

The Florida Senate
BILL ANALYSIS AND FISCAL IMPACT STATEMENT

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

Prepared By: The Professional Staff of the Committee on Children, Families, and Elder Affairs

BILL: SB 1218

INTRODUCER: Senator Book

SUBJECT: Homelessness

DATE: March 15, 2019

REVISED: _____

| | ANALYST | STAFF DIRECTOR | REFERENCE | ACTION |
|----|---------|----------------|-----------|--------------------|
| 1. | Delia | Hendon | CF | Pre-meeting |
| 2. | | | AHS | |
| 3. | | | AP | |

I. Summary:

SB 1218 creates a dedicated revenue source for challenge grants provided to the State Office on Homelessness and local homeless continuums of care (CoC), which are dedicated to preventing and ending homelessness throughout the state. The bill also increases the amount of funds each CoC may receive annually through challenge grants.

The bill makes a number of changes to chapter 420, F.S., relating to homelessness, with the aim of bringing state law in line with corresponding federal statutes in order to eliminate outdated provisions and allow sources of federal funding matches to be accessed on an expedited basis.

The bill will likely have a fiscal impact on the state through the increased provision of funding for homelessness challenge grants, and has an effective date of July 1, 2019.

II. Present Situation:

Housing for Individuals with Lower Incomes

In 1986¹ the Legislature found that:

- Decent, safe, and sanitary housing for individuals of very low income, low income, and moderate income is a critical need in the state;
- New and rehabilitated housing must be provided at a cost affordable to such persons in order to alleviate this critical need;
- Special programs are needed to stimulate private enterprise to build and rehabilitate housing in order to help eradicate slum conditions and provide housing for very-low-income persons, low-income persons, and moderate-income persons as a matter of public purpose; and

¹ Chapter 86-192, Laws of Fla.

- Public-private partnerships are an essential means of bringing together resources to provide affordable housing.²

As a result of these findings, the Legislature determined that legislation was urgently needed to alleviate crucial problems related to housing shortages for individuals with very low,³ low⁴ and moderate⁵ incomes. In 1986, part VI of ch. 420, F.S., was titled as the “Florida Affordable Care Act of 1986”⁶ and programs and funding mechanisms were created over the years to help remedy low-income housing issues.

State Office on Homelessness

In 2001, the Legislature created the State Office on Homelessness within the Department of Children and Families (DCF) to serve as a central point of contact within state government on homelessness. The State Office on Homelessness is responsible for coordinating resources and programs across all levels of government, and with private providers that serve the homeless. It also manages targeted state grants to support the implementation of local homeless service continuum of care plans.⁷

Council on Homelessness

The inter-agency Council on Homelessness was also created in 2001. The 17-member council is charged with developing recommendations on how to reduce homelessness statewide and advising the State Office on Homelessness.⁸

Local Coalitions for the Homeless

DCF is required to establish local coalitions to plan, network, coordinate, and monitor the delivery of services to the homeless.⁹ Groups and organizations provided the opportunity to participate in such coalitions include:

- Organizations and agencies providing mental health and substance abuse services;
- County health departments and community health centers;

² Section 420.6015, F.S.

³ “Very-low-income persons” means one or more persons or a family, the total annual adjusted gross household income of which does not exceed 50 percent of the median annual adjusted gross income for households within the state, or 50 percent of the median annual adjusted gross income for households within the metropolitan statistical area (MSA) or within the county in which the person or family resides, whichever is greater.

⁴ “Low-income persons” means one or more persons or a family, the total annual adjusted gross household income of which does not exceed 80 percent of the median annual adjusted gross income for households within the state, or 80 percent of the median annual adjusted gross income for households within the metropolitan statistical area (MSA) or within the county in which the person or family resides, whichever is greater.

⁵ “Moderate-income persons” means one or more persons or a family, the total annual adjusted gross household income of which is less than 120 percent of the median annual adjusted gross income for households within the state, or 120 percent of the median annual adjusted gross income for households within the metropolitan statistical area (MSA) or within the county in which the household is located, whichever is greater.

⁶ Chapter 86-192, Laws of Fla., Part VI, was subsequently renamed the “Affordable Housing Planning and Community Assistance Act.” Chapter 92-317, Laws of Fla.

⁷ Section 420.622(1), F.S.

⁸ *Id.*

⁹ Section 420.623, F.S.

- Organizations and agencies providing food, shelter, or other services targeted to the homeless;
- Local law enforcement agencies;
- Local workforce development boards;
- County and municipal governments;
- Local public housing authorities;
- Local school districts;
- Local organizations and agencies serving specific subgroups of the homeless population such as veterans, victims of domestic violence, persons with HIV/AIDS, and runaway youth; and
- Local community-based care alliances.¹⁰

Continuum of Care

A local coalition serves as the lead agency for the local homeless assistance continuum of care.¹¹ A local CoC is a framework for a comprehensive and seamless array of emergency, transitional, and permanent housing, and services to address the various needs of the homeless and those at risk of homelessness.¹² The purpose of a CoC is to help communities or regions envision, plan, and implement comprehensive and long-term solutions.¹³

DCF interacts with the state's 28 CoCs through the State Office on Homelessness, which serves as the state's central point of contact on homelessness. The State Office on Homelessness has designated local entities to serve as lead agencies for local planning efforts to create homeless assistance CoC systems. The State Office on Homelessness has made these designations in consultation with the local homeless coalitions and the Florida offices of the federal Department of Housing and Urban Development (HUD).

The CoC planning effort is an ongoing process that addresses all subpopulations of the homeless. The development of a local CoC plan is a prerequisite to applying for federal housing grants through HUD. The plan also makes the community eligible to compete for the state's Challenge Grants and Homeless Housing Assistance Grants.¹⁴

Challenge Grants

The State Office on Homelessness is authorized to accept and administer moneys appropriated to it to provide Challenge Grants annually to designated lead agencies of homeless assistance CoCs.¹⁵ The State Office on Homelessness may award grants in an amount of up to \$500,000 per lead agency.¹⁶ A lead agency may spend a maximum of 8 percent of its funding on administrative costs. To qualify for the grant, a lead agency must develop and implement a local

¹⁰ *Id.*

¹¹ *Id.*

¹² Section 420.624, F.S.

¹³ *Id.*

¹⁴ Florida Department of Children and Families, *Lead Agencies*, available at: <http://www.myflfamilies.com/service-programs/homelessness/lead-agencies> (last visited March 15, 2019).

¹⁵ "Section 420.621(1), F.S., defines "Continuum of Care" to mean the community components needed to organize and deliver housing and services to meet the specific needs of people who are homeless as they move to stable housing and maximum self-sufficiency. It includes action steps to end homelessness and prevent a return to homelessness."

¹⁶ Section 420.622, F.S.

homeless assistance continuum of care plan for its designated area.¹⁷ There is no dedicated revenue for these grants which in the past have been funded by the Sadowski State and Local Housing Trust Funds, general revenue, and state trust funds.

Pursuant to s. 420.624, F.S., the DCF provides funding for local homeless assistance CoC, which is a framework for providing an array of emergency, transitional, and permanent housing, and services to address the various needs of homeless persons and persons at risk of becoming homeless.

In 2017, the Collier homeless coalition used the challenge grant to help the Shelter for Abused Women & Children with staffing of two case managers who work in outreach and transitional housing, and the remainder of the funds provided emergency rental or utility assistance to nearly 89 adults and 129 children.¹⁸ The Volusia/Flagler coalition have utilized challenge grant funding to help lower-income residents pay rent following job losses, car accidents, and other costly expenses.¹⁹ The Tampa-Hillsborough Homeless Initiative has used challenge grant money to establish a financial incentive program for developers, landlords, and property owners which has been successful at reducing levels of homelessness throughout Hillsborough County.²⁰

Rapid ReHousing

Rapid ReHousing is a model for providing housing for individuals and families who are homeless. The model places a priority on moving a family or individual experiencing homelessness into permanent housing as quickly as possible, hopefully within 30 days of a client becoming homeless and entering a program. While originally focused primarily on people experiencing homelessness due to short-term financial crises, programs across the country have begun to assist individuals and families who are traditionally perceived as more difficult to serve. This includes people with limited or no income, survivors of domestic violence, and those with substance abuse issues. Although the duration of financial assistance may vary, many programs find that, on average, 4 to 6 months of financial assistance is sufficient to stably re-house a household.²¹

Since federal funding for rapid re-housing first became available in 2008, a number of communities, including Palm Beach County, Florida, that prioritized rapid re-housing as a response to homelessness have seen decreases in the amount of time that households spend homeless, less recidivism, and improved permanent housing outcomes relative to other available interventions.²²

¹⁷ *Id.*

¹⁸ <https://www.news-press.com/story/news/2018/07/04/gov-rick-scott-acts-resolve-homeless-grant-funding-southwest-florida-agencies/757846002/> (last visited March 15, 2019).

¹⁹ <https://www.gainesville.com/news/20180703/state-moves-to-fund-homeless-programs> (last visited March 15, 2019).

²⁰ The University of Tampa, *Cypress Landing Cost-Benefit Analysis Report*, (2015). On file with the Senate Children, Families, and Elder Affairs Committee.

²¹ National Alliance to End Homelessness, *Rapid Re-Housing: A History and Core Components*, (2014), available at: <http://www.endhomelessness.org/library/entry/rapid-re-housing-a-history-and-core-components> (last visited March 15, 2019).

²² *Id.*

There are three core components of rapid re-housing: housing identification, rent and move-in assistance (financial), and rapid re-housing case management and services. While all three components are present and available in effective rapid re-housing programs, there are instances where the components are provided by different entities or agencies, or where a household does not utilize all three.²³ A key element of rapid re-housing is the “Housing First” philosophy, which offers housing without preconditions such as employment, income, lack of a criminal background, or sobriety. If issues such as these need to be addressed, the household can address them most effectively once they are in housing.²⁴

III. Effect of Proposed Changes:

Section 1 amends s. 201.15, F.S., requiring that \$10 million of all document stamp tax money collected annually by the state be dedicated to funding the Grants and Donations Trust Fund for the challenge grant program within DCF.

Section 2 amends s. 420.621, F.S., modifying the definition of ‘continuum of care’ to mean a group organized to carry out responsibilities imposed under ch. 420, F.S., to coordinate, plan, and pursue ending homelessness in a designated catchment area. The bill provides that a CoC should be comprised of local community organizations to the extent that they are represented within the catchment area and available to participate.

The bill defines ‘continuum of care lead agency’ or ‘continuum of care collaborative applicant’ as the organization designated by a CoC pursuant to s. 420.6225, F.S.

The bill also redefines ‘homeless’ to mean either:

- an individual or family who lacks a fixed, regular, and adequate nighttime residence as defined under ‘homeless’ in federal statute;
- an individual or family who will immediately lose their primary nighttime residence as defined under ‘homeless’ in federal statute; or
- additional populations as may be defined by the Florida Housing Finance Corporation (FHFC).

Section 3 amends s. 420.622, F.S., adding one member of the FHFC and the Secretary of the Department of Elder Affairs, or his or her designee, to the Council on Homelessness. The bill provides that members of the council are encouraged to have experience in the administration or provision of resources, services, or housing that addresses the needs of persons experiencing homelessness.

The bill replaces the term ‘regionally developed plans’ with the term ‘local continuum of care plans’ to bring state statute in line with federal law. The bill also requires the State Office on Homelessness to collect, maintain, and make available information concerning persons who are homeless, including summary demographics information drawn from the local continuum of care

²³ *Id.*

²⁴ The Florida Legislature expressed the intent to encourage homeless continuums of care to adopt the Housing First approach to ending homelessness for individuals and families in 2009. See s. 420.6275, F.S.

Housing Inventory Chart required by HUD. The bill replaces all instances of the term ‘local homeless continuum of care’ and ‘local homeless assistance coalition’ with ‘continuum of care.’

The bill also revises the goals of the State Office on Homelessness to promote a federal policy agenda that is responsive to the needs of those who are homeless or at risk of homelessness, rather than only the current homeless population. The bill modifies policy objectives to reflect an emphasis on ending homelessness in the state, as opposed to meeting the needs of the homeless.

The bill increases the amount of funds available to each CoC for challenge grants from \$500,000 to \$750,000 per continuum of care lead agency, and requires each CoC lead agency to document the commitment of local government or private organizations to provide matching funds or in-kind support in an amount equal to 25 percent of the grant requested.

Section 4 creates s. 420.6225, to provide that the purpose of a CoC is to coordinate community efforts to prevent and end homelessness in its catchment area. The bill requires each CoC to designate a collaborative applicant that is responsible for submitting a CoC funding application for the designated catchment area to HUD. The bill provides that the collaborative applicant shall serve as the point of contact to the State Office on Homelessness. The bill also requires CoC catchment areas to be designated and revised as necessary by the State Office on Homelessness, and the catchment areas must be consistent with the CoC catchment areas recognized by HUD. The bill provides that the State Office on Homelessness shall recognize only one CoC lead agency for each catchment area.

The bill requires each CoC to create a ‘continuum of care plan,’ which must include outreach to unsheltered individuals and families, a coordinated entry system for services, identification of emergency shelters, identification of permanent supportive housing, rapid rehousing, and an ongoing planning mechanism to homelessness for all subpopulations of persons experiencing homelessness.

The bill also requires CoCs to promote participation by all interested individuals and organizations and may not exclude anyone on the basis of race, color, national origin, sex, handicap, familial status, or religion. The bill also provides for coordination of these individuals and organizations, to the extent possible, with other mainstream health and social services.

Section 5 creates s. 420.6227, F.S., to create a new version of the grant-in-aid program already existing under current law in s. 420.625, F.S. The bill replaces references to ‘local agencies’ with references to ‘continuums of care’ in order to bring the state grant-in-aid program language and requirements in line with federal statutes and ultimately allow federal matching dollars to be drawn down more efficiently.

Section 6 repeals s. 420.623, F.S., relating to local coalitions for the homeless.

Section 7 repeals s. 420.624, F.S., relating to local homeless assistance continuums of care.

Section 8 repeals s. 420.625, F.S., relating to the grant-in-aid program.

Section 9 amends s. 420.626, F.S., making technical revisions to discharge guidelines for homelessness facilities and institutions.

Section 10 amends s. 420.6265, F.S., to revise legislative intent with respect to rapid rehousing. The bill provides that findings that rapid rehousing should employ temporary financial assistance for the purposes of both quickly moving families and individuals into permanent housing and using housing stabilization support services to help them remain stably housed. The bill also expands legislative intent to provide that rapid rehousing has proven to be a cost-effective approach to ending homelessness, and is demonstrably proven to be more cost-effective than alternative approaches.

Section 11 amends s. 420.6275, F.S., to revise legislative intent with respect to the housing first methodology. The bill provides findings that housing first is a cost-effective approach to ending homelessness and reducing the length of time of homelessness for many individuals and families. The bill also provides legislative intent to emphasize maintaining stable housing under the housing first approach.

Section 12 amends s. 420.507, F.S., to correct two cross references.

Section 13 provides an effective date of July 1, 2019.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

D. State Tax or Fee Increases:

None.

E. Other Constitutional Issues:

None.

V. Fiscal Impact Statement:

A. Tax/Fee Issues:

The bill will direct \$10 million annually from the Sadowski State and Local Housing Trust Funds to the challenge grants.

B. Private Sector Impact:

None.

C. Government Sector Impact:

There will be a fiscal impact to the state from increasing the amount of eligible challenge grant funding for each CoC lead agency from \$500,000 to \$750,000. Challenge grants totaled \$4.1 million statewide for fiscal year 2018-2019.²⁵

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Statutes Affected:

This bill substantially amends sections 201.15, 420.621, 420.622, 420.626, 420.6265, 420.6275, and 420.507 of the Florida Statutes.

This bill creates sections 420.6225 and 420.6227 of the Florida Statutes.

This bill repeals sections 420.623, 420.624, and 420.625 of the Florida Statutes.

IX. Additional Information:**A. Committee Substitute – Statement of Changes:**

(Summarizing differences between the Committee Substitute and the prior version of the bill.)

None.

B. Amendments:

None.

This Senate Bill Analysis does not reflect the intent or official position of the bill's introducer or the Florida Senate.

²⁵ Specific Appropriation 345, General Appropriations Act, Chapter 2018-9, Laws of Florida.