



AGENDA REPORT

TO: Members on the City Council and
Members of the Public

FROM: President Pro Tem **Dan
Kalb**

SUBJECT: Resolution in support of AB 3269
(Chiu) Homelessness Accountability

DATE: June 25, 2020

Colleagues on the City Council and Members of the Public,

We respectfully urge your support for the attached Resolution, which we have submitted with the attached Fact Sheet, text of the bill, and bill analysis from the Assembly Floor:

**RESOLUTION IN SUPPORT OF CALIFORNIA STATE ASSEMBLY
BILL 3269 (CHIU) TO ENSURE THAT LOCAL GOVERNMENTS AND
RELEVANT STATE AGENCIES ARE HELD ACCOUNTABLE FOR
ADDRESSING CALIFORNIA'S HISTORIC HOMELESSNESS CRISIS**

Respectfully submitted,

Dan Kalb
Council President Pro Tem
Councilmember, District 1

ASSEMBLY BILL 3269 (CHIU & SANTIAGO)

HOMELESSNESS ACCOUNTABILITY

This bill ensures that local governments and relevant state agencies are held accountable for addressing California's historic homelessness crisis.

THE PROBLEM

On any given night, over 150,000 Californians are homeless, and California has the highest rate of unsheltered homeless individuals in the nation. Even as people are housed, more fall into homelessness: In Los Angeles County, for every 133 people housed, 150 fall into homelessness; in Oakland, for one person housed, two more become homeless; in San Francisco, for one person housed, three become homeless.

Before coronavirus, local governments had come under intense pressure to address homelessness from constituents, civil rights advocates, business communities, and people experiencing homelessness, and the latest pressure point is in the courts.

The landmark *Martin v. Boise* case challenged a municipal quality of life offense against homeless individuals. Last year, the US Supreme Court refused to overturn the 9th Circuit case that held the local law violated the 8th Amendment's "cruel and unusual punishment" clause: "as long as there is no option of sleeping indoors, the government cannot criminalize indigent, homeless people for sleeping outdoors, on public property, on the false premise they had a choice in the matter."

Subsequently, advocates successfully sued Orange County after Santa Ana riverbed encampments were cleared without alternatives for people to sleep. While the federal court under Judge David Carter successfully held local governments accountable to provide emergency shelters, the process was complex, expensive, and time-consuming for both litigants and local governments. Attorneys have since filed lawsuits in or sent demand letters to Los Angeles, San Diego, Santa Cruz, Sacramento, San Francisco and other jurisdictions.

Earlier this year, before coronavirus, the Governor's Council of Regional Homeless Advisors proposed the creation of an enforceable, results-based accountability mandate to end homelessness, since purely voluntary efforts by a myriad of local and state agencies and billions of dollars of funding have failed without

accountability. Coronavirus has only intensified the moral, public health and community imperatives to address homelessness.

THE SOLUTION

AB 3269 creates a process for holding state and local governments accountable for housing the unsheltered based on measurable goals and existing resources they have identified for that purpose.

Specifically, AB 3269:

- Requires state and local governments to assess available resources to address homelessness and provide that analysis to the State Homelessness Coordinating and Financing Council (HCFC).
- Requires HCFC to review the analysis and develop benchmarks goals for each state and local agency to reduce homelessness.
- Based on goals, requires the state and local governments to develop an actionable plan to reduce homelessness by 90 percent by December 31, 2028.
- Establishes a Homelessness Inspector General that can bring a public right of action against the state or local government for failing to submit a plan or not follow a plan.
- A public right of action would be limited to existing resources within a jurisdiction.

Rather than waiting for coronavirus outbreaks or expensive, time-consuming lawsuits to force the question of how to address homelessness, AB 3269 would proactively establish plans, metrics, accountability and enforcement of progress towards plans. By holding all governments levels accountable based on benchmarks, AB 3269 would move California towards finally addressing the moral crisis of our day.

SUPPORT

Sacramento Mayor Darrell Steinberg (Co-chair of Governor's Council of Regional Homeless Advisors)
Los Angeles County Supervisor Mark Ridley-Thomas (Co-chair of Governor's Council of Regional Homeless Advisors)
City of San Diego
Corporation for Supportive Housing

Housing California
National Association of Social Workers, California
Chapter

Oakland Mayor Libby Schaff

FOR MORE INFORMATION

Lisa Engel, Assembly Housing & Community
Development Committee (Lisa.engel@asm.ca.gov)

ASSEMBLY THIRD READING
AB 3269 (Chiu and Santiago)
As Amended June 4, 2020
Majority vote

SUMMARY:

Creates the Office of the Housing and Homelessness Inspector General to provide greater accountability for state and local actions to address homelessness, imposes new requirements on local governments to develop actionable plans address homelessness, and creates a public right of action for the Inspector General to compel compliance with those new plans.

Major Provisions

- 1) Requires the Homelessness Coordinating and Financing Council to conduct a statewide gaps and needs analysis to determine existing resources to address homelessness.
- 2) Gives the Housing and Homelessness Inspector General the following duties:
 - a) Monitor the implementation and progress of the state and local agencies based on adopted plans;
 - b) Offer technical assistance to state and local agencies to comply with actionable plans to address homelessness;
 - c) Audit state and local agencies to determine compliance with adopted plans;
 - d) Bring actions against a state or local agency to compel compliance with their respective adopted plans; and
 - e) Investigate complaints and issue civil penalties.
- 3) Requires the Department of Housing and Community Development (HCD) to set benchmark goals to reduce homelessness for each state and local agency. The benchmark goal will set a minimum percentage reduction of homelessness within the state or local agency's jurisdiction by December 21, 2028, based on the 2019 point-in-time count.
- 4) Requires each state and local agency to develop an actionable plan to achieve the benchmarks that includes the following:
 - a) A description and the amount of funding of all sources that the state or local agency has earmarked or committed to reducing and addressing homelessness in their jurisdiction;
 - b) The estimated amount of additional funding needed to meet the homelessness reduction goals;
 - c) Timelines for the state and local agencies to utilize existing funding identified; and
 - d) Specific actions that the state or local agency will take to meet the goal of reducing homelessness by moving people to permanent housing.

- 5) Requires a county and city to adopt an actionable plan by resolution.
- 6) Requires each state and local agency to transmit the plan to HCD by January 1, 2022.
- 7) Requires each state and local agency to submit an annual progress report to the HCD that details the progress and implementation of the adopted plan and any amendments to the plan.
- 8) Requires HCD, upon receipt of the plan, to review the plan and offer feedback and recommended revisions.
- 9) Requires a state or local agency to adopt the recommended revisions to their plan received from the HCD or make a finding as to why the revisions are not needed.
- 10) Requires HCD to monitor the progress of each state and local agency to adopt and implement a plan and, if the Council determines that either has failed to adopt a plan or to make progress in accordance with the plan, to notify the state and local agency as well as the Inspector General.
- 11) Provides that if new resources to address homelessness are identified in a progress report, then the HCD shall update the benchmark goal.
- 12) Provides that, on or after January 1, 2022, the Inspector General may bring an action against a state or local agency to compel compliance with the actionable plan.
- 13) Requires any action against the state shall be brought in the Superior Court of the County of Sacramento and any action against a local agency shall be brought in the superior court of the county or county within which a city is located.
- 14) Provides that if the court finds that a state or local agency has not substantially complied with the actionable plan, the Inspector General may request that the court issue an order or judgement directing the state or local agency to substantially comply with the actionable plan by taking the following actions:
 - a) If a state or local agency has not adopted an actionable plan within the specified time period, require a plan be adopted;
 - b) Dedicate resources identified in the plan to reduce the number of individuals experiencing homelessness;
 - c) Coordinate with other state or local agencies to reduce the number of individuals experiencing homelessness;
 - d) Pool resources identified in the plan with other resources in other jurisdictions in order to address regional challenges or reducing homelessness;
 - e) Require local agencies to rezone sites to permit the construction of housing and emergency shelters; and
 - f) Order a jurisdiction to establish coordinated entry points for homeless individuals and those at imminent risk of becoming homeless.

COMMENTS:

Governor's Council of Regional Homeless Advisors (Governor's Council) In 2019, the Governor appointed a Council of Regional Homeless Advisors (Governor's Council) made up of local elected officials and leading organizations that work on homelessness in the state. In January of 2020, the Governor's Council issued several recommendations to reduce and prevent homelessness. One of the key recommendations of the Governor's Council was to create an enforceable, results-based accountability mandate to end homelessness.

Lawsuits against local governments: Local governments are coming under increasing pressure from advocates and the business community to address homelessness. The landmark case of *Martin v. Boise* challenged the City of Boise's enforcement of its Camping and Disorderly Conduct Ordinances against persons experiencing homelessness—those who need to sleep in public in the absence of adequate housing or shelter. Last year, a panel of the 9th Circuit held that "as long as there is no option of sleeping indoors, the government cannot criminalize indigent, homeless people for sleeping outdoors, on public property, on the false premise they had a choice in the matter." Following that ruling, the City of Boise petitioned the entire 9th Circuit to rehear the case, which was rejected in April 2019. Boise then asked the Supreme Court to hear the case and the Court rejected that request, thereby affirming that within the 9th Circuit, "the Eighth Amendment preclude[s] the enforcement of a statute prohibiting sleeping outside against homeless individuals with no access to alternative shelter."

Orange County, along with the cities of Costa Mesa, Anaheim, and Orange, were recently sued by advocates who argued that the people experiencing homelessness in those jurisdictions were effectively criminalized because the lack of shelter beds at the time, coupled with anti-camping ordinances, would result in numerous tickets and eventually jail time for individuals with nowhere else to sleep. The lawsuit was filed as a result of the county clearing out an encampment in the Santa Ana Riverbed. Attorneys have since filed suit against other cities in the county. The suits filed in the Federal Court are under the supervision of Judge David Carter, who has entered into court-enforced agreements to require the municipalities to develop emergency shelters. While the federal court under Judge David Carter successfully held local governments accountable to provide emergency shelters, the process was complex, expensive, and time-consuming for both litigants and local governments. Attorneys have since filed lawsuits in or sent demand letters to Los Angeles, San Diego, Santa Cruz, Sacramento, San Francisco and other jurisdictions.

Gaps and needs analysis: This bill would require the Council to complete a statewide homelessness gaps and needs analysis to determine the available resources at the local and state level to address homelessness.

Public right of action: The Housing and Homelessness Inspector General can take action against a state or local government for failing to submit a plan or for not following a plan. The court can order the adoption of a plan, dedicate the resources in the plan toward reducing the number of people experiencing homelessness, coordinate with other state and local agencies to reduce the number of people who are homelessness, require sites be rezoned for emergency shelter, pool resources for homelessness between jurisdictions to create a regional response, and order a jurisdiction to establish coordinated entry points for people experiencing homelessness.

According to the Author:

According to the author, "Homelessness is the moral crisis of our time. The COVID-19 pandemic has intensified an already intense crisis. The state and local governments lack a mechanism to hold each other accountable for reducing homelessness and as a result there is no clear strategy for responding. Local homeless advocates have sued and continue to sue cities and counties for what they see as a lack of response and urgency in responding to homelessness. Rather than waiting for coronavirus outbreaks or expensive, time-consuming lawsuits to force the question of how to address homelessness, AB 3269 would proactively establish plans, metrics, accountability and enforcement of progress towards plans. By holding all governments levels accountable based on benchmarks, AB 3269 would move California towards finally addressing the moral crisis of our day.

Arguments in Support:

According to a supporters, "AB 3269 is a bold step establishing real accountability that will compel urgent action by every level of government to bring people indoors with the services they need to reclaim their lives. Following a statewide gaps analysis of available resources that can utilized to reduce homelessness, the bill requires the Homeless Coordinating and Finance Council to establish aggressive but reasonable timelines for cities, the county and the state to get thousands of unsheltered people off the street with the goal of reducing homelessness by 90 percent of the 2019 Point-in-Time (PIT) Counts. Additionally, this bill establishes desperately needed accountability by creating a public right of action to be exercised by the Housing and Homelessness Inspector General with the authority to seek remedial action for recalcitrant jurisdictions failing to meet the requirements of those plans. These actions, including requiring jurisdictions to permit construction of interim and permanent housing or to consolidate their resources with neighboring jurisdictions, are intended to achieve results, not penalize jurisdictions.

Arguments in Opposition:

None on file.

FISCAL COMMENTS:

According to the Assembly Committee on Appropriations:

1) Office of the Housing and Homelessness Inspector General (Office):

Estimated initial costs in the low millions of dollars (GF) to tens of millions of dollars (GF) annually ongoing to BCSH to establish the Office and provide staff to carry out the duties required in the bill. Specifically, the Office would require staffing to provide oversight and enforcement over state and local agencies that fail to adopt an actionable homelessness reduction plans as well as civil enforcement authority over state or local agencies. Staff would also monitor the progress of jurisdictions in adopting their plans, investigate complaints and provide technical assistance for local compliance.

2) Gaps and Needs Analysis:

Estimated one-time costs in the range of the high hundreds of thousands of dollars to the low millions of dollars (GF) to the Council to contract with an external consultant to develop and conduct a statewide needs and gaps analysis. These costs could be offset to the extent a

technical assistance grant from the United States (U.S.) Department of Housing and Urban Development (HUD) is secured to fund the analysis.

The U.S. Department of Housing and Urban Development (HUD) provides technical assistance to states and CoCs to complete needs analyses. States can access this technical assistance by completing an application requesting the assistance. The HUD has funded technical assistance to complete local needs analyses in a number of jurisdictions across California, and is currently prioritizing technical assistance requests from states and jurisdictions that have large unsheltered populations, such as California. The HUD technical assistance grants pay for the full costs of the needs analyses.

3) Department of Housing and Community Development:

Estimated costs of \$1.485 million (GF) in the first year and \$1.405 million (GF) in the second year and ongoing to HCD for seven additional positions. Required duties include setting benchmark goals, based on the gap analysis, for over 500 state and local agencies to reduce homelessness; receiving, reviewing and recommending revisions to each state and local agency's adopted plan; monitoring the progress of each state and local agency; receiving annual progress reports regarding each adopted plan; and notifying the Inspector General if a state or local agency is out of compliance.

4) State-mandated Local Costs.

State-mandated local costs, of an unknown amount but likely significant statewide, for each local agency to develop and implement a homelessness plan. These costs are potentially reimbursable by the state, subject to a determination by the Commission on State Mandates, should a local agency file a claim.

VOTES:

ASM HOUSING AND COMMUNITY DEVELOPMENT: 6-1-1

YES: Chiu, Gabriel, Gloria, Limón, Maienschein, Quirk-Silva

NO: Kiley

ABS, ABST OR NV: Diep

ASM APPROPRIATIONS: 12-0-6

YES: Gonzalez, Bauer-Kahan, Bloom, Bonta, Calderon, Carrillo, Chau, Eggman, Gabriel, Eduardo Garcia, McCarty, Robert Rivas

ABS, ABST OR NV: Bigelow, Megan Dahle, Diep, Fong, Petrie-Norris, Voepel

UPDATED:

VERSION: June 4, 2020

CONSULTANT: Lisa Engel / H. & C.D. / (916) 319-2085

FN: 0003020



AB-3269 State and local agencies: homelessness plan. (2019-2020)

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AMENDED IN ASSEMBLY JUNE 04, 2020

AMENDED IN ASSEMBLY MAY 22, 2020

AMENDED IN ASSEMBLY MAY 04, 2020

CALIFORNIA LEGISLATURE— 2019–2020 REGULAR SESSION

ASSEMBLY BILL

NO. 3269

Introduced by Assembly Members Chiu and Santiago

February 21, 2020

An act to amend Sections 11552 and 12804 of the Government Code, and to add Sections 8257.1 and 8257.2 to, and to add Chapter 6.6 (commencing with Section 8258) to Division 8 of, the Welfare and Institutions Code, relating to homelessness.

LEGISLATIVE COUNSEL'S DIGEST

AB 3269, as amended, Chiu. State and local agencies: homelessness plan.

Existing law establishes in state government the Business, Consumer Services, and Housing Agency, comprised of the Department of Consumer Affairs, the Department of Housing and Community Development, the Department of Fair Employment and Housing, the Department of Business Oversight, the Department of Alcoholic Beverage Control, the Alcoholic Beverage Control Appeals Board, the California Horse Racing Board, and the Alfred E. Alquist Seismic Safety Commission.

Existing law requires the Governor to create the Homeless Coordinating and Financing Council (referred to as "the coordinating council") and to appoint up to 19 members of that council, as provided. Existing law specifies the duties of the coordinating council, including creating partnerships among state agencies and departments, local government agencies, and specified federal agencies and private entities, for the purpose of arriving at specific strategies to end homelessness.

This bill, upon appropriation by the ~~Legislature~~, *Legislature or upon receiving technical assistance offered by the federal Department of Housing and Urban Development, if available*, would require the coordinating council to conduct, or contract with an entity to conduct, a statewide needs and gaps analysis to, among other things, ~~summarize the current inventory of services for persons experiencing homelessness, as specified.~~ *identify state programs that provide housing or services to persons experiencing homelessness and create a financial model that will assess certain investment needs for the purpose of moving persons experiencing homelessness into permanent housing.* The bill would authorize local governments to collaborate with the coordinating ~~council~~ *council or other entity conducting the analysis upon an appropriation by the Legislature to cover costs of the collaboration or upon provision of technical assistance by the federal Department of Housing and Urban Development.* The bill would also

require the *coordinating council or any other entity conducting the analysis* to seek input from the coordinating council's members on the direction of, design of data collection for, and items to be included in the statewide needs and gaps analysis. The bill would require the council to report on the analysis to specified committees in the Legislature by July 31, 2021. *The bill would require the coordinating council or other entity conducting the analysis to evaluate all available data, including, among other things, data from other state departments and agencies. The bill would require a state department or agency with a member on the coordinating council to assist in data collection for the analysis by responding to data requests within 180 days, as specified.*

This bill would ~~state the intent of the Legislature that each state and local agency aim to reduce homelessness within its jurisdiction by 90% by December 31, 2028.~~ *require each county to submit, no later than December 31, 2021, to the Department of Housing and Community Development a county-level plan for meeting specific annual benchmarks with city and homeless continuum of care participation, as specified. The bill would require the plan to include a gaps analysis pertaining to homelessness, as provided.* The bill would require the Department of Housing and Community Development to set a benchmark goal in reducing homelessness by January 1, 2028, for each state and local agency subject to these provisions, based upon the ~~needs and~~ gaps analysis ~~described above,~~ *provided by each county,* and annual homelessness reduction benchmarks that progress toward the benchmark goal. The bill, on or before January 1, 2022, would require each state and local agency, as defined, to develop an actionable plan to achieve the benchmark goal set by the department. The bill would require the plan to include a description and the amount of all funding sources the state or local agency, and any incorporated jurisdiction and continuum of care, has earmarked or committed to addressing homelessness, mental illness, and substance abuse within its jurisdiction, the amount of additional funding needed, and specific actions that will be taken to reduce the number of individuals experiencing homelessness and meet the benchmark goal set by the department. The bill would require each state and local agency to submit an annual progress report to the department that details the progress and implementation of the adopted plan and any amendments proposed to the plan.

This bill would require the department to review submitted plans and provide feedback and recommended revisions. The bill would require a state or local agency to either adopt those recommended revisions, or adopt findings as to why the recommended revisions are not needed. The bill would require the department to monitor the implementation and progress of state and local agency plans. The bill would require the department to notify the state or local agency and the inspector general if the agency fails, within a reasonable time, to make progress in accordance with their plan.

This bill would establish the Office of the Housing and Homelessness Inspector General as an independent office within the Business, Consumer Services, and Housing Agency, under the supervision of the Housing and Homelessness Inspector General. The bill would require the Governor to appoint the Housing and Homelessness Inspector General, subject to confirmation by the Senate. The bill would, on and after January 1, 2022, authorize the inspector general to bring an action against a state or local agency that fails to adopt a plan or fails, within a reasonable time, to make progress in accordance with their adopted plan. The bill, if the court finds that the applicable state or local agency has not substantially complied, would authorize the Housing and Homelessness Inspector General to request the court to issue an order or judgment directing the state or local agency to substantially comply, as provided.

The bill would authorize the inspector general to impose a civil penalty on a state or local agency that is found to have deliberately and intentionally transported a homeless individual to a different jurisdiction in order to reduce the number of homeless individuals within their jurisdiction, as specified.

By requiring local agencies to *submit a county-level plan for meeting specific annual benchmarks relating to homelessness and to develop and implement a homelessness* ~~plan,~~ *plan to achieve the benchmark goal developed by the Department of Housing and Community Development,* this bill would impose a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that, if the Commission on State Mandates determines that the bill contains costs mandated by the state, reimbursement for those costs shall be made pursuant to the statutory provisions noted above.

Vote: majority Appropriation: no Fiscal Committee: yes Local Program: yes

THE PEOPLE OF THE STATE OF CALIFORNIA DO ENACT AS FOLLOWS:

SECTION 1. The Legislature finds and declares all of the following:

(a) As of January 2019, California has had an estimated 151,278 people experiencing homelessness on any given day, as reported by Continuum of Care to the United States Department of Housing and Urban Development. This is the highest number since 2007, and represents a 17-percent increase since 2018.

(b) The vast majority of homeless Californians were unsheltered, which is about 71 percent and the highest rate in the nation, meaning that they were living in streets, parks, or other locations not meant for human habitation. In 2018, among homeless veterans, California had the nation's highest share that are unsheltered (67 percent), and among homeless youth, the share that are unsheltered (80 percent) ranked second highest.

(c) As local communities work to house the unsheltered, more people are falling into homelessness. Larger urban areas with high numbers of people experiencing homelessness have reported that more people are falling into homelessness than they are able to house.

(d) In the City of Oakland, for every one person they are able to house, two more are falling into homelessness.

(e) In the County of Los Angeles, despite housing 20,000 homeless people in 2018, for every 133 people housed, 150 fall into homelessness per day.

(f) In the City and County of San Francisco, for every one person they are able to house, three more fall into homelessness.

(g) A growing percentage of the state's homeless population are seniors who are experiencing homelessness for the first time. Seniors who are on fixed incomes and who are severely rent burdened have no potential for additional income.

(h) Once seniors are homeless, their health quickly deteriorates and they use emergency services at a higher rate and face high mortality rates.

(i) Fifty percent of seniors who are homeless become homeless after 50 years of age.

(j) African Americans are disproportionately found on California's streets and roughly 30 percent of the state's unhoused population is Black.

(k) While comprehensive statewide data is lacking, local surveys indicate that people living on the streets are typically from the surrounding neighborhood. For example, 70 percent of the people experiencing homelessness in the City and County of San Francisco were housed somewhere in the city where they lost housing, while only 8 percent came from out-of-state. In addition, three-quarters of the homeless population of the County of Los Angeles lived in the region before becoming homeless.

(l) About 1,300,000 California renters are considered "extremely low income," making less than twenty-five thousand dollars (\$25,000) per year.

(m) In many parts of the state, many lower income residents are severely cost burdened, paying over 50 percent of their income toward housing costs. One small financial setback can push these individuals and families into homelessness.

(n) The Legislature has made the following investments in affordable housing and homelessness response:

(1) In 2016, the Legislature passed and the voters approved Proposition 63, known as the Mental Health Services Act, which generates two billion dollars (\$2,000,000,000) per year for mental health services that can be used for people experiencing homelessness.

(2) In 2017, Senate Bill 2 (Chapter 364 of the Statutes of 2017) established a recording fee for real estate documents that has generated three hundred fifty million dollars (\$350,000,000) per year since its creation. Beginning this year, 70 percent of funds from the recording fee go directly to counties to use to address affordable housing and homelessness.

(3) In 2017, the Legislature passed No Place Like Home to authorize the use of two billion dollars (\$2,000,000,000) in Proposition 63 revenues in bonds for supportive housing for chronically homeless individuals with mental illness.

(4) In 2018, the Legislature passed and the voters approved Proposition 1, which authorized three billion dollars (\$3,000,000,000) in general fund bonds to increase the supply of affordable housing around the state.

(5) Local governments have also passed general obligation bonds to fund affordable housing, supportive housing, and emergency shelters:

(A) In 2016, the voters of the City of Los Angeles passed Measure HHH, which authorizes 1.2 billion dollars (\$1,200,000,000) to fund the construction of 10,000 supportive housing units.

(B) In 2019, the City and County of San Francisco passed Proposition A, which authorized six hundred million dollars (\$600,000,000) to support the creation of affordable housing.

(C) In 2019, the City and County of San Francisco passed Proposition C, which authorizes a tax on gross receipts of business with incomes of fifty million dollars (\$50,000,000) or more to fund affordable housing, supportive housing, and legal assistance programs.

(6) The Legislature has also made policy changes to allow for siting and building emergency shelters, affordable housing, and supportive housing:

(A) In 2017, the Legislature passed Senate Bill 35 (Chapter 366 of the Statutes of 2017), which created a streamlined process for housing developments that include a percentage of affordable housing.

(B) In 2018, the Legislature passed Assembly Bill 2162 (Chapter 753 of the Statutes of 2018), which established a streamlined process for supportive housing developments.

(C) In 2018, the Legislature authorized five hundred million dollars (\$500,000,000) for the Homeless Emergency Aid Program to provide local governments with flexible block grant funds to address their immediate homelessness challenges.

(D) In 2019, the Legislature passed Assembly Bill 101 (Chapter 159 of the Statutes of 2019), which streamlines navigation centers that provide emergency shelter and services to people experiencing homelessness.

(E) In 2019, the Legislature authorized six hundred fifty million dollars (\$650,000,000) for the Homeless Housing, Assistance, and Prevention Program one-time block grant that provides local jurisdictions with funds to support regional coordination and expand or develop local capacity to address their immediate homelessness challenges.

(o) State and local government at all levels should be held responsible for responding to homelessness and providing permanent housing for the unsheltered. In order to ensure state and local jurisdictions are making best use of existing resources, and to determine the additional resources needed to substantially reduce unsheltered homelessness in California, ~~a statewide gaps analysis must be conducted. The analysis should include a county-by-county assessment of existing resources, including the Mental Health Services Act, No Place Like Home, SB-2 (Chapter 364 of the Statutes of 2017), substance abuse treatment, affordable housing, CalWORKS, federal resources, including the Community Development Block Grant, Emergency Shelter Grants, and funds awarded by the Department of Housing and Urban Development to continuums of care, and other resources that could be utilized to get people indoors.~~ *the state should work with local communities to determine the appropriate roles of each level of government.*

(p) To identify the types and levels of interventions the state currently provides, and to arrive at strategies the state will pursue to solve homelessness, the state must conduct a state gaps analysis. The analysis should include an assessment of existing resources, gaps in interventions needed to solve homelessness, and a financial analysis of the costs of filling those gaps at a state level.

~~(p)~~

(q) There are few other areas of important public policy where government efforts to achieve a compelling societal objective are voluntary.

~~(q)~~

(r) The state required the state's utilities and public agencies to meet a timetable for increasing their use of renewable energy, and the state is achieving dramatic results.

~~(r)~~

(s) Government at all levels should be obligated to spend existing resources in the most efficient and expeditious manner to reduce homelessness.

SEC. 2. Section 11552 of the Government Code is amended to read:

11552. (a) Effective January 1, 1988, an annual salary of eighty-five thousand four hundred two dollars (\$85,402) shall be paid to each of the following:

- (1) Commissioner of Business Oversight.
- (2) Director of Transportation.
- (3) Real Estate Commissioner.
- (4) Director of Social Services.
- (5) Director of Water Resources.
- (6) Director of General Services.
- (7) Director of Motor Vehicles.
- (8) Executive Officer of the Franchise Tax Board.
- (9) Director of Employment Development.
- (10) Director of Alcoholic Beverage Control.
- (11) Director of Housing and Community Development.
- (12) Director of Alcohol and Drug Programs.
- (13) Director of Statewide Health Planning and Development.
- (14) Director of the Department of Human Resources.
- (15) Director of Health Care Services.
- (16) Director of State Hospitals.
- (17) Director of Developmental Services.
- (18) State Public Defender.
- (19) Director of the California State Lottery.
- (20) Director of Fish and Wildlife.
- (21) Director of Parks and Recreation.
- (22) Director of Rehabilitation.
- (23) Director of the Office of Administrative Law.
- (24) Director of Consumer Affairs.
- (25) Director of Forestry and Fire Protection.
- (26) The Inspector General pursuant to Section 6125 of the Penal Code.
- (27) Director of Child Support Services.
- (28) Director of Industrial Relations.
- (29) Director of Toxic Substances Control.
- (30) Director of Pesticide Regulation.
- (31) Director of Managed Health Care.
- (32) Director of Environmental Health Hazard Assessment.
- (33) Director of California Bay-Delta Authority.
- (34) Director of California Conservation Corps.
- (35) Director of Technology.
- (36) Director of Emergency Services.

(37) Director of the Office of Energy Infrastructure Safety.

(38) The Housing and Homelessness Inspector General.

(b) The annual compensation provided by this section shall be increased in any fiscal year in which a general salary increase is provided for state employees. The amount of the increase provided by this section shall be comparable to, but shall not exceed, the percentage of the general salary increases provided for state employees during that fiscal year.

SEC. 3. Section 12804 of the Government Code is amended to read:

12804. (a) There is in the state government the Business, Consumer Services, and Housing Agency.

(b) The Business, Consumer Services, and Housing Agency shall consist of the following: the Department of Consumer Affairs, the Department of Real Estate, the Department of Housing and Community Development, the Department of Fair Employment and Housing, the Department of Business Oversight, the Department of Alcoholic Beverage Control, the Alcoholic Beverage Control Appeals Board, the California Horse Racing Board, the Alfred E. Alquist Seismic Safety Commission, and the Office of the Housing and Homelessness Inspector General.

(c) This section shall become operative on July 1, 2018.

SEC. 4. Section 8257.1 is added to the Welfare and Institutions Code, to read:

8257.1. (a) Upon appropriation by the ~~Legislature,~~ *Legislature, or upon receiving technical assistance offered by the federal Department of Housing and Urban Development, if available,* the coordinating ~~council~~ *council, or an entity the council contracts with for this purpose,* shall do all of the following:

~~(a) Conduct, or contract with an entity to conduct,~~

(1) Conduct a statewide needs and gaps analysis that will do ~~both~~ *all* of the following:

~~(1) Summarize the current inventory of services for persons experiencing homelessness by describing all of the following:~~

~~(A) The major funding streams supporting programs for people in federal HUD homeless categories one, two, and four, which are literal homelessness, imminently at risk of homelessness, and fleeing or attempting to flee domestic violence, respectively.~~

~~(B) The permanent and interim housing inventory, and the supportive case management, mental health, and substance abuse services slots, available to persons experiencing homelessness.~~

~~(C) The target populations served, their demographics, and the incidence rates of federal HUD homeless subpopulations.~~

~~(D) Key indicators of statewide homeless system performance, including estimates of inflow into homelessness, including state funded institutional settings that discharge people into homelessness, exits to permanent housing, length of time homeless, rate of returns to homelessness, and other federal HUD System Performance Measures, disaggregated by race.~~

~~(2) Quantify the need for additional interventions, and the associated costs for those interventions, to achieve a 90 percent reduction in population-level homelessness by December 31, 2028. This shall include a financial model that will assess needs for investment in capital and for coverage of annual operating, rental assistance, and services costs.~~

(A) Identify programs in the state that provide housing or services to persons experiencing homelessness and describe all of the following for each program to the extent that data is available:

(i) The amount of funding the program receives each year and funding sources for the program.

(ii) The number of persons the program serves each year.

(iii) The types of housing and services provided to the persons the program serves each year.

(iv) Limitations, if any, on the length of stay for housing programs and length of provision of services for service programs.

(v) If applicable, reasons for the unavailability of data.

(B) Identify the total number and type of permanent housing beds, units, or opportunities available to persons experiencing homelessness statewide and in geographically diverse regions across the state.

(C) Analyze the need for permanent housing opportunities, including, but not limited to, supportive housing, rapid rehousing, and affordable housing.

(D) Analyze the need for services to assist persons in exiting homelessness and remaining housed.

(E) Identify the number of and types of interim interventions available to persons experiencing homelessness in geographically diverse regions across the state. The data shall also include, but is not limited to, all of the following:

(i) The number of year-round shelter beds.

(ii) The average length of stay in or use of interim interventions, to the extent data is available.

(iii) The exit rate from an interim intervention to permanent housing, to the extent data is available.

(F) Analyze the need for additional interim interventions and funding needed to create these interventions, taking into consideration the ideal length of stay in or use of the intervention.

(G) Identify state-funded institutional settings that discharge persons into homelessness, and the total number of persons discharged into homelessness from each of those settings, to the extent data is available. If data is unavailable, the entity conducting the analysis may extrapolate from national, local, or statewide estimates on the number or percentage of people discharged from specific institutional settings into homelessness.

(H) Collect data on the numbers and demographics of persons experiencing homelessness, including, but not limited to, the extent data is available, race and gender demographics, in all of the following circumstances:

(i) As a young adult.

(ii) As an unaccompanied minor.

(iii) As a single adult experiencing chronic homelessness and nonchronic homelessness.

(iv) As an adult over 50 years of age.

(v) As a domestic violence survivor.

(vi) As a veteran.

(vii) As a person on parole or probation.

(viii) As a member of a family experiencing either chronic or nonchronic patterns of homelessness.

(I) Collect data, to the extent data is available, on exits from homelessness to housing, including, but not limited to, the number of people moving into permanent housing and the type of housing being accessed, the type of interventions people exiting homelessness received, if any, and racial and gender characteristics of people accessing each type of housing and receiving each type of intervention.

(J) To the extent data is available, assess a sampling of data provided by local jurisdictions regarding the number of people experiencing homelessness who accessed interim interventions, including, but not limited to, shelters, recuperative care, and motels and hotels, in response to the COVID-19 pandemic, and the number of people who were able to access permanent housing on or before the expiration of interim assistance. The assessment shall include the number and racial identification of people experiencing homelessness who sheltered in place or were quarantined during the COVID-19 pandemic and the number and racial identification of people experiencing homelessness who were able to access permanent housing on or before the expiration of temporary assistance, as well as the type of housing accessed.

(K) Create a financial model that will assess needs for investment in capital, in operating supports in project-based housing, in rental assistance with private-market landlords, and in services costs for purposes of moving persons experiencing homelessness into permanent housing.

(2) (A) For purposes of collecting data to conduct the analysis pursuant to paragraph (1), evaluate all available data, including, but not limited to, data from agencies and departments other than the council, statewide and local

homeless point-in-time counts and housing inventory counts, and available statewide information on the number or rate of persons exiting state-funded institutional settings into homelessness.

(B) To the extent specific data is unavailable for purposes of subparagraph (A), the council may calculate estimates based on national or local data. The council shall only use data that meets either of the following requirements:

(i) The data is from an evaluation or study from a third-party evaluator or researcher and is consistent with data from evaluations or studies from other third-party evaluators or researchers.

(ii) A federal agency cites and refers to the data as evidence-based.

(3) Seek input from the council's members on the direction of, design of data collection for, and items to be included in the analysis conducted pursuant to paragraph (1).

(b) For purposes of collecting data pursuant to *paragraph (1) of subdivision (a)*, and upon ~~the~~ appropriation ~~that includes coverage of costs~~, pursuant to *subdivision (a) to fund costs or upon the provision of technical assistance by the federal Department of Housing and Urban Development*, a local government may collaborate with the coordinating ~~council~~ *council or the entity conducting the statewide analysis* to do both of the following:

(1) If available, share existing data from local gaps or needs analyses to inform statewide data.

(2) ~~Conduct a gaps and needs analysis~~ *Provide data for conducting needs analyses* in a sampling of up to six geographically diverse regions to inform statewide data. *The council or other entity conducting the statewide analysis may extrapolate data from these local data analyses to inform the statewide analysis.*

~~(c)(1) For purposes of collecting data pursuant to subdivision (a), evaluate all relevant and available data, including, but not limited to, Homeless Management Information System (HMIS) data and reports, data from other agencies and departments, statewide and local homeless point in time counts and housing inventory counts, and available statewide information on the number or rate of persons exiting state funded institutional settings into homelessness.~~

~~(2) To the extent specific data is unavailable for purposes of paragraph (1), the council may calculate estimates based on national or local data. The council shall only use data that meets either of the following requirements:~~

~~(A) The data is from an evaluation or study from a third party evaluator or researcher and is consistent with data from evaluations or studies from other third party evaluators or researchers.~~

~~(B) A federal agency cites and refers to the data as evidence-based.~~

~~(d) Seek input from the council's members on the direction of, design of data collection for, and items to be included in the analysis conducted pursuant to subdivision (a).~~

~~(e)~~

~~(c) Report~~ *The council shall report* on the final needs and gaps analysis by July 31, 2021, to the Assembly Committee on Housing and Community Development, the Assembly Committee on Budget, Senate Committee on Housing, and Senate Committee on Budget and Fiscal Review. The report submitted pursuant to this paragraph shall comply with Section 9795 of the Government Code.

(d) For purposes of this section, all of the following definitions apply:

(1) "Chronic homelessness" has the same definition as that in Section 578.3 of Title 24 of the Code of Federal Regulations, as that section read on January 1, 2020.

(2) "Interim interventions" include, but are not limited to, year-round shelter beds, recuperative care beds, and motel vouchers.

(3) "State-funded institutional settings" include, but are not limited to, justice, juvenile justice, child welfare, and health care settings.

(4) "Young adult" means a person 18 to 24 years of age, inclusive.

SEC. 5. Section 8257.2 is added to the Welfare and Institutions Code, to read:

8257.2. (a) Notwithstanding any other law, for purposes of designing, collecting data for, and approving the needs and gaps analysis described in Section 8257.1, a state department or agency that has a member on the

coordinating council shall, within 180 days of a request for data pertaining to that state department or agency, provide to the council, or the entity conducting the analysis, the requested data, including, but not limited to, the number or rate of persons exiting state-funded institutional settings into homelessness.

(b) The state department or agency shall remove any personally identifying data provided pursuant to subdivision (a), if any.

(c) For purposes of this section, the following definitions apply:

(1) "Personally identifying information" has the same meaning as that in Section 1798.79.8 of the Civil Code.

(2) "State-funded institutional settings" include, but are not limited to, justice, juvenile justice, child welfare, and health care settings.

SEC. 6. Chapter 6.6 (commencing with Section 8258) is added to Division 8 of the Welfare and Institutions Code, to read:

CHAPTER 6.6. Housing and Homelessness Inspector General

8258. For purposes of this chapter:

(a) "Department" means the Department of Housing and Community Development.

(b) "Inspector general" means the Housing and Homelessness Inspector General.

(c) "Local agency" means a county or city and county.

(d) "Office" means Office of the Housing and Homelessness Inspector General.

(e) "State department or agency" means state agency or department that administers a state program to address homelessness.

8258.1. (a) There is in state government the Office of the Housing and Homelessness Inspector General as an independent office within the Business, Consumer Services, and Housing agency. The office shall be under the supervision of the Housing and Homelessness Inspector General.

(b) The inspector general shall be appointed by, and hold office at the pleasure of, the Governor. The appointment of the inspector general is subject to confirmation by the Senate.

(c) The inspector general shall receive an annual salary as set forth in Section 11552 of the Government Code.

(d) The inspector general shall have all of the following responsibilities:

(1) Oversee the implementation of this chapter.

(2) Monitor the implementation and progress of state and local agency plans adopted pursuant to Section 8258.3.

(3) Provide technical assistance to state and local agencies in complying with this chapter.

(4) Audit state and local agencies to determine compliance with adopted plans.

(5) Bring actions against a state or local agency to compel compliance with their respective adopted plans pursuant to Section 8258.3.

(6) Investigate complaints and issue civil penalties pursuant to Section 8258.5.

8258.2. (a) It is the intent of the Legislature that each state and local agency shall aim to reduce homelessness in their jurisdiction by 90 percent by December 31, 2028, based on the 2019 homeless point-in-time count pursuant to Section 578.3 of Title 24 of the Code of Federal Regulations.

(b) It is the intent of the Legislature that a state or local agency is only accountable under this chapter for reducing homelessness to the extent that it has available resources to address homelessness, and that the state or local agency should not be required to expend additional funds not contained in its actionable plan in order to meet the benchmark goal set by the department.

(c) No later than December 31, 2021, each county shall submit to the department a county-level plan for meeting specific annual benchmarks with city and homeless continuum of care participation, approved by each participating

jurisdiction's or homeless continuum of care's governing body.

(1) The plan for meeting specific annual benchmarks shall include both of the following:

(A) A gaps analysis that does both of the following:

(i) Assesses key indicators of statewide homeless system performance, including estimates of inflow into homelessness, including state-funded institutional settings that discharge people into homelessness, exits to permanent housing, length of time of homelessness, rate of returns to homelessness, and other federal Department of Housing and Urban Development System Performance Measures, disaggregated by race.

(ii) Quantifies the need for interim, affordable, rapid rehousing, and supportive housing interventions, and the associated costs for those interventions, to achieve a 90-percent reduction in population-level homelessness by December 31, 2028. This shall include a financial model that will assess needs for investment in capital and for coverage of annual operating, rental assistance, and services costs.

(B) An assessment of appropriate roles for the cities, the county, and the homeless continuum of care to site housing and establish zoning, to fund affordable and supportive housing, to fund rapid rehousing, to fund interim interventions, to fund services, to establish and run coordinated entry systems, to promote health and services access, and to establish protocols to avoid discharges from institutional systems into homelessness.

(2) A county may use an existing gaps analysis or plan to fulfill the requirements of this subsection, if approved by each participating jurisdiction's or homeless continuum of care's governing body, and if entered into no earlier than three years prior to submission to the department.

8258.3. (a) (1) The department shall, based on the gap analysis conducted pursuant to *subdivision (c) of Section ~~8257.1~~, 8258.2*, set a benchmark goal to reduce homelessness for each state and local agency. The benchmark goal shall establish a minimum percentage reduction of homelessness goal within the state or local agency's jurisdiction by December 31, 2028, based on the 2019 homeless point-in-time count pursuant to Section 578.3 of Title 24 of the Code of Federal Regulations.

(2) The department shall establish annual homelessness reduction benchmarks for each state and local agency that require progress toward the benchmark goal established pursuant to paragraph (1).

(b) (1) On or before January 1, 2022, each state and local agency shall develop an actionable plan to achieve the benchmark goal set pursuant to subdivision (a).

(2) The plan shall include all of the following:

(A) A description and the amount of all funding sources that the state or local agency, and any incorporated jurisdiction and continuum of care within the local agency, has earmarked or committed to addressing homelessness, mental illness, and substance abuse within their jurisdiction.

(B) The estimated amount of additional funding needed to meet the homelessness reduction goal described in subdivision (a).

(C) Timelines for the state or local agency to utilize the funding identified in subparagraph (A).

(D) Specific actions that the state or local agency will take to meet the goal established in subdivision (c), taking into account funding limitations in subparagraph (B), by reducing the number of individuals who are experiencing homelessness in the relevant jurisdiction by moving individuals into permanent housing and ensuring the adequate provision of related social services to achieve and maintain that housing.

(E) Specific roles and responsibilities that each jurisdiction will assume to meet the benchmark goal established in subdivision (a), to ensure collaboration, leverage resources, and avoid the duplication of services and efforts.

(F) A plan may identify innovation projects to test new policies or programs that are designed to help the local agency meet its benchmark goal by reducing costs, leveraging additional resources, or increasing performance, such as by increasing housing exits, reducing returns to homelessness, and reducing the length of time experiencing homelessness.

(3) A local agency developing a plan pursuant to this subdivision, and any incorporated jurisdiction implicated in the plan pursuant to subparagraphs (A) and (E) of paragraph (2), shall adopt the plan by resolution.

(4) On or before January 1, 2022, each state and local agency subject to this section shall transmit the adopted plan to the department.

(5) Each state and local agency shall submit an annual progress report to the department that details the progress and implementation of the adopted plan and any amendments proposed to the plan. Amendments to a plan shall be reviewed by the department pursuant to subdivision (c).

(c) (1) Upon receipt of a plan adopted pursuant to subdivision (b), the department shall review the plan and provide feedback and recommended revisions to the state or local agency.

(2) A state or local agency that receives recommended revisions to their plan from the department shall either adopt the recommended revisions, or adopt findings as to why the revisions are not needed.

(d) (1) The department shall monitor the progress of each state or local agency required to adopt and implement a plan pursuant to subdivision (b). If the department determines that a state or local agency has not adopted an actionable plan pursuant to subdivision (b), or has failed within a reasonable time after adoption of a plan to make progress in accordance with that plan, the department shall notify the state or local agency and the inspector general that the state or local agency is not in substantial compliance with subdivision (b).

(2) If new resources are identified in a progress report submitted pursuant to paragraph (5) of subdivision (b), the department may revise a benchmark goal established pursuant to subdivision (a).

8258.4. (a) On or after January 1, 2022, the inspector general may bring an action against a state or local agency to compel compliance with Section 8258.3 pursuant to Section 1085 of the Code of Civil Procedure. In determining whether to bring an action, the inspector general shall consider population-level reductions in homelessness, as measured by the homeless point-in-time count, as the primary indicator of benchmark goal compliance, but may also consider the state or local agency's demonstrated progress towards HUD System Performance Measures.

(b) An action against a state agency pursuant to this section shall be brought in the Superior Court of the County of Sacramento. An action against a county pursuant to this section shall be brought in the superior court for that county, and an action brought against a city pursuant to this section shall be brought in the superior court for the county in which the city is located.

(c) (1) If, in an action brought pursuant to this section, the court finds that the applicable state or local agency has not substantially complied with Section 8258.3, the inspector general may request that the court issue an order or judgment directing the state or local agency to substantially comply with this section by taking any of the following actions:

(A) In the case of a state or local agency that has failed to adopt an actionable plan within the time period specified in subdivision (b) of Section 8258.3, adopt a plan in accordance with this section.

(B) Dedicate the resources identified in the plan, consistent with applicable state or federal law, to reduce the number of individuals who are experiencing homelessness within the jurisdiction of the state or local agency.

(C) Coordinate with other state or local agencies to reduce the number of individuals who are experiencing homelessness.

(D) Pool resources identified in the plan, consistent with applicable state or federal law, with the resources of other jurisdictions in order to address regional challenges to reducing homelessness.

(E) Require jurisdictions within local agencies to rezone sites to permit the construction of housing and emergency shelters.

(F) Order a jurisdiction to otherwise comply with the roles identified in subdivision (b) of Section 8258.3.

(2) The remedies available to a court that finds that the applicable state or local agency has not substantially complied with Section 8258.3 shall be limited to those described in paragraph (1).

(3) If the court issues an order or judgment pursuant to paragraph (1), it shall retain jurisdiction for no more than 12 months to ensure that its order or judgment is carried out.

(4) If the local agency has identified an innovation project in their local plan pursuant to Section 8258.3, it shall be exempt from any action described in paragraph (1) if that project fails to meet goals as stated in the approved plan.

(5) An order or judgment of the court pursuant to paragraph (1) may be reviewed in the manner prescribed in Title 13 (commencing with Section 901) of Part 2 of the Code of Civil Procedure. Notwithstanding any other law, an appeal pursuant to this paragraph shall be heard on an expedited basis.

8258.5. (a) A state or local agency shall not deliberately and intentionally transport a homeless individual to a different jurisdiction in order to reduce the number of homeless individuals within its jurisdiction.

(b) Any person may file a complaint with the inspector general that a state or local agency violated subdivision (a).

(c) (1) The inspector general shall investigate a complaint received pursuant to subdivision (a).

(2) After investigating a complaint, the inspector general shall impose on any state or local jurisdiction that is found to have violated subdivision (a) a civil penalty in an amount not to exceed ten thousand dollars (\$10,000) per individual transported outside of the jurisdiction.

SEC. 7. If the Commission on State Mandates determines that this act contains costs mandated by the state, reimbursement to local agencies and school districts for those costs shall be made pursuant to Part 7 (commencing with Section 17500) of Division 4 of Title 2 of the Government Code.