



# 2021-22 Housing and Homelessness Budget Summary

## Introduction

A state's budget is an expression of values. At Housing California, that means ending homelessness for more than 160,000 unhoused Californians, creating more than 1.2 million affordable homes for those struggling the most to make ends meet, protecting thousands of families at risk of losing their homes, and closing the ever-widening gaps in racial equity. California's 2021-22 State Budget\* is historic both in the scale of investments in housing and homelessness and in the commitment to significant multi-year and ongoing funding. While more is needed to fully realize the vision and goals of California's [Roadmap Home 2030](#), this year's budget is indeed an investment in our values and makes substantial progress on that journey.

Leveraging the \$75 billion surplus, the 2021-22 budget makes an unprecedented investment of \$12 billion towards ending homelessness and increasing affordable housing production. Included in this is a first-of-its kind commitment to ongoing resources for local jurisdictions to address homelessness, with \$2 billion committed for the next 2 years. In addition, the budget includes particular emphasis on ending family homelessness through investing in essential programs at the Department of Social Services, and an additional investment of \$2.75 billion over two years to augment Homekey. The budget also provides \$1.75 billion for backlogged affordable housing developments, \$500 million for the Low-Income Housing Tax Credit program, and \$500 million for foreclosure intervention.

Through these historic investments, California is taking transformative strides toward ending homelessness and creating a California with homes, health, and wealth for all in thriving, sustainable communities.

\*This is an analysis of the 2021-22 California Budget. Some programmatic structure and details will be resolved through Trailer Bill Language.

# Homelessness

## KEY INVESTMENTS:

- \$2 billion for local jurisdictions to address homelessness (\$1 billion in 2021-22 and 2022-23, with future years upon appropriation)
- \$4 billion over two years for various Department of Social Services programs (some noted in multi-sector below) including:
  - \$150 million each of next two years for Housing Disability and Advocacy Program
  - \$190 million each of next two years for Housing Support Program
  - \$150 million one-time allocation to Project Roomkey
  - \$92.5 million each of next two years for Bringing Families Home Program
  - \$92.5 million each of next two years for Home Safe Program
  - \$805 million for Community Care Expansion for capital funding to counties to purchase, build, preserve, or rehabilitate board and care facilities, including \$55 million for capitalized operating subsidy reserves
- \$2.75 billion Homekey (\$1.45 billion in 2021-22 and \$1.3 billion in 2022-23) using a combination of the American Rescue Plan Act of 2021 (ARPA) funds and general funds

## OTHER INVESTMENTS:

- \$1 billion in 2021-22 and \$1.4 billion in 2022-23 to administer the Behavioral Health Continuum Infrastructure Program (under Department of Health Care Services)
- \$147 million tax credit for hiring people experiencing homelessness (under Franchise Tax Board)
- \$67 million to preventing and ending youth homelessness under the Department of Housing and Community Development (HCD)
  - \$8 million to restore the Transitional Housing Program
  - \$9 million to fund the Transitional Housing Plus Program Housing Supplement
  - \$5 million to establish ongoing funding for the Housing Navigators Program
  - \$200K for the Housing and Homelessness Response System Training for Social Workers

Homelessness *continued*

- \$50 million to continue and expand the Homeless Youth Emergency Services and Housing Program under the Office of Emergency Services (multi-year use)
- \$50 million for Encampment Resolution Grants
- \$40 million for Family Homelessness challenge grants
- \$25 million to support organizations that provide supportive services to veterans experiencing or at risk of homelessness (under Department of Veteran Affairs), or veterans who are living in supportive housing
- \$20 million to help fund 1,200 permanent supportive housing units for homeless and at-risk veterans at the West Los Angeles VA Medical Center Campus (under Department of Veteran Affairs)
- \$5.6 million for homelessness landscape assessment to assess how local governments are spending state funding for homelessness (under Homeless Coordinating Council)
- \$4 million for support of the state's Homeless Data Information System (HDIS) (under Homeless Coordinating Council)

# Affordable Housing

## KEY INVESTMENTS:

- \$1.75 billion to address backlogged projects related to the federal bond cap, including \$50 million for farmworker housing through the Joe Serna program
- \$600 million for planning and implementation grants for projects related to local Sustainable Community Strategies
- \$500 million for state Low-Income Housing Tax Credits (LIHTC), under the Tax Credit Allocation Committee
- \$300 million for the preservation of deed-restricted affordable housing

## OTHER INVESTMENTS:

- \$500 million to create the Foreclosure Intervention and Housing Preservation program
- \$100 million to expand California Housing Finance Agency's homebuyer assistance program
- \$81 million for the financing of accessory dwelling units
- \$50 million one-time funding to expand the Golden State Acquisition Fund
- \$45 million for housing on excess state land
- \$45 million one-time funding to finance low- and moderate-income multifamily housing developments

# Housing Stability

## HIGHLIGHTS:

- Eviction protections extended through September 30, 2021, followed by a new court procedure to be in place from October 1, 2021, through March 31, 2022, that will put nonpayment eviction proceedings on hold for eligible tenants to provide time to apply for rental assistance.
- Landlords are now eligible for 100% reimbursement for back rent owed (up from 80%). Tenants can now apply and receive 100% of back rent owed (up from 25%) if their landlord declines to participate.
- \$80 million over three years in legal aid for tenants and homeowners facing eviction and foreclosure
- \$8.1 million to assist local governments in housing element and housing law compliance

# Other Notable Investments

## SOCIAL/HUMAN SERVICES:

- \$4 billion anti-poverty programs (other aspects mentioned in homelessness section)
  - \$80 million in one-time general funds in 2021-22 for food banks
  - \$590 million over four years for the Food for All initiative under California Food Assistance Program (\$5 million in 2021-22, \$25 million in 2022-23, \$280 million in 2023-24, and \$280 million in 2024-25)

## HEALTHCARE SERVICE:

- Expansion of eligibility of undocumented immigrants under Medi-Cal (50 years and older)
- \$3 billion in workforce development and system improvements in Home and Community-Based Services delivery, including substantial funding to providers and counties to improve responses to homelessness

Other Notable Investments *continued*

**CRIMINAL JUSTICE:**

- Fines and Fees Reduction
  - \$151 million in 2021-22, \$151 million in 2022-23, \$130 million in 2023-24, and \$120 million in 2024-25 and ongoing to backfill the revenue associated with fees considered for elimination (criminal administrative fees and late payment fee)
- “Rehabilitation, Re-entry and Recidivism Reduction” package
  - \$150 million over three years for Public Defender pilot (\$50 million annually)
  - \$30 million for the Adult Reentry Grant
  - \$23.6 million one time General Funds for post release community supervision

**PUBLIC HEALTH:**

- \$300 million ongoing to address the state's public health infrastructure, health equity, and racial justice needs