



Time Limited Subsidy Program: Opportunities to Strengthen Performance

Housing and Homelessness Committee
September 17, 2025

Current Context of the Time Limited Subsidy Program

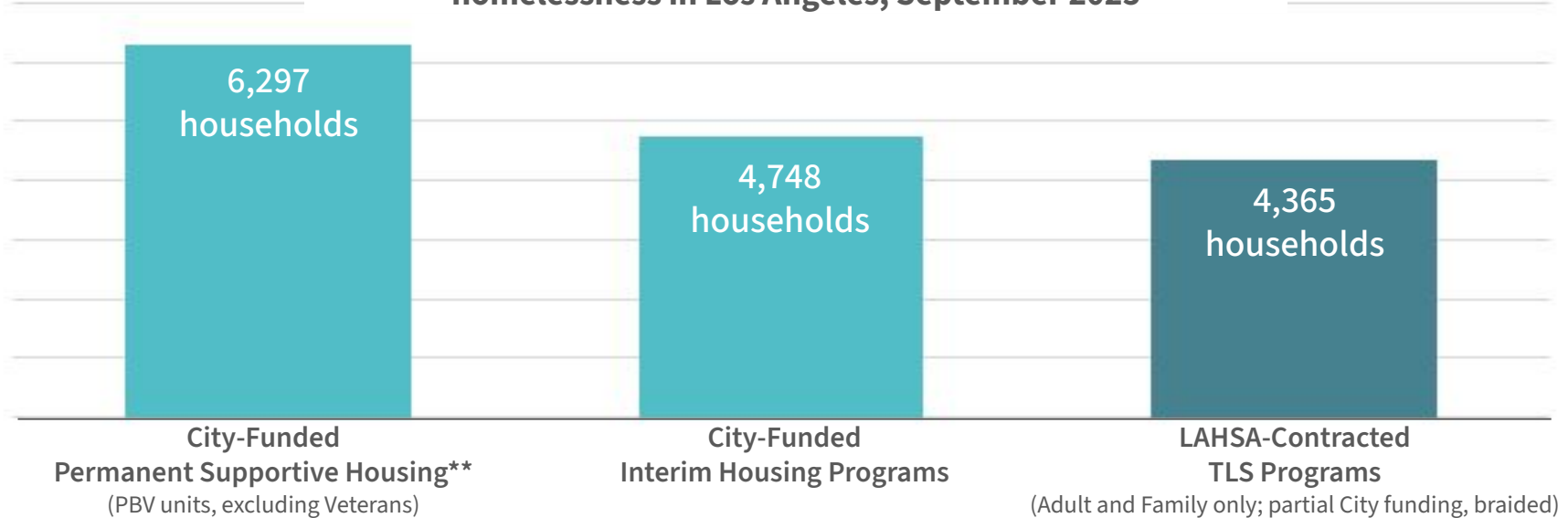
Time Limited Subsidy Program - *Core Components*

- 24 months of rental assistance and case management for people who previously experienced homelessness
- Participating households move into a market rate apartment
- Program funds cover rent contributions, not a standard “slot” amount; if participants contribute more to rent, program funds can stretch further
- LAHSA administers time limited subsidy programs that receive City funding, which serve adults (2,822 current participants) and families (1,395 current participants)
- At least 60% of LAHSA-administered slots are allocated to people experiencing homelessness within L.A. City limits (proportionate to the PIT count)

City Investments in Homelessness Response - *Interim and Permanent Housing*

Time limited subsidies are one of three significant City-funded shelter and housing strategies that help people transition from homelessness to permanent housing.

Active participants in programs to support people experiencing homelessness in Los Angeles, September 2025



Data sources: HSC calculations from LAHSA IH and Time Limited Subsidy Active Participant dashboards (data as of 8/29/25), and RMS data shared by LAHSA and HACLA data for City-funded PSH buildings with PBV units (excluding Veterans programs), data as of 9/3/25.

* City-funded programs identified by HSC; ** City-funded PSH limited to Project Based Voucher units administered by HACLA - additional types of City-funded PSH not included in this count.

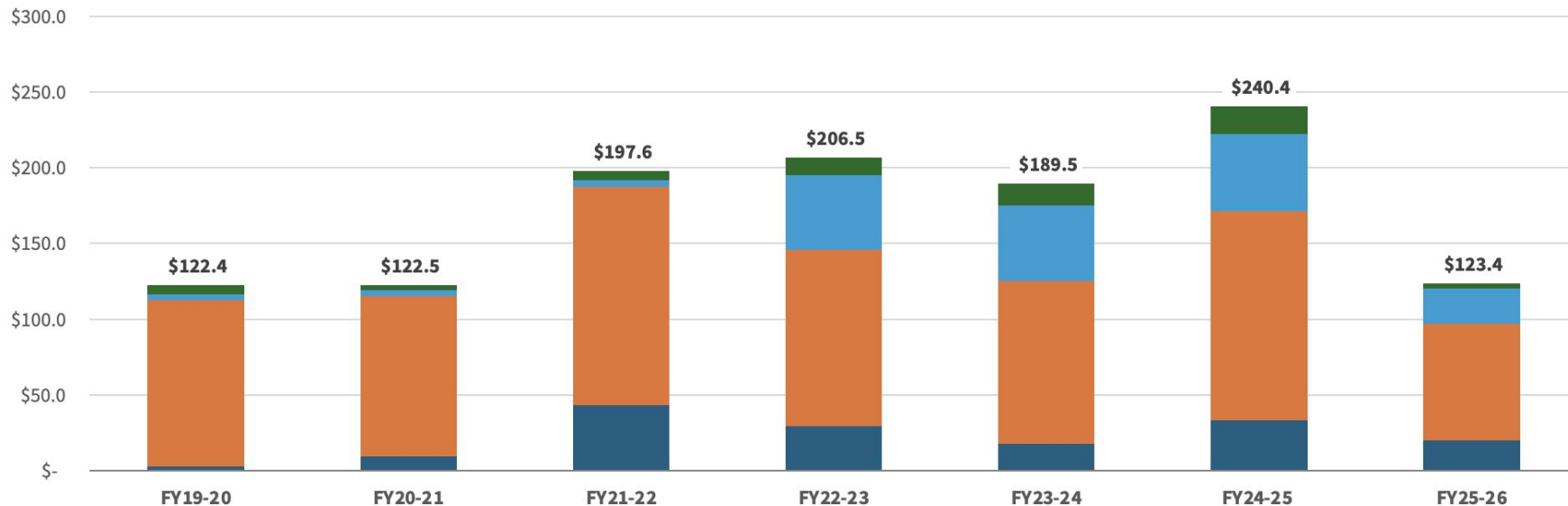
Time Limited Subsidy Program - *Dramatic Expansion and Contraction*

During the pandemic, the L.A. region leveraged significant one-time funds to dramatically expand the time limited subsidy program, helping to move people off the street and out of congregate settings, and expand the program to serve households with more acute needs.

Funding for Time Limited Subsidy programs,* by source and fiscal year

\$ Millions

■ City ■ County ■ State ■ Federal



* Includes funding for Rapid Rehousing programs

Data source: LAHSA

Time Limited Subsidy Program - Significant Funding Reductions

Given reductions in federal, state, and County funding for the time limited subsidy program, around 3,040 households who were housed through the program at the end of June 2025 will no longer be supported through the program at the end of June 2026. **A City, LAHSA, and County working group is investigating other housing options for these impacted households so they do not fall back into homelessness.**

	<u>Funded slots</u> in LAHSA-contracted adult and family time limited subsidy programs	<u>Participating households</u> with a move-in date or housed
<i>Fiscal Year 2024-25</i>	5,192	5,190 <i>June 30, 2025</i>
<i>Fiscal Year 2025-26</i>	4,750 at beginning of fiscal year <i>1,710 recurring or “turnover” slots</i> <i>3,040 one-time slots that will not be funded in Fiscal 2026-27</i>	4,409 <i>August 1, 2025*</i>
<i>Fiscal Year 2026-27</i>	1,710 at beginning of fiscal year	—

* Households with a move-in date or housed August 1st, 2025 from LAHSA Time Limited Subsidy Active Participants dashboard, filtered to LAHSA-contracted programs for Adults and Families (e.g., does not include DV, Youth, or specialized programs).

Time Limited Subsidy Program - *Dramatic Expansion and Contraction*

While the dramatic expansion of funding made it possible to provide housing to more people during the public health emergency and to include people with higher acuity needs, it has resulted in three significant issues:

1. **Significant reductions in federal and state funding for homelessness response in general**, which is limiting the availability of permanent housing exit pathways for time limited subsidy participants
2. **Unsustainable funding.** Significant one-time state and federal funding will end on June 30, 2026, which is causing our region to search for other housing options so the over 2,000 households currently supported within this funding do not fall back into homelessness
3. **Program and case management have not caught up to the program's rapid expansion;** there is an urgent need to tailor the program to the three distinct populations, with distinct housing and service needs, currently being served

A Track Record of Success

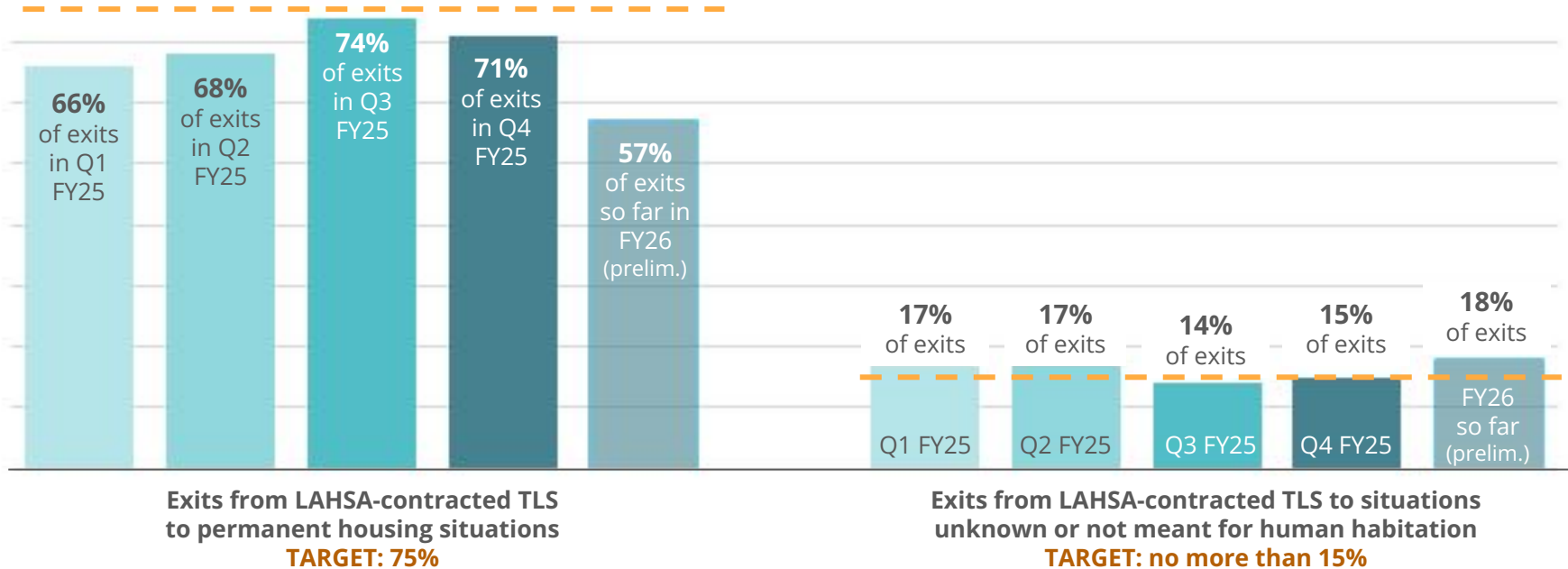
The core components of the time limited subsidy program – rental assistance and services – can and do work.

Time Limited Subsidy Program - Data on Successful Housing Outcomes

Time limited subsidies have helped a majority of participants exit from the program to permanent housing.

Exits from Time Limited Subsidy Programs

Share of total exits from LAHSA-contracted time limited subsidy programs by destination in each quarter of FY25, and for FY26 so far (preliminary)

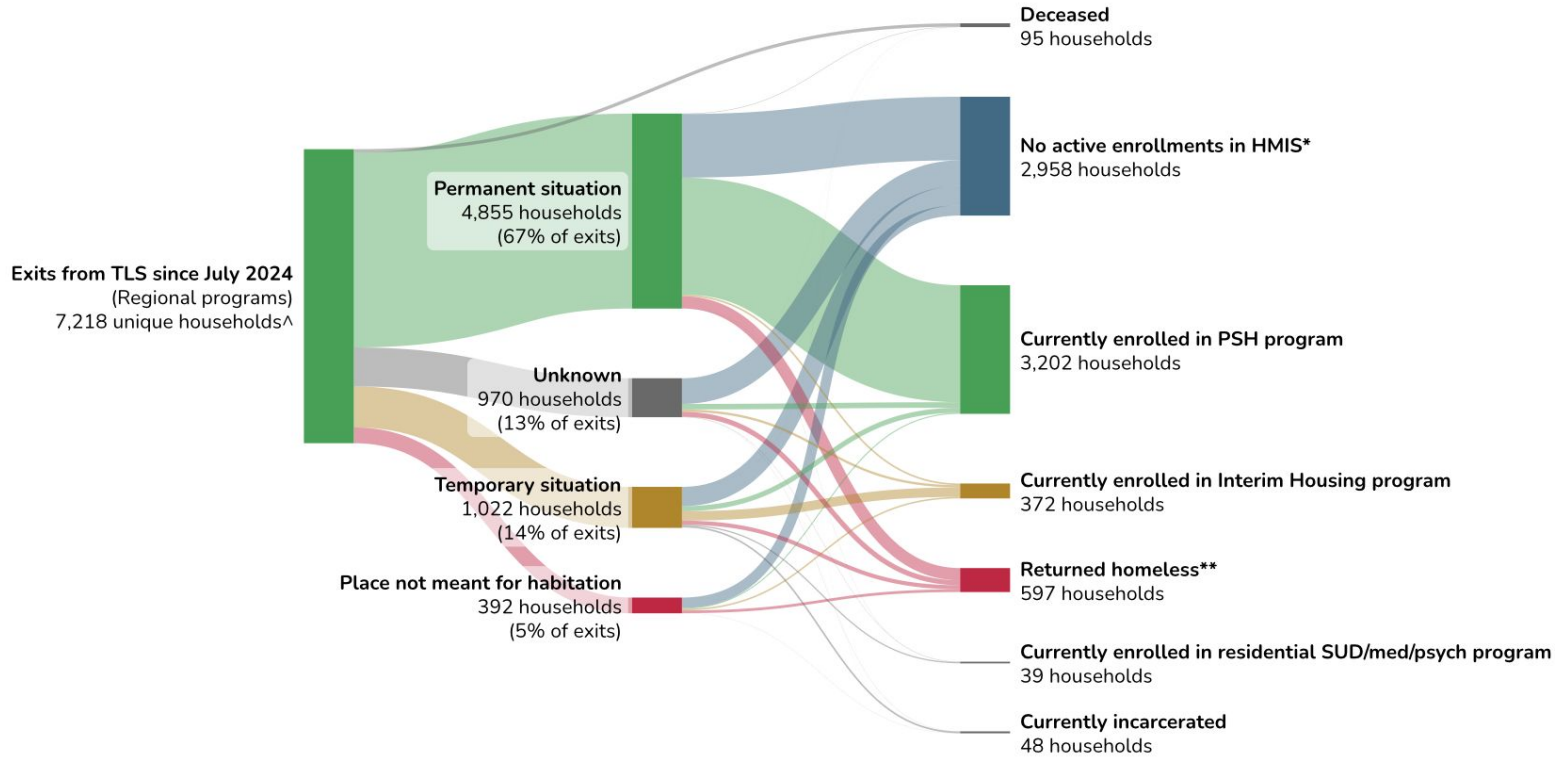


NOTE: July and August 2025 exit data subject to revision (current performance may be affected by delays in provider data reporting)

Data source: LAHSA Time Limited Subsidy Exits dashboard, filtered to LAHSA-contracted programs by HSC staff

Time-Limited Subsidy Program - Data on Successful Housing Outcomes

After exiting the time limited subsidy program, most households do not return to homelessness.



Source: LAHSA Time Limited Subsidy Exits dashboard with data through 9/10/25, as extracted by HSC staff 9/11/25. [^] Unduplicated count is less than sum of exits by destination since a small number of households had multiple exits during the period * No active enrollments could indicate a household is living independently, no longer in LA, or otherwise has not had contact with any program that utilizes HMIS ** Individual has enrolled in a program for unsheltered populations

Rapid Rehousing - Evidence Base

Rapid rehousing, defined as short term rental assistance and services, has **shown effectiveness** in helping people experiencing homelessness attain and retain permanent housing. Originally designed to serve the needs of people experiencing homelessness due to short-term financial crises, some jurisdictions have expanded to serve households with more intensive needs, such as those with no income or people with behavioral health needs.

1. **Nationally, various studies have shown that over 70% of rapid rehousing participants exit homelessness**, and that the program can help participants exit homelessness more quickly and less expensively than other interventions (e.g., shelter or transitional housing).
2. **In L.A., enrollment in the time limited subsidy program reduced future homelessness by 25%**, according to a California Policy Lab study of four-year outcomes for 3,677 individuals enrolled in time limited subsidy in Los Angeles between July 1, 2016 and June 30, 2018.

National Alliance to End Homelessness (2014). Rapid Rehousing: A History and Core Components.

<https://endhomelessness.org/resources/policy-information/rapid-re-housing-a-history-and-core-components/>

Blackwell, B., Santillano, R. (2023). *Do Time-Limited Subsidy Programs Reduce Homelessness for Single Adults?*. California Policy Lab, University of California.

<https://capolicylab.org/do-time-limited-subsidy-programs-reduce-homelessness-for-single-adults/>

How to Support Impacted Households

Risks to Sustaining Housing

- **Significant reduction in federal and state funding for homelessness response**, which means other options, like Section 8 vouchers, are not available.
- **Low income and comparatively high rent.**
 - For households that could bridge to independent housing, 41% of households in the adult program and 11% in the family program had income below \$250/month at the time of enrollment
 - Even with two years in the program, it is very difficult to raise income enough to cover the full cost of rent
 - Most households are contributing to rent (78% of households with income in the adult program and 92% of households with income in the family program), but less than 30% are covering more than 50% of rent costs
 - Program rents align with citywide averages: studio, \$1,710; one-bedroom, \$2,186; two-bedroom, \$3,002
- **City-funded interim housing is at 95% utilization with waiting lists**, and the shallow subsidy program is at full utilization, which creates a risk that households who lose their time limited subsidy could be exited to the street.

Investigating Pathways to Permanent Housing - *Three Distinct Populations*

<i>Population description</i>	<i>Pathway to permanent housing</i>	<i>Recommendations to sustain permanent housing</i>
<p>Households that could raise their income over time (Subset of 1,050 adults and 570 families not eligible for permanent supportive housing)</p>	<p>Bridge to increasing rent share, eventually responsible for full rent (temporary shallow subsidy)</p>	<p>Explore additional resources for shallow subsidies (LAHSA-administered shallow subsidy program is at full utilization)</p> <p>Explore more intensive case management and supportive employment: may be possible to increase rent share (source of income unknown)</p>
<p>Households likely to receive a fixed income for the foreseeable future (Subset of 1,050 adults and 570 families not eligible for permanent supportive housing)</p>	<p>Bridge to stable rent share; tenant not expected to contribute more than 30% of their income to rent (long-term shallow subsidy)</p>	<p>Explore additional resources for shallow subsidies (LAHSA-administered shallow subsidy program is at full utilization)</p> <p>Explore more intensive case management: may be possible to increase benefit enrollment (source of income unknown)</p>
<p>Households with intensive subsidy and service needs (60% of current households; 1,650 adults, 710 families)</p>	<p>Bridge to permanent supportive housing or other intensive resource (tenant not expected to contribute more than 30% of their income to rent)</p>	<p>Explore short-term prioritization for impacted households: LAHSA projects 4,569 project-based permanent supportive homes will be available countywide this fiscal year</p>

Impacted Households with Acute Needs - *Eligible for Permanent Supportive Housing*

Within LA City limits, there are 904 **households** who are eligible for permanent supportive housing, who are not yet matched to permanent supportive housing, and whose TLS rental and services support will end on June 30, 2026.

- **CD1:** 102 households
- **CD2:** 38 households
- **CD3:** 31 households
- **CD4:** 18 households
- **CD5:** 3 households
- **CD6:** 56 households
- **CD7:** 38 households
- **CD8:** 183 households
- **CD9:** 145 households
- **CD10:** 92 households
- **CD11:** 3 households
- **CD12:** 9 households
- **CD13:** 53 households
- **CD14:** 90 households
- **CD15:** 43 households

Proposed Next Steps

On September 24, 2025, the regional Coordinated Entry System (CES) Policy Council will vote on whether to **prioritize for permanent supportive housing**, for the next year, households with acute needs who are eligible for permanent supportive housing and whose time limited subsidy will not be funded after June 30, 2026.

LAHD is the City's designee to the CES Policy Council and invites Council guidance on how the Department votes

Proposed Next Steps

Support a regional strategy to prioritize PSH-eligible households for permanent supportive housing in the coming year

Develop and launch a pilot that will investigate whether more intensive case management can help households bridge toward independent housing by raising rent contributions and income

Strengthen program design and case management

- Work toward regional alignment on three clear tracks within the program (increasing income track; fixed income track; and intensive services and subsidy track), and route those with the most intensive needs to a more intensive form of case management (LAHSA's new Learning Pathways, starting in October, will help to reinforce this)
- Develop very clear, program-wide guidance that case managers can use to communicate increasing rent share responsibilities; support and monitor participant progress
- Develop stronger, consistent tools to support assessment:
 - Social benefit screening and enrollment
 - Document screening and support
 - Health screening and support
- Develop recommendations to address vacancies and caseload challenges, in partnership with providers

Continue to improve data

- Make it easier to document the frequency of in-person case management
- Work toward City participation in the centralized fiscal agent, which will allow more data on rent and rent contributions (this will require improving the City's payment process so funding can be used to pay rent when it is due)

Assess resource needs to sustain housing for impacted households

TECHNICAL APPENDIX

Metric	Data source	Methodology
Occupied PBV units in portfolio of City-funded PSH buildings (Slide 5)	RMS data extracted by LAHSA for HSC staff (September 2025) HACLA monthly PSH report (September 2025)	Count of all PBV units in City-funded PSH buildings with Master HAP agreement as of 9/1/25 (excluding HUD/VASH PBV), with status of “Occupied” in RMS on 9/3/25. HACLA occupancy data and PBV count used for three PSH buildings not yet in RMS.
Active participants in LAHSA-contracted Adult and Family time limited subsidy programs (Slide 5)	LAHSA <i>Time Limited Subsidy Active Participants</i> dashboard	Deduplicated count of households with move-in dates as of 8/29/2025 (extracted 9/3/25), filtered to LAHSA-contracted adult and family programs.
Number of unique active participants enrolled in City-funded interim housing programs (Slide 5)	LAHSA <i>Interim Housing Active Participants</i> dashboard	Unique participants enrolled in one of the following City-funded programs in LA City as of August 29, 2025: A Bridge Home, City Roadmap, Project HomeKey, Tiny Home Villages and Inside Safe (as identified from LAHSA data by HSC staff). Data extracted 9/3/25.
Slots and utilization in LAHSA-contracted time limited subsidy programs (Slide 7)	Report provided to HSC by LAHSA data team	June 2025: sum of participants housed in LAHSA-contracted programs as of 6/30/2025, with utilization calculated as share of total contracted slots in FY24-25 across LAHSA-contracted programs.
	LAHSA <i>Time Limited Subsidy Active Participants</i> dashboard	August 2025: deduplicated count of households with move-in dates as of 8/1/2025 (extracted 8/11/25), filtered to LAHSA-contracted programs. Utilization calculated as share of total contracted slots in FY25-26 across LAHSA-contracted programs.
Share of exits from time limited subsidy programs by destination (Slides 11 and 12)	LAHSA <i>Time Limited Subsidy Exits</i> Dashboard	Total percentage of all deduplicated household exits to “Permanent Situation” and to “Unknown” or “Place not meant for habitation” in each period, as extracted September 8, 2025 (data as of 8/29/25). All data is derived from HMIS and does not include any DV/IPV sites.
Current status of households that have exited from time limited subsidy programs (Slide 12)	LAHSA <i>Time Limited Subsidy Exits</i> Dashboard	Count of unique households by status in HMIS as of 9/10/25 (“current status”) and initial time limited subsidy exit destination (as linked by LAHSA in Tableau using unique client identifiers (of head of household). Households categorized as “Currently enrolled in PSH” have a move-in date to a PSH program and have not exited from that program; households categorized as “Currently enrolled in Interim Housing” have a move-in date to an IH program and have not exited from that program. Households are categorized as “Deceased” if their most recent exit destination is “deceased” and they are not active in any other programs. Households categorized as “Enrolled in SUD/med/psych facility” if they are actively residing in a facility to address substance abuse, medical or psychiatric needs, and as “Incarcerated” if currently in a correctional institution. Household are categorized as “Returned homeless” if enrolled in a program for unsheltered individuals, and as “No active enrollments” if they are no longer enrolled in any program. Data extracted by HSC on 9/11/25.

TECHNICAL APPENDIX

Metric	Data source	Methodology
Distribution of monthly household income at enrollment for time limited subsidy participants by acuity level with move-in dates (Slide 15)	HSC analysis of HMIS data for time limited subsidy population as provided by LAHSA on internal <i>Time Limited Subsidy Stabilization</i> dashboard	Unique count of time limited subsidy household with move-in dates by acuity level, program, and monthly household income distribution at enrollment. Acuity level uses HAI assessment if available, and CES assessment if no HAI assessment has been completed. Program assumed based on household size (Adult program if 1 person household, otherwise Family program). Data as of 8/29/25, extracted 9/5/25.
Distribution of monthly contract rent for time limited subsidy participants in programs engaged with central time limited subsidy fiscal agent (Slide 15)	HSC analysis of Journey data for time limited subsidy population as provided by LAHSA on internal <i>Time Limited Subsidy Stabilization</i> dashboard	Unique count of time limited subsidy household with move-in dates by program, and contract rent level. Program assumed based on household size (Adult program if 1 person household, otherwise Family program). Contract rent available only for programs with providers that have opted to time limited subsidy central fiscal agent; distribution excludes households for which no data is available. Data as of 8/29/25, extracted 9/5/25.
Distribution of agreed monthly rent contribution for time limited subsidy participants in programs engaged with central time limited subsidy fiscal agent (Slide 15)	HSC analysis of HMIS and Journey data for time limited subsidy population as provided by LAHSA on internal <i>Time Limited Subsidy Stabilization</i> dashboard	Unique count of time limited subsidy household with move-in dates by acuity level, program, and tenant share amount. Acuity level uses HAI assessment if available, and CES assessment if no HAI assessment has been completed. Program assumed based on household size (Adult program if 1 person household, otherwise Family program). Tenant share amount available only for programs with providers that have opted to time limited subsidy central fiscal agent and reflects agreed upon tenant contributions (may not align with actual amount paid); distribution excludes households for which no data is available. Data as of 8/29/25, extracted 9/5/25.
Distribution of agreed monthly rent contribution as a share of contract rent for time limited subsidy participants in programs engaged with central time limited subsidy fiscal agent (Slide 15)	HSC analysis of HMIS and Journey data for time limited subsidy population as provided by LAHSA on internal <i>Time Limited Subsidy Stabilization</i> dashboard	Unique count of time limited subsidy household with move-in dates by acuity level, program, and agreed tenant share as percentage of contract rent. Acuity level uses HAI assessment if available, and CES assessment if no HAI assessment has been completed. Program assumed based on household size (Adult program if 1 person household, otherwise Family program). Tenant share amount available only for programs with providers that have opted to time limited subsidy central fiscal agent and reflects agreed upon tenant contributions (may not align with actual amount paid); distribution excludes households for which no data is available. Data as of 8/29/25, extracted 9/5/25.
Distribution of agreed monthly rent contribution as a share of contract rent for time limited subsidy participants in programs engaged with central time limited subsidy fiscal agent by months since move-in (Slide 15)	HSC analysis of HMIS Journey data for time limited subsidy population as provided by LAHSA on internal <i>Time Limited Subsidy Stabilization</i> dashboard	Unique count of time limited subsidy household with move-in dates by acuity level, months since move-in, and share of rent paid. Acuity level uses HAI assessment if available, and CES assessment if no HAI assessment has been completed. Tenant share amount available only for programs with providers that have opted to time limited subsidy central fiscal agent and reflects agreed upon tenant contributions (may not align with actual amount paid); distribution excludes households for which no data is available. Data as of 8/29/25, extracted 9/5/25.