





April 5, 2021

The Honorable David Chiu California State Assembly State Capitol, Room 4112 Sacramento, CA 95814

Re: Assembly Bill 816 (Chiu): State and Local Agencies: Actionable Homelessness Plans
As Introduced on February 16, 2021 – Oppose Unless Amended
Set to be heard April 15, 2021 – Assembly Housing and Community Development Committee

Dear Assembly Member Chiu,

The Urban Counties of California (UCC), California State Association of Counties (CSAC), and the Rural County Representatives of California (RCRC) have taken an oppose unless amended position on your Assembly Bill 816, which would, among other things, require local governments to develop actionable homelessness plans and meet benchmark goals to reduce homelessness. While we agree a thorough and comprehensive analysis of existing homelessness resources to identify gaps and needs would be a powerful tool to help the Legislature focus state resources on the most effective and efficient homelessness programs, we have concerns with several provisions in the measure and believe it falls short of being a comprehensive strategy to address homelessness.

Counties, and our collective associations, agree that an aggressive new strategy is required to meaningfully reduce homelessness in our communities. To be achievable and successful, stakeholders must engage in a thoughtful discussion regarding the wide-ranging responsibilities, tools, and resources which will be required to achieve the goal of ending street homelessness. While AB 816 includes certain elements that may be appropriate for a comprehensive strategy, we are concerned that it will lead to a piecemeal approach to improving an already fractured system. Counties agree that a comprehensive new approach should include at least the following principal elements:

- Clearly articulated goals;
- Defined roles and responsibilities between state, county, and city governments;
- Commensurate, ongoing funding to fulfill the responsibilities and achieve the goals; and
- Transparent accountability measures which hold each level of government responsible for the prudent use of state resources.

Although unfunded, AB 816 generally includes the "articulated goals" by specifying a planning process and reduction targets. The measure also includes "accountability measures" through establishing the Housing and Homelessness Inspector General and court intervention process. However, the measure does not currently articulate clear roles and responsibilities for each level of government, nor does it provide the new, ongoing resources that are vital for successful outcomes. In short, AB 816 currently focuses on planning without funding the process and focuses on outcomes and accountability without funding new programs to achieve progress. Considering the current fiscal climate and the uncertainty that state and local governments are continuing to experience due to the ongoing COVID-19 pandemic, we believe that if the bill were to move forward absent a more comprehensive strategy, it should take a more measured approach than the current form.

Funding for Broad Actionable Local Homelessness Plans

The bill treats the development of the statewide needs and gaps analysis and the development of the 58 countywide actionable homelessness plans differently. The statewide gaps and needs analysis is predicated on funding being made available by the Federal Housing and Urban Development Department (HUD) or upon appropriation by the State Legislature. AB 816 does not provide the same financial support for the development of the local actionable homelessness plans. While we agree there is value in developing local homelessness plans, AB 816 should treat the development of state and local plans equally and make state or federal resources available to support the development of the local plans too.

Analyze Local Homelessness Plans Prior to Setting Benchmarks, Compelling Action

AB 816 requires the California Department of Housing and Community Development (HCD) to either approve or work with a local government to identify an appropriate benchmark goal to reduce homelessness for the county and each of its cities to get to the overarching goal to reduce homelessness by 90 percent by December 31, 2029. Further, AB 816 empowers the newly created Housing and Homelessness Inspector General to bring action against the state or a local agency to compel compliance to develop and make progress in meeting benchmarks within the actionable homelessness plans on or after January 1, 2023. At the same time, the bill also states that the state, counties, and cities are only responsible for reducing homelessness to the extent it has available resources and should not be required to expend additional funds not contained in the actionable plans in order to meet the benchmark goals set by HCD. The Legislature should fund the development of these first-of-a-kind comprehensive local homelessness plans but defer action on setting goals to reduce homelessness until the plans are completed. While we want to engage in a sincere conversation about goals, benchmarks, and appropriate enforcement mechanisms, AB 816 prematurely prescribes the solution without a full understanding of the needs and gaps at the state and local levels.

Concerns with Countywide Planning Process and Timeline

AB 816 would require all 58 counties to develop actionable homelessness plans and would require each city in the county's jurisdiction to participate in the plan development. Counties are also required to actively seek the participation of Continuums of Care (CoCs) in their jurisdiction in the countywide planning process. Our organizations understand that robust, actionable homelessness plans will benefit from cross jurisdictional collaboration, but the bill does not enumerate consequences, or the bearer of those consequences, should cities not participate in the process. Moreover, AB 816 requires each county, city, and CoC to adopt the actionable homelessness plan by resolution or other appropriate governance format. AB 816 should include language that does not hold counties responsible should one or more cities elect not to participate or if a city or CoC does not formally adopt a local homelessness plan.

Finally, the measure would require local actionable homelessness plans to be developed by January 1, 2023. Considering the significant coordination efforts required by the bill as well as the scope of data and analysis necessary to develop a plan, our organizations are also concerned that the measure does not provide sufficient time to meet the extensive requirements in the bill. We recommend that local homelessness plans are developed by July 1, 2023 giving counties and their cities six additional months to do this critical work.

We are grateful for your leadership on affordable housing and homelessness issues and we hope to work with you to address our concerns. Should you have any questions about our position on this measure, please do not hesitate to reach out to Jean Hurst representing the Urban Counties of California (jkh@hbeadvocacy.com or 916.272.0010), Josh Gauger with the California State Association of Counties (jgauger@counties.org or 916.955.3932), or Tracy Rhine with the Rural Counties Representatives of California (trhine@rcrcnet.org or 916.447.4806).

Sincerely,

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cc: Members and Consultant, Assembly Housing and Community Development Committee William Weber, Consultant, Assembly Republican Caucus