

June 27, 2024

CHAIRPERSON Deborah Starkey

EXECUTIVE OFFICER
Jenny Bayardo

Gustavo Velasquez Director California Department of Housing and Community Development 2020 West El Camino Avenue Sacramento, CA 95833

RE: Recommendations regarding the Behavioral Health Infrastructure Bond Act (BHIBA)

Dear Mr. Velasquez:

On behalf of the California Behavioral Health Planning Council (CBHPC), we are reaching out to you once again to emphasize our request for inclusion in the development of relevant regulations and policies.

On April 26, 2024, CBHPC leadership met with members of your staff to share our concerns and recommendations for developing regulations related to the Behavioral Health Infrastructure Bond Act (BHIBA) under Proposition 1. CBHPC sent these recommendations to your staff in a <u>follow-up letter</u> dated May 7, 2024.

We feel it is vitally important to ensure that leadership at the Department of Housing and Community Development (HCD) is aware of our recommendations. Therefore, we are taking this opportunity to share the key points that we believe should be considered when drafting BHIBA regulations. They are:

- Adopt Behavioral Health Bridge Housing (BHBH) Program's Definition of Homelessness
- Adopt No Place Like Home (NPLH) Program's Definition of At-Risk of Chronic Homelessness for the Definition of Chronic Homelessness
- Broaden the Types of Housing Projects that Can be Funded.

We believe these recommendations will strengthen BHIBA to ensure all Californians are able to access and receive high quality services to lead full and purposeful lives.

We appreciate your attention to these important issues and value your role in this pivotal process. CBHPC is open to further discussions and is more than happy to arrange for additional meetings with you or your designated staff as needed to discuss our recommendations.

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MS 2706



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If you have any questions regarding this letter, please contact our Executive Officer, Jenny Bayardo, at (916) 750-3778 or Jenny.Bayardo@cbhpc.dhcs.ca.gov.

Sincerely,

Deborah Starkey Chairperson

CC: Michelle Baass, Director, DHCS
Lindsey Sin, Secretary, CalVet
Paula Wilhelm, Deputy Director, Behavioral Health, DHCS
Tim Lawless, Branch Chief, HCD

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Recommendation #1: Adopt Behavioral Health Bridge Housing (BHBH) Program's Definition of Homelessness

The Council is concerned that the federal definitions of homelessness and chronic homelessness set forth by the United States Department of Housing and Urban Development (HUD) through the Continuum of Care programs is too narrow. Adopting these definitions would exclude vulnerable populations in dire need of housing, especially those who have been residing in an institutional care facility or the incarceration system for more than 89 days and are exiting the facility or system.

Part of HUD's eligibility criteria sets an 89-day limit for stays in an institutional setting. This means that individuals incarcerated for more than this period are no longer considered "homeless" upon discharge even if they have no place to go. Additionally, this means that persons with serious mental illness are often released on to the streets from residential facilities for substance use or mental health treatment, jails, prisons, and both locked and unlocked mental health treatment programs as they are not considered homeless if they have been in one of these facilities more than 89 days under federal regulations. The implications of the federal definition are substantial, as it impacts individuals' eligibility for benefits and services, leaving them in a precarious position that would only perpetuate the cycle of homelessness. Paradoxically, it also provides a disincentive for homeless persons to enter into much needed residential treatment programs for mental health or substance use disorder (SUD) treatment as they fear losing their "homeless status," which provides an entry into many permanent housing programs.

Recently, the State of California has taken a commendable step by determining that eligibility criteria for homelessness under the Behavioral Health Bridge Housing (BHBH) program administered by the California Department of Health Care Services (DHCS) will match the criteria set under the California Advancing & Innovating Medi-Cal (CalAIM) Enhanced Care Management (EMC) program,² rather than the federal HUD criteria. BHBH's criteria now include individuals exiting institutions who have no place to go upon release, regardless of length of stay and homeless status prior to entry.

3 Additionally, the timeframe for an individual or family who will imminently

¹ Code of Federal Regulations. Title 24, sec. 578.3 Definitions. https://www.ecfr.gov/current/title-24/subtitle-B/chapter-V/subchapter-C/part-578/subpart-A/section-578.3

² CalAIM Enhanced Care Management Policy Guide. September 2023. Pgs. 11-12. <u>ECM Policy Guide Updated September 2023.pdf (ca.gov)</u>

³ DHCS BHBH Program Request for Application Round 3: County Behavioral Health Agencies. Pg. 10. https://bridgehousing.buildingcalhhs.com/wp-content/uploads/2024/01/BHBH Round 3 RFA 508 Corrected Dates final.pdf



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lose housing is extended from fourteen (14) days for individuals considered homeless under the current HUD definition to thirty (30) days.

Recommendation #2: Adopt No Place Like Home (NPLH) Program's Definition of At-Risk of Chronic Homelessness as the Chronic Homelessness Definition.

In addition, the Council strongly urges HCD to consider adopting NPLH's definition of at-risk of chronic homelessness to enhance the alignment and efficiency of our collective efforts to combat homelessness statewide. NPLH's definition similarly enlarged the definition to allow individuals who have been in treatment or institutional settings to qualify as "at risk of chronic homelessness" to access needed housing. Under this definition, the individual must have had a history of homelessness in the year prior to entering the institution. This is a viable way to include more at-risk individuals in housing limited to chronically homeless persons.

Under the NPLH program, ⁴ administered by HCD, the following definitions apply:

Applicant is "At Risk of Chronic Homelessness" Persons qualifying under this definition are persons who are at high-risk of long-term or intermittent homelessness- (Check one of the following qualifications)

- a. Persons, including Transition-Age Youth, who are exiting an institution or facility and prior to entering into one of the facilities or types of institutional care listed herein, had a history of being Homeless: a state hospital, hospital behavioral health unit, hospital emergency room, institute for mental disease, psychiatric health facility, mental health rehabilitation center, skilled nursing facility, developmental center, residential treatment program, residential care facility, community crisis center, board and care facility, prison, parole, jail or juvenile detention facility, or foster care.
- b. Transition-Age Youth experiencing homelessness or with significant barriers to housing stability, including, but not limited to, one or more evictions or episodes of homelessness, and a history

⁴ HCD No Place Like Home Program Round 3 Guidelines. October 2020. Pgs.1-2. https://www.hcd.ca.gov/grants-funding/active-funding/nplh/docs/nplh-2020-amended-guidelines-clean-version.pdf



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of foster care or involvement with the juvenile justice system; and others as set forth below.

NOTE: Having a history of being homeless means, at a minimum, one or more episodes of homelessness in the 12 months prior to entering one of the facilities or types of institutional care listed herein. There is no limitation on the length of stay in the institution. Although persons exiting an institution must have a history of homelessness in the 12 months prior to entering the institution, this criterion can be satisfied if, in the 12 months prior to entry into any of the facilities or types of institutional care listed above, have resided at least once in any kind of publicly or privately operated temporary housing, including congregate shelters, transitional, interim, or bridge housing, or hotels or motels.

Recommendation #3: Broaden the Types of Housing Projects that Can be Funded

Considering that a portion of BHIBA funding (\$1.972 billion) is set to be directed towards Project Homekey, the Council is concerned that smaller rural counties, which may have limited or even no prospective motel or building acquisitions, might be overlooked in the distribution of these funds. In addition, counties must be given the opportunity to determine the best type of projects to meet housing needs, and Homekey is only one modal.

Although Project Homekey has made significant strides in addressing homelessness statewide, the Council firmly believes the inclusion of alternative housing options is essential in order to cater to the wide range of housing needs present across the state. To this end, the Council urges HCD to consider a broader range of housing project types, such as HCD's Multifamily Housing Program (MHP), which has proven capable of catering to the diverse and unique housing needs of all Californians, regardless of their location or economic status.

Unlike Project Homekey, which primarily focuses on the acquisition and conversion of motels and commercial buildings, MHP focuses on new construction of affordable rental units, making it a more viable option for smaller counties that do not have existing real estate available to convert.