

THP- NMD Housing Supplement Available July 1st in Select Counties



July 1, 2021

AGENDA

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- 2 How the THP-NMD Housing Supplement Works
- 3 Implementation Timeline & Housing Supplement Amounts by County
- 4 Anticipated Impact
- 5 Next Steps
- 6 Q & A

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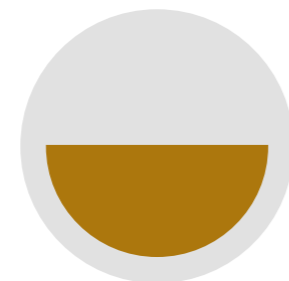
Background

On the THP - NMD Housing Supplement

SB 612 Called for a Workgroup to Examine Rates

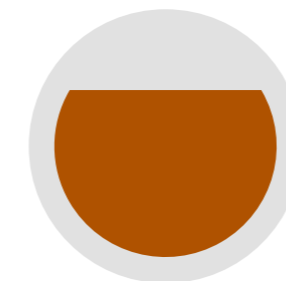


SB 612 (Mitchell) called for a workgroup to establish a new rate structure for THP-NMD, THP-M and THP-Plus.



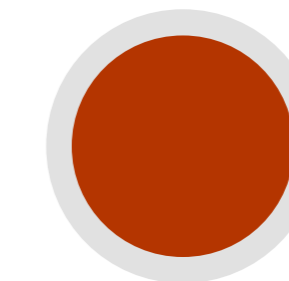
CA Department of Social Services (CDSS) Foster Care Audits & Rates Branch convened workgroup in 2019 focused on THP-NMD.

Included group of 30 diverse stakeholders – *counties, providers, attorneys, policy advocates, youth representatives, state administrators*



Over the course of 4 full-day meetings, workgroup determined 2 main issues existed with THP-NMD rate:

1. High cost of housing leading to inaccessibility of the placement in certain counties.
2. THP-NMD providers often lack the level of required resources to serve youth with extremely high level of needs.

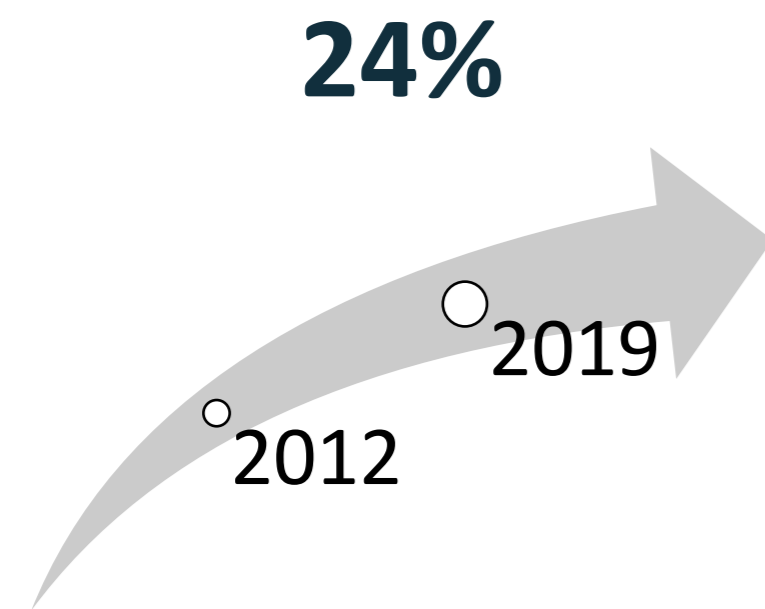


Workgroup determined they would first tackle the high cost of housing.

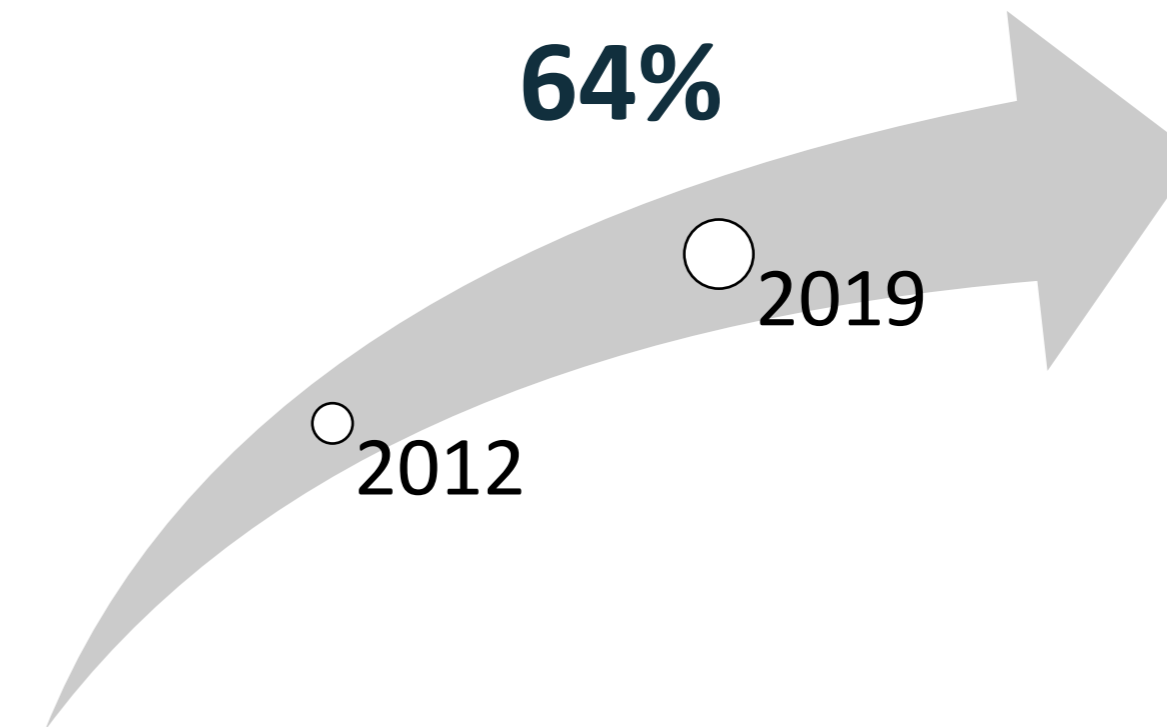
How Does the High Cost of Housing Impact Youth in THP-NMD?

- In California, the cost of housing increased by 64% between 2012 and 2019, while the monthly THP-NMD rate increased 24%.

THP-NMD RATE



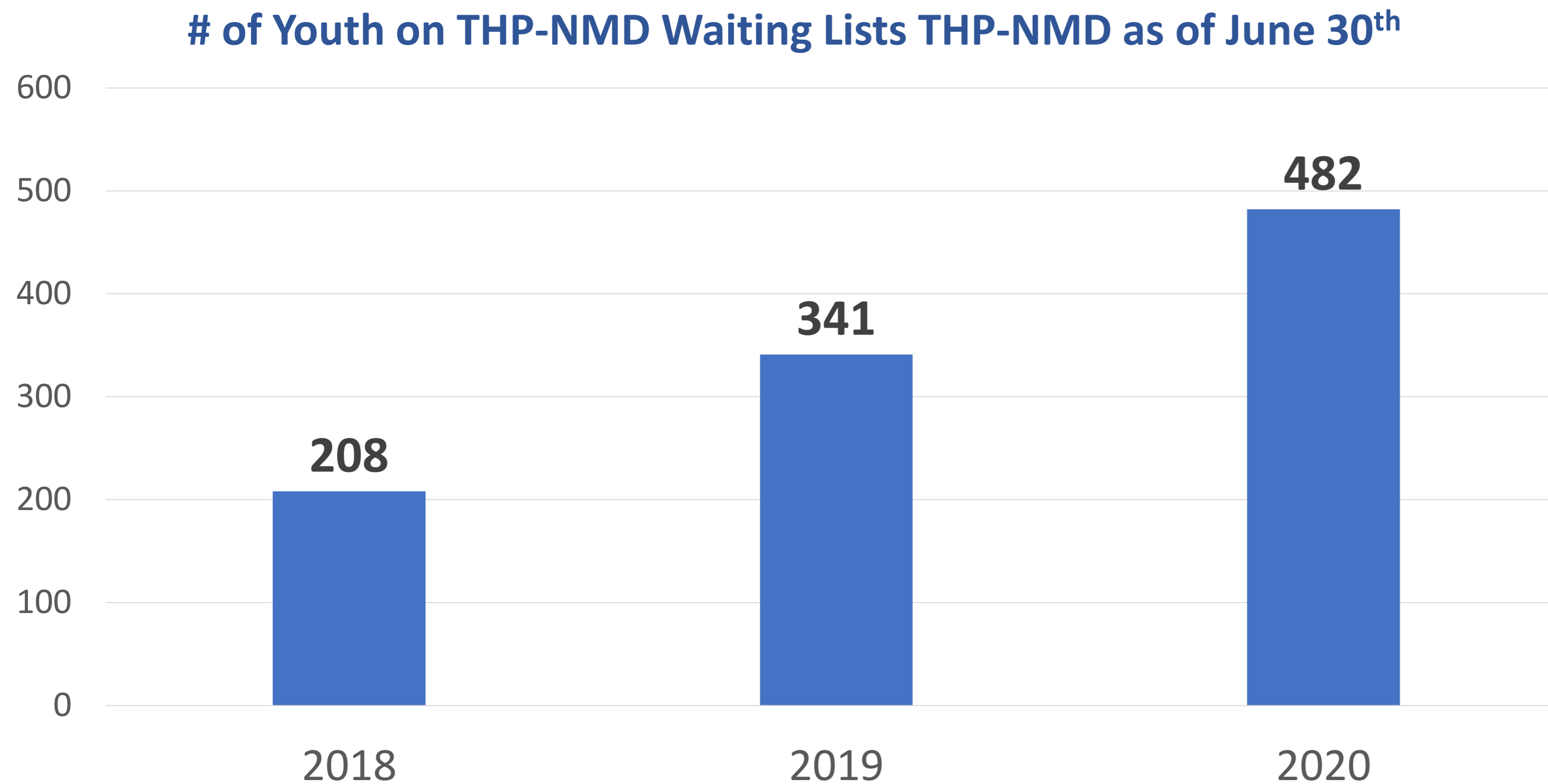
COST OF HOUSING IN CA



- The failure of the THP-NMD rate to keep pace with the cost of housing limits providers' and counties' ability to serve youth.

How Does the High Cost of Housing Impact Youth in THP-NMD?

Increased waiting lists: The number of youth on a waiting list for THP-NMD more than doubled between 2018 and 2020.



What is the experience of youth waiting for THP-NMD?

10% enter THP-NMD directly from homelessness and 23% have experienced homelessness before entering.

How Does the High Cost of Housing Impact Youth in THP-NMD?

Limits capacity to serve higher-needs youth:

- In 2019, nearly 1 in 3 THP-NMD providers reported limiting the number of high-need youth they serve to pay housing costs. This includes parenting youth who require additional costs to house and serve.


Less funding available for supportive services:

- An increasing share of the THP-NMD rate is being diverted away from support services to pay for the cost of housing in higher-cost parts of the state, unless providers have the capacity to cover these costs through significant private fundraising.

Leads to geographic displacement:

- In the absence of affordable local housing, high-cost counties and their providers must place young people away from their communities of origin.

Workgroup Developed Approach of the THP-NMD Housing Supplement



Several approaches to addressing the high cost of housing were vetted at length.

Workgroup unanimously landed on the THP-NMD Housing Supplement as best approach to address challenges with high cost of housing.

Assemblymember Phil Ting Introduced Legislation to Establish the THP-NMD Housing Supplement

AB 2880 (Ting) and a budget request for \$3.99 million made their way through the legislature.

- *Bill cosponsored by John Burton Advocates for Youth, California Alliance of Child & Family Services, Children Now & Children's Law Center of California.*

AB 2880 died; budget request continued on, ultimately successfully included in the 2020-21 state budget.

Budget Trailer Bill – AB 79 established the THP-NMD Housing Supplement policy in statute.



About the Approach

How the THP - NMD Housing Supplement Works

Overview of the THP-NMD Housing Supplement



- Supplements the rate paid to THP-NMD providers on behalf of youth placed in their programs.



- Housing supplement amounts vary across eligible counties based on the cost of housing in that county according to Fair Market Rent (FMR).



- There are higher supplement amounts for parenting youth.

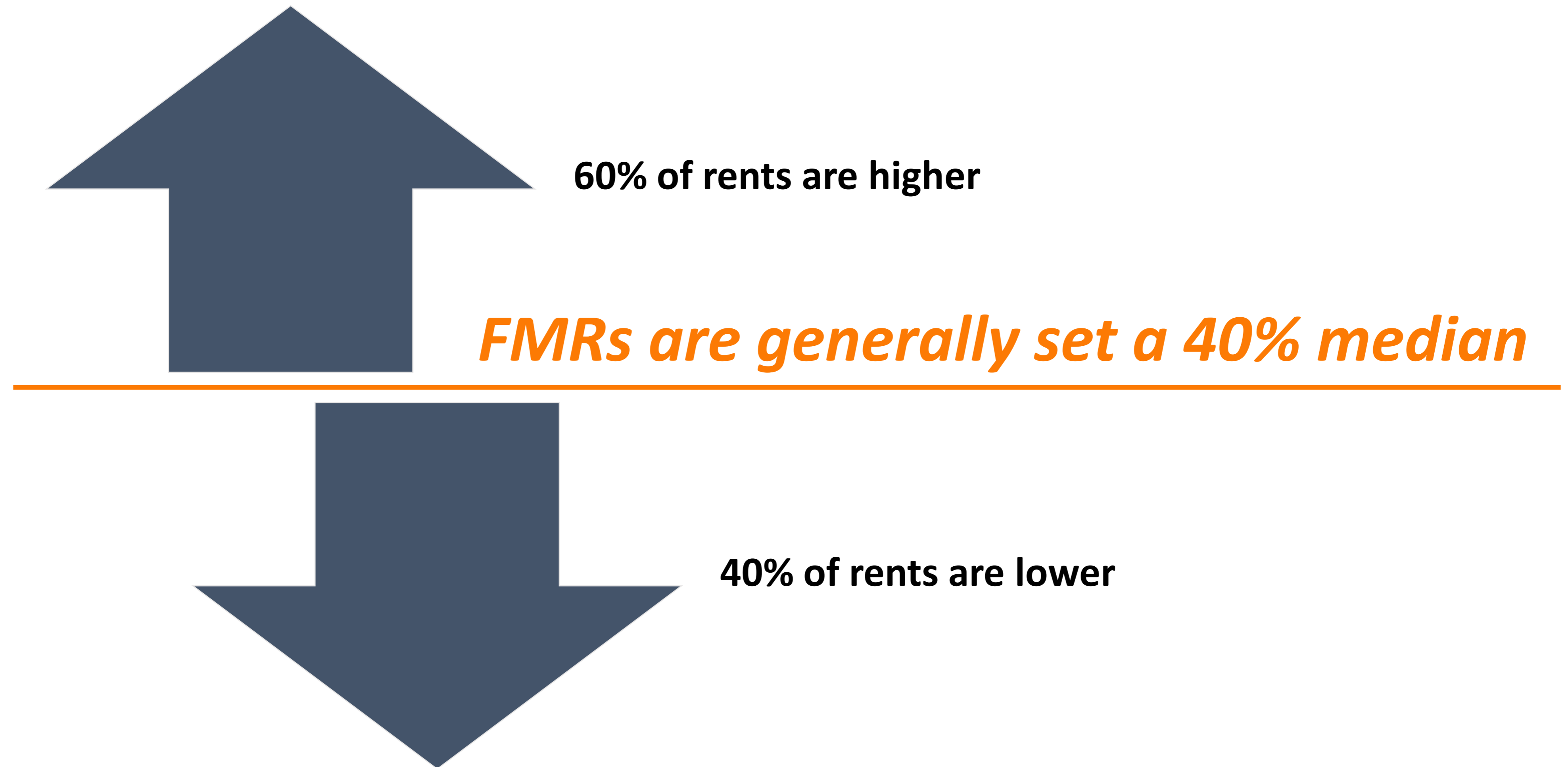


- Implementation is occurring on a phased-in basis to allow for automation in payment systems.

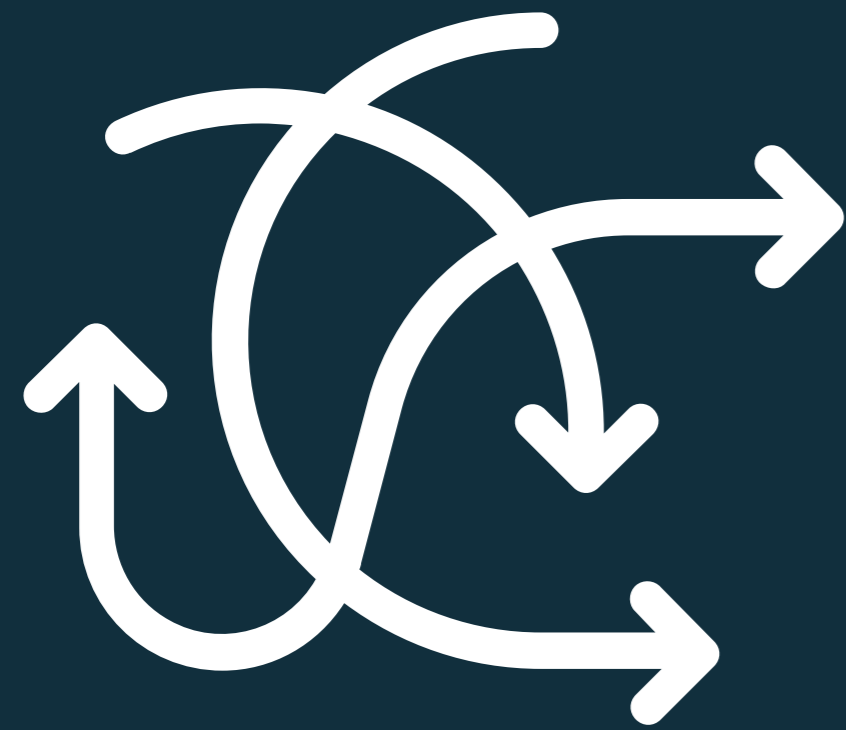
What is Fair Market Rent?

- Fair Market Rent (FMR) is the system developed by the U.S. Department of Housing and Urban Development (HUD) to determine the allowable rent level for individuals who participate in their Housing Choice Voucher program (Section 8).
- FMR is based on data from a combination of surveys and the Census.
- FMR includes the cost of housing and utilities, apart from phone, cable and internet.
- Each year HUD calculates the FMR for 530 metropolitan county areas, **including all 58 counties in California.**
- <https://www.huduser.gov/portal/datasets/fmr.html>

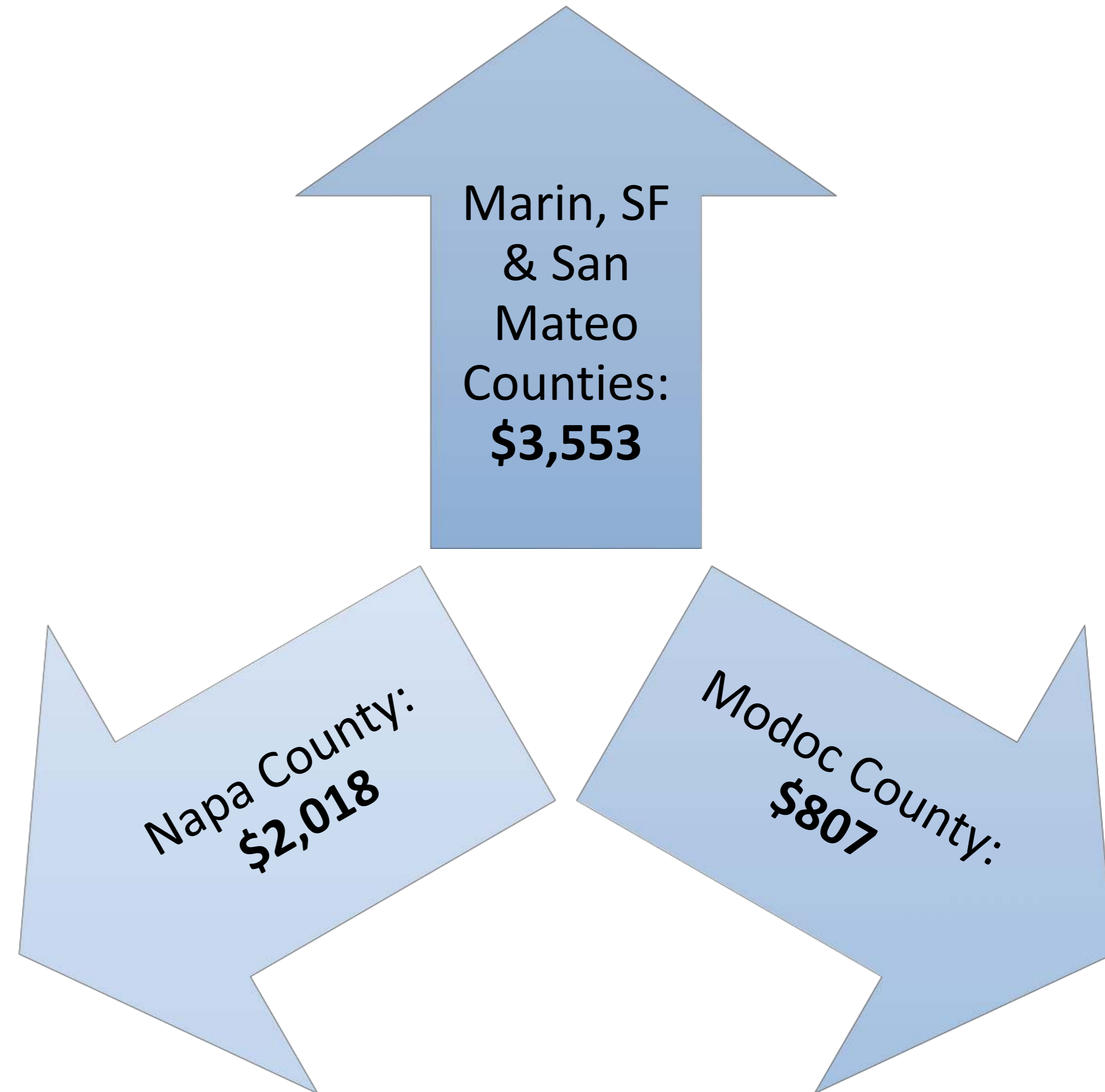
FMRs are Set at a 40% Median



Rental Costs Vary Greatly Across the State



Median rent for a two-bedroom apartment in 2021



Counties Qualify for a Housing Supplement if their FMR is Greater than the Housing Portion (21.45%) of the THP-NMD Rate

The “**housing portion**” of the rate is the amount of the monthly THP-NMD rate that is **budgeted to pay rent**.

In 2011-12 when extended foster care was being implemented the housing portion of the rate was **\$600**, which was **21.45%** of the total THP-NMD rate of **\$2,797**.

In 2021-22, the housing portion (21.45%) of the **\$3,679** statewide THP-NMD rate is **\$789.15**.

The THP-NMD Housing Supplement is Calculated Based on Whether the Youth is a Custodial Parent or Not



Youth who are not custodial parents:

The difference between the FMR for one-half of a 2-bedroom apartment in the county in which the NMD *resides* and 21.45% of the THP-NMD rate.



Youth who are custodial parents:

The difference between the FMR for a 1-bedroom apartment in the county in which the NMD *resides* and 21.45% of the statewide THP-NMD rate.

Example: Alameda County

For Youth Who Are Not Custodial Parents

- Two-bedroom FMR is \$2,383
- Half of that is \$1,191.50

$$\begin{array}{r} \$1,191.50 \leftarrow \text{FMR} \\ - \$789.15 \leftarrow \text{Housing portion of} \\ \hline \text{THP-NMD rate} \end{array}$$

\$402.35

**THP-NMD
Housing
Supplement for
Non-Parents**

For Youth Who Are Custodial Parents

- One-bedroom FMR is \$1,934

$$\begin{array}{r} \$1,934 \leftarrow \text{FMR} \\ - \$789.15 \leftarrow \text{Housing portion of} \\ \hline \text{THP-NMD rate} \end{array}$$

\$1,144.85

**THP-NMD
Housing
Supplement for
Custodial Parents**

Implementation Timeline & Housing Supplement Amounts

By County

Automation Timeline for THP-NMD Housing Supplement

Implementation Timeline	Payment System	Counties that Utilize
Functional July 1, 2021 or when CalWIN can perform the necessary automation to implement it <i>(prior to migration to CalSAWS)</i>	California Work Opportunity & Responsibility to Kids Information Network (CalWIN)	Alameda, Contra Costa, Fresno, Orange, Placer, Sacramento, San Diego, San Francisco, San Luis Obispo, San Mateo, Santa Barbara, Santa Clara, Santa Cruz, Solano, Sonoma, Tulare, Ventura, Yolo
Functional September 1, 2022 or when CalSAWS can perform the necessary automation to implement it <i>(post migration to CalSAWS)</i>	Consortium IV (C-IV)	Alpine, Amador, Butte, Calaveras, Colusa, Del Norte, El Dorado, Glenn, Humboldt, Imperial, Inyo, Kern, Kings, Lake, Lassen, Madera, Marin, Mariposa, Mendocino, Merced, Modoc, Mono, Monterey, Napa, Nevada, Plumas, Riverside, San Benito, San Bernardino, San Joaquin, Shasta, Sierra, Siskiyou, Stanislaus, Sutter, Tehama, Trinity, Tuolumne, Yuba
Functional September 1, 2022 or when CalSAWS can perform the necessary automation to implement it <i>(post migration to CalSAWS)</i>	LEADER Replacement System (LRS)	Los Angeles

Which Counties Will Be Eligible for the THP-NMD Housing Supplement?



Because the methodology for calculating the THP-NMD Housing Supplement is tied to FMR and responsive to changes in the housing market, as housing costs increase or decrease in a given county, Housing Supplement amounts may shift from year to year.

Based on 2020-21 FMR and the 2021-22 THP-NMD rate:

18 counties would qualify to receive a supplement for youth who are not custodial parents; **13 of those counties use CalWIN and will start receiving it July 1, 2021.**

48 counties would qualify to receive a supplement for youth who are custodial parents; **17 of those counties use CalWIN and will start receiving it July 1, 2021.**

THP-NMD Housing Supplement for Non-Parenting Youth

County	THP-NMD Rate	Housing Supplement	Total Rate
Alameda	\$3,679	\$420	\$4,099
Alpine	\$3,679	n/a	\$3,679
Amador	\$3,679	n/a	\$3,679
Butte	\$3,679	n/a	\$3,679
Calaveras	\$3,679	n/a	\$3,679
Colusa	\$3,679	n/a	\$3,679
Contra Costa	\$3,679	\$420	\$4,099
Del Norte	\$3,679	n/a	\$3,679
El Dorado	\$3,679	n/a	\$3,679
Fresno	\$3,679	n/a	\$3,679
Glenn	\$3,679	n/a	\$3,679
Humboldt	\$3,679	n/a	\$3,679
Imperial	\$3,679	n/a	\$3,679
Inyo	\$3,679	n/a	\$3,679
Kern	\$3,679	n/a	\$3,679
Kings	\$3,679	n/a	\$3,679
Lake	\$3,679	n/a	\$3,679
Lassen	\$3,679	n/a	\$3,679
Los Angeles*	\$3,679	n/a	\$3,679

County	THP-NMD Rate	Housing Supplement	Total Rate
Madera	\$3,679	n/a	\$3,679
Marin*	\$3,679	n/a	\$3,679
Mariposa	\$3,679	n/a	\$3,679
Mendocino	\$3,679	n/a	\$3,679
Merced	\$3,679	n/a	\$3,679
Modoc	\$3,679	n/a	\$3,679
Mono	\$3,679	n/a	\$3,679
Monterey*	\$3,679	n/a	\$3,679
Napa*	\$3,679	n/a	\$3,679
Nevada	\$3,679	n/a	\$3,679
Orange	\$3,679	\$394	\$4,073
Placer	\$3,679	n/a	\$3,679
Plumas	\$3,679	n/a	\$3,679
Riverside	\$3,679	n/a	\$3,679
Sacramento	\$3,679	n/a	\$3,679
San Benito*	\$3,679	n/a	\$3,679
San Bernardino	\$3,679	n/a	\$3,679
San Diego	\$3,679	\$290	\$3,969
San Francisco	\$3,679	\$1,005	\$4,684

County	THP-NMD Rate	Housing Supplement	Total Rate
San Joaquin	\$3,679	n/a	\$3,679
San Luis Obispo	\$3,679	\$61	\$3,740
San Mateo	\$3,679	\$1,005	\$4,684
Santa Barbara	\$3,679	\$415	\$4,094
Santa Clara	\$3,679	\$754	\$4,433
Santa Cruz	\$3,679	\$739	\$4,418
Shasta	\$3,679	n/a	\$3,679
Sierra	\$3,679	n/a	\$3,679
Siskiyou	\$3,679	n/a	\$3,679
Solano	\$3,679	\$37	\$3,716
Sonoma	\$3,679	\$226	\$3,905
Stanislaus	\$3,679	n/a	\$3,679
Sutter	\$3,679	n/a	\$3,679
Tehama	\$3,679	n/a	\$3,679
Trinity	\$3,679	n/a	\$3,679
Tulare	\$3,679	n/a	\$3,679
Tuolumne	\$3,679	n/a	\$3,679
Ventura	\$3,679	\$190	\$3,869
Yolo	\$3,679	n/a	\$3,679
Yuba	\$3,679	n/a	\$3,679

Counties in the tables noted with an asterisk () are part of the second phase of implementation and will not receive a supplement during FY 2021-22. The asterisked counties will begin receiving a supplement by September 1, 2022, contingent upon completion of the necessary automation changes.

THP-NMD Housing Supplement for Youth Who Are Custodial Parents

County	THP-NMD Rate	Housing Supplement	Total Rate
Alameda	\$3,679	\$1,162	\$4,841
Alpine*	\$3,679	n/a	\$3,679
Amador*	\$3,679	n/a	\$3,679
Butte*	\$3,679	n/a	\$3,679
Calaveras*	\$3,679	n/a	\$3,679
Colusa	\$3,679	n/a	\$3,679
Contra Costa	\$3,679	\$1,162	\$4,841
Del Norte*	\$3,679	n/a	\$3,679
El Dorado*	\$3,679	n/a	\$3,679
Fresno	\$3,679	\$79	\$3,758
Glenn	\$3,679	n/a	\$3,679
Humboldt*	\$3,679	n/a	\$3,679
Imperial*	\$3,679	n/a	\$3,679
Inyo*	\$3,679	n/a	\$3,679
Kern	\$3,679	n/a	\$3,679
Kings*	\$3,679	n/a	\$3,679
Lake*	\$3,679	n/a	\$3,679
Lassen	\$3,679	n/a	\$3,679
Los Angeles*	\$3,679	n/a	\$3,679

County	THP-NMD Rate	Housing Supplement	Total Rate
Madera*	\$3,679	n/a	\$3,679
Marin*	\$3,679	n/a	\$3,679
Mariposa*	\$3,679	n/a	\$3,679
Mendocino*	\$3,679	n/a	\$3,679
Merced*	\$3,679	n/a	\$3,679
Modoc	\$3,679	n/a	\$3,679
Mono*	\$3,679	n/a	\$3,679
Monterey*	\$3,679	n/a	\$3,679
Napa*	\$3,679	n/a	\$3,679
Nevada*	\$3,679	n/a	\$3,679
Orange	\$3,679	\$1,116	\$4,795
Placer	\$3,679	\$416	\$4,095
Plumas	\$3,679	n/a	\$3,679
Riverside*	\$3,679	n/a	\$3,679
Sacramento	\$3,679	\$416	\$4,095
San Benito*	\$3,679	n/a	\$3,679
San Bernardino*	\$3,679	n/a	\$3,679
San Diego	\$3,679	\$869	\$4,548
San Francisco	\$3,679	\$2,151	\$5,830

County	THP-NMD Rate	Housing Supplement	Total Rate
San Joaquin*	\$3,679	n/a	\$3,679
San Luis Obispo	\$3,679	\$491	\$4,170
San Mateo	\$3,679	\$2,151	\$5,830
Santa Barbara	\$3,679	\$1,243	\$4,922
Santa Clara	\$3,679	\$1,786	\$5,465
Santa Cruz	\$3,679	\$1,520	\$5,199
Shasta*	\$3,679	n/a	\$3,679
Sierra*	\$3,679	n/a	\$3,679
Siskiyou	\$3,679	n/a	\$3,679
Solano	\$3,679	\$579	\$4,258
Sonoma	\$3,679	\$747	\$4,426
Stanislaus*	\$3,679	n/a	\$3,679
Sutter*	\$3,679	n/a	\$3,679
Tehama	\$3,679	n/a	\$3,679
Trinity	\$3,679	n/a	\$3,679
Tulare	\$3,679	n/a	\$3,679
Tuolumne*	\$3,679	n/a	\$3,679
Ventura	\$3,679	\$747	\$4,426
Yolo	\$3,679	\$375	\$4,054
Yuba*	\$3,679	n/a	\$3,679

Counties in the tables noted with an asterisk () are part of the second phase of implementation and will not receive a supplement during FY 2021-22. The asterisked counties will begin receiving a supplement by September 1, 2022, contingent upon completion of the necessary automation changes.

Anticipated Impact

of the THP - NMD Housing Supplement

Extent of the THP-NMD Housing Supplement



- **Most NMDs are placed in counties that would require a housing supplement:** Approx. 60% of non-parenting youth and 94% of youth who are custodial parents.



- **Supplement amounts and eligible counties will shift in response to changes in the housing market:** As housing costs increase or decrease in a given county, the THP-NMD Housing Supplement amounts will change.



- **The THP-NMD rate will still receive annual CNI increases:** The THP-NMD Housing Supplement is applied after the CNI increase each year, issued in the same ACL.

The THP-NMD Housing Supplement Follows the Youth



When NMDs are placed outside the placing county, the host county rate shall be paid.

- **EXAMPLE:** San Francisco County places an NMD with one of their THP-NMD providers who houses the youth in Alameda County. The provider will not receive San Francisco's housing supplement; they will receive Alameda County's housing supplement because the housing is located in Alameda County.



However, if prior to CalSAWS automation, if the placing county is a CalSAWS county and the NMD is placed in a CalWIN county, the provider will receive the basic THP-NMD rate until the housing supplement has been automated in CalSAWS.

- **EXAMPLE:** Los Angeles County (CalSAWS county) places an NMD in Orange County (CalWIN county) in 2021. The provider will receive the basic THP-NMD rate, not including Orange County's housing supplement amount until LA County's automation is complete (September 1, 2022).

Anticipated Impact of the THP-NMD Housing Supplement - Examples

- ***Youth Achieve THP-NMD*** is unable to secure apartments in their county because they can't afford the rent in most neighborhoods. Their county would like to place additional youth in THP-NMD however housing unaffordability limits capacity to 8 youth.
 - With the THP-NMD Housing Supplement, *Youth Achieve* can now secure an additional 4 units in the community.
- ***Youth Strive THP-NMD*** rents apartments in a neighborhood with no public transportation nearby, and the closest school is an hour commute. This limits youths' ability to meet their educational goals.
 - With the THP-NMD Housing Supplement, *Youth Strive* can now secure apartments 15 minutes from campus, close to bus routes.
- ***Youth Action THP-NMD*** can only afford to provide shared two-bedrooms for their residents, even in the case of custodial parents.
 - With the THP-NMD Housing Supplement, *Youth Action* can now rent one-bedroom apartments for the custodial parents and their children in the program.
- ***Youth Now THP-NMD*** would like to hire an education specialist to provide additional support to their residents in the area of education, but after covering rent, the monthly rate does not allow enough funding for additional staffing.
 - With the THP-NMD Housing Supplement, *Youth Now* has sufficient funding to cover rent while also providing specialized educational support to their residents by hiring a part-time staff to provide these services.

Next Steps

For THP- NMD Providers & Counties

Next Steps for County Representatives

Determine if your county will receive a THP-NMD Housing Supplement for non-parenting youth and/or custodial parents and when it takes effect.



Inform your THP-NMD providers of this rate change and its policies.



Consider the need to increase THP-NMD placements and discuss with providers.



Discuss current approach to serving parenting youth and where units are located.



Next Steps for THP-NMD Providers

Determine if your county will receive a THP-NMD Housing Supplement for non-parenting youth and/or custodial parents and when it takes effect.



Ensure your county partners are aware of this rate change and its policies.



Consider expansion of housing capacity based on local needs and discuss with your county partners.



Consider your current housing arrangements for custodial parents and how many you serve.



All County Letters on the THP-NMD Housing Supplement

ACL 20-121 (October 30, 2020) – Notifies counties and interested parties about the establishment of a THP-NMD Housing Supplement.

<https://www.cdss.ca.gov/Portals/9/Additional-Resources/Letters-and-Notices/ACLs/2020/20-121.pdf>

Forthcoming ACL on annual CNI Increases – Provides adjusted schedules of rates that reflect the California Necessities Index increase for FY 2021-22 effective July 1, 2021. *(Includes THP-NMD Housing Supplements amounts)*

****Should be released in the coming days****

Annual Report Survey Coming to You Soon!

JBAY issues an annual report on THP-NMD and THP-Plus.

This year the report will expand to include information on FUP/FYI vouchers, the Transitional Housing Program and Housing Navigators Program.

County representatives and THP-NMD and THP-Plus providers will be asked to complete surveys.

It is because of the data provided in the surveys that we are able to advocate for policies like the THP-NMD Housing Supplement;
please do your part and complete the survey!

Q & A

Go to the questions box on your control panel, type your question and hit “send.”

For Future Questions

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