

ATTACHMENT D2

Overview of Homeless Programs in the Governor's 2019-20 Budget

In January of 2019, Governor Newsom released a budget proposal for the 2019-20 fiscal year. In May of 2019, Governor Newsom released a revision, with additions to the original January plan. Addressing homelessness and the housing shortage was a stated priority in the budget. There will be some changes to this budget as it is debated and voted on in June. That said, it is likely that most, if not all, of the initiatives will become part of the 2019-20 budget.

A review of the budget shows that this is not a full list of homeless programs that are funded in the 19-20 budget, but ones that are either really large programs, new programs, or ones that have received new funding. The following is an overview of programs and initiatives in the homeless services and housing area from the May 2019 budget revision.

Homeless Emergency Aid Program (HEAP)

This was a new funding source last year that provided \$500 million throughout the state for programs providing emergency assistance to people experiencing homelessness. Eligible uses included street outreach, rental assistance or subsidies, and capital improvements to emergency shelter, transitional housing, drop-in centers, permanent supportive housing, and improvements to current structures that serve the homeless. Funds were allocated to CoC's based on their Pit counts. In the coming year, the amount has been increased to \$650 million. The allocation will be different this year with California's 13 most populous cities receiving \$275 million, counties will get \$275 million, and CoC/s will manage \$100 million. Allocations will be based on the 2019 HUD PIT numbers for the respective localities. RFP likely early 2020.

SB2 Program

One hundred twenty-three million is projected for SB2 revenues in the 19-20 Budget. 70% of these funds, \$88.2 million will go to local governments for homeless programs. These funds will be awarded by the CDBG formula. 10% will go to Farmworker housing, 15% to Cal HFA Missing middle housing development, and 5% to the Incentive to Streamline Housing program. Local governments may have already received notification regarding the 70% funds.

Regional Planning Funding

There is \$300 million allocated through the Business, Consumer and Housing Agency, (the agency that distributes HEAP) for jurisdictions that have developed a joint regional plan to address homelessness. One hundred million will go to the 11 most populous cities in the state with \$200 million for the rest of the state. Funds must be spent on expanding or developing shelters and navigation centers.

Meeting Milestones

The jurisdictions that show progress toward developing supportive housing and shelters will be eligible to receive additional funds for general purposes. There will be 200 million allocated for this purpose. Tied to this will be legislation for accelerated judicial review of challenges to an Environmental Impact Report.

No Place Like Home

No Place Like Home will continue with an NOFA coming out in the fall. The budget confirms the initial allocation of \$2 billion in bond funds for this purpose. The last round had competitive funds of \$177 million available and noncompetitive funds of \$190 million, for a total of \$367 million. We can assume that next fall's allocation will be similar.

Veterans and Affordable Housing Bond Act

This is the SB3 bond program that was voted in November of 2018. \$1.5 Billion will be available for the Multifamily Housing Program, that could be utilized for Permanent Supportive Housing. The first of these funds should become available in the 19-20 year.

Student Rapid Rehousing

This is a new program focusing on student food and housing insecurity among students attending CSU or UC colleges. Twenty-one million five hundred thousand will be allocated to the CSU program and \$21.5 million to UC programs.

Whole Person Care Pilot Programs

This is a one-time augmentation to the MHSA program that provides \$120 million across the state. Counties will be provided with resources to implement programs coordinating health, behavioral health, and housing. Priority will be given to individuals with mental illness who are homeless or at risk of becoming homeless.

Short Term Planning and Production Grants

This program provides \$750 million to incentivize local government to jump-start housing production through technical assistance and general-purpose funding. Grants will be available for local jurisdictions to develop plans to reach certain housing goals. Jurisdictions who reach these goals will be provided with additional funds from a pool of \$500 million to \$750 for general purposes. Although not specifically a homeless program, this program may be used in conjunction with the homeless Meeting Milestones program.

One of the points made in the budget document is that homelessness has been made a priority for a variety of State programs and departments. According to the budget, a total of \$7.7 billion dollars has been allocated in the 19 -20 for homeless service and housing-related programs. This includes \$228 million in Federal HUD funds that are administered by HCD. On the following page is a chart from the budget that lists the programs and amounts.

2019-20 Affordable Housing and Homelessness Funding

(Dollars in Millions)

Department	Program	Amount
Department of Housing and Community Development	Housing Planning and Production Grants	\$750
	Veterans and Affordable Housing Bond Act Programs (SB 3)	\$526
	No Place Like Home Program	\$400
	Building Homes and Jobs Fund Programs (SB 2)	\$277
	Federal Funds	\$228
	Housing for Veterans Funds	\$75
	Office of Migrant Services	\$6
		\$15
California Housing Finance Agency ¹¹	Single Family First Mortgage Lending	\$2,000
	Mixed-Income Loan Program	\$500
	Multifamily Conduit Lending	\$300
	Multifamily Lending	\$120
	Single Family Down Payment Assistance	\$113
	Special Needs Housing Program	\$20
Homeless Coordinating and Financing Council	Planning and Progress Grants to Address Homelessness	\$500
Strategic Growth Council ³¹	Affordable Housing and Sustainable Communities	\$395
Tax Credit Allocation Committee	Low Income Housing Tax Credits (State)	\$600
	Low Income Housing Tax Credits (Federal)	\$299 ⁴¹
	Farmworker Housing Assistance Tax Credits	\$1
Department of Veterans Affairs	CalVet Farm and Home Loan Program	\$220
Department of Social Services	CalWORKS Housing Support Program	\$95
	Housing and Disability Advocacy Program	\$25
	CalWORKS Homeless Assistance Program	\$16
	CalWORKS Family Stabilization, Housing Component	\$4
Department of Health Care Services	Whole Person Care Pilots - Housing Investment	\$100
	Project for Assistance in the Transition from Homelessness	\$9
	Whole Person Care Pilots Program, Health Homes Program, Mental Health Services Act Community Services and Supports, California Community Transitions Program	N/A ⁶¹
Office of Emergency Services	Domestic Violence Shelters and Services	\$54
	Domestic Violence Housing First Program	\$19
	Transitional Housing Program	\$19
	Specialized Emergency Housing	\$10
	Homeless Youth and Exploitation Program	\$1
	Emergency Telephone Network	\$1
California State University	Basic Needs Funding - Student Hunger and Homelessness Programs	\$15
University of California	Basic Needs Funding - Student Hunger and Homelessness Programs	\$15
Department of Public Health	HIV Care Program	\$6
	Housing Opportunities for Persons with AIDS (HOPWA)	\$4
	Housing Plus Program	\$1
California Department of Corrections and Rehabilitation	Integrated Services for Mentally Ill Parolees	\$4
	Specialized Treatment of Optimized Programming, Parolee Service Center, Day Reporting Center, Female Offender Treatment and Employment Program, Proposition 47 Grant Program	N/A ⁶¹

