

# Update: Federal and State Funding for Homelessness

Alex Visotzky  
Legislative Affairs Manager

Policy and Planning Committee  
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# Overview

- Economic Picture, Local Budget Impacts
- Federal Funding for Homelessness
  - CARES Act
  - Possible Future Stimulus
- State Funding for Homelessness
  - March 2020 Response
  - FY 20-21 Budget

# Economic Picture, Local Budget Impacts

## County of Los Angeles Unemployment

- 6.7% in March 2020
- 19.6% in April 2020

## County of Los Angeles

- FY 20-21 budget projected to be \$594 M lower than FY 19-20, 1.6% decrease

## City of Los Angeles Budget

- FY 20-21 budget projected to be \$230 M lower than FY 19-20, 2.2% decrease

# Federal Response: CARES Act

March 27, 2020: Coronavirus Aid, Relief, and Economic Security (CARES) Act

\$2.2 Trillion Relief Packaged Included:

- Unemployment benefits
- \$1,200 Stimulus Rebates
- Small Business Relief
- Flexible Local Government Funding
- Homelessness and Housing Related Funding

# CARES Act Homelessness

Program	Federal Allocation	Allocations – Los Angeles
Coronavirus Relief Funds	<b>\$150 B</b>	City: \$694 M
		County: \$1.1 B
ESG	<b>\$4 B</b>	City Tranche 1: \$16.7 M
		County Tranche 1: \$6.6 M
		City Tranche 2: \$167.4 M
		County Tranche 2: \$62.4 M
CDBG	<b>\$5 B</b>	City Tranche 1: \$32.0 M
		County Tranche 1: \$13.7 M

## Other Key Provisions:

- Funding for tenant- and project-based rental assistance
- Eviction moratorium on HUD-funded properties, mortgage forbearance

# Federal Response: HEROES Act

May 12, 2020: House passes Health and Economic Recovery Omnibus Emergency Solutions (HEROES) Act

\$3 Trillion Relief Packaged Included :

- Additional Stimulus Rebates
- Homelessness Funding
- \$100 Billion Rental Assistance Program

Potential next round of stimulus in July/August

# State Response to COVID-19

## March 18, 2020: SB 89 Emergency Funding

### \$150 M in Funding for Homelessness

- \$50 M for State to purchase trailers, hotel rooms
- \$100 M in COVID-19 Emergency Funds for local governments to respond

## Executive Order to allow HEAP/HHAP Flexibility

### \$100 M in COVID-19 Emergency Funds

- City of LA: \$19.3 M
- LA CoC: \$11.0 M
- County of LA: \$10.6 M

# State Budget

January 2020: Projected \$6 Billion surplus for FY 20-21

May 2020 Revise: Projected \$40 Billion deficit for FY 20-21

June 15<sup>th</sup> constitutional deadline to approve budget

Trailer bills with more details will follow

## Homelessness funding

- Gov's proposal: \$600 Million in Coronavirus Relief Funds in acquisition funding
- Legislature Response: \$550 Million in Coronavirus Relief Funds for acquisitions/master leasing, \$350 Million in General Funds for HHAP eligible uses
- Details still forthcoming on allocation methodology, final deal

# Next Steps and Questions

## Federal: Continue advocacy into summer 2020

- Local government funding
- Homelessness funding (ESG, Prevention, HCVs)

## State: Continue advocacy on homelessness funding

- Trailer bill
- Supplemental budget deliberations in August
- Ongoing source for 2022 ballot and beyond

## Questions