

South Bay Cities Council of Governments

April 13, 2026

TO: SBCCOG Steering Committee

FROM: Jacki Bacharach, SBCCOG Executive Director
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SUBJECT: SBCCOG Local Solutions Fund (LSF), and LACAHSAs Prevention Budget.

BACKGROUND

In November 2024, the voters of LA County voted to approve a half cent tax called Measure A to replace the quarter cent Measure H. Measure A is expected to bring in \$1 billion annually for homeless services (Local Solutions Fund - LSF) and affordable housing production/preservation/prevention (LACAHSAs). The SBCCOG will receive roughly \$16 million annually from Measure A – an estimated \$3.1 million for LSF and \$13 million from LACAHSAs.

This recommendation will include the \$3.1 million for LSF and \$5.2 million for Renter Protection and Homeless Prevention (RPHP). At a future date, the remainder of the LACAHSAs funding - \$7.9 Million earmarked for Production, Preservation and Ownership – will be brought back for allocation to the Housing Trust.

LSF Budget

On February 3, 2026, the Los Angeles County Board of Supervisors approved the Measure A LSF spending plan. The South Bay Cities Council of Governments (SBCCOG) is expected to receive \$3,173,701. On February 9, 2026, SBCCOG emailed a request for cities to submit program proposals with submissions due no later than February 27, 2026. On March 4, 2026, the draft budget and proposed program framework were presented at the Quarterly City Staff meeting for discussion on input.

RECOMMENDED USES OF LSF FUNDING

With input from member cities and stakeholders, SBCCOG staff recommend the following uses of Measure A Local Solutions Fund allocation. We have categorized our LSF strategy into 3 buckets:

Income Subsidies

1. **Client Aid (Flexible Funds)**

Continue funding for client aid to provide just-in-time financial assistance, including security deposits, application fees, transportation, and other critical needs to support housing placement and stabilization. This program has an 85% success rate in getting people off the streets.

2. **Time Limited Subsidy (TLS)**

Continual funding for the TLS program will support both homelessness prevention and rapid rehousing efforts. The program provides rental subsidies for a period of 6 to 12 months. Participants will be selected based on their ability to successfully transition off the subsidy within this timeframe. Ongoing case management will be required, with regular engagement to ensure participants are progressing toward their housing goals and long-term stability. 100% of participants are able to become self-sufficient within 12 months.

Housing Navigation (Case Management)

3. **Housing Navigation and Care Coordination**

Continue and expand regional and city-based housing navigation and coordination programs, including Beach Cities, Hawthorne, Inglewood, Gardena, and the rest of the South Bay cities, ensuring consistent engagement and service delivery. This funding will plug all coverage gaps for street focused housing navigation with a total of 11 positions.

Shelters and Housing

4. **SHARE Housing to Employment Program**

Continue support for shared housing opportunities that provide affordable interim housing combined with employment and recovery services. This successful regional program has a 75% employment placement rate.

5. **Motel & Single Room Occupancy (SRO) Leasing**

Continue to support interim housing through motel and SRO leasing, providing immediate stabilization for individuals while permanent housing plans are secured. This can include leasing rooms inside homes. Participating cities include Torrance, Inglewood, and Redondo Beach.

6. **Tiny Homes Support**

Maintain and support local shelter capacity, including operational needs and capital improvements as necessary. Funding will help maintain a safe and stable environment for participants while they work toward permanent housing. Participating cities include Hawthorne and Torrance.

About 10% of the funds will go towards Program Implementation Cost and SBCCOG administration. Program Implementation costs include salaries of our Program Manager, Project coordinator, and Care Coordinator. Administrative costs include accounting, legal, rent, executive oversight, and other operating expenses.

FY25-26 Rollover

Additionally, Staff anticipates there will be roughly \$679,000 of rollover funds. SBCCOG will program these funds into Client Aid and SHARE Housing to Employment. Any additional rollover funds will be programmed into Client Aid.

FY26-27 LSF BUDGET AND FY25-26 ROLLOVER

Local Solutions Fund		
	FY 25-26 Roll Over	FY26-27 Budget
Income Subsidies		
Client Aid	\$279,357	-
Time Limited Subsidies	-	\$416,331
Housing Navigation and Coordination (Case Management)		
South Bay Housing Navigation and Coordination	-	\$1,120,000
Shelter and Housing		
SHARE Housing to Employment	\$400,000	\$100,000
Motel and SRO Beds	-	\$645,000
Tiny Homes Support	-	\$575,000
Programs Implementation Costs	-	\$217,370
SBCCOG Admin Costs	-	\$100,000
Grand Total	\$679,357	\$3,173,701

Programs Not Funded

Staff are not recommending funding any requests for mental health clinicians/alternative crisis response and safe parking. While staff values these programs and interventions, SBCCOG has determined that these programs are not the best use of LSF funds at this time for the following reasons.

- For mental health clinicians, the SBCCOG has previously funded this program, but unsuccessfully. There is a shortage of mental health clinicians and due to this shortage, we anticipate the budget for a single clinician to be \$150-\$200k, roughly 6% of the total LSF budget. Additionally, our cities do not have access to behavioral health databases (HIPAA), nor carry the appropriate risk management coverage among other issues.
- Similarly, alternative crisis response is also expensive and has similar logistical hurdles – roughly \$600,000 for a team. Alternatively, staff have been actively re-engaging with the Department of Mental Health for the past 6 months with increasing success. DMH controls all of the county’s behavioral health funding – over \$1 billion annually. They have a myriad of programs to serve our cities, including DMH Home teams, Full Service Partnerships (FSPs), Mental Evaluation Teams (MET), CARE court affiliated care coordinators, and an Interim Housing Outreach Program among others. The performance of these programs has been inconsistent at best. Staff believe that with the recent engagement, DMH services will improve in the South Bay, and we have seen some evidence to date – with some of our long tenured street homeless individuals being helped off the street.
- For safe parking, Staff are interested in engaging with LA City to maintain the existing site in the South Bay. We will also work with our cities to identify other locations.

Staff will work with cities to find funding for any programs not funded by LSF, including exploring the use of opioid funds and State/Federal funding sources.

LACAHSR Renter Protection and Homeless Prevention Budget (RPHP)

Per the latest LACAHSAs Expenditure Plan for FY26-27, staff anticipates \$5.2 million of RPHP funding (including the RPHP portion of technical assistance funding). This is consistent with previous year's funding.

Staff recommends a budget allocation similar to last year – divided into 3 main buckets:

Capacity Building

1. Continue to fund a Cal Aim consultant. Staff anticipate that LA County will offer Cal Aim Transitional Rent payments to our cities for housing placements, including in our SRO and SHARE housing interventions. We also believe these payments can offset a third of the costs of our city shelters. Additionally, we are still working with Managed Care Plans (LA Care, Kaiser, etc..) on a pilot program to have our Housing Navigation work be reimbursed through Cal Aim. The Cal Aim consultant will help open up and administer these additional revenue streams.

Legal Services (required to spend minimum 20% of our budget per LACAHSAs Guidelines)

2. Staff will procure Eviction and Prevention legal services, most likely through LACAHSAs Integrated Services Model (ISM). These services will help our renters with eviction defense and other preventive legal services.
3. Continue to fund Expungement programs such as ticket clinics and the Public Defender expungement clinics. An unpaid ordinary stop sign ticket can lead to bad credit and bench warrants which can impair background checks, and thus, an individual's ability to achieve housing and job stability. These programs are designed to offer expungements in exchange for the individual's acceptance of services.
4. Continue to fund Housing Focus Case Management to offer individuals seeking RPHP services with problem solving assistance such as financial budgeting and referrals to other mainstream programs.

Rental Subsidies (required to spend minimum 40% of our budget per LACAHSAs Guidelines)

5. Continue to provide funding to our two non-profit partners (St Margaret's Center and WLCAC) to provide our RPHP Rental Subsidy disbursements. These two partners will serve all of our South Bay cities.
6. Continue to fund Gardena's previously existing rental assistance program. Prior to LACAHSAs, Gardena had an existing rental assistance program. Staff recommends supplementing Federal funding for this successful program. This funding includes one prevention specialist that was previously funded through LSF.

About 11% of the funds will go towards Program Implementation Cost and SBCCOG administration. Program Implementation costs include salaries of a Sector Liaison to work with our LACAHSAs Board representative, a Project coordinator, and Marketing/Web activities to promote the programs to our constituents. Administrative costs include accounting, legal, rent, executive oversight, and other operating expenses.

Any additional funding received for RPHP will be programmed to Rental Subsidies.

FY26-27 LACAHSR RPHP BUDGET

LACAHSR RPHP

FY26-27 Budget

Capacity Building

Cal Aim Capacity Building	150,000
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Legal Services (40% of RPHP Budget)

Eviction and Prevention	\$1,250,000
Expungements	\$800,000
Housing Focus Case Management	\$115,000

Rental Subsidies (45% of RPHP Budget)

Non-Profit Partners	\$1,977,955
City Partner/Other	\$400,000

Programs Implementation Costs	\$244,422
SBCCOG Admin Costs	\$348,387

Grand Total	\$5,285,764
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RECOMMENDATION

Approve the FY 26-27 Local Solutions Fund Budget, FY 25-26 LSF Rollover Budget, and FY 26-27 LACAHSR Renter Protection and Homeless Prevention Budget.

Please Note: The county has said that in order for them to get us our contract with them by July 1, we need to submit this budget ASAP – before the Board meeting. Therefore, this action is to approve and the Board will be notified.