

MOTION BY SUPERVISORS SHEILA KUEHL AND
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September 18, 2018

Support Proposition 1: Veterans and Affordable Housing Bond

In September 2017, the Legislature passed, and the Governor signed, SB 3 (Chapter 365, Statutes of 2017), enacting the Veterans and Affordable Housing Bond Act of 2018 and authoring the issuance of \$4.0 billion in general obligation bonds for affordable housing, subject to approval by the voters, in the November 6, 2018 election. That matter is now before the voters in the form of Proposition 1.

Proposition 1 would dedicate funding to build and preserve housing, including supportive housing, and provide homeowner assistance through a variety of existing State programs. Funding would be allocated to the following programs: 1) Multifamily Housing Program (\$1.5 billion); 2) Cal-Vet Farm and Home Loan Program (\$1.0 billion); 3) Infill Infrastructure Grant Financing (\$300.0 million); 4) Local Housing Trust Match Grant Program (\$300.0 million); 5) CalHome (\$300.0 million); 6) CalHFA Home Purchase Assistance (\$150.0 million); 7) Transit-Oriented Development Program (\$150.0 million); and 8) Joe Serna Jr. Farmworker Housing Grant Program (\$300.0 million).

According to a 2018 Statewide Housing Needs Report completed by the

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California Housing Partnership Corporation (CHPC), California has reduced its funding for the creation of housing from approximately \$1.8 billion in 2008 to slightly over \$300.0 million in 2017. CHPC also reports that there is a 1.5 million shortfall of affordable units for extremely-low and very-low income renter households across the state.

The Community Development Commission/Housing Authority of the County of Los Angeles (CDC/HACoLA) reports that many of the grant programs authorized by Proposition 1 would provide substantial leveraging for the affordable housing developer community and CDC/HACoLA's housing developments, as well as funding for first time homebuyers, housing rehabilitation, and transit oriented development programs. Specifically, the Multifamily Housing Program funding could provide additional capital for developers that want to leverage the County's Affordable Multifamily Rental Housing Notice of Funding Availability (NOFA). It could also potentially provide funding for CDC/HACoLA's existing Housing Improvement Program. CDC/HACoLA successfully obtained \$2.0 million from the previous Local Housing Trust Match Grant program in 2014 (out of an \$8 million statewide allocation). The Board of Supervisors' existing commitment to funding affordable housing could be significantly leveraged by additional funding for this program, if approved by voters. The CalHome Program could potentially expand CDC/HACoLA's existing first-time homebuyer program, and the Transit-Oriented Development Implementation Program could potentially assist several transit oriented development projects with affordable housing components with which CDC/HACoLA is currently involved.

WE, THEREFORE, MOVE that the Board of Supervisors take an official position in support of Proposition 1, which would create an important, and much needed, source

of funding to support the creation of affordable housing in California.