



Board Report

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Agenda Number: 22.

**EXECUTIVE MANAGEMENT COMMITTEE
JUNE 15, 2023**

SUBJECT: AMENDMENT TO THE LETTER OF AGREEMENT WITH THE COUNTY DEPARTMENT OF HEALTH SERVICES (DHS) FOR HOMELESS PROGRAM SERVICES

ACTION: APPROVE RECOMMENDATION

RECOMMENDATION

AUTHORIZE the Chief Executive Officer (CEO) to execute Amendment Number 8 to the Letter of Agreement for Multidisciplinary Street-based Engagement Services with the County Department of Health Services (DHS) increasing the amount by \$63,934,200 from \$28,920,000 to a new a total amount of \$92,854,200 for the continuation of homeless program services from September 1, 2023 through June 30, 2027 (Attachment A).

ISSUE

Metro entered into a Letter of Agreement (LOA)with LA County’s Department of Health Services (DHS) to provide services that support Metro’s comprehensive homeless outreach and engagement program. The LOA includes oversight of outreach teams and the provision of dedicated short-term crisis/interim housing beds to serve people experiencing homelessness on the Metro system. The current agreement expires on August 31, 2023. Staff recommends that the Board authorize the CEO to amend the agreement through execution of Amendment No. 8 for an additional four years through June 30, 2027 in the amount of \$63,934,200 to address the continued need for homeless outreach services.

BACKGROUND

The homeless crisis in Los Angeles County is among the most severe in the country. Despite substantial investments and efforts, this crisis continues to pose significant challenges to cities throughout LA County, with serious implications for , transit agencies. According to the 2022 point-in-time count conducted by the Los Angeles Homeless Services Authority, over 69,000 individuals are currently experiencing homelessness in the county. Metro’s point-in-time count in 2022, found that over 800 people experiencing homeless (PEH) are sheltering on our system at bus rapid transit and rail stations.

During the pandemic, as ridership declined, there was a noticeable surge in individuals experiencing

homelessness seeking refuge on the Metro system. Although transit vehicles and stations are not intended for use as shelters, they have become a temporary safe haven for people seeking shelter, given scarce shelter resources countywide and respite from the extreme weather conditions in both winter and summer. It is important to recognize that while Metro's primary function is that of a transit operator, not a homeless service provider, the magnitude of the crisis necessitates an all-hands-on-deck approach to address the chronic impacts to the transit system. Metro is dedicated to improving the customer experience of its riders, and in order to be successful in this endeavor, we must also address the needs of riders seeking shelter on our system.

Currently, regional coordination for homeless services is managed by the Los Angeles Continuum of Care partners, including social service agencies, LA County, and the Los Angeles Homeless Services Authority (LAHSA). Metro has found that most outreach occurs Monday - Friday, from 8 am - 4 pm, and Metro's transit properties are not included in the current street-based outreach service areas, leaving people experiencing homelessness on Metro without care, support or access to the homeless services.

To address the gap in services on transit created by the Los Angeles Continuum of Care partners, including social service agencies, LA County, and the Los Angeles Homeless Services Authority (LAHSA), and concerns from our riders, Metro has taken proactive measures by contracting dedicated outreach teams specifically tasked with providing resources to individuals experiencing homelessness on Metro property during extended hours and weekends. This strategic move aims to align outreach efforts with Metro's operational hours, ensuring that support is available when it is most needed. Since 2017, Metro has made substantial investments and formulated a comprehensive outreach strategy designed to connect homeless individuals sheltering in the transit system to essential health services, social assistance, and supportive housing.

Metro's comprehensive homeless outreach strategy is contracted through a Letter of Agreement (LOA) with the LA County DHS, Housing for Health Program. The department manages the service agreements with social service providers. The existing LOA includes DHS oversight of program services with 16 multi-disciplinary outreach teams (MDTs) and up to 150 dedicated interim housing beds at a cost not-to-exceed \$28,920,000. Due to cost savings realized during FY23, Metro extended the existing Letter of Agreement term to continue program services through August 31, 2023.

Summary of Metro Letter of Agreement with DHS for Homeless Program Services

Metro and the Los Angeles County, Department of Health Services entered into a Letter of Agreement (LOA) for Multidisciplinary Street-Based Engagement Services, in June 2018 to provide services from July 1, 2018, through June 30, 2019, in the amount of \$4,940,000. This LOA included funding for 8 street-based homeless outreach teams on the Metro system.

Amendment Number 1

June 2019, Metro and DHS entered into Amendment Number 1 to the LOA; which continued outreach program services through June 30, 2021, and increased the funding by \$9,880,000.

Amendment Number 2

In March 2021, Metro and DHS entered into Amendment No. 2 to establish a four-month homeless shelter bed pilot program, increasing funding for the Agreement by \$1,500,000. The pilot program included additional outreach staff to enhance homeless outreach teams and eighty interim housing beds at the Home At Last shelter in South Los Angeles.

Amendment Number 3

June 2021, Metro and DHS entered into Amendment No. 3 to extend the Term of the Agreement through June 30, 2023, and increase the funding by \$9,880,000 to continue outreach services and interim housing.

Amendment Number 4

In November 2021, Metro and DHS entered into Amendment No. 4 to increase the funding by \$1,250,000 to continue the interim shelter pilot program at Home At Last.

Amendment Number 5

In February 2022, Metro and DHS entered into Amendment No. 5 to increase the funding by \$1,470,000 to continue the interim shelter pilot program at Home At Last through June 2022.

Amendment Number 6

In February 2023, Metro and DHS entered into Amendment No. 6 to expand the scope of services to include 8 new homeless outreach teams and to reallocate funding to include authorization for up to 150 interim housing beds. This amendment utilized cost-savings to fund the expansion of teams and interim housing beds.

Amendment Number 7

June 2023, Metro and the County entered into Amendment No. 7 to amend the Agreement to expand the scope of services and extend the period of performance to August 31, 2023. This amendment utilized FY23 cost-savings to fund the expansion of outreach teams and interim housing beds.

DISCUSSION

Metro's approach to homeless outreach involves a diverse set of services and activities that aim to establish connections with individuals experiencing homelessness, establish trust, and facilitate their access to vital resources such as shelter, food, healthcare, and employment services.

Metro has worked to infuse industry best-practices to ensure effective homeless outreach that results in referrals to interim and permanent housing. Some of the best-practices implemented in Metro's transit environment include:

- **Housing first** strategies are important to the effectiveness of homeless outreach and engagement - if shelter, housing, and/or family reunification is available - outreach teams work diligently to directly refer people experiencing homelessness without barriers to access.
- **Building relationships** with people experiencing homelessness takes time and outreach workers engage with individuals over a period of weeks, months or even years until they are connected to the right social services and or housing.

- **Meeting people where they are** is the most effective outreach model. Metro teams visit encampments, transit stations, and onboard transit vehicles to engage people where they are living or seeking shelter, rather than expecting them to leave the transit facility to be connected to services or shelter.
- **Cultural diversity and sensitivity are a priority** to address the diverse needs of people experiencing homelessness. Metro's outreach teams are diverse culturally and also employ individuals from a broad range of backgrounds, including people with lived experience in homelessness, drug addiction, and the criminal justice system. Metro works with DHS to bring on staff from the diverse communities the transit system serves to establish diverse and reflective outreach teams.

The LOA Amendment Number 8 includes an expansion of multi-disciplinary teams from 16 teams to up to 24 teams, the continuation of the authorization for up to 150 interim housing beds, and the extension of the program term through June 30, 2027, for a total not-to-exceed amount of \$63,934,200. The additional eight MDTs will enable greater overall coverage and focus on station hot spots and encampments on Metro property. Each service provider is assigned coverage zones so that resources can be coordinated based on staff availability and community knowledge.

Metro uses multi-disciplinary teams (MDTs) consisting of 2 to 5 members, including outreach workers, case managers, addiction specialists, housing navigators, and mental health specialists. These teams are dedicated to engaging with individuals experiencing homelessness within the transit system, which encompasses Metro facilities, stations, and vehicles. The wide range of services provided by these MDTs includes on-site triage, comprehensive assessments, direct referrals to social services, distribution of hygiene kits, access to medical services, mental health care, case management, and assistance in securing shelter, housing, and additional support services. The overarching objective of homeless outreach efforts is to provide support to individuals experiencing homelessness and empower them to attain stability and self-sufficiency.

Each of Metro's MDTs consists of staff members from the lead social service provider in their respective service planning areas (SPAs). The following organizations are involved in the MDTs:

- LA Family Housing: San Fernando Valley
- Union Station Homeless Services: San Gabriel Valley
- HOPICS: South Bay/South LA/Southeast LA/Long Beach
- LA Mission/Christ Centered Ministries (CCM): Downtown LA/South Bay
- PATH: Downtown LA/Westside

By collaborating with these established social service providers, Metro aims to leverage their expertise and local knowledge to maximize the effectiveness of the outreach efforts in each specific region within Los Angeles County.

To date, Metro's outreach efforts have been successful in connecting riders experiencing homelessness with much-needed support services and housing options. Since 2018, MDTs have

engaged over 13,237 individuals, 2,090 have been connected with interim housing, and 942 individuals have been permanently housed. Metro's street-based outreach teams consistently surpass county metrics for engagement and housing outcomes.

Metro's existing Letter of Agreement (LOA) also includes the ability to contract with a service provider for up to 150 interim housing beds. Having direct access to interim housing shelter beds provides outreach teams the ability to quickly house individuals and families that they encounter on the transit system. The DHS interim housing also provides supportive wrap-around services, like meals, case management, medical care and housing navigation. This helps to improve overall linkage to appropriate resources and streamlines the path to permanent housing compared to crisis beds or motels which do not have the access to case management services. The interim housing provided under the LOA is also more cost-effective, given that the rates are a pre-negotiated fixed cost. Outreach teams are also able to directly access the shelter beds 24 hours a day, 7 days a week. Metro currently contracts 25 beds for individuals and families at LA Global Care facilities located throughout Los Angeles.

..Determination Of Safety Impact

DETERMINATION OF SAFETY IMPACT

Metro's transit vehicles and stations are not meant for habitation. By providing outreach and access to housing through this Board action - Metro will be able to implement care-based strategies to address the needs of people experiencing homelessness.

FINANCIAL IMPACT

Approval of the Letter of Agreement - Amendment Number 8 would cost of \$15,849,900 in Fiscal Year 2024. The costs for these services are included in the FY24 budget for cost center 2614, Bus Operations Transportation Project 300601. Funding for this operating related effort is ordinary operating sources, including fare revenues and operating eligible sales tax funds. Because the contract spans multiple fiscal years the Deputy Executive Officer, Homelessness Initiatives will be responsible for budgeting funds via the annual budget process.

EQUITY PLATFORM

Expanding Metro's efforts to address homelessness on the transit system through extending the homeless outreach program will directly benefit unhoused individuals in LA County. Data from the 2022 LAHSA point-in-time count shows that a majority (over 64%) of individuals experiencing homelessness are male, and over 35% are African American individuals and families experiencing chronic homelessness. Increasing funding and outreach efforts to address the most need will have a direct impact on Metro's efforts to invest in Equity Focus Communities. Contracted MDTs will be serving EFCs throughout the Metro system.

The extension of the homeless services program will increase access to interim/emergency and permanent housing for unhoused seeking shelter on Metro . This work will directly improve access to interim housing for individuals who are experiencing homelessness in the communities near Metro bus and rail lines throughout LA County.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

The staff recommendation to expand the agreement with the Department of Health Services supports Metro's Vision 2028 Strategic Plan goal #4.1, which states: Metro will work with partners to build trust and make decisions that support the goals of the Vision 2028 Strategic Plan. An excerpt from the Vision 2028 Strategic Plan cites - Transportation interfaces with quality of life issues, such as equity, economic opportunity, gentrification, displacement, affordable housing, homelessness, environmental quality, public health, and access to education and health care.

ALTERNATIVES CONSIDERED

The Board could consider not extending the agreement and instead end the program immediately. This alternative is not recommended, as Metro is not a direct recipient of state and federal homeless outreach funding so there is a direct benefit to having homeless outreach services that are managed by Metro through the County of Los Angeles homeless services.

NEXT STEPS

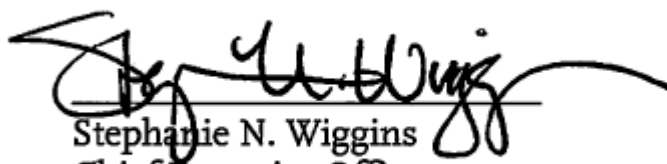
Metro is actively working towards bridging the gap between homeless individuals on the transit system and the necessary resources they require. By extending outreach services to encompass Metro properties during extended hours and weekends, Metro is striving to enhance the overall support system available to those experiencing homelessness within the transit network. Should the Board approve the staff recommendation, the CEO will execute Amendment Number 8 to the Letter of Agreement with the Los Angeles County Department of Health Services to extend the homeless outreach service agreement to June 2027.

ATTACHMENTS

Attachment A - LOA Amendment No 8 DRAFT

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Reviewed by: Nicole Englund, Chief of Staff, (213) 922-7950



Stephanie N. Wiggins
Chief Executive Officer

**AMENDMENT NUMBER EIGHT TO LETTER OF
AGREEMENT
FOR MULTIDISCIPLINARY STREET-BASED ENGAGEMENT
SERVICES**

This Amendment Number Eight to the Letter of Agreement for Multidisciplinary Street-Based Engagement Services with an execution date of June 27, 2018 (hereinafter “Agreement”), is made and entered into this ___ day of _____, 2023 (“Amendment Seven Effective Date”) by and between the County of Los Angeles (hereinafter “County”) and the Los Angeles County Metropolitan Transportation Authority (hereinafter “Metro”). The County and Metro are each individually a “Party” and collectively the “Parties” to this Agreement.

RECITALS

WHEREAS, in February 2016, the County’s Board of Supervisors (Board) approved 47 strategies for the Los Angeles County Homeless Initiative (Homeless Initiative), directing the County, Los Angeles Homeless Services Authority (LAHSA), and Community Based Organizations (CBOs), to develop and implement a plan to leverage outreach efforts and create a countywide network of multidisciplinary, integrated street-based teams to identify, engage and connect, or re-connect, homeless individuals to interim and/or permanent housing and supportive services. A pilot program utilizing “County-City-Community” (“C3”) teams was deployed to engage individuals living on Skid Row, and on September 2016, the Board expanded the pilot program; and

WHEREAS, in response to the Homeless Initiative and in support of the pilot program expansion, on October 2016, Metro’s Board of Directors directed its Chief Executive Officer to provide funding towards the deployment of two (2) C3 homeless outreach teams to provide multidisciplinary street-based engagement services (field-based services) exclusively to the Metro Red Line, and take all actions necessary to transfer the funds to the County to administer the program, in coordination with the implementation of the Homeless Initiative. On February 21, 2017, the Board delegated authority to the Los Angeles County, Director of Health Services to accept funding from participating funders including government, non-profit, and private organizations; and

WHEREAS, in April 2017, Metro and the Los Angeles County, Department of Health Services entered into the first Letter of Agreement for Multidisciplinary Street-Based Engagement Services, in the amount of \$1,200,000 to deploy two (2) C3 homeless outreach teams for twelve (12) months and engage persons that turn to the Metro Red Line and property for alternative shelter; and

WHEREAS, in May 2018, Metro’s Board of Directors directed its Chief Executive Officer to provide funding to expand the C3 homeless outreach teams from two (2) to eight (8) teams on the Metro rail, bus, and Union Station. Metro and the Los Angeles County, Department of Health Services entered into their second Letter of Agreement for Multidisciplinary Street-Based Engagement Services, dated June 27, 2018 to provide

services from July 1, 2018 through June 30, 2019 in the amount of \$4,940,000, which was amended by that certain Amendment No. 1, dated June 19, 2019, to continue services through June 30, 2021, and increase the funding by \$9,880,000 for a total funding amount not to exceed \$14,820,000; and

WHEREAS, in March 2021, Metro and the Los Angeles County, Department of Health Services entered into Amendment No. 2 to establish a four (4) month homeless shelter bed pilot program, thereby increasing funding for the Agreement by \$1,500,000 for a not-to-exceed total of \$16,320,000. The pilot program includes adding staff (five (5) Generalist and one (1) Supervisor) to enhance homeless outreach teams, providing up to eighty interim housing beds throughout Los Angeles County, properly document, track and submit monthly data reports, to properly submit complete monthly invoices of the actual costs incurred, and to properly document deployments; and

WHEREAS, in June 2021, Metro and the Los Angeles County, Department of Health Services entered into Amendment No. 3 to extend the Term of the Agreement through June 30, 2023, and increase the funding by \$9,880,000 for a total amount not-to-exceed \$26,200,000; and

WHEREAS, in November 2021, Metro and the County entered into Amendment No. 4 to amend the Agreement to increase the funding by \$1,250,000 for a total amount not-to-exceed \$27,450,000; and

WHEREAS, in February 2022, Metro and the County entered into Amendment No. 5 to amend the Agreement to increase the funding by \$1,470,000 for a total amount not-to-exceed \$28,920,000; and

WHEREAS, in February 2023, Metro and the County entered into Amendment No. 6 to amend the Agreement to expand the scope of services and to reallocate funding; and

WHEREAS, in June 2023, Metro and the County entered into Amendment No. 7 to amend the Agreement to expand the scope of services, to reallocate funding and extend the period of performance to August 31, 2023; and

WHEREAS, the Parties desire to enter into this Amendment No. 8 to amend the Agreement to extend the Term of the Agreement through June 30, 2027, and increase the funding by \$63,934,200 for a total amount not to exceed \$92,854,200.

NOW, THEREFORE, in consideration of the mutual covenants, promises and undertakings set forth herein and other consideration, the receipt and adequacy of which the Parties hereby acknowledge, the Parties hereby agree as follows:

AGREEMENT

1. Section 1 – Term of Agreement, is hereby deleted in its entirety and replaced as follows:

“1. Term of Agreement and Period of Performance: The term of this Agreement begins on July 1, 2018 and remains in place through June 30, 2027.

The Period of Performance of this Agreement shall be as follows:

Up to twenty-four (24) C3 Homeless Outreach Teams – September 1, 2023 through June 30, 2027.

Up to 150 (one-hundred and fifty) dedicated Interim Housing Beds – September 1, 2023 through June 30, 2027.

Eighty (80) Interim Housing Beds – July 1, 2021 through June 30, 2022.

Five (5) Generalist Outreach workers, One (1) Supervisor and Eighty (80) Interim Housing Beds – March 1, 2021 through June 30, 2021.

Up to 150 (one-hundred and fifty) dedicated Interim Housing Beds – January 1, 2023 through August 31, 2023.

The Parties may, by mutual written consent, execute another Amendment to extend the term of Agreement and period of performance.”

2. Section 2 – Purpose of Funds, is hereby deleted in its entirety and replaced as follows:

“2. Purpose of Funds: *The County shall use \$85,596,000 of the \$92,854,200 for SHSMA work order(s) with County contractor(s) who will provide:*

- A. Up to twenty-four (24) multidisciplinary outreach teams that will each provide field-based engagement/outreach services Monday through Sunday between the hours of 3am – 6pm at varying shifts, County recognized holidays excepted, for homeless individuals living in and around the Metro system as defined by Metro. The Parties may, by mutual written consent, modify the days of the week and/or time that the field-based engagement/outreach services are to be provided by the multidisciplinary outreach teams.
- B. Enhanced homeless outreach teams and related mental health, addiction, nursing, and other specialists, including peer navigators and other services required to serve individuals and families experiencing homelessness.
- C. Up to 150 interim housing/crisis shelter beds that will include supportive case management services and full wrap-around care for families and individuals in congregate or single occupancy sites around Los Angeles County at the approval of Metro. The interim housing program will serve as stabilization beds for Metro’s MDT

client referrals and will provide a direct linkage to permanent housing, a higher level of care or other interim housing programs operated by the County of Los Angeles. The interim housing partnerships will be operational and be available for client referrals for 24 hours a day, 7 days a week, including holidays.

The County shall obtain Metro’s written consent prior to issuing SHSMA work orders to perform work pursuant to this Agreement. Further, the County will bill Metro at a rate not to exceed 5% of total work order costs for administering this program from July 1, 2018, through June 30, 2022. Beginning July 1, 2022, the County will bill Metro at a rate not to exceed 10% of total work order costs for administering this program.

The Parties may, by mutual written consent, execute another Amendment to reallocate and/or additional funds. For purposes of budgetary planning, the following shall constitute the maximum funding compensated for each term:

Term	SHSMA Work Orders	Administrative Costs	Total
7/1/18- 6/30/19	\$2,515,070	\$100,766	\$2,615,836
7/1/19- 6/30/20	\$3,669,344	\$247,000	\$3,916,344
7/1/20- 6/30/21	\$4,765,294	\$276,076	\$5,041,370
7/1/21- 6/30/22	\$7,088,956	\$247,000	\$7,335,956
7/1/22- 6/30/23	\$6,444,129	\$644,413	\$7,088,542
7/1/23-8/31/23	\$2,656,320	\$265,632	\$2,921,952
9/1/23 – 6/30/24	\$14,409,000	\$1,440,900	\$15,849,900
7/1/24 – 6/30/25	\$14,571,000	\$1,457,100	\$16,028,100
7/1/25 – 6/30/26	\$14,571,000	\$1,457,100	\$16,028,100
7/1/26 – 6/30/27	\$14,571,000	\$1,457,100	\$16,028,100
Total	\$85,261,113	\$7,593,087	\$92,854,200

The funding shall not exceed the total contract value of \$92,854,000 for the term of the Agreement. Work Orders and Budgets will be agreed upon by the Parties. Any unspent funds can be allocated for services in future budget years with written notification of the Parties.

3. Except as expressly amended hereby, the Letter of Agreement for Multidisciplinary

Street-Based Engagement Services, Amendment Number One, Amendment Number Two, Amendment Number Three, Amendment Number Four, Amendment Number Five, and Amendment Number Six remain in full force and effect as originally executed. All rights and obligations of the parties under the Letter of Agreement, Amendment Number One, Amendment Number Two, and Amendment Number Three, Amendment Number Four, Amendment Number Five, Amendment Number Six, and Amendment Number Seven that are not expressly amended by this Amendment shall remain unchanged by this Amendment.

IN WITNESS WHEREOF, the Board of Supervisors of the County of Los Angeles has caused this Amendment to be executed by the County's Director of Health Services and the Los Angeles County Metropolitan Transportation Authority on its behalf by its duly authorized officer, on the day, month, and year first above written.

LOS ANGELES COUNTY METROPOLITAN COUNTY OF LOS ANGELES
TRANSPORTATION AUTHORITY

DRAFT

Expanding the Scope of Metro's Partnership with DHS

Executive Management
Committee
June 2023



Homeless Outreach Program

Letter of Agreement (LOA) with the Department of Health Services (DHS) provides services that support Metro's comprehensive homeless outreach and engagement program. The LOA includes oversight of outreach teams and the provision of dedicated short-term crisis/interim housing beds to serve people experiencing homelessness on the Metro system.

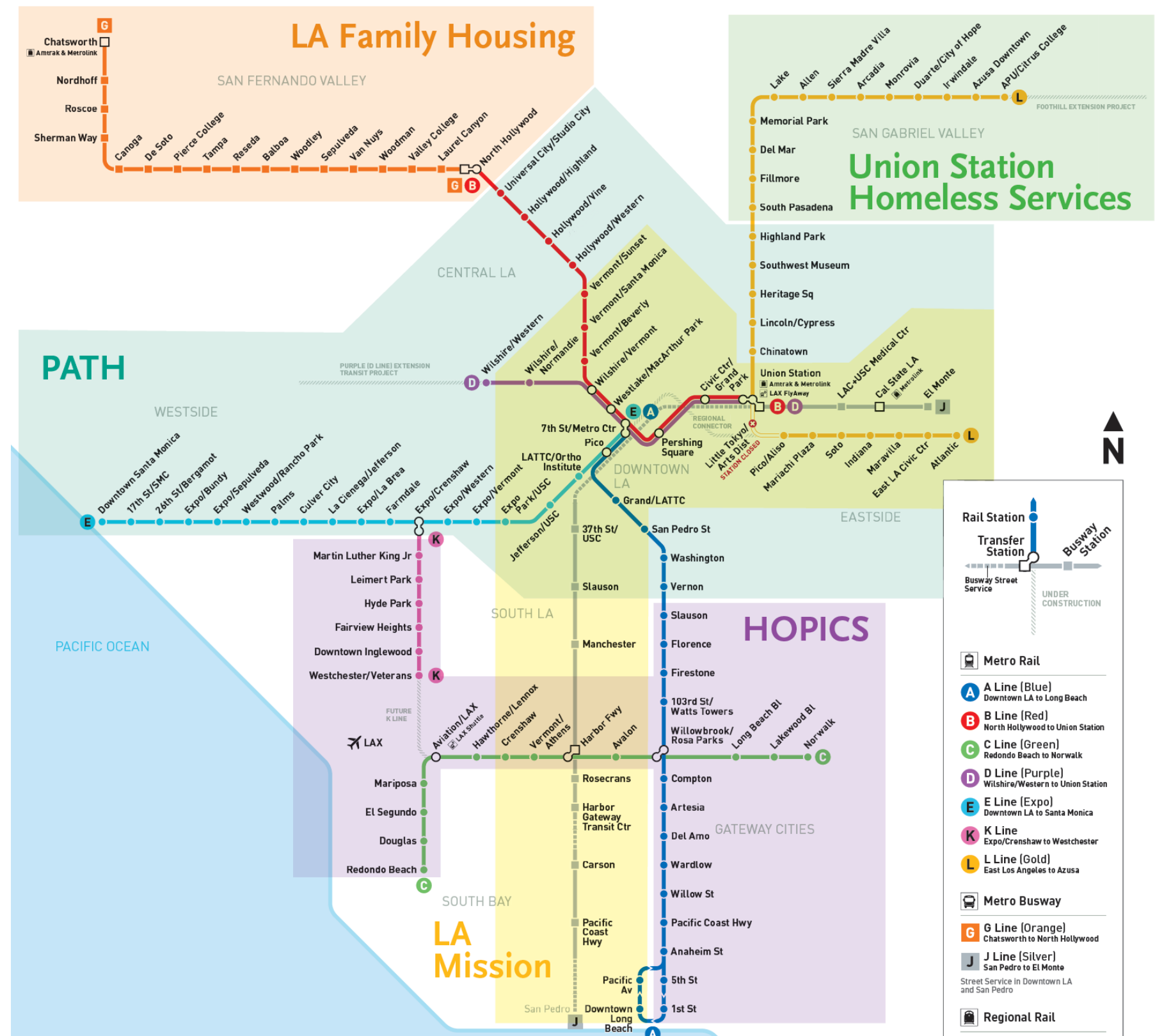
- Current LOA with DHS
 - 16 multidisciplinary teams across 5 agencies
 - 25 dedicated interim housing beds
 - Authorization for up to 150 interim housing beds
 - Cost for 5 years: \$28.92M
- Board Recommendation for Amendment #8
 - 24 MDTs
 - Authorization for up to 150 interim housing beds
 - Cost for 4 years: \$63.9M



Operationalization

The expansion to 24 teams will bring on a new homeless service provider as well as add teams to existing partners

MDTs use industry best practices and are geographically assigned to bus & rail lines in their respective coverage zones



What We Can Expect

- Expansion leads to increased outcomes
 - MDTs will continue to address a continuum of care service gap
 - Greater rate of contact with PEH
 - More people placed in permanent housing
- Interim beds = expedited placements
 - Metro-funded beds are cheaper than motel placements
 - Directly accessible by Metro-funded MDTs
- Impact to safety
 - Metro vehicles, stations and facilities are places not meant for human habitation
 - MDT interventions lead to housing placements, helping unhoused riders avoid potential dangers associated with sheltering on the system



What We Strive For

Current FY housing goal was 250 placed in both interim (IH) & permanent housing (PH)

- The 8 teams who have been operational have exceeded this goal
 - 298 Interim Housing placements
 - 238 Permanent Housing placements
- Tripling the teams to 24 means we can set a goal of up to 900 placements for FY 23-24
 - This achievable goal exceeds the number of People Experiencing Homelessness who were counted in 2022



Thank you

