



**Chief
Executive
Office.**

COUNTY OF LOS ANGELES

Kenneth Hahn Hall of Administration
500 West Temple Street, Room 713, Los Angeles, CA 90012
(213) 974-1101 ceo.lacounty.gov

CHIEF EXECUTIVE OFFICER

Fesia A. Davenport

January 23, 2023

To: Supervisor Janice Hahn, Chair
Supervisor Hilda L. Solis
Supervisor Holly J. Mitchell
Supervisor Lindsey P. Horvath
Supervisor Kathryn Barger

From: Fesia A. Davenport
Chief Executive Officer

REPORT BACK ON PROCLAMATION OF A LOCAL EMERGENCY FOR HOMELESSNESS IN THE COUNTY OF LOS ANGELES (ITEM NO. 3, JANUARY 10, 2023 AGENDA)

On January 10, 2023, the Board of Supervisors (Board) unanimously adopted a motion declaring a local state of emergency for homelessness. The motion directed, among other things, the Chief Executive Office (CEO), to report back in 14 days with the authorities needed to accelerate administrative processes and interventions which enable the County to provide services to people experiencing homelessness (PEH). The motion further directed the CEO to develop a communication plan on how the County will coordinate and work with cities to implement solutions that will be implemented under the proposed authorities. The motion also identified the CEO Homeless Initiative as the lead for overall coordination of the County's emergency response, and directed the CEO to report back in 21 days on the necessary organizational changes and resources required to enable the Homeless Initiative to assume this leadership role. Finally, the Board directed the CEO to file periodic reports with the Board at quarterly, six and twelve month intervals related to Measure H expenditures, updates on the emergency declaration, and data on whether the declaration should be modified, extended or terminated. This first report contains recommendations (see Attachment I) we believe will result in an accelerated expansion of services for PEH.

BACKGROUND: Deep, Invisible Investments Demand Higher Levels of Resolve to Prevent and End Homelessness

For more than a decade, the County Board of Supervisors has championed efforts to combat homelessness in Los Angeles County. These efforts include creating the Homeless Initiative in 2016, and sponsoring Measure H, the ¼ cent sales tax, which



resulted in dedicated funding to fighting homelessness. These efforts have resulted in very large increases in the number of people moving from the streets to interim or permanent housing, and the number prevented from falling into homelessness in the first place.

The Los Angeles County 2022 Homeless Count identified just over 69,000 people experiencing homelessness of which 70 percent were unsheltered, the largest number of unsheltered people in the country. Since 2015 the number of people experiencing homelessness has increased by 55 percent. Seventeen percent (17%) more tents, vehicles, and makeshift shelters were visible in 2022 than in 2020, due in part to a pause on encampment interventions due to Covid-19. Almost 40 percent of people experiencing homelessness reported experiencing a mental health condition and/or substance use disorder and chronic homelessness increased by 10 percent.

The causes of homelessness are longstanding and complex. The County of Los Angeles has a shortfall of approximately 500,000 affordable housing units and renters need to earn about 2.5 times the minimum wage to afford the average asking rent in Los Angeles County. There is also a severe shortfall of federal rental subsidy resources available to County residents. Nationwide it is estimated that only 25 percent of households who meet the eligibility criteria for a federal rental subsidy will ever receive one - in Los Angeles County the estimate is 10 percent.

Los Angeles County has one of the most robust rehousing systems in the nation. Since 2017 almost 120,000 people have been served in interim housing and over 87,000 have exited homelessness to permanent housing. Collective investments have created more housing in the past five years than the previous 30 years; last year over 21,000 people were rehoused. Since 2019, interim housing beds have increased 62 percent and there are now over 25,000 interim housing beds in the County. Focused efforts to bring some of the most vulnerable PEH inside contributed to a 49 percent increase in the number of people with serious mental illness or substance use served in interim housing.

Despite these deep investments in our rehousing system, the pace of people falling into homelessness has continued to exceed the number of people who become housed and, as a result, the number of people experiencing homelessness at any given time has not decreased. In addition, gaps, inefficiencies, and fragmentation in our regional system, funding restrictions, burdensome administrative reporting requirements, strategies that do not actually move PEH towards shelter or permanent housing, collectively dilute our efforts and leave PEH underserved. The crisis is outpacing our response, keeping the evidence of our deep investments largely hidden and visible only to those who have been positively impacted by our system's increased capacities.

Supporting County Departments Outpaced by the Crisis

The Board has appropriately recognized that more is needed to fortify our resolve in the fight against homelessness. The Board's emergency declaration evidences an intent to move toward a whole-of-County approach in five areas: contracting and procurement, hiring, housing, services, and spending.

As a first step, the CEO convened County departments to identify the authorities needed to eliminate long-standing, well-intended rules and processes, which have slowed our response to PEH. Specifically, the CEO convened, over approximately ten days, County Counsel, the Departments of Aging and Disabilities (AD), Consumer and Business Affairs, Economic Opportunity, Health Services (DHS), Human Resources, Internal Services (ISD), Mental Health (DMH), Public Health (DPH), Public Social Services (DPSS), and Public Works (DPW), among others, as well as the Los Angeles County Development Authority (LACDA), to identify barriers to accelerated service delivery and further identify County rules your Board could waive, suspend, or delegate.

A Strategic Focus of the Emergency Declaration and Prioritizing Unsheltered PEH

Effective emergency response requires prioritizing the most urgent need and resisting the desire to address every issue at once – the latter dilutes the ability to be effective. Once needs are prioritized, then missions can be articulated, and roles and responsibilities assigned. The missions will use Anti-Racism, Diversity, and Inclusion (ARDI) equity tools to ensure equitable implementation and resource distribution. The CEO's Homeless Initiative recommends that the County initially focus on three missions identified below.

Mission 1: Encampment Resolution

Reduce unsheltered homelessness using a systematic approach to encampment resolution conducted in partnership with local jurisdictions.

The County will collaborate with Councils of Government and cities to develop plans for encampment resolution. These plans will include: 1) outreach to those residing in the encampment; 2) identifying and offering interim housing for those living in the encampment; 3) matching clients to permanent housing resources and providing housing navigation services to move them into permanent housing; and 4) providing supportive services in both interim and permanent housing. The County must be willing to proactively support our local jurisdictions and governing entities to resolve encampments, by providing funding and resources, and local jurisdictions must be willing to identify and site housing in their respective jurisdictions.

Mission 2: Housing

Increase interim and permanent housing placements.

Working in more streamlined collaboration with local partners and stakeholders, increase housing placements by accelerating interim housing turnover (move people quickly from interim housing to permanent housing so more people can be served with existing interim housing beds), making strategic investments in new interim housing linked to encampment resolution (see above), accelerating timelines to produce permanent housing, and increasing the number of permanent housing resources in partnership with local jurisdictions.

Mission 3: Mental Health and Substance Use Disorder Services

Provide mental health and substance use disorder services to unsheltered and sheltered people experiencing homelessness at the level needed to meet their needs.

Coordinate the provision of field based mental health and substance use disorder assessments and services with outreach workers and interim housing providers. Reduce wait times for services, when they exist, by prioritizing the delivery of mental health and substance use disorder services to PEH unless otherwise prohibited.

Prioritizing Services for Unsheltered PEH

The missions described above will help County departments (including but not limited to AD, DHS, DMH, DPH, DPSS) focus their efforts so that we move together in support of the same three areas. Although focus is crucial, it is equally important that departments prioritize the homeless population in their service delivery – rather than just focusing on the broad mission. For this reason, we propose exploring whether under the emergency declaration the County can prioritize the provision of health and social safety net services to people experiencing homelessness, where legally permitted to do so. This means, with all things being equal between two constituents seeking services, and if legally permissible to do so, County health and social safety net departments would prioritize PEH unless doing so would exacerbate homelessness in the County or jeopardize the life or health of others.

Recommended Authorities

The CEO convened a series of workshops with departments over the prior 10 days, and workshop participants identified more than 50 recommendations aimed at removing barriers in contracting and procurement, hiring, housing, services, and spending. The CEO reviewed the recommendations and identified a “first wave” of

actions needed to jumpstart County departments' response to the declared emergency. These "first wave" authorities and recommended implementation processes are detailed in Attachment I and consist of broad and impactful actions we recommend the Board take to provide departments with clear authority to address the County's homelessness crisis in a new and material way.

We recognize that departments will continue to identify barriers, and that some already identified barriers require additional detailed analysis to determine appropriate resolution. We must also provide your Board with transparent and clear tradeoffs associated with implementing changes in the way the County currently does business. Tradeoffs could include additional risk or liability to the County resulting from less rigorous candidate screening, contracted services, or the optics associated with accelerated procurement and contracting, possibly on a sole source basis.

As departments begin to reassess their lines of business to best implement the directives of the homeless emergency proclamation, we anticipate other consequences including potential service reductions in low priority areas. These reductions are best understood as both necessary and desirable to achieve a sufficient focus on the proposed missions and desired outcomes.

There are many additional recommendations that require further evaluation to determine whether they would be impactful for addressing the homelessness emergency and what is needed to operationalize those recommendations. The CEO will continue to work with departments to refine these "second wave" authorities and report to the Board in 90 days with appropriate recommendations.

Communication Plan

Aligned with the recommendations of the Blue-Ribbon Commission on Homelessness, the CEO Homeless Initiative has taken a proactive approach to engaging with contract cities, independent cities, and Councils of Government. These efforts involve sharing information on developments relevant to Measure H and County efforts related to PEH. We plan to enhance and leverage this infrastructure to share what is new or different under the emergency declaration as well as establish stronger connections, particularly around the Encampment Resolution mission. We will develop or expand regular times to provide periodic updated information and use various communication channels to ensure effective and convenient communication spaces.

Conclusion

This is our initial response to the Board motion proclaiming an emergency for homelessness. Our next report is due on January 31, 2023, and will focus on the staffing and resources needed to enable the CEO Homeless Initiative to coordinate

implementation efforts related to the emergency declaration. Future reports will focus on second wave authorities as well as funding necessary to support departmental efforts to meet the missions of the emergency declaration.

Future reports will also include recommendations on authorities and missions related to preventing homelessness which will be aligned with Prevention Services Task Force recommendations. It is estimated that if inflow into homelessness stopped our existing rehousing system could end homelessness in Los Angeles County in three to four years.

Should you have any questions concerning this matter, please contact me or Cheri Todoroff, Executive Director of the Homeless Initiative and Affordable Housing, at (213) 974-1752 or ctodoroff@ceo.lacounty.gov.

FAD:JMN
CT:gl

Attachment

c: Executive Office, Board of Supervisors
County Counsel
Aging and Disabilities
Consumer and Business Affairs
Economic Opportunity
Health Services
Internal Services
Mental Health
Public Health
Public Social Services
Public Works
Los Angeles County Development Authority

Authority Needed	Recommended Implementation
<i>Contracting/Procurement</i>	
<p><u>New Contracts</u>: Unless otherwise required by State or federal law, waive the sole source policy and authorize CEO and departments to prepare and execute agreements, both competitively procured and sole source, and any and all amendments that support homeless programs within the County with the following parameters: (1) the CEO confirms in writing that the agreement implements or is in support of a designated mission; (2) the CEO confirms in writing that funds have been approved by the Board or by a Board office in its County Homeless Prevention Initiative – Homeless Services Fund, or are otherwise budgeted; (3) the term of the agreement, including all amendments, shall expire no later than two years after the Board terminates the emergency proclamation; and (4) the agreement and all amendments are approved, as to form, by County Counsel.</p>	<p>Direct the CEO to work with County Counsel, Auditor-Controller, and impacted departments to develop an implementation, tracking, and reporting protocol and report to the Board in 30 days.</p>
<p><u>Amendments to Existing Contracts</u>: Unless otherwise required by State or federal law, authorize CEO and departments to prepare and execute any and all amendments to existing agreements that support homeless programs within the County with the following parameters: (1) the CEO confirms in writing that the agreement amendment implements or is in support of a designated mission; (2) the CEO confirms in writing that funds have been approved by the Board or by a Board office in its County Homeless Prevention Initiative – Homeless Services Fund, or are otherwise budgeted; (3) the term of the agreement amendments, shall expire no</p>	<p>Direct the CEO to work with County Counsel, Auditor-Controller, and impacted departments to develop an implementation, tracking, and reporting protocol and report to the Board in 30 days.</p>

Authority Needed	Recommended Implementation
<p>later than two years after the Board terminates the emergency declaration; and (4) the agreement and all amendments are approved, as to form, by County Counsel.</p>	
<p><u>Increased Purchasing Authority for Departments:</u> For purchases that support a designated mission, increase departments' delegated purchasing authority to \$50,000 and, to the extent legally permitted, waive the County's open competitive solicitation or bidding requirements and the County's Sole Source Policy for such purchases.</p>	<p>Direct the CEO to work with County Counsel, Auditor-Controller, ISD, and impacted departments to develop an implementation, tracking, and reporting protocol and report to the Board in 30 days.</p>
<p><u>Emergency Purchasing Authority for the County's Purchasing Agent:</u> For purchases that support a designated mission, authorize the CEO and direct the County's Purchasing Agent, as applicable, and to the extent legally permitted, to (a) approve any purchases that would require Board approval under current law, regulations, or Board policies, (b) take any procurement or other actions necessary for the expedited acquisition of all goods, including supplies, equipment and services needed, while waiving the County's open competitive solicitation or bidding requirements, the need for the Purchasing Agent to comply with the County's Sole Source Policy, the need for the Purchasing Agent to obtain the Board's approval for capital asset purchases in excess of \$250,000, and any other County Purchasing Policies to the extent legally allowed.</p>	<p>Direct the CEO to work with County Counsel, Auditor-Controller, ISD, and impacted departments to develop an implementation, tracking, and reporting protocol and report to the Board in 30 days.</p>
<p><u>Uniform Contract with LAHSA:</u> Create a streamlined contract for all County contracts with LAHSA.</p>	<p>Direct County Counsel to convene all departments that contract with LAHSA, including but not limited to CEO,</p>

Authority Needed	Recommended Implementation
	DPSS, Aging, DHS, and LACDA, to develop a streamlined uniform contract and report to the Board in 60 days.
Hiring	
<u>Emergency Hiring:</u> Authorize departments to hire without an examination as authorized pursuant to Civil Service Rule 13.04 for all positions that support a designated mission, as confirmed in writing by the CEO.	Direct the Director of Personnel to work with CEO and County Counsel to develop an implementation, tracking, and reporting protocol and report to the Board in 30 days.
<u>Hiring and Retention Incentives:</u> Authorize departments to provide hiring and retention incentives for positions with a direct connection to a designated mission, including but not limited to signing bonuses, retention bonuses, longevity bonuses, bonuses for field-based work, and housing stipends, provided (1) the CEO confirms in writing that the proposed positions have a sufficient nexus to a designated mission, and (2) sufficient funds are budgeted to support the positions.	Direct the CEO to work with the Director of Personnel and County Counsel to identify incentives, develop a protocol to approve and track incentives provided, and report to the Board in 30 days.
<u>Authority for Departments to Add Emergency Positions and Approve Special Step Placements:</u> Authorize CEO to temporarily delegate authority to departments to approve new ordinance only items and special step placements for positions that support a designated mission, provided (1) the CEO confirms in writing that the proposed positions support a designated mission, and (2) sufficient funds are budgeted to support the positions.	Direct the CEO to work with the Director of Personnel and County Counsel to identify incentives, develop a protocol to approve, track and audit delegations of authority, and report to the Board in 30 days.

Authority Needed	Recommended Implementation
<i>Housing</i>	
<p><u>Fewer Regulations on New Housing:</u> Unless otherwise required by state or federal law, ease rules and regulations that slow or prevent the construction of interim or permanent housing for PEH, including but not limited to:</p> <ul style="list-style-type: none"> • Waiving electric-ready sustainability requirements • Allowing building and grading permits to issue concurrently • Relaxing low impact development (LID) requirements for stormwater prevention 	<p>Direct DPW, in collaboration with CEO, County Counsel, DRP, LACDA, and other departments, to report to the Board in 30 days identifying specific County Code provisions or rules that should be amended and identify potential impacts of doing so, including but not limited to any required environmental review.</p> <p>Further direct DPW, in collaboration with the departments above, to report to the Board in 60 days recommending legislative proposals at the State and federal level to further streamline the review, approval, and construction of interim and permanent housing for PEH.</p>
<p><u>Delegated Authority to Acquire Property:</u> Authorize the CEO to approve and execute all property acquisition and sales that support a designated mission.</p>	<p>Direct CEO to develop an implementation and reporting protocol and report to the Board in 30 days.</p>
<p><u>Delegated Leasing Authority:</u> Authorize CEO to execute and amend all leases necessary to support a designated mission and find that such leases are necessary to meet the social needs of the population of the County pursuant to Government Code section 26227.</p>	<p>Direct CEO to develop an implementation and reporting protocol and report to the Board in 30 days.</p>
<i>Services</i>	
<p><u>Expand Departments' Authority to Accept Grants:</u> Delegate authority to departments to apply for and accept new or expanded grant agreements provided: (1) the CEO confirms in writing that the grant agreement supports a designated Mission; and (2) the CEO confirms in writing that the services funded by the grant support a designated mission.</p>	<p>Direct the CEO to work with County Counsel, Auditor-Controller, and impacted departments to develop an implementation, tracking, and reporting protocol and report to the Board in 30 days.</p>

Authority Needed	Recommended Implementation
<i>Spending</i>	
<p><u>MHSA Flexibility</u>: Use restricted MHSA funding to support any of the stated missions whether the funding is in the spending category previously set by the MHSA spending schema.</p>	<p>Direct the Legislative Affairs and Intergovernmental Relations Branch to advocate for solutions at the State level to create flexibility with MHSA funding to include individuals experiencing homelessness and those involved in the criminal justice system, as well as remove silos and other restrictions that create barriers and prevent counties from effectively spending MHSA funding where it is needed, when it is needed, and in what form it is needed.</p>
<p><u>Homeless Initiative Funding Flexibility</u>: Delegate authority to the CEO to increase or decrease allocation amounts to County departments and agencies and across service types for any Board approved budgeted funding sources administered by the Homeless Initiative.</p>	<p>Direct the CEO to work with County Counsel, Auditor-Controller, and impacted departments to develop an implementation, tracking, and reporting protocol and report to the Board in 30 days.</p>