

LAHSA Response to UBH Story for Other Media DRAFT 2/11/25

Statement:

Since joining LAHSA, Dr. Adams Kellum has been excluded from any Upward Bound House (UBH) decision-making, including funding decisions and contract negotiations. Most service provider contracts require Commission approval, and all must undergo multiple layers of staff approval, including three staff signatures before being sent to the CEO. As a staff member, she does not vote on items before the LAHSA Commission, where contract funding is approved. Therefore, the signature of the CEO or designee does not provide discretionary approval of funds; rather it makes the documents legally binding. The \$2.1 million UBH contract sent in error by staff to the CEO and signed by Dr. Adams Kellum was a renewal of a federal Department of Housing and Urban Development from 2015 that LAHSA had no decision-making power over. At Dr. Adams Kellum's direction, LAHSA is enhancing internal controls for contracting, including additional layers of review and improved staff training to prevent future signature errors.

Context:

A recent news story asks questions about the connection between Los Angeles Homeless Services Authority (LAHSA) CEO Dr. Va Lecia Adams Kellum and longtime service provider Upward Bound House (UBH), where her husband is employed. It is important to clarify the facts around this matter. First, Dr. Va Lecia Adams Kellum proactively raised her husband's seven-year employment by UBH during the interview process. LAHSA has contracted with UBH for 16 years, and her husband was on staff there long before her employment with LAHSA began in March 2023. Second, LAHSA established protocols to exclude Dr. Adams Kellum from any UBH decision-making following her hiring, including funding decisions and contract negotiations. More specifically, Dr. Adams Kellum is recused from discussions of UBH activities and programs, and as a staff person she does not vote on any items presented to the LAHSA Commission. Third, most LAHSA contracts are decided through a competitive public process or directed by a funder. The one financial UBH contract sent in error by staff to the CEO and signed by Dr. Adams Kellum was a renewal of a federal Department of Housing and Urban Development grant from 2015 that LAHSA had no decision-making power over. The two other documents in question were non-financial service delivery amendments virtually identical to those issued to many other funded agencies. These documents, like all LAHSA service provider contracts, required multiple levels of staff review and required three staff signatures before being sent to the CEO or her designee to authorize them as legally binding documents, not to provide discretionary approval of funding. Finally, to ensure these types of errors do not occur in the future LAHSA is strengthening internal controls for contracting, including new layers of review and enhanced staff training.

LAHSA knows its stakeholders must be able to trust the integrity of its processes. The agency takes transparency and even the appearance of a conflict of interest seriously. LAHSA Commission Chair Wendy Greuel said, "Dr. Adams Kellum proactively highlighted her husband's employment by Upward Bound House with the LAHSA Commission before she was hired. Prior to her start as CEO, LAHSA established procedures regarding any potential conflicts of interest

that were in line with the relevant statutes, FPPC, and counsel advice and guidance. I will help ensure that a rigorous review procedure is adhered to.”

LAHSA will continue to prioritize accountability and integrity while pursuing its mission to address the homelessness crisis. Dr. Adams Kellum is committed to changes that enhance agency transparency, and she was the first LAHSA CEO to pursue policy changes to require more widespread completion of the financial disclosure Form 700 by appropriate agency staff. This new policy was approved by the LAHSA Commission at its October 2024 meeting, well over a month before any media inquired about this issue. The new policy requires final approval by the LA County Board of Supervisors; this approval is expected in early February, and LAHSA is committed to ensuring that all newly required staff complete the form within 30 days of the Board’s approval.

LAHSA is focused on lifesaving wildfire response and recovery efforts. When the fires threatened interim housing sites, LAHSA assisted service providers with evacuating hundreds of people and staffed temporary emergency shelters. LAHSA also deployed outreach teams to an average of 250 high-need locations daily to provide fire safety information, offer temporary housing at motels and at LAHSA’s Welcome Navigation Center, and distribute vital items like meals and water. After the fires began, LAHSA distributed more than 8,000 N95 masks through its own teams and provider partners. To assist with recovery efforts, LAHSA is providing resources and assistance at FEMA Disaster Recovery Centers and expediting the availability of housing by quickly activating units within its master leasing portfolio.

Before the fires, the Los Angeles region had been making notable progress over the last two years, and LAHSA is committed to continuing along this path: the area’s success at reducing unsheltered homelessness over the last two years stands in stark contrast to the recently released national statistics that show increases in most major cities. This progress is the result of unprecedented collaboration across all levels of government, which has been supported by ongoing positive changes Dr. Adams Kellum has implemented to address LAHSA’s longstanding challenges. When comparing the last two fiscal years, these changes helped LAHSA increase the number of people moving from the street to permanent housing by 45% and the number of people moving from the street to interim housing by 32%. We’re also moving more people through the rehousing system faster, with the number of people moving from interim to permanent housing up by 29%.