


# REPORT OF THE CHIEF LEGISLATIVE ANALYST

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DATE: April 27, 2017

TO: Honorable Members of the Rules, Elections, Intergovernmental Relations & Neighborhoods Committee

FROM: Sharon M. Tso   
Chief Legislative Analyst

Assignment No: 17-04-0440  
Council File No: 17-0408

SUBJECT: City Share of County Homelessness Measure H Revenue

CLA RECOMMENDATION: Adopt the attached Resolution which would request the County Board of Supervisors and all participants in County's Measure H Revenue Planning Process Work Group to budget Measure H revenues to fully address the overwhelming and chronic homeless crisis in the City of Los Angeles which has both areas of great concentration and need and areas where services are largely nonexistent.

## SUMMARY

The attached Resolution (Harris-Dawson / Huizar) was introduced on April 7, 2017 and is summarized below:

- For almost a century, the Los Angeles region has lacked the resources to significantly address homelessness, most notably in Skid Row, but also across the City and throughout the County;
- On March 7, 2017, County voters passed Measure H which will provide \$355 million a year for 10 years to address homelessness by primarily providing supportive services to the 44,000 homeless in the County, of which the largest population of homeless, 28,000, live in the City;
- To determine how the Measure H revenues will be budgeted, the County Board of Supervisors has convened the Measure H Revenue Planning Process Work Group consisting of 50 members, including County Department staff, the Los Angeles Homeless Services Authority (LAHSA), Councils of Governments, service providers, individuals with homeless lived experience, faith community appointees and two representatives from the City [the City Administrative Officer (CAO) and the General Manager of the Housing and Community Investment Department (HCID)]; and
- The City has taken numerous actions to end and prevent homelessness such as passing Measure HHH, developing and funding its Comprehensive Homeless Strategy, and declaring a shelter crisis in the City.

The Resolution advocates for Measure H funding for City homeless programs because these revenues could help to end homelessness in the County, however change will not occur if adequate resources do not address the entrenched cultures of homelessness in skid row, Venice and Hollywood, as well as the unprecedented number of encampments existing throughout the City and County including in South Los Angeles, in the Arroyo Seco, and along highways, overpasses and numerous City streets.

## BACKGROUND

According to LAHSA's 2016 Point-In-Time Count of Homeless individuals (PIT Count) there are approximately 44,000 homeless individuals in the County, of which approximately 28,000 (63.6%) are in the City. The 2016 PIT Count marks an increase in the number of homeless individuals from 2015. To address the recent rise in homelessness, in February 2016 both the City and County of Los Angeles developed and approved strategic plans to prevent and end homelessness. Part of the City's Comprehensive Homeless Strategy included identifying ongoing sources of funds to construct homeless and affordable housing in addition to identifying an ongoing funding source to provide services to homeless individuals.

### City Measure HHH

In November 2016, City voters passed Measure HHH which will provide \$1.2 billion in bond revenues to fund the development of homeless and affordable housing and facilities to serve the homeless or those at-risk of homelessness. Measure HHH is for capital "brick and mortar." No services can be funded with this revenue.

### County Measure H

In March 2017 County Voters approved Measure H which will assess a 1/4 cent Sales Tax to fund homeless services. Measure H will generate an estimated \$355 million a year for 10 years and funds will be distributed between Strategies included within the County Homeless Initiative (HI). The Measure H Sales Tax revenue will be available for programming in the County's FY 2017-18 Budget and the County has stated that to the extent feasible funding will be distributed based on need as set forth by the PIT Count.

The level of funding assigned to each of the HI Strategies is being determined by the 50 member Measure H Revenue Planning Work Group made up of County staff, representatives from regional councils of government, LAHSA, homeless policy experts such as Shelter Partnership and LA Family Housing, persons with lived homeless experience, faith leaders, and two members from the City, the CAO and the General Manager of the HCID. The Measure H Revenue Planning Work Group is convening concurrently with the City's Budget process throughout April and May.

### HI Strategies

There are 21 County Homeless Initiative Strategies to address homelessness and serve homeless individuals or those at-risk of homeless that will receive funding and are divided into the following six categories:

- Preventing Homelessness;
- Creating a Coordinated Entry System;
- Providing Case Management;
- Subsidized Housing;
- Increasing Income; and
- Increasing Affordable and Homeless Housing.

Specific programs within these categories that are being considered for funding include: financial assistance for residents to secure their current housing situation (homeless prevention) and to connect individuals at-risk of homelessness with family and friends (homeless diversion);

multidisciplinary teams to conduct outreach and provide services to homeless persons on the street; emergency shelter beds; Rapid Re-Housing (RRH) units as well as housing navigators to help identify housing units for homeless individuals; housing for those individuals exiting institutions such as hospitals, jails and foster care; and supportive services for City funded permanent supportive housing.

#### City Programs Potentially Funded With Measure H Revenues

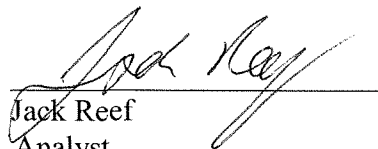
The Mayor's 2017-18 Proposed Budget advises that the City is reliant on Measure H revenues to fully fund homeless programs funded in FY 2016-17 totaling approximately \$32 million. A listing of these programs are as follows (Funding gap based on 2016-17 appropriations):

- Access Centers (\$.9M);
- Coordinated Entry System (CES) Crisis and Bridge Housing for Singles and Youth System (\$7.9M);
- Domestic Violence Program for Singles and Families (\$.6M);
- HFSS Crisis Housing for Families (\$1.1M);
- Navigation/Open Door Centers (\$2.1M);
- CES Regional Coordination (\$.4M);
- Rapid Re-Housing (RRH) Vouchers (\$5M);
- CES RRH for Singles and Youth System (\$13.3M); and
- LAHSA's outreach and engagement activities associated with Public Right-of-Way Clean Ups (\$1M).

The Economic and Workforce Development Department's Los Angeles Regional Initiative for Social Enterprise (LA RISE) job development program was funded at a rate of \$4.5M in FY 2016-17, which included \$2M in General Funds. The 2017-18 Proposed Budget includes \$2M in federal funding for the LA RISE program. Additionally, the Los Angeles Unified School District is working with LAHSA to ensure programs serving Los Angeles homeless youth or youth at-risk of homelessness are funded with Measure H revenues.

#### Next Steps

On May 4, 2017, the Measure H Revenue Planning Work Group will be considering specific funding proposals for each of the Strategies. The proposals will include funding for FY 2017-18 and tentative funding guidelines for the following two fiscal years. After the May 4<sup>th</sup> meeting the County will release draft funding proposals to the public. The recommended funding proposals will be presented to the Board of Supervisors' Homeless Deputies meeting in late May. Final approval of the Measure H funding proposal by the County Board of Supervisors is planned for June 13, 2017.

  
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Jack Reef  
Analyst

# RESOLUTION RULES, ELECTIONS & INTERGOVERNMENTAL RELATIONS

WHEREAS, any official position of the City of Los Angeles with respect to legislation, rules, regulations or policies proposed to or pending before a local, state or federal governmental body or agency must have first been adopted in the form of a Resolution by the City Council with the concurrence of the Mayor; and

WHEREAS, for almost a century, the Los Angeles region has lacked the resources to significantly address homelessness, most notably in Skid Row, but also across the City and throughout the County; and

WHEREAS, On March 7, 2017, County voters passed Measure H which will provide \$355 million a year for 10 years to address homelessness by primarily providing supportive services to the 44,000 homeless in the County, of which the largest population of homeless, 28,000, live in the City; and

WHEREAS, to determine how the Measure H revenues will be budgeted, the County Board of Supervisors has convened the Measure H Revenue Planning Process Work Group consisting of 50 members, including County Department staff, the Los Angeles Homeless Services Authority (LAHSA), Councils of Governments, service providers, individuals with homeless lived experience, faith community appointees and two representatives from the City (the City Administrative Officer and the General Manager of the Housing and Community Investment Department); and

WHEREAS, revenue planning recommendations will be developed at multiple meetings in April and May, with the County Board set to approve funding for the next fiscal year, 2017-18, on June 13th; and

WHEREAS, County staff advise that to the extent feasible, Measure H funds will be allocated based on geographic need, as set forth by LAHSA's Point In Time Count of Homeless Individuals, with funds distributed between 19 of the County's Homeless Initiative strategies of which some correspond to the City's Comprehensive Homeless Strategy, including programs that expand Rapid Re-Housing, provide subsidized employment, and strengthen the Coordinated Entry System; and

WHEREAS, Measure H could potentially have a transformative impact on this movement to end homelessness in the County, but change will not occur if adequate resources are not directed to address the entrenched cultures of homelessness in skid row, Venice and Hollywood, as well as the unprecedented number of encampments existing throughout the City and County including in South Los Angeles, in the Arroyo Seco, and along highways, overpasses and numerous City streets; and

WHEREAS, County services such as providing support and housing for individuals within or exiting County institutions (e.g hospitals, jails, foster care), connecting homeless individuals to benefits such as General Relief or Supplemental Security Income, and providing health and mental health services, are essential to addressing homelessness in the City; and

WHEREAS, Measure H would also provide needed resources for the County to fulfill its role in a proposed permanent supportive housing Memorandum of Understanding being developed between the City, the Housing Authority of the City of Los Angeles (HACLA), and the County, where the City would be responsible for developing housing, HACLA would provide housing subsidies, and the County would provide supportive services, and

WHEREAS, as the City has taken numerous actions to end and prevent homelessness such as passing Measure HHH, developing and funding its Comprehensive Homeless Strategy, and declaring a shelter crisis in the City;

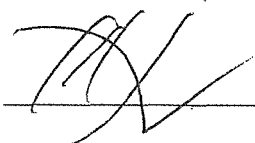
NOW, THEREFORE, BE IT RESOLVED, with the concurrence of the Mayor, that the County Board of Supervisors and all participants in County's Measure H Revenue Planning Process Work Group be requested to budget Measure H revenues to fully address the overwhelming and chronic homeless crisis in the City of Los Angeles which has both areas of great concentration and need and areas where services are largely nonexistent.

PRESENTED BY:



MARQUEECE HARRIS-DAWSON  
Councilmember, 8<sup>th</sup> District

SECONDED BY:



APR - 7 2017