



September 1, 2022

Dear Members of the California Interagency Council on Homelessness:

We are pleased to share that the enacted California State Budget for fiscal year 2022-2023 (FY 22-23) places a continued emphasis on the need to address the housing and homelessness crisis in our state. Additional funding made available through the FY 22-23 budget, combined with funding approved through last year's budget, provides a total housing package of \$11.2 billion and a total homelessness package of \$10.2 billion.

This FY 22-23 budget includes continued investments in Cal ICH's Homeless Housing, Assistance and Prevention (HHAP) Program, Encampment Resolution Funding (ERF) Program, as well as significant investments in programs across our Council member departments and agencies, including resources to increase the availability of affordable housing, and create connections with crucial health care services. Highlights from these investments are provided below. For the full budget, please visit the [Enacted fiscal year 2022-23 budget](#).

Homelessness and Housing Investments by Agency/Department

Business, Consumer Services and Housing Agency

California Interagency Council on Homelessness (Cal ICH)

- \$1 billion for local governments to address homelessness through the **Homeless Housing, Assistance and Prevention Program (HHAP)**. These funds will support local communities through a broad range of flexible uses, including street outreach, interim housing, rapid rehousing, hotel and motel conversions, and permanent supportive housing.
- \$700 million for **Encampment Resolution Funding (ERF)** to support collaborative, innovative efforts to resolve encampment issues, and connect people experiencing unsheltered homelessness to supportive services and housing. The funds are one-time and provided over two fiscal years, with \$300 million appropriated in FY 22-23 and \$400 million in FY 23-24. Notably, the FY 22-23 funds will prioritize \$150 million for assisting persons living in encampments located on state right-of-ways.

Existing Cal ICH FY 22-23 allocations from the 2021-22 Budget Act:

- \$600,000 for the Homelessness Landscape Assessment
- \$1 billion for the Homeless Housing, Assistance, and Prevention Program

California Department of Housing and Community Development (HCD)

- \$150 million for **Homekey 2.0** to facilitate more than 10,000 new units of housing for Californians experiencing homelessness.

- \$100 million for the **Veterans Housing and Homeless Prevention** program to provide long-term loans for the acquisition, construction, rehabilitation, and preservation of affordable multifamily housing for veterans and their families.
- \$100 million for **State Excess Sites** to expand affordable housing development and adaptive reuse opportunities on state excess land sites.
- \$150 million for the Portfolio Reinvestment Program to further preserve targeted units in downtown-oriented areas.
- \$250 million for the **Accelerator Program** for affordable housing projects that are awaiting awards from the California Tax Credit Allocation Committee or the Debt Limit Allocation Committee.
- \$450 million for **Adaptive Reuse** to convert existing commercial or office spaces to affordable housing.
- \$425 million for the **Infill Infrastructure Grant** program to fund infrastructure for affordable housing in downtown-oriented areas.
- \$325 million for the **Multifamily Housing Program** for new construction, rehabilitation, and preservation of permanent and transitional rental housing for lower-income households.
- \$100 million for the **Manufactured Housing Opportunity and Revitalization Program** to finance the preservation and development of affordable mobilehome parks.
- \$34 million for the **Transitional Housing and Housing Navigators Program** to provide transitional housing and services to youth who were formerly in the foster system or on probation.

Existing HCD FY 22-23 allocations from the 2021 Budget Act:

- \$1.3 billion for continued Homekey acquisitions
- \$43 million for federally funded programs for homelessness, such as the Emergency Solutions Grant
- \$5 million for Foster Youth Housing Navigators
- \$17 million for the Transitional Housing Program

Health and Human Services Agency

California Department of Health Care Services (DHCS)

- \$3.1 billion to continue implementation of **CalAIM**, which will allow for opportunities including an incentive for building an integrated, long-term services and supports program and the necessary clinically linked housing continuum for our homeless population.
- \$1.5 billion over two years for the **Behavioral Health Bridge Housing Program** to provide additional housing and treatment supports to those with complex behavioral health needs.
- \$1.4 billion over five years for the **Medi-Cal Community-Based Mobile Crisis Intervention Services** to add qualifying community-based mobile crisis intervention services no sooner than January 1, 2023 as a Medi-Cal covered benefit through the Medi-Cal behavioral health delivery system.
- \$644.2 million for the **Housing and Homelessness Incentive Program (HHIP)**. HHIP is a voluntary incentive program that will enable Medi-Cal managed care plans to earn incentive funds for making progress in addressing homelessness and housing insecurity as social determinants of health.

Existing DHCS FY 22-23 allocations from the 2021 Budget Act:

- \$1.7 billion for the Behavioral Health Continuum Infrastructure Program

California Department of Rehabilitation (DOR)

- \$10 million one-time funding available through June 30, 2025, for the **Community Living Fund**. The program will provide transition or diversion services to individuals to support community-based living, which enables older adults and people with disabilities to access funding to move from an institutional setting to the community or to support individuals at risk of going into an institution to remain in their community.
- \$4 million one-time funding from the from the Department of Health Care Access and Information to develop the **Integrated Employment in Recovery (IER) Program**. IER is a pilot that will run through June 30, 2025. DOR will form a team to provide training to the provider workforce on evidence-based practices to serve housed and un-housed individuals with substance use disorders related to opioid use that can be incorporated as a part of holistic recovery.

California Department of State Hospitals (DSH)

- \$100 million for **Los Angeles County Justice-Involved Population Services and Supports** to support and expand access to treatment for individuals with behavioral health disorders and charged with a misdemeanor and incompetent to stand trial.
- \$535.5 million one-time over four years in 2022-23 for solutions focusing on early stabilization, community care coordination, expanding diversion, and community-based restoration capacity for the **Incompetent to Stand Trial (IST) population**. This proposal will establish 5,000 beds over four years to support felony ISTs. Funding will be increased to \$638 million General Fund per year in 2025-26 and ongoing.

Existing DSH FY 22-23 allocations from the 2021 Budget Act:

- \$88.5 million for acute bed capacity expansion

California Department of Social Services (DSS)

- \$55 million one-time for operating subsidy reserves for existing adult and senior residential care facilities as part of the **Community Care Expansion** program.

DSS appropriations in the FY 22-23 Governor's Budget (in addition to funding appropriated in 2021 Budget Act), with funding available over multiple years:

- \$190 million for the CalWORKs Housing Support Program*
- \$150 million for the Housing and Disability Advocacy Program*
- \$92.5 million for the Bringing Families Home Program
- \$92.5 million for the Home Safe Program

DSS funding available over multiple years, including FY 22-23, from the 2021 Budget Act:

- \$805 million for the [Community Care Expansion Program](#)
- \$190 million for [CalWORKs Housing Support Program](#)*
- \$150 million for [Housing and Disability Advocacy Program](#)*
- \$92.5 million for the [Bringing Families Home Program](#)
- \$92.5 million for the [Home Safe Program](#)

**Additional annual, ongoing DSS appropriations:*

- \$95 million for the CalWORKs Housing Support Program
- \$25 million for the Housing and Disability Advocacy Program (requires local dollar-for-dollar match)

California Department of Corrections and Rehabilitation (CDCR)

- \$10.6 million to continue the **Returning Home Well Program** to provide transitional housing to individuals who are at-risk of being unhoused at the time of their release and supports successful community reintegration.

Higher Education

California Community Colleges (CCC)

- \$ 20 million from Prop 98 General Fund to increase funds available for community colleges **Hunger and Homelessness Initiative**. Of the \$20 million, \$10 million will be available for rapid rehousing programs.

CCC, UC, CSU

- \$200 million additional across the California Community College, University of California (UC), and California State University (CSU) systems, bringing the total investment for the **Higher Education Student Housing Grant** to \$2.2 billion for the construction of student housing across different institutions.
- \$1.4 billion one-time funding for **construction grants** for specified projects. Of this amount: \$389 million is provided for UC projects, \$487.9 million is provided for CSU projects, and \$542.1 million is provided for CCC projects, and \$9.1 million is provided for an intersegmental project.

Existing Higher Education FY 22-23 allocations from the 2021 Budget Act:

California Community Colleges (CCC)

- \$30 million for California Community Colleges Basic Needs Center Funding
- \$9 million for California Community Colleges Student Rapid Rehousing Program

California State University (CSU)

- \$15 million for California State University Basic Needs Funding
- \$6.5 million for California State University Student Rapid Rehousing

University of the California (UC)

- \$15 million for University of California Basic Needs Funding
- \$3.5 million for University of California Student Rapid Rehousing

California State Transportation Agency

California Department of Transportation (Caltrans)

- \$100 million additional funding for the **Clean California Local Grants**. The Clean California program intends to beautify California's roadsides across all 58 counties. Clean California Grants will fund cities, counties, tribes, and transit agencies to clean local streets and public spaces. Notably, the program will create an estimated 4,000 employment positions for Californians who have experienced barriers to employment such as homelessness, addiction, and incarceration. Learn more about the program by visiting [Clean California](#).

Existing Caltrans FY 22-23 allocations from the 2021 Budget Act:

- \$2.7 million for Encampment Relocation Coordinators and Homeless Services Liaisons
- \$25 million for Clean California
- \$20.6 million for Hazardous Material Removal at Encampments

California Tax Credit Allocation Committee (TCAC)

- \$500 million in **state low-income housing tax credits** appropriated in FY 22-23.

Governor's Office of Emergency Services (CalOES)

Existing FY 22-23 allocations from the 2021 Budget Act:

- \$1 million for various homeless youth programs
- \$600,000 for the Youth Emergency Telephone Network

CARE Court (Funding Across Various Entities)

- \$64.7 million General Fund in 2022-23 and roughly \$49 million General Fund ongoing for the **Community Assistance, Recovery, and Empowerment (CARE) Court** which includes funding for the Department of Health Care Services for technical assistance, data, and evaluation and the Judicial Branch to conduct CARE court hearings and provide resources for self-help centers. This funding is contingent on adoption of statutory changes and the Administration continues to work with Judicial Council and counties to estimate costs associated with this new court process.

These state investments move forward our shared work to prevent and end homelessness in California. The California Interagency Council on Homelessness will continue to monitor these investments and coordinate with Departments as these investments are implemented. This state budget provides the critical funding that is needed to expand and improve efforts to ensure homelessness in California is rare, brief, and a one-time experience. A full summary of the state's FY 22-23 budget is available online at ebudget.ca.gov.

In partnership,



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