

CSAC Comparison of Housing & Homelessness Budget Proposals

May 9, 2019

	Governor's May Revision	Assembly's Preliminary Framework	Senate's Preliminary Framework
Homelessness Emergency Aid Program	<ul style="list-style-type: none"> • \$650 million for local government responses to homelessness. <ul style="list-style-type: none"> ▪ \$275 million to 13 largest cities. ▪ \$275 million to counties. ▪ \$100 million to Continuums of Care (CoCs) • Allocations based on 2019 Point-in-Time Counts. • Eligible uses expanded from shelters and navigation centers to include motel conversions, traditional and non-traditional permanent supportive housing, rapid rehousing and jobs programs. 	<ul style="list-style-type: none"> • \$600 million for local responses to homelessness using a modified Homeless Emergency Aid Program. <ul style="list-style-type: none"> ▪ \$300 million to CoCs. ▪ \$300 million to the 13 largest cities. • Maintains flexibility from HEAP program. • Includes additional reporting requirements to gather more data on the effectiveness of the program. • Considers a higher percentage to be used on homeless youth. • Removes HEAP emergency declaration but requires an agency to show that the funding from the previous year has been allocated. 	<ul style="list-style-type: none"> • \$600 million for local government responses to homelessness through an expanded Homeless Emergency Aid Program. <ul style="list-style-type: none"> ▪ \$400 million to CoCs. ▪ \$200 million to the 13 largest cities. • 10 percent of this funding will be directed to homeless youth. • Includes statutory changes to ensure that local jurisdictions are adequately addressing the full spectrum of services required along the homeless-to-housed continuum.

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Planning and Production Grants	<ul style="list-style-type: none"> • \$250 million in planning and technical assistance support to local governments <ul style="list-style-type: none"> ▪ Funding split evenly between Councils of Government (COGs) and direct allocations to local governments. ▪ School districts and county offices of education are eligible for a portion of this funding for teacher housing on surplus property. • \$500 million for the general purpose incentive payments for the Infill Infrastructure Grant Program administered by the Department of Housing and Community Development (HCD). 	<ul style="list-style-type: none"> • \$250 million to Council of Governments (COGS) and local jurisdictions to plan for the upcoming Regional Housing Need Allocation (RHNA) cycle. Funding will be split 50/50 for COGs and focused on planning for 5th and 6th housing element cycle. • \$500 million to an over-the-counter housing grant program modeled after the Infill Infrastructure Grant program. 	<ul style="list-style-type: none"> • \$250 million in planning assistance funding to be shared equally amongst COGs and local jurisdictions for the 6th cycle housing element implementation and planning for increased housing at the local and regional level. This will be provided through an expanded version of the existing HCD SB 2 Planning Grant Program. • \$500 million ongoing for housing and housing-related infrastructure. In 2019-20, this will be provided through an expanded Infill Infrastructure Grant Program at HCD, with future years' funding to be provided through a new statutory structure agreed upon by the Legislature and Governor.

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Long-term Housing Production Strategy	<ul style="list-style-type: none"> • Ties SB 1 Funding to Housing Planning Requirements: SB 1 local formula funding will be withheld from jurisdictions without a compliant housing element or that have not zoned or entitled to meet RHNA. • Creates a RHNA Working Group: HCD will continue to develop long-term regional housing production targets through a new RHNA process by no later than 2022. 	<ul style="list-style-type: none"> • Rejects language tying housing element compliance to SB 1 funding • Creates a RHNA Working Group: Creates an advisory panel consisting of HCD, OPR, and stakeholders to provide recommendations on improving the RHNA process. The advisory panel must meet after HCD implements RHNA changes from 2018 and information is available to evaluate next steps. 	<ul style="list-style-type: none"> • Rejects language tying housing element compliance to SB 1 funding. • Supports creating a RHNA Working Group: Develops a working group to examine the state's regional housing need allocation process has merit. This group should be led by HCD, and include OPR and the Strategic Growth Council.
Housing Tax Credits	<ul style="list-style-type: none"> • \$500 million for the expansion of the state tax credit program. • Allows for state tax credits to be used for preservation projects and repeals 2020 sunset date for certificated state tax credits. 	<ul style="list-style-type: none"> • \$500 million increase to the state tax credit program. <ul style="list-style-type: none"> ▪ \$200 million will be available for a mixed-income set aside. • Lifts the \$75,000 cap on the state tax credit allowed to be claimed per calendar year. 	<ul style="list-style-type: none"> • \$500 million increase to the state tax credit program. <ul style="list-style-type: none"> ▪ \$200 million will be reserved to finance low-income units within mixed-income developments.
CalHFA Loan Programs	<ul style="list-style-type: none"> • \$500 million in one-time funding to the CalHFA mixed-income loan program. 	<ul style="list-style-type: none"> • \$500 million in one-time funding to the CalHFA mixed-income loan program. 	<ul style="list-style-type: none"> • \$500 million for CalHFA Mixed-Income Loan Program. • \$50 million for CalHFA to expand ADU pilot loan program.

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State Surplus Property for Housing	<ul style="list-style-type: none"> • \$2.5 million in one-time funding for real estate consultants for HCD and the California Department of General Services. • \$780,000 in ongoing funding for HCD to help develop proposals and monitor housing projects. 	<ul style="list-style-type: none"> • No proposal. 	<ul style="list-style-type: none"> • No proposal.
Other Proposals	<ul style="list-style-type: none"> • Proposes making the Director of the California Housing Finance Authority and the HCD Director voting members of the California Tax Credit Allocation Committee. 		<ul style="list-style-type: none"> • \$60 million in brownfields redevelopment funding to the Pollution Control Financing Authority for the California Recycle Underutilized Sites Program. • \$5 million in down payment assistance to purchase properties related to the SR 710 project.