CDLAC 2022 Priorities and Refinements

Secretary Lourdes Castro Ramírez | November 10, 2021

The Administration's Six Priorities for Housing Investments

1. Creating more affordable housing, with deep affordability, while continuing to emphasize cost efficiency.

2. Preventing and ending homelessness, through the production of housing, including supportive housing, for individuals experiencing homelessness.

3. Affirmatively furthering fair housing choice.

Casa Arabella is a new 94-unit, multi-family housing project providing permanent affordable housing to close to 400 residents in the Bay Area whose household income is at or below 20-60% of AMI. At least 21% of the units are reserved for formerly homeless U.S. military veterans.

The Administration's Priorities for Housing Investments (continued)

4. Aligning policy and funding cycles across State housing finance agencies.

5. Reducing barriers for new and historically excluded developers.

6. NEW: Encouraging location- and climate-efficient site selection.

Housing Permitted from 2013 – 2020

- ☐ Total 747,000 housing units permitted
- ☐ 67% of targets met
- ☐ Housing targets missed at all levels but most severe in very low and low income
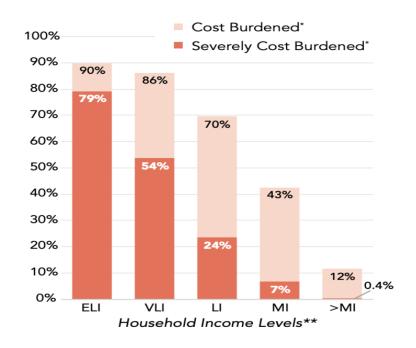- ☐ Less than 11% of total produced VL & LI

Very Low Income

40,553	278,423	14.6%
5th Cycle Permits	5th Cycle RHNA	% Attained

Low Income

40,272	185,525	21.7%
5th Cycle Permits	5th Cycle RHNA	% Attained

Moderate Income

95,178	204,917	46.4%
5th Cycle Permits	5th Cycle RHNA	% Attained

Above Moderate Income

571,343	487,906	117.1%
5th Cycle Permits	5th Cycle RHNA	% Attained

A Data-Driven Approach:

CA Residents are Housing Cost-Burdened Statewide

Furthering Fair Housing Shows Results:

Pre-AFFH incentives
- **12%** of units were built in high resource areas
- **8%** in highest resource areas.

First year of AFFH incentives
- **41%** projects funded in high resource areas
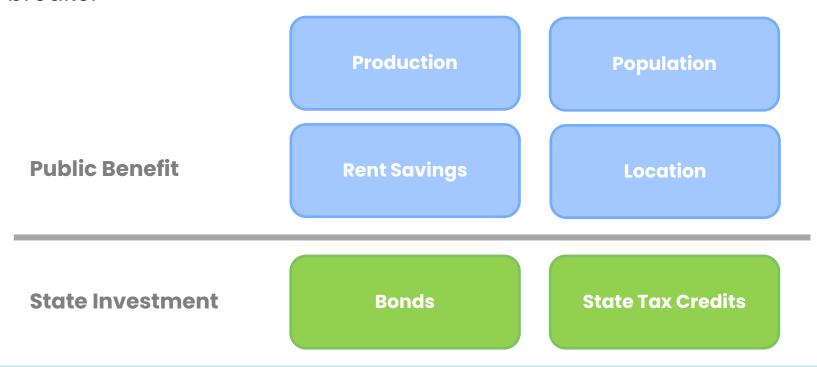- **30%** in highest resource areas

Balance and Progress
Creating opportunities in high resource areas while continuing to invest in under-resourced areas.

Continuing CDLAC 2022 Regulation Discussion

Tie breaker

	Production	**Population**
Public Benefit	**Rent Savings**	**Location**
State Investment	**Bonds**	**State Tax Credits**

Priority 1: Creating more affordable housing, with deep affordability, while continuing to emphasize cost efficiency.

Explore prioritization of **ELI, VLI, and at-risk for homelessness** populations through the four mechanisms at our disposal:

- pools,
- points,
- tie-breaker,
- re-allocations.

Priority 2: Prevent and end homelessness, through the production of housing, including supportive housing, for individuals experiencing homelessness.

- Continue to produce and prioritize a **broad range of housing** to address homelessness.

- **Align** all State Housing Financing Partners around this **shared goal**.

HOUSING IS KEY

Priority 3: Affirmatively Further Fair Housing Choice

- Invest in **affordable housing in all communities** across the state

- Create truly integrated, **inclusive and balanced** living patterns

- Increase **opportunity** and **upward mobility** for residents.

Priority 4: Aligning policy and funding cycles across State housing finance agencies

- Align State financing system to support **expedient and efficient housing production**.

- **Reduce delays** from award to groundbreaking.

- Focus on cost-efficiency, while **balancing policy goals** like geographic equity, affordability, and quality living environments.

HOUSING IS KEY
BCSH

Priority 5: Reducing Barriers for New and Historically Excluded Developers

- Continue **commitment and support** for BIPOC and historically disadvantaged developers

- Assess progress

Priority 6: Encouraging location- and climate-efficient site selection

- Support **healthy and sustainable** living

- Promote **infill housing** and **proximity to transit**

- Explore **metrics and new concepts** applicable across diverse geographic regions and housing densities.

Questions & Answers