



Entry Form 2018 Annual Awards for Program Excellence

Entry Deadline: Friday, June 15, 2018, Midnight ET

Each entry must include a completed entry form. Please complete a form for each entry your HFA is submitting. The completed entry form will become the first page of your entry.

This form is a fillable PDF. Type your information into the entry form and save it as a PDF. Please do not write on or scan the entry form. **Questions: Call 202-624-7710 or email awards@ncsha.org.**

Entry Title: Enter your entry's title exactly as you wish it to be published on the NCSHA website and in the awards program.

Category:

Subcategory:

Entry Summary: A 15-word (max) summary of the program, project, or practice you are entering.

HFA:

HFA Staff Contact:

Phone:

Email:

Visual Aids:

Are you mailing to NCSHA 10 copies of any visual aids that cannot be included in your entry PDF? Yes No

Payment:

My HFA is mailing a check to NCSHA.
My HFA is emailing the credit card authorization form to awards@ncsha.org.

At the end of September 2017, California Governor Edmund G. Brown Jr. signed a package of 15 bills aimed to address the housing crisis in our state. This milestone, which came a month after California State Assembly and State Senate passed each bill, was not only the culmination of an advocacy campaign by several state housing agencies including the California Housing Finance Agency (CalHFA), but also the beginning of a second phase of action, including research to prepare for implementation and outreach to get the word out about the rules and opportunities presented by the new laws.

For background purposes, it is important to note that in California, the housing functions are divided between several separate but collaborating agencies, including CalHFA and our sister agency, the Department of Housing and Community Development (HCD).

Statewide Housing Assessment

In a process that began several years before, as mandated by the state of California, HCD completed the first public draft of its statewide housing assessment “California’s Housing Future: Challenges and Opportunities” in January 2017. (See [Media 1](#))

The report, which was vital in convincing lawmakers the scope of the problem as well as giving them hard data to share with each other during their important conversations around the housing crisis, was the result of dozens of stakeholder meetings statewide, research and analysis by HCD and consultants, including assistance from CalHFA and other housing partners. Outreach efforts even included a podcast, which was produced by HCD and featured interviews with housing partners including CalHFA Executive Director Tia Boatman Patterson.

Once an initial draft of the Assessment was created, Patterson and her CalHFA staff provided in depth comments, while HCD Executive Director Ben Metcalf and his staff took to the road to hear input from a larger stakeholder group that included the general public.

Housing Bills Take Shape

The timing of the release of the public draft of the report came at an opportune time as it gave hard data to support anecdotal accounts from California Legislators’ constituents, building industry lobbyists and social advocacy organizations detailing a large and growing housing affordability problem.

As lawmakers realized the depth of the general problem they began working on crafting bills that would address specific needs, a process that lasted through the summer of 2017. During this time Patterson, Metcalf and their legislative directors made themselves available with open channels of communication to bill authors, providing context to the statewide housing assessment, and using their on-the-ground experience to guide the legislators through the nuances of affordable housing financing and regulation.

This communication was highlighted by meeting with members of key committees and their staffers, not just housing but also banking and budget, as well as senate and assembly leadership and the Governor’s office.

CalHFA and HCD's feedback and support was essential as the bill authors finalized the details of their bills and also helped put them in position to convince their colleagues and the Governor to pass the historic 15-bill Housing Package.

Housing Package Details

The Housing Package featured bills that attacked the housing crisis from several different angles, in an attempt to find a comprehensive solution.

There were three categories of bills that made up the 15, from creating and preserving affordable housing to streamlining housing development and enhancing accountability and enforcement of existing housing guidelines and laws.

Further Outreach and Preparation for Implementation

With such a large and diverse group of new laws, HCD and CalHFA joined forces to spread the word to local governments and the general public, among other stakeholders, about the new opportunities and laws and how they worked. HCD worked closely with CalHFA designers to create an easy-to-understand slideshow which HCD staff used in presentations around the state. (See [Media 2](#))

Three of the most important bills required further efforts to prepare for implementation, Senate Bills 35, 2 and 3.

SB 35 creates a streamlined approval process for developments in localities that have not met their housing targets, as laid out in the state's regular Regional Housing Needs Assessments. HCD research released in February (www.hcd.ca.gov/community-development/housing-element/docs/SB35_StatewideDeterminationSummary01312018.pdf) showed that the streamline process would be triggered in 97.6 percent of California's localities. In these cities and counties, with SB 35 in place, developers can bypass the lengthy local approval processes as long as the proposed projects were in line with the locality's approved housing plan.

SB 2, meanwhile, creates a permanent source of funds to create and preserve affordable housing by imposing a fee on the recording real estate documents, excluding home sales. Of the expected \$250 million to be raised annually, the 2018 proceeds will be split 50-50 between local planning grants and HCD's programs to address homelessness. Starting in 2019, 70 percent of the proceeds will be allocated to local governments in either an over-the-counter or competitive process; 15 percent will be allocated to HCD, to assist the development of farmworker housing and administer a program to incentivize the permitting of affordable housing; and 15 percent will be allocated to CalHFA to assist mixed-income multifamily developments. (See [Media 3](#))

This influx of funding has triggered CalHFA and HCD to conduct listening sessions up and down the state to get input as they figure out which specific ways to apply this funding to maximize the creation and preservation of much-needed housing for Californians.

SB3 would also provide money for affordable housing in the form of a \$4 billion bond, but it first must be passed by the voters in November. Should it pass, \$1 billion in proceeds would be provided to the Department of Veterans Affairs for Veteran home and farm purchase and the other \$3 billion would get spread around to bolster programs for affordable multifamily development, housing for farmworkers, transit-oriented development, infrastructure for infill development and homeownership, including \$150 million to CalHFA to add to its highly successful MyHome down payment/closing cost assistance program. While CalHFA and HCD cannot campaign for a bill to pass, each has made efforts to provide factual information on how the money could impact the housing crisis. (See [Media 4](#))

Results

CalHFA projects that it will be able to create and preserve up to 1,000 *more* units per year with its portion of the permanent source of funding from SB 2. Should SB 3 pass, CalHFA has projected that it can help provide down payment assistance to an additional 20,000 homebuyers, over 3 years.

While it is tougher to project the results of the entire housing package, HCD has estimated that the increased enforcement and accountability, the streamlining of development and the funding sources could add about 14,000 new homes per year in California.

As important as those housing creation numbers are, perhaps an equally important outcome of the passage of California's 2017 housing package is the momentum it has created toward eventually solving the housing crisis. To put a number to that momentum, our state legislators introduced nearly 150 new housing bills in the current 2018 session. While California's housing problem is far from solved this kind of historic legislative progress portends an exciting outcome.

California Housing Finance Agency & California Dept. of Housing and Community Development
 Housing Package passage
 Legislative Advocacy: State Advocacy



Snapshot: The Current State of Housing Affordability in California

The fundamental purpose of this report is to assess California's housing needs. This section details the state's projected housing needs through 2025, demographic trends, current housing characteristics, and housing cost and affordability. As this section will show, California's current housing issues for both rental and homeownership in terms of both supply and affordability. There is a portfolio of more than one million rental homes affordable to extremely- and very-low-income households and California's homeownership rate has declined to its lowest rate since the 1980s. In 2016, California needs more than 1.8 million additional homes by 2025 to maintain pace with projected housing growth.

Projected Housing Needs Through 2025
8 Million New Homes Needed by 2025

From 2015-2025, approximately 1.8 million new housing units are needed to meet projected population and house-hold growth, or 180,000 new homes annually. The California Department of Housing and Community Development (HCD), in consultation with the California Department of Finance, estimates the state's housing need for a 10-year period based upon Department of Finance population projection and demographic household formation data.

Fast Production

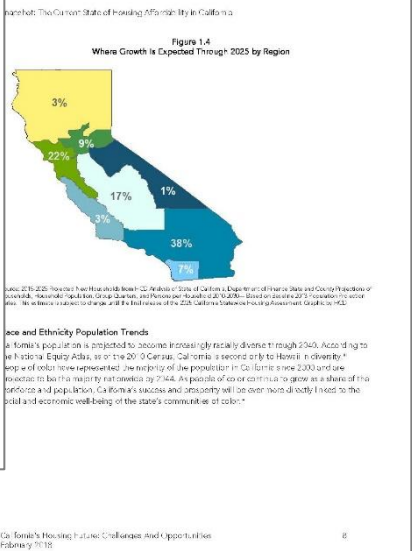
Figure 1.1 shows the annual growth in housing units from 2000-2015 compared to the current projected average annual need of 180,000 new homes.

Figure 1.1
 Annual Permitting of Housing Units 2001-2016
 Compared to Projected Net Needs for Additional Homes

Year	Annual Permitting (Units)	Projected Net Need (Units)
2001	~100,000	180,000
2002	~100,000	180,000
2003	~100,000	180,000
2004	~100,000	180,000
2005	~100,000	180,000
2006	~100,000	180,000
2007	~100,000	180,000
2008	~100,000	180,000
2009	~100,000	180,000
2010	~100,000	180,000
2011	~100,000	180,000
2012	~100,000	180,000
2013	~100,000	180,000
2014	~100,000	180,000
2015	~100,000	180,000
2016	~100,000	180,000
2017-2025	~100,000	180,000

Caution: This chart is based on the population projection from the Department of Finance (2016) and the Housing Finance Agency (2016). The Department of Finance's population projection is based on the 2010 Census and the Housing Finance Agency's population projection is based on the 2010 Census and the Housing Finance Agency's population projection. The Department of Finance's population projection is based on the 2010 Census and the Housing Finance Agency's population projection. The Department of Finance's population projection is based on the 2010 Census and the Housing Finance Agency's population projection.

California's Housing Future: Challenges and Opportunities
 February 2018 5

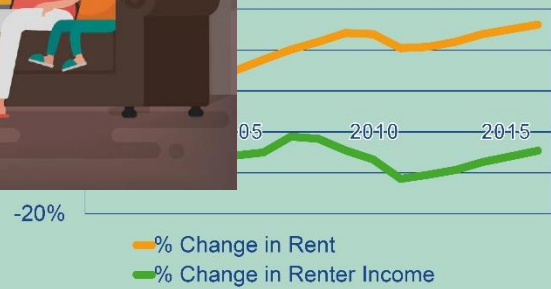


Media 1: Statewide Housing Assessment
http://www.hcd.ca.gov/policy-research/plans-reports/docs/SHA_Final_Combined.pdf

A Tale of Two Californias



Renter Income



Source: California Housing Partnership analysis of 2000 Decennial Census and 2008-2014 American Community Survey 1 year data. 2001-2004 and 2015-2016 are an estimated trend. Median rent and renter income are adjusted to 2014 dollars. Graphic recreated by HCD.

Media 2: Housing Package slideshow

<http://www.calhfa.ca.gov/NCSHA/NCSHA-HCD-housingPackageSlideshowNotes.pdf>



\$75 fee on the recording of real estate documents (excluding sales) to establish a permanent source of funding to invest in affordable housing.

Expected total:

\$200 MILLION PER YEAR

DISTRIBUTION OF FUNDS

2019 and beyond:

15 percent to CalHFA to finance the creation of mixed income multifamily housing

15 percent to California Department of Housing and Community Development (HCD)

70 percent to local governments

Note: in 2018, 50 percent will be distributed to local governments and 50 percent to HCD.

CALHFA'S SB 2 FUNDS

 **\$30 million**

HOUSING TO BE CREATED

 **750 to 1,000 units per year**

MAIN POPULATION SERVED

 **Mixed income**

HOW WE'LL DO IT

 **Expand CalHFA multifamily products including gap financing and small loan program**

Note: CalHFA's mixed income program is subject to change through 2019.

CALIFORNIA HOUSING FINANCE AGENCY AND SENATE BILL 3

SB 3: Veterans and Affordable Housing Bond Act of 2018



This information is subject to passage of the Bond, which will be decided by California voters on **November 6, 2018**. A yes vote would authorize issuance of bonds in the amount of \$4 billion, which would increase financing for various existing housing programs.

DISTRIBUTION OF FUNDS

- **\$1 billion in funding for the Veterans Bond Act of 2008**, assisting California veterans in purchasing homes, farms and mobilehomes.
- **\$1.5 billion in funding for:**
 - Housing Rehabilitation Loan Fund
- **\$300 million in funding for each of:**
 - Regional Planning, Housing and Infill Incentive Account
 - Joe Serna Jr. Farmworker Housing Grant Fund
 - Affordable Housing Innovation Fund
 - HCD's CalHome Program
- **\$150 million in funding for each of:**
 - CalHFA Down Payment Assistance
 - Transit Oriented Development Fund

CALHFA'S SB 3 FUNDS



\$150 million
for down payment and/or
closing cost assistance

TO HELP



**20,000 first-time
homebuyers**
with low to moderate incomes

HOW IT WORKS



The funding will be added
to CalHFA's existing
MyHome Assistance
Program