Homeless Services Updates

02.27.25

Agenda

- Measure A Goals and Metrics, Paige Kaluderovic, Mayor Pro Tem- Redondo Beach

- Measure A Funding Distribution, Addy Ajijolaiya, SBCCOG Project Coordinator

- Measure A Local Solutions Fund Allocation Algorithm & Letter/ Methodology, Miranda Werts, SBCCOG Project Coordinator

Measure A: Topline Goals

↓30%

Reduction in unsheltered homelessness

36,656

by end of 2030

↑150%

Increase in housing placements

47,818

by end of 2030

↓20%

Reduction in inflow into homelessness

50,561

by end of 2030

METRIC 1A

↓ 30%
_____

Reduce the number of people experiencing unsheltered homelessness by 30% to **36,656** by the end of 2030

METRIC 1B

↑ 80%
_____

Increase the number of people moving into permanent housing from unsheltered settings by 80% to **10,687** by the end of 2030

METRIC 1C

↑ 32%
_____

Increase the rate of people moving into interim housing from unsheltered settings by 32% to **45%** by the end of 2030

Goal #1 : Increase the number of people moving from encampments into permanent housing to reduce unsheltered homelessness

Goal #2: Reduce the number of people with mental illness and/or substance use disorders who experience homelessness

METRIC 2A	METRIC 2B	METRIC 2C
↓15%	↓15%	↓15%
Reduce the number of people with SMI alone experiencing homelessness by 15% to **11,948** by the end of 2030	Reduce the number of people with SUD alone experiencing homelessness by 15% to **7,392** by the end of 2030	Reduce the number of people with co-occurring SMI and SUD experiencing homelessness by 15% to **17,379** by the end of 2030

METRIC 3A

↑ **150%**

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Increase the number of people who exit homelessness to permanent housing by 150% to **47,818** by the end of 2030

METRIC 3B

↑ **170%**

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Increase the number of people who retain permanent housing two years after placement by 170% to **28,346** by the end of 2030
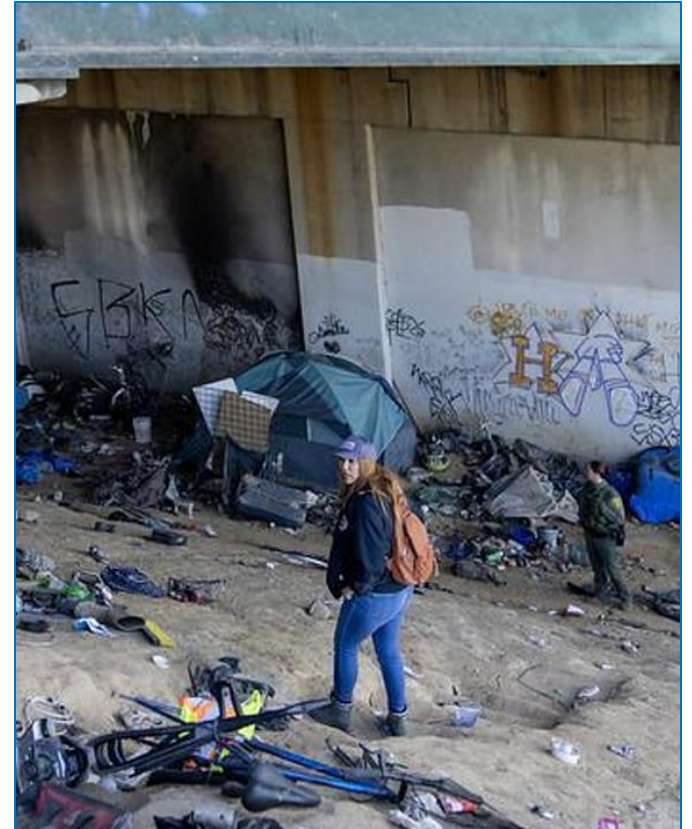
Goal #3: Increase the number of people permanently leaving homelessness

Goal #4: Prevent people from falling into homelessness

METRIC 4A

↓ **20%**

Reduce the number of people who become newly-homeless by 20% to **50,561** by the end of 2030

*There were 63,202 people newly accessing services in FY 23-24, using administrative data (up from 57,855 from previous FY)

Goal #5: Increase the number of affordable housing units in Los Angeles County

METRIC 5A	METRIC 5B	METRIC 5C
↑57%	416	↑15,000
Increase the current level of affordable housing production by 57% to **2,662** by the end of 2030	Increase the current level of affordable housing units being preserved to a total of **416** at-risk units preserved annually by the end of 2030	Increase the number of housing vouchers by **15,000** and the number of project-based vouchers by over **10,000** by the end of 2030

Questions, Comments, Clarification?

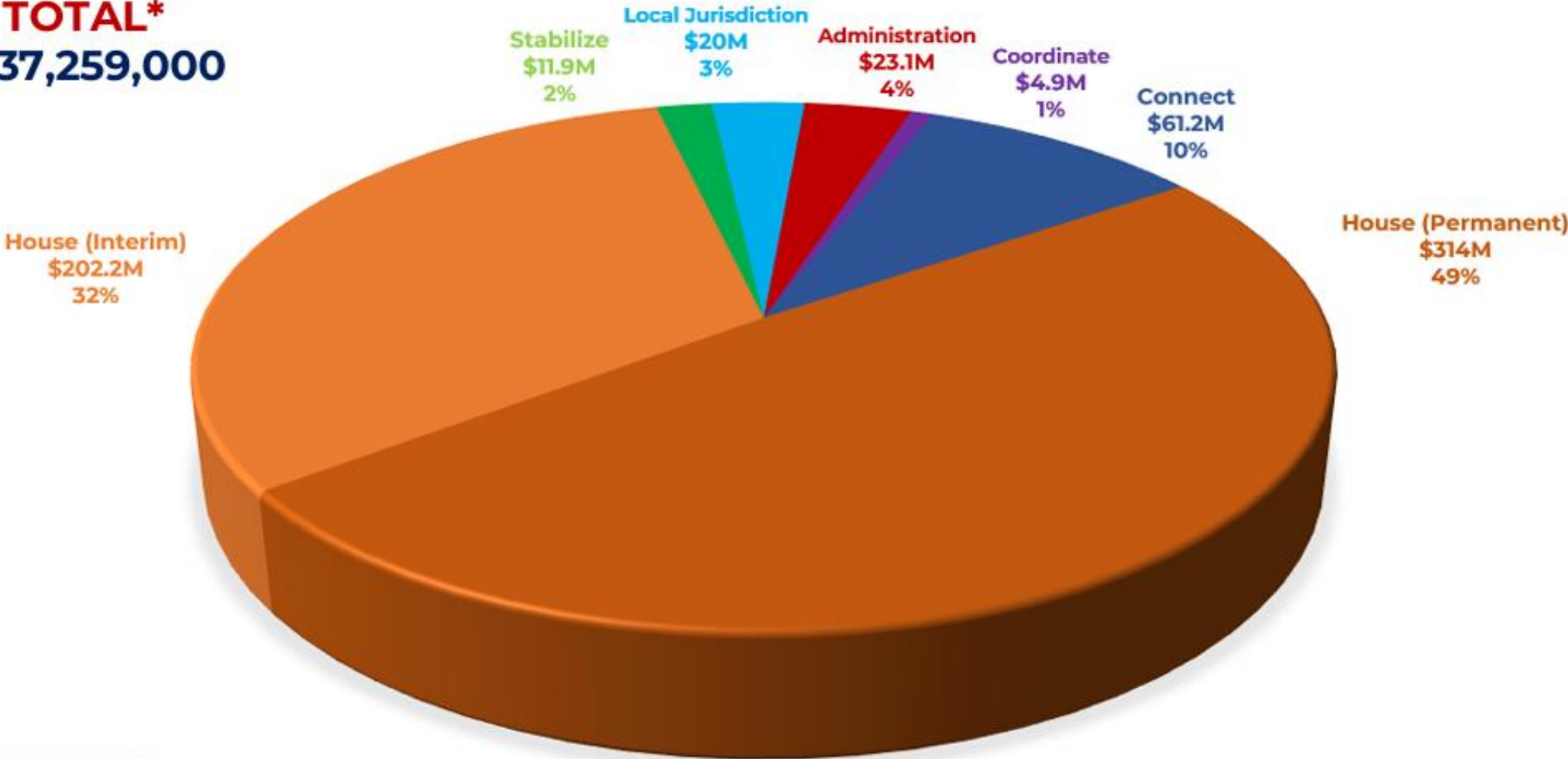# Measure A Allocation and Distribution

Measure A Allocation

Measure A Allocation	% per Measure A	Funding Allocated
Total Projected Measure A Revenue		$1,076,076,350
Collection and Distribution Reasonable Cost Reimbursement	0.50%	$5,380,382
Remaining Revenue		$1,070,695,968
1) Comprehensive Homelessness Services	60%	$642,417,581
1a. Local Solutions Fund	15%	$96,362,637
1b. Homelessness Solutions Innovations	1.65%	$10,559,890
1c. Comprehensive Homeless Services	83.35%	$535,455,054
2) Accountability, Data, and Research	1.25%	$13,383,700
3) LACDA – Local Housing Production	3%	$32,120,879
4) Housing Agency for Affordable Housing and Prevention	35.75%	$382,773,809

FY 2025-26 Homeless Initiative Draft Funding Recommendations

County of Los Angeles
Homeless Initiative

TOTAL*
$637,259,000

Stabilize
$11.9M
2%

Local Jurisdiction
$20M
3%

Administration
$23.1M
4%

Coordinate
$4.9M
1%

Connect
$61.2M
10%

House (Interim)
$202.2M
32%

House (Permanent)
$314M
49%

1 COORDINATE
Create a coordinated system that links critical infrastructure and drives best practices.

2 PREVENT
Target prevention services to avoid entry or a return to homelessness.

3 CONNECT
Link and navigate everyone to an exit pathway.

4 HOUSE
Rapidly rehouse using interim and permanent housing.

5 STABILIZE
Scale services critical to rehousing and stabilization success.

Includes $535.4M of Measure A revenue, an estimated $59 million in carryover one-time Measure H funds, and $42.5M of State HHAP Round 5, Tranche 2. It does not include additional one-time investments. Figures in this chart are rounded.

15

12

How does this impact us?

	LOCAL SOLUTIONS FUND		
Agency	Service Type	Description	FY 2025-26 Draft Allocation
CEO	Local Solutions Fund	Supports cities, Councils of Government, and unincorporated areas by allocating Local Solutions Funds for programs, including homelessness prevention, homeless services, or affordable housing, in alignment with Measure A.	$96,363,000
Total			$96,363,000

We are allocated a small portion of a large budget, and are held to the same expectations, and/or at times even higher standards of performance, as other agencies . If the intention is for Cities and COGS to be partners in addressing this crisis, then our funding should reflect so.

Measure A Local Solutions Fund Methodology

DRAFT Formulas

These are preliminary numbers and should not be considered to be actual allocations

Estimated Measure A LSF Revenue: $96.8 million

Formula	Scenario 1 Multi-Year Avg. PIT Count (Baseline)	Scenario 2 Most Recent PIT Count	Scenario 3 Multi-Year Avg. PIT Count + Incentive	Scenario 4 Multi-Year Avg. PIT Count + MV(ACS Proxy)	Scenario 5 Multi-Year Avg. PIT Count + RHNA	Scenario 6 Multi-Year Avg. PIT Count + ACS + RHNA
Data Source	23/24 PIT Count Avg	2024 PIT Count	90% 23/24 PIT Count Avg. + 10% Incentive	90% 23/24 PIT Count Avg. + 10% ACS Families	90% 23/24 PIT Count Avg. + 10% VLI RHNA	90% 23/24 PIT Count Avg. + 5% ACS Families + 5% VLI RHNA
Estimated SBCCOG Allocation	$2,438,616	$2,495,988	$2,194,754	$3,090,105	$2,568,710	$2,829,406
Estimated SGVCOG Allocation	$6,258,427	$6,622,379	$5,632,589	$7,890,435	$7,013,872	$7,452,153
Estimated LA City Allocation	$58,774,325	$58,035,780	$52,896,892	$55,028,544	$56,651,391	$55,839,968

Note: For comparison, SBCCOG currently receives about $2.2 million annually from the Measure H Local Solutions Fund.

DRAFT Formulas

PERCENT CHANGE = $\dfrac{\text{Scenario X} - \text{Scenario 1}}{\text{Scenario 1}} \times 100\%$

Estimated Measure A LSF Revenue: $96.8 million

Formula	Scenario 1 Multi-Year Avg. PIT Count (Baseline)	Scenario 2 Most Recent PIT Count	Scenario 3 Multi-Year Avg. PIT Count + Incentive	Scenario 4 Multi-Year Avg. PIT Count + MV(ACS Proxy)	Scenario 5 Multi-Year Avg. PIT Count + RHNA	Scenario 6 Multi-Year Avg. PIT Count + ACS + RHNA
Data Source	23/24 PIT Count Avg	2024 PIT Count	90% 23/24 PIT Count Avg. + 10% Incentive	90% 23/24 PIT Count Avg. + 10% ACS Families	90% 23/24 PIT Count Avg. + 10% VLI RHNA	90% 23/24 PIT Count Avg. + 5% ACS Families + 5% VLI RHNA
SBCCOG Percent Change from Scenario 1	--	2%	-10%	27%	5%	16%
SGVCOG Percent Change	--	6%	-10%	26%	12%	19%
LA City Percent Change	--	-1%	-10%	-6%	-4%	-5%

These are preliminary numbers and should not be considered to be actual allocations

Key Takeaways

- Only $12 million to $14 million is allocated for 73 of the 88 cities in Los Angeles County

  - This only 2% of total Measure A <u>Services</u> Funding (not counting LACAHSA)

- The largest potential allocations for cities and Council of Governments (non-LA City and non-Long Beach) is Scenario #4.

- **Family needs are a high priority**, making formulas that incorporate the US Census American Community Survey measure (Scenarios 4 and 6) will help increase funding to address the needs of South Bay residents

Supporting Scenario 4: Letter to Supervisor Mitchell

P2

The proposed Scenario 4 allocates 90% of funding using a two-year point-in-time (PIT) count average and 10% of funding based on the prevalence of deeply impoverished families earning less than $10,000 a year, using the U.S. Census Bureau's American Community Survey (ACS) 5-year estimate data. The SBCCOG supports this funding scenario as the most equitable option. The inclusion of ACS data on deeply impoverished families addresses a gap in the current PIT count data on families, acting as a proxy measure for the federal McKinney Vento Act definition of homelessness. Furthermore, it is inclusive of the socioeconomic conditions correlated to homelessness. As such, this scenario directly remedies the inequities surrounding Measure H and empowers our cities through the SBCCOG with increased funding to prevent and address homelessness.

P3

The SBCCOG would also be supportive of increasing the ACS weighting and/or expanding the PIT count average to 3 years instead of 2 years as these would both minimize the large fluctuations of the PIT count and allow for more effective program planning. We strongly support any mechanism or formula such as these that will minimize the volatility of the PIT count values and thus would not adversely affect jurisdictions should they significantly reduce their PIT count.

Paragraph 2

- Highlights benefits of Scenario 4

  - Reduces impact of PIT count volatility

  - Inclusive of family needs, which are a high priority in the South Bay, and other factors that can lead to homelessness (i.e. low-income)

  - McKinney Vento: means individuals who lack a fixed, regular, and adequate nighttime residence (including doubling up/sharing households)

Supporting Scenario 4: Letter to Supervisor Mitchell

P4

In advocating for Scenario 4, we feel it is also important to highlight the shortcomings of the other CEO-HI proposed scenarios. Scenarios 1 and 2, which both solely use PIT Count values which do not necessarily reflect the population in need and maintain the status quo and therefore result in an inequitable distribution of Measure H funds. Measure A is an opportunity to think differently and find new solutions. Scenarios 1 and 2 fail to meet that requirement. Scenario 3 presents the potential for an incentive metric, but the details regarding its implementation remain unclear, including the foundational structure and framework of the incentive. Given the time constraints, we are concerned about CEO-HI's capacity to adequately develop this option within the specified timeframe. On Scenarios 5 and 6, while they acknowledge the incredible affordable housing need in the County, the SBCCOG sees the use of the Regional Housing Needs Assessment (RHNA) and annual progress report data tracking as a significant weakness. RHNA is not a dynamic measure due to its 8-year cycle, and these scenarios may penalize cities who have more limited areas of vacant land for development and have no control over the market forces impacting whether housing is built nor when and where it is built. Furthermore, it may be redundant with LACAHSA's funding distributions, which have yet to be determined.

Paragraph 4: Critiques of Other Scenarios

- Scenarios 1 and 2: subject to volatility/fluctuations of the PIT count. Concerns about cities essentially being "punished" for successfully reducing their numbers.

- Scenario 3: PIT count + incentive. There are no details regarding the implementation of this "incentive", which is 10% of the LSF total.

- Scenario 5 and 6: inclusive of RHNA in allocation. Concerns about the use of the progress report, slow RHNA cycle, and impacts of housing market, development costs, etc. that are out of cities' control.

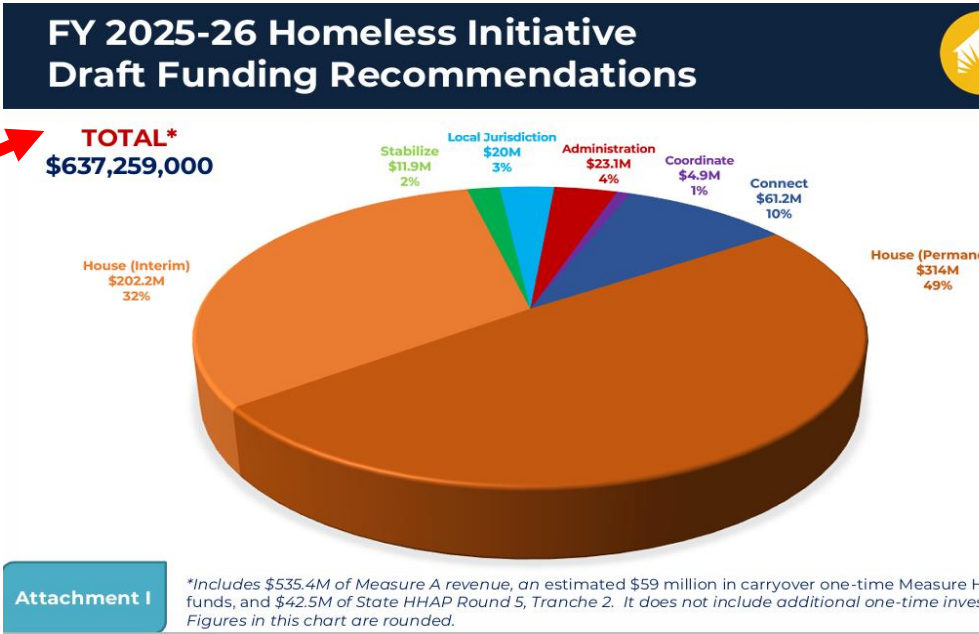# Supporting Scenario 4: Letter to Supervisor Mitchell

P5

Another important point we would like to bring to your attention is that the impact of choosing a scenario is not weighed equally for the different regions. For example, if you were to select Scenario 1 over Scenario 4, both the SBCCOG and the San Gabriel Valley COG would experience a **25% decrease** in funding; however, LA City would only see a 6% increase. A 25% decrease would be a significant hit to our already smaller allotment of LSF funding, especially when compared to LA City.

P6

Using lessons learned from Measure H, the SBCCOG would also like to encourage a more detailed examination of the larger Measure A funding decisions from CEO-HI beyond LSF so that the successful programs that have been established in communities can be considered for additional funding. This could also demonstrate for our cities and residents more equitable return on their Measure A tax dollars in our communities. We are frequently in conversations with our regional partners and outreach case managers who express being hindered by limited funds, personnel, and access to County resources. While LSF is an essential part of funding our services in the South Bay, the SBCCOG feels that other portions of Measure A funding should also be scrutinized and available for programs and projects that have demonstrated their effectiveness. For example, the County could consider allocating a guaranteed minimum funding, such as from the Core Homeless Services budget, for cities and COGs to amplify effective community-based programs to help our residents exit homelessness to permanent housing.

Formula	Scenario 4 Multi-Year Avg. PIT Count + MV(ACS Proxy)
SBCCOG % Change	27%
SGVCOG % Change	26%
LA City %Change	-6%

FY 2025-26 Homeless Initiative Draft Funding Recommendations

TOTAL*
$637,259,000

Stabilize $11.9M 2%
Local Jurisdiction $20M 3%
Administration $23.1M 4%
Coordinate $4.9M 1%
Connect $61.2M 10%
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House (Permanent) $314M 49%

Attachment I

*Includes $535.4M of Measure A revenue, an estimated $59 million in carryover one-time Measure H funds, and $42.5M of State HHAP Round 5, Tranche 2. It does not include additional one-time inves... Figures in this chart are rounded.

THANK YOU!

APPENDIX: DRAFT Formulas

Scenario	Example Formula Methodology	Explanation
1. Multi-Year Avg. Pit Count (Baseline)	100% 23/24 Pit Count Average	Averages the past 2 years of PIT Count data (i.e., 2023/2024) for each jurisdiction then distributes all of the funding based on each jurisdiction's proportionate share of that average.
2. Most Recent PIT Count	100% 2024 PIT Count	Uses the most recent PIT Count data for each jurisdiction and distributions 100% of the funds based on each jurisdiction's proportionate share of that total.
3. Multi-Year Avg. PIT Count + Incentive	90% 23/24 PIT Count Avg. + 10% Incentive	Sets aside 10% as an incentive for jurisdictions that demonstrate progress toward Board-approved objectives. The remaining 90% is allocated based on the average of the last 2 years of PIT Count data (like in Scenario 1).
4. Multi-Year Avg. PIT Count + McKinney Vento (ACS Proxy)	90% 23/24 PIT Count Avg. + 10% ACS Families	Allocates 10% of funding based on the U.S. Census American Community Survey (ACS) measure for deeply impoverished households. This is used as a proxy measure since McKinney Vento (MV) data is not available by city. The remaining 90% is allocated based on the average of the last 2 years of PIT Count data (like in Scenario 1).
5. Multi-Year Avg. PIT Count + RHNA	90% 23/24 PIT Count Avg. + 10% VLI RHNA	90% is allocated based on the average of the last 2 years of PIT Count data (like in Scenario 1). The remaining 10% is allocated based on each city's progress towards its Very Low Income (VLI) RHNA goals and its relative contribution to the County's combined VLI RHNA goal.
6. Multi-Year Avg. PIT Count + ACS + RHNA	90% 23/24 PIT Count Avg. + 5% ACS Families + 5% VLI RHNA	90% is allocated based on the average of the last 2 years of PIT Count data (like in Scenario 1). 5% is allocated based on each city's progress towards its Very Low Income (VLI) RHNA goals and its relative contribution to the County's combined VLI RHNA goal. The remaining 5% is allocated based on the ACS measure for deeply impoverished households.

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Accountability Data & Research

ACCOUNTABILITY, DATA, AND RESEARCH (Cont.)			
Agency	**Service Type**	**Description**	**FY 2025-26 Draft Allocation**
CEO	Accountability, Data and Research Staff	Supports CEO staff assigned to Measure A requirements related to accountability, oversight, transparency, data, and evaluation. Specifically, the Measure A ordinance requires that the County provide sufficient staffing for research, evaluation, data management, data integration, and monitoring of the progress of evaluations to provide centralized program oversight. It also requires evaluating progress toward reducing racial disparities and the disproportionate impact of homelessness and housing insecurity for critical populations. This supports 8 FTEs including 4 that had been previously funded with Measure H and 4 new FTEs to support new and increased Measure A requirements.	$2,170,000
	Accountability, Data and Research, Contractors, Consultants, Technology and Services	Supports contractors, consultants, technology, and services needed to meet Measure A requirements related to accountability, reporting, oversight, evaluation, impact of investments, and universal data plan. Measure A requires that the annual evaluation agenda be procured through a third-party evaluator selected through a request for proposals.	$6,566,000
	Community Engagement and Accountability	Supports Measure A-required 1) public listening and learning sessions to report on available data about perceived and emerging homelessness service and affordable housing needs in the County; and 2) ongoing community education efforts on homelessness and affordable housing as well as goals, progress, and objectives. Measure H has funded community engagement sessions for the annual funding recommendation process. This funding expands the scope of community engagement and supports year-round engagement.	$500,000
Subtotal			**$9,236,000**
DHS	Accountability, Data and Research Staff	Supports DHS staff assigned to Measure A requirements related to accountability, oversight, transparency, data, and evaluation. Specifically, the Measure A ordinance requires that the County provide sufficient staffing for research, evaluation, data management, data integration, and monitoring of the progress of evaluations. DHS operates the California Health Access Model Program, also known as CHAMP, which is one of the largest homelessness data systems in the County and which shares information with HMIS and InfoHub. This supports 6 FTEs which were previously funded with Measure H.	$1,293,000
Subtotal			**$1,293,000**
Total			**$13,384,000**

Attachment II

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