



#### TRAUMA OF HOMELESSNESS

As a result of our housing shortages, the search for housing is long and traumatic. Californians living outside represent the hundreds of thousands still waiting for housing.

Homelessness exacerbates existing health conditions, like hypertension and diabetes, and causes additional illnesses, like onset of behavioral health conditions.

Exposure to the elements, stress of day-to-day survival, lack of sleep, absence of healthy food and clean drinking water, and difficulties storing medication all lead to high rates of acute and emergent health care use.

#### **CAUSES OF & SOLUTIONS TO HOMELESSNESS**

While each person's journey is unique, primary drivers of homelessness are well-researched, as are solutions that allow people to exit homelessness for good.

Causes	Solutions		
Rising rents & high rent burden.	Housing subsidies that make rent affordable.		
Stagnant wages.	Employment services & benefits advocacy.	Higher benefit payments & higher wages.	
Inadequate supply of housing affordable to people with extremely-low incomes.	Creating housing affordable to people with extremely-low incomes & to households experiencing homelessness.		
Institutionalization.	Housing with intensive services, preventing people with disabilities from institutionalization.	Protocols and procedures to prevent discharges into homelessness.	
Racist policies blocking people from accessing housing.	Eliminate barriers to accessing housing, particularly barriers impacting people disproportionately.		

#### **NAVIGATING SOLUTIONS**

Over 30 years of evidence shows what works to solve homelessness: housing that is affordable to people experiencing homelessness (without limits on length of stay) plus trauma-informed services that connect people to housing, health, and social services that help people maintain housing stability.

For example, ongoing federal rental subsidies and intensive services for veterans experiencing homelessness reduced national veteran homelessness by 55% over the last 12 years.

However, navigating these resources is extremely challenging.

In California, multiple state agencies, as well as federal and local agencies, administer housing, health, and social services programs impacting people experiencing homelessness, often in silos. Breaking down these silos would allow these programs to leverage resources more efficiently.

Federal funding to local homeless COCs for housing, shelter, services.

Federal funding to public housing authorities for housing vouchers. Vouchers to housing

Grants to counties from state and federal social services programs.

State, federal, and local funding to build affordable housing.

State-directed BHSA funding to county behavioral health agencies for "full-service partnership" services, including rent and housing support services.

CalAIM Enhanced Care Management (ECM) and Community Supports (CS), offering care coordination (Some providers are ्रा<sub>o</sub>vidalso CoC/county providers.)

and housing support services.

#### **PROVEN HOUSING & SERVICES SOLUTIONS**

#### Supportive housing project











Capital to build apartments.

"Operating"/rental subsidies for tenants who can't pay enough rent to fund operating costs of building, often through federal vouchers.

Intensive services that assist people to maintain housing stability, improve health, & thrive.

#### Supportive housing in private market







Rental subsidies to private-market landlords, typically through federal vouchers.

Intensive services that assist people to maintain housing stability, improve health, & thrive.

#### Rapid Re-Housing



Short- to medium-term rental subsidies to private-market landlords through federal homeless assistance grants & HHAP.



Light services to grow household income to take over rent when subsidies end.



Coordinated

Entry System

(CES)



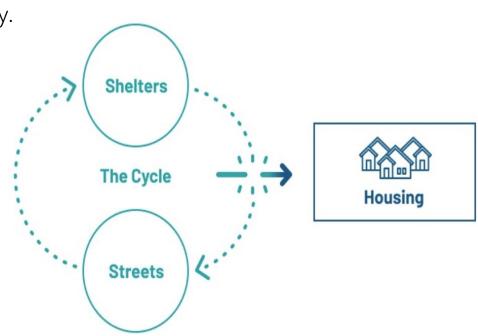
#### **ROLE OF SHELTERS/INTERIM HOUSING**

Temporary place to stay and receive services while awaiting housing. Also referred to as navigation centers, bridge housing, or tiny homes.

- Still considered "homeless."
- Not permanent housing.

Shelter quality varies significantly.

Over-investment of shelter and under-investment of housing leads to bottleneck of shelters, without anywhere for people to exit except back to streets.



Creating more "units" of housing (typically apartments) than shelter beds allows people to leave shelter, freeing up shelter beds for another household.



#### **IMPACT ON MULTIPLE SYSTEMS**

Homelessness solutions involve housing and supportive services systems, often siloed. At the same time, homelessness increases the likelihood of interaction with health and behavioral health, justice, child-welfare, income, and other systems.

#### Health Care



High rates of acute health care needs due to exposure to the elements, stress, lack of sleep, unhealthy diets, difficulties storing medication, etc. More than 65% of people report a behavioral health condition while experiencing homeless.

Over a six-month period—

- 38% visit the emergency room,
- 21% are hospitalized for a physical condition, and
- 5% are hospitalized for a mental health condition.

#### Justice System



30% of people experiencing homelessness experience incarceration. 38% experience physical or sexual violence.

- People exiting incarceration are over 10 times more likely to become homeless.
- Parolees/probationers are 7 times more likely to recidivate if homeless.

#### Child Welfare System



30-50% of families involved in the child-welfare system are experiencing homelessness, and courts typically do not reunite families without a home.

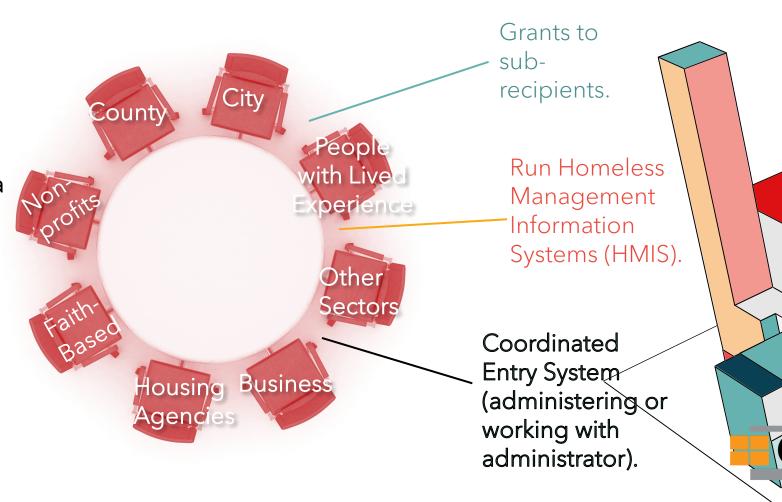


#### **COORDINATING HOMELESSNESS RESPONSE LOCALLY**

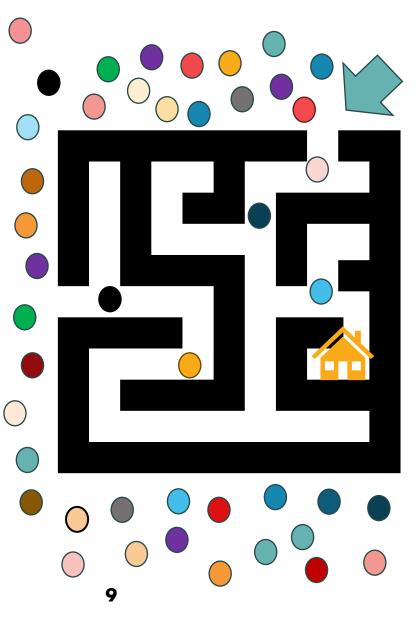
#### Homeless Continuums of Care (CoC)

Federal Department of Housing & Urban Development (HUD) oversees 44 CoCs in California: each run by a county, a city, a non-profit, or a joint powers authority

- Federal competitive homeless assistance grants for supportive housing, rapid re-housing, transitional housing, services, prevention, and diversion.
- CoC grant funding decided by a CoC board, a regional entity.
- Entity designed to—
  - Promote community-wide planning,
  - Improve coordination,
  - Collect data and measure performance, and
  - Tailor programs to address strengths and challenges.



#### **COORDINATED ENTRY SYSTEMS (CES)**



Prior to Coordinated Entry Systems (CES), a first-come, firstserved process favored people who were the most functional & able to connect with housing or service providers & advocate for themselves to obtain housing.

With CES, all can access housing through any entry point and then get assessed for the type of housing and service interventions needed, get prioritized according to level of need/functional limits, get assistance with obtaining documentation, and get referred to needed housing and services.

Connection to housing & services Prioritization & navigation assistance Assessment of type of housing intervention needed

No wrong door access

# COORDINATION UNDER CALIFORNIA'S HOMELESS HOUSING, ASSISTANCE, & PREVENTION (HHAP) PROGRAM

#### • What is HHAP?

- Grants to local governments for flexible uses, like permanent housing, services, prevention, shelters, and capacity-building.
- The state budgeted one-time funding every year for the last 6 years, with \$1 billion allocated for each of the last 4 years.

#### What has HHAP accomplished?

- HHAP served 225,820 Californians over 18 months in 2023-24, enabling 50,819 people to exit homelessness for good through affordable, permanent housing.
- Almost 92% of all HHAP funds have been obligated and over 66% of funds have been spent.

#### • Who receives the funding?

• Big cities with populations over 300,000, tribal governments, all counties, and all CoCs.



HHAP requires grantees to coordinate use of HHAP dollars and other funding the community is using to solve homelessness. Their applications must reflect a plan for collaboration/coordination.







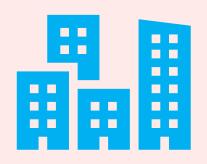
# FLEXIBLE HOUSING SUBSIDY POOL COORDINATION

In several jurisdictions, flex pools coordinate siloed resources to integrate housing & services interventions & break down silos:



#### FEDERAL HOUSING VOUCHERS

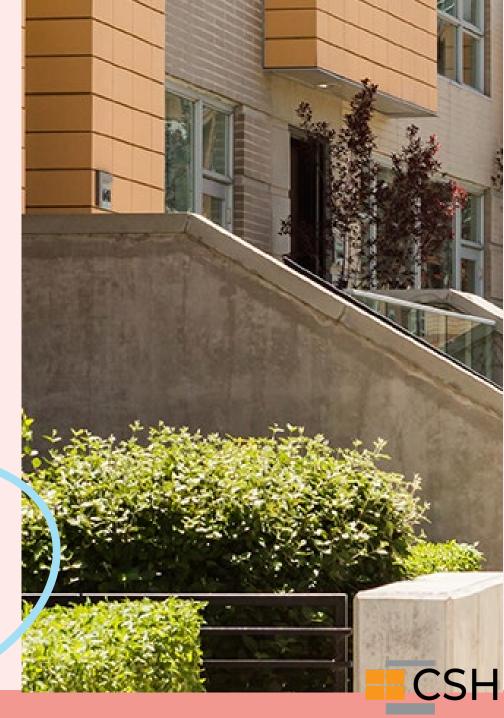
One of the most effective programs in preventing & ending a household's homelessness.



Housing authorities can "project-base" a percentage of federal vouchers to pay for operating costs of affordable projects. Some housing authorities in California have reached a federal cap & can no longer project-base vouchers.

Vouchers prioritized for people experiencing homelessness allow tenants to afford housing in their communities with privatemarket landlords.

Only 1 in 4
households
households
eligible receive
a voucher





Multifamily Finance SuperNOFA: 4 programs funding capital combined into one application process at the Department of Housing & Community Development (HCD).

Homekey & Homekey+: Funding for capital to build affordable/supportive housing (and interim housing through Homekey) quickly, with some funding for operating projects.

Collaboration between state- and federallyfunded Low-Income Housing Tax Credits (Treasury) and Multifamily Housing Program (HCD).



People experiencing homelessness need a home they can afford through-

- Moving in with friends/family (through "diversion") (CoC \$\$),
- Rental subsidies to rent with landlords in the private market (federal & some local \$\$), or
  - Affordable or supportive housing projects.

Affordable housing projects: all or almost all apartments where all tenants have lease and rights and responsibility of tenancy and where tenants pay 30% of their incomes on rent.

**Supportive housing**/permanent supportive housing **projects**: affordable housing projects with intensive services for people who have experienced homelessness and have significant barriers to housing stability.

#### Building affordable/supportive housing projects takes-



Federal & state Low-Income Housing Tax Credits

State bond or general funds: Multifamily Housing Program, Veterans Housing & Homelessness Prevention, Homekey, etc.

Locally-Run

Local bond funds or tax revenue passed by voters, local discretionary spending, federal block grants





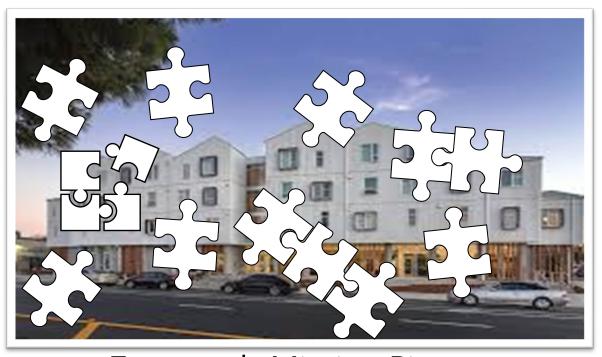
#### SILOED FUNDING: DEVELOPMENT OF HOUSING

#### Supportive Housing

Building housing for people who have been homeless requires more than capital.

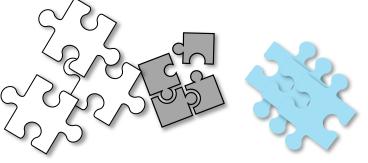
Tenants cannot afford to pay enough rent to operate the project, so the developer needs publicly-subsidized operating funds. If supportive housing, the developer also needs to secure an ongoing commitment of services dollars.





#### Frequently Missing Pieces

**Ongoing Services** 



**Ongoing Operating** Expenses



#### SILOED FUNDING: BEHAVIORAL HEALTH DOLLARS

Sources of Services Funding for People with Behavioral Health Conditions



Counties use the Mental Health Services Act "Full-Service Partnerships" to provide services to people experiencing homelessness with serious mental illness (not all eligible).



Becomes the Behavioral Health Services Act in July 2026:

- Requires full-service partnerships to invest in evidence-based models.
- Will allocate significant funding to "housing interventions" (30% of county's \$\$).



Counties can opt into the Behavioral Health Community-Based Organized Networks of Equitable Care & Treatment (BH-CONNECT) to strengthen the continuum of community-based services for Medi-Cal members with behavioral health conditions.

No identified connections between permanent housing interventions and services funding.



"Transitional rent":

Up to 6 months of rental assistance for people experiencing or at risk of homelessness.



#### SILOED FUNDING: PEOPLE WITH DISABILITIES OR MULTIPLE/COMPLEX CONDITIONS



Medi-Cal Long-Term Services & Supports providers often require people to be housed and exclude people with behavioral health conditions.

IHSS requires people to be housed & identify provider, difficult for people who have been socially isolated.

Permanent housing

Shelters

Housing and temporary places to stay for people who are experiencing





**Programs** designed to help people ndependently.





In-Home Supportive



### **Example of Challenges with Siloed Funding**

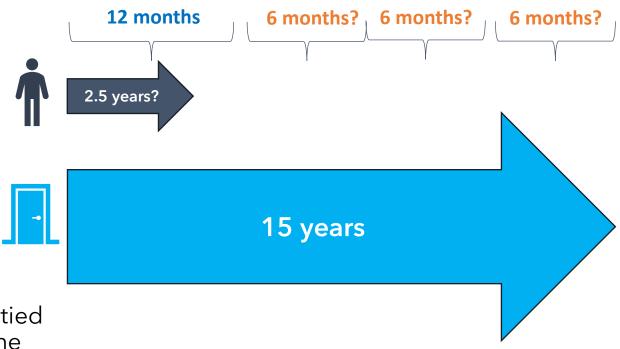
## **Medi-Cal Housing Tenancy Sustaining Services** (HTSS) Timeline

 Authorization & extension timeframes (ex., Housing Tenancy & Sustaining Services): 1-2.5 years).

 Medi-Cal services are authorized for shorter periods of 6-12 months, tied to the individual, and based on each person's Medi-Cal eligibility, active Medi-Cal enrollment and the Managed Care Plan review of needs.

# HCD & Underwriters: Services Commitments Required

- Supportive housing sources require ongoing commitment to services, expected to fund services tied to a unit, not the individual, sometimes with the same service provider for multiple or most of the units.
- Threshold requirement to identify specific funding sources for services "for **ongoing sustainability,**" sometimes for 15 years.





#### **OTHER SILOED PROGRAMS**

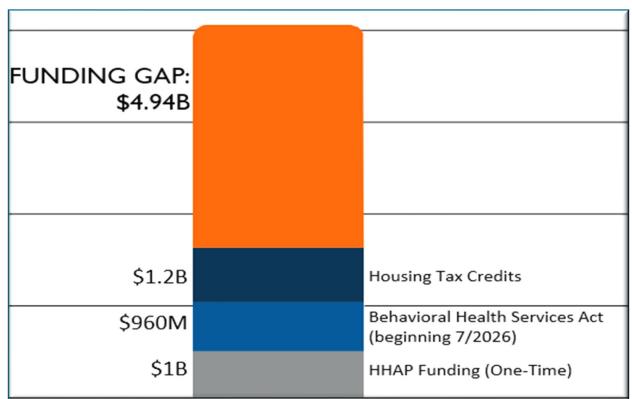
Several other state programs addressing homelessness among specific populations operate separately, totaling \$134M in ongoing funding:

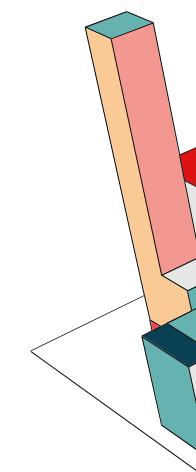
Program	Dept.	Who Gets Money	What It Funds	Type of Funding
Housing Navigation	HCD	Providers	Services for youth exiting foster care.	Ongoing of \$13M
Housing Support Program	DSS	County DPSS	Rapid re-housing for CalWORKS families.	Ongoing of \$95M
Bringing Families Home	DSS	County Welfare	Rapid re-housing & supportive housing for homeless child-welfare-involved families.	Multi-year, one-time
Housing Disability Advocacy Program	DSS	Counties	Rental subsidies for people exp. Homelessness applying for SSI.	Ongoing of \$25M
HomeSafe	DSS	Adult Protective Servs.	Older adults at risk of or experiencing homelessness.	Multi-year, one-time
• Homeless Youth Programs	OES	Providers	Youth experiencing homelessness.	Ongoing of \$1M

#### STATE FUNDING NEEDED

One-time funding cannot sustain someone in housing or services. A statewide financial model found California would need to invest a total of \$8.1 billion per year to solve homelessness in 12 years = 2.7% of the

California budget.





# **THANK YOU**