Replenishing and Expanding Funds for Rapid Re-Housing, Prevention and Supportive Services for Homeless Populations

The County of Los Angeles (County) is in the midst of a homeless crisis that affects more than 44,000 men, women and children who are sleeping in shelters, transitional housing programs, vehicles, and on the streets. Against this backdrop, the Interim Chief Executive Officer (CEO), at the direction of the Board of Supervisors (Board), has created a Homeless Initiative to develop, in coordination with a diverse group of public and private stakeholders, a comprehensive and regional strategy to meaningfully address homelessness. The Interim CEO also augmented the existing Homeless Prevention Initiative (HPI) Fund with an additional $51 million one-time funding as part of the FY15/16 Supplemental Budget Adjustment, bringing the total amount of HPI funding available this fiscal year to $101 million. These funds were intended to be set aside until the strategic planning efforts are completed in early 2016. However, given that homelessness has increased 12% since 2013, and with the harsh winter months approaching, it is imperative that the County initiate investments in known gaps with best practices immediately in order to respond to the crisis at hand.

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Studies have shown that rapid rehousing, which consists of temporary rental subsidies coupled with supportive services and partnerships with community landlords, can significantly shorten the time period in which a person is homeless. Rapid rehousing has also been shown to be more effective and cheaper than transitional housing when it comes to employment and permanent housing outcomes.

Over the last three years, the Board has made strategic investments in rapid rehousing programs for homeless families, particularly through the First 5 LA program, administered by Community Development Commission, and the Homeless Family Solutions System, administered by the Los Angeles Homeless Services Agency. Since 2013, both programs have housed over 2,500 families and only 6% have returned to homelessness. Separately, the region has leveraged federal funds through the Department of Veterans Affairs and put into place a Countywide system to rapidly rehouse homeless veterans. However, the County still does not have a rapid rehousing program for non-veteran homeless single adults.

There are several funding gaps that should be addressed immediately. One funding gap is related to the imminent termination in March 2016 of funding for the First 5 LA rapid rehousing program, which targets at-risk and homeless families with young children under the age of 6. In addition, many of the agencies that are administering the rapid rehousing funds for families have exhausted, or are close to exhausting, the remaining funds which will leave many families unassisted despite the infrastructure in place to provide assistance.

The second funding gap relates to the lack of money to prevent families from entering into homelessness in the first place; these so-called “diversion” approaches are
an important element of any rapid rehousing program to ensure that families which are on the brink of homelessness can also be targeted for assistance. Currently, there is no funding allocation to provide prevention services for this population, even though the infrastructure does exist to provide this assistance through the Family Solutions System.

The third funding gap relates to ensuring that there are rapid rehousing resources for single adults that are homeless but do not have long-term or significant service needs. Infrastructure exists to potentially allocate these funds, through the Department of Health Services’ Housing for Health Division which currently provides rapid rehousing to the probation population. Non-chronic homeless single adults would benefit from rapid rehousing interventions and Housing for Health Division is well-poised to identify community landlords, administer tapering rental subsidies and provide home-based case management services.

Finally, flexible financial resources must be in place to ensure that homeless persons and families have access to ongoing supportive services once they are housed. While the rapid rehousing program model includes funding for supportive services, it is more challenging to secure funding for ongoing supportive services tied to permanent supportive housing. While efforts are underway to expand the availability of resources for permanent supportive housing, the County must also commit ongoing resources to ensure that funding for supportive services is available for all new developments. The County should optimize federal resources through the new Medicaid Waiver for this, and should also assess what level of additional, ongoing resources should be allocated for this purpose.
The following recommendations build on existing initiatives and priorities that were previously approved by the Board. These strategies have been proven to prevent and end homelessness and would allow the County to make a more immediate and substantive impact while the Interim CEO completes the strategic planning process to address these issues.

**I THEREFORE MOVE THAT THE BOARD OF SUPERVISORS:**

Direct the Interim Chief Executive Officer to:

1. Allocate $10,000,000 of the available Homeless Prevention Initiative Funds to the Department of Health Services’ Housing for Health Division, to fund rapid rehousing for single adults who are not chronically homeless, including homeless single adults identified by the Coordinated Entry System, and report back to the Board in writing within 30 days with an operations and expenditure plan;

2. Allocate $2,000,000 to the Los Angeles Homeless Services Authority to fund prevention activities for families on the brink of homelessness, in coordination with the Family Solutions System, and report back to the Board in writing within 30 days with an operations and expenditure plan;

3. Transfer $3,000,000 of available Homeless Prevention Initiative Funds to the Community Development Commission in order to augment and extend rapid-rehousing services for homeless families with children, through the end of FY15/16 so that no service disruption occurs, given existing grant resources are being exhausted and will expire in March 2016, and report back to the Board in writing within 30 days with an operations and expenditure plan; and
4. Identify, as part of the Homeless Initiative Strategy, specific funding sources, including federal and state funds, that could be used to establish a sufficient ongoing pool of funds, in coordination with the Department of Health Services Master Agreement List for Intensive Case Management Services (ICMS), for supportive services tied to permanent supportive housing projects and provide an interim report in writing within 30 days.

I FURTHER MOVE, ACTING AS THE BOARD OF COMMISSIONERS FOR THE COMMUNITY DEVELOPMENT COMMISSION:

5. Direct the Executive Director to accept and incorporate into their FY15/16 Budget, $3,000,000 of Homeless Prevention Initiative Funds allocated by the County of Los Angeles, in order to augment and extend rapid rehousing services for homeless families with children, given existing grant resources are being exhausted and will expire in March 2016.

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