



News Release

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Contact:

Phil Pitchford

Public Information Officer

951-826-5975

ppitchford@riversideca.gov

Riverside Mayor Rusty Bailey Praises Gov. Newsom's Proposed Budget for Investing in Housing, Homelessness Reduction Efforts

RIVERSIDE, Calif. – Mayor Rusty Bailey praised Gov. Gavin Newsom's proposed budget for providing meaningful funding for short-term and long-term housing strategies that will enable more Californians to find a place to live and help cities and counties reduce the incidence of homelessness through the creation of more shelter beds.

Gov. Newsom's proposed budget contains \$1.9 billion to help cities and counties to help the homeless and build more affordable housing. That includes \$750 million in incentives for local governments to boost housing production and \$500 million to develop housing for moderate-income residents.

"Gov. Newsom is backing up his concerns about homelessness with much-needed dollars that will help cities and counties make progress in helping our neighbors without homes," Mayor Bailey said. "Take it from a mayor who is committed to solutions – resources, not rhetoric, make a difference when it comes to addressing this complex issue."

Mayor Bailey made the comments as part of the Big City Mayors group, which includes the mayors of California's 13 largest cities by population. Riverside and Stockton recently were invited to join the group, which previously was known as the Big 11.

The proposed state budget is important to Riverside because the city has undertaken a vigorous effort to reduce homelessness. A new Office of Homeless Solutions focuses existing staff and resources on the issue. The City Council embraced the Housing First model, which focuses on getting people into housing quickly with accompanying services, such as job training and substance abuse counseling.

Mayor Bailey launched his Love Your Neighbor initiative, which aims to work collaboratively with religious leaders within the city to build housing on property owned by faith-based organizations. Love Your Neighbor has generated commitments to build as many as 250 additional units across the city.

The first four units were opened last month at The Grove Community Church, where dozens of businesses and volunteers came together to create Grove Village, a campus of four, 600-square-foot cottages on The Grove's property to house people and families struggling with homelessness.

Local governments across the state need additional resources to address a problem that continues to get worse in California even as it gets better in the rest of the nation. Homelessness has dropped 13 percent nationwide since 2010, but has increased by 9 percent in California during the same period. Nationwide, one in four homeless individuals lives in California.

“California’s mayors, city council members and county supervisors are fully engaged on this issue,” Mayor Bailey said. “We’re working together more than ever, so it’s really a big boost to see the state coming to the table as an even more committed partner than in the past.”

Gov. Newsom’s budget includes \$300 million for cities and counties that work together to establish joint regional plans for addressing homelessness. Of that \$300 million, a \$100 million chunk will be distributed through the 13 cities that are part of the Big City Mayors group.

Another \$200 million is proposed for jurisdictions that demonstrate they are making progress toward developing housing or shelters, including the kind of supportive housing units called for under the Housing First approach that Riverside has adopted.

The budget also calls for \$100 million to pilot a Whole Person Care program that coordinates health, behavioral health (mental health and substance abuse) and social services to improve health and well-being in individuals, many of whom may be homeless or in danger of becoming homeless. Another \$25 million is set aside for continuing a program that helps people who are eligible for supplemental security incomes (SSI) obtain those benefits, which can help them avoid becoming homeless or assist them in getting back to self-sufficiency. The administration also will propose legislation to streamline judicial review of environmental challenges that are brought against potential shelter projects.

Gov. Newsom also proposes to attack the homelessness problem by increasing the emphasis on and funding for additional housing, which is a statewide crisis. For example, California needs about 200,000 units of new housing every year just to keep up with population growth; only 113,000 units received permits in 2017. Fewer than 750,000 units have been permitted since 2007, which is only about 40 percent of the projected need.

With demand increasing every year and supply lagging behind, rents are high. More than a third of all renters in California are spending more than half of their income on housing. Half of all renters are spending at least 30 percent of their income on housing, making them what they state calls “rent burdened.”

Big City Mayors is a coalition of Mayors of Los Angeles, San Diego, San Jose, San Francisco, Fresno, Sacramento, Long Beach, Oakland, Bakersfield, Anaheim, Santa Ana, Riverside and Stockton.