

AMENDED IN SENATE JUNE 23, 2011

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CALIFORNIA LEGISLATURE—2011–12 REGULAR SESSION

ASSEMBLY BILL

No. 483

Introduced by Assembly Member Torres

February 15, 2011

An act to amend Section 50675.14 of the Health and Safety Code, relating to housing.

LEGISLATIVE COUNSEL'S DIGEST

AB 483, as amended, Torres. Housing finance.

Existing law establishes the Multifamily Housing Program under the administration of the Department of Housing and Community Development to provide a standardized set of program rules and features applicable to all housing types based on the department's California Housing Rehabilitation Program. Under the Housing and Emergency Shelter Trust Fund Act of 2002, \$195,000,000 is to be expended for supportive housing projects under the Multifamily Housing Program. Existing law establishes priority criteria for housing projects and requires that a borrower of program funds include specified data in an annual report to the department. Existing law authorizes the department take specified action to provide and maintain rents that are affordable to the target population, as defined.

This bill would modify the definition of the term "target population" and make several changes to the information a borrower may include in his or her annual report.

Vote: majority. Appropriation: no. Fiscal committee: no.
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) Over 133,000 Californians sleep on the streets or in shelters
4 on any given night; over 390,000 Californians, or over one in 95
5 Californians, are homeless during the course of a year.

6 (b) Due to California's increased unemployment, poverty, and
7 foreclosure rates, as well as continuing high rental housing cost
8 burdens, homelessness is increasing in California, particularly in
9 the number of Californians experiencing chronic homelessness.
10 Based on counts of homeless people in communities across
11 California, California's homeless population grew by 3.4 percent
12 between 2008 and 2009. During this period, California's population
13 of chronically homeless individuals increased by 10.8 percent,
14 while the number of chronically homeless people nationwide
15 increased by less than 1 percent.

16 (c) Chronically homeless people face significant barriers to
17 housing stability, and often ricochet through expensive public
18 systems, including overburdened corrections systems, overcrowded
19 hospital emergency rooms, mental health programs, substance
20 abuse treatment and detox facilities, shelters, and emergency
21 housing. As a result, people experiencing chronic homelessness
22 or other significant barriers to housing stability use a
23 disproportionate share of state and local services.

24 (d) Almost 20 years of data demonstrate that chronically
25 homeless people, including those with severe substance abuse
26 disorders, can live stable lives if supplied with housing and the
27 services they need to stabilize their health and housing status. The
28 evidence shows that making these services available works to end
29 homelessness and that, for people experiencing long-term
30 homelessness with substance abuse and mental health or chronic
31 medical conditions, these service provisions are virtually
32 cost-neutral.

33 (e) People who are homeless for long periods often cycle through
34 institutional systems, shelters, and the streets, and may not meet
35 the strict definition of chronic homelessness as a result. Data
36 suggests these individuals will face significant barriers to accessing
37 and maintaining stable housing. In fact, people exiting institutional
38 systems have high rates of homelessness. Forty-three percent of

1 people arrested who experience mental disorders were homeless
2 when committing the crime for which they were arrested.

3 (f) Homeless transition-age youth may not be able to meet the
4 definition of chronic homelessness because of their age but still
5 face barriers to housing stability and require supportive services.
6 Evidence demonstrates that this population is highly vulnerable
7 to chronic homelessness.

8 (g) Targeting newly created supportive housing to people facing
9 significant barriers to housing stability, such as chronic
10 homelessness, has decreased the number of people experiencing
11 chronic homelessness in communities across California and the
12 country.

13 (h) While supportive housing is beneficial to many people at
14 risk of homelessness and to people experiencing short-term
15 homelessness, research indicates housing affordable to people at
16 risk is sufficient to prevent or end homelessness.

17 SEC. 2. Section 50675.14 of the Health and Safety Code is
18 amended to read:

19 50675.14. (a) This section shall apply only to projects funded
20 with funds appropriated for supportive housing projects.

21 (b) For purposes of this section the following terms have the
22 following meanings:

23 (1) “May restrict occupancy to persons with veteran status”
24 means that the sponsor may limit occupancy to persons meeting
25 the criteria of paragraphs (1) and (2) of subdivision (h) with respect
26 to either of the following:

27 (A) Any unit in the development that has not been previously
28 occupied.

29 (B) Any unit in the development that subsequently becomes
30 vacant, for a period of not more than 120 days following the
31 vacancy.

32 (2) “Supportive housing” means housing with no limit on length
33 of stay, that is occupied by the target population, and that is linked
34 to onsite or offsite services that assist the supportive housing
35 resident in retaining the housing, improving his or her health status,
36 and maximizing his or her ability to live and, when possible, work
37 in the community.

38 (3) (A) “Target population” means persons, *including persons*
39 *with disabilities*, and families who are “homeless,” as that term is
40 defined by ~~Section 576.3 of Title 24 of the Code of Federal~~

1 ~~Regulations, or who are 11302 of Title 42 of the United States~~
2 ~~Code, or who are~~ “homeless youth,” as that term is defined by
3 paragraph (2) of subdivision (e) of Section 11139.3 of the
4 Government Code.

5 (B) Individuals and families currently residing in supportive
6 housing meet the definition of “target population” if the individual
7 or family was “homeless,” as that term is defined by Section ~~576.3~~
8 ~~of Title 24 of the Code of Federal Regulations, when approved for~~
9 *11302 of Title 42 of the United States Code, when approved for*
10 tenancy in the supportive housing project in which they currently
11 reside.

12 (c) (1) The department shall ensure that at least 40 percent of
13 the units in each development funded under the supportive housing
14 program are targeted to one or more of the following populations:

15 (A) Individuals or families experiencing “chronic
16 homelessness,” as defined by the United States Department of
17 Housing and Urban Development’s Super Notice of Funding
18 Availability for Continuum of Care or Collaborative Applicant
19 Program.

20 (B) “Homeless youth,” as that term is defined by paragraph (2)
21 of subdivision (e) of Section 11139.3 of the Government Code.

22 (C) Individuals exiting institutional settings, including, but not
23 limited to, jails, hospitals, prisons, and institutes of mental disease,
24 who were homeless when entering the institutional setting, who
25 have a disability, and who resided in that setting for a period of
26 not less than 15 days.

27 (2) The department may decrease the number of units required
28 to meet the criteria identified in paragraph (1) if the department
29 determines that the program is undersubscribed after issuing at
30 least one Notice of Funding Availability.

31 (3) Individuals and families currently residing in supportive
32 housing meet the qualifications under this subdivision if the
33 individual or family met any of the criteria specified in
34 subparagraph (A), (B), or (C) of paragraph (1) when approved for
35 tenancy in the supportive housing project in which they currently
36 reside.

37 (d) Supportive housing projects shall provide or demonstrate
38 collaboration with programs that provide services that meet the
39 needs of the supportive housing residents.

1 (e) The criteria, established by the department, for selecting
2 supportive housing projects shall give priority to
3 supportive housing projects that include a focus on measurable
4 outcomes and a plan for evaluation, which evaluation shall be
5 submitted by the borrowers, annually, to the department.

6 (f) The department may provide higher per-unit loan limits as
7 reasonably necessary to provide and maintain rents that are
8 affordable to the target population.

9 (g) In an evaluation or ranking of a borrower's development
10 and ownership experience, the department shall consider experience
11 acquired in the prior 10 years.

12 (h) (1) A borrower shall, beginning the second year after
13 supportive housing project occupancy, include the following data
14 in his or her annual report to the department. However, a borrower
15 who submits an annual evaluation pursuant to subdivision (c) may,
16 instead, include this information in the evaluation:

17 (A) The length of occupancy by each supportive housing
18 resident for the period covered by the report and, if the resident
19 has moved, the reason for the move and the type of housing to
20 which the resident moved, if known.

21 (B) Changes in each supportive housing resident's employment
22 status during the previous year.

23 (C) Changes in each supportive housing resident's source and
24 amount of income during the previous year.

25 (D) The tenant's housing status prior to occupancy, including
26 the term of the tenant's homelessness.

27 (2) The department shall include aggregate data with respect to
28 the supportive housing projects described in this section in the
29 report that it submits to the Legislature pursuant to Section
30 50675.12.

31 (i) The department shall consider, commencing in the second
32 year of the funding, the feasibility and appropriateness of
33 modifying its regulations to increase the use of funds by small
34 projects. In doing this, the department shall consider its operational
35 needs and prior history of funding supportive housing facilities.

36 (j) Notwithstanding any other provision of law, the sponsor of
37 a supportive housing development may restrict occupancy to
38 persons with veteran status if all the following conditions apply:

39 (1) The veterans possess significant barriers to social
40 reintegration and employment that require specialized treatment

1 and services that are due to a physical or mental disability,
2 substance abuse, or the effects of long-term homelessness.

3 (2) The veterans are otherwise eligible to reside in an assisted
4 unit.

5 (3) The sponsor also provides, or assists in providing, the
6 specialized treatment and services.

7 SEC. 3. The changes made by this act shall apply only to
8 Notices of Funding Availability issued on or after January 1, 2012.