



[Up^](#) [Add To My Favorites](#)

**WELFARE AND INSTITUTIONS CODE - WIC**

**DIVISION 9. PUBLIC SOCIAL SERVICES [10000 - 18999.98]** ( Division 9 added by Stats. 1965, Ch. 1784. )

**PART 6. MISCELLANEOUS PROVISIONS [18000 - 18999.98]** ( Part 6 added by Stats. 1965, Ch. 1784. )

**CHAPTER 20. Community Care Expansion Program [18999.97 - 18999.98]** ( Chapter 20 added by Stats. 2021, Ch. 696, Sec. 27. )

**18999.97.** (a) The Community Care Expansion Program is hereby established. Under the program, qualified grantees shall administer projects for the acquisition, construction, or rehabilitation of property to be operated as residential adult and senior care facilities, or to promote the sustainability of existing licensed residential adult and senior care facilities through the provision of capitalized operating subsidy reserves.

(b) (1) The department may enter into an agreement with one or more entities to facilitate the grant awards. A contracting entity shall act as a third-party administrator to provide operational services under the contract with the department. The services may include, but are not limited to, all of the following:

(A) Supporting the development of the notice of funding availability.

(B) Developing an online application portal.

(C) Executing contracts.

(D) Processing invoices and making grant payments.

(E) Providing technical assistance via webinars, learning collaboratives, application assistance, and other methods.

(F) Reporting.

(2) Funds appropriated for the purposes of this section shall be awarded, at the discretion of the department, to qualified grantees that include, but are not limited to, counties, tribes, or jointly applying counties and tribes.

(3) Qualified grantees may award grant funds to one or more subgrantees for projects consistent with the requirements of this chapter.

(c) Subject to an appropriation of funds in the annual Budget Act for the following purposes, the department shall award grants for one or both of the following as specified in the annual Budget Act:

(1) To preserve or expand capacity of residential adult and senior care facilities through the acquisition, construction, or rehabilitation of property.

(A) Qualified grantees may also use a portion of grant funds to establish capitalized operating subsidy reserves.

(B) Counties and tribes receiving funds under this paragraph shall provide matching funds or real property.

(C) The department, at its discretion, may award grants in a manner that takes into consideration the prioritization of qualified residents who are experiencing homelessness or who are at risk of homelessness.

(2) To provide capitalized operating subsidy reserves to existing licensed residential adult and senior care facilities that serve at least one qualified resident, in order to avoid the closure of facilities and to increase the acceptance of new qualified residents, consistent with Provision 19 of Item 5180-151-0001 of the Budget Act of 2021 (Ch. 69, Stats. 2021).

(A) The department shall award grants in a manner that prioritizes preserving the placement of qualified residents currently residing within a licensed residential adult or senior care facility that is at risk of closure and facilities with the highest percentage of qualified residents.

(B) As a condition of accepting funds, facilities are required to prioritize applications from prospective qualified residents, including those who are currently or formerly homeless or who are at risk of homelessness.

(C) The department shall report to the Legislature at the midpoint of program implementation and within six months after program completion on outcome monitoring, the use of funds, and the impact on retention of current capacity and additional capacity as a result of receiving operating subsidies. The report shall include data on the capacity of facilities serving individuals with a serious mental illness.

(d) The department shall develop criteria for the program, including, but not limited to, all of the following:

(1) The methodology and distribution of the funds awarded to qualified grantees under paragraphs (1) and (2) of subdivision (c). The department shall consider the distribution of adult and senior care facilities in counties across the state, the share of the latest homeless point-in-time count across the counties, and the relative cost of construction, acquisition, and rehabilitation between counties. The department shall set aside 8 percent of funds for a competitive program for small counties with a population of less than 200,000, and shall redistribute any unexpended funds.

(2) The proportion of funds that may be expended on capitalized operating subsidy reserves pursuant to subparagraph (A) of paragraph (1) of subdivision (c).

(3) Allowable use of funds awarded under paragraphs (1) and (2) of subdivision (c).

(4) Tracking and reporting procedures.

(e) "Qualified resident" for the purpose of this section means applicants or recipients of the Supplementary Security Income/State Supplemental Program (SSI/SSP) pursuant to Subchapter 16 (commencing with Section 1381) of Chapter 7 of Title 42 of the United States Code and Chapter 3 (commencing with Section 12000), and applicants or recipients the Cash Assistance Program for Immigrants (CAPI) pursuant to Chapter 10.3 (commencing with Section 18937), who need the care and supervision that is provided by the licensed facility that receives the grant. "Qualified resident" shall not include SSI/SSP or CAPI applicants or recipients who are receiving services through a regional center.

(f) "Capitalized operating subsidy reserve" for the purpose of this section means an interest bearing account maintained by the qualified grantee, the residential adult or senior care facility, or a third-party entity and created to cover potential or projected operating deficits on a facility that provides licensed residential care for at least the term of the reserve, as demonstrated by a deed restriction or, at the discretion of the department, a legally enforceable agreement. The department shall develop guidelines on the qualified grantees' use of capitalized operating subsidy reserves to ensure safeguards for those reserves, based on use in other state programs.

(g) Funds awarded pursuant to this section shall be used to supplement, and not supplant, other funding available from existing local, state, or federal programs or grants with similar purposes.

(h) A qualified grantee or entity operating a program pursuant to this chapter shall be exempt from any data entry or reporting requirements pursuant to Chapter 6.5 (commencing with Section 8255) of Division 8.

(i) Utilizing the funds appropriated for purposes of this section, the department shall, in consultation with legislative staff and relevant stakeholders, enter into a contract with an independent evaluation and research agency to evaluate the impacts of the program, collect data, and provide technical assistance.

(j) For purposes of implementing this section, contracts entered into or amended pursuant to this section shall be exempt from the following:

(1) Chapter 6 (commencing with Section 14825) of Part 5.5 of Division 3 of Title 2 of the Government Code.

(2) The personal services contracting requirements of Article 4 (commencing with Section 19130) of Chapter 5 of Part 2 of Division 5 of Title 2 of the Government Code.

(3) Part 2 (commencing with Section 10100) of Division 2 of the Public Contract Code and the State Contracting Manual.

(4) Notwithstanding Section 11546 of the Government Code, from review or approval of any division of the Department of Technology, upon approval from the Department of Finance.

(5) From the review or approval of any division of the Department of General Services.

(k) Notwithstanding the rulemaking provisions of the Administrative Procedure Act (Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code), the department may implement and administer this chapter through all-

county letters or similar instruction that shall have the same force and effect as regulations.

(l) Any project that receives funds pursuant to this section shall be deemed consistent and in conformity with any applicable local plan, standard, or requirement, and any applicable coastal plan, local or otherwise, shall be allowed as a permitted use, within the zone in which the structure is located, shall not be subject to a conditional use permit, discretionary permit, or any other discretionary reviews or approvals, and shall be deemed as a ministerial action under Section 15268 of Title 14 of the California Code of Regulations.

(m) The state shall be immune from any liability resulting from the implementation of this chapter.

*(Amended by Stats. 2024, Ch. 46, Sec. 68. (AB 161) Effective July 2, 2024.)*

**18999.98.** The term “low-rent housing project,” as defined in Section 1 of Article XXXIV of the California Constitution, does not apply to the development of an adult or senior care facility that meets any one of the following criteria:

(a) (1) The development is privately owned housing, receiving no ad valorem property tax exemption, other than exemptions granted pursuant to subdivision (f) or (g) of Section 214 of the Revenue and Taxation Code, not fully reimbursed to all taxing entities; and (2) not more than 49 percent of the dwellings, apartments, or other living accommodations of the development may be occupied by persons of low income.

(b) The development is privately owned housing, is not exempt from ad valorem taxation by reason of any public ownership, and is not financed with direct long-term financing from a public body.

(c) The development is intended for owner-occupancy, which may include a limited equity housing cooperative as defined in Section 50076.5 of the Health and Safety Code, or cooperative or condominium ownership, rather than for rental-occupancy.

(d) The development consists of newly constructed, privately owned, one-to-four family dwellings not located on adjoining sites.

(e) The development consists of existing dwelling units leased by the state public body from the private owner of these dwelling units.

(f) The development consists of the rehabilitation, reconstruction, improvement or addition to, or replacement of, dwelling units of a previously existing low-rent housing project, or a project previously or currently occupied by lower income households, as defined in Section 50079.5 of the Health and Safety Code.

(g) The development consists of the acquisition, rehabilitation, reconstruction, improvement, or any combination thereof, of a development which, prior to the date of the transaction to acquire, rehabilitate, reconstruct, improve, or any combination thereof, was subject to a contract for federal or state public body assistance for the purpose of providing affordable housing for low-income households and maintains, or enters into, a contract for federal or state public body assistance for the purpose of providing affordable housing for low-income households.

*(Added by Stats. 2021, Ch. 696, Sec. 27. (AB 172) Effective October 8, 2021.)*