

Date of Hearing: April 15, 2026

ASSEMBLY COMMITTEE ON HOUSING AND COMMUNITY DEVELOPMENT

Matt Haney, Chair

AB 1708 (Solache) – As Amended April 6, 2026

SUBJECT: Homeless Housing, Assistance, and Prevention program: round 8: smaller jurisdictions

SUMMARY: Requires a regionally coordinated homelessness action plan developed for Homeless Housing, Assistance, and Prevention Program (HHAP) Round 8 to include specified information regarding smaller jurisdictions. Specifically, **this bill:**

- 1) Defines “smaller jurisdiction” to mean a city with a population under 300,000.
- 2) Requires HHAP Round 8 to include a description of programs and interventions provided by smaller jurisdictions that serve the objectives and goals of HHAP, which shall include:
 - a) An opportunity for smaller jurisdictions to identify existing programs, gaps, and financial needs;
 - b) Ongoing and documented engagement with smaller jurisdictions; and
 - c) Opportunities for smaller jurisdictions to participate in the identification of funding priorities in addition to program identification.
- 3) Requires HHAP Round 8 to include an analysis that contains all of the following:
 - a) An analysis of how local, state, and federal funding can be allocated to support programs identified for smaller jurisdictions;
 - b) An analysis of how funding provided by the region will enable smaller jurisdictions to expand or sustain existing state or locally funded projects, partnerships with nonprofits, or partnerships with other small cities; and
 - c) An evaluation of the feasibility of allocating a targeted percentage of funds to support smaller jurisdictions, consistent with regional needs, priorities, and available resources.
- 4) Allows a region receiving funding under HHAP Round 8 to allocate a portion of that funding to smaller jurisdictions to support the programs in the regional plan.
- 5) Requires a region to establish a transparent and publicly available process through which smaller jurisdictions may apply for or otherwise access funding that includes, but is not limited to, timelines, evaluation criteria, and decision-making formulas.
- 6) Requires a smaller jurisdiction to do all of the following to be eligible for funding from HHAP Round 8:
 - a) Have a compliant housing element;

- b) Have adopted a local encampment policy consistent with administration guidance;
- c) Demonstrate how its past actions, programs, and appropriation of funds have served the objectives and goals of the adopted regionally coordinated homelessness action plan and the intent of the Homeless Housing, Assistance, and Prevention program to prevent and expeditiously reduce unsheltered homelessness through homelessness prevention activities; and
- d) Adopt a resolution that commits to participating in, and complying with, the regionally coordinated homelessness action plan and directs the mayor to sign the memorandum of understanding that reflects the regionally coordinated homelessness action plan.

EXISTING LAW:

- 1) Established HHAP to provide jurisdictions with one-time grant funds to support regional coordination and expand or develop local capacity to address their immediate homelessness challenges, informed by a best-practices framework focused on moving homeless individuals and families into permanent housing and supporting the efforts of those individuals and families to maintain their permanent housing. (Health and Safety Code Section (HSC) 50216)
- 2) Requires HHAP to be used for evidence-based solutions that address and prevent homelessness among eligible populations, including any of the following:
 - a) Rapid rehousing, including rental subsidies and incentives to landlords, such as security deposits and holding fees;
 - b) Operating subsidies in new and existing affordable or supportive housing units, emergency shelters, and navigation centers. Operating subsidies may include operating reserves;
 - c) Street outreach to assist persons experiencing homelessness to access permanent housing and services;
 - d) Services coordination, which may include access to workforce, education, and training programs, or other services needed to promote housing stability in supportive housing;
 - e) Systems support for activities necessary to create regional partnerships and maintain a homeless services and housing delivery system, particularly for vulnerable populations, including families and homeless youth;
 - f) Delivery of permanent housing and innovative housing solutions, such as hotel and motel conversions;
 - g) Prevention and shelter diversion to permanent housing, including rental subsidies; and
 - h) Interim sheltering, limited to newly developed clinically enhanced congregate shelters, new or existing noncongregate shelters, and operations of existing navigation centers and shelters based on demonstrated need. Demonstrated need for purposes of this paragraph shall be based on the following:

- i) The number of available shelter beds in the city, county, or region served by a Continuum of Care (CoC);
 - ii) The number of people experiencing unsheltered homelessness in the homeless Point-in-Time (PIT) count;
 - iii) Shelter vacancy rate in the summer and winter months;
 - iv) Percentage of exits from emergency shelters to permanent housing solutions; and
 - v) A plan to connect residents to permanent housing. (HSC 50220.7)
- 3) Requires, beginning with the third round of HHAP, applicants to provide the following information for all rounds of program allocations through a data collection, reporting, performance monitoring, and accountability framework:
- a) Data on the applicant's progress towards meeting their outcome goals, which must be submitted annually on December 31 of each year through the duration of the program;
 - b) If the applicant has not made significant progress toward their outcome goals, the applicant must submit a description of barriers and possible solutions to those barriers;
 - c) Applicants that do not demonstrate significant progress towards meeting outcome goals must accept technical assistance from Cal-ICH and may also be required to limit the allowable uses of these program funds, as determined by the council;
 - d) A quarterly fiscal report of program funds expended and obligated in each allowable budget category approved in their application for program funds; and
 - e) If the applicant has not made significant progress toward their outcome goals, then the applicant must report on their outcome goals in their quarterly report. (HSC 50220.7)

FISCAL EFFECT: Unknown.

COMMENTS:

Author's Statement: According to the author, "To effectively serve unhoused Californians, we must empower communities with the resources needed to meet this moment with compassion and deliver local solutions. AB 1708 would create a clearly defined pathway for cities with populations under 300,000 to access the Homeless Housing, Assistance, and Prevention Grant Program (HHAP) while requiring clear accountability metrics aligned with the state's goals. Currently, only 14 of the state's 483 cities can access HHAP funding directly. There is no statutory requirement for direct recipients to equitably or meaningfully allocate funds to smaller cities in their region. As a result, many small and mid-sized cities lack a clear pathway to these existing state resources, even as they invest their own limited local dollars to address homelessness. As the state continues to demand meaningful results in addressing homelessness across California, AB 1708, offers equitable opportunities for cities of all sizes to access state funding to supplement the work they are already doing to support their unhoused residents."

HHAP: Beginning in 2018, in response to a growing number of people experiencing unsheltered homelessness, the state began investing significantly in the local homelessness response system

through HHAP. HHAP provides one-time grants to cities with populations over 300,000 (big cities), CoCs, and counties to support regional coordination and expand or develop local capacity to address their immediate homelessness challenges. Investments are informed by a best-practices framework focused on moving homeless individuals and families into permanent housing and supporting the efforts of those individuals and families to maintain their permanent housing. Big cities, CoCs, and counties can use HHAP for operating subsidies for shelters and supportive housing; construction of shelter, interim housing, supportive housing, landlord incentives, rental assistance, rapid rehousing, homelessness prevention, shelter diversion; street outreach, and services coordination. The program has received 7 rounds of funding totaling \$5.45 billion from 2019-2025, of that, \$3.9 billion has been awarded, and \$2.3 billion has been expended. Round 6 of HHAP is available to applicants, and an additional \$500 million was included in this year's budget, contingent on more accountability, with a commitment that funds would go out in an expedited fashion. Homelessness in California has gone down by 9% since the state started investing in the homelessness response system through HHAP. Data shows that HHAP has helped 100,000 people be permanently housed from January 2023 to September 2025.

HHAP funding has significant accountability measures attached to it. Applicants must submit monthly fiscal reports and regular reporting on metrics designed to move people experiencing homelessness into permanent housing. Applicants must develop regional plans that identify how multiple sources of funds can be used to support a best-practices framework to move homeless individuals and families into permanent housing. Local Action Plans require HHAP recipients to set outcome goals that prevent and reduce homelessness over a three-year period, informed by the findings from a local landscape analysis and the jurisdiction's base system performance measure from 2020 calendar year data in the Homeless Data Integration System (HDIS). The outcome goals included defined metrics, based on HUD's system performance measures, to do the following:

- Reduce the number of people experiencing homelessness;
- Reduce the number of people who become homeless for the first time;
- Increase the number of people exiting homelessness into permanent housing;
- Reduce the length of time people remain homeless;
- Reduce the number of people who return to homelessness after exiting homelessness to permanent housing; and
- Increase successful placements from street outreach.

Small Jurisdictions and HHAP: Big cities, CoCs, and counties are required to develop a regionally coordinated homelessness action plan and sign Memorandums of Understanding (MOUs) agreeing to participate and comply with the action plan. Smaller jurisdictions in the region may also sign the MOU and commit to participation in and comply with the regionally coordinated homelessness action plan. Counties are encouraged to allocate resources from program funding to smaller jurisdictions that participate in and commit to complying with the regionally coordinated homelessness action plan. If HHAP recipients are not making progress toward meeting their performance metrics listed above, HCD may require them to develop a system performance and improvement plan. If smaller jurisdictions participate in the regional plan, they would be part of the system performance and improvement plan, which requires the applicants to develop a timeframe for steps and completion of each key action, the methods of measuring the success of each key action, and related system performance measures that will demonstrate success of the key action.

This Bill: Some counties are already providing HHAP funds to smaller jurisdictions; however, counties are not required to allocate funds to smaller cities. This bill would not require any of the HHAP applicants to grant funds to smaller cities. It would provide for a more robust process for cities to engage in the regional plan that all applicants are required to complete and update to receive HHAP funds. It would require more engagement and outreach to smaller cities than what is currently required. Smaller jurisdictions that receive HHAP funds would be required to adopt a resolution that commits to participating in, and complying with, the regionally coordinated homelessness action plan. The mayor would be required to sign the MOU that reflects the regionally coordinated homelessness action plan. This bill would apply to Round 8 of HHAP, which has yet to be funded.

Arguments in Support: According to the sponsor, the League of Cities, “Currently HHAP applicants must submit regionally coordinated action plans to the Department of Housing and Community Development (HCD), identifying each jurisdiction's roles and responsibilities in addressing homelessness. While cities with populations under 300,000 may participate in these plans, direct recipients are encouraged, but not required, to allocate HHAP funding to those cities. As a result, there is no requirement to meaningfully engage or allocate these critical resources to small and medium-sized cities. Many of these cities lack a clear and consistent pathway to access HHAP funding, even as they invest significant General Fund resources to prevent and reduce homelessness in their communities. AB 1708 would address this by requiring CoCs, prior to allocating funding to other subrecipients in their region, to accept applications for a period of 30 days only from cities with populations under 300,000.”

Arguments in Opposition: The National Alliance to End homelessness has an oppose unless amended position on the bill, writing the bill “would result in more of our homelessness funding going to support local bureaucracy and planning instead of funding the programs that are producing meaningful results.” “When funding is balkanized among many smaller cities that keep programs within their borders, service delivery becomes fragmented and less effective, and funding amounts become too small for programs to reach an optimal scale.”

Double-Referred: This bill was also referred to the Assembly Committee on Human Services where it will be heard should it pass out of this committee.

REGISTERED SUPPORT / OPPOSITION:

Support

League of California Cities (Sponsor)
California Contract Cities Association
City of Alameda
City of Arcata
City of Artesia, California
City of Azusa
City of Baldwin Park
City of Bell Gardens
City of Bellflower
City of Beverly Hills
City of Big Bear Lake
City of Brawley

City of Buellton
City of Buena Park
City of Burlingame
City of Carlsbad
City of Carpinteria
City of Chula Vista
City of Cloverdale
City of Coachella
City of Colton
City of Cypress
City of Delano
City of Diamond Bar
City of Duarte
City of Elk Grove
City of Encinitas
City of Eureka
City of Folsom
City of Folsom, California
City of Fullerton
City of Garden Grove
City of Glendora
City of Grand Terrace
City of Grover Beach
City of Huntington Park
City of Hawaiian Gardens
City of LA Palma
City of Lake Forest
City of Lakeport
City of Lakewood
City of Lakewood CA
City of Lancaster
City of Lomita
City of Maywood
City of Mission Viejo
City of Modesto
City of Montclair
City of Moreno Valley
City of Mountain View
City of Needles
City of Norwalk
City of Oceanside
City of Oroville
City of Pacifica
City of Palm Desert
City of Palmdale
City of Palo Alto
City of Paramount
City of Paso Robles
City of Perris

City of Petaluma
City of Pico Rivera
City of Placentia
City of Redlands
City of Redondo Beach
City of Riverbank
City of Rocklin
City of Rohnert Park
City of Salinas
City of San Bernardino
City of San Luis Obispo
City of Santa Barbara
City of Santa Cruz, CA
City of Santa Monica
City of South Gate
City of Stanton
City of Temecula
City of Thousand Oaks
City of Torrance
City of Tracy
City of Tulare
City of Union City
City of Vacaville
City of Ventura
City of Vista
City of Walnut Creek
City of Westminster
DignityMoves
Los Angeles County Division, League of California Cities
Mayor Michael Hannon, City of Newark
Town of Apple Valley
West Hollywood/Hernan Molina, Governmental Affairs Liaison

Opposition

Los Angeles Homeless Services Authority
Office of Los Angeles Mayor Karen Bass
Individuals (2)

Oppose Unless Amended

Corporation for Supportive Housing
National Alliance to End Homelessness

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