File No. <u>250495</u>

Committee Item No. _____ Board Item No. <u>31</u>

COMMITTEE/BOARD OF SUPERVISORS

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Committee: _____ Board of Supervisors Meeting

Date:

Date: May 13, 2025

Cmte Board

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Prepared by:	Lisa Lew	Date:	May 9, 2025
Prepared by:		Date:	
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1	[Supporting California State Assembly Bill No. 1165 (Gipson) - The California Housing Justice Act]
2	-

3	Resolution supporting California State Assembly Bill No. 1165, The California Housing
4	Justice Act, introduced by Assembly Member Mike Gipson, to require the California
5	Department of Housing and Community Development to develop a finance plan to
6	solve homelessness and housing unaffordability, establish the California Housing
7	Justice Fund in the General Fund, and require the Legislature to invest an ongoing
8	annual allocation in the Fund in an amount needed to solve homelessness and housing
9	unaffordability.
10	
11	WHEREAS, San Franciscans and Californians know that meaningful action is needed
12	to ensure every resident has a safe, stable, and affordable home; and
13	WHEREAS, Housing affordability is a pressing crisis locally and statewide and is the
14	leading driver of homelessness, rent burden, and housing insecurity; and
15	WHEREAS, While California's leaders invested major one-time resources in housing
16	and homelessness in recent years via bonds and one-time revenue sources, these
17	investments were not ongoing, fell well short of the scale needed, and were not aligned with a
18	comprehensive plan to deliver housing security to Californians; and
19	WHEREAS, Ongoing state investments in housing and homelessness account for less
20	than 0.5% of the state's annual budget; and
21	WHEREAS, The housing affordability crisis is poised to continue to worsen as the
22	Trump administration and Congressional leadership have proposed devastating cuts to
23	federal housing funding; and
24	
25	

WHEREAS, Housing affordability significantly impacts the local workforce, including
 working families and low wage workers, and due to systemic racism disproportionately
 impacts Black, Indigenous, Immigrant, and People of Color households; and

WHEREAS, The City and County of San Francisco relies significantly on State funded
assistance to contribute to the capital stack needed to advance 100% affordable housing
production and preservation projects; and

7 WHEREAS, California State Assembly Bill No. 1165 (AB 1165) would require the 8 California Department of Housing and Community Development to develop a finance plan to 9 solve homelessness and housing unaffordability, establish the California Housing Justice 10 Fund in the General Fund, and require the Legislature to invest an ongoing annual allocation 11 in the Fund in an amount needed to solve homelessness and housing unaffordability; and 12 WHEREAS, AB 1165, the California Housing Justice Act, is a bold plan to create and 13 protect affordable housing, keep renters stably housed, provide rental assistance to prevent 14 and end homelessness, and offer support services for people with disabilities to stay in their

15 homes; now, therefore, be it

16 RESOLVED, That the Board of Supervisors of the City and County of San Francisco 17 strongly supports California State Assembly Bill No. 1165 and urges the California Legislature 18 and Governor to enact the bill, to build a strategic roadmap to end the housing and 19 homelessness crisis and making the ongoing investments at the scale needed to solve our 20 housing crisis; and, be it

FURTHER RESOLVED, That the Board of Supervisors urges the State of California to recognize the importance of dedicated and sustained state funding in meeting the state's affordable housing needs; and, be it

FURTHER RESOLVED, That The San Francisco Board of Supervisors requests the
 Clerk of the Board to submit a copy of this Resolution to Governor Gavin Newsom, Assembly

1	Member Gipson, Senate President Pro Tem Mike McGuire, Assembly Speaker Robert Rivas,
2	and San Francisco's delegation in the State Legislature - Assembly Member Matt Haney,
3	Assembly Member Catherine Stefani, and State Senator Scott Wiener.
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AMENDED IN ASSEMBLY MARCH 24, 2025

CALIFORNIA LEGISLATURE—2025–26 REGULAR SESSION

ASSEMBLY BILL

No. 1165

Introduced by Assembly Member Gipson

February 21, 2025

An act to amend Section 50001 add Chapter 4 (commencing with Section 50570) to Part 2 of Division 31 of the Health and Safety Code, relating to housing.

LEGISLATIVE COUNSEL'S DIGEST

AB 1165, as amended, Gipson. Housing. California Housing Justice Act of 2025.

Existing law establishes the Homeless Housing, Assistance, and Prevention Program administered by the Business, Consumer Services, and Housing Agency for the purpose of providing jurisdictions, as defined, with one-time grant funds to support regional coordination and expand or develop local capacity to address homelessness challenges, as specified. Existing law also establishes the Department of Housing and Community Development in the agency and makes the department responsible for administering various housing programs throughout the state, including, among others, the Multifamily Housing Program, the Housing for a Healthy California Program, and the California Emergency Solutions Grants Program.

This bill would enact the California Housing Justice Act of 2025, which would create the California Housing Justice Fund in the General Fund and would require the Legislature to invest an ongoing annual allocation into that fund in an amount needed to solve homelessness and housing unaffordability, as specified. The bill would require moneys in the fund to be appropriated by the Legislature annually to the

department and to be expended by the agency to fund, among other things, the development, acquisition, rehabilitation, and preservation of affordable and supportive housing that is affordable to acutely low, extremely low, very low, and lower income households, as provided. The bill would also require the department to create, by no later than January 1, 2027, and in collaboration with specified entities, including local entities, finance plans to solve homelessness and to solve the housing unaffordability crisis, and related statewide annual performance metrics. By imposing additional duties on local entities, this bill would impose a state-mandated local program.

This bill would require the agency, on or before October 1 of each year, beginning in 2027, to report to the Legislature on its progress in meeting the performance measures and benchmarks contained in the finance plans and annual performance metrics described above, and to publish goals on its internet website and update progress toward the goals at least annually. The bill would also make related findings and declarations.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that, if the Commission on State Mandates determines that the bill contains costs mandated by the state, reimbursement for those costs shall be made pursuant to the statutory provisions noted above.

Existing law, the Zenovich-Moscone-Chacon Housing and Home Finance Act, states that the Legislature finds and declares that the subject of housing is of vital statewide importance to the health, safety, and welfare of the residents of the state for specified reasons.

This bill would make nonsubstantive changes to those provisions.

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

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

1 SECTION 1. Chapter 4 (commencing with Section 50570) is

2 added to Part 2 of Division 31 of the Health and Safety Code, to

3 read:

Chapter 4. California Housing Justice Act of 2025

3

4 50570. This act shall be known, and may be cited as, the 5 California Housing Justice Act of 2025.

6 50570.1. The Legislature finds and declares all of the 7 following:

8 (a) Housing unaffordability impacts all Californians and is the 9 leading driver of homelessness in our state. Over 339,000 Californians experienced homelessness in 2024, resulting from 10 well over 1,000,000 extremely low income households paying over 11 one-half of their incomes in rent. The crisis is expected to expand 12 exponentially in response to the wildfires in the Counties of Los 13 Angeles and Ventura, as well as rent increases from a decreased 14 15 supply of housing stock during a time of increased demand. At the same time, California braces for cuts to federal housing programs, 16 17 expected to force many more households into houselessness. 18 (b) The housing and homelessness crisis is a result of many

19 decades of discrimination and racism, policy choices, massive decreases in federal investments in affordable housing, and state 20 21 disinvestment in the wake of the Great Recession. Beginning in 22 2019, state leaders began passing significant one-time investments 23 to reduce unsheltered homelessness and promote housing affordability. To truly solve this crisis, we must next scale 24 25 investments and identify sustainable, ongoing revenue streams to 26 fully fund solutions that work. 27 (c) Survey after survey reveals voters name housing

unaffordability and homelessness as the top issue in our state;
despite that, California's ongoing investments in housing and
homelessness account for less than 0.5 percent of the state's annual
budget.

32 (d) In March 2022, the Department of Housing and Community 33 Development released a plan for progress needed to solve the 34 affordable housing crisis, which identified a need for approximately 35 1,000,000 homes affordable to people with lower incomes and below. However, the state has failed to pass funding necessary to 36 meet the state's own goals in this plan. In fact, the state lacks a 37 38 multiyear sustainable funding strategy for how funding should be 39 invested. Without a long-term strategy to fund moving people off 40 the streets and into housing and preventing future homelessness

1 2

by creating more affordable housing, the state cannot fully respond 1 2 to this crisis. 3 (e) Recent investments have prevented California from reaching 4 the scale of increases in homelessness felt nationwide 5 post-COVID-19. Yet, more Californians are pushed into homelessness than ever before for one reason: Californians in 6 7 poverty cannot afford the growing chasm between increasing rent 8 and stagnant incomes. 9 (f) Homelessness and housing unaffordability are solvable. 10 Ongoing investment at scale, following a long-term plan to implement evidence-based practices, is a proven intervention. 11 12 Ongoing federal investments at scale in Housing First programs 13 made possible massive progress toward ending veteran 14 homelessness, decreasing the number of veterans who are 15 unhoused by 55 percent from 2010 to 2022. Research and policy organizations have developed blueprints for solutions in California. 16 17 These plans detail an annual need for investment of 6 percent of the state's budget in affordable housing production and 18 19 preservation, rental subsidies, homelessness assistance, and renter 20 protections. 21 (g) It is the intent of the Legislature to scale the level of ongoing 22 public investment needed, with reforms necessary to ensure 23 accountability and collaboration across jurisdictions, to enact solutions to the homelessness and housing unaffordability crisis 24 25 statewide. At the core of the program is a new culture of 26 multilateral accountability, requiring local governments and 27 grantees to be accountable to state oversight, state funding to be 28 transparent to public review, and the entire system, first and 29 foremost, to hold itself accountable to Californians experiencing 30 or who previously experienced homelessness, and who have been 31 failed by decades of policy choices that have contributed to this 32 crisis. This new accountability culture recognizes the state's 33 obligation to respect, protect, and fulfill the right of all 34 *Californians to live in safe, decent, and affordable housing.* 35 50570.2. For purposes of this chapter, the following definitions 36 shall apply: 37 (a) "Acutely low income households" has the same meaning as 38 Section 50063.5. (b) "Affordable housing" is permanent housing where 39

40 households with acutely low, extremely low, very low, lower, and

1 moderate incomes do not pay more than 30 percent of their income

2 in rent, that meets habitability requirements in California law,
3 and that does not require a license under California law.

4 (c) "Continuum of care" has the same meaning as that term is

5 defined in Section 578.3 of Title 24 of the Code of Federal 6 Regulations.

7 (d) "County" includes a city and county or a city that is working
8 with one or more counties to apply for grant funds.

9 (e) "Department" means the Department of Housing and 10 Community Development.

11 (f) "Extremely low income households" has the same meaning 12 as Section 50106.

13 (g) "Homelessness" has the same meaning as "homeless" in Section 91.5 of Subpart A of Part 91 of Subtitle A of Title 24 of 14 15 the Code of Federal Regulations, except that a person who is 16 exiting an institutional setting, including, but not limited to, a 17 prison or jail, hospital, nursing home, group home, or residential 18 treatment, who was homeless before the admission, and who does 19 not have a fixed, regular, and adequate nighttime residence upon discharge, is also "homeless," regardless of their length of stay 20 21 in the institutional setting or their place of residence before 22 entering the institution.

(h) "Housing First" has the same meaning as in Section 8255
of the Welfare and Institutions Code.

(i) "Lower income households" has the same meaning as inSection 50079.5.

(j) "Permanent housing" means a structure or set of structures
with subsidized or unsubsidized rental housing units subject to
applicable landlord-tenant law, without a limit on the length of
stay and without a requirement to participate in supportive services
as a condition of access to or continued occupancy of the housing.
"Permanent housing" shall include supportive housing.

(k) "Permanent supportive housing" or "supportive housing"
means permanent housing without a limit on the length of stay that
is linked to onsite and offsite voluntary services that are easily
accessible to tenants and assist participants in maintaining housing
stability, improving the participant's health status, and maximizing
the participant's ability to live and, when possible, work in the
community. "Permanent supportive housing" shall include

1	associated facilities if those facilities are used to provide services
2	to tenants.
3	(l) "Rental subsidies" means a subsidy provided to a permanent
4	housing provider, including a developer that has received
5	government subsidies to build affordable or supportive housing
6	or a private market landlord, or to an assisted tenant, to assist a
7	tenant to pay the difference between 30 percent of the tenant's
8	income and reasonable market rent as determined by the grant
9	recipient and approved by the department.
10	(m) "Very low income households" has the same meaning as
11	in Section 50105.
12	(n) "Voluntary service" means a service offered in conjunction
13	with housing that is not contingent on participation in the service,
14	from which tenants are not evicted based on failure to participate
15	in the service, where the service provider engages the tenant to
16	voluntarily participate in the service using evidence-based
17	engagement models, and the service is flexible, accountable, and
18	tenant-centered.
19	50570.3. (a) The California Housing Justice Fund is hereby
20	created in the General Fund.
21	(1) The Legislature shall invest an ongoing annual allocation
22	in the California Housing Justice Fund in an amount needed to
23	solve homelessness and housing unaffordability, pursuant to the
24	finance plans identified in subdivision (b), for the purpose of
25	solving the state's homelessness and housing unaffordability crisis.
26	(2) Moneys in the California Housing Justice Fund shall be
27	appropriated by the Legislature annually to the department and
28	shall be expended by the agency to fund the following:
29	(A) Evidence-based practices for solving homelessness,
30	including, but not limited to, rental subsidies for permanent
31	housing, homeless services, and flexible housing subsidy pools.
32	(B) The development, acquisition, rehabilitation, and
33	preservation of affordable and supportive housing that is affordable
34	to acutely low, extremely low, very low, and lower income
35	households, including necessary operating subsidies.
36	(C) Social housing and other alternative models to traditional
37	affordable housing development.
38	(D) Tenant stability programs.
39	(E) Other uses the finance plans identify as necessary to solve
40	homelessness and housing unaffordability.

1 (b) In collaboration with affordable housing and homeless 2 experts and advocates, nonprofit developers, housing justice 3 organizations, county housing agencies, housing authorities, 4 continuums of care, counties, cities, people with lived experiences 5 of homelessness and housing instability, and participants on the 6 Interagency Council on Homelessness' State Funding and 7 Programs Working Group, Racial Equity Working Group, and 8 Youth and Young Adults Working Group, the department shall 9 create, by no later than January 1, 2027, all of the following:

-7-

10 (1) Finance plans that take into account anticipated federal, 11 local, and existing state investments to achieve the following:

12 (A) A finance plan to solve homelessness. This finance plan 13 shall determine the funding necessary to create enough housing 14 to meet the unmet housing needs of people experiencing 15 homelessness, and the unmet housing needs of people expected to 16 fall into homelessness based on the most recent statistics of rates 17 of Californians falling into homelessness

17 of Californians falling into homelessness.

18 (B) A finance plan to solve the housing unaffordability crisis.

19 This finance plan shall identify funding necessary to meet the

20 affordable housing needs the department identified in the most

21 recent regional housing needs assessment, in accordance with
22 Article 10.6 (commencing with Section 65580) of Chapter 3 of

23 Division 1 of Title 7 of the Government Code.

24 (2) Statewide annual performance metrics through all of the 25 following:

26 (A) Updating annually the "Statewide Action Plan for Preventing and Ending Homelessness in California," to include 27 28 annual metrics to achieve goals established in the finance plan to 29 solve homelessness, pursuant to subparagraph (A) of paragraph 30 (1). Metrics and goals shall include reducing the number of 31 individuals experiencing, the length of time those individuals 32 experience, and the number of returns to homelessness, reducing racial and ethnic disparities in who experiences homelessness, 33 34 increasing the number of households in California who, after 35 having experienced homelessness, are accessing housing that they 36 can afford, and decreasing the racial and ethnic disparities among 37 these households. 38 (B) Identifying and regularly updating annual metrics to achieve

39 goals established in the finance plan to solve the housing

40 unaffordability crisis, pursuant to subparagraph (B) of paragraph

1 (1), including appropriate annual levels of funding necessary,

2 *further identifying annual metrics to reduce the number of* 3 *households paying more than they can afford and living unstably*

4 housed, and reducing racial and ethnic disparities in Californians

5 accessing affordable housing created through state and federal

6 funding.

7 (c) On or before October 1 of each year, beginning in 2027, the
8 Business, Consumer Services, and Housing Agency shall report
9 to the Legislature, in compliance with Section 9795 of the

10 Government Code, on its progress in meeting the performance

11 measures and benchmarks contained in the finance plans and

annual performance metrics. The agency shall publish goals onits internet website and update progress toward the goals at least

14 annually.

15 SEC. 2. If the Commission on State Mandates determines that

16 this act contains costs mandated by the state, reimbursement to

17 *local agencies and school districts for those costs shall be made*

18 pursuant to Part 7 (commencing with Section 17500) of Division

19 *4 of Title 2 of the Government Code.*

SECTION 1. Section 50001 of the Health and Safety Code is
 amended to read:

22 50001. The Legislature finds and declares that the subject of

housing is of vital statewide importance to the health, safety, and welfare of the residents of this state, for all of the following

25 reasons:

26 (a) Decent housing is an essential motivating force in helping
 27 people achieve self-fulfillment in a free and democratic society.

28 (b) Unsanitary, unsafe, overcrowded, or congested dwelling

29 accommodations or lack of decent housing constitute conditions

30 that cause an increase in, and spread of, disease and crime.

31 (c) A healthy housing market is one in which residents of this

32 state have a choice of housing opportunities and one in which the

33 housing consumer may effectively choose within the free
 34 marketplace.

35 (d) A healthy housing market is necessary both to achieve a

36 healthy state economy and to avoid an unacceptable level of

37 unemployment.

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Search Results

Bill AB 1165

AB 1165

Total Measures: 1 Total Tracking Forms: 2

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(Gipson D) California Housing Justice Act of 2025.

(Gipson D) California Housing Justice Act of 2025.

Topic

CSAC Position

Lobbyist

Mark Neuburger

Watch

Justin Garrett

Watch



Search Results Tuesday, May 06, 2025

AB 1165 (Gipson D) California Housing Justice Act of 2025.

Current law establishes the Homeless Housing, Assistance, and Prevention Program administered by the Business, Consumer Services, and Housing Agency for the purpose of providing jurisdictions, as defined, with one-time grant funds to support regional coordination and expand or develop local capacity to address homelessness challenges, as specified. Current law also establishes the Department of Housing and Community Development in the agency and makes the department responsible for administering various housing programs throughout the state, including, among others, the Multifamily Housing Program, the Housing for a Healthy California Program, and the California Emergency Solutions Grants Program. This bill would enact the California Housing Justice Fund in the General Fund and would require the Legislature to invest an ongoing annual allocation into that fund in an amount needed to solve homelessness and housing unaffordability, as specified. The bill would require moneys in the fund to be appropriated by the Legislature annually to the department and to be expended by the agency to fund, among other things, the development, acquisition, rehabilitation, and preservation of affordable and supportive housing that is affordable to acutely low, extremely low, very low, and lower income households, as provided.

Cal Cities Position: Watch

Primary Lobbyist: Caroline Grinder

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf.	F II. J	No.	d at a
1st House				2nd House			Conc.	Enrolled	Vetoed	Chaptered	

Total Measures: 1

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Policy Committee : CS

Introduction Form

(by a Member of the Board of Supervisors or the Mayor)

I hereby submit the following item for introduction (select only one): \square 1. For reference to Committee (Ordinance, Resolution, Motion or Charter Amendment) \square 2. Request for next printed agenda (For Adoption Without Committee Reference) (Routine, non-controversial and/or commendatory matters only) \square 3. Request for Hearing on a subject matter at Committee Request for Letter beginning with "Supervisor 4. inquires..." 5. City Attorney Request Call File No. \square 6. from Committee. Budget and Legislative Analyst Request (attached written Motion) 7. Substitute Legislation File No. \square 8. Reactivate File No. 9. \square Topic submitted for Mayoral Appearance before the Board on 10. The proposed legislation should be forwarded to the following (please check all appropriate boxes): □ Small Business Commission □ Ethics Commission □ Youth Commission □ Building Inspection Commission □ Human Resources Department □ Planning Commission General Plan Referral sent to the Planning Department (proposed legislation subject to Charter 4.105 & Admin 2A.53): \Box Yes \square No (Note: For Imperative Agenda items (a Resolution not on the printed agenda), use the Imperative Agenda Form.) Sponsor(s): Subject: Long Title or text listed: