

REPORT FROM

OFFICE OF THE CITY ADMINISTRATIVE OFFICER

Date: December 2, 2022

CAO File No. 0220-05151-0396
Council File No. 20-0841, 20-0841-S21
20-0841-S23, 20-0841-S25,
20-0841-S26, 22-0507
Council District: All

To: The City Council

From: Matthew W. Szabo, City Administrative Officer

 Digitally signed by Edwin Gipson II
Date: 2022.12.02 08:20:00 -08'00'

Reference: COVID-19 Homelessness Roadmap

Subject: **FOURTEENTH REPORT: COVID-19 HOMELESSNESS ROADMAP FUNDING RECOMMENDATIONS**

SUMMARY

On September 9, 2020, the City Council approved funding for the initial projects under the COVID-19 Homelessness Roadmap (Roadmap) and directed this office to submit future funding recommendations through reports. This is the fourteenth such report.

First, this report provides exemption determinations for the California Environmental Quality Act regarding the renewals of two A Bridge Home sites, one located in Council District 8 and the other in Council District 15.

Second, this report recommends using County Agreement monies to close operation funding gaps for COVID-19 Homelessness Roadmap sites, which include a site within the A Bridge Home program, a Tiny Home Village, and an interim housing site.

Third, this report recommends the authorization of lease, sublease, and other types of agreements for various Roadmap sites in Council Districts 1, 13, and 14.

Lastly, this report recommends the creation of a new appropriation account and the transfer of Encampment Resolution Fund - LA River Grant funds.

RECOMMENDATION

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

1. DETERMINE that, the lease and continued use of the Crisis and Bridge Housing at 5965 S. Saint Andrews Place and 2316 E. Imperial Highway are statutorily exempt from CEQA under Public Resources Code, Section 21080(b)(4), as specific actions necessary to prevent or mitigate an emergency, and as reflected in CEQA Guidelines, Section 15269(c); and Public

Resources Code, Section 21080.27 (AB 1197), applicable to City of Los Angeles emergency homeless shelters. This determination is consistent with, and supported by, the City Council's prior actions, the resolutions regarding the development and use of the properties as shelters; and CEQA determinations made on December 11, 2018 (C.F. Nos. 18-0654 and 18-0651 respectively);

2. APPROVE up to \$1,567,510 from Homeless Efforts - County Funding Agreement Fund No. 63Q/10, Account No. 10T618, Homeless Effort - County Funding Agreement for operating costs to continue Roadmap interventions for the following projects through June 30, 2023:
 - a. \$158,410 to Fund No. 63Q/43, Account No. 43WC28, 2022-23 Bridge Home Operations, for the A Bridge Home site at 515 North Beacon Street;
 - b. \$1,381,380 to Fund No. 63Q/43, Account No. 43WC27, 2022-23 Tiny Home Operations, for the Tiny Home Village site at 9710 San Fernando Boulevard;
 - c. \$27,720 to Fund No. 63Q/43, Account No. 43WC29, 2022-23 Other Interim Housing Operations, for the interim housing site at 9165 & 9165 ½ South Normandie Street;

3. APPROVE up to \$340,842.68 for operating costs of the interim housing site with 75 beds located at 1904 Bailey Street in Council District 14, through June 30, 2023 from the following accounts:
 - a. \$79,490.78 from the Additional Homeless Services - General City Purposes (AHS-GCP) Fund No. 100/56, Account No. 000931 to Los Angeles Housing Department (LAHD) Fund No. 10A/43, in a new account entitled, "Leasing - 1904 Bailey St." for leasing costs;
 - b. \$261,351.90 from Homeless Efforts - County Funding Agreement Fund No. 63Q/10, Account No. 10T618, Homeless Effort - County Funding Agreement to Fund No. 63Q/43, Account No. 43WC29, 2022-23 Other Interim Housing Operations for the cost of furniture, fixtures, and equipment;

4. REPROGRAM up to \$743,875 from Homelessness Effort - County Funding Agreement Fund No. 63Q/43, Account No. 43WC29, 2022-23 Other Interim Housing Operations to Fund No. 63Q/10, Account No. 10T618, Homeless Effort - County Funding Agreement for start up and operating costs at an interim housing site located at 499-500 San Fernando Road in Council District 1;

5. AUTHORIZE the General Services Department (GSD) to negotiate and execute an agreement with the California Department of Transportation (Caltrans) for up to five years for a parking lot adjacent to the interim housing site at 499-500 San Fernando Road in Council District 1;

6. AUTHORIZE the GSD to negotiate and execute a sublease agreement with the Volunteers of America, Los Angeles (VOALA) for up to five years for a Tiny Home Village with 144 beds at 850 North Mission Road in Council District 14;
7. AUTHORIZE the GSD to negotiate and execute a lease agreement with the Los Angeles Downtown Medical Center (LADMC) for an interim housing site with 91 beds at 406 North Bonnie Brae Street in Council District 13;
8. AUTHORIZE the Controller to:
 - a. Create and appropriate a new appropriation account entitled Encampment Resolution Fund - LA River Grant (ERF-LA River), Account No. TBD in the amount of \$1,747,385 within Fund No. 65T/10 from revenue source 3361, State Grants - Others;
 - b. Transfer up to \$873,890.50 from Fund No. 65T/10, Account No. TBD, ERF-LA River, to Fund No. 100/10, Account No. 003040, Contractual Services;
9. INSTRUCT the General Manager of LAHD, or their designee, to amend the City's Roadmap contract with the Los Angeles Homeless Services Authority (LAHSA), C-137223, as follows:
 - a. Reflect the service funding allocations/amendments in this report for:
 - i. 515 North Beacon Street;
 - ii. 9710 San Fernando Boulevard;
 - iii. 9165 & 9165 ½ South Normandie Street;
 - iv. 1904 Bailey Street; and
 - v. 499-500 San Fernando Road;
10. AUTHORIZE the CAO 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

As a part of the Roadmap, the City reached an agreement with the County of Los Angeles (County) on June 16, 2020, to develop 6,700 beds for homeless interventions within 18 months, to address the COVID-19 emergency. This agreement established 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.

Six thousand 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 the City up to \$60 million in services funding per year over the five-year term of the agreement, for a total of up to \$300 million, based on the number of interventions that are open and occupiable within 60 days of July 1st 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.

As of September 30, 2022, 7,045 new beds are open and occupiable, including 1,461 rapid rehousing/shared housing point in time placements overseen by LAHSA.

DISCUSSION

A Bridge Home Extensions

On May 19, 2022, the CAO released a report regarding the funding recommendations for the second round of the Homeless Housing, Assistance, and Prevention (HHAP) Grant Program (CF 20-1524). Through this report, two A Bridge Home (ABH) sites received operations funding from July 1, 2022 through June 30, 2023 in support of the extension of both sites. The first site, located at 5965 S. Saint Andrews Place in Council District 8, received \$319,560. The second site, located at 2316 E. Imperial Highway in Council District , received a total of \$1,505,000.

To provide authority for the extensions, the Bureau of Engineering (BOE) has conducted CEQA analyses for these sites, which is being transmitted under a separate cover. The Mayor and City Council must approve BOE's determinations that these uses are categorically exempt from CEQA.

1904 Bailey Street in Council District 14

The interim housing site located at 1904 Bailey Street in Council District 14 will provide 72 beds and services to women and women with children. Five units with a total of 16 beds will be dedicated to women with children, and 56 beds will be dedicated to single women. In a CAO report dated August 5, 2022 (CF 20-0841-S25), \$2,968,125 of County Agreement funds were approved through June 30, 2023 for leasing and operations, in which this report recommends an additional \$340,842.68. An additional \$79,490.78 will come from the AHS-GCP fund for leasing, and \$261,351.90 will come from County Agreement funds for the furniture, fixtures, and equipment of the site. The service provider on site will be VOALA, which will hold the lease directly with the site owner.

Modular Units Located at 499 San Fernando Road

The vacant space located at 499 San Fernando Road in Council District 1 will house a village of modular units that will provide shelter to up to 100 people experiencing homelessness. The John Wesley Center for Health has been selected as the service provider and will hold the sublease agreement with GSD. In the 12th Roadmap funding report (CF 20-0841-S25), which was approved on August 23, 2022, a total of \$1,733,875 of County Agreement funds were approved for site operations.

The initial assessment of the units allowed a total of 130 beds within the village. After further review and consultation with LAHSA, a maximum of 3 participants will be sheltered per unit, lowering the bed count to 100. This report reprograms \$743,875 of County Agreement funds in savings in correlation to the decrease of 30 beds.

Lease and Sublease Authorities

In a CAO report dated August 23, 2022 (CF 20-0841-S23), \$194,400 of County Service funds and the authority to use 850 North Mission Road for a Tiny Home Village was approved. This site will provide 144 beds to people experiencing homelessness at dual occupancy. The selected service provider for this site is VOALA, and therefore this report recommends the authority for the GSD to enter into a 3-year sublease agreement with VOALA.

This report also recommends leasing authority for a site located at 406 Bonnie Brae Street in Council District 13 that will provide 91 beds to people experiencing homelessness. The LADMC has a vacant parking lot that is under feasibility review for a Tiny Home Village. This report provides authority for the GSD to enter into a lease agreement with the LADMC.

Encampment Resolution Fund

The State's Encampment Resolution Fund (ERF) Program provided \$47,000,000 for projects to provide services to address the immediate crisis of unsheltered homelessness living in encampments. These projects aim to support people living in encampments by placing them onto paths to safe and stable housing, leading to the resolution, or closure, of the encampments.

On December 31, 2021, through a collaboration with Council District 4, the CAO applied for an ERF grant to serve people experiencing homeless along the Los Angeles River in that district. On February 25, 2022, the CAO was notified that the City's proposal was successful and that the City would receive \$1,747,385 for its efforts. The CAO will serve as the grant administrator.

During the application process, the City selected People Assisting the Homeless (PATH) as the lead service provider. On October 12, 2022, the CAO executed a sole source contract with PATH (C-141543) for this purpose. This report's recommendations will ensure the City is able to process any payments invoiced under that contract.

FISCAL IMPACT STATEMENT

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's General Fund approved for homelessness interventions AHS-GCP as well as with HHAP Round 2; Emergency Solutions Grant-CARES Act (ESG-CV); ERF; and the County service funding commitment from Fiscal Year 2021-22 and Fiscal Year 2022-23.

FINANCIAL POLICIES STATEMENT

The recommendations in this report comply with the City Financial Policies in that budgeted funds and grant funds are being used to fund recommended actions.

Attachment:

1. COVID-19 Homelessness Roadmap Status of Capital and Operating Funding if 14th Homelessness Roadmap Funding Recommendations are Approved

Attachment 1: COVID-19 Homelessness Roadmap Status of Capital and Operating Funding if 14th Roadmap Funding Recommendations are Approved

COVID-19 Homelessness Roadmap Status of Capital and Operating Funding															
No.	Type of Unit/Intervention	Type	Site	CD	Fiscal Year 2021-2022 Commitment				Fiscal Year 2022-2023 Commitment				Total Commitment		
					HEAP/HHAP	CRF	CDBG-CV	ESG-CV (5)	County (4)	GCP-AHS	HHAP-2	CDBG-CV		ESG-CV (5)	County (4)
47			1221 Figueroa Pl.	15											\$4,391,241
48			600 E. 116th Pl.	15											\$3,752,687
	Tiny Home Villages Capital Total					\$20,000	\$1,808,259	\$1,067,789	\$0	\$0	\$0	\$0	\$0	-\$6,937,188	\$64,406,073
49			2521+2525 Long Beach Ave.	9											\$4,911,342
50	Other Interim Beds / Homekey Units (1)	Acquisition	2300, 2312, 2324 & 2332 S. Central Ave.	9											\$11,688,000
51			1300-1332 W. Slauson Ave.	9											\$6,520,353
	Other Interim Beds Capital Total					\$10,000	\$2,114,741	-\$2,043,164							\$23,119,695
52			499 San Fernando Road	1											\$13,098,676
53			Coalition to Abolish Slavery and Trafficking (CAST)	5											\$445,227
54	Other Interim Beds Capital		2521+2525 Long Beach Ave.	9											\$3,406,547
55			1300-1332 W. Slauson Ave.	9											\$2,124,741
56			18140 Parthenia Blvd.	12											\$8,289,123
	Other Interim Beds Capital Total					\$10,000	-\$1,821,147	-\$2,880,068	-\$538,329	\$0	\$0	\$0	\$1,626,715	\$0	\$27,364,314
57			11471 Chandler Blvd.	2											\$3,604,000
58			6099 Laurel Canyon Blvd.	2											\$8,023,875
59			12600 Saitcoy St.	2											\$4,323,808
60			19040 Vanowen St.	3											\$3,598,637
61			6073 Reseda Blvd.	3											\$4,673,361
62			9710 San Fernando Blvd.	6											\$2,399,705
63			Compton Ave. & Nevin Ave.	9											\$0
64	Tiny Home Villages Operating (2)		1455 Alvarado St.	13											\$3,787,214
65			2301 W. 3rd St.	13											\$4,089,910
66			Arroyo & Ave. 60	14											\$8,229,720
67			7570 Figueroa St.	14											\$3,155,909
68			1221 Figueroa Pl.	15											\$2,760,835
69			499 San Fernando	1											\$990,000
70			850 N. Mission Rd.	14											\$194,400
	Tiny Home Villages Operating Total					\$0	-\$1,327,800	\$25,104,726	\$101,484	\$0	-\$5,408,702	\$3,654,453	\$0	\$188,363	\$49,636,974
71			313 Patton St.	1											\$857,628
72			1701 Camino Palmero St.	4											\$1,532,580
73			7600 Beverly Blvd.	4											\$304,937
74			7253 Meirrose Ave.	5											\$0
75			7816 Simpson Ave.	6											\$2,449,755
76			6909 N. Sepulveda Blvd.	6											\$6,758,705
77			11067 Norris Ave.	7											\$609,900
78			8501 1/2 S. Vermont Ave.	8											\$1,128,875
79			5615 - 5749 S. Western Ave.	8											\$316,085
80			8311 S. Western Ave.	8											\$321,000
81			2514 W. Vernon Ave.	8											\$214,000
82			8501 S. Broadway	9											\$6,773,250
83			5100 S. Central Ave.	9											\$1,128,875
84			224 E. 25th St. & 224 1/2 E. 25th St.	9											\$2,241,800
85	Other Interim Beds Operating (2)		9165 & 9165 1/2 South Normandie St	9											\$963,600
86			5171 S. Vermont Ave.	9											\$214,000
87			2521+2525 Long Beach Ave.	9											\$3,238,300

Attachment 1: COVID-19 Homelessness Roadmap Status of Capital and Operating Funding if 14th Roadmap Funding Recommendations are Approved

COVID-19 Homelessness Roadmap Status of Capital and Operating Funding														
No.	Type of Unit/Intervention	Type	Site	CD	Fiscal Year 2021-2022 Commitment				Fiscal Year 2022-2023 Commitment				Total Commitment	
					HEAP/HHAP	CRF	CDBG-CV	ESG-CV (5)	County (4)	GCP-AHS	HHAP-2	CDBG-CV		ESG-CV (5)
166			4591 Santa Monica Blvd.	13										\$163,848
167			711 S. Beacon St.	15										\$820,293
168			19610 Hamilton Ave.	15										\$683,369
	Safe Parking Operating Total				\$0	\$0	\$0	\$0	\$0	\$0	\$2,846,994	\$0	\$0	\$5,642,544
169		Outreach	Roadmap Outreach	Various							\$2,472,188			\$9,077,365
170		Outreach	Encampment to Home Program on Ocean Front/Walk/Venice	11	\$0	\$0	\$0	\$0	\$5,900,000	\$2,472,188	\$0	\$0	\$0	\$5,000,000
171			BOE	n/a	\$2,046,534				\$1,741,810				\$2,366,711	\$8,155,055
172			BCA	n/a	\$149,416				\$150,000					\$299,416
173			CAO	n/a										\$254,035
174	Admin	Admin	GSD	n/a	\$54,860									\$77,500
175			LAHD	n/a										\$1,158,255
176			LAHSA	n/a										\$5,500,682
	Admin Total				\$54,860	\$2,195,950	\$0	\$0	\$1,891,810	\$0	\$0	\$0	\$2,366,711	\$15,444,943
	Total Commitment				-\$145,697	\$1,168,142	-\$1,812,279	-\$281,900	\$60,629,561	\$36,581,503	\$10,942,742	\$0	\$1,573,526	\$684,167
	Total Uncommitted				n/a	\$22,352,077					\$0	\$0	\$16,606,227	N/A

- (1) Does not include Roadmap interventions that are in existing agreements with the County.
- (2) Operating costs vary by intervention type: ABH Beds: \$60/bed/night; Tiny Home Villages, Leased Facilities, Year Round Shelter: \$55/bed/night; Project Homekey, \$85/unit/night; Safe Sleeping: \$67/person/night; and Safe Parking: \$30/car/night. Project Roomkey costs vary by b
- (3) Committed funds used to front-fund the Project Roomkey extension are expected to be reimbursed by the FEMA, at which time the funds will be available for programming.
- (4) County Services allocations are restricted to services, leasing, FFE, and start up costs.
- (5) Reflects the entire cost of the program for two (2) years using ESG-COVID.
- (6) 2300 S Central is part of the City Project Homekey Program. The site will operate a Safe Sleeping Program until the owner/operator is ready to begin construction on permanent supportive housing.
- (7) Placements funded with City funding for Measure H Strategies will be counted toward the Roadmap target of 6,700 interventions.