Date of Hearing: June 24, 2026

ASSEMBLY COMMITTEE ON HOUSING AND COMMUNITY DEVELOPMENT
Matt Haney, Chair
SB 802 (Ashby) – As Amended June 15, 2026

SENATE VOTE: 36-0

SUBJECT: Housing finance and development: Sacramento Area Housing and Homelessness Agency: Multifamily Housing Program: Homekey: Homeless Housing, Assistance, and Prevention program

SUMMARY: Requires the County of Sacramento, the City of Sacramento, the City of Elk Grove, the City of Rancho Cordova, the City of Citrus Heights, and the City of Folsom to participate in and work together to establish the Sacramento Regional Housing and Homelessness (SHRA) Joint Powers Authority (JPA) designed to make a meaningful difference for people experiencing housing insecurity and homelessness across the County of Sacramento.

1) Makes various legislative findings.

2) Requires the County of Sacramento, the City of Sacramento, the City of Elk Grove, the City of Rancho Cordova, the City of Citrus Heights, and the City of Folsom to do all of the following:

   a) Bring elected officials from across the region together through the JPA that provides program and policy guidance and establishes shared goals to improve the efficacy of the region's homeless response system and affordable housing resources;

   b) Bring the oversight and functions of the Sacramento City and County Continuum of Care (CoC) under the jurisdiction of the JPA, while maintaining the federally required composition and integrity of the CoC; and

   c) Work collaboratively with the SHRA to develop goals and action plans that address homelessness, affordable housing, and advance a true housing continuum regionally.

3) Requires the JPA to do all of the following:

   a) Set system performance goals and, at a minimum, regularly review state and federal performance metrics to address housing and homelessness;

   b) Collaborate to update the regionally coordinated homelessness action plan as necessary and oversee implementation of the plan;

   c) Coordinate on delivery of prevention, outreach, shelter, and housing programs, with local jurisdictions retaining oversight, accountability, and control over land use decisions and programs administered by the local jurisdictions;

d) Explore better integration with other systems working in homelessness and housing, including county-administered behavioral health, child and adult welfare, and social safety net services;

e) Align regional funding for housing and homelessness, with local jurisdictions retaining final control and approval over local, state, and federal funds eligible to be administered by local jurisdictions;

f) Comply with the requirements set forth in the Ralph M. Brown Act;

g) Be designated as the federally recognized CoC;

h) Provide direction to the CoC lead agency;

i) Provide oversight over CoC functions, including all of the following:

   i. The Homeless Management Information System (HMIS);

   ii. The Coordinated Access System (CES); and

   iii. The Point-in-Time Count.

j) Develop a committee structure to ensure community voice continues to be incorporated;

k) Include the County of Sacramento, the City of Sacramento, the City of Elk Grove, the City of Rancho Cordova, the City of Citrus Heights, and the City of Folsom in the JPA;

l) Be developed as a formal, robust JPA;

m) Have a board that consists solely of the elected officials representing the County of Sacramento, the City of Sacramento, the City of Elk Grove, the City of Rancho Cordova, the City of Citrus Heights, and the City of Folsom;

n) Target both housing and homelessness;

o) Incorporate meaningful resources to provide services;

p) Have a governance structure that includes the lead entities, respectively, from both the CoC and SHRA; and

q) Hold monthly public meetings and incorporate public participation.

4) Provides that a local jurisdiction that is a member of the JPA retains oversight and accountability over funding decisions, projects, and programs administered by the local jurisdiction, including contracting for prevention, outreach, sheltering, and housing.

EXISTING LAW:

1) Defines the composition of a CoC to mean the group organized to carry out the responsibilities of the McKinney-Vento Homeless Assistance Act composed of representatives of organizations, including nonprofit homeless providers, victim service providers, faith-based organizations, governments, businesses, advocates, public housing agencies, school districts, social service providers, mental health agencies, hospitals, universities, affordable housing developers, law enforcement, organizations that serve homeless and formerly homeless veterans, and homeless and formerly homeless persons to the extent these groups are represented within the geographic area and are available to participate. (24 Code of Federal Regulations (CFR) § 578.3 CoC Definition)

2) Requires the CoC to establish a board to act on behalf of the CoC through an adopted and written process. The process must be reviewed, updated, and approved by the Continuum at least once every five years. (24 CFR § 578.3 CoC Definition)

3) Requires a CoC board to include representatives of the relevant organizations and of projects serving homeless subpopulations and to include at least one homeless or formerly homeless individual. (24 CFR § 578.3 CoC Definition)

4) Defines a "collaborative applicant" to mean the eligible applicant that has been designated by the CoC to apply for a grant for CoC planning funds under this part on behalf of the Continuum. (24 CFR § 578.3 CoC Definition)

5) Establishes the responsibilities of the CoC, including the following:

   a) Adopt and follow a written process to select a board to act on behalf of the CoC and requires the process to be reviewed, updated, and approved by the CoC at least once every five years;

   b) In consultation with the collaborative applicant and the HMIS, lead, develop, follow, and update annually a governance charter, which will include all procedures and policies needed to comply with federal requirements and with HMIS requirements as prescribed by HUD;

   c) Hold meetings of the full membership, with published agendas, at least semi-annually;

   d) Make an invitation for new members to join publicly available within the geography of the CoC at least annually; and

   e) Appoint additional committees, subcommittees, or workgroups. (24 CFR § 578.7 CoC Definition)

FISCAL EFFECT: Unknown.

COMMENTS:

Author's Statement: According to the author, "For over a decade, multiple Sacramento County Grand Jury reports, including in 2019 and again in 2023, have warned that the absence of a regional authority and coherent organizational structure makes it virtually impossible to use valuable resources effectively. The 2023 report described Sacramento's homelessness response as "disjointed, lacking accountability, and often reactive rather than proactive," highlighting how eight separate government-funded entities operate with siloed data, conflicting goals, and inconsistent planning.

SB 802 responds to this long-standing call for change by establishing the Sacramento Area Housing and Homelessness Agency, a new Joint Powers Authority. This single, coordinated agency will ensure shared decision-making, strengthen accountability, and better leverage local, state, and federal resources to address homelessness and housing insecurity across Sacramento County. All cities in the county will have the opportunity to participate and weigh in through representation on the agency's governing board. Importantly, the agency will also include people with lived experience of homelessness, along with technical experts, on its Advisory Committee, ensuring that the voices of those directly impacted help guide local solutions.

By creating a regional structure with clear governance, broad city participation, community representation, and oversight, SB 802 delivers the accountability, collaboration, and leadership we need to address homelessness and housing more effectively and efficiently."

Continuum of Care (CoC): The Department of Housing and Urban Development (HUD) developed the concept of the CoC in 1995 through its annual competition for homeless assistance grants. The CoC is envisioned as a local network that plans and coordinates funding for services and housing to assist homeless individuals and families. Each community is required to designate a CoC to receive federal funds. The CoC is designed to: promote a community wide commitment to the goal of ending homelessness, provide funding for efforts to rapidly rehouse homeless individuals and families, promote access to and effective use of mainstream programs, and optimize self-sufficiency among individuals and families experiencing homelessness.

Federal regulations require the creation of a CoC governing board, but do not dictate the board membership except that it must be representative of the community and have at least one person with lived experience of homelessness. The makeup of the membership and the board are key to the CoC's competitiveness for federal funding. Federal funding is tied to how the CoC board and membership are structured, meaning decisions regarding board makeup will impact the competitiveness of the community for funding. The Sacramento City and County CoC (Sacramento CoC) has a 30-member board which includes representation from local government, homeless services providers, people with lived experience, and the broader community of businesses, advocates, and faith-based groups.

A CoC is responsible for designating a lead entity to manage the HMIS. HMIS is a shared localized database used by organizations that provide services to people who are homeless or at risk of becoming homeless. One of the main functions of the HMIS is to connect community agencies with one another, allowing direct service staff to know more about what is happening with their clients and where else they are obtaining services. A CoC is also required to identify a collaborative applicant to apply for a grant for CoC planning funds. In Sacramento, the collaborative applicant is Sacramento Steps Forward (SSF).

Sacramento Steps Forward (SSF): SSF is a non-profit organization that acts as the collaborative applicant for Sacramento's CoC and serves as the lead agency for Sacramento's CoC, convening a board of nonprofit providers, advocates, partners with lived expertise, City and County, and public and private sector partners, and acts as the HMIS Lead. As the local HMIS Lead, SSF manages the database for Sacramento and Yolo Counties, granting access to the system, maintaining data quality, and providing regular reports to HUD. The use of HMIS is mandated by Congress for any CoCs who receive federal funding to address homelessness in their communities. Access to HMIS is strictly monitored, requiring background checks and security measures to protect the confidential client data stored in the system.

This bill would require the creation of a JPA made up of the City and County of Sacramento, the City of Elk Grove, the City of Rancho Cordova, the City of Citrus Heights, and the City of Folsom and designate the JPA as the federally recognized CoC. The JPA would also provide direction to the CoC lead agency and provide oversight to the CoC regarding HMIS, CES, and the point-in-time count. While this bill designated the JPA as the CoC, federal regulation requires the CoC to designate the collaborative applicant, the entity authorized to apply for CoC planning funding. To comply with federal regulations, the existing CoC board would need to vote to change the collaborative applicant from SSF to the new JPA.

Why is it hard to solve homelessness? Homelessness is the top issue among voters and one of the hardest policy issues to address. In most communities, the resources needed to solve homelessness – the homeless response system – are siloed among three major parties – cities, counties, and CoCs. Cities tend to be home to more people experiencing homelessness because people have easier access to amenities and resources. Yet, cities do not control much of the funding that is needed to get people into housing, including vouchers, mental health services, and connections to health care. Cities have land use authority and can site more housing, particularly affordable housing and permanent supportive housing, but they still have to seek help from their county to get project-based vouchers and funding for wrap-around services for people living in supportive housing that need extra help to stay housed. Counties have funding for mental health services through the Behavioral Health Services Act – recent legislation requires that 30% of those funds go to support people accessing and maintaining housing through rental assistance and other supports. CoCs have funding to address homelessness and maintain the CES, which matches people experiencing homelessness with services and hopefully a permanent housing unit. While the CoC is responsible for collecting and maintaining the data around homelessness and is the entry point for many people experiencing homelessness into services and connecting to housing, they lack any ability to direct County, SHRA, or city resources. SHRA, the City of Rancho Cordova, the City of Elk Grove, the City of Citrus Heights, the City of Sacramento, and Sacramento County currently sit on the CoC. This entire system lacks adequate resources to house the people who are currently homeless and the resources to help people who are falling into homelessness to stay housed.

Sacramento is not unique in its inability to establish a structure that resolves all of these challenges and aligns resources. Los Angeles County and the City of Los Angeles currently have a JPA, but are in the process of dissolving that entity to create a new structure. Communities around the state are struggling to figure out how to coordinate resources to adequately serve people experiencing homelessness.

The state has provided funds through the Homeless Housing, Assistance and Prevention (HHAP) grant program over the last seven years to help big cities, counties, and CoCs respond to homelessness, with a focus on unsheltered homelessness, but this funding is inadequate to resolve the problem. HHAP has evolved over the last few years to push applicants to develop a coordinated strategy to address homelessness. HHAP requires applicants – CoCs, big cities and counties – to develop a Regional Plan to address homelessness. SSF developed the plan, and though all of the cities within Sacramento County participated, none of the cities not receiving funding from HHAP brought the plan before their City Councils to be ratified.

Local Discussions: A 2022-23 Sacramento County Grand Jury Report lays out past efforts to create a coordinated response to homelessness in the county. In December 2019, the County Board of Supervisors and Sacramento City Council passed resolutions to form a JPA intended to resolve homelessness, but no JPA was established. In 2011, the Board of Supervisors and Sacramento City Council passed a resolution endorsing SSF as the Lead Agency to monitor and coordinate homelessness in the county. In November 2022, Sacramento County voters passed Measure O to require the city and county of Sacramento to approve a legally binding partnership agreement to improve the homelessness crisis. The Grand Jury Report laid out the challenges of addressing homelessness through the siloed system in Sacramento and recommended the creation of a JPA governed by elected officials in the county.

In December 2023, a consulting firm commissioned by SSF and the county identified ways to better align and engage local partners and researched national governance models to develop a report that includes local and national landscape assessments and provides options for alternative organizational approaches to shared governance. The consultants provided several options, based on models that have worked in other communities, which will help to inform what the county presents to the BOS in August. These include:

> *"Collective Impact Model – A revision of the current structure to advance regional goals by establishing an overarching and revised Partnership Agreement to redefine roles and restructure board under a revised collective impact framework with SSF functioning as the backbone agency.*
>
> *Regional Governance – This redefines the governance structure under a JPA which designates a distinct entity the JPA responsible for acting as a single representative for ending homelessness in the region. The JPA defines the scope of the JPA and the roles and authority. The JPA can be developed as a new, independent entity or within an existing government body."*

In beginning of June 2026, the County of Sacramento and the Cities of Sacramento, Elk Grove, Folsom, Citrus Heights, Rancho Cordova, and Galt signed a letter of intent to signal their shared commitment to building a more coordinated, effective regional approach to housing and homelessness. The Letter of Intent states that the participating jurisdictions will come together to build a new regional partnership model designed to make a meaningful difference for people experiencing homelessness. It will: "1) bring elected officials from across the region together through a public, Brown Act compliant governing body that provides program and policy guidance and establishes shared goals to improve the efficacy of the region's homeless response system and affordable housing resources, and 2) bring the oversight and functions of the Sacramento City and County Continuum of Care (CoC) under the new governing body."

The Letter of Intent does not state that the mechanism for coordination will be a JPA. It does include a description of the activities and goals of the new government body, including that describing the functions of the CoC without stating the new entity will be the CoC. The functions of the new entity include:

- Be the final decision-making body on federal and state CoC funding;
- Provide direction to the CoC lead agency;
- Provide oversight over CoC functions including the HMIS, CES, and Point-in-Time Count;
- Develop a committee structure to ensure community voice continues to be incorporated.

The letter states that each jurisdiction has identified members of its governing board or council to take part in this first phase of planning. The CoC Board is expected to appoint its members at the June Board meeting.

Joint Exercise of Powers Act: Joint powers are exercised when public officials of two or more agencies agree to establish a joint approach or create another legal entity to work on a common problem, fund a project, or act as a representative body for a specific activity. All manner of federal, state, and local public agencies can agree to exercise joint powers. A California agency can even share joint powers with an agency in another state. The common thread is that a confederation of governments works together and shares resources for mutual support or common actions. The government agencies that participate in joint powers are called member agencies, and a JPA can only exercise powers that each member agency independently possesses.

A joint powers agreement is a formal, legal agreement between two or more public agencies that wish to exercise joint powers. Some joint powers agreements are administered by one of the participating agencies. Others are administered by a new, legally independent government entity (called a joint powers agency or a joint powers authority – both referred to as a JPA) that the member agencies create. The new entity need not even call itself a JPA. JPAs are not special districts, although such agencies can enter into joint powers agreements.

As tools for collaboration, JPAs are used for a variety of purposes. By sharing resources and combining services, the member agencies – and their taxpayers – save time and money. There are no official categories for the types of JPAs, but their services generally fall into five broad groups: general public services, financial services, insurance pooling and purchasing discounts, planning services, and regulatory enforcement.

Public agencies authorized to enter into joint powers agreements include "the federal government or any federal department or agency, this state, another state or any state department or agency, a county, county board of education, county superintendent of schools, city, public corporation, public district, regional transportation commission of this state or another state, a federally recognized Indian tribe, or any joint powers authority…"

Given JPA's inherent design as voluntary agreements among participating agencies, and the existence of JPA law that already authorizes interested agencies to create JPAs, the Legislature has not generally authorized or required the creation or alteration of specific JPAs. However, in recent years, the Legislature has reviewed and/or approved the creation of JPAs for specific purposes, some to address the ongoing housing crisis in the state. For example:

- AB 2593 (McCarty) of 2024 would have authorized a local agency within the County of Sacramento to enter into a joint powers agreement with any other local agency to operate a joint powers authority to assist people experiencing homelessness. AB 2593 died on the Senate inactive file. AB 1086 (McCarty) of 2023 was similar to AB 2593. AB 1086 was referred to the Assembly Local Government Committee but was never heard.

- SB 20 (Rubio), Chapter 147, Statutes of 2023, allowed all local agencies to create regional housing trusts to fund housing to assist people experiencing homelessness and persons and families of extremely low-, very low-, and low-income within their jurisdictions.

- Related to the establishment of housing trusts, SB 1177 (Portantino), Chapter 173, Statutes of 2022, authorized the creation of the Burbank-Glendale-Pasadena Regional Housing Trust; SB 1444 (Allen), Chapter 672, Statutes of 2022, authorized the creation of the South Bay Regional Housing Trust; AB 687 (Seyarto), Chapter 120, Statutes of 2021, authorized the creation of the Western Riverside County Housing Finance Trust; SB 751 (Rubio), Chapter 670, Statutes of 2019, authorized local agencies within the San Gabriel Valley Council of Governments to enter into a JPA to fund housing; and, AB 448 (Daly), Chapter 336, Statutes of 2018, authorized the creation of the Orange County Housing Finance Trust.

- Finally, SB 1403 (Maienschein), Chapter 188, Statutes of 2015, allowed one or more private, non-profit 501(c)(3) corporations that provide services to homeless persons to form a JPA, or enter into a joint powers agreement, with one or more public agencies to encourage and ease information sharing between public agencies and nonprofit corporations to identify the most costly and frequent users of publicly-funded emergency services, provide frequent user coordinated care housing services, and prevent homelessness.

Notably, all of the aforementioned bills authorized – but did not require – the creation of a JPA to address housing or homelessness needs in a local community.

State Authorized Regional Entities: In 2019, AB 1487 (Chiu, Chapter 598), created a new regional option to address the lack of affordable housing in the San Francisco Bay Area. Specifically, that bill provided the Association of Bay Area Governments (ABAG) and the Metropolitan Transportation Commission (MTC) – acting as the Bay Area Housing Finance Agency (BAHFA) – with new tools to raise billions of dollars to fund the production, preservation, and protection of affordable housing. That bill was formulated in partnership with the Bay Area's local elected leaders and other regional leaders and set forth the governing structure and powers of the board, allowable financing activities, and allowable uses of the revenues generated. Its purpose was to raise, administer, and allocate funding and provide technical assistance at a regional level for tenant protection, affordable housing preservation, and new affordable housing production.

In 2022, the Legislature authorized the County of Los Angeles to establish the Los Angeles County Affordable Housing Solutions Agency (LACAHSA) through the passage of SB 679 (Kamlager, Chapter 661). That bill, similar to AB 1487, authorized LACAHSA to utilize specified local financing tools (taxes and bonds) to fund renter protections and the preservation and production of housing affordable to households earning up to 80% of area median income.

In 2024, in an effort to create a roadmap for other communities to create regional housing entities without having to come to the Legislature, SB 440 (Skinner), Chapter 767 empowered communities to address their own affordable and missing middle housing shortages by allowing regions to create finance agencies that can fund the construction and preservation of affordable housing. SB 440 allowed two or more local governments to establish an Authority for purposes of raising, administering, and allocating funding and providing technical assistance at a regional level for affordable housing development. The Authority is granted specific powers, and the bill established a governance structure and imposed reporting and auditing requirements. It also spelled out the specific types of funding streams that may be collected, and that they may be used for affordable housing development and preservation, and infrastructure necessary for those developments. While SB 440 was modeled on BAHFA and LACAHSA, that bill granted new Authorities additional powers not bestowed on those existing entities. These Authorities, in addition to their ability to manage existing buildings, could hold and acquire existing buildings for purposes of attaching affordability requirements. For any property acquired, these Authorities, unlike BAHFA and LACAHSA, will have the power to set the land use and development parameters for such property, including setting the request for proposal criteria and selection process for a development partner. Lastly, these Authorities are focused on the preservation and construction of housing. BAHFA and LACAHSA also authorized funds to be used for renter protections and renter supports.

The SB 440 Authority model is now available should other communities, such as Sacramento, wish to form or consolidate regional efforts to address affordable housing needs in their communities. The difference between these entities and what is proposed in this bill is that these proposals were initiated through a collaborative process at the local level. In addition, the regional entities that the Legislature created through statute are being organized locally to generate new funding rather than redirecting existing funding.

Arguments in Support: A coalition writes in support***,*** *"*Over the past two decades, multiple oversight reviews have documented Sacramento's repeated failures to establish a Joint Powers Authority. In 2019, the Sacramento County Grand Jury Final Report warned of the dysfunction caused by the absence of a coherent organizational structure. Despite this clear warning, the 2023 Grand Jury report found little systemic progress, describing Sacramento's efforts as "disjointed and lacking accountability." That report again emphasized the lack of a regional authority as a key barrier, with duplicative efforts, siloed data systems, and inconsistent strategic planning across jurisdictions. It is worth noting that the City and County had previously signed a binding agreement to work together on a coordinated regional response to homelessness, a legally binding agreement that remains unfulfilled. Sacramento does not need another roundtable or press release - it deserves a system that delivers results. SB 802 provides that structure: a regional entity with the authority and accountability to align funding, data, and decision-making around a shared, outcome-driven plan to end homelessness."

Arguments in Opposition: Sacramento County is opposed to the state requiring the creation of a JPA, though they are in the process of working with the City of Sacramento and other cities in the county to create a regional entity that will coordinate on homelessness. The County of Sacramento writes, "Although the June 15 amendments make changes to the bill to remove some of the funding concerns, they do not alter our fundamental concern that the governance of homelessness response efforts in Sacramento County should be determined locally, not established in state law. We are operating in a highly dynamic environment regarding homelessness policy, funding, and governance at the federal, state, and local levels. At the same time, Sacramento County, our city partners, the Continuum of Care, and other stakeholders have made significant progress toward developing a regional coordination model that we believe will help move the needle on addressing this critical issue while reflecting local needs and priorities."

Related Legislation:

AB 2593 (McCarty) (2024) would have authorized a local agency within the County of Sacramento to enter into a JPA with any other local agency too operate a joint powers authority (JPA) to assist the homeless. This bill died on the Senate inactive file.

SB 679 (Kamlager), Chapter 661, Statutes of 2022: Established the Los Angeles County Affordable Housing Solutions Agency (LACAHSA), and authorized LACAHSA to utilize specified local financing tools for the purpose of funding renter protections and the preservation and production of housing units affordable to households earning up to 80% of the area median income.

AB 1487 (Chiu), Chapter 598, Statutes of 2019: Established BAHFA throughout the San Francisco Bay Area and set forth the governing structure and powers of the BAHFA Board, allowable financing activities, and allowable expenditures of the revenues generated.

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

REGISTERED SUPPORT / OPPOSITION:

Support

California Black Chamber of Commerce
California YIMBY
City of Sacramento
DignityMoves
DignityMoves
Downtown Railyard Ventures
Downtown Sacramento Partnership
Fieldstead and Company
Inner Circle
Inside Circle
Karina Talamantes, Vice Mayor, City of Sacramento
LA Alliance for Human Rights
LDK Ventures
Life Skills Training and Educational Programs
Midtown Association
Sacramento Advocates for Rail and Transit
Sacramento Regional Business Leaders Council
Sandringham Neighborhood Association
Sierra Curtis Neighborhood Association
Steinberg Institute
Steve Cohn, Councilmember, City of Sacramento

Turton Commercial Real Estate
Wellspace Health
Youth Forward
Individuals (5)

Opposition

California Association of Realtors
California State Association of Counties
City of Folsom
City of Galt
Folsom Chamber of Commerce
Mayor Kevin McCarty, City of Sacramento
Rosario Rodriquez, Chair, Sacramento County Board of Supervisor
Sacramento Area Congregations Together
Sacramento Association of Realtors
Sacramento County Sheriff Jim Cooper
Sacramento Housing Alliance
Sacramento County Board of Supervisors
Urban Counties of California (UCC)
Individuals (5)

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