

TREASURER JOHN CHIANG'S AFFORDABLE HOUSING INITIATIVE

MORE HOMES FOR MORE CALIFORNIANS



THE PROBLEM:

Millions of Californians in all parts of the state can't secure safe, healthy and affordable rental homes. The Golden State is short an incredible 1.5 million units, and the deficit is worsening.

Current efforts are not meeting the burgeoning demand. They produce only about 7,000 new units a year.

NUMBER OF AFFORDABLE RENTAL HOMES CURRENTLY NEEDED IN CALIFORNIA:

1.5 MILLION

NUMBER OF AFFORDABLE RENTAL HOMES CURRENTLY PRODUCED EACH YEAR:

7,000

“ PERSISTENTLY HIGH COST OF HOUSING CONTRIBUTES TO A RELATIVELY WEAKER BUSINESS CLIMATE IN CALIFORNIA.”

STANDARD & POOR'S RATINGS SERVICES, FEB. 23, 2015

“ THE STATE'S HIGH HOUSING COSTS MAKE CALIFORNIA A LESS ATTRACTIVE PLACE TO CALL HOME, MAKING IT MORE DIFFICULT FOR COMPANIES TO HIRE AND RETAIN QUALIFIED EMPLOYEES.”

LEGISLATIVE ANALYST'S OFFICE, MARCH 17, 2015



“ OVERCROWDING AND POOR-QUALITY HOUSING HAVE A DIRECT RELATIONSHIP TO POOR MENTAL HEALTH, DEVELOPMENTAL DELAY, HEART DISEASE.”

HOME IS WHERE THE HARM IS: INADEQUATE HOUSING AS A PUBLIC HEALTH CRISIS, THE AMERICAN JOURNAL OF PUBLIC HEALTH, 2002



THE SOLUTION:

Step one of the Treasurer's Affordable Housing Initiative seeks to spur a significant annual jump in housing production – using available federal funds and not state taxpayer dollars.

How? California can access up to \$6.5 billion in available but under-utilized federal government resources. The money would help private and non-profit developers build high-quality housing with below-market rents that more people can afford.

THE TREASURER'S PLAN WILL:

ACCESS MORE MONEY



Take advantage of \$6.5 billion in available federal resources.

CUT RED TAPE



Eliminate bureaucracy and reduce construction costs.

PROTECT TAXPAYERS AND TENANTS



Ensure properties are well maintained for decades to come.

PRESERVE EXISTING HOUSING



Provide incentives to keep affordable housing affordable and not convert it to costly market-rate rentals.

MORE TO COME...

By freeing up to \$6.5 billion in idle federal resources, driving down construction costs, the Treasurer's plan is **AN IMPORTANT STEP** toward fixing California's housing crisis. But, it's only a beginning. **MUCH MORE NEEDS TO BE DONE.**



“THESE CHANGES CONSTITUTE THE MOST SIGNIFICANT CHANGES TO THE TAX CREDIT PROGRAM IN 15 YEARS.”

ALAN GREENLEE, EXECUTIVE DIRECTOR, SOUTHERN CALIFORNIA ASSOCIATION OF NON-PROFIT HOUSING

“WITH THE IMPLEMENTATION OF HIS ADMINISTRATION'S PROPOSED REGULATORY REFORMS, OUR COMPANY CAN IMMEDIATELY PRODUCE OVER 1,000 NEW AFFORDABLE HOMES THAT OTHERWISE WOULD NOT HAVE BEEN POSSIBLE, WHILE AT THE SAME TIME GENERATING JOBS, TAXES AND ECONOMIC ACTIVITY.”

CALEB ROOPE, CEO, THE PACIFIC COMPANIES, TOP FIVE BUILDER OF AFFORDABLE HOUSING IN CALIFORNIA

“THESE PROPOSALS WILL HELP US ADDRESS THE AFFORDABILITY CRISIS IN OUR STATE AND BENEFIT MANY LOWER-INCOME FAMILIES AND INDIVIDUALS”

MICHAEL LANE, POLICY DIRECTOR, NON-PROFIT HOUSING ASSOCIATION OF NORTHERN CALIFORNIA