



CWDA
Advancing Human Services
for the Welfare of *All* Californians



February 25, 2016

To: The Honorable Holly Mitchell
Chair, Senate Budget Subcommittee No. 3

Honorable Members, Senate Budget Subcommittee No. 3

From: Frank J. Mecca, Executive Director, County Welfare Directors Association
John J. Bauters, Policy Director, Californians for Safety and Justice

**RE: CALWORKS HOUSING SUPPORT PROGRAM
AUGMENTATION**

The County Welfare Directors Association of California (CWDA) and Californians for Safety and Justice (CSJ) respectfully requests your consideration and support of a budget augmentation of \$15 million for the CalWORKs Housing Support Program (HSP). The HSP was conceived by the Legislature and Governor and enacted as part of the 2014-15 budget; it assists homeless CalWORKs families by moving them directly out of homelessness and into permanent housing. That stable housing in turn supports families' efforts in reaching self-sufficiency. HSP is funded currently at \$35 million, enabling 44 of California's 58 counties to assist an estimated 9,000 children in 4,500 families to find a safe, permanent home during 2015-16. A funding augmentation of \$15 million will permit the program to serve an additional 3,800 children in 1,900 families in counties with existing programs and new counties wishing to participate.

The Lack of Stable Housing Undermines Efforts to Help Children and Families

Abundant research has shown clear connection between homelessness and poor outcomes for children and families in all realms of well-being. For children, homelessness contributes to impairments in cognitive development, physical health, emotional and behavioral self-regulation, and it interferes with learning and the development of social relationships. The younger the child is, the more devastating the consequences of homelessness. For homeless parents, 84 percent of whom are single mothers, the lack of housing is both a contributor to and result of employment loss, depression, and physical health problems. The difficulties of job seeking as a homeless person can be an insurmountable barrier to employment.

Housing stability also has a strong impact on positive public safety outcomes. Families with children who live in safe, stable housing are less likely to have encounters with law enforcement or the child welfare system. Children who experience housing stability are less

likely to suffer traumatic experiences that can lead to long-term mental and emotional health issues. These same children perform better in school, live healthier lives and have a greater chance of leaving poverty.

The CalWORKs Housing Support Program is a Proven Model

HSP was crafted on the principles of rapid re-housing, an evidence-based model that gained national approval under the American Recovery and Reinvestment Act. Proven to be more cost effective and have better outcomes than most other housing models, it moves families directly out of homelessness and into permanent homes, enabling services to be wrapped around the families in order to enable them to retain the homes after the support ends. HSP has brought together housing experts from around the nation, Continuums of Care, local housing advocates and services providers, the California Departments of Social Services and Housing and Community Development, and County Human Services in a collaborative effort to serve California's most disadvantaged families.

HSP has demonstrated success. In its first year of existence, 2014-15, during which the program operated for just 10 months in 20 counties, over 4,000 children in 2,000 families were moved out of homelessness and into permanent homes. In the first half of 2015-16, 1,002 more families have already moved into permanent housing in 44 counties.

The Need and Demand for the Housing Support Program is High

California accounts for 21 percent of the country's homeless population, according to the U.S. Department of Housing and Urban Development's 2015 Annual Homeless Assessment Report to Congress. This is an **increase** of one percentage point over the 2014 count, giving the Golden State the second largest year-over-year increase in the nation.

Homelessness among families in the CalWORKs program has increased dramatically. Los Angeles County alone saw homelessness in CalWORKs increase 149 percent between 2006 and 2013, while the CalWORKs caseload itself only grew by 15 percent during the same period. Even while the economy continues to recover from the Great Recession, homelessness among CalWORKs families remains persistent.

County human services agencies receive, on average, more than 4,000 requests for homeless assistance each month. While not all families who request assistance will meet HSP program criteria, this estimate is a useful proxy for unmet need throughout the state because it provides an estimate of the extent of homelessness in the CalWORKs program, not just within counties currently administering HSP. It is important to note that while HSP is operating in 44 counties, those counties have not received enough funding to serve all the homeless families potentially eligible for the program.

The high cost of housing in California contributes both to homelessness and poverty. The Public Policy Institute of California (2013) notes that "high living costs, particularly housing

costs, offset the resources [families] have available to make ends meet.” With the maximum aid payment for a family of three at a mere 45 percent of the federal poverty level, and the fair market rent for a two-bedroom apartment at \$1,386 per month, it is clear that poor families face incredibly large hurdles to self-sufficiency in California.

The goals of CalWORKs are to reduce poverty, increase employment and self-sufficiency, and improve the well-being of children. Housing instability undermines each of these goals. However the need is quantified, it is clear that homelessness is a critical concern of families in the CalWORKs program. The HSP is a proven and successful solution to the problem of family homelessness, and increased funding is a cost-effective means for expanding its reach to an additional 1,900 families, providing a safe and stable home to over 3,800 more children in 2016-17. We respectfully request your consideration of a \$15 million expansion to the CalWORKs Housing Support Program, and we thank you for your continued commitment to the children and families of California.

cc: Jennifer Troia, Office of the Senate President Pro Tempore
Craig Cornett, Office of the Senate President Pro Tempore
Theresa Pena, Senate Budget Subcommittee No. 3
Chantele Denny, Senate Republican Fiscal
Luan Huynh, Office of Senator Holly Mitchell
Will Lightbourne, Department of Social Services
Robert Smith, Department of Social Services
Michael Wilkening, Health and Human Services Agency
Matt Paulin, Department of Finance
Jay Kapoor, Department of Finance
Mark Newton, Legislative Analyst’s Office
Ginni Bella Navarre, Legislative Analyst’s Office
Ryan Woolsey, Legislative Analyst’s Office
Farrah McDaid-Ting, California State Association of Counties
County Caucus