

**MOTION BY SUPERVISORS MARK RIDLEY-THOMAS
AND JANICE HAHN**

JANUARY 21, 2020

Establishing a Comprehensive Homelessness Crisis Response Strategy in Los Angeles

On January 8, 2020 Governor Newsom previewed his Homelessness and Mental Health Budget Proposal, which will set aside \$1.4 billion to combat homelessness. He also signed an Executive Order that will make State properties and facilities available for housing and shelter options and directed State personnel to work with local jurisdictions to create more immediate sources of shelter. The Governor’s proposal is a multi-pronged strategy that seeks to address the crisis Statewide and allocates unprecedented resources to urgently bring homeless Californians indoors.

On January 13, 2020, Governor Newsom’s Council of Regional Homeless Advisors (Council) released a letter to the Governor with a series of recommendations, along with a “Comprehensive Crisis Response Strategy (Strategy) to Address Homelessness Statewide” (attached), which is a compendium of 40 legislative and budgetary strategies and recommendations. The Strategy provides a roadmap that complements the Governor’s actions last week to: 1) Bring people home by expediting the building of permanent housing and service-enriched interim housing; 2) Capitalize on

-MORE-

MOTION

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the use of public land; 3) Keep people housed, once they are housed with flexible subsidies and services; 4) Break the vicious cycle between jails, hospitals and homelessness; and 5) Use State mental health and Medi-Cal dollars to better target vulnerable populations. Implicit in both Governor Newsom's proposal and the Council's recommendations is a unifying call for State, county and city governments to respond to this crisis with new urgency, boldness and ingenuity.

However, to date, neither moral grounds nor economic incentives have successfully moved Los Angeles County (County) closer to fully harnessing its resources and personnel to bring the County's most vulnerable neighbors, who are interested in accessing services, inside. In fact, by the Los Angeles Homeless Services Authority's estimates, approximately 30,000 unhoused individuals have been assessed and are willing to accept housing services, if available. The County must rapidly create the infrastructure needed to provide all County residents safe, healthy and compassionate options to come indoors and move on a pathway toward a permanent home. The County must be radically expeditious and efficient in these efforts as, on average, one thousand homeless neighbors perish on County streets each year.

The Strategy, coupled with the resources proposed by Governor Newsom, can lay the platform for this new level of engagement, in the County and across the State. Given that the County is the epicenter of the State's homeless crisis, the Board of Supervisors must continue to lead by example and embrace the immediate implementation of strategies to categorically change the course of this crisis.

WE THEREFORE MOVE THAT THE BOARD OF SUPERVISORS:

1. Receive and file the California Regional Council of Homeless Advisor's (Council) "Comprehensive Crisis Response Strategy to Address Homelessness Statewide";
2. With the goal of establishing an accountability framework in which the County of Los Angeles (County), in partnership with the State, could ensure shelter or housing for all those ready and willing to receive such services, instruct the

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Chief Executive Officer (CEO), led by the Office of Emergency Management and the Countywide Homeless Initiative, in collaboration with relevant County Departments including County Counsel, Health Services, Mental Health, Public Social Services, Public Works, Regional Planning, as well as the Los Angeles County Development Authority, Los Angeles Homeless Services Authority, and city partners, and in coordination with State officials, to report back to the Board of Supervisors (Board) within 60 days with the following:

- a. A prioritized strategy for implementing or scaling up, where feasible, and advocating where appropriate, the recommendations outlined in the “Comprehensive Crisis Response Strategy to Address Homelessness Statewide”;
 - b. A legal framework and proposed implementation strategy, developed in conjunction with the previously-requested Urgent Housing Initiative, which includes targets and a timeline, to pilot an effort to ensure shelter or housing for those ready and willing to receive such services (Crisis Response Framework);
 - c. An assessment of available funding, including General Relief and Mental Health Services Act dollars, to implement the aforementioned Crisis Response Framework, in the broader context of the County’s current efforts to end homelessness, and the extent to which these resources would need to be further scaled up, in partnership with the State;
3. Direct the County’s legislative advocates in Sacramento to:
- a. Support Governor Newsom’s 2020-2021 Homelessness and Mental Health Budget Proposal as well as legislative amendments that would remove zoning restrictions and other barriers to the “by right” use of publicly-owned and controlled property for shelters and supportive/affordable housing to comprehensively address the homelessness crisis; and

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- b. Actively engage in legislative solutions such as AB 1907 (Santiago) and AB 22 (Burke), that would create the legal framework and financial resources for jurisdictions to aid individuals who want to come indoors in doing so.

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(CG/KK/DW)

The Honorable Gavin Newsom
January 13, 2020

January 13, 2020

The Honorable Gavin Newsom
Governor of California
State Capitol, Suite 1114
Sacramento, CA 95814

Dear Governor Newsom:

When you appointed us to lead your Council of Regional Homeless Advisors (Council) in 2019, you asked us to focus on three goals: dramatically reducing street homelessness; breaking down barriers keeping homeless people from accessing mental health and substance abuse services; and finding ways to both reduce the cost and boost the supply of housing options for those experiencing homelessness. Our short-term charge did not include more fully exploring how to prevent people from becoming homeless. We recommend making homelessness prevention, targeted to those most likely to fall into homelessness, a major focus as we continue our work in 2020. Prevention should focus particularly on the growing number of Californians becoming homeless due to economic displacement, as well as those discharging from our institutional settings into homelessness.

Our work is far from complete. We are submitting this interim set of recommendations to guide specific budget and policy actions for the beginning of the 2020 legislative session.

A Greater Sense of Urgency Should Drive Our Response

Homelessness is undeniably complicated, but our task force seeks to identify critical dimensions and answer the key question: In a context in which the federal government has drastically reduced housing investments and may be departing from evidence-based approaches to addressing homelessness, how can we best use state public policy and resources to incentivize and require our state and local governments to scale the evidence-based practices and make this intolerable condition dramatically better?

As you stated in your letter to the Council on September 26, 2019, "We first have to acknowledge that for decades, it has been tacitly acceptable for people to sleep on the streets." That current approach in California is unacceptable. We must move beyond state and local governments accepting that approach.

Our initial recommendations center on a key principle. The state, in partnership with local governments, can no longer accept tens of thousands of fellow Californians living in the most unsafe and unhealthy manner. The evidence makes clear that experiencing homelessness for any appreciable length of time shortens life spans by an average of

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25 years. Further, for individuals without a behavioral health condition, the trauma of experiencing homelessness can precipitate either mental illness and/or addiction. Additionally, homelessness disproportionately affects Californians of color. For example, African Americans comprise 40% of the homeless population while only 6.5% of the general population.

The state must establish in law that it is not morally or legally acceptable to deny housing for people on the streets and create the legal mandates and funding mechanisms necessary to dramatically improve this unacceptable condition.

All levels of government responsible for and impacted by this crisis must demonstrate a greater sense of urgency. Governor Newsom, you have forcefully articulated why reducing homelessness must be the priority for every level of government, including the state. You have budgeted unprecedented resources to begin a statewide effort.

Homelessness, especially unsheltered homelessness, must be viewed as a humanitarian crisis tantamount to any sustained natural disaster. State government must deploy even more funding, expertise, personnel and authority in its response to the current reality. Data demonstrates that the vast majority of homeless individuals in California are from our state and became homeless in the same communities where they are now unhoused. We know too that thousands of veterans remain on our streets, an intolerable situation that demands remedy.

California must have a set of clear public policies that scale up what we know works to prevent and end homelessness to a level required to abate this mounting catastrophe, that rationally prioritize housing and services based on need, and that prevent the dramatic spike in homelessness from ever happening again.

We recommend the following:

Adopt a Comprehensive Crisis Response Strategy

We believe it is important to chart a vision for a Comprehensive Crisis Response that provides the public with a cohesive picture of where California has been, where we need to go, and how we will get there. The draft Comprehensive Crisis Response working document shared on November 4, revised with input from Council members on Dec. 20, provides preliminary ideas about how the state could act with even greater urgency.

The Comprehensive crisis response strategy must begin with an honest admission that we lack clarity regarding which levels of government are or should be responsible for funding and implementing various aspects of a response to the crisis of homelessness and the lack of housing for extremely low-income people. In California, almost all public social services programs are delegated to counties, with state/county cost-sharing relationships, but only a limited number of homeless services have been included in that suite of social services. Health and mental health services are contracted by the state

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through counties to a mix of private and public providers. In most parts of the state, cities are responsible for housing, land use, and facility siting, but not for provision of social and health services. The state has made a major recent investment in support of homeless interventions and services, but the investments are largely time limited. The state agencies with funding and policy jurisdiction over homelessness have not pooled resources or strategies to present a single, comprehensive state response.

A necessary precondition of moving forward with our recommendations is assigning responsibility for both the resources needed and the responsibilities for implementation.

Create an Enforceable, Results-Based Accountability Mandate to End Homelessness

There are few other areas of important public policy where government efforts to achieve a compelling societal objective are purely voluntary. We have a renewable energy mandate in California that requires public agencies to achieve a quantifiable increase of renewable energy sources according to specific timetables. This requirement is changing California's energy use in dramatic fashion. California mandates free public education for all of its children and subsidized health insurance for its low-income residents. It requires its subdivisions to provide services to people with developmental disabilities and foster children.

Homelessness is a crisis of epic and increasing magnitude. Yet everything that state, county and city governments do to alleviate this crisis is voluntary. There is no mandate to ensure people can live indoors, no legal accountability for failing to do so, no enforceable housing production standard and no requirement to consolidate and coordinate funding streams across jurisdictions. The results speak for themselves.

Advocates, providers, and government have attempted to use moral persuasion and economic incentives to change the current reality. Neither has had the essential impact to bring all of our neighbors inside. It is past time to now REQUIRE what we all know is fair, compassionate, and necessary to save lives.

We propose that both state and local governments be held legally accountable to achieve the aims of dramatically reducing homelessness and creating avenues to rapid resolution. A legally enforceable, results-based, accountability mandate will require state and local governments to provide resources for, and reduce barriers to, the creation of both interim and permanent housing that is high quality, low barrier and complies with fair housing rules.

In order to create genuine accountability, the legal mandate must be enforceable through a public right of action that requires state and local governments to create the capacity to bring unsheltered homeless people under a roof, including both funding and rapid approval and siting of interim housing, permanent housing, supportive services, and targeted prevention to reduce homelessness by the tens of thousands. Sweeps and

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criminalization have been shown not to work in this effort. Strategies that explicitly or implicitly encourage these actions will be unacceptable.

The mandate must include strict and regular reporting by the state, cities, and counties on the number of homeless people; the jurisdiction's capacity and rapid progress to both house them and address the underlying issues which caused or exacerbated their homelessness; respective efforts to prevent them re-entering or becoming newly homeless; steps taken to ensure that exits from jails, hospitals, and foster care do not result in homelessness; and the steps being taken to close deficits in these areas.

Enacting a legally enforceable, results-based accountability mandate will require a constitutional amendment because of its fiscal impact relating to state mandate laws. The task force recommends the constitutional amendment creating the enforceable mandate be placed on the ballot by the Legislature in 2020.

Here is how the enforceable accountability mandate could work under law: Within one year of establishing the mandate, the responsible governments would be required to develop an enforceable plan to house the vast majority of their homeless populations within an aggressive but reasonable period of time, based on the jurisdiction's last Point-In-Time Count.

To be clear, the obligation lies with government to strategize, plan, and implement. Homeless people will be the beneficiaries of that government action.

These plans would include specific benchmarks and timelines that jurisdictions would have to meet for moving people into permanent housing through both services offered in interim interventions and creation of housing opportunities. One year after enactment, designated public officials as identified by the legislation would have the authority to file a public right of action requesting the Superior Court in any non-compliant jurisdiction to either appropriate existing resources, consolidate resources with neighboring jurisdictions, override any siting restrictions, and/or effectuate any actions that would move the jurisdiction toward compliance. Any appeals would be heard by higher courts on an expedited basis.

While more state resources will undoubtedly be required, the state must first assess the existing funding available for homelessness, housing, mental health and substance abuse treatment, and the extent to which these resources could be reprioritized to end street homelessness. The Governor and Legislature, with the guidance of this task force, should spend the first months of 2020 developing a better integration of existing and additional funding sources to meet this mandate. The state should reserve the right, and enforce through the courts, the right to require remedial reprioritization of existing resources by cities, counties and the state to ensure a commitment to the mandate.

In order to expand access to mental health and substance abuse treatment for individuals experiencing homelessness, the state should work in tandem with counties to ensure that existing funding, funding proposed in the Governor's budget, and

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proposed Medi-Cal reforms align with the state's goals to improve access to treatment for the estimated 25% of homeless individuals living with a serious mental illness or substance use disorder while at the same time not reducing the levels of funding directed at core prevention and Medi-Cal behavioral health services.

There is still much work to be done to negotiate the parameters of an enforceable obligation, shared by the state and local governments, including identifying the responsibilities of the respective stakeholders and timelines for action, in addition to how the obligation would be enforced. The task force proposes to work with you, the Legislature and relevant stakeholders over the next months to design the specific elements of the legally enforceable, results-based accountability mandate.

The elected leaders of the task force commit to working with the Administration to establish as many local enforceable mandate pilots in their own jurisdictions as possible prior to the eventual constitutional amendment taking effect.

Create a Single Point of Authority for Homelessness in State Government

Since homelessness crosses multiple state agencies and jurisdictions, we strongly recommend a single high-level official and team be established to coordinate housing, health and human services and other state responsibilities relating to homelessness. This person should report directly to the Governor, have authority over other departments and agencies, oversee the Homeless Coordinating and Financing Council, and run a funders collaborative that would coordinate and standardize state funding toward evidence-based housing and services interventions as well as attract philanthropic investment.

Strategic Funding Investments

The state also should consider several strategic investments to build on your previous accomplishments, as further described below.

Use the Federal Waiver Process to Ensure Medi-Cal Invests in Solutions Through the CalAIM Process.

If approved by the federal government, the CalAIM proposal could strengthen California's response to homelessness.

- Providing new opportunities to build upon the lessons learned under Whole Person Care pilots through new requested Medicaid funding for enhanced care management, and in lieu of services such as housing services and supports.
- Preventing homelessness through investments in transitions that can cause vulnerable populations to fall into homelessness, e.g. transitions from jail, emergency departments, hospitals, and skilled nursing facilities.

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- Resourcing navigation funding and supports for individuals who require Board and Care levels of care.
- Revising medical necessity criteria to allow for individuals to seek specialty mental health substance use disorder treatment services prior to diagnosis.
- The administrative and financial integration of mental health and substance use disorder services.
- The proposal should create a new benefit that would fund housing-based services, such as housing navigation, tenancy transition and sustaining services

Encourage Medi-Cal Managed Care Providers to Make Targeted Investments in Homeless Beneficiaries.

- Given the size of Medi-Cal Managed Care Plan reserves, engage health plans in developing an initiative to invest more in targeting homeless beneficiary populations, both within Medi-Cal Healthy California for All's proposals, and beyond.
- These resources will support federal, state, and county resources in moving people off the street and in the support of ensuring stable transitions to housing.

Scale Up Funding through an Ongoing Annual Allocation for a State Pool of Flexible Housing Funds Which Would be Matched by Eligible Counties and Cities, in Partnership with the Private Sector and Philanthropy.

The state should invest in flexible housing pools to scale up successes of local jurisdictions:

- Pooled Flexible Housing Funds, including rent subsidies, have been successfully piloted in Los Angeles County and are being piloted in a number of other counties. They are responsible for housing thousands of households with over 90% housing retention rates.
- Flexible Housing Funds have also been unlocked under-utilized properties in the faith sector and private sector through rental assistance, and fund landlord incentives and flexible funding to rehabilitate property.
- Flexible Housing Pools further allow communities to "buy into" affordable housing projects to create more affordable and supportive housing opportunities.
- Flexible Housing Subsidies may also be used for shallow subsidies for General Relief participants, including participants who have applied for SSI. They allow local jurisdictions to rent units in affordable housing projects, and to stretch rapid rehousing resources further by avoiding a "cliff" of ending rent subsidies. In these ways, they create housing opportunities not currently in existence: affordable housing for people experiencing homelessness who do not need supportive housing.
- Flexible Housing Funds, including one-time back payments of rent and utilities, have been used to prevent individuals and families from falling into homelessness.

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- Finally, Flexible Housing Pools have standardized housing and services funding to focus on evidence-based interventions, while promoting private and philanthropic funding to seed innovations in getting people housed as quickly as possible.

Jurisdictions should have some level of flexibility in designing how to strategically allocate such funds based on their regional context and the particularities of their homeless population, while again being held accountable to meet their obligation to house their residents.

Provide Annual Allocation to Fund HHAPP Over its Five-Year Cycle.

- Applications should focus on the three challenge areas outlined in your September 27th letter to the Governor's Council.

Provide Augmentations to SSI, SSP, Cal-EITC, and Adult Protective Services Specifically Targeted to Those at Highest Risk of Becoming Homeless and Those Newly Homeless.

- Research demonstrates that a significant percentage of people falling into homelessness are over 50 and homeless for the first time, primarily due to economic factors.
- Studies also indicate augmentations to current benefits open the door to housing for many people experiencing homelessness and to people at greatest risk of falling into homelessness. Additionally, persons on SSI who are paying a disproportionate portion of their SSI on housing need shallow rent subsidies to maintain their housing and not add to the number of homeless individuals.
- The State's Adult Protective Services Program is encountering an increasing number of victims of abuse, neglect and self-neglect who become or are at very high risk of homelessness.
- We recommend investment in this successful program to prevent homelessness to intervene early for those at high risk by: lowering the eligibility age to 60 (from 65), providing longer term and more intensive case-management for homeless and at-risk clients, expanding the Home Safe Program and providing opportunities for more counties to establish multi-agency Financial Abuse Specialist Teams and Forensic Centers.

Fund, Streamline, and Incentivize Permanent Supportive Housing and Housing for Extremely Low-Income Households

- Explore ways to fund housing for extremely low-income households, both through better targeting of existing housing resources and through additional funding.

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Resources could fund construction of new ELI housing, acquisition of existing units that could be reserved for ELI households, preservation of existing sources of deeply affordable housing, ongoing rental subsidies, operating reserves to allow for deeper targeting of affordable housing units, etc.

- Exempt from CEQA all actions taken in furtherance of creating high-quality housing opportunities for people at risk of or experiencing homelessness
- Consolidate state housing-related functions and funding programs to create more efficiencies and reduce the timeframes for financing projects.
- Support legislation, potentially including an increase to the welfare tax exemption, to spur the development of more deeply affordable housing Explore opportunities to work with local governments to stimulate private sector investment in the scaling of innovative deeply affordable housing production, including cost effective and timely hotel/motel conversions, ADUs, and modular prefab micro units.
- The State should offer local jurisdictions some flexibility over a percentage of existing state affordable housing dollars to invest in other high-quality housing prototypes which require less of a per unit subsidy or create more deeply affordable housing opportunities more quickly. The state has a unique opportunity to catalyze a new 'Silicon Valley moment' and launch new industries for high volume, lower cost housing throughout California.
- A portion of homeless funding should be set aside as a competitive resource to stimulate innovative initiatives that would scale deeply affordable housing production and employment opportunities. These innovative ideas would be funded directly, and recipients would work with communities to implement these innovations. Given that deeply affordable housing production and access are essential to the overall mandate, acceleration of access to units is critical.

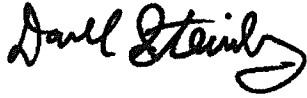
Governor, you have demonstrated the vision, will, and unprecedented resources to change the commonly held belief that homelessness is beyond repair. Homelessness need not be hopelessness.

We applaud you for your January 8th announcement that you will use your unique authority to facilitate Executive Orders that will harness the State's real estate and human capital in ways never proposed before to confront this humanitarian crisis – along with proposed funding allocations for next year's budget to further increase the State's investment.

We trust that with your leadership, these initial and complimentary set of recommendations which are further articulated in the attached Comprehensive Crisis Response Strategy will lead to a new and better day for California's most vulnerable citizens. We look forward to continuing our work together.

With hope,

The Honorable Gavin Newsom
January 13, 2020



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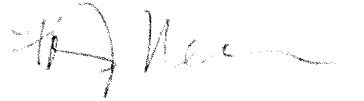
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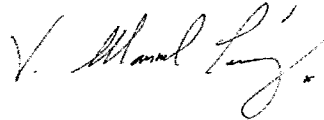
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The Honorable Gavin Newsom
January 13, 2020



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COMPREHENSIVE CRISIS RESPONSE STRATEGY TO ADDRESS CALIFORNIA'S HOMELESS CRISIS

| Focus Area/Strategy | Bills Signed into Law by Governor Newsom | Proposed Next Steps (via Executive Orders, Budgetary Considerations or Legislation) |
|--|---|--|
| Addressing and Preventing Street Homelessness | | |
| 1. Expand rental protections statewide | AB 1482 - Establishes a yearly maximum rent increase of no more than 5%+CPI for tenants who have occupied a residential unit for 12 months. | AB 1482 does not cover all rental properties and would still allow a 5%+CPI increase annually. For example, Zillow research shows that a 5% increase alone in LA will contribute to 11K more individuals becoming homeless. Executive Order to include more units and further reduce the allowable annual rent increase. |
| 2. Prevent evictions without just cause for all properties | AB 1482 - Requires just cause for termination of a tenancy for tenants in place more than 12 months. | AB 1482 authorize protections after one year and does not cover all households. Executive Order to expand this to a larger portion of the renter population in California. |
| 3. Scale-up legal representation for evicted low- income tenants at greatest risk of homelessness | <p>AB 330 - Increases funding for legal aid in matters affecting basic human needs, including housing, to be paid for by a \$15 increase in certain court fees.</p> <p>Governor's budget provided a one-time \$20M augmentation for legal aid that would help represent clients in landlord-tenant disputes. The budget also created a \$331M fund to provide mortgage relief and tenant legal aid.</p> | Governor's budget request to increase available funding to target these resources to people at greatest risk of homelessness, or who meet predictive modeling criteria. |
| 4. Expand and enhance the Adult Protective Services Program (APS), which serves vulnerable older adults who are victims of abuse, neglect, and exploitation, and many of whom are at risk of homelessness and have cognitive impairments | Recent expansion and investment of the Home Safe Program within APS, which provides housing and assistance to APS clients at risk of homelessness. | Intervene earlier by lowering the age of older adults served to 60. Provide longer-term, multi-disciplinary case management for victim requiring more intensive services. Expand the Home Safe Program further. Anticipated need is \$100 million. |

COMPREHENSIVE CRISIS RESPONSE STRATEGY TO ADDRESS CALIFORNIA'S HOMELESS CRISIS

| Focus Area/Strategy | Bills Signed into Law by Governor Newsom | Proposed Next Steps (via Executive Orders, Budgetary Considerations or Legislation) |
|--|--|---|
| <p>5. Expand flexible funding, including housing subsidies for those on the verge of homelessness</p> | <p>AB 101 - Budget trailer bill with numerous provisions, including allocations of \$650M for local government homeless assistance, \$500M for the state LHITC, \$500M for a new infill program, preferences in state funding for localities deemed pro-housing/</p> <p>The Governor's January 8th Executive Order directs the Department of Finance to establish the California Access to Housing and Services Fund which, according to the 2020-21 budget proposal, would receive \$750 million in state funds to help housing and service providers bring more affordable housing units online, provide rent and operating subsidies, and support board and care facilities.</p> | <p>Executive order or Governor's budget request to increase available funding.</p> <p>Western Center on Law and Poverty proposal to prevent homelessness by targeting rental subsidies to SSI recipients paying disproportionate amounts of income for rent. The state would provide the assistance by increasing the State Supplemental Payment to the SSI grant. The counties would identify SSI persons in the CalFresh data base receiving 70% or more of the maximum CalFresh benefit amount. Counties would identify the SSI recipients whose housing costs exceed 50% of the SSI grant amount.</p> |
| <p>6. Reduce discharges from institutional settings to homelessness</p> <p>Develop targeted prevention services to people being released from institutions, and young adults exiting foster care</p> | <p>Medical transformation, known as Medi-Cal Healthier California for All, includes funding services through Medi-Cal that allow people to step down from higher/institutional levels of care.</p> | <p>Task state agencies/departments with planning in 2020 for preventing discharges from state-funded institutions (i.e., prisons, nursing homes, hospitals, etc.) to homelessness, and how to use existing funding for housing navigation services to prevent discharges into homelessness.</p> <p>Develop targeted prevention services to people being released from institutions, and young adults exiting foster care.</p> |

COMPREHENSIVE CRISIS RESPONSE STRATEGY TO ADDRESS CALIFORNIA'S HOMELESS CRISIS

| Focus Area/Strategy | Bills Signed into Law by Governor Newsom | Proposed Next Steps (via Executive Orders, Budgetary Considerations or Legislation) |
|--|--|--|
| 7. Establish a legal and accountable framework to dramatically reduce homelessness | | <p>Executive Order or legislation that establishes such a framework in California, ensuring focus is on the right of individuals to access permanent housing, including services provided in shelters providing pathways to permanent housing.</p> <p>Must define how city, county and state roles will be determined.</p> |
| 8. Expand flexible funding for those in need of interim housing/shelter | <p>AB 101 - Budget trailer bill with numerous provisions, including allocations of \$650M for local government homeless assistance, \$500M for the state LHITC, \$500M for a new infill program, by-right siting of shelters and navigation centers, preferences in state funding for localities deemed pro-housing.</p> <p>The Governor's January 8th Executive Order directs the Department of Finance to establish the California Access to Housing and Services Fund which, according to the 2020-21 budget proposal, would receive \$750 million in state funds to help housing and service providers bring more affordable housing units online, provide rent and operating subsidies, and support board and care facilities.</p> | <p>Based on a gaps analysis that identifies the ideal churn of beds as people are accessing permanent housing, policy improvements needed to use all available beds, the number of beds already existing in California, the number of beds anticipated to open over the next two years, the number of Californians experiencing unsheltered homelessness, and an anticipated cost to provide supportive services in interim housing sites at approximately \$60/shelter bed/day, approx. \$500 million is needed as well as additional capacity.</p> |

COMPREHENSIVE CRISIS RESPONSE STRATEGY TO ADDRESS CALIFORNIA’S HOMELESS CRISIS

| Focus Area/Strategy | Bills Signed into Law by Governor Newsom | Proposed Next Steps (via Executive Orders, Budgetary Considerations or Legislation) |
|--|--|---|
| 9. Identify and develop sites owned by the State and other public agencies for safe sleeping and interim housing | <p>SB211 - Authorizes Caltrans to lease, for a nominal amount, non-surplus property, including airspace under a freeway, to a local government for shelter or feeding purposes.</p> <p>The Governor’s January 8th Executive Order directs as follows:</p> <ul style="list-style-type: none">- The Department of General Services to identify excess state land for use as temporary housing and state facilities that can provide temporary housing as well as health and social services.- The Department of Transportation to develop and make public a lease template allowing local jurisdictions to use Caltrans land for temporary housing.- The Office of Statewide Health Planning and Development to assess availability and appropriateness of vacant and decommissioned hospitals and health care facilities for use as temporary housing.- The Department of Food and Agriculture, in consultation with other departments, to identify fairground land for use as temporary housing in or near jurisdictions that have declared a shelter crisis. | Executive Orders to implement Safe Sleeping and Parking at Public Properties that can be implemented immediately and Interim Housing that can be implemented in the short-term. |

COMPREHENSIVE CRISIS RESPONSE STRATEGY TO ADDRESS CALIFORNIA'S HOMELESS CRISIS

| Focus Area/Strategy | Bills Signed into Law by Governor Newsom | Proposed Next Steps (via Executive Orders, Budgetary Considerations or Legislation) |
|---|--|---|
| 10. Dedicate public employees to supporting the development and operation of facilities to serve people experiencing homelessness | The Governor's January 8, 2020 Executive Order directs the Department of General Services to supply 100 travel trailers and the Emergency Medical Services Authority to provide modular tent structures for use as temporary housing and to provide health and social services, and deploys the Homeless Coordinating and Financing Council to oversee a multi-departmental crisis response team to provide local jurisdictions with technical assistance and direct support for linking unsheltered individuals and families to housing and services. | Executive Order requiring State employees to assist/administer homeless-related programs as well as inspections of facilities to expedite development. |
| 11. Creating more clarity and ease of permitting Statewide for interim housing | SB 190 - Requires the State Fire Marshal to develop model defensible space standards, to include a timeline for abatement, citations, and cost recovery if the owner or landlord fails to correct a violation. | Need to expedite the execution of this, as well as requirements from other local Building and Safety officials to create statewide uniform strategies around permitting. |
| 12. Expand workforce development strategies to help implement a more robust safety net | Governor's budget includes \$47.4M to fund scholarships and loan repayments for mental health workforce development programs (\$1M earmarked for former foster youth) | Executive Order to create immediate incentives to recruit qualified professionals and para-professionals to scale up the workforce needs of public entities delivering related supportive services through counties to help address the crisis. Also create incentives to foster more people entering schools of social work to accept positions at county government or non-profit community-based organizations working to end homelessness. Train people with lived expertise of homelessness to work in the field. |

COMPREHENSIVE CRISIS RESPONSE STRATEGY TO ADDRESS CALIFORNIA'S HOMELESS CRISIS

| Focus Area/Strategy | Bills Signed into Law by Governor Newsom | Proposed Next Steps (via Executive Orders, Budgetary Considerations or Legislation) |
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| 13. Create financial incentives for property owners to maintain the affordability of their properties | n/a | Propose in the Governor's budget, funding for programs that will provide grants to landlords to maintain affordability through 20-year covenants. |
| 14. Establish a new ongoing State revenue source for localities to prevent and combat homelessness | <p>AB 101 - Budget trailer bill with numerous provisions, including allocations of \$650M for local government homeless assistance, \$500M for the state LHITC, \$500M for a new infill program, by right siting of shelters and navigation centers, preferences in state funding for localities deemed pro-housing.</p> <p>The Governor's January 8th Executive Order directs the Department of Finance to establish the California Access to Housing and Services Fund in the 2020-21 budget proposal, would receive \$750 million in state funds to help housing and service providers bring more affordable housing units online, provide rent and operating subsidies, and support board and care facilities.</p> | <p>Establish an ongoing State revenue source through the State Budget process.</p> <p>Governor's budget request to increase available funding and make funding ongoing for a program that strengthens HHAP by funding large cities to distribute capital funding, counties working with CoCs to fund flexible housing subsidy models locally, and non-profit developers to build supportive housing and affordable housing for people experiencing homelessness who do not need supportive housing. Anticipated need is over \$2 billion per year.</p> |
| 15. Stabilize and improve Board and Care options for older adults and individuals with serious mental health issues | The Governor's January 8 th Executive Order directs the Department of Finance to establish the California Access to Housing and Services Fund in the 2020-21 budget proposal, would receive \$750 million in state funds to help housing and service providers bring more affordable housing units online, provide rent and operating subsidies, and support board and care facilities. | <p>Invest \$500 million in emergency crisis grant funding to stabilize board and care facilities serving vulnerable populations of older adults and individuals with serious mental illness.</p> <p>Pursue federal waivers to bring additional federal investment into these board and care providers as a more long-term solution.</p> |

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| 16.Create a Single Point of Authority for Homelessness in State Government | SB 1380 (passed 2016) created California as a Housing First state, while also establishing the Homeless Coordinating & Financing Council, intended to coordinate the activities of state agency/department staff around homelessness. | Since homelessness crosses multiple state agencies and jurisdictions, we strongly recommend a single high-level official and team be established to coordinate housing, health and human services and other state responsibilities relating to homelessness. The high-level authority should report directly to the Governor, have authority over other departments and agencies, oversee the Homeless Coordinating and Financing Council, and run a funders collaborative that would coordinate and standardize state funding toward evidence-based housing and services interventions, as well as attract philanthropic investment. |
| 17.Streamline state funding for homelessness and rehousing. | n/a | Ensure all funding sources work together. Currently, the HOME program will not allow projects with LHITC 9% to apply for HOME. This is a critical flaw in HCD practice. Consider streamlining funding for homelessness and rehousing under one administrative entity with streamlined application, contracting, and reporting requirements. |

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| Focus Area/Strategy | Bills Signed into Law by Governor Newsom | Proposed Next Steps (via Executive Orders, Budgetary Considerations or Legislation) |
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| Reducing Barriers to Building More Housing | | |
| 1. Expand the number of rental subsidies and financing mechanisms for affordable housing with additional funding | <p>AB 101 - Budget trailer bill with numerous provisions, including allocations of \$650M for local government homeless assistance, \$500M for the state LHITC, \$500M for a new infill program, by-right siting of shelters and navigation centers, preferences in state funding for localities deemed pro-housing</p> <p>On January 8th, the Governor indicated that his proposed 20/21 budget would include provisions to reduce health care costs by expanding Medi-Cal to fund tenancy support services, housing navigation services, recuperative care, and targeted rental assistance. The expansion was previously known as CalAIM and is now called Medi-Cal Healthier California for All.</p> | <p>Governor’s budget proposal to include statewide rental and operational subsidies by funding and promoting the creation of local flexible housing pools. Standardization of existing state programs to better utilize existing resources for rental assistance and operating subsidies. In the budget, identify strategies to establish a dedicated revenue source for ongoing funding for housing and services statewide.</p> <p>Ensure CalAIM funds a MediCal benefit (statewide) that offers a supplemental rate to pay for a per diem or capitated rate for support services, aligned with rental assistance and with residents of supportive housing developments.</p> <p>Expand the housing assistance and supports proposed under CalAIM to ensure that federal match can be secured for a broader range of populations at risk of or experiencing homelessness and to ensure that interventions are sufficient to keep vulnerable populations housed.</p> <p>Legislation allowing the issuance of bonds for capitalized operating reserves for ELI (0-30% AMI) units.</p> |

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| 2. Identify and develop sites owned by the State and other public entities for long-term affordable housing | Executive Order to Assess and Dispose of State Property for Housing. | Direct HCD to expedite development across the state (current focus on two northern California areas) |
| 3. Waive regulatory burdens and onerous contracting requirements for housing projects | <p>AB 1197 - Exempts from CEQA certain projects approved or carried out by the City of Los Angeles for supportive housing and emergency shelters.</p> <p>SB 450 - Exempts from CEQA conversions of hotels and motels to transitional or permanent supportive housing, as long as the number of units does not increase.</p> | <p>Support or promote legislation to apply AB 1197 authority across the entire state and to allow local jurisdictions to waive zoning requirements for ELI (0-30% AMI) housing to create housing for people experiencing homelessness.</p> <p>Consider CEQA exemptions for planning documents designed to meet affordable housing objectives outlined in Housing Elements.</p> |
| 4. Require that localities adequately plan for Extremely Low Income (0-30% AMI) housing units | n/a | Legislation that reforms Housing Element Law to include housing goals for ELI units in the Regional Housing Needs Allocation (RHNA) process. |
| 5. Reform documentation requirements for non- Federally-funded housing programs | n/a | Legislation or executive order providing a one-year grace period for documentation requirements (ID, proof of income) for individuals who are chronically homeless moving into State or locally-funded permanent supportive housing. |
| 6. Establish regional housing entities to receive State revenue and generate and allocate regional tax revenues for housing and homeless responses | AB 1487 established the authority for a regional housing finance authority in the Bay Area. | Legislation expanding AB 1487 to regions statewide. |

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| 7. Suspend the Public Contracting Code and related procurement protocols to allow for a streamlined contracting process | n/a | Executive Order to exempt shelter and housing developments from reliance on the public contracting code. |
| 8. Institute more aggressive requirements for local governments to authorize more housing, streamline the development process for housing, and allow for the siting of more housing by-right | SB 330 - Enacts the "Housing Crisis Act of 2019"; places restrictions on certain types of development standards; amends the Housing Accountability Act; and makes changes to the local approval processes and the Permit Streamlining Act. | Executive Order to further extend protections and to incentivize appropriately located developments that additionally address sustainability goals. |
| 9. Expand the welfare tax exemption to spur the development of median income and workforce housing | n/a | Reconsider AB 1734 (Chiu), which passed the legislature last year to expand the welfare exemption (related to property taxes) for housing units that are covenanted up to 120% of Area Median Income. Recommend first focusing on areas around public transit to curb displacement and gentrification in areas that have benefited from public infrastructure investments. |
| 10. Standardize all state programs to fund evidence-based interventions | SB 1380 - Created the Homeless Coordinating & Financing Council and required state agencies/departments to implement Housing First core components | Through Executive Order, create a Funders Collaborative that would require state agency/departments staff to standardize existing funding for housing and housing-based services to fund evidence-based interventions. |
| 11. Align services and housing funding | n/a | Require HCD, HHS/DHCS, CalHFA, TCAC, and CDLAC to align funding for housing-based services to programs funding rental assistance, operating subsidies, and capital funding serving people experiencing homelessness. Can align more easily through coordinated eligibility criteria. |

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| 12. Allow housing projects that are intended for low-income people and that receive government funding or assistance to be developed, constructed, or acquired without a local referendum. | n/a | Repeal Amendment 34 that requires local approval intended for low-income people. |
| 13. Create incentives to allow the broader use of mobile homes in rural areas | n/a | Allow 2-3 mobile homes on a parcel without registering as a park under HCD. Regulate insurance rates for mobile homes to reduce costs. |
| 14. Expanding infrastructure for new housing and updating existing infrastructure to expand housing capacity in rural areas. | AB 101 - provided \$500 million in one-time grant funding to improve infrastructure that supports infill affordable housing, including a \$90 million non-competitive program for smaller jurisdictions. Rural cities and unincorporated areas, however, have unique circumstances that warrant additional funding and flexibility. | In rural communities there may be parcels without basic infrastructure such as roads, electricity, water and sewer. In these cases, infrastructure investments will be needed in order to site mobile homes, or other affordable housing options. While AB 101 included a broader definition of infill than prior grant programs, there are rural sites appropriate for more intensive housing development that may not qualify as infill pursuant to existing definitions. Moreover, additional flexibility in the timing of investments could help support rural affordable housing projects. Local agencies should be allowed to access state funding to complete basic infrastructure improvements up-front in rural areas targeted for affordable housing in an approved housing element or other land use plan, rather than only in conjunction with an individual affordable housing development application. Basic infrastructure improvements are often necessary in advance to attract developer interest in a particular site/area. Local agencies accessing such funding should be required to commit to an expedited, by-right approval of proposed housing projects in the affected project site/area. |

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| Getting More People Into Treatment | | |
| 1. Create interim solutions to allow local governments to intervene humanely and effectively for people who are gravely disabled | SB 40 - Alters procedures of last year's bill establishing special rules for conservatorships of persons with serious mental illness and substance use disorders in LA, SF, and San Diego counties. | State-level investment in recovery-oriented resources, i.e., funding for public guardian offices (including and private/family conservators), and board and care placements, and acute and sub-acute treatment beds to more adequately resource facilitating services for those determined to be gravely disabled. |
| 2. Create incentives to recruit qualified professionals and para-professionals to scale up the workforce | Governor's budget includes \$47.4M to fund scholarships and loan repayments for mental health workforce development programs (\$1M earmarked for former foster youth). | Executive Order to create immediate incentives (financial) to recruit qualified professionals and para-professionals (social workers, licensed SUD providers, clinicians, psychiatrists) to scale up the public behavioral health workforce needed to help address the crisis. |
| 3. Repeal or modify the IMD Exclusion to expand the number of federally-financed sub-acute care beds | n/a | Apply for the 1115 SMI/SED IMD Waiver as part of the state's CalAIM negotiations. |
| 4. Supporting building and contracting efficiencies, consistent with strategies above | n/a | <p>Executive Order to exempt shelter and housing developments from reliance on the public contracting code.</p> <p>Reform No Place Like Home to allow it to more flexibly address the homelessness crisis.</p> <p>Modernize regulations for Board and Care facilities.</p> <p>Expedite the state certification process for SUD providers under Drug Medi-Cal.</p> |

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| 5. Reform MHSA | On January 8 th , the Governor directed the establishment of a Behavioral Health Task Force and Prop 63 review. The Administration is establishing a Behavioral Health Task Force that will bring together relevant state departments, counties, advocates, health plans, providers, and other stakeholders to review existing policies and programs and coordinate system changes to prevent and respond to the impacts of mental illness and substance abuse in California. The Administration will consider updates to the Mental Health Services Act (Prop. 63) to serve persons with mental illness who are experiencing homeless, justice-involved populations and early intervention of children. The Administration will submit a proposal in Spring 2020 regarding Prop. 63’s proposed reforms, which may include new metrics to track local governments’ use of these resources, namely the number of people served and the efficacy of spending. The Administration will work with health plans, providers, patient representatives, and other parties to update and strengthen enforcement of mental health parity laws, focusing on timely access to treatment, network adequacy, benefit design and plan policies. | Reform the MHSA to remove funding percentage restrictions and instead align the MHSA to measurable outcomes, including outcomes that support homelessness prevention and addressing the needs of the seriously mentally ill homeless. Reform the MHSA to allow county behavioral health to use funds for individuals with a primary SUD diagnosis. |

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| 6. Assist individuals with mental and physical illness who are unable to live independently | On January 8 th , the Governor indicated that his proposed 20/21 budget would include provisions to reduce health care costs by expanding Medi-Cal to fund tenancy support services, housing navigation services, recuperative care, and targeted rental assistance. The expansion was previously known as CalAIM and is now called Medi-Cal Healthier California for All. | Governor's budget proposal to increase the Per Day Allocation for Adult Residential Facilities through increase in SSI rate for individuals living in ARFs (perhaps as part of proposed CalAIM plan) Pursue a Medicaid waiver to improve funding and quality for Board and Care settings. |
| 7. Capitalize on existing, publicly-owned land and assets to create an array of integrated services and housing on medical campuses and other similar sites. | The Governor's January 8 th Executive Order directs Departments as follows: <ul style="list-style-type: none"> - General Services to identify excess state land for use as temporary housing and state facilities that can provide temporary housing as well as health and social services. - Transportation to develop and make public a lease template allowing local jurisdictions to use Caltrans land for temporary housing. - The Office of Statewide Health Planning and Development to assess availability and appropriateness of vacant and decommissioned hospitals and health care facilities for use as temporary housing. - The Department of Food and Agriculture, in consultation with other departments, to identify fairground land for use as temporary housing in or near jurisdictions that have declared a shelter crisis. | Identify sites like publicly-owned medical campuses where buildings could be repurposed and leveraged to create a constellation of services and housing options (both interim and permanent). Support legislative action to create pilot program for the Restorative Care Program (with an urgency clause). |

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| 8. Unrestricted health funding | n/a | Legislation to reform eligibility for health care dollars by making them more flexible to assist homeless people regardless of diagnosis or acuity. |
| 9. Fund pre-trial diversion to prioritize treatment, housing, and services for individuals being diverted from incarceration | <p>AB 1810 - prioritizes access to mental health services for individuals at risk of or experiencing homelessness.</p> <p>The Governor's January 8th Executive Order announced the Community Care Collaborative Pilot (CCCP), which includes \$24.6 million in his proposed 2020-21 Budget and \$364.2 million over 6-years for the Department of State Hospitals to implement efforts in three pilot counties to place individuals with mental health needs, specifically those designated Incompetent to Stand Trial, into stable placements in the community instead of state hospital placements.</p> | Allocate ongoing, scaled up funding, consistent with AB 1810, to provide services and supports to individuals avoiding homelessness and incarceration. |