
Introduced by Assembly Member _____

An act to add Chapter 5.2 (commencing with Section 13050) to Part 3 of Division 9 of the Welfare and Institutions Code, relating to housing.

The people of the State of California do enact as follows:

SEC. 2. Chapter 5.2 (commencing with Section 13050) is added to Part 3 of Division 9 of the Welfare and Institutions Code, to read:

CHAPTER 5.2. CALIFORNIA ACCESS TO ~~HOUSING AND SERVICES ACT~~HOUSING ACT

The Legislature finds and declares:

- a. Homelessness is a complex societal problem that pervades both urban and rural communities across the state.
- b. While the State has made significant investments to support local agencies in addressing homelessness, including over \$1 billion in emergency aid grants, the use of excess state property for shelter development, and other state resources, such as trailers and tents, to immediately house individuals in need of housing, more needs to be done.
- c. Homelessness must be addressed through regional approaches involving all levels of government and strategic partnerships with non-profits and the private sector to address housing needs.
- d. Counties and health plans must better address the behavioral health issues that lead people to homelessness or keep individuals experiencing homelessness from getting off the streets and the Governor has proposed investments to better serve this population through the California Advancing and Innovating Medi-Cal waiver proposal.

13050. This chapter shall be known, and may be cited, as the California Access to ~~Housing and Services Act~~Housing Act.

13051. The primary purposes of this chapter are to do ~~both~~all of the following:

(a) Reduce homelessness by providing housing-related financial assistance and by moving eligible persons into safe and stable permanent housing that is affordable to the participant and supported by the provision of any necessary and appropriate supportive services, in adherence with evidence-based practices in homelessness assistance and prevention, including Housing First principles and practices.

(b) Prevent individuals and families who are at imminent risk from falling into homelessness by providing housing-related financial assistance.

(bc) Increase the number of permanent housing units and the capacity of Adult Residential Facilities and Residential Care Facilities for the Elderly available to individuals and families who are homeless or at imminent risk of becoming homeless, as those terms are defined in Section 578.3 of Title 24 of the Code of Federal Regulations.

(d) Increase the number of emergency shelter beds available to individuals and families who are homeless.

13052. (a) The California Access to ~~Housing and Services Fund~~Housing Fund is hereby created in the State Treasury.

(b) Deposits into the fund may include, but are not limited to, funds appropriated from the General Fund and other state funds; private, non-profit, or philanthropic donations; local government contributions; and any recoveries or reversions resulting from activities pursuant to this chapter.

(c) (1) Except as otherwise provided in paragraph (2), moneys in the fund shall, subject to appropriation, be used by the State Department of Social Services, in consultation with the Homeless Coordinating and Financing Council, to implement and administer this chapter, provide funds to regional administrators, as described in Section 13055.1, and to audit regional administrators, as described in Section 13058. Moneys in the fund may also be used to evaluate the implementation of this chapter, collect data, and provide technical assistance.

(2) Notwithstanding Section 13340 of the Government Code, moneys deposited in the fund from non-state sources are continuously appropriated to the department for implementation and administration of this chapter.

(d) Notwithstanding any other law, non-state moneys appropriated from the fund that are not encumbered or liquidated shall revert to the fund.

13053. The following definitions shall apply to this chapter:

(a) “Council” means the Homeless Coordinating and Financing Council created pursuant to Section 8257 of the Welfare and Institutions Code.

(b) “Accessory dwelling unit” has the same meaning as in Section 65852.2 of the Government Code.

(cb) “Department” means the State Department of Social Services.

(~~de~~) “Fund” means the California Access to ~~Housing and Services Fund~~Housing Fund established pursuant to Section 13051.

(~~ed~~) “Homeless,” “at imminent risk of homelessness,” and “chronically homeless” have the same meaning as in Section 578.3 of Title 24 of the Code of Federal Regulations.

(~~fe~~) “Housing First” has the same meaning as in Section 8255.

(~~g~~) “Local agencies” means cities, counties, cities and counties, Continuums of Care, and Councils of Government.

(~~fh~~) “Permanent housing” means community-based housing without a designated length of stay in which participants live as independently as possible and have a lease and all the rights and responsibilities of tenancy.

(~~ih~~) “Emergency shelter” means housing with minimal supportive services for homeless persons that is limited to occupancy of six months or less by a homeless person. No individual or household may be denied emergency shelter because of an inability to pay.

(~~gij~~) “Participant” means a person who is eligible pursuant to subdivision (a) of Section 13057, or that person’s ~~legally~~ authorized representative, including, but not limited to, a guardian or conservator.

(~~hjk~~) “Region” means a geographic area of the state, as defined in Section 13055.1 as defined by the department.

(~~lk~~) “Regional administrator” means the local agency, private non-profit entity, or consortium of these entities chosen by the department to coordinate the region’s provision of services pursuant to this chapter.

(~~lm~~) “Regional plan” means a plan that is developed in coordination with all local agencies in a region working to end homelessness, including plans in place that were developed under the Homeless Emergency Aid Program and Homeless, Housing, Assistance, and Prevention Program, and that includes local agencies’ proposed uses of the Ffund to support local and regional homelessness efforts.

(~~mmn~~) “Tenancy support services” means services that identify, procure, and match participants to safe and affordable housing and that intervene in any situation that may jeopardize the housing placement and do not replace any other case management services available through local, state, or federal programs.

13054. (a) This chapter does not create an entitlement to assistance or services for any person. Assistance and services provided under this chapter are intended to be provided to eligible individuals and families at the discretion of the regional administrator, consistent with local needs identified by the regional administrator

in collaboration with partners and consistent with the requirements of this chapter and the contract between the department and the regional administrator.

(b) Notwithstanding any other law and to the extent allowable under federal law, assistance, services, or supports received pursuant to this chapter are not income of the participant for purposes of determining eligibility for, or benefits pursuant to, any public assistance program.

13055. The department shall consult with the Council to efficiently and effectively implement the provisions of this chapter.

13055.1. (a) The department shall allocate available state funding to each region based on a consideration of the following criteria, to the extent that data is available, and any additional criteria identified by the department:

(1) Sixty-five (65) percent of funds shall be allocated based on the need for additional housing for persons described in Section 13057, as measured by a recent census and point-in-time count and by the geographic and demographic distribution of those populations.

(2) Fifteen (15) percent of the funds shall be allocated based on the number of lower income households that are burdened by their rent- or mortgage-to-income ratio, as defined by the department.

(3) Ten (10) percent of the funds shall be allocated based on the total number of housing units per capita, and the housing need, by income level, which may include the sum of the regional housing needs allocations for very low- and low-income households, as determined pursuant to Section 65584 of the Government Code.

(4) Ten (10) percent of the funds shall be allocated to address ~~Racial~~ equity based on the disparate impact of homelessness and housing insecurity evidenced by the overrepresentation of particular racial minorities in the point-in-time count references in subparagraph (1) and those who are rent burdened pursuant to subparagraph (2).

(5) Each region shall be allocated a minimum of \$10 million, and other allocations resulting from the criteria in subparagraphs (1) through (4) shall be adjusted as necessary to accommodate this minimum allocation for any region that would otherwise receive less than \$10 million.

(b) The regions are defined as follows:

(1) Bay Area Region consisting of the Counties of Alameda, Contra Costa, Marin, Napa, San Mateo, Santa Clara, Solano, and Sonoma, and the City and County of San Francisco.

(2) Sacramento Region consisting of the Counties of El Dorado, Nevada, Placer, Sacramento, Sutter, Yolo, and Yuba.

(3) San Diego Region consisting of the County of San Diego.

(4) Southern California Region consisting of the Counties of Imperial, Orange, Riverside, San Bernardino, and Ventura.

(5) Los Angeles Region consisting of Los Angeles County

(6) Central Coast Region consisting of the Counties of Monterey, San Benito, San Luis Obispo, Santa Barbara, and Santa Cruz.

(7) A San Joaquin Valley Region consisting of the Counties of Fresno, Kern, Kings, Madera, Merced, San Joaquin, Stanislaus, and Tulare.

(8) Northern Coast Region consisting of Counties of Butte, Colusa, Glenn, Humboldt, Lake, Mendocino, Tehama, and Trinity.

(9) Eastern Mountain Region consisting of the Counties of Alpine, Amador, Calaveras, Inyo, Mariposa, Mono, and Tuolumne.

(10) Shasta Region consisting of the counties of Del Norte, Lassen, Modoc, Plumas, Shasta, Sierra, and Siskiyou

(bc) (1) The department shall issue a request for applications and contract with a regional administrator within each region. Prior to releasing the request for applications, the department shall consult with stakeholders, including, but not limited to, representatives of local ~~governments~~agencies, labor organizations, advocates, service providers, and legislative staff. A regional administrator ~~may be an entity or consortium of entities and~~ shall meet all of the following criteria:

(A) Operates, or will operate, across a region.

(B) Demonstrates in its application the capability, capacity, and proven history to conduct activities and establish partnerships with public and private entities within the region as necessary to provide services and supports consistent with this chapter.

(C) Demonstrates understanding of the region's housing supply and rental market.

(D) Agrees to comply with requirements for reporting, performance monitoring, audits, and evaluation of its activities pursuant to this chapter, as determined by the department.

(2E) A local agency or a consortium of local agencies shall serve as a regional administrator through a contract awarded by the department as a result of the request for applications described in subparagraph (1). Non-profit entities may serve as the regional administrator in a region only when no local agency or consortium of local agencies has applied, or if local agencies within a region agree

that a non-profit entity is the preferred entity to act as regional administrator. Is not a private, for-profit entities shall not serve as regional administrators under this chapter.

(A) The regional administrator shall make awards to local agencies for eligible uses and activities, as defined in Section 13056 and identified in regional plans.

(32) The department shall consider, at a minimum, all of the following factors when determining which entity regional administrator to contract with:

(A) The entity's history of providing housing or services and supports that are consistent with this chapter, ~~or a commitment to~~ and the ability to further develop capacity to provide housing and services or supports consistent with this chapter, which may include, but is not limited to, experience administering rental subsidies, identifying available housing in the region, or supporting operating subsidies for projects under construction or that have been recently constructed.

(B) Organizational capacity for its existing operations and to administer this chapter within its region.

(C) Demonstrated history of partnering, or ability to partner, with government entities, community-based organizations, and other local stakeholders, advocates, and health plans within its region.

(D) Demonstrated plan to build upon existing efforts initiated by local agencies under previous state programs, including the Homeless Emergency Aid Program and the Homeless, Housing, Assistance, and Prevention Program.

(ed) (1) The department shall provide the funds allocated to each region pursuant to subdivision (a) to the regional administrator contracted with pursuant to subdivision (bc). The funds shall be obligated through performance-based contracts that clearly specify quantified and measurable objectives established by the department in Section 13058 and include requirements for adherence to limitations on administrative uses of funding that are consistent with this chapter. ~~These objectives may include, but are not limited to, the number of individuals who were previously experiencing homelessness or at imminent risk of homelessness who find and retain housing through assistance provided pursuant to this chapter, the increase in affordable housing in a region due to funding provided pursuant to this chapter, and the number and capacity of adult residential facilities or residential care facilities for the elderly that are receiving support to stabilize through funds provided pursuant to this chapter, as well as the adherence to limitations on administrative uses of funding provided pursuant to this chapter.~~

(2) A regional administrator's successful performance of a contract shall be determined solely by the department, and a contract may be terminated or transferred to another ~~entity or consortium of entities~~ regional administrator by the department upon a documented finding of significant non-performance by the regional administrator and following reasonable notice to a regional administrator.

Any action taken pursuant to this paragraph shall include efforts to mitigate its impacts to participating individuals and families.

(~~e~~) Regional administrators shall comply with the terms of the contract with the department, which may include, but are not limited to, the following requirements:

- (1) To submit an annual independent financial audit.
- (2) To adequately separate duties for financial and contractual obligations.
- (3) To provide training regarding, and how to comply with, the conflict of interest and ethics rules applicable to state and local government officials.
- (4) To maintain adequate and applicable insurance coverage to indemnify and hold the state harmless from any claims that arise from activities undertaken pursuant to this chapter.

(5) To participate in the statewide Homeless Data Integration System, when available.

13056. (a) Regional administrators shall use funds received pursuant to this chapter, as approved by the department, to accomplish the objectives included in the contract entered into pursuant to Section 13055.1, which may be done by using those funds to do any of the following:

(1) Provide housing-related financial assistance, including, but not limited to, rental subsidies and required rental deposits. ~~Any rental assistance provided shall align with a rent reasonableness standard, as approved by the department, and ensure that rent paid by the regional administrator is reasonable in relation to rent charged for a comparable unassisted unit in the same market.~~

(2) Stabilize ~~ing~~ adult residential facilities and residential care facilities for the elderly, including physical upgrades and capital improvements. No more than 15 percent of any region's total allocation shall be spent on these facilities.

(3) Provide operating subsidies for new and/or existing emergency shelters. Operating subsidies may include operating reserves. No more than 15 percent of any region's total allocation shall be spent for emergency shelter operating subsidies.

~~(4)~~ (A) Fund, in whole or in part, the development of new, or improvement of existing, affordable housing units, under an affordability covenant of a minimum of 15 years, which may include, but is not limited to, providing funding to do any of the following:

(i) Revitalize existing units or convert existing properties such as hotel/motel conversions, regardless of whether those properties were developed for, or are currently being used for, residential purposes.

~~(ii) Construct new accessory dwelling units~~

~~(iii)~~ Construct new affordable housing that will cost less than an amount specified by the department to construct, such as tiny-homes, duplexes, and accessory dwelling units.

(B) Preference ~~shall~~may be given for construction that reuses housing, architectural, infrastructure, and utility connection plans, to the extent practicable, to minimize costs of developing new units.

~~(54)~~ Provide tenancy support services.

~~(65)~~

~~(65)~~ Administer this chapter, which includes ~~both of the following:~~

(A) A regional administrator's reasonable operating costs, as determined by the department, which shall not exceed 10 percent of funding received by the regional administrator under this chapter.

(B) Data collection and sharing, reporting, analysis, performance monitoring and evaluation activities associated with this chapter, as specified in Section ~~13057~~13058.

~~(7)67)~~ Subject to departmental approval for using funds for this purpose, outreach and engagement to potential participants about the supports and services provided by the regional administrator pursuant to this chapter.

(b) Regional administrators shall meet and coordinate with local agencies, health plans, and homeless service providers across a region to identify opportunities to leverage or combine available funding.

~~with cities, counties, health plans and continuums of care across a region to provide participants with local permanent housing services, identify opportunities to leverage or combine available funds, conduct or update a gap analysis, create comprehensive local plans to address these gaps, or identify future strategies for prevention of homelessness~~

(c) Resources from the Fund may also be used to support operation of the Act by the department and consultation by the Council.

~~(ed)~~ The department shall provide guidance to regional administrators and counties regarding how to ensure connections to other benefits and services overseen by the department for which participants may be eligible.

13057. (a) (1) Individuals or families who are currently homeless, or at imminent risk of becoming homeless, are eligible to receive the services and supports provided by regional administrators pursuant to this chapter.

(2) Participation in other programs with complementary purposes is encouraged, and shall not disqualify an individual or family from participating in the services and supports established by this chapter, so long as the eligibility criteria to receive services and supports established by this chapter are met.

(b) Participation priorities may be developed by regional administrators, in consultation with local partners and subject to approval by the department, to address the needs and priorities of communities within each region. These priorities shall be informed by collaboration with cities, counties, health plans, homeless service providers and continuums of care, including consideration of regional plans and any local gap analysis. Priority may be, but is not limited to being, granted to people described in subdivision (a) who are any of the following:

- (1) Have the longest histories of ~~homelessness-residing in places not meant for human habitation, in emergency shelters, and in safe havens. and the most severe service needs.~~
- (2) Are early in their experience of homelessness and do not have the resources or social supports to resolve the situation in a sustainable manner.
- (3) Are seeking rehabilitation or family stability following the end of detention of a parent.
- (4) Are youth under ~~24-25~~ years of age who are not in the physical custody of a parent or guardian.
- (5) Are older than 60 years of age.
- (6) Were committed pursuant to Section 1370 of the Penal Code to a program or facility under the jurisdiction of the State Department of State Hospitals or a community based restoration program.
- (7) Are fleeing domestic abuse, as evidenced by self-attestation.
- (8) Are recipients of the Supplemental Security Income/State Supplementary Payment (SSI/SSP) program.
- (9) Are ~~involved in the criminal justice system~~ justice-involved populations.

13058. (a) The department shall establish a data collection, reporting, performance monitoring, and evaluation framework for this chapter in consultation with the Council, and in coordination with the development of the statewide Homeless Data Integration System.

(b)(1) Data collection shall include, but not be limited to, necessary information about housing placements and units; information regarding individuals and families served, including demographic information, the provision of supports; information regarding partnerships among entities, ~~or lack thereof;~~ and participant and regional outcomes.

- (2) The performance monitoring and accountability framework shall include:
 - (A) the number of new permanent housing placements
 - (B) the number of new housing units converted or built
 - (C) the number of individuals stabilized through rent subsidies
 - (D) the number of individuals who move off the streets and into housing

(E) the number and capacity of adult residential facilities or residential care facilities for the elderly that receive support to stabilize through funds provided pursuant to this chapter

(F) connections made to other programs and services

(G) other metrics developed in consultation with representatives of local agencies and stakeholders, including legislative staff

(3) Data collection shall serve to enable the efficient and effective administration and ~~evaluation-performance monitoring~~ of regional administrators ~~performance~~, this chapter, and its outcomes, and the impact of this chapter on society and other public benefit programs and services.

(4) Data collection and sharing pursuant to this chapter shall be conducted and maintained in accordance with all applicable state and federal privacy and confidentiality laws and regulations.

(c) The client information and records of services provided pursuant to this chapter shall be subject to the requirements of Section 10850 and shall be exempt from inspection under the California Public Records Act (Chapter 3.5 commencing with Section 6250) of Division 7 of Part 1 of the Government Code).

(ed) The department shall periodically make public information on the progress resulting from the implementation of this chapter and related outcomes.

(de) Notwithstanding any other law, data collected through the administration and operation of this chapter shall be captured based on the Homeless Management Information System data standards set forth by the United States Department of Housing and Urban Development and by any other means specified by the department, and may be shared with other programs to maximize the efficient and effective provision of public benefits and services, and to evaluate this chapter or its impact on other public benefit and services programs.

(ef) The department shall collaborate with other governmental entities, including, but not limited to, the Business Consumer Services and Housing Agency, the California Department of Housing and Community Development, the State Department of Health Care Services, the Department of Corrections and Rehabilitation, regional administrators, and stakeholders to share data needed to evaluate the implementation of this chapter. California state entities shall provide, and the department is authorized to receive, all data necessary for the evaluation. Government agencies, non-profit entities working to end homelessness, homeless service providers, and representatives from the private sector may collaborate on a local level to share information to evaluate the implementation of this chapter.

(fg) The Department of Finance, Office of Audits and Evaluations, shall conduct an audit of a regional administrator's compliance with this chapter and performance of the contract.

13059. (a) Notwithstanding any other law:

(1) Contracts awarded pursuant to this chapter shall be exempt from the personal services contracting requirements of Article 4 (commencing with Section 19130) of Chapter 5 of Part 2 of Division 5 of Title 2 of the Government Code.

(2) Contracts awarded pursuant to this chapter shall be exempt from the Public Contract Code and the State Contracting Manual and shall not be subject to the approval of the Department of General Services or the California Department of Technology.

(3) Contracts awarded pursuant to this chapter shall have the duration that is determined necessary or expedient by the department.

(4) The department may advance not more than 20 percent of each contract awarded pursuant to this chapter if necessary for a regional administrator’s cash flow needs.

(5) Chapter 5 (commencing with Section 10850) of Part 2 of Division 9 applies to this chapter.

(6) Information technology projects funded pursuant to this chapter are exempt from Section 11546 of the Government Code.

(b) Notwithstanding the rulemaking provisions of the Administrative Procedure Act (Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code), the department may implement, interpret, or make specific this section by means of all-county letters or similar instructions, following consultation with relevant stakeholders and government entities, until regulations are adopted. These all-county letters or similar written instructions shall have the same force and effect as regulations.

13060. The provisions of this chapter are severable. If any provision of this chapter or its application is held invalid, that invalidity shall not affect other provisions or applications that can be given effect without the invalid provision or application.

SEC. 3. One million dollars (\$1,000,000) is hereby appropriated from the General Fund to the State Department of Social Services and one hundred fifty thousand dollars (\$150,000) to the Homeless Coordinating and Financing Council for the purpose of developing a request ^O for application for regional administrators and program implementation, consistent with the requirements of Chapter 5.2 (commencing with Section 13050) of Part 3 of Division 9 of the Welfare and Institution Code. These funds shall be available for encumbrance or expenditure until June 30, 2021.