

**CITY OF LOS ANGELES**  
INTER-DEPARTMENTAL CORRESPONDENCE

Date: May 5, 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 seventh 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. Given that the City has met the first deadline of April 16, 2021, the next deadline the City must meet is to have 700 new beds open and occupiable by December 16, 2021.

The County, however, will contribute \$60 million for services if 6,000 new beds are open and occupiable on July 1, 2021 (this includes the new beds accounted for in the April 16, 2021 deadline). The County may deduct \$10,000 for every new bed/intervention that is not open and occupiable within 60 days of the year-two payment date, or August 29, 2021. This provision continues through the five-year term of the MOU; on July 1<sup>st</sup>, 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 sites or permanent supportive housing; A Bridge Home beds; and other innovative modes of housing or shelter.

## STATUS CITY HOMELESS INTERVENTIONS

**6,000 New Beds:** Based on estimates as of May 4, 2021, we anticipate that 5,908 beds will be open and occupiable on July 1, 2021. We are tracking interventions very closely to ensure the City meets this deadline.

**\$8 Million Bonus for Meeting the April 16, 2021 Deadline:** The Los Angeles County Auditor-Controller (A-C) is conducting its review of the April 16<sup>th</sup> sites to ensure that the interventions were open and occupiable. The A-C expects to complete its review by May 14, 2021. Once the

review is complete, the A-C will issue a report with a recommendation on whether the City should receive the one-time bonus of \$8 million for services.

Our upcoming reports will continue to focus on the status of the one-time bonus and the July 1, 2021 deadline.

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

*RHL:YC*