

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Date: April 7, 2021

To: Nury Martinez, President
City Council

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



Subject: **STATUS UPDATE: MEMORANDUM OF UNDERSTANDING FOR 6,700 BED PLAN BETWEEN THE CITY OF LOS ANGELES AND THE COUNTY OF LOS ANGELES/COVID-19 HOMELESSNESS ROADMAP**

BACKGROUND

This is the fifth update on the status of the Memorandum of Understanding (MOU) between the City of Los Angeles (City) and the County of Los Angeles (County) to create 6,700 beds. The MOU outlines the creation of these homeless interventions on the following schedule:

1. 5,300 New beds within 10 months of June 16, 2020, or April 16, 2021;
2. 700 Other beds within 10 months of June 16, 2020, or April 16, 2021 ("Other beds" are homeless interventions included in existing City – County agreements); and
3. 700 New Beds within 18 months of June 16, 2020, or December 16, 2021.

The County will pay the City a one-time bonus of \$8 million if the April 16, 2021 deadline is met and 5,300 new beds are open and occupiable. In Fiscal Year (FY) 2020-21, the County will contribute \$53 million for services. In FY 2021-22, the County will contribute \$60 million for services if 6,000 new beds are open and occupiable on July 1, 2021. The County, however, may deduct \$10,000 for every new bed/intervention that is not open and occupiable within 60 days of the year-two payment date. This provision continues through the five-year term of the MOU; on July 1st, the City must have 6,000 new beds open and occupiable.

"New Beds" under the MOU may include any combination of the following: purchased and/or leased motel/hotel rooms by the City; rental assistance, including rapid rehousing, but only for the duration of the assistance; sprung structures or tents; safe parking; safe sleeping; scattered site or permanent supportive housing; A Bridge Home beds; and other innovative modes of housing or shelter.

STATUS CITY HOMELESS INTERVENTIONS

5,300 New Beds: Based on information on project status as of April 6, 2021, **5,377** new beds will be open and occupiable by April 16, 2021. 644 of the new beds are proposed as Rapid Rehousing/Shared Housing placements.

Pursuant to the MOU, we have provided the list of the 5,377 interventions to the County's Office of the Auditor Controller, which has been tasked by the County to verify that these interventions are open and occupiable on April 16th.

Given that the Los Angeles Homeless Services Authority (LAHSA) is not going to meet the initial April 16th Rapid Rehousing target of 1,490 placements, we have requested that the agency assess its ability to meet the total target of 3,000 placements by December 16, 2021. LAHSA has committed to providing this assessment by May 7, 2021. This Office will report on the status in the next Roadmap funding report scheduled to be released in late May.

700 Other Beds: 728 other beds will be open and occupiable by April 16, 2021.

We will continue to provide bi-weekly status reports on this effort.

CC: Mayor Eric Garcetti
City Attorney Mike Feuer
Members of the City Council

RHL:YC