

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

0220-05151-0165

Date: November 22, 2019

To: City Council

From: Richard H. Llewellyn, Jr.
City Administrative OfficerCouncil File No.: 19-0914
19-1045Sharon M. Tso
Chief Legislative Analyst**SUBJECT:** Application for the State of California Homeless Housing, Assistance, and Prevention Program (HHAP)**SUMMARY**

On September 18, 2019 the Council adopted a Homeless and Poverty Committee report instructing the City Administrative Officer (CAO) and the Chief Legislative Analyst (CLA) to report to Council with recommendations on the Homeless Housing, Assistance, and Prevention Program (HHAP) funding categories and take into consideration the Mayor's proposed categories, stakeholders comments, input from City Departments, and priorities from the Council Homeless Day hearing held on June 26, 2019 (CF:19-0914). In addition, the Council instructed our offices to consider various funding requests raised during the September 4, 2019 Committee hearing including: shared housing, motel vouchers, safe parking, youth housing, eviction prevention, hygiene services, funding for areas with highest concentration of homelessness, programs for domestic violence, special populations and flexible funding.

The State of California's Homeless Housing, Assistance, and Prevention Program (HHAP) is a \$640 million block grant program designed to provide jurisdictions with one-time grant funds to support regional coordination and expand or develop local capacity to address immediate homelessness challenges. HHAP was authorized by Assembly Bill 101 and signed into law by Governor Gavin Newsom in July 2019. The City of Los Angeles anticipates receiving a HHAP allocation of \$117,562,500. The application process for these funds is expected to be similar to the State's 2018 Homeless Emergency Aid Program (HEAP).

In a separate action on October 11, 2019, the Council adopted a Homelessness and Poverty Committee report to support eight (8) proposed A Bridge Home (ABH) sites, instructed the CAO to work with the County of Los Angeles, the Los Angeles Homeless Services Authority, and the State of California to identify funding for additional ABH beds and instructed the CAO and CLA to consider allocating approximately \$37 million for ABH Program when preparing recommendations for the HHAPP grant (CF: 19-1045).

This report outlines the recommended funding categories for the City’s HHAP application, the funding process to allocate HHAP funds within these categories, and requests authority to apply for the grant as soon as the application period opens. In addition, this report recommends funding reservations or commitments to prevent delays in the construction or operation of new ABH, to provide support to administer this grant, and the repayment of Reserve Fund loans pending approval. All other HHAP funding will be recommended through the allocation process described in this report.

RECOMMENDATIONS

That the City Council, subject to approval by the Mayor:

1. APPROVE the proposed funding categories and amounts for the City’s Homeless Housing, Assistance, and Prevention Program application, which are further described in Table 1 of this report:

HHAP Funding Category		State HHAP Eligible Use	Amount
1	A Bridge Home Capital and Operating	8	\$50,382,313
2	Skid Row	Multiple	\$6,000,000
3	Prevention and Shelter Diversion to Permanent Housing	7	\$25,806,480
4	Rental Assistance and Rapid Rehousing	1 and 4	\$10,358,117
5	Street Strategy, Outreach, Public Health, and Hygiene	4	\$8,000,000
6	Youth Experiencing Homelessness or At Risk of Homelessness (8% Set-Aside Required)	Multiple	\$8,786,215
7	Administrative Costs (Capped at 7%)	Administration	\$ 8,229,375
	Total		\$ 117,562,500

2. DESIGNATE the City Administrative Officer as the grant administrator for the Homeless Housing, Assistance, and Prevention Program;
3. DIRECT the City Administrative Officer to submit the City’s application for the Homeless Housing, Assistance, and Prevention Program to the State of California Business, Consumer Services and Housing Agency, once the application period is open;
4. AUTHORIZE the City Administrative Officer to execute any necessary documents to accept Homeless Housing, Assistance, and Prevention Program funding on behalf of the City;
5. DESIGNATE the Homeless Strategy Committee as the oversight body for the Homeless Housing, Assistance, and Prevention Program;
6. APPROVE the funding allocation process for Homeless, Assistance, and Prevention Program dollars outlined in this report;

7. INSTRUCT the City Administrative Officer and the Chief Legislative Analyst to review Homeless, Assistance, and Prevention Program funding requests and make recommendations to the Homeless Strategy Committee, including recommendations to support operating costs at A Bridge Home sites identified in Attachment 3;
8. APPROVE \$13,343,956 from the State Homeless, Assistance, and Prevention program Category 1 - A Bridge Home Capital and Operating for:
 - a. \$5,469,000 to reimburse the Reserve Fund for three (3) A Bridge Home sites, subject to approval of the Reserve Fund loans as follows:
 - i. 7700 Van Nuys - \$1,661,000;
 - ii. 3428 Riverside - \$1,465,000; and
 - iii. 12860 Aetna - \$2,343,000;
 - b. \$4,325,314 for two (2) A Bridge Home sites:
 - i. Leasing costs for beds for individual women at 1214 Lodi Pl. for 36 months beginning February 2020 - \$3,225,314.
 - Funds will be provided to the General Services Department Real Estate Services to pay leasing costs to the Young Women's Christian Association of Greater Los Angeles, which owns the property. The County of Los Angeles and the Los Angeles Homeless Services Authority will support operating costs at this site; and
 - ii. Leasing costs at 4601 S. Figueroa St. for 36 months beginning in February 2020 - \$1,100,000
 - Funds will be provided to Homeless Outreach Program Integrated Care Services through a contract with the Los Angeles Homeless Services Authority. Existing Measure H funding for interim housing for families will support operating costs at this site.
 - c. \$3,549,642 to complete two (2) previously approved A Bridge Home sites currently under construction as follows:
 - i. 100 Sunset Avenue - \$549,479;
 - ii. Veteran's Affairs West Los Angeles Campus - \$3,000,163;
9. RESERVE the \$37,038,357 balance of Category 1 - A Bridge Home Capital and Operating, for remaining capital costs outlined in Table 2 and included in Attachment 3;
10. LIMIT the approval of new A Bridge Home sites to the sites listed in Attachment 3 of this report;
11. INSTRUCT the City Administrative Officer to reimburse the Reserve Fund, subject to the approval of the Reserve Fund loans upon receipt of the City's Homeless Housing, Assistance, and Prevention Program grant award as follows:
 - a. 7700 Van Nuys - \$1,661,000;
 - b. 3428 Riverside - \$1,465,000; and
 - c. 12860 Aetna - \$2,343,000.
12. INSTRUCT the General Manager, Housing + Community Investment Department, or

designee, to execute a new contract with the Los Angeles Homeless Services Authority to be in effect through June 30, 2021 to implement the following Homeless, Housing, Assistance, and Prevention Program:

- a. Homeless Outreach Program Integrated Care (A Bridge Home – 4601 S. Figueroa St.) – \$1,100,000

13. AUTHORIZE by resolution, subject to allocation by the Board of Civil Service Commissioners, one position of Administrative Analyst (Classification Code 1590) in the Office of the City Administrative Officer for the period of January 1, 2020 through June 30, 2020 in support of the Homeless Housing, Assistance, and Prevention Program;

14. APPROVE \$1,317,415 from Category 7 – Administrative Costs for:

- a. The Office of the City Administrative Officer to administer the Housing, Assistance, and Prevention Program through June 30, 2025 as follows:
 - i. \$1,097,415 for one (1) Administrative Analyst; and
 - ii. \$220,000 for the CAO Administrative Group for accounting support.

15. AUTHORIZE the Controller to:

- a. Establish a new Special Fund, entitled “HHAP,” within Department 10, to receive and disburse the Homeless Housing, Assistance, and Prevention Program funds;
- b. Create the appropriation accounts named below, account numbers to be determined; and
- c. Upon receipt of Homeless Housing, Assistance, and Prevention Program funds, increase appropriations within the newly created appropriation accounts as follows:

Special Fund: HHAP

<u>Account Name</u>	<u>Amount</u>
FC-1: A Bridge Home Capital and Operating Gap	\$50,382,313
FC-2: Skid Row	\$6,000,000
FC-3: Prevention and Shelter Diversion to Permanent Housing	\$25,806,480
FC-4: Rental Assistance and Rapid Rehousing	\$10,358,117
FC-5: Street Strategy, Outreach, Public Health, and Hygiene	\$8,000,000
FC-6: Set-Aside for Youth	\$8,786,215
<u>FC-7: Administrative Costs</u>	<u>\$8,229,375</u>
TOTAL	\$117,562,500

16. AUTHORIZE the City Administrative Officer to:

- a. Prepare Controller instructions or make any necessary technical adjustments, including adjustments to the names of the Special Fund accounts recommended in this report, consistent with the Mayor and Council action in this matter, and authorize the Controller to implement these instructions; and
- b. Prepare any additional Controller instructions to reimburse City Departments for their accrued labor, material or permit costs related to projects in this report

consistent with the Mayor and Council action on this matter, and authorize the Controller to implement these instructions.

BACKGROUND

The State of California's Homeless Housing, Assistance, and Prevention (HHAP) Program, administered by the Business, Consumer and Housing Agency (BCHA), will provide the 13 largest cities in the State with \$275,000,000 for immediate assistance to people experiencing homelessness. The State will retain five (5) percent of this amount for administrative costs, allocating \$117,562,500 to the City. State-defined HHAP eligible uses include:

1. Rental assistance and rapid rehousing;
2. Operating subsidies in new and existing affordable or supportive housing units, emergency shelters, and navigation centers. Operating subsidies may include operating reserves;
3. Landlord Incentives (including, but not limited to, security deposits and holding fees);
4. Outreach and coordination (which may include access to job programs) to assist vulnerable populations in accessing permanent housing stability in supportive housing;
5. Systems support for activities necessary to create regional partnerships and maintain a homeless services and housing delivery system;
6. Delivery of permanent housing and innovative housing solutions (such as hotel and motel conversions);
7. Prevention and shelter diversion to permanent housing; and
8. New navigation centers and emergency shelters based on demonstrated need.

Enforcement programs and sanitation clean-up costs are not eligible for this funding. A minimum set-aside of eight (8) percent of the grant must be used to meet the needs of homeless youth or youth at risk of homelessness. Administrative costs are capped at seven (7) percent of the grant. Fifty percent of HHAP funds must be obligated by May 31, 2023, and 100 percent of the funds must be expended by June 30, 2025.

Housing First Requirements

HHAP projects must align and comply with the core components of Housing First as defined in the State of California Welfare and Institutions Code § 8255(b), which include but are not limited to:

- Tenant screening and selection practices that promote accepting applicants regardless of their sobriety or use of substances, completion of treatment, or participation in services.
- Acceptance of referrals directly from shelters, street outreach, drop-in centers, and other parts of crisis response systems.
- Participation in services or program compliance is not a condition of permanent housing tenancy.
- Tenants have a lease and all the rights and responsibilities of tenancy, as outlined in California's Civil, Health and Safety, and Government codes.

- Case managers and service coordinators who are trained in and actively employ evidence-based practices for client engagement, including, but not limited to, motivational interviewing and client-centered counseling.
- Services are informed by a harm-reduction philosophy that recognizes drug and alcohol use and addiction as a part of tenants' lives, where tenants are engaged in nonjudgmental communication regarding drug and alcohol use, and where tenants are offered education regarding how to avoid risky behaviors and engage in safer practices, as well as connected to evidence-based treatment if the tenant so chooses.

Application Process and Timeline

The City must apply for its \$117,562,500 HHAP allocation. The State application period will open ten (10) business days after the 2019 Point-in-Time (PIT) Count is certified by the Department of Housing and Urban Development (HUD), which is anticipated no later than December 2019. The application period is therefore expected to open by January 1, 2020 and close on February 15, 2020.

Although similar to the HEAP application, the HHAP application requires more detailed information. According to HHAP guidance released in October 2019 the application will require a proposed budget with funding categories, letters of support from regional partners (e.g. Los Angeles County, the Los Angeles Homeless Services Authority) demonstrating regional collaboration, and a narrative including the following information:

1. Summary of homelessness in the City of Los Angeles;
2. Demonstration of regional coordination;
3. Description of resources addressing homelessness;
4. Discussion of City partners addressing homelessness;
5. Description of existing funding to address homelessness;
6. Solutions, or planning efforts, to address homelessness.

The State will mail the City an award letter and standard agreement within 30 days of reviewing the City's application and deeming it complete. HHAP funds will be disbursed to the City within 30 days of the City returning the signed Standard Agreement to the State. Based on this time frame, the City should receive HHAP funds no later than March 2020.

Consistent with the HEAP grant, this report recommends that the Homeless Strategy Committee (HSC) be designated as the HHAP grant oversight body. It is also recommended that the CAO be designated the City's HHAP grant administrator, be authorized to prepare and submit the HHAP application, and execute the HHAP grant agreement with the State of California on behalf of the City.

State Reporting Requirements

The State will require HHAP grantees to provide annual reports with the following information:

1. Specific uses and expenditures of HHAP funds broken out by eligible uses and the current status of funds.

2. The number of homeless individuals served by the program funds in the reporting year, and a total number served in all years of the program, including the homeless subpopulation served.
3. The type of housing assistance provided and the number of individuals receiving each type of assistance.
4. Outcome data for individuals served with program funds, including the type of housing that an individual exited to, the percent of successful housing exits, and exit types for unsuccessful housing exits.

DISCUSSION

Recommended Funding Categories

The CAO and CLA reviewed over 135 comments that were received to align with the City’s immediate homelessness challenges, expressed Council priorities, public comment, service provider feedback, and existing programs and services. Attachment 1 provides a summary of the issues addressed by these comments.

Based on this review, our offices propose the HHAP funding categories and funding amounts described in Table 1 below. Corresponding State eligible uses for each Proposed HHAP Funding Category are also provided for reference. We note that the State allows the City to reprogram within the categories if necessary.

Table 1: Proposed Homeless Housing, Assistance, and Prevention Funding Categories

Proposed HHAP Funding Category	State HHAP Eligible Use	Amount
1 <u>A Bridge Home Capital</u> Includes: Capital funding for two (2) existing, and 10 new A Bridge Home (ABH) sites described in Attachment 3.	8	\$50,382,313
2 <u>Skid Row</u> Includes: Any HHAP-eligible projects or programs in the Skid Row area of downtown Los Angeles in Council District 14.	Multiple	\$6,000,000
3 <u>Prevention, Shelter Diversion to Permanent Housing and Bridge Housing Operations</u> Includes: Eviction prevention and legal defense, problem-solving, flexible funding and diversion programs, employment and workforce development; services for survivors of domestic violence or human trafficking, and operating costs for bridge housing facilities.	7	\$25,806,480
4 <u>Rental Assistance and Rapid Rehousing and Permanent Housing</u> Includes: Rental assistance and rapid rehousing programs, including shared housing models, motel vouchers, housing location and navigation services, housing case management, permanent housing, and shelter and services for survivors of domestic violence or human trafficking.	1, 4, and 6	\$10,358,117

Proposed HHAP Funding Category	State HHAP Eligible Use	Amount
5 <u>Street Strategy, Outreach, Public Health, and Hygiene</u> Includes: Programs to address immediate public health and hygiene needs of unsheltered persons experiencing homelessness, including bathrooms, showers, drinking water, and other outreach.	4	\$8,000,000
6 <u>Youth Experiencing Homelessness or At Risk of Homelessness (8% Set-Aside Required)</u> Eight (8) percent (\$9,405,000) of HHAP funds must be set aside for youth experiencing or at risk of homelessness. Includes: Any HHAP-eligible projects or programs serving youth, including foster youth, transition age youth (TAY), and Lesbian, Gay, Bisexual, Transgender, Transsexual, Queer, Intersex, Asexual (LGBTQIA+) Youth.	Multiple Uses	\$8,786,215*
7 <u>Administrative Costs (Capped at 7%)</u> HHAP guidelines allow grantees to use up to seven (7) percent of funds for administrative costs to support HHAP-funded programs.	Multiple Uses	\$ 8,229,375
Total		\$ 117,562,500

*\$618,785 for leasing costs for 30 youth beds in Council District 13 is recommended in Category 1. The balance of the Youth Set-Aside is recommended in this category.

Administrative Costs

For now, the CLA and CAO recommend that the full seven (7) percent allowed for administrative costs be allocated to Category 7. Once all HHAP program allocations are determined, any remaining balance will be recommended for reprogramming to other funding categories.

A Bridge Home Capital and Operating Funding

Interim housing, such as the A Bridge Home (ABH) program facilities, is included in the State HHAP Eligible Use 8 (new navigation centers and emergency shelters). The State of California defines "Navigation Center" as a "Housing First, low-barrier, service-enriched shelter that provides temporary living facilities while case managers connect individuals experiencing homelessness to income, public benefits, health services, shelter, and housing." This definition aligns with the ABH interim housing model. \$50,382,313 is recommended in HHAP Funding Category 1 to support capital costs for new and previously-approved ABH sites.

Since the ABH program's inception, the City has allocated over \$86.1 million for capital and operating costs for 19 A Bridge Home sites through June 30, 2021 (Attachment 2). In October 2019, the City Council voted to support the implementation of eight (8) additional ABH sites (C.F. 19-1045). Since then, four (4) more sites have been identified for feasibility assessment and deemed feasible. As a result, a total of 12 additional sites require capital and operating funding. One (1) of these will expand to add additional beds at an existing site, which will bring the ABH program to a total of 30 sites.

Operating Funds

The CAO was instructed to work with the County of Los Angeles, the Los Angeles Homeless Services Authority (LAHSA) and the State of California to identify funding for additional ABH

beds (C.F. 19-1045). These discussions are on-going. The County has agreed to fund operations for families in new ABH sites in Council Districts 1, 4, 5, and 9 with existing family interim housing funding. If the City's efforts with the County and LAHSA are not successful for individual interim housing funding, the CAO and CLA will report back on the HHAP funding needed for ABH services in March 2020.

The County previously committed to fund 600 ABH beds for three years at a rate of \$50/bed/night. The City provides an additional \$10/bed/night, or \$3,650 per bed per year, to subsidize Measure H funding for all the beds within the County's 600-bed commitment.

Recommended HHAP Funding Category 1 Reservation

The recommended HHAP Funding Category 1 reservation of \$50,382,313 includes \$46,832,671 for new ABH sites described in Attachment 3 and listed below. Five (5) of these sites will be constructed in temporary structures and six (6) will be established in permanent buildings.

- i. Sites in temporary structures - \$20,734,893
 - 7700 Van Nuys Boulevard \$ 6,250,000
 - 3428 Riverside Drive \$ 6,570,000
 - 12860 Aetna Street \$ 7,914,893
- ii. Sites in permanent facilities - \$26,097,778

With the exception of the 5215 South Figueroa and 310 N. Main Street (Civic Center) sites, which only include construction costs, the capital costs for the sites below include the cost to lease each building for 36 months and to construct any renovations needed to convert the site into an ABH facility.

- 5215 South Figueroa \$ 4,400,000
- 310 N. Main. (Civic Center) \$ 5,232,464
- 1214 Lodi Place (Phase 2) \$ 3,225,314
- 4601 South Figueroa \$ 1,100,000
- 1479 La Cienega \$ 1,980,000
- 3061 Riverside Drive \$ 3,450,000
- 2809 Daly Street \$ 3,250,000
- 1426 Paloma (Phase 2) \$ 3,460,000

Recommended HHAP Funding Category 1 Commitments

Of the \$50,382,313 recommended reservation for ABH capital needs, we recommend \$13,343,956 be committed at this time for the following costs:

1. Approved ABH Sites With Additional Funding Need to Complete - \$3,549,642
 Two (2) approved ABH sites under construction in Council District 11 need additional funding to be completed. These sites, and the funds needed are described as follows:
 - U.S. Department of Veterans Affairs (VA) West Los Angeles Campus - \$3,000,163
 Increased costs for this site are the result of the final contractor bids being significantly in higher than the original estimates. The total revised construction

cost is \$8,390,277. To date, \$5,390,114 has been approved for this project by the City (\$2,890,114) and County of Los Angeles (\$2,500,000).

- 100 Sunset Avenue - \$549,479
Construction costs for this site have increased based on final construction bids. The total revised construction cost is \$8,549,479. To date, this project has received \$8,000,000 in funding from the City (\$5,000,000) and the California Community Foundation (\$3,000,000).

2. Leasing costs for the following two (2) family sites. Existing County Measure H funding for family interim housing will support operating costs at both sites - \$4,325,314.

- a. 1214 Lodi Pl. – leasing costs for 36 months beginning February 2020 - \$3,225,314.
 - Funds will be provided to the General Services Department Real Estate Services to pay leasing costs to the Young Women's Christian Association of Greater Los Angeles, which owns the property; and
- b. 4601 S. Figueroa St. – leasing costs for 36 months beginning in February 2020 - \$1,100,000
 - Funds will be provided to Homeless Outreach Program Integrated Care Services through a contract with the Los Angeles Homeless Services Authority.

3. Reserve Fund Loan Repayments - \$5,469,000

Reserve Fund loans are pending approval for immediate design and materials purchase costs for three (3) ABH sites:

- 7700 Van Nuys (Council District (CD) 2) - \$1,661,000;
- 3428 Riverside (CD 4) - \$1,465,000; and
- 12860 Aetna (CD 6) - \$2,343,000.

HHAP funds are recommended to repay these loans upon receipt of HHAP funding in 2020. The Bureau of Engineering (BOE) will release Requests for Bids (RFBs) to identify firms to construct these facilities. When the RFB process is complete, the additional funding needed to construct these sites will be requested.

Table 2 below summarizes recommended funding commitments and reservations and Attachment 3 provides the detail of this information by site.

Table 2. Recommended ABH Capital and Operating Funding Allocations

HHAP Recommendation	Amount
Reserve Fund Loan Repayment	\$5,469,000
ABH Sites With Additional Funding Need	\$3,549,642
Leasing Costs for Family Sites	\$4,325,314
<i>Subtotal Recommended Commitments</i>	<i>\$13,343,956</i>
Reserved Construction Funding for New ABH Sites Deemed Feasible	\$37,038,357
TOTAL	\$50,382,313

Limit Additional A Bridge Home Sites

If the recommendations in this report are approved, the City will have committed \$136,520,547 to construct and operate 30 ABH sites, with 2,342 beds. If the County does not provide additional funding for individual beds, the annual cost to operate the 892 new ABH beds in Attachment 3 is \$16,204,971. After the County's three-year Measure H commitment expires, the annual cost to the City to operate all ABH beds would be \$41,738,738. As such, our Offices recommend that the Mayor and City Council limit the approval of new A Bridge Home sites to the sites listed in Attachment 3.

Administrative Costs to Implement the City's HHAP Grant

\$1,317,415 from HHAP Funding Category 7- Administrative Costs is recommended to add one (1) Administrative Analyst (\$1,097,415) and for additional accounting support (\$220,000) in the Office of the CAO through June 30, 2025 to implement the City's HHAP grant. The new position will be responsible for HHAP grant administration, including quarterly reporting to the HSC, Mayor and Council, annual reporting to the State of California, ongoing expenditure tracking, facilitating required financial transactions, and ensuring compliance with State HHAP Program regulations and guidelines.

FUNDING REQUESTS FOR ALL OTHER PROPOSED ACTIVITIES

For all requests for funding from HHAP Funding Categories 2-7, the CAO and CLA recommend the City use the process established for HEAP, described as follows:

HHAP Requests Initiated by City Council Offices

Council Offices will introduce funding requests via Council Motion. Motions should include the following information:

- Amount of one-time funding request;
- Justification for request (need, description of program/project, service provider and term of service, if applicable);
- City HHAP Funding Category and State HHAP Eligible Use;
- Other funding sources secured (leverage), if any;
- Program service area, if applicable;
- Homeless population to be served;
- Number of individuals experiencing homelessness or at risk of homelessness to be served;
- If administrative funds are being requested, what these funds will cover, and potential gaps;
- The agency responsible for administering HHAP allocation and reporting on program expenditures and State reporting requirements described in this report; and
- If the program or project is ongoing, the funding source(s) available to continue the program, once HHAP funds are expended.

Funding Requests Initiated by City Departments

City departments, including the Los Angeles Homeless Services Authority, that wish to request funding for homeless services/programs, should submit a letter to the CAO and CLA outlining the following information:

- Amount of one-time funding request;
- Justification for request (need, description of program/project, service provider and term of service, if applicable);
- City HHAP Funding Category and State HHAP Eligible Use;
- Other funding sources secured (leverage), if any;
- Program service area, if applicable;
- Homeless population to be served;
- Number of individuals experiencing homelessness or at risk of homelessness to be served;
- If administrative funds are being requested, what these funds will cover, and potential gaps;
- The agency responsible for administering HHAP allocation and reporting on program expenditures and State reporting requirements described in this report; and
- If the program or project is ongoing, the funding source(s) available to continue the program, once HHAP funds are expended.

We recommend that Council Motions be introduced and departmental requests be submitted to the CAO and CLA by February 15, 2020.

Review and Approval of Funding Requests

The CAO and CLA will review funding requests and submit the first round of recommendations to the HSC for consideration in March 2020. The HSC will forward its recommendations to the Mayor and City Council for final determination.

HHAP Commitments if Report Recommendations are Approved

If the recommendations in this report are approved, a total of \$14,661,371, or 12 percent of the City HHAP allocation will be committed and \$37,038,357, or 32 percent will be reserved. The balance of HHAP funds that remain uncommitted and unreserved will be \$66,862,772. Table 3 below summarizes this information.

Table 3. Status of HHAP Commitments and Reservations if Report Recommendations are Approved

Proposed Funding Category	Amount	Amount Committed	Amount Reserved	Balance Uncommitted/ Unreserved
1. A Bridge Home Capital	\$50,382,313	\$13,343,956	\$37,038,357	\$0.00
2. Skid Row	\$6,000,000	\$0.00	\$0.00	\$6,000,000
3. Prevention and Shelter Diversion to Permanent Housing	\$25,806,480	\$0.00	\$0.00	\$25,806,480
4. Rental Assistance and Rapid Rehousing	\$10,358,117	\$0.00	\$0.00	\$10,358,117

Proposed Funding Category	Amount	Amount Committed	Amount Reserved	Balance Uncommitted/Unreserved
5. Street Strategy, Outreach, Public Health, and Hygiene	\$8,000,000	\$0.00	\$0.00	\$8,000,000
6. Youth Experiencing Homelessness or At Risk of Homelessness (8% Set-Aside Required)	\$8,786,215	\$0.00	\$0.00	\$8,786,215
7. Administrative Costs (Capped at 7%)	\$ 8,229,375	\$1,317,415	\$0.00	\$6,911,960
Total	\$ 117,562,500	\$14,661,371	\$37,038,357	\$66,862,772

FISCAL IMPACT

There is no impact to the General Fund at this time as a result of the recommendations in this report. The City will receive \$117,562,500 from the State of California through the Homeless Housing, Assistance, and Prevention Program to support the recommendations in this report. If the City does not receive additional operating funds for the ABH sites, the average annual cost per site is \$1,391,291.

Attachments:

1. Summary of HHAP Program Public Comments Received
2. ABH Sites in Operation, Under Construction or in Predevelopment
3. Recommended ABH Capital Reservations by Site

RHL:YC:MB:SRB:16200032

Attachment 1 - Summary of HHAP Program Public Comments Received

Program Category Addressed by Comment	Number of Comments Received
Prevention	21
Youth	14
Skid Row	11
Domestic Violence	10
Supportive Housing	9
Interim Housing	8
Families	7
Workforce Development	7
Hygiene/Public Health Services	6
Flexible Funding	5
Women	5
Rapid ReHousing	4
Rental Subsidies	3
Independent Programs	2
Supportive Housing (Innovative)	2
Supportive Housing (Service funding)	1
Trafficking	1
Multiple	0

Attachment 2 - ABH Sites in Operation, Under Construction or in Predevelopment

#	Facility Name	Council District	Structure Type	Population	Total Beds	Measure H Beds	Construction Funding Allocated*	City Operating Funds Committed Through June 30, 2021	Total City Funding Committed	Service Start Date
Completed Sites In Operation										
1	1920 W 3rd St	1	Permanent	Women	28	28	\$ 1,315,554	\$ -	\$ 1,315,554	5/7/2019
	1920 W 3rd St.	1	Permanent	Families	13	0		\$ -	\$ -	1/0/1900
2	Gardner Library	4	Permanent	Women	30	30	\$ 1,875,000	\$ -	\$ 1,875,000	9/1/2019
3	Aviva Family and Children's Services	4	Permanent	Youth	42	0	\$ 2,360,000	\$ -	\$ 2,360,000	10/15/2019
4	5965 St. Andrews Pl.	8	Temporary	Individual Adults	100	100	\$ 6,250,054	\$ 637,350	\$ 6,887,404	9/1/2019
5	1533 Schrader Blvd.	13	Temporary	Individual Adults	72	72	\$ 4,385,761	\$ 423,000	\$ 4,808,761	3/26/2019
6	1214 Lodi Pl. (Phase 1)	13	Permanent	Women	64	64	\$ -	\$ -	\$ -	11/1/2018
7	El Puente	14	Temporary	Individual Adults	45	45	\$ 2,702,388	\$ 674,000	\$ 3,376,388	9/1/2018
8	Downtown Women's Center	14	Permanent	Women	25	0	\$ -	\$ 365,000	\$ 365,000	7/1/2019
9	2316 E Imperial Hwy.	15	Temporary	Individual Adults	100	100	\$ 6,685,673	\$ -	\$ 6,685,673	11/15/2019
<i>Subtotal Completed Sites in Operation</i>					519	439	\$ 25,574,430	\$ 2,099,350	\$ 27,673,780	
Sites Under Construction or in Predevelopment										
10	7521 Canoga Ave.	3	Permanent	Individual Adults	85	0	\$ 4,300,000	\$ -	\$ 4,300,000	6/30/2020
11	Sylmar Armory	7	Permanent	Women	85	0	\$ 3,723,000	\$ -	\$ 3,723,000	5/4/2020
12	2817 S Hope St.	9	Temporary	Individual Adults	99	99	\$ 6,079,875	\$ 644,480	\$ 6,724,355	2/24/2020
	2817 S. Hope St.	9	Temporary	Individual Adults	1			\$ 29,520	\$ 29,520	2/24/2020
13	625 La Fayette Pl.	10	Temporary	Individual Adults	70	0	\$ 6,246,481	\$ 2,549,400	\$ 8,795,881	3/16/2020
14	1819 S Western Ave.	10	Temporary	Families	18	0	\$ 1,764,775	\$ 655,560	\$ 2,420,335	3/16/2020
15	100 Sunset Ave.	11	Temporary	Individual Adults	100	0	\$ 5,000,000	\$ 3,642,000	\$ 8,642,000	1/27/2020
	100 Sunset Ave.	11	Temporary	Youth	54	0		\$ 1,966,680	\$ 1,966,680	1/27/2020
16	VA West LA Campus	11	Temporary	Individual Adults	100	0	\$ 2,420,114	\$ -	\$ 2,420,114	2/24/2020
17	1426 Paloma St.	14	Permanent	Individual Adults	119	0	\$ 1,333,178	\$ -	\$ 1,333,178	6/30/2020
18	515 N Beacon St.	15	Temporary	Individual Adults	62	62	\$ 7,130,409	\$ 842,400	\$ 7,972,809	5/25/2020
	515 N Beacon St.	15	Temporary	Individual Adults	38			\$ 219,000	\$ 219,000	5/25/2020
19	828 Eubank Ave.	15	Temporary	Individual Adults	100	0	\$ 7,721,582	\$ 2,196,000	\$ 9,917,582	5/25/2020
<i>Subtotal Sites Under Construction</i>					931	161	\$ 45,719,414	\$ 12,745,040	\$ 58,464,454	
TOTAL					1450	600	\$ 71,293,844	\$ 14,844,390	\$ 86,138,234	

* Attachment 2 includes additional funding needed to complete the ABH sites at 100 Sunset Ave. and the VA West LA Campus.

Attachment 3 - Recommended ABH Capital Reservations by Site

#	Facility Name	Council District	Population	Total Beds	Estimated Total City Construction Cost	City Construction Funds Allocated	Reserve Fund Loan	Balance Needed for Construction	Total HHAP Construction Funding Need	Note
New ABH Sites										
1	7700 Van Nuys Blvd	2	Individual Adults	100	\$ 6,250,000	\$ -	\$ 1,661,000	\$ 4,589,000	\$ 6,250,000	
2	3428 Riverside Dr.	4	Individual Adults	100	\$ 6,570,000	\$ -	\$ 1,465,000	\$ 5,105,000	\$ 6,570,000	
3	12860 Aetna St.	6	Individual Adults	85	\$ 7,914,893	\$ -	\$ 2,343,000	\$ 5,571,893	\$ 7,914,893	
4	13160 Raymer St.	2	Individual Adults	85	\$ 2,300,000	\$ 2,300,000	N/A	\$ -	\$ -	
5	5215 S. Figueroa	9	Individual Adults	48	\$ 1,228,590	\$ -	N/A	\$ 4,400,000	\$ 4,400,000	The City will solicit a private developer to develop the site with interim housing on the ground floor and PSH units above. Construction costs based on interim housing estimate.
6	310 N. Main (Civic Center)	14	Individual Adults	100	\$ 5,232,464	\$ -	N/A	\$ 5,232,464	\$ 5,232,464	
7	1214 Lodi Place (Phase 2)	13	Women	30	\$ 2,606,529	\$ -	N/A	\$ 2,606,529	\$ 2,606,529	Construction cost includes the cost to lease the site for 36 months.
	1214 Lodi Place (Phase 2)	13	Youth	30	\$ 618,785	\$ -	N/A	\$ 618,785	\$ 618,785	Construction cost includes the cost to lease the site for 36 months. \$213,085.34 in HEAP Youth Set-Aside funding reserved for this project is subtracted from the youth portion of this cost.
8	4601 S. Figueroa St.	9	Families	30	\$ 1,100,000	\$ -	N/A	\$ 1,100,000	\$ 1,100,000	Construction cost includes the cost to lease the site for 36 months. Operating costs will be paid from existing County Measure H funds for interim housing for families.
9	1479 La Cienega	5	Families	54	\$ 1,980,000	\$ -	N/A	\$ 1,980,000	\$ 1,980,000	Construction cost includes the cost to lease the site for 36 months. Operating costs will be paid from existing County Measure H funds for interim housing for families.
10	3061 Riverside Dr	4	Families	80	\$ 3,200,000	\$ -	N/A	\$ 3,450,000	\$ 3,450,000	Construction cost includes estimated cost to renovate the site and leasing costs for 36 months. Operating costs will be paid from existing County Measure H funds for interim housing for families.
11	2309 Daly St.	1	Families	80	\$ 3,900,000	\$ -	N/A	\$ 3,250,000	\$ 3,250,000	Construction cost includes estimated cost to renovate the site and leasing costs for 36 months. Operating costs will be paid from existing County Measure H funds for interim housing for families.
12	1420 Paloma St	9	TBD	70	\$ 3,460,000	\$ -	N/A	\$ 3,460,000	\$ 3,460,000	Construction cost includes cost to renovate the site and lease for 36 months.
Subtotal New ABH Sites				892		\$ 2,300,000	\$ 5,469,000	\$ 41,363,671	\$ 46,832,671	
Approved ABH Sites with Additional Funding Need										
1	VA West LA Campus	11	Individual Adults	See Attachment 1	\$ 5,890,277	\$ 2,890,114	N/A	\$ 3,000,163	\$ 3,000,163	VA will fund the services at this site. Total project cost is \$8,390,227. The County of Los Angeles has provided an additional \$2.5 million for construction.
2	100 Sunset Ave.	11	Individual Adults and Youth	See Attachment 1	\$ 5,549,479	\$ 5,000,000	N/A	\$ 549,479	\$ 549,479	Total project cost is \$8549,479. This project received a \$3,000,000 foundation grant.
Subtotal Approved ABH Sites with Additional Funding Need						\$ 22,801,696	\$ -	\$ 3,549,642	\$ 3,549,642	
TOTAL RECOMMENDED FUNDING						\$ 25,101,696	\$ 5,469,000	\$ 44,913,313	\$ 50,382,313	