

AMENDED IN SENATE MAY 1, 2025

AMENDED IN SENATE MARCH 26, 2025

SENATE BILL

No. 802

Introduced by Senator Ashby

February 21, 2025

An act to amend Section 50675.1.3 of, to add Section 50675.17 to, and to add Article 3 (commencing with Section 50245) to Chapter 6.5 of Part 1 of Division 31 of, the Health and Safety Code, relating to housing.

LEGISLATIVE COUNSEL'S DIGEST

SB 802, as amended, Ashby. Multifamily Housing Program: Homekey: Homeless Housing, Assistance, and Prevention program.

Existing law establishes various housing programs administered by the Department of Housing and Community Development, including the Homeless Housing, Assistance, and Prevention program (HHAP) and the Multifamily Housing Program. Existing law establishes the Homeless Housing, Assistance, and Prevention program for the purpose of providing jurisdictions with grant funds to support regional coordination and expand or develop local capacity to address their immediate homelessness challenges, as specified. Existing law establishes the Multifamily Housing Program to provide financial assistance in the form of deferred payment loans to pay for the eligible costs of development of specified types of housing projects. Existing law requires that specified funds appropriated to provide housing for individuals and families who are experiencing homelessness or who are at risk of homelessness and who are inherently impacted by or at increased risk for medical diseases or conditions due to the COVID-19 pandemic or other communicable diseases be disbursed in accordance

with the Multifamily Housing Program for specified uses. This disbursement program is referred to as Homekey.

This bill would require the department, upon ~~appropriation, appropriation for the above-specified programs,~~ to ensure that ~~former foster youth, homeless persons, youth and specified~~ extremely low income, very low income, and ~~lower income households~~ *lower income households, as specified,* are given ~~consideration relative to the above-specified programs:~~ *consideration.*

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

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

1 SECTION 1. The Legislature finds and declares all of the
2 following:

3 (a) Nearly all homeless shelters are developed as co-ed.

4 (b) Co-ed homeless shelters are over 90 percent male, which
5 can result in an environment that feels unsafe for women, especially
6 those who have been victims of trafficking, violence, abuse, or
7 trauma.

8 (c) There is a need for safe, stable, affordable housing for
9 individuals experiencing trauma, street violence, domestic violence
10 and abuse, sexual abuse and assault, or human trafficking, a
11 population of which is overwhelmingly women.

12 SEC. 2. It is the intent of the Legislature to enact legislation
13 to ensure a portion of all state funding distributed by the
14 Department of Housing and Community Development is allocated
15 for the construction, development, acquisition, or rehabilitation of
16 housing for extremely low income households, very low income
17 households, or lower income households who need safe and stable
18 housing and are experiencing traumatic homelessness, street
19 violence, domestic violence and abuse, sexual abuse and assault,
20 or human trafficking.

21 SEC. 3. Article 3 (commencing with Section 50245) is added
22 to Chapter 6.5 of Part 1 of Division 31 of the Health and Safety
23 Code, to read:

Article 3. Additional Rounds of the Homeless Housing,
Assistance, and Prevention program

50245. Upon appropriation by the Legislature, for rounds of the Homeless Housing, Assistance, and Prevention program adopted after the effective date of the act that added this article, the department shall ensure that *both of* the following populations *who need safe and stable housing and are experiencing traumatic homelessness, street violence, domestic violence and abuse, sexual abuse and assault, or human trafficking* are given consideration:

(a) ~~Foster-Former foster~~ youth.

~~(b) Homeless persons.~~

~~(c)~~

~~(b) Extremely low income households, very low income households, and lower income households who need safe and stable housing and are experiencing traumatic homelessness, street violence, domestic violence and abuse, sexual abuse and assault, or human trafficking.~~ households.

SEC. 4. Section 50675.1.3 of the Health and Safety Code is amended to read:

50675.1.3. (a) Notwithstanding any other law, including subdivision (b) of Section 50675.1, funds appropriated to provide housing for individuals and families who are experiencing homelessness or who are at risk of homelessness, as defined by this section, and who are inherently impacted by or at increased risk for medical diseases or conditions due to the COVID-19 pandemic or other communicable diseases, shall be disbursed in accordance with the Multifamily Housing Program, including as grants to cities, counties, cities and counties, and all other state, regional, and local public entities, including councils of government, metropolitan planning organizations, and regional transportation planning agencies designated in Section 29532.1 of the Government Code, as necessary, for the following uses:

(1) Acquisition or rehabilitation, or acquisition and rehabilitation, of motels, hotels, hostels, or other sites and assets, including apartments or homes, adult residential facilities, residential care facilities for the elderly, manufactured housing, commercial properties, and other buildings with existing uses that could be converted to permanent or interim housing.

(2) Master leasing of properties for noncongregant housing.

1 (3) Conversion of units from nonresidential to residential.

2 (4) New construction of dwelling units.

3 (5) The purchase of affordability covenants and restrictions for
4 units.

5 (6) Relocation costs for individuals who are being displaced as
6 a result of rehabilitation of existing units.

7 (7) Capitalized operating subsidies for units purchased,
8 converted, or altered with funds provided by this section.

9 (b) Where possible, the funds described in subdivision (a) shall
10 be allocated by the department in a manner that takes into
11 consideration all of the following:

12 (1) Need geographically across the state.

13 (2) The demonstrated ability of the applicant to fund ongoing
14 operating reserves.

15 (3) The creation of new permanent housing options.

16 (4) The potential for state, federal, or local funding for
17 capitalized operating reserves to make additional housing units
18 financially viable through this program.

19 (c) Not less than 8 percent of the funds described in subdivision
20 (a) shall be available for projects serving homeless youth, or youth
21 at risk of homelessness, as defined in Part 578.3 of Title 24 of the
22 Code of Federal Regulations.

23 (d) Any conflict between the other requirements of the
24 Multifamily Housing Program created by this chapter and this
25 section shall be resolved in favor of this section, as may be set
26 forth in the guidelines authorized by this section.

27 (e) The Department of Housing and Community Development
28 may adopt guidelines for the expenditure of the funds appropriated
29 to the department, and for the administration of this program. The
30 guidelines shall not be subject to the requirements of Chapter 3.5
31 (commencing with Section 11340) of Part 1 of Division 3 of Title
32 2 of the Government Code.

33 (f) Up to 5 percent of the funds received from the Coronavirus
34 State Fiscal Recovery Fund established by the federal American
35 Rescue Plan Act of 2021 (ARPA) (Public Law 117-2) and
36 appropriated for purposes of this section may be expended for the
37 costs to administer the program, to the extent authorized by federal
38 law.

1 (g) Up to 5 percent of any General Fund moneys appropriated
2 for purposes of this section may be expended for the costs to
3 administer this program.

4 (h) The department's annual report to the Legislature submitted
5 under Section 50408 shall include, but not be limited to, all of the
6 following:

7 (1) The amount of funds expended for the uses described in this
8 section.

9 (2) The location of any properties for which the funds are used.

10 (3) The number of usable housing units produced, or planned
11 to be produced, using the funds.

12 (4) The number of individuals housed, or likely to be housed,
13 using the funds.

14 (5) The number of units, and the location of those units, for
15 which operating subsidies have been, or are planned to be,
16 capitalized using the funds.

17 (6) An explanation of how funding decisions were made for
18 acquisition, conversion, or rehabilitation projects, or for capitalized
19 operating subsidies, including what metrics were considered in
20 making those decisions.

21 (7) Any lessons learned from the use of the funds.

22 (8) Proposed changes to the program to address lessons learned.

23 (i) Any project that uses funds received for any of the purposes
24 specified in subdivision (a) shall be deemed consistent and in
25 conformity with any applicable local plan, standard, or requirement,
26 and any applicable coastal plan, local or otherwise, and allowed
27 as a permitted use, within the zone in which the structure is located,
28 and shall not be subject to a conditional use permit, discretionary
29 permit, or any other discretionary reviews or approvals.

30 (j) A report to be submitted pursuant to subdivision (h) shall be
31 submitted in compliance with Section 9795 of the Government
32 Code.

33 (k) Upon an appropriation by the Legislature for the purposes
34 described in this section, the department shall administer funding
35 according to the timeline set forth below, subject to any
36 modifications set forth by the guidelines:

37 (1) The department may accept funding applications and issue
38 awards on a continuous, over-the-counter basis until the funding
39 has been exhausted or as otherwise required by law.

(2) Each award shall be expended on the uses authorized at subdivision (a), and in accordance with all relevant representations and descriptions in the application, within eight months of the date of the award. Applicants may ask the department for an extension of this timeframe on the grounds and according to the procedures set forth in the guidelines. The director shall have reasonable discretion to approve or deny such an extension upon conducting a full and good faith review of the applicant's extension request.

(l) For purposes of this section, "individuals and families who are homeless or who are at risk of homelessness" means persons and families that meet the qualifying definitions under Part 578.3 of Title 24 of the Code of Federal Regulations.

(m) To advance the objectives specified in Section 50675.1.1 or this section, the department may expand the population served beyond the population specified in subdivision (l) as specified by the guidelines authorized by this section.

(n) Upon appropriation by the Legislature for the purposes of this section after the effective date of the act that added this subdivision, the department shall ensure that *both of the following* populations *who need safe and stable housing and are experiencing traumatic homelessness, street violence, domestic violence and abuse, sexual abuse and assault, or human trafficking* are given consideration:

(1) ~~Foster~~ Former foster youth.

(2) ~~Homeless persons.~~

(3)

(2) Extremely low income households, very low income households, and lower income households ~~who need safe and stable housing and are experiencing traumatic homelessness, street violence, domestic violence and abuse, sexual abuse and assault, or human trafficking.~~ households.

SEC. 5. Section 50675.17 is added to the Health and Safety Code, to read:

50675.17. Upon appropriation by the Legislature for the purposes of this chapter after the effective date of the act that added this section, the department shall ensure that *both of the following* populations *who need safe and stable housing and are experiencing traumatic homelessness, street violence, domestic violence and abuse, sexual abuse and assault, or human trafficking* are given consideration:

- 1 (a) ~~Foster~~ *Former foster* youth.
- 2 ~~(b) Homeless persons:~~
- 3 ~~(c)~~
- 4 (b) Extremely low income households, very low income
- 5 households, and lower income households who need safe and stable
- 6 housing and are experiencing traumatic homelessness, street
- 7 violence, domestic violence and abuse, sexual abuse and assault,
- 8 or human trafficking. *households.*