

Date of Hearing: April 26, 2023

ASSEMBLY COMMITTEE ON HOUSING AND COMMUNITY DEVELOPMENT

Buffy Wicks, Chair

AB 1469 (Kalra) – As Amended April 18, 2023

**SUBJECT:** Santa Clara Valley Water District

**SUMMARY:** Authorizes the Santa Clara Valley Water District to assist unsheltered people living along streams, in riparian corridors, or otherwise within the district’s jurisdiction, in consultation with a city or the County of Santa Clara, to provide solutions or improve outcomes for the unsheltered individuals. Specifically, **this bill:**

- 1) Authorizes the Santa Clara Valley Water District to take the following actions to assist unsheltered people living along streams, in riparian corridors, or otherwise within the district’s jurisdiction:
  - a) Collect waste or biowaste;
  - b) Contract with a city, the County of Santa Clara, or the state to provide outreach, counseling, transitional housing, public safety, or other services for unsheltered people;
  - c) Provide, develop, sell, or lease land for the purposes of constructing temporary or permanent structures for transitional or long-term housing or other services for unsheltered people; and
  - d) Contract with nongovernmental entities, in coordination with the city or the County of Santa Clara, to provide outreach, counseling, or transitional housing for unsheltered people.
- 2) Requires any housing developed pursuant to this authority to be consistent with Housing First core components as defined in Section 8255 of the Welfare and Institutions Code.
- 3) Finds and declares that a special statute is necessary and that a general statute cannot be made applicable within the meaning of Section 16 of Article IV of the California Constitution because of the unique need of the Santa Clara Valley Water District to address the needs of the unhoused population within the district’s jurisdiction in order to fulfill the district’s mission of comprehensive water supply, flood risk reduction, and environmental stewardship of streams.

**EXISTING LAW:**

- 1) Establishes the Santa Clara Valley Water District Act to authorize the district to provide comprehensive water management for all beneficial uses and protection from flooding in the Santa Clara County.
- 2) States the intent of the Legislature that the district work collaboratively with other appropriate entities in Santa Clara County in carrying out the purposes of the act.
- 3) Authorizes the Santa Clara Water District to take action to do all of the following:

- a) Protect Santa Clara County from floodwater and stormwater of the district, including tidal flood water and the floodwater and stormwater of streams that have their sources outside the district, but flow into the district;
  - b) Protect from that floodwater or stormwater the public highways, life and property in the district, and the watercourses and watersheds of streams flowing within the district;
  - c) Provide for the conservation and management of floodwater, stormwater, or recycled water, or other water from any sources within or outside the watershed in which the district is located for beneficial and useful purposes, including spreading, storing, retaining, and causing the water to percolate into the soil within the district;
  - d) Protect, save, store, recycle, distribute, transfer, exchange, manage, and conserve in any manner any of the waters;
  - e) Increase and prevent the waste or diminution of the water supply in the district;
  - f) Obtain, retain, protect, and recycle drainage, stormwater, floodwater, or treated wastewater, or other water from any sources, within or outside the watershed in which the district is located for any beneficial uses within the district;
  - g) Enhance, protect, and restore streams, riparian corridors, and natural resources in connection with carrying out the purposes set forth in this section; and
  - h) Preserve open space in Santa Clara County and support the county park system in a manner that is consistent with carrying out the powers granted by this section.(Santa Clara Valley Water District Act (Chapter 1405 of the Statutes of 1951), as amended by Section 1 of Chapter 279 of the Statutes of 2006)
- 4) Defines “Core Components of Housing First” to mean all of the following:
- a) Tenant screening and selection practices that promote accepting applicants regardless of their sobriety or use of substances, completion of treatment, or participation in services;
  - b) Applicants are not rejected on the basis of poor credit or financial history, poor or lack of rental history, criminal convictions unrelated to tenancy, or behaviors that indicate a lack of “housing readiness;”
  - c) Acceptance of referrals directly from shelters, street outreach, drop-in centers, and other parts of crisis response systems frequented by vulnerable people experiencing homelessness;
  - d) Supportive services that emphasize engagement and problem-solving over therapeutic goals and service plans that are highly tenant-driven without predetermined goals;
  - e) Participation in services or program compliance is not a condition of permanent housing tenancy;
  - f) Tenants have a lease and all the rights and responsibilities of tenancy, as outlined in the Civil Code, Health and Safety Code, and Government Code;

- g) The use of alcohol or drugs in and of itself, without other lease violations, is not grounds for eviction;
- h) In communities with coordinated assessment with entry systems, incentives for funding promote tenant selection plans for supportive housing that prioritize eligible tenants based on criteria other than “first-come-first-serve,” including, but not limited to, the duration or frequency of homelessness, vulnerability to early mortality, or high utilization of crisis services. Prioritization may include triage tools, developed through local data, to identify high-cost, high-need homeless residents;
- i) Case managers and service coordinators who are trained in and actively employ evidence-based practices;
- j) Services are informed by a harm-reduction philosophy that recognizes drug and alcohol use and addiction as part of tenants’ lives, where tenants are engaged in non-judgmental communication regarding drug and alcohol use, and where tenants are offered education regarding how to avoid risky behaviors and engage in safer practices, as well as participating in evidence-based treatment if the tenant so chooses; and
- k) The project and specific apartment may include special features that accommodate disabilities, reduce harm, and promote health and community and independence among tenants. (Welfare and Institutions Code Section 8255)

**FISCAL EFFECT:** None.

**COMMENTS:**

**Author’s Statement:** According to the author, “In *Martin v. City of Boise*, the U.S. Court of Appeals for the Ninth Circuit held that governments cannot criminalize sleeping outdoors on public property if there is no real option for sleeping indoors. Amid an unprecedented need for transitional and long-term housing in Santa Clara County, cities and the County often do not have shelter space to offer. Valley Water has very limited authority to expend its revenue or use other resources outside of purposes listed in the District Act, leaving some human health and safety risks on their lands unaddressed. AB 1469 will provide Valley Water with the flexibility needed to direct resources to assist unsheltered people on their lands and humanely address a crisis that can no longer be ignored.”

**Santa Clara Valley Water District:** The Santa Clara Valley Water District is the primary water resources agency for Santa Clara County. First formed as the Santa Clara Valley Water Conservation District in 1929, it now acts as the County's water wholesaler and the steward for its streams, creeks, underground aquifers, and district-built reservoirs. The District owns and manages local surface reservoirs and associated creeks and recharge facilities, manages the County’s groundwater basins and three water treatment plants, imports water from the Central Valley Project and the State Water Project, and delivers recycled water to parts of the County. The District is also responsible for flood protection within the County. Its stewardship responsibilities include creek restoration and wildlife habitat projects, pollution prevention efforts, and a commitment to natural flood protection. Valley Water owns and manages 294 miles of streams and habitat, with a mission to protect more than 800 miles of streams throughout Santa Clara County. These areas include threatened and endangered species, sensitive

habitats, and public infrastructure critical to water supply, groundwater recharge, and flood risk reduction activities.

According to Santa Clara Valley Water District, the sponsors of this bill, “In 2022, 77 percent of the unhoused population in Santa Clara County were unsheltered, with an estimated 2,300 taking refuge on Santa Clara Valley Water District property or land easements. Such circumstances have led to encampments along waterways, both a human and an environmental tragedy. The watersheds in Santa Clara County are prone to flash flooding, surprising unsheltered people and resulting in drownings or serious injury. These conditions also have increased community risks from fires and flooding due to blocked drainages, excavation of banks and levees, and the degradation of water quality from litter. Also degrading water quality is nutrient loading from human wastes that cause algal blooms that are harmful to natural and constructed aquatic habitat.”

Due to the impacts of unsheltered people living on waterways and property managed by the Santa Clara Valley Water District, the district is seeking to expand the purpose of its governing act to allow it to assist unsheltered people in consultation with cities, the County of Santa Clara, and the state. The Santa Clara Valley Water District have flexibility to access revenue from an existing one percent ad valorem property tax to help fund outreach, counseling, transitional housing, or other services for unsheltered people. Statutory and constitutional limits on how water rates and flood protection assessments may be spent are not impacted by this bill.

The District would be required to contract with the city, the County of Santa Clara, or the state to provide outreach, counseling, transitional housing, public safety, or other services for unsheltered people. This requirement will ensure that the District has appropriate partners with expertise in providing housing and services to people experiencing homelessness before moving people out of the waterways.

***Housing First:*** This bill would require any housing created by the Santa Clara Valley Water District as a result of this new authority to be Housing First. In 2018, the state required that all programs that serve people experiencing homelessness comply with Housing First. Decades of research demonstrate that evidence-based approaches like supportive housing – affordable housing coupled with wrap-around services – resolves homelessness for most individuals. Housing First is an approach that prioritizes providing permanent housing to people experiencing homelessness, thus ending their homelessness and serving as a platform from which they can pursue personal goals and improve their quality of life. Over more than a decade, dozens of studies conducted across the country demonstrate that the costs of delivering supportive housing using a Housing First model are offset in large part by reductions in the use of crisis services, including shelters, jails, ambulances, and hospitals. Many state and local programs effectively utilize these evidence-based approaches to address homelessness; however, the number of people falling into homelessness continues to overwhelm the response system and surpasses the affordable housing stock in many communities. These factors lead to persistently high rates of homelessness despite recent state and local investments. Other strategies, such as rental assistance and help with identifying and securing housing (housing navigation) can also help with those individuals who need prevention tools to avoid homelessness.

Despite the overwhelming data and evidence that Housing First works to end homelessness, there is a growing national movement to roll back Housing First policies. This short-sighted and misleading push fails to recognize that Housing First is not the root cause of continued increases

in homelessness; rather, it is the lack of affordable housing for lower income households. The federal government recently reasserted its commitment to Housing First in “All In: the Federal Strategic Plan to End Homelessness” and emphasized the need to focus on data-driven solutions like permanent housing linked to wrap-around services that end homelessness.

***Arguments in Support:*** According to the sponsor, Santa Clara Valley Water District “has very limited authority to expend its revenue to assist unsheltered people and is left largely to collect the garbage while leaving the human health and safety risks unaddressed. AB 1469, by amending the purposes of our independent special district established in the District Act, will allow our agency more flexibility with some of its revenue and land resources. The intent is to construct transitional and supportive housing operated by a city, the County, or a non-profit to provide shelter that can improve outcomes for unsheltered people and assist Valley Water in fulfilling its mission of water supply and flood risk reduction in compliance with federal case law. This might require providing land or outreach services by contracting with the same non-profit entities working with area cities and the County. The goals are clear: humanely assist unsheltered people, improve outcomes, reduce flood and fire risk, and protect water quality for people and aquatic species.”

***Arguments in Opposition:*** None on file.

## **REGISTERED SUPPORT / OPPOSITION:**

### **Support**

Santa Clara Valley Water District (Sponsor)  
 Asian Americans for Community Involvement  
 Association of California Water Agencies  
 California Municipal Utilities Association  
 California Special Districts Association  
 City of Cupertino  
 City of Gilroy Council Member Zach Hilton  
 City of San Jose  
 City of Santa Clara  
 County of Santa Clara  
 Destination: Home  
 Hispanic Chamber of Commerce Silicon Valley  
 HomeFirst Services of Santa Clara County  
 PitStop Outreach  
 San Jose/Silicon Valley Branch of the NAACP  
 Sustainable Silicon Valley

### **Opposition**

None on file.

**Analysis Prepared by:** Lisa Engel / H. & C.D. / (916) 319-2085