



April 8, 2016

TO: Councilman Marqueece Harris-Dawson, Chair, and Homelessness & Poverty Committee of the Los Angeles City Council

FROM: Peter Lynn, Executive Director, Los Angeles Homeless Services Authority

CC: Sharon Tso, Chief Legislative Analyst
Miguel Santana, City Administrative Officer

SUBJECT: SHELTER FUNDING STATUS UPDATE – DOMESTIC VIOLENCE BEDS

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In 2015, the U.S. Department of Housing and Urban Development (HUD) released new guidance with its annual Notice of Funding Availability (2015 NOFA) for the Continuum of Care (CoC) competitive grant process. Policy shifts at the federal level meant that HUD would begin prioritizing more cost and outcome effective housing interventions, moving away from traditional transitional housing models and toward more innovative models such as Rapid Re-Housing.

As the lead agency and fiscal fiduciary of the Los Angeles CoC (LA CoC), and in order to remain competitive in securing federal funding for its existing programs, the Los Angeles Homeless Services Authority (LAHSA) made a strategic decision to reallocate funding from 58 transitional housing programs. LAHSA had thorough collaboration and support from the homeless housing and service providers, the LA CoC Coordinating Council and the LAHSA Commission, as well as many strong partnerships across the Los Angeles CoC. Without this difficult but necessary reallocation decision, the LA CoC would have been at risk of losing more than \$12 Million in federal funding; these grants would have been lost, and the funding would not have been retained in Los Angeles. LAHSA recognizes the impact of the reallocation strategy on the domestic violence community, and have since been working with providers and the City and County of Los Angeles to find alternate sources of funding for the affected programs. In its recent budget request to the City, LAHSA requested the City fund the organizations at risk of losing funding in Fiscal Year (FY) 2016-2017 in order to mitigate the impact of the reallocation strategy.

In response to the Los Angeles City Council motion adopted December 15, 2016 (City Council File 15-1357), LAHSA submits the following report to the Homelessness & Poverty Committee of the Los Angeles City Council:

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MOTION 36: Report on the cost and feasibility of locally funding DV shelters in good standing slated for closure. (LAHSA and CAO)

First and foremost, LAHSA is committed to improving the relationship between the homeless service delivery system and domestic violence (DV) service delivery system in order to better serve survivors of domestic violence experiencing homelessness. LAHSA is actively engaged in County-level discussions around better coordination between our systems. In March, LAHSA attended a gathering convened by the County Chief Executive Office (CEO) that brought DV providers and other County and City of Los Angeles stakeholders to the table. A high level of engagement with this collaborative process is important in identifying the best way to serve survivors of domestic violence in our communities.

Of the 58 projects included in the 2015 NOFA reallocation strategy, five projects directly target and serve survivors of domestic violence, three of which are located in the City of Los Angeles. Of the five DV-specific projects listed in Table 1 below, a total of 114 beds serving domestic violence survivors were reallocated in the 2015 NOFA, of which 73 beds (12 units) are located in the City of Los Angeles. One of the grants (Prototypes) was not reallocated by the scoring policy, but was given up by the grantee prior to reallocation, who decided to transition to an alternative service model. The last grant listed was a services only grant, with no beds.

Table 1: 2015 Reallocated Domestic Violence Projects

2015 Reallocated Domestic Violence Projects						
Agency	Program Type	SPA	City	Grant Amount	Beds/Units	Contract End Date
Antelope Valley Domestic Violence Council***	Transitional Housing	1	Lancaster	\$ 146,652	41/3	September 30, 2016
Prototypes*, **	Transitional Housing	4	Los Angeles	\$ 152,700	20/1	N/A
First to Serve*	Transitional Housing	6	Los Angeles	\$ 258,250	15/1	October 31, 2016
Rainbow Services*, ***	Transitional Housing	8	San Pedro	\$ 259,869	38/10	November 30, 2016
Homeless Reduction for Runaway Youth and Battered Women/Children	Supportive Services Only	8	Torrance	\$ 201,869	NA	January 31, 2016

*Projects located in the City of Los Angeles

** Project grant was given up to LAHSA prior to the reallocation scoring process

*** Project received direct funding from HUD not monitored by LAHSA

In a climate of limited resources, the scoring policy is a prioritization tool that assists LAHSA in making difficult funding decisions. The tool allows LAHSA to identify which programs are performing well and achieving the best outcomes for our continuum, and which programs are not. The scoring policy used in the reallocation strategy included a 70 percent threshold score for DV providers, meaning if providers were not performing at 70 percent or above, LAHSA chose to reallocate their funding to new Rapid Re-Housing or Permanent Supportive Housing.

Given that one of the five projects voluntarily returned its grant funding prior to the reallocation (Prototypes), a total of four out of the 58 reallocated projects were DV programs (7 percent of the reallocated projects). Of these four, one program (Homeless Reduction for Runaway Youth and Battered Women/Children) provided Supportive Services Only (SSO) and no beds or units. The LA CoC is no longer funding SSO projects, instead concentrating its resources on cost-efficient crisis and permanent housing beds as directed by HUD. For the three remaining projects whose contracts will end beginning in September 2016, LAHSA is engaged in discussions with the affected providers and exploring alternate sources of funding and/or potential project conversion.

In its most recent budget request to the City, LAHSA included all of the DV programs affected by the reallocation strategy. LAHSA requested that the City fund these programs in Fiscal Year (FY) 2016-2017 in order to allow for additional time to identify program design and funding alternatives. LAHSA will continue to seek alternative sources of funding for the affected programs, and will work with the City's Housing and Community Investment Department (HCID), the City's Domestic Violence Task Force, and the City Administrative Office on this effort as compelled by the City's Comprehensive Homeless Strategy (Strategy 9K).

36-A: Report on feasibility of restoring funding to Harbor Interfaith Services transitional housing program for families. (CAO and LAHSA)

LAHSA initially offered to modify its budget for the Homeless Family Solutions System (HFSS) and provide a portion of funding (\$67,000) that would allow Harbor Interfaith Services transitional housing program for families to operate on a prorated basis through the end of FY 2015-2016. The provider was instead able to secure funding from LA County's Fourth Supervisorial District discretionary funds to keep the transitional housing program operational for the same time period, and is pursuing additional funding from its council district. The provider has expressed interest in converting its program to a permanent supportive housing model, but would require technical assistance and funding to do so. LAHSA included Harbor Interfaith Services conversion to crisis housing in its budget request to the City for FY 2016-2017.

36-B: Analysis of 11 projects expiring by March 31, 2016 and plans for converting beds into crisis shelter, bridge housing, or permanent housing without disruption of services. (LAHSA, CAO, CLA)

Please refer to Attachment A for the analysis of all reallocated projects expiring by March 31, 2016. The main categories of this analysis identify the following:

- Reallocated projects expiring through the end of March 2016;
- Agencies that have expressed interest and planned to convert to crisis shelter, bridge housing, or permanent housing;
- Agencies that have a restrictive covenant which may create additional barriers in converting to a different project type, but ensures they will continue serving this population;
- Identified funding needs of the agency; and
- Potential funding alternatives.

LAHSA is exploring a range of potential resources and options for programs affected by reallocation, including federal, state, and local funding. LAHSA reached out to all of the 14 reallocated projects in the City and the County with grants that expired as of March 31, 2016, and can report the following (as of March 31, 2016):

- LAHSA was able to connect with all of the 14 agencies to begin discussions around plans for conversion;
- Of the 14 agencies, nine agencies expressed interest in converting their project type to crisis shelter, bridge housing, or permanent housing;
- Of the nine agencies that expressed interest in conversion, three have identified restrictive covenants that present challenges to converting program types. LAHSA is working with the agencies that have restrictive covenants to ensure these facilities continue to serve low income households or people experiencing homelessness, and to identify alternative funding for technical assistance or capital resources;
- Four agencies are engaged in grant writing, obtaining donations, or have identified an alternate funding source to help sustain them after the end of the current fiscal year;
- Two of the reallocated programs provided Supportive Services Only (SSO), which does not provide beds. No alternate funding has been identified at this time for the two SSO projects.

Of the 14 reallocated projects, 12 will be able to provide services until the end of the FY 2015-2016, with some programs using the assistance of bridge funding. The bridge funding that some programs received is contingent on the program converting to crisis or permanent housing. Program conversion may require a transition period and interim funding while the conversion occurs. LAHSA requested funding to support reallocated projects operating crisis or permanent housing in the FY 2016-2017 City and County budget request. As described above and in Attachment A, LAHSA is in the process of discussing potential conversions, referrals to alternate funding sources, and assistance with facilitating this process with the affected programs. In order to access interim funding, agencies would need to meet the program standards and requirements of the program and convert to crisis housing, bridge housing, or permanent housing. LAHSA also included a request to fund day shelters in its FY 2016-2017 City and County budget requests.

Amount of funding necessary to continue to utilize these programs in the interim until additional funding is secured to transform beds into crisis shelter, bridge housing, or permanent housing. (LAHSA, CAO, CLA)

If all reallocated projects are able to convert to crisis, bridge, or permanent housing, the estimate for interim funding would be \$1.25 Million for families, singles, and youth in the City of Los Angeles for FY 2015-16. LAHSA and agencies have identified alternate funding for all programs in the single adult, youth, and family systems with contracts ending prior to June 30, 2016. Additionally, for FY 2016-2017, LAHSA has requested funding to assist reallocated projects that convert to crisis or permanent housing through its City budget request.

A like analysis of 28 renewal projects expiring after March 31, 2016 in the City. (LAHSA, CAO, CLA)

LAHSA and agencies have identified alternate funding for all programs in the single adult, youth, and family systems to secure funding. Additionally, for FY 2016-2017, LAHSA has requested funding to assist reallocated projects that convert to crisis or permanent housing through its City budget request.

Funding needed to support these programs should be included in the City Homeless Strategic Plan as priority

City Homeless Strategy 9K “Additional Strategies Women’s Homelessness – Domestic Violence” fulfills this request, as does Strategy 7O “Expanding Emergency Shelter and Improving Access.” LAHSA requested funding for the DV programs affected by reallocation in its FY 2016-2017 budget request.

36-C: Report on feasibility of restoring funding to Tarzana Treatment Center. (LAHSA, CAO, CLA)

The Tarzana Treatment Center’s transitional housing project that was included in the reallocation strategy is currently funded through the end of FY 2015-2016. LAHSA is in communication with the County Department of Public Health about a potential partnership with the provider, as well as looking into Housing Opportunities for Persons With AIDS (HOPWA) program funding for a portion of the program’s bed inventory. LAHSA will continue to report to Council with updates on this process as information becomes available.

Attachment A: Reallocated Projects through March 31, 2016

Organization Name	Project Name	Project Type	Grant End Date	Population Served	Beds	Council District (Where Applicable)	Service Planning Area (SPA)	City/County	Expressed interest and plans to convert to other project types	Identified Restrictive Covenant Applies
Venice Community Housing Corporation	Westminster Transitional Living Center	TH	Dec-15	Households with Children	32	CD 11	SPA 5	City	Exploring CH conversion.	No.
Harbor Interfaith Services, Inc.	"You Can Have It A.L.L."	TH	Dec-15	Households with Children	66	CD 15	SPA 8	City	Exploring PSH conversion.	Yes.
House of Ruth	609 Transitional Shelter	TH	January	Households with Children	20	CD 14	SPA 4	City	Exploring conversion options.	Yes.
SHIELDS For Families, Inc.	Naomi Village	TH	January	Single Adults; Households with Children	62	Not in City	SPA 6	County	Exploring conversion options.	Yes.
1736 Family Crisis Center	Homeless Reduction for Runaway Youth and Battered Women/Children	SSO	January	Domestic Violence		Not in City	SPA 8	County	N/A	N/A
Center for Human Rights and Constitutional Law, Inc	Casa Libre/Freedom House 2014	TH	February	Youth	6	CD 1	SPA 4	City	Provider would like to convert to CH.	No.
His Sheltering Arms	Pearl Center	PH	February	Single Adults	12	CD 8	SPA 6	City	Expressed interest in converting to CH. LAHSA is Working with provider to further discuss.	No.

Organization Name	Project Name	Project Type	Grant End Date	Population Served	Beds	Council District (Where Applicable)	Service Planning Area (SPA)	City/County	Expressed interest and plans to convert to other project types	Identified Restrictive Covenant Applies
YMCA of Metropolitan Los Angeles	A Brighter Future	TH	February	Single Adults; Households with Children	38	CD 13	SPA 4	City	Provider is exploring whether they can convert to CH or THP.	Assessing.
Los Angeles Youth Network	Hollywood Youth Shelter	SSO	February	Youth		CD 13	SPA 4	City	LAHSA continues to assist in exploring alternate funding for supportive services.	No.
Mary Lind Recovery Centers	MLRC Supportive Program FY2013	TH	March	Single Adults	72	CD 1	SPA 4	City	To be determined once confirmation received.	To be determined
New Economics for Women	La Posada	TH	March	Single Adults; Households with Children	60	CD 1	SPA 4	City	Agency has expressed interest in converting to PSH.	Yes.
Skid Row Development Corporation	SRDC - Transition House	TH	March	Single Adults	90	CD 14	SPA 4	City	No.	N/A
Single Room Occupancy Housing Corporation	Marshal House Transitional Housing Program	TH	March	Single Adults	71	CD 14	SPA 4	City	No.	No.
California Council for Veterans Affairs, Inc.	Women and Children First	TH	March	Single Adults; Households with Children	19	CD 8	SPA 6	City	Yes. Expressed interest in converting to CH. Working with agency to discuss next steps.	No.