



AGENDA

CITY COUNCIL - SPECIAL MEETING (WORKSHOP)

CITY OF BANNING, CALIFORNIA

October 28, 2025
4:00 p.m.
In Chambers

Council Chambers
99 E. Ramsey Street
Banning, CA 92220

The following information comprises the agenda for the special meeting of the Banning City Council, a joint meeting of the City Council and Banning Utility Authority, and the Banning City Council sitting in its capacity as the Banning Successor Agency Board.

This meeting is being held via Zoom so that members of the public may observe and participate in this meeting electronically. If you participate in this meeting via Zoom, you are agreeing to abide by the City's Zoom Community Standards for Public Meetings (provided in full on the last page of the agenda). Esta reunión se lleva a cabo en la Cámara y a través de Video/Teleconferencia en Zoom para que los miembros del público puedan observar y participar en esta reunión de manera electrónica. Si elige participar en esta reunión a través de Zoom, acepta cumplir con los Estándares comunitarios de Zoom para reuniones públicas de la ciudad (que se proporcionan en su totalidad en la última página de la agenda).

To observe and participate in the online video portion of the meeting through your personal computer or device, follow this link:

<https://us02web.zoom.us/j/82012644588?pwd=RwqtJC8xehLDKZvr3LEKOf9u8uP2pt.1>

Dial in: +1 669 900 9128

Meeting ID: 820 1264 4588
Password: 92220

Per the City of Banning Manual of Procedural Guidelines, matters taken up by the Council before 10 p.m. may be concluded, but no new matters shall be taken up except upon a majority vote of the council members present and voting. Such an extension shall only be valid for one hour and each hour thereafter shall require a renewed action for the meeting to continue.

1. **CALL TO ORDER**
2. **WORKSHOP**
 - 2.1 [Discussion on Homelessness in the City of Banning](#)
Recommendation: Discussion only.
3. **PUBLIC COMMENTS - Agenda Items Only**
4. **ADJOURNMENT**

Zoom Community Standards for Public Meetings

By participating in this meeting on Zoom, you are agreeing to abide by the City of Banning's Community Standards for Public Meetings. Zoom attendees that fail to adhere to these standards may be removed from the meeting room.

- Your microphone must remain on mute, and you may only unmute your microphone when/if you are recognized by the Mayor.
- Your camera must be turned off unless/until you are recognized by the Mayor.
- To indicate a desire to make Public Comment, you must use the Raise Hand function. The Mayor will not recognize those who have not used the Raise Hand function.
- Public Comment from Zoom attendees will immediately follow in-person comment from members of the public in Council Chambers.
- If you fail to adhere to these community guidelines, **you may be removed** for disrupting the meeting occurring in Council Chambers. You may rejoin the meeting but may be removed for each violation of these community standards.
- The chat function will be disabled for all City Council meetings on Zoom.

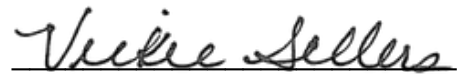
Estándares comunitarios de Zoom para Reuniones Públicas

Al participar en esta reunión en Zoom, usted acepta cumplir con los Estándares Comunitarios para Reuniones Públicas de la ciudad de Banning. Los que atienden por Zoom que no cumplan con estos estándares pueden ser retirados de la sala de reuniones.

- Su micrófono debe permanecer en silencio, y solo puede reactivar su micrófono cuando / si es reconocido por el alcalde.
- Su cámara debe estar apagada a menos que sea reconocido por el alcalde.
- Para indicar el deseo de hacer un Comentario Público, debe utilizar la función Levantar la mano. El alcalde no reconocerá a quienes no hayan utilizado la función Levantar la mano.
- Los comentarios públicos de lo que atienden por Zoom seguirán inmediatamente los comentarios en persona de los miembros del público en las Cámaras del Consejo.
- Si no cumple con estas pautas de la comunidad, es posible que lo destituyan por interrumpir la reunión que tiene lugar en las Cámaras del Consejo. Puede volver a unirse a la reunión, pero es posible que lo eliminen por cada violación de estos estándares de la comunidad.
- La función de chat estará deshabilitada para todas las Reuniones del Ayuntamiento en Zoom.

AFFIDAVIT • DECLARACIÓN JURADA

IT IS HEREBY CERTIFIED under the laws of the State of California that the above agenda was posted on the City's website (www.banningca.gov) as well as the Bulletin Board at Banning City Hall, located at 99 E Ramsey Street, Banning, CA 92220, at least 24 hours in advance of the meeting.



Vickie Sellers, Elected City Clerk
Secretaria Municipal Electa

PUBLIC NOTICE • NOTICIA PÚBLICA

Meeting Agendas and Notices

Interested in receiving email and/or text notifications of upcoming City Council meetings? Sign up for meeting notifications through the City's website. Pursuant to amended Government Code §54957.5(b), staff reports and other public records related to open session agenda items are available on the City's website (www.banningca.gov/).

Public Comment

Agenda Items

Any member of the public may address this meeting of the City Council on any item appearing on the agenda. A five-minute limitation shall apply to each member of the public and no member of the public shall be permitted to share their time with any other person.

Non-Agenda Items

Any member of the public may address this meeting of the City Council on any item which does not appear on the regular meeting agenda but is of interest to the general public and is an item upon which the City Council may act. A three-minute limitation shall apply to each member of the public and no member shall be permitted to share their time with any other person. No action shall be taken, nor discussion held by the City Council, on any item which does not appear on the agenda, unless the action is otherwise authorized in accordance with the provisions of subdivision (b) of §54954.2 of the Government Code.

Special Assistance/Accessibility Requests

In compliance with the Americans with Disabilities Act, any member of the public may request that the agenda and agenda packet be mailed to them. If you need special assistance to participate in this meeting (such as translation services), please contact the City Clerk's Office. Advanced notification of at least 48 hours prior to the meeting will allow the city to make arrangements to ensure your accessibility.

¿Necesita servicios de traducción para participar? Contacto Oficina del Secretario de la Ciudad.

CONTACT • CONTACTO

City Clerk's Office | 951-922-3102 | CityClerks@banningca.gov
99 East Ramsey Street, Banning, California 92220



CITY OF BANNING STAFF REPORT

TO: CITY COUNCIL
FROM: Arturo Vela, Interim City Manager
PREPARED BY: Art Vela, Interim City Manager
MEETING DATE: October 28, 2025
SUBJECT: Discussion on Homelessness in the City of Banning

RECOMMENDATION:

Discussion only.

BACKGROUND:

Homelessness continues to be a significant concern throughout California. Local governments are increasingly challenged to balance the protection of public health, safety, and welfare of unhoused individuals. In response to these challenges, staff has scheduled a City Council Workshop to provide an overview of the legal environment, current local conditions, available resources, and ongoing staff involvement related to homelessness in the City of Banning.

This workshop is intended to provide Council and the public with an understanding of the City's current efforts. It will also serve as a platform for a discussion regarding next steps and strategies to address homelessness within City limits.

JUSTIFICATION:

N/A.

FISCAL IMPACT:

There is no fiscal impact related to holding this workshop.

ALTERNATIVES:

None.

BUDGETED?:

No

CONTRACT/AGREEMENT:

No

ATTACHMENTS:

1. [Resolution 2025-96 OV Budget Change and Closure.pdf](#)
2. [Shopping Cart Ordinance.pdf](#)
3. [1603 Camping in Public Spaces.pdf](#)
4. [Cal Cities Homelessness Infographic 2025-FINAL.pdf](#)
5. [Stanford Homelessness in CA 6.2025.pdf](#)

RESOLUTION 2025-96

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BANNING, CALIFORNIA,
APPROVING BUDGET ADJUSTMENTS RELATED TO OPPORTUNITY VILLAGE**

WHEREAS, Opportunity Village is funded through the city and community and was provided housing for people in the City of Banning with the goal of providing transitional housing and client case management for individuals in need; and,

WHEREAS, the City of Banning strives to provide safe housing; and,

WHEREAS, the City of Banning is committed to helping low-income or at risk and unhoused individuals obtain and retain resources to meet their housing needs.

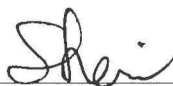
NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Banning as follows:

SECTION 1. The City Council authorizes the City Manager to make necessary changes, and to make budget adjustments with the California Department of Housing and community Development. The City Manager is authorized to reduce staff and defund the position of Homeless Services Director and Case Manager Specialist.

SECTION 2. The City Council authorizes the City Manager, or designee, to make necessary adjustments to contract services for the unhoused, including, but not limited to lease agreements for rent, along with utilities payments and the purchase of household items. The dismantlement of Opportunity Village along with the selling or auctioning of Opportunity Village assets.

SECTION 3. The City Clerk shall certify to the adoption of this resolution and shall cause a certified resolution to be filed in the book of original resolutions.

PASSED, APPROVED AND ADOPTED this 24th day of June, 2025.



Sheri Flynn, Mayor
City of Banning

ATTEST:



Caroline Patton, Administrative City Clerk
City of Banning

APPROVED AS TO FORM:



John Pinkney, Interim City Attorney
Slovak, Baron, Empey, Murphy & Pinkney,
LLP

CERTIFICATION:

I, Caroline Patton, Administrative City Clerk of the City of Banning, California, do hereby certify that the foregoing Resolution 2025-96, was duly adopted by the City Council of the City of Banning, California, at a regular meeting thereof held on the 24th day of June, 2025 by the following vote, to wit:

AYES: Barrington, Flynn, and Royce.

NOES: Miller and Wallace.

ABSENT:

ABSTAIN:



Caroline Patton, Administrative City Clerk
City of Banning, California

ORDINANCE NO. 1486

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY
OF BANNING, CALIFORNIA APPROVING A
CATEGORICAL EXEMPTION AND AMENDING CHAPTER
5.52 (SHOPPING CARTS) OF TITLE 5 (BUSINESS
LICENSES AND REGULATIONS) OF THE BANNING
MUNICIPAL CODE**

WHEREAS, on September 26, 1995, the City Council adopted Resolution No. 11995-150 regulating shopping carts used by local retailers in accordance with Business and Professions Code Section 22435-22435.8; and

WHEREAS, the increasing number of shopping carts abandoned in fields and along roadways does not contribute to a positive view of the City, and this issue counteracts the General Plan Economic Development Element Goal of providing “a balanced, broadly-based economy that provides a full range of economic and employment opportunities, while maintaining high standards of development and environmental protection,” and, in particular, the presence of abandoned shopping carts discourages business development and opportunities due to the perceived negative views and implications; and

WHEREAS, on August 6, 2014, during a regularly scheduled meeting, the Planning Commission conducted a Study Session to consider complaints from the community regarding abandoned shopping carts and upon the conclusion of the Study Session, the Planning Commission provided direction to City staff to meet with the businesses and other stakeholders to solicit their comments and concerns regarding this issue and to discuss possible solutions; and

WHEREAS, on September 24, 2014, City staff held a meeting with local retail businesses and other interested parties, and it was recognized by the group that there appears to be adequate ordinances in place, but there is a lack of enforcement to address the issues related to abandoned and stolen shopping carts; and

WHEREAS, on February 4, 2015, during a regularly scheduled meeting, the Planning Commission conducted a Study Session to discuss options for revising the shopping cart regulations that meets the needs of both the community and the economic interests of those involved and to seek direction from the Planning Commission as to how to proceed with in this issue and, upon the conclusion of the Study Session, the Planning Commission provided direction to City staff to prepare an Ordinance to address the issue of abandoned shopping carts within the City; and

WHEREAS, the City Council has authority pursuant to Section 1.04.040 (Amendatory Ordinances) of the City of Banning Municipal Code and California Government Code §50020 to approve, approve with modifications, or disapprove amendments to the Municipal Code; and

WHEREAS, on April 1, 2015, during a duly advertised public hearing, the Planning Commission adopted Resolution No. 2015-06 recommending to the City Council the adoption of Ordinance No. 1486 approving the Categorical Exemption and amending Chapter 5.52 (Shopping Carts) of Title 5 (Business Licenses and Regulations) of the Banning Municipal Code; and

WHEREAS, on the 17th day of April, 2015, the City gave public notice by advertising in the Record Gazette newspaper of the holding of a public hearing at which the Categorical Exemption and Ordinance No. 1486 would be considered; and

WHEREAS, on the 28th day of April, 2015, the City Council held the noticed public hearing at which interested persons had an opportunity to testify in support of, or opposition to the proposed ordinance, and at which time the City Council considered the Categorical Exemption and Ordinance No. 1486; and

WHEREAS, at this public hearing on the 28th day of April, 2015, the City Council considered and heard public comments on the proposed Categorical Exemption and Ordinance; and

WHEREAS, the City Council has carefully considered all pertinent documents and the staff report offered in this case as presented at the public hearing held on the 28th day of April, 2015.

NOW THEREFORE, BE IT HEREBY ORDAINED by the City Council of the City of Banning as follows:

SECTION 1. ENVIRONMENTAL.

California Environmental Quality Act (CEQA)

In accordance with the requirements of the California Environmental Quality Act (CEQA), the City Council has analyzed proposed Ordinance No. 1486 and has determined that it is Categorically Exempt from CEQA pursuant to Section 15061(b)(3) of the CEQA Guidelines which provides that CEQA only applies to projects that have the potential for causing a significant effect on the environment. *Where, it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment; the activity is not subject to CEQA.* The amendments to the Banning Municipal Code do not relate to any one physical project and will not result in any physical change to the environment. Therefore, it can be seen with certainty that there is no possibility that Ordinance No. 1486 may have a significant adverse effect on the environment, and thus the adoption of this Ordinance is exempt from CEQA pursuant to Section 15061(b)(3) of the CEQA Guidelines.

Multiple Species Habitat Conservation Plan (MSHCP)

The amendments to the Banning Municipal Code do not relate to any one physical project and are not subject to the MSHCP.

SECTION 2. CITY COUNCIL ACTION.

The City Council hereby takes the following actions:

1. Banning Municipal Code §5.52.010 is hereby amended adding §5.52.010.C as follows:

Findings and Purpose. Abandoned shopping carts constitute a nuisance, create potential hazards to the health and safety of the public, and interfere with pedestrian and vehicular traffic within the City of Banning. The accumulation of wrecked, dismantled and abandoned shopping carts on public or private property also tends to create conditions that reduce property values, promoting blight and deterioration in the City. The intent of this Chapter is to insure that measures are taken by store owners to prevent the removal of shopping carts from store premises and parking lots, to make the removal of shopping carts a violation of this Code, and to facilitate the retrieval of abandoned carts as permitted by State law. Further, this Chapter is intended to supplement existing State law regarding shopping carts as set forth in California Business & Professions Code, section 22435, et seq.

2. Banning Municipal Code §5.52.010 is hereby amended adding §5.52.010.D as follows:

Enforcement of Chapter.

(a) Permanent Signage. Every cart owned or provided by any business establishment in the City of Banning must have a sign permanently affixed to it that contains the following information:

- 1) Identifies the owner of the cart or the name of the business establishment, or both;
- 2) Notifies the public of the procedure to be utilized for authorized removal of the cart from the business premises;
- 3) Notifies the public that the unauthorized removal of the cart from the premises or parking area of the business establishment is a violation of State and City of Banning law;
- 4) Lists a telephone number to contact to report the location of the abandoned cart; and
- 5) Lists an address for returning the cart to the owner or business establishment.

(b) Violation Remedies. Failure to comply may subject the violator to any civil, criminal, or administrative remedies as provided by law.

3. Banning Municipal Code §5.52.010 is hereby amended adding §5.52.010.E as follows:

Prohibiting Removal or Possession of Abandoned Shopping Carts.

(a) Removal of Carts. It shall be unlawful to either temporarily or permanently remove a cart from the premises or parking area of a business establishment without the express prior written approval of the owner or on-duty manager of the business establishment. Written permission shall be valid for a period not to exceed 72 hours.

(b) Possession of Carts. It shall be unlawful to be in possession of a cart that has been removed from the premises or parking area of a business establishment unless it is in the process of being immediately returned to the owner or business establishment.

(c) Repair or Maintenance. This section shall not apply to carts that are removed for the purposes of repair or maintenance.

(d) Violation Remedies. Failure to comply may subject the violator of the cart to any civil, criminal, or administrative remedies as provided by law.

4. Banning Municipal Code §5.52.010 is hereby amended adding §5.52.010.F as follows:

Mandatory Plan to Prevent Cart Removal/Evaluation Report. Every owner shall develop and implement a specific plan to prevent customers from removing carts from the business premises ("prevention plan"). The prevention plan must include the following elements and a detailed description of how they will be implemented:

(a) Notice to Customers. Written notification shall be provided to customers that removal of carts from the premises and parking lots are prohibited and a violation of state and local law. This notice may be provided in the form of flyers, warnings on shopping bags, or any other form of written notification that will effectively notify customers of the prohibition.

(b) Sign Placement. Signs shall be placed in pertinent places near door exits and near parking lot exits that warn customers that cart removal is prohibited and constitute a violation of state and local law.

(c) Physical Measures. Specific physical measures shall be implemented to prevent cart removal from the business premises. These measures may include, but are not limited to, disabling devices on all carts, posting of a security guard to deter and stop customers who attempt to remove carts from the business premises, bollards and chains around business premises to prevent cart

removal, security deposits required for use of all carts, or the rental or sale of carts that can be temporarily or permanently used for transport of purchases. As an alternative to implementing specific physical measures, a business shall contract with a cart retrieval service to retrieve carts removed from its premises within a forty eight (48) hour period.

(d) Evaluation Report. If a prevention plan was in place the previous year, a report shall be submitted to the City evaluating the measures that were used and approved in the prior calendar year. The report shall include, but not be limited to, the inventory of carts owned/used by the business establishment and the number of carts that had to be replaced due to loss, theft or abandonment.

5. Banning Municipal Code §5.52.010 is hereby amended adding §5.52.010.G as follows:

Prevention Plan/Evaluation Report Timelines and Approval Process.

(a) Existing Owners. The proposed prevention plan for preventing cart removal shall be submitted for approval to the City Manager or his/her designee within thirty (30) days of receiving notice from the City that such a plan is required pursuant to this Chapter. An evaluation report shall be submitted by January 1 of each year thereafter.

(b) New Businesses and Change in Ownership. If a new business begins conducting business in the City and provides carts to its customers, the new owner shall notify the City Manager or his/her designee within thirty (30) days of opening the business to the public and submit a new prevention plan or contract with a cart retrieval service. If an existing business changes ownership, the new owner shall notify the City Manager or his/her designee within thirty (30) days of the change and submit a new prevention plan, agree to adopt the existing prevention plan on file with the City for that business or contract with a cart retrieval service. An evaluation report shall be submitted by January 1 of each year thereafter.

(c) Approval. Within thirty (30) days of receipt of the prevention plan, the owner shall be notified whether the prevention plan is approved. If the plan is not approved, the notice shall state its reasons and provide recommendations to the owner to ensure plan approval. The owner shall submit a new prevention plan within fifteen (15) days of receiving this notice. Once a prevention plan is approved, the proposed measures shall be implemented by no later than thirty (30) days after City approval is given. If an evaluation report is submitted, the prevention measures shall be continued until and unless the City indicates that a measure(s) needs to be modified. Unless otherwise agreed, any modifications to

the plan imposed by the City shall be implemented within thirty (30) days after the City notifies the owner of the needed modifications.

(d) Revocation. If more than sixty (60) carts are retrieved by the City within a six (6) month period, the owner's prevention plan will be revoked upon notification by the City and the owner will be required to submit a new prevention plan to the City Manager. Any owner failing to implement the new prevention plan within thirty (30) days of approval shall be subject to penalties under this Chapter.

6. Banning Municipal Code §5.52.020.A is hereby amended as follows:

Authorization of Enforcement Personnel. To the extent otherwise permitted by law, said enforcement personnel may enter onto any public or private property in the City to retrieve, remove, store, and dispose of any lost, stolen, or abandoned shopping cart, or any part thereof. Any act authorized to be performed by the City of Banning pursuant to any provision of this Chapter may be performed by any enforcement personnel. Any enforcement personnel are authorized to issue an administrative citation upon any owner whom they have reasonable cause to believe has violated any provision of this Chapter.

7. Banning Municipal Code §5.52.040 is hereby added as follows:

Administrative Costs and Fines. Pursuant to Business and Professions Code Section 22435.7, any owner that fails to retrieve its abandoned cart(s) within three (3) days of receiving actual notice from the City, shall pay the City's administrative costs for retrieving the cart(s) and providing the notification to the owner as may be established by resolution of the City Council. Any owner who fails to retrieve abandoned carts in accordance with this Chapter in excess of three times during a specified six month period, shall be subject to a \$50.00 fine for each occurrence. An occurrence includes all carts owned by the owner that are impounded by the City in a one-day period.

8. Banning Municipal Code §5.52.050 is hereby added as follows:

Penalties for Failing to Submit a Prevention Plan or Evaluation Report or to Implement Prevention Measures. Any owner that fails to submit a prevention plan, implement the proposed plan measures, or implement any required modifications to the plan by the City within the time frames specified in this Chapter shall be required to place disabling devices on all carts owned/leased/used by the business to prevent removal of carts from the business premises and parking lots. Any owner that fails to submit an evaluation report or prevention plan by January 1 of each year or fails to place a disabling device on all carts, if applicable, shall be subject to a \$1,000.00 civil penalty, plus an additional penalty of \$50.00 for each day of non-compliance.

9. Banning Municipal Code §5.52.060 is hereby added as follows:

Notification for Retrieval of Abandoned Shopping Carts. Pursuant to Business and Professions Code Section 22435.7, the City shall notify the owner of any abandoned carts owned or used by the business establishment that have been located within the City of Banning, if the City intends to impound the cart(s) pursuant to Section 22435.7. The owner shall have three (3) days from the date the notification is given, to retrieve the carts from the City.

10. Banning Municipal Code §5.52.070 is hereby added as follows:

Disposition of Shopping Carts After Thirty Days. According to State Law, any cart not reclaimed from the City within thirty (30) days after notification to the owner shall be sold or otherwise disposed of by the City. Any cart that fails to have the identification required by State Law or this Chapter may be sold or otherwise immediately disposed of at the discretion of the City.

11. Banning Municipal Code §5.52.080 is hereby added as follows:

Businesses Without Shopping Carts. A business which does not own, rent, lease, or otherwise possess its own carts, but which receives a benefit by the use of carts owned by other businesses, merchants, grocers, or other similar establishments, shall provide a location upon its premises for the storage of carts and shall immediately contact a cart retrieval service to retrieve any carts that are left on the premises. This section specifically applies to recycling centers.

SECTION 3. SEVERABILITY.

If any section, subsection, sentence, clause, or portion of this ordinance is, for any reason, held to be invalid or unconstitutional by a decision of any court of competent jurisdiction, such decision will not affect the validity of the remaining portions of this ordinance. The City Council of the City of Banning hereby declares that it would have passed this Ordinance and each and every section, subsection, sentence, clause, phrase or portion thereof, irrespective of the fact that any one or more sections, subsections sentences, clauses, phrases, or portions thereof may be declared invalid or unconstitutional.

SECTION 4. PUBLICATION; EFFECTIVE DATE.

The City Clerk shall certify to the passage and adoption of this ordinance, and shall make a minute of the passage and adoption thereof in the records of and the proceedings of the City Council at which the same is passed and adopted. This ordinance shall be in full force and effect thirty (30) days after its final passage and adoption, and within fifteen (15) days after its final passage, the City Clerk shall cause it to be published in a newspaper of general circulation and shall post the same at City Hall, 99 E. Ramsey Street, Banning, California.

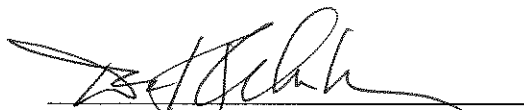
PASSED, APPROVED, AND ADOPTED this 12th day of May, 2015.


Deborah Franklin, Mayor
City of Banning

ATTEST:


Marie A. Calderon, City Clerk
City of Banning, California

**APPROVED AS TO FORM AND
LEGAL CONTENT:**


David J. Aleshire, City Attorney
Aleshire & Wynder, LLP

CERTIFICATION:

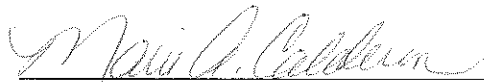
I, Marie A. Calderon, City Clerk of the City of Banning, California, do hereby certify that Ordinance No. 1486 was duly introduced at a regular meeting of the City Council of the City of Banning, held on the 28th day of March, 2015, and was duly adopted at a regular meeting of said City Council on the 12th day of May, 2015, by the following vote, to wit:

AYES: Councilmembers Miller, Moyer, Peterson, Welch, Mayor Franklin

NOES: None

ABSENT: None

ABSTAIN: None



Marie A. Calderon, City Clerk
City of Banning, California

ORDINANCE 1603

AN ORDINANCE OF THE CITY OF BANNING, CALIFORNIA, ADDING A NEW CHAPTER 9.09 TO TITLE 9 (PUBLIC PEACE, MORALS AND WELFARE) OF THE BANNING MUNICIPAL CODE TO PROVIDE FOR REGULATIONS GOVERNING CAMPING AND RELATED ACTIVITIES WITHIN THE CITY OF BANNING, AND MAKING A DETERMINATION OF EXEMPTION FROM THE CALIFORNIA ENVIRONMENTAL QUALITY ACT

The City Council of the City of Banning does hereby ordain as follows:

SECTION 1. Environmental Findings. The City Council has independently reviewed and considered the requirements of the California Environmental Quality Act ("CEQA"), and has determined that the Municipal Code amendments contained in Section 2 of this Ordinance are exempt from CEQA pursuant to Section 15061(b)(3) of the CEQA Guidelines because it can be seen with certainty that there is no possibility that these amendments may have significant effect on the environment.

SECTION 2. A new Chapter 9.09 is hereby added to Title 9 of the Banning Municipal Code to read as follows:

"Chapter 9.09 – CAMPING AND RELATED ACTIVITY

9.09.010 - Unlawful camping in public places.

A. Findings and purpose.

1. The streets, parks, public buildings and grounds, and other public areas in the city should be readily accessible and available to residents and the public at large. Public property within the city is not specifically designed for the purposes of camping and so does not have the facilities necessary to protect the property from overuse and unsanitary conditions potentially injurious to public health.
2. Public streets, sidewalks, and walkways are created and maintained for the primary purposes of enabling pedestrians and vehicles to safely and efficiently move about from place to place, facilitating deliveries of goods and services and providing all potential customers and visitors with convenient access to goods and services, as well as a place to recreate and engage in free public speech in shared civic space.
3. The use of public property for camping purposes interferes with the rights of others to use the areas for the purposes for which they were intended, such as transportation, municipal operations, recreation, and open space.
4. Camping activities may constitute a public health and safety hazard when conducted without the property security, sanitary facilities and precautions. The necessity to clean up, repair, or remediate public property that has been used for unlawful camping may result in substantial costs to the public.
5. Pedestrians, particularly elderly, disabled, and vision-impaired, are put at increased risk when they must see and navigate around individuals sitting or lying upon the public sidewalk.

6. There is no specific site or sites that should be designated for camping because it is the experience of the city and other municipalities that sites where camping is continuous or camping populations are numerous become public health, environmental degradation, and policing problems.
7. Designated open space contains ecologically sensitive habitats, including many protected plant and wildlife species, as well as fresh water supplies. Except as provided for in this section, human presence in open space other than on designated trails can seriously damage or destroy these habitats as well as increase the risk of wildfire danger.
8. Certain public lands within the city's geographical boundaries pose significant health and safety hazards to people who make shelter or stay overnight in these areas.
9. It is the obligation of the city to keep its public property and public rights-of-way clean and available for public use, and to protect the public health, safety, and access by city constituents.
10. The city is committed to protecting the life, health, and safety of its residents and all people within the city's geographical boundaries.
11. The purpose of this section is to maintain public places within the city in a clean and accessible condition, to prevent the accumulation of trash and debris and to reduce the risk of both structural and brush fires.
12. This section shall not be interpreted to criminalize any person based on their status as a homeless individual. To that end, whenever an issue of interpretation arises, this section shall be interpreted in a manner consistent with the holding in *Martin v. City of Boise* (9th Cir. 2019) 920 F.3d 584.
13. The city council is committed to protecting the rights of individuals who cannot obtain shelter and to treating their personal property with respect and consideration and therefore updates this code to conform to and address the impacts of the Ninth Circuit Court of Appeal's decision in *Martin v. City of Boise*.
14. The city currently provides more than 50 shelter beds for people experiencing homelessness, which offer a place to sleep and supportive services, including job programs, housing support, treatment for mental health conditions or substance abuse, and security.
15. The city engages in significant outreach work to build relationships with people experiencing homelessness, using a person-centered, compassionate approach to provide services tailored to each person's specific needs.
16. The city and the county provide housing stability support, eviction protection, transitional housing, and supportive and permanent housing solutions to assist people with ending their homelessness.

B. Definitions. As used in this section:

1. "Camp" means to pitch or occupy camp facilities; or to use camp paraphernalia, for the purpose of occupancy, habitation, or sheltering for survival in an outdoor area, and in such a way as will facilitate sleeping or storage of personal belongings, carrying on cooking activities, taking measures to keep protected from the elements including heat and cold, or any of these activities in combination with one another or in combination with either sleeping or making preparations to sleep. The act of sleeping on its own does not constitute camping.
2. "Camp facilities" include, without limitation, tents, huts, lean-tos, vehicle camping outfits, unapproved shacks or temporary shelters, cook stoves or fire pits, however constructed.
3. "Camp paraphernalia" includes, without limitation, tents or tent-like structures, cots, hammocks, sleeping bags, bedrolls, blankets, personal cooking facilities, and similar equipment.
4. "Open space" means any parcel or area of land or water that is essentially unimproved and devoted to an open space use, and which is designated on the local open space plan as any of the following: (a) for the preservation of natural resources; (b) for the managed production of resources; (c) for outdoor recreation; (d) or public health and safety.
5. "Public place" means property owned, held, or leased by a public entity or agency, improved or unimproved, and includes, without limitation, open space, parks, plazas, parking lots, highways, streets, bridges, alleys, driveways, sidewalks, walkways, or other public rights-of-way.
6. "Prohibited area" means each of the following locations:
 - a. All city parks;
 - b. The area seventy-five feet from the centerline of any officially-designated recreational or multi-use trail that is open to the general public;
 - c. Gilman Historic Ranch and its surrounding property, located at 1901 Wilson Street, Banning, CA 92220;
 - d. Open space; and
 - e. Public places located within the following zoning districts, as shown on the Official Zoning Map of the city, as the same may be amended from time-to-time by the city council:
 - i. Residential Single-Family: Ranch/ Agriculture (R/A), Ranch/ Agriculture Residential — Hillside (RAR-H), Rural Residential (RR), Rural Residential - Hillside (RR-H), Very Low Density Residential (VLDR), Low Density Residential (LDR), and Mobile Home Park (MHP) districts.

- ii. Residential Multifamily: Medium Density Residential (MDR), High Density Residential (HDR), and Very High-Density Residential (VHDR) districts.
 - iii. Commercial: Downtown Commercial (DC), General Commercial (GC), Highway Serving Commercial (HSC), and Professional Office (PO) districts.
- 7. "Prohibited time" means, for each calendar day, the time beginning at 6:00 A.M. and concluding at 10:00 P.M.
- 8. "Store" means to put aside or accumulate for use when needed, to put for safekeeping, to place or leave in a location.
- C. Camping in a public place.
 - 1. Unlawful camping in prohibited area. It shall be unlawful and a public nuisance for any person to camp, occupy camp facilities, or use camp paraphernalia in, on, or under any public place in a prohibited area, as defined in subsection (B)(6) of this section, regardless of the time of day, except as otherwise provided in this chapter. This subsection shall not apply when an individual lacks access to permanent or safe shelter, or is otherwise involuntarily homeless.
 - 2. Unlawful camping during prohibited times in a public place. It shall be unlawful and a public nuisance for any person to camp, occupy camp facilities or use camp paraphernalia in or under any public place in the city during the prohibited time, as defined in subsection (B)(7) of this section, except as otherwise provide in this chapter.
- D. Unlawful storage of personal property in a public place. It shall be unlawful and a public nuisance for any person to store personal property, including camp facilities and camp paraphernalia, in any public place, except as otherwise provided by this code, or except by permission of the property owner. Nothing herein shall be construed to allow storage where otherwise prohibited by this code.
- E. Property removal. Designated city employees may remove personal property unlawfully stored or found on public places as outlined in subsection (D) of this section or found in an unlawful encampment as follows:
 - 1. The location of any personal property including camp facilities and paraphernalia shall be noticed as follows:

"It is illegal to store personal property on a public place such as public open space, parks and parking lots. If this personal property is not removed within 72 hours of the date of this posting, THE PERSONAL PROPERTY SHALL BE DEEMED INTENTIONALLY ABANDONED AND SUBJECT TO REMOVAL AND POSSIBLE DESTRUCTION."
 - 2. City personnel may remove any personal property unlawfully stored or remaining in a public place after the posting period has expired.
 - 3. Personal property which has been clearly abandoned, poses an imminent threat to public health or safety, may result in pollutants entering storm drains or other discharge into water in violation of Section 13.24.090 of this code, is contraband, or

which is evidence of a crime shall not be subject to the above notice requirements and shall be removed immediately by city personnel or police and stored or destroyed according to the provisions below.

F. Personal effects.

1. "Personal effects" for purposes of this section, means personal property consisting of the following items.
 - a. Medication, medical devices, eyeglasses, or other prescription lenses;
 - b. Sleeping bag or bed roll that is sanitary and non-verminous;
 - c. Tents in usable and reasonably good condition;
 - d. Clothes stored in a manner protecting them from the elements, which are not unsanitary, soiled, or verminous;
 - e. Non-perishable food items; and
 - f. Personal property with an estimated individual fair market value of at least fifty dollars.
2. At the time of removal of unlawfully stored or remaining personal effects, city personnel shall conspicuously post and date a notice either at the exact location from which the personal effects were removed or at another nearby location giving the following information.
 - a. A list of personal effects removed;
 - b. A telephone number for information on retrieving personal effects;
 - c. An address where the personal effects are temporarily stored; and
 - d. The length of time during which the personal effects may be claimed.
3. Following removal of unlawfully stored or remaining personal effects, city personnel shall do the following:
 - a. Maintain an inventory identifying the personal effects, where the personal effects were approximately located and the reasonable value of each item;
 - b. Place the removed personal effects in containers labeled in a manner facilitating identification by city personnel and owner, which reasonably protects such property from damage or theft; and
 - c. Store removed personal effects in an area designated by the city for a period of ninety days.

4. Personal property stored by the city, which is claimed within ninety days from removal, shall be released to the person claiming ownership provided the person identifies the property and the approximate location where the property was left.
5. Disposition of property.
 - a. Property that remains unclaimed after ninety days may be dedicated for public use or may be given to a local nonprofit agency for charitable use.
 - b. All other unlawfully store or found personal property which remains unclaimed after ninety days is deemed intentionally abandoned and may be abated and destroyed.

9.09.020 - Sitting, lying, sleeping in public places.

A. Findings and purpose.

1. Public streets, sidewalks, and walkways are created and maintained for the primary purposes of enabling pedestrians and vehicles to safely and efficiently move about from place to place, facilitating deliveries of goods and services and providing all potential customers and visitors with convenient access to goods and services, as well as a place to recreate and engage in free public speech in shared civic space.
2. Except as provided for in this section, sitting or lying on public streets, sidewalks, or walkways interferes with the primary purposes of the public street, sidewalk, or walkway, threatens public safety, and damages the public welfare.
3. Pedestrians, particularly the elderly, disabled, and vision-impaired, are put at increased risk when they must see and navigate around individuals sitting or lying upon the public sidewalk.
4. In some circumstances, people sitting or lying on sidewalks deter many members of the public from frequenting those areas. This, in turn, contributes to an erosion of the essential economic viability of those areas. Business failures and relocations can cause vacant storefronts contributing to a spiral of deterioration and blight, which harms the public health, safety, and welfare.
5. There are numerous other places within the city where sitting can be accommodated without unduly interfering with the safe flow of pedestrian traffic, impairing commercial activity, threatening public safety, or harming the public welfare. These other places include city parks, numerous public benches and other seating facilities, plazas, portions of sidewalks not intensively used by pedestrians, common areas open to the public and private property with the permission of the property owner.
6. The city recognizes that there is a fundamental need to sleep and desires to accommodate that need while also satisfying the needs of the general public to travel freely and safely throughout the city.
7. The limited regulation of sitting or lying down on sidewalks is both reasonably necessary and appropriately balances the public interest and individual rights.

8. Designated open space contains ecologically sensitive habitats, including many protected plant and wildlife species, as well as fresh water supplies. Except as provided for in this section, human presence in open space, other than on designated trails, can seriously damage or destroy these habitats as well as increase the risk of wildfire danger.
- B. Definitions. As used in this section:
1. "Obstruct pedestrians or vehicular traffic" means to obstruct or impede passage by another person or a vehicle, or to require another person or a driver of a vehicle to take evasive action to avoid physical contact.
 2. "Public place" means public property, including, without limitation, publicly owned parking lots and driveways, highways, streets, bridges, alleys, sidewalks, walkways, and city-owned areas generally accessible to the public.
- C. Prohibited conduct.
1. No person shall obstruct pedestrian or vehicular traffic by sitting or lying in a public place or in doorways or entrances or exits to buildings.
 2. No person shall be permitted to sleep in a public place between the hours of 6:00 A.M. to 10:00 P.M. daily.
 3. No person shall be permitted to sleep in a public place between the hours of 10:00 P.M. to 6:00 A.M., unless there are no sleeping spaces practically available in any shelter or if there does not exist any viable alternative to sleeping in a public place.
 4. No person shall be permitted to sleep in any open space, as defined in subsection (B)(4) of Section 9.09.010.
 5. Except as otherwise permitted under Title 17 of this code, it is unlawful for any person to sleep between 6:00 A.M. and 10:00 P.M. in any vehicle parked in or upon any public place or in or upon any privately owned parking area used for parking of customers of any business enterprise without the written consent of the owner of such business enterprise.
- D. Exceptions. The prohibitions set forth in subsection (C) of this section shall not apply to:
1. Persons operating or patronizing a commercial establishment conducted on the public sidewalk pursuant to an applicable, valid permit; or person participating in or attending a parade, festival, performance, rally, demonstration, meeting or similar event conducted in a public place;
 2. Any conduct that is in conformity with the terms of any permit granted pursuant to this code; or
 3. Persons patronizing dining establishments with seating areas in the public right-of-way, who have been permitted pursuant to this code.
- E. Picketing or protesting. It is not the intent of this section to prohibit protesting, picketing, demonstrating, signature gathering, voter registration, leafleting, or any other lawful

activity permitted under the laws of the United States of America, State of California, or by the National Labor Relations Act in connection with a labor dispute.

9.09.030 - Camping on private property.

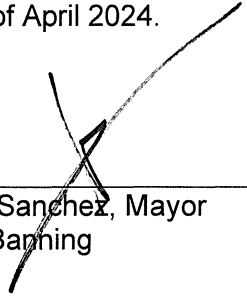
- A. Except as otherwise provided in this section, it shall be unlawful and a public nuisance for any person to camp, occupy camp facilities, or use camp paraphernalia in, on, or under any private property within the city or to start or maintain an open fire on private property in violation of the Fire Code.
- B. Except as otherwise provided in this subsection, this section shall not apply to persons camping upon their own land or to persons camping with the written consent of the owner of the land; provided, that such written consent is in their possession at the time and is shown upon demand of any peace officer and is not otherwise prohibited by Title 17 of this code. Irrespective of any written consent provided by the owner of the land, no person shall camp, or permit to camp, on private property for a period of time exceeding seven consecutive days without an interruption of at least five consecutive non-camping days. For purposes of this section camping for any portion of a day shall count as a full camping day.
- C. This section shall not apply to persons lawfully camping within campgrounds or trailer parks approved pursuant to Title 17 of this code nor shall it be construed to waive or preempt any requirement or authorization provided under Title 17 of this code."

SECTION 2. If any section, subsection, paragraph, clause or phrase of this Ordinance, or any part thereof, is for any reason held to be invalid or unconstitutional, such decision shall not affect the validity of the remaining sections or portions of this Ordinance or any part thereof. The City Council hereby declares that it would have passed each section, subsection, paragraph, clause or phrase of this Ordinance, irrespective of any one or more sections, subsections, subdivisions, paragraphs, sentences, clauses or phrases subsequently declared invalid or unconstitutional.

SECTION 3. The City Clerk is directed to certify the passage and adoption of this Ordinance; cause it to be entered into the City of Banning's book of original ordinances; make a note of the passage and adoption in the records of this meeting; and, within fifteen (15) days after the passage and adoption of this Ordinance, cause it to be published or posted in accordance with California law.

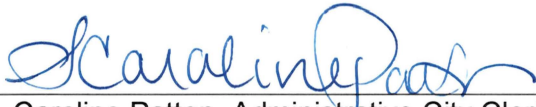
SECTION 4. This Ordinance will become effective on the thirty-first (31st) day following its passage and adoption.

PASSED, APPROVED AND ADOPTED this 23rd day of April 2024.



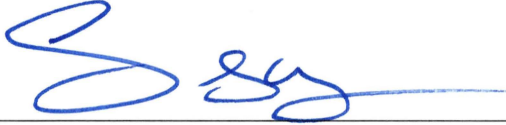
Alberto Sanchez, Mayor
City of Banning

ATTEST:



Caroline Patton, Administrative City Clerk
City of Banning

APPROVED AS TO FORM:



Serita Young, City Attorney
Richards, Watson & Gershon

CERTIFICATION:

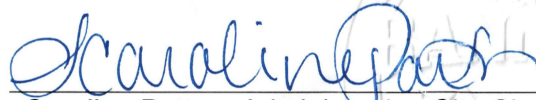
I, Caroline Patton, Administrative City Clerk of the City of Banning, California, do hereby certify that Ordinance 1603 was duly introduced at a regular meeting of the City Council of the City of Banning, held on the 9th day of April 2024, and was duly adopted at a regular meeting of said City Council on the 23rd day of April 2024, by the following vote, to wit:

AYES: Happe, Minjares, Sanchez, and Wallace.

NOES:

ABSENT: Flynn.

ABSTAIN:



Caroline Patton, Administrative City Clerk
City of Banning, California

Fund what matters

How cities are addressing homelessness

California cities are on the front lines of the state's growing homelessness crisis, but they cannot solve this alone. Cal Cities' homelessness survey in 2024 highlighted the scale of this challenge: 85% of cities have launched programs to address homelessness, yet 68% report that the number of individuals entering homelessness exceeds their ability to achieve a net reduction. The uncertainty of state support and growing financial strain threaten the sustainability of local efforts. In fact, 93% of cities express concern about maintaining current services over the long term.

Cal Cities updated its survey in 2025. The results of the survey are clear: Cities of all sizes need an ongoing, dedicated source of state funding, or the crisis will only worsen.

Only 1 in 5 cities have access to state funding to address encampments.



Does your city have a policy or ordinance to address encampments?

8 in 10 cities
are using General Fund dollars
to address encampments
in their communities.



Is your city collaborating with neighboring agencies to address regional homelessness challenges?

Cities agree the top two barriers to addressing encampments are:

- Lack of services
- Lack of funding

Nearly 40% of cities also cite coordinating with state agencies as a barrier.

Here are a few examples of what cities are doing:



Long Beach takes a human-centered, compassionate approach to homelessness, focusing on outreach, supportive services, and increasing access to both temporary and permanent housing. As it relates to encampments, the city has seen increased success in its use of critical State Encampment Resolution funding that prioritizes and enhances outreach and housing solutions.



San Luis Obispo developed its own standards to ensure a consistent and compassionate response to individuals experiencing homelessness. These standards help connect people to shelter and services, address encampments, prevent health and safety risks, and help maintain clean and accessible public spaces.



Citrus Heights responds to homelessness with compassion and accountability by prioritizing individual assistance while preserving public safety. Following the U.S. Supreme Court's *Grants Pass* decision, city staff reports that more individuals experiencing homelessness are engaging with available resources, including those facing behavioral health and substance use challenges.

*Data and Assumptions: The League of California Cities conducted a statewide survey in March 2025 to better understand how cities are responding to the homelessness crisis and encampments across the state. In total, 164 cities responded to the survey, representing a diverse group of cities by geography, population, and setting. Collectively, these 164 cities make up 34% of the state's population. For more information email bmontiel@calcities.org.

Homelessness in California: Recent challenges and new horizons

By Bethany Carter and Jialu L. Streeter

Key Takeaways

Despite historic government investments over the last decade, California's homelessness crisis remains among the worst in the US.

Insufficient shelter capacity, lack of permanent housing, and weakened incentives for drug treatment drive persistently high rates of homelessness, particularly unsheltered, relative to other states.

Data collection and transparency have not kept pace with spending and need to be improved to accurately assess the effectiveness of policies and government spending on homelessness.

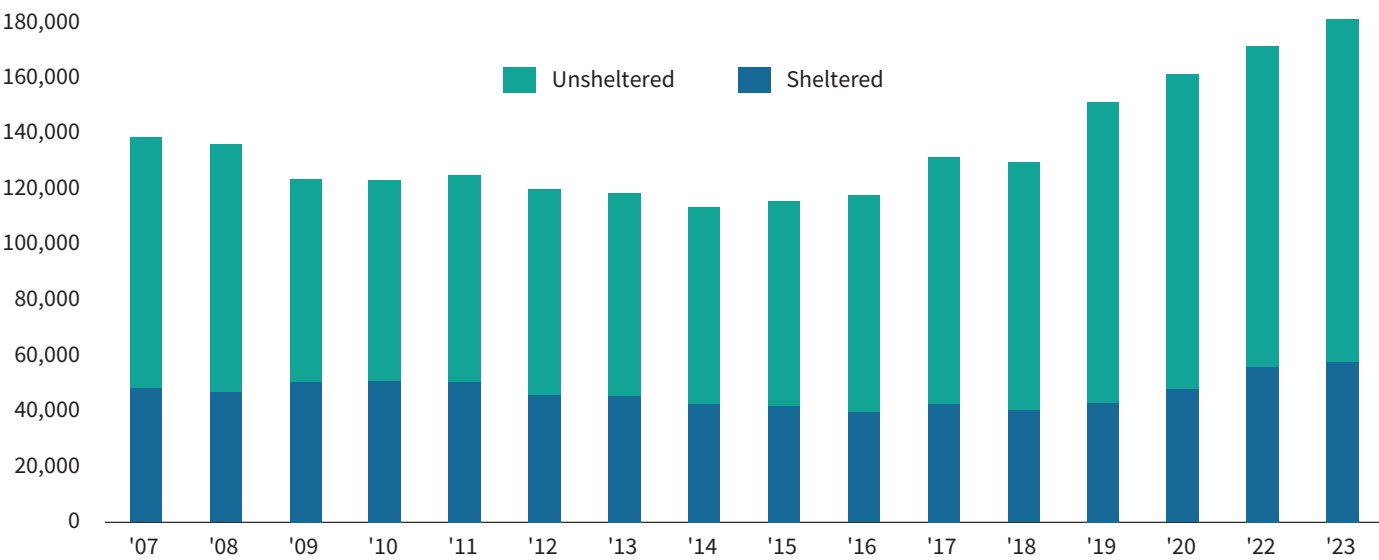
Between 2007 and 2014, the number of people experiencing homelessness in California declined from 140k to 114k. But, after that, homelessness began accelerating (Figure 1), even as billions of dollars in federal, state, and local spending poured in to address the problem. Several factors have contributed to the persistence of homelessness in California despite these investments, including a continued dearth of shelter beds, high and rising housing costs, and changes in policies around drug offenses.

In this brief, we will discuss these challenges that have characterized the last decade of homelessness policy and the unintended consequences of certain policies. We will then provide an overview of the complex organizational and funding structure of efforts to combat homelessness — a key factor undermining their oversight and impact. Lastly, we will examine potential policy changes that could affect the trajectory of homelessness policy going forward and policy recommendations.

What's unique about homelessness in California?

While some other states have higher rates of homelessness per capita than California, what distinguishes homelessness in the Golden State is its scale — the largest in the nation at over 187,000 in 2024. To make things worse, the state has a high rate of unsheltered homelessness, a large share

FIGURE 1: Homelessness in California, 2007-2023



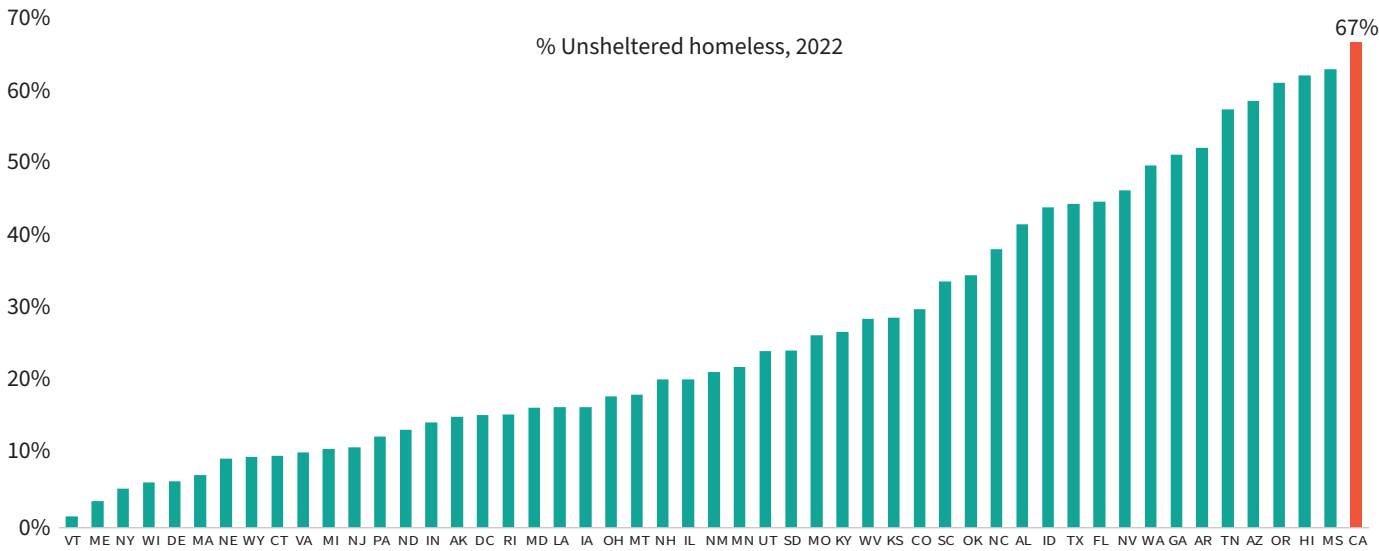
Source: HHUD Point-in-Time Counts
Note: Data were not collected for 2021 due to the COVID-19 pandemic.

of which is single men.¹ For instance, while New York has more homeless per capita than California, only 5% are unsheltered (Figure 2). By comparison, 2 out of 3 homeless in California are unsheltered, making up 45% of the nation’s total unsheltered population. Nationwide, single men are more likely than other demographics to be homeless, but in California the ratio is much more extreme. Over 9 out of 10 homeless men in California are single, whereas roughly half of homeless men in New York are single (HUD 2024a). These characteristics make homelessness in California, especially in the state’s metropolitan areas, more publicly visible. Concentrations of homelessness in San Francisco and Los Angeles have generated open-air drug markets, public dealing, and use of illicit drugs (AP News 2024, FOX 11 2024), which have had profound effects on residents’ perceptions and satisfaction.

About 88% of San Francisco residents said homelessness has worsened, and 70% said quality of life has declined in recent years (San Francisco Chamber of Commerce 2021). Moreover, 71% of respondents cited increased visibility of homelessness as the main reason they feel less safe (The San Francisco Standard 2022). Similarly, in Los Angeles, 60% said homelessness has worsened and 64% that the problem has affected their own neighborhoods, contributing to one of the lowest life satisfaction ratings in the last 9 years (ULCA 2024, USC 2024). Citizens’ concerns regarding rising homelessness and drug abuse helped lay the foundation for an array of new punitive policy initiatives, including a reform of Proposition 47 in the November 2024 election. We will return to these initiatives in later sections.

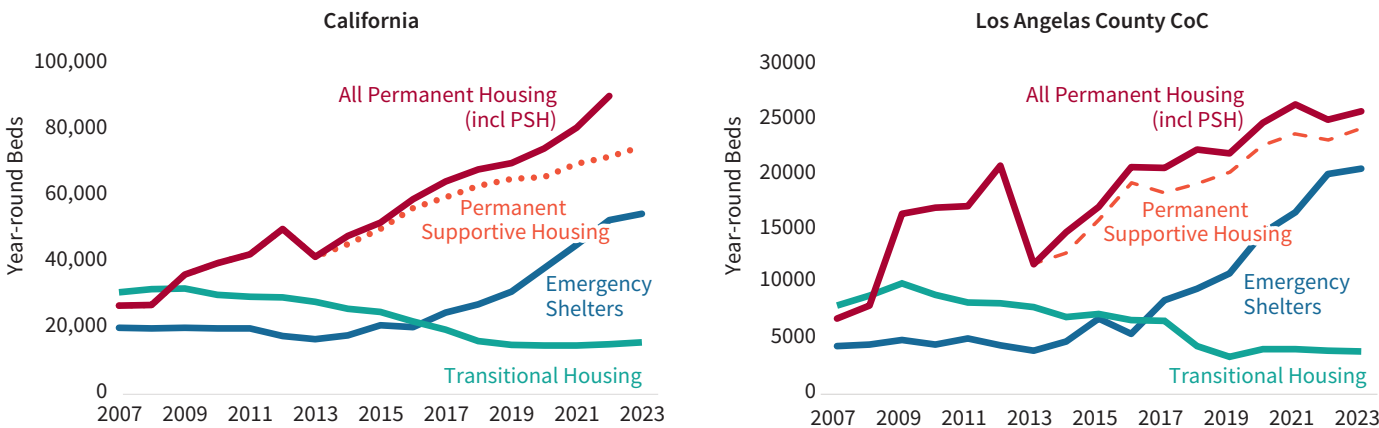
1 Unsheltered homelessness is defined as sleeping in a place not meant for human habitation, such as on the street, in tents, under bridges, in public open spaces, or in vehicles.

FIGURE 2: Unsheltered Homelessness by State



Source: HUD Point-in-Time Counts

FIGURE 3: Shelters, Transitional Housing, and Permanent Supportive Housing



Source: HUD Housing Inventory Count
Note: Emergency shelters do not include safe havens.

Dearth and inefficiency of shelter

Shelters provide a crucial first line of defense against sleeping on the street and the health and safety risks that

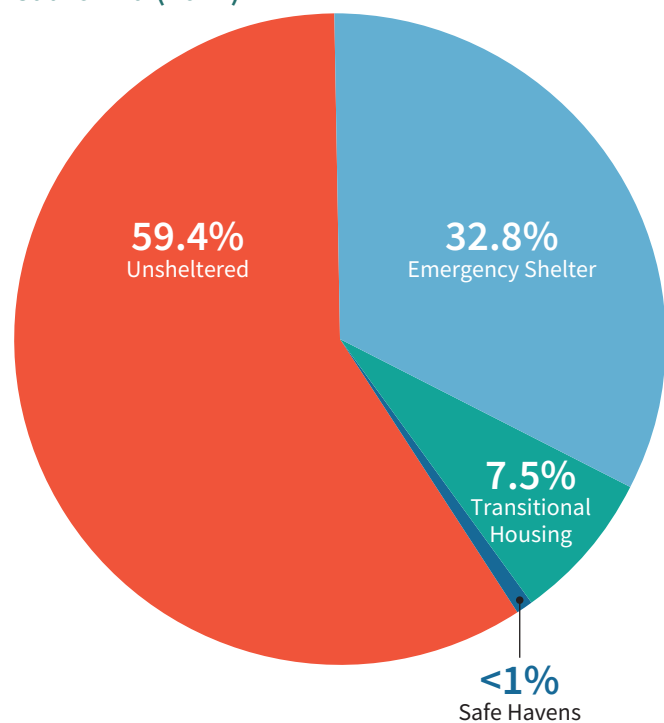
come with it. Yet California faces a severe undersupply of shelter beds. In 2024, 187,084 people in the state were homeless.² If we add up all the interim housing beds

² People living in permanent housing, including rapid rehousing, are not counted as homeless in the Point-in-Time count.

available — emergency shelter (61,387), transitional housing (14,078), and safe haven (473) — and assume all beds are being utilized at 100% capacity (a strong and almost implausible assumption), an estimated 111,146 homeless people — close to 60% of the homeless population — lack a shelter bed (Figure 4).

And, this is an understatement of the shelter bed need, as not every community in California enumerated its unsheltered homeless population in 2024.³ The shelter shortage in California is staggering when compared to other states. In New York City, for example, there was roughly one shelter bed for every homeless individual in 2024; but in Los Angeles, the ratio was 1 to 2.5 (HUD 2024a, HUD2024b).

FIGURE 4: Interim Housing Bed Capacity as a Share of the Homeless Population in California (2024)



Source: HUD Housing Inventory Count, Point-in-Time Counts

Making matters worse, not every shelter bed available is used. In a recent report, the LA City Controller found 1 in 4 beds in the Los Angeles interim housing system went unused between 2019 and 2023 at an estimated cost of \$218 million. Some reasons cited for the insufficient utilization were a lack of timely data on shelter availability, a disjointed and opaque bed reservation system, and restrictive geographic catchment areas that prevent placements of individuals into shelters outside the zones where they are currently living (LA City Controller 2024).

Shelters themselves often impose restrictions that render access more difficult. For instance, some shelters do not take walk-ins, limit the personal belongings and family members one can bring, or prohibit pets. And, some shelters have been perceived as lacking safety and privacy, making them unsuitable for some people experiencing homelessness, especially those with histories of trauma or psychiatric conditions. For these reasons, some people living unsheltered opt to stay on the streets even when offered a shelter bed. Recent reporting captures this: In December 2023, San Francisco reported 60% of people offered shelter by a street outreach team in the previous month declined it. Simultaneously, city data showed 436 people on the waitlist for shelter (ABC7 2023).

Newer, more innovative interim housing models, such as tiny homes and the conversion of hotels/motels, provide more privacy and flexibility. In some cases, these non-congregate models have achieved significantly higher occupancy rates compared to traditional congregate shelters — e.g., 86% vs. 65%, respectively, in Los Angeles (LA City Controller 2024). Thus, non-congregate shelter has emerged as a key component of encampment clearance efforts like Inside Safe in Los Angeles.

³ Some communities count both their sheltered and unsheltered homeless populations annually, while some count their sheltered populations only annually and their unsheltered populations every other year.

For the vast majority of people experiencing homelessness, long-term housing assistance comes in the form of vouchers or subsidies for market-rate apartments. Yet the average market-rate rent requires income over twice California's minimum wage (California Housing Partnership 2024). The waitlists for vouchers can be years-long, and discrimination against voucher-holders remains all too common, despite being outlawed in many jurisdictions (CalMatters 2022, Los Angeles Times 2024). These challenging conditions help explain why only 13% of people exited shelter for any kind of permanent housing between 2019 and 2023 (CA State Auditor 2024a).

High costs of housing

Although shelters have remained in chronic undersupply, state and local policy efforts of the last few years have focused more heavily on channeling resources to permanent housing — the general housing supply as well as permanent supportive housing (PSH) for those with acute or chronic physical or mental health needs. Both interventions have encountered major cost hurdles in California.

In Los Angeles, Proposition HHH, passed by voters in 2016, issued up to \$1.2 billion in bonds to create permanent supportive housing. The city had promised voters results within six months, but construction of these projects proceeded slowly and expensively.⁴ In the first five years of the program, the city built a mere 1,142 apartments; over an eight-year period, only 5,487 units were completed (LA City Controller 2022, Los Angeles Times 2016, Los Angeles Housing Department 2024). Relative to the 71,201 people currently experiencing homelessness in Los Angeles, the 5,487 PSH units provided relief to only a very small subset of people at exorbitant cost.

And this high cost of permanent housing construction is not exclusive to Los Angeles. In the Bay Area, the average cost of permanent housing is \$500,000 to \$600,000 per apartment unit, compared to an average of \$43,000 per shelter bed and \$150,000 per modular transitional apartment unit (Bay Area Council Economic Institute 2021). Similarly, the conversion of a historic hotel in Sacramento into housing for the homeless is estimated to cost \$600,000/unit (The Sacramento Bee 2023).

The push to build PSH over the last decade often came with the stated intent to serve the chronically homeless with the most acute and often chronic needs, including addiction, mental health disorders, and/or physical disabilities. For this subpopulation in particular, PSH was widely believed to be more cost-effective in the long run by reducing reliance on more expensive emergency services. However, it is unclear to what extent this housing has served its stated purpose, as less than 30% of PSH beds were dedicated for the chronically homeless across the state in 2024, according to the most recent Housing Inventory Count (HUD 2024b).⁵

Some studies have found PSH to be more effective on average than shelter at reducing the probability someone will return to the street or a shelter, and the benefit can be especially pronounced for specific subpopulations, such as minorities and the elderly (Cohen 2021, Schachner et al, 2025). However, exits can still be high. Research by the California Policy Lab found that more than 1 in 5 PSH residents in Los Angeles returned to shelter or street homelessness between 2010 and 2019, with even higher rates among Black residents (Milburn et al. 2021).

PSH programs vary in structure and quality, and these broad study results, while helpful, tell us little about which programs are working, for whom, and what needs to improve. Additionally, less is known about the impact

⁴ An apartment unit built under Prop HHH has an average development cost of \$611,783, with about 18% coming from Prop HHH loans.

⁵ According to the 2024 HIC, roughly 30% of PSH beds in California were dedicated to the chronically homeless, 30% to veterans, and 1% to youth. Assuming no overlap from dual-purpose beds, this leaves a minimum of 39% PSH units that were not reserved for the chronically homeless.

on other non-housing outcomes, such as health, drug use, and employment, for which the evidence has been mixed or inconclusive (Cohen 2021, Streeter 2022). At a cost of five shelter beds for every one PSH unit, it's crucial to ensure PSH is delivering desired outcomes for the most vulnerable individuals through accurate and timely oversight.

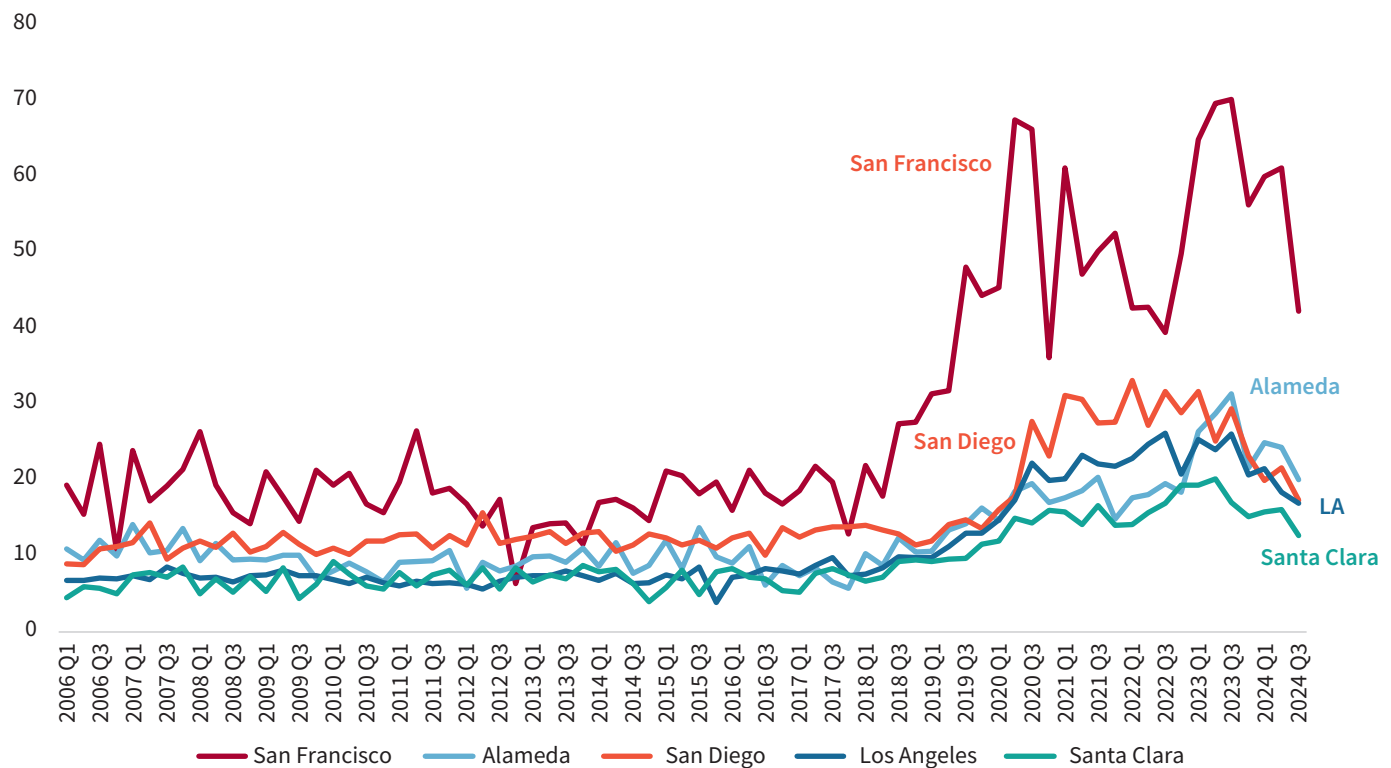
Drug use

Homelessness is associated with higher rates of drug abuse and overdose. In a recent survey, around 30% of people experiencing homelessness across California reported regular drug use (excluding marijuana), and research suggests higher rates of drug use among the chronically homeless (Assaf et al. 2025, Streeter 2022). In 2023, nearly half of all deaths among people experiencing homelessness in LA County was due to drug/alcohol

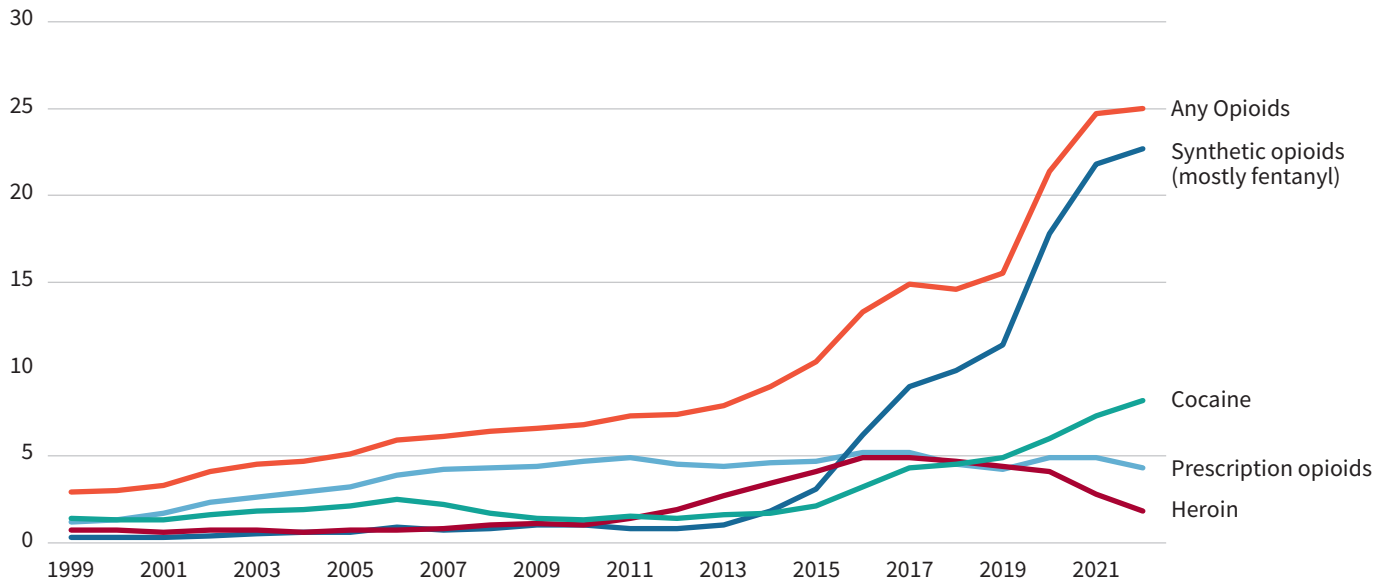
overdose — a mortality rate 49 times greater than that of the general population (LA County Department of Public Health 2025).

Figure 5 shows that several California cities, including San Francisco and LA, experienced a spike in the drug overdose death rate after 2016. This increase followed two major developments. First, more potent drugs became more readily available across the U.S., particularly in these cities. As shown in Figure 6, fentanyl, which is 50 times stronger than heroin and 100 times more potent than morphine, replaced heroin to become the main illicit drug on the street in 2016. Among people experiencing homelessness, overdose deaths involving fentanyl increased dramatically, from 12.5% in 2018 to 70.4% in 2023 (LA County Department of Public Health 2025).

FIGURE 5: Drug Overdose Death Rate (per 100,000 population)



Source: National Institute on Drug Abuse

FIGURE 6: California Drug Overdose Mortality Rate by Drug Type (per 100,000 population)

Source: National Institute on Drug Abuse

At the same time, a key tool for incentivizing people into treatment was undercut with the passage of Proposition 47 in November 2014. This ballot initiative aimed to decrease prison overcrowding and redirect savings from reduced incarceration to rehabilitation. In practice, Prop 47 recategorized two major groups of non-violent offenses from felonies to misdemeanors: (1) burglary and theft under \$950 and (2) possession of illicit drugs, including fentanyl, methamphetamine, cocaine, and heroin. Despite its well-intended goal, Prop 47 has been criticized for its unintended consequences, particularly its impact on drug offenders and the rise in retail thefts.

Before Prop 47, drug courts provided a carrot-and-stick approach to treatment for drug offenses: If a person completed drug treatment, felony charges would be dismissed. Prop 47 essentially took away the stick by reclassifying the same offenses as misdemeanors, which carry much less severe legal consequences. As a result, the arrest rate for felony drug offenses plummeted by over 85 percent between 2014 and 2023 (Figure 7) and participation rates fell dramatically in over half of California's drug courts (Arnold et al. 2020).

FIGURE 7: Arrest Rate for Felony Drug Offenses in California (per 100,000 population)

Source: Author's calculation using data from California Open Justice and California Department of Finance Population Data

Having recognized Prop 47's unintended consequences, 64.8% of Californians approved Prop 36 in the most recent 2024 election season to increase penalties for theft and repeated drug offenses. Under Prop 36, a person possessing hard drugs (including fentanyl, heroin, cocaine, and methamphetamine) and with two or more past drug convictions could be charged with a

“treatment-mandated felony” and avoid jail or prison time by accepting an opportunity to receive treatment. Upon successful treatment completion, charges would be fully expunged and no jail time would be required. This new law is expected to restore incentives for receiving treatment. However, concerns linger around adequate funding and resources to support this treatment.

Other policies, intended to reduce barriers to housing and services for those with addiction, have had the unintended consequence of making recovery more challenging for some individuals. For example, current state Housing First laws preclude PSH providers from accepting or rejecting anyone based on sobriety status. On one hand, this law reduces barriers for the homeless to access housing, but, on the other hand, the ongoing exposure to drugs can make it very difficult for people in recovery to maintain progress and avoid relapse. A coalition of individuals in recovery, mental health experts, and state and local lawmakers has advocated amending these laws to allow for more sober housing (The San Francisco Standard 2024, Humphreys 2024).

Spending and oversight

Even with record-level funding for homelessness, lack of coordination and oversight of that spending has posed serious challenges to evaluating and improving outcomes. Homelessness interventions involve all levels of government in varying, sometimes overlapping, capacities. These many layers of government agencies and initiatives make it difficult to track the amount and effectiveness of the spending and hold specific entities accountable for their results.

At the federal level, the Department of Housing and Urban Development (HUD) serves as the primary funder of homelessness programs through grants for shelter, housing, and supportive services. HUD-designated local coordinating bodies called Continuums of Care (CoC), which are also responsible for conducting the annual homelessness Point-in-Time count, apply for and distribute these funds among service providers within their geographic jurisdictions.

At the state level, California funds homelessness through federal dollars, its own budgetary funds, and debt issuance. For instance, Project Homekey is a California initiative through which local governments can acquire and convert hotels into permanent housing for the homeless. It was originally funded through federal Coronavirus Relief Funds (CRF) in 2020, and in subsequent years the state has allocated billions of dollars from its general fund and other budgetary sources to continue supporting the initiative. Proposition 1 of 2024 is a recent example of the state borrowing from the public to combat homelessness. Under this proposition, the state will issue up to \$6.38 billion in bond funding PSH for the homeless, as well as behavioral health and substance use treatment facilities. Overall, the state spent an estimated \$24 billion on at least 30 programs to prevent and end homelessness in FY 2018-19 through FY 2022-23 (CA State Auditor 2024a).

At the local level, counties and cities fund homelessness through a combination of local taxes and municipal bonds, Housing Trust Funds, and general fund allocation. Los Angeles voters passed Measure H, calling for a quarter-cent sales tax increase that generated \$355 million annually to address homelessness. In recent years, homelessness has accounted for a significant share of local government general fund allocation. In San Francisco, the city’s Department of Homeless and Supportive Housing (HSH) budgeted \$846 million for fiscal year 2024-2025, primarily funded by the local general fund and local Prop C tax dollars (San Francisco Department of Homelessness and Supportive Housing 2024).

Oversight of, and accountability for, homelessness spending has lagged funding increases. In a recent report, the California State Auditor found the state has failed to consistently track spending and outcomes of its over 30 homelessness programs. As a result, the audit was able to determine cost-effectiveness for only 2 of the 30 programs; the rest lacked sufficient data to be evaluated (CA State Auditor 2024a). In a related audit of the cities of San Jose and San Diego, the State Auditor found neither city had established sufficient mechanisms

and metrics for effectively tracking the spending and outcomes of the local, state, and federal homelessness dollars they manage. Both cities agreed with most of the report's conclusions and described ongoing efforts to address these issues, which will be assessed in follow-up reports (CA State Auditor 2024b).

Other local audits have uncovered similar trends. In Los Angeles, a recent audit by the County Auditor-Controller found glaring problems with LAHSA's spending and accounting practices, prompting a motion by the LA County Board of Supervisors to pull its funding from the organization and direct it into a new county-run agency (LA County Auditor-Controller 2024, Los Angeles Times 2025). As many of these recent audits and reports have emphasized, without the necessary data, metrics, and accountability mechanisms, statewide coordination to address California's homelessness crisis will continue to falter. Fixing these shortcomings should remain important priorities across all levels of government.

Looking ahead

New approaches to the challenge of homelessness and attempts to correct some of the unintended consequences of past policies are taking shape in California. Whether this evolution will lead to a reversal of the last decade's upward trend in homelessness remains to be seen, particularly as federal and state budgetary pressures increase.

Under Gov. Gavin Newsom, the state continues to use its legal and fiscal powers to improve coordination among local communities and align them on homelessness policy goals, including clearing encampments, building affordable housing, and tracking spending. Communities that oppose construction of shelters and affordable housing or fail to meet reporting requirements risk legal action or loss of state funding. In administering these large state grant programs, the state has taken a largely

directional rather than managerial role, allowing for some variation in how local governments achieve these overarching goals. However, the state is also facing a \$12 billion budget deficit that threatens these funding sources (CalMatters 2025).

At the local level, cities like San Francisco and San Jose are rebalancing their housing portfolios toward more shelter and investing in more flexible, non-congregate models to deliver it — though not without opposition. In the wake of the *Grants Pass*⁶ decision last year, many localities are increasingly turning to more punitive approaches to induce changes, particularly for clearing outdoor encampments. However, this is not true everywhere, such as in Los Angeles, where Mayor Bass has resisted enforcement actions against those who refuse to leave encampments (CalMatters 2024).

Changes at the federal level could also reshape homelessness policy. In its budget request for FY2026, the Trump administration has signaled an intent to dramatically scale down the federal role in homelessness and shift more responsibility to state and local governments. In addition to eliminating the Interagency Council on Homelessness, which coordinates federal policy across agencies and provides technical assistance to states and localities, the budget proposes consolidating all homelessness grants into a single Emergency Solutions Grant program with a 2-year eligibility cap and reducing grant funding by \$532 million, a 13% cut from FY2024-enacted levels (Office of Management and Budget 2025). This would restrict the federal role in homelessness to funding short- and medium-duration programs, primarily shelter. At the same time, the budget proposes major funding cuts to tenant-based rental assistance and affordable housing. What spending and programmatic changes ultimately take shape depend on Congress, which authorizes and funds the major federal homelessness programs.

6 The Supreme Court's ruling in *City of Grants Pass v. Johnson* overturned existing precedent that prohibited state and local governments from enforcing anti-camping ordinances if there was not sufficient shelter capacity.

An ongoing area of concern across governments is availability of data to know who is homeless and benefiting most from which programs. The state has been making strides in collecting and publishing local data on those experiencing homelessness across the state and its funding programs. However, the data necessary to produce truly actionable insights go beyond top-line numbers on dollars spent and participant head counts. As such, much of the relevant data remains in bureaucratic silos that make it challenging even for governments themselves to track outcomes. Maintaining access to timely data is key to enabling the kind of research that can provide accurate answers to pressing questions about homelessness.

Recommendations

Homelessness has increased in California over the last decade, driven by multiple factors including ongoing shelter shortage, difficulties in expanding the housing supply, and policy shifts that reduced incentives for drug treatment and rehabilitation. Funding for homelessness has increased faster than the growth in homeless head counts. This pattern reflects, in part, the high costs of building housing but also inefficiencies and lack of oversight and accountability with regard to government programs.

Although some progress has been made, there is still much work to be done. Innovative and ambitious approaches are needed, and evidence should remain at the core of new initiatives. Given the extent of unsheltered homelessness in California, the state cannot afford to take its foot off the gas in increasing cost-effective options to accommodate the homeless. However, it also cannot afford to plow ahead without proper navigation in the form of data and oversight on its spending without risking driving off a proverbial fiscal cliff.

Things that are not measured cannot be improved. The monitoring of homelessness can benefit from further integration of data from different government agencies, including homelessness, housing, employment, health care, and criminal justice. Such efforts to merge data

from different government agencies can be challenging due to restrictions on data ownership and data sharing. But if these challenges can be overcome, better policymaking and a more effective allocation of funds may result, helping mitigate the ongoing homelessness crisis in California.

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