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COUNTY OF LOS ANGELES

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CHIEF EXECUTIVE OFFICER

Joseph M. Nicchitta

"To Enrich Lives Through Effective and Caring Service"

October 27, 2026

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Supervisors:

**PUBLIC HEARING ON APPROVAL OF THE CARE FIRST AND COMMUNITY INVESTMENT
ONE-TIME FUNDING RECOMMENDATIONS FOR UNSPENT FUNDING FROM FISCAL YEAR
2025-26 AND SET-ASIDE FUNDING FROM
FISCAL YEAR 2026-27 AND AUTHORITY TO IMPLEMENT NECESSARY PROCESSES TO
MANAGE AND DISBURSE FUNDS AND APPROVE
APPROPRIATION ADJUSTMENT
(ALL DISTRICTS AFFECTED) (3-VOTES)**

SUBJECT

The Chief Executive Officer (CEO) recommends that the Board of Supervisors (Board) approve the \$69.5 million Care First and Community Investment (CFCI) Spending Plan Year Six (Year Six Spending Plan) for the County of Los Angeles (County), funded by \$43.5 million in unspent CFCI funding from previously approved Spending Plan programs and \$26.0 million in CFCI set-aside funding based on the recommendations of the CFCI Advisory Committee (Advisory Committee). The CEO further recommends that the Board delegate authority to departments receiving CFCI funds in the Year Six Spending Plan, including the CEO, to execute agreements or amend existing agreements to use CFCI funds, and approve Fiscal Year (FY) 2026-27 Appropriation Adjustment.

IT IS RECOMMENDED THAT THE BOARD AFTER THE PUBLIC HEARING,

1. Approve the CEO's recommended programs and funding allocations (Enclosure I), totaling \$69.5 million for programs that include Direct Community Investments (DCI) and Alternatives to Incarceration (ATI).

2. Approve the enclosed FY 2026-27 Appropriation Adjustment, (Enclosure II), to transfer \$69.5 million in appropriation from the CFCI Unspent, Uncommitted, Unincumbered budget unit and the CFCI To-Be-Allocated budget unit to various CFCI Budget Units, reflecting the allocations included in the ongoing and one-time funding recommendations.
3. Authorize and delegate authority to the CEO, or his designee; Director of Justice, Care and Opportunities (JCOD), or her designee, as lead administrator of CFCI; and Department Heads of those respective departments receiving CFCI funding, or their respective designees; to execute any additional contracts and amendments or extensions to any additional or existing contracts, including increasing or decreasing maximum contract amounts, waiving the County's standard open competitive solicitation or bidding requirements, waiving the need to comply with the County's Sole Source Policy, waiving other standard County contracting terms and conditions, and to expedite comparable established processes to carry out the intent of the Board in adopting the Year Six Spending Plan, provided that the Board and CEO are notified of such actions, and that such contracts are subject to prior review and approval as to form by County Counsel and consistent with the Year Six Spending Plan.
4. Delegate authority to the CEO, or his designee; Director of JCOD, or her designee, as lead administrator of CFCI for the administration of CFCI Care Grants; and Department Heads, including the Departments of Youth Development, Public Health (DPH), Public Social Services, Consumer and Business Affairs, Economic Opportunity and LA Health Services (LAHS) and the Offices of the Public Defender and Alternate Public Defender to execute any Third-Party Administrator (TPA) agreements, and/or amendments to exercise optional extensions to the term of each TPA contract, add, delete, and/or change terms and conditions as may be required by law, effectuate name changes or assignments and delegations, revise the scope of work to carry out the intent of the Board in adopting the Year Six Spending Plan, provided that the Board and CEO are notified of such actions, and that such contracts are subject to prior review and approval as to form by County Counsel and consistent with the Year Six Spending Plan.
5. Approve a CFCI Year Two funding adjustment to reassign \$450,000 in ongoing funding from DPH to LAHS, thereby consolidating the full \$900,000 allocation for overdose-prevention drop-in centers under LAHS' administration.
6. Find the County Programs established by the Year Six Spending Plan are deemed necessary to meet the social needs of the population of the County and serve a public purpose consistent with Government Code Section 26227.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The County continues to face mounting budgetary pressures, including the loss of existing federal and State funding, the threat or loss of future funding, unpredictable impacts from the current administration in Washington, D.C., economic uncertainties, revenue volatility, rising operational costs, and billions in legal settlement obligations. The Year Six Spending Plan will help address priority Care First, Jails Last needs, in the broader context of the issues above.

On June 15, 2026, the CEO advised the Board and the Advisory Committee that the FY 2026–27 CFCI set-aside increased by \$26.7 million; after restoring \$0.648 million in ongoing JCOD funding, approximately \$26.0 million remained for Advisory Committee recommendations (Enclosure III). To maintain the adjusted \$300.0 million ongoing funding-planning assumption, \$11.0 million

was designated for ongoing uses and approximately \$15.0 million for one-time uses, together with \$43.5 million in prior-year unspent CFCI funds. Approval of the recommended actions will allocate \$11.0 million in ongoing and \$58.5 million in one-time CFCI funding to departments.

Section 6(c) of the revised Board Policy No. 4.031 - CFCI Budget Policy (Board Policy), adopted by the Board on August 4, 2026, provides that the Advisory Committee shall develop recommendations for each year's new allocation of CFCI funding and submit them to the CEO, and that "the CEO will present a recommended Measure J/CFCI spending plan" to the Board. Under section 6(d) of the Board Policy, the Auditor-Controller, in coordination with the CEO, are required to identify and set aside all unspent, uncommitted, and unencumbered CFCI funding at the end of each FY. The funds are then carried over as one-time CFCI funding into the next FY.

The Board Policy requires that these funds shall be subject to reallocation through a Measure J/CFCI spending plan recommended by the CEO to the Board, informed by and prioritizing recommendations from the Advisory Committee, consistent with Board direction per the May 6, 2025, motion.

The delegated authority in Recommendation No. 3 will allow any CFCI-funded department(s), to execute, amend, or extend any contracts, to administer programs included in the Year Six Spending Plan that include DCI and ATI, subject to review and approval as to form by County Counsel.

Advisory Committee 2026 Funding Recommendations Process

Through spring and early summer 2026, the Advisory Committee implemented a structured, multi-phase planning and evaluation process designed to ensure that funding recommendations were informed by data, community engagement, program performance, and current County priorities. This process included:

- A community survey that collected responses from residents across the County to gauge community priorities and values.
- Three virtual listening sessions and one in-person listening session hosted by JCOD and the Advisory Committee to gather information about community needs and system gaps.
- Advisory Committee discussion of landscape considerations, including local, State, and federal changes in funding for DCI and ATI programs.
- A percentage-based allocation process during which Advisory Committee members reviewed, discussed, and developed funding allocation recommendations in response to the following proposed allocation methodology:

Funding Allocations by DCI/ATI Area - \$11.0 Million in Ongoing and \$58.5 Million in One-Time Funding

- DCI: Rent Assistance, housing vouchers, and accompanying supportive services to those at risk of losing their housing, or without stable housing – 22% or \$12.1 million in one-time funding;
- DCI: Job training and jobs to low-income residents – 18% or \$10.0 million in one-time funding;
- ATI: Community-based health services, health promotion, counseling, wellness and prevention programs, and mental health and substance abuse disorder services;

- ATI: Community-based restorative justice program – 15% or \$8.3 million in one-time funding;
- DCI: Community-based youth development programs – 15% or \$8.3 million in one-time funding;
- DCI: Access to capital for small, minority-owned businesses – 9% or \$5.0 million in one-time funding;
- ATI: Non-custodial diversion and reentry programs, including housing and services – 21% or \$11.6 million in one-time funding;
- Men's Central Jail Closure Board Priority Programs: ATI Non-custodial diversion and reentry programs, including housing and services and ATI Community-based restorative justice program – \$11.0 million in ongoing funding; and
- JCOD: CFCI Administration Dollars - \$3.2 million in one-time funding.

June 15, 2026, CEO Set-Aside Memorandum to the Board and the Advisory Committee

On June 15, 2026, the CEO advised the Board and the Advisory Committee that the FY 2026-27 CFCI set-aside resulted in a \$26.7 million increase. Given the variability of the annual set-aside calculation, the CEO recommended an adjusted ongoing CFCI funding-planning assumption of \$300.0 million. Accordingly, only a portion of the set-aside increase needed to support the adjusted planning assumption was treated as ongoing, while the remaining amount was available for one-time uses.

For FY 2026-27, JCOD's administrative allocation was restored by \$0.648 million, bringing its ongoing funding to the full \$2.8 million. This adjustment reduced the amount available for the Advisory Committee's funding recommendations from \$26.7 million to approximately \$26.0 million.

Of the \$26.0 million available for the Advisory Committee's recommendations, \$11.0 million was designated for ongoing uses and approximately \$15.0 million was designated for one-time uses. When combined with \$43.5 million in unspent, uncommitted, and unencumbered CFCI funding from previously approved spending plan programs, total funding available for the Year Six Spending Plan is approximately \$69.5 million. This total includes \$11.0 million available for ongoing uses and \$58.5 million available for one-time uses.

CEO RECOMMENDED SPENDING PLAN

The CEO's spending plan prioritizes the recommendations of the Advisory Committee received on August 25, 2026 (Enclosure IV). All programs recommended for funding by the Advisory Committee are included in the CEO's recommended spending plan.

Advisory Committee's Recommendation of Funding the Jail Closure Implementation Team's (JCIT's) Year One Plan with \$11.0 Million in Ongoing CFCI Funding

On July 10, 2026, JCIT issued its report on progress toward the closure of Men's Central Jail. On July 21, 2026, the Board adopted a motion directing the CEO to identify funding for implementation of the JCIT Year One Plan as part of the FY 2026-27 budget process. The CEO communicated this Board priority to the Advisory Committee through an August 10, 2026, memorandum (Enclosure V).

In formulating its recommendations for the CFCI Year Six Spending Plan, the Advisory Committee considered the Board's direction and the \$11.0 million in ongoing CFCI funding identified in the FY 2026–27 set-aside memorandum dated June 15, 2026. The Advisory Committee recommended dedicating the full \$11.0 million in available ongoing CFCI funding to support the JCIT Year One Plan and requested that JCIT develop the proposed distribution among the applicable Jail Closure Framework Required Actions.

In consultation with JCIT, the CEO recommends allocating the \$11.0 million as follows: \$4.387 million to the Public Defender for the Holistic Early Assessment and Linkage program under Required Action 2.1; \$2.588 million to DPH for Substance Abuse Prevention and Control Client Engagement and Navigation Services under Required Action 3.1; and \$4.025 million to JCOD for the Rapid Diversion Program under Required Action 3.2, inclusive of associated Public Defender and Alternate Public Defender expansion needs.

Advisory Committee's Recommendation for One-time Administrative Investments for JCOD

The Advisory Committee's Year Six Spending Plan recommendations include one-time administrative investments to support JCOD's expanded scope of CFCI implementation, including grantee capacity building, program and fiscal management, community engagement and communications, data collection and evaluation, and related oversight functions. The CEO is transmitting these recommendations without modification, with the understanding that the FY 2026-27 one-time funding will support one-time administrative and implementation needs. Any future consideration of an ongoing administrative allocation for JCOD must be informed by further assessment of the operational, fiscal, and governance rationale, in collaboration with the CEO.

The CEO further underscores that JCOD's expanded implementation role must be accompanied by strengthened fiduciary and grantor responsibilities. As steward of substantial CFCI investments, JCOD must ensure rigorous fiscal and programmatic monitoring, appropriate audit and investigative capacity, timely corrective action when concerns are identified, and transparent reporting on the use of CFCI funds.

CEO Recommended Changes to CFCI Year Two Spending Plan Allocations

LAHS applied for CFCI Year Two funding to support drop-in centers in areas with high concentration of overdose deaths and historically marginalized communities. The proposal requested \$900,000 to establish three LAHS-operated sites that would offer naloxone; health and basic living supplies; food and water; and linkages to housing, medical care, medications for addiction treatment, and substance use treatment. The Advisory Committee recommended the proposal for funding, and the \$900,000 allocation was subsequently divided equally between LAHS and DPH, with each department receiving \$450,000. LAHS and DPH have since advised the CEO that LAHS should manage the full \$900,000 allocation.

The allocation's current split between LAHS and DPH has created a significant administrative burden, requiring ongoing fund transfers, a complex invoicing structure, and coordination among LAHS, DPH, JCOD, and the Chief Executive Office to address reporting and financial issues. Therefore, LAHS and DPH jointly request that the full \$900,000 allocation, consisting of DPH's existing \$450,000 allocation and LAHS' existing \$450,000 allocation to be permanently assigned to LAHS to streamline fund distribution and administration. This is a net-zero adjustment to the overall CFCI budget and will be reflected in the current FY upon the Board's approval of the FY 2026-27 Appropriation Adjustment.

Deployment of CFCI Funds

Consistent with previous spending plans, the CEO recommends two methods to deploy CFCI funds: either through TPA(s) or through County departments where most of the funds will be passed to community-based organizations (CBO). The CEO recognizes that the TPA model offers a direct-to-recipient disbursement of funds, which supports small and startup CBOs, and the CEO has recommended the continued use of TPA(s) where appropriate.

Consistent with the recommendation of the Advisory Committee, the CEO recommends that TPA(s) administer \$15.9 million of the \$69.5 million plan. JCOD will identify County departments that can provide subject matter expertise in the relevant program areas to advise and assist the TPA(s) in its program administration.

The CEO further recommends that the remaining Year Six Spending Plan funds totaling \$53.6 million be administered through County departments. CFCI-funded departments will again be encouraged to allocate their funding directly to CBOs. Both the TPA(s) and County departments will be responsible for collecting qualitative and quantitative data enabling appropriate evaluation of program performance.

Project Term and Evaluation

Consistent with the Board's May 6, 2025 motion, the CEO continues to recommend programs funded in the Year Six Spending Plan be allowed up to 36 months to expend their funding, to allow sufficient time for program development, thoughtful implementation design, and to address unexpected implementation challenges. This also allows time to design, develop, and test data collection strategies and refine program monitoring tools and protocols.

Consistent with the Advisory Committee's March 19, 2026 recommendations, ongoing allocations in the Year One and Year Two Spending Plans will remain available through June 30, 2027. This funding horizon provides notice to funded entities and supports an orderly process for considering future allocations, including the potential continuation, modification, transition, or discontinuation of programs, while accounting for whether changes could disrupt services supporting community needs.

JCOD anticipates that departments will expend Year Six Spending Plan funding in a more expedited manner, as solicitation and disbursement protocols are now more fully developed. These allocations are intended to support discrete, time-limited activities and are subject to the expenditure periods established in the approved Spending Plan and applicable funding agreements. They do not establish an ongoing funding commitment and shall not be extended or converted to ongoing funding absent subsequent Board action.

Implementation of Strategic Plan Goals

Adoption of the CEO's recommendations support all three goals of the County's Strategic Plan: North Star I Goal — Make Investments that Transform Lives, North Star II Goal — Foster Vibrant and Resilient Communities, and North Star III Goal — Realize Tomorrow's Government Today.

The recommendations focus resources on some of the County's most challenging and complex issues including, but not limited to, the intersections of health, economic conditions, housing, systemic bias, and justice reform.

FISCAL IMPACT/FINANCING

There is no net County cost (NCC) impact associated with this Board action as the \$69.5 million has already been set aside in the FY 2026-27 Final Changes budget phase and the transfer and reinvestment of the funding reflects a net zero adjustment, using set aside or unspent funding from previous spending plans. Approval of the enclosed appropriation adjustment will transfer the \$69.5 million from the CFCI Unspent, Uncommitted, Unincumbered budget unit and the CFCI To-Be-Allocated budget unit to various CFCI budget units, so that the Year Six Spending Plan can be implemented.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

On November 3, 2020, Measure J was passed by County voters, which amended the County's charter to require that the County "set aside a baseline minimum threshold of at least ten percent of the County's locally generated unrestricted revenues in the general fund (net County cost [NCC]), as determined annually in the budget process or as set forth in the County Code or regulations, to be allocated on an annual basis..." (Measure J, Budget Allocation for ATI Charter Amendment (November 2020) section (8)(A)). Measure J permitted the County to reach the full set-aside amount by June 2024.

The Coalition of County Unions filed a lawsuit challenging the constitutionality of Measure J and, on June 17, 2021, the Superior Court ruled that Measure J was constitutionally invalid. The court determined that the Measure interfered with the Board's authority under State law to establish the County's budget. In its decision, however, the court made clear that "this case does not involve any evaluation of the policy choices embedded in Measure J. Nor does the court's resolution of this case prohibit in any way the current Board or any future Board, from adopting a budget wholly in line with Measure J's provisions."

The County appealed the decision but, undeterred by the court ruling and driven by the Board's desire to remain true to the vision of Measure J, on August 10, 2021, the Board implemented the spirit of Measure J through the Boards' CFCI initiative by adopting the CFCI Budget Policy and approving the Year One CFCI Spending Plan which included the \$100.0 million down payment and an additional \$87.7 million in American Rescue Plan Act funds allocated to CFCI programs. The Board again continued its commitment to Measure J when it adopted the FY 2022-23 Recommended Budget which included the Year Two down payment at \$100.0 million and when it adopted the FY 2023-24 Recommended Budget, which included \$88.3 million, the balance of funding needed to reach the required ten percent set-aside.

On July 28, 2023, the court of appeal ruled in favor of the County, overturning the trial court's decision holding Measure J unconstitutional. On March 24, 2024, after the County successfully appealed the trial court decision to invalidate Measure J, the trial court entered judgment finding Measure J constitutional.

The CEO's recommended programs and funding options comply with the Board's May 6, 2025, motion by prioritizing the transparent identification and reallocation of unspent, uncommitted, and unencumbered CFCI funds from County departments through the CFCI funding recommendation process, consistent with the Board's CFCI Budget Policy, and Measure J. The CEO's review focused on assessing whether program descriptions and eligibility criteria align with applicable legal guidance. Departments and the TPA(s) will need to ensure all programs comply with federal, State, and local laws, by basing decisions on eligibility, services, contracting, and hiring on neutral criteria to ensure alignment with applicable law.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

We anticipate gradual and positive impacts on the County's service delivery systems, a strengthening of CBO networks and service delivery systems, and an erosion of entrenched and concentrated economic, social, and justice-related disadvantages. Ultimately, we expect that targeted CFCI investments will improve outcomes for justice-involved individuals and traditionally underserved communities.

CONCLUSION

Upon adoption of these recommendations, funds will be available to County departments and shortly thereafter, to TPA(s). JCOD and other County departments will work on necessary contracting actions to implement the Year Six Spending Plan, to deploy CFCI funds to CBOs that provide the services identified in the Year Six Spending Plan.

The Honorable Board of Supervisors

10/27/2026

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Respectfully submitted,



Joseph M. Nicchitta

Chief Executive Officer

JMN:JG:MRM

EB:JA:VA:gl

Enclosures

c: Executive Office, Board of Supervisors
County Counsel
Alternate Public Defender
Auditor-Controller
Consumer and Business Affairs
Economic Opportunity
Justice, Care and Opportunities
LA Health Services
Public Defender
Public Health
Public Social Services
Youth Development
Care First and Community Investment Advisory
Committee

CFCI Committee Recommended Allocation Overview by Department				
Administrator	Department	Ongoing	One-Time	Total
County Dept.	DCBA	-	6,166,000.00	6,166,000.00
	DEO	-	9,569,000.00	9,569,000.00
	DHS-ODR	-	6,968,000.00	6,968,000.00
	DPH	2,588,000.00	-	2,588,000.00
	DPSS	-	1,842,000.00	1,842,000.00
	DYD	-	2,378,000.00	2,378,000.00
	JCOD	4,025,000.00	15,660,000.00	19,685,000.00
	PD	4,387,000.00	-	4,387,000.00
County Dept. Total		11,000,000.00	42,583,000.00	53,583,000.00
TPA	JCOD	-	15,959,000.00	15,959,000.00
TPA Total		-	15,959,000.00	15,959,000.00
Grand Total		11,000,000.00	58,542,000.00	69,542,000.00

CFCI Committee Recommended Allocation Overview by Department					
Administrator	Department	Program Name	Ongoing	One-Time	Total
County Dept.	DCBA	Emergency Rent Assistance Program	-	2,433,000.00	2,433,000.00
County Dept.	DCBA	RepresentLA	-	3,733,000.00	3,733,000.00
County Dept.	DCBA Total		-	6,166,000.00	6,166,000.00
County Dept.	DEO	General Access to Funding for Small, Minority-Owned Businesses	-	2,489,000.00	2,489,000.00
County Dept.	DEO	Job Readiness, Training, and Placement for Adults	-	1,163,000.00	1,163,000.00
County Dept.	DEO	Youth Career/Education Pathway Programs	-	5,917,000.00	5,917,000.00
County Dept.	DEO Total		-	9,569,000.00	9,569,000.00
County Dept.	DHS-ODR	ODR Diversion Interim Housing Plus	-	6,968,000.00	6,968,000.00
County Dept.	DHS-ODR Total		-	6,968,000.00	6,968,000.00
County Dept.	DPH	MCJ Closure: Client Engagement and Navigation Services (CENS) Expansion.	2,588,000.00	-	2,588,000.00
County Dept.	DPH Total		2,588,000.00	-	2,588,000.00
County Dept.	DPSS	Expanding the pool of employers and culturally based employment models to support job and volunteer placement for underserved communities to support economic stability, nutritional health, primary and behavioral health.	-	625,000.00	625,000.00
County Dept.	DPSS	Housing Stability for formerly incarcerated GR Participants through guaranteed income to support housing and economic stability	-	1,217,000.00	1,217,000.00
County Dept.	DPSS Total		-	1,842,000.00	1,842,000.00
County Dept.	DYD	Community Based Care Coordination for Former Foster Youth and Those Exiting DCFS Care	-	2,000,000.00	2,000,000.00
County Dept.	DYD	Youth Diversion Program	-	378,000.00	378,000.00
County Dept.	DYD Total		-	2,378,000.00	2,378,000.00
County Dept.	JCOD	Breaking Barriers	-	6,083,000.00	6,083,000.00
County Dept.	JCOD	CFCI Administration	-	3,244,000.00	3,244,000.00
County Dept.	JCOD	JCOD Pretrial and Diversion Services Programs	-	4,645,000.00	4,645,000.00
County Dept.	JCOD	Reentry Programming for Underserved Populations	-	1,688,000.00	1,688,000.00
County Dept.	JCOD	MCJ Closure: Rapid Diversion Program	4,025,000.00	-	4,025,000.00
County Dept.	JCOD Total		4,025,000.00	15,660,000.00	19,685,000.00
County Dept.	PD	MCJ Closure: Holistic Early Assessment and Linkage Program (HEAL) Expansion.	4,387,000.00	-	4,387,000.00
County Dept.	PD Total		4,387,000.00	-	4,387,000.00
County Dept. Total			11,000,000.00	42,583,000.00	53,583,000.00
TPA	JCOD	AIAN Focused Job Readiness, Training, and Placement for Adults and Youth Career/Education Pathway Programs	-	1,613,000.00	1,613,000.00
TPA	JCOD	Culturally Responsive Health and Wellness Program	-	4,562,000.00	4,562,000.00
TPA	JCOD	Emergency Rent Assistance Program	-	2,433,000.00	2,433,000.00
TPA	JCOD	General Access to Funding for Small, Minority-Owned Businesses	-	2,488,000.00	2,488,000.00
TPA	JCOD	Transitional subsidized employment co-investment model	-	4,863,000.00	4,863,000.00
TPA	JCOD Total		-	15,959,000.00	15,959,000.00
TPA Total			-	15,959,000.00	15,959,000.00
Grand Total			11,000,000.00	58,542,000.00	69,542,000.00

CFCI Committee Funding Recommendations								
Program Name	Strategy	Strategy Area	Administrator	Program Description	Ongoing	One-Time	Total	
Youth Career/Education Pathway Programs	DCI	Strategy Area 1: Community-based youth development programs	DEO	Funding supports comprehensive workforce development programs that prepare youth and transition-age youth (TAY) for long-term economic success through a continuum of career exploration, job readiness, occupational skills training, paid work experiences, subsidized employment, job placement, and retention services. Programs should provide meaningful opportunities for youth to develop workplace skills, earn income, gain real-world work experience, and successfully transition into unsubsidized employment, post-secondary education, apprenticeships, or other career pathways. Funding may support evidence-based youth employment strategies, including summer and seasonal employment, internships, work-based learning, transitional subsidized employment, employer partnerships, industry-recognized credential programs, career coaching, and supportive services that reduce barriers to employment. Particular emphasis should be placed on serving transition-age youth, foster youth, justice-impacted youth, and other young people facing significant barriers to employment. Successful proposals should demonstrate strong employer partnerships, measurable employment and education outcomes, and a clear pathway from initial engagement through long-term employment retention and economic mobility.	-	5,917,000.00	5,917,000.00	
Community Based Care Coordination for Former Foster Youth and Those Exiting DCFS Care	DCI	Strategy Area 1: Community-based youth development programs	DYD	Funding will support the launch of comprehensive care coordination and wrap-around services for former foster youth and those exiting DCFS care through age 26, addressing the risk of homelessness, housing instability, and further system involvement by ensuring timely access to navigation support, community-based resources, and holistic, youth-centered interventions.	-	2,000,000.00	2,000,000.00	
Youth Diversion Program	DCI	Strategy Area 1: Community-based youth development programs	DYD	DYD's Youth Diversion program supports all youth, ages 12-17 at time of citation, who would otherwise have been arrested for any alleged infraction, misdemeanor, or felony offense excluding those enumerated in WIC 707(b). DYD funds community-based organizations countywide to work with participants through a restorative justice approach and provide services including: youth development, family support, prevention, education support, workforce development, service navigation, and justice support. Case Managers adjust care plan goals as needed to support successful program completion. DYD would use additional funding to support the continued expansion of existing diversion pathways and the development of new referral pathways, particularly through DCFS and Probation, as well as other potential system and community partners. Funding would support increased case management capacity at one or more community-based providers implementing or expanding these pathways. The funding would also help DYD pilot and strengthen emerging referral pathways with the goal of identifying approaches that can be sustainably expanded over time.	-	378,000.00	378,000.00	
Job Readiness, Training, and Placement for Adults	DCI	Strategy Area 2: Job training and jobs to low-income residents	DEO	Funding supports employment-focused workforce development programs that prepare County priority populations for long-term employment through a continuum of services that includes recruitment, assessment, job readiness, occupational skills training, industry-recognized credentials, work-based learning, job placement, retention services, and career advancement support. Programs should be designed to align training with current labor market demand and employer workforce needs while equipping participants with the technical, professional, and supportive skills necessary to secure and retain quality employment. Successful proposals should demonstrate strong employer partnerships, clearly defined pathways from training to employment, measurable placement and retention outcomes, and the capacity to support participants beyond initial job placement to promote long-term employment stability and economic mobility. Some dollars must be allocated to veteran serving organizations.	-	1,163,000.00	1,163,000.00	
Transitional subsidized employment co-investment model	DCI	Strategy Area 2: Job training and jobs to low-income residents	TPA	Funding will help to advance employment opportunities for County priority populations by promoting a co-investment model with workforce development providers, social enterprises, educational institutions, and employer partners that already deliver high-quality workforce training and employment services. Rather than fully funding workforce programs, these resources are intended to complement and leverage existing public, private, philanthropic, and employer investments by supporting the costs of transitional subsidized employment and paid work experiences. Funding should be used to create or expand subsidized employment opportunities that help participants gain meaningful work experience, demonstrate job readiness, and transition into permanent unsubsidized employment. Subsidized wages should also serve as an incentive for employers to hire individuals from priority populations while allowing workforce providers to strengthen employment outcomes and demonstrate the effectiveness of their training and placement models. Priority should be given to proposals that leverage other funding sources, expand services to historically underserved populations, or increase an organization's focus on County priority populations, including but not limited to individuals with lived experience of homelessness or the justice system, opportunity youth, veterans, and other populations facing significant barriers to employment.	-	4,863,000.00	4,863,000.00	
Expanding the pool of employers and culturally based employment models to support job and volunteer placement for underserved communities to support economic stability, nutritional health, primary and behavioral health.	DCI	Strategy Area 2: Job training and jobs to low-income residents	DPSS	HR 1 is impacting CalFresh and Medi-Cal recipients in several ways, including adding work requirements for individuals who are not exempt. Work requirements can be met through employment, community engagement (volunteer or community service), participating in training programs, or Workfare non-wage paying activities. For LA County residents, it is estimated that more than 249,000 CalFresh households and 1.4M receiving Medi-Cal benefits will be required to meet the work requirements in this fiscal year. While there are some exemptions to the work requirements, it is estimated that the majority (84%) of those receiving CalFresh benefits for example will not be exempt from work requirements. Background checks are required in some volunteer/workfare opportunities and can be costly for the agency/organization. For LA County Departments and community-based organizations, this can cost approximately \$55-\$100 per individual and can be cost-prohibitive, particularly in the current budget climate. In fact, it is a limitation for engaging potential employers for work requirement opportunities. To assist LA County residents on CalFresh and Medi-Cal to maintain their benefits and meet the work requirements, providing funding to County, community-based organizations, and other faith-based organizations to cover the LiveScan and other required background checks for those who are needing to meet HR 1 work requirements would support reducing the loss of benefits and make a significant impact. Estimated cost of LiveScan resources for Volunteering/Community Service and Workfare opportunities at community-based/faith-based organizations and County/local municipalities annually is \$ 175,000. Workfare under HR 1 is allowed through government and nonprofit organizations only and is an alternative to a traditional wage-paying job for those having to meet the HR 1 work requirements. Expanding the organizational capacity of culturally-based models as Workfare sites that align with CFCI's approach and leverage community-based networks could help impacted CalFresh and Medi-Cal recipients maintain their benefits. Relationships that CFCI already has with community-based organizations, in particular, who have been partners to gather, engage, and support community might be well-positioned Workfare sites to cultivate and expand with funding. While some exemptions exist in the HR 1 work requirements, particularly around Indigenous communities, this proposal is focusing on culturally-based models that do not fit into an exemption. Estimated cost of Supporting 45 of Workfare organizations annually is \$450,000.	-	625,000.00	625,000.00	
Reentry Programming for Underserved Populations	DCI	Strategy Area 2: Job training and jobs to low-income residents	JCOD	Funding will expand JCOD's programs, services, and drop-in centers for historically underserved and vulnerable populations returning to the community from incarceration. Services and programs may include workforce development, legal services, transitional housing, mental health services, food distribution, gender-affirming clothing, immigration services, technology training, HIV prevention services, and COVID-19 prevention and education. Programs should perform targeted outreach to and tailor service opportunities for populations including TGI+ individuals and women.	-	1,688,000.00	1,688,000.00	

CFCI Committee Funding Recommendations								
Program Name	Strategy	Strategy Area	Administrator	Program Description	Ongoing	One-Time	Total	
AIAN Focused Job Readiness, Training, and Placement for Adults and Youth Career/Education Pathway Programs	DCI	Strategy Area 2: Job training and jobs to low-income residents	TPA	Funding will help to develop, implement and operate career pathway programs for AIAN youth and adults, including diversionary and foster youth, that includes community involvement and paid work experience in areas such as social work, civic engagement, arts and culture (including Indigenous culture, ceremony and traditions), and science, technology, engineering and mathematics (STEM) fields, paid internships, fellowships and apprenticeships as well as financial literacy training. Funding will help to create more educational pathways that successfully transition youth into college (e.g. Community Colleges, CSUs, and UCs) and help them navigate into the higher education system. Support access to education and job placements for vocational trades and sectors.	-	1,613,000.00	1,613,000.00	
General Access to Funding for Small, Minority-Owned Businesses	DCI	Strategy Area 3: Access to capital for small, minority-owned businesses	DEO	Funding will help the program to increase access to capital and other education and information, technical assistance, and community connections for aspiring entrepreneurs and small businesses who are system-impacted or face historic disinvestment that leads to small business sustainability, growth, and success. Projects and programs that align with the funding for small, minority-owned businesses goals may be provided by a single organization and/or team of organizations and include, but are not limited to: education programs, including academies and workshops; technical assistance; access to capital and space/facilities; mentorship and networking opportunities; and other customized entrepreneurship and small business development opportunities. Projects and programs may serve specific Districts/SPAs or countywide with a focus on system-impacted business owners and/or customers and other high and highest tier need communities or areas according to the ARDI Equity Explorer Tool, JENI index or JESI index. At minimum 70% of the funds must prioritized/allocated to fair chance employers. Fifty percent split between County Department and TPA.	-	2,489,000.00	2,489,000.00	
General Access to Funding for Small, Minority-Owned Businesses	DCI	Strategy Area 3: Access to capital for small, minority-owned businesses	TPA	Funding will help the program to increase access to capital and other education and information, technical assistance, and community connections for aspiring entrepreneurs and small businesses who are system-impacted or face historic disinvestment that leads to small business sustainability, growth, and success. Projects and programs that align with the funding for small, minority-owned businesses goals may be provided by a single organization and/or team of organizations and include, but are not limited to: education programs, including academies and workshops; technical assistance; access to capital and space/facilities; mentorship and networking opportunities; and other customized entrepreneurship and small business development opportunities. Projects and programs may serve specific Districts/SPAs or countywide with a focus on system-impacted business owners and/or customers and other high and highest tier need communities or areas according to the ARDI Equity Explorer Tool, JENI index or JESI index. At minimum 70% of the funds must prioritized/allocated to fair chance employers. Fifty percent split between County Department and TPA.	-	2,488,000.00	2,488,000.00	
Housing Stability for formerly incarcerated GR Participants through guaranteed income to support housing and economic stability	DCI	Strategy Area 4: Rent Assistance, housing vouchers, and accompanying supportive services to those at risk of losing their housing, or without stable housing	DPSS	Guaranteed income of \$300-\$550 per month for up to two years to obtain housing stability for GR participants ages 27-49 who are either homeless or at risk of becoming homeless and formerly incarcerated or system impacted. General Relief Guaranteed Basic Income Program is one of the efforts under the collaboration between DPSS's General Relief (GR) Program and the Chief Executive Office (CEO) Poverty Alleviation Initiative (PAI) to develop and implement a GR-Guaranteed Income (GI) Program to assist GR participants with obtaining housing stability. As part of the GR Redesign Project, this program would provide GI payments to GR participants, so they can meet their immediate housing needs. The pilot program is currently funded through Measure A to only to include 400 Transition Aged Youth (TAY) ages 18-26 and 300 Older Adults ages 50 and older. This pilot is designed to serve 350-700 participants ages 27-49. The funding will support serving a portion of the individuals ages 27-49 through this pilot.	-	1,217,000.00	1,217,000.00	
Breaking Barriers	DCI	Strategy Area 4: Rent Assistance, housing vouchers, and accompanying supportive services to those at risk of losing their housing, or without stable housing	JCOD	Breaking Barriers is a rapid re-housing and jobs program combining intensive case management services and employment support. Program participants are linked to affordable permanent housing opportunities and assistance with obtaining employment. Move-in and rental assistance are provided to ensure the client has a home while working to increase their income. The program requires the offender to pay a portion of the rent, on a step-down basis, so that within a maximum of 24 months the client takes over the entire rental payment. After a client is stabilized in permanent housing and paying their full rent, the case management team typically provides at least one month of follow-up services prior to the client graduating from the program, thereby freeing up the "slot" for a new enrollment.	-	6,083,000.00	6,083,000.00	
Emergency Rent Assistance Program	DCI	Strategy Area 4: Rent Assistance, housing vouchers, and accompanying supportive services to those at risk of losing their housing, or without stable housing	DCBA	Funding supports time-limited rental assistance grants for eligible households, including payment of rental arrears and prospective rent, to prevent eviction and support housing stability. Programs must be paired with housing stabilization support, including at minimum light case management and connections to other appropriate services and benefits. Assistance should be time-limited, targeted to demonstrated need, and designed to achieve sustainable housing stabilization. Fifty percent split between County Department and TPA.	-	2,433,000.00	2,433,000.00	
Emergency Rent Assistance Program	DCI	Strategy Area 4: Rent Assistance, housing vouchers, and accompanying supportive services to those at risk of losing their housing, or without stable housing	TPA	Funding supports time-limited rental assistance grants for eligible households, including payment of rental arrears and prospective rent, to prevent eviction and support housing stability. Programs must be paired with housing stabilization support, including at minimum light case management and connections to other appropriate services and benefits. Assistance should be time-limited, targeted to demonstrated need, and designed to achieve sustainable housing stabilization. Fifty percent split between County Department and TPA.	-	2,433,000.00	2,433,000.00	
Culturally Responsive Health and Wellness Program	ATI	Strategy Area 8: Community-based health services, health promotion, counseling, wellness and prevention programs, and mental health and substance abuse disorder services AND 6 ATI: Community-based restorative justice program	TPA	Funding supports Indigenous wellness and prevention services, health promotion and emotional and mental health support including but not limited to sweat lodge, talking circles, circle of Wellness.	-	4,562,000.00	4,562,000.00	
RepresentLA	ATI	Strategy Area 8: Community-based health services, health promotion, counseling, wellness and prevention programs, and mental health and substance abuse disorder services AND 6: Community-based restorative justice program	DCBA	Funding will allow the program to provide free immigration legal representation and support services to low-income and vulnerable Los Angeles County residents. The program funds a network of nonprofit legal service providers to deliver deportation defense for detained and non-detained immigrants, affirmative immigration legal services for vulnerable populations, and connections to community-based support services. RepresentLA prioritizes individuals and families facing the greatest barriers to legal representation and helps ensure that immigrants navigating the immigration system have access to qualified legal counsel and trusted support.	-	3,733,000.00	3,733,000.00	

CFCI Committee Funding Recommendations								
Program Name	Strategy	Strategy Area	Administrator	Program Description	Ongoing	One-Time	Total	
MCJ Closure: Holistic Early Assessment and Linkage Program (HEAL) Expansion.	ATI	Strategy Area 6: Community-based restorative justice program	PD	Funding supports the addition of psychiatric social workers across expansion courts, enabling HEAL to conduct early behavioral health assessments at arraignment and expedite linkage to diversion programs and treatment. The HEAL program is a direct JCIT strategy that shortens the length of incarceration by reducing delays associated with behavioral health evaluations and treatment placement, making this funding critical to accelerating case processing improvements and advancing the County's Jail closure strategies.	4,387,000.00	-	4,387,000.00	
MCJ Closure: Client Engagement and Navigation Services (CENS) Expansion.	ATI	Strategy Area 6: Community-based restorative justice program	DPH	Funding supports the expansion of Substance Use Disorder (SUD) screening and referral capacity at additional courthouse locations, ensuring that in custody individuals are prioritized for timely SUD assessments and navigation to treatment. CENS is a direct JCIT strategy that connects individuals whose legal involvement is driven by substance use to Medi Cal enrollment, treatment linkage, and recovery supports (including room and board for residential treatment and recovery housing), making this expansion essential to strengthening diversion pathways, reducing custody stays, and advancing the County's jail closure strategies.	2,588,000.00	-	2,588,000.00	
MCJ Closure: Rapid Diversion Program	ATI	Strategy Area 9: Non-custodial diversion and reentry programs, including housing and services and 6 : Community-based restorative justice program	JCOD	Funding will sustain the eight existing RDP courthouse sites and support expansion to two additional sites, ensuring continued support for current one time funded sites while simultaneously growing the program's reach. The RDP is a direct JCIT strategy and pre plea behavioral health diversion program that connects justice involved individuals with mental health or SUD to programming, housing, and case management, making sustained funding critical to preserving essential diversion capacity within JCOD's continuum of care, advancing jail closure strategies.	4,025,000.00	-	4,025,000.00	
JCOD Pretrial and Diversion Services Programs	ATI	Strategy Area 9: Non-custodial diversion and reentry programs, including housing and services	JCOD	Funding will be allocated to one or more of the following programs for expansion: JCOD's Supportive Release Program. The program is implemented through the Independent Pretrial Services Agency and operates through a team of navigators that screen individuals who are incarcerated or at risk of incarceration and are in need of supportive services, including check-ins, transportation, court reminders, placement in emergency housing, and referrals to care management, employment, and interim housing needs. Pretrial Diversion Program. The program diverts individuals detained for non-serious/non-violent misdemeanors and felonies to community supports, in lieu of criminal charges being filed (which could entail prosecution and jail time). This program addresses Intercept 2 of the Sequential Intercept Model – the strategic framework for LA County's re-defining of the justice system and push towards more community-based upstream prevention. SECTOR Workforce Diversion. The program includes projects and programs that seek to increase access and success for system-impacted individuals and others with justice-related barriers to employment in connecting to quality jobs and career pathways with a focus on high-growth and in-demand sectors in LA County. Pretrial Release Evaluation Program. The program includes case management and service linkage and navigation from arraignment until the conclusion of a participant's case and beyond, offers a pathway out of detention and into housing for unhoused individuals, and provides transportation from custody to JCOD short-term housing while case managers apply for longer-term options. Specialized Treatment for Optimized Programming (STOP). The program provides an alternative to incarceration by increasing access to supportive interim housing and wrap-around services to justice-involved individuals experiencing substance use disorder or co-occurring substance use and mild-to-medium mental health symptoms. STOP creates pathways from custody to treatment for these individuals who are referred by LASD to serve the remainder of their sentence in community treatment, referred by defense attorneys fulfilling treatment requirements from the court, or referred by Probation seeking treatment in lieu of violation.	-	4,645,000.00	4,645,000.00	
ODR Diversion Interim Housing Plus	ATI	Strategy Area 9: Non-custodial diversion and reentry programs, including housing and services	DHS-ODR	With a focus on priority CFCI populations that are disproportionately impacted by the carceral system, experiencing homelessness, and suffering from serious mental illness, this program reduces the number of people incarcerated and their incarceration days, reduces homelessness, and reduces emergency department and general hospital and psychiatric hospital utilization and health care costs for this population. The program accomplishes this by providing housing and integrated field-based health services and case/care management. ODR Housing works with Courts and other justice partners to divert individuals from LA County Jails. They are released from jail earlier and their sentences are dismissed when they graduate from their court order. Funding will go to housing, in particular enhanced Interim Housing (Interim Housing plus) opportunities, and supportive services offered to ODR participants. It is important to note that ODR will contract with grassroots community-based organizations who are largely minority owned, embedded in the high needs communities that ODR participants come from, and are led by or employ persons with lived experience of justice involvement and/or homelessness.	-	6,968,000.00	6,968,000.00	
CFCI Administration	ADMINISTRATION	CFCI Administration	JCOD	Funding will allow JCOD to have the necessary staffing and infrastructure to effectively coordinate CFCI efforts with the expanding administrative obligations including capacity-building program needs for grantees, program management of CFCI-funded services, budget and fiscal staff support, data gathering, analysis and evaluation, and ongoing audit review.	-	3,244,000.00	3,244,000.00	
Grand Total					11,000,000.00	58,542,000.00	69,542,000.00	

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BA FORM 04162026

BOARD OF SUPERVISORS

OFFICIAL COPY

October 27, 2026

COUNTY OF LOS ANGELES

REQUEST FOR APPROPRIATION ADJUSTMENT

DEPARTMENT OF CHIEF EXECUTIVE OFFICER

AUDITOR-CONTROLLER:

THE FOLLOWING APPROPRIATION ADJUSTMENT IS DEEMED NECESSARY BY THIS DEPARTMENT. PLEASE CONFIRM THE ACCOUNTING ENTRIES AND AVAILABLE BALANCES AND FORWARD TO THE CHIEF EXECUTIVE OFFICER FOR RECOMMENDATION OR ACTION.

ADJUSTMENT REQUESTED AND REASONS THEREFORE**FY 2026-27****3 - VOTES****SOURCES****USES**

BA DETAIL - SEE ATTACHMENT PAGE 1

BA DETAIL - SEE ATTACHMENT PAGE 1

SOURCES TOTAL**\$ 69,542,000****USES TOTAL****\$ 69,542,000****JUSTIFICATION**

Reflects the transfer of \$69.542 million in appropriation from the CFCI-To Be Allocated budget unit and the CFCI-Unspent, Uncommitted, Unencumbered budget unit to various Care First and Community Investment (CFCI) budget units, effective upon approval by the Board of Supervisors, consistent with the allocations included in the CFCI Year Six Spending Plan.

Jack Arutyunyan

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Arutyunyan
Date: 2026.09.29 11:57:04 -07'00'

AUTHORIZED SIGNATURE

JACK ARUTYUNYAN, MANAGER, CEO

BOARD OF SUPERVISOR'S APPROVAL (AS REQUESTED/REVISED)

REFERRED TO THE CHIEF
EXECUTIVE OFFICER FOR---☐ ACTION☒ RECOMMENDATION
AndreaDigitally signed by Andrea Turner
Date: 2026.09.29 13:40:42 -07'00'

AUDITOR-CONTROLLER

BY **Turner**B.A. NO. **026**DATE **9/29/26**

APPROVED AS REQUESTED



APPROVED AS REVISED

CHIEF EXECUTIVE OFFICER

**Erika
Bonilla**

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Erika Bonilla
Date: 2026.10.01
08:30:57 -07'00'

BY

DATE **10/1/26**

COUNTY OF LOS ANGELES
REQUEST FOR APPROPRIATION ADJUSTMENT

FY 2026-27 3 - VOTES			
SOURCES		USES	
CFCI-TO BE ALLOCATED		CFCI-CONSUMER AND BUSINESS AFFAIRS	
A01-CR-2000-34000-34100		A01-CR-2000-34000-34350	
SERVICES & SUPPLIES		SERVICES & SUPPLIES	
DECREASE APPROPRIATION	26,020,000	INCREASE APPROPRIATION	6,166,000
CFCI-UNSPENT, UNCOMMITTED, UNENCUMBERED		CFCI-ECONOMIC OPPORTUNITY	
A01-CR-2000-34000-35350		A01-CR-2000-34000-34650	
SERVICES & SUPPLIES		SERVICES & SUPPLIES	
DECREASE APPROPRIATION	43,522,000	INCREASE APPROPRIATION	9,569,000
		CFCI-YOUTH DEVELOPMENT	
		A01-CR-2000-34000-34550	
		SERVICES & SUPPLIES	
		INCREASE APPROPRIATION	2,378,000
		CFCI-JUSTICE, CARE AND OPPORTUNITIES	
		A01-CR-2000-34000-34500	
		SERVICES & SUPPLIES	
		INCREASE APPROPRIATION	35,644,000
		CFCI-HEALTH SERVICES	
		A01-CR-2000-34000-34200	
		SERVICES & SUPPLIES	
		INCREASE APPROPRIATION	7,418,000
		CFCI-PUBLIC DEFENDER	
		A01-CR-2000-34000-34700	
		SERVICES & SUPPLIES	
		INCREASE APPROPRIATION	4,387,000
		CFCI-PUBLIC HEALTH	
		A01-CR-2000-34000-34250	
		SERVICES & SUPPLIES	
		INCREASE APPROPRIATION	2,138,000
		CFCI-PUBLIC SOCIAL SERVICES	
		A01-CR-2000-34000-35250	
		SERVICES & SUPPLIES	
		INCREASE APPROPRIATION	1,842,000
SOURCES TOTAL	\$ 69,542,000	USES TOTAL	\$ 69,542,000

Andrea
Turner

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**BOARD OF
SUPERVISORS**Hilda L. Solis
[First District](#)Holly J. Mitchell
[Second District](#)Lindsey P. Horvath
[Third District](#)Janice Hahn
[Fourth District](#)Kathryn Barger
[Fifth District](#)**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**

Joseph M. Nicchitta

June 15, 2026

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

From: Joseph M. Nicchitta 
Chief Executive Officer [Joseph M. Nicchitta \(Jun 14, 2026 14:29:44 PDT\)](#)

**CARE FIRST AND COMMUNITY INVESTMENT CALCULATED SET-ASIDE FOR
FISCAL YEAR 2026-27**

This is to notify your Board that my office has calculated the Care First and Community Investment (CFCI) set-aside for Fiscal Year (FY) 2026-27 resulting in an increase of \$26.7 million, which increases the annual ongoing CFCI funding from \$287.6 million to \$314.3 million. This marks the third FY in which we allocate an incremental increase or decrease in the annual CFCI set-aside after having ramped up to the full set-aside over the initial three FY period which includes FYs 2021-22, 2022-23, and 2023-24.

Background

On August 10, 2021, your Board adopted [Board Policy No. 4.031](#) CFCI Budget Policy (CFCI Policy). The CFCI Policy requires the County of Los Angeles (County) to set aside 10 percent of locally generated unrestricted revenues in the General Fund for programs focused on direct community investments (DCI) and alternatives to incarceration (ATI). The CFCI Policy also established a transparent methodology for calculating the set-aside, which is described below. The methodology is applied each budget year to determine the annual set-aside.



"To Enrich Lives Through Effective And Caring Service"

CFCI Methodology

As noted in the Board memorandum dated [April 25, 2025](#), the CFCI set-aside in FY 2025-26 was \$287.6 million in annual ongoing funding. Based on the FY 2026-27 Recommended Budget, the CFCI set-aside will be increased by \$26.7 million, increasing total ongoing CFCI funding from \$287.6 million to \$314.3 million for the upcoming FY.

The table below details the formula and calculations behind the \$314.3 million allocation (\$ in thousands):

CFCI	2025-26 Recommended Budget	2026-27 Recommended Budget	Change from 2025-26
Locally Generated Revenues	\$12,550,572	\$12,951,171	\$400,599
One-Time Funds/Fund Balance	(3,530,999)	(3,549,426)	(18,427)
Ongoing Locally Generated Revenues	9,019,573	9,401,745	382,172
Other CFCI ATI/DCI Programs	(337,763)	(217,347)	120,416
Restricted Net County Cost (NCC)	(5,805,256)	(6,041,163)	(235,907)
Total Offsets: ATI/DCI Programs + Restricted NCC	(6,143,019)	(6,258,510)	(115,491)
Unrestricted NCC	\$2,876,554	\$3,143,235	\$266,681
Total 10% Allocation (Rounded)	\$287,656	\$314,324	\$26,668

This is the second increase to the annual set-aside based on the established calculation methodology, which reflects an increase in ongoing locally generated revenues of \$382.1 million, offset by an increase in restricted NCC of \$115.4 million, for a net increase of \$266.7 million. The annual change to the set-aside is 10 percent of this amount or \$26.7 million.

CFCI Ongoing Funding Planning Assumption

The annual CFCI set-aside is recalculated each FY, pursuant to the adopted methodology and, therefore, may increase or decrease based on locally generated unrestricted revenues, restricted cost obligations, and broader fiscal conditions. For FY 2026-27, the calculated CFCI set-aside is \$314.3 million, representing an increase of \$26.7 million from the FY 2025-26 set-aside amount of \$287.6 million. Because the annual set-aside calculation is inherently variable, the Chief Executive Office (CEO) utilizes an ongoing planning assumption when evaluating recurring funding commitments. The planning assumption serves as a budgeting and forecasting tool intended to support the long-term sustainability of ongoing programs and services funded through CFCI.

Following completion of the initial three-year implementation period, the CEO established an ongoing planning assumption of \$288.3 million. Based on historical trends, future revenue indicators, and established forecasts, the CEO now recommends increasing the ongoing planning assumption to \$300.0 million. Amounts above the planning assumption would generally be considered available for one-time uses unless otherwise directed by your Board.

The planning assumption does not establish a guaranteed minimum funding level, floor, or entitlement within the annual CFCI calculation. Actual annual funding levels will continue to be determined, pursuant to the adopted methodology, and prevailing fiscal conditions. In years where the annual calculation falls below the planning assumption, available program underspend may provide a temporary bridge to support continuity of approved commitments while expenditures are aligned with available resources. The CEO will continue to evaluate the planning assumption annually to ensure it remains prudent and responsive to evolving fiscal conditions.

Administrative Funding

The Justice, Care and Opportunities Department (JCOD) administrative allocation supports the ongoing staffing, oversight, contracting, monitoring, reporting, and operational functions necessary to administer CFCI-funded programs. Because these activities support ongoing County operations, both JCOD and the CEO have sought to maintain a stable funding approach that is not subject to significant year-to-year fluctuations in the annual CFCI set-aside calculation.

Consistent with this approach, JCOD's administrative funding has historically been based on the ongoing funding planning assumption established following completion of the three-year CFCI implementation period, rather than on annual increases or decreases in the calculated set-aside amount. This approach helps ensure continuity of administrative services and avoids the need for frequent adjustments to core operational functions as the annual set-aside fluctuates.

In conjunction with the recommended increase in the ongoing planning assumption from \$288.3 million to \$300.0 million, JCOD's administrative allocation will be updated accordingly as part of the FY 2026-27 Supplemental Changes budget phase. The recommended adjustment is intended to align JCOD's administrative funding framework with the updated ongoing planning assumption while preserving a stable and sustainable approach to supporting CFCI administration.

Restoration of Administrative Funding

In FY 2025-26, the set-aside decreased by \$13.0 million from the previous FY, and to preserve CFCI programs and avoid impacts across the board, my office made a temporary adjustment to reduce JCOD's administrative ongoing allocation by \$0.648 million and to bridge this gap with one-time funding. As part of the reallocation of unspent CFCI funding that occurred in the [CFCI Year Four Board Letter](#), the \$0.648 million in one-time funding that supported JCOD's administrative allocation was swept. We recommend restoring JCOD's administrative allocation to the full \$2.8 million for FY 2026-27 now that there is sufficient ongoing funding by setting aside \$0.648 million from this year's set-aside increase of \$26.7 million. This will reduce the ongoing amount available from \$26.7 million to \$26.02 million for the Care First and Community Investment Advisory Committee's (Committee) funding recommendations.

Unmet Needs

The CEO acknowledges receipt of the FY 2026-27 Unmet Needs letters submitted by each of the five Supervisorial District Board offices for consideration. Collectively, the letters identify common Countywide priorities related to homelessness prevention and housing stability, behavioral health and public health services, youth and family support programs, wildfire recovery and climate resilience, public safety, and the continuation of core safety net services amid ongoing fiscal and operational challenges.

During the May 6, 2026, Budget Public Hearing, your Board heard public testimony regarding the loss of federal funding supporting local violence prevention, violence intervention, victim services, and youth development programming following nationwide grant cancellations by the U.S. Department of Justice. While the affected funding did not flow through County departments, the issue was elevated during your Board's discussion for CFCI funding considerations due to the potential impact on community-based organizations.

CEO Recommendations to the Committee for Consideration

The CEO proposes that the Committee consider the attached recommendations which were elevated by way of recently approved motions by your Board,

particularly those that are consistent with CFCI, prevention, and equity-focused priorities advanced through Measure J and the County's CFCI framework.

Next Steps

The CEO will advise the Committee of the adjustment to the set-aside amount from \$287.6 million to \$314.3 million, an increase of \$26.7 million for Year Six, as well as the recommendation to set aside \$0.648 million to fully restore JCOD's administrative allocation. Following the application of the ongoing funding planning assumption and restoration of the JCOD allocation, approximately \$11.0 million will be available to support ongoing funding commitments, with the remaining balance of approximately \$15.0 million that will be available for one-time investments and programming opportunities supported by the Year Six set-aside. The CEO will solicit the Committee's input regarding potential CFCI programing opportunities supported by the newly identified funding. In addition, the Committee will be advised that the set-aside amount may fluctuate in future years due to changes in legal settlements and other County obligations.

Consistent with the process for CFCI Spending Plans, my office, in coordination with JCOD, will review the Committee's input and develop recommendations for your Board's consideration shortly thereafter. The goal is to incorporate the Board-approved Year Six funding recommendations in the FY 2026-27 Supplemental Changes budget phase in September to support implementation of CFCI-funded programs by County departments, the CFCI Third-Party Administrator and/or community-based organizations beginning in the Fall of 2026.

For the Committee's consideration, the attached list reflects Board priorities focused on stabilizing existing services and expanding critical programs that advance ATI and DCI priorities and support continued access to vital community services requiring FY 2026-27 funding consideration, including any future funding that may become available.

Should you have any questions concerning this matter, please contact me or Erika Bonilla at (213) 974-9689 or ebonilla@ceo.lacounty.gov.

JMN:JG:MM
EB:JA:VA:gl

Attachment

- c: Executive Office, Board of Supervisors
County Counsel
Justice, Care and Opportunities
Care First and Community Investment Advisory Committee

**Care First and Community Investment (CFCI)
Board Priorities and Critical Projects**

Dept	Program Name	Ongoing Funding Needs	One-Time Funding Needs
Department of Youth Development (DYD)	Care Coordination in Youth Justice Facilities	\$9,600,000	
DYD	Programming in Youth Justice Facilities	\$2,500,000	
Department of Economic Development (DEO)	Small Business Interruption Fund (BIF)	\$5,500,000	
Department of Consumer and Business Affairs (DCBA)	RepresentLA		\$7,100,000
Justice, Care and Opportunities Department (JCOD)	Rapid Diversion Program (RDP)	\$5,200,000	
Public Defender (PD)	Holistic Early Assessment and Linkage Program (HEAL) Expansion	\$6,300,000	
DYD	Community Based Care Coordination for Former Foster Youth and Those Exiting Department of Children and Family Services (DCFS) Care	\$5,000,000	
DEO	The Office of Resiliency	\$400,000	
DYD	Youth Development Network (YDN) Prevention Services	\$4,000,000	
Total Funding Needs		\$38,500,000	\$7,100,000

Priorities in need of one-time funding

1. **DCBA – RepresentLA:** \$7.1 million in one-time funding to provide programmatic support for Fiscal Year (FY) 2026-27. The funding will ensure continued capacity for legal representation, while prioritizing individuals/communities impacted by aggressive federal immigration enforcement. [July 1, 2025, motion.](#) (Note: The program is funded with \$2.587 million in CFCI one-time funding as part of the [CFCI Year 5 Spending Plan.](#))

Priorities in need of ongoing funding

(Given that there are more requests than available ongoing funding, some of the requests below can be scaled with one-time funding).

2. DYD – Care Coordination and In-Facilities Programming:

a. Care Coordination in Youth Justice Facilities: \$9.6 million in ongoing funding. In response to the [April 7, 2026, motion](#), funding will support the establishment of DYD Care Coordination Teams and strengthen program management capacity to develop and deliver individualized, youth-centered care plans in collaboration with all relevant partners, ensuring integrated support, fostering youth development, and promoting successful reentry into the community. (Note: Not currently funded with CFCI.)

b. Programming in Youth Justice Facilities (expand programming across facilities): \$2.5 million in ongoing funding. In response to the [April 7, 2026, motion](#), funding will support expanded programming tailored to address identified gaps in cognitive and creative development, recreation and environment, social connection and mentorship, workforce and leadership, training and evaluation, and other identified needs, ultimately fostering youth growth, building life skills, and promoting successful reintegration into the community. (Note: Not currently funded with CFCI.)

3. DEO – Small Business Interruption Fund (BIF): \$5.5 million in ongoing funding. The County BIF provides emergency grants to eligible businesses impacted by significant disruptions—such as ICE enforcement actions, natural disasters, mandated closures, or labor disputes. The program is administered by the DEO in partnership with a third-party administrator. Supervisorial District’s 1 and 2 [March 17, 2026, motion](#). (Note: The program is funded with \$3.3 million in CFCI one-time funding as part of the [CFCI Year 5 Spending Plan](#).)

4. JCOD – Rapid Diversion Program (RDP): \$5.2 million in ongoing funding. Sustain two courthouses and expand to two new courthouses. In response to the Board's [June 4, 2024, motion](#) and Jail Closure and Implementation Team’s (JCIT) recommendations for jail closure, funding will sustain the two existing RDP courthouse sites and support expansion to two additional sites, ensuring continued support for current one-time funded sites while simultaneously growing the program's reach. The RDP is a direct JCIT strategy and pre-plea diversion program that connects justice-involved individuals with mental health or substance use disorders to programming, housing, and case management, making sustained funding critical to preserving this essential capacity within JCOD's continuum of care, advancing the County's jail closure strategies, as

recommended in Required Action #4 of JCIT's Seventh Quarterly report back dated [April 17, 2026](#), and equitably expanding access to diversion services across all courthouse locations to facilitate more releases. (Note: The program is funded with \$2.505 million in CFCI one-time funding as part of the [CFCI Year 5 Spending Plan](#).)

5. PD – Holistic Early Assessment and Linkage Program (HEAL)

Expansion: \$6.3 million in ongoing funding to expand HEAL from its pilot site at Clara Shortridge Foltz Criminal Justice Center to the ten remaining felony arraignment branch courts in response to the Board's [March 3, 2026, motion](#). As identified in JCIT's Seventh Quarterly report back, dated [April 17, 2026](#), expanding HEAL is Required Action #2 in the Jail Closure Framework and is critical to reducing length of jail stays by conducting behavioral health screenings as early as arraignment. HEAL embeds a licensed Psychiatric Social Worker employed by the PD's office, along with Partners for Justice navigators, in felony arraignment courtrooms to shorten the time from arraignment to diversion, reducing case-processing delays that add at minimum six to eight weeks, and upwards of six to nine months when relying on court-appointed experts. (Note: The program is funded with \$0.174 million in CFCI ongoing funding.)

6. DYD – Community-Based Care Coordination for Former Foster Youth and Those Exiting DCFS Care:

\$5.0 million in ongoing funding. In response to the [November 18, 2025, motion](#), funding will support the launch of comprehensive care coordination and wrap-around services for former foster youth and those exiting DCFS care through age 26, addressing the risk of homelessness, housing instability, and further system involvement by ensuring timely access to navigation support, community-based resources, and holistic, youth-centered interventions. (Note: Not currently funded with CFCI.)

7. DEO – The Office of Resiliency:

\$0.4 million in ongoing funding. The Office of Resiliency will be focused on administering the BIF Countywide. The funding will support 3.0 positions. [March 17, 2026, motion](#). (Note: Not currently funded with CFCI.)

8. DYD – Youth Development Network (YDN) Prevention Services (sustain existing services provided in community):

\$4.0 million in ongoing funding. In response to the Board's [November 18, 2025](#), and [August 6, 2024](#), motions for the YDN and the ongoing need to grow community capacity, funding will sustain critical YDN prevention services previously supported by one-time Mental Health Services Act funding and lost due to the transition to Behavioral Health Services Act. These services are integral to DYD's network of community-based organizations and serve as a core component of the Department's continuum of care, ensuring that essential prevention services currently being delivered in the community are not disrupted. (Note: Not currently funded with CFCI.)

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COUNTY OF LOS ANGELES

Kenneth Hahn Hall of Administration
500 West Temple Street, Room 100
Los Angeles, CA 90012
Website: jcod.lacounty.gov

DIRECTOR

Judge Songhai Armstead, *ret.*

August 25, 2026

To: Joseph M. Nicchitta
Chief Executive Officer

From: Judge Songhai Armstead 
Justice, Care and Opportunities Department (JCOD)

RE: CARE FIRST COMMUNITY INVESTMENT ADVISORY COMMITTEE RECOMMENDATIONS FOR ROUND 6 ALLOCATIONS: UNSPENT AND SET-ASIDE FUNDS

Dear Mr. Nicchitta,

The CFCI Advisory Committee (Committee) approved spending recommendations for the increased FY26-27 CFCI set-aside, comprised of approximately \$11 million in ongoing funding and \$15 million in one-time funding, and FY25-26 unspent CFCI funds totaling \$43.522 million in one-time funding on August 20, 2026. Beginning in Spring 2026, the Committee implemented a structured, multi-phase planning and evaluation process designed to ensure that funding recommendations were informed by data, community engagement, program performance, and current County priorities. Unlike in previous years, the Committee did not undertake a concept recommendation process. Instead, the process included:

1. A community survey that collected over 4,000 responses from residents across the County to gauge community priorities and values.
2. Three virtual listening sessions and one in-person listening session hosted by JCOD and the Committee to gather information about community needs and system gaps. These were attended by an estimated 146 unique participants.
3. Committee discussion of landscape considerations, including local, state, and federal changes in funding for direct community investment and alternatives to incarceration programs.
4. Committee review of Board priorities.

As proposed by the Committee Chair, the Committee first approved categories of funding, followed by percentages of the total (one-time and ongoing combined) to each category and subsequently,



percentages of allocations to each program area within each category. The Committee voted on the following breakdown on July 9, 2026. The funding areas listed to the left-hand side of the table are six of nine funding areas named in Measure J.

Table 1:

Funding area	Approved percentage
Community-based youth development programs	15%
Job training and jobs to low-income residents	18%
Rent assistance, housing vouchers, and accompanying supportive services	22%
Access to capital for small, minority-owned businesses	9%
Community-based health services	15%
Noncustodial diversion and reentry programs	21%

Subsequently, the Committee deliberated on proposed programs and descriptions from the Chair and Vice Chairs, as well as an updated set-aside memo, received August 10, from the Chief Executive Office (CEO) with Jail Closure Implementation Team-recommended programs for ongoing funding. Based on the previously described inputs and the new set-aside memo, the Committee voted on a final spending plan on August 20, allocating \$11 million in ongoing funds to JCIT for assignment to County programs per the Board's directives, approximately \$59 million in one-time funds to programs in the six funding areas above, and approximately \$3.9 million in one-time (\$3.24 million) and ongoing funds (\$648,000) to JCOD for administrative needs. Based on advisement from the Chief Executive Office (CEO) Community Care & Justice team, JCOD worked with the Committee to ensure the recommendations have sufficient detail for consideration by CEO. See Attachment I for tables with the final approved allocations to each entity. The Committee is recommending \$3.24 million in one-time funding so JCOD can gain short-term support for all administrative efforts associated with CFCI. This supplements the \$648,000 in ongoing funding redirected to JCOD by CEO in this fiscal year's budget, also supported by the Committee.

In the first allocation of CFCI, the Board approved one percent of the CFCI budget be allocated to support the administration of CFCI for staff, administrative operations, services, and supplies. CEO noted in the August 2021 Board letter that this recommended one percent would not be sufficient to meet the full need to administer CFCI funding, however it would "bolster our efforts to support the ongoing needs of this initiative until additional resources can be obtained in future budget phases."

The growing administrative responsibilities are not met by the current allocation. JCOD's CFCI team has administered over \$350 million in care grants, overseen the development of five spending plans, and supported 16 County Departments as they implement 116 CFCI-funded programs.

Joseph M. Nicchitta

August 25, 2026

Administration of CFCI requires extensive coordination with program managers in each department to ensure that program designs align with those approved by the Board. Additional Care Grants will also be disbursed through each new spending plan, requiring expansion of current contracts or executing new contracts with third-party administrators. The entire CFCI program requires program support and monitoring, fiscal oversight, data gathering and program evaluation, compliance and audit readiness, transparency, outreach and engagement, and communication efforts. JCOD is responsible for facilitating this massive program, which will continue to grow with each new spending plan.

To meet these obligations on an ongoing basis, JCOD will be seeking an increase to the administrative portion of CFCI to two-and-a-half (2.5) percent of the total ongoing set-aside based on the expanding administrative obligations.

Additionally, on April 16, 2026, the Committee voted to provide individual members with a \$150 stipend for regular and special meetings as well as ad hoc or standing subcommittee, Committee leadership meetings with JCOD, and public engagement meetings. They are also proposing an additional per-hour stipend of \$75, a removal of the maximum of \$5,000, and reimbursement for transportation costs for any and all aforementioned meetings. The stipend has not changed since the origin of the CFCI Advisory Committee in January 2022, and this increase reflects Committee engagement in not only CFCI funding recommendations but also monitoring and evaluation of ongoing and one-time funding.

A memo from the Committee Chairs describing their process along with the full scope of program recommendations and corresponding funding amounts is attached to this report (Attachment I) JCOD looks forward to supporting these initiatives.

Should you have any questions, please contact Adam Bettino abettino@jcod.lacounty.gov or (213) 410-1493.

AB:AN:cw

Attachments

TO: Honorable Los Angeles County Board of Supervisors and Joseph M. Nicchitta, Chief Executive Officer

CC: LA County Justice, Care and Opportunities Department

FROM: Veronica Lewis, Chair, Care First Community Investment (CFCI) Advisory Committee

RE: Community-Informed Round 6 CFCI Spending Plan Recommendations

DATE: August 25, 2026

Dear Members of the Board of Supervisors and Chief Executive Officer Nicchitta:

On behalf of the Care First Community Investment (CFCI) Advisory Committee, thank you for entrusting us with the responsibility of staying closely connected to community members and people directly impacted by the justice system, understanding their needs and priorities, and developing recommendations to the Board of Supervisors for how CFCI resources can best respond to those needs.

At this unprecedented moment of significant budget pressures and rapidly shifting federal policy conditions, it is critically important that we are thoughtful and intentional about how CFCI dollars are invested. These resources are an opportunity to advance alternatives to incarceration, strengthen community-based prevention and reentry, address the conditions that contribute to justice-system involvement, save lives, and improve the quality of life for individuals, families, and communities throughout Los Angeles County.

A Deliberate and Community-Informed Process

In December 2025, the Advisory Committee adopted a comprehensive framework to guide how we would develop the Round 6 spending plan recommendations now before you. Before considering individual programs or funding allocations, the Committee identified the information and perspectives we believed were necessary to make informed recommendations. This included data; presentations on the County's fiscal and policy environment; the experiences of current grantees and program participants; input from County departments and community partners; meaningful community engagement; and a clear timeline for moving from information gathering to deliberation and final recommendations.

Since December 2025, the Committee has undertaken foundational work to ensure that every member understands the purpose of CFCI funding, the County budgeting process, and our responsibility and charge as an advisory body. This shared foundation was important to ensure that the Committee could approach difficult funding decisions with a common understanding of both the opportunity before us and the constraints within which the County is operating.

During Spring 2026, the Committee partnered with the Justice, Care and Opportunities Department (JCOD) to implement a community engagement strategy that included both in-person and virtual opportunities for participation. The Committee also heard from current grantees, program participants, County departments, and other partners whose experiences helped inform our deliberations.

Importantly, we did not consider these investments in isolation. The Committee engaged in thoughtful discussion about the very real external landscape facing Los Angeles County communities, including housing instability, economic pressures, immigration policy changes, reductions and shifts in public resources, and renewed tough-on-crime policies that may increase reliance on incarceration. We considered how these conditions are affecting the communities CFCI was created to serve and what role these investments can play in addressing emerging gaps and needs.

Recommendations Grounded in Community Priorities and the Care First Mission

All of these inputs informed this set of spending plan recommendations. After reviewing the community engagement results and deliberating about the purpose and priorities of CFCI, the Advisory Committee voted to include six of the nine eligible funding areas in this spending plan and assigned percentages to guide the distribution of available resources among those areas.

The Committee then reviewed the individual program areas to identify investments that would be responsive to current community needs, advance the Care First mission, build upon effective existing efforts, and address gaps that have emerged as the broader fiscal and policy environment has changed.

Following the release of the August 10, 2026 set-aside memo from the Chief Executive Office in response to the BOS motion related to priority programs, the Committee also determined that the full \$11 million in ongoing funding available in this Round should be dedicated to programs that support the County's Men's Central Jail closure effort and strengthen community-based alternatives to incarceration. The Spending Plan recommendations also include two other Board priority programs from the CEO set-aside memo: RepresentLA and Community Based Care Coordination for Former Foster Youth and those Exiting DCFS Care.

The spending plan before you directly responds to gaps and pressures exacerbated by federal policy shifts and the budget constraints facing Los Angeles County. If approved, these recommendations will allow the County to expand programs that have demonstrated success in saving and improving lives; launch investments that complement and strengthen work already happening across the County; and respond directly to priorities identified by community members and people most affected by the justice system.

Just as importantly, approval of these recommendations will demonstrate once again that community voice matters. When residents and directly impacted people take the time to participate, share their experiences, and identify what their communities need, their input should meaningfully shape how public dollars are invested.

These recommendations reflect the Committee's commitment to turning that input into action.

Looking Ahead to Round 7

As we submit these recommendations, the Advisory Committee is also preparing to deliberate and make decisions about the Round 7 spending plan recommendations that will take effect in Fiscal Year 2027-28.

For the next cycle, the Committee is committed to continuing meaningful community engagement and strengthening the process we have developed. This includes holding another community engagement process this Fall 2026 including credible messengers; ensuring equitable opportunities for community-based organizations, faith-based organizations, County departments, program participants, and other stakeholders to share their concepts and experiences; developing thoughtful and transparent approaches for assessing whether existing programs should be renewed, modified, expanded, or considered for reallocation; and continuing to support the Board of Supervisors' effort to move the needle on closing Men's Central Jail through effective community-based investments.

Funding Recommendations

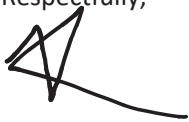
Below you will find a summary of the Committee's detailed recommendations, including the funding areas, program areas, recommended allocations, and proposed grant administrators. The detailed Spending Plan recommendations are included in Attachment A.

Funding Area	Amount Allocated in Spending Plan
4 DCI: Rent Assistance, housing vouchers, and accompanying supportive services to those at risk of losing their housing, or without stable housing	\$12,166,000.00
2 DCI: Job training and jobs to low-income residents	\$9,952,000.00
8 ATI: Community-based health services, health promotion, counseling, wellness and prevention programs, and mental health and substance abuse disorder services and 6 ATI: Community-based restorative justice program	\$8,295,000.00
1 DCI: Community-based youth development programs	\$8,295,000.00
3 DCI: Access to capital for small, minority-owned businesses	\$4,977,000.00
9 ATI: Non-custodial diversion and reentry programs, including housing and services	\$11,613,000.00
MCJ Closure Priority Programs: 9 ATI: Non-custodial diversion and reentry programs, including housing and services and 6 ATI: Community-based restorative justice program	\$11,000,000.00
JCOD CFCI Administration Dollars	\$3,892,000.00
Total:	\$70,190,000.00

On behalf of the CFCI Advisory Committee, thank you for your continued partnership and for the opportunity to help ensure that these resources remain responsive to the communities they were created to serve. We look forward to continuing this work with the Board of Supervisors, the Chief Executive Office, JCOD, County departments, community partners, and residents throughout Los Angeles County.

Please reach out if you have any questions regarding the Committee's recommendations or the process used to develop them.

Respectfully,



Veronica Lewis

Chair

Care First Community Investment (CFCI) Advisory Committee

Megan Castillo



Vice Chair, CFCI Advisory Committee

Rafael Carlbajal



Vice Chair, CFCI Advisory Committee

CFCI Advisory Committee Spending Plan Recommendations for Round 6 (2026-2027)

Funding Area	Program Area	Program Description	Dollar Amount	TPA or County	Geographies	Target populations	One Time	Ongoing	New or expansion	Potential Alternative Funding or Co-Investments	Departmental Administration (County Staff or Contracts)
1 DCI: Community-based youth development programs	PA02 - Youth Career/Education Pathway Programs	Youth Career and Education Pathway Programs Funding supports comprehensive workforce development programs that prepare youth and transition-age youth (TAY) for long-term economic success through a continuum of career exploration, job readiness, occupational skills training, paid work experiences, subsidized employment, job placement, and retention services. Programs should provide meaningful opportunities for youth to develop workplace skills, earn income, gain real-world work experience, and successfully transition into unsubsidized employment, post-secondary education, apprenticeships, or other career pathways. Funding may support evidence-based youth employment strategies, including summer and seasonal employment, internships, work-based learning, transitional subsidized employment, employer partnerships, industry-recognized credential programs, career coaching, and supportive services that reduce barriers to employment. Particular emphasis should be placed on serving transition-age youth, foster youth, justice-impacted youth, and other young people facing significant barriers to employment. Successful proposals should demonstrate strong employer partnerships, measurable employment and education outcomes, and a clear pathway from initial engagement through long-term employment retention and economic mobility.	\$5,917,000.00	DEO	Countywide	TAY and foster youth	\$5,917,000.00	\$0.00	Expansion	None	County Staff and Contracts
1 DCI: Community-based youth development programs	Community Based Care Coordination for Former Foster Youth and Those Exiting DCFS Care	Funding will support the launch of comprehensive care coordination and wrap-around services for former foster youth and those exiting DCFS care through age 26, addressing the risk of homelessness, housing instability, and further system involvement by ensuring timely access to navigation support, community-based resources, and holistic, youth-centered interventions. Connected to a LA County BOS motion on response to the November 18, 2025.	\$2,000,000.00	DYD	Countywide	TAY and foster youth	\$2,000,000.00	\$0.00	New	None	County Staff and Contracts
1 DCI: Community-based youth development programs	Youth Diversion Program	DYD's Youth Diversion program supports all youth, ages 12-17 at time of citation, who would otherwise have been arrested for any alleged infraction, misdemeanor, or felony offense excluding those enumerated in WIC 707(b). DYD funds community-based organizations countywide to work with participants through a restorative justice approach and provide services including: youth development, family support, prevention, education support, workforce development, service navigation, and justice support. Case Managers adjust care plan goals as needed to support successful program completion. DYD would use additional funding to support the continued expansion of existing diversion pathways and the development of new referral pathways, particularly through DCFS and Probation, as well as other potential system and community partners. Funding would support increased case management capacity at one or more community-based providers implementing or expanding these pathways. The funding would also help DYD pilot and strengthen emerging referral pathways with the goal of identifying approaches that can be sustainably expanded over time.	\$378,000.00	DYD	Countywide	TAY and foster youth	\$378,000.00	\$0.00	Expansion	Being added to existing dollars for expansion	County Staff and Contracts
2 DCI: Job training and jobs to low-income residents	PA11 - Job Readiness, Training, and Placement for Adults	Funding supports employment-focused workforce development programs that prepare County priority populations for long-term employment through a continuum of services that includes recruitment, assessment, job readiness, occupational skills training, industry-recognized credentials, work-based learning, job placement, retention services, and career advancement support. Programs should be designed to align training with current labor market demand and employer workforce needs while equipping participants with the technical, professional, and supportive skills necessary to secure and retain quality employment. Successful proposals should demonstrate strong employer partnerships, clearly defined pathways from training to employment, measurable placement and retention outcomes, and the capacity to support participants beyond initial job placement to promote long-term employment stability and economic mobility. Some dollars must be allocated to veteran serving organizations.	\$1,163,000.00	DEO	Countywide	All adults with some allocation for veterans	\$1,163,000.00	\$0.00	Expansion	None	County Staff and Contracts
2 DCI: Job training and jobs to low-income residents	TPA: Transitional subsidized employment co-investment model	Transitional Subsidized Employment (Co-Investment Model) This funding is intended to advance employment opportunities for County priority populations by promoting a co-investment model with workforce development providers, social enterprises, educational institutions, and employer partners that already deliver high-quality workforce training and employment services. Rather than fully funding workforce programs, these resources are intended to complement and leverage existing public, private, philanthropic, and employer investments by supporting the costs of transitional subsidized employment and paid work experiences. Funding should be used to create or expand subsidized employment opportunities that help participants gain meaningful work experience, demonstrate job readiness, and transition into permanent unsubsidized employment. Subsidized wages should also serve as an incentive for employers to hire individuals from priority populations while allowing workforce providers to strengthen employment outcomes and demonstrate the effectiveness of their training and placement models. Priority should be given to proposals that leverage other funding sources, expand services to historically underserved populations, or increase an organization's focus on County priority populations, including but not limited to individuals with lived experience of homelessness or the justice system, opportunity youth, veterans, and other populations facing significant barriers to employment.	\$4,863,000.00	TPA	Countywide	All adults with some allocation for veterans	\$4,863,000.00	\$0.00	Expansion	None	Not Applicable

CFCI Advisory Committee Spending Plan Recommendations for Round 6 (2026-2027)

Funding Area	Program Area	Program Description	Dollar Amount	TPA or County	Geographies	Target populations	One Time	Ongoing	New or expansion	Potential Alternative Funding or Co-Investments	Departmental Administration (County Staff or Contracts)
2 DCI: Job training and jobs to low-income residents	New: Expanding the pool of employers and culturally based employment models to support job and volunteer placement for underserved communities to support economic stability, nutritional health, primary and behavioral health.	HR 1 is impacting CalFresh and Medi-Cal recipients in several ways, including adding work requirements for individuals who are not exempt. Work requirements can be met through employment, community engagement (volunteer or community service), participating in training programs, or Workfare non-wage paying activities. For LA County residents, it is estimated that more than 249,000 CalFresh households and 1.4M receiving Medi-Cal benefits will be required to meet the work requirements in this fiscal year. While there are some exemptions to the work requirements, it is estimated that the majority (84%) of those receiving CalFresh benefits for example will not be exempt from work requirements. Background checks are required in some volunteer/workfare opportunities and can be costly for the agency/organization. For LA County Departments and community-based organizations, this can cost approximately \$55-\$100 per individual and can be cost-prohibitive, particularly in the current budget climate. In fact, it is a limitation for engaging potential employers for work requirement opportunities. To assist LA County residents on CalFresh and Medi-Cal to maintain their benefits and meet the work requirements, providing funding to County, community-based organizations, and other faith-based organizations to cover the LiveScan and other required background checks for those who are needing to meet HR 1 work requirements would support reducing the loss of benefits and make a significant impact. Estimated cost of LiveScan resources for Volunteering/Community Service and Workfare opportunities at community-based/faith-based organizations and County/local municipalities annually is \$ 175,000. Workfare under HR 1 is allowed through government and nonprofit organizations only and is an alternative to a traditional wage-paying job for those having to meet the HR 1 work requirements. Expanding the organizational capacity of culturally-based models as Workfare sites that align with CFCI's approach and leverage community-based networks could help impacted CalFresh and Medi-Cal recipients maintain their benefits. Relationships that CFCI already has with community-based organizations, in particular, who have been partners to gather, engage, and support community might be well-positioned Workfare sites to cultivate and expand with funding. While some exemptions exist in the HR 1 work requirements, particularly around Indigenous communities, this proposal is focusing on culturally-based models that do NOT fit into an exemption. Estimated cost of Supporting 45 of Workfare organizations annually is \$450,000.	\$625,000.00	DPSS	Countywide	All adults	\$625,000.00	\$0.00	New*	None	County Staff and Contracts
2 DCI: Job training and jobs to low-income residents	PA05 - Reentry Programming for Underserved Populations	Expand JCOD's programs, services, and drop-in centers for historically underserved and vulnerable populations returning to the community from incarceration. Services and programs may include workforce development, legal services, transitional housing, mental health services, food distribution, gender-affirming clothing, immigration services, technology training, HIV prevention services, and COVID-19 prevention and education. Programs should perform targeted outreach to and tailor service opportunities for populations including TGI+ individuals and women	\$1,688,000.00	JCOD	Countywide	TGI+	\$1,688,000.00	\$0.00	Expansion	None	County Staff and Contracts
2 DCI: Job training and jobs to low-income residents	PA11 - <i>AIAN Focused Job Readiness, Training, and Placement for Adults</i> and PA02 - <i>Youth Career/Education Pathway Programs</i>	Develop, implement and operate career pathway programs for AIAN youth and adults, including diversionary and foster youth, that includes community involvement and paid work experience in areas such as social work, civic engagement, arts and culture (including Indigenous culture, ceremony and traditions), and science, technology, engineering and mathematics (STEM) fields, paid internships, fellowships and apprenticeships as well as financial literacy training. Create more educational pathways that successfully transition youth into college (e.g. Community Colleges, CSUs, and UCs) and help them navigate into the higher education system. Support access to education and job placements for vocational trades and sectors.	\$1,613,000.00	TPA	Countywide and Tribal Focus	AIAN	\$1,613,000.00	\$0.00	Expansion	None	Not Applicable
4 DCI: Rent Assistance, housing vouchers, and accompanying supportive services to those at risk of losing their housing, or without stable housing	New: Housing Stability for formerly incarcerated GR Participants through guaranteed income to support housing and economic stability	Guaranteed income of \$300-\$550 per month for up to two years to obtain housing stability for GR participants ages 27-49 who are either homeless or at risk of becoming homeless and formerly incarcerated or system impacted. General Relief Guaranteed Basic Income Program is one of the efforts under the collaboration between DPSS's General Relief (GR) Program and the Chief Executive Office (CEO) Poverty Alleviation Initiative (PAI) to develop and implement a GR-Guaranteed Income (GI) Program to assist GR participants with obtaining housing stability. As part of the GR Redesign Project, this program would provide GI payments to GR participants, so they can meet their immediate housing needs. The pilot program is currently funded through Measure A to only to include 400 Transition Aged Youth (TAY) ages 18-26 and 300 Older Adults ages 50 and older.	\$1,217,000.00	DPSS	Countywide	Reentry	\$1,217,000.00	\$0.00	New*	None	County Staff and Contracts
4 DCI: Rent Assistance, housing vouchers, and accompanying supportive services to those at risk of losing their housing, or without stable housing	PA11 - Rehousing and Jobs Programs	Breaking Barriers is a rapid re-housing and jobs program combining intensive case management services and employment support. Program participants are linked to affordable permanent housing opportunities and assistance with obtaining employment. Move-in and rental assistance are provided to ensure the client has a home while working to increase their income. The program requires the offender to pay a portion of the rent, on a step-down basis, so that within a maximum of 24 months the client takes over the entire rental payment. After a client is stabilized in permanent housing and paying their full rent, the case management team typically provides at least one month of follow-up services prior to the client graduating from the program, thereby freeing up the "slot" for a new enrollment.	\$6,083,000.00	JCOD	Countywide	Reentry, AIAN	\$6,083,000.00	\$0.00	Expansion	None	County Staff and Contracts
4 DCI: Rent Assistance, housing vouchers, and accompanying supportive services to those at risk of losing their housing, or without stable housing	Emergency Rent Assistance Program	Rental Assistance: Funds time-limited rental assistance grants for eligible households, including payment of rental arrears and prospective rent, to prevent eviction and support housing stability. Programs must be paired with housing stabilization support, including at minimum light case management and connections to other appropriate services and benefits. Assistance should be time-limited, targeted to demonstrated need, and designed to achieve sustainable housing stabilization. Fifty percent split between County Department and TPA.	\$4,866,000.00	DBCA and TPA (50/50 split)	Countywide	All Households in LA County	\$4,866,000.00	\$0.00	Expansion	None	County Staff and Contracts
3 DCI: Access to capital for small, minority-owned businesses	General Access to Funding for Small, Minority-Owned Businesses	This program will increase access to capital and other education and information, technical assistance, and community connections for aspiring entrepreneurs and small businesses who are system-impacted or face historic disinvestment that leads to small business sustainability , growth, and success. Projects and programs that align with the funding for small, minority-owned businesses goals may be provided by a single organization and/or team of organizations and include, but are not limited to: education programs, including academies and workshops; technical assistance; access to capital and space/facilities; mentorship and networking opportunities; and other customized entrepreneurship and small business development opportunities. Projects and programs may serve specific Districts/SPAs or countywide with a focus on system-impacted business owners and/or customers and other high and highest tier need communities or areas according to the ARD! Equity Explorer Tool, JENI index or JESI index. At minimum 70% of the funds must be prioritized/allocated to fair chance employers. Fifty percent split between County Department and TPA.	\$4,977,000.00	DEO and TPA (50/50 split)	Countywide	Small minority owned business with a priority for justice impacted owers and fair chance employers	\$4,977,000.00	\$0.00	Expansion	None	County Staff and Contracts

CFCI Advisory Committee Spending Plan Recommendations for Round 6 (2026-2027)

Funding Area	Program Area	Program Description	Dollar Amount	TPA or County	Geographies	Target populations	One Time	Ongoing	New or expansion	Potential Alternative Funding or Co-Investments	Departmental Administration (County Staff or Contracts)
8 ATI: Community-based health services, health promotion, counseling, wellness and prevention programs, and mental health and substance abuse disorder services and 6 ATI: Community-based restorative justice program	New: Culturally Responsive Health and Wellness Program	Indigenous wellness and prevention services, health promotion and emotional and mental health support including but not limited to sweat lodge, talking circles, circle of Wellness.	\$4,562,000.00	TPA	Countywide and Tribal Focus	Indigenous communities	\$4,562,000.00	\$0.00	New*	None	Not Applicable
8 ATI: Community-based health services, health promotion, counseling, wellness and prevention programs, and mental health and substance abuse disorder services and 6 ATI: Community-based restorative justice program	RepresentLA	This program will provide free immigration legal representation and support services to low-income and vulnerable Los Angeles County residents. The program funds a network of nonprofit legal service providers to deliver deportation defense for detained and non-detained immigrants, affirmative immigration legal services for vulnerable populations, and connections to community-based support services. RepresentLA prioritizes individuals and families facing the greatest barriers to legal representation and helps ensure that immigrants navigating the immigration system have access to qualified legal counsel and trusted support.	\$3,733,000.00	DCBA	Countywide	Immigrant communities	\$3,733,000.00	\$0.00	Expansion	None	County Staff and Contracts
9 ATI: Non-custodial diversion and reentry programs, including housing and services and 6 ATI: Community-based restorative justice program	Men's Central Jail Closure Plan	JCIT will coordinate with County Departments to partially fund the following programs from the Board of Supervisor Directives. JCIT will work with the CFCI Advisory Committee and Leadership on this effort. The Department of Health Services (DHS) JCIT Required Action No.1.1 - Office of Diversion and Reentry Law Enforcement Assisted Diversion (ODR-LEAD) Expansion, Public Defender (PD) JCIT Required Action No. 2.1 - Holistic Early Assessment and Linkage Program (HEAL) Expansion*, Department of Public Health (DPH) JCIT Required Action No. 3.1 - Client Engagement and Navigation Services (CENS) Expansion, Lead: Justice, Care and Opportunities Department (JCOD); Support: PD and Alternate Public Defender (APD) JCIT Required Action No. 3.2 - Rapid Diversion Program (RDP) Expansion* DHS JCIT Required Action No.3.4 - ODR Housing Expansion for High Observation Housing (P3) and Forensic In-Patient Unit (P4) Clients* \$3,100,000 DHS JCIT Required Action No.3.5 - ODR Housing for Moderate Observation Housing/Outpatient (P2) Clients	\$11,000,000.00	JCIT and respective County Departments	Countywide	Justice impacted individuals and families	\$0.00	\$11,000,000.00	Expansion	Unknown	County Staff and Contracts
9 ATI: Non-custodial diversion and reentry programs, including housing and services	JCOD Pretrial and Diversion Services Programs	Funding must be allocated to one or more of the following programs for expansion: JCOD Supportive Release Program The Justice Care and Opportunities Department (JCOD)'s Supportive Release Program is implemented through its Independent Pretrial Services Agency and operates through a team of navigators that screen individuals who are incarcerated or at risk of incarceration and are in need of supportive services, including check-ins, transportation, court reminders, placement in emergency housing, and referrals to care management, employment, and interim housing needs. Pretrial Diversion Program: diverts individuals detained for non-serious/non-violent misdemeanors and felonies to community supports, in lieu of criminal charges being filed (which could entail prosecution and jail time). This program addresses Intercept 2 of the Sequential Intercept Model – the strategic framework for LA County's re-defining of the justice system and push towards more community-based upstream prevention. SECTOR Workforce Diversion: These projects and programs seek to increase access and success for system-impacted individuals and others with justice-related barriers to employment in connecting to quality jobs and career pathways with a focus on high-growth and in-demand sectors in LA County. Pretrial Release Evaluation Program • includes case management and service linkage and navigation from arraignment until the conclusion of a participant's case and beyond, •Offers a pathway out of detention and into housing for unhoused individuals. • Transportation from custody to JCOD short-term housing while case managers apply for longer-term options. Specialized Treatment for Optimized Programming STOP: provides an alternative to incarceration by increasing access to supportive interim housing and wrap-around services to justice-involved individuals experiencing substance use disorder or co-occurring substance use and mild-to-medium mental health symptoms. STOP creates pathways from custody to treatment for these individuals who are referred by LASD to serve the remainder of their sentence in community treatment, referred by defense attorneys fulfilling treatment requirements from the court, or referred by Probation seeking treatment in lieu of violation. Individuals may be referred to JCOD-STOP: • As a condition of the Court (post-disposition referral from defense counsel). • As a condition of felony Probation supervision (Probation referral in lieu of a violation and/or remand to custody). • As part of a mental health diversion program (pretrial referral from defense counsel), thereby offering attorneys a referral pathway to services to meet mental health diversion requirements. • Or by the LA County Sheriff's Department as an alternative to an in-custody sentence. • The eligibility requirements for JCOD-STOP are: • Individuals must be 18 years old or older. • Must be willing to participate in programming for a minimum of 90 days (however, individuals may participate for up to a year with optional extensions reviewed on a case-by-case basis). • Individuals charged with any offense are eligible, however, arson and sex offenses must be reviewed on a case-by-case basis based on available placements. • Individuals are not eligible for JCOD-STOP if: • They are on parole (there is an existing program similar to JCOD-STOP for individuals on parole). • They have a serious mental illness (JCOD-STOP works with referrers to recommend agencies with more clinically suitable placements). • They have a serious medical issue that requires licensed medical care. • They are serving a split sentence via PC 1170(h) (who are overseen by Probation).	\$ 4,645,000.00	JCOD	Countywide	Justice impacted individuals and families	\$4,645,000.00	\$0.00	Expansion	None	County Staff and Contracts
9 ATI: Non-custodial diversion and reentry programs, including housing and services	ODR Diversion Interim Housing Plus	This project will equitably reduce the number of people incarcerated and reduce homelessness, emergency services use, and DHS healthcare cost for this population with a Interim Housing Plus program. This population - persons experiencing homelessness and mental health, substance use, or complex physical health needs, are disproportionately impacted by the carceral system. Project resources will be directed to this highly vulnerable and impacted population in part by using sheriff, jail, healthcare records and CIO data to identify project participants and target development and implementation of housing and clinical resources. It is important to note that ODR will contract with grassroots community-based organizations who are largely minority owned, provide housing and services in the communities noted above as high need - the clients come from, and are led by or employ persons with lived experience of justice involvement and/or homelessness.	\$6,968,000.00	DHS-ODR	Countywide	Justice impacted individuals and families	\$6,968,000.00	\$0.00	Expansion	None	County Staff and Contracts
JCOD CFCI Administration Dollars	Not Applicable	Restoration of delayed \$648,000 for JCOD's administrative cost per CEO set aside memo. Placed into one time funding in order to allocate the full \$11M to JCIT, but will be made ongoing in the Round 7 spending plan	\$648,000.00	JCOD	Countywide	Not Applicable		\$648,000.00	Expansion	None	County Staff and Contracts

CFCI Advisory Committee Spending Plan Recommendations for Round 6 (2026-2027)

Funding Area	Program Area	Program Description	Dollar Amount	TPA or County	Geographies	Target populations	One Time	Ongoing	New or expansion	Potential Alternative Funding or Co-Investments	Departmental Administration (County Staff or Contracts)
JCOD CFCI Administration Dollars	Not Applicable	Ongoing: 2.5% of \$11M set aside. \$1.5M for temporary staff, \$500k for community engagement and CFCI story-telling and \$1M to build out the evaluation infrastructure. Ultimately, increase JCOD's administrative rate from 1% to 2.5% to have the necessary staffing and infrastructure to effectively coordinate CFCI efforts with the expanding administrative obligations including capacity-building program needs for grantees, program management of CFCI-funded services, budget and fiscal staff support, data gathering, analysis and evaluation, ongoing audit review if CFCI funding, increased to the CFCI Advisory Committee and enhanced communication strategy and support. This allocation is for the 1.5% increase calculated based on the the \$300M ongoing commitment.	\$275,000.00	JCOD	Countywide	Not Applicable	\$275,000.00	\$0.00	Expansion	None	County Staff and Contracts
JCOD CFCI Administration Dollars	Not Applicable	One time GAP funding of \$3M Increase Administration until the full 2.5% is achieved. JCOD's administrative rate from 1% to 2.5% to have the necessary staffing and infrastructure to effectively coordinate CFCI efforts with the expanding administrative obligations including capacity-building program needs for grantees, program management of CFCI-funded services, budget and fiscal staff support, data gathering, analysis and evaluation, ongoing audit review if CFCI funding, increased to the CFCI Advisory Committee and enhanced communication strategy and support. This allocation is for the 1.5% increase calculated based on the the \$300M ongoing commitment. To account for the difference \$31K was subtracted from this lone item and will be adjusted and restored in Round 7.	\$2,969,000.00	JCOD	Countywide	Not Applicable	\$2,969,000.00	\$0.00	Expansion	None	County Staff and Contracts
Set Aside Amount	\$26,668,000.00		Total	\$70,190,000.00	NOTE: the \$648,000 in line 19 was already allocated to JCOD in the County budget for FY26-27. It is added in this spreadsheet for clarity on the full set-aside amount.		\$58,542,000.00	\$11,648,000.00	0		
Underspend Amount (Confirmed)	\$43,522,000.00	Remaining Available Balance	\$0.00			Amount Available	\$58,542,000.00	\$11,648,000.00	\$70,190,000.00		
Projected Amount Available	\$70,190,000.00	Remaining Available Balance	\$55,298,000.00			Remaining Balance	\$0.00	\$0.00	\$0.00		
JCOD Admin Total	\$3,892,000.00						One Time	Ongoing			



Chief Executive Office.

COUNTY OF LOS ANGELES

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CHIEF EXECUTIVE OFFICER

Joseph M. Nicchitta

August 10, 2026

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

From: Joseph M. Nicchitta 
[Joseph M. Nicchitta \(Aug 9, 2026 13:57:40 PDT\)](#)
Chief Executive Officer

UPDATED BOARD-DIRECTED FUNDING PRIORITIES AND REVISED TIMELINE FOR CARE FIRST AND COMMUNITY INVESTMENT ADVISORY COMMITTEE FUNDING RECOMMENDATIONS FOR FISCAL YEAR 2026-27

The purpose of this memorandum is to update the Board of Supervisors (Board) - directed funding priorities identified in the Chief Executive Office's (CEO) [June 15, 2026](#), Care First and Community Investment (CFCI) Set-Aside memorandum to reflect additional Board direction adopted by the Board on [July 21, 2026](#), and to provide a revised submission timeline for the Fiscal Year (FY) 2026-27 Year Six CFCI Spending Plan (Spending Plan).

Updated Board-Directed Funding Priorities

On [July 21, 2026](#), the Board adopted Item No. [59-B](#) on the Board's Supplemental Agenda, entitled "Keep on Track: Funding Year One of the Men's Central Jail Closure Plan." Through this action, the Board directed the CEO to identify and fund the first year of the Jail Closure Implementation Team's (JCIT) Men's Central Jail Closure Plan and to have that funding reflected in the FY 2026-27 Supplemental Changes budget. The motion identifies a total ongoing funding need of \$28.3 million, of which \$25.5 million is eligible for funding through CFCI to implement the first-year required actions identified by JCIT.

Accordingly, the Board-directed funding priorities identified in the CEO's CFCI Set-Aside memorandum are updated to include this additional Board-directed priority. As the CFCI Advisory Committee develops its Spending Plan recommendations, it should do so with the understanding that the Board has identified the first-year implementation of JCIT's Men's Central Jail Closure Plan as an additional Board-



directed funding priority requiring ongoing funding. The CEO will evaluate the CFCI Advisory Committee's recommendations within the context of this additional Board-directed funding priority and the overall availability of funding as part of the Spending Plan recommendations and the FY 2026-27 Supplemental Changes budget process.

Year Six CFCI Spending Plan Timeline

As communicated in the CFCI Set-Aside memorandum, the CEO's goal was to incorporate the Board-approved Spending Plan during the FY 2026-27 Supplemental Changes budget phase. To meet that goal, the required public hearing on the Spending Plan would need to occur on September 22, 2026.

This timeline is only achievable if the CFCI Advisory Committee's actionable funding recommendations were received by the CEO no later than July 31, 2026, consistent with the timeline established by the Board's [May 6, 2025](#), motion.

As the CFCI Advisory Committee has advised the CEO that its funding recommendations will be transmitted no earlier than August 11, 2026, the September 22, 2026, public hearing deadline can no longer be achieved. Because the Board letter filing deadline for the September 22 public hearing is August 6, 2026, the CEO will instead pursue the next available public hearing date of October 27, 2026.

The revised timeline is necessary to comply with the [Los Angeles County Charter](#), which requires: *"that at least ten percent (10%) of the County's locally generated unrestricted General Fund revenues (net County cost) be allocated annually, after input from, among others, the public and County departments at a public hearing, for Direct Community Investments and Alternatives to Incarceration purposes."* Accordingly, the October 27, 2026, public hearing will satisfy the County Charter's annual public hearing requirement before recommendations are presented to the Board.

Although the Spending Plan will no longer be considered as part of the Supplemental Changes budget phase, this does not substantially delay the availability of Board-approved funding. Consistent with the implementation approach used for prior CFCI Spending Plans, the CEO intends to initiate the necessary mid-year budget adjustment immediately following Board-approval of the Spending Plan to make approved funding available for implementation.

Submission of an Actionable Year Spending Plan

The October 27, 2026, public hearing timeline also remains contingent upon receipt of an actionable Year Six CFCI Spending Plan that can be advanced with minimal revisions and limited additional due diligence review and refinement. As discussed with the CFCI Advisory Committee leadership on June 8, 2026, the CFCI Advisory Committee, in collaboration with the Justice, Care and Opportunities Department, should ensure that the following due diligence has been completed before transmitting recommendations to the CEO:

- Budget review and reconciliation of the Spending Plan, including verification that recommendations align with available funding.
- Review of funding structure, sustainability, and ongoing fiscal impacts.
- County Counsel review for legal sufficiency, legal compliance, and consistency with Measure J and the CFCI Board Policy No. 4.031.
- Confirmation of project scope, allowable uses, administering entity, and departmental capacity.
- Review for consistency with previously adopted CFCI Spending Plans and administrative approaches.
- Verification that final CFCI Advisory Committee-approved funding allocations reconcile with available resources.

Completion of these due diligence activities will help ensure that the CFCI Advisory Committee's recommendations can be advanced to the Board with minimal revisions and within the revised timeline.

The CEO appreciates the CFCI Advisory Committee's continued partnership in developing the Spending Plan and remains committed to working collaboratively to advance recommendations that are complete, fiscally and legally sound, and ready for timely Board consideration.

Should you have any questions regarding this memorandum, please contact me or Erika Bonilla at (213) 974-9689 or ebonilla@ceo.lacounty.gov.

JMN:JG:MRM
EB:JA:gl

Attachment

c: Executive Office, Board of Supervisors
 County Counsel
 Justice, Care and Opportunities
 Care First and Community Investment Advisory Committee

Care First and Community Investment (CFCI)
Updated Board Priorities and Critical Projects as of July 21, 2026

Department	Program Name	Ongoing Funding Needs	One-Time Funding Needs
Department of Health Services (DHS)	JCIT Required Action No.1.1 - Office of Diversion and Reentry Law Enforcement Assisted Diversion (ODR-LEAD) Expansion*	\$7,200,000	
Public Defender (PD)	JCIT Required Action No. 2.1 - Holistic Early Assessment and Linkage Program (HEAL) Expansion*	\$4,387,000	
Department of Public Health (DPH)	JCIT Required Action No. 3.1 - Client Engagement and Navigation Services (CENS) Expansion*	\$2,588,000	
Lead: Justice, Care and Opportunities Department (JCOD); Support: PD and Alternate Public Defender (APD)	JCIT Required Action No. 3.2 - Rapid Diversion Program (RDP) Expansion*	\$6,342,000	
DHS	JCIT Required Action No.3.4 - ODR Housing Expansion for High Observation Housing (P3) and Forensic In-Patient Unit (P4) Clients*	\$3,100,000	
DHS	JCIT Required Action No.3.5 - ODR Housing for Moderate Observation Housing/Outpatient (P2) Clients*	\$1,900,000	
Department of Youth Development (DYD)	Care Coordination in Youth Justice Facilities	\$9,600,000	
DYD	Programming in Youth Justice Facilities	\$2,500,000	

Department of Economic Development (DEO)	Small Business Interruption Fund (BIF)	\$5,500,000	
Department of Consumer and Business Affairs (DCBA)	RepresentLA		\$7,100,000
DYD	Community Based Care Coordination for Former Foster Youth and Those Exiting Department of Children and Family Services (DCFS) Care	\$5,000,000	
DEO	The Office of Resiliency	\$400,000	
DYD	Youth Development Network (YDN) Prevention Services	\$4,000,000	
Total Funding Needs		\$52,517,000	\$7,100,000

****New – Jail Closure Implementation Team (JCIT) – Funding Year One of the Men’s Central Jail (MCJ) Closure Plan (Added after July 21, 2026, Board meeting).***

Priorities in need of one-time funding

- 1. DCBA – RepresentLA:** \$7.1 million in one-time funding to provide programmatic support for Fiscal Year (FY) 2026-27. The funding will ensure continued capacity for legal representation, while prioritizing individuals/communities impacted by aggressive federal immigration enforcement. [July 1, 2025, motion.](#) (Note: The program is funded with \$2.587 million in CFCI one-time funding as part of the [CFCI Year 5 Spending Plan.](#))

Priorities in need of ongoing funding

(Given that there are more requests than available ongoing funding, some of the requests below can be scaled with one-time funding).

- 2. Various Departments – Jail Closure Implementation Team (JCIT):** \$25.5 million in ongoing funding. On [July 21, 2026](#), the Board of Supervisors adopted *Keep on Track: Funding Year One of the Men’s Central Jail Closure Plan*. The motion identifies an ongoing funding need to support the first-year implementation of six of the seven priority actions, including expansion of the Office of Diversion and Reentry’s Law Enforcement Assisted Diversion (ODR-LEAD) Program; expansion of the Public Defender’s Holistic Early Assessment and Linkage (HEAL) Program to all felony arraignment courts; expansion of the Department of Public Health’s Client Engagement and Navigation Services (CENS) to uncovered felony arraignment courts; stabilization and expansion of the Justice, Care and Opportunities Department’s (JCOD) Rapid Diversion Program (RDP); stabilization and expansion of ODR housing for P3 and P4

clients; and expansion of ODR housing for P2 clients with higher mental health needs. The Board identified these investments as the first-year actions necessary to advance the County's five-year Men's Central Jail closure strategy.

- a. JCIT Required Action No. 1.1 - Office of Diversion and Reentry Law Enforcement Assisted Diversion (ODR-LEAD) Expansion:** \$7.2 million in ongoing funding. Expand ODR-LEAD capacity by adding new Intensive Case Management Services (ICMS) and Permanent Supportive Housing slots and scaling services into additional communities. In response to the Board's [July 21, 2026, motion](#) and the Jail Closure Implementation Team's (JCIT) [July 2026 required actions for jail closure](#), funding will support the proposed expansion of ODR-LEAD into new service areas while strengthening capacity at existing locations, ensuring continued support for diversion pathways that reduce jail inflow. ODR-LEAD is a direct JCIT strategy focused on diverting individuals experiencing homelessness, behavioral health conditions, or substance use disorders away from the justice system and into community-based stabilization, making this funding critical to maintaining and expanding essential diversion capacity within the County's continuum of care, advancing the County's jail-closure strategies as recommended in Required Action No. 1.1 of the July report.
- b. JCIT Required Action No. 2.1 - Holistic Early Assessment and Linkage Program (HEAL) Expansion:** \$4.3 million in ongoing funding. Expand HEAL to nine of the ten remaining felony arraignment courts. In response to the Board's [July 21, 2026, motion](#) and JCIT's [July 2026 required actions for jail closure](#), Year One funding will support the addition of psychiatric social workers across expansion courts, enabling HEAL to conduct early behavioral health assessments at arraignment and expedite linkage to diversion programs and treatment. The HEAL program is a direct JCIT strategy that shortens the length of incarceration by reducing delays associated with behavioral health evaluations and treatment placement, making this funding critical to accelerating case processing improvements and advancing the County's jail-closure strategies as recommended in **Required Action No. 2.1** of the July report. Note: This amount is less than outlined as needed in the report, as JCIT has decided to fund one of the ten expansion sites with JCIT CFCI funds.
- c. JCIT Required Action No. 3.1 - Client Engagement and Navigation Services (CENS) Expansion:** \$2.5 million in ongoing funding. Expand CENS to five uncovered felony arraignment courts. In response to the Board's [July 21, 2026, motion](#) and JCIT's [July 2026 required actions for jail closure](#), funding will support the expansion of Substance Use Disorder (SUD) screening and referral capacity at additional courthouse locations, ensuring that in-custody individuals are prioritized for timely SUD assessments and navigation to treatment. CENS is a direct JCIT strategy that connects individuals whose legal involvement is driven by substance use to Medi-Cal enrollment, treatment linkage, and recovery supports

(including room and board for residential treatment and recovery housing), making this expansion essential to strengthening diversion pathways, reducing custody stays, and advancing the County's jail-closure strategies as recommended in **Required Action No. 3.1** of the July report.

d. JCIT Required Action No. 3.2 - Rapid Diversion Program (RDP)

Expansion: \$6.3 million in ongoing funding. Sustain eight courthouses and expand to two new courthouses. In response to the Board's [July 21, 2026, motion](#) and JCIT's [July 2026 required actions for jail closure](#), funding will sustain the eight existing RDP courthouse sites and support expansion to two additional sites, ensuring continued support for current one-time funded sites while simultaneously growing the program's reach. The RDP is a direct JCIT strategy and **pre-plea behavioral health diversion program** that connects justice-involved individuals with mental health or SUD to programming, housing, and case management, making sustained funding critical to preserving essential diversion capacity within JCOD's continuum of care, advancing jail-closure strategies as recommended in **Required Action No. 3.2** in the July report. Note: The funding amount includes JCOD program costs, as well as cost to PD and APD for staffing and support staff. The amount is less than outlined as needed in the report, as JCIT has removed the costs associated with the District Attorney's Office, as they are ineligible to receive CFCI funds.

e. JCIT Required Action No. 3.4 - ODR Housing Expansion for P3 and P4 Clients:

\$3.1 million in ongoing funding. Expand ODR Housing capacity for P3 and P4 clients through the addition of court hearing capacity and new housing slots. In response to the Board's [July 21, 2026, motion](#) and JCIT's [July 2026 required actions for jail closure](#), funding begins scaling ODR Housing so that eligible P3 and P4 clients can be safely released from custody into community-based treatment at increased monthly volumes. ODR Housing is a direct JCIT strategy providing court-ordered release and intensive treatment for individuals with severe or acute mental illness, making sustained expansion funding critical to achieving population reductions required for MCJ closure and advancing **Required Action No. 3.4** in the July report.

f. JCIT Required Action No. 3.5 - ODR Housing for P2 Clients:

\$1.9 million in ongoing funding. Launch expansion of ODR Housing for P2 clients in parallel with P3 and P4 growth. In response to the Board's [July 21, 2026, motion](#) and JCIT's [July 2026 required actions for jail closure](#), Year One funding provides the housing slots necessary to expand releases for suitable P2 clients—whose treatment needs are significant but less acute than P3 and P4. This expansion is a direct JCIT strategy that broadens access to diversion for individuals with moderate mental health needs, reinforcing treatment pathways that reduce the custody footprint and advancing the County's jail-closure strategies as outlined in **Required Action No. 3.5** in the July report.

3. DYD – Care Coordination and In-Facilities Programming:

a. Care Coordination in Youth Justice Facilities: \$9.6 million in ongoing funding. In response to the [April 7, 2026, motion](#), funding will support the establishment of DYD Care Coordination Teams and strengthen program management capacity to develop and deliver individualized, youth-centered care plans in collaboration with all relevant partners, ensuring integrated support, fostering youth development, and promoting successful reentry into the community. (Note: Not currently funded with CFCI.)

b. Programming in Youth Justice Facilities (expand programming across facilities): \$2.5 million in ongoing funding. In response to the [April 7, 2026, motion](#), funding will support expanded programming tailored to address identified gaps in cognitive and creative development, recreation and environment, social connection and mentorship, workforce and leadership, training and evaluation, and other identified needs, ultimately fostering youth growth, building life skills, and promoting successful reintegration into the community. (Note: Not currently funded with CFCI.)

4. DEO – Small Business Interruption Fund (BIF): \$5.5 million in ongoing funding. The County BIF provides emergency grants to eligible businesses impacted by significant disruptions—such as ICE enforcement actions, natural disasters, mandated closures, or labor disputes. The program is administered by the DEO in partnership with a third-party administrator. Supervisorial District’s 1 and 2 [March 17, 2026, motion](#). (Note: The program is funded with \$3.3 million in CFCI one-time funding as part of the [CFCI Year 5 Spending Plan](#).)

5. DYD – Community-Based Care Coordination for Former Foster Youth and Those Exiting DCFS Care: \$5.0 million in ongoing funding. In response to the [November 18, 2025, motion](#), funding will support the launch of comprehensive care coordination and wrap-around services for former foster youth and those exiting DCFS care through age 26, addressing the risk of homelessness, housing instability, and further system involvement by ensuring timely access to navigation support, community-based resources, and holistic, youth-centered interventions. (Note: Not currently funded with CFCI.)

6. DEO – The Office of Resiliency: \$0.4 million in ongoing funding. The Office of Resiliency will be focused on administering the BIF Countywide. The funding will support 3.0 positions. [March 17, 2026, motion](#). (Note: Not currently funded with CFCI.)

7. DYD – Youth Development Network (YDN) Prevention Services (sustain existing services provided in community): \$4.0 million in ongoing funding.

In response to the Board's [November 18, 2025](#), and [August 6, 2024](#), motions for the YDN and the ongoing need to grow community capacity, funding will sustain critical YDN prevention services previously supported by one-time Mental Health Services Act funding and lost due to the transition to Behavioral Health Services Act. These services are integral to DYD's network of community-based organizations and serve as a core component of DYD's continuum of care, ensuring that essential prevention services currently being delivered in the community are not disrupted. (Note: Not currently funded with CFCI.)