

May 13, 2025

Honorable Mayor and City Council
City of Long Beach
California

RECOMMENDATION:

Recommendation to authorize the City Manager, or designee, to execute all necessary documents for an amendment to Measure H grant agreement, Contract No. HI-24-005, from the County of Los Angeles, to accept and expend grant funding in the amount of \$8,393,336 bringing the total grant amount to \$13,643,884, for the period of May 13, 2024, to June 30, 2027, at the discretion of the City Manager; and,

Increase appropriations in the Health Fund Group in the Health and Human Services Department by \$13,643,884, offset by grant revenue. (Citywide)

DISCUSSION

In response to an increasing homelessness crisis in Los Angeles County, the Los Angeles County Board of Supervisors created the Los Angeles County Homeless Initiative in 2015. In 2016, through a collaborative process with community and government partners, the Board approved 47 strategies that reached across government and community boundaries to forge effective partnerships to address the homelessness crisis. To launch these strategies the County of Los Angeles infused \$100 million in 2016.

In March 2017, Los Angeles County voters approved Measure H, a quarter-cent increase to the County's sales tax to provide an ongoing, ten-year revenue stream to fund services, rental subsidies and housing. Measure H was designed to fund comprehensive regional approaches encompassing 21 interconnected strategies in six areas to address homelessness. County Measure H funding recommendations have been developed, annually, via public processes led by County Chief Executive Office (CEO) Homeless Initiative, with annualized Measure H funding allocations and authorizations adopted by the County Board of Supervisors. The City of Long Beach has been a recipient of Measure H funding, beginning in County FY 17-18, with Measure H funds made available to the City via contract authority granted to the Los Angeles Homeless Services Authority (LAHSA).

Beginning in County FY 21-22, Measure H contract authority transferred from LAHSA to the County CEO Homeless Initiative. On December 7, 2021, City Council authorized the Long Beach Continuum of Care (Homeless Services Bureau) to enter into a multi-year agreement with the Los Angeles County Chief Executive Office, to receive and expend up to \$5,236,895 in annual

Measure H funding, to implement Homeless Initiative strategies, as recommended by County CEO and as adopted by the County Board of Supervisors July 6th, 2021. Contract AO-22-607 was fully executed March 19, 2022, structured as an initial operating period of November 1, 2021, through June 30, 2022, with mutual options to renew for four additional one-year periods. Contract. AO-22-607 was amended October 17, 2023, to include an additional funding authorization for County FY 22-23, as adopted by the Board May 17, 2022

On May 3, 2022, the County Board of Supervisors voted to replace the originally adopted Homeless Initiative strategies, with a new operational framework focusing on Mainstream Government Systems, the Rehousing System, and Partnerships with Cities – tasking each with action to Coordinate, Prevent, Connect, House, and Stabilize persons experiencing or at-risk of homelessness. The Board directed the County CEO Homeless Initiative to develop its FY 23-24 funding recommendations in accordance and alignment with this new framework. County CEO's FY 23-24 Measure H funding recommendations were adopted by the Board February 7, 2023.

The County terminated contract AO-22-607 on May 30, 2024, and initiated a replacement agreement (HI-24-005) incorporating the redefined Homeless Initiative framework. County contract HI-24-005 was again structured as a multi-year agreement, providing funding for the period of May 13, 2024, through June 30, 2027. The agreement was initially funded with the County FY 23-24 allocation of in the amount of \$5,250,548.

The County CEO Homeless FY 24-25 funding recommendations were adopted by the Los Angeles County Board of Supervisors February 6, 2024, recommending an additional year of funding for the City of Long Beach, in the amount of \$8,393,336, bringing the new total contract value for contract HI-24-005 to \$13,643,884, to provide program administration of the following County Homeless Initiative Pillars: Prevent, Connect, and House. The distribution of this additional allocation of Measure H funds results in the need to amend contract no. HI-24-005.

The six key strategies for which the City of Long Beach Continuum of Care will directly administer Measure H funding have been redefined as follows:

- Prevent: Homeless Prevention
- Connect: Coordinated Outreach
- Connect: Housing Navigation
- House: Housing Location
- House: Interim Housing
- House: Time - Limited Subsidies

Separately, County Measure A was voted into law in November 2024, designed to replace Measure H with a permanent, half-cent sales tax, with Measure A funds generated and allocated annually. Per the tax ordinance, 60% of Measure A funds are to be administered by County CEO for Comprehensive Homelessness Solutions and Homelessness Innovations; 1.25% to be administered by County for data and research; 3% administered by Los Angeles County

Development Authority (LACDA) for affordable housing production; and 35.75% administered by Los Angeles County Affordable Housing Solutions Agency (LACAHS).

County CEO prepared and presented FY 25-26 Measure A funding recommendations for Comprehensive Homelessness Services and Local Solutions to the Board of Supervisors on March 25, 2025. County Board of Supervisors voted to adopt the CEO's recommendations, which will result in additional allocation of approximately \$8 million for the Long Beach Continuum of Care via Comprehensive Homelessness Services and approximately \$4.89 million for Local Solutions. City of Long Beach Homeless Services Bureau is currently engaged in the development of budget and statement of work with County CEO for these allocations and will return to Council to request authorization to enter into agreements with the County to accept and expend Measure A funds.

This matter was reviewed by Deputy City Attorney Nicholas Masero on April 28, 2025, and by Budget Analysis Officer Greg Sorensen on April 26, 2025.

TIMING CONSIDERATIONS

City Council action is requested on May 13, 2025, to allow for continued operation of the program to expend funds before the deadline set forth by Los Angeles County.

EQUITY STATEMENT

The City has incorporated the Equity Toolkit and strategies outlined in the Everyone Home Long Beach plan into this recommendation as requested by the City Council by increasing critical resources and supportive services to individuals experiencing unsheltered homelessness. This recommendation aims to improve service coordination and provide unsheltered individuals in Long Beach with the resources necessary to achieve permanent, stable housing.

FISCAL IMPACT

The City will receive grant funding in an amount not to exceed \$8,393,336 for the period of May 13, 2024, to June 30, 2027, from the County of Los Angeles to administer the Measure H program. This is in addition to the amount of \$5,250,548 which was previously received, bringing the new total to \$13,643,884. An appropriation increase is requested in the amount of \$13,643,884 in the Health Fund Group in the Health and Human Services Department, offset by grant revenues. Any indirect costs that might not ultimately be eligible for grant funds will be funded by the General Fund, or other eligible funds. The grant has no match or in-kind service requirement. This recommendation has no staffing impact beyond the normal budgeted scope of duties and is consistent with existing City Council priorities.

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SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



Alison King
Director
Health and Human Services

APPROVED:



THOMAS B. MODICA
CITY MANAGER