

CSAC EXECUTIVE COMMITTEE

BRIEFING MATERIALS

Thursday, June 29, 2023

12:00 p.m. - 12:30 p.m.



Zoom: <https://us02web.zoom.us/j/81872004920?pwd=andMeFVhT0FrLzJ2Z3dYb2JHl1BXUT09>

Conference Line: (669) 900-6833 | Meeting ID: 818 7200 4920 | Password: 256745

California State
Association of Counties



CALIFORNIA STATE ASSOCIATION OF COUNTIES
SPECIAL EXECUTIVE COMMITTEE MEETING
Thursday, June 29 | 12:00pm – 12:30pm

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AGENDA

Presiding: Chuck Washington, President

THURSDAY, JUNE 29

- 12:00 PM **PROCEDURAL ITEMS**
- 1. Roll Call *Page 1*
- 12:05 PM **ACTION ITEMS**
- 2. Appointment of CSAC's Western Interstate Region (WIR) Board of Directors Representative *Page 2*
 - *Chuck Washington, President | Riverside County*
- 12:15 PM **DISCUSSION ITEMS** *Pages 3 - 9*
- 3. AT HOME Update
 - *Graham Knaus, CEO*
 - *Jacqueline Wong-Hernandez, Chief Policy Officer*
 - 4. Budget Update *Page 10*
 - *Graham Knaus, CEO*
 - *Jacqueline Wong-Hernandez, Chief Policy Officer*
 - 5. Open/Other Issues
- 12:30 PM **ADJOURN**

If requested, this agenda will be made available in appropriate alternative formats to persons with a disability. Please contact Korina Jones kjones@counties.org or (916) 327-7500 if you require modification or accommodation in order to participate in the meeting.



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Riverside County

1st Vice President

Bruce Gibson
San Luis Obispo County

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Jeff Griffiths
Inyo County

Past President

Ed Valenzuela
Siskiyou County



CEO

Graham Knaus

CALIFORNIA STATE ASSOCIATION OF COUNTIES
EXECUTIVE COMMITTEE
2023

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2 ND VICE PRESIDENT:	Jeff Griffiths,	Inyo County
IMMEDIATE PAST PRESIDENT:	Ed Valenzuela,	Siskiyou County

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Keith Carson, Alameda County
Susan Ellenberg, Santa Clara County
John Gioia, Contra Costa County
Buddy Mendes, Fresno County
Nora Vargas, San Diego County
Kelly Long, Ventura County (alternate)

SUBURBAN CAUCUS

Luis Alejo, Monterey County
Bonnie Gore, Placer County
Erin Hannigan, Solano County
Scott Silveira, Merced County (alternate)

RURAL CAUCUS

Kent Boes, Colusa County
Ned Coe, Modoc County
Heidi Hall, Nevada County (alternate)

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ADVISORS

Rita Neal, County Counsel, San Luis Obispo County
Wendy Tyler, CACE President, Colusa County



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EXECUTIVE DIRECTOR

Graham Knaus

June 29, 2023

TO: CSAC Executive Committee

FROM: Chuck Washington, President | Riverside County
Bruce Gibson, 1st Vice President | San Luis Obispo County
Jeff Griffiths, 2nd Vice President | Inyo County
Ed Valenzuela, Immediate Past President | Siskiyou County

SUBJECT: **Appointment of CSAC’s NACo Western Interstate Region (WIR) Board of Directors Representative**

Each January, the CSAC Executive Committee considers appointments as recommended by the CSAC President and Officers. The appointments include a County Supervisor to serve on the Western Interstate Region (WIR) Board of Directors. For 2023, Mono County Supervisor John Peters was appointed to this seat. With Supervisor Peters’ recent election as WIR’s 2nd Vice President, the CSAC WIR Board seat is now vacant. The CSAC Officers are seeking interest to fill this vacancy prior to the [2023 NACo Annual Conference](#), which is occurring July 21-24 in Austin, Texas.

CSAC surveyed all County Supervisors to determine their interest and the following Supervisors responded:

- | | |
|------------------------|-----------------|
| Rex Bohn | Humboldt County |
| Jennifer Roeser | Inyo County |
| Gary Bridges | Lassen County |
| Josh Pedroza | Merced County |
| Ned Coe | Modoc County |
| Heidi Hall | Nevada County |
| Heidi Carpenter-Harris | Trinity County |

Recommendation: The Officers recommend appointing Nevada County Supervisor Heidi Hall as CSAC’s 2023 WIR Board of Directors Representative.



CSAC Statement on AB/SB 129 Homelessness Trailer Bill Language

For Immediate Release

June 27, 2023

Sacramento, CA - California is immersed in an unacceptable homelessness crisis that requires bold and urgent action. The budget trailer bills on homelessness funding (AB 129/SB 129) includes progress to bolster local collaboration and define roles and responsibilities for the Homeless Housing, Assistance and Prevention (HHAP) program, but it falls short of meeting the moment.

Counties applaud the inclusion of a collaborative framework and language requiring local governments to define some responsibilities as outlined in the **AT HOME** plan. Counties also appreciate the proposed \$1 billion in one-time funding for 2023-24, but the budget agreement fails to provide the multi-year funding commitment and program streamlining required to make measurable progress.

All levels of government simply cannot address this complex issue without ongoing funding to plan and support an effective system. No state, county or city model on any issue of priority to all Californians is successful without the state first developing a comprehensive system with clearly defined roles and responsibilities and funding it appropriately.

The CSAC **AT HOME** plan, which rests on a foundation of sustainable multi-year funding and clear accountability, is designed to change the course of homelessness in our communities. The budget trailer bill makes important progress toward this goal but the **AT HOME Coalition for Accountability** continues to call for the bold action and ongoing investment required from our state partners to assist all levels of government in addressing the humanitarian crisis of our time.

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Gavin Newsom has an aggressive new plan to fight California homelessness. It has fatal flaws

San Francisco Chronicle Editorial Board

June 24, 2023

In November, Gov. Gavin Newsom made an abrupt announcement that shocked the state's cities and counties: He would withhold \$1 billion in state homelessness funding because of local governments' "unacceptable" plans to collectively reduce homelessness by just 2% by 2024.

This drastic move was no doubt motivated in part by frustration. California has funneled more than \$20 billion into housing and homelessness programs since the 2018-19 fiscal year, and yet it had the largest increase in its homeless population of any other state from 2020 to 2022, with 172,000 people experiencing homelessness on any given night, according to federal data. California accounts for 30% of the country's homeless population and 50% of its unsheltered people, despite making up less than 12% of the total population.

With these poor results came a growing sense that cities and counties weren't spending their homelessness funds wisely, including accusations on social media that a "homeless industrial complex" of government-funded service providers was more interested in sustaining itself than meaningfully improving the lives of vulnerable populations.

Local governments, meanwhile, countered that the state had failed to provide an overarching vision or structure for combatting homelessness. In the absence of clearly articulated goals, it was unfair for Newsom to pull the rug out from under them.

"How do you have a state model where accountability is defined after the fact?" Graham Knaus, CEO of the California State Association of Counties, recently asked the Editorial Board. "We're chasing some mysterious target that may be changing at any moment."

Indeed, homelessness is a multilayered problem with a staggering number of complicating factors.

At its root, California homelessness is a housing problem. The state's decades-long failure to build enough homes — particularly affordable ones — has priced countless people out of the market, leaving them with nowhere to go but their vehicles or the streets. Working one or even two jobs isn't always enough to stay housed. And despite the constant refrain online that California's liberal permissiveness has made it a dumping ground for the social ills of the rest of the country, a recent UCSF Benioff

Homelessness and Housing Initiative study of homeless adults — the most comprehensive statewide survey in nearly three decades — found that 90% became homeless in California, and the primary reason was loss of income.

Homelessness is a problem of our own making.

Compounding that problem is decades of neglect and poor policymaking in the state’s mental health and substance abuse care systems, which has left us with a large population of people living on the streets who have little chance of escaping without significant public assistance. Mental illness and drug use aren’t the root causes of the state’s homelessness crisis, but they are its most visible and seemingly intractable component. Two-thirds of homeless people in the recent study reported current symptoms of mental illness, and almost one-third said they regularly used illicit drugs.

With cities, counties and local providers largely left to fend for themselves against these challenges, it’s no surprise they might head in different directions with different goals and different results.

And so, over the past several months, Newsom has moved more aggressively to take charge.

Two weeks after his surprise announcement, Newsom said he would release the funds to governments that pledged to take more “aggressive” action on homelessness, though it wasn’t clear what that meant. In March, Newsom revealed the updated plans’ collective goal: a 15% reduction in homelessness by 2024.

Days later, he unveiled a proposal to put a March 2024 ballot measure before voters that would require counties to use some existing tax revenue to house people with severe behavioral health needs and authorize a nearly \$5 billion bond to build mental health treatment facilities across the state for up to 10,000 people. State lawmakers must approve the plan by a two-thirds vote to put it on the ballot. Meanwhile, later this year, a pilot group of counties — including San Francisco — will begin implementing CARE Court, Newsom’s signature plan to compel more seriously mentally ill people into housing and treatment.

Jason Elliott, Newsom’s deputy chief of staff and homelessness czar, told the Editorial Board that local governments were clamoring for the state to set an “overarching strategy.” Elliott said the governor’s new proposals and programs clearly demonstrate that the administration’s top priority is reducing unsheltered homelessness, especially for those with severe mental health and substance use disorders.

These plans will define California’s homelessness efforts for years to come. However, Californians should be deeply concerned about their efficacy.

We agree with the governor that prioritizing the population with the most acute needs makes sense; the humanitarian crisis in California’s streets is unacceptable. Yet Newsom’s plans, as currently constituted, contain fatal flaws that likely will make them ineffective in ending street homelessness while drawing resources from other anti-homelessness efforts.

The state is rolling out so many ambitious new programs at the same time — including CalAIM, a multiyear overhaul of Medi-Cal, the state’s low-income health insurer that serves 1 in 3 residents — that it remains unclear how exactly they’ll interact with each other. Local governments, meanwhile, which are charged with implementing many of Newsom’s new programs, aren’t being given a whole lot more money to do so. And, even as the state prepares for a big buildout of behavioral health infrastructure to sustain CARE Court and Newsom’s ballot measure, it risks repeating the same mistakes that have exacerbated the devastating conditions on our streets: failing to take adequate steps to care for the hardest-to-treat population — mentally ill people with criminal records — and to ensure that people without private insurance can access long-term substance use disorder treatment.

A rival plan

To the Newsom administration’s credit, it has answered local governments’ call for a statewide strategy. But California still lacks a cohesive and coherent structure to effectively implement that vision. A 2021 state auditor report found that at least nine state agencies administer and oversee 41 different homelessness funding programs, but a statewide plan was nowhere to be found.

This dysfunction has consequences. Although California spent nearly \$10 billion providing homelessness services to more than 571,000 people from 2018 to 2021, fewer than half ended up housed, according to a February report from the state’s Interagency Council on Homelessness.

Meanwhile, governments at the local level are at odds on homelessness. Counties often accuse cities of failing to build enough shelters and housing, while cities often accuse counties of failing to provide adequate social services and behavioral health treatment.

Adding to the tension is the lack of ongoing money. Almost all of the \$20 billion the state has recently allocated for homelessness is temporary or one-time. A 2022 report from the nonpartisan Legislative Analyst’s Office found this approach to be unsustainable for local governments, and that long-term state funding and planning likely will be necessary to “meaningfully address homelessness.”

Enter a comprehensive blueprint from the California State Association of Counties to fight homelessness — one that in many ways rivals Newsom’s plans.

It calls on the state to require cities, counties and local continuums of care to create unified homeless plans that set specific regional goals and clearly designate which entities are responsible for what outcomes. To receive state homelessness funding, local governments would be required to submit these plans to the state for approval and to regularly consult with state authorities to demonstrate compliance. Goals would be tied to the amount of state funding handed out, so as to maintain realistic expectations.

The state, meanwhile, would provide ongoing money so that local governments can maintain programs and hire and retain experienced staff. Simultaneously, state and local governments would work together to integrate, improve and expand California’s siloed and often ineffectual data systems surrounding homelessness.

The counties' plan is a sensible one in many respects. But in a sign of how difficult it is to get everyone rowing in the same direction, the League of California Cities put forth a competing plan to earmark \$3 billion annually in homelessness funding for their own use.

"We are limping along in one-time installments," Carolyn Coleman, the league's executive director and CEO, told the Editorial Board.

Clearly, ongoing funding is necessary for any local government to develop a sustainable homeless strategy. But the state can't continue to hand out money without oversight. Collaboration, improved data-gathering and increased transparency, as laid out by the counties' plan, is essential. And, given homelessness' roots in the housing crisis, any additional money doled out by the state should be tied to local housing production — an idea laid out in a bill proposed by the Newsom administration, which would deny local governments homelessness funds if they don't have a state-approved "housing element."

This carrot-and-stick approach could prove instrumental in forcing NIMBY cities to build. Long after the deadline to submit plans to accommodate their share of the 2.5 million homes California needs by 2030, nearly 50% of jurisdictions still don't have an approved blueprint.

Tight money

The Newsom administration — dealing with an estimated \$31.5 billion budget deficit — has rebuffed local governments' call to establish a sustained stream of dedicated homelessness funding. Instead, Newsom is proposing to shuffle money from the Mental Health Services Act, a 1% income tax on millionaires that voters passed in 2004 to fund county mental health services.

Among other changes, Newsom wants to ask voters to amend the act by requiring counties to devote one-third, or about \$1 billion, of the money they receive annually from the tax to housing people with severe mental health conditions and/or substance abuse disorders who are experiencing or at risk of homelessness.

It's wise for the state to demand more accountability for counties' use of this mental health fund: A 2020 state audit of three counties, including San Francisco, found they had millions of dollars of unspent funds from the act's tax — on top of their reserves — that could have been used to help people with mental illness. But while the state's plan sounds good on paper, in reality, it's taking money "from our left pocket and putting it in our right pocket and calling it new money," Association of Counties CEO Knaus said, while simultaneously giving counties more responsibilities, such as administering CARE Court.

The Newsom administration disputed this in a statement to the Editorial Board, noting that "counties are already obligated to serve" the population that will use CARE Court and that it will help them intervene "before people in need of services end up in jail or the hospital."

Still, reshuffling Mental Health Services Act money could have unintended consequences. Some advocates worry that the state's sustained focus on a subset of homeless people could diminish services — such as early prevention and intervention behavioral health programs for children and youth — that

prevent people from becoming homeless in the first place, thus worsening the very crisis California is trying to alleviate.

With so many moving parts, it's difficult to discern what the net result will be. If the shift of mental health services money does end up resulting in fewer dollars for youth prevention programs, will that be offset by the \$4.4 billion California is pouring into building out a youth behavioral health system? Or maybe it won't, because most of that investment is one-time funding.

"What the administration is trying to do is align all of these different funding streams into a more coherent system that covers all parts of the continuum" of behavioral health care, Sacramento Mayor Darrell Steinberg, who as a state lawmaker authored the Mental Health Services Act, said at a recent news conference.

Yet it's a herculean task to keep up with the proliferation of new programs and try to understand how they're all going to interact with each other. Exhibit A: The administration's infrastructure plans.

More services needed

On top of Newsom's proposal to put a \$4.68 billion bond before voters to build mental health treatment facilities, the state is launching a \$1.5 billion Behavioral Health Bridge Housing program to "create and fund new clinically enhanced housing settings for people experiencing homelessness who have complex behavioral health conditions" and has invested an additional \$3 billion in other behavioral housing programs. Meanwhile, CalAIM, the overhaul of the state's Medi-Cal public insurance program, will cover up to six months of rent or temporary housing for people leaving institutional settings like prison who are at risk of homelessness.

But will housing materialize quickly enough to help the people these programs are intended to serve?

If history is any guide, most likely not. In 2018, California voters approved the No Place Like Home Act, which authorized \$2 billion for permanent supportive housing for mentally ill people experiencing or at risk of homelessness. The bond was anticipated to create nearly 8,000 assisted housing units. Yet as of August 2022, fewer than 500 units had been completed and occupied, according to the Legislative Analyst's Office. A key solution would be for the state to exempt new homelessness, mental health and substance abuse infrastructure from California Environmental Quality Act review, a tool often used by NIMBYs to halt development.

Newsom's pandemic-era Projects Roomkey and Homekey, which housed tens of thousands of homeless Californians in rapidly converted motels and hotels, proved that governments can quickly create units. But housing without sufficient services isn't a solution, as San Francisco demonstrates. A Chronicle investigation found that at least 166 people fatally overdosed in city-run dilapidated single-room-occupancy hotels in 2020 and 2021, and many former tenants returned to homelessness. And the city's pandemic shelter-in-place program resulted in millions of dollars of claims from hotel owners who said homeless residents damaged their property

Meanwhile, although California needs more mental health beds at all levels of care, open beds are currently going unused. According to a 2021 report from the nonpartisan think tank Rand Corp., more than two-thirds of California’s community residential facilities can’t place people with criminal records — particularly those with arson or sex offender convictions — and more than 50% of psychiatric facilities at all levels of care can’t place people with serious co-occurring conditions, such as dementia or a traumatic brain injury.

Given that 79% of homeless people surveyed in the recent UCSF Benioff study had been incarcerated at some point in their life — and 30% had been jailed during their current episode of homelessness — ensuring that newly built facilities accept people with criminal records is paramount. Otherwise, the state will expend billions of dollars and end up with the same result: the most acutely ill people having nowhere to go but the street.

Newsom’s office told the Editorial Board, “We expect a wide variety of types of facilities to be funded through this (ballot measure) and improve access for all — especially those with serious behavioral health issues and complex circumstances.”

What this will mean in practice, however, is unclear.

It also seems unlikely the new facilities alone will meaningfully improve substance use disorder treatment in California. A key problem facing addicted patients who lack private insurance: Medi-Cal covers only up to 90 days of treatment, in 30-day increments — although many people need much longer to enter lasting recovery. Newsom’s office acknowledged this limitation but said other funding sources don’t have the same requirements, and reforming the Mental Health Services Act will give “further flexibility to counties to address the rising number of Californians with (substance use disorder), including through longer-term residential treatment.

In Los Angeles, Mayor Karen Bass has proposed tapping into city funds to help pay for substance use disorder treatment beyond Medi-Cal’s 90-day limit. The state should seriously consider doing so, too. It should also ensure that newly built behavioral health facilities accept patients causing disproportionate bottlenecks in California’s existing system — mentally ill people with criminal records. And it should hold cities and counties to higher standards when it comes to resolving homelessness — including requiring them to work together on concrete, data-driven plans — and help them achieve those goals by providing ongoing funding they can count on.

Big plans to combat homelessness in California are underfoot. But no matter how much money is spent or how many facilities are built, if the underlying problems preventing people from getting the care and housing they need aren’t addressed, the crises on our streets will only grow worse.



IHSS Action Alert

June 25, 2023

CSAC is asking all counties to immediately weigh in with their state legislative delegation on a problematic In-Home Supportive Services (IHSS) proposal that was amended into a budget trailer bill yesterday. The human services trailer bill (AB 120/SB 120) contains a provision that would increase the existing IHSS collective bargaining penalty from a one-time seven percent of the county MOE amount to an ongoing ten percent of the county MOE amount. **CSAC strongly opposes this proposal and requests that county leaders call and text your state legislative delegation with the below talking points.** Additional background information on the IHSS collective bargaining penalty is found below the talking points.

- **Our county opposes the IHSS collective bargaining penalty included in the human services trailer bill (AB 120/SB 120) and asks for this language to be removed from the bill.**
- **This proposal was included with zero public input, no consultation with counties, and was not discussed at any budget hearings this year.**
- **Counties are making significant progress on collective bargaining and have made ongoing investments of hundreds of millions of dollars for permanent IHSS provider wage increases in the past several years.**
 - Add details about local agreement to increase provider wages in your county if applicable
- **This proposal unfairly punishes all counties including those counties that are consistently increasing IHSS provider wage increases.**
- **The ongoing ten percent penalty amount will allow every county to be leveraged into a \$1.00 wage increase.**
- **Many counties can't afford such an increase or can only do so by taking funding away from other safety net programs including social services, health, and behavioral health.**
- **If the state is interested in dictating the outcome of local bargaining, the state should assume responsibility for bargaining or provide funding for these mandated increases.**

[Linked here](#) is the county coalition opposition letter that was distributed this weekend contains further information. Thank you for your quick action on this important state budget issue. If you have any questions or need additional information, please contact Justin Garrett at jgarrett@counties.org.

Background on IHSS Penalty

The current IHSS collective bargaining Realignment withholding was enacted in 2021 as a one-time seven percent penalty and is now proposed to be increased to an ongoing ten percent penalty with this new language. A county would be subject to the withholding only if all of the following four conditions are met: (1) A county and provider union have completed the full IHSS mediation and factfinding process; (2) the factfinding panel has issued recommended settlement terms that are more favorable to the union; (3) the county has an expired IHSS collective bargaining agreement; and (4) the county and union have not reached an agreement within 90 days after the release of the factfinding recommendations.

The existing withholding is equivalent to seven percent of a county's 2020-21 IHSS MOE amount. The withholding occurs through a one-time adjustment to the county's Social Services Realignment base and is distributed as one-time general growth to the other subaccounts. The Social Services Realignment base is then restored by the amount of the withholding in the next fiscal year. Under this new language, the withholding would be ten percent of a county's IHSS MOE amount for the prior year. The withholding will then occur every year until a collective bargaining agreement is reached.