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DATE: June 23, 2020

TO: Los Angeles County Board of Supervisors

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SUBJECT: Los Angeles County COVID Recovery Plan for Homelessness

BACKGROUND ON COVID-19 RESPONSE AND RECOVERY PLAN MOTION

As of June 22, there have been 85,942 recorded cases of COVID-19 in Los Angeles County, with 3,137 recorded deaths. The Board of Supervisors has gone to great lengths to reduce the spread of COVID-19 since mid-March, instituting a shelter at home order, social distancing measures, and taking vital steps to protect vulnerable populations who face a heightened risk of hospitalization or death if infected with COVID-19.

Los Angeles County must continue these efforts to protect vulnerable people, especially people experiencing homelessness. This population has disproportionately high rates of underlying health conditions, cannot effectively physically distance, and faces compromised or reduced access to hygiene infrastructure. Estimates from researchers Dennis Culhane and Randall Kuhn estimated that without concerted action, as many of 27,750 people experiencing homelessness in Los Angeles County could become infected with COVID, leading to nearly 3,000 hospitalizations and nearly 500 deaths.

In response, Los Angeles County, in partnership with LAHSA, the State of California, cities, and private motel and hotel operators launched Project Roomkey, to bring an especially vulnerable subset of the homeless population into hotel and motel rooms where they could isolate, practice social distancing, and reduce their likelihood of contracting COVID-19. To date, Project Roomkey has brought 3,684 people experiencing homelessness into hotel and motel sites, with a focus on the most vulnerable.

On May 12, 2020, the Board of Supervisors approved a motion (Item No. 4, May 12, 2020 Agenda, authored by Supervisors Kuehl and Ridley-Thomas) directing the Los Angeles Homeless Services Authority (LAHSA) to work in conjunction with partner agencies to develop a recovery plan for homelessness. The Board directed LAHSA to report back in 15 days with a plan framework, along with a full plan with goals and objectives in 30 days.

RECOVERY PLAN FRAMEWORK

LAHSA, working in conjunction with the Chief Executive Office's (CEO) Homeless Initiative (HI), the Department of Health Services (DHS) Housing for Health (HFH) and Office of Diversion and Re-Entry (ODR), the Department of Mental Health (DMH), the Department of Public Health (DPH), the City Administrative Officer of the City of Los Angeles (CAO)

[developed the framework](#) and presented it to the Board on May 26, 2020. In addition to providing a framework, the May 26, 2020 interim report back identified the following goals for the recovery plan:

1. **No Returns from COVID-19 Response to the Street:** Anyone sheltered through Project Roomkey or any of the other COVID-response interim housing should not exit back to unsheltered homelessness;
2. **Rapidly House 15,000 of the Most Vulnerable People:** With COVID likely to continue to present a threat to the health and safety of Angelenos, this recovery plan should move 15,000 of Los Angeles County's most vulnerable people experiencing homelessness into housing as rapidly as possible. These housing placements should be in addition to the thousands that the Los Angeles homeless system already expects to house to ensure that this commitment does not reduce needed resources for families, youth, and other individuals.
3. **Reduce Inflow into Homelessness:** As COVID leads to dramatic increases in unemployment, inflow into homelessness is expected to spike. This plan should ensure both that upstream systems take measures to keep people in their homes while also scaling up the prevention tools of the homeless system.
4. **Prepare Systems for Future Crises:** While the Los Angeles homeless system has scaled up rapidly to address the moment at hand, it has placed inordinate strain on the system. A recovery plan should put in place the mechanisms to ensure the system can scale up as needed when faced with future crisis.
5. **Ensure Racial Equity Throughout:** Prior to COVID-19, homelessness disproportionately impacted the Black and African American community in Los Angeles. With COVID-19 exacerbating this racial inequality, a COVID recovery plan must actively address racial inequality.

SUMMARY OF RECOVERY PLAN

As outlined in the enclosed proposed plan, in the immediate weeks ahead, the Los Angeles homeless services system is poised to begin moving 15,000 of the most vulnerable people experiencing homelessness, including people aged 65 and over, people with underlying health conditions, and people with other high-acuity needs into housing. The proposed re-housing recovery strategy utilizes an infusion of one-time resources to launch an initial lease-up period to quickly house the target population, and then works over a three-year period to facilitate successful exits or transfers to more appropriate programs.

During the initial lease-up phase (July 2020 to June 2021), nearly all of the 15,000 people will be moved into a "bridging" unit, where they will have deeply subsidized rent, along with varying levels of services depending on their needs. A small number of the 15,000 people will be assisted through one-time problem-solving resources to facilitate their placement into permanent housing without a long-term subsidy, or will be moved directly into supportive housing as turnover units become available each month.

Once housed through the lease up effort, participants will be continuously assessed and supported in exiting to permanent housing on several pathways, depending on their acuity of need. People with higher acuity will either be moved into supportive housing for long term affordability and support, or

will be connected to a long-term shallow subsidy to support their rent. For those with slightly lower acuities, participants will follow one of three pathways: A 15 month (on average) recovery re-housing subsidy, enhanced with supportive services that lead to an eventual exit into permanent housing, with a portion of these participants moving on to a long-term shallow subsidy; a nine month (on average) recovery re-housing subsidy that leads to an eventual exit into permanent housing, or problem-solving and one-time financial assistance for some of these clients to exit into permanent housing.

In addition to the rehousing component, the recovery plan calls for significant efforts to be made to increase homelessness prevention efforts. This includes both scaling up LAHSA-funded prevention programming by 50%, while also strengthening upstream prevention efforts, including tenant protections to keep people in their homes.

SUMMARY OF FUNDING REQUEST

The entirety of this recovery plan is expected to cost \$806,595,604 over the next three fiscal years. However, this includes some costs that are already being planned for in the existing homeless system, such as new supportive housing that is in the pipeline and existing homeless prevention programming. Of the total cost, \$609,178,112 represent new costs over the next three years.

These net new costs are listed below:

Recovery Plan Net New Costs

Component	FY 21 Q1	FY 21 Q2	FY 21 Q3	FY 21 Q4	FY 22	FY 23	Three Year Estimate
Project Roomkey Ramp-Down Costs	\$41,632,500	\$3,202,500	\$0	\$0	\$0	\$0	\$44,835,000
Recovery Bridge and Re-Housing Costs	\$47,495,144	\$70,672,044	\$80,466,512	\$85,300,721	\$134,560,310	\$7,697,985	\$426,192,716
Long Term Shallow Subsidy and PSH Costs	\$0	\$0	\$776,400	\$4,294,775	\$48,801,615	\$69,017,983	\$122,890,773
Prevention Scale Up	\$3,814,906	\$3,814,906	\$3,814,906	\$3,814,906	\$0	\$0	\$15,259,623
Total Costs	\$92,942,550	\$77,689,450	\$85,057,818	\$93,410,402	\$183,361,925	\$76,715,968	\$609,178,112

NEXT STEPS

Following the submission of this report, the CEO-HI will submit a follow-up report with funding recommendations by June 26, 2020. Pending those funding recommendations, the recovery command structure will begin ramping up the recovery and re-housing effort over the next 30 days to begin moving target populations into bridging housing. Additional cost estimates will be provided over the coming days on maintaining infection control in shelters as well as continuing outreach efforts to slow the spread of COVID among people experiencing homelessness.



Los Angeles Homeless Services Authority

Report to the Los Angeles County Board of Supervisors
COVID-19 Recovery Plan Related to People Experiencing Homelessness

June 23, 2020

Table of Contents

I. BACKGROUND	1
A. Project Roomkey	1
B. Homelessness Recovery Plan	1
C. Recovery Command Structure.....	2
D. Commitment to Racial Equity and Continuous Evaluation	3
II. ACTION PLAN: SUSTAINING EXISTING EFFORTS	3
A. Unsheltered Homelessness	4
B. Shelter.....	5
C. LAHSA-Funded Homelessness Prevention and Diversion	6
III. ACTION PLAN: RE-HOUSING RECOVERY STRATEGY	8
A. Re-Housing Recovery Strategy Overview	8
B. Target Population and Service Pathways	9
C. What it Will Take to Achieve the Re-Housing Objective	11
D. Action Steps & Timeline	12
E. Housing Resources Required	14
F. Unit Acquisition Strategy	15
IV. PRIMARY PREVENTION EFFORTS NEEDED TO RESPOND TO ECONOMIC IMPACTS OF COVID-19.....	16
A. Upstream Systems.....	17
B. Maintain and Strengthen Tenant Protections	18
V. PREPAREDNESS FOR FUTURE CRISES	19
VI. FUNDING NEED.....	20
A. Recovery Re-Housing Effort Costs.....	21
B. Project Roomkey Ramp-Down Costs and Ongoing Housing Costs.....	23
C. Funding Sources.....	24
VII. NEXT STEPS AND RAMP-UP	25

I. BACKGROUND

In mid-March, Los Angeles County issued its “Safer at Home” orders in response to growing numbers of local cases of SARS-CoV-2, the coronavirus that leads to COVID-19. The order asks Los Angeles County residents to practice social distancing and shelter in place as much as possible, given both high rates of infectiousness of this virus along with relatively high levels of lethality among vulnerable populations, including people ages 65 and over as well as people with underlying health conditions.

With 66,433 people experiencing homelessness according to the 2020 Greater Los Angeles Homeless Count, about 48,000 of whom are unsheltered, many Los Angeles County residents are unable to shelter in place and abide by Los Angeles County Department of Public Health’s (DPH) physical distancing guidelines. In response, the Los Angeles Homeless Services Authority (LAHSA), Los Angeles County, and Los Angeles City have moved swiftly to protect the most vulnerable people experiencing homelessness by increasing testing of people experiencing homelessness, bringing new isolation and quarantine units online for those experiencing COVID-19 symptoms, establishing thousands of hotel and motel rooms for vulnerable people to shelter in place, and decompressing existing shelter sites in accordance with guidelines from local, state, and federal public health authorities.

A. Project Roomkey

This response to COVID-19 has included the launch of Project Roomkey, a collaborative effort between the State of California, Los Angeles County, and LAHSA aimed at enabling people experiencing homelessness to shelter in place by enlisting thousands of hotel rooms to serve as interim housing. These rooms are prioritizing people experiencing homelessness that are especially vulnerable to hospitalization and death if infected with COVID-19: people 65 and older, people with underlying health conditions, and other medically-vulnerable individuals, in alignment with guidance from the Centers for Disease Control and Prevention (CDC). As of Monday, June 15, a total of 3,684 people are sheltered in thousands of hotel rooms, with more people moving in every day. The rooms are funded through a combination of federal, state, and local funding.

B. Homelessness Recovery Plan

On May 12, 2020, the Board of Supervisors approved a motion (Item No. 4 of the May 12, 2020 Agenda, authored by Supervisors Kuehl and Ridley-Thomas) directing LAHSA to develop a COVID-19 recovery plan for homelessness in collaboration with key stakeholders and partners agencies. The intent of this plan is to ensure continued safety and health of the population experiencing homelessness in Los Angeles County, especially those people that are especially susceptible to hospitalization and death if infected with COVID-19.

The motion directed LAHSA to work in collaboration with the Chief Executive Office (CEO), the Department of Health Services’ (DHS) Housing for Health (HFH) and Office of Diversion and Re-Entry (ODR), the Department of Mental Health (DMH), the Department of Public Health (DPH), and other key stakeholders including the City of Los Angeles, philanthropy partners, and others.

The motion directed LAHSA to report back with an initial framework for the recovery plan in 15 days—LAHSA presented that framework to the Los Angeles County Board of Supervisors at the May 26th meeting and submitted a written report on the framework on May 27th. This framework was developed

LOS ANGELES HOMELESS SERVICES AUTHORITY
REPORT BACK IN RESPONSE TO ITEM NO. 4, MAY 12, 2020 AGENDA

in collaboration with the CEO Homeless Initiative, HFH, ODR, DMH, DPH, the City of Los Angeles, and the United Way of Greater Los Angeles.

The report presented here seeks to use that framework to accomplish several overarching goals, including:

- Detailing a plan to quickly re-house 15,000 of the most vulnerable Los Angeles County residents experiencing homelessness, going beyond the number of people that the Los Angeles County homeless services system would normally expect to house under current funding for the system. These 15,000 housing placements target those who are vulnerable to COVID-19, including individuals sheltering in Project Roomkey hotel rooms, and other populations (discussed in greater depth below). This will ensure safety for vulnerable populations that are at high risk of hospitalization and death if infected with COVID-19 to align with public health goals.
 - This plan also assumes continued operations and ongoing funding for the rest of the homeless services system as anticipated prior to the emergence of the COVID crisis. Continued support of the mainstream homeless services system will be needed to continue needed services and housing for families, youth, and other participants who may not be targeted as part of this recovery effort.
- Determining how to support the continuation of vital infection and disease control practices in existing shelters, housing, and encampments, as COVID-19 is likely to continue to present a risk to these populations at least through the summer and fall of 2020.
- Sharing LAHSA's projections of the cost of these interventions and highlighting potential sources of funding that could be used to fund this recovery plan.
- Continued focus on racial equity in this recovery, as Black and African American people are already disproportionately represented in the homeless population, and have been disproportionately impacted by the COVID-19 crisis, both in health and economic terms.

Following the presentation of the Recovery Plan framework to the Board on May 26th, LAHSA continued to work with the key partners noted above and consulted with the following entities to develop the plans and estimates shared within this report, including:

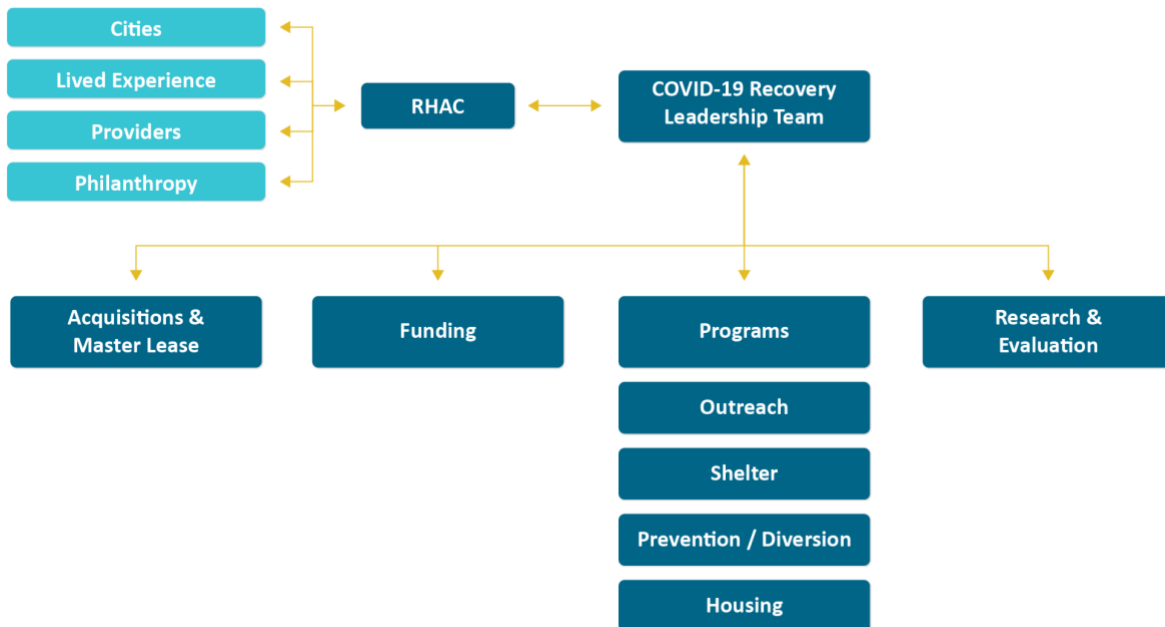
- The Regional Homelessness Advisory Council (RHAC), which convened on June 4th, 2020;
- The Lived Experience Advisory Board, which convened on June 5th, 2020;
- The Homeless Youth Forum of Los Angeles (HYFLA), which convened on June 10th, 2020;
- The Coordinated Entry System (CES) Policy Council, which convened on May 27th, 2020.

C. Recovery Command Structure

As outlined in the framework provided to the board on May 27th, continued recovery planning and execution will be led by a collaborative team consisting of LAHSA, the CEO, DHS, DMH, and DPH, as well as the City of Los Angeles Mayor's Office and Chief Administrative Office (CAO). As illustrated in the recovery command structure outlined below, this leadership team will be informed by and collaborate with an array of other partners and stakeholders – including the RHAC and the stakeholder groups it represents (officials from city jurisdictions, people with lived expertise of homelessness, service providers, and philanthropic partners, among others).

The recovery command structure also outlines the parallel efforts that must accompany the programmatic response of the homeless service delivery system in order to accomplish re-housing and recovery objectives, including acquisition and master leasing activities, identification and commitment of funding streams, and continuous research and evaluation to inform and refine the recovery strategy throughout implementation.

Figure 1. Proposed Recovery Command Structure



D. Commitment to Racial Equity and Continuous Evaluation

Continuous evaluation of all activities will be carried out with a focus on equity; all pillars of response and phases of implementation will be monitored on an ongoing basis and revised as needed to ensure an effective and equitable recovery process. Regular data analysis will be centered on understanding the demographics of who is being served through a racial equity lens in order to 1) evaluate whether the recovery response equitably serves people of color and other vulnerable groups and to 2) make refinements to strategy where necessary. Ongoing feedback from those with lived expertise of homelessness will also inform this regular evaluation.

II. ACTION PLAN: SUSTAINING EXISTING EFFORTS

In the May 27th framework provided to the Board of Supervisors, LAHSA outlined needed responses across five primary areas of action: Unsheltered Homelessness, Shelter, Housing, Prevention and Diversion, and Strengthening Systems for the Future. The section below highlights efforts as part of the COVID-19 response that must be maintained transition from immediate response and toward a sustainable long-term recovery and preparedness. Housing efforts are discussed separately, within Section III (Action Plan: Re-Housing Recovery Strategy) of the report, while efforts on strengthening systems for the future will be discussed both in Section IV (Primary Prevention Efforts Needed) and Section V (Preparedness for Future Crises) of the report. The following section will focus on needed continuation of efforts next steps in the unsheltered, shelter, and prevention and diversion spheres.

A. Unsheltered Homelessness

UNSHeltered HOMELESSNESS	
Immediate & Short-Term Actions (0-30 Days)	•Testing and screening, wellness checks, encouraging distancing protocols, street medicine engagement, support of hygiene efforts
	•Identify COVID-vulnerable and assess, refer to COVID-specific sites including Project Roomkey, recuperative care, quarantine, or other appropriate sites
	•Problem-Solving interventions for low-acuity unsheltered
Medium-Term Actions (31-60 Days)	•Continue testing and screening protocols, wellness checks, distancing protocols, street medicine engagement, support of hygiene efforts
	•Navigation to available interim housing, including Project Roomkey, quarantine, recuperative care, and other appropriate housing and shelter options
	•Ensure existing participants are document-ready
Longer-Term Actions (Beyond 60 Days)	•Continue testing and screening protocols, wellness checks, distancing protocols, street medicine engagement, support of hygiene efforts
	•Continue problem-solving, housing navigation
	•Continue navigation of COVID-vulnerable, symptomatic, and COVID-positive individuals into appropriate interim and permanent housing until immunization is widely implemented or risk of COVID has abated

County-funded outreach workers have shifted their functions to be responsive to the COVID-19 pandemic. A number of key functions began in late March and have continued throughout the spring:

- Assisting with identifying people experiencing homelessness in need of a COVID-19 test and facilitating contact with DPH when testing is needed;
- Conducting ongoing wellness checks with individuals to determine whether they are experiencing symptoms of COVID-19;
- Contacting appropriate partners at DPH, DHS, and others for isolation and quarantine or sometimes hospitalization if a person is experiencing symptoms of COVID-19;
- Providing education and information to people experiencing homelessness on how to appropriately protect themselves, including information on distancing and spacing of tents and makeshift shelters, proper use of masks, frequent use of handwashing stations and hand sanitizer as available;
- Identifying sites where additional handwashing stations and hygiene infrastructure are needed and collaborating with appropriate County and City departments on placement of stations;
- Identifying people experiencing homelessness who are especially vulnerable to COVID-19, whether due to age or underlying health conditions that put them at risk, and adding them to the queue for Project Roomkey and other appropriate interim housing options so that they may move into a site when a room becomes available;
- Conducting problem-solving with people experiencing homelessness who are lower-acuity and may be able to resolve their homelessness by reconnecting with friends or family or with limited financial assistance.

As the homeless services system transitions into the recovery from COVID-19, much of this activity will need to be maintained for as long as the risk of COVID-19 persists, even as Project Roomkey and other sites scale down. All above activities will need to continue among outreach workers seeking to address

unsheltered homelessness, with the exception of navigating COVID-19 vulnerable people to Project Roomkey sites. The added costs of continuing to conduct these activities above are still being analyzed, and these estimates will be shared with the Board as soon as they are available.

B. Shelter

SHELTER	
Immediate & Short-Term Actions (0-30 Days)	•Continue to bring new Project Roomkey sites online
	•Extend leases with Project Roomkey and other COVID-19 sites on a rolling basis
	•Continued operation of existing decompressed congregate shelter sites
	•Coordination with DHS, DMH on testing at existing shelter sites and routing of shelter participants as appropriate based on testing results
	•Provide infection control technical assistance tools to shelter providers in collaboration with DHS
Medium-Term Actions (31-60 Days)	•Exit Project Roomkey and other high-risk shelter participants to housing through Permanent Supportive Housing (PSH) matching, Rapid Re-housing (RRH), Problem-Solving, and other interventions
	•Continued testing and infection control at entire shelter portfolio in addition to Project Roomkey sites
	•Extend leases with Project Roomkey, quarantine sites, and other COVID-related shelter sites on a rolling basis
	•Assess all shelter sites for infection control practices and begin a comprehensive technical assistance effort for shelter providers
Longer-Term Actions (Beyond 60 Days)	•Continued exiting of Project Roomkey and other high-risk shelter participants to housing through PSH matching, RRH, Problem-Solving, and other interventions
	•Continued testing and infection control at entire shelter portfolio, including Project Roomkey, along with continued technical assistance

Beginning in March, LAHSA, DHS, and DMH began making adjustments to the existing shelter portfolio as part of the COVID-19 response efforts. These actions include:

- Reconfiguring existing shelter sites to allow for physical distancing and areas where people exhibiting symptoms of COVID-19 can quarantine, including moving higher-risk shelter occupants into Project Roomkey sites to accommodate lower capacity at these shelter sites;
- Opening new shelter sites at City Recreation and Parks facilities to increase overall capacity;
- Providing guidance to shelter operators on appropriate infection control practices in alignment with DPH guidance;
- Testing at shelter sites in collaboration with DPH, DHS, and DMH and routing/isolating people as appropriate.

LAHSA, DHS, and DMH will need to continue infection control practices throughout the shelter portfolio in the late spring and summer, and as such, will be continuing to facilitate technical assistance to shelter providers in partnership with DHS. In addition, LAHSA is planning to assess all shelter sites for their infection control practices to ensure strict adherence to prevent future outbreaks in shelters. To that end, testing, technical assistance, and clinical oversight will continue to be a necessary component of the system's shelter strategy, with a need for ongoing collaboration between LAHSA, DHS, DPH, and

DMH. Analysis on these additional costs beyond the normal costs of shelter operation is continuing, and cost estimates will be shared with Board when available.

C. LAHSA-Funded Homelessness Prevention and Diversion

In order to stem inflow into homelessness, upstream interventions are needed at the federal, state, and local levels to support incomes, prevent unsustainable rent increases and evictions, and shore up other safety net systems to support vulnerable people before they fall into homelessness. These efforts are needed to address homelessness in a longer-term, more sustainable manner, although these changes might not always address those at the most immediate risk of homelessness. Those needed, larger systemic efforts are discussed in Section IV (Primary Prevention Efforts Needed) below.

In the immediate term, however, more resources and prevention tools will be needed to prevent people from falling into homelessness. Two primary LAHSA-funded programs are discussed below:

- The Preventing and Ending Homelessness Program (PEHP), which provides legal services and advocacy for people at risk of or experiencing homelessness;
- The Problem-Solving program, which trains staff at key points of inflow into the homeless services system on how to prevent or rapidly resolve a person's homelessness through empowerment and motivational interviewing and provides participants with flexible financial assistance.

PREVENTION & DIVERSION	
Immediate & Short-Term Actions (0-30 Days)	•Provide problem-solving training for Project Roomkey staff to target low-acuity Project Roomkey participants for problem-solving resolutions
	•Increase accessibility of problem-solving flex funds for staff, targeted to Project Roomkey and other COVID-vulnerable participants
	•Add financial assistance as an eligible component of the Preventing and Ending Homelessness Program (PEHP) to stabilize more households
Medium-Term Actions (31-60 Days)	•Launch prevention and problem-solving trainings for all frontline homeless services staff
	•Provide access to problem-solving assistance funds for COVID-vulnerable populations, both Project Roomkey and non-Project Roomkey
Longer-Term Actions (Beyond 60 Days)	•Ease the access to legal services programs for COVID-vulnerable populations at risk of falling in to homelessness
	•Increase homelessness prevention staffing throughout system
	•Ramp up prevention and problem-solving training for non-traditional partners

During the COVID-19 crisis, LAHSA has sought to activate its prevention and diversion resources in several ways:

- Providing Project Roomkey staff with access to problem-solving training, to allow these staff to identify lower-acuity participants at Project Roomkey sites that might be safely reconnected to housing with minimal need for long-term financial assistance;
- Increasing access to problem-solving flexible financial assistance funds, which can be deployed across a range of uses to assist someone back into housing, including short-term rental

LOS ANGELES HOMELESS SERVICES AUTHORITY
REPORT BACK IN RESPONSE TO ITEM NO. 4, MAY 12, 2020 AGENDA

assistance, rental or utility arrears, car repair, or other uses. LAHSA has sought to give a broader array of staff the ability to utilize these funds to move people into permanent housing.

These activities must be maintained in the near-term and long-term, especially as the economy continues to face extreme challenges that will leave thousands of households unable to pay their rent. Recent estimates from economist Dan O’Flaherty, the California Policy Lab, and Gary Blasi suggest that inflow into the homeless services system can be expected to increase between 40% and 61%.

Given these estimates, LAHSA recommends robust funding for both the Homelessness Prevention program and the Problem-Solving program with the goal of increasing program enrollments by 50% beyond existing system funding, to account for the current and ongoing economic impacts of COVID-19. In addition, more funding must be provided to the cash assistance components of these programs. Research from the California Policy Lab has shown that homelessness prevention participants that are provided with cash assistance are four times more likely to retain their housing than participants who are not provided cash assistance.

These prevention programs are already funded through the existing homeless services system; however, LAHSA does not anticipate the existing system to fund a 50% increase in enrollments, given constraints. As such, cost estimates are provided for this ramp-up in prevention funding, with increased funding relative to previously-anticipated FY 20-21 funding identified as net new funding that should be funded through this recovery plan.

In addition, LAHSA will be making additional recommendations in the coming weeks on streamlining certain functions of homelessness prevention programs to allow cash assistance to be accessed more readily and to remove administrative barriers to the intake process. In order to increase program capacity by 50% in the homelessness prevention sector and accommodate more households that are unable to access prevention services through traditional safety net systems, LAHSA recommends funding for homelessness prevention programs to serve 2,114 families in FY 20-21, and 2,284 individual adults and youth. These costs listed below are for the entirety of the Homelessness Prevention and Problem-Solving programs, including both the needed net new investments to increase enrollments and the existing system investments that are anticipated:

Table 1. Total Need for LAHSA-Funded Homelessness Prevention, FY 20-21

	Families	Adults and Youth
Per Month Average	176	190
Annual Served	2,112	2,280
Monthly Cost Per Slot	\$9,100	\$6,785
Total Monthly Cost	\$1,601,600	\$1,289,150
Annual Cost FY 20-21	\$19,219,200	\$15,469,800
Total Monthly Prevention Cost		\$2,890,750
Total Annual Prevention Cost		\$34,689,340

In addition to Homelessness Prevention program funding, LAHSA anticipates continuing to scale up Problem-Solving program funding to assist 50% more people to prevent or rapidly resolve their homelessness. LAHSA anticipates serving 720 households with Problem-Solving funds over FY 20-21, or 60 households per month. This is in addition to the 795 households expected to be served through the re-housing strategy described below and is instead targeted at addressing anticipated *new* inflow into the system due to the economic impacts of COVID-19.

Table 2. Need for LAHSA-Funded Problem-Solving, FY 20-21

Households Per Month	60
One-Time Cost Per Household	\$2,400
Monthly Cost	\$144,000
Annual Households Served	720
Annual Cost	\$1,728,000

Taken together, LAHSA has identified \$36,417,340 in FY 20-21 need for Homelessness Prevention and Problem-Solving program funding to increase these activities as inflow increases and to sustain the homeless services system accordingly. This figure includes utilizing about \$21,157,717 in existing/anticipated homeless services system resources for prevention, along with \$15,259,623 in net new funding being requested through the recovery plan to increase prevention enrollments by 50%.

III. ACTION PLAN: RE-HOUSING RECOVERY STRATEGY

A. Re-Housing Recovery Strategy Overview

As outlined in the framework presented to the Board of Supervisors on May 27th, a central objective of the COVID-19 recovery plan is to ensure that the homeless services system can quickly and effectively house all those who have been temporarily sheltered through COVID-19 crisis response efforts, as well as other people experiencing homelessness who are highly vulnerable or at high risk of complications due to current or future outbreaks of COVID-19. Accomplishing this objective requires both accelerating and increasing the scale at which the re-housing process operates at present.

The proposed re-housing recovery strategy described in detail below utilizes an infusion of one-time recovery resources to launch an initial lease-up period to quickly house the target population, and then work over a three-year period to facilitate successful exits or program transfers. This strategy includes the following core components:

- **Leveraging Project Roomkey and other COVID-19-related shelter** to provide on-site services, assessment, linkages to mainstream benefits, access to problem-solving resources, and active support to participants in need of permanent housing placements to obtain necessary documentation to enable rapid lease-up and move-in when housing resources become available;
- **Active problem-solving** and connection to one-time financial assistance to facilitate permanent housing exits from COVID-19-related shelter for low-acuity individuals;
- **Targeted matches to PSH** for high-acuity individuals as units become available through turnover or the PSH development pipeline;
- **Identification and acquisition of large batches of units** that will accept rental subsidies;
- **Rapid lease-ups** from Project Roomkey, other COVID-19 shelter sites, or unsheltered locations to these newly-acquired units, with a rental subsidy and case management support;
- **Continuous assessment** of newly-housed participants to determine what additional supports may be needed and/or what long-term housing intervention is most appropriate to meet their needs; and
- **Based on continuous assessment, supporting participants to retain housing** independently or through connections to appropriate housing interventions – including retaining housing with an

ongoing shallow subsidy, transferring to PSH as units become available, or connecting to a higher level of care when needed.

B. Target Population and Service Pathways

The proposed re-housing recovery strategy would provide permanent housing placements and long-term housing stability for 15,000 of Los Angeles County's most vulnerable residents experiencing homelessness. This includes three primary groups of individuals and households:

1. Those who have been temporarily housed through supplemental efforts to reduce COVID-19 transmission;
2. Those who are at high risk of complications from COVID-19 transmission (per the CDC's guidance) who are either unsheltered or in other shelter settings; and
3. Others who are highly vulnerable.

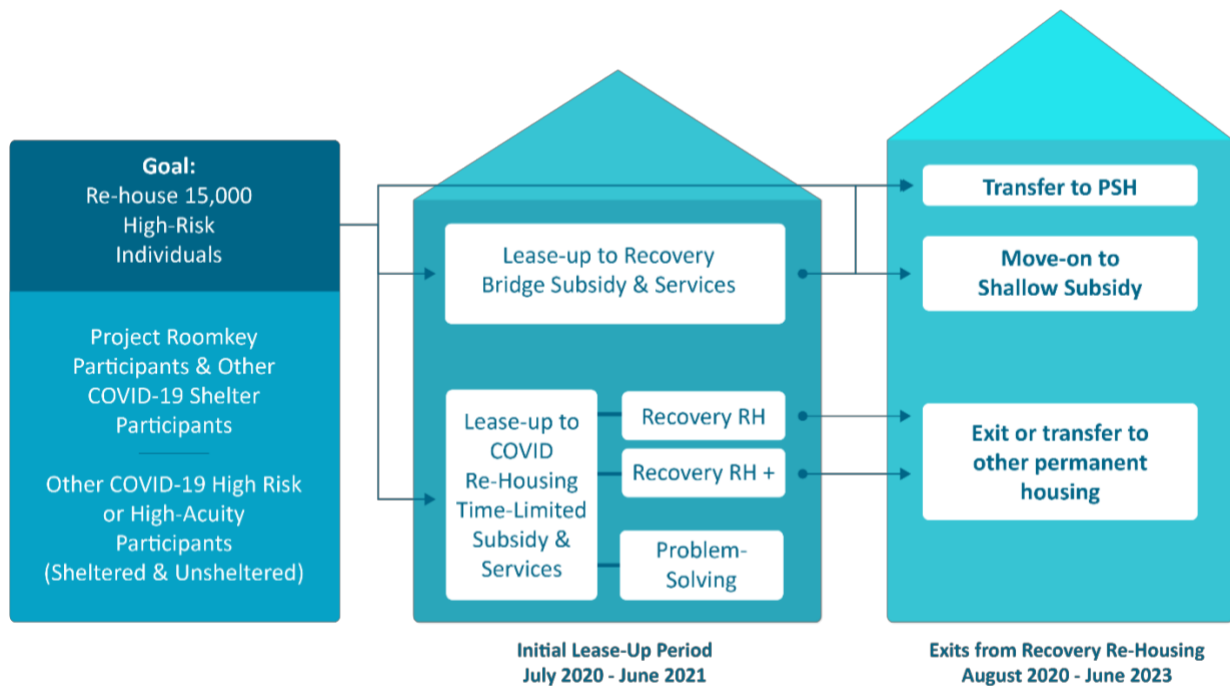
The proposed strategy outlines differentiated service pathways, in accordance with a participant's level of acuity. As outlined below, service pathways are approximated using CES Triage Tool score ranges; however, actual service connections would rely on continuous assessment of individuals' needs, in addition to case conferencing. It is also important to note that individual service pathways may deviate from the general pathways described here, if a higher or lower level of intervention is determined to be most appropriate, based on this continuous assessment and case conferencing.

The re-housing strategy proposes two overarching service pathways to permanent housing for the 15,000 individuals in the target population:

- **Recovery Bridge Subsidy:** This pathway would assist an estimated 47% (7,050) of the target population (those with acuity scores of 12 and above), through a full rental subsidy and case management support that would serve as a bridge to longer-term assistance through a shallow subsidy or PSH. (Note: A portion of these participants may be placed directly into PSH when available, rather than being first housed through the bridge subsidy.)
- **COVID-19 Re-Housing:** This pathway would provide one-time or time-limited rental assistance and case management support to an estimated 53% (7,950) of the target population (those with scores below 12), with the goal of facilitating successful permanent housing exits without ongoing assistance. (Note: a small portion of these participants is anticipated to require ongoing support through a shallow subsidy, as described below, and others would be connected to additional support as needed, based on continuous assessment.)

As demonstrated in Figure 2, lease-ups through one of these two primary pathways (or directly into PSH when available) are expected to be complete by the end of June 2021. Permanent housing exits and transfers would begin immediately (through Problem-Solving interventions, and as PSH turnover units are available) and continue through years two and three of the recovery period, with the goal of completing permanent housing exits or program transfers by the end of June 2023. Each of these primary service pathways is described in greater detail below. Notably, as proposed, participants served through both pathways are expected to receive a full rental subsidy at the onset. This would enable the expedited unit identification and lease-up required by reducing administrative burden on service providers, providing greater confidence for landlords to support recruitment efforts, and removing uncertainty for participants – particularly given the economic impacts of COVID-19.

Figure 2. Re-Housing Recovery Strategy: Service Pathways



Recovery Bridge Subsidy

Participants served through the proposed Recovery Bridge Subsidy pathway would receive full rental assistance, case management (at a ratio of one to 20), and continuous assessment to determine the most appropriate long-term intervention to ensure housing stability. LAHSA estimates that 80% (5,640) of those served through this pathway would need ongoing assistance through PSH. These individuals would be transferred to PSH as units become available through turnover or as new PSH resources come online. LAHSA estimates that 20% (1,410) of participants in this service pathway would not require the ongoing supportive services of PSH and would instead be assisted through an ongoing shallow subsidy, after an initial six months of assistance through the recovery bridge subsidy. In addition, participants served through this recovery bridge subsidy pathway who are in need of a higher level of care may be identified and transferred to other permanent housing resources (such as licensed residential care facilities) as needed.

COVID-19 Re-Housing

The COVID-19 Re-Housing pathway can be further broken down into three types of service packages, which vary in both length and intensity of assistance.

- Recovery Re-Housing Plus (Recovery RH+):** Individuals with mid-high acuity (scores between eight and 11) would receive 15 months on average of rental assistance (up to 12 months of a full subsidy, with additional tapered assistance for up to six months) and case management support at a ratio of one to 20. LAHSA estimates that 50% (3,975) of individuals targeted for the COVID-19 Re-Housing pathway would be served through Recovery RH+. Of these, an estimated 20% (795) would require ongoing rental assistance through a shallow subsidy to retain housing after the COVID-19 Re-Housing assistance period. (Note: Although not included as a specific service pathway, individuals who are determined to be in need of a higher level of service, based on continuous assessment, may be transferred to PSH as appropriate.)

- **Recovery Re-Housing (Recovery RH):** Individuals determined to have mid acuity (scores of six or seven) would receive nine months on average of rental assistance (up to six months of full subsidy with an additional six months of tapered assistance) and a case management ratio of one to 25. LAHSA estimates that 40% (3,180) of individuals in the COVID-19 Re-Housing pathway would be assisted through Recovery Re-Housing.
- **Problem-Solving:** LAHSA estimates that 10% (795) of individuals targeted for the COVID-19 Re-Housing pathway would have low acuity (scores between zero and five). These individuals would receive problem-solving assistance, including one-time financial assistance where appropriate, to exit to permanent housing.

Table 3 below illustrates the total number of individuals each pathway is expected to serve.

Table 3. Re-Housing Strategy Service Pathways

Re-Housing Goal	15,000	100%
Recovery Bridge Subsidy	7,050	47%
Transfer to PSH	5,640	80%
Move-on to Shallow Subsidy	1,410	20%
COVID-19 Re-Housing	7,950	53%
Recovery RH+*	3,975	50%
Recovery RH	3,180	40%
Problem-Solving/One-Time Assistance	795	10%

**Note: 20% of those served through the Recovery RH+ pathway are anticipated to receive an ongoing shallow subsidy.*

It is important to note that this COVID-19 re-housing recovery strategy is intended to operate in parallel to existing efforts to serve and house other populations experiencing homelessness that fall outside of these three groups. As such, LAHSA proposes that existing resources dedicated to serve specific sub-populations (e.g. families with children, transition age youth, survivors of domestic violence, veterans, etc.) and mid- and lower-acuity participants remain dedicated.

C. What it Will Take to Achieve the Re-Housing Objective

Accomplishing the re-housing objective outlined above will require strategic shifts in system management practices and re-housing processes, as well as targeted investment of human capital and other resources. The core shifts required are outlined below.

1. **A unit identification and acquisition strategy that includes deployment of unit holding fees**
Existing location efforts have created a foundation of units available to accept housing subsidies. Given the urgent timeline of this rehousing effort and our commitment to leveraging the moment to engage new landlords and acquire housing inventory, partnerships with City and County leadership will be critical to the acquisition plan's success, as will funding toward increased housing locators to outreach to property owners and managers. Acquisition strategy needs are described in further detail below.
2. **The ability to quickly assign available units to people ready to move into housing**

This leverages the work of the Housing Central Command to centralize and streamline "matching," the process by which people experiencing homelessness are connected to appropriate, available housing resources.

3. Dedicated staff to help people find and move into available units

The work of "housing navigation" bridges the efforts of outreach and other access points with the work of moving someone into permanent housing. This process includes housing search and unit identification, housing applications, and document and ID readiness. The growth and efficacy of the housing navigation component will be critical to the success of this expedited rehousing process.

4. A robust housing inventory management system to enable active tracking of all available resources

Housing Central Command has started this work which becomes increasingly more critical during this rehousing effort, requiring increased collaboration across system partners.

5. The ability to buy at scale and pre-assemble move-in kits, including basic furnishings and household supplies

Centralizing and streamlining the work of providing necessary home goods to support move-in kits would support efforts to expedite and coordinate the move-in of a large number of people.

6. Housing units and subsidies available immediately to enable swift exits to housing

This speaks to the need for efficient coordination between each system component to provide available units to be quickly matched to highly vulnerable participants and to expedite move-ins for people exiting time-limited COVID-19-related shelter.

Deploying these strategies will equip the homeless service delivery system to house people at the speed and scale that is required for this crisis response, and will also position the system to continue re-housing people experiencing homelessness throughout the recovery period and beyond.

D. Action Steps & Timeline

The table below summarizes key actions required in the short (30 days), medium (30 to 60 days), and longer-term (beyond 60 days) time periods to realize the re-housing strategy objectives outlined above.

RE-HOUSING	
Immediate & Short-Term Actions (0-30 Days)	• Actively work with participants within the target population to prepare documentation (including partnership with DMV and DPSS to obtain IDs) to streamline matching and enable rapid move-ins to permanent housing
	• Provide intensive support and tracking to expedite housing for people in Project Roomkey and other COVID-19 shelter already matched to PSH
	• Partner with mainstream systems (including DPSS, DHS, DMH) through co-location at Project Roomkey to ensure participants are connected to all benefits and income supports for which they are eligible
	• Participate in Governor's 100 Day Challenge to enable Project Roomkey participants over 55 years old to exit to permanent housing

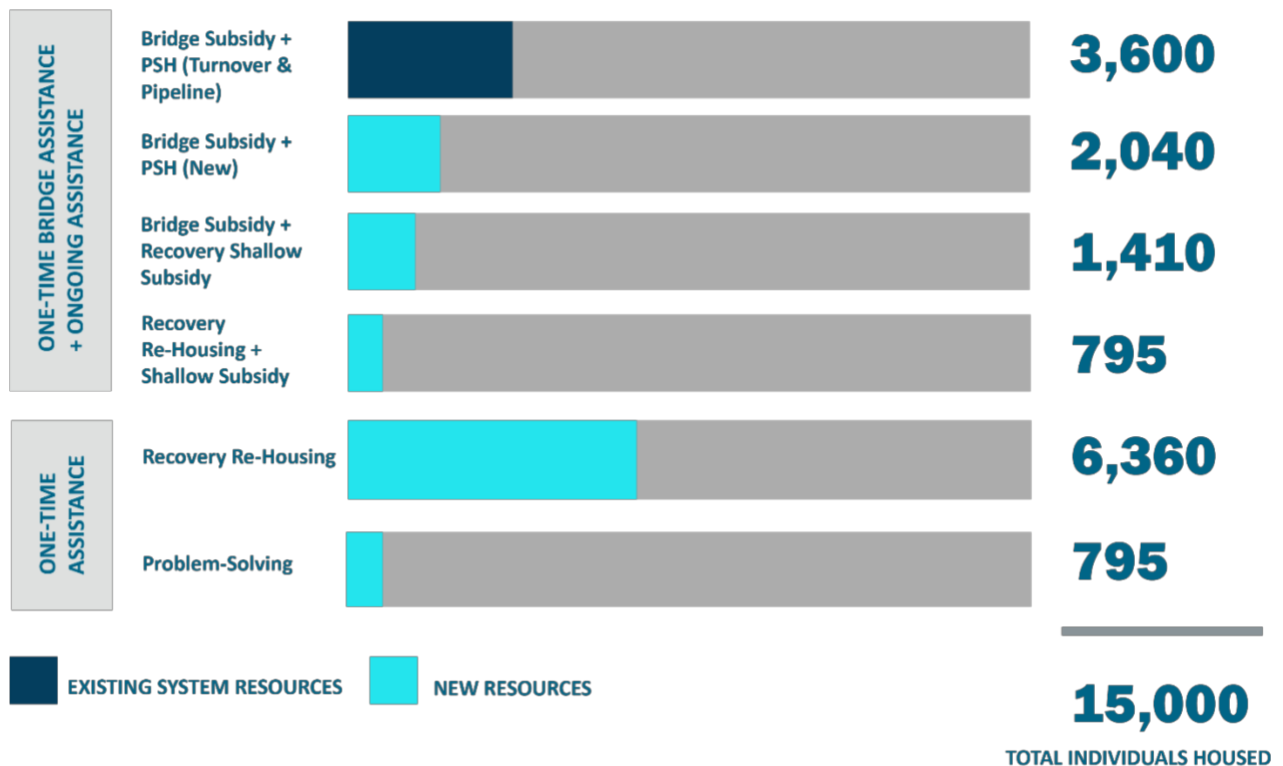
LOS ANGELES HOMELESS SERVICES AUTHORITY
REPORT BACK IN RESPONSE TO ITEM NO. 4, MAY 12, 2020 AGENDA

	•Assess participants within Project Roomkey and other shelter sites to determine what housing intervention is most appropriate, and to support housing exits through problem-solving wherever possible or transfers to higher levels of care where needed
	•Develop site-by-site demobilization schedule for Project Roomkey and other COVID-19 shelter sites, including exit resources needed to rehouse all residents within each site
	•Allocate funds and execute contracts with providers to provide problem-solving, Recovery Re-Housing, and bridge subsidies to scale
	•Explore viability of centralized rent administration fund
	•Initiate lease-up to available PSH and to rental units (using existing, limited RRH subsidies and time-limited services) for participants within Project Roomkey and other shelter sites
	•Initiate landlord engagement and acquisition efforts to secure a pool of units to support quick-turnaround lease-up
Medium-Term Actions (30-60 Days)	•Enact land use/zoning changes to streamline acquisition/conversion process
	•Continue and expand lease-ups to rental subsidies for appropriate Project Roomkey participants and other COVID-vulnerable individuals
	•Continue matching to PSH
	•Examine data to refresh projections of housing resource needs and closely monitor for equity in housing placements
	•Begin to house Project Roomkey residents using bridge housing subsidies for those waiting for PSH matches and Recovery Re-Housing for other participants (aligned with Project Roomkey/COVID-19 shelter demobilization schedule)
	•Scale landlord engagement and acquisition efforts to secure a pool of units to support quick-turnaround lease-up
Longer-Term Actions (Beyond 60 Days)	•House remaining Project Roomkey residents using bridge housing subsidies for those waiting for PSH matches and Recovery Re-Housing for other participants (aligned with Project Roomkey demobilization schedule)
	•Sustain landlord engagement and acquisition efforts to ensure a pool of units to support quick-turnaround lease-up for recovery housing placements
	•Continuously assess newly-housed participants to determine most appropriate permanent housing exit pathway and to connect to a higher level of care when needed
	•Expand and modify the existing Shallow Subsidy program model to provide access to shallow subsidies for participants served through the re-housing strategy
	•Continue matching to turnover PSH and new inventory
	•Seek access to affordable housing units
	•Make additional housing placements in licensed residential care facilities, sober living homes, shared housing, and other arrangements
	•Continue examining data and ongoing feedback from those with lived expertise to evaluate effectiveness, monitor for equity, and inform modifications to the strategy as needed

E. Housing Resources Required

The strategy outlined above relies on a wide array of housing resources to achieve the large-scale, rapid connections to permanent housing required for an effective crisis response and recovery. Figure 3 outlines the categories of new and existing resources required to achieve the recovery re-housing objective, broken down by exit pathway for the 15,000 individuals.

Figure 3. Housing Resources Required to Achieve the Recovery Objective, by Participant Exit Pathway



Note: Many individuals would be served through more than one subsidy type (e.g. an initial bridge subsidy before exit to a permanent subsidy such as PSH).

As demonstrated in Figure 3, these housing resources include the following new, one-time recovery housing resources:

- **Problem-Solving:** Problem-Solving interventions would be engaged to support exits to permanent housing – particularly for low-acuity participants – through leveraging participants' existing strengths and connection to mainstream resources, as well as providing one-time financial assistance when appropriate. This requires an expansion of existing problem-solving resources.
- **New Time-Limited Subsidies and Services:** The rapid lease-up outlined in the plan would rely primarily on new time-limited rental subsidies and case management services. As described above, the level of support (including length of subsidy and intensity of case management) and exit pathway provided through this intervention would vary depending on the participant's level of acuity and ongoing need.

In addition to these one-time recovery housing resources, ongoing resources will be required to support those participants who are determined to need longer-term assistance. A portion of this ongoing

resource need is expected to be met through existing homeless services system resources (PSH turnover and pipeline), as described below.

- **PSH (Turnover, Pipeline, and New):** The re-housing strategy relies both on direct placements into PSH as units become available, as well as the ability to transfer participants into PSH from bridge subsidies as needed. Turnover of existing PSH resources and new PSH resources anticipated through the PSH development pipeline are expected to account for approximately two-thirds (3,600) of the anticipated PSH need. The remaining one-third (2,040) would require additional PSH investment. As part of the strategy to increase availability of PSH resources required, additional exploration and expansion of “Moving On” initiatives is needed, to facilitate additional turnover of existing PSH resources.
- **Shallow Subsidy:** New, targeted shallow subsidy resources would also play an important role in supporting successful exits for those who require an ongoing rental subsidy following the initial bridge subsidy period. This requires an expansion of existing shallow subsidy resources.

In addition to the specific housing programs outlined above, participants re-housed through this strategy would be exited or connected to other permanent housing resources as appropriate, including affordable housing, shared housing, licensed residential care facilities, or other appropriate long-term interventions. Continued expansion and exploration of these additional types of permanent housing solutions is needed.

F. Unit Acquisition Strategy

In order to rapidly move thousands of vulnerable people into housing units, this strategy will take a multi-pronged approach to housing acquisition. This will include:

- Hotel/Motel conversion;
- Leasing-up of market-rate units;
- Utilization of shared housing

Hotel/Motel Conversion

A key component of bringing additional supportive housing capacity online faster will be hotel and motel conversion, which could utilize an array of different funds, including state funds being considered in the FY 20-21 budget, as well as federal funds allocated to local jurisdictions through the CARES Act. The State Budget is likely to include up to \$600 million for acquisition of hotels and motels statewide, with special emphasis on those that are serving as Project Roomkey sites. This funding is expected to come from the state’s allocation of federal Coronavirus Relief Funds, which must be expended by December 30, 2020.

As this funding becomes available, the Acquisitions and Master Lease group of the Recovery Command Structure outlined above will work to identify sites and facilitate acquisitions to complement this recovery plan. The Acquisitions and Master Lease group will also consider additional sites that may be acquired using funds allocated through the CARES Act, including substantially vacant apartment buildings for immediate use as permanent housing, or land for installation of modular facilities.

Leasing-Up of Market-Rate Units

A significant number of market-rate housing units will need to be procured in order to execute the recovery plan. These units will be needed both as a bridge for participants waiting for supportive

housing placements and as a permanent housing exit for mid-to-low acuity participants that can sustain a rental unit, sometimes with a longer-term shallow subsidy.

LAHSA believes that the homeless services system will be able to significantly increase the number of units that are available in the coming months, as the real estate market in Los Angeles has changed markedly as a result of the COVID-19 crisis. Average rents in Los Angeles County fell in May by 3.3% from the previous year and are expected to fall further through the first quarter of 2021.¹ When coupled with the availability of holding fees proposed in this strategy, units should be able to be procured more rapidly than in prior years when the real estate market was considerably more competitive. In addition, this strategy will seek to leverage new innovation projects that the County is considering, such as modular or pallet housing that could bring additional low-cost units to the market.

Utilization of Shared Housing

This strategy also anticipates obtaining shared housing units for placements, where participants would have their own private bedroom but may share an apartment with additional tenants. At present, about 25% of RRH placements are through shared housing, which has shown itself to be a scalable intervention for some populations.

IV. PRIMARY PREVENTION EFFORTS NEEDED TO RESPOND TO ECONOMIC IMPACTS OF COVID-19

In addition to both re-housing those currently experiencing homelessness and responding to people that are immediately at risk of becoming homeless (discussed in Part II above), Los Angeles County must consider changes to local policy, along with federal and state advocacy to prevent homelessness further in the future. While a large population of people will be immediately at risk of homelessness as COVID-19-related eviction moratoria are lifted, longer-term responses will be needed as households continue to struggle with the economic fallout of this crisis. See table below for a summary of these needed system interventions and activities:

STRENGTHENING SYSTEMS FOR THE FUTURE: PRIMARY PREVENTION	
Immediate & Short-Term Actions (0-30 Days)	•Increase awareness of new COVID-19 eviction protections and income supports such as \$1,200 stimulus payments for at-risk populations to help retain housing and reduce inflow into homelessness
	•Federal advocacy for homelessness funding, state advocacy for funding and homelessness prevention legislation
	•Benefit advocacy in conjunction with DPSS and other agencies to sustain or increase incomes
Medium-Term Actions (31-60 Days)	•Continued prevention advocacy at state level, funding advocacy at federal level
	•Strengthen prevention activities of upstream system partners
	•Stem Inflow with bolstered legal services, potentially funded with CDBG
	•Continued benefit advocacy in conjunction with DPSS and other agencies to sustain or increase incomes
Longer-Term Actions (Beyond 60 Days)	•Increase SSI enrollments, other income supports through partnerships with DPSS and other agencies
	•Implement post-COVID-19 tenant protections, ramp up access to legal services

¹ Khouri, A. "Los Angeles average rent fell 3% in May." *The Los Angeles Times*. 6/5/20.

According to the State of California's Economic Development Department, the unemployment rate in Los Angeles County increased to 20.9% in May 2020, after nearly tripling from March to April. There is growing evidence that these job losses have been borne most heavily by the lowest income people, according to Federal Reserve surveys. The number of households experiencing crisis is sure to rise sharply. In order to counter the economic devastation of the COVID-19 crisis and ensure it does not lead to very large increases in the number of people experiencing homelessness in the longer term, Los Angeles must undertake twin efforts to strengthen its systems to stem homelessness more sustainably:

- Strengthen upstream and mainstream systems of care to support people at risk of losing their housing;
- Maintain and strengthen COVID-19-related tenant protections to keep people in their homes.

A. Upstream Systems

The role of upstream and mainstream systems of care in providing economic supports and preventing people from falling into homelessness is more crucial now than ever. In particular, partnerships with DPSS, WDACS, LACDA, along with Los Angeles' Economic and Workforce Development Department (EWDD) and the Los Angeles Housing and Community Investment Department (HCID), among others will be essential to provide economic and social service supports necessary to ensure individuals and families can weather the economic crisis and retain their housing. Coordination with institutions and other systems of care, including the criminal justice system, child welfare system, and public healthcare systems will be equally critical to ensure no one exits these other systems into homelessness.

Several steps must be taken and/or maintained in order to achieve the level of system coordination needed to further prevent at-risk households from entering the homeless services system. These steps are discussed below.

System Capacity and Coordination

Efforts to improve system throughput will allow the Los Angeles homeless services system to effectively serve more households, including before they fall in to homelessness. Key efforts must be undertaken to increase coordination between county agencies, LAHSA, and provider agencies. One vital effort would be to employ lessons learned from the coordination seen at Project Roomkey sites and apply these efforts for streamlined coordination of County benefits and CES case management services elsewhere in the system. Another key effort will be continued implementation of the recommendations for improved cross-system coordination put forward by [the Ad Hoc Committee on Black People Experiencing Homelessness](#).

Flexibility of Interventions

In addition to more resources, the homeless services system should allow sufficient flexibility with resources to allow flexible interventions to be deployed across the system where they can house more people. For example, shallow subsidies are currently only deployed in the family system if a family is enrolled in the RRH program. Shallow subsidies should be able to be used across the system regardless of enrollment so that this intervention may help lift more people out of homelessness earlier, faster, and with less needed intervention from the broader system.

B. Maintain and Strengthen Tenant Protections

In order to keep people in their homes, additional tenant protections will be needed at all levels, both for their continued duration of the COVID-19 health emergency and beyond that emergency.

Local Policy

Since the COVID-19 crisis unfolded, the County has taken critical steps to protect tenants from eviction. However, a number of additional steps are needed to prevent the economic impact of COVID to lead to higher homelessness in the coming months as the COVID-19-related restrictions begin to lift:

- The County should invest additional funding in expanding its right to counsel program. A robust right to counsel is needed in order to animate all other tenant protections and assist tenants to utilize these protections to stay in their homes. Moreover, a right to counsel program would extend benefits to a population that is far broader than the population of people at immediate risk of homelessness;
- The County's COVID-19 emergency eviction orders require tenants that may not be able to pay rent to inform their landlord in writing of inability to pay within seven days of when rent is due. This should be made more flexible, as many households are facing a variety of crises and any administrative burden should be minimized for at-risk tenants;
- The County has also indicated that jurisdictions without restrictions on evictions must abide by the County's emergency eviction restrictions for the duration of the COVID-19 emergency. However, jurisdictions with weaker or more administratively burdensome restrictions are able to have their restrictions apply instead of the stronger, less burdensome protections that the County has enacted. The County should require that the County restrictions be a floor, both in terms of strength of protections and ease of documentation requirements, and jurisdictions with weaker protections or processes that are more burdensome for tenants should be required to abide by the County's protections for the duration of the COVID-19 emergency;
- Should the state not enact a stronger eviction moratorium or should the Judicial Council lift the prohibition on processing eviction cases before the local economy and tenants have sufficient time to recover, the County should enact its own moratorium on processing evictions that should extend at least three months beyond the Governor's health order.

State Advocacy

In addition, advocacy to the state will be needed to enact needed legislation to prevent large numbers of households from losing their housing, including potential policies to regulate evictions and foreclosures, rent increases, and rent forgiveness. A number of critical pieces of legislation should be supported:

- The County should support and advocate for AB 2271, which would compel courts to share eviction data. This is critical towards establishing a better understanding of the relationship between evictions and homelessness, how to craft better eviction policy, and how to create better homelessness prevention tools;
- The County should support SB 1190, which ensures local jurisdictions are able to enforce new rent caps;
- Stronger statewide legislation to regulate and restrict evictions is needed. At present, Judicial Council restrictions on eviction may expire as soon as August 3rd, which would leave thousands of vulnerable households at risk of being evicted and falling in to homelessness;

LOS ANGELES HOMELESS SERVICES AUTHORITY
REPORT BACK IN RESPONSE TO ITEM NO. 4, MAY 12, 2020 AGENDA

- The County should also advocate to the state to loosen timelines for responding to eviction filings—the present timeline of five days to respond to an eviction filing should be extended to ten days to allow tenants additional flexibility to weigh their options;
- Additionally, the County should support AB 1436, which would protect tenants from being evicted for rent owed during the duration of the COVID-19 period, and instead allows tenants to convert this balance into consumer debt. This would allow landlords to make claims to collect this money, but would not lead to eviction.

Federal Advocacy

In addition, the federal government is capable of playing a strong role in strengthening the safety net and preventing more people from being at risk of homelessness.

- The County should aggressively advocate for strong relief to both small landlords and tenants—this will ensure small landlords have flexibility to give relief to their tenants without risking foreclosure and losing their property to larger investors. The County should continuously urge the federal government to enact the relief offered in the HEROES Act, which would provide mortgage relief, along with \$100 billion in rental assistance for tenants, and continued restrictions on evictions for HUD-funded properties;
- The County should urge the federal government to make additional stimulus payments to all residents earning below \$75,000 and remove the restrictions on immigration or taxpayer status that were present in the CARES Act;
- The federal government should extend additional unemployment benefits through the HEROES Act, as many people will see their supplemental unemployment benefits expire at the end of July.

V. PREPAREDNESS FOR FUTURE CRISES

A wholistic recovery plan must also include a roadmap to ensure the Los Angeles homeless services system is equipped to respond to future surges of COVID-19 or other disease outbreaks. While the system has scaled up an interim housing infrastructure and infection control measures faster than ever before during the COVID-19 crisis, this has been accompanied by tremendous strain on public agencies and homeless service providers.

The framework below outlines key system capacities that must be retained or further developed across five primary areas of action, in order to ensure the homeless services system has sufficient agility to respond to future crises in a more sustainable manner.

UNSHELTERED HOMELESSNESS
•Deployment of hygiene resources, including mobile showers and handwashing stations
•Mobilization of street medicine capabilities for testing and wellness checks
•Infrastructure and funding to support meal distribution
SHELTER
•Protocols for on-site health screening and triage of symptomatic participants
•Facility and staffing infrastructure to quickly decompress existing homeless service shelter sites and stand up supplemental shelter, including congregate, non-congregate, and isolation/quarantine sites

•Training and capacity building of homeless service providers to increase compliance with infection prevention measures
•Partnerships to embed or enhance medical/clinical oversight at homeless service shelters
HOUSING
•Protocols and best practice guidance to support remote case management and service provision
•Re-housing infrastructure and resources to support rapid unit identification and move-ins
PREVENTION & DIVERSION
•Policies to trigger prevention practices in instances of large-scale unemployment/inability to sustain income (e.g. eviction moratorium, rent freeze, etc.)
•Training and flexible resources to support problem-solving interventions within non-traditional shelter and other crisis response settings
STRENGTHENING SYSTEMS
•Further development of unified data systems and technology to strengthen contact tracing capacity
•Racial equity framework to infuse an equity lens in all future crisis response activities and planning
•Development of long-term disaster/crisis response plan for people experiencing homelessness
•Partnerships and protocols to reactivate public health crisis command structure to ensure quick and effective communication of guidance to service providers and frontline workers
•Ability to quickly provide intensive and continuous safety training for all direct service staff (outreach workers, case managers, shelter operators, etc.)

In the coming weeks, the Recovery Leadership Team will work with the Los Angeles County Office of Emergency Management to engage in additional long-term disaster planning efforts to further develop a long-term crisis response plan. A key component of these efforts will be to build a strong framework for employing a racial equity lens and engaging people with lived expertise throughout all aspects of crisis response planning and decision-making.

VI. FUNDING NEED

An initial budget summary is provided below. The initial cost estimate details the costs of re-housing and retaining housing for an initial three-year period once this plan has launched. Additional costs will be incurred to fully implement all aspects of the plan detailed above. These costs are being analyzed further and include:

- Services and rental subsidies for additional supportive housing units that participants will exit to following their “bridging” period, which extends beyond the 36 months covered in this plan;
- Shallow subsidies for participants whose exit pathway requires additional rental subsidy beyond the recovery period;
- Additional testing and infection control measures needed throughout the shelter portfolio on a longer-term basis.

While some of these details are still forthcoming, the tables below outline a summary budget of re-housing efforts, ramp-down of Project Roomkey, and additional support for households in their exits from bridging units into more appropriate long-term destinations. It should be noted that a significant portion of the “Long-Term Shallow Subsidy and PSH costs” are accounted for by existing or anticipated resources within the homeless services system, including new PSH that is in the development pipeline, along with existing turnover PSH units. As such, two tables are presented below—one that anticipates “net new costs” to the homeless services system through this recovery plan, and another “overall costs”

LOS ANGELES HOMELESS SERVICES AUTHORITY
REPORT BACK IN RESPONSE TO ITEM NO. 4, MAY 12, 2020 AGENDA

table for this recovery plan which includes costs that are being leveraged from elsewhere in the homeless services system.

Table 4. Recovery Plan Net New Costs

Component	FY 21 Q1	FY 21 Q2	FY 21 Q3	FY 21 Q4	FY 22	FY 23	Three Year Estimate
Project Roomkey Ramp-Down Costs	\$41,632,500	\$3,202,500	\$0	\$0	\$0	\$0	\$44,835,000
Recovery Bridge and Re-Housing Costs	\$47,495,144	\$70,672,044	\$80,466,512	\$85,300,721	\$134,560,310	\$7,697,985	\$426,192,716
Long Term Shallow Subsidy and PSH Costs	\$0	\$0	\$776,400	\$4,294,775	\$48,801,615	\$69,017,983	\$122,890,773
Prevention Scale Up	\$3,814,906	\$3,814,906	\$3,814,906	\$3,814,906	\$0	\$0	\$15,259,623
Total Costs	\$92,942,550	\$77,689,450	\$85,057,818	\$93,410,402	\$183,361,925	\$76,715,968	\$609,178,112

Overall costs will be somewhat higher—however, this recovery plan seeks to leverage existing PSH resources that are in the development pipeline, as well as turnover PSH units, and as such, not all costs are new.

Table 5. Recovery Plan Overall Costs, Net New and Leveraged

Component	FY 21 Q1	FY 21 Q2	FY 21 Q3	FY 21 Q4	FY 22	FY 23	Three Year Estimate
Project Roomkey Ramp-Down Costs	\$41,632,500	\$3,202,500	\$0	\$0	\$0	\$0	\$44,835,000
Recovery Bridge and Re-Housing Costs	\$47,495,144	\$70,672,044	\$80,466,512	\$85,300,721	\$134,560,310	\$7,697,985	\$426,192,717
Long Term Shallow Subsidy and PSH Costs	\$858,500	\$4,550,450	\$9,314,250	\$14,828,600	\$115,635,165	\$153,963,583	\$299,150,548
Prevention Scale Up	\$9,104,335	\$9,104,335	\$9,104,335	\$9,104,335	\$0	\$0	\$36,417,340
Total Costs	\$99,090,479	\$87,529,329	\$98,885,097	\$109,233,656	\$250,195,475	\$161,661,568	\$806,595,605

A. Recovery Re-Housing Effort Costs

The largest individual component of this plan is the recovery re-housing effort, which is comprised of navigation, case management, short-term rental assistance, and landlord engagement, among other components. The components of the recovery re-housing effort budget are below.

LOS ANGELES HOMELESS SERVICES AUTHORITY
REPORT BACK IN RESPONSE TO ITEM NO. 4, MAY 12, 2020 AGENDA

Table 6. Three-Year COVID-19 Recovery Bridge and Re-Housing Costs

Use	Amount
Navigation	\$7,350,000
Case Management	\$45,863,125
Rental Assistance	\$231,562,465
Landlord Engagement	\$46,083,492
Security Deposits	\$45,510,000
Move-In Kits	\$25,767,750
Program Administration	\$24,055,885
Total	\$426,192,717

Several budget assumptions underly the varying pathways that are envisioned for participants in this recovery plan. Budget assumptions for each housing pathway are listed below.

Table 7. Per-Household Costs by Service Pathway

Service Pathway	Number of Persons in Pathway	Months of Pathway	Monthly Rental Cost	Monthly Case Mgmt Cost	One Time Moving Cost + Security Deposit	One Time Landlord Engagement/ Holding Fees	Monthly Cost per Household	Total Cost per Household (Entire Duration)
Bridge Subsidy to PSH	7,050	Varying	\$1,517	\$313	\$4,834	\$3,034	\$1,830	Varying
Recovery Re-Housing Plus	3,975	15	\$1,517	\$313	\$4,834	\$3,034	\$1,830	\$29,072
Recovery Re-Housing	3,180	9	\$1,517	\$250	\$4,834	\$3,034	\$1,767	\$18,470
Problem-Solving	795	1	\$1,517	\$250	\$3,284	\$3,034	\$1,767	\$8,085
Recovery Shallow Subsidy	1,410	ongoing	\$759	\$125	\$0	\$0	\$884	\$21,204
Other Shallow Subsidy	795	ongoing	\$531	\$125	\$0	\$0	\$656	Varying

The recovery budget is not uniform over the three-year period—expenses on the recovery budget are highest in the initial year, at \$283.9 million, and minimal in year three, when more expenses are incurred in ongoing PSH and shallow subsidy costs and more participants are able to independently support their rents without subsidy. This is demonstrated in Table 8 below.

LOS ANGELES HOMELESS SERVICES AUTHORITY
REPORT BACK IN RESPONSE TO ITEM NO. 4, MAY 12, 2020 AGENDA

Table 8. Projected Per Month/Year Recovery Costs

Year 1		Year 2		Year 3	
July 2020	\$8,524,656	July 2021	\$18,765,609	July 2022	\$2,565,995
August 2020	\$17,656,068	August 2021	\$17,357,394	August 2022	\$2,052,796
September 2020	\$21,314,420	September 2021	\$16,186,770	September 2022	\$1,539,597
October 2020	\$23,397,893	October 2021	\$15,016,146	October 2022	\$1,026,398
November 2020	\$23,570,685	November 2021	\$13,845,522	November 2022	\$513,199
December 2020	\$23,703,467	December 2021	\$12,674,898	December 2022	\$0
January 2021	\$25,387,290	January 2022	\$11,298,994	January 2023	\$0
February 2021	\$26,877,453	February 2022	\$9,198,802	February 2023	\$0
March 2021	\$28,201,769	March 2022	\$7,098,609	March 2023	\$0
April 2021	\$29,178,423	April 2022	\$5,568,695	April 2023	\$0
May 2021	\$29,682,958	May 2022	\$4,263,427	May 2023	\$0
June 2021	\$26,439,340	June 2022	\$3,285,444	June 2023	\$0
Year 1 Total	\$283,934,422	Year 2 Total	\$134,560,310	Year 3 Total	\$7,697,985
Recovery Total	\$426,192,717				

For the above monthly budget:

- One-time move-in costs are anticipated to peak in September and October of 2020 at \$2.9 million per month as a result of peak load of moving participants into their service pathways. Similarly, security deposit costs peak in this same period at \$5.2 million per month. These costs are expected to subsequently decline before phasing out by July 2021.
- Navigation costs average \$425,000 per month during the first year of recovery, before declining to \$187,500 per month in the second year and phasing out in July 2022.
- Rental assistance costs continue to increase as participants move in to units on both 15 month and nine (9) month program tracks. Rental assistance costs are anticipated to peak at \$16.0 million in June 2021, slowly declining as participants exit the program and phasing out in December 2022.
- Case management is anticipated to follow the same course as rental assistance, with anticipated case management costs of \$3.1 million in June 2021 and phasing out in December 2022.

B. Project Roomkey Ramp-Down Costs and Ongoing Housing Costs

LAHSA will work with the County to extend Project Roomkey leases as needed, to the extent that motels and hotels are willing to continue participating in the program. To conclude Project Roomkey, LAHSA anticipates a need of approximately \$44.8 million through November 2020, with an average of 800 people being re-housed out of Project Roomkey each month beginning in July 2020 and concluding in November 2020.

Table 9. Estimated Project Roomkey Ramp-Down, Summer/Fall 2020

	July	August	September	October	November	Total
Households Re-Housed	400	1,000	1,000	1,000	600	4,000
Monthly Cost	\$19,215,000	\$13,877,500	\$8,540,000	\$3,202,500	\$0	\$44,835,000

In addition to the costs incurred above, some new ongoing costs will be incurred as a result of housing people using long-term resources such as shallow subsidies and supportive housing. These costs are estimated at \$299,150,547 over the three-year period, although \$176,259,775 of these resources are already accounted for in the existing system.

LOS ANGELES HOMELESS SERVICES AUTHORITY
REPORT BACK IN RESPONSE TO ITEM NO. 4, MAY 12, 2020 AGENDA

Table 10. Long-Term Shallow Subsidy and PSH Costs

Component	FY 21 Q1	FY 21 Q2	FY 21 Q3	FY 21 Q4	FY 22	FY 23	Three Year Estimate
Recovery Shallow Subsidy (Net New)	\$0	\$0	\$265,050	\$1,060,200	\$11,688,705	\$14,948,820	\$27,962,775
PSH Gap Costs (Net New)	\$0	\$0	\$511,350	\$3,234,575	\$36,049,090	\$48,332,880	\$88,127,895
PSH Existing Stock Costs (Existing System)	\$858,500	\$4,550,450	\$8,537,850	\$10,533,825	\$66,833,550	\$84,945,600	\$176,259,775
Non-Recovery Shallow Subsidy (Net New)	\$0	\$0	\$0	\$0	\$1,063,820	\$5,736,283	\$6,800,102
Net New Costs	\$0	\$0	\$776,400	\$4,294,775	\$48,801,615	\$69,017,983	\$122,890,772
Total Costs	\$858,500	\$4,550,450	\$9,314,250	\$14,828,600	\$115,635,165	\$153,963,583	\$299,150,547

C. Funding Sources

While the re-housing effort will entail a large amount of new expenditures in the face of economic recession, an array of new sources of funding are available that can be brought to bear. A summary of these available funding sources is below.

Table 11. Potential Funding Sources

Program	Recipient	Funding Administrator
CARES Act ESG	Cities, Counties, Continuums of Care (CoCs)	Federal (HUD)
CARES Act CDBG	Cities, Counties	Federal (HUD)
Coronavirus Relief Funds	Cities, Counties	Federal (Treasury)
FEMA Disaster Relief Funds	Cities, Counties, CoCs	Federal (FEMA)
COVID-19 Emergency Funding	Cities, Counties, CoCs	State
HHAP	Cities, Counties, CoCs	State
HEAP	Cities, CoCs	State

Some of these sources, while available for homelessness activities, are not anticipated to be available in the longer term or may already be expended:

- While FEMA funding is approved through July 2020, it is unlikely to be an available resource moving forward;
- State COVID-19 Emergency Funding has been encumbered and expended will not be a resource moving forward;
- Several other resources are allocated to the existing homeless services system: Los Angeles County's HHAP award has been allocated to shelter and supportive housing programs and the LA CoC's HHAP award has been allocated to prevention, RRH, and shelter;
- Los Angeles County's first tranche allocation of CDBG has been allocated.

LOS ANGELES HOMELESS SERVICES AUTHORITY
REPORT BACK IN RESPONSE TO ITEM NO. 4, MAY 12, 2020 AGENDA

More details on these funds can be found in Table 12 below.

Table 12. Potential Funding Sources (Detailed) and Eligible Uses

<u>Funding Source</u>	<u>Amount</u>	<u>Recipient</u>	<u>Eligible Uses</u>	<u>Timeline</u>
Federal				
CARES Act ESG Tranche 1	\$6,605,000	County	Shelter, rental subsidies, prevention	Two year expenditure deadline
CARES Act ESG Tranche 1	\$16,673,030	City of LA	Shelter, rental subsidies, prevention	Two year expenditure deadline
CARES Act ESG Tranche 1	\$5,224,000	County by way of State	Shelter, rental subsidies, prevention	Two year expenditure deadline
CARES Act ESG Tranche 2	\$62,445,943	County	Shelter, rental subsidies, prevention	Two year expenditure deadline
CARES Act ESG Tranche 2	\$167,431,509	City of LA	Shelter, rental subsidies, prevention	Two year expenditure deadline
CARES Act ESG Tranche 2	TBD	County by way of State	Shelter, rental subsidies, prevention	Two year expenditure deadline
CARES Act CDBG Tranche 1	\$13,668,315*	County	County	Six year expenditure deadline
CARES Act CDBG Tranche 1	\$31,963,374	City of LA	City of LA	Six year expenditure deadline
CARES Act CDBG Tranche 2	TBD	County	County	Six year expenditure deadline
CARES Act CDBG Tranche 2	TBD	City of LA	City of LA	Six year expenditure deadline
Coronavirus Relief Funds	\$1,057,341,432	County	Response to COVID-19	Expenditure deadline of 12/30/20
Coronavirus Relief Funds	\$694,405,324	City of LA	Response to COVID-19	Expenditure deadline of 12/30/20
State				
COVID-19 Emergency Funds	\$10,963,460*	LA CoC	Response to COVID-19	Encumbered by 6/30/20, expended by 6/30/22
COVID-19 Emergency Funds	\$19,335,938*	City of LA	Response to COVID-19	Encumbered by 6/30/20, expended by 6/30/22
COVID-19 Emergency Funds	\$10,567,011*	County	Response to COVID-19	Encumbered by 6/30/20, expended by 6/30/22
HHAP	\$66,271,041*	LA CoC	Rental assistance, shelter, prevention	Obligated by 5/31/23, expended by 6/30/25
HHAP	\$117,562,500*	City of LA	Rental assistance, shelter, prevention	Obligated by 5/31/23, expended by 6/30/25
HHAP	\$64,319,071*	County	Rental assistance, shelter, prevention	Obligated by 5/31/23, expended by 6/30/25
FY 20-21 State Budget Funding	TBD	TBD	TBD	TBD

As referenced above, some of these funding sources are already expended or allocated to other uses within the homeless or affordable housing. Funding sources demarcated with an asterisk (*) may already be obligated to existing programs.

VII. NEXT STEPS AND RAMP-UP

LAHSA, in collaboration with the Recovery Leadership Team, will continue to refine analysis and cost estimates, including working with the CEO in support of the funding and expenditure plan the CEO will submit to the Board of Supervisors as directed in Item No. 4 from the May 12, 2020 agenda.

LOS ANGELES HOMELESS SERVICES AUTHORITY
REPORT BACK IN RESPONSE TO ITEM NO. 4, MAY 12, 2020 AGENDA

Pending the funding recommendations from the CEO and their approval by the Board, the Recovery Leadership Team can commence the recovery plan in the next 30 days with several immediate actions to begin ramping up housing placements, including:

- Initiate lease ups with existing resources, including 500 units that are currently being held through for immediate placements out of Project Roomkey, as well as leasing up available and vacant PSH turnover units that have been identified by Housing Central Command;
- Augment the PATH Lease Up program by immediately authorizing hiring of staff to begin deploying holding fees and landlord engagement strategies on as many units as possible;
- Begin launch of centralized effort to recruit and train additional staff for homeless service provider agencies (including efforts to recruit and train staff with lived expertise of homelessness);
- Create plan and begin buying household move-in kits in bulk;
- Finalize Project Roomkey demobilization schedule and launch “Lease Up” events where participants from hotels that are demobilizing are able to view new units that become available;
- Coordinate transportation infrastructure to bring participants to available units, including determining leasing or leveraging use of County-owned vans.