

REPORT OF THE CHIEF LEGISLATIVE ANALYST

DATE: November 26, 2025

TO: Honorable Members of the City Council

FROM: Sharon M. Tso
Chief Legislative Analyst

Council File No: 25-0689, 25-0699
Assignment No.: 25-09-0792

SUBJECT: Establishment of a City of Los Angeles Continuum of Care

SUMMARY

On August 15, 2025, Council approved Motion (Jurado–Lee) instructing the Chief Legislative Analyst (CLA), with assistance of the City Administrative Officer (CAO), the Los Angeles Housing Department (LAHD), the City Attorney, and other relevant departments, to report on the necessary steps to form a City Continuum of Care (CoC), including elements such as responsibilities, authorities, structure, funding, federal compliance requirements, timing and staffing (C.F. 25-0699). Further, on September 10, 2025, Council approved Motion (Lee–Jurado) instructing our Office to report on the feasibility, potential benefits, and possible drawbacks of the City establishing its own CoC, independent of the County (C.F. 25-0689). The Motion also instructs LAHD and the Community Investment for Families Department to report on the structure of federal grants issued by the U.S. Department of Housing and Urban Development (HUD), and to assess how the City could remain competitive in securing federal funding if the City established its own CoC.

In response, our Office met with representatives from HUD to discuss these Council instructions, and to seek input from them on the process to form a City-specific CoC (“City CoC”). We also review the current structure of the CoC to which the City is a party. With reference to these sources of information, we present the steps to form a City CoC, and the federal requirements associated with those steps. We then detail the roles and responsibilities, structure, and authorities for the City, as well as funding and timing associated with formation of a new City CoC. Review of this information highlights challenges to City CoC formation, such that we cannot identify immediate, short-term benefits at this time.

The review, however, resulted in the identification of other structural changes that could address City needs. In this report, we describe alternative structures whose benefits may be similar to those achieved under an independent City CoC, by which the City may avoid the immense challenges associated with a CoC formation process. These alternative structures show options for the City to create a different program delivery model for City resources within the current CoC. These alternatives could be more responsive to City priorities, while remaining engaged with the regional homelessness response system. This report concludes with a suggestion to address current concerns, should Council wish to further explore reforms to the current CoC structure.

RECOMMENDATION

That the City Council note and file the report.

BACKGROUND

The Homeless Emergency Assistance and Rapid Transition to Housing (HEARTH) Act of 2009 updated the McKinney–Vento Homeless Assistance Act of 1987 to establish a single grant program called the Continuum of Care (CoC) Program. The HEARTH Act also codified into law enhancements to the CoC Program planning process and certain roles and responsibilities for the administrative body, known as the Collaborative Applicant, which is tasked with the policy and CoC administrative functions to conduct the affairs of a CoC. Subsequent HUD rulemaking further refined federal statutes to clarify CoC Program components (e.g., permanent housing, supportive services, prevention, etc.), eligible costs (e.g., acquisition, rehabilitation, construction, leasing, rental assistance, supportive services, operating costs, etc.), as well as process clarifications.

Within the CoC Program, the CoC itself may be thought of as an organizing principle to allocate federal funding for homelessness services, and governing structure under which those services may be coordinated and delivered. It is not a legal entity. The City is currently a member of the Los Angeles City and County CoC (“LA CoC”) (CA-600), which includes unincorporated County areas and 85 cities in the County. Pasadena, Long Beach, and Glendale each have established their own CoC. For the LA CoC, the Los Angeles Homeless Services Authority (LAHSA) serves as the Collaborative Applicant. For Fiscal Year 2025-26, the LA CoC was awarded approximately \$220 million in funding for 133 unique projects under the CoC Program. The federal Youth Homelessness Demonstration Program (YHDP) and the State Homeless Housing Assistance Prevention (HHAP) Program are independent federal grant programs that also allocate funding to the LA CoC.

In practice, the CoC Program is intended to streamline homeless response efforts as follows:

- Promote community-wide planning and strategic use of resources;
- Improve coordination and integration with mainstream resources and other programs;
- Improve data collection and performance measurement; and
- Allow each community to tailor its programs to the strengths/challenges to assisting people experiencing homelessness (PEH) within that community.

Should the City decide to move forward with establishing its own CoC, the governance plan to implement this must be framed by these key concerns. The City’s plan should show how a City-specific CoC would, for example, incorporate community planning, coordination of resources, and data collection to better address the needs of PEH. Further, the governance plan must also be responsive to the HUD-required steps to CoC formation, as discussed below. Particular attention to step 2 (Stakeholder Vote) is essential, as the stakeholders identified will decide upon the type and character of the City CoC that would ultimately be established.

DISCUSSION

This report begins by presenting the steps to form a City CoC, as informed by discussions with HUD. Then, pursuant to Motion (Jurado–Lee), the report discusses the process considerations connected with formation of a City CoC. This discussion includes the roles and responsibilities, structure, and authorities, as well as timing and funding associated with its formation. Pursuant to Motion (Lee–Jurado), this report addresses potential drawbacks and benefits for the City in forming its own CoC. However, the analysis below highlights so many drawbacks associated with formation of a City CoC that we cannot identify immediate, short-term benefits.

Instead, we note alternatives to City CoC formation, as informed by the discussions with HUD, which could provide actual benefits to City management and administration of its resources within the homeless response system. We present those alternatives at the end of this discussion to show that the City has options other than a CoC formation to address ongoing concerns with the current LA CoC program delivery model.

STEPS TO CREATE A CONTINUUM OF CARE

Below are presented the five technical steps to create a new CoC and associated federal requirements, as described by HUD. These are preconditions for CoC formation. The steps are as follows:

1. Notification to the Los Angeles CoC Board
2. Stakeholder vote to approve creation of a City CoC
3. Governance charter to ensure HUD regulatory compliance
4. Evidence of Coordinated Entry Process
5. Homeless Management Information System (HMIS) operation

It should be noted that all costs associated with implementation of these steps must be borne by the local jurisdiction seeking to form a CoC. Formation of a CoC is not eligible for HUD reimbursement. Should Council choose to further investigate City-only CoC formation, a budget to implement such an action should be developed for Council consideration.

1. Notification

The City must formally notify the current LA CoC Board that the City is exploring the opportunity to create its own CoC. According to HUD, this may be accomplished via written notification of the City's intent to pursue a standalone City CoC.

2. Stakeholder Vote

To form a CoC, a stakeholder vote must be held which requires HUD approval. HUD will consider the composition of stakeholders and voting process to determine whether to approve the vote.

In order to identify stakeholders, the City must determine which local partners would constitute the General Membership of its CoC. According to HUD, stakeholders may include the following, to the extent they are available to participate: nonprofit homeless services providers, victim service providers, faith based organizations, governments, businesses, advocates, public housing agencies, school districts, social service providers, mental health agencies, hospitals, universities,

affordable housing developers, law enforcement, and homeless and formerly homeless persons. HUD advises that other cities in the current LA CoC do not need to be included, as the City would not be seeking permission to leave the existing CoC.

After deciding upon the composition of the CoC General Membership, the City would decide upon a time and venue to hold a vote on whether to proceed with CoC formation. Sufficient notice for the action is required. Prior to the vote, HUD could validate the City's procedures for determining stakeholders, as well as the proposed process to hold a vote, though it is not a requirement. It may be best practice for the City to seek HUD validation of the entire process throughout its implementation. If not validated prior, HUD may not approve a successful vote if there are concerns with the administrative or stakeholder identification process. HUD further advises that it would only approve a vote that achieves at least two-thirds consensus among the identified stakeholders.

HUD also notes that this step requires significant effort on the part of the jurisdiction to effectuate a vote. For example, after deciding upon the stakeholders and how many seats each stakeholder group would hold in the CoC General Membership, the City would be required to ensure that a quorum of representatives are present, and then present evidence of that vote and process to HUD. It is important to note that all costs and resources dedicated to this step must be borne by the local jurisdiction, including efforts to provide public notice, identify and reach out to stakeholders, build consensus, as well as to administer and report on the vote.

3. Governance Charter

Once a vote by the CoC General Membership has been approved by HUD, the CoC General Membership must adopt a governance charter to ensure that the CoC meets the relevant regulatory requirements in the delivery of homelessness services, such as complying with federal Fair Housing Law and the Americans with Disabilities Act. HUD notes that Governance Charters tend to be pro forma; however, there are opportunities to define certain conditions of service delivery which are not related to complying with federal regulatory requirements. For example, HUD advises that it can be beneficial for a Charter to outline the process for selecting a Collaborative Applicant to administer a CoC, though it is not a federal requirement to do so.

The Governance Charter generally assigns roles to three entities, which have distinct functions in a CoC. First, there is a CoC General Membership whose primary role is to agree to the governance structure and approve the Charter. The General Membership may also have an ongoing role in CoC oversight, which would be defined in the Charter. Second, and separate from the CoC General Membership, is the CoC Board. Governance Charters generally assign management oversight authorities to the CoC Board, including a staff function to oversee policy and planning, the Homeless Management Information System (HMIS), and the Coordinated Entry process. Governance Charters can also stipulate that the CoC Board delegate certain policy and administrative functions to other entities, including a Collaborative Applicant. However, the role of the CoC Board is flexible and not limited to the above examples; the CoC Board could retain all authorities and staff functions necessary to oversee the work, or none at all. Third, the Governance Charter can define a process to select a Collaborative Applicant to serve as CoC Administrator and implement day-to-day policy and administrative functions, such as oversight

of HMIS and Coordinated Entry. The Collaborative Applicant can be a City department, a service provider, a non-profit organization, or government agency.

As a result, it should be noted that the City's role in the CoC would not be directly decided by City elected officials, but rather by the CoC General Membership. The City's role could be diminished or enhanced relative to its current situation through the formulation of the Governance Charter itself.

4. Coordinated Entry

HUD requires evidence of a Coordinated Entry process that standardizes the way in which individuals and families experiencing homelessness are assessed for and referred to housing and services in the CoC. To meet this requirement, the City should show that there is a body assigned to develop coordinated entry policies, as well as a staff function that can support its implementation. These functions can be defined in the Governance Charter, though HUD notes that this functionality may still be in development at the time of Governance Charter adoption. As such, HUD will consider and approve a plan to implement Coordinated Entry that may be effectuated after CoC formation.

HUD advises that only CoC- and Emergency Solutions Grant (ESG)-funded programs are required to participate in the Coordinated Entry process. Other grant-funded projects, such as those delivering services to veterans and senior citizens, as well as State, local, and special funded programs that specifically serve City PEH, are not required to participate in Coordinated Entry. In effect, City homelessness resources, such as City Proposition HHH-funded Permanent Supportive Housing (PSH) units, City HHAP-funded interim housing beds, and Time Limited Subsidies (TLS) funded with local discretionary funds, for example, are not required by the federal government to be prioritized and matched through the Coordinated Entry process.

5. HMIS

Federal regulations require that each CoC maintain and operate an HMIS, which service providers within the CoC must use to record and track client services. Each CoC must execute a Memorandum of Understanding (MOU) with an administrative entity to operate an HMIS. The City CoC could establish its own HMIS or continue to collaborate with LAHSA's HMIS. If the City were to create its own CoC, HMIS and LAHSA homelessness data would need to be migrated to an entirely new server/system, which may also require that the City undertake a procurement process to select a vendor to manage the platform. Alternatively, the City could remain within the current HMIS, which serves the LA CoC as well as Glendale, Pasadena, and Long Beach.

HUD advises that the HMIS implementation phase is the most complex technical step in the process. A new City HMIS formed by the transfer of tens of thousands of active participants, and potentially hundreds of thousands of historic profiles, would present significant logistical challenges to implement. Doing so would also likely require that dozens of homeless service providers receive technical assistance to adapt their data management practices to a new system. Further, the City would bear the full cost of implementation of a new HMIS. Historically, the City has expended millions of dollars to develop new information management systems.

Remaining within the existing HMIS would thus be the most efficient way to proceed, as it would ensure that HMIS continues without interruption, and there would be no significant costs incurred. Otherwise, forming a City-only HMIS would likely require several years for the City to establish while requiring the City to expend several million dollars to implement.

NEW COC PROCESS CONSIDERATIONS

Process considerations related to formation of a CoC are discussed below. Should the City choose to undertake such an effort, HUD advises that the process of CoC formation represents an immense challenge for local jurisdictions. We therefore provide additional detail on that process, in particular as it relates to the assignment of roles and responsibilities under the Governance Charter. As well, we discuss the governance structure of a City CoC within the context of the current LA CoC, particularly as it relates to management of the HMIS and the Coordinated Entry process. Finally, timing and funding sources for formation of City CoC are considered in order to fully realize the process.

Roles and Responsibilities

Though the City would initiate the process to form a City CoC by notifying the current LA CoC Board and holding a stakeholder vote, it is the role of CoC General Membership to oversee creation of a CoC Governance Charter. The Charter would outline the process to achieve step 4 (Coordinated Entry) and step 5 (HMIS Operation), as well as on-going organizational roles and responsibilities. Further, HUD advises best practice for the General Membership is to ensure that the Governance Charter stipulates a process by which to select a Collaborative Applicant.

For Coordinated Entry and HMIS Operation, HUD notes that federal regulations are flexible for various entities to assume these responsibilities. For example, the City could be designated to manage Coordinated Entry, while a separate non-profit or government agency implements the HMIS. However, such specific roles and responsibilities would be dependent upon Governance Charter provisions. Similarly, the Governance Charter could provide for City administration of the CoC, such as the LAHD Bureau of Homelessness Oversight; or it could require that the General Membership or CoC Board make a decision to select the Collaborative Applicant. Other CoCs have designated foundations, housing authorities, or hospitals as Collaborative Applicants.

If a Collaborative Applicant is designated, none of these external entities fall under the purview of the City to directly manage. However, it is possible to designate a City Department as Collaborative Applicant. The role of the Collaborative Applicant may be defined in the Governance Charter as well, including such responsibilities as budgeting and fiscal planning, grants administration, and reporting.

Structure and Authorities

The governance structure of the LA CoC is described in the current Governance Charter¹, which was last updated and approved on December 11, 2024, by the LA CoC General Membership. The LA CoC designates LAHSA as Collaborative Applicant to oversee the resources and delivery of services that are connected to the Coordinated Entry process. As such, under the current Governance Charter, LAHSA is assigned the role of CoC administrator, including the responsibility to implement the HMIS and Coordinated Entry process. Governance of the HMIS

¹<https://www.lahsa.org/documents?id=8693-la-coc-governance-charter-approved-version-12-11-2024>

and Coordinated Entry process in the LA CoC are discussed further below. It should be noted that, in the LA CoC, the Coordinated Entry process is referred to as the “Coordinated Entry System,” or “CES.” In addition, the LA CoC has designated LAHSA to develop federal CoC Program funding priorities and project recommendations.

HMIS Governance

The LA CoC General Membership has delegated authorities related to management of the HMIS to the LA CoC Board, which is a 21-member body with one seat reserved for the City. The LA CoC Board has in turn designated LAHSA to implement the HMIS policies and procedures². As a result, LAHSA is tasked with data collection and management with respect to all homeless service providers across 85 cities, as well as unincorporated County territory, within the CoC. LAHSA, as HMIS Administrator, has also executed data-sharing agreements with the Pasadena, Glendale, and Long Beach CoCs. To improve HMIS management in the region, establishment of a new HMIS Collaborative is underway that is intended to support streamlining in such issue areas as the HMIS Policies and Procedures, Privacy and Security, Data Sharing Agreements and Data Use Agreements, vendor/software performance, etc. The HMIS collaborative is to have 25 members, with one seat reserved for the City. Under a City CoC, this arrangement could continue or the City could establish its own HMIS, as discussed above.

Coordinated Entry System Governance

Authorities related to implementation of the CES are delegated to the LA County CES Policy Council, which is a body composed of twenty-five stakeholders, with one seat reserved for the City. The LA CoC Board has similarly designated LAHSA to implement the CES. The LA County CES Policy Council approves policies related to prioritization and matching of PEH to PSH (see: Attachment III to the CLA report, dated April 7, 2025 [C.F. 24-0327]). PSH development and construction is largely a competency of the City and Public Housing Authorities (PHAs) within the CoC; however, only two seats are allocated to PHAs and one seat to the City itself, as noted, out of a total 25 seats. As a result, it may be perceived that this structure does not include sufficient City oversight over resources the City has added to the homeless response system of the LA CoC.

A City CoC may be a solution to correct for this deficit of authority. The intent would be that a City CoC would be structured in a way that provides for greater City oversight over the use of City resources within the CoC. However, this structure would be wholly dependent upon provisions of the City CoC Governance Charter. City oversight of the Coordinated Entry process might be effectuated by designating specific City stakeholders to an oversight body, similar to the LA County CES Policy Council, that would oversee the Coordinated Entry process. The City’s authority to appoint members to this body would be determined by stipulations in the Governance Charter, which may provide a means for the City to appoint directly, as it would, for example, to the LAHSA Commission. Further, for the City to directly manage City resources, not simply oversee their usage, the designated Collaborative Applicant would likely need to be a City department.

²<https://www.lahsa.org/documents?id=1128-la-hmis-policies-and-procedures.pdf&ref=hmis>

Timing and Funding

Implementation of steps four (Evidence of Coordinated Entry) and five (HMIS Operation) are highly technical in nature. Proper timing related to these final two steps would ensure no disruption of services to PEH, as HMIS data and Coordinated Entry policies provide the mechanisms by which to efficiently deliver services. For this reason, HUD advises that it would provide the City with flexibility on timing to roll out a Coordinated Entry process and HMIS to track PEH progress within that system. However, formation of a City CoC would require significant planning to avoid disruptions to services and coordination with LAHSA, the County, and service providers. At present, the City does not have the requisite staff dedicated to plan and effectuate such a transition, even once the Bureau of Homelessness Oversight is fully staffed per the City's Adopted 2025-26 Budget (see LAHD report, dated August 20, 2025, for detail concerning ongoing Bureau staffing requirements [C.F. 25-0207-S1]).

In terms of funding, federal CoC Program funds support the program components and eligible costs noted previously; federal YHDP and state HHAP grants funds are also allocated to CoCs. However, it is unclear to what extent these sources of funds could be captured to support or bolster City-funded programs operated under a City CoC. It may be that these funds are already committed to various purposes over which the City CoC would simply assume oversight and management. In that case, funding sources unique to the CoC could not be leveraged to support additional services and/or administration of a City CoC. Further, there may be reductions in federal funding available to a City CoC if established. For example, in 2013 the Atlanta/Roswell/DeKalb-Fulton Counties CoC split into several smaller independent CoCs, including Atlanta. The split appears to have reduced funding for the smaller CoCs, as the CoC Program award for the Georgia Balance of State CoC has increased by a wider margin (2.75x) than Atlanta (2x).

In addition, some funds have time limits attached to their expenditure. The City's ability to expend such program funds in a timely manner would be dependent on a comprehensive planning process to apply for and receive such federal funds. This process would likely mirror the City's current management and deployment of the federal grants under the City's Consolidated Plan (C.F.'s: 25-0525; 24-0500, etc.).

ALTERNATIVE APPROACHES

The current CoC structure, and diffusion of roles and responsibilities therein, present barriers to management of City resources within the current system. Nevertheless, there are several challenges to CoC formation, which would require significant City resources and HUD approval to achieve. For reference, we understand it took Atlanta three years to create its own CoC. Challenges include bearing the full cost of the formation process; administration and stakeholder identification relative to the Stakeholder Vote; and implementation of the technical steps, as described above. Further, HUD alerted us to the fact that, out of some 60 attempts for local jurisdictions to create their own CoCs, only six such efforts have been successful. Additionally, efforts to form breakaway CoCs may cause diminished federal funding for the jurisdiction, as well as for the larger system in which that jurisdiction was located.

HUD suggested to our Office that there could be additional pathways to address City concerns without leaving the LA CoC. The City's ability to implement such alternate structures for the organization of its homelessness resources is predicated upon the fact that only CoC- and

ESG-funded programs are required to participate in Coordinated Entry. Local- and State-funded programs are not required by HUD to participate in the LA CoC CES. In that context, it may be possible to develop a Coordinated Entry process that serves the City's requirements more directly, and to seek alignment with the State and County should these entities require particular involvement. Further, organizing City resources under geographies that are responsive to City jurisdictional bounds is also an option. Such alternatives, which should be seen as complementary, are discussed below.

Coordinated Entry Process

One pathway to addressing City concerns could be to make reforms to the current CES process.

HUD informs our Office that the City can create different Coordinated Entry processes responsive to programs funded by City sources of funds for homeless services. To implement an alternative approach to Coordinated Entry, City staff could develop a program, in consultation with LAHSA and the County. Negotiations could lead to several new system settings. There may be other options to system organization which are not contemplated in this report; however, we focus on the following three options, as they reflect varying degrees to which the City could seek to make reforms to CES to exercise greater control over its homelessness resources.

The following options outline greater levels of City autonomy in the Coordinated Entry process. These options are not mutually exclusive, so they can be combined, as well as included, in other solutions.

Establish a City SPA

Currently, LAHSA allocates resources consistent with the County Service Planning Area (SPA) system, which divides the County into eight service areas. The SPA system currently splits the City among five SPAs and is the only municipality in the system that is split in this manner. Establishing a ninth SPA composed of the City only (i.e., "City SPA") could utilize the County's existing system of homeless service provision and thus likely not require new staffing. Instead, the City SPA would leverage existing LAHSA CES Coordination in order to prioritize PEH for City resources. This reform would serve to organize homelessness resources within City jurisdictional bounds; however, the City would continue to have limited direct control over its own resources within the City SPA.

This option could also serve to address the use of Measure A resources in the City, once they are withdrawn from LAHSA, beginning in Fiscal Year 2026-27. By negotiating with the County to create a City-only service area, it may be possible for the City to advocate for, and receive reporting, on Measure A funding that is dedicated to services and support for PEH located in the City. Should the County decline to organize its resources in such a manner, it would likely be possible for LAHSA to restructure its service organization to reflect a City SPA, as County funding for most homeless services would be withdrawn from LAHSA. This option is discussed below, as it relates to creation of a City Coordinated Entry process and regional networks therein.

Revisit the City CES Alternate

An alternative to the LA County CES was previously instituted by LAHD with respect to the lease-up of certain new PSH developments, but this process was never codified in City

legislation, nor in the policies governing the LA CoC CES. When attempting to activate the pilot, the City encountered difficulty in implementation with the County. The strategy piloted by LAHD might provide the City a starting point to develop a fully functional alternative to the current system for current PSH placements that is more reflective of City needs. This option would likely involve codifying this approach within the current LA County CES policies and ensuring the County's agreement with the approach.

For example, the current MOU between the City and the County concerning Intensive Case Management Services (ICMS) allows for the County to move its clients into twenty percent of the City's Proposition-HHH funded PSH units where the County provides ICMS. However, the MOU does not clarify how that twenty percent is tracked to be consistent with the MOU after lease up of a given PSH occurs. Further, under the current CES, the City is unable to directly determine which populations in the City are prioritized for those units. Under the CES Alternate approach, the City could seek to negotiate with the County to the effect that matching for City-funded PSH units occurs independently of the CES administered by LAHSA, as there are generally no federal funds attached to these buildings.

To effectuate, the City might negotiate a process with the County that adheres to the MOU regarding ICMS, while the City administers lease up and filling of vacant PSH units. As a result, unlike the City SPA option, this option would likely require additional City staff to perform this function.

Create a City-operated Coordinated Entry Process

Another option would be for the City to have its own Coordinated Entry process. In such a system, the City could be the lead for service coordination and prioritization of other components of the Coordinated Entry process beyond PSH, including street outreach, interim housing, and TLS. Once established, the Bureau of Homeless Oversight could be assigned to manage it. However, the Bureau of Homeless Oversight is pending approval of its staffing plan and not yet fully functional. In view of these constraints, the City would likely need to identify and/or create additional Full-Time Equivalent positions to effectuate such a City-specific Coordinated Entry process. Nevertheless, if those challenges are addressed, LAHD could be assigned as the lead over a Coordinated Entry process involving City resources.

Further, in a City-operated Coordinated Entry process, the City could consider regional subgeographies of the City to organize the coordination and prioritization of homelessness resources, as well for resource allocation. This organizational structure is further discussed below.

Regional Networks

HUD also informs our Office that there is flexibility to reform the Coordinated Entry process to reflect geography-based solutions, and to create regional networks within each CoC. At present, the Service Planning Area (SPA) system of the LA CoC organizes resources with respect to the boundaries established by the County of Los Angeles. However, different service subregions could be established, such as disaggregating the SPA system to reflect City boundaries or service regions based on community needs.

For example, the entire State of Montana CoC is included within a single CoC. As a large state with distinct geographic regions, the Montana CoC implements an association of regional networks to conduct referrals and assessments within specific geographic sub-units of the State. The Montana CoC thus devolves coordination and management of service delivery to local/regional administrations within the entire state. Importantly, HUD notes that these geographically discrete regions conform to the places that a homeless person would go to receive assistance. The LA CoC has a similar approach, with the County SPA structure as the geographical unit; however, as noted in the CLA report, dated April 22, 2025, the SPA structure is imbalanced and not ideal for the City (C.F. 23-1182). The implementation of regional subunits in the City to organize homelessness response could result in better service to the City and more effective use of City resources. For example, the April 2025 CLA report concerning outreach resources states that regional outreach coordination could be based upon geographically-defined, i.e., naturally occurring borders/ climate zones, as well as evidence-based boundaries, i.e., according to PEH movements/ historic communities. It should be noted that HUD advised that City Council Districts would not likely meet these criteria and advises against such organization.

If established, regional networks could be used to organize service delivery within the homelessness response system that serves the City. Within these subgeographies, coordination related to outreach could support matching and prioritization for Interim Housing and Permanent Housing, including TLS. If the County were to participate, these regions could coordinate County Mainstream Services, as well.

ADDITIONAL CONSIDERATIONS

After discussing the alternatives noted above, HUD released a CoC Program Notice of Funding Opportunity (NOFO) that would, among other changes, reapportion funding that supports permanent housing programs to temporary housing initiatives. At such time as the LA CoC applies for CoC funding, and receives notice of an award, the role of CES for City resources should be reevaluated in the context of the homelessness response system that will result from changes outlined in the CoC Program NOFO.

CONCLUSION

Meetings with HUD produced the key insight that there is a lot of variability in the program delivery model within and across CoCs. For example, the process for housing PEH can be different; policies to determine how placements are made may vary; and even separate projects within the same CoC can be treated differently. Alternative models described above could leverage the flexibility available for local jurisdictions to structure services delivery to meet the needs of PEH within that geographic region. As such, by instituting a City CES and a City geographic service system, the City could conceivably set up a sub-regional system of street outreach and other street management services; placement into Interim Housing; and then placement into TLS, affordable housing, and other permanent housing that more effectively meets City needs.

As the costs and time required to form a City CoC are extensive, it is difficult to identify short- and medium-term benefits to this solution. Therefore, this report does not recommend that the City proceed with exploring formation of a City CoC at this time. However, if Council chooses to move forward with formation of a City CoC, the following are required:

- Funding to implement the City CoC;
- Staffing dedicated to planning and process implementation; and
- Significant time commitment across multiple years for the City to complete the process.

Alternatively, should Council wish to address concerns at this time with the current system of service delivery under the LA CoC, without forming a City CoC, Council could instruct our Office, with the assistance of the CAO and LAHD, to report on any or all of the following alternative program delivery models relative to a Coordinated Entry process for City resources:

1. Establishment of a City SPA, including:

- System of service provision that could utilize existing County structures.


2. Development of a CES Alternate, including:

- Process by which the City administers lease up and filling of new and vacant PSH units, in adherence to the MOU with the County concerning ICMS;
- Policies and procedures for the City to perform the above function, and associated personnel requirements.

3. Creation of a City-operated Coordinated Entry Process, which would contemplate:

- Development of an alternative program delivery model, i.e., Coordinated Entry process, for City resources dedicated to homelessness response, including:
 - Sub-geographies for integrated service delivery, from outreach to assessments/referrals to interim and permanent housing, and potentially co-alignment with County Mainstream Services;
- Governance plan and framework that considers the above, including City staffing, for homeless response relative to City programs funded by City sources of funds.

Reporting relative to each option would require our Office to seek feedback from governmental partners and agencies on the proposed plan, as well as potential effects on the development of the County Department on Homelessness.


 David L. Wimsatt
 Analyst