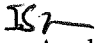


# REPORT OF THE CHIEF LEGISLATIVE ANALYST

---

DATE: May 10, 2019

TO: Honorable Members of the Rules, Elections, and Intergovernmental Relations Committee

FROM: Sharon M. Tso   
Chief Legislative Analyst

Council File No: 19-0002-S68  
Assignment No: 19-04-0406

SUBJECT: The Fighting Homelessness Through Services and Housing Act

**CLA RECOMMENDATION:** Adopt the attached Resolution to include in the City's 2019-20 Federal Legislative Program SUPPORT for the Fighting Homelessness Through Services and Housing Act as introduced in the United States Senate and House of Representatives that would provide matching grants to local governments to fund capital housing costs and related services for homeless individuals; and to SEEK AMENDMENTS to increase the total amount of the grant funds available nationally to more than \$750M per year, as well as to increase the \$25M maximum per recipient.

## **SUMMARY**

The attached Resolution (Ryu - O'Farrell) was introduced on April 17, 2019 and is summarized below:

- According to the Department of Housing and Urban Development, there are more than 550,000 homeless individuals and families in the United States, of which one quarter are in California;
- To address this issue, the Fighting Homelessness Through Services and Housing Act, which would provide matching grants to local governments to fund capital housing costs and related services for homeless individuals, has been introduced in Congress by California lawmakers Diane Feinstein in the Senate and Ted Lieu in the House of Representatives;
- The bill would provide \$750M in matching grants for five years to fund housing and supportive services for homeless individuals and families, including mental health care, substance abuse counseling, and job training, with a cap of \$25M per local jurisdiction; and
- Senator Feinstein states that local governments are already taking action to combat homelessness, and this bill will help them be even more effective in their efforts.

The Resolution recommends support of the bill because it would provide federal grant funds to compliment the City's financial commitment to addressing homelessness. In addition to supporting the legislation, the Resolution seeks amendments to increase the total amount of grant funds available nationally to more than \$750M per year, and increase the \$25M maximum per recipient cap.

## **BACKGROUND**

In March 2019, the Fighting Homelessness Through Services and Housing Act was introduced in both houses of Congress by California lawmakers Senator Feinstein and Representative Lieu. The bill's stated intention is to authorize a matching grant program that offers comprehensive services and intensive case management for homeless individuals and families.

A summary of the bill's provisions is as follows:

- Authorizes for five years, an annual sum of \$750M to fund supportive housing models that provide services and case management;
- Includes a 25 percent matching requirement from awarded recipients;
- Allows grants to be used for operations and capital building costs as long as housing and service requirements are fulfilled; and

- Requires grantees to track outcomes and report on housing stability and improvements in health and well-being, including education of children.

A summary of the bill's eligibility and requirements are as follows:

- Grants may go to local governmental entities consisting of cities, counties, regional collaboratives, and tribal governments;
- Services must include the following: mental health; substance use disorders; disabling or other chronic health conditions; educational and job training/employment; and life skills classes;
- Intensive case management must be provided with a ratio of no greater than 1 case manager to every 20 clients;
  - Note that Housing and Community Department staff has advised that this ratio is being met at City funded permanent supportive housing units;
- Family and child services must include children's behavioral and mental health services, early childhood education, regular and age appropriate children's programming and activities, child health and nutrition screening, education and parenting classes, and support programs; and
- Services must have staff training and best practices protocols to identify and prevent child trafficking, abuse, and neglect.

#### Matching Requirement

As stated above, The Fighting Homelessness Through Services and Housing Act requires a 25 percent match for service and housing, and that these funds be made available directly or through donations from public or private entities, and that they be non-federal contributions. As this bill has not yet been made law, program guidelines are not available that inform whether or not the City's current General Fund, HEAP, or Proposition HHH funds can be used to satisfy the matching grant requirement. Currently, the bill states that no entity can be awarded more than \$25M. Therefore, the maximum amount of funding the City would be required to make available by the matching requirement is \$6.25M.

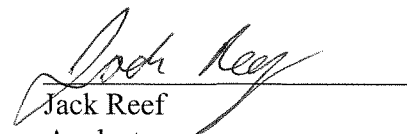
#### City Homeless Interventions

In 2015 the City established the Homelessness and Poverty Committee with the goal of developing the City's first Comprehensive Homeless Strategy (CHS). The CHS called for the identification of a permanent funding source for the homeless housing, as well as for homeless services. To address these needs, voters approved the \$1.2B Proposition HHH homeless housing bond and Los Angeles County Measure H 10-year Sales Tax that will generate approximately \$355M annually for homeless services. In addition, over the past few years, the City has created a Homeless Budget as part of the City's Budget comprised of General and Special funds which has dedicated tens of million of dollars to address homeless.

Support of this bill is consistent with the City's efforts to address homelessness.

#### BILL STATUS

	<u>S. 923 - U. S. Senate</u>
03/28/19	Read twice and referred to the Committee on Health, Education, Labor, and Pensions.
	<u>HR 1978 - U.S. House Of Representatives</u>
03/28/19	Introduced; Referred to the House Committee on Financial Services.

  
 Jack Reef  
 Analyst

## RESOLUTION

WHEREAS, any official position of the City of Los Angeles with respect to legislation, rules, regulations or policies proposed to or pending before a local, state or federal governmental body or agency must have first been adopted in the form of a Resolution by the City Council with the concurrence of the Mayor; and

WHEREAS, according to the Department of Housing and Urban Development, there are more than 550,000 homeless individuals and families in the United States, of which one quarter are in California; and

WHEREAS, in 2018, the Los Angeles Homeless Services Authority determined that there are over 31,000 homeless individuals in the City, and almost 23,000 of those individuals are unsheltered; and

WHEREAS, to address this issue, the Fighting Homelessness Through Services and Housing Act, which would provide matching grants to local governments to fund capital housing costs and related services for homeless individuals, has been introduced in Congress by California lawmakers Diane Feinstein in the Senate and Ted Lieu in the House of Representatives; and

WHEREAS, the bill would provide \$750M in matching grants for five years to fund housing and supportive services for homeless individuals and families, including mental health care, substance abuse counseling, and job training, with a cap of \$25M per local jurisdiction; and

WHEREAS, Representative Lieu states that addressing homelessness is a moral imperative and our approach should always be compassionate and holistic; and Senator Feinstein has stated that homelessness in California has reached crisis levels and that this crisis is not going to resolve itself on its own; and

WHEREAS, Senator Feinstein further states that local governments are already taking action to combat homelessness, and this bill will help them be even more effective in their efforts; and

WHEREAS, the City has proactively made homelessness a priority and acted to establish the Homelessness and Poverty Committee; draft the Comprehensive Homeless Strategy; annually fund the City's Homeless Budget; and pass Proposition HHH, an unprecedented \$1.2B housing bond measure; and

WHEREAS, the City should support the Fighting Homelessness Through Services and Housing Act because it would provide federal grant funds to complement the City's financial commitment to addressing homelessness, and, to ensure adequate resources to fight homelessness, the City should request that the Federal Government increase the total amount of the grant funds available nationally to more than \$750M per year, as well as increase the \$25M maximum per recipient cap;

NOW, THEREFORE, BE IT RESOLVED, with the concurrence of the Mayor, that by the adoption of this Resolution, the City of Los Angeles hereby includes in its 2019-20 Federal Legislative Program SUPPORT for the Fighting Homelessness Through Services and Housing Act as introduced in the United States Senate and House of Representatives that would provide matching grants to local governments to fund capital housing costs and related services for homeless individuals; and SEEK AMENDMENT to increase the total amount of the grant funds available nationally to more than \$750M per year, as well as to increase the \$25M maximum per recipient.



APR 17 2013

PRESENTED BY:

DAVID RYU

Councilmember, 4<sup>th</sup> District

SECONDED BY:



ORIGINAL