



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, CA 90012

Dear Supervisors:

**RECOMMENDATION TO DELEGATE AUTHORITY TO EXECUTE DATA USE
AGREEMENT AND CONTRACT WITH CITY OF LOS ANGELES ON HOMELESS
MANAGEMENT INFORMATION SYSTEM AND COORDINATED ENTRY SYSTEM
(ALL AFFECTED) (3-VOTES)**

SUBJECT

Recommendation to delegate authority to the Director of the Department of Homeless Services and Housing (HSH) to negotiate and execute a Data Use Agreement (DUA) and contract (Contract) with the City of Los Angeles (City) concerning the City's access to and use of the Homeless Management Information System (HMIS), and the City's role in conducting matching through the Coordinated Entry System (CES) for certain units located within City limits, consistent with the attached term sheet, and subject to applicable laws, regulations, and Los Angeles Continuum of Care (LA CoC) governance requirements, policies, and procedures.

The execution and implementation of the DUA and Contract shall be contingent upon the Los Angeles County's (County) designation as the HMIS Lead and CES Management Entity by LA CoC and compliance with all applicable requirements and required approvals. The proposed agreements are intended to support collaboration between the County and the City and are not prerequisites to the County's assumption of the HMIS Lead and CES Management Entity role. Should either agreement be unable to proceed for any reason, the County may continue to pursue, accept, and carry out these roles, consistent with the applicable laws, regulations, and LA CoC governance requirements.

IT IS RECOMMENDED THAT THE BOARD:

1. Delegate authority to the Director of HSH, or her designee, to negotiate and execute a DUA with the City governing the City's access to and use of HMIS data, consistent with the attached term sheet, and to execute amendments to or terminate the agreement in accordance with its terms, subject to prior review and approval as to form by County Counsel; and
2. Delegate authority to the Director of HSH, or her designee, to negotiate and execute the Contract with the City establishing the terms under which the City may perform CES matching for certain specified CES-covered units within the City, consistent with the attached term sheet, and to execute amendments to or terminate the Contract in accordance with its terms, subject to prior review and approval as to form by County Counsel.
3. Delegate authority to the Director of HSH, or her designee, to execute any other agreements, memoranda of understanding, or other documents necessary to effectuate the terms of the attached term sheet.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The purpose of these recommendations is to authorize the Director of HSH, or her designee, to negotiate and enter into a DUA and Contract with the City governing the City's access to and use of HMIS and establishing the terms under which the City may conduct CES matching for certain specified units within the City, consistent with the attached term sheet and applicable laws, regulations, and LA CoC policies and requirements.

The LA CoC is responsible for designating entities to administer four key functions that support homeless services coordination within the LA CoC service area: 1) the Collaborative Applicant, responsible for coordinating regional requests for funding from the U.S. Department of Housing and Urban Development (HUD) to support homeless services; 2) HMIS Lead, responsible for managing the regional data system used to track homeless services; 3) CES Management Entity, responsible for managing the system that supports assessing, prioritizing, and matching persons experiencing homelessness (PEH) with available permanent supportive housing and other housing units; and 4) the Point-in-Time Count Administrator, responsible for coordinating the count of sheltered and unsheltered PEH within the LA CoC service area. The LA CoC service area includes 85 cities, including the City, and the unincorporated County areas but excludes Pasadena, Glendale, and Long Beach, as they have their own CoC. The LA CoC requested approximately \$240 million in response to HUD's Fiscal Year (FY) 2026 CoC Program Notice of Funding Opportunity (NOFO) to fund housing and services for people experiencing homelessness in the LA CoC, based on its annual renewal demand (ARD).

We recommend that the Board of Supervisors (Board) delegate authority to the Director of HSH, or her designee, to negotiate and execute a DUA and Contract with the City, consistent with the attached term sheet. The agreements are intended to resolve potential litigation with the City, provide the City with enhanced access to HMIS data to support City services and case management for PEH, and establish the terms under which the City may conduct CES matching for specified units, consistent with CES policies and requirements. If designated by the LA CoC and upon completion of any other legally required steps, the County would assume responsibility for all four functions, thereby helping to preserve and protect approximately \$240 million in federal funding that supports homeless services within the LA CoC service area.

Implementation of Strategic Plan Goals

Adopting these recommendations supports the County's Strategic Plan Goal North Star 1- Make investments that transform lives. Focus Area Goal C: Housing and Homelessness: Support efforts that prevent displacement, increase access to housing stability, develop more affordable housing, sustain homeownership opportunities, and enhance the effectiveness of the County's homeless rehousing

FISCAL IMPACT/FINANCING

Implementation of the recommended DUA and Contract is not expected to have any impact on net County cost (NCC). HSH would leverage LA CoC funding to support the four LA CoC functions, including HMIS and CES administration.

For FY 2026-27, the Los Angeles Homeless Services Authority (LAHSA) has budgeted approximately \$24.2 million to administer the four LA CoC functions, including \$12.3 million for HMIS and \$5.8 million for CES. Of the \$12.3 million for HMIS, the County funds approximately \$6 million, the City funds approximately \$2.4 million, and approximately \$3.9 million comes from federal, State, and other sources. Of the \$5.8 million for CES, the County funds approximately \$942,000, the City funds approximately \$812,000, and approximately \$4 million comes from federal sources. The County's financial contributions to these systems originate from Measure A and other non-NCC sources. HSH would need to evaluate available funding sources in future FYs and determine how funding will support the administration of HMIS and CES.

The term sheet does not address funding for City-performed matching from CES. In discussions with the City, it was discussed that the City could leverage the funding they currently contribute to LAHSA for its CES functions.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

LAHSA currently administers all four functions identified above on behalf of the LA CoC. On June 11, 2026, HUD notified LAHSA of its immediate suspension from participating in transactions with the federal government, including its responsibilities as the LA CoC's Collaborative Applicant role. On June 18, 2026, HUD also notified the LA CoC that it was not meeting certain federal requirements, raising concerns regarding the region's continued access to federal homelessness funding. On June 29, 2026, LAHSA filed a lawsuit against HUD challenging its suspension and seeking to prevent disruption of federal funding supporting homelessness and housing assistance throughout the region. On August 13, 2026, the U.S. District Court for the Central District of California issued a preliminary injunction temporarily reinstating LAHSA's administrative roles and directing the LA CoC to initiate a process to identify entities to assume the four functions for FY 2027. On September 24, 2026, the Ninth Circuit Court of Appeals largely preserved the preliminary injunction.

In response to the Court's direction, LA CoC initiated a competitive selection process for the four CoC functions. The County applied to assume all four functions, while the City applied to assume the HMIS and CES functions. Following an evaluation of the applications, the LA CoC Board recommended the County for all four roles.

The LA CoC initially convened a General Membership meeting on October 9, 2026, to consider the County for the administrative roles. Prior to the meeting, the City objected to the LA CoC's recommendation to award the County HMIS and CES administration. Due to unprecedented attendance exceeding the virtual meeting capacity, the October 9th meeting was adjourned. On October 13, 2026, another special meeting of the General Membership was convened and the General Membership voted overwhelmingly to designate the County as Collaborative Applicant and Point-in-Time Count Administrator (310-9, with 12 abstentions), subject to applicable transition plans of the parties or the Court. A subsequent General Membership meeting is anticipated to consider the County's designation as HMIS Lead and CES Management Entity.

On October 14, 2026, the LA CoC sent a letter to the County and City urging both to work together to identify a collaborative path forward. The need to resolve the designation of the remaining administrative functions is particularly important given the ongoing federal litigation, the funding timelines, and the approximately \$240 million in federal CoC program funding supporting housing and homelessness services throughout the region. Continued uncertainty regarding the administration of these functions could jeopardize the timely administration and continuity of critical federal funding and services.

Also on October 14, 2026, the City Council met in closed session to discuss potential litigation challenging the CoC's process by which it identified the County as the most qualified applicant for all four CoC functions. In open session, the City Council requested that the City Attorney prepare litigation options and directed the City's Chief Administrative Officer (City CAO), Chief Legislative Analyst (CLA), and Los Angeles Housing Department (LAHD) to continue to negotiate with the County on terms for co-management of CoC programs including co-leadership of HMIS and CES. City CAO and CLA were also directed to revisit previous City motions requesting reports on the City standing up its own CoC. These directives were further reinforced in a motion filed by Council President Harris-Dawson on October 16, 2026. This motion was agendized on October 21, 2026, and then continued on October 23, 2026.

On October 20, 2026, HUD filed a court submission addressing the selection of entities for the Collaborative Applicant, HMIS Lead, and CES Management Entity roles pursuant to the Court's preliminary injunction order. HUD acknowledged that the LA CoC General Membership designated the County HSH as Collaborative Applicant and Point-in-Time Count Administrator on October 13, 2026. HUD also noted that HSH received the highest scores in the selection process and was selected by the LA CoC Board for the HMIS Lead and CES Management Entity roles, although the General Membership had not yet formally voted on those designations. HUD indicated that HSH was acceptable for these roles and expressed a preference for HSH to assume the HMIS and CES functions to facilitate transition and oversight. Formal written notification to HUD of the Collaborative Applicant change remains outstanding. The LA CoC intends to have another meeting on October 26, 2026, regarding the HMIS Lead and CES Management Entity role.

The Chief Executive Officer, Director of HSH, and Executive Director of the Los Angeles County Development Authority have engaged in extensive negotiations with the City CAO and other City leaders, resulting in the attached term sheet. The term sheet reflects the following general agreements:

- The County agreed to enter into a DUA with the City to ensure the City maintains the same level of HMIS data access that they have currently through LAHSA, and further agreed to an expanded role for the City in determining HMIS access and infrastructure enhancements.
- The County agreed that the City will conduct CES matching for CES-covered units in a project that receives City capital or operating funding, including those from its Housing Authority, HACLA.
- The City agreed to conduct CES matching in compliance with CES policy and agreed that the City cannot prioritize City-funded program participants for matching over any other PEH. If the City does not timely match participants or violates policy, the County can terminate the agreement with the City.

The City Council considered the term sheet on October 23, 2026, and authorized the City CAO to execute an agreement with the County consistent with the term sheet. In this meeting, the City Council approved the terms and instructed the City CAO and CLA, and requested the City Attorney, to draft binding agreements based on the approved terms, and to report on the agreements to Council within 60 days of the vote by the LA CoC General Membership related to the lead role for CES and HMIS. City Council further instructed the City CAO, CLA, and LAHD to negotiate terms with the County regarding the Collaborative Applicant and Point-in-Time Count roles for the LA CoC, and report to Council within 60 days.

The proposed agreements recognize the City's extensive investments in permanent supportive housing within its jurisdiction. However, allowing the City to conduct CES matching for specified units within the City could result in less efficiency than maintaining a single administrator responsible for all CES matching throughout the LA CoC service area, which as stated above includes 84 other cities and the County's unincorporated areas. To address these concerns, the City has agreed to safeguards allowing the County to monitor in real time the City's timeliness and compliance with applicable CES policies, including but not limited to the right to terminate the Contract for failure to conduct timely matching or comply with those policies. Because CES is a regional system and throughput from interim housing beds to permanent housing units is essential, and consistent with existing CES policy, the City has agreed it will not prioritize City-funded program participants for matching over other PEH.

The County is not required to enter into the proposed agreements with the City to assume the HMIS Lead and CES Management Entity roles. Rather, the agreements are intended to facilitate collaboration with the City, address potential litigation, and support the effective administration of HMIS and CES. The County's acceptance and administration of these roles, if designated by the LA CoC, are independent of the proposed agreements. Accordingly, the County intends to proceed with assuming and carrying out these responsibilities regardless of whether the agreements are ultimately executed or implemented. Additionally, should the City initiate litigation over the LA CoC's process and recommendation to name the County as administrator for all four functions, the County would not need to proceed with the DUA or the Contract.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

The impact on homelessness services in the region are identified above. No other impacts to current services or projects are anticipated.

The Honorable Board of Supervisors
10/27/2026
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Respectfully submitted,



JOSEPH M. NICCHITTA
Chief Executive Officer

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Enclosure

c: Executive Office, Board of Supervisors
County Counsel
Homeless Services and Housing
Los Angeles County Development Authority
Mental Health

Homeless Management Information System (HMIS)

Data Access:

- City and County to establish a Data Use Agreement (DUA) prior to County taking HMIS lead, which will include, but not be limited to, the following:
 - City to have access to all data¹ related to PEH within the City.²
 - Processes to provide City access to HMIS and other relevant datasets for PEH within the City as needed via the County's data infrastructure including RMS, UHA, and LA HOP data and the deidentified underlying data used for the Best Practice Standards Care reporting requirements.
 - Establish how County will use City data in reporting, and how the City will be engaged when developing systemwide dashboards using City data.
 - City to have proportional representation on any body, working group, or other process making or recommending design, logic or other decisions on reporting that contains city data.
 - Continued application of the HMIS Access Policy established by the CoC Board, including access to write.
- County and City to use HSH/LAHSAs and LACAHSAs/LAHSAs DUAs as models/starting points for County-City DUA.

¹ As it relates to person level data on PEH within the City enrolled exclusively in non-City-funded programs: access would be limited to approved City staff; publication and distribution beyond approved City staff would be subject to policies and procedures modeled after the existing LAHSA/County DUA; use of any Personal Health Information that may be available in HMIS would be subject to requirements as outlined in a Business Associate Agreement (BAA).

² PEH within the City means any PEH with any documented Current Living Situation, program enrollment, or other geographic indicator in HMIS is within the boundaries of the City.

HMIS System Improvements:

- Increased City staff participation in Data Working Group established by County to oversee build out and any continual modification of the HMIS system including connecting HMIS to other county run data systems, like CHAMP; this includes approving related consultant or sub-consultant scopes of work. City to have access to test the system to validate accuracy and usability for City purposes.
- County to fund and provide regular training to City staff and City-funded service providers on HMIS input and reporting capabilities, as well as technical assistance to the City teams working in HMIS or using the Data Mart.
- County to fund and maintain modifications to the HMIS system based on reasonable requests by the City within alignment with established data governance.
- County to recommend to the CoC General Membership to formalize HMIS collaborative.

Coordinated Entry System (CES)

Management/Governance:

- County to contract with the City to manage the CES matching process for City-funded³ resources within the City, in accordance with the following:
 - All matching to be done in accordance with CES policies and guidelines.
 - Existing funder-based requirements for matching will be maintained.
 - All eligible PEH in the City shall have access to PSH in accordance with CES policies, regardless of program funding source.
 - The County shall maintain real time visibility into all aspects of the matching process and conduct ongoing monitoring to ensure compliance with established policies, length of time to complete matches, and funding and other requirements.
 - Contract shall include accountability measures and corrective actions should the City fail to perform consistent with CES Policies or other controlling requirements, which could include termination of the contract.
 - The County shall require coordination meetings with the City to review matching processes, performance data, policy compliance, and operational challenges.
 - Effective date of City management shall be no sooner than effective date of County assuming CES Management Entity role and infrastructure transfers.
- Within 60 days of County taking lead on CES, the County and City will jointly develop new recommendations to CES Policy Council (or other designated CES policy making body) to create clear prioritization for eligible City PEH for resources within the City.
- The County to ensure back-end systems supporting implementation of matching or client assessment (HMIS, RMS, UHA, Tableau dashboards) are operational and will institute changes effectively and immediately if flaws or failures are identified, or if required by policy changes.

³ City-funded: all PSH units (project-based or tenant-based) or other CES regulated resources within a project located in the City and supported by funding or financial resources administered by the City, inclusive of HACLA.

System Accountability:

- Establish an accountability structure to address failures in the matching process that outlines how to submit a grievance, the timeline for response, remedy and public transparency of requests.
- Commit to developing, in collaboration with the City, CES performance metrics that capture the role played by CES in achieving the Measure A Best Practice Standard of Care goals. This should include but is not limited to:
 - Comparison of the demographics and program connections of people matched vs those that initially occupied a building
 - Connection of matched and moved in participants to other parts of the system
 - Total number of available units and number of occupied units (Agreed 10/20)
- Requirement for County-administered permanent supportive housing resources, like FHSP and DMH housing resources, to increase transparency about who is connected to them and the process of matching.

Policy Setting:

- County to recommend to the CoC General Membership an update to the CoC Charter that changes CES Policy Council membership to include proportional representation for jurisdictions most impacted by homelessness and providing the greatest amount of housing resources, including dedicated seats for HACLA, LAHD, CAO and CID.
- County and City to jointly staff CES Policy Council and develop any revisions to CES Policy Council and matching policies.
- Matches to City-funded interim housing beds and TLS slots remain a separate function of the City outside of CES.