

SENATE THIRD READING
SB 799 (Allen)
As Amended August 10, 2026
Majority vote

SUMMARY

Allows the South Bay Regional Housing Trust (SBRHT) to fund housing to assist persons and families of moderate income, allows the board of directors to appoint alternates, and makes additional changes.

Major Provisions

- 1) Allows SBRHT to fund *planning, construction, and preservation* of housing of all types and tenures for persons and families of moderate income, as defined in specified existing law, using any private *resources, and either of the following public resources*:
 - a) *Federal resources.*
 - b) *State resources that are restricted to use for affordable housing for persons and families at or above 80% of area median household income.*
- 2) Allows SBRHT to fund the preservation of housing of all types and tenures for the homeless population and persons and families of extremely low, very low, and low income including, but not limited to, permanent supportive housing.
- 3) Authorizes the SBRHT board of directors to appoint and designate alternate members to the board of directors. An alternate member may include any of the following:
 - a) An elected or appointed member of the governing body of the party to the joint powers agreement (JPA).
 - b) An appointed member of an advisory body of the party to the JPA.
 - c) A staff member of the party to the JPA.
 - d) A member of the public who is an expert in homelessness or housing policy.
- 4) Requires all directors and alternates to be subject to the board's adopted conflict of interest code.
- 5) Provides that each alternate that is currently not an elected official shall not participate as a voting member in more than 75% of all meetings in a calendar year.
- 6) Provides flexibility regarding when the SBRHT board of directors elects the chairperson and vice chairperson by adding the option to elect them at the first meeting of the calendar year or fiscal year.
- 7) Requires the JPA to establish the process for appointing a qualified individual to fill a vacancy, instead of requiring the South Bay Cities Council of Governments (SBCCOG) to make such appointments.

COMMENTS

SB 1444 (Allen), Chapter 672, Statutes of 2022, authorized the County of Los Angeles and any or all of the cities within the jurisdiction of the SBCCOG to enter into a JPA to create and operate a joint powers agency to fund housing to assist the homeless population and persons and families of extremely low, very low, and low income within the South Bay Cities region. Among other provisions, SB 1444:

- 1) Provided the following regarding the SBRHT board of directors:
 - a) Requires the SBCCOG to appoint the board of directors and determine the appropriate number of directors.
 - b) Required the board of directors to include mayors, councilmembers, or County of Los Angeles supervisors that represent either a city that is a party to the JPA or a County of Los Angeles Board of Supervisors district that is located wholly or partially within the territory of the SBCCOG, if the county is a party to the JPA.
 - c) Required two members of the board of directors to be experts in homeless or housing policy.
 - d) Required the board of directors to elect a chairperson and vice chairperson from among its members at the first meeting held in each calendar year.
 - e) Required members of the board of directors to serve without compensation.
 - f) Authorized the SBRHT to reimburse directors for pre-approved actual expenses.
 - g) Required the governing Board of the SBCCOG to appoint a qualified individual to fill a vacancy on the board of directors within 60 days of the vacancy.
- 2) Allowed the SBRHT to do any of the following:
 - a) Fund the planning and construction of housing of all types and tenures for the homeless populations and persons and families of extremely low, very low, and low income including, but not limited to, permanent supportive housing.
 - b) Receive public and private financing and funds.
 - c) Authorize and issue bonds, certificates of participation, or any other debt instrument repayable from funds and financing received and pledged by the SBRHT.

According to the Author

California has an affordable housing crisis, which is especially acute in the South Bay Cities region of the County of Los Angeles due to the high cost of housing in that area, even in formerly affordable communities. SB 1444 (Allen), [Chapter 672, Statutes of] 2022 authorized the establishment of the South Bay Regional Housing Trust (SBRHT), a joint powers authority, to fund the planning and construction of affordable housing, receive public and private financing and funds, and authorize and issue bonds.

As SBRHT is currently in the process of being established, certain needed revisions to the original authorizing statute were identified that would help the trust operate more effectively. SB 799 makes these changes to support SBRHT in its mission to address housing and homelessness in our district.

Arguments in Support

SBCCOG, sponsor of this bill, states, "The SBCCOG and its member cities explored methods to increase affordable housing development in the South Bay over the last couple of years, one of which was the concept of a regional housing trust. Over the last year, the SBCCOG studied SBRHT formation in greater detail through a REAP 2.0 grant from HCD & SCAG. In November 2025, the SBCCOG Board of Directors formally recommended that its member cities form and join the SBRHT. To date, 11 cities have voted to join the SBRHT which held its inaugural Board meeting on April 30th and made its first funding award at its May 21st meeting.

"As the formation of the SBRHT was being explored, certain administrative revisions to its formation legislation have been identified that would allow the SBRHT Board to operate more effectively and be more responsive to its own governance needs and to the communities it serves. One of the modifications in SB 799 would allow for member cities to consider appointment of non-elected officials to serve as their alternate member to the SBRHT Board of Directors. Affordable housing financing is a complicated subject that will require a significant time commitment as well as some level of experience or expertise to make informed decisions. The appointment of the alternate – elected or non-elected – would remain the city's decision and that individual will still be accountable to that city, but this proposed revision allows the city the discretion which is especially important with council term limits and in smaller cities where councilmembers have other full-time jobs. The SBRHT would benefit from having the consistency, experience and expertise on its Board that this modification would allow.

"SB 799 also expands the scope of housing activities the SBRHT may fund in two meaningful ways. First, the bill now expressly adds the SBRHT to fund the preservation of existing housing—not just planning and new construction—for extremely low, very low, and low income households. Preserving existing affordable units is often more cost-effective than building new ones, and this change gives the SBRHT a critical additional tool to protect at-risk housing stock in the South Bay, particularly naturally occurring affordable housing.

"Second, the bill adds authority for the SBRHT to fund the planning and construction of housing for persons and families of moderate income using private resources. This amendment creates a distinct, private-funds-only pathway to serve moderate-income households—a population that is increasingly cost-burdened in the South Bay but often falls above the threshold for traditional affordable housing programs. Together, these provisions significantly strengthen the SBRHT's ability to address the full spectrum of housing need in the region."

Arguments in Opposition

None on file.

FISCAL COMMENTS

None.

VOTES**SENATE FLOOR: 39-0-1**

YES: Allen, Alvarado-Gil, Archuleta, Arreguín, Ashby, Becker, Blakespear, Cabaldon, Caballero, Cervantes, Choi, Cortese, Dahle, Durazo, Grayson, Grove, Hurtado, Jones, Laird, Limón, McGuire, McNerney, Menjivar, Niello, Ochoa Bogh, Padilla, Pérez, Reyes, Richardson, Rubio, Seyarto, Smallwood-Cuevas, Stern, Strickland, Umberg, Valladares, Wahab, Weber Pierson, Wiener

ABS, ABST OR NV: Gonzalez

ASM LOCAL GOVERNMENT: 10-0-0

YES: Carrillo, Ta, Alanis, Pacheco, Fong, Ransom, Blanca Rubio, Stefani, Ward, Wilson

ASM HOUSING AND COMMUNITY DEVELOPMENT: 11-0-1

YES: Haney, Ávila Farías, Caloza, Garcia, Kalra, Lee, Ward, Ta, Tangipa, Wicks, Wilson

ABS, ABST OR NV: Patterson

ASSEMBLY FLOOR: 70-0-9

YES: Addis, Aguiar-Curry, Ahrens, Alanis, Alvarez, Arambula, Ávila Farías, Bauer-Kahan, Bennett, Berman, Boerner, Bonta, Caloza, Carrillo, Castillo, Connolly, Davies, DeMaio, Dixon, Flora, Fong, Gabriel, Garcia, Gipson, Jeff Gonzalez, Mark González, Hadwick, Haney, Harabedian, Hart, Hoover, Irwin, Jackson, Johnson, Kalra, Krell, Lackey, Lee, Lowenthal, Macedo, McKinnor, Muratsuchi, Nguyen, Ortega, Pacheco, Patel, Patterson, Pellerin, Petrie- Norris, Quirk-Silva, Ramos, Celeste Rodriguez, Michelle Rodriguez, Rogers, Blanca Rubio, Schiavo, Schultz, Sharp-Collins, Solache, Soria, Stefani, Ta, Tangipa, Valencia, Wallis, Ward, Wicks, Wilson, Zbur, Rivas

ABS, ABST OR NV: Bains, Bryan, Calderon, Chen, Elhawary, Ellis, Papan, Ransom, Sanchez

UPDATED

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