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August 15, 2023

The Honorable Chris Holden
Chair, Assembly Committee on Appropriations
1021 O Street, Room 8220
Sacramento, CA 95814

**RE: SB 482 (Blakespear): Multifamily Housing Program: supportive housing:
capitalized operating reserves
As Amended June 30, 2023 – Support
Set for Hearing – August 16, 2023 – Assembly Committee on Appropriations**

Dear Assemblymember Holden:

The California State Association of Counties (CSAC), representing all 58 of the state's counties, writes in support of SB 482 by Senator Catherine Blakespear, which would require the California Department of Housing and Community Development (HCD) to offer capitalized operating reserves to supportive housing units developed under the Multifamily Housing Program, after developers have sought capitalized reserves from other potential funding sources.

Capitalized operating subsidy reserves are fundamental in assisting with development of affordable housing projects for unhoused and extremely low-income individuals. Accordingly, SB 482 would encourage an upfront subsidy to cover deficits in annual operating revenues for housing developments, and these reserves are often used in conjunction with permanent supportive housing projects for extremely low-income households. Requiring HCD to offer these subsidy reserves through the Multifamily Housing Program would encourage more special needs units to be built with life-changing supportive services.

SB 482 is consistent with CSAC's '[AT HOME](#)' Plan. The six-pillar plan (Accountability, Transparency, Housing, Outreach, Mitigation, and Economic Opportunity) is designed to effectively address homelessness at every level – state, local, and federal. Through the AT HOME Plan, CSAC is working to identify the policy changes necessary to build a comprehensive homelessness system that is effective and accountable, including encouraging sustainable funding. SB 482 aligns with our AT HOME efforts, specifically as it relates to the Housing pillar and allows flexible and accountable state funding for housing projects.

By encouraging the development of more special needs units, SB 482 would provide additional housing opportunities and services for our unhoused and extremely low-income residents.

It is for these reasons that CSAC supports SB 482 and respectfully urges your support. If you have any questions or concerns about our position, please do not hesitate to reach me at mneuburger@counties.org.

Sincerely,

A handwritten signature in black ink, appearing to read "Mark Neuburger", written in a cursive style.

Mark Neuburger
Legislative Advocate

cc: The Honorable Catherine Blakespear, Senator, 38th District
The Honorable Members, Assembly Committee on Appropriations
Jennifer Swenson, Principal Consultant, Assembly Committee on Appropriations
William Weber, Consultant, Assembly Republican Caucus