

# REVISITING THE LOS ANGELES HOMELESS SERVICES AUTHORITY'S STRUCTURE AND GOVERNANCE

REPORT BY THE LOS ANGELES COUNTY CHIEF EXECUTIVE OFFICE,  
AUDITOR CONTROLLER, AND COUNTY COUNSEL (FEBRUARY 2021)

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## BACKGROUND

On February 11, 2020, the Los Angeles County Board of Supervisors directed the CEO, A-C, and County Counsel, in consultation with LAHSA and other relevant County Departments to:

- 1) conduct an analysis of the current structure and function of LAHSA, in concert with the efforts underway by the City of Los Angeles; and
- 2) report back to the Board with findings and recommendations, including proposed modifications to improve the governance structure, performance, accountability, and transparency of LAHSA.

## BACKGROUND

On September 1, 2020, the Board further directed the CEO, in consultation with the A-C and County Counsel, to report back on:

- 1) actions, reviews, and audits undertaken by the A-C in response to a prior Board Motion of April 18, 2018, resulting in operational improvements by LAHSA to enhance performance and accountability;
- 2) any outstanding issues related to LAHSA's fiscal and contracting operations and/or data collection and management systems and correction actions in each of these areas that are underway or pending; and
- 3) recommendations that include the exploration of alternative governance models or structures to administer and oversee homeless funds, programs, and services on behalf of the County in order to ensure optimal performance, transparency, and accountability.

# REVIEW PROCESS

CEO, A-C, and County Counsel workgroup conducted an analysis of LAHSA's structure and function including:

- Review of documents related to LAHSA's structure and performance.
- Interviews to solicit feedback of LAHSA's performance, function, and structure from various key stakeholders.
- Collaboration with the City of Los Angeles and the LAHSA ad hoc Committee on Governance, including a review of reports developed.
- Review of funding and its impact on LAHSA's function and structure.
- Review of accountability and transparency mechanisms.

## REPORT RECOMMENDATION

The workgroup issued their report to the Board on March 2, 2021.

The report identified a range of areas in which LAHSA's governance and operations could be enhanced including contracting, communications, data, responsiveness, and accountability,

To develop specific proposals for Board consideration, the workgroup recommended that the Board:

- Direct the CEO and County Counsel, in consultation with the A-C, to work collaboratively with the City of Los Angeles and LAHSA to develop proposed amendments to the LAHSA JPA Agreement, and submit an interim report to the Board in 90 days and a final report in 180 days.

# POTENTIAL CHANGES REQUIRING AMENDMENTS TO THE JPA AGREEMENT

Change or expand the LAHSA Commission by:

- Increasing County representation;
- Adding representation from other cities; and/or modeling the LAHSA Commission after other entities such as the Los Angeles County Metropolitan Transportation Authority.

Modify LAHSA operations by:

- Altering LAHSA's scope of work to include clearer expectations and accountability;
- Requiring more frequent reporting on financial activities; and/or
- Creating a structure to coordinate LAHSA-funded services in each Service Planning Area.

## OTHER POTENTIAL CHANGES

- The County could shift any portion of the Measure H and/or other County funding currently administered by LAHSA to a new or existing County Department.
- Departments/agencies that provide homeless services could be directed to use LAHSA's HMIS to enhance the collection and sharing of data.
- The CEO and A-C will continue to work with LAHSA to ensure County-funded contracts/amendments with sub-recipients are executed in a timely manner once funding is approved.
- The LAHSA Commission could establish ad hoc committees, with representatives from COGs and LAHSA service providers, to develop mechanisms to ensure consistent, complete, and timely communication to all stakeholders.
- Departments and LACDA will continue to work with LAHSA to improve client referral processes.

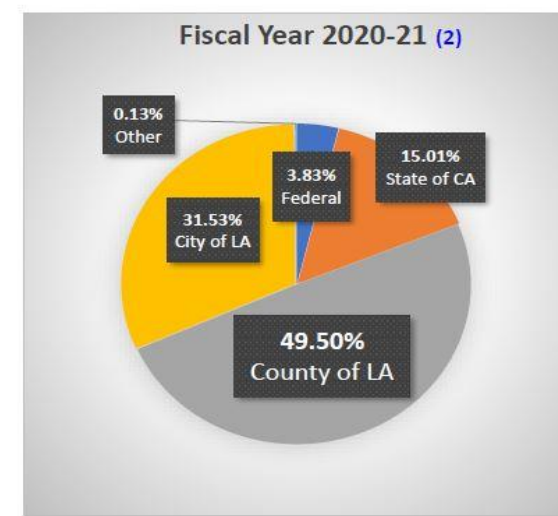
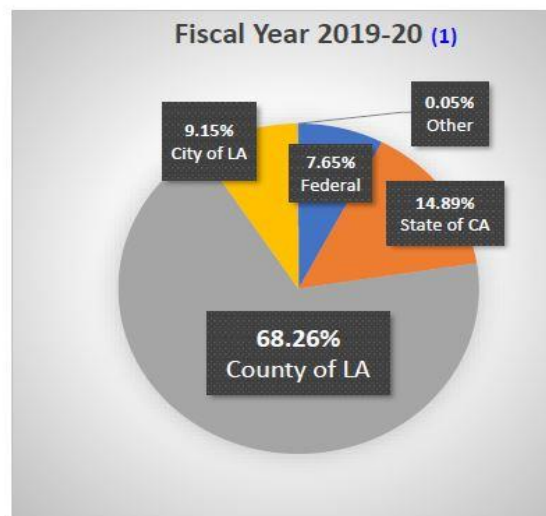
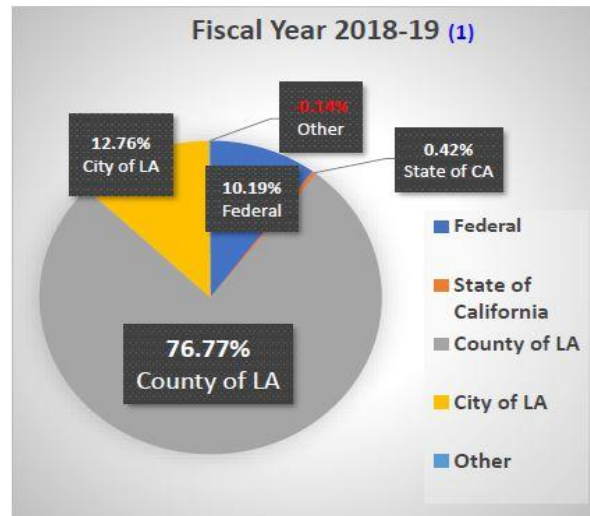
## LAHSA FUNDING

As the lead Continuum of Care (CoC) for Los Angeles County responsible for coordinating housing and services funding for homeless families and individuals, LAHSA receives a significant portion of the County's funding to combat homelessness, including a majority of Measure H funding.



# AUDITOR-CONTROLLER UPDATE

## Los Angeles Homeless Services Authority Fiscal Years 2018-20 Actuals and 2020-21 Budget (Quarter 3)



### Revenues

	FY 2018-19	FY 2018-19 Percentage	FY 2019-20	FY 2019-20 Percentage	FY 2020-21 (Q3 Budget)	FY 2020-21 Percentage
Federal	\$26,270,206	10.19%	\$26,901,592	7.65%	\$33,288,892	3.83%
State of California	\$1,093,909	0.42%	\$52,368,944	14.89%	\$130,374,620	15.01%
County of LA	\$197,980,135	76.77%	\$240,121,759	68.26%	\$429,910,585	49.50%
City of LA	\$32,897,005	12.76%	\$32,201,229	9.15%	\$273,878,179	31.53%
Other	(\$352,573)	-0.14%	\$192,276	0.05%	\$1,086,500	0.13%
	<b>\$257,888,682</b>	<b>100.00%</b>	<b>\$351,785,800</b>	<b>100.00%</b>	<b>\$868,538,776</b>	<b>100.00%</b>

(1) Information based on Audited Financials

(2) Information based on Budget (Quarter 3)