

JULY 14, 2023

Review of Recent Department of Social Services Housing and Homelessness Augmentations



LEGISLATIVE ANALYST'S OFFICE

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Recent Appropriations for DSS Housing and Homelessness Programs

Department of Social Services (DSS) Housing and Homelessness Programs. Currently, DSS is responsible for program development and oversight of the following seven statewide housing and homelessness programs funded through the department:

- CalWORKs HAP.
- CalWORKs HSP.
- BFH.
- HDAP.
- Home Safe Program.
- Project Roomkey.
- CCE Program.

Recent Appropriations. The 2021-22 budget provided roughly \$2 billion in temporary appropriations, generally over two years, across all of the DSS housing and homelessness programs except CalWORKs HAP. In the case of the new CCE Program, the temporary appropriation established the program. The other programs already were established. The tables on the next page identify the temporary appropriations—and ongoing appropriations, when they exist—for DSS’ housing and homelessness programs, and summarize the status of recently authorized funding for these programs, including awards and expenditures through December 2022.



Recent Appropriations for DSS Housing and Homelessness Programs

(Continued)

Housing and Homelessness Spending Appropriations Within Department of Social Services^a

(In Millions)

| Program | 2021-22 Temporary Appropriation | 2022-23 Temporary Appropriation | Annual Ongoing Appropriations |
|---|---------------------------------|---------------------------------|-------------------------------|
| CalWORKs Homeless Assistance Program ^b | — | — | \$59 |
| CalWORKs Housing Support Program | \$190 | \$190 | 95 |
| Bringing Families Home Program | 93 | 93 | — |
| Housing and Disability Advocacy Program | 150 | 150 | 25 |
| Home Safe Program | 93 | 93 | — |
| Project Roomkey ^c | 150 | — | — |
| Community Care Expansion Program | 805 | 55 | — |
| Totals | \$1,480 | \$580 | \$179 |

^a The 2021-22 budget provided temporary augmentation over two years for most of the Department of Social Services' seven housing and homelessness programs. This table describes the temporary augmentations and identifies ongoing appropriations, where they exist.

^b The CalWORKs Homeless Assistance Program is an entitlement program. The annual appropriation varies based on the demand for assistance. The table represents expenditures from 2021-22, the most recent year for which we have complete data.

^c \$91.1 million (\$6 million state operations and \$85.1 million local assistance) was reappropriated from 2021-22 to 2022-23.

Status of Temporary Housing and Homelessness Spending Appropriations Within Department of Social Services^a

(In Millions)

| Program | Total Appropriation ^b | Amount Awarded to Grantees | Amount Awarded to Tribes | Total Expenditures Through December 2022 ^c | Fund Source |
|---|----------------------------------|----------------------------|--------------------------|---|--------------------|
| CalWORKs Housing Support Program | \$570.0 | \$541.6 | N/A ^d | \$200.0 | General Fund |
| Bringing Families Home Program | 185.0 | 165.6 | \$5.0 | 19.0 | General Fund |
| Housing and Disability Advocacy Program | 350.0 | 284.7 | 8.0 | 59.0 | General Fund |
| Home Safe Program | 185.0 | 165.6 | 5.0 | 21.0 | General Fund |
| Project Roomkey ^e | 150.0 | 143.0 | 0.8 | 112.0 | General Fund |
| Community Care Expansion Program | 860.0 | 456.0 | 9.0 | 10.0 | General Fund, HCBS |

^a This table excludes the CalWORKs Homeless Assistance Program as it is an entitlement program and did not receive temporary augmentation as part of the 2021-22 budget.

^b For programs with an ongoing appropriation, the ongoing portion of the appropriation is included.

^c DSS expenditure data lags by 3 to 12 months depending on how programs are structured locally. For instance, in many cases, DSS may award funds to a county that in turn subcontracts with a nonprofit providers to deliver services. Invoices are reviewed and approved by the county before claims are made to DSS. In most cases, programs have authority to expend funds over several years. Total expenditures are paid from the appropriation with the earliest expenditure deadline until they are exhausted or no longer available.

^d In lieu of CalWORKs, California tribes administer their own Tribal TANF assistance programs, which may include housing assistance.

^e Unused funds were reappropriated from 2021-22 to 2022-23.

HCBS = Home- and Community-Based Services and DSS = Department of Social Services.



Reporting Requirements

Current law and DSS program guidelines establish various reporting requirements for the housing and homelessness programs. In some cases, data collected by DSS is made publicly available. In other cases, data collected by DSS is used internally to inform the department's oversight of the programs. (The department posts fact sheets for each of these programs on its website which include basic information such as the number of people served and how many received financial assistance for housing.) The table on the next page summarizes our understanding of the reporting requirements for DSS' housing and homelessness programs.

In addition to these program specific reporting requirements, statute requires DSS to report on its oversight of several housing and homelessness programs. Specifically, Chapter 85 of 2021 (AB 135, Committee on Budget) requires DSS to report on contracts, expenditures, data collected, and evaluations performed for the following programs: CalWORKs HSP, Home Safe, BFH, and HDAP. This report is due annually by February 1 to the Legislature.



Reporting Requirements

(Continued)

Reporting Regarding Department of Social Services Housing and Homelessness Programs

| Program | Data Collected by Department of Social Services | Publicly Available Information |
|---|---|--|
| CalWORKs Homeless Assistance Program | Monthly "CA 237 HA" report captures data from counties regarding requests for assistance and net expenditures. ^a | The CalWORKs Annual Summary provides an overview of program benefits and a history of related policy changes, as well as updated information on benefits awarded by fiscal year. ^b |
| CalWORKs Housing Support Program (HSP) | Monthly "HSP 14" report captures data from counties regarding referrals, approvals, denials, and exits. The report also captures the frequency, types, and amount of HSP financial assistance provided. ^c | The CalWORKs Annual Summary provides an overview of program benefits and a history of related policy changes, as well as updated information on benefits awarded by fiscal year. ^b |
| Bringing Families Home (BFH) Program | Monthly "BFH 17" report captures data from counties and tribes regarding enrollment, housing, expenditures, exits, and limited child welfare data while in the BFH Program. ^d | — |
| Housing and Disability Advocacy Program (HDAP) | Quarterly "HDAP PII 21" report captures data from counties regarding client information and demographics, homelessness status at entry, housing intervention dates, disability services, and outcomes while in HDAP, and housing status at exit from HDAP (and 6-12 months after exit), and expenditures. The report feeds into the annual statewide report. ^e | HDAP Annual Report information on demographics, homelessness status at entry, housing intervention dates, disability services, and outcomes while in HDAP, and housing status at exit from HDAP (and 6-12 months after exit). ^f |
| Home Safe Program | Statute requires the use of an assessment tool to identify each individual's housing needs and create a plan to meet those needs. The tool that has been developed includes information on recipient demographics, household composition, Adult Protective Services status, HomeSafe intervention provided, housing status at exit of program, and housing status at different intervals after exit. ^g | — |
| Project Roomkey | Daily report captures data from counties and tribes regarding room availability and occupancy. Twice monthly report captures data from counties and tribes regarding rehousing and outcomes data. ^h | Project Roomkey Data Dashboard provides updates on room availability and occupancy. ^h |
| Community Care Expansion Program^h | Statute requires reporting to the Legislature at the midpoint of the program and six months after the conclusion of the program. Statute allows the Department of Social Services to contract for the program administration and reporting. ⁱ | Capital Expansion Data Dashboard provides updates on how much funding has gone out and the various projects funded. |

^a Required per an All County Welfare Directors Letter.

^b The annual summary report is produced pursuant to a *Supplemental Report of the 2014-15 Budget*.

^c Required per the Welfare and Institutions Code (WIC) Section 11330.5(e).

^d Required per the Welfare and Institutions Code (WIC) Sections 16523-16523.1. The Department of Social Services indicates they will be shifting to a quarterly reporting cadence.

^e Required per All County Letter 21-152 to fulfill requirements of Welfare and Institutions Code (WIC) section 18999.6.

^f Required per the Welfare and Institutions Code (WIC) Section 18999.6.

^g Required per the Welfare and Institutions Code (WIC) Section 15771.

^h Required as a condition of receiving funding per All County Welfare Directors Letters dated June 1, 2020 and November 18, 2020.

ⁱ Required per the Welfare and Institutions Code (WIC) Section 18999.97.

Program Updates

Below, we provide updates on the housing and homelessness appropriations authorized in recent years within DSS, including how funds have been allocated to counties—and in some cases tribal governments—and preliminary findings about the use of funding.



Program Updates

(Continued)

CalWORKs Homeless Assistance Program

Program Description. CalWORKs HAP has been part of the CalWORKs program since 1987 and offers both temporary and permanent homeless assistance payments to eligible CalWORKs families once every 12 months, with exceptions. Temporary assistance helps families pay for the costs of lodging while the family is actively searching for permanent housing. Permanent assistance helps families secure housing by providing security deposit costs, including last month's rent, or helps families maintain permanent housing and prevent eviction by providing up to two months of rent arrearages.

Implementation Approach. CalWORKs HAP is a locally administered program in which counties provide housing assistance to eligible families. Counties can waive the 12-month limit on eligibility in certain circumstances, including natural disasters, domestic violence, uninhabitability due to sudden and unusual circumstances beyond the family's control, and medically verified physical or mental illness. CalWORKs applicants fleeing domestic abuse may also be eligible, once in a lifetime, for expanded temporary homeless assistance. Unlike other DSS housing and homelessness programs which are generally temporary in nature and receive a set allocation for services, HAP is an ongoing program and costs are caseload driven and all eligible and approved recipients receive assistance.

Status and Initial Outcomes. The tables on the next two pages show CalWORKs HAP expenditures between temporary and permanent assistance, across geographic regions, and over time. CalWORKs HAP is most frequently utilized for temporary assistance. Demand for this program dipped significantly during 2020-21, perhaps reflecting the increased availability of other assistance or as a consequence of the eviction moratorium. The regional differences in expenditures tracks the regional distribution of CalWORKs caseload.



Program Updates

(Continued)

Monthly Snapshot of CalWORKs Homeless Assistance Program Statewide Data (December 2022)

(Dollars in Millions)

| | Requests for Service | Number of Families Approved | Net Expenditure ^a |
|----------------------|----------------------|-----------------------------|------------------------------|
| Temporary assistance | 5,033 | 4,614 | \$6.2 |
| Permanent assistance | 827 | 613 | 1.2 |
| Totals | 5,860 | 5,227 | \$7.4 |

^a Net expenditures reflect direct financial assistance and do not include case management or administrative costs.

CalWORKs Homeless Assistance Program Statewide Data by Fiscal Year

(Dollars in Millions)

| | Requests for Service | Number of Families Approved | Net Expenditure ^a |
|---------|----------------------|-----------------------------|------------------------------|
| 2015-16 | 45,540 | 36,074 | \$30.2 |
| 2016-17 | 56,160 | 50,404 | 43.3 |
| 2017-18 | 69,083 | 63,323 | 54.1 |
| 2018-19 | 71,215 | 65,243 | 62.3 |
| 2019-20 | 64,408 | 59,333 | 66.5 |
| 2020-21 | 36,400 | 32,828 | 39.0 |
| 2021-22 | 53,439 | 47,716 | 58.9 |

^a Net expenditures reflect direct financial assistance and do not include case management or administrative costs.



Program Updates

(Continued)

Monthly Snapshot of CalWORKs Homeless Assistance Program Data by Region (December 2022)

(Dollars in Thousands)

| Regions | Requests for Service | Number of Families Approved | Net Expenditure ^a |
|----------------------------|----------------------|-----------------------------|------------------------------|
| Los Angeles County | | | |
| Temporary assistance | 1,896 | 1,747 | \$3,127 |
| Permanent assistance | 298 | 266 | 645 |
| Southern California | | | |
| Temporary assistance | 728 | 650 | \$822 |
| Permanent assistance | — | 12 | 101 |
| San Joaquin Valley | | | |
| Temporary assistance | 684 | 616 | \$720 |
| Permanent assistance | 78 | 67 | 207 |
| Sacramento Area | | | |
| Temporary assistance | 518 | 494 | \$558 |
| Permanent assistance | 82 | 68 | 133 |
| Bay Area | | | |
| Temporary assistance | 586 | 471 | \$490 |
| Permanent assistance | — | — | 92 |
| San Diego County | | | |
| Temporary assistance | 217 | — | \$230 |
| Permanent assistance | — | — | 17 |
| Balance of State | | | |
| Temporary assistance | 98 | 84 | \$179 |
| Permanent assistance | — | — | 44 |
| Central Coast | | | |
| Temporary assistance | 35 | 51 | \$77 |
| Permanent assistance | — | — | 4 |
| Totals^b | 5,220 | 4,526 | \$7,445 |

^a Net expenditures reflect direct financial assistance and do not include case management or administrative costs.

^b Some expenditure data for small counties are withheld to maintain recipient privacy. Consequently, our regional totals do not perfectly align with statewide totals, which are not suppressed.



Program Updates

(Continued)

CalWORKs Housing Support Program

Program Description. CalWORKs HSP was established in 2014 to provide resources and housing supports to CalWORKs families who are experiencing or at risk of homelessness. CalWORKs HSP services are intended to utilize evidence-based models including those established in the federal Department of Housing and Urban Development's Homeless Prevention and Rapid Re-Housing Program. CalWORKs HSP assistance can be used by participating families for rental assistance, security deposits, utility payments, motel and hotel vouchers, and moving costs. Housing stabilization and relocation efforts also include outreach and engagement, landlord recruitment, case management, housing search and placement, legal services, and credit repair.

Implementation Approach. CalWORKs HSP is a state-funded, locally administered program in which participating counties provide housing-related supports to eligible families. As of 2021-22, a total of 55 counties operate CalWORKs HSP. The program has grown and expanded since its inception in 2014, when only 20 counties operated CalWORKs HSP. Assembly Bill 135 updated the statute to include families in CalWORKs who are at risk of homelessness, including recipients who have not yet received an eviction notice. Specifically, in order to qualify for the program, recipients must be in receipt of a "pay rent or quit" notice, but starting no later than July 1, 2024, any notice leading to eviction qualifies for CalWORKs housing support.

Status and Initial Outcomes. Counties are given the flexibility to design their own program based on the needs of their community. Nevertheless, all programs must utilize evidence-based practices including homeless prevention assistance and rapid rehousing best practices and comply with the "Housing First" principles. The tables on the next page show the distribution of CalWORKs HSP funding across regions and that since the establishment of CalWORKs HSP in 2014 through July 2022, more than 26,000 families have been housed through CalWORKs HSP.



Program Updates

(Continued)

CalWORKs HSP Allocations by Region^a

(In Millions)

| Regions | 2021-22 Allocation | 2022-23 Allocation |
|---------------------|-----------------------|-----------------------|
| Los Angeles County | \$71 | \$72 |
| Bay Area | 55 | 55 |
| Southern California | 40 | 40 |
| San Joaquin Valley | 33 | 33 |
| Sacramento Area | 23 | 23 |
| Balance of State | 19 | 19 |
| Central Coast | 16 | 15 |
| San Diego County | 14 | 15 |
| Totals | \$271 | \$271 |

^a The \$285 million appropriation to CalWORKs Housing Support Program (HSP) in 2021-22 and 2022-23 includes the annual, ongoing appropriation of \$95 million and a one-time appropriation of \$190 million. Of the \$285 million, \$14.3 million will be used by the Department of Social Services to administer the program.

CalWORKs HSP Requests/Referrals, Approvals, and Families Housed by Fiscal Year

| Year | Requests/Referrals Received | Families Approved | Families Housed |
|---------------|--------------------------------|----------------------|--------------------|
| 2014-15 | 9,386 | 5,545 | 2,031 |
| 2015-16 | 10,490 | 6,543 | 2,649 |
| 2016-17 | 14,229 | 8,630 | 3,750 |
| 2017-18 | 13,449 | 8,635 | 3,724 |
| 2018-19 | 16,693 | 9,719 | 4,814 |
| 2019-20 | 15,606 | 9,334 | 5,927 |
| 2020-21 | 9,895 | 6,291 | 3,622 |
| Totals | 89,748 | 54,697 | 26,517 |

HSP = Housing Support Program.



Program Updates

(Continued)

Bringing Families Home Program

Program Description. The BFH Program was established by Chapter 25 of 2016 (AB 1603, Committee on Budget) with the aim of reducing the number of families in the child welfare system experiencing homelessness, increasing family reunifications, and preventing foster care placement. BFH provides housing (either rapid rehousing or permanent supportive housing) and case management services.

Implementation Approach. BFH is a state-funded, locally administered program for participating counties and tribal governments. As of 2021-22, a total of 51 counties and 1 tribe operate BFH statewide. BFH has grown and expanded since the program's inception in 2016, with only 12 counties operating BFH in 2016-17. Initial program funding allocated in 2016-17 and 2019-20 required that counties provide a dollar-for-dollar match. However, recent funding augmentations in 2021-22 and 2022-23 do not require local matching funds. Statutory amendments accompanying the augmentations also clarified definitions and expanded eligibility for families experiencing or at risk of homelessness, notably to include families who have not yet received an eviction notice.

Status and Initial Outcomes. Since the program was established through June 2022, over 3,900 families were served by BFH and over 2,000 families were permanently housed. The Children's Data Network and California Policy Lab are conducting a formal evaluation of the program with results planned for publication in spring 2023. Preliminary findings show that most of the families who exited the program exited to permanent housing. An additional 14 percent exited to either community-provided or temporary housing, while 3 percent reported exiting to homelessness. The table on the next page shows the allocation of BFH funding across the regions of the state.



Program Updates

(Continued)

Bringing Families Home (BFH) Allocations by Region^a (In Millions)

| Regions | 2021-22 Allocation | 2022-23 Allocation |
|---------------------|-----------------------|-----------------------|
| Los Angeles County | \$31 | \$31 |
| Southern California | 11 | 11 |
| Bay Area | 15 | 15 |
| San Joaquin Valley | 7 | 7 |
| Balance of State | 6 | 6 |
| Sacramento Area | 5 | 5 |
| Central Coast | 5 | 5 |
| San Diego County | 4 | 4 |
| Totals | \$83 | \$83 |

^a Of the \$92.5 million appropriated for BFH in 2021-22 and 2022-23, approximately \$4.6 million will be used for statewide administration and implementation of the program and \$5 million was set aside for tribal governments. The remaining \$82.9 million was made available to counties.



Program Updates

(Continued)

Housing and Disability Advocacy Program

Program Description. HDAP, established by AB 1603, helps individuals who are homeless or at risk of homelessness apply for disability benefits they may be eligible to receive. HDAP provides outreach, case management, advocacy, and housing support services to program recipients.

Implementation Approach. HDAP is administered locally by participating counties and tribal governments. DSS allocated HDAP funding to 57 counties and 2 tribal entities in 2021-22. HDAP has grown and expanded—with only 39 counties participating in 2017-18. While the portion of the program funded on an ongoing basis requires a dollar-for-dollar match by local governments, there is no match requirement for the \$350 million temporary funding authorized in 2021-22 across two years.

Status and Initial Outcomes. As noted above, DSS is required to publish an annual report on HDAP. [The most recent report](#), published in February 2023, includes information on a variety of outcomes. For example, since its inception, HDAP has assisted over 4,000 individuals connect to temporary or permanent housing and has assisted in over 1,800 disability applications being approved. Some other, high-level takeaways noted in the report are highlighted in the tables below and on the next page.

Housing and Disability Advocacy Program (HDAP) Allocations by Region^a

(In Millions)

| Regions | 2021-22 Allocation | 2022-23 Allocation |
|---------------------|-----------------------|-----------------------|
| Los Angeles County | \$47 | \$47 |
| Bay Area | 27 | 28 |
| Southern California | 19 | 19 |
| San Joaquin Valley | 11 | 11 |
| Balance of State | 8 | 8 |
| San Diego County | 8 | 8 |
| Sacramento Area | 7 | 7 |
| Central Coast | 6 | 6 |
| Totals | \$133 | \$133 |

^a This table reflects the \$150 million in temporary funding appropriated for HDAP in 2021-22 and 2022-23. \$8.7 million will be utilized by the Department of Social Services to administer and implement the program, \$7.5 million will be made available for tribal governments.



Program Updates

(Continued)

Housing and Disability Advocacy Program Snapshot^a

| Key Data Elements | Implementation (2017-18) to June 30, 2022 | 2021-22 |
|--|--|---------|
| Clients Served | 5,563 | 3,227 |
| Disability Applications Submitted | 7,705 | 1,432 |
| Disability Applications Disposed (for Example, Approved or Denied) | 2,557 | 569 |
| Disability Applications Approved | 1,851 | 364 |
| Percent Approved of the Disposed Applications | 72% | 64% |
| Enrollees with a Housing Intervention (Interim or Permanent) | 4,048 | 853 |
| Enrollees With a Disability Application Submitted and Permanently Housed | 1,971 | 317 |

^a Information included in February 2023 Housing and Disability Advocacy Program Report (<https://cdss.ca.gov/Portals/9/Housing/2023-Annual-HDAP-Legislative-Report.pdf?ver=2023-03-16-100243-230>).

Number of Housing and Disability Advocacy Program Clients Served by Target Population^a

| Target Population | Implementation (2017-18) to June 30, 2022 | Percent | Newly enrolled in FY 2021-22 | Percent |
|-----------------------------------|--|---------|---------------------------------|---------|
| General Assistance/General Relief | 3,064 | 44% | 555 | 36% |
| CalWORKs | 129 | 2 | 43 | 3 |
| Diverted from Jail/Prison | 174 | 2 | 40 | 2 |
| Low Income Veteran | 186 | 3 | 30 | 3 |
| Discharged from Institution | 147 | 2 | 41 | 3 |
| Other Low/No Income | 3,274 | 47 | 808 | 53 |
| Totals | 6,974 | | 1,517 | |

^a Information included in February 2023 Housing and Disability Advocacy Program Report (<https://cdss.ca.gov/Portals/9/Housing/2023-Annual-HDAP-Legislative-Report.pdf?ver=2023-03-16-100243-230>).

^b There is duplication in the above table. For example, a low-income veteran may also be in receipt of General Assistance or General Relief. Therefore, the total from implementation to June 30, 2022, reflected in the above table (6,974) is higher than the total number of program enrollees for the same time period (5,563).

Number of Housing and Disability Advocacy Program Clients by Housing Status at Exit^a

| Housing Status at Exit | Implementation (2017-18) to June 30, 2022 | Percent | Client Exited FY 2021-22 | Percent |
|------------------------|--|---------|-----------------------------|---------|
| Permanent Housing | 1,286 | 38% | 384 | 39% |
| Temporary Housing | 303 | 9 | 122 | 12 |
| Homeless | 242 | 7 | 60 | 6 |
| Institution | 155 | 5 | 44 | 5 |
| Unknown ^a | 1,374 | 41 | 380 | 38 |
| Totals | 3,360 | | 990 | |

^a Information included in February 2023 Housing and Disability Advocacy Program Report (<https://cdss.ca.gov/Portals/9/Housing/2023-Annual-HDAP-Legislative-Report.pdf?ver=2023-03-16-100243-230>).

^b The Unknown category includes clients with whom the grantee lost contact, those exiting into a housing situation not listed, clients who refused to respond, clients who exited without an exit interview, and a small percent of clients who passed away amongst other exit types.

Program Updates

(Continued)

Home Safe Program

Program Description. The Home Safe program was established by Chapter 35 of 2018 (AB 1811, Committee on Budget) to serve adult protective services (APS) clients that are homeless or at risk of homelessness due to elder or dependent adult abuse, neglect, or financial exploitation. Home Safe provides homelessness prevention and housing interventions to support safety and housing stability for individuals served by the local APS agency for both tribes and County Welfare Departments.

Implementation Approach. All 58 counties operated Home Safe programming as of 2021-22. Home Safe has grown and expanded since its initial launch as a pilot in 2017-18 when only 25 counties participated. Counties and tribes operating Home Safe programs utilize a range of strategies to support homelessness prevention and housing stability for APS clients, including short-term financial assistance, legal services, eviction prevention, cleaning, and landlord mediation, among other services.

Status and Initial Outcomes. [The most recent DSS fact sheet](#) on Home Safe notes that the program has assisted over 4,300 people since its creation. Additionally, DSS partnered with the University of California San Francisco Benioff Homelessness and Housing Initiative to conduct an [interim evaluation of the Home Safe Pilot](#). Among several high-level findings around outcomes, barriers, and areas for further exploration, the interim evaluation highlighted a number of key outcomes. Amongst these were:

- Home Safe appears to have stabilized clients who would have otherwise become homeless.
- Housing was retained for 85 percent of Home Safe participants for whom data was available six months post-program exit. This is an important indicator of housing retention and long-term stability for participants.

The table on the next page shows the allocation of Home Safe funding across the regions of the state.



Program Updates

(Continued)

Home Safe Allocations by Region^a

(In Millions)

| Regions | 2021-22 Allocation | 2022-23 Allocation |
|---------------------|-----------------------|-----------------------|
| Los Angeles County | \$28 | \$27 |
| Bay Area | 17 | 15 |
| Southern California | 14 | 13 |
| Balance of State | 7 | 7 |
| San Joaquin Valley | 7 | 7 |
| San Diego County | 5 | 5 |
| Sacramento Area | 5 | 5 |
| Central Coast | 4 | 4 |
| Totals | \$86 | \$83 |

^a Of the \$92.5 million appropriated for Home Safe in 2021-22 and 2022-23, approximately \$4.6 million will be used for statewide administration and implementation of the program and \$5 million was set aside for tribal governments. The remaining \$82.9 million was made available to counties. The 2021-22 allocation also includes appropriation of unused funds.



Program Updates

(Continued)

Project Roomkey

Program Description. The state established Project Roomkey at the outset of the COVID-19 public health emergency. The program helps local and tribal governments lease hotels and motels to provide immediate housing to vulnerable individuals experiencing homelessness. The goal of this effort was to provide non-congregate shelter options for people experiencing homelessness, to protect public health, and to minimize strain on the state's health care system.

Implementation Approach. Project Roomkey is administered locally and eligibility varies by community—cities, counties, and tribal governments. Project Roomkey units are intended to be temporary, emergency shelter options. The program has established a rehousing strategy to help ensure no Project Roomkey occupant is forced to exit into unsheltered homelessness by developing and implementing plans to transition individuals from Project Roomkey sites into permanent housing. Project Roomkey is in the process of ramping down operation of sites. The dates for site closures will vary based on local needs and will be made in consultation with local emergency managers and public health departments.

Status and Initial Outcomes. In a review of Project Roomkey from September 2022, counties indicate that many Project Roomkey participants were extremely medically vulnerable and needed a high level of care. Many reported needing more physical, psychosocial, and mental health services at their Project Roomkey sites than expected; others reported that a significant number of participants needed help with completing activities of daily living. A few Project Roomkey programs partnered with organizations that provided personal care and care management; in other programs, those more intensive supports were not available. Eight communities reported successfully transitioning over 80 percent of Project Roomkey participants to permanent housing or other interim housing on a path to permanent housing, 19 communities reported between 70 percent to 79 percent success, and 15 communities reported between 60 percent to 69 percent success. Additionally, as of January 2022, at least one-third of Project Roomkey grantees planned to leverage Homekey awards to create housing stock in their communities. In November 2022, these communities confirmed plans to



Program Updates

(Continued)

convert 44 percent of all occupied Project Roomkey units to Homekey/permanent units. The tables below and on the next page show Project Roomkey allocations by region in 2021-22 and 2021-22 and data from [the program dashboard](#) shows that as of April 2023, about half of Project Roomkey units are occupied. (Importantly, this data reflects information as the program is ramping down. Data from February 2021 showed that statewide, 14,000 rooms were secured through Project Roomkey and 70 percent were occupied. The largest concentration of rooms was in Los Angeles County, where 65 percent of the available 3,700 rooms were occupied. At the time, the program had provided short-term housing for 23,000 people in 42 counties.)

Project Roomkey Allocations by Region^a

(In Thousands)

| | 2020-21 ^b | 2021-22 ^c |
|---------------------|----------------------|----------------------|
| Bay Area | \$21,723 | \$58,918 |
| Los Angeles County | 18,643 | 34,400 |
| Southern California | 7,023 | 18,369 |
| Sacramento Area | 3,549 | 9,444 |
| San Joaquin Valley | 3,455 | 4,344 |
| Balance of State | 2,019 | 3,020 |
| Central Coast | 1,815 | 6,491 |
| San Diego County | 727 | 7,309 |
| Tribal Governments | 46 | 802 |
| Totals | \$59,000 | \$143,098 |

^a The Department of Social Services (DSS) determines allocation amounts. Counties and tribes utilize an invoice process to request a reimbursement or cash advance and to document actual expenditures of funds that have previously been advanced. The 2019-20 budget also appropriated \$50 million for this purpose. Allocation information is not available for this funding.

^b The 2020-21 budget provides \$62 million for Project Roomkey. DSS set aside \$3 million to provide targeted technical assistance through experienced housing providers. The remaining funding was allocated to counties and tribal governments.

^c The 2021-22 budget provides \$150 million for Project Roomkey. DSS set aside \$6.9 million to implement and administer the program, including providing technical assistance to grant recipients. The remaining funding was allocated to counties and tribal governments. Furthermore, \$91.1 million (\$6 million state operations and \$85.1 million local assistance) was reappropriated from 2021-22 to 2022-23.



Program Updates

(Continued)

Project Roomkey Status (April 7, 2023)^a

(In Thousands)

| | Rooms Secured | Rooms Occupied | Percent Occupied | Trailers Delivered |
|--|---------------|----------------|------------------|--------------------|
| San Francisco | 1,037 | 367 | 35% | 91 |
| Los Angeles | 648 | 180 | 28 | 651 |
| Alameda | 325 | 206 | 63 | 91 |
| Contra Costa | 309 | 172 | 56 | — |
| Ventura | 270 | 260 | 96 | — |
| Sacramento | 220 | 177 | 80 | 63 |
| San Diego | 160 | 160 | 100 | 44 |
| San Bernardino | 130 | 81 | 62 | — |
| San Luis Obispo | 109 | — | — | 14 |
| Santa Clara | 91 | — | — | 12 |
| Placer | 85 | 27 | 32 | 12 |
| Sonoma | 74 | 72 | 97 | 24 |
| Kings | 65 | 36 | 55 | — |
| Yolo | 65 | 61 | 94 | — |
| San Mateo | 51 | 37 | 73 | — |
| Orange | 50 | — | — | 78 |
| Tuolumne | 37 | 37 | 100 | — |
| Del Norte | 36 | 23 | 64 | — |
| Monterey | 36 | 36 | 100 | 15 |
| Tulare | 32 | 27 | 84 | — |
| Mendocino | 31 | 31 | 100 | — |
| Northern Circle Indian Housing Authority | 19 | 19 | 100 | — |
| Sutter | 18 | — | — | — |
| Nevada | 14 | — | — | — |
| Santa Barbara | 14 | 13 | 93 | — |
| Inyo | 13 | — | — | — |
| Totals | 3,939 | 2,022 | 51% | 1,095 |

^a This information reflects point-in-time data from April 2023, as the program is ramping down.



Program Updates

(Continued)

Community Care Expansion Program

Program Description. The CCE Program was established by Chapter 696 of 2021 (AB 172, Committee on Budget) to provide funding for acquisition, construction, and rehabilitation to preserve and expand adult and senior care facilities that serve Supplemental Security Income/ State Supplementary Payment and Cash Assistance Program for Immigrants applicants and recipients, including those who are experiencing homelessness or at risk of homelessness.

Implementation Approach. Funds for acquisition/construction of new facilities are being administered separately from the preservation and operating subsidy funds. Applicants for the acquisition/construction funds may apply for these funds jointly with Behavioral Health Continuum Infrastructure Program (BHCIP) funds, through a competitive Request for Applications process being administered jointly by DSS and the Department of Health Care Services (DHCS). Preservation and operating subsidy funds are allocated to counties, which are in turn responsible for developing implementation plans and disbursing funds to eligible facilities. Statute allows the administration to contract for the program administration and reporting; DSS and DHCS have contracted All Human Capital, Inc. as the administrative entity for the joint implementation of CCE and BHCIP.

Status and Initial Outcomes. As shown in the tables on the next two pages, according to the information available [on the dashboard](#) (updated February 15, 2023), \$207 million has been awarded for 32 projects across 16 counties for the acquisition/construction program component. In aggregate, these projects will provide 1,172 new beds. (The dashboard does not currently provide information about the preservation program component.) Additionally the tables on the next two pages demonstrate most of the awards have been given to nonprofits and funding for preservation activities are concentrated in the County of Los Angeles and the broader Southern California region.



Program Updates

(Continued)

Community Care Expansion (CCE) Capital Expansion Program Awards by Region^a

(Dollars in Millions)

| | Regional Funding Reserve | Funding Awarded | Percent of Regional Reserve Awarded | Number of Awards | Number of Proposed Beds |
|---------------------|--------------------------|-----------------|-------------------------------------|------------------|-------------------------|
| Los Angeles County | \$135.3 | \$41.1 | 30% | 5 | 276 |
| Southern California | 100.5 | 67.8 | 67 | 6 | 311 |
| Bay Area | 85.7 | 53.3 | 62 | 7 | 324 |
| San Joaquin Valley | 46.0 | 13.5 | 29 | 4 | 78 |
| Sacramento Area | 31.9 | 8.5 | 27 | 1 | 54 |
| Tribal Entities | 28.5 | 9.1 | 32 | 2 | 60 |
| Balance of State | 15.8 | 4.4 | 28 | 3 | 16 |
| Central Coast | 15.1 | 9.0 | 60 | 4 | 53 |
| Totals | \$458.7 | \$206.7 | 45% | 32 | 1,172 |

^a Based on CCE Data Dashboard updated on February 15, 2023.

CCE Capital Expansion Program Awards by Entity^a

(Dollars in Millions)

| | Funding Awarded | Percent of Total Awards | Number of Awards |
|--|-----------------|-------------------------|------------------|
| Nonprofit Corporation | \$88.6 | 43% | 15 |
| For-Profit Corporation | 85.7 | 41 | 9 |
| County | 22.0 | 11 | 4 |
| Tribal Entity | 9.1 | 4 | 2 |
| Individual or Other Private Organization | 1.3 | 1 | 2 |
| Totals | \$206.7 | | 32 |

^a Based on Community Care Expansion (CCE) Data Dashboard updated on February 15, 2023.



Program Updates

(Continued)

Community Care Expansion Preservation Program: Noncompetitive Allocations^a

(In Millions)

| | Total Operating Subsidy Payments Funding Allocated in 2021-22 and 2022-23 ^b | Total Capital Projects Funding Allocated in 2021-22 |
|---------------------------|--|---|
| Los Angeles County | \$39.5 | \$53.5 |
| Southern California | 20.0 | 27.0 |
| Bay Area | 15.9 | 21.4 |
| San Joaquin Valley | 11.4 | 14.9 |
| Sacramento Area | 7.1 | 9.3 |
| San Diego County | 6.7 | 9.1 |
| Balance of State | 3.3 | 3.2 |
| Central Coast | 3.1 | 4.1 |
| Totals^c | \$107.0 | \$142.5 |

^a Allocations provided as per Notice of Funding Award document dated December 14, 2022.

^b \$55 million provided in both 2021-22 and 2022-23.

^c Total allocated is less administrative funds.



Findings and Opportunities for Improvements

Assessing which programs appear most effective and evaluating the state's homelessness response system as a whole is critical. This section reflects an initial starting point for this effort. As DSS, counties, and tribal governments continue to administer the temporary housing and homelessness augmentations, we will be better able to assess the effectiveness of these programs. Below are our findings based on our analysis of available information and suggestions for opportunities for program improvements.



Findings and Opportunities for Improvements

(Continued)

DSS Administration and Oversight

Reporting Requirements Vary. While some reporting requirements are established in statute, in most cases, DSS established reporting requirements for counties and tribal governments through All County Welfare Director Letters. Generally, the information collected by DSS varies based on the objectives of the program. For example, Project Roomkey collects information on room occupancy rates while the CCE Program collects information on the number of units the program anticipated building.

In Most Cases, DSS Collects More Information Than Publicly Reported. In some cases, data collected by DSS is made publicly available—generally through an annual report or online dashboards. In other cases, DSS collects more information than is publicly reported. DSS indicates it uses the data internally to inform the department’s oversight of the programs and help identify if technical assistance to counties and tribal governments is necessary for the operation of these programs. According to DSS, some of this information could be available to the Legislature upon request.

Uniformity in Publicly Available Information Necessary. While some tailoring of collected information is necessary given the objectives of the program, there is significant variability in the breadth of readily available public information. Project Roomkey, HDAP, and the capital projects undertaken through the CCE Program offer the most readily available and current information, relative to the other housing and homelessness programs overseen by DSS. However, aside from a program fact sheet and very high-level information from the new AB 135 report, DSS does not provide public reports on the status of BFH and Home Safe. Even when reporting is available, some key information, such as expenditure data and number of families and/or individuals served, is difficult to obtain. Establishing a standard for basic information DSS should publicly provide for all of the housing and homelessness programs could provide more consistency and transparency. The establishment of the AB 135 report was a step in this direction. However, the first report submitted to the Legislature pursuant to AB 135 provided very high-level information and did not include all DSS housing and homelessness programs. The Legislature could consider modifications to the AB 135 reporting requirements so that the report provides a more complete picture on the status of these programs and an expansion of the report to include all housing and homelessness programs overseen by DSS.



Findings and Opportunities for Improvements

(Continued)

Administrative Costs

DSS Allowed Set-Aside Funding for Administration Costs. Recent temporary appropriations provide DSS with a set aside for state operations. This allows DSS to support resources that make the administration of programs possible, such as personnel, data collection, program evaluation, support to counties and tribal governments, and to enter into third-party contracts.

Unclear How Locals Are Supporting Administration Costs. Unlike DSS, county and tribal recipients of DSS' housing and homelessness funding generally do not have an explicit set aside for operating the program. Instead, program guidelines generally indicate that counties and tribes must minimize administrative costs while maximizing direct services and housing-related financial assistance within the programs. It is currently unclear to us what data DSS collects about grantees' administrative expenditures. For this reason, it is also unclear the extent to which state dollars support local administration. However, counties indicated they have had to absorb some of the costs associated with administering the temporary appropriations. (The preservation portion of CCE does allow counties to use up to 15 percent of their allocations for program administration.)

Funding for Local Administration. If the Legislature wants to ensure counties and tribal governments provide timely and comprehensive information about the status of their housing and homelessness programs, grantees should have clear authority to use resources towards those activities within specified limits.



Findings and Opportunities for Improvements

(Continued)

Local Implementation

Limited Supply of Housing an Impediment to Program Operations. Rising housing costs that exceed growth in wages, specifically for low-income households, creates housing instability and increases the risk of homelessness. To mitigate this, the DSS programs use evidence-based rapid rehousing and/or prevention models using a Housing First approach and can provide financial assistance and housing-related wrap-around supportive services, including, but not limited to, rental assistance, housing navigation, case management, security deposits, utility payments, moving costs, hotel and motel assistance, legal services, and credit repair. However, the administration has consistently stated that the shortage of housing in the state—the principle cause of the housing affordability crisis—makes it challenging to find housing that suits the needs of DSS-served families and individuals.

Many State and Local Staff are New to Operating Housing and Homelessness Programs... Operating housing and homelessness programs is a relatively new activity for DSS. The department established a new branch and has many new positions to oversee these programs. Additionally, many of the local human services departments that are recipients of DSS housing and homelessness funding have not previously administered housing programs, are new to providing housing and homeless services, and are generally not integrated into the broader housing and homeless services landscape. As a result, local partners typically need additional time and resources to identify and train up sufficient staff prior to deploying services.

...But There Could Be Opportunities for More Collaboration With Local Housing Experts. While this is a new area for county human services departments, other departments within local governments do have housing and homelessness expertise. The Legislature could consider how to better encourage local collaboration to more successfully connect families and individuals with resources. Part of this includes understanding how locals currently conduct outreach and prioritize resources. In addition, once these programs end, the Legislature may wish to consider how to improve referrals by county human services departments to local housing and homelessness assistance.



Findings and Opportunities for Improvements

(Continued)

DSS Relying on Various Contracts for Technical Assistance and Program Evaluation. To address these limitations, DSS contracted with the Change Well Project and developed a variety of training opportunities specifically geared towards local program staff and leadership with different levels of expertise and experience. The technical assistance includes support with staffing up, program budget development, and team development in order to build appropriate expertise and capacity to effectively deliver housing and homelessness services that are distinct from other social services. This includes support for engaging with local homeless Continuums of Care as well as other aspects of the local homeless response system in each community.



Findings and Opportunities for Improvements

(Continued)

Program Outcomes

Exemption From Dollar-for-Dollar Local Match Requirement Likely Contributed to Expanded Program Access. Unlike previous appropriations, the appropriations in 2021-22 and 2022-23 do not require local dollar-for-dollar matching funds. The matching requirement had been noted as an impediment for some counties establishing housing assistance programs, particularly for counties with limited resources. For example, in 2016-17, only 12 counties operated a BFH program. However, BFH—and other programs with the local match waiver—have expanded likely as a result of exemption and increased availability of funding. Today, 51 counties operate a BFH program.

Changes to Some Program Rules Expanded Eligibility. Statutory amendments accompanying the augmentations also clarified definitions and expanded eligibility for families experiencing or at risk of homelessness, notably to include families who have not yet received an eviction notice.

Given Extended Expenditure Authority, Limited Funding Has Been Expended. As some of these programs were new or significantly expanded through the recent augmentations, ramping up the programs has taken some time. While expenditure data is limited, information available indicates funding has been slow to fully ramp up. Data limitations constrain the Legislature's ability to fully assess what may be contributing to these delays.

Many Programs Expiring Absent Additional Funding. Nevertheless, these programs will have to ramp down in the near future. Aside from CalWORKs HAP, which has been a long-standing housing and homelessness program administered by DSS, the other programs are relatively new. Most of the programs were established as pilots and have only received temporary funding. Only the CalWORKs programs and HDAP have ongoing funding. Consequently, once funding is expended in the other programs, those programs will end. Should the Legislature have interest in extending any of the programs, identifying which programs were most effective will be critical.



Conclusion

The scale of the housing affordability and homelessness crisis in California is significant. Addressing this crisis requires a complex combination of fiscal resources and policy solutions. The funding provided to DSS in recent years represents a significant expansion of its role in addressing these challenges. While the funding was largely temporary, extended expenditure authority means DSS will continue to oversee these programs for a few additional years. Continuing to examine how these programs are operating could inform program modifications. Additionally, the Legislature could use this information to inform future housing and homelessness efforts.

