

Homelessness

2023 Cal Cities Advocacy Priority

Protect and expand investments to prevent and reduce homelessness.

Cities throughout the state are working hard to cobble together short-term funding opportunities to fund innovative solutions that prevent and reduce homelessness in their communities. However, the lack of a permanent home in the state budget for cities to address homelessness inhibits cities' long-term planning efforts and stifles more ambitious goals. The Legislature must appropriate funding that matches the scale of this crisis and recognize that successful program implementation and outcome reporting takes time. Cities fully support pairing funding and resources with reasonable accountability and transparency measures.

Legislative priorities for cities

\$3 billion annually to help cities reduce homelessness and increase housing supply. SUPPORT

Cal Cities is calling for \$3 billion in ongoing, permanent funding to prevent and reduce homelessness and boost the supply of affordable housing.

SB 43 (Eggman) Behavioral Health. SUPPORT

This measure would update California's conservatorship law by expanding the definition of "gravely disabled" to include conditions that result in a substantial risk of serious harm to an individual's physical or mental health. The current law's high threshold makes it difficult to provide treatment for individuals who are unable to care for themselves.

SB 363 (Eggman) Facilities for Inpatient and Residential Mental Health and Substance Use Disorder: Database. SUPPORT

This measure would establish a real-time dashboard about available beds in psychiatric and substance abuse facilities. This dashboard would connect individuals to care more quickly and help reduce extended emergency room stays.

- Cities are proactively responding to the growing homelessness crisis, providing temporary and emergency housing and partnering with counties to help connect individuals with behavioral health services.
- In the face of a looming economic recession, now is not the time to cut back or delay much-needed homelessness funding. Instead, the state must double down on long-term investments to prevent and reduce homelessness and support our collective efforts.
- Cities need a permanent funding stream of \$3 billion annually to provide emergency and temporary shelters, build permanent supportive housing, and subsidize the development of affordable housing to meet state and local goals.
- For unsheltered individuals with severe behavioral health needs, access to a comprehensive care system is an essential component of addressing their housing needs and long-term stability. Cal Cities is proud to support SB 43 and SB 363, which will expand access to needed services and connect individuals to care more quickly.



Responding to Homelessness

How California cities are making real progress

The recent, sharp rise in the number of Californians experiencing homelessness is now reaching crisis proportions. Most of these individuals experiencing homelessness are concentrated in cities.

In the last few years, cities have accelerated their efforts to find innovative solutions to prevent and reduce homelessness. Local leaders are forming public-private partnerships, collaborating closely with residents and community groups, and cobbling together a patchwork of funding to deliver emergency shelters, permanent supportive housing, and a wide array of other wraparound services. However, in many cities — even with new investments and accelerated efforts — the number of people falling into homelessness is outpacing the number of people cities are able support. Cities need a permanent home in the state budget to be able to address this crisis.

The cities below are a small sampling of those throughout the state that are making progress in supporting and reducing the number of unhoused individuals in their communities. Their work provides insights into what works to prevent and end homelessness.

Bakersfield

Since 2020, <u>Bakersfield</u> has invested millions of city, county, and state dollars to support individuals experiencing homelessness, provide housing, increase staffing, and expand wraparound services. This influx of funding has seeded projects such as a new 150-bed navigation center and 70 more beds at existing shelters. An additional 118 navigation center beds, the creation of a countywide Homeless Action Plan, the expansion of street outreach teams, and more direct behavioral health supportive services at the city's four homeless shelters are all underway.

Corona and Norco

In 2020, <u>Corona</u> adopted its Homeless Strategic Plan, with the mission of forming public-private partnerships with dozens of local nonprofits and faith-based organizations to deliver a broad spectrum of services to people experiencing homelessness. The plan soon led to a joint program with the smaller, neighboring city of <u>Norco</u>. A statewide nonprofit provides outreach services, case management, support services, and a path to permanent housing in both cities. The program's impact was immediate: Homelessness in Corona has decreased by 33% since 2020. In Norco, 26% of the program participants have moved into permanent housing. This unique joint program, funded by state, federal, and local dollars, has served as a model for other cities in California.

Eureka

Eureka has significantly reduced the number of unhoused residents through Uplift Eureka, a pioneering program that combines an array of social services. Through streamlined services and expanded partnerships with dozens of community-based organizations and government agencies, Eureka's capacity to give people the support they need has vastly increased. Uplift Eureka focuses on four areas: housing assistance, resume and interview skill development, job training, and outreach. Since its inception in 2019, the program has raised more than \$3 million in grants, including a cornerstone \$1 million federal Emergency Solutions Grant, and reduced the number of people experiencing homelessness by roughly 25%.

Hayward

The number of people experiencing homelessness in <u>Hayward</u> fell by 22% from 2019 to 2022, due in large part to the city's first Housing Navigation Center and motel conversion project. The center, staffed and managed by a local nonprofit, provides a host of services, including outreach, short-term housing, intensive case management, and housing placement services for people living in encampments. The center is funded through several revenue streams, including the voter-approved state Safe Neighborhood and School Fund, the American Rescue Plan Act, and the city's General Fund/Community Development Block Grants.

Paramount

For cities with few resources, connecting people with existing systems of care is key to reducing homelessness. <u>Paramount's</u> strategy revolves around coordinating services with public agencies and community nonprofits. The city has also passed several affordable housing incentives. These efforts have been remarkably successful; the number of unhoused residents has plummeted by 56% since 2019. One such partnership with a local nonprofit and the Paramount Unified School District has directly aided 27 Paramount families and permanently housed 10.

Redlands

In March 2022 <u>Redlands</u> received \$30 million in state Homekey funding to convert a former motel into housing for chronically homeless people. Six months later, the first of 100-plus residents began moving into the studio apartments. The Governor and federal homelessness experts have lauded this unprecedented speed of construction, which Redlands credits to strong public-private partnerships. The city worked closely with a company to remodel the motel and manage the property, and a local nonprofit provides supportive services.

San Diego

San Diego has successfully secured a variety of funding sources to prevent and reduce homelessness on multiple fronts. In the last two years, the city received \$27.5 million in state Homeless Housing, Assistance and Prevention grant funding, as well as an additional \$11.8 million in Homekey funding. San Diego County also granted \$5 million to three cities, including San Diego, to collaboratively bring more shelter options online and connect more people to services. The results have been striking. In six months, San Diego increased its shelter beds capacity and street outreach by 28%. In 2022 alone, the city also connected more than 1,470 people experiencing homelessness to permanent or longer-term housing.

The cities of San Mateo County

A city cannot solve homelessness by itself. It requires the political will of several government entities, as well as the support of the entire community. In <u>San Mateo County</u>, 20 cities, the county government, and community leaders banded together to educate and raise the awareness of residents about the urgent need for permanent supportive housing. The result? Since 2021, 733 formerly homeless households have moved into permanent housing. To date, more than 300 new units of interim and permanent housing have gone up, and a navigation center is slated to open in 2023, with 240 beds for interim housing — a 91% increase from 2019.



Housing

2023 Cal Cities Advocacy Priority

Increase the supply and affordability of housing while retaining local decision-making.

California has a growing housing supply and affordability crisis. Cities are working in overdrive to find solutions to build homes at all income levels. They're taking on these efforts all while navigating the state's 100+ recent housing bills that, in some cases, serve as barriers for cities to successfully increase housing supply. Cal Cities' approach to addressing the current housing crisis is two-fold: 1) ensure that cities have the funding they need to address the housing affordability crisis, and 2) ensure state laws support cities' efforts to boost housing supply while respecting local decision-making authority so cities can build solutions tailor-made for their communities.

Legislative priorities for cities

\$3 billion annually to help cities increase housing supply and prevent homelessness. SUPPORT

The state must bolster local government efforts to support our most vulnerable residents through ongoing, permanent funding to prevent and reduce homelessness and boost the supply of affordable housing.

SB 423 (Wiener) By-Right approval of multifamily housing developments: SB 35 (Chapter 366, Statutes of 2017). OPPOSE

This measure would permanently modify and expand SB 35 provisions that allow certain multifamily housing developments to take advantage of a streamlined, ministerial approval process. The expansions include applying to the coastal zone, allowing the state to approve developments on state property, and prohibit a city from enforcing its inclusionary housing ordinance if the income limits are higher than those in SB 35.

AB 1630 (Garcia) By-right approval of student or faculty and staff housing projects. OPPOSE

This measure would override existing zoning and development standards by requiring a city or county to ministerially classify student or faculty and staff housing as a permitted use on all real property within 1,000 feet of a university campus.

- A major obstacle for cities to effectively plan and zone for more housing is the state's
 unrelenting push to legislate how cities do this, especially when many recent laws disregard
 local decision-making and community involvement. New, unproven, and overreaching
 policies are not what is needed.
- California will never produce the number of homes needed with an increasingly state driven, by-right housing approval process. What is really needed is a sustainable state investment that matches the scale of this long-term crisis.
- Rather than continuing to pursue top-down, one-size-fits-all legislation, lawmakers should partner with local officials to help invest in cities. Targeted, ongoing funding of \$3 billion is the only way cities can find community-based solutions that get our residents off the streets and keep them in their homes.



Boosting Affordable Housing

How California cities are making real progress

On any given day, newspaper headlines in California and across the nation are highlighting the state's growing housing supply and affordability crisis. <u>Seven in ten Californians</u> view housing affordability as one of the top problems in their community, and there is <u>growing concern from residents</u> that housing prices are so expensive, younger generations will be priced out of ever being able to buy a home.

Cities are working hard to develop solutions that spur housing production so Californians of all income levels have a place to call home. They're taking on these difficult and complex tasks all while navigating the state's annual barrage of housing bills that, in some cases, serve as barriers for cities to successfully grow affordable housing supply. The cities below are just a few examples of communities creatively leveraging partnerships, community input, and multiple funding sources to significantly increase affordable housing.

Alameda

<u>Alameda</u>, a city historically resistant to new development, became the first Bay Area city in 2022 to adopt an ambitious, state-certified housing plan. The plan, created with substantial input from residents, businesses, and other stakeholders, is to build more than 5,300 homes and apartments. The state commended Alameda for its leadership in taking concrete action to close the housing availability gap.

Baldwin Park

<u>Baldwin Park</u> teamed up with Habitat for Humanity to increase its affordable housing supply. The city has earmarked \$5 million in American Rescue Plan Act funding for housing acquisition and rehab, which Habitat for Humanity is using to repair homes — with a special focus on those owned by senior citizens — as well as purchase homes, repair them, and sell them to families at below-market value. The initiative's creative financing and partnership, coupled with a leading national affordable housing group will, yield 40 to 50 new affordable homes for low-income families.

Banning

This Riverside County city hopes to nearly double in size in the coming decade. To turn into a more vibrant, walkable 21st century city, <u>Banning</u> has prioritized the creation of affordable housing. In 2020 and 2021, the city issued nearly 1,000 new residential permits and approved a new master-planned development. With nearly 500 homes completed and another 4,000 in the pipeline, the development alone will increase the city's housing stock by roughly a third. An additional 8,500 other homes are in various stages of development.

Emeryville

For decades, the small Bay Area city of Emeryville was mostly zoned for commercial and industrial use. However, as the state's affordable housing crisis deepened, Emeryville reversed course and prioritized housing. Approximately 1,100 housing units are in the pipeline, 35% targeted for low-income residents. One way Emeryville jumpstarted affordable housing construction was by creating a development bonus code, which grants developers who meet or exceed the city's affordable housing requirements and include other community benefits, such as increased parking and density.

Merced

From 2008 to 2016, only 200 new homes were built in <u>Merced</u>. From 2019-2021, the Central Valley city averaged 700 new single-family homes and 400 multifamily per year — with many more on the way. In 2022, the city was awarded \$31 million from the state to help build two affordable housing complexes,

which will include 264 new multifamily homes. Merced has also partnered with several nonprofits, banks, government entities, and development companies to further grow housing supply. Officials estimate these partnerships will yield 600 additional affordable units in the coming years.

Nevada City

Rural communities must contend with many extra challenges when developing housing, including reduced access to funding, workforce shortages — and in the case of Nevada City — wildfire risks, higher associated insurance costs, and a lack of buildable terrain. Until the opening of Cashin's Field — 51 units for extremely-low, very-low, and low-income families — the last large multifamily housing built in Nevada City was in 2001. The city financed the project by cobbling together a variety of public and private funds. With the project, Nevada City exceeded its state-mandated low-income housing requirement.

<u>Pomona</u>

In 2022, <u>Pomona</u> adopted a new set of housing and land use policies to address the widening affordable housing gap. The multi-faceted toolbox includes the adoption of an inclusionary housing ordinance, the aggressive pursuit of regional, state, and federal grant opportunities, various policy reforms, and a streamlined building permit process. As of 2023, the city had over 2,500 total units in the development pipeline, including several 100% affordable housing projects.

Redding

Redding's affordable housing crisis was exacerbated by a wildfire that destroyed more than 1,000 homes in 2018. In response, the city helped spur several notable affordable housing projects thanks to a creative mix of financing and partnerships. As of mid-2022, Redding had added 82 units for low- and very low-income residents at the Downtown Market Center Apartments, with another 79 affordable and 15 market-rate units in the pipeline. Redding is also at the forefront of a potential cost-saving construction measure: It was the first city in California to approve the construction of an on-site, 3D-printed, single-family home.

Sacramento

In 2022, <u>Sacramento</u> became the first city in California history to receive the state's "prohousing designation," reflecting the city's efforts to speed up housing production among a dire shortage of affordable homes. To expedite and encourage housing development, the city is waiving fees for affordable housing construction, allowing by-right housing in commercial corridors, expediting approvals for accessory dwelling units, and reducing or eliminating parking requirements. The designation gives the city an advantage in applying for state and federal grants and tax credits for affordable housing projects.

Santa Ana

<u>Santa Ana</u> took an equity-centered approach when it transformed one of its oldest neighborhoods into an affordable housing community for families earning between 30 and 60% of the area median income. The city focused on the needs and history of the neighborhood, ensuring that neither businesses nor residents were displaced. The community features many amenities, including an outdoor open space and a revitalized commercial center. The project was funded by multiple sources, including \$6 million in city resources.

Santa Monica

In 2022, <u>Santa Monica</u> launched a pilot program prioritizing affordable housing for families displaced by urban renewal policies of the 1950s and '60s. The city-funded program, initially open to 100 displaced, low-income families or their descendants, gives priority access to below-market rent apartments. Santa Monica is one of a handful of cities nationwide attempting to compensate the more than a million people impacted by racist urban renewal policies. The city is also funding several affordable housing projects.



Public Safety

2023 Cal Cities Advocacy Priority

Improve public safety in California communities.

Public safety in our communities continues to be a top concern for Californians. Recent legislative efforts and ballot measures promised safer neighborhoods, but the unintended consequences that followed have undermined that promise. Our communities deserve better, and cities are more than ready to find solutions that address crime, its underlying causes, and improve public safety.

Legislative priorities for cities

AB 1708 (Muratsuchi) Theft. SUPPORT

This measure would amend Proposition 47 to increase accountability for repeat offenders as well as access to participate in rehabilitation services.

AB 367 (Maienschein) Controlled Substances: Enhancements. SUPPORT

This measure would add sentence enhancement of 3-5 years on a person who inflicts great bodily injury when they sell, furnish, administer, or give away a controlled substance and the person who intakes that substance suffers a significant or substantial physical injury from using the substance.

- According to a February 2023 study conducted by the Public Policy Institute of California, a strong majority of Californians worry they or a family member will be a victim of a crime.
- Mental health and substance use treatment programs are essential to lowering recidivism rates and increasing community wellness.
- Reducing fentanyl deaths is a top priority for cities and we urge the state to partner with us on finding solutions.
- Cities strongly support increased accountability for those who continue to create victims throughout our communities, including those who are distributing fentanyl.



Fiscal Sustainability

2023 Cal Cities Advocacy Priority

Safeguard essential local revenues and support fiscal sustainability.

Every day, city officials throughout California are delivering essential services to residents and finding viable solutions that address the twin crisis of housing and homelessness in the state. Our residents depend on these core services, which cannot be successfully delivered without fiscal sustainability.

In the face of a looming economic recession, with 80 percent of Californians living in cities, fiscal sustainability for cities should be a top priority for the Legislature. Local governments are on the front lines protecting our state's most vulnerable residents and are essential to the strength of California's economy.

Legislative priorities for cities

Invest \$1 billion to reimburse local governments for unfunded state mandates. SUPPORTThe state owes nearly \$1 billion to local governments for two decades worth of costs related to state-mandated programs.

Any proposed reduction, elimination, or diversion of essential local revenue sources. OPPOSE Cal Cities opposes any action that would reduce or eliminate funding for cities or divert essential local revenue sources. Siphoning local revenues will only weaken the fiscal condition of local governments and compound the state's financial challenges.

- Cities are the foundation of California's robust economy. The vitality of local governments is dependent upon fiscal stability.
- The state owes nearly \$1 billion to local governments for state mandates incurred after 2004.
- Local governments depend on the state to reimburse them in a timely manner for these costs. Failing to pay for these costs threatens the stability of local budgets and the ability of local governments to fund essential services to the community.
- In the face of a looming economic recession, Cal Cities opposes any action that would reduce or eliminate funding for cities or divert essential local revenue sources.
- Cities should not be used to help the state shore up its budget. Let's work together to ensure cities can maintain essential services to residents.