund No. 54, Account No. 00R678 - Bridge Housing, Beacon Street;
 - b. \$1,701,802.32 from the Capital Improvement Expenditure Program Fund No. 54, Account No. 00S705 - Bridge Housing, Eubank Street; and
 - c. \$101,700.80 from funds allocated for the A Bridge Home site at 1553 Schrader Boulevard in CD 13 as follows:

Fund/Department	Account No.	Account Title	Amount
100/40 General Services Department	001101	Hiring Hall Construction	\$10,990
100/40 General Services Department	001121	Benefits Hiring Hall Construction	\$12,995
100/40 General Services Department	003180	Construction Materials	\$75,715.80
100/40 General Services Department	001191	Overtime Hiring Hall Construction	\$2,000

24. REAPPROPRIATE \$3,164,985.90 reprogrammed funding in the Additional Homeless Services General City Purposes Fund No. 100/56, Account No. 000931 and reserve these funds for future COVID-19 Homelessness Roadmap costs;
25. TRANSFER \$27,268.64 from Capital Improvement Expenditure Program Fund No. 100/54 to the Bureau of Engineering Fund No. 100/78, Account No. 001010, General Salaries for the salaries associated with the constructions for the following sites in Council District 15:
 - a. \$7,274.22 for A Bridge Home site at 515 North Beacon Street; and
 - b. \$19,994.42 for A Bridge Home site at 828 Eubank Avenue;
26. REAPPROPRIATE up to \$7,936,416 in unexpended funds from various funding sources to Capital Improvement Expenditure Program Fund No. 100/54 and the Bureau of Engineering Fund No. 100/78 for the Roadmap Projects as follows:
 - a. \$5,119,932 from the Community Development Block Grant-COVID (CDBG-COVID) Fund No. 424, Account No. 43T9CV, CV-19 Pallet Shelters to Capital Improvement Expenditure Fund No. 100/54, Account No. 00T772 for the construction of a Tiny

- b. Home Village at Arroyo Seco (Arroyo Drive and Avenue 60) in Council District 14;
 - b. \$230,557 from HHAP Category 1 - A Bridge Home Capital to Capital Improvement Expenditure Fund No. 100/54 for site prep and hygiene trailer maintenance of a Safe Sleep Village at 317 North Madison Avenue in Council District 13;
 - c. \$1,885,927 from various Federal Coronavirus Relief Fund project accounts to the Bureau of Engineering for general salaries associated with the construction costs of previously approved interim housing sites; and
 - d. \$700,000 from the Federal Coronavirus Relief Fund No. 63M, Department No. 10, Account No. 10T178 to the Bureau of Engineering Fund No. 100/78, Account No. 003040, contractual services associated with the Roadmap Project;
27. INSTRUCT the General Manager, Housing and Community Investment Department, or designee, to amend Roadmap Contract No. C-137223 and/or the City's 2021-22 General Fund Contract with the Los Angeles Homeless Services Authority, as described in this report, to:
- a. Reflect the service funding allocations in this report for:
 - i. 7570 Figueroa Street;
 - ii. 2301 West 3rd Street;
 - iii. Roadmap sites described in Attachment 1;
 - iv. Roadmap outreach;
 - b. Reduce funding for rapid rehousing and shared housing from \$97,165,429 to \$82,285,920 and reduce the number of approved placements 3,000 to 2,000;
 - c. Increase expenditure authority for rapid rehousing and shared housing from \$30,000,000 to \$38,785,035 for up to 2,000 enrolled households through December 31, 2021;
 - d. Increase rehabilitation funding for the Project Homekey Panorama Inn site in the amount of \$871,081;
 - e. If State of California Community Development Block Grant (CDBG) - COVID Project Homekey Notice of Funding Availability funds are not awarded, increase rehabilitation funding for the Project Homekey Panorama Inn site in the amount of \$2,500,000; and
 - f. Decrease the following programs by \$217,390 as follows:
 - i. Safe Parking at 11000 National Boulevard - \$163,042; and
 - ii. Safe Parking at 2444-2450 Crenshaw Boulevard - \$54,348;
28. INSTRUCT the City Clerk to place on the agenda of the first regular Council meeting on July 1, 2021, or shortly thereafter, the following instructions:
- a. Transfer \$3,097,357 from the Additional Homeless Services General City Purposes Fund No. 100/56, Account No. 000931 to Capital Improvement Expenditure Program Fund No. 100/54, a new account entitled, "CD 14 Figueroa Pallet Shelters";
 - b. Transfer \$4,964,900 from the Additional Homeless Services General City Purposes Fund No. 100/56, Account No. 000931 to Capital Improvement Expenditure Program Fund No. 100/54, a new account entitled, "CD 13 3rd Street Pallet Shelters";
 - c. Transfer \$85,000 from the Homelessness Efforts - County Funding Agreement

Fund No. 63Q, Department No. 10, Account 10T618 to General Services Department Fund No. 100/40, Account No. 006030 for leasing costs through June 30, 2022;

- d. Transfer \$1,228,565 from the Additional Homeless Services General City Purposes Fund No. 100/56, Account No. 000931 to Capital Improvement Expenditure Program Fund No. 100/54, account number to be determined, for site prep and hygiene trailer and administrative offices procurement;
- e. Transfer \$27,027 from the Additional Homeless Services General City Purposes Fund No. 100/56, Account No. 000931 to the General Fund 100 Department of General Services, No. 40, Account No. 003040, Contractual Services for hygiene station rental services;
- f. Transfer \$199,175 from HHAP Category 7 - Administrative Costs to General Fund No. 100, Department 10, Account No. 003040, Contractual Services for the City Administrative Officer to augment the existing letter of agreement;
- g. Transfer \$100,164 from the Homelessness Efforts - County Funding Agreement Fund No. 63Q, Department No. 10, Account No. 10T618 to the General Services Department Fund No. 100/43, Account No. 003180, Construction Materials for rental costs for modular trailer buildings at the El Pueblo A Bridge Home site through June 30, 2022;
- h. Reappropriate \$3,164,985.90 reprogrammed funding in the Additional Homeless Services General City Purposes Fund No. 100/56, Account No. 000931 and reserve these funds for future COVID-19 Homelessness Roadmap costs;
- i. Reappropriate up to \$7,936,416 in unexpended funds from various funding sources to Capital Improvement Expenditure Program Fund No. 100/54 and the Bureau of Engineering Fund No. 100/78 for the Roadmap Projects as follows:
 - i. \$5,119,932 from the Community Development Block Grant-COVID (CDBG-COVID) Fund No. 424, Account No. 43T9CV, CV-19 Pallet Shelters to Capital Improvement Expenditure Fund No. 100/54, Account No. 00T772 for the construction of a Tiny Home Village at Arroyo Seco (Arroyo Drive and Avenue 60) in Council District 14;
 - ii. \$230,557 from HHAP Category 1 - A Bridge Home Capital to Capital Improvement Expenditure Fund No. 100/54 for site prep and hygiene trailer maintenance of a Safe Sleep Village at 317 North Madison Avenue in Council District 13;
 - iii. \$1,885,927 from various Federal Coronavirus Relief Fund project accounts to the Bureau of Engineering for general salaries associated with the construction costs of previously approved interim housing sites; and
 - iv. \$700,000 from the Federal Coronavirus Relief Fund No. 63M, Department No. 10, Account No. 10T178 to the Bureau of Engineering Fund No. 100/78, Account No. 003040, contractual services associated with the Roadmap Project; and

29. AUTHORIZE the City Administrative Officer to:

- a. Prepare Controller instructions or make necessary technical adjustments, including to the names of the Special Fund accounts recommended for this report, to implement the intent of these transactions, and authorize the Controller to

- implement these instructions; and
- b. Prepare any additional Controller instructions to reimburse City Departments for their accrued labor, material or permit costs related to projects in this report, to implement the intent of these transactions, and authorize the Controller to implement these instructions.

BACKGROUND

The City of Los Angeles (City) reached an agreement with the County of Los Angeles (County) on June 16, 2020, to develop 6,700 homeless interventions in the City COVID-19 Homelessness Roadmap (Roadmap) to address the COVID-19 emergency within 18 months. This agreement establishes the following milestones:

- 700 beds in existing agreements with the County within 10 months;
- 5,300 new beds within 10 months; and
- 700 new beds within 18 months.

6,000 of these beds must be new beds, which are not included in any existing agreements between the City and the County. The County has committed to providing up to \$60 million in services per year over five (5) years for a total of up to \$300 million or half of the estimated \$600 million cost for these beds over the five (5) year term of the agreement, based on the number of interventions that are open and occupiable within 60 days of July 1 each year. The target population for this effort includes:

- People experiencing homelessness and living in the City within 500 feet of freeway overpasses, underpasses and ramps;
- People experiencing homelessness within the City who are 65 years of age or older; and
- Other vulnerable people experiencing homelessness within the City of Los Angeles.

As of May 19, 2021, we anticipate that 6,202 new interventions will be open and occupiable within 60 days of July 1, 2021. The completed new interventions include 837 rapid rehousing/shared housing placements overseen by the Los Angeles Homeless Services Authority. 2,018 additional new interventions are in progress, of which 1,163 are rapid rehousing/shared housing placements.

FUNDING RECOMMENDATIONS

New Interim Housing

This report recommends \$11,974,206 for two (2) new interim housing sites with 202 beds. \$4,974,900 is proposed for construction of a Tiny Home Village with 109 beds at the privately-owned site at 2301 West 3rd Street in Council District (CD) 13. \$1,901,735 is also recommended for leasing costs through June 30, 2025 (\$391,000), furniture, fixtures and equipment (\$5,990) and operating costs through June 30, 2022 (\$1,504,745). Authorization is also requested for the Department of General Services (GSD) to negotiate and execute a lease with the owner of 2301 West 3rd Street for a period of up to five (5) years. \$3,808,637 is proposed for the construction of a Tiny Home Village with 93 beds at the City-owned site at 7570 Figueroa Street in CD 14. An

additional \$1,288,934 is recommended for operations/services through June 30, 2022 (\$1,283,865), and for furniture, fixtures and equipment (\$5,069) for this site. The Bureau of Engineering (BOE) has conducted a California Environmental Quality Act (CEQA) analysis for these sites and transmitted this analysis under separate cover. The Mayor and City Council must approve BOE's determination that these uses are categorically exempt from CEQA.

Capital funding in this report is also provided from the General City Purpose Fund, Additional Homeless Services FY 2020-21 allocation. The balance of this allocation is recommended to be reappropriated for capital costs for pending Roadmap sites in FY 2021-22.

Amendments to the Rapid Rehousing/Shared Housing Program

In September 2020, the Mayor and Council approved CARES Act Emergency Solutions Grant (ESG-COVID) funding in the amount of up to \$97,165,429 for 3,000 rapid rehousing/shared housing placements, including up to 18 months of rental assistance with client support, to contribute to the Roadmap goal of 6,700 interventions by December 16, 2021. At that time, the Los Angeles Homeless Services Authority (LAHSA) was authorized to spend up to \$30,000,000 of the total approved amount and instructed to report back on program expenditures and placements to receive additional expenditure authority.

As of May 13, 2021, LAHSA-contracted service providers have placed 837 households in individual units (509 households) and motel rooms, pending moving into a unit (328 households). This placement rate is slower than estimated at the time funding was approved. 1,163 more individuals and households have enrolled in the program, and are working with case managers to identify a unit, for a total of 2,000 potential program placements based on current enrollment.

Since these funds were approved, LAHSA has reported challenges securing units for rapid rehousing/shared housing placements. Additionally, for enrollees residing in Project Roomkey sites that have ramped down, service providers are using City ESG-COVID funding for motel vouchers until the clients are able to move into a housing unit. LAHSA also reports that extended case management services and an increased term of rental assistance from 18 to 24 months are needed to ensure that clients have sufficient time to transition off of this temporary assistance to permanent supportive housing, permanent rental assistance, or to earn sufficient income to be able to support housing costs themselves. These program changes increase the average cost of assistance per client.

In response to these requests, and the slower than expected placement rate, this report recommends reducing the number of rapid rehousing/shared housing slots from 3,000 to the 2,000 currently enrolled households. Based on the increased cost per client, and expenditures to date, LAHSA projects that the total cost for extended rental assistance of up to 24 months for 2,000 households through December 31, 2022 is \$82,285,920. Of this amount, \$38,785,035 will be spent by December 31, 2021. As such, this Office recommends reducing the total ESG-COVID commitment for rapid rehousing/shared housing by \$14,879,509, from \$97,165,429 to \$82,285,920, and increasing expenditure authority to up to \$38,785,035 through December 31, 2021. Even with the increased costs per client, this Office believes that this is a reasonable investment. As continued expenditures are reported, additional expenditure authority will be

recommended in future Roadmap funding reports to support continued costs for these placements.

In order to further facilitate these placements, the Housing and Community Investment Department is requesting waivers from the U.S. Department of Housing and Urban Development to extend the period of rental assistance from 12 to 24 months and to extend the ESG-COVID expenditure deadline from September 30, 2022 to December 31, 2022.

Operating/Service Cost of Roadmap Interventions through June 30, 2022

The operating/service funding for 1,995 interventions at 39 Roadmap sites expires on June 30, 2021. \$36,145,519 is recommended to continue operating these sites in FY 2021-22 (see Attachment 1). This recommendation includes continued funding for 209 beds at four (4) A Bridge Home (ABH) sites, for which the three (3) year County of Los Angeles (County) Measure H commitment will expire during FY 2021-22 and for 38 beds not funded by Measure H at the ABH site at 515 North Beacon Street in CD 15. \$100,164 is also recommended for the cost to rent modular trailers used at the El Puente ABH site in Council District 14, and \$3,190,669 is provided for two (2) new Tiny Home Villages for a total of \$39,436,352.

The recommendations in this report bring total Roadmap operating/service funding allocations to date to \$254,080,001 for 9,558 interventions at 105 sites.

Ongoing City Roadmap Interim Housing Operating/Service Liability for Approved Interventions through June 30, 2025

Starting in FY 2022-23, the total cost of the 6,962 Roadmap interventions - including currently approved interventions (6,760) and new interventions recommended in this report (754) - through the end of the County agreement on June 30, 2025, is estimated at \$313,112,505. After accounting for the County MOU commitment of up to \$180 million over this period, the City portion of these costs is currently estimated at \$113,112,505. In addition to \$254,080,001 for operating/services described above, to date, the City has allocated \$257,092,459 for capital costs for Roadmap sites and an additional \$14,843,61 for outreach (\$6,605,177) and administrative costs (\$8,238,437), including the recommendations in this report. Accounting for the estimated City operating/service obligation through FY 2024-25 (\$113,112,505), the total City Roadmap capital and operating/service cost, based on currently approved interventions, is estimated to be \$660,264,579.

Other sources of funds currently supporting a large portion of Roadmap beds (HHAP and ESG-COVID) will be fully committed, aside from the HHAP \$32.5 million in FEMA reimbursements we expect to receive late in FY 2021-22. These HHAP funds as well as the HHAP 2 grant that the City expects to receive in July 2021 will be critical funding sources for the Roadmap interventions in FY 2022-23. In addition, while significant one-time funding for housing and homeless services has been proposed in the State's FY 2021-22 budget, the amount the City may receive or eligible uses of these funds are unknown at this time.

Additional Reprogramming

Safe Parking Sites:

This report recommends reprogramming \$217,391 previously allocated to operate safe parking sites at 11000 National Boulevard in CD 5 (\$163,043) and 2444-2450 Crenshaw Boulevard in CD 10 (\$54,348), inasmuch as these sites are no longer feasible.

Funding Recommendations and/or Corrections to Previously Approved Projects

Project Homekey

Additional Rehabilitation Costs at Panorama Inn Site in CD 6

LA Family Housing (LAFH), the designated owner/operator of the City Project Homekey Panorama Inn site in CD 6, estimates that the cost to meet accessibility and fire/life safety requirements at this site is \$4,472,059. To date, ESG-COVID funding in the amount of \$1,100,978 has been approved for this purpose. An additional \$3,371,081 is needed to fully fund these costs.

The State of California has released a Notice of Funding Availability (NOFA) making \$50 million available from the State's CARES Act Community Development Block Grant (CDBG-CV) allocation for rehabilitation costs for Project Homekey sites purchased with prior State assistance. The City Administrative Officer (CAO) is requesting authority under separate cover to apply for funding through this NOFA for the Panorama Inn rehabilitation costs (C.F. 20-0941). The maximum award available for the Panorama Inn site is \$2,500,000.

In order to ensure that the rehabilitation of the Panorama Inn can begin as soon as possible, this Office recommends approval of ESG-COVID funding in the total amount of up to \$3,371,081, pending the outcome of the State CDBG-CV Project Homekey NOFA. It is recommended that \$871,081 be transferred to LAHSA at this time and added to the existing contract with LAFH. If State CDBG-CV funding is awarded, the CAO will execute an agreement with LAFH for the balance of rehabilitation costs. If State funding is not awarded, this report recommends that the remaining \$2,500,000 in ESG-COVID funding be transferred to LAHSA to be added to the LAFH contract.

Additional Costs for the Woodman Site in CD 6

National Health Foundation, the designated owner/operator of the City Project Homekey Woodman site in CD 6, will take ownership of the property after asbestos remediation and other improvements are completed by the previous owner. This work is anticipated to be completed in June 2021. An estimated \$250,000 is needed to effectuate the ownership transfer, including property transfer tax and property taxes, as well as funding for the Housing Authority of the City of Los Angeles (HACLA) to manage the property until the transfer occurs.

Funding for HACLA Real Estate Services

The CAO entered into a Professional Services Contract with HACLA in November 2020 for up to \$1.33 million for real estate services and acquisitions for City Homekey sites (C-137315). A portion of the funding set-aside for this contract was reallocated based on HACLA cost estimates for these services before the Federal Government's previously Coronavirus Relief Fund previous expenditure deadline of December 30, 2020 was extended to December 31, 2021. Additional

funding is now required, however, to pay HACLA invoices for services rendered. It is recommended that \$97,000 in remaining CRF funding be approved for these services.

Operator for 1300-1332 West Slauson Avenue in CD 9

This report also recommends that LAHSA enter into a sole source contract with First to Serve for \$2,007,500 in ESG-COVID funding previously approved for interim housing operations/services, July 1, 2021 through June 30, 2022, at a Project Homekey site located on 1300-1332 West Slauson Avenue in CD 9. The Fifth Roadmap Funding Report inadvertently recommended the incorrect operator for this site (C.F. 20-0841), and this recommendation is provided to correct that error.

Funding Recommendations for Continued Services

Continued Outreach Funding

\$4,155,527 is recommended in this report to continue funding for 15 LAHSA two (2)-person outreach teams (one dedicated team for each CD), five (5) housing navigators, and associated program coordinators, project managers and other administrative support to coordinate identification and navigation of individuals from the Roadmap target population into newly created interventions. Current funding for Roadmap outreach expires on June 30, 2021.

Real Estate Consulting Services

This report recommends an amendment to extend and add funding to the Letter of Agreement (LOA) with the Los Angeles County Department of Health Services (County DHS) for real estate consulting services related to identifying, evaluating, and procuring suitable, privately owned, sites for interim housing. The services include site design, land-use and permitting evaluation, rehabilitation planning and cost estimates, and Project Homekey construction monitoring.

An additional \$199,175 is needed for this contract to support ongoing costs associated with Roadmap site assessment and Project Homekey construction monitoring.

Other Recommendations

Recommendations are provided to transfer funding between accounts in order to close out the completed ABH sites at 1819 S. Western Avenue and 625 Lafayette Place in CD 10 and 515 North Beacon Street and 828 Eubank Avenue in CD 15.

Additionally, \$11,101,402 is recommended to be reappropriated for continued expenditure for Roadmap projects in FY 2021-22. This includes \$3,164,986 in construction savings in General City Purpose Fund, Additional Homeless Services FY 2019-20 allocation reprogrammed from three (3) completed A Bridge Home sites 1533 Schrader Boulevard (\$101,701), 826 Eubank Avenue (\$1,701,802) and 515 North Beacon Street (\$1,361,483).

Lastly, recommendations are included to be placed on the first regular Council meeting on July 1, 2021, or shortly thereafter, to ensure ongoing funding and expenditure authority for Roadmap projects in FY 2021-22.

FUNDING STATUS

Attachment 2 outlines the funding status of the funding sources allocated to the Roadmap in FY 2020-2021.

FISCAL IMPACT

There is no impact to the General Fund as a result of the recommendations in this report at this time. The recommendations in this report will be funded with the City General Fund previously approved for homeless interventions, CARES Act and the County of Los Angeles service funding commitment in FY 2020-21 and FY 2021-22. Beginning in FY 2022-23, the estimated annual cost of the City share of ongoing operations/services costs for currently approved Roadmap interventions is estimated at \$43,763,135. Funding for these costs could be covered by State HHAP and HHAP 2 grants.

FINANCIAL POLICIES STATEMENT

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

Attachments:

1. Fiscal Year 2021-22 COVID-19 Homelessness Roadmap Operations/Services Cost
2. COVID-19 Homelessness Roadmap Fiscal Year 2020-21 Funding Status

RHL:YC:MB:1621009

ATTACHMENT 1 - Fiscal Year 2021-22 COVID-19 Homelessness Roadmap Operations/Services Cost

No	Site Name	Facility Type	CD	Population	Number of Interventions	Measure H Beds	Measure H Expiration	FY 2021-22
1	1920 W 3rd St. (1)	Interim Housing (Permanent Structure)	1	Women	28	28	5/6/2022	\$ 179,200
2	13160 Raymer St.	Interim Housing (Permanent Structure)	2	Adults	85			\$ 1,861,500
3	7700 Van Nuys Blvd	Interim Housing (Sprung Structure)	2	Adults	100			\$ 2,190,000
4	7128 Jordan Ave	Safe Parking	3	Adults	25			\$ 273,750
5	3428 Riverside Dr.	Interim Housing (Sprung Structure)	4	Adults	100			\$ 2,190,000
6	1701 Camino Palmero St.	Interim Housing (Year Round Expansion)	4	Adults	21			\$ 421,575
7	15380 Oxnard Street	Safe Parking	4	Adults	14			\$ 352,590
8	14333 Aetna St.	Interim Housing (Trailers)	6	Adults	74			\$ 1,620,600
9	6909 N Sepulveda Blvd.	Interim Housing (Year Round Expansion)	6	Adults	146			\$ 2,930,950
10	Sylmar Armory	Interim Housing (Permanent Structure)	7	Women	85			\$ 1,861,500
11	8501 1/2 S. Vermont Ave.	Interim Housing (Year Round Expansion)	8	Adults	25			\$ 501,875
12	5615 - 5749 South Western Ave.	Interim Housing (Year Round Expansion)	8	Adults	7			\$ 140,525
13	224 E. 25th St & 224 1/2 E. 25th St	Interim Housing (Year Round Expansion)	9	Adults	20			\$ 401,500
14	263 W 42nd St & 263 1/2 W 42nd St	Interim Housing (Year Round Expansion)	9	Adults	20			\$ 401,500
15	5100 S. Central Ave.	Interim Housing (Year Round Expansion)	9	Adults	25			\$ 501,875
16	8501 S. Broadway	Interim Housing (Year Round Expansion)	9	Adults	150			\$ 3,011,250
17	4301 S Central Ave	Safe Parking	9	Adults	10			\$ 109,500
18	1201 S Figueroa Street	Safe Parking	9	Adults	30			\$ 328,500
19	1819 S Western Ave.	Interim Housing (Containers)	10	Women	15			\$ 328,500
20	625 Lafayette Pl.	Interim Housing (Containers)	10	Adults	70			\$ 1,533,000
21	11339 Iowa Ave	Safe Parking	11	Adults	10			\$ 109,500
22	9100 Lincoln Blvd	Safe Parking	11	Adults	20			\$ 219,000
23	18140 Parthenia St.	Interim Housing (Permanent Structure)	12	Adults	107			\$ 1,611,019
24	8775 Wilbur Ave.	Safe Parking	12	Adults	20			\$ 219,000
25	1533 Schrader Blvd. (2)	Interim Housing (Sprung Structure)	13	Adults	72	72	3/25/2022	\$ 419,040
26	1214 Lodi Pl. (Phase 1) (1)	Interim Housing (Permanent Structure)	13	Women	64	64	11/14/2021	\$ 875,520
27	1455 Alvarado St.	Interim Housing (Pallet)	13	Adults	74			\$ 1,485,550
28	4591 Santa Monica Blvd	Safe Parking	13	Adults	10			\$ 109,500
29	1033 Cole Ave.	Safe Parking	13	Adults	10			\$ 109,500
30	El Puente (1)	Interim Housing (Trailers)	14	Adults	45	45	9/1/2021	\$ 818,100
31	310 N. Main St. (Civic Center)	Interim Housing (Permanent Structure)	14	Adults	99			\$ 2,168,100
32	Weingart Center 566 S. San Pedro Street	Interim Housing (Permanent Structure)	14	Adults	60			\$ 1,204,500
33	Scattered Sites - SRO Housing Corporation	Interim Housing (Year Round Expansion)	14	Adults	60			\$ 1,204,500
34	543 Crocker St.	Interim Housing (Year Round Expansion)	14	Adults	40			\$ 803,000
35	515 N Beacon St. (3)	Interim Housing (Sprung Structure)	15	Adults	100	62	7/7/2023	\$ 832,200
36	345 E 118 Pl	Interim Housing (Year Round Expansion)	15	Adults	4			\$ 80,300
37	828 Eubank Ave.	Interim Housing (Sprung Structure)	15	Adults	100			\$ 2,190,000
38	711 S. Beacon St.	Safe Parking	15	Adults	25			\$ 273,750
39	19610 S. Hamilton Ave	Safe Parking	15	Adults	25			\$ 273,750
	Total				1,995	271		\$36,145,519

(1) Measure H is currently funding the full \$60/bed/night rate. Roadmap funding is recommended to fully fund these beds after Measure H expires.

(2) Measure H is currently funding \$50/bed/night for interim housing for individuals. HHAP funding is recommended to supplement \$10/bed/night for these beds until Measure H expires. Roadmap funding is recommended to fully fund these beds after Measure H expires.

(3) Measure H is currently funding \$50/bed/night for 62 interim housing beds for individuals at this site. HHAP funding is recommended to supplement \$10/bed/night for these beds. Roadmap funding is recommended to fully fund the balance of 38 beds at this site that are included in the Roadmap.

COVID-19 Homelessness Roadmap Fiscal Year 2020-21 Status of Capital and Operating Funding

Type of Unit/Intervention	Units*****	HEAP/ HHAP Allocated/ Committed	GCP Allocation****	CRF Allocation	CRF Commitment	CRF Expenditure	ESG-COVID Allocation	ESG-COVID Commitment	ESG-COVID Expenditure	CDBG-COVID Allocation	CDBG-COVID Commitment	CDBG-COVID Expenditure	County Service Allocation to Date	County Service Commitment	County Service Expenditure	Total Allocation
New Interim Housing Beds																
- ABH Beds	761	\$41,470,179														\$41,470,179
Capital		\$18,779,399														\$18,779,399
Operating		\$3,807,800	\$11,574,243	\$50,521,706	\$50,521,706	\$22,991,751				\$5,119,932	\$5,119,932	\$0	\$48,555,333	\$48,159,634	\$205,875	\$71,023,681
- Other Interim Beds (Including Tiny Home Villages)**	4,010	\$32,503,165	\$1,140,743				\$27,590,096	\$27,590,096	\$5,830,182							\$109,789,337
Operating																
New permanent housing units/not included in existing County Contracts	508															
Homekey Units**	1,259			\$118,904,103	\$118,904,103	\$118,070,812										\$118,904,103
Match																
Operating																
Rehabilitation				\$199,873	\$199,873	\$0	\$34,829,078	\$34,829,078	\$15,167,227	\$20,542,004	\$20,542,004	\$4,297,103				\$34,829,078
Rapid Rehousing/ Shared Housing**	2,000	\$1,831,441					\$20,542,004	\$20,542,004	\$4,297,103	\$2,880,068	\$2,880,068	\$0				\$25,453,386
Leasing							\$82,285,920	\$82,285,920	\$1,549,998							\$82,285,920
Capital							\$1,136,000	\$1,136,000	\$0							\$1,136,000
Operating	67	\$241,110					\$3,951,600	\$3,951,600	\$0							\$3,951,600
Safe Sleep	199															\$241,110
Safe Parking*	754															\$241,110
Housing Units in Existing County Contracts													\$1,250,300	\$1,250,300	\$0	\$1,250,300
Outreach													\$3,194,367	\$3,194,367	\$255,396	\$3,194,367
Administration																\$0
				\$1,500,000 (BOE)			\$6,605,177	\$6,605,177	\$2,449,650							\$6,605,177
				\$79,500 (GSD)	\$1,579,500	\$767,618	\$6,658,937	\$6,658,937	\$0							
TOTAL	9,558	\$98,633,094	\$12,714,986	\$171,205,182	\$171,205,182	\$141,830,182	\$183,598,812	\$183,598,812	\$29,294,160	\$8,000,000	\$8,000,000	\$0	\$53,000,000	\$52,604,301	\$461,271	\$527,152,074

* Funded by the Federal and State Sources
 ** Operating Costs; ABH Beds: \$60/bed/night; Tiny Home Villages, Leased Facilities, Year Round Shelter, Other Interim Housing: \$55/bed/night; Safe Parking: \$30/car/night. Project Roomkey costs vary by site.
 *** Reflects the entire cost of the program for four (4) years using ESG-COVID.
 **** Reflects the entire cost of the program for Measure H Strategies will be counted toward the Roadmap target of 6,700 interventions.
 *****Includes \$3,164,986 reprogrammed from the Fiscal Year (FY) 2019-20 General City Purposes Additional Homeless Services allocation and \$9,650,000 in the FY 2020-21 General City Purposes Additional Homeless Services allocation.
 *****Total Units includes 1,499 beds in Project Roomkey sites and 324 Winter Shelter beds that will end in Fiscal Year 2021-22.