

Date of Hearing: April 29, 2015

**ASSEMBLY COMMITTEE ON HOUSING AND COMMUNITY DEVELOPMENT**

Ed Chau, Chair

AB 870 (Cooley) – As Amended March 26, 2015

**SUBJECT:** Homelessness: rapid re-housing

**SUMMARY:** Establishes a pilot program within the Department of Housing and Community Development (HCD) to award grants to four counties that operate rapid re-housing programs. Specifically, **this bill:**

- 1) Includes legislative findings.
- 2) Defines "chronically homeless" to mean a homeless individual, with a condition limiting his or her activities of daily living, who has been continuously homeless for a year or more, or has had at least two episodes of homelessness in the past three years.
- 3) Defines "homeless" as the same meaning under 91.5 of Title 24 of the Code of Federal Regulations.
- 4) Defines "pilot program" to mean the program established pursuant to this chapter for distributing funds to counties.
- 5) Requires HCD to select four counties to participate in the pilot program.
- 6) Requires HCD, when selecting the counties, to give priority to those counties with existing rapid re-housing programs that have demonstrated effectiveness in providing supporting housing for homeless individuals and veterans experiencing homelessness.
- 7) Continuously appropriates \$1 million, without regard to the fiscal year, from the General Fund for the pilot program.
- 8) Requires HCD to distribute \$250,000 of the money each year to each of the four counties selected for the pilot program.

**EXISTING LAW:**

Federal law defines homeless as an individual or family who lacks a fixed, regular, and adequate nighttime residence, meaning:

- (1) (i) An individual or family with a primary nighttime residence that is a public or private place not designed for or ordinarily used as a regular sleeping accommodation for human beings, including a car, park, abandoned building, bus or train station, airport, or camping ground;
- (ii) An individual or family living in a supervised publicly or privately operated shelter designated to provide temporary living arrangements (including congregate shelters, transitional housing, and hotels and motels paid for by charitable organizations or by federal, state, or local government programs for low-income individuals); or

(iii) An individual who is exiting an institution where he or she resided for 90 days or less and who resided in an emergency shelter or place not meant for human habitation immediately before entering that institution;

(2) An individual or family who will imminently lose their primary nighttime residence, provided that:

(i) The primary nighttime residence will be lost within 14 days of the date of application for homeless assistance;

(ii) No subsequent residence has been identified; and

(iii) The individual or family lacks the resources or support networks, e.g., family, friends, faith-based or other social networks needed to obtain other permanent housing;

(3) Unaccompanied youth under 25 years of age, or families with children and youth, who do not otherwise qualify as homeless under this definition, but who:

(i) Are defined as homeless under section 387 of the Runaway and Homeless Youth Act (42 U.S.C. 5732a), section 637 of the Head Start Act (42 U.S.C. 9832), section 41403 of the Violence Against Women Act of 1994 (42 U.S.C. 14043e-2), section 330(h) of the Public Health Service Act (42 U.S.C. 254b(h)), section 3 of the Food and Nutrition Act of 2008 (7 U.S.C. 2012), section 17(b) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(b)), or section 725 of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11434a);

(ii) Have not had a lease, ownership interest, or occupancy agreement in permanent housing at any time during the 60 days immediately preceding the date of application for homeless assistance;

(iii) Have experienced persistent instability as measured by two moves or more during the 60-day period immediately preceding the date of applying for homeless assistance; and

(iv) Can be expected to continue in such status for an extended period of time because of chronic disabilities, chronic physical health or mental health conditions, substance addiction, histories of domestic violence or childhood abuse (including neglect), the presence of a child or youth with a disability, or two or more barriers to employment, which include the lack of a high school degree or General Education Development (GED), illiteracy, low English proficiency, a history of incarceration or detention for criminal activity, and a history of unstable employment; or

(4) Any individual or family who:

(i) Is fleeing, or is attempting to flee, domestic violence, dating violence, sexual assault, stalking, or other dangerous or life-threatening conditions that relate to violence against the individual or a family member, including a child, that has either taken place within the individual's or family's primary nighttime residence or has made the individual or family afraid to return to their primary nighttime residence;

(ii) Has no other residence; and

(iii) Lacks the resources or support networks, e.g., family, friends, faith-based or other social networks, to obtain other permanent housing.

(91.5 of Title 24 of the Code of Federal Regulations)

**FISCAL EFFECT:** Unknown.

**COMMENTS:**

Rapid re-housing model: The rapid re-housing model has been developed over several decades and is intended to quickly move people from homelessness back into housing. As part of the American Recovery and Reinvestment Act of 2009, HUD received a one-time allocation of \$1.5 billion for the Homelessness Prevention and Rapid Re-Housing Program (HPRP), to respond to the increase in homelessness among families and individuals who traditionally did not have a history of homelessness but faced with job loss, foreclosure, and other financial crises were now homeless. HPRP provides financial assistance and services to prevent individuals and families from becoming homeless and helps those who are experiencing homelessness to be quickly re-housed and stabilized. The program is intended to target individuals and families who would be homeless but for this assistance. HPRP funds can be used for short-term or medium-term rental assistance and housing relocation and stabilization services, including such activities as mediation, credit counseling, security or utility deposits, utility payments, moving cost assistance, and case management. Unlike the supportive housing model which is intended to provide chronically homeless individuals with services and housing assistance, without a limit on the duration of a person's stay, rapid re-housing limits the term of assistance provided to an individual.

In 2009, the McKinney-Vento Homeless Assistance Act was amended and re-authorized as the Homeless Emergency Assistance and Rapid Transition to Housing (HEARTH) Act which in addition to other changes increased homeless prevention resources. The HEARTH Act modifies the existing Emergency Shelter Grants and renames it the Emergency Solutions Grants Program (ESG). It expands the homelessness prevention activities possible under ESG to include homelessness prevention and re-housing activities, short or medium term housing assistance, housing relocation or stabilization services, housing search, mediation or outreach to property owners, legal services, credit repair, security or utility deposits, utility payments, and assistance with moving costs for people who are homeless or at risk of homelessness.

Various counties in the state receive ESG funds and have expertise providing rapid re-housing and homeless prevention services and would be equipped to receive state funding were it made available.

Purpose of this bill: According to the author, "in 2013 HUD reported that California had 136,000 homeless persons, accounting for 22% of the nation's total homeless population. The same HUD report estimated there are over 15,000 homeless veterans in California. Several studies have demonstrated it is more effective to provide homeless persons with immediate housing ("rapid re-housing"), as opposed to more traditional approaches (transitional housing, for instance). AB 870 creates a pilot program in 4 counties to support "rapid re-housing" principles. The counties are to be selected by HCD who shall prioritize counties that have demonstrated success in utilizing rapid re-housing to serve homeless persons and homeless veterans. HCD shall allocate \$250,000 to each of the four selected counties for this pilot program."

Staff Comments: This bill would require HCD to select counties that have existing rapid re-housing programs with a track recorded of effectiveness. Selecting counties with existing programs will make the limited funding available for this program go further because it will eliminate the need for funds to be spent on creating new programs. With limited funding, however, it may be appropriate to also consider the rates of homelessness in a county when deciding which counties to fund.

Committee amendments:

- 1) The bill includes a definition of "chronically homeless" but does not use the term anywhere in the bill. The definition should be deleted.
- 2) On page 2, delete lines 24 to 27
- 3) On page 3, line 14, delete "supporting" and replace with "supportive"
- 4) On page 3, line 15, after "housing" insert "and homeless prevention"
- 5) On page 3, line 15, delete "homeless"

**REGISTERED SUPPORT / OPPOSITION:**

**Support**

California Catholic Conference of Bishops

**Opposition**

None on file

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