

HOMELESSNESS

Homelessness in California is no longer confined to urban corridors. It pervades both urban and rural communities across the state and puts stress on local resources, from emergency rooms to mental health and social services programs to jails. Recent federal data estimates the state's homeless population at 134,278 in 2017—25 percent of the nation's homeless population. While national homelessness has decreased by 13 percent since 2010, homelessness in California has increased by 9 percent in the same period.

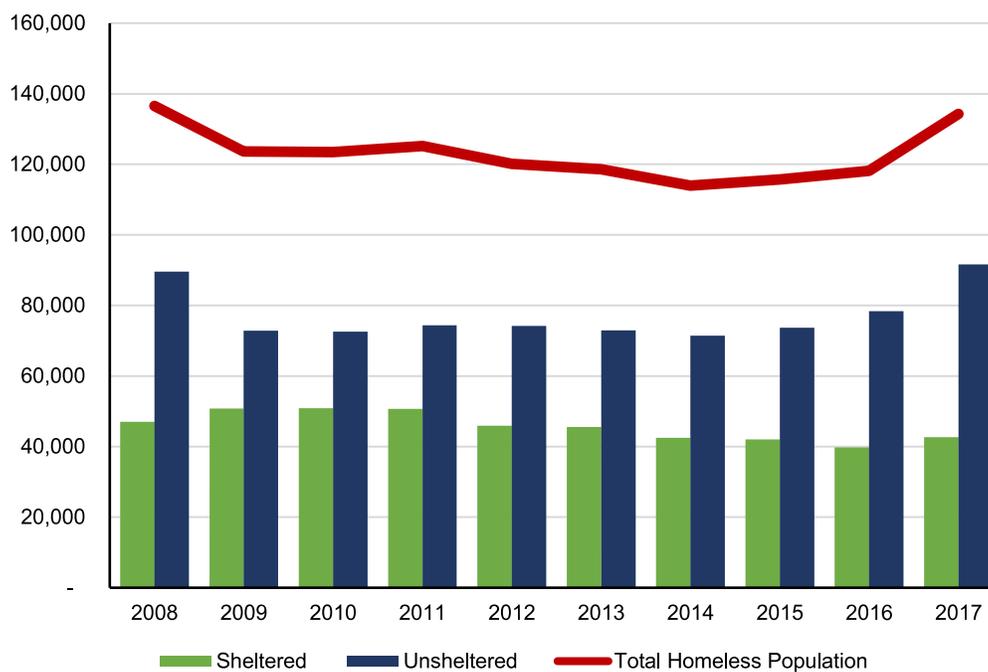
Though the number of sheltered individuals has remained relatively constant in recent years, changes in the unsheltered population drive swings in total population (see Figure HOM-01).

The state's homeless count includes individuals from vulnerable populations—the largest being severely mentally ill (26 percent), followed by victims of domestic violence (24 percent), youth (13 percent), and veterans (9 percent). These statistics highlight the importance of providing shelter as well as connecting people with necessary support services to address underlying problems that are often exacerbated by living on the streets.

RECENT STATE INVESTMENTS

To date, the state has addressed homelessness in two main areas.

Figure HOM-01
Homelessness Rises, Driven by Unsheltered Population



PERMANENT SUPPORTIVE HOUSING

The state provides grants and loans in various programs to construct affordable housing for extremely low-income households, including supportive housing for the most vulnerable populations. For example:

- The Veterans Housing and Homelessness Prevention Act, which repurposed general obligation bonds totaling \$600 million to provide supportive housing for veterans. To date, \$314 million has been awarded, creating 2,463 supportive units.
- The No Place Like Home Act, which dedicates \$2 billion in bond funding to provide supportive multifamily housing for individuals experiencing mental illness who are homeless or at risk of homelessness.
- The Veterans and Affordable Housing Bond Act (Chapter 365, Statutes of 2017, SB 3), which provides \$4 billion for various programs, of which \$1.5 billion is available for the Multifamily Housing Program that can be used for supportive housing development.

The No Place Like Home Act and SB 3 bonds were approved by voters in November 2018 and funds have not yet been awarded. The Administration will accelerate awards for qualifying projects.

TEMPORARY HOUSING

The state also supports short-term housing operations, such as emergency shelters and navigation centers. Recent investments include the \$500 million Homeless Emergency Aid Program and \$123 million of SB 2 (Chapter 364, Statutes of 2017) revenues.

While these efforts will help, more housing is required to begin to significantly address the state's homelessness problem. The shortage of affordable housing units is one of the major contributing factors to the increasing number of homeless in the state.

As discussed in the Housing and Local Government chapter, housing and, as an extension, homelessness are fundamentally local government responsibilities. Cities are responsible for the zoning and siting of housing, and counties are responsible for linking homeless individuals to health and social services. However, as evidenced by the growing number of homeless persons, homelessness is a statewide problem and requires a multi-pronged approach, starting with better planning to provide access to shelter and associated services with the goal of moving individuals into permanent housing solutions.

RESPONDING TO HOMELESSNESS

The Budget includes \$500 million General Fund one-time for jurisdictions that site and build emergency shelters, navigation centers, or supportive housing.

REGIONAL PLANNING—\$300 MILLION

Jurisdictions that establish joint regional plans to address homelessness will be eligible for funding. The Business, Consumer Services and Housing Agency will distribute funds through federally designated areas (\$200 million) and the eleven most populous cities in the state (\$100 million). Plans must include regional coordination between counties and cities and report all funds currently being used to provide housing and services to the homeless population in their regions (including but not limited to Mental Health Services Act funds, Realignment funds, and dedicated city and county funds). Funds must be spent on expanding or developing shelters and navigation centers.

MEETING MILESTONES—\$200 MILLION

Jurisdictions that show progress toward developing housing and shelters, including permitting new supportive housing units or constructing emergency shelters and navigation centers, will be eligible to receive additional funds for general purposes.

STREAMLINING CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA)

The Administration will propose legislation to accelerate the construction of homeless shelters, navigation centers and new supportive housing units by allowing for a streamlined CEQA process with accelerated judicial review of challenges to an Environmental Impact Report. This is similar to the process outlined in Chapter 354, Statutes of 2011 (AB 900), and recent bills providing streamlined environmental reviews for sports stadiums.

AIRSPACE

The Administration will also develop a statewide policy for use of Department of Transportation (Caltrans) airspace for emergency shelters. Airspace is land located within the state's highway right-of-way limits used for non-transportation purposes. This expands on 2018 legislation allowing for up to 30 parcels to be used for emergency shelters in Oakland, San Jose, and Los Angeles, and additional parcels in San Diego and Stockton.

SUPPLEMENTAL SECURITY INCOME (SSI) ADVOCACY

Providing safe shelter for homeless populations coupled with housing supports generally leads to more positive outcomes than either on its own. Studies have shown that affordable housing combined with health and social services supports result in declines in the use of medical and other local services as well as in incarceration.

Many of the chronically homeless are eligible for federal SSI due to their disabling conditions, but the process for applying can be lengthy and difficult to complete. The Housing and Disability Advocacy Program (HDAP) was established as a county match program to assist homeless, disabled individuals with applying for disability benefit programs, while also providing housing supports. The program includes outreach, case management, benefits advocacy, and housing supports to all program participants. Participating counties are required to match any state funds on a dollar-for-dollar basis. The 2017 Budget Act included one-time funding of \$45 million General Fund, available over three years, for this program. The Budget proposes an annual appropriation of \$25 million General Fund beginning in 2019-20 to continue this program.

WHOLE PERSON CARE PILOT PROGRAMS

The Budget invests \$100 million General Fund (one-time with multi-year spending authority) for Whole Person Care Pilot programs that provide housing services.

The Whole Person Care Pilot program coordinates health, behavioral health (including mental health and substance use disorder services), and social services, as applicable, in a patient-centered manner with the goal of improved beneficiary health and well-being. Many of these pilot programs target individuals who are experiencing homelessness, or who are at risk of homelessness, and have a demonstrated medical need for housing and/or supportive services. The Department of Health Care Services will develop a funding allocation methodology for this augmentation that considers various factors, such as prevalence of homelessness, cost of living, and performance. This funding will be used to match local county investments in health and housing services with a focus on the homeless mentally ill population.

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