



Memorandum

TO: Legislation Committee

DATE: June 1, 2018

FR: Executive Director

RE: SB 912 (Beall): Homelessness and Affordable Housing Funding – Support

Background

Senate Bill 912 (Beall) would allocate \$2 billion, upon appropriation of the Legislature, to the Department of Housing and Community Development. Of this amount, \$1 billion would be allocated to the state's Multifamily Housing Program to construct and preserve affordable rental housing for low-income households (households earning 60 percent area median income or below).

The remaining \$1 billion would be used to address homelessness as follows:

- \$700 million for grants to cities and counties that provide matching funds to alleviate chronic homelessness. Localities could use grants to fund a range of investments including but not limited to targeted emergency shelters, rapid rehousing, affordable housing construction and rental assistance.
- \$200 million for grants through the Housing for a Healthy California Program
- \$50 million for the California Emergency Solutions Grants Program. Grants would be used to support homeless youth.
- \$50 million for a new Domestic and Sexual Violence Prevention Complementary Services Fund to provide housing and services for survivors of domestic violence. The bill would provide that this fund be established within the Office of Emergency Services.

SB 912 would augment the state funding bills (SB 2 (Atkins, 2017) and SB 3 (Beall, 2017)) passed as part of the 2017 housing package. For reference, SB 2 is expected to generate \$250 million annually through a new document recording fee and SB 3 authorized a \$4 billion state housing bond which California voters will consider at the November 2018 election. The Bay Area has also increased investments in homelessness and affordable housing in recent years through voter approval of more than \$1.5 billion in housing bonds in 2016. These recent actions to reinvest in affordable housing follow years of steep cuts in state and federal affordable housing support.

Recommendation: Support

Discussion

Like many areas throughout the state, high housing costs in the Bay Area are driving workers further and further away from job centers, degrading their quality of life, hindering our efforts to achieve state climate goals, and threatening the region's ability to remain an economic engine for the state and the nation. With San Francisco and East Bay rental rates and housing prices reaching historical highs and homelessness affecting increasing numbers of Bay Area residents, the need for more affordable housing in the region could not be more apparent.

SB 912, though not a panacea, would invest in critical infrastructure and services to help localities address immediate homelessness and housing needs while also looking down the road for longer-term solutions, including preserving and creating more affordable housing. Seeking additional funding for affordable housing is a goal of our 2018 Joint MTC/ABAG Advocacy Program. Accordingly, staff recommends a “support” position on SB 912.

Known Positions

Support

Affirmed Housing
American Planning Association
California Chapter Aspiranet
Association of California Cities – Orange
County Bridge Housing
California Apartment Association
California Housing Consortium
California State Association of Counties
California Welfare Directors Association
City of Berkeley
City of El Cerrito
City of Glendale
City of San Jose
City of San Marcos
Community Home Builders and Associates
Corporation for Supportive Housing
County Behavioral Health Directors
Association of California

Housing Authority of the County of Santa
Barbara
Life Skills Training and Education Programs,
Inc. (LifeSTEPS)
Non-Profit Housing Association of Northern
California
Pacific Companies Paulett Taggart Associates,
Inc.
Richmond Neighborhood Housing Services
Inc.
Rural County Representatives of California
Sacramento County Board of Supervisors
Santa Clara County
Tenderloin Neighborhood Development
Corporation
Urban Counties Caucus of California
Western Community Housing, Inc.

Opposition

None on file



Steve Heminger

Attachments

SH:ggd

J:\COMMITTEE\Legislation\Meeting Packets\Legis2018\06_LEGIS_Jun 2018\3a_SB 912 (Beall).v3.docx