

COUNTY OF SANTA BARBARA
LEGISLATIVE ANALYSIS FORM

This form is required for the Legislative Program Committee to consider taking an advocacy position on an issue or legislative item

BILL NUMBER: SB 62	AUTHOR: Jackson
INTRO/AMEND DATE: December 22, 2016, amended May 26, 2017	AUTHOR'S POLITICAL PARTY: D
BILL STATUS: Passed committee, Ordered to 3 rd Reading on 5/26/2017	

1) BILL SUBJECT:

Affordable Senior Housing Act - Establishes the Affordable Senior Housing Program within the Governor's Office of Business and Economic Development (GO-Biz), under the authority of the GO-Biz Director (director). The purpose of the program is to guide and serve as a catalyst for the development of senior housing within the state.

2) FROM DEPARTMENT:

CEO

3) IS THIS ITEM SPECIFICALLY REFERENCED IN THE LEGISLATIVE PLATFORM?

No

4) WHICH POLICY-RELATED MATTER IS OF CONCERN WITH THIS BILL?

Health and Human Services

5) HOW WOULD THIS BILL IMPACT THE COUNTY? (Current practices, responsibility, authority, pros/cons, affected programs and/or services, etc.)

This bill may provide additional affordable and inclusive senior housing alternatives through increase involvement of local and state public sector stakeholders with private sector stakeholders. The program would assist participants in identifying locations and sources of public and private funding; obtaining permits and providing guidance on regulatory compliance; and working cooperatively with local, state and federal agencies toward attracting and retaining affordable senior housing. Projects that are sited in a neighborhood setting, provide access to a continuum of care, foster multigenerational relationships or allow seniors to engage in their community are given priority.

- 6) IMPACT ON COUNTY PROGRAM:** Major-Positive Minor-Positive None
 Major-Negative Minor-Negative
- 7) SANTA BARBARA COUNTY IMPACT:** Major-Positive Minor-Positive None
 Major-Negative Minor-Negative
- 8) STATEWIDE IMPACT:** Major-Positive Minor-Positive None
 Major-Negative Minor-Negative

Explanation of Impacts:

Increasing the senior housing alternatives may provide better outcomes for seniors as well as some reduced costs associated with In-Home Supportive Services, homeless services, primary medical and mental health care by maintaining seniors in appropriate housing settings.

9) WOULD THIS BILL IMPACT (Legislative Principles):

COUNTY OF SANTA BARBARA

LEGISLATIVE ANALYSIS FORM

- | | | | |
|---|--|---|-----------------------------------|
| a. Job growth and Economic Vitality? | <input type="checkbox"/> Positive | <input checked="" type="checkbox"/> Neutral | <input type="checkbox"/> Negative |
| b. Efficient service delivery and operations? | <input type="checkbox"/> Positive | <input checked="" type="checkbox"/> Neutral | <input type="checkbox"/> Negative |
| c. Fiscal stability? | <input type="checkbox"/> Positive | <input checked="" type="checkbox"/> Neutral | <input type="checkbox"/> Negative |
| d. Inter-agency cooperation? | <input checked="" type="checkbox"/> Positive | <input type="checkbox"/> Neutral | <input type="checkbox"/> Negative |
| e. Local control? | <input type="checkbox"/> Positive | <input checked="" type="checkbox"/> Neutral | <input type="checkbox"/> Negative |
| f. Health and human services? | <input checked="" type="checkbox"/> Positive | <input type="checkbox"/> Neutral | <input type="checkbox"/> Negative |
| g. Community sustainability & environmental protection? | <input type="checkbox"/> Positive | <input checked="" type="checkbox"/> Neutral | <input type="checkbox"/> Negative |

Additional Comments:

10) FISCAL IMPACT ON THE COUNTY:

- | | | |
|---|---|---|
| <input type="checkbox"/> Revenue Increase | <input type="checkbox"/> Revenue Decrease | <input type="checkbox"/> Unfunded Mandate |
| <input type="checkbox"/> Cost Increase | <input type="checkbox"/> Cost Decrease | <input type="checkbox"/> Undetermined |
| <input checked="" type="checkbox"/> None | | |

Additional Comments:

11) OTHER AGENCIES THAT SHOULD REVIEW THIS BILL:

12) CSAC POSITION ON BILL:

- | | | |
|--|---------------------------------|---|
| <input type="checkbox"/> Support | <input type="checkbox"/> Oppose | <input type="checkbox"/> Support if Amended |
| <input type="checkbox"/> Oppose unless Amended | <input type="checkbox"/> Watch | <input checked="" type="checkbox"/> No position taken |

13) OTHER LOCAL OR STATEWIDE ORGANIZATIONS THAT HAVE TAKEN A POSITION ON THIS BILL:

(Indicate support or opposition for each)

SUPPORT - California Apartment Association, Common Sense Kids Action, National Association of Social Workers – California Chapter

14) PROPOSED AMENDMENTS: (Attach separate sheet)

15) RECOMMENDATION:

- | | | |
|----------------------------------|---|--|
| <input type="checkbox"/> Support | <input checked="" type="checkbox"/> Recommend Support to Board* | <input type="checkbox"/> Support if Amended |
| <input type="checkbox"/> Oppose | <input type="checkbox"/> Recommend Opposition to Board* | <input type="checkbox"/> Oppose unless Amended |
| <input type="checkbox"/> Watch | <input type="checkbox"/> Concerns (Why? Explain in #6) | <input type="checkbox"/> No Position (Why?) |

* Indicates that the department believes that the Board of Supervisors should take a formal position on this bill

Additional Comments:

16) LEGISLATIVE ANALYSIS FORM PREPARED BY: Dennis Bozanich

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AMENDED IN SENATE MAY 26, 2017
AMENDED IN SENATE APRIL 19, 2017
AMENDED IN SENATE MARCH 20, 2017

SENATE BILL

No. 62

Introduced by Senator Jackson
(Coauthor: Senator Galgiani)

December 22, 2016

An act to add Article 8 (commencing with Section 12100.50) to Chapter 1.6 of Part 2 of Division 3 of Title 2 of the Government Code, relating to state government.

LEGISLATIVE COUNSEL'S DIGEST

SB 62, as amended, Jackson. Affordable Senior Housing Act of 2017. The Economic Revitalization Act establishes the Governor's Office of Business and Economic Development, also known as "GO-Biz," within the Governor's office, under the direct control of a director appointed by the Governor. The act requires GO-Biz to serve as the lead entity for economic strategy and the marketing of California on issues relating to business development, private sector investment, and economic growth and authorizes it to undertake various actions in this capacity.

This bill would enact the Affordable Senior Housing Act of 2017, which would establish the Affordable Senior Housing Program within GO-Biz, as part of the Economic Revitalization Act. The bill would declare that the purpose of this program is to guide and serve as a catalyst for the development of affordable senior housing dwelling units within this state and would require the director of GO-Biz to undertake various actions in implementing this program, including establishing

and implementing a process for identifying and convening public and private stakeholders, assisting program participants in identifying suitable locations and potential sources of public and private funding for the development of affordable senior housing, obtaining state and local permits, providing guidance on regulatory compliance, and providing information on tax credits and other incentives. The bill would require the director to annually report to the Legislature specified information about the program, as provided. The bill would also make various findings and declarations with regard to its provisions.

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

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

1 SECTION 1. Article 8 (commencing with Section 12100.50)
2 is added to Chapter 1.6 of Part 2 of Division 3 of Title 2 of the
3 Government Code, to read:

4

5 Article 8. Affordable Senior Housing Act of 2017

6

7 12100.50. (a) The Legislature finds and declares ~~all of~~ the
8 following:

9 (1) California baby boomers are turning 65 years of age at the
10 highest rate in the nation, and more than 20 percent of California's
11 population will be 65 years of age or older by 2030.

12 (2) Among persons 65 years of age or older, an estimated 70
13 percent will use long-term services and supports (LTSS).

14 (3) Persons who are 85 years of age or older are the fastest
15 growing segment of the United States population, and they are
16 four times more likely to need LTSS than persons who are 65 years
17 of age or older but younger than 85 years of age.

18 (4) People are living longer, and the aging population is
19 increasingly diverse.

20 (5) A 2015 report by the Senate Select Committee on Aging
21 and Long Term Care, titled "A Shattered System: Reforming
22 Long-Term Care in California: Envisioning and Implementing an
23 IDEAL Long-Term Care System in California," found that the
24 state's system of 112 aging and long-term care programs
25 administered by 20 agencies and departments is almost impossible
26 for consumers to navigate.

1 (6) Other deficiencies of the system include the lack of
2 person-centered care, poor transitions from hospital to home or to
3 other institutions, limited access to a range of services that enable
4 aging in place, deficiency of services and supports in rural areas,
5 limited cultural competency, skilled workforce shortages across a
6 range of disciplines, the lack of uniform data, the lack of a universal
7 assessment tool, and limited caregiver supports.

8 (7) A recent study by the County of Santa Barbara indicates
9 that there are more than 5,000 people who are 75 years of age or
10 older living on social security alone in the Counties of Santa
11 Barbara, Ventura, and San Luis Obispo.

12 (8) The Golden Inn and Village development in the County of
13 Santa Barbara was created specifically to address the needs of
14 seniors, and especially orphaned seniors – those who have no one
15 left to care for them – and those in need of affordable housing.
16 The whole tri-county community has benefited from its vibrant,
17 model setting, where seniors and others around them thrive.

18 (9) The Golden Inn and Village is designed to nurture a
19 neighborhood or extended family-like environment, taking the
20 mixed-use campus model of affordable housing to a new level in
21 independent living, with affordable employee and family housing
22 and a community center and gardens. Affordable staff housing is
23 not typically included in senior care services, nor are supportive
24 services typically integrated into affordable housing campuses.
25 The next phase of the Golden Inn and Village will include assisted
26 living, memory care, adult day care, and hospice, a place where
27 seniors will never have to move again as they age in place.

28 (10) It is the intent of the Legislature in enacting this section to
29 foster the development of more facilities like Golden Inn and
30 Village and other affordable, inclusive senior housing units through
31 a statewide development program.

32 (b) This article shall be known, and may be cited, as the
33 Affordable Senior Housing Act of 2017.

34 12100.51. (a) (1) The Affordable Senior Housing Program,
35 hereafter referred to in this article as “the program,” is hereby
36 created within the Governor’s Office of Business and Economic
37 Development. The program shall be under the authority of the
38 director.

1 (2) For the purposes of this article, “affordable senior housing”
2 means housing that is affordable to seniors with any income
3 described in Section 50093 of the Health and Safety Code.

4 (b) The purpose of the program is to guide and serve as a catalyst
5 for the development of affordable senior housing dwelling units
6 within this state.

7 (c) In implementing the program, the director shall do all of the
8 following:

9 (1) Establish and implement a process for identifying and
10 convening public and private stakeholders, including state housing
11 agencies, local governments, nongovernmental organizations,
12 businesses, and consultants, that are interested in developing and
13 financing affordable senior housing dwelling units within this state.
14 The director shall take a leadership role among program
15 participants in guiding the development of affordable senior
16 housing dwelling units from initial conception to final completion.

17 (2) Assist program participants in identifying suitable locations
18 and potential sources of public and private funding, including
19 loans, grants, and other forms of financing, for the development
20 of affordable senior housing.

21 (3) Assist program participants in obtaining state and local
22 permits, provide guidance on regulatory compliance, and provide
23 information on tax credits and other incentives.

24 (4) Work cooperatively with local, regional, federal, and other
25 state entities toward attracting, retaining, and helping public and
26 private sector stakeholders develop affordable senior housing
27 dwelling units within this state.

28 (5) Prioritize affordable senior housing projects that meet one
29 or more of the following criteria:

30 (A) Provide access to affordable housing and care in a vibrant
31 neighborhood setting.

32 (B) Provide access to a continuum of services that meet the
33 needs of seniors.

34 (C) Provide stimulating, positive, and multigenerational
35 relationships.

36 (D) Provide opportunities for seniors to actively engage and
37 contribute to the community.

38 (E) Provide housing opportunities that allow seniors to age in
39 place without having to move from their dwelling unit.

- 1 (d) (1) The director shall annually report to the Legislature
- 2 information concerning the number and location of affordable
- 3 senior housing dwelling units developed through the program, the
- 4 categories of stakeholders that participate in the program, and the
- 5 types of burdens and successes encountered, if any, in developing
- 6 affordable senior housing projects through the program.
- 7 (2) A report to be submitted pursuant to paragraph (1) shall be
- 8 submitted in compliance with Section 9795.

THIRD READING

Bill No: SB 62
Author: Jackson (D), et al.
Amended: 5/26/17
Vote: 21

SENATE TRANS. & HOUSING COMMITTEE: 12-0, 4/18/17
AYES: Beall, Cannella, Allen, Atkins, Gaines, McGuire, Mendoza, Morrell, Roth,
Skinner, Wieckowski, Wiener
NO VOTE RECORDED: Bates

SENATE BUS., PROF. & ECON. DEV. COMMITTEE: 9-0, 4/24/17
AYES: Hill, Fuller, Dodd, Galgiani, Glazer, Hernandez, Newman, Pan, Wilk

SENATE APPROPRIATIONS COMMITTEE: 6-0, 5/25/17
AYES: Lara, Bates, Beall, Bradford, Hill, Wiener
NO VOTE RECORDED: Nielsen

SUBJECT: Affordable Senior Housing Act of 2017

SOURCE: Author

DIGEST: This bill enacts the Affordable Senior Housing Program within the Governor's Office of Business and Economic Development (GO-Biz).

ANALYSIS:

Existing law:

- 1) Establishes a number of programs at the Department of Housing and Community Development (HCD) to make housing more affordable to California families and individuals.

- 2) Establishes a federal and state low-income housing tax credit program, which provides an indirect subsidy to incentivize the private development of affordable rental housing for low-income households.
- 3) Establishes the Homeless Coordinating and Financing Council (Council) to oversee implementation of the Housing First regulations and, among other things, identify resources, benefits, and services that can be accessed to prevent and end homelessness in California.
- 4) Establishes GO-Biz. GO-Biz serves as the lead agency for economic strategy and the marketing of California on issues relating to business development, private sector investment, and economic growth and authorizes it to undertake various actions in this capacity
- 5) Defines “low-income” as persons and families whose income does not exceed 80% area median income.

This bill:

- 1) Establishes the Affordable Senior Housing Program within GO-Biz, under the authority of the GO-Biz Director (director). The purpose of the program is to guide and serve as a catalyst for the development of senior housing within the state.
- 2) Requires the director to do the following:
 - a) Establish and implement a process for identifying and convening public and private stakeholders, including local governments, nongovernmental organizations, businesses, and consultants, who are interested in developing and financing affordable senior housing in California. The director shall take a leadership role in guiding the development of affordable senior housing from conception to final completion.
 - b) Assist program participants in identifying suitable locations and potential sources of public and private funding, including loans, grants, and other forms of financing, for the development of affordable senior housing.
 - c) Assist program participants in obtaining state and local permits, provide guidance on regulatory compliance, and provide information on tax credits and other incentives.

- d) Work cooperatively with local, state, regional, federal, and other state entities toward attracting, retaining, and helping public and private sector stakeholders develop affordable senior housing units.
- e) Prioritize projects that meet one or more of the following:
 - i) Provide access to affordable housing and care in a vibrant neighborhood setting.
 - ii) Provide access to a continuum of services that meets the needs of seniors.
 - iii) Provide stimulating, positive, and multigenerational relationships.
 - iv) Provide opportunities for seniors to actively engage and contribute to the community.
 - v) Provide housing opportunities that allow seniors to age in place without having to move from their dwelling unit.
- 3) Requires the director to annually report to the Legislature as to the number and location of affordable senior housing dwelling units developed through the program, the categories of stakeholders who participate in the program, and the types of burdens and successes encountered, if any, in developing affordable senior housing projects through the program.
- 4) Requires GO-Biz to provide an annual report.

Comments

- 1) *Purpose of the bill.* According to the author, “to foster the development of more affordable, inclusive senior housing facilities, this bill creates the Affordable Senior Housing Program under GO-Biz to guide the development of affordable senior housing dwelling units from initial conception to final completion. The program will assist participants in identifying locations and sources of public and private funding; obtaining permits and providing guidance on regulatory compliance; and working cooperatively with local, state and federal agencies toward attracting and retaining affordable senior housing. Projects that are sited in a neighborhood setting, provide access to a continuum of care, foster multigenerational relationships or allow seniors to engage in their community are given priority. GO-Biz will be taking a leadership role in bringing together the public and private sector stakeholders to the affordable senior housing development and implementation process.”

- 2) *Interagency Council on Homelessness*. Last year, the Legislature passed and the Governor signed SB 1380 (Mitchell, Chapter 847, Statutes of 2016), which established the Homeless Coordinating and Financing Council that coordinates several state agencies and stakeholders to identify resources, benefits, and services that can be accessed to prevent and end homelessness in California. Among other things, the Council is required to:
- a) Create partnerships among state and federal agencies and departments, local government agencies, and nonprofit entities working to end homelessness, homeless services providers, and the private sector, for the purpose of arriving at specific strategies to end homelessness.
 - b) Coordinate existing funding and applications for competitive funding. Any action taken pursuant to this paragraph shall not restructure or change any existing allocations or allocation formulas.
 - c) Make policy and procedural recommendations to legislators and other governmental entities.
 - d) Serve as a statewide facilitator, coordinator, and policy development resource on ending homelessness in California.

This bill requires GO-Biz to serve as a catalyst for the development of affordable senior housing in California by convening public and private stakeholders interested in developing and financing affordable senior housing dwelling units with the state. The director must also submit an annual report to the Legislature regarding the number and location of affordable senior housing dwelling units developed through the program.

- 3) *Special populations*. According to the author, California baby boomers are turning 65 at the highest rate in the nation, and more than 20 percent of California's population will be 65 years of age or older by 2030. Among those aged 65 or older, an estimated 70 percent will use long-term services and support (LTSS). Persons 85 years old or older are the fastest growing segment of the United States' population, and they are four times more likely to need LTSS than those who are between the ages of 65 and 85. The need for affordable, comprehensive senior housing will only increase, and California needs to bring together public and private stakeholders in the affordable senior housing process to find opportunities for development.

It is no secret that California currently faces an affordable housing crisis. California is home to 21 of the 30 most expensive rental housing markets in the country, which has had a disproportionate impact on the middle class and the working poor. A person earning minimum wage must work three jobs on average to pay the rent for a two-bedroom unit. Housing units affordable to low-income earners, if available, are often in serious states of disrepair. According to HCD, California faces a 3.5 million unit shortfall for the lowest-income earners.

While seniors are adversely affected by the high cost of housing in California, so are many other populations. Are seniors more deserving of housing than children aging out of the foster care system, homeless LGBTQ individuals, single-mothers with children working multiple jobs, veterans, or domestic violence survivors?

Related/Prior Legislation

SB 1380 (Mitchell, Chapter 847, Statutes of 2016) established the Homeless Coordinating and Financing Council that coordinates several state agencies and stakeholders to identify resources, benefits, and services that can be accessed to prevent and end homelessness in California.

FISCAL EFFECT: Appropriation: No Fiscal Com.: Yes Local: No

According to the Senate Appropriations Committee:

- Estimated GO-Biz staff costs of approximately \$870,000 annually to develop and administer the Affordable Senior Housing Program. (General Fund)
- Likely minor costs to the HCD, the California Housing Finance Agency, and the California Tax Credit Allocation Committee to participate in the stakeholder process and provide technical assistance. (General Fund, Special Funds)

SUPPORT: (Verified 5/26/17)

California Apartment Association

Common Sense Kids Action

National Association of Social Workers – California Chapter

OPPOSITION: (Verified 5/26/17)

None received

Prepared by: Alison Hughes / T. & H. / (916) 651-4121
5/27/17 18:34:46

****** END ******

Senate Bill 62

Affordable Senior Housing Act of 2017

Senator Jackson

SUMMARY

SB 62 would create a senior-housing incubator within the Governor's Office of Business and Economic Development (GO Biz) to serve as a catalyst for the development of affordable senior housing across California.

BACKGROUND

California baby boomers are turning 65 at the highest rate in the nation, and more than 20 percent of California's population will be 65 years of age or older by 2030. Among those aged 65 or older, an estimated 70 percent will use long-term services and supports (LTSS). Persons 85 years old or older are the fastest growing segment of the United States' population, and they are four times more likely to need LTSS than those who are between the ages of 65 and 85.

The Golden Inn and Village in Santa Barbara County was created specifically to address the needs of seniors, especially orphaned seniors – those with no one to care for them – and those in need of affordable housing. The Golden Inn and Village is designed to nurture a neighborhood or extended family-like environment, taking a mixed-use campus model of affordable housing, including affordable employee and family housing, a community center and gardens. Affordable staff housing is not usually included in senior care services, nor are supporting services typically integrated into affordable housing campuses.

PROBLEM

A 2015 report by the Senate Select Committee on Aging and Long-Term Care called "A Shattered System: Reforming Long-Term Care in California: Envisioning and Implementing an IDEAL Long-Term Care System in California" found that the state's system of 112 aging and long-term care programs administered by 20 agencies and departments is almost impossible for consumers to navigate.

Other challenges in the development of affordable and innovative senior housing include the lack of person-centered care, poor transitions from home to hospital or other institutions, lack of access to services that allow aging in place, deficiency of services and supports in rural areas, limited cultural competency, skilled workforce shortages, and limited caregiver supports.

SOLUTION - SB 62

To foster the development of more affordable, inclusive senior housing facilities like the Golden Inn and Village, SB 62 creates the Affordable Senior Housing Program under GO Biz to guide the development of affordable senior housing dwelling units from initial conception to final completion.

The program will assist participants in identifying locations and sources of public and private funding; obtaining permits and providing guidance on regulatory compliance; and working cooperatively with local, state and federal agencies toward attracting and retaining affordable senior housing. Projects that are sited in a neighborhood setting, provide access to a continuum of care, foster multigenerational relationships or allow seniors to engage in their community are given priority. GO Biz will be taking a leadership role in bringing together the public and private sector stakeholders in the affordable senior housing process.

SUPPORT

California Apartment Association
California Commission on Aging
California State Retirees
Disability Rights, California
National Association of Social Workers, CA Chapter

CONTACT

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