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Tackling Affordable Housing and Homelessness During and After COVID-19: **A Framework and Package of Immediate and Long-Term Policy Solutions**

Background

As leaders in the affordable housing advocacy community, we have developed this framework of solutions to guide decision-makers as they respond to affordable housing and homelessness challenges exposed – and exacerbated – by the COVID-19 emergency, especially for the 3.4 million low-income renters who are now bearing the brunt of the pandemic’s impacts.

Even before the coronavirus, California faced a shortfall of 1.4 million homes affordable to those struggling the most, 150,000 people experienced homelessness on any given night, and more than three out of four extremely low-income households paid more than 50% of their income on rent.

State and federal leaders have already taken some noteworthy actions in the first months of this crisis, extending eviction protections to struggling renters, providing emergency housing for people experiencing homelessness in motels and hotels, and offering mortgage and foreclosure relief to hundreds of thousands of HUD-supported properties.

However, helping communities and struggling Californians recover quickly and sustainably from the impacts of COVID-19, will require additional immediate relief, as well as longer-term, more transformative actions, starting with ensuring that lower-income Californians have access to safe, stable, affordable places to call home.

To that end, we propose this Affordable Housing and Homelessness Framework to serve as a guide for legislators for the critical work ahead this session.

Principles

- 1. Provide adequate support for people experiencing homelessness** by committing ongoing resources to provide permanent housing and requiring more effective coordination among state and local agencies seeking to support vulnerable populations.
- 2. Increase state and local investment in building, preserving, operating, and ensuring access to affordable homes** to increase the supply of housing affordable to lower-income households and to prevent and reduce homelessness.
- 3. Reduce barriers to affordable housing development** by helping communities increase the land available for and expedite the approval of affordable housing.
- 4. Promote housing stability** by preserving existing sources of affordable housing and protecting people from displacement caused by gentrification, destabilizing rent increases, and unfair evictions.

In support of these principles, our community urges the legislature to prioritize and pass the following immediate and longer-term solutions:

Solutions to Address Immediate Impacts of COVID-19

- Support additional federal stimulus measures** to address and prevent homelessness by providing at least \$100 billion in rental assistance, \$10 billion in project-based rental assistance, \$11.5 billion in Emergency Solutions Grants (ESG), and \$10 billion for new Housing Choice Vouchers; to address immediate barriers to affordable housing development by establishing a minimum 4% credit rate and reducing the 50% test for tax-exempt bonds; to provide stability for renters by instituting a national moratorium on evictions and foreclosures; and to designate affordable

housing as essential infrastructure and make investments commensurate with the actual need in any future infrastructure bill.¹

- **Prioritize existing and future federal stimulus funds and any available state resources to do the following:**
 - **Provide \$2 billion in funding for evidence-based solutions to homelessness (AB 3300, Santiago)**, including rental assistance to allow people to access housing immediately and operating subsidies, rental assistance, and services to help move people from interim housing and motels to permanent housing.²
 - **Create a one-time state subsidy pool of \$1 billion to help preserve affordable housing communities** and keep stably housed more than 1 million low-income Californians through breakeven operating assistance and rent accommodations or forgiveness to tenants who have a loss of income or an economic hardship related to COVID-19.³
 - **Prohibit evictions from rental housing for non-payment of rent that occurred during the crisis** and provide financial assistance to rental housing providers to ensure that lost rental income does not lead to foreclosure.

Solutions to Address Ongoing Housing and Homelessness Needs

While legislators have introduced dozens of important housing and homelessness bills, the bills listed below represent some of the legislative solutions that will have the greatest and most direct impact on advancing the four principles described above – tackling homelessness, investing in affordable housing production and preservation, reducing barriers to affordable housing development, and promoting housing stability.

- **AB 434 (Daly)**⁴ – Streamlines most of the Department of Housing and Community Development’s rental housing programs into a single application and award process.
- **AB 1279 (Bloom)** – Allows by-right affordable and mixed-income housing development in high-resource areas.
- **AB 1845 (Rivas)** – Creates a Homelessness Office of the Governor.
- **AB 1905 (Chiu)** – Eliminates the mortgage interest deduction for second homes and allocates the revenue towards addressing homelessness.
- **AB 2329 (Chiu)** – Mandates a needs and gaps analysis for homelessness programs to determine efficiencies and creates statewide strategies.
- **AB 2988 (Chu)** – Increases the size threshold for a permanent supportive housing (PSH) development to qualify for by-right development in smaller counties and makes PSH a use by-right in zones that allow emergency shelters.
- **AB 3107 (Bloom)** – Allows for housing that includes affordable units to be built in certain commercial zones.
- **SB 899 (Wiener)** – Permits affordable housing on land owned by religious organizations and nonprofit hospitals regardless of local zoning restrictions.
- **SB 1138 (Wiener)** – Ensures timely adoption of housing elements and makes changes to requirements to have adequate zoning to accommodate emergency shelters.

Contact

To learn more about this framework and package of solutions, please contact the following people: Marina Wiant, California Housing Consortium (mwiant@calhsng.org); Chris Martin, Housing California (cmartin@housingca.org); Mark Stivers, California Housing Partnership (mstivers@chpc.net); Anya Lawler, Western Center on Law & Poverty (alawler@piadvocates.org); and Brian Augusta, California Rural Legal Aid Foundation (baugusta@housingadvocates.org).

¹ Letter from this group to the California Congressional Delegation, available at <https://bit.ly/2A1gDHf>; California Housing Partnership’s recommendations for Congress’ housing priorities in the next COVID-19 Stimulus, available at <https://bit.ly/3cacMpF>.

² Coalition budget request for housing and homelessness, available at <https://bit.ly/35HV36A>.

³ California Housing Consortium’s Keep California Housed proposal, available at <https://bit.ly/3dmN816>.

⁴ As proposed to be amended.