FORM GEN. 160

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 130

Date: May 6, 2026

To: Budget and Finance Committee

From: Matthew W. Szabo, City Administrative Officer

Subject: **LOS ANGELES HOMELESS SERVICES AUTHORITY – SERVICE IMPACTS TO ACCESS CENTERS DUE TO BUDGET SHORTAGES**

APPLICABLE BUDGET THEMES:

[ ] Fulfills legal obligations
[ ] Improves accessibility requirements
[ ] Supports public safety
[ ] Relates to proposed position or expense account eliminations
[X] Above themes do not apply

RECOMMENDATION

This Office recommends to note and file this Memorandum.

DISCUSSION

During its consideration of the 2026-27 Proposed Budget for the Homeless Budget, the Budget and Finance Committee requested the Los Angeles Homeless Services Authority (LAHSA) to report on the service impact to the access centers if the funding gap is not resolved.

Attachment 1 provides LAHSA's overview of changes to the funding of Access Centers funded by the Los Angeles Continuum of Care (CoC). The proposed budget fully funds the LAHSA's General Fund request regarding Navigation Centers and as such, there will be no impacts to the three City-funded Navigation Centers in FY 2026-27. However, the program funding for Access Centers funded by the CoC is slated to sunset due reductions in the Homeless Housing, Assistance and Prevention Round 6 (HHAP-6) Grant. As a result, five CoC HHAP-funded Adult Access Centers located within the City may close or curtail services.

FISCAL IMPACT STATEMENT

The recommendation to note and file this Memorandum will have no fiscal impact.

FINANCIAL POLICY COMPLIANCE

The recommendation in this report complies with the City's Financial Policies.

MWS:MZ:16260116

Question No. 198

Attachment

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MEMO

Date: May 5, 2026

From: The Honorable Members of the Budget and Finance Committee

From: Gita O'Neill, Interim Chief Executive Officer

CC: City Council President, Marqueece Harris-Dawson
City of Los Angeles Mayor Karen Bass
Matt Szabo, City Administrative Officer

Re: **BUDGET IMPACT REPORT: QUESTION NO. 198—Service Impacts to Access Centers Due to Budget Shortages**

This memorandum is in response to Request No. 198 from the Los Angeles City Council's Budget and Finance Committee, which seeks a report on service impacts to access centers if funding gaps are not resolved. The following information provides an overview of changes to the funding ecosystem for Access Centers funded by the Los Angeles Continuum of Care (CoC) as well as predicted disruptions for providers and participants.

BACKGROUND ON ACCESS CENTER SERVICES

Access Centers serve important site-based intake and referral functions for the Los Angeles County Coordinated Entry System[1] (CES). They can also deliver targeted, cost-effective assistance that quickly resolves housing crises before crises escalate to the point where they require more intensive interventions, such as hospitalizations or law enforcement encounters. Access Centers can also refer to interim and permanent housing resources, and assist with document readiness, using a Housing First, Low Barrier, and Harm Reduction approach that helps participants access services quickly and free from judgement.

While Access Centers are assessed for effectiveness, the full impact of their services has not historically been reflected in HMIS because the service providers that maintain them often use other sources of funds to augment services available beyond what is required as a baseline. They also serve as a lifeline for unhoused people who rely on them for basic services like hygiene, meals, mail, and storage, amenities that may not be fully captured through HMIS data. A recent survey of eight (8) Access Centers found that within one fully-funded year, these Access Centers:

- Served over 20,000 unique people
- Provided almost 1,000,000 meals

[1] https://www.lahsa.org/ces/home/accessingces/

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MEMO

- Provided over 80,000 showers
- Provided over 2,000 medical services

Access Centers also offer Problem Solving services[2], a person-centered, housing-focused intervention approach that is a cost-effective solution to quickly resolve housing crises. The goal of Problem Solving is to use conversational techniques as a tool to empower participants to explore their existing social support and resources to resolve their homeless, such as through moving in with friends or family or maintaining their current housing situation. The intent is to quickly resolve their housing situation by using this very cost-effective intervention before enrolling them into a homeless services program. This intervention can also be effective when paired with resources, which can cover specific unmet needs like car repair, utility assistance, or transportation costs to reunify with family. Even without funding, any service providers or trained personnel can be trained in Problem Solving techniques to resolve instability using unfunded solutions. All Council District staff have the opportunity to train in problem solving techniques, and many have already done so.

FUNDING SHORTFALLS FOR ACCESS CENTERS

LAHSA's City of Los Angeles General Fund Request was fully funded in the Mayor's Bluebook for FY26-27. Therefore there will be no impacts to the three City-funded Navigation Centers' operations over the next Fiscal Year, which provide Interim Housing within the City. The City's continued support of this item will fund the staffing, services, and facilities costs for these centers.

However, CoC state Homeless Housing, Assistance and Prevention (HHAP) program funding for Access Centers has sunset due to reductions in HHAP 6. Therefore, five HHAP-funded Adult Access Centers located within the City of LA may close or curtail services without funding to sustain the programming formerly funded by HHAP. These contract cancellations jeopardize the critical role that Access Centers play in providing straightforward, cost-effective crisis response within the region. LAHSA will continue to advocate with our state partners for renewed and stabilized HHAP funding.

[2] https://www.lahsa.org/news?article=586-problem-solving-a-humanistic-approach-to-ending-homelessness