



November 22, 2024

Governor Gavin Newsom
1021 O Street, Suite 900
Sacramento, CA 95814

Re: Co-Sponsor Letter in Support of SB 37 (Caballero), the Older Adults & Adults with Disabilities Housing Stability Act

Dear Governor Newsom—

On behalf of the co-sponsors of Senate Bill 37 (Caballero), we are writing to urge your signature on this important bill. SB 37 would pilot a rental assistance program to reduce homelessness among older adults and people with disabilities. In so doing, SB 37 responds to your 2023-24 Master Plan for Aging (MPA) initiatives to prevent and end homelessness among older adults and people with disabilities.

Californians who are older adults or people with disabilities living on fixed incomes face increasing housing cost burdens, with roughly 8 of 10 extremely low-income older renters paying more than half of their monthly income for rent. Caught in the vice between inadequate income and rising housing costs, older adults have become the fastest growing age group experiencing homelessness in California, with 48% of California's homeless individuals now age 50 and older. In fact, since 2017, the rate of homelessness among older adults grew 73%. This disparity particularly impacts African American/Black households, who are over five times more likely to become homeless than Californians as a whole. Similarly, because people with disabilities are far more likely to live in poverty, about 43% of those experiencing homelessness are living with a disability and are at significantly greater risk of chronic patterns of homelessness.

An older adult or person with a disability experiencing chronic homelessness is likely to have health conditions and functional status similar to or worse than someone 10-20 years older than their chronological age. Moreover, as individuals experiencing homelessness age, they are likely to incur increasingly greater health care costs from hospitalization and nursing home placement, costs the state bears.

These startling statistics helped inform California's Master Plan for Aging. Released in 2021, the MPA calls on California to expand housing and homelessness solutions for older adults and people with disabilities. The MPA Impact Committee and the Disability and Aging Community Living Advisory Committee both included targeted rental subsidies as the top need for Californians experiencing or at risk of homelessness as older adults and

people with disabilities. As a Business, Consumer Services, and Housing Agency document states, “The Master Plan for Aging . . . aims to end homelessness among older adults. It calls for more affordable housing options . . . and social and health supports to help older adults remain in their homes.” SB 37 will advance these goals.

Unlike any other State homelessness program, SB 37 focuses resources on homelessness prevention and targets populations experiencing increased risk of homelessness. In fact, state data show only 8% of all existing programs offer any prevention resources to older adults. Even if local governments dedicated existing resources for housing older adults and adults with disabilities, California would still have great need for resources to meet the needs of the approximately 40,000 older adults and 96,500 people with disabilities experiencing homelessness in California and the many more times these numbers at great risk of falling into homelessness.

SB 37 would allow the State to pilot a targeted statewide rental assistance model in California, a model which, if scaled appropriately, would significantly reduce the number of older adults and people with disabilities who experience or are at risk of homelessness. Indeed, studies and experience show rental subsidies are highly effective in allowing people to remain stably housed or exit homelessness for good. For example, by providing rental subsidies to unhoused veterans, the federal government reduced veteran homelessness by 55% between 2010 and 2023. Local rental assistance programs targeted to rent-burdened, low-income seniors have also demonstrated that rental assistance is a highly effective homeless prevention strategy. In a 2021 San Diego survey, 56% of unhoused seniors reported an additional \$300 per month was enough to make a difference in their ability to stay housed. The Benioff Homelessness and Housing Initiative’s California Statewide Study of People Experiencing Homelessness similarly reported people would not have become homeless with small subsidies supplementing their ability to pay rent, indicating that relatively small subsidies could meaningfully lower the number of older adults and people with disabilities falling into homelessness.

The SB 37 pilot program will fund rental assistance that meets the specific needs of eligible households, some of whom may require only a small or “shallow” subsidy to exit homelessness or remain housed while others who may need deeper subsidies to exit homelessness or remain housed in higher-cost areas. To make most effective use of limited resources, the pilot program would do the following:

- Fund prevention subsidies for those most economically stretched—acutely low-income (20% of Area Median Income) and severely rent burdened households, defined as paying more than one-half of their income for rent, who also meet one or more of the risk factors for homelessness identified by the California Policy Lab to ensure the State is targeting prevention resources to those at greatest risk, who would become homeless without this assistance—and allow older adults and people with disabilities to exit homelessness for good. Close to 1,000 households at a time would receive subsidies through the pilot program.
- Engage local entities working in partnership with the community’s homeless response, including Area Agencies on Aging, Aging and Disability Resource

Centers, Independent Living Centers, community-based organizations serving people experiencing homelessness, and others.

- Employ best practices, such as landlord incentives and recruitment, to ensure landlords in the private and non-profit affordable housing markets accept housing subsidies.
- Connect people receiving these state-funded subsidies with vouchers housing authorities administer, so that, as participants transition off of the program, they would transition onto federal vouchers.
- Require HCD, as the administering agency, to work collaboratively with its state and local partner agencies, including with local housing authorities to convert State-funded housing vouchers to federal Housing Choice ("Section 8") turn-over vouchers, to ensure this three-year program can sustain participants in housing over the long term.

SB 37 will ensure thousands of older adults and people with disabilities are able to avoid or exit homelessness for good. We urge you to sign this critical bill.

Sincerely,



Morgan Sutton
United Way of Greater Los Angeles



Patti Prunhuber
Justice in Aging



Sharon Rapport
Corporation for Supportive Housing



Meghan Rose
Leading Age California



Wesley Witherspoon
State Council on Developmental Disabilities