

City of Los Angeles

Tiena Johnson Hall, General Manager
Luz C. Santiago, Acting Executive Officer



Karen Bass, Mayor

LOS ANGELES HOUSING DEPARTMENT
1910 Sunset Blvd, Ste 300
Los Angeles, CA 90026
Tel: 213.808.8808

housing.lacity.gov

Anna E. Ortega, Assistant General Manager
Luz C. Santiago, Assistant General Manager
Craig Arceneaux, Assistant General Manager

March 2, 2026

Council File: 23-1022-S18;
26-0157
Council District: Citywide
Contact Person(s): Greg Spiegel
Regina Joy Alcazar

Honorable Members of the City Council
City of Los Angeles
c/o City Clerk, City Hall
200 N. Spring Street
Los Angeles, CA 90012

REPORT FROM THE LOS ANGELES HOUSING DEPARTMENT TRANSMITTING ANALYSIS AND RECOMMENDATIONS ON THE PROPOSED PROGRAM PLAN FOR THE ALLIANCE TIME-LIMITED SUBSIDY PROGRAM; PARTICIPANT PRIORITIZATION POLICY; CONTRACTING WITH HOUSING OPERATIONS AND MANAGEMENT, INC. (HOM); FEASIBILITY AND FUNDING FOR CREATING A POOL OF RENT REASONABLE UNITS; AND RELATED SCOPE OF REQUIRED SERVICES AND SERVICE AGREEMENTS

SUMMARY

The Time-Limited Subsidy (TLS) Program is an effective housing intervention model that can quickly help a household exit homelessness and reduce the likelihood of the household falling back into homelessness. Per the City Council's direction to create a redesigned Alliance Time-Limited Subsidy (TLS) Program and approved funding for the lease up of 2,000 households, approval is sought for the redesigned Alliance TLS Program, prepared by HR&A Advisors, as considered by the City's Homeless Strategy Committee. For City Council consideration, the attachment to this report includes: (1) a summary of the existing regional TLS Program and lessons learned; (2) a proposal for a redesigned Alliance TLS Program Plan; (3) the additional services and funding necessary to identify a pool of rent-reasonable market units; and (4) participant eligibility and prioritization criteria for the new program that is geographically equitable across Council Districts.

RECOMMENDATIONS

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

1. APPROVE the redesigned Alliance TLS Program, including the eligibility requirements and prioritization policy, as described in ATTACHMENT A, and INSTRUCT the General Manager of Los Angeles Housing Department (LAHD), or their designee, to amend the Alliance Settlement Agreement Program Contract (C-141840 CFMS/C-201377 RAMP) with the Los Angeles Homeless Services Authority (LAHSA) to be consistent with the redesigned program plan, as necessary.
2. TRANSFER up to \$3,519,266 from Homeless Housing, Assistance, and Prevention Program Round 4 (HHAP-4) Fund No. 66C/10, Account No. 10Y781, FC - 1 Interim Housing to HHAP-4 Fund No. 66C/10, Account No. 10Y783, FC - 3 Rapid Rehousing and Housing Navigation;
3. APPROVE and APPROPRIATE up to \$3,519,266 from HHAP-4 Fund No. 66C/10, Account No. 10Y783, FC - 3 Rapid Rehousing and Housing Navigation to Fund No. 66C/43, Account No. TBD, “Alliance Time-Limited Subsidies,” for the following expenses:
 - a. Up to \$2,189,173 to create a pool of rent reasonable units for the Alliance TLS Program, beginning March 1, 2026 through February 28, 2027
 - b. Up to \$1,010,160 to consolidate and expedite the lease up process for the Alliance Time Limited Subsidy program, beginning March 1, 2026 through February 28, 2027
 - c. Up to \$319,933 for LAHSA Administration.
4. INSTRUCT the General Manager of LAHD, or their designee, to amend the Alliance Settlement Agreement Program Contract (C-141840 CFMS/C-201377 RAMP) with LAHSA to reflect increases for the following:
 - a. Up to \$3,199,333 for Housing Operations and Management, Inc. (HOM) to provide expedited lease up and create a pool of rent reasonable units for the Alliance TLS Program beginning March 1, 2026 through February 28, 2027;
 - b. Up to \$319,933 for LAHSA Administration;
5. REQUEST LAHSA to amend its contract with HOM, Inc. to effectuate the following:
 - a. Extend the agreement through February 28, 2027;
 - b. Add funding in the up to amount of \$3,199,333 to provide expedited lease up and create a pool of rent reasonable units for the Alliance TLS Program;
 - c. Amend the contract scope of work, if needed, based on LAHSA’s competitive bid process, 2025 Centralized Financial Assistance Fiscal Agent Request for Qualifications (RFQ);

6. 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.

BACKGROUND

On September 30, 2025, the City Council approved the Alliance Settlement Agreement Bed Plan and Strategy ([CF 23-1022-S18](#)) that includes investing in a program that is both cost-effective and a proven homelessness intervention that results in long-term, independent housing retention – the Time Limited Subsidy (TLS) Program.¹ The TLS Program connects eligible households with up to 24 months of rental assistance and targeted case management and supportive services.

Subsequently, on January 28, 2026, in order to meet the City's Alliance Settlement Agreement obligations by June 13, 2027, the City Council approved amended recommendations from the Office of the City Administrative Officer (CAO) that included resources for a redesigned Alliance TLS Program at a new annual slot rate of \$29,560 (\$6,767 for services and \$22,793 for rental assistance). The approved recommendations also included the following instructions for the LAHD: (1) Amend an existing contract with LAHSA for up to \$13,534,000 to fund the services for 2,000 new households through the Alliance TLS Program beginning March 1, 2026; and (2) execute a new contract for an amount of up to \$45,586,000, with Housing Operations and Management, Inc. (HOM) to serve as the central fiscal agent to administer the rental assistance for the 2,000 Alliance TLS Program slots. Additionally, the CAO, in coordination with LAHD, the Chief Legislative Analyst (CLA), and HR&A Advisors, was instructed to report on the feasibility and funding to create a pool of rent-reasonable units, bulk landlord negotiations, shared-housing options, Executive Directive (ED) 1 streamlined affordable housing projects, and housing navigation services to expedite lease up.

On February 20, 2026, the City Council approved a motion instructing LAHD and CLA, with assistance from LAHSA and CAO, to: (1) report back prior to the award of City funds to HOM, on the City's contract with HOM and on the proposed program plan for the Alliance TLS Program; and (2) report back on the Scope of Required Services (SRS) and service agreements upon execution ([CF 26-0157](#)). This report provides the City Council with the opportunity to provide feedback to inform the implementation of the Alliance TLS Program.

DISCUSSION

Through philanthropic dollars provided by the California Community Foundation, the Conrad N. Hilton Foundation, and Southern California Grantmakers, over the past year, HR&A Advisors has supported LAHD, the CAO, and the City's Homeless Strategy Committee in monitoring and analyzing performance of the City's investments into the homelessness system, including for the City's TLS Program. In order to ensure the success of the new Alliance TLS Program that will house 2,000 households experiencing homelessness, LAHD, CAO,

¹ Blackwell and Santillano. November 2023. "Do Time-Limited Subsidy Programs Reduce Homelessness for Single Adults?" *California Policy Lab at UCLA*. <https://capolicylab.org/do-time-limited-subsidy-programs-reduce-homelessness-for-single-adults/>

the CLA, and LAHSA have engaged with HR&A Advisors to improve the program design.

To evaluate program performance and identify program challenges and solutions, HR&A Advisors conducted a series of focus groups with service providers, interviews with program administrators, and reviewed available data. At the City's Homeless Strategy Committee meeting held on September 11, 2025, the Committee members were presented with a report from HR&A Advisors and LAHSA on opportunities to strengthen the performance of the existing regional TLS Program.² Based on feedback from Committee members and additional problem solving meetings with program administrators and service providers, the redesign proposal for the Alliance TLS Program was presented at the City's Homeless Strategy Committee meeting held on January 16, 2025,³ and included in the CAO's report to the City Council dated January 15, 2025, responding to CF 23-1022-S18.

ATTACHMENT A presents a report from HR&A Advisors that details information presented to the City's Homeless Strategy Committee, for the City Council's review and approval. The report includes:

1. Challenges and lessons learned from the existing regional TLS Program;
2. Programmatic improvements for the redesigned Alliance TLS Program;
3. Participant selection criteria, eligibility requirements, and a prioritization policy;
4. Participant referral process; and
5. Alliance TLS Program implementation timeline.

In order to meet the City's Alliance Settlement Agreement obligations, increase system throughput, and support the success of Alliance TLS Program's participants, approval of the redesigned plan, including the eligibility requirements and prioritization policy, is requested, as presented in ATTACHMENT A.

Services to Identify Rent Reasonable Units

Also included in ATTACHMENT A, HR&A Advisors presents a strategy critical to the future success of the program – creating a pool of rent reasonable units to ensure all Alliance TLS participants are matched to a rent reasonable market unit and all Alliance TLS Program slots are fully utilized by June 13, 2027.

If the City Council approves these additional services, the City would need to both enter into a contract with HOM and also amend the City's Alliance Settlement Agreement Program Contract (C-141840) with LAHSA. While HOM would perform these additional services, the City would need to amend its Alliance Contract with LAHSA because the City's procurement of HOM would be piggybacking on LAHSA's competitive procurement of HOM. As a result, the terms of the City's direct contract with HOM (pursuant to the City Council's instruction in CF 23-1022-S18) would be limited to the existing terms and conditions of LAHSA's competitively bid contract with HOM. Given that LAHSA's current contract with HOM ends on June 30, 2026, the City's contract with HOM also would need to end on June 30, 2026. By amending the City's contract with LAHSA to include these additional services, LAHSA would amend its subcontract with HOM to both include these additional services and extend

² City of Los Angeles Homeless Strategy Committee. September 2025. "Time Limited Subsidy Program: Opportunities to Strengthen Performance." <https://cao.lacity.gov/homeless/HSC/hsc20250911c.pdf>

³ City of Los Angeles Homeless Strategy Committee. January 2025. "Redesigning the City's Time Limited Subsidy Program." <https://cao.lacity.gov/homeless/HSC/January%20HSC%20Materials%20-%20Item%20Fours%20and%20Five.pdf#page=31>

the term of the contract. With LAHSA's contract with HOM extended, LAHD would be able to extend its direct contract with HOM to the term necessary for HOM to serve as the central fiscal agent for the Alliance TLS Program until all 2,000 TLS slots are filled by June 13, 2027. The CAO identified resources for this contract extension for the term of March 1, 2026, through February 28, 2027. Additional funding to extend LAHSA's and HOM's contracts to June 30, 2027 (the full program term), will be included in a future report for City Council consideration.

Performance Reporting and Oversight

Per Council File 25-0576, approved by City Council and the Mayor in August 2025, LAHD's Bureau of Homelessness Oversight will be expected to, on an ongoing basis, collect information and metrics in alignment with performance indicators and reporting requirements to support performance monitoring and evaluation of the Alliance TLS Program. This information includes, but is not limited to, the number and length of participants enrolled, assigned Program Tracks, permanent housing plan progress, participant income and rent contributions, occupancy, leases, rental subsidy payments, participant exits, and case management engagements.

As described in the CAO's report dated January 16, 2026 (CF 23-1022-S18), LAHD, CAO, CLA, and LAHSA will be expected to make regular presentations to the City Council on the implementation and lease up progress of the Alliance TLS Program. Additionally, once the new Bureau of Homelessness Oversight is appropriately staffed, data on program use and performance will be included in monthly performance reports presented to the City's Homelessness Strategy Committee and made available to the public on LAHD's website.

LAHD Current Staffing Limitations

Currently, no entity in the City has been charged with or funded to oversee and direct the day-to-day implementation of the City's investments in the existing regional TLS Program.

While the new Bureau of Homelessness Oversight at LAHD will be tasked with overseeing LAHSA's implementation of the Alliance TLS Program, the ten new positions approved by the City Council in December 2025 (CF 25-0207-S1) did not provide staffing capacity to ensure the effective implementation of the City's new Alliance TLS Program, nor to ensure compliance with the City's commitments under the Alliance Settlement Agreement. To redesign the City's Alliance TLS Program over the past several months, the City has relied on philanthropically-funded services from HR&A Advisors, reporting to and coordinating with the CAO, LAHD, CLA, LAHSA, and the City's Homeless Strategy Committee. Philanthropic support for this consultant capacity will end on June 30, 2026.

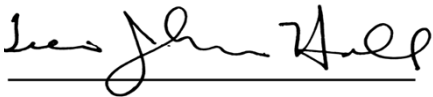
As part of the new Bureau's proposed staffing plan (CF 25-0207-S1), LAHD recommended five (5) new positions to directly oversee the implementation of the City's rental subsidies programs for people experiencing homelessness, including the Alliance TLS Program. The City Council did not authorize these five positions. The positions requested included: one (1) Principal Project Coordinator, one (1) Senior Project Coordinator, and three (3) Project Coordinators. For these positions, the proposed responsibilities include monitoring the performance of contractors, participating in implementation meetings, problem solving programmatic challenges, and

preparing progress reports for the City's Homeless Strategy Committee and the City Council. In its FY 2026-27 budget request, LAHD requested authorization and funding for these five positions. Approval of these positions will be critical to ensure the success of the Alliance TLS Program.

FISCAL IMPACT

There is no impact to the City's General Fund through the actions recommended in this report.

Approved By:

A handwritten signature in black ink, appearing to read "Tiena Johnson Hall", written over a horizontal line.

TIENA JOHNSON HALL

General Manager

Los Angeles Housing Department

ATTACHMENT:

Attachment A - Recommendations on the City's Time Limited Subsidy Program

Memorandum

To: Los Angeles Housing Department, Office of the City Administrative Officer, Office of the Chief Legislative Analyst

From: HR&A Advisors

Date: February 24, 2026

Re: **Recommendations to Redesign the City's Time Limited Subsidy Program, Structure the Program's Participant Prioritization Policy, and Create a Pool of Rent Reasonable Units for the Program**

As requested by the Los Angeles Housing Department (LAHD), the Office of the City Administrative Officer (CAO), and the Office of the Chief Legislative Analyst (CLA), this memorandum includes findings and recommendations from the past six months of our work to support the City in structuring its new Time Limited Subsidy (TLS) Program.

To develop these findings and recommendations, we conducted a series of focus groups with service providers delivering the current regionally-funded TLS program that is administered by the Los Angeles Homeless Services Authority (LAHSA); engaged program administrators; engaged HOM, Inc., the central fiscal agent for the current TLS program; interviewed experts on rapid rehousing, unit acquisition, and stabilization services; reviewed studies on the TLS model; and conducted extensive analysis of available data. We have also had multiple coordination and planning meetings with LAHD, CAO, CLA, and LAHSA to discuss and align on design and implementation strategy for the City's new TLS program.

At the City's Homeless Strategy Committee meeting held on September 11, 2025, the Committee members, LAHSA and HR&A Advisors presented opportunities to strengthen the performance of the existing regional TLS Program.¹ Based on feedback from Committee members and additional problem solving meetings with program administrators and service providers, the redesign proposal for the Alliance TLS Program was presented at the City's Homeless Strategy Committee meeting held on January 16, 2025,² and included in the CAO's report to the City Council dated January 15, 2025 responding to CF 23-1022-S18.

Below please find additional detail on the following:

1. Challenges and lessons learned from the existing regional TLS Program;
2. Programmatic improvements for the redesigned Alliance TLS Program;
3. Participant selection criteria, eligibility requirements, and a prioritization policy;
4. Participant referral process; and
5. Alliance TLS Program implementation timeline.

The following recommendations were shaped through multiple coordination conversations with LAHD, CAO, CLA, and LAHSA, and represent an aligned proposal to support effective implementation of the City's new Alliance TLS Program.

¹ City of Los Angeles Homeless Strategy Committee. September 2025. "Time Limited Subsidy Program: Opportunities to Strengthen Performance." <https://cao.lacity.gov/homeless/HSC/hsc20250911c.pdf>

² City of Los Angeles Homeless Strategy Committee. January 2025. "Redesigning the City's Time Limited Subsidy Program." <https://cao.lacity.gov/homeless/HSC/January%20HSC%20Materials%20-%20Item%20Fours%20and%20Five.pdf#page=31>

GOALS FOR REDESIGNING THE TLS MODEL

In addition to using 2,000 new time limited subsidy slots to help meet the City's commitments under the *Alliance* settlement, the City's new investment in the Alliance TLS program is an opportunity to strengthen the overall City's response to homelessness in a few important ways. Specifically, the City has an opportunity to:

- **Strengthen program design and management**, so Alliance TLS participants are able to transition to more kinds of permanent housing. With more intentional case management, the redesigned Alliance TLS program can do a better job of helping households that do not need permanent supportive housing build income and work toward other other forms of appropriate permanent housing (e.g., affordable senior housing, independent housing, shared housing).
- **Create new capacity in City-funded interim housing**. The City has the opportunity to focus on offering current participants in City-funded interim housing the opportunity to transition to the Alliance TLS program, which will free up new capacity in City-funded interim housing. This new capacity in City-funded interim housing can be used to offer people currently experiencing unsheltered homelessness the opportunity to come inside and into safety.
- **Build a centralized, City-specific pool of units and an expedited lease up process**. Leasing up affordable and supportive housing in the City's portfolio has been a challenge that extends across multiple programs. This report recommends creating a registry of private landlords with affordable and vetted units ready to lease to Alliance TLS participants, and charging a single entity with supporting a household to complete all paperwork, documentation, and inspections necessary to lease up quickly. The City has an opportunity to learn from this model and build lease up infrastructure that could be leveraged for other programs.

EXISTING REGIONAL TLS PROGRAM

In the current fiscal year, the City funds approximately 15% of the adult and family TLS slots administered by LAHSA. The large majority of the City's investment of \$28,408,935 into the program is from Homeless Housing, Assistance, and Prevention Program Round 5 (HHAP-5) funding. In addition to City funding, the program is funded by LAHSA's HHAP Round 6 (HHAP-6) allocation, Los Angeles County Measure A funds, US Department of Housing and Urban Development (HUD) Continuum of Care (CoC) Program funds, and other smaller funding sources. As a result of reductions in future federal, state, and local funding, there will not be sufficient funds to continue funding all current TLS Program participants in the next fiscal year. As a result, for the past several months, the regional TLS Program partners have been working to transition approximately 3,050 households out of the program by the end of FY 2025-26.

While the cuts are budget driven, and the regional TLS Program has had consistently strong permanent housing outcomes, with approximately 70 percent of participants exiting to permanent housing,³ the ramp-down process has illuminated several challenges with the existing program design and implementation. To more fully evaluate program performance, identify program challenges and potential solutions, we conducted a series of focus groups with service providers, interviews with program administrators, and reviewed available data. These findings and recommended solutions, summarized below, were considered at the City's Homeless Strategy Committee in September 2025, and again in January 2026.

Insufficient Case Management and Supportive Services

The first significant challenge of the existing regional TLS Program is uneven and indistinct case management. Within the population currently enrolled in the regional TLS Program, participants fall into three distinct populations, each with different needs. However, the existing program has not been designed or resourced to provide tailored case management approaches for each of these distinct populations. The three populations are as follows:

1. Participants who can build income and may be able to sustain permanent housing on their own by the completion of the program;

³ City of Los Angeles Homeless Strategy Committee. January 2026. "Monthly Report on City Performance Indicators." <https://cd4.lacity.gov/wp-content/uploads/2026/02/JAN-REPORT-final.pdf>

2. Participants who are limited to a fixed income and will need appropriate long-term affordable and/or subsidized housing upon completion of the program; or
3. Participants who need intensive health services and permanent rental assistance, and will need permanent supportive housing (PSH) or another appropriate support upon completion of the program.

The intention of the current regional TLS program is that all participants will be able to transition to permanent housing within 24 months. However, approximately 20 percent of current program participants have been in the program for longer than the intended 24 months.⁴ This is an indication that case management, problem solving, and housing navigation support are not working as quickly or effectively as needed. Indeed, providers shared during focus groups that it is very difficult to provide the intensive ongoing support needed to help participants prepare for and access permanent housing; providers reported chronic vacancies and a lack of resources and tools to help participants find employment, increase their income, plan for shared or independent housing, or navigate the process of identifying and applying for affordable and subsidized housing. They also shared that, with existing resources, it is not possible to meet with clients once a week.

Inconsistent and Insufficient Reporting

The existing regional TLS Program does not have a centralized, standardized process for reporting on the frequency and focus of case management, rental subsidy payments, occupancy, and lease information. This data is necessary to assess and report on program performance. Because some service providers have opted in to working with a central fiscal agent to process and verify rental payments, the program is able to generate improved reporting of data related to rental subsidy payments, occupancy verification, and lease information. There is still a need to improve data on the frequency and focus of case management, and for additional systems development at LAHSA and service provider training.

Insufficient Identification of and Matching with Rent Reasonable Units

The existing regional TLS Program lacks a centralized or consistent strategy to identify a rent reasonable market unit, and match participants with an appropriate rent reasonable unit based on their potential to contribute to the cost of their housing over the 24-month program term. In the existing TLS Program, potential participants must find their own market rate unit with a landlord willing to accept the TLS rental subsidy. Frequently, rents are too high for the program participant to fully take over the rent within the 24 month program period, or ever, especially considering the program's insufficient support services for helping participants to increase their incomes. For participants expected to transition to a Housing Choice Voucher (HCV), they may have to move to a new unit because their TLS-subsidized unit may be too expensive to align with voucher payment standards. This has resulted in some participants needing to move, causing disruption that often requires the extension of the program benefits beyond the intended 24 months. Without a pool of rent-reasonable units and support for participants in identifying a unit within their means, the existing TLS Program pays a higher subsidy for each unit to pay for the higher rent. As a result, program funding is further constrained.

REDESIGNED ALLIANCE TLS PROGRAM

To address the challenges described in the previous section, the Alliance TLS Program includes several programmatic changes to the existing TLS program that are intended to establish a more intentional, sustainable, and supportive bridge to appropriate and affordable housing. This program redesign was presented to and approved by the City's Homeless Strategy Committee at its January 2026 meeting, and was reflected in the CAO's January 16, 2026 report.

Program Tracks

The Alliance TLS Program will have three distinct pathways or Program Tracks to bridge participants to permanent housing, each with its own distinct case management and support model. As described in TABLE 1 below, the three Program Tracks respond to the three distinct populations based on a participant's anticipated ongoing service and housing subsidy needs.

⁴ City of Los Angeles Homeless Strategy Committee. January 2026. "Monthly Report on City Performance Indicators." <https://cd4.lacity.gov/wp-content/uploads/2026/02/JAN-REPORT-final.pdf>

Table 1. Alliance TLS Program Tracks

Program Track		Description	Goal
A	Independent Housing to Increase Income	Households that can increase income and their rent contributions will receive up to 24 months of rental subsidies and intentional, intensive case management to (1) increase income, including through enrollment in benefits for which the household qualifies, or connect to appropriate employment and wrap-around services; and (2) problem solve to develop a permanent, independent housing plan, which could include taking over the full cost of their lease, shared housing, or other appropriate strategies.	Gradual increase in participant’s rental contributions over the course of the 24 months, working toward independent housing (e.g., taking over the full cost of the household’s lease after exiting the program or moving into another form of independent housing, such as shared housing).
B	Long-term Affordable and/or Subsidized Housing for Fixed Income	Households that are likely to depend upon public benefits or a fixed income for the foreseeable future will be paired with up to 24 months of rental subsidies and intentional, intensive case management to help them (1) enroll in all benefits for which they qualify, to maximize household income; and (2) navigate the complex affordable housing waiting list landscape, signing up for all relevant long-term affordable or subsidized housing resource for which they qualify (e.g., subsidized senior housing).	Increase to participant’s rental contributions that equate to 30 percent of household income over the course of the 24 months of program participation, with intensive case management to help the household sustain subsidized housing (either in their current home with a shallow subsidy or in another appropriate subsidized unit) after exiting the program.
C	Intensive Case Management Services for High Acuity	Households that are assessed as having highly acute health needs will be paired with up to 24 months of rental subsidies along with (1) intentional, intensive case management services to help them apply for and navigate the process of securing long-term support through a permanent supportive housing program or other appropriate acute care and rental subsidy program, and (2) meaningful, ongoing access to onsite physical and behavioral healthcare.	Increase to participant’s rental contributions that equate to 30 percent of household income over the course of the 24 months of program participation, with intensive case management to help the household sustain subsidized housing and intensive services (e.g., tenant-based or project-based permanent supportive housing or other appropriate program) after exiting the program.

Other Program Improvements

Additionally, the new Alliance TLS Program will include the following changes:

- Council approved on January 28, 2026 a higher service rate for providers, which will help attract and retain case managers to address the issue of chronic vacancies and to support intensive weekly support during the initial three months in the program and intensive monthly support for the program’s duration (CF 26-0157).
- Participants will be matched with a unit that meets standards for rent-reasonableness, increasing the chance that participants will be able to stay in the market unit after the 24-month TLS subsidy ends.
- Participants will receive onboarding support before moving into their TLS-subsidized unit. This onboarding support will include clear communication about and participant agreement to programmatic expectations, goals, and timelines.

- Rent payments and lease and occupancy verification will be managed by a central fiscal agent (HOM, Inc.); please note that this will require the City to process payments to HOM, Inc., before rent is due for program participants.
- A streamlined approach to gathering and reporting data on the quality, focus, and frequency of case management.

Per CF 26-0157, LAHSA will update the Scope of Required Services (SRS) for the Alliance TLS Program based on the approval of recommendations in this report, and report back to the City Council.

Program Components

The Alliance TLS Program has three program components that ensure participating households are fully supported for success:

1. **Case Management and Supportive Services:** Case management services shall be dedicated to activities that support housing retention. Services will be provided by trained, qualified providers, sub-contracted through LAHSA. The City Council authorized \$6,767 in annual services costs per household, which will include support to increase income, address health and social service needs, address crises, and plan for and transition to permanent housing (CF 23-1022-S18).
2. **Rent Payments and Occupancy Verification:** Eligible households are provided with 24 months of rental assistance. Monthly rent payments to landlords and occupancy verification will be performed by HOM, Inc., a qualified central fiscal agent. The City Council authorized \$22,793 in annual rental assistance costs per household, which includes monthly rent, security deposits, and HOM's timely and accurate payment of rent subsidies, verification of occupancy, and detailed record keeping and data collection (CF 23-1022-S18).
3. **Unit Identification and Lease Up:** Recommendations to approve and authorize funding for these functions are included in the next section of this report. As described in greater detail below, these functions should be performed by HOM to leverage their expertise and to create operational efficiencies. These functions include: (a) leveraging bulk purchasing power to negotiate with landlords; (b) encouraging landlords to opt in to a pool of rent reasonable units available to TLS participants; (c) expediting the lease up process, including conducting required inspections before move in and working with participants to select a unit; (d) completing all paperwork including gathering all documents necessary to lease up; and (e) conducting post-move out inspections and processing damage claims as necessary.

Case Management and Supportive Services

The new Alliance TLS annual slot rate includes \$6,767 in annual supportive services costs for participating households in adult slots (CF 23-1022-S18). This annual services cost will include 1:20 case manager-to-participant caseload ratios and the following services:

- Personalized, intensive support for participants, including weekly in-person case management to help clients stabilize during the first three months in the program, and at least monthly support for the duration of the program;
- Support to build and make progress on a personalized plan to sustain permanent housing throughout participation in the program and to achieve self-sufficiency after the program ends;
- Support to address physical health, mental health, substance use, housing, employment, legal, and financial needs;
- Support in obtaining necessary documents, enrolling in applicable benefits, connecting to healthcare providers, social services, public benefits, and other resources, and coordinating care across systems;
- Help to secure and maintain permanent housing, including serving as a point of contact (POC) for permanent supportive housing lease up for eligible households;
- Support with eviction prevention; and
- Support during crises.

During discussion regarding CF 23-1022-S18 at the Housing and Homelessness Committee meeting held on January 16, 2026, the CAO indicated that they would inquire whether the County would pay for Alliance TLS supportive services under the City/County Alliance MOU. In the event that the County agrees to cover Alliance TLS service costs, the CAO has indicated that they would

return to Council to recommend that it allocate an additional \$3,384 in annual services costs per household to cover additional supportive services that will further improve outcomes. This additional services funding would maintain 1:20 caseload ratios and extend intensive weekly support through all 24 months of a participant's enrollment in the program. This would fund two additional specialized services: (1) employment support for participants who can work; and (2) specialized housing navigation support for all participants, including those who are not able to work.

For participants who are able to work, employment specialists will offer personalized support, connections, and coaching to help with job readiness, identify employment or supportive employment opportunities, connect to workforce development and training programs as needed, and support to sustain employment.

For all participants, specialized housing navigation will help the participant identify and apply for all appropriate subsidized housing options (e.g., applying for waiting lists for affordable senior housing). This will include 24 months of personalized, intensive problem solving to help households sustain permanent housing, with an emphasis on working to access options other than permanent supportive housing, where appropriate.

Rent Payment and Occupancy Verification

Once a participant is matched and leased to a unit, the central fiscal agent will make timely direct payments to landlords for security deposits, utilities, and for rent due on the first of every month. For each participant's rental contribution, in proportion to the amount subsidized by the Alliance TLS Program, the central fiscal agent will track, monitor, and report progress over the 24-month term of enrollment. The central fiscal agent functions include verification of occupancy, maintaining records of leases, payment of security deposits, and timely monthly payment of rental subsidies. As the central fiscal agent, HOM will maintain robust, verified records of occupancy, leases, and rental subsidy payments and report data directly to the City to support reporting on the Alliance Settlement Agreement. Timely rental payment is only possible if the City processes payments to HOM, Inc., for rent before rent is due; timely rent payments are a critical landlord retention strategy, meaning this is a way to encourage landlords to make rent reasonable units available to participants in the City's TLS program.

Unit Identification and Lease Up

To ensure that all TLS participants are matched to a rent reasonable market unit and all TLS rental subsidies are used, it is necessary to build a pool of available rent-reasonable market units. These critical additional services should include: (1) encouraging landlords to opt-in to a pool of Alliance TLS Program units; (2) bulk negotiating with landlords to ensure units are rent-reasonable; and (3) serving as a central point of contact for an expedited lease up process. HOM has successfully performed these functions in other jurisdictions, including building a pool of over 6,000 rent-reasonable units in Maricopa County, Arizona and achieving an average lease up time of 35 days. As LAHSA's current central fiscal agent for a portion of providers participating in the existing TLS program, HOM has established landlord relationships and local knowledge in Los Angeles, creating a foundation for their support of the Alliance TLS Program. In addition to paying rent and verifying occupancy, HOM's contract should be amended to include the following:

1. **Verify household income** once a participant is referred to the Alliance TLS Program and assist them in selecting a rent reasonable unit, defined as (1) rent that is within voucher payment standards for the region and for the household size; (2) rent that is at or below average rent within the City of Los Angeles for the unit size; (3) rent that is at a level that positions the participating household to assume and sustain their lease, whether fully covering the costs of rent or assisted with a subsidy, after the 24 months of program participation.
2. **Build and sustain a centralized inventory of rent-reasonable housing units** through a system accessible to all (program participants, property owners and operators, and service providers) via their proprietary software, Padmission Connect, which is already funded through LAHSA. HOM will conduct continuous unit sourcing and rental market analysis, pre-assess units for affordability and habitability, and maintain a centralized, real-time housing inventory categorized by geography, rent comparable, reasonableness, and unit availability.
3. **Encourage landlords to opt into their centralized inventory** through proactive outreach, education, and incentives including reliable rent payment, a risk mitigation pool, and support with housing retention and eviction prevention.

4. **Support a streamlined and expedited lease up process**, including helping participants select a unit that meets their needs and affordability criteria, helping participants complete all necessary paperwork, and conducting all necessary unit inspections before move in.
5. **Provide mediation and early intervention services** to avoid eviction and support strong, lasting relationships with landlords.
6. **Conduct post move-out inspections and process damage claims.**

As directed by the City Council in CF 23-1022-S18, City partners should explore whether and how ED1 units and shared housing options could be made available and accessible to participants in the new Alliance TLS Program. An update on this work will be provided to the City Council at a future presentation.

PARTICIPANT SELECTION CRITERIA

The following participant selection criteria was designed to improve system throughput in City-funded interim housing, to support geographic equity across Council Districts, and to support successful housing outcomes for Alliance TLS participants.

Improving System Throughput

Interim housing is intended to be a short-term intervention. Ideally, participants receive stabilizing services, case management, and housing navigation support to help resolve homelessness and transition them to stable housing within a year or less. Currently, however, there are over 2,000 households who have been in City-funded interim housing for over one year.⁵ The percentage of participants in City-funded interim housing for over a year is increasing: 28 percent on January 1, 2026, compared to 18 percent on January 1, 2024.⁶ With occupancy levels in City-funded interim housing at 95 percent,⁷ the longer participants stay in interim housing, the fewer opportunities there are to turnover beds/rooms and offer people experiencing unsheltered homelessness the opportunity to come inside and into safety. The Alliance TLS Program presents an opportunity to utilize permanent housing resources to equitably address challenges in the City's homelessness system throughput.

Eligibility Requirements and Prioritization

To be eligible for the Alliance TLS Program, a household must: (1) be experiencing homelessness; (2) be enrolled in a City-funded interim housing program; (3) have valid government-issued identification uploaded to the Homeless Management Information System (HMIS); (4) not be matched to a permanent supportive housing (PSH) resource; and (5) be eligible to count toward the City's Alliance Settlement Agreement (to be eligible to count towards Alliance compliance, a household cannot be a current participant in a TLS Program or any other non-temporary/permanent housing program; per CF 23-1022-S18).

In addition to these program eligibility requirements, in order to increase system throughput, potential participants should be prioritized based on the length of enrollment in a City-funded interim housing site. This participant selection criteria is described in TABLE 2.

⁵ LAHSA Interim Housing Summary dashboard (data through 1/12/26 as extracted 1/22/2026).

⁶ LAHSA Interim Housing Summary dashboard (data through 1/12/26 as extracted 1/22/2026).

⁷ City-funded interim housing data shown is for A Bridge Home, Tiny Home Village, Roadmap, and PHK City programs, from LAHSA's interim housing occupancy dashboard for 1/7/2026.

Table 2. Participant Selection Criteria: Eligibility Requirements and Prioritization

Eligibility Requirements					Prioritization Criteria
Homeless	City-Funded Interim Housing	Valid ID in HMIS	Not Matched to PSH	Eligible for Alliance	Length of Enrollment in Interim Housing
✓	✓	✓	✓	✓	Over 12 months
✓	✓	✓	✓	✓	6-12 months
✓	✓	✓	✓	✓	3-6 months
✓	✓	✓	✓	✓	0-3 months

These participant selection criteria intentionally include the fewest possible restrictions to avoid delays in lease up or unnecessary barriers to participation in the Alliance TLS Program. In addition, the City will comply with any requirements of the funding sources used to pay for the program.

Geographic Equity

Under the Alliance Settlement Agreement, the City agreed to create shelter or housing to accommodate 60 percent of unsheltered persons experiencing homelessness in the City, as quantified by the 2022 Point-In-Time (PIT) Count (CF 23-1022). Target numbers for each Council District were established as a goal to equitably distribute housing and shelter solutions throughout the City. To assess the proposed eligibility and prioritization categories in TABLE 2, the citywide proportion of sheltered and unsheltered homelessness for the 2025 PIT Count by Council District, was compared to the citywide proportions of document-ready participants enrolled in City-funded interim housing for over one year, and over six months, by Council District. As illustrated in TABLE 3 below, the eligibility and prioritization categories proposed for the Alliance TLS Program is expected to serve people experiencing homelessness by Council District, largely proportional to the distribution of the 2025 PIT Count.

Table 3. Comparison of Point-in-Time Count and City-Funded Interim Housing Participants by Council District

Council District	Percentage of Sheltered and Unsheltered Homelessness within City Limits, 2025 PIT Count ⁸	Percentage of Document-Ready Participants in City-funded Interim Housing with Stays Over One Year ⁹	Percentage of Document-Ready Participants in City-funded Interim Housing with Stays Over Six Months ¹⁰
1	10%	15%	12%
2	5%	8%	9%
3	4%	4%	5%
4	3%	4%	4%
5	3%	0%	1%
6	6%	7%	6%
7	3%	4%	4%
8	9%	9%	9%
9	13%	9%	10%
10	4%	1%	1%
11	3%	3%	2%
12	1%	2%	3%
13	9%	9%	9%
14	22%	17%	17%
15	4%	6%	6%

Given the need to identify, onboard, and lease up participants in the new Alliance TLS Program as quickly as possible in order to meet the City's Alliance Settlement Agreement commitments, in the Housing and Homelessness Committee meeting held on January 16, 2026, the CAO recommended against setting aside a specific number of TLS slots for each Council District, as this could create implementation challenges and logistical barriers. Instead, the Program would seek to partner with Council Offices by: (1) engaging with LAHSA and City-funded interim housing providers in their districts to encourage referring all eligible participants to the new Alliance TLS Program; and (2) engaging with private landlords and property managers in their districts to accept TLS subsidies, and register their available market units with HOM.

Supporting Successful Housing Outcomes

During the period in which HR&A Advisors is contracted to support the City, HR&A will work with City partners and LAHSA to structure implementation so that approximately one third of participants are eligible for and participating in each of the three Program Tracks described in TABLE 1. To ensure there is a viable permanent housing resource into which participants can

⁸ Los Angeles Homeless Services Authority. 2025. "Homeless Count 2025 Geographic Overview Dashboard."

<https://www.lahsa.org/data-refresh/home/datadashboard?id=57>

⁹ Los Angeles Homeless Services Authority. 2026. "Interim Housing Dashboard."

https://us-west-2b.online.tableau.com/#/site/lahsastakeholders/views/ElectedOffices_IH_City_June272024/InternalInterimHousingActive

¹⁰ Los Angeles Homeless Services Authority. 2026. "Interim Housing Dashboard."

https://us-west-2b.online.tableau.com/#/site/lahsastakeholders/views/ElectedOffices_IH_City_June272024/InternalInterimHousingActive

transition, the number of participants in Program Track C: Intensive Services will be determined based on the number of permanent supportive housing opportunities in the pipeline or expected to become vacant within LA City limits in the coming two years. HR&A Advisors will work with City partners and LAHSA to monitor the permanent supportive housing pipeline and adjust target capacity for the intensive services track, as needed.

Participant Referral Process

As one component of a larger system that is addressing the homelessness crisis, the Alliance TLS Program shall be implemented in coordination with services provided by the Los Angeles Continuum of Care, and in collaboration with homelessness system partners. In addition, the City will comply with any referral or placement requirements that emanate from the funding source, such as HHAP or Measure A, for any particular program slot. To effectuate this approach, any household that meets the eligibility criteria as described in TABLE 2, will be entered into a queue managed by LAHSA. Within the queue, households will be prioritized based on the length of enrollment in City-funded interim housing, as described in TABLE 2. Eligible households will then be connected with LAHSA’s housing navigation team and with HOM to select a rent reasonable unit and complete onboarding, which includes agreeing to the program’s goals and terms. A household is enrolled in the Alliance TLS Program once a participant program agreement and a lease agreement are signed and the household can move into a unit, and receive up to 24 months of rental assistance and case management services.

Lease Up Timeline

In order to meet the ambitious Alliance Settlement Agreement obligations by June 13, 2027, new households will be enrolled into the Alliance TLS Program, receiving rental subsidies and services, as early as April 2026. The City expects that LAHSA, in partnership with HOM, will house and provide services to approximately 150-200 new households per month, ramping up to a total of approximately 2,000 households and meeting the following lease up milestones described in TABLE 4.

Table 4. Lease Up Milestones

Date	Milestone
July 1, 2026	At least 600 new households are leased up and moved into new TLS-subsidized homes.
January 1, 2027	At least 1,500 new households are leased up and moved into new TLS-subsidized homes (and all vacant slots have been filled with 1,500 active participants).
April 1, 2027	At least 2,000 new households are leased up and moved into new TLS-subsidized homes (and all vacant slots have been filled with at least 2,000 active participants).

During the month of June 2027, at least 2,000 households will be provided rental support and services through the Alliance TLS Program. For any “slots” (defined as a rental subsidy and services serving one household) that are vacated because a household leaves the program prior to June 1, 2027, the slot will be re-filled with a new eligible household.