



# Housing Element Compliance and Key Funding Programs: Summary

December 13, 2022, updated January 30, 2023

Some state and regional funding sources are tied to having a certified Housing Element. This overview memo and attached table summarize housing element requirements and key deadlines for several funding programs. Jurisdictions should review the funding sources they plan on utilizing and ensure they will comply.

**DISCLAIMER: ABAG/MTC believes this information to be correct at the time of publication, but jurisdictions should independently confirm these assumptions as deadlines and guidelines continue to evolve.** This document is intended to provide general information and does not constitute legal advice. Additional facts, facts specific to a particular situation, or future developments may affect the subjects discussed in this FAQ. Seek the advice of your attorney before acting or relying upon the following information.

## Summary: Funding Programs that Require Compliant Housing Elements

Unless otherwise noted, each program requires a certified housing element, defined as an “adopted housing element that has been found by the Department to be in substantial compliance.”

More details, including links to sources, are included in the appendix below.

Funding Program	Agency	When the Housing Element Needs to be Certified	Relevant Deadline in 2023 <sup>1</sup>
<b>Affordable Housing &amp; Sustainable Communities (AHSC)</b> Note language about “presumptive compliance” in the regulations: if jurisdictions are undergoing review at the time of the award, awards will be conditioned upon final certification at the time of disbursement.	Strategic Growth Council (SGC)	Time of award recommendation	April 4, 2023

<sup>1</sup> If the deadline for having housing element certification is tied to the time of the application, the due date for the application is listed. If the funding is tied to the time of award, the expected date that the money will be awarded is listed. Please double-check deadline dates as the NOFA calendar is not fixed.



# Regional Housing Technical Assistance Program

Funding Program	Agency	When the Housing Element Needs to be Certified	Relevant Deadline in 2023 <sup>1</sup>
<p><b>California Department of Transportation (Caltrans) Sustainable Transportation Planning Grant</b></p> <p>Note: The application guide for the Caltrans Sustainable Transportation Planning Grant requires a certified housing element at the time of application. However, STP Grant Applicants are able to explain in the application that they are in the process of updating their housing element. Caltrans will then condition their grant, if awarded, to require the jurisdiction to have an adopted Housing Element before they can execute a grant agreement with Caltrans.</p>	Caltrans	Time of application	March 9, 2023
<p><b>Community Development Block Grant Program</b></p> <p>Note that statutory requirement reads: "Submit a draft or adopted housing element to the Department in accordance with state law"</p>	California Department of Housing & Community Development (HCD)	Time of award	August 2023
<p><b>Infill Infrastructure Grant (IIG)</b></p> <p>Note language in the guidelines that reads: "If award decision made within 120 days of housing element due date, Dept may refer to prior cycle compliance."</p> <p>Note language about "presumptive compliance" in the guidelines: if jurisdictions are undergoing review at the time of the award, awards will be conditioned upon final certification at the time of disbursement.</p>	HCD	Time of award	June 2023 (Qualifying Infill Projects and Adaptive Reuse)  March 2023 (Catalytic Qualifying Infill Areas)  July-Sept 2023 (Small Jurisdiction)
<p><b>Local Housing Trust Fund (LHTF)</b></p>	HCD	Time of award	May 2023
<p><b>One Bay Area Grant (OBAG)</b></p>	Metropolitan Transportation Commission (MTC)	December 31, 2023	December 31, 2023



# Regional Housing Technical Assistance Program

Funding Program	Agency	When the Housing Element Needs to be Certified	Relevant Deadline in 2023 <sup>1</sup>
<b>Permanent Local Housing Allocation (PLHA)</b> Note language in the guidelines that reads: “If award decision made within 120 days of housing element due date, Dept may refer to prior cycle compliance”	HCD	Time of award, by February 2023	Dates depend on specific PLHA program
<b>Transit Oriented Development (TOD)</b>	HCD	Time of application	No funding currently available

## Summary: Funding Programs that Reward Projects in Jurisdictions with Compliant Housing Elements

Several programs use HCD’s Prohousing Designation as a possible evaluation criterion. Prohousing Designation requires “an adopted housing element that has been duly found to be in substantial compliance with the requirements of Housing Element Law” at the time of the Prohousing application OR prior to designation.

Funding Program	Agency	Evaluation Criteria
<b>Active Transportation Program</b>	California Transportation Commission (CTC)	Prohousing Designation is among possible evaluation criteria at time of funding application (helps with score)
<b>HOME Investment</b>	HCD	Scoring factor at time of funding application – the next planned deadline is July 2023
<b>Local Partnership Program</b>	CTC	Prohousing Designation is among possible evaluation criteria at time of funding application
<b>Solutions for Congested Corridors Program</b>	CTC	Prohousing Designation application is one way to demonstrate efficient land use and housing at time of funding application
<b>Transit and Intercity Rail Capital Program</b>	California State Transportation Agency (CalSTA)	Prohousing Designation application is one way to demonstrate efficient land use and housing at time of funding application

## Funding Programs that Do Not Require Compliant Housing Elements

- **Multifamily Housing Program (MHP)** – no mention of housing element compliance in HCD’s current MHP Guidelines

Document references dates from HCD’s [NOFA Schedule](#) updated as of November 2022. Note that HCD updates its calendar regularly, so dates in this document may not remain current.

## Appendix A: Details of Funding Programs that Require Housing Element Compliance

PROGRAM	AGENCY	REQUIREMENT /CRITERIA	DEFINITION OF COMPLIANCE	DEADLINE FOR COMPLIANCE	RELEVANT 2023 DEADLINE (PLANNED) <sup>2</sup>	LANGUAGE FROM GUIDELINES OR REGULATIONS	REFERENCE URL AS OF 1/30/2023	FUNDING PROGRAM WEBPAGE
<b>Affordable Housing &amp; Sustainable Communities (AHSC)</b>	Strategic Growth Council (SGC)	Threshold requirement	Adopted housing element that has been found by the Department to be in substantial compliance	At time of award recommendation  Note language about “presumptive compliance:” if jurisdictions are undergoing review at the time of the award, awards will be conditioned upon final certification at the time of disbursement.	April 4, 2023	The Housing Element for the jurisdiction in which the Project is located must be in substantial compliance by the date of award recommendation. Housing Element in substantial compliance means the local public entity’s adopted housing element is in substantial compliance as demonstrated by a letter from the Department which sets forth findings that the housing element adopted within the time frames required by Section 65588 of the Government Code includes that substance essential to every requirement of Article 10.6, commencing with Section 65580, of Chapter 3 of Division 1 of Title VII of the Government Code. A jurisdiction’s current housing element compliance status can be obtained by referencing the Department’s website. Projects located on Trust Land, as defined under Indian country, are exempt from this requirement.  (A) For the purposes of this section alone, jurisdictions that are undergoing Department review of their housing element at the time of award and jurisdictions which are receiving Department technical assistance to bring their housing element into compliance at the time of award, shall both be deemed to be in a presumptive state of substantial compliance by the Department. All awards premised on presumptive substantial compliance shall include conditions in their respective standard agreements requiring that prior to funds disbursement the subject jurisdiction must	<a href="#">Program guidelines</a>	<a href="#">Program webpage</a>

<sup>2</sup> HCD programs reference [HCD's NOFA Calendar](#)

PROGRAM	AGENCY	REQUIREMENT /CRITERIA	DEFINITION OF COMPLIANCE	DEADLINE FOR COMPLIANCE	RELEVANT 2023 DEADLINE (PLANNED) <sup>2</sup>	LANGUAGE FROM GUIDELINES OR REGULATIONS	REFERENCE URL AS OF 1/30/2023	FUNDING PROGRAM WEBPAGE
						have received a final housing element certification letter from the Department.		
<b>Caltrans Sustainable Transportation Planning (STP) Grant</b>	California Department of Transportation (Caltrans)	Threshold requirement	Adopted housing element that has been found by the Department to be in substantial compliance	At time of application  The application guide requires a certified housing element at the time of application. However, STP Grant Applicants are able to explain in the application that they are in the process of updating their housing element. Caltrans will then condition their grant, if awarded, to have an adopted Housing Element before they can execute a grant agreement with Caltrans.	March 9, 2023	To be eligible for a grant award, city and county primary/sub-grant applicants are required to submit:  1. A housing element adopted by the local government to the Department of Housing and Community Development (HCD), and HCD must find the adopted housing element in substantial compliance with state housing element law pursuant to Government Code Section 65585.	<a href="#">Program Application Guide</a>	<a href="#">Program website</a>
<b>Community Development Block Grant (CDBG) Program</b>	California Department of Housing & Community Development (HCD)	Threshold requirement: definition of eligible applicant	Submit a draft or adopted housing element to the Department in accordance with state law	At time of award	August 2023	As per HSC §50829, the Applicant must submit a draft or adopted housing element to the Department in accordance with the requirements listed in Government Code (GC) §65580, et seq. and GC §65585 (see Appendix B) prior to an award being granted. Applicants that fail to comply with the procedural requirements (i.e., GC §65585) of the Housing Element Law are ineligible for funding through the state CDBG program. Eligibility cannot be restored until the Applicant has met such procedural requirements.	<a href="#">Program NOFA memo</a>	<a href="#">Program website</a>

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<b>Infill Infrastructure Grant (IIG)</b>	HCD	Threshold requirement: definition of Qualifying Infill Area	Adopted housing element that has been found by the Department to be in substantial compliance	At time of award  If award decision made within 120 days of housing element due date, HCD may refer to prior cycle compliance  Note language about “presumptive compliance:” if jurisdictions are undergoing review at the time of the award, awards will be conditioned upon final certification at the time of disbursement.	June 2023 (Qualifying Infill Projects and Adaptive Reuse)  March 2023 (Catalytic Qualifying Infill Areas)  July-Sept 2023 (Small Jurisdiction)	(2) Be located in a city, county, or city and county in which the general plan of the city, county, or city and county has an adopted housing element that has been found by the Department to be in substantial compliance with the requirements of Article 10.6 (commencing with Section 65580) of Chapter 3 of Division 1 of Title 7 of the GC, pursuant to GC Section 65585 at time of Award. If the Award decisions are made within 120 days of the housing element due date, the Department may refer to the jurisdiction’s compliance from the prior cycle.  For the purpose of this section alone, jurisdictions that are undergoing Department review of their housing element at the time of Award, and jurisdictions that are receiving Department technical assistance to bring their housing element into compliance at the time of Award, shall both be deemed to be in a presumptive state of substantial compliance by the Department. All Awards premised on presumptive substantial compliance shall include conditions in their respective Standard Agreements requiring that prior to funds disbursement, the subject jurisdiction must have received a final housing element certification letter from the Department.	<a href="#">Program website</a>  Download June 16, 2022 IIG-2019 Guidelines under “Archive”  <a href="#">Program NOFA memo</a>	<a href="#">Program website</a>  <a href="#">Program guidelines</a>
<b>Local Housing Trust Fund (LHTF)</b>	HCD	Threshold requirement	Adopted housing element that has been found by the Department to be in substantial compliance	At time of award	May 2023	City or County Applicants must have a Housing Element that was adopted by the Applicant’s governing body and subsequently determined by the Department to be in compliance with state Housing Element law by the time awards are announced. If an applicant is determined to be out of compliance at the time awards are announced, it will be ineligible to receive funding and the next highest scoring eligible application may be funded in its place.	<a href="#">Program NOFA memo</a>	<a href="#">Program website</a>

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<b>Multifamily Housing Program (MHP)</b>	HCD	n/a	n/a	n/a	n/a	n/a No language in guidelines	<a href="#">Program guidelines</a>	<a href="#">Program website</a>
<b>One Bay Area Grant (OBAG)</b>	Metropolitan Transportation Commission (MTC)	Threshold requirement	Adopted housing element that has been found by the Department to be in substantial compliance	By December 31, 2023	31-Dec-23	Have a general plan housing element adopted and certified by the California Department of Housing and Community Development (HCD) for the 2023-31 Regional Housing Needs Allocation (RHNA) cycle by December 31, 2023, and maintain certification throughout the OBAG 3 program period.	<a href="#">Program details</a>	<a href="#">Program website</a>
<b>Permanent Local Housing Allocation (PLHA)</b>	HCD	Threshold requirement	Adopted housing element that has been found by the Department to be in substantial compliance	At time of award, by February 28, 2023  If application submitted within 120 days of housing element due date, Dept may refer to prior cycle compliance	Jan-March 2023 depending on specific program  Aug-Dec 2023 (rolling awards for the formula program)	Housing Element Compliance: The Applicant and delegating Local government, if applicable, must be a locality with an adopted housing element that has been found by the Department to be in substantial compliance with the requirements of Article 10.6 (commencing with section 65580) of Chapter 3 of Division 1 of Title 7 of the Government Code, pursuant to Government Code section 65585 at the time of award. Awards will be made through February 2023. If a jurisdiction submits an application prior to the November 30th application closing deadline but fails to demonstrate that their housing element is in compliance by February 28, 2023, will not be eligible and any 2019 funds will revert to the Housing Rehabilitation Loan Fund per statute. If the application is submitted within 120 days of the housing element due date, the Department may refer to the jurisdiction's compliance from the prior cycle.  NOTE: Please be advised that no funding from any subsequent year will be disbursed if the Local government is not in compliance with the housing element requirement and the Housing Element Annual Progress Report (APR) requirement stated in Guidelines Section 302(a) and (b), or in the event that the Local government has not submitted its	<a href="#">Program NOFA memo</a>	<a href="#">Program website</a>

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						annual PLHA report, as required by Guidelines Section 503. Please refer to Appendix D for more information on verifying housing element and APR status.		
<b>Transit Oriented Development (TOD)</b>	HCD	Threshold requirement	Adopted housing element that has been found by the Department to be in substantial compliance	At time of application	n/a All funds have been awarded	The Housing Development must be located in a Locality with an adopted housing element that has been found by the Department to be in substantial compliance with the requirements of California’s Housing Element Law (Gov. Code, § 65580 et seq.) at time of application.	<a href="#">Program guidelines</a>	<a href="#">Program website</a>



## Appendix B: Details of Funding Programs that Incentivize Housing Element Compliance

PROGRAM	AGENCY	REQUIREMENT /CRITERIA	DEFINITION OF COMPLIANCE	DEADLINE FOR COMPLIANCE	RELEVANT 2023 DEADLINE (PLANNED) <sup>3</sup>	LANGUAGE FROM GUIDELINES OR REGULATIONS	REFERENCE URL AS OF 12/1/2022	FUNDING PROGRAM WEBPAGE
<b>Active Transportation Program</b>	California Transportation Commission (CTC)	Prohousing designation among possible evaluation criteria (helps with score)	See Prohousing Designation, below	See Prohousing Designation, below	2022 application deadline was June 15, 2022  Adoption June 2023  2023 deadlines TBD?	Under Scoring Criteria (Transformative Projects): Applicants are encouraged to apply for the California Department of Housing and Community Development’s (HCD) Prohousing Designation Program and to describe how local policies align with prohousing criteria. If housing is not an issue for the community, the applicant should explain why it is not a concern.	<a href="#">Program guidelines</a>	<a href="#">Program website</a>
<b>HOME Investment</b>	HCD	Scoring factor (50 points out of minimum 930 needed; 1550 points possible)	Adopted housing element that has been found by the Department to be in substantial compliance	At time of application	Jul-23	Applicants that meet the definition of a local public entity (cities and counties) are required to be in substantive compliance with state Housing Element Law, as defined in state HOME regulations Section 8201(t), as of the NOFA application due date.  “Housing element in substantive compliance” means the city or county’s adopted housing element is in substantive compliance as demonstrated by a letter from the Department which sets forth findings that the housing element adopted within the time frames required by Section 65588 of the Government Code includes that substance essential to every requirement of Article 10.6, commencing with Section 65580, of Chapter 3 of Division I of Title VII of the Government Code.	<a href="#">Program NOFA memo</a>  <a href="#">Program regulations</a>	<a href="#">Program website</a>
<b>Local Partnership Program</b>	CTC	Prohousing designation among possible evaluation criteria	See Prohousing Designation, below	See Prohousing Designation, below	2022 application deadline is November 29, 2022	Among the evaluation criteria: Demonstrating the local jurisdiction applied to the Department of Housing and Community Development’s Prohousing Designation Program and meets Prohousing criteria that support efficient land use.	<a href="#">Program guidelines</a>	<a href="#">Program website</a>

<sup>3</sup> HCD programs reference [Notice of Funding Availability Calendar](#)

PROGRAM	AGENCY	REQUIREMENT /CRITERIA	DEFINITION OF COMPLIANCE	DEADLINE FOR COMPLIANCE	RELEVANT 2023 DEADLINE (PLANNED) <sup>3</sup>	LANGUAGE FROM GUIDELINES OR REGULATIONS	REFERENCE URL AS OF 12/1/2022	FUNDING PROGRAM WEBPAGE
					Program adoption June 28-29, 2023  2023 deadlines TBD?			
<b>Solutions for Congested Corridors Program</b>	CTC	Prohousing application is one way to demonstrate efficient land use and housing	See Prohousing Designation, below	See Prohousing Designation, below	2022 application deadline is December 2, 2022  Program adoption June 28-29, 2023  2023 deadlines TBD?	Under Additional Evaluation Criteria (Efficient Land Use and Housing): The applicant may also identify 1) local government jurisdictions that will be served by the proposed project and have obtained a Prohousing Designation, or 2) enacted or developing local land-use policies in the project area which support efficient land-use patterns or incorporate Prohousing criteria.	<a href="#">Program guidelines</a>	<a href="#">Program website</a>
<b>Transit and Intercity Rail Capital Program</b>	California State Transportation Agency (CalSTA)	Prohousing designation among possible evaluation criteria	See Prohousing Designation, below	See Prohousing Designation, below	2023 application deadline is February 10, 2023  Anticipated award date is April 24, 2023	Under Primary Evaluation Criteria: Projects must document the degree to which ridership growth expected over the life of the project is supported by housing policies that will support such growth, including evidence of compliance with state-required housing plans (such as an Adopted Housing Element), and may include a designation of the community as Prohousing, as determined by the Department of Housing and Community Development's Prohousing Designation Program.	<a href="#">Program guidelines</a>	<a href="#">Program website</a>
<b>*Prohousing Designation</b>	HCD	Threshold requirement	An adopted housing element that has been duly found to be in substantial compliance with the requirements of Housing Element Law	At time of application OR prior to designation	Rolling applications and approvals	(1) The applicant has adopted a Compliant Housing Element at the time of application or prior to designation.  (6) Compliant Housing Element. An adopted housing element that has been duly found to be in substantial compliance with the requirements of Housing Element Law.	<a href="#">Regulation text</a>	<a href="#">Program website</a>