



# Los Angeles Homeless Services Authority

a joint powers authority of the city & county of los angeles

## SPECIAL MEETING

### MINUTES OF THE

#### LOS ANGELES HOMELESS SERVICES AUTHORITY COMMISSION

Held May 6, 2011

The Los Angeles Homeless Services Authority Commission meeting, held in the LAHSA office, located at 811 Wilshire Blvd, 6<sup>th</sup> Floor, Los Angeles, California, was called to order at 9:13 a.m. by Commissioner Ripston, Chair.

#### Attendance:

##### LAHSA Commissioners Present:

Moctesuma Esparza  
Howard Katz  
Owen Newcomer  
Mike Neely  
Cecil L. Murray  
Larry Adamson  
Louisa Ollague  
Ramona Ripston

##### LAHSA Commissioners Absent:

Antonio Manning

##### Attorneys Present:

Aleen Langton, County Counsel

##### LAHSA Staff:

Steve Andryszewski, Chief Financial Officer  
Michael Arnold, Executive Director  
Dan Fisher, Programs Unit Manager  
Michael Nailat, Outcomes Unit Manager  
Erin Hollander, Board Liaison  
Helen Lee, Funding Manager  
Mark Silverbush, Policy & Planning Analyst

##### Call to Order/Roll Call/Establishment of Quorum

Roll was called and quorum was established at 9:13 a.m.

#### 1.0 Approve LAHSA committee appointments.

Commissioner Ripston noted that this item will not be heard at today's meeting.

**Public Speaker(s):** There were no public speakers.

#### 2.0 Review and approve quality evaluation results and hear potential appeals of the Year Round Emergency Shelter Program Request For Proposals (RFP), and authorize the Executive Director to enter into contracts as listed in the attachment. In the event that funding for this period is reduced or not forthcoming, authorize the Executive Director to reduce the amount of compensation or reduce the number of contracts.

Helen Lee, Funding Manager, gave the report:

- The purpose of the Year-Round Emergency Shelter Program is to offer short-term emergency housing solutions and supportive services to homeless individuals and families in the City of Los Angeles. Programs will connect participants with housing and supportive services with the ultimate goal of rapidly assisting participants in obtaining permanent housing and increased income (employment, disability, mainstream benefits, etc). The Year Round Emergency Shelter Program is anticipated to operate between July 1, 2011 and June 30, 2012.
- On April 20, 2011, the City of Los Angeles released their proposed budget, which included approximately \$826,682 in budget cuts to the YRESP program. In an effort to reconcile the impact of the proposed budget cuts to the YRESP, LAHSA staff has recommended the final funding recommendations based on the following priorities: (1) Ensure there is a minimum reduction to the number of beds for vulnerable and special needs populations. (2) Fund programs that have demonstrated the ability to perform at the highest level possible. (3) Mitigate the impact of City of Los Angeles budget cuts for programs. Ms. Lee noted two performance indicators: (1) Occupancy Rate: Current contracts with YRESP must have a 95% occupancy rate; for providers who operate at 95% occupancy and higher, there was no impact. However, programs with lower than a 95% occupancy rate in the current contract year were awarded 105% of their actual occupancy rate in the 2011-2012 year. This is to ensure that LAHSA is not paying for empty beds. (2) Placement into permanent housing: There was no impact on agencies that have placed 10% or more of their clients in the current program year into permanent housing. For agencies that placed less than 10%, there were 11% reductions in funding across the board to make up for the potential cuts in the City Budget.
- In response to the RFP, 18 proposals were submitted to LAHSA. 17 proposals successfully passed threshold review and were reviewed for quality review. 16 of the 17 proposals proposal reviewed under quality review received a minimum fundable score of 75 points and were ranked for funding.
- Ms. Lee reviewed LAHSA's quality review process and noted that LAHSA utilized an outside consultant to ensure the review of the agencies was comprehensive. To receive a fundable score, proposers must receive a total of 75 points. People Helping People received a score of 70.1 and has submitted an appeal.
- There was a discussion regarding the potential loss of beds and services in SPA 6. It was determined that there is a potential net loss of 34 beds in SPA 6. Ms. Lee reviewed the bed reduction in each other SPA.
- Michael Arnold, LAHSA Executive Director, noted that the placement criteria will only be used if funding is lost for the City General Fund programs. If there is no loss of City funding, providers will be funded at their full award amount.
- There were two appeals: (1) People Helping People, (2) The Weingart Center Association.

### **Appeal 1: People Helping People**

Helen Lee, Funding Manager, presented an overview of the appeal:

- Ms. Lee indicated that LAHSA staff took the opportunity since the last meeting to conduct additional due diligence to the review of the quality review scoring and the PHP appeal.
- First, staff had two reviewers who had not reviewed this proposal before (one internal and one external reviewer) review the proposal with the same tool and the same information given to the first set of reviewers. The intention was not to re-do scores, but if the agency scored higher on the re-scoring, staff would investigate differences and ensure that the original scores were valid. However, the two additional reviewers also did not give a fundable score to PHP's proposal and therefore staff did not find any procedural error in our review of the proposal.
- Second, staff had a third party review our appeals response to People Helping People to ensure that nothing was overlooked and everything was consistent in the response to PHP. Again, the intention was not to respond to the appeal again, but if this third party objected to our investigations on the appeal, staff would have investigated the differences to ensure the original recommendations for the appeal were solid. In conducting their second review of the appeals process, the third party found the appeals process to be sound in its form and concluded that LAHSA staff applied fair and reasonable consideration of process guidelines and remained consistent with LAHSA's procurement and funding policy in making their determination and recommendations regarding this appeal.
- Therefore, we still found no error in our review of RFP procedures and staff will maintain our original response to the agency's appeal.
- PHP's appeal was based on the following claims:
  - Inconsistency in LAHSA's evaluation process between the 2010 YRESP RFP and 2011 YRESP RFP, which resulted in low scores in organizational capacity, program design and proposer's past experience.

Staff responded: LAHSA has followed the standardized general procedures for this RFP, and LAHSA's procurement processes are continually undergoing quality improvement assessments to ensure transparency, objectivity and fairness. Since the 2010 YRESP RFP, LAHSA utilized an outside consultant to assist in the creation of a more objective and comprehensive scoring tool. As evidenced in PHP's scoring evaluation, no score had more than a one point difference between the two reviewers. LAHSA staff met with staff at PHP to address and review concerns regarding reviewers' comments prior to PHP filing their appeal. PHP indicated that there were details regarding mainstream benefits, street outreach and employment agencies that were overlooked by one of our reviewers during the evaluation process. The reviewer was notified of details that were overlooked and promptly conducted another thorough review of the scoring criteria and proposal to grant additional consideration to the final scoring. In response, the reviewer indicated that due to the lack of the requisite comprehensive plan surrounding the program design, there was no change to the original evaluation scores and therefore recommends denial of the appeal.

- Past performance and outcome – PHP's appeal regarding the number of points awarded in scoring categories is beyond the scope of a process appeal. Since no procedural errors were noted in LAHSA's review, staff recommends denial of the appeal.
- Program budget and financial stability – PHP's appeal in this category is a request to the Commission and not an appeal based on LAHSA's failure to abide by its own established procedures in making funding recommendations.
- There was a brief discussion regarding last year's procurement process and Commission action which resulted in funding PHP instead of funding new programs in the Continuum.
- Commissioner Neely commended LAHSA staff for consulting with a third party to review the scores again. He noted that the issues of the appeal have been addressed and called for the Commission to make a decision.

**Public Speaker:** Claude King, People Helping People

Mr. King noted that PHP has been a LAHSA-funded agency for 14 years. He stated that PHP should not be defunded due to an oversight on the part of the reviewers. He said that this issue speaks not to PHP's inability to perform, but the frailty of LAHSA's process. He also noted his concern for the potentially diminished capacity in SPA 6.

**Public Speaker:** Alexis Soberanis, People Helping People

Ms. Soberanis reviewed the appeals letter submitted by PHP. She noted that the reviewers indicated that there were items missing from the section under program design that were actually present in the proposal. Reviewers indicated that there was no mention of street outreach, which is an oversight. LAHSA admitted the oversight, but no additional points were added. Ms. Soberanis asked the Commission to uphold PHP's appeal.

**Public Speaker:** Harrison Soberanis, People Helping People

Mr. Soberanis reviewed the history of PHP since 1996, and noted the contribution the agency makes towards ending homelessness, and the number of clients served in both winter and year round shelters. Mr. Soberanis noted that LAHSA was given a second chance when it was struggling as an agency. Mr. Soberanis indicated that Commissioner Neely asked Mr. Soberanis to withdraw PHP's appeal. Mr. Soberanis indicated that this treatment appears to be a discrimination against PHP.

Commissioner Neely noted that he met with People Helping People and MJB Recovery with the intention of finding a resolution that ensures that there are services present for the entire community. Commissioner Neely indicated that Mr. Soberanis was only interested in preserving the number of beds for PHP.

**Public Speaker:** Daryl Moore, PHP

Mr. Moore noted that he was formerly homeless and is currently acting as Assistant Director of PHP.

**Public Speaker:** Roy Carter, PHP

Mr. Carter noted that he has been working with PHP for 11 years as a midnight supervisor. He spoke to PHP's full capacity.

**Public Speaker:** Serita Garbun

Ms. Garbun stated that she was formerly homeless, and that PHP does a great job of giving clients hope.

**Public Speaker:** Christine Askew

Ms. Askew noted that the agency capacity drops in the beginning of the month, and PHP's capacity is full after the 15<sup>th</sup> of the month.

**Public Speaker:** Anna Carranza, PHP

Ms. Carranza stated that PHP had a meeting with LAHSA related to the oversight of the scores and met all the follow up requirements issued by LAHSA. She noted that 35 staff members of PHP will lose their employment should the appeal be denied. She presented a petition signed by 70 homeless clients to uphold PHP's appeal.

**Public Speaker:** Dr. Rose Rios, Cover the Homeless Ministry

Dr. Rios noted her organization, Cover the Homeless Ministry and asked the LAHSA Commission to uphold the appeal.

**Public Speaker:** Luis Hernandez, PHP

Mr. Hernandez stated that he was formerly homeless and is currently an employee at PHP. He asked the Commission to uphold the appeal.

**Public Speaker:** Earl Jones, PHP

Mr. Jones noted that he is the Head Cook at PHP and stated that the Commission's decision will impact the wholesome meals currently served to homeless clients.

**Motion:** It was moved by Commissioner Newcomer to cut comments in the interest in time and economy and move to a vote. The motion was not seconded.

**Action:** The motion did not pass.

**Public Speaker:** Dr. Rose Mikos, MJB Recovery

Dr. Mikos spoke on behalf of the Executive Director of MJB. She requested that the Commission accepts staff's recommendation and deny the appeal.

There was a lengthy discussion regarding PHP's appeal. Commissioner Esparza recommended that the Commission revisit the procurement process and review the technical considerations; he emphasized that there should be greater emphasis on substance and not form with respect to the review process.

Commissioner Adamson noted that LAHSA is guided by rules and regulations issued by the federal government; funding in the Continuum of Care must be predicated on the ability to move people into permanent supportive housing. He added that there should be attention to ensuring there are services and capacity in SPA 6.

**Motion:** It was moved by Commissioner Newcomer and seconded by Commissioner Ollague to deny the appeal made by PHP.

**Action:** The motion passed with 6 yes votes and 2 no votes.

**Appeal 2: Weingart Center Association**

Helen Lee, Funding Manager presented an overview of the appeal:

- Weingart Center Association's appeal was based on the following claims:
  - The RFP did not mention that mid-year reporting on permanent housing placements for existing programs would determine additional funding cuts.  
Staff responded: LAHSA's intent is to fund programs that perform at the highest level possible and meet the CoC's performance targets. Section 5 of the RFP reserves the right to fund all or a portion of the proposal if it is in the best interest of LAHSA, City, county, or HUD. Ms. Lee noted that there were no procedural errors.
  - LAHSA made it more difficult to secure renewal funding than new funding.  
Staff responded: Section 3.1 indicates that this RFP will fund new and expiring beds. Accepting this appeal will ensure that new programs or providers are never given an opportunity to compete for funding in this open process. Ms. Lee noted that there were no procedural errors.
  - Computational error, the numbers submitted in HMIS should be 8%, not 5%.

Staff responded: The formula used was number of clients placed into permanent housing/number of clients served for the specified timeframe. There was no computational error.

**Public Speaker:** Monica Waggoner, Weingart Center Association

Ms. Waggoner reviewed the different points of Weingart's appeal and requested that LAHSA create a process that is fair and unbiased. She specifically noted that LAHSA introduced new criteria after the RFP was released, and after the proposals were submitted.

**Motion:** It was moved by Commissioner Newcomer and seconded by Commissioner Katz to deny the appeal.

**Action:** The motion passed with 7 yes votes and 1 no vote.

**Motion:** It was moved by Commissioner Newcomer and seconded by Commissioner Murray to approve the quality evaluation results of the Year Round Emergency Shelter Program RFP, and authorize the Executive Director to enter into contracts as listed in the attachment. In the event that funding for this period is reduced or not forthcoming, authorize the Executive Director to reduce the amount of compensation or reduce the number of contracts. Amendment: LAHSA will prioritize agencies in SPA 6 when re-allocating funds that may be leftover after contract amounts are adjusted for occupancy rates in the upcoming program year.

**Action:** The motion passed unanimously.

### 3.0 Report on status of the Homelessness Prevention and Rapid Rehousing Program.

Dan Fisher, Programs Unit Manager, gave the report:

- Staff presented information on households served in the City of Los Angeles Homelessness Prevention and Rapid Re-Housing Program (HPRP) by program type, as well as those served by other in HPRP programs throughout the Los Angeles Continuum of Care as of March 31, 2011.
- 88 cities and unincorporated areas of Los Angeles County are being serviced by HPRP programs. Within the Los Angeles Continuum, HUD has funded 16 entitlement cities and the County of Los Angeles directly. Of the 16 entitlement cities, LAHSA administers programs for three cities (Los Angeles, Alhambra and Huntington Park).
- Staff reported on a summary of trends as of March 31, 2011
  - Prevention total enrolled: 952, Total re-housed/stabilized: 807.
  - Rapid Re-Housing total enrolled: 1527, Total re-housed/stabilized: 834.
  - Total served: 2479 enrolled, 1641 re-housed/stabilized.
- Staff presented a breakdown of expenditures vs. actual and noted program improvements. Staff noted that as a result of the new initiatives implemented in the LA City program, expenditures have increased by 15% over the first 3 months of 2011, and the program is on schedule to meet the 60% spend down requirement by August 25, 2011.

**Public Speaker(s):** There were no public speakers.

### 4.0 Report on length of stay data for emergency shelters during the 2009-10 program year.

Michael Nailat, Outcomes Unit Manager, gave the report:

- Staff presented a report on the average length of stay for emergency shelters funded by LAHSA. The scope of the report was limited to programs in operation during the 2009-10 program year; emergency shelters that are fully implemented in HMIS and actively using the system.
- There was an overview of the average length of stay for 14 hour year round shelter programs and 24 hour emergency shelters.
- Overall, the average length of stay for all emergency shelters falls in line with the standards that were set during that program year, namely the 90-day allowance. Year-round emergency shelters exhibit a slightly higher length of stay than 24-hour emergency shelters.

The Commission requested a report back on length of stay data for emergency shelters in different Continuums of Care.

**Public Speaker(s):** There were no public speakers.

**5.0 Update on status of homeless-related federal, state and local policy.**

Mark Silverbush, Policy & Planning Analyst, gave the report:

- Staff presented a summary of the \$38.5 billion in cuts to the Federal Budget and implications for HEARTH Act implementation.
- Over the past 16 months, LAHSA has worked locally and nationally to educate and engage our Congressional representatives and state legislators on the importance of increasing McKinney-Vento funding to ensure that the HEARTH Act changes could be implemented without reducing funding for new projects.
- Although the \$40 million increase to the Homeless Assistance Grants program is a much smaller increase than the \$2.4 billion needed to fully implement HEARTH Act changes, it is one of the few programs to receive an increase. This means that there will be funding for prevention and rapid re-housing (HPRP) activities, but little for new projects or for implementation of the HEARTH Act.
- There was a discussion on the potential implications of reductions on the homeless Continuum of Care.

**Public Speaker(s):** There were no public speakers.

**6.0 Public Participation**

There were no requests for public participation.

**Adjournment**

The meeting was adjourned at 11:37 a.m.