

REPORT FROM

OFFICE OF THE CITY ADMINISTRATIVE OFFICER

Date: June 19, 2018

CAO File No. 0220-05151-0035

Council File No. 15-1138-S31

Council District: All

To: The Council

From: Richard H. Llewellyn, Jr., City Administrative Officer

Reference: Motion (Huizar – Harris-Dawson – Blumenfield)

Subject: **Emergency Shelter and Crisis Housing Options for the Unsheltered Homeless Population in Skid Row**

RECOMMENDATIONS

That the City Council note and file this report inasmuch as no action is required.

SUMMARY

In response to Motion (Huizar – Harris-Dawson – Blumenfield; C.F. 15-1138-S31), this report describes the need and funding necessary to expand interim housing to address the unsheltered homeless population living in the Skid Row neighborhood of downtown Los Angeles. Additionally, this report outlines actions the Los Angeles Homeless Services Authority (LAHSA) has taken to ensure that interim housing operators effectively transition interim housing residents to permanent housing.

BACKGROUND

In February 2016, the City adopted the Comprehensive Homeless Strategy (CHS), which outlines strategies to address homelessness (C.F. 15-1138-S1). These strategies include instructions to LAHSA, the CAO, the Chief Legislative Analyst (CLA), and the Housing and Community Investment Department (HCID) to report regarding the personnel, shelter standards, and additional beds required to transform the City's existing shelter system into bridge housing (Strategy 7A) and expanding shelter capacity and improve access to emergency shelter (Strategy 7O).

The 2018 Homeless Point-in-Time Count, conducted in January 2018, reported 31,516 individuals experiencing homelessness in the City of Los Angeles, 23,114 or 73% of whom are unsheltered. 4,294 or 14% of the City's homeless population resides in the 0.6 square miles that encompasses Skid Row¹; 2,145 or 50% of these individuals are unsheltered. This amounts to 358

¹ Includes Census Tracts 207301, 207302, 206200, and 206300.

unsheltered individuals per square mile in Skid Row, compared to 45 unsheltered individuals per square mile outside of Skid Row.

CURRENT NEED FOR INTERIM HOUSING AND COST TO DEVELOP SUFFICIENT INTERIM HOUSING CAPACITY IN SKID ROW

Interim housing includes crisis and bridge housing (stays ranging between 30 days and six months) and Winter Shelter (crisis housing that operates from Dec. 1 to March 31 each year); it does not include transitional housing (stays of up to two years for adults and three years for youth). In January of each year, LAHSA performs the Housing Inventory Count (HIC), which identifies all interim beds available throughout the City and County Continuum of Care, including but not limited to beds in facilities funded through contracts with LAHSA. The 2017 HIC identified 1,575 crisis and bridge housing beds in Skid Row. The 2018 HIC will not be released until later this summer.

LAHSA estimates that 85% of unsheltered individuals would be willing to accept interim housing placements, or 1,823 of the 2,145 unsheltered persons in Skid Row. The cost to house 1,823 persons is approximately \$54 million in the first year and \$30 million annually thereafter. This estimate assumes 17 new interim housing sites with 95-100 beds per site. Operating costs amount to an average of \$45 per bed per night and 10% for LAHSA administration. A capital investment of an average of \$1.4 million per site in the first year is also included in this estimate, covering the purchase of membrane structures or trailers for temporary sites or rehabilitation for sites with existing buildings. This estimate does not include land costs. Capital costs may also be greater, depending on characteristics of specific sites. The table below summarizes LAHSA’s cost estimates.

Costs to Establish Interim Housing Beds to Meet the Need in Skid Row

	Cost Per Site (Year 1)	Annual Cost (Year 2 and Later)	Total for 17 Sites (Year 1)	Total for 17 Sites (Year 2 and Later)
Operating Cost (\$45/bed/night)	\$1,612,549	\$1,612,549	\$27,413,325	\$27,413,325
LAHSA Administration	\$161,255	\$161,255	\$2,741,333	\$2,741,333
Capital Costs (\$1.4 million/site)	\$1,400,000	-	\$23,800,000	-
Total	\$3,173,804	\$1,773,804	\$53,954,658	\$30,154,658

LAHSA ACTIONS TO IMPROVE LONG-TERM HOUSING OUTCOMES IN INTERIM HOUSING

Prior to 2016, LAHSA-contracted interim housing facilities were only open 14 hours per day and operated on a first-come, first-served basis. Clients were required to leave the site each morning, unsure of whether a bed would be available later that night. Additionally, operating funding was insufficient to support services to assist clients to transition to permanent housing.

Beginning in Fiscal Year (FY) 2016-17, all LAHSA-contracted interim housing beds (with the exception of the seasonal Winter Shelter Program) began operating on a 24/7 basis. LAHSA has also implemented new policies and procedures for all service providers to ensure programs are low-barrier and effective at referring clients to permanent housing options.

Other improvements to lower barriers to access, and improve clients' permanent housing outcomes include the following:

- Increasing the bed rate for all interim housing to allow service providers the ability to remain open 24 hours per day, seven (7) days per week and provide more intensive services and referrals (e.g. housing navigators, medically-trained staff, other professionals);
- Removing eligibility restrictions so that anyone experiencing a housing crisis is now eligible to access these beds;
- Reserving beds for bridge housing participants who have been matched with a housing resource in order to improve retention and increase an individual's likelihood of exiting to permanent housing;
- Updated LAHSA policies including Housing First and Harm Reduction policies;
- Making reasonable accommodations, such as placing self-identified households together, accommodating pets or belongings, etc.;
- Permitting service animals for those with identified disabilities;
- Providing additional resources and support for companion animals accompanying program participants;
- Adopting the Housing and Urban Development (HUD) Department's Equal Access policies; and
- Providing ongoing training and support to service providers to help them implement LAHSA's policies and procedures.

EFFORTS TO EXPAND INTERIM HOUSING

Both the City and the County have allocated funds to support new interim housing beds in FY 2018-2019.

In November 2017, in response to the immediate need for interim housing facilities while City-financed supportive housing units are being constructed, the Mayor's office and the CAO began convening an Interim Housing and Temporary Structures Working Group. The working group includes staff representing the City Attorney's Office, the CLA, LAHSA, Public Works Bureau of Engineering, Bureau of Sanitation, Planning, LADWP, General Services, Building and Safety, and Fire, to explore options to use temporary structures (e.g. trailers, large tension membrane structures) to more quickly establish interim housing facilities. The first of these is set to open at the El Pueblo Historical Monument's Parking Lot 5 north of Skid Row in Council District 14 in August 2018. These sites are being designed to facilitate compliance with LAHSA's shelter standards described above, especially accommodating multi-person households and companion animals, providing personal storage space, and other amenities to lower barriers to entry.

On May 21, 2018, the City Council approved the Mayor's proposed FY 2018-19 City budget,

which included \$20 million for the Crisis and Bridge Housing Fund to establish interim housing facilities on City-owned or other public and private sites throughout the City. Moreover, the City Council added \$10 million to the budget to support this effort and other homeless programs. The Interim Housing and Temporary Structures Working Group has already started feasibility assessments of a number of sites that could be funded by this effort.

The Fiscal Year 2018-19 State budget, awaiting the Governor's signature, also includes \$150 million for one-time uses, including interim housing, to address homelessness in LA County. The City's estimated share of these funds is approximately \$85 million. Proposed spending plans for these funds are due to the State by December 31, 2018 and the State will make the first awards by January 31, 2019. 50% of funds must be obligated by January 1, 2020 and 100% must be obligated by June 30, 2021.

The Proposition HHH (Prop HHH) Facilities Program has also funded the construction of both City-sponsored and non-City-sponsored interim housing facilities. The Fiscal Year 2018-19 Prop HHH Project Expenditure Plan (PEP) includes funding for 30 new beds at the Midnight Mission in Skid Row.

The County will fund as many as 3,250 beds Countywide with Measure H revenue and funds from the County Departments of Mental Health (DMH) and Health Services (DHS). As discussed above, some of these funds will support new interim housing on City sites. Further, one of the sites being considered by DHS is at 1426 Paloma Street, near Skid Row. DHS estimates that the site will accommodate approximately 120 new interim housing beds.

CONSIDERATION OF PUBLIC FACILITIES

In response to the Motion, this Office met with representatives from the Emergency Management Department (EMD), the Department of Recreation and Parks (RAP), and the American Red Cross (ARC) to understand the City's existing system of emergency/disaster shelters at RAP properties and how they operate. We also worked with the Department of Transportation to identify City-owned parking lots that may be suitable for permanent or temporary housing or for safe parking programs. Additionally, the CAO's Asset Management Group has systematically reviewed the City General Services Department's list of City-owned surplus properties to identify opportunities for interim housing.

Recreation and Parks Locations

In cooperation with EMD, RAP, ARC, the Department on Disability (DOD), the Animal Services Department (ASD), and the Los Angeles Unified School District (LAUSD), the City has developed mass care and shelter plans for different emergency and disaster scenarios. As part of these plans, EMD and RAP have co-developed a list of "pre-qualified" RAP-owned or operated properties (recreation centers, senior centers, etc.) that may be considered for activation as shelter in the event of an emergency, based on their level of accessibility (notably with regards to Americans with Disabilities Act standards) and the amenities available at each location (restrooms, showers, etc.). In the event of an emergency, EMD and RAP select shelter locations from this list. These locations must then be inspected by the DOD and the Los Angeles County

Department of Public Health in order to be activated.

There are approximately 49 sites on the pre-qualified list that EMD and RAP estimate would require minimal modifications to ensure accessibility to allow them for use as temporary shelters in the event of an emergency. None of these sites are located in Skid Row, however the closest locations are listed below (distance is calculated from the intersection of 5th Street and Crocker):

Emergency Shelter Sites Near Skid Row

Distance and Location	No. of Facilities	Estimated Bed Count
2.0 mi.	1	67
CD 9	1	67
3.0 mi.	5	987
CD 1	1	75
CD 9	2	295
CD 10	1	474
CD 13	1	143
Total	6	1,054

Households displaced by natural disasters typically return home or obtain suitable replacement housing within a few weeks through private insurance or safety-net programs, such as the Federal Emergency Management Agency. As a result, sites included in the City’s mass care and shelter plans are evaluated for their ability to serve as temporary shelter for up to two weeks. Unsheltered homeless persons typically need much longer than this to resolve their homelessness. Further, while the ARC manages these shelters, the agency has confirmed that this model is substantially different from crisis housing for the homeless and has indicated that they are not prepared to operate this type of shelter. Lastly, RAP reports that activating any RAP facility to serve as a shelter would require all community programming to be cancelled, displacing all part-time staff for the duration of the program.

Department of Transportation Parking Lots

The CAO’s Asset Management Group has worked extensively with the DOT to identify parking lots suitable for permanent and interim housing facilities as well as safe parking. This analysis included only public parking lots, not parking lots that are part of City facilities.

Parking Lots for Interim Housing in Temporary Structures

The Interim Housing and Temporary Structures Working Group (discussed above) has established that a minimum of 20,000 square feet is needed to establish a 70-bed interim housing facility, with on-site amenities including hygiene facilities, dining areas, personal storage, space for companion animals, and staff and case management office space. A total of three (3) DOT parking lots within three (3) miles of Skid Row meet this criterion (as measured from 5th Street and Crocker). It must be noted that further site review, including in-person site visits, property surveys, and lot utilization analyses would be required in order to determine whether any of these properties would be suitable for this purpose.

DOT Parking Lots Near Skid Row (20,000 sq. ft. or more)

Distance and Location	No. of Facilities	Estimated Bed Count
2.0 mi.	2	140
CD 14	2	140
3.0 mi.	1	70
CD 13	1	70
Total	3	210

¹ Number of surface lots greater than or equal to 20,000 square feet.

² Assuming 70 beds per every 20,000 square feet.

Review of City Surplus Property

While the CAO Asset Management Group's analysis of City surplus property did not result in any suitable sites for interim housing in Skid Row, the CAO Municipal Facilities Group has identified the former LA Children's Museum, located in the Los Angeles Mall at Main and Temple, less than one mile from Skid Row. City Attorney staff who previously occupied this space recently relocated to City Hall. This 14,000 sq. ft. site is now completely vacant and could be renovated to accommodate interim housing beds and other services, including storage for the unsheltered homeless population in Skid Row as well as the area surrounding the Los Angeles Civic Center.