

families into permanent housing and supporting the efforts of those individuals and families to maintain their permanent housing.

- 4) Requires a HHAP Program recipient to submit reports, including a final report, to Cal ICH and requires Cal ICH to post the information contained in these reports on their internet website within 30 days of receipt, as provided. Further requires these reports include, but not be limited to: an ongoing tracking of the specific uses and expenditures of any program funds; the number of homeless individuals and populations served yearly by the program funds; the types of housing assistance provided; and outcome data for individuals served through program funds, as specified.
- 5) Requires, for a CoC to receive HHAP funding, the CoC to provide the Cal ICH data on the demographics and characteristics of the homeless populations in the jurisdiction and on current programs providing housing and homeless services, as reported to the federal government through HMIS and point-in-time counts.
- 6) Requires an applicant for HHAP to agree to participate in the statewide HDIS once it is available.

This bill:

- 1) Requires an applicant for HHAP to provide data and a narrative summary of specific and quantifiable steps the applicant has taken to improve the delivery of housing and services to people experiencing homelessness or at risk of homelessness, on transit facilities owned and operated by a transit district in their jurisdiction.

COMMENTS:

- 1) *Author's statement.* "The pandemic has impacted transit usage and ridership has not quite returned to normal levels. Transit agencies are struggling to address the needs of riders, providing safe, clean and reliable service to the over 800,000 people who choose public transportation for their daily commutes. I have heard from transit agencies that the impacts of homelessness in the communities they serve are also permeating into transit public spaces. Transit agencies like the Los Angeles Metro have invested heavily in homeless outreach, interim housing and services for people experiencing homelessness in the last 5 years to fill a service gap that exists today. With the state continuing to invest heavily in housing and resources for homelessness – it is important that these investments are also directed to the public transit spaces that continue to serve as refuge for unhoused people, much like our local parks and libraries.

In order to bring transit ridership back – Metro is partnering with local jurisdictions to share data regarding the number of people who need access to services and housing. This measure would additionally require reporting that shows how people who are experiencing homelessness in public transit spaces are benefiting from the supportive housing and services.”

- 2) *Homelessness crisis in California.* According to the most recent point in time (PIT) count, 171,521 people were experiencing homelessness in California—representing 30% of the nation’s homeless population. Two-thirds of the homeless population in California is unsheltered. Over half (51%) of all unsheltered people in the US were in California. California has the largest concentration of severely unaffordable housing markets in the nation and the statewide average home value reached a new record in June 2022 at \$793,300. Over three quarters (78%) of extremely low-income households in California are paying more than half of their income on housing costs compared to just 6% of moderate-income households.

A lack of affordable housing is the biggest contributor to homelessness. As housing costs continue to rise, rent becomes less affordable for lower-income households, who are forced to live beyond their means (paying more than 30% of income on housing costs) or are pushed out of their homes, leading to rapid increases in homelessness. Variation in rates of homelessness cannot be explained by variation in rates of individual factors such as poverty or mental illness, however, cities with higher rents and lower rental vacancy rates (i.e., tighter housing markets) are directly linked to higher per capita rates of homelessness. Additionally, the data show that many people experiencing homelessness are employed; the problem is that their income alone often isn’t enough to maintain stable housing. This can result in financial insecurity, which is both a main cause and a prolonging factor of homelessness.

- 3) *Homelessness data collection and reporting.* There are currently 44 CoCs across California’s 58 counties. CoCs are often led by a county or non-profit organization, though in some cases, they are led by a city, and comprise a number of representative organizations that serve individuals facing homelessness. These can include non-profit homeless providers, governments, victim service providers, hospitals, mental health agencies, affordable housing developers, and law enforcement, among others. HUD requires CoCs to collect client-level data and data on the provision of housing and services to homeless individuals and families and persons at risk of homelessness and enter it into a database. This is accomplished by using HMIS, a local information technology system. Each CoC is responsible for selecting an HMIS software solution that complies with HUD’s data collection, management, and reporting standards.

HMIS in California is composed of each CoC's database and CoCs are required to enter data from both the annual PIT county and the annual Housing Inventory Count, among other things.

The state built their own homelessness database called HDIS, which launched in April 2021. HDIS is currently tasked with collecting state homelessness data from the HMIS that is already required by HUD. This information is currently shared publicly on Cal ICH's website. In February 2021, the California State Auditor released an audit of the Cal ICH (named the Homeless Coordinating and Financing Council at that time) and CoCs that found: 1) the state's approach to addressing homelessness is disjointed; 2) Cal ICH had not taken necessary steps to accomplish its 18 statutory goals; and 3) the CoCs they reviewed did not consistently apply best practices for planning and providing services. The California State Auditor made a variety of recommendations to help address these findings. The report made a series of recommendations to the Legislature, including requiring Cal ICH to collect and track funding data on all federal- and state-funded homeless programs and requiring all state entities that administer state funding for homelessness to ensure that recipient service providers enter relevant data into HMIS as a condition of state funding, among other things.

In response to the need to enhance the homeless data collected in the state, the Legislature passed AB 977 (Gabriel, Chapter 397, Statutes of 2021), which require recipients of state homeless funding to enter data on the individuals and families they serve into their local HMIS beginning on January 1, 2023. It also requires all of the CoCs within California to provide collected data elements, including health information, to HDIS consistent with federal guidelines and laws.

- 4) *HHAP Program*. Created by AB 101 (Committee on Budget, Chapter 159, Statutes of 2019), the HHAP Program is a state funded, block grant program designed to provide jurisdictions with funding to support regional coordination and expand or develop local capacity to address their immediate homelessness challenges. The HHAP Program's flexible funding is informed by a "best-practices framework focused on moving homeless individuals and families into permanent housing and supporting the efforts of those individuals and families to maintain their permanent housing." To date, the state has awarded three rounds of funding throughout the state to cities, counties, and CoCs to address the homeless crisis.

Beginning with the third round of HHAP funding, in order to receive the grant, applicants must submit a Local Homeless Action Plan (LHAP) to Cal ICH by

June 30, 2022. The LHAP must demonstrate how HHAP funds and all local dollars for homelessness can reduce the number of people experiencing homelessness. An LHAP is required to include: an analysis that assesses the current number of people experiencing homelessness and existing programs and funding which address homelessness within the jurisdiction; identification of the number of individuals and families served, including demographic information and intervention types provided, and subpopulations that are underserved relative to their proportion amongst those experiencing homelessness in the jurisdiction; and identification of all funds, including state, federal and local funds, currently being used, and budgeted to be used, to provide housing and homelessness-related services to persons experiencing homelessness or at imminent risk of homelessness, how this funding serves subpopulations, and what intervention types are funded through these resources.

This bill would require a HHAP applicant, beginning with round three of the program, to submit data and a narrative summary of specific and quantifiable steps that the applicant has taken to improve the delivery of housing and services to people experiencing homelessness or at risk of homelessness on transit facilities owned and operated by a transit district, as defined, in their jurisdiction.

- 5) *Retroactive.* It is unclear if there would be data available to report on by applicants for purposes of this act, as reporting requirements are normally finalized before the opening of the request for application process begins. In addition, the HHAP program is in round four for FY 22-23. By requiring applicants to provide documentation of efforts to coordinate with transit agencies starting with round four, this bill would retroactively apply to applicants that received funds over the past two fiscal years.
- 6) *Opposition.* According to the California Contract Cities Association, this bill adds “new layers of reporting and specificity that could deter strong candidates that are in need of state financial support from applying for the grants.”
- 7) *Double-referral.* This bill was passed out of the Senate Human Services committee on June 19 with a vote of 5-0.

RELATED LEGISLATION:

AB 129 (Committee on Budget, 2023) — would establish and allocation funds for round five of HHAP to include additional reporting requirements and other changes. *This bill is currently on the Assembly Floor.*

AB 140 (Committee on Budget, Chapter 111, Statutes of 2021) — among other things, required Cal ICH to conduct a statewide assessment to identify state programs that provide housing or services to persons experiencing or at risk of homelessness, and to collect and analyze data from those programs necessary to provide a comprehensive view of the homelessness response system, as provided.

AB 1220 (Luz Rivas, Chapter 398, Statutes of 2021) — renamed HCFC to Cal ICH, named the Secretary of the California Health and Human Services Agency (CalHHS) as co-chair, reconstituted the Cal ICH membership, and required Cal ICH to meet at least twice yearly with an advisory committee, among other things, and as provided.

AB 977 (Gabriel, Chapter 397, Statutes of 2021) — required a grantee of or an entity operating specified state homeless programs to enter data on the individuals and families it serves into its local HMIS beginning on January 1, 2023.

AB 101 (Committee on Budget, Chapter 159, Statutes of 2019) — among other things, established and provided \$650 million in funding for the HHAP Program.

SB 1380 (Mitchell, Chapter 847, Statutes of 2016) — created the HCFC to coordinate the state’s response to homelessness and required California to adopt the Housing First model, as provided.

FISCAL EFFECT: Appropriation: No Fiscal Com.: Yes Local: No

POSITIONS: (Communicated to the committee before noon on Wednesday, July 5, 2023.)

SUPPORT:

Los Angeles County Metropolitan Transportation Authority (Sponsor)
California Transit Association
County of Los Angeles
Foothill Transit
Metropolitan Transportation Commission
San Francisco Bay Area Rapid Transit District (BART)
San Mateo County Transit District (SAMTRANS)

OPPOSITION:

California Contract Cities Association

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