

Date of Hearing: June 15, 2022

ASSEMBLY COMMITTEE ON HOUSING AND COMMUNITY DEVELOPMENT

Buffy Wicks, Chair

SB 234 (Wiener) – As Amended May 19, 2022

SENATE VOTE: 32-0

SUBJECT: Transition Aged Youth Housing Program

SUMMARY: Creates the Transition Age Youth (TAY) Housing Program under the California Interagency Council on Homelessness (CA-ICH) to create housing for youth under 26 years of age who have been removed from their homes, are experiencing homelessness unaccompanied by a parent or legal guardian, or are under the jurisdiction of a dependency court. Specifically, **this bill:**

- 1) Includes the following definitions:
 - a) Defines “eligible organization” as a local government agency or a nonprofit corporation that provides, or contracts with community organizations to provide, emergency shelter or transitional housing or both; and
 - b) Defines “eligible activities” as including but not limited to:
 - i. Funding capital development programs such as acquisition, leasing, construction, and rehabilitation of sites for emergency shelter, transitional housing, and permanent supportive housing for TAY.
 - ii. Capital development loans for the conversion of emergency shelter or transitional housing to permanent supportive housing for TAY.
- 2) Requires the CA-ICH to award grants to eligible organizations for the development of housing for TAY in the form of forgivable deferred loans, as specified.
- 3) Requires the CA-ICH to administer the program as follows:
 - a) At least 47.5 percent of funds to eligible organizations for projects to house current foster youth between 18-21 years of age. If the CA-ICH is unable to meet this requirement, it may spend the remaining funds pursuant to (c) below;
 - b) No more than 5 percent for program administration, including state operations and technical assistance; and
 - c) The CA-ICH shall spend remaining funds available to eligible organizations for eligible activities pursuant to this bill.

- 4) Requires the CA-ICH to develop criteria for evaluating applications in a notice of funding availability (NOFA). The CA-ICH shall give preference to applications from organizations that have experience working with or developing housing projects for TAY.
- 5) Requires the CA-ICH to terminate a grant award and reallocate the funds if a project has not begun construction within 12 months of the award. Authorizes the CA-ICH to extend the 12-month period by an additional period of no more than 12 months.
- 6) Requires the CA-ICH to maintain and make available on its website, records of all of the following:
 - a) The number of applications received;
 - b) The number of applications denied;
 - c) The name of each recipient of program funds, as well as any sub-recipients; and
 - d) The number of new and converted units created for TAY, by year.

EXISTING LAW:

- 1) Establishes the CA-ICH, with the purpose of coordinating the state's response to homelessness by utilizing Housing First practices.
- 2) Requires agencies and departments administering state programs created on or after July 1, 2017, to incorporate the core components of Housing First.
- 3) Defines "Housing First" to mean the evidence-based model that uses housing as a tool, rather than a reward, for recovery and that centers on providing or connecting homeless people to permanent housing as quickly as possible. Housing First providers offer services as needed and requested on a voluntary basis and that do not make housing contingent on participation in services.
- 4) Prescribes 17 statutory goals for the CA-ICH, including, in relation to homeless youth:
 - a) To promote systems integration to increase efficiency and effectiveness while focusing on designing systems to address the needs of people experiencing homelessness, including unaccompanied youth under 25 years of age;
 - b) Setting goals to prevent and end homelessness among California's youth;
 - c) Working to improve the safety, health, and welfare of young people experiencing homelessness in the state;
 - d) Increasing system integration and coordinating efforts to prevent homelessness among youth who are currently or formerly involved in the child welfare system or the juvenile justice system; and

- e) Leading efforts to coordinate a spectrum of funding, policy, and practice efforts related to young people experiencing homelessness.
- 5) Establishes the Homeless Emergency Aid Program (HEAP) under the CA-ICH to provide one-time grant funds to address the immediate homelessness challenges of local cities and counties.
- 6) Establishes the Homeless Housing Assistance and Prevention Program (HHAPP) under the CA-ICH to build on HEAP and provide funds to help local jurisdictions combat homelessness.

FISCAL EFFECT: Unknown.

COMMENTS:

Author's statement: According to the author, "California is simultaneously facing a pandemic, an economic crisis, and a housing crisis, and transition age youth are struggling with the effects of all three. SB 234 rightfully prioritizes the issue of chronic youth homelessness and will give kids the footing they need to transition into an independent and successful adult life. Specifically, SB 234 creates the Transition Aged Youth Housing Program to build housing projects prioritizing our most marginalized youth: those exiting homelessness, exiting foster care, or exiting the criminal justice system."

Homelessness in California: Based on the 2020 point in time count, California has the largest homeless population in the nation with 161,548 people experiencing homelessness on any given night. Many of those people, 113,660, are unsheltered meaning they are living outdoors and not in temporary shelters. Nearly half of all unsheltered people in the country were in California. The homeless crisis is driven in part by the lack of affordable rental housing for lower income people. In the current market, 2.2 million extremely low-income and very low-income renter households are competing for 664,000 affordable rental units. Of the six million renter households in the state, 1.7 million are paying more than 50 percent of their income toward rent. The National Low Income Housing Coalition estimates that the state needs an additional 1.5 million housing units affordable to very-low income Californians.

CA-ICH: The California Interagency Council on Homelessness (CA-ICH), formerly known as Homelessness Coordinating and Financing Council, is responsible for coordinating the state's response to homelessness. The CA-ICH is required to address a set of goals to respond to homelessness. CA-ICH is also responsible for ensuring that all state housing and homeless programs are Housing First. Housing First is an evidence-based housing model that centers on providing people experiencing homelessness with housing as quickly as possible and then providing services as needed.

As the state's homelessness crisis has worsened, the role of the CA-ICH has significantly increased. The council is now responsible for administering two significant programs dedicated to addressing homelessness, HEAP and HHAP. In 2021-22 budget included multi-year funding for HHAP. To access this funding, eligible applicants (CoCs, counties, and eligible cities) are

required to submit a Local Homelessness Action Plan that demonstrates how HHAP funds and all local dollars for homelessness can reduce the number of people experiencing homelessness.

State funding for homeless youth: For each of the last three years, the state budget has provided significant one-time funding to address youth homelessness through set-asides in larger pots of funding. HEAP, established in 2018, included a minimum 5 percent set-aside (\$25 million) to address youth homelessness. In 2019 and 2020, HHAP required a minimum 8 percent (\$24 million and \$52 million, respectively) set-aside for homeless youth. Many jurisdictions across the state have responded by investing even more than the required minimum in homeless youth; a March 2021 study notes that as of September 30, 2020, unaccompanied youth account for 9.2 percent of the people served by HEAP, and in the first round of HHAP funding, a total 10 percent of funds were invested in addressing youth homelessness. In 2021-22 the budget included \$1.45 billion for Homekey which included a 8 percent set-aside for homelessness youth for a total of \$1.16 million. According to the sponsors of this bill, Homekey has resulted in units for homeless youth, but those units are included in shelters for adults and are not the best housing option for youth. This bill would fund homeless youth service providers that would develop projects solely for homeless youth, which the sponsors of this bill argue, would produce better outcomes for youth.

Double-referred: This bill was also referred to the Assembly Committee on Human Services where it will be heard should it pass out of this committee.

REGISTERED SUPPORT / OPPOSITION:

Support

Alliance for Children's Rights (Co-Sponsor)
 California Coalition for Youth (Co-Sponsor)
 Children Now (Co-Sponsor)
 Alameda County Board of Supervisors
 All Home
 American Academy of Pediatrics, California
 American Academy of Pediatrics, California, Chapter 2
 American Civil Liberties Union/northern California/southern California/san Diego and Imperial Counties
 Aspiranet
 California Alternative Payment Program Association
 California Association of Food Banks
 California Association of Student Councils
 California Court Appointed Special Advocate Association
 California Housing Partnership Corporation
 California Narcotic Officers' Association
 California School Employees Association
 California Youth Connection (CYC)
 CASA of Los Angeles
 Catholic Charities East Bay
 Catholic Charities of Santa Clara County
 Children's Institute
 Coachella Valley Coalition on Youth Homelessness

County Behavioral Health Directors Association of California
Daughters of Charity of St. Vincent De Paul Province of the West
Disability Rights California
Fastenau & Associates
Generation Up
Grace Institute - End Child Poverty in CA
Hathaway-Sycamores
Hillsides
Home Start, INC
John Burton Advocates for Youth
Los Angeles Community College District
Martin Luther King Jr Freedom Center
National Association of Social Workers, California Chapter
National Center for Youth Law
Public Counsel
Redwood Community Action Agency
San Diego Youth Services
San Francisco Youth Commission
South Bay Community Services
Student Senate for California Community Colleges
The Children's Movement of Fresno
The San Diego LGBT Community Center
The Young Women's Freedom Center
TLC Child and Family Services
Transgender Health and Wellness Center
Voices Youth Centers
YMCA of San Diego County, Youth and Family Services
Youth Emerging Stronger

Opposition

None on file.

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