



**Overview of Housing and Homelessness Budget Items**

Notes

1. The chart page numbers in parentheses refer to the Budget Bill, AB 74.
2. Asterisks indicate appropriations for which trailer bill - follow-up legislation - language is contained in AB 101.

Investment	Program/Purpose	Description
<b>Department of Housing and Community Development</b>		
\$500 million*	Infill Infrastructure Grant Program of 2019	For housing-related infrastructure through a modified version of the IIG of 2017 (pg 154)
\$250 million*	Planning grants (new)	To help local jurisdictions work through the Regional Housing Needs Allocation (RHNA) 6th Cycle (pg 154)
\$105.2 million	Community Development Block Grant (CDBG)	For disaster recovery (pg 148-9)
\$8 million, ongoing	Young adults housing (new)	To counties for housing for people 18-25 years old, with priority for former foster youth/probation (pg 149-50)
\$5 million	Grants to limit barriers for homeless individuals with pets (new)	SB 258 (Hertzberg) (pg 150)
\$5 million	Housing Navigation (new)	For young adults (pg 18-21), priority given to foster youth (pg 150)
\$1.5 million	Office of Migrant Centers	Deferred maintenance in migrant centers (pg 146)
Bond Funding	Various bond-funded programs	Includes \$75 million for Veterans Housing and Homeless Prevention (VHHP) (pg 149)

\$500 MILLION FOR INFILL INFRASTRUCTURE GRANT PROGRAM OF 2019 (AB 101, Sect. 20, page 81)  
*Creates the Infill infrastructure Grant Program of 2019, with \$410 million designated for large jurisdictions and \$90 million for small ones. The primary differences between this program and the existing one are that the definition of “infill” is modified for small jurisdictions and those jurisdictions don’t have to compete for funding. The \$90 million will be awarded “over-the-counter” (without competitive scoring). The \$410 million will be awarded by the Department of Housing and Community*

*Development competitively based on project readiness, depth and duration of affordability, density, transit access, and Sustainable Communities Strategy consistency.*

**\$250 MILLION FOR PLANNING GRANTS (AB 101, Sect. 11, page 50)**

*Creates The Local Government Planning Support Grants Program. Eligible uses include technical assistance (TA), preparation of planning documents, and process improvements to accelerate housing development. \$125 million is allocated to councils of government and can be used to “improve” their RHNA distribution methodology, for sub-grants to localities for planning, and to provide TA to localities. \$125 million will flow to localities, through HCD, for General Plans, rezoning, environmental clearances, infrastructure planning etc. Grants must be spent by the end of 2023.*

*This section also requires HCD and the Governor's Office of Planning and Research (OPR) to recommend changes to the RHNA process by January 2023 that will “promote and streamline housing development and sustainably address California's housing shortage.”*

<b>Homeless Coordinating and Financing Council</b>		
\$650 million*	Homelessness Funding	Homeless Housing, Assistance, and Prevention Program (pg. 34)
\$5.6 million	San Gabriel Valley	Will go to the San Gabriel Valley Council of Governments. Details to be determined at a later date.

**\$650M FOR HOMELESS HOUSING, ASSISTANCE, AND PREVENTION PROGRAM (AB 101, Sect. 10, page 43)**

Establishes the Homeless Housing, Assistance, and Prevention Program (HHAPP) administered by the Business, Consumer Services, and Housing Agency for the purpose of providing jurisdictions with one-time grant funds to support regional coordination and expand or develop local capacity to address homelessness. Distributes \$275 million to cities, \$175 million to counties, and \$190 million continuums of care. Eligible uses include: rental assistance, rapid rehousing, operating subsidies and reserves, landlord incentives, navigation centers and shelter (based on need), and more. Requires that at least 8% of funds be used to address the needs of homeless youth and requires jurisdictions to demonstrate coordination with local coordinated entry system. Applications are due February 15, 2020 and would require the agency to review each plan and make an allocation determination no later than April 1, 2020. The bill would require a recipient of program funds to submit annual progress reports to the agency and a final report, no later than January 1, 2026, regarding the expenditure of funds under the program.

<b>California Housing Finance Agency</b>		
\$500 million*	Mixed-income Program	New program created this year as a \$40 million pilot, with the first applications just received.

\$500 MILLION FOR THE MIXED INCOME PROGRAM (AB 101, Sect. 29, page 142)

*Continuously appropriates \$500 million over four budget years, starting with \$200 million in this fiscal year, \$95 million for FY 20-21, \$120 million for FY 21-22, and \$85 million for 22-23.*

<b>Tax Credit Allocation Committee</b>		
\$500 million*	State Low-Income Housing Tax Credit Program	One-time augmentation

\$500 MILLION FOR TAX CREDITS (AB 101, Sect. 23, page 90)

*Increases the state Low Income Housing Tax Credit LIHTC by \$500 million for the 2020 calendar year, with \$300 million for new construction projects receiving the federal 4% credit and \$200 million for projects funded by CalHFA's Mixed Income Program. Increases the credit by the same amount in future years if it's in the budget. Increases the basis for projects funded by the new \$500 million to 30%.*

*Also, makes various permanent changes to the program, including allowing investors to not be partners, allowing developers to sell state credits to investors who aren't buying federal credits, and providing a 95% basis boost for preservation projects funded by the existing tax credit. Lastly, requires the Tax Credit Allocation Committee (TCAC) to develop a new award methodology for 2021 and beyond to "increase production and contain costs."*

<b>Department of Social Services</b>		
\$25 million	Bringing Families Home	Rapid-Rehousing for reunified families with foster youth (pg 537)
\$25 million, on-going/baseline*	Housing and Disability Advocacy Program	Assist disabled individuals who are experiencing homelessness apply for disability benefit programs while also providing housing assistance (pg 535)
\$95 million	CalWORKS Housing Support Program	Rapid Re-Housing for CalWORKS recipients at-risk of or experiencing homelessness (pg 522)

*\$25 million for Housing and Disability Advocacy Program (HDAP)*

Makes the HDAP program an on-going program with an allocation of \$25 million. Previously funded with one-time investments.

<b>Board of State and Community Corrections</b>
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\$32.95 million	Adult Re-Entry Grant Program	\$16.475 million is for rental assistance, same for “warm hand-off.” Part of on-going \$50 million package for re-entry, “Prison to Community Pipeline Package” (pg 569)
<b>Judicial Council</b>		
\$20 million	Legal Services for tenants	Eviction defense and other tenant assistance in landlord-tenant disputes (pg 13)
<b>Office of Emergency Services</b>		
\$6.67 million	Homeless Youth Emergency Services and Housing Program	Establishes new or expands capacity to a range of housing options that meet the needs of homeless youth, including rapid rehousing, rental assistance, transitional housing, and/or supportive housing (pg 68)
<b>Various Higher Education</b>		
\$6.5 million*	CSU Rapid Re-Housing	Housing assistance for students; allocated to CSU campuses based on need (pg 689)
\$3.5 million*	UC Rapid Re-Housing	Housing assistance for students (pg 669, 672)
\$15 million	UC Basic Needs	Nutrition and housing assistance for students (pg 685)
\$9 million*	Community College	Services and rental assistance for homeless students (pg 712-713)
\$15 million	Basic Needs Partnerships (in the CSU budget)	The budget language requires UC, CSU, and California Community Colleges to “work with the State Department of Social Services to assess the effectiveness of CalFresh and other state programs in addressing student food and housing insecurity.” (pg 685)

RAPID REHOUSING FUNDING FOR UC, CSU, AND COMMUNITY COLLEGES (AB 74, PGS. 652, 668, AND 690)  
Ongoing Proposition 98 General Fund of \$9 million is set aside for the CCCs, \$6.5 million ongoing General Fund for the CSUs, and \$3.5 million ongoing General Fund for the UCs.

<b>Department of Health Care Services</b>		
\$100 million*	Whole Person Care Pilots Program	For Department of Health Care Services to provide “supporting housing services” including rent subsidies (pg 425-426)

\$20 million*	Whole Person Care for the non Whole Person Care Counties	For non-Whole Person Care counties (pg 443)
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**\$100 MILLION FOR WHOLE PERSON CARE PILOTS PROGRAM (AB 74, PG. 425-426)**

Provides \$100 million from the general fund to the State Department of Health Care Services for the Whole Person Care Pilots Program, or a successor program, to provide supportive housing services, including, but not limited to, rental subsidies. Funding prioritized for individuals with mental illness who are also homeless or are at risk of becoming homeless. The funds may be used to match local county investments towards the specified services in the Whole Person Care Pilots Program, or a successor program, and shall not supplant existing local county investments for these purposes. The department developed an allocation method following the May Revise that can be found here:

[https://www.dhcs.ca.gov/services/Documents/\\$100M\\_GF\\_Housing\\_WPC\\_4-18.pdf](https://www.dhcs.ca.gov/services/Documents/$100M_GF_Housing_WPC_4-18.pdf)

**\$20 MILLION FOR NON WHOLE PERSON CARE COUNTIES (AB 74, PG. 443)**

Provides \$20 million from the general fund for Non-Whole Person Care counties and will be available for expenditure until June 30, 2025. The Department of Health Care Services will provide funds to counties for their development and implementation of programs to focus on coordinating health, behavioral health with a mental health or substance use disorder, and critical social services such as housing. The funds may be used to match local county investments towards the specified services, and shall not supplant existing local county investments for these purposes.

<b>Other</b>		
\$50 million	Various Sustainable Communities for All priorities funded from the Greenhouse Gas Revenue Fund	Urban forestry: \$10 million Urban Greening: \$30 million Low Income Weatherization Program: \$10 million (low income solar & multifamily weatherization) (pg 505-506)
\$45.9 million	Census 2020	For outreach by community-based organizations (CBOs), educational institutions and local governments to hard-to-count populations, including people experiencing homelessness (pg 33-34)
\$17.9 million	Various direct housing and homelessness allocations	Appropriations for specific housing developments and local programs: \$5 million for below-market-rate housing development in Ontario; \$3.5 million for Mission Heritage Plaza; \$3 million to San Bernadino for General Plan amendments; \$2.9 million to Orange County for incentives to landlords to accept veterans vouchers; \$1.5 million for Veterans Village of Cathedral City; \$1 million for Orange County Housing Trust Fund for supportive housing; \$250,000 each for 4 cities for “homelessness prevention and intervention services;” (pg 150-151, 853)

## **AB 101 programmatic and policy changes not relating to new funding**

HOUSING ELEMENT COMPLIANCE/ENFORCEMENT (Sect. 4, page 18, and Sect. 6, page 24)

*Requires HCD to offer to meet with a locality twice and provide written findings before the Attorney General (AG) brings a housing element suit. Once a court finds a housing element out of compliance, requires the court to retain jurisdiction and requires AG to request the court issue an order directing the locality to bring it into compliance. If the locality fails to do so within a year, requires the court to impose specific fines that increase the longer the locality is out of compliance. The fines range from \$10,000/month to \$600,000/month.*

*Additionally, once the Department of Finance publishes online a list of programs for which housing element compliance is required, requires HCD to offer to meet with an out-of-compliance locality twice and provide written findings. Also allows a locality to request HCD "de novo" review of its last adopted housing element within 30 days. Allows the locality to bring suit in superior court to challenge HCD's determination.*

FUNDING PRIORITY (Sect. 5, page 23; Sect. 19, page 77; Sect. 21, page 89; Sect. 22, page 89)

*Requires HCD to develop a "pro housing" designation, through emergency regulations, for jurisdictions that adopt policies to facilitate housing development and have a compliant housing element. Gives those jurisdictions priority points for the Affordable Housing and Sustainable Communities (AHSC), Transformative Climate Communities (TCC), and IIG applications.*

CEQA EXEMPTION FOR LOW-BARRIER SHELTERS (SECT. 7, PAGE 26-28)

*Included in the Budget Trailer Bill this year was an exemption from the California Environmental Quality Act for low-barrier navigation centers that meet certain requirements. The bill would define "Low Barrier Navigation Center" as a Housing First, low-barrier, service-enriched shelter focused on moving people into permanent housing that provides temporary living facilities while case managers connect individuals experiencing homelessness to income, public benefits, health services, shelter, and housing.*

*A local jurisdiction shall permit a Low Barrier Navigation Center development provided that it meets the following requirements:*

- *It offers services to connect people to permanent housing through a services plan that identifies services staffing.*
- *It is linked to a coordinated entry system, so that staff in the interim facility or staff who colocate in the facility may conduct assessments and provide services to connect people to permanent housing.*
- *Complies with Housing First core components*
- *It has a system for entering information regarding client stays, client demographics, client income, and exit destination through the local Homeless Management Information System.*

*Within 30 days of receipt of an application for a Low Barrier Navigation Center development, the local jurisdiction shall notify a developer whether the developer's application is complete. Within 60 days of receipt of a completed application for a Low Barrier Navigation Center development, the local jurisdiction shall act upon its review of the application.*

HOUSING FIRST (SECT. 28, PAGE 139)

*Existing law requires, by July 1, 2019, agencies and departments administering state programs in existence prior to July 1, 2017, to collaborate with the Homeless Coordinating and Financing Council to revise or adopt guidelines and regulations that incorporate the core components of Housing First, an evidence-based model that uses housing as a tool, rather than a reward, for recovery.*

*AB 101 delays the duty of an agency or department that administers programs that fund recovery housing to incorporate the core components of Housing First to July 1, 2020. The bill additionally requires an agency or department that administers programs that fund recovery housing to consult with the Homeless Coordinating and Financing Council, the Business, Consumer Services, and Housing Agency, and stakeholders between July 1, 2019, and July 1, 2020, to identify ways to improve the provision of housing to individuals who receive housing assistance from the agency or department and report to the Senate Committee on Budget and Fiscal Review and the Assembly Committee on Budget by March 1, 2020.*

TCAC MEMBERSHIP (Sect. 9, page 42)

*Adds the HCD and CalHFA directors as voting members of TCAC.*

CAL HOME (Sect. 14 - 17, page 67)

*In disaster areas, allows program funds to assist homeowners up to 120% of area median income (AMI), instead of 80% AMI under current law. Also allows the program to subsidize construction of accessory dwelling units in any area.*

LOCAL HOUSING TRUST FUND PROGRAM (Sect. 18, page 72)

- *Adds tribes as eligible applicants.*
- *Allows program funds to subsidize construction of accessory dwelling units*
- *Extends the encumbrance period from 3 years to 5 years*
- *Allows SB 2 (permanent source) funds to be used as the required local match*
- *Increases the minimum grant sizes*

MISCELLANEOUS MINOR PROVISIONS

- *Requires the state auditor to conduct an audit instead of an evaluation of the Community-Based Transitional Housing Program and extends the deadline from May 2019 to May 2020 (Sect. 2, page 15)*
- *Clarifies how Density Bonus Law intersects with SB 35 (Sect. 8, page 27)*
- *Allows HCD to charge a monitoring fee to Joe Serna developments equal to that of the Multifamily Housing Program (MHP) and removes the local match requirement (Sect. 12, page 60)*