FY 2026-27 Second Homelessness Funding Report

C.F. 23-1022-S40

Presentation to the Honorable Members of the Homelessness & Health Committee

Office of the City Administrative Officer

September 9, 2026

FY 2026-27 Homelessness Funding Summary

Budget Allocation (in millions)	FY 2026-27 Approved	Changes in Second Funding Report	Amount[2]
Administration	$35.0	$5.9	$40.9
Shelter & Housing Interventions	$270.0	$46.9	$316.9
Permanent Housing Support	$35.4	$10.4	$45.8
Street Strategies	$47.2	$ -	$47.2
Unprogrammed Homelessness Funding[1]	$49.7	$ (46.6)	$3.1
Unprogrammed HHAP-TAY[3]	$41.9	$ (13.2)	$28.7
Total Budget	$479.2	$3.4	$482.6

[1] Budgeted Uses: leasing, demobilization costs, and new site operations.
[2] Total budget if the changes recommended in this report are approved.
[3] If approved, HHAP-4 TAY will be fully allocated. The remaining balance is from the HHAP-5 and HHAP-6 allocations.

Expansion for Transitional Aged Youth (TAY) Programs

Approximately 350 TAY and TAY-led households are living in City-funded interim housing

Total allocated for TAY Programs

$12M

Supports TAY services, Alliance obligations, and fully commits HHAP-4 TAY funding.

[1] 100 slots are dedicated to shared housing placements at an annual slot rate of $23,560. The standard annual TLS slot rate is $29,560.

Program	Count	Total Cost
Alliance Time-Limited Subsidies (TLS)[1]	200 Slots	**$5,312,000**
Foster Youth to Independence (FYI) Service Match	150 Vouchers	**$1,513,350**
Lease-Up Services	350 Slots	**$560,000**
LA:RISE Youth Academy Workforce Pilot	150 Participants	**$3,000,000**
Problem Solving Services	-	**$1,600,000**
Total Budget		**$11,985,350**

HHAP–TAY Commitments (FY 2026-27 Onwards)

Available Funding

$70M

Includes FY 2026-27 funding and HHAP-7 estimated award ($15.7M).

Additionally, it is anticipated that the County will reimburse the City up to $4.2M for a HHAP-3 loan. Funding must be expended again by 12/31/2026.

[1] Includes potential $4M est. funding for a site acquisition in CD 3 (C.F. 26-1271) pending Council/Mayor approval

FY	Budget Allocation	Amount (in millions)
FY 27	Approved Budget	$7.9
FY 27	2nd Funding Report Recommendations	$13.3
FY 27	Projected Costs [1]	$4.6
FY 28	Continuing TLS, LA:RISE, Problem Solving	$11.4
FY 28-30	Continuing Interim Housing Costs	$26.7
FY 28-31	Continuing FYI Voucher Services	$6.1
Total Budget		**$70.0**

Inside Safe: Transferring $44.7M for Continuous Services

Funding Transfer

$44.7M

This transfer from the **Homelessness Emergency Account** aligns with the standard procedure for City homelessness funds that LAHD monitors and enables **timely payments to LAHSA**.

Payments will be advanced upon LAHSA's written request, LAHD's review, and Mayor's approval.

Improving Cash Flow

Accelerating Provider Payments

Reporting Expenditures

Remaining Report Recommendations

Homelessness Interventions

$4.7M	$3.3M	$0.7M	$0.5M
Operations	**Leasing**	**Demobilization**	**Repairs**
Safe Parking & Homekey 3.0 sites	11 existing interim housing sites	Safe Sleep & ABH	Pallet replacements at a THV site

Remaining Report Recommendations

Reimbursements & Adjustments

$0.8M

Salary Reimbursements

BOE & BCA staffing support for engineering, architectural, and construction of interim housing

$3.9M

HHAP Reprogramming

Recaptured savings from site closures and prior-year salaries to be reprogrammed in future reports

Remaining Report Recommendations

Inside Safe

$0.3M

Brokerage Services

Real estate firm to survey and renegotiate motel contracts to reduce leasing costs

$0.7M

County Reimbursement

Recover eligible City motel costs through joint City-County encampment operations reimbursement to the HEA

ISP

Contract Authorities

Extend ISP motel through June 30, 2027 and instruct GSD to amend motel lease agreements to include ERF eligibility language

Office of the City Administrative Officer
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