California State Assembly

Assembly Budget Agenda

**Assembly Budget Subcommittee No. 7
on Accountability and Oversight**

Assemblymember Gregg Hart, Chair

Tuesday, March 11, 2025

1:30 P.M. - State Capitol, Room 447

Homelessness Funding and Accountability

I. **Welcome and Opening Remarks**

- Assemblymember Gregg Hart, Chair

II. **Accountability**

- Megan Kirkeby, Deputy Director, Housing Policy Development, Department of Housing and Community Development
- Todd Gloria, Mayor, City of San Diego
- Phil Skei, Assistant Director of Planning and Development, City of Fresno
- Robert Ratner, Housing and Health Division Director, County of Santa Cruz Human Services Department

III. **Member Questions and Comments**

IV. **Adjournment**

Items To Be Heard

2240 Department of Housing and Community Development

Issue 1: Homelessness Accountability

This issue will explore the implementation of the homelessness accountability provisions included in the Homeless Housing, Assistance, and Prevention (HHAP) Program and the Encampment Resolution Fund (ERF) grants that were created legislatively, and will review the implementation of these provisions at the state level. The Subcommittee will explore the data reported, what it explains for our funding recipients and what it does not. Additionally, the Subcommittee will discuss how these accountability provisions will ensure recipients are using the dollars to reduce the number of people experiencing homelessness.

Background:

Accountability Provisions in 2024-25 Budget. As part of the 2024-25 Budget, SB 166 (Committee on Budget and Fiscal Review) included enhanced accountability for homelessness dollars. During the budget discussions, an emphasis was placed on the amount of funding going to local recipients and ensuring that these dollars were being spent with intention and in an expedited manner to reduce the number of people experiencing homelessness.

The additional requirement on spending included the following:

- Transferred the management authority of the HHAP program from the California Interagency Council on Homelessness (Cal-ICH) to the Housing and Community Development Department (HCD).

- Required the recently formed Housing and Homelessness Accountability, Results, and Partnership (HHARP) Unit at HCD to monitor HHAP grantee's expenditures, track outcomes, and work with underperforming grantees on corrective action plans.

- Incentivized urgent deployment of resources by requiring compliance with expenditure obligation and spending benchmarks as a prerequisite for disbursal of Round 6 funding.

- Required housing element compliance as a precondition for cities and counties to receive the second half of their Round 6 HHAP awards.

- Added new reporting requirements:

  o Monthly reporting of fiscal data from grant recipients to HCD, and

  o Annual reports and final reports due in April each year.

Data Collection at HCD. HCD now hosts a number of dashboards on their website related to housing programs administered by the department. Those dashboards can be accessed here.

For homelessness funding, HCD now hosts a HHAP Dashboard, which reflects the progress of grantees on their HHAP awards. Each jurisdiction must submit monthly reports that require them to self-report total obligations and expenditures against their HHAP awards. These reports are cumulative and represent all fiscal activity within each round of HHAP. Additionally, grantees are asked to break out their obligations and expenditures based on eligible uses that are detailed in statute. This website provides detailed accounting of all HHAP funding for all recipients, city, county and continuum of care (COC), and is the most detailed of the HHAP expenditures.

HCD is also working on a similar database for the Encampment Resolution Fund (ERF). However, that tool is not available yet.

Governor's Accountability Website.

On February 24, 2025, the Governor announced a new online tool, which is intended to bring locally reported data points to provide a picture of local communities' work to address homelessness, create housing, and create behavioral health supports.

The website provides information for each county including how many housing units have been completed between 2019-2023, homelessness populations since 2023 and whether homelessness has gone up or down, and for behavioral health – how many are in full- service partnerships. The information uploaded included in the website is higher level than information found on the websites where the data is sourced such as HCD's dashboards. The information is reported on a county by county basis.

Staff Comments

The Subcommittee may wish to discuss the following:

1. Are the accountability provisions provided the transparency that was envisioned by the Legislature?
2. Are there additional accountability provisions that need to be reported that would lead to homelessness declining across California?
3. Why is it taking some jurisdictions longer to spend down their funding than others?
4. How does the state hold the subcontractors accountable?
5. Why is it taking so long to come into contracts?
6. Is there any accountability on encampments on state properties? How long will take to have more information on encampment dollars?

Staff Recommendation: This item is presented for information only.

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