

Assembly Bill 1657

Affordable Housing Bond of 2024

Assemblymember Buffy Wicks (AD-14)

SUMMARY

AB 1657 authorizes the Affordable Housing Bond Act of 2024 to fund the state's affordable housing programs, including, affordable rental housing for lower income families, homeownership opportunities, and, supportive housing for people experiencing homelessness.

BACKGROUND

California needs over one million housing units affordable to lower income households to meet demand. Historically, the state has used voter-approved General Obligation bonds to fund the construction and rehabilitation of affordable housing and support homeownership. The Veterans and Affordable Housing Bond Act of 2018 authorized \$3 billion funding for various affordable housing programs. These funds will be fully allocated by the end of 2024.

ISSUE

Our state is facing an affordable housing crisis. From October 1, 2020, to September 20, 2021, the average Fair Market Rent (FMR) for a two-bedroom apartment in the state was \$2,030. To afford rent and utilities without being rent-burdened (paying more than 30 percent of income toward rent), a household must earn \$6,766 per month or \$81,191 per year. This translates into an hourly wage of \$39.03 for a full-time worker. The top five most common occupations in California – home health care workers, fast food workers, cashiers, laborers, and retail salespersons – pay less than the wage needed to afford a home. Over 89 percent of extremely low-income renter households in California are rent-burdened and over 64 percent of lower-income, households are rent-burdened currently.

According to the Statewide Housing Plan, to meet California's unmet housing needs, the state needs an additional 2.5 million housing units, including 1.2 million for lower-income households. Decades of underbuilding have led to a lack of housing overall,

particularly housing that is affordable to lower-income households.

The state needs an additional 180,000 new units of housing a year to keep up with demand – including about 80,000 units of housing affordable to lower-income households. By contrast, production in the past decade has been under 100,000 units per year – including less than 20,000 units of affordable housing.

Over 173,000 people experience homelessness on any given night in the state. Supportive housing – affordable housing with services – is a solution to homelessness. State funding for supportive housing through No Place Like Home and MHP has been exhausted.

SOLUTION

AB 1657 authorizes \$10 billion in general obligation bond funds to support the construction, rehabilitation, and preservation of affordable housing and permanent supportive housing. The state needs over one-million affordable housing units. The bond will fund programs that build affordable housing for lower income families, supportive housing for people experiencing homelessness, farmworker housing, tribal housing, homeownership opportunities, and preservation of existing affordable housing.

The last round of funding for the state's flagship multi-family affordable housing program, the Multi-family Housing Program (MHP) was oversubscribed ten to one. Affordable housing projects are ready to go if funding is available.

SUPPORT

A. Robbins Group
Abode Communities
Abode Housing Development
Abode Property Management
Abode Services
ACLU California Action

Alta Housing
American Institute of Architects, Los Angeles
Chapter
American Planning Association, California Chapter
Ascencia
Association of Bay Area Governments (ABAG)
Bay Area Community Services
Bay Area Lisc
Beep, INC.
Behavioral Health and Recovery Services
Berkeley Student Cooperative
Beverly Hills; City of
Bonnewit Development Services
Brighter Future Initiative
California Apartment Association
California Association of Local Housing Finance
Agencies (CAL-ALHPFA)
California Climate and Agriculture Network
California Coalition for Rural Housing
California Faculty Association
California Housing Consortium
California Housing Partnership Corporation
Catholic Charities of Santa Clara County
CDR
Change and New Beginnings
Chispa
City of Alameda
City of Camarillo
City of Concord
City of El Centro
City of Encinitas
City of Firebaugh
City of Foster City
City of Fremont
City of Goleta
City of Grover Beach
City of Inglewood City Hall
City of Long Beach
City of Norwalk
City of Paramount
City of Pleasanton
City of Redlands
City of Riverside
City of San Jose
City of Santa Monica
City of Santa Rosa
City of Soledad
City of Thousand Oaks
City of West Hollywood
Colesworthy Real Estate Services

Community HousingWorks
Community Land Trust Association of West Marin
Compass Family Services
Congregations Organized for Prophetic Engagement
(COPE)
Corporation for Supportive Housing (CSH)
Council of Community Housing Organizations
CRP Affordable Housing and Community
Development
CTY Housing
Curtis Development
Devine & Gong, INC.
District 5 Supervisor, Tuolumne County
EAH Housing
East Bay Asian Local Development Corporation
East Bay Housing Organizations
East LA Community Corporation
East Palo Alto Community Alliance Neighborhood
Development Organization
Eden Housing
Empowering Pacific Islander Communities (EPIC)
Enterprise Community Partners
Epacando
Evolve California
Excelerate Housing Group
Friends Committee on Legislation of California
FSY Architects
Funders Together to End Homelessness San Diego
Greenlining Institute; the
Gunkel Architecture INC.
Habitat for Humanity California
Habitat for Humanity Greater San Francisco
Hollywood Community Housing Corporation
Housing Action Coalition
Housing Authority of the City of Alameda
Housing Authority of the City of San Luis Obispo
Housing California
Housing Claremont
Housing El Dorado
Housing Is a Human Right OC
Housing Land Trust of the North Bay
Housing Trust Silicon Valley
Imagine LA
Inland Equity Community Land Trusts
Inland SoCal Housing Collective
Inner City Law Center
Interfaith Movement for Human Integrity
John Stewart Company
Jonathan Rose Companies
King and I Outreach Ministry

Kitchens for Good
League of California Cities
Legal Aid of Sonoma County
Lift to Rise
Linc Housing
Lisc Bay Area
Livable California
Lived Experience Advisers
Los Angeles Business Council
Many Mansions
Marin County Council of Mayors and Council Members
Mercy Housing California
Merritt Community Capital Corporation
Metropolitan Transportation Commission
MidPen Housing
Mogavero Architects
Monterey County Renters United
Mutual Housing California
Myall Consulting
National Alliance to End Homelessness
Non-profit Housing Association of Northern California
Non-profit Housing Association of Northern California (NPH)
North Valley Housing Trust
Novin Development Corp.
Orange County Housing Finance Trust
Orange County United Way
Parable of Sower Intentional Community Cooperative
PATH
People's Budget Orange County
Planning and Conservation League
PolicyLink
Resources for Community Development
Richmond Community Foundation
RRM Design Group
Sacramento Housing Alliance
Sacred Heart Community Service
San Diego Housing Federation
San Francisco Bay Area Rapid Transit District
San Francisco Housing Accelerator Fund
San Francisco Housing Development Corporation
San Francisco Tenants Union
San Rafael/Marin County Council of Mayors & Council Members
Santa Clara Methodist Retirement Foundation
Self-help Enterprises

Southern California Association of Non-profit Housing (SCANPH)
Strive Real Estate LLC
Supportive Housing Alliance
Tenderloin Neighborhood Development Corporation
The Armony Companies
The Greenlining Institute
The Kelsey
The Kennedy Commission
The San Francisco Housing Accelerator Fund
Thousand Oaks; City of
Turning Point Community Programs
Valley Restart Shelter
Ventura Social Services Task Force
Wakeland Housing and Community Development Corporation
Western Center on Law & Poverty
Wunz Apparel in Action
Yimby Action
Zen Development Consultants

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