

REPORT OF THE CHIEF LEGISLATIVE ANALYST

DATE: May 19, 2023

TO: Honorable Members of the Rules, Elections, and Intergovernmental Relations Committee

FROM: Sharon M. Tso *ST*
Chief Legislative Analyst

Council File No.	23-0002-S51
Assignment No.	23-05-0252

SUBJECT: Resolution (Yaroslavsky – Raman) to support AB 963 (Schiavo), the End the Foster Care-to-Homelessness Pipeline Act.

CLA RECOMMENDATION: Adopt the attached Resolution (Yaroslavsky – Raman) to include in the 2023-2024 State Legislative Program support for AB 963 (Schiavo), the End the Foster Care-to-Homelessness Pipeline Act, which would require the California Infrastructure and Economic Development Bank (IBank) to guarantee qualified loans for the construction, acquisition, and renovation for housing for current or former foster youth who are 18 to 25 years of age.

SUMMARY

Resolution (Yaroslavsky – Raman), introduced April 12, 2023, states that, in a recent survey, one quarter of former foster youth experienced homelessness in California between the ages 21-23, with an additional 28 percent reporting that they had “couch surfed.” The Resolution further reports that 35 percent of unsheltered adults identified in the 2022 Greater Los Angeles Homeless Count, a total of 15,612 individuals, had been through either the foster care or juvenile justice systems. The Resolution argues that youth who have experienced foster care have insufficient housing opportunities, and that the State has a responsibility to create more housing for young people in and exiting the foster care system. The Resolution notes that AB 963 would require IBank to establish programs to guarantee qualified loans for construction of housing for current or former foster youth, provide guidance for prioritizing loan guarantees, outline the extent to which the State guarantees loan reimbursement in the event of default, and allow IBank to adopt regulations to administer the program.

The Resolution therefore recommends the City’s support for AB 963, the End the Foster Care-to-Homelessness Pipeline Act.

BACKGROUND

The United States Department of Housing and Urban Development reports that, of the results of the 2022 Point-in-Time count nationally, California had the largest number of unaccompanied youth at 9,590 people, which accounts for more than a third of all unaccompanied youth nationally. California also accounted for 52 percent (6,752 people) of all unsheltered unaccompanied youth. Current California law authorizes foster care benefits for certain eligible youth past 18 until the age of 21. However, youth who age out of the foster care system are at

high risk of becoming homeless. A 2013 study published in the Journal of Public Health found that between 31 percent and 46 percent of former foster youth had been homeless at least once by age 26.

There are many housing programs available to youth as they transition out of foster care:

- The Housing Navigation and Maintenance Program was established in 2019 to help young adults 18 to 21 years of age secure and maintain housing, with priority given to current or former foster youth. In 2022, the upper age limit was expanded to 25 years. The program is administered by the State and was designed to equip counties with funding to provide the required supportive services.
- The Transitional Housing Placement program was established in 2019 and allocated grant funds to counties for child welfare service agencies to help young adults 18 to 25 years old find and maintain housing.
- The Transitional Housing Placement Program for Non-Minor Dependents program was established in 2010 and provides 18 to 21 year olds with transitional and supportive housing, with a specific aim to help youth meet education goals, obtain gainful employment, and learn financial management and other daily living skills. To qualify, the youth must be actively pursuing the goals of a transitional independent living plan, which is formulated in conjunction with their case worker.
- The Transitional Housing Program Plus provides housing for former foster youth between the ages of 18 and 24 who exited foster care on or after their 18th birthday. Qualifying youth can receive housing and services for 24 cumulative months up until they reach the age of 24. To qualify, the youth must be actively pursuing the goals of a transitional independent living plan, which is formulated in conjunction with their case worker.
- The Supervised Independent Living Placements (SILP) program provides young adults in extended foster care the option of living in SILP housing, which allows the youth to live independently while still receiving the support and services extended foster care provides. Youth must be approved to live in SILP housing by undergoing a SILP Readiness Assessment that evaluates the youth's preparedness to live independently. A youth is then placed into an apartment, house, condominium, room and board arrangement, or college dorm, either alone or with an approved roommate, while still under the supervision of their case manager.

These programs do not address the lack of available affordable housing in the State. A 2021 report by John Burton Advocates for Youth states that 1,249 youth in need of supportive housing are unable to access it due to a lack of capacity. Additionally, the report states that as of June 30, 2021, 473 youth were on a waiting list for the Transitional Housing Program Plus.

This bill seeks to expand the number of affordable housing units available to former foster youth struggling with housing security by doing the following:

- Establish the End the Foster Care-to-Homelessness Pipeline program within IBank to guarantee qualified loans made by financial institutions to qualified nonprofit and for-profit businesses for the construction, acquisition, and renovation of housing for current and former foster youth between 18 and 25 years of age.
- Authorize IBank, in determining whether to guarantee a qualified loan, to give preference to counties with high housing inelasticity and high rates of foster youth.
- Authorize IBank to reimburse up to 80 percent of the guaranteed portion of principal and interest that result from a qualified loan that is in default, not to exceed \$250 million.


Support for AB 963 would be consistent with City efforts to address the ongoing homelessness crisis at a City and State level and support the provision of housing for a vulnerable population.

DEPARTMENTS NOTIFIED

Los Angeles Homeless Services Authority
Los Angeles Housing Department

BILL STATUS

02/14/23 - Introduced
03/30/23 - Amended
04/03/23 - Re-referred to Committee on Jobs, Economic Development, and the Economy
04/27/23 - Amended
05/01/23 - Re-referred to Committee on Appropriations



E. Travis Rust
Analyst

Attachments: Resolution (Yaroslavsky – Raman)

RESOLUTION

WHEREAS, any official position of the City of Los Angeles with respect to legislation, rules, regulations or policies, proposed to or pending before a local, state or federal governmental body or agency, must have first been adopted in the form of a Resolution by the City Council with the concurrence of the Mayor; and

WHEREAS, nearly 4,600 youth in California find themselves alone each year, despite efforts to ensure youth exit California's child welfare system to family and other permanent connections, according to the University of California, Berkeley's California Child Welfare Indicators Project; and

WHEREAS, in a recent survey of California foster youth, one quarter of former foster youth experienced homelessness in California between the ages 21-23, with an additional 28% reporting that they had "couch surfed; and

WHEREAS, 35% of unsheltered adults identified in the 2022 Greater Los Angeles Homeless Count, a total of 15,612 individuals, had experienced the foster care or juvenile justice systems; and

WHEREAS, in 2008, the U.S. Congress passed the Fostering Connections to Success and Increasing Adoptions Act (H.R. 693), which offered states matching federal Title IV-E entitlement dollars to extend foster care through the age of 21; and

WHEREAS, in 2010, the State of California passed the California Fostering Connections to Success Act (Chapter 229 of the Statutes of 2010) to extend foster care in the state, and has since drawn down many millions of dollars to support foster youth success; and

WHEREAS, alongside an array of transitional housing programs administered by the State Department of Social Services, youth who have experienced foster care have a network of housing opportunities, albeit frayed and insufficient to forestall the dire housing precarity they face; and

WHEREAS, the State has a deep responsibility to create more housing on a dramatic scale for young people in and exiting the foster care system; and

WHEREAS, Assemblymember Pilar Schiavo (D-Chatsworth) has introduced Assembly Bill (AB) 963, which is focused on funding affordable housing development for current and former foster youth; and

WHEREAS, AB 963 would require the California Infrastructure and Economic Development Bank (I-Bank) to establish programs to guarantee qualified loans for construction of housing for current or former foster youth; provide guidance for prioritizing loan guarantees; outline the extent to which the State guarantees loan reimbursement in the event of default; and allow the I-Bank to adopt regulations to administer the program; and

NOW, THEREFORE, BE IT RESOLVED, with the concurrence of the Mayor, that by adoption of this Resolution, the City of Los Angeles hereby includes in its 2023-24 State Legislative Program SUPPORT for Assembly Bill 963 (Schiavo), the End the Foster Care-to-Homelessness Pipeline Act.

PRESENTED BY:

Katy Yaroslavsky
KATY YAROSLAVSKY
 Councilwoman, 5th District

ORIGINAL

ed APR 12 2023

SECONDED BY:

Dustin Roman